Q1. What is a Short-Term Rental and what are the other key terms associated with Short-Term Rentals?

- **Short-Term Rental (STR)** is the rental of a residential unit for a period of thirty (30) consecutive calendar days or less, subject to all applicable city land use regulations, permit/licensing requirements, and payment of fees and/or taxes, including transient occupancy tax as defined in Chapter 3.20 of the Carpinteria Municipal Code (CMC). Tents, yurts and RVs are not allowed as a part of any short-term rental. Short-term rentals include both vacation rentals and home stays:
  - **Vacation Rental (VR)** - A type of STR where the owner of the residential unit does not remain in the residential unit during the entire rental period. VRs typically include the rental of an entire dwelling or premises. For the purposes of the CMC, a VR does not include time shares, home stays or home exchanges
  - **Home Stay (HS)** - A type of STR where the owner remains in the residential unit during the overnight portions of the rental period. A home stay does not include the hosting of personal guests, home exchanges or vacation rentals

- **Residential Unit** - A building or portion thereof designed for or occupied in whole or in part, as a home, residency, or sleeping place, either permanently or temporarily, and containing not more than one kitchen per residential unit, but not including a hotel or boarding house, lodging house or motel. For the purposes of the CMC, residential unit includes the term dwelling unit and housing unit. See also CMC section 14.08.190 "Dwelling"

Q2. Where are Short-Term Rentals allowed in Carpinteria?

- **Home Stays** are allowed in residential zones throughout the city
- **Vacation Rentals** are allowed in an area the city has designated as the Vacation Rental Overlay District (VROD):
  - An overlay district is a special zoning district placed over an existing base zone(s). It identifies special provisions in addition to those in the underlying base zone
  - The Vacation Rental Overlay District (VROD):
    - Establishes vacation rentals (VR) as a permitted use in the VROD
- Specifies that VRs are only allowed in the VROD (see temporary exception below)

- Provides opportunities for residential units to be used as vacation rentals, as defined by Section 14.08, provided they obtain a license to operate

  - The intent of the VROD is to provide adequate transient occupancy uses in areas serving the beach and downtown and to ensure that such uses are appropriately integrated with residential and commercial needs of the community

  - Temporary Exception: There are a small number of licensed VRs that existed outside of the VROD area before the city adopted its new STR ordinance. Owners who applied before the city's deadline were issued new licenses, and may continue to operate until 2022, provided they follow all of the rules for VRs, including renewing annually. After 2022, VRs will only be allowed in the VROD

- Vacation rentals located in commercial zones that allow hotels, motels, bed and breakfasts, etc., are considered lodging facilities and require permits

Q3. Is there a cap on the number of STRs allowed in Carpinteria?

- There is a cap for vacation rentals. The VROD is divided into four areas. Each area has an annual cap for VR licenses. See the map below:

![Vacation Rental Overlay District Map](image)

- There is currently no cap on the number of Home Stay licenses

Q4. How many STR licenses will the city issue each year?
• The city will issue up to 218 VR licenses in the Vacation Rental Overlay District (VROD). The city has also issued a small number of licenses outside the VROD to owners who previously held licenses to operate STRs. These will permanently expire June 30, 2022.
• There is currently no cap on the number of HS licenses the city will issue.

Q5. Why are the numbers of vacation rentals restricted?
• Restricting the number of vacation rentals allows the city to balance preserving the availability of long-term rental housing and affordable housing for the local workforce with promoting appropriate opportunities for visitor-serving accommodations in the Coastal Zone.

Q6. What do I need to do to operate a Vacation Rental (Owner Off Premises)?
• The property owner must apply for and obtain a license from the City of Carpinteria. Applications are available on the city’s website or at the city offices.
  o To qualify for a Vacation Rental:
    ▪ Owners must be within the VROD with licenses available
    ▪ Must live within 30 miles of the proposed VR or have a property manager who resides within 30 miles who may respond to emergencies
    ▪ Must affirm that there are no code violations on the property
    ▪ Must affirm and provide proof of insurance (owner name and property address on the insurance)
  o To operate a Vacation Rental:
    ▪ Owners or their agents must post the property inside and out with notices that the city provides. The required information is as follows:

<table>
<thead>
<tr>
<th>Posting Location</th>
<th>Information to be Posted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside wall near the entrance to the vacation rental</td>
<td>The property owner or property manager contact information (CMC §14.47.080g.)</td>
</tr>
<tr>
<td>Interior of the front door of the vacation rental</td>
<td>The vacation rental license number, TOT rate, property owner or property manager contact information, maximum rental occupancy, maximum number of vehicles allowed to park (CMC §14.47.080h.)</td>
</tr>
<tr>
<td>Interior of the front door of the vacation rental</td>
<td>A copy of the VR license (white with border) (CMC §14.47.080i.)</td>
</tr>
<tr>
<td>Conspicuous location (e.g., near waste bins and/or interior of front door)</td>
<td>Waste collection schedule and information about recycling and green waste separation and disposal (CMC §14.47.080d.)</td>
</tr>
</tbody>
</table>

