

Office of the City Treasurer Short-Term Residential Occupancy Program Tier 4 (Mission Beach Whole Home) Application Process

The Short-Term Residential Occupancy (STRO) application period for the Tier 4 waitlist opens July 1, 2025, at 10:00 a.m., and will close on August 15, 2025, at 5:00 p.m. For assistance, please use the application guide and reference the FAQs below.

- <u>STRO Tier 4 Waitlist Application Guide</u>
- FAQs STRO Application Process

Below are FAQs to assist with the Tier 4 waitlist application process:

1. How long will the application period be open?

The application period will be open for 45 days. It will close on August 15, 2025, at 5:00 p.m.

2. If I have a current STRO license, can I apply for a Tier 4 license?

Yes, current STRO license holders will be able to apply for the Tier 4 waitlist. If a Tier 4 license is made available, the host must submit the <u>STRO License Cancellation Form</u> before the Tier 4 license is issued.

3. If I am a current Tier 4 license holder, do I need to reapply for a Tier 4 license?

No. The reopening of the Tier 4 application period is for Hosts who would like to be added to the Tier 4 waitlist.

4. What are the requirements to apply for a Tier 4 application?

If your property is located in the City of San Diego and is rented out for less than one month per guest stay, you must obtain a Transient Occupancy Tax Certificate and collect and remit Transient Occupancy Tax (TOT). This applies to STRO properties of any kind (i.e., houses, condos, rooms, or spaces) rented directly by the owner/operator, by property management companies or via internet travel services. *If you are renting your property for less than a month at a time in the City of San Diego and do not have a TOT Certificate, you are not in compliance with the San Diego Municipal Code (SDMC); there are no exceptions.*

Additionally, property owners who rent out all or a portion of their property for more than 6 days in a calendar year are responsible for remitting Rental Unit Business Tax to the City of San Diego. Lastly, if the Host is not the owner of the dwelling unit, they are required to obtain a Business Tax Certificate and remit Business Taxes annually.

The City of San Diego Office of the City Treasurer is providing this information as general guidance on the City's Short-Term Residential Occupancy ordinance (Ordinance). This information is provided as a public service and should not be construed or relied upon in any way as legal advice or a legal opinion. Although we make every effort to correct any errors brought to our attention, please refer directly to the full text of the <u>Ordinance</u>.



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For questions regarding TOT and/or Rental Unit Business Tax, please visit the following web pages:

- <u>TOT</u>
- Rental Unit Business Tax / Business Tax

5. How will the lottery work for Tier 4 applications?

Once the application period closes, a third-party department (outside the Office of the City Treasurer) will run a random lottery for all completed Tier 4 waitlist applications. Using the results of the lottery, licenses, if available, will be issued, with the remaining applicants placed on a waitlist. Additional details are provided in the <u>Regulation Establishing</u> <u>Guidelines for Lottery Administration</u>.

6. Once the lottery is completed, will I be notified of the results?

Yes, once the lottery is conducted, the results and new waitlist will be made available on the <u>STRO website</u> no later than August 22, 2025.

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