From: Richard Cannone
To: ckropfl@gmail.com

Cc: Rosie Lua; Jason Finley; Lorena Ritchey

Subject: RE: Monterey Country Club - Den and Bedroom Definition

Date: Tuesday, March 5, 2024 1:53:00 PM

Attachments: <u>image001.png</u>

image002.png image003.png

Ms. Kropfl:

Good afternoon. Lorena forwarded me your email below and I wanted to clarify the following:

- Advertising number of bedrooms The city does not regulate advertisements on private transactions.
- 2. The room adjacent to the atrium The room attached to the atrium does not meet the definition of a bedroom because it cannot meet the emergency egress and rescue openings per the California Building Code.
- 3. Using the Living Room as a Bedroom For purposes of the short-term rental regulations, I have interpreted bedroom to mean a private room intended for sleeping that is separated from other rooms by a door, having at least one window that meets the egress/rescue requirements, has a closet/storage area, and is accessible to a bathroom without crossing into another bedroom. This is based in part on the city's ordinance allowing for on-site and off-site owners. On-site means they are present and must stay at the property and the intent would be that a guest would have a private room. If you wish to convert your living room to a bedroom, Jason can assist with what permits would be needed.

Please let us know if you have any additional questions.

Best regards, Richard

From: Lorena Ritchey < lritchey@palmdesert.gov>

Sent: Monday, March 4, 2024 2:58 PM

To: Richard Cannone < rcannone@palmdesert.gov>

Cc: Rosie Lua <rlua@palmdesert.gov>; Jason Finley <jfinley@palmdesert.gov>

Subject: Monterey Country Club - Den and Bedroom Definition

Heads up and I believe you were working on a response to letter to this owner. She has reached out again with questions, and would like some answers.

Lorena Ritchey, CCEO

Management Analyst
City of Palm Desert



73510 Fred Waring Drive, Palm Desert, CA 92260 lritchey@palmdesert.gov | 760.776.6477 | www.palmdesert.gov

From: Carrie Kropfl < ckropfl@gmail.com >
Sent: Monday, March 4, 2024 2:19 PM
To: Jason Finley < ifinley@palmdesert.gov >
Cc: Lorena Ritchey < lritchey@palmdesert.gov >

Subject: Re: Short-Term Rental Permit 239 Serena Dr, Palm Desert - Bedroom Definition STR2022-0020

Hi Jason and Lorena,

I contacted the HOA at Monterey CC and the Monterey CC onsite leasing and sales office last week. They have been handing out floor plans for our unit (the Alhambra unit) that show it as a three bedroom (the room attached to the atrium as "bedroom #2). The onsite leasing and sales office is also advertising these properties as a three bedroom "for sale or lease" (season and long-term leases). Are STR owners the only people that are not allowed to use and/or advertise their properties as 3 bedrooms?

Jason, you had mentioned a couple of weeks ago (when we met you in person) that you have been dealing with this issue with Monterey CC for the past decade and that they are fully aware that these are not legally three bedrooms. Can you forward the communication that you have had with them about this?

We appreciate your help.

Sincerely,

Carrie Kropfl **949-554-4448**

----- Forwarded message -----

From: Jason Finley < ifinley@palmdesert.gov>

Date: Tue, Feb 27, 2024 at 4:22 PM

Subject: RE: Short-Term Rental Permit 239 Serena Dr, Palm Desert - Bedroom Definition STR2022-0020

To: Carrie Kropfl ckropfl@gmail.com, Lorena Ritchey lritchey@palmdesert.gov>

Thank you for your email and information. I apologize for the delay; we are working through correspondence and meetings. I hope this email will suffice and put into writing the Building and Safety Division's position rather than a phone call.