• The owners or their agents must remit Transient Occupancy Tax (TOT) forms (available on the city’s website) every quarter whether or not TOT was collected. TOT remittances are due as follows:

<p>| City of Carpinteria | TOT Remittance |</p>
<table>
<thead>
<tr>
<th>Fiscal Year Quarters</th>
<th>Due No Later Than</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1 – September 30</td>
<td>October 31</td>
</tr>
<tr>
<td>October 1 – December 30</td>
<td>January 31</td>
</tr>
<tr>
<td>January 1 – March 31</td>
<td>April 30</td>
</tr>
<tr>
<td>April 1 – June 30</td>
<td>July 31</td>
</tr>
</tbody>
</table>

- Vacation rental agreements must include the following:
  - Waste collection schedule, information about recycling, green waste separation and disposal
  - Maximum occupancy
  - Maximum number of vehicles allowed and designated parking location(s)
- Occupants of the vacation rental are prohibited from creating unreasonable noise or disturbances, engaging in disorderly conduct or violating provisions of state or local law
- Waste Collection
  - The unit must contain adequate waste collection facilities available at all times
  - Waste bins and refuse shall not be in public view, except in proper containers on collection days
  - Waste collection schedule and information about recycling and green waste separation and disposal shall be posted and included in rental agreement
- The owner must maintain:
  - An active VR license and any other applicable licenses and permits
  - An active TOT certificate
  - Quarterly TOT remittances, including quarters when no tax is collected
  - Adequate and appropriate insurance
  - Compliance with all fire codes and building and safety codes
  - Compliance with all relevant federal, state and local laws and ordinances
- No Home Occupation(s) may be conducted at the VR location

Q7. Can VRs be used for events such as weddings?
- No, VR units may not be rented or used for events, e.g., weddings, commercial events, sales events, etc. (CMC §14.47.080e.)

Q8. What do I need to do to operate a Home Stay (Owner On Premises)?
- The property owner must apply for and obtain a license from the City of Carpinteria. Applications are available on the city’s website or at the city offices.
  - To qualify for a Home Stay:
    - The owner must reside at the property
    - The property must be in a residential zone
  - To operate a Home Stay:
- Owners must post the property inside the premises when short-term renters are present with notices that the city provides. The required information is as follows:

<table>
<thead>
<tr>
<th>Posting Location</th>
<th>Information to be Posted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interior of the front door of the home stay</td>
<td>The home stay license number, TOT rate, maximum rental occupancy of four, maximum of one vehicle allowed to park (CMC §14.52)</td>
</tr>
<tr>
<td>Interior of any bedroom rented as part of the home stay</td>
<td>A copy of the VR license (white with border) (CMC §14.52)</td>
</tr>
</tbody>
</table>

- The owners must remit **Transient Occupancy Tax (TOT)** forms (available on the city’s website) every quarter whether or not TOT was collected. TOT remittances are due as follows:

<table>
<thead>
<tr>
<th>City of Carpinteria Fiscal Year Quarters</th>
<th>TOT Remittance Due No Later Than</th>
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</tr>
<tr>
<td>April 1 – June 30</td>
<td>July 31</td>
</tr>
</tbody>
</table>

- Home stay rental agreements must include the following:
  - Maximum occupancy of four short-term renters
  - Maximum of one vehicle allowed in designated parking location
- Occupants of the vacation rental are prohibited from creating unreasonable noise or disturbances, engaging in disorderly conduct or violating provisions of state or local law
- The owner must maintain:
  - An active HS license and any other applicable licenses and permits
  - An active TOT certificate
  - Quarterly TOT remittances, including quarters when no tax is collected

**Q9. How much does the license cost?**
- $315 for the initial license; $105 for annual renewals

**Q10. Where do I get an application?**
- Applications are available on the city’s website and at the city offices

**Q11. What is the City of Carpinteria’s current Transient Occupancy Tax (TOT) rate?**
- 12%

**Q12. How and when do I submit TOT?**
The owners or their agents must remit Transient Occupancy Tax (TOT) forms (available on the city’s website) every quarter whether or not TOT was collected. TOT remittances are due as follows:

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<th>TOT Remittance Due No Later Than</th>
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</tr>
</tbody>
</table>

Q13. I have a license, but I did not rent this quarter. Do I still submit Transient Occupancy Tax forms?

