

CO-OWNED HOUSING UNIT FAQ'S

WHAT DOES CO-OWNED HOUSING (FRACTIONAL) OWNERSHIP MEAN?

Co-Owned Housing Unit means a residential dwelling, managed by a Co-Owned Property Manager, and utilized for occupancy for dwelling, lodging or sleeping purposes by the owners or members of a Limited Liability Company, along with guests.

WHAT IS THE MAXIMUM NUMBER OF OWNERS FOR A CO-OWNED HOUSING UNIT?

The maximum number of Owners for a Co-Owned Housing Unit is up to ten (10) owners or ten (10) members of a Limited Liability Company that owns the dwelling unit.

HOW MUCH DOES A CO-OWNED HOUSING PERMIT COST?

The fee for a Co-Owned Housing Permit is \$1,374.00. This is an annual fee and must be renewed before the Permits Expiration Date.

WHAT IS THE MINIMUM PRICE ACCEPTABLE FOR A CO-OWNED HOUSING UNIT?

The Co-Owned Housing Unit must have a property purchase price greater than two (2) times of the then median housing price, measured at the date that the application for the Co-Owned Housing Unit is deemed complete. §5.92.020(c)

WHAT INSURANCE LIMITS ARE REQUIRED FOR A CO-OWNED HOUSING UNIT?

Insurance requirements for a Co-Owned Housing Unit are limit of a minimum of \$2,000,000 in General Liability and a Fire and Casualty policy with full replacement value of the property and the estimated value of the personal property in the Co-Housing Unit. §5.92.020 (i)

DOES A CO-OWNED HOUSING UNIT REQUIRE A PERMIT?

Yes, a Co-Owned Housing Unit requires a permit. The Co-Owned Housing Permit must be renewed annually. § 5.92.020

ARE THERE ANY NEIGHBORHOODS IN PALM SPRINGS WHERE CO-OWNED HOUSING UNITS ARE RESTRICTED?

Yes, a Co-Owned Housing Unit must be in a neighborhood that is under the VR Neighborhood Percentage Cap, as outlined in PSMC Chapter 5.25.

A Co-Owned Housing Unit must be farther than 500 feet of the outer property line of any other Co-Owned Housing Unit.

If the Co-Owned Housing Unit was previously Vacation Rental and the Vacation Rental Permit was revoked in the 24 months prior to the acquisition, the Co-Owned Housing Unit Application will be denied.

CO-OWNED HOUSING UNIT FAQ

ARE CO-OWNED HOUSING PROPERTY MANAGERS REQUIRED?

Yes, a Property Manager is required for all Co-Owned Housing Units. The Property Manager must have a Palm Springs Business License for Property Management and be in good standing.

The Property Manager must identify a Local Contact. The Property Manager must ensure that each Co-Owned Housing Unit managed by the Manager is governed by an Operating Agreement. At the written request of the Director, a copy shall be provided to the Director within three (3) calendar days.

The Co-Owned Property Manager must provide or contract for the provision of yard maintenance services, including landscaping, weed control, and irrigation. The Property Manager must provide or contract for the provision of routine upkeep, including painting and repair.

The Property Manager must require the Co-Owners and guests of the Co-Owned Housing Unit to adopt and adhere to the Good Neighbor Policy.

ARE LOCAL CONTACTS REQUIRED?

Yes, the Co-Owned Property must identify a local contact person, and provide their name, physical address, email address, and telephone number. The local contact person can be a property management company, real estate broker, or agent, lawyer or other individual that resides within 25 miles of the Co-Owned Housing Unit.

The local contact must be able by telephone or otherwise, twenty-four (24) hours per day. They also must be able to respond to telephone inquiries within one (1) hour of the receipt of the inquiry. The local contact must be authorized by the owner to take remedial action when responding to any violation of the PSMC or the Good Neighbor Policy. The local contact must be designated as the owner's agent for receiving all office communication from the City.

CAN YOU TURN A CO-OWNED HOUSING UNIT INTO A SHORT-TERM RENTAL OR HOMESHARE?

A Co-Owned Housing Unit shall not be used as a Vacation Rental or for Homesharing. §5.92.030 An affidavit will be signed will by the Property Manager and each individual owner agreeing and acknowledging that short-term rentals are prohibited.