First, let me address a common question in the Short-Term Rental program "Why the change in my permit?" The answer is that when this program was created, it was presumed to address all the requirements. As the program was evaluated, staff observed the need to address and review what applicants were designating as bedrooms. This evaluation came from discovering that many applicants

were using areas that were either unpermitted or not qualified to be used as bedrooms (sleeping rooms). As with any program, a shift occurred to examine what areas were used, resulting in some permits being revoked or modified.

The red-outlined questions:

1. ATTACHED ARE THE TWO FLOOR PLANS THAT MONTEREY CC HOA PROVIDED ME WHEN I ASKED FOR THE ORIGINAL FLOOR PLANS FOR MY UNIT. BASED ON THESE FLOOR PLANS, MY UNIT IS WHAT THEY CALL THE "ALAHAMBRA PLAN" WHICH WAS BUILT AS A THREE BEDROOM (DUE TO THE CLOSET IN THE 3RD BEDROOM, LOCATION OF THE LINEN CLOSET IN THE HALL AND LOCATION OF THE CLOSET IN THE 2ND BEDROOM). NOTHING HAS BEEN CHANGED IN OUR CONDO. IT MATCHES THE ALAHAMBRA FLOOR PLAN EXACTLY.

The information you have attached is not the construction plans but marketing materials used by the Monterey Country Club HOA. I've attached an approved City permitted floor plan to your unit from our archives that labeled this room as a den. Also attached is a letter between the developer and our former Chief Building Official (1981) about the concern about using the den as a bedroom. Similarly, a correspondence inquiry was made by an outside agency building official to support this area as a den.

The California Building Codes still require this level of emergency egress and rescue, and we are not applying new standards to the Short-Term Rental Program.

2. WHEN I LOOK UP THE CALIFORNIA BUILDING CODE DEFINITION OF A "HABITABLE ROOM" IT STATES: "HABITABLE ROOMS USED FOR SLEEPING SHALL HAVE NATURAL LIGHT BY MEANS OF AT LEAST ONE EXTERIOR WINDOW THAT, IF IT CAN BE OPENED, HAS SCREENING WITH A TIGHT FITTING FRAME. NATURAL VENTILATION SHALL BE PROVIDED BY EXTERIOR OPENINGS THAT CAN BE OPENED, OR IN LIEU OF EXTERIOR OPENINGS A MECHANICAL VENTILATING SYSTEM. "

The California Building and the California Residential Code define habitable spaces as "A space in a building for living, sleeping, eating, or cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces, and similar areas are not considered habitable spaces.

Light and ventilation are required for these spaces and can be achieved in several ways.

3. IN ADDITION A "HABITABLE ROOM" IS DEFINED AS "A SPACE FOR LIVING, SLEEPING, EATING OR COOKING"

The code's intent in defining rooms is to apply certain code requirements to specific spaces. When a room is labeled for use as a sleeping room, the emergency egress and rescue aspect of the code is applied. If a room is labeled as a den, office, theater, or media room, these egress and rescue standards are not required.

4. BASED ON THIS CODE, WE CAN SLEEP PEOPLE IN HABITABLE ROOMS. OUR LIVING ROOM AND THIS 3RD BEDROOM ARE HABITABLE ROOMS. SO, IF WE CALL OUR THIRD BEDROOM A "DEN, OFFICE, MEDIA ROOM OR BONUS ROOM" THEN WE CAN SLEEP PEOPLE IN IT AND WE CAN SLEEP PEOPLE IN THE LIVING ROOM. WHICH MEANS OUR CONDO CAN SLEEP 8 PEOPLE (PER YOUR RULE OF 2 PEOPLE PER ROOM).

The answer is you cannot sleep people in a habitable room alone. A habitable room used for

sleeping purposes requires emergency egress and rescue openings. Where people fall asleep in their own homes is an uncontrollable occurrence. As Chief Building Official, I must apply the code as it states, and deviating from this could put the occupants in jeopardy and the City liable. As I stated at our counter, a front room or living room meets the building code definition of a habitable space. If emergency egress and rescue requirements are achieved, the building code is silent on whether you can sleep there or not. I did say this would come to a Short-Term Rental Program policy decision if these areas (front rooms, living rooms, and similar spaces) would be allowed. That discussion resulted in researching other programs that conclusively excluded front rooms, living rooms, and similar spaces. The City decided to align with other jurisdictions' definitions and not allow it to be counted toward the program.