- Yes, you must submit a TOT remittance form every quarter whether you collected TOT or not. In approving a limited number of Vacation Rental licenses, the Carpinteria City Council recognized the importance of providing vacation rentals in the city’s coastal area. Because the number of licenses is limited, the city would like to issue licenses to owners who are actively interested in renting their properties to vacationers. If you do not pay any TOT for 24 consecutive months, your license will not be renewed.

Q14. Under what circumstances can an owner be denied renewal of their VR or HS license?

- The following are grounds for denial of renewal for a Vacation Rental:
  - The vacation rental license has been revoked w/in the previous 24 mos.
  - There is an active Municipal Code violation on the premises or unit
  - A citation for a violation of the Municipal Code was issued w/in the previous 12 mos.
  - Non-payment of business license fees
  - Non-remittance of TOT remittance forms for each quarter
  - Non-remittance of TOT tax for 24 consecutive mos. (Note: non-remittance of TOT for 24 consecutive mos. or more shall deem the VR license automatically expired)

Q15. Are there any rules about advertising STRs?

- Yes:
  - Availability of vacation rental or home stay MAY NOT be advertised on the premises
  - Advertisements for STRs must include the following:
    - VR or HS license number
    - The current Transient Occupancy Tax (TOT) Rate which applies to the vacation rental

Q16. Are licenses transferable if the property changes hands?

- No, the VR or HS license is issued to the owner and is non-transferable; the VR or HS license will automatically expire upon sale or transfer of the premises or unit
Q17. For apartments, is it one vacation rental license per property or one license per unit?

- Apartment complexes are multi-unit complexes with a single Assessor Parcel Number (APN). If the owner wishes to have vacation rentals in the apartment complex, each unit must have its own license. Home stays may not be issued in apartment complexes unless the owner of the complex lives on site and is renting a portion of their personal apartment.

Q18. Can I rent longer than 30 days (long-term rental) if I have a Vacation Rental license?

- Yes, but you must still submit Transient Occupancy Tax (TOT) remittance forms quarterly while you have a Vacation Rental license even if you do not collect any TOT. If you do not submit any TOT for 24 consecutive months, your Vacation Rental license will not renew.

Q19. If I only rent longer than 30 days (e.g., full-month rentals over the summer) do I need a Vacation Rental license?

- No

Q20. How do I find out if my neighbor has a license to operate an STR?

- The city has posted a list of licensed VR and HS properties along with contact information for those STRs on the city’s website. You may also call the city offices and ask community development staff. In addition, if the owner has a VR license, the property should be posted on the exterior with a notice similar to the following; Home Stays are not required to be posted on the exterior.

![Notice](image)

Q21. What do I do if a short-term renter is creating a nuisance?

- Contact the property manager for the property. For vacation rentals, the contact information for this person is listed on the notice posted on the exterior of the unit; for home stays, the contact person is the owner who is required to be on-site during overnight portions of the rental period. This information is also available on the city’s website. If you cannot reach this person, or the nuisance is not resolved, you may contact the city and report the issue to community development staff.

Q22. What do I do if I suspect my neighbor is operating an STR without a license?
• Check the city’s website to see if a VR or HS license has been issued. You may also contact the city community development staff who can look up the property. If a VR license has been issued, the property should be posted with a notice similar to the following, no smaller than a business-sized envelope. Home Stays do not need to be posted on the exterior.

![Notice](image)

Q23. Is there a penalty for renting without a license?

• Yes, renting without a license is a violation of city code. Owners may be subject to fines and back TOT payments.

Q24. Can a VR or HS license be revoked?

• Yes, a license for either a VR or a HS may be revoked in the case of:
  o Fraud, misrepresentation or false statement on the application or made in the course of carrying on a vacation rental
  o Any violation of the provisions of Chapter 14.47, any other provision of the CMC, or of federal, state or local laws.

Q25. Why is the City of Carpinteria allowing vacation rentals?

• When the City Council initiated the amendment to the CMC to pertaining to STR use (Ordinance 708 approved April 2017, effective July 2017), they noted the following:
  o A growing number of residential units were being converted to STRs throughout the city
  o STRs were having negative impacts on the quality and character of residential neighborhoods
  o STRs were having negative impacts on the availability of affordable housing
  o Protecting the city’s housing stock for long-term residency is important to local workforce housing supporting the city’s economy
  o At the same time, STRs serve as an important lodging resource by:
    ▪ Providing an expandable lodging inventory
    ▪ Contributing to growth in the retail and restaurant business sector of the local economy and associated tax revenues
  o The STR ordinance reflects a balance between preserving the availability of long-term rental housing and for the local workforce and promoting appropriate opportunities for visitor-serving accommodations in the Coastal Zone.