ARE WEDDINGS OR COMMERCIAL EVENTS ALLOWED?

No weddings or commercial events shall be conducted at a Co-Owned Housing Unit §5.92.030

CAN SOMEONE STAY AT THE CO-OWNED HOUSING UNIT WITHOUT ONE OF THE CO-OWNERS THERE?

No Co-Owned Housing Unit shall be used by any guest(s) without a Co-Owner present.

HOW MANY "OWNERS / GUESTS" ARE ALLOWED AT ONE TIME?

The maximum number of occupants shall be no more than two (2) persons per bedroom within the Co-Owned Housing Unit, plus any children under the age of 12.

CO-OWNED HOUSING UNIT FAQ

WALK-UP TRASH SERVICES

Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the authorized collectors and between the hours of five a.m. and eight p.m. on scheduled trash collection days. The Owner of the Co-Owned Housing Unit shall use reasonably prudent property ownership/management practices to ensure compliance with all the provisions of [Chapter 6.04](#) of the Municipal Code (Waste Disposal and Diversion) and shall provide “walk-in service”.

CAN MUSIC BE PLAYED OUTSIDE OF THE CO-OWNED HOUSING UNIT?

Any radio receiver, musical instrument, phonograph, loudspeaker, sound amplifier, or any machine or device for the producing or reproducing of any sound shall be conducted within a fully enclosed Co-Owned Housing Unit.

WHAT IS REQUIRED TO APPLY FOR A CO-OWNED HOUSING PERMIT? (NEW APPLICATIONS & RENEWAL APPLICATIONS)

The Property Manager and all Co-Owned Housing Unit Owners will submit the following items: Co-Owned Housing Unit Permit Application, a Good Neighbor Affidavit, Operational Standards Affidavit, Safety Inspection Form, Proof of Insurance (GL and Property), Copy of each Owner’s Driver’s License, Proof of Home Sale Purchase Price, Proof of Neighborhood Cap Percentage, Articles of Organization, Operating Agreement, File Stamped Grant Deed, and a copy of the Property Manager’s Business License.

HOW CAN I SUBMIT AN APPLICATION?

Your application and all supporting documents can be uploaded online via the Customer Service Portal ([HTTP://PALMSPRINGSCA.GOV/CSS](http://PALMSPRINGSCA.GOV/CSS)) and notarized copies can be mailed in. Once the application has been received and reviewed an Invoice for the Permit will be emailed to you and can be paid online via the Customer Service Portal.

WHAT IS AN OPERATIONAL AUDIT?

An Operational Audit is an inspection that verifies that the Property Manager, Local Contact, Co-Owners and their guests have adhered to the Operational Standards & Good Neighbor Policy. The fee for this Annual Inspection / Audit is covered in the permit processing fee. \$5.92.030

WHAT IS A GOOD NEIGHBOR POLICY?

A Good Neighbor Policy is a binding agreement that the Property Manager and all the Co-Owned Housing Unit Owners will adhere to. This policy will include the following items: Noise, Parking, Walk-In Trash Service, Occupancy Limits, Home Repairs, Maintenance and Legal Compliance. \$5.92.020

IF THERE ARE ANY CHANGES, WHAT SHOULD I DO?

Any changes in the Property Management, Local Contact, and change in Ownership must be reported to the City within three (3) days. You can submit your changes using the Co-Owned Housing Change Form. A change in Ownership will require all new supporting documents. An Invoice will be emailed and can be paid via the Customer Service Online Portal. ([HTTP://PALMSPRINGSCA.GOV/CSS](http://PALMSPRINGSCA.GOV/CSS))

CO-OWNED HOUSING UNIT FAQ

WHAT ARE VIOLATIONS AND WHAT IS THE RESULT OF THE VIOLATIONS?

A Violation is when a person violates the City Regulations. These violations can be subject to criminal sanctions and administrative penalties Multiple violations can lead to the Co-Owned Housing Unit permit to be revoked. §5.92.050

If you have any further questions, you can contact the Special Program Compliance Department at:

(760) 322-8359 or via email at Co-OwnedHousing@PalmSpringsCA.gov