5. ALSO, I HAVE A QUESTION REGARDING BABIES AND TODDLERS WHO SLEEP IN CRIBS AND PACK-N-PLAYS (WE HAVE BOTH). MOST PARENTS WILL HAVE THEIR KIDS SLEEP IN THE ROOM WITH THEM. A LOT OF OUR GUESTS ARE GRANDPARENTS, PARENTS AND THEIR CHILDREN. WE HAVE A LOT OF PEOPLE WITH BABIES AND TODDLERS. SO HOW DO WE ACCOUNT FOR BABIES AND TODDLERS? NOW, UNDER YOUR RULE - THESE PEOPLE WILL NOT RENT OUR SPACE (A 2 BEDROOM THAT SLEEPS 4). WHEN THESE GUESTS GO TO SEARCH ON AIRBNB FOR A PLACE THAT CAN ACCOMODATE 6 PEOPLE, OUR LISTING WILL NOT SHOW UP. THIS IS A LARGE PORTION OF OUR GUESTS.

The current Short-Term Rental Ordinance Section 5.10.090(G) Maximum Number of Occupants does not address the inquiry about families with young children. It strictly states the maximum number of overnight guests and residents for a short-term rental unit shall not exceed two persons per bedroom. We are discussing with the Director of Development Services to consider amending this ordinance section to include minors.

By providing these documents and responses from our archives, I hope this settles the emergency egress and rescue requirements for Monterey Country Club. Thank you.



Jason Finley

Chief Building Official

City of Palm Desert

73510 Fred Waring Drive, Palm Desert, CA 92260

ifinley@palmdesert.gov|760.776.6420| www.palmdesert.gov

The City Wants Your Feedback on Active Transportation!



From: Carrie Kropfl < ckropfl@gmail.com Sent: Tuesday, February 27, 2024 9:26 AM **To:** Lorena Ritchey < lritchey@palmdesert.gov Cc: Jason Finley < lritchey@palmdesert.gov Cc: Jason Finley < lritchey@palmdesert.gov>

Subject: Re: Short-Term Rental Permit 239 Serena Dr. Palm Desert - Bedroom Definition STR2022-0020

Good morning Lorena and Jason.

Thank you for your email below. I spoke with Lorena last night. I understand you are both going to call me this morning and wanted to put my questions down in an email to help with this discussion. I understand you have a job to do, but I am asking you to take into consideration the position STR owners are in.

We bought specifically in an area that allows STRs. We triple checked (calling the city, the hoa and due diligence) before purchasing to ensure we bought in the right area. We purchased a three bedroom condo (per all of the sales and marketing materials that not only our realtor provided but the onsite property management/sales office at Monterey CC). We were awarded (for the past two years) an STR license from the city for a 3 bedroom. Now, all of a sudden, we are being told we can no longer advertise as a three bedroom or we will lose our license and be fined (and if we don't pay the fine, a lien will be put on our property).

Your new rule is taking away a minimum of 30% of our income (that's just based on what we can charge). Some STR owners think this will take away up to 50% of their income because, not only will this affect what we can charge, but how many people will book.

These properties are our livelihood. Some STR owners at Monterey CC have been doing this for decades and it is their retirement and ONLY source of income. This is how I support my family. My husband and I bought this property as a retirement plan as well, instead of investing in a 401K. We are good stewards who have followed all the rules, we have 5 star reviews, our guests love the experience we provide, our neighbors appreciate us and all we do to ensure that our guests are 5 star guests who follow the rules. We employ a cleaning staff, gardners, pest control, handymen, plumbers, and more. We send paying customers to Monterey CC to help increase their bottom line. Guests have purchased in Monterey CC after staying at our property because they loved it so much. We pay the city 12% of our income. Our guests spend money at restaurants, boutiques and more. We are upstanding citizens who are doing positive things for the Palm Desert Community. We had planned on retiring here in the next 5 years because we love it so much, but now, your rule will make that impossible.

