

Frequently Asked Questions about the City of Visalia Short-Term Rental Permit Process

Q. What is a Short-term rental (STR)?

A. A Short-term (sometimes called vacation) rental is defined as a dwelling unit, or any portion of a dwelling unit, used as overnight lodging for stays of less than 30 consecutive days, excluding City-approved hotels, motels, bed and breakfasts, and time-share properties.

Q. What restrictions apply to STR's within the City of Visalia (COV)?

A. The following restrictions apply:

- Only one STR is permitted per parcel in any residentially zoned district.
- A separate application must be submitted for each parcel.

Q. What is required by the COV for a property owner to operate an STR?

A. As of December 6, 2023, all property owners wishing to operate an STR must comply with all requirements of Visalia Municipal Code Section 17.32.166, including:

- Application for an STR Permit
- A valid Business Tax Certificate and semi-annual payment of Business Tax for the STR
- Collection and monthly remittance of Transient Occupancy Tax to the COV
- Compliance with all operational standards contained in the Visalia Municipal Code

Q. How do I apply for an STR Permit?

A. A property owner can obtain an STR permit application on the Planning page of the COV website, or in person from the lobby at COV's City Hall West located at 707 W. Acequia. This application must be completed in full and submitted along with the application fee in person, or by mailing the original application and payment to the COV Business Tax division at the City Hall West location. The STR application requires notarization of the signatures provided on page 2. Incomplete applications will be returned to the property owner for correction. The STR application must be accompanied by an application for an STR business tax account if the property owner does not already have a valid Business Tax Certificate for the STR.

Q. What is Business Tax?

A. The City of Visalia requires payment of a business tax (BT) prior to conducting any type of business, trade, or profession within the City of Visalia. The amount of BT to be paid is based upon the business type, and/or the annual gross revenue of the business. Payment of BT is due semi-annually in January and July each year. A business tax certificate is issued upon payment of BT and must be posted in a conspicuous place upon the premises of the business.

Q. How do I apply for a Business Tax Certificate?

A. A printable copy of the Business Tax Application may be found on the Finance/Business Tax page of the COV website, or a hardcopy can be obtained from the lobby at COV's City Hall West located at 707 W Acequia Avenue. The application may also be requested by phone (559-713-4326) or email (BusinessTax@visalia.city). A complete Business Tax Application must

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accompany any STR Permit Application when it is submitted to the Business Tax window at City Hall West, unless the business owner already has a valid Business Tax Certificate for the STR.

Q What is Transient Occupancy Tax (TOT)?

A. Transient Occupancy Tax (TOT) is a 10% tax imposed upon the room rate for any transient person(s) renting space in any hotel in Visalia for a period of less than 30 days. The definition of “hotel” includes STR’s. The hotel operator shall collect TOT and remit it to the City by the last day of the month for all TOT collected in the previous month. TOT collected by an operator is to be held in trust for the COV until paid. Failure to pay TOT when due creates a debt that carries penalties and interest and is subject to collection actions. Please see Municipal Code Section 3.28 for more information on TOT.

Q. How do I register for payment of TOT?

A. A registration form may be found in the lobby of the City of Visalia Finance Department at COV’s City Hall West located at 707 W. Acequia Avenue. The TOT desk may also be reached by phone (559-713-4352) or email (TOT@visalia.city). Each hotel operator must complete a registration form and return it to the TOT desk in person, or by mail, within 30 days after commencing business. Once registered, the operator will receive a monthly courtesy reminder along with the appropriate form for reporting and remitting TOT to the City. Failure to receive the courtesy notice does not relieve the operator of the responsibility to pay TOT on time.

Q. What is the process for review of STR Applications?

A. Incomplete applications will be returned to the applicant for correction. When a complete STR application (including payment) is received, the following process will typically take 10-15 days:

- The Business Tax division will receive and deposit all application fees and forward the STR and BT applications to the Planning Department for review and processing, which will typically take 7-10 days.
- The applicant will be contacted by the Planning Department if additional information is required to properly process their STR application. Applications requiring additional information may take additional time to process.
- If approved, the Planning Department will issue an STR Permit number.
- Once an STR Permit number is assigned, the TOT desk will be notified of the creation of a new STR, and the applicant will be expected to register for payment of TOT within 30 days after commencing business.
- The Planning Department will notify the Business Tax division of the STR permit’s approval or denial and return the STR and BT applications to the Business Tax division.
- If approved, the BT division will process the BT application and send the applicant an invoice by mail for the BT fees due. The original approved STR application will be returned to the applicant for their records. This will typically take 3-5 days to complete. A BT Certificate will be issued once the invoice for BT fees has been paid.

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- If denied, the Planning department will notify the applicant by mail. No STR permit number will be issued to the applicant, and the STR and BT application fees paid will not be refunded.

Q. What is the appeal process for denied STR Applications?

A. In the event of STR Permit denial, an appeal may be made in writing to the planning commission. The appeal must be filed with the City Planner within ten (10) business days after notification of the denial and requires payment of appeal fees equal to the amount of site plan review appeal fees. For more information on the STR Permit appeal process, please review Municipal Code section 17.32.166.

Q. What if my property is associated with a Homeowners Association (HOA)?

A. Property owners proposing an STR within an HOA must review the HOA Rules and Bylaws along with the Codes, Covenants and Restrictions (CCR's) recorded against the property to see if an STR is allowed to operate on their property prior to submitting a Short-Term Rental Permit Application. STR Permits issued to an STR which is later found to be operating in violation of its own HOA Rules and Bylaws, or CCR's specific to the property, will be revoked by the COV, and all STR and BT fees paid to the COV up to that point will not be refunded.

Q. What is the penalty for non-compliance with the STR Ordinance?

A. The City may take enforcement action to ensure compliance with the requirements of the STR Ordinance. Any person found non-compliant shall be assessed fines as follows:

1. A fine of \$100 for a first violation
2. A fine of \$200 for a second violation
3. A fine of \$500 for each additional violation, with each day the violation continues considered as a new and separate offense. So, \$500 a day until brought into compliance.

Additional penalties and enforcement actions may be taken by the City for Business Tax (BT) and Transient Occupancy Tax (TOT). For more information on BT and TOT penalties and enforcement, please visit the TOT and BT pages of the City website.