



THE CITY OF MONTEREY

Rental Inventory FAQs for Property Owners

Updated: January 9, 2024

1. What is the rental inventory program?

A rental inventory will serve as a centralized database of information about residential rentals in the City of Monterey. This will:

- a. Allow the City to collect, monitor and analyze the characteristics of the rental units and actual rents in Monterey.
- b. Provide data to the City Council to inform future policy decisions about the regulation of the rental market in Monterey.
- c. Identify instances where substandard living conditions may exist and determine potential policy remedies.

2. What is the benefit of the rental inventory program to me?

A rental inventory can benefit both property owners and tenants. For property owners, the inventory can:

- a. Provide a platform to demonstrate compliance with regulations.
- b. Maintain a record of property ownership.
- c. Create a level playing field in the rental market.
- d. Provide resources for property owners and tenants including:
 - i. Website dedicated to property owner/tenant services and resources
 - ii. Dispute hotline and email dedicated to property owner/tenant issues
 - iii. Referrals to mediation and/or legal services
 - iv. Education and outreach for both tenants and property owners
- e. Provide public information about rental units for rent or lease along with their occupancy status, unit information, pricing of units, and exemptions claimed on each unit.
- f. Any other services for property owners and tenants as deemed appropriate by the Community Development Director.

The rental inventory will foster a fair and transparent rental market that benefits all stakeholders.

3. How will the Rental Inventory program support the City's operations and mission?

The City has a substantial government interest in regulating the relationship between property owners and tenants to increase certainty, stability and fairness within the rental market.

The rental inventory will benefit the City by:

- a. Closing gaps in information that currently exist by allowing the City to collect, monitor, and analyze the characteristics of the rental units and actual rents in Monterey.
- b. Allowing policymakers to make informed decisions regarding affordability and legal protections in the future.
- c. Ensuring compliance with housing standards, safety regulations, business licenses, and all other local regulations.
- d. Providing up-to-date information on market trends.
- e. Keeping the City informed on legal disputes between property owners and tenants.
- f. Enabling the City to identify properties used for illegal activities, including but not limited to illegal short-term rentals, substandard living conditions, or zoning violations.

A rental inventory generally provides greater transparency with local authorities, fewer unfair rental practices, and fewer non-compliant properties.

4. What is the benefit of the rental inventory software for property owners?

The software utilized for the rental inventory may provide independent, individual property owners enough information to assist in managing their properties online.

5. What units are exempt?

Small property owners with 3 or fewer units are fully exempt from this ordinance. Owners of subsidized units, ADUs, owner-occupied, and mobile homes are all exempt from the fees of this program. All claims of exemption must be filed through the registration portal.

6. What types of information will the rental inventory collect?

The types of information the rental inventory will collect from property owners include:

- a. The name, address, and phone number of the property owner, including any on-site or off-site property manager or property management company.
- b. The street address and/or Assessor's Parcel Number (APN) of each rental unit for rent or lease.
- c. The year the property was built and the number of rental units on the property.
- d. The number of bedrooms and bathrooms in each rental unit, including square footage, for rent or lease.
- e. The occupancy status of each rental unit (e.g., vacant or occupied) and reason for vacancy, if applicable.

- f. For each occupied rental unit, the current amount and date of the monthly rent received for each rental unit along with identifying whether the monthly rent includes Utility Charges and/or Housing Service Charges.
- g. For a rental unit in a condominium or other common interest development, the amount of the homeowners' association fees, regular and/or special assessments, or other similar charges paid to an association.
- h. Whether or not the tenant receives a housing voucher or other rental subsidy.
- i. Any other information deemed necessary by the Community Development Director to implement the provisions of the ordinance.

7. What information is required to be updated by the property owner on an ongoing basis?

The property owner has 30 days to notify City of changes to their rental properties. These changes include:

- a. A change in a rental unit's ownership or management, or a change in the owner's or manager's contact information;
- b. A rent increase for any rental unit, including the amount of the rent increase and the effective date of the rent increase
- c. A change in the occupancy status of a rental unit, including the reason for which the prior tenancy was terminated.

8. How do I sign up for the rental inventory program?

When the registration becomes live, it will be available at monterey.org/rentalinventory along with other relevant information.

9. When do I need to sign up for the rental inventory program?

The initial enrollment is from 1/1/24 - 3/1/24.

10. What is the cost of registering in the rental inventory?

The cost of registration is \$50 per unit. Exemptions may apply.

11. What is the rental inventory fee based on?

The cost for participating in the rental inventory will be tied directly to the cost of operating the program, including software, staff time, etc.

12. What portion of the fee can be passed through to tenants?

50% of fees, excluding late penalties, may be passed on to tenants.

13. What are the penalties for failure to comply and participate?

Failure to pay annual rental inventory fees may result in a delinquency notice to the property owner(s) providing 30 days to pay and then late penalties of 10% after 30 days, 10% per additional 30 days, and a citation after 180 days for failure to comply.

14. What will the public rental inventory database contain?

The public database shall show the following information:

- a. The street address and/or Assessor's Parcel Number (APN) of each rental unit for rent or lease. [Find APN on the City's GIS portal](#), also found at monterey.org/gis and choose Property Review.
- b. The year the property was built and the number of rental units on the property.
- c. The number of bedrooms and bathrooms in each rental unit, including square footage, for rent or lease.
- d. The occupancy status of each rental unit (e.g., vacant or occupied).
- e. For each occupied rental unit, the total current amount of monthly rent received for the rental unit.
- f. The number of exemptions claimed.

15. Why does my rental information have to be shared publicly?

The public database helps to ensure that market and compliance information for rental properties in the City of Monterey is as transparent as possible and equally available to all stakeholders.

The City recognizes that some of the Rental Inventory information constitutes Personal Identifying Information (PII) or proprietary information of a property owner that could create competitive disadvantages.

The Public Records Act generally requires that the City make available to the public information in its possession that relates to the conduct of the public's business. The Public Records Act contains several exceptions intended to protect the privacy of individuals and the proprietary information of businesses that is in the City's possession only because of a legal requirement to provide it to the City.

16. How will the City protect my information?

Except for the Rental Inventory information enumerated in question 14, all other Rental Inventory information shall be received in confidence due to public interest in nondisclosure being greater than public interest in disclosure of such information.

If additional reports from the rental inventory database are generated, such reports shall be released to the public only if kept in the normal course of City business and only after redacting any rental inventory information that would improperly intrude into personal privacy of tenants or reveal property owner proprietary information that could result in a competitive disadvantage.