What you are imposing is a 30-50% income reduction for us. In addition, you have just dropped our home values throughout Monterey by 20-30%. For round numbers, as an example, let's say that I was projecting to make \$100,000 this year in revenue at my property (before you imposed this new rule). Your new rule will cause a \$30,000-\$50,000 reduction in revenue. Which means, now I have zero profit and will be losing money.

We had planned on keeping this property for the next 30+ years and when we died, we planned on passing along this property to our son. Over a 30 year period, these losses will amount to \$900,000 - \$1,500,000. And, this number does not take into account a rise in rental rates.

Also, you have reduced our property value by 20-30% because now we can't sell our property as a 3 bedroom. We estimate our property value to be somewhere around \$700,000. This means, you just reduced the value of our property by \$140,000 - \$210,000.

From my understanding there are 1,200 condos within Monterey CC and approximately 900 of these units have rooms attached to an atrium. That's roughly \$126,000,000 - \$189,000,000 in losses for property owners throughout the community.

So with this in mind, following is the email you sent me. My questions are in RED:

The extra bedroom(s), and I would presume many at the atriums, are used as auxiliary bedrooms. The technical answer to the question is they do not meet the minimum standards the state has set for a room to be considered a bedroom.

Monterey Country Club has had a marketing and real estate history that conflicts with the California Building Code's minimum requirements for these rooms adjacent to the atriums. Occasionally, we've received old marketing advertisements that labeled these rooms as bedrooms. Our archived building records from when Monterey Country Club was first constructed consistently label these rooms "dens." The anomaly is that there are properties within Monterey Country Club that do have a technically acceptable 3rd bedroom.

ATTACHED ARE THE TWO FLOOR PLANS THAT MONTEREY CC HOA PROVIDED ME WHEN I ASKED FOR THE ORIGINAL FLOOR PLANS FOR MY UNIT. BASED ON THESE FLOOR PLANS, MY UNIT IS WHAT THEY CALL THE "ALAHAMBRA PLAN" WHICH WAS BUILT AS A THREE BEDROOM (DUE TO THE CLOSET IN THE 3RD BEDROOM, LOCATION OF THE LINEN CLOSET IN THE HALL AND LOCATION OF THE CLOSET IN THE 2ND BEDROOM). NOTHING HAS BEEN CHANGED IN OUR CONDO. IT MATCHES THE ALAHAMBRA FLOOR PLAN EXACTLY.

Now, a den, office, media room, or bonus room is a legal use of space with an atrium. It meets the building code's definition of a "habitable space." "Habitable Spaces" (**except sleeping rooms**) do not require emergency egress and escape design, achieved by a minimum-sized window or door that leads directly to the public way.

WHEN I LOOK UP THE CALIFORNIA BUILDING CODE DEFINITION OF A "HABITABLE ROOM" IT STATES: "HABITABLE ROOMS USED FOR SLEEPING SHALL HAVE NATURAL LIGHT BY MEANS OF AT LEAST ONE EXTERIOR WINDOW THAT, IF IT CAN BE OPENED, HAS SCREENING WITH A TIGHT FITTING FRAME. NATURAL VENTILATION SHALL BE PROVIDED BY EXTERIOR OPENINGS THAT CAN BE OPENED, OR IN LIEU OF EXTERIOR OPENINGS A MECHANICAL VENTILATING SYSTEM."

