



City of Carmel-by-the-Sea Community Planning and Building Department

Transient Rentals in the Commercial District

Are transient rentals permitted in the City of Carmel-by-the-Sea?

Transient rentals are defined as being rented for a period of time less than 30 days (CMC 17.70.020). Transient rentals are prohibited in the Single-Family. However, the Zoning Code is silent on transient rentals in the Commercial Zoning and Multi-Family Zoning Districts and the City has determined that they are not prohibited. Of important note is that a number of multi-family buildings have use permits with conditions that prohibit transient rentals. We advise that you check the status of your use permit before you apply for a transient rental permit.

How do I obtain a permit for a transient rental in the Commercial or Multi-Family Districts?

An application for a business license must be submitted to the City in order to convert an apartment or dwelling unit into a transient rental. The City will issue a "Transient Occupancy Registration Certificate" to the operator, following approval of the business license. Transient rentals are subject to the Transient Occupancy Tax rate of 10% of the rent charged by the operator. Operators shall report on total rent received, and remit the taxes collected to the City on a bi-monthly basis. You may refer to City Municipal Code Chapter 3.32 for additional information on the tax rate and reporting process.

What are the building code requirements for a transient rental?

A building that contains 2 or more units, in which any of the units is being used as a transient rental, is defined by the California Building Code as a Hotel/Motel (R-1 occupancy). The California Building Code, in some ways, has differing requirements for apartment units (R-2 occupancy) where occupants are relatively permanent in nature, and hotels/motels (R-1 occupancy) where occupants are transient, residing in the unit for a short period of time. Converting an existing apartment building/unit to a transient rental unit often results in triggering a number of building code related changes due to this change in occupancy classification. The following list describes some of the general areas where building modifications may be required due to the change in occupancy classification from an apartment use to hotel/motel use.

- Installation of single or multiple station smoke alarms and CO alarms
- Installation of fire sprinkler protection with occupant notification
- Installation of mobility features (required for at least 1 guest unit per 25 units provided), including:
 - o Accessible toilet and shower room facilities including accessible fixtures, grab bars, and accessories
 - o Accessible doorway widths, thresholds, door swing, and door hardware
 - o Accessible counter heights
 - o Accessible route to and throughout the accessible unit
 - o Accessible sleeping areas including wheel chair turning space
 - o Accessible kitchen/kitchenette facilities (when provided)
 - o Accessible stairways including tread striping and handrails

For more information on specific code requirements related to a specific conversion project, consult a State licensed architect. For general information on the business license or Building Code requirements, contact the Community Planning and Building Department at (831) 620-2010.