

ON JUNE 5, 2018, THE RESIDENTS OF THE CITY OF PALM SPRINGS WILL VOTE ON MEASURE C, A BALLOT INITIATIVE WHICH ASKS RESIDENTS TO DECIDE WHETHER OR NOT VACATION RENTALS OF SINGLE-FAMILY RESIDENCES IN SINGLE-FAMILY RESIDENTIAL ZONES SHOULD BE BANNED.



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## **THE CURRENT VACATION RENTAL ORDINANCE:** *(adopted April, 2017)*

- Limits and regulates how many times a property may be rented
- Limits Vacation Rentals to one per property owner
- Resulted in 40% fewer calls to the Vacation Rental Hotline regarding noise and other complaints related to registered properties
- Resulted in 90% fewer calls to police regarding registered properties
- Resulted in more than 75 “problem houses” being shut down and removed from the rental market
- Resulted in a 10% decrease in the number of Vacation Rental Permits due to strict regulations and better enforcement

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## **POTENTIAL EFFECTS OF MEASURE C:**

- Measure C’s passing would eliminate almost 4/5 of the permit fees currently collected by the city for all registered vacation rental properties. This will effectively defund the Department of Vacation Rental Compliance and shut down the Vacation Rental Hotline.
- If the Department is shut down, the responsibility for responding to complaints would fall to the Palm Springs Police Department, potentially diverting its officers from responding to more vital police calls.
- A 2018 City-commissioned economic impact study and City staff analysis estimated the negative economic impact on the City from the loss of vacation rentals that Measure C would cause to be \$10.5 million dollars per year. The majority of that money would be visitor-paid transient occupancy tax revenue. This loss of this City revenue would necessarily impact essential City programs and services.
- The study also concluded that the ban could impact the local economy with up to \$190 million in lost revenue to local businesses.
- The Agua Caliente Band of Cahuilla Indians has objected – in writing – to Measure C, which would potentially impact thousands of homes located on Tribal allotted trust land. As a sovereign nation, the Tribe is not legally required to conform to City regulations, and could choose to allow vacation rentals without restriction, no longer overseen by the City of Palm Springs.
- Measure C contains internally contradictory provisions, and would create regulatory and enforcement problems for the City.