IN ADDITION A "HABITABLE ROOM" IS DEFINED AS "A SPACE FOR LIVING, SLEEPING, EATING OR COOKING"

BASED ON THIS CODE, WE CAN SLEEP PEOPLE IN HABITABLE ROOMS. OUR LIVING ROOM AND THIS 3RD BEDROOM ARE HABITABLE ROOMS. SO, IF WE CALL OUR THIRD BEDROOM A "DEN, OFFICE, MEDIA ROOM OR BONUS ROOM" THEN WE CAN SLEEP PEOPLE IN IT AND WE CAN SLEEP PEOPLE IN THE LIVING ROOM. WHICH MEANS OUR CONDO CAN SLEEP 8 PEOPLE (PER YOUR RULE OF 2 PEOPLE PER ROOM).

CAN YOU CONFIRM THIS?

ALSO, I HAVE A QUESTION REGARDING BABIES AND TODDLERS WHO SLEEP IN CRIBS AND PACK-N-PLAYS (WE HAVE BOTH). MOST PARENTS WILL HAVE THEIR KIDS SLEEP IN THE ROOM WITH THEM. A LOT OF OUR GUESTS ARE GRANDPARENTS, PARENTS AND THEIR CHILDREN. WE HAVE A LOT OF PEOPLE WITH BABIES AND TODDLERS. SO HOW DO WE ACCOUNT FOR BABIES AND TODDLERS? NOW, UNDER YOUR RULE - THESE PEOPLE WILL NOT RENT OUR SPACE (A 2 BEDROOM THAT SLEEPS 4). WHEN THESE GUESTS GO TO SEARCH ON AIRBNB FOR A PLACE THAT CAN ACCOMODATE 6 PEOPLE, OUR LISTING WILL NOT SHOW UP. THIS IS A LARGE PORTION OF OUR GUESTS.

To further add frustration and confusion, a challenge we discovered is that the Country Assessor's Office has and will change the labeling and listing of a room to a bedroom with a closet. This can conflict with the minimum code requirements if the room does not have egress an escape.

AGAIN, OUR 3RD BEDROOM HAS A CLOSET AND MATCHES THE ALAHAMBRA PLAN EXACTLY.

Furthermore, when an atrium enclosure permit is reviewed, the rooms adjacent to the atrium can no longer be labeled as bedrooms. A permit will not be issued until the room use is corrected.

As Chief Building Official, it is my responsibility to ensure these areas are caught in plan review and corrected and are not allowed within the Short-Term Rental Program or any other City of Palm Desert permitting or licensing program until such time the California Building and Residential Codes are amended by the California Building and Standards Commission to revise the technical requirements.

ARE YOU APPLYING THESE RULES TO EVERYONE IN MONTEREY CC: SELLERS OF PROPERTIES WITH THIS BEDROOM, LONG-TERM RENTALS WITH THIS BEDROOM? OR ARE YOU ONLY APPLYING THIS RULE TO STR OWNERS? ONE OF THE STR OWNERS RECENTLY WENT TO THE ONSIGHT SALES/RENTAL OFFICE AT MONTEREY CC AND ASKED THEM IF THEY WERE HAVING ISSUES WITH THE CITY FOR ADVERTISING, SELLING AND RENTING OUT OUR PLAN AS A 3 BEDROOM. THE OFFICE CLAIMED THE CITY HAS NEVER CONTACTED THEM ABOUT THIS. IF YOU ARE ONLY APPLYING THIS TO STR OWNERS, ISN'T THIS DISCRIMINATION?

I apologize for the length. It's important to provide context as to why these were researched, applied to the technical aspects of the state code, and the determinations made. Should you have any questions, I can be reached at 760-776-6428 and email ifinley@palmdesert.gov.

