

Palm Springs short-term vacation rental data: New report shows density, citations, complaints

James B. CutchinPaul Albani-Burgio

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Palm Springs has released a new study with a slew of data on short-term vacation rentals in the city.

The report includes some of the most comprehensive statistics on total vacation rental numbers, the density of vacation rentals by neighborhood, complaint calls and more compiled by the city to date. It was released on Thursday ahead of a city council study session about vacation rentals that will be held on Tuesday.

Vacation rentals have become an increasing source of controversy in Palm Springs and other tourism-heavy cities with proponents arguing they allow homeowners to generate income and bring in tax revenue for cities, while opponents decry negative impacts they can have on the already strained housing supply and neighbors' quality of life.

Vacation rentals make up 6.6% of housing stock

Palm Springs, which has long been the Coachella Valley's largest short-term rental market, had just under 2,300 registered vacation rentals and home shares at the end of last year, according to the report, comprising 6.6% of the city's total housing stock.

Of those 2,220 are vacation rentals and 68 are homeshares. The city defines a homeshare as a situation where an owner is hosting guest stays of 28 consecutive days or less and is present during the entire stay.

The 6.6% figure is higher than other desert cities such as La Quinta, which had roughly 1,150 vacation rentals representing just under 5% of the city's housing stock as of mid-March, according to a Desert Sun analysis of city and U.S. Census Bureau data. It is lower, however, than other markets such as Idyllwild, which saw registered vacation rentals comprising nearly 9% of total housing stock last fall.

Some residents in that mountain community have complained about the number of short-term rentals there and requested density limits, although such rules were not included in a slate of new short-term rental rules proposed by Riverside County earlier this month.

The City of San Diego recently approved a cap on vacation rentals at 1% of housing stock in most areas set to go into effect later this year, although the tourist-heavy Mission Beach area will have a much higher cap at 30% of total housing stock.

The total number of vacation rentals in Palm Springs has increased by just over 7% since the city adopted its current ordinance governing the rentals in 2017, adding a net 153 rentals over five years, according to the Palm Springs report.

The report also contains estimates on the number of stays per property, reflected in the rental "contract summary" reports that vacation rental owners are required to submit to the city. It notes that the numbers are not exact due to errors in submitted data.

In total, Palm Springs vacation rentals were rented roughly 47,000 times in 2021, according to the report. The average number of bookings per property per year was just under 19, according to the report, with an average stay of 5 days.

The report notes a relatively small difference between the average number of bookings for owner-operated short-term rentals and rentals operated by agencies, with agency-operated rentals logging about 0.3 more bookings per year on average than those directly operated by their owners.

Rentals account for 30% of households in some neighborhoods

In addition to the citywide data, the report also presents information about how many registered vacation rentals there are in each of the city's official neighborhoods and what percentage of homes in those neighborhoods are vacation rentals.

The report shows that while vacation rentals are fairly dispersed throughout the city, they are particularly concentrated in certain neighborhoods. However, those neighborhoods are also fairly well-dispersed, although the highest concentration of rentals is in neighborhoods between the airport and Indian Canyon Drive.

The city leader in both the overall number of vacation rentals and the percentage of households that are registered for use as a vacation rental is the Racquet Club Estates with 198 vacation rentals accounting for nearly 37% of that neighborhood's households.

The Movie Colony East, Tahquitz River Estates, Sunrise Park, Desert Park Estates, Twin Palms and Gene Autry neighborhoods all have at least 90 vacation rentals, with at least 15% of households in the neighborhood being vacation rentals. Five neighborhoods, which together have a population of 2,475 residents, have zero registered vacation rentals.

Those neighborhoods include the Mountain Gate and Palm Springs Villas 2 gate communities on the north side of the city and the Escena neighborhood near the Escena Golf Club.

Nuisance calls and citations down in 2021

Also contained in the report is data about the number of nuisance calls received to the city's vacation rental hotline. The report states that the city saw around 700 nuisance calls annually from 2017 to 2019. However, the number of complaints rose by about 40% in 2020 to 991 before decreasing to 576 in 2021.

A breakdown of nuisance calls by day of the week shows that the majority of calls happen on weekends, with about 37% occurring on Saturdays and just under 21% on Friday nights. About 40% of the calls occur between 6 p.m. and midnight while another 37% come between noon and 6 p.m. About 30% of the calls occur between noon and midnight on Saturdays.

Another trend detailed in the report is that vacation rental citations dropped after the first two years after the ordinance was put into effect. In 2017, 290 citations were issued while 425 were issued in 2018. The number of citations issued then decreased to 184 in 2019 before increasing to 246 in 2020 and 190 in 2021.

Over half of the citations issued were for musical audible at the property line, with the next most commonly cited violation being for operating without a permit.

Council will hold study session Tuesday

The purpose of Tuesday's meeting is to review the city's regulations around vacation rentals and consider possible changes, although no action can be taken at study sessions. That review is one of several priorities the council committed to undertaking this year.

The city's vacation rental ordinance was last updated in 2017. Among the new rules were that residents could only operate one vacation rental, although the right to operate multiple vacation rental homes was grandfathered in for those who already did so.

The updated ordinance also established new procedures for investigating disturbances at vacation rentals and required training for vacation home operators.

The City Council will hold the special study session on the vacation rentals on Tuesday, at 5:30 p.m. It can be viewed on the city's YouTube page at bit.ly/PStelelevision.

To read the report, visit bit.ly/STRreportPS.

James B. Cutchin covers business in the Coachella Valley. Reach him at james.cutchin@desertsun.com.

Paul Albani-Burgio covers breaking news and the City of Palm Springs. Follow him on Twitter at [@albaniburgio](https://twitter.com/albaniburgio) and via email at paul.albani-burgio@desertsun.com.