ADDITIONAL QUESTIONS:

- AREN'T WE GRANDFATHERED IN? FROM MY UNDERSTANDING, YOU CAN'T CHANGE BUILDING CODE TO STRUCTURES THAT WERE BUILT PRIOR TO THE CODE BEING CREATED. WHEN WERE THESE CODES CREATED? FROM MY UNDERSTANDING YOU CAN ONLY ENFORCE CODES WHEN SOMEONE DOES A SIGNIFICANT REMODEL TO A PROPERTY. CAN YOU PROVIDE A COPY OF THESE CODES YOU ARE REFERENCING AND THE DATE THEY WERE ENACTED?
- YOU AWARDED US LICENSES FOR A 3 BEDROOM IN THE PAST. THIS SETS A PRECEDENT. OWNERS WHO HAVE ALREADY RECEIVED AN STR PERMIT FOR A 3 BEDROOM SHOULD BE GRANDFATHERED IN. CAN YOU CONFIRM THIS?
- WHO HAS TASKED YOU WITH IMPLEMENTING THESE RULES/CODES? WHO IS PUSHING YOU TO DO THIS? HOTELS, MONTEREY HOA, SOMEONE AT MONTEREY CC?
- DOES THE STATE HAVE JURISDICTION OVER THE CITY GENERAL PLAN?
- CAN YOU PROVIDE PROOF (COPIES OF ORIGINAL DRAWING OR ARCHITECTURAL PROOF) THAT THE UNITS IN QUESTION WERE NOT CONSTRUCTED AS 3 BEDROOMS?
- WERE THE DWELLINGS IN THE ORIGINAL DEVELOPMENT GRANTED ENTITLEMENT AS A 3RD BEDROOM?
- IF YOU DON'T CONSIDER THESE 3 BEDROOMS, WHY ARE YOU ALLOWING REALTORS TO SELL THESE AS 3 BEDROOMS?
- CAN YOU PROVIDE ME THE CITY CODES THAT STATE WHAT A BEDROOM IS AND THE DATE THIS CODE WAS ENACTED?
- WHAT ARE YOU DOING TO DETERMINE IF THIS IS AN ISSUE WITH EACH AND EVERY STR? HOW ARE YOU CONFIRMING THE BEDROOMS AT EVERY STR IN PALM DESERT ARE LIVING UP TO YOUR CODES? WHAT OTHER COMMUNITIES/HOA'S ARE HAVING THIS ISSUE?
- HOW MANY FIRES HAVE THERE BEEN IN THE LAST 5 YEARS IN RESIDENTIAL HOMES IN PALM DESERT? OF THESE RESIDENTIAL HOMES, HOW MANY OF THE FIRES WERE STRs? HOW MANY OF THESE FIRES TOOK PLACE AT CONDO COMMUNITIES? HOW MANY OF THESE FIRES TOOK PLACE AT MONTEREY CC?

THANK YOU FOR YOUR TIME AND CONSIDERATION.

Sincerely,

Carrie Kropfl

Founder

Streetubez

www.streetubez.com

949-554-4448

On Fri, Feb 23, 2024 at 3:41 PM Lorena Ritchey lritchey@palmdesert.gov wrote:

Good afternoon Carrie,

This is in response to your inquiry about what is considered a bedroom.

This is the Chief's Building Official, Jason Finley response, and he has been included in the response as well.

The extra bedroom(s), and I would presume many at the atriums, are used as auxiliary bedrooms. The technical answer to the question is they do not meet the minimum standards the state has set for a room to be considered a bedroom.

Monterey Country Club has had a marketing and real estate history that conflicts with the California Building Code's minimum requirements for these rooms adjacent to the atriums. Occasionally, we've received old marketing advertisements that labeled these rooms as bedrooms. Our archived building records from when Monterey Country Club was first constructed consistently label these rooms "dens." The anomaly is that there are properties within Monterey Country Club that do have a technically acceptable 3rd bedroom.

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As Chief Building Official, it is my responsibility to ensure these areas are caught in plan review and corrected and are not allowed within the Short-Term Rental Program or any other City of Palm Desert permitting or licensing program until such time the California Building and Residential Codes are amended by the California Building and Standards Commission to revise the technical requirements.

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Lorena Ritchey, CCEO

Management Analyst

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