



# City of Palm Springs VACATION RENTAL ADMINISTRATIVE PROCEDURE

**SUBJECT: Business Entities**

## **I. Purpose**

To clarify and facilitate compliance with Palm Springs Municipal Code (PSMC) Chapter 5.25 and Ordinance Number 1918 which was effective April 16, 2017, for the purpose of interpreting and carrying out requirements associated with Business Entities, including Section 5.25.085.

## **II. Application**

PSMC Section 5.25.070(t) authorizes the City Manager to establish administrative regulations for the purpose of implementing, interpreting, clarifying, carrying out, furthering and enforcing the requirements of the provisions of PSMC Chapter 5.25.

As such, the City Manager is issuing this regulation as an interim matter. As a result of the citizen's initiative special ballot Measure C, specific requirements applicable to Business Entities' ownership of a Vacation Rental are being deferred as addressed herein.

## **III. Procedure**

- A. The definition of Business Entity is "a corporation, partnership, or other legal entity that is not natural person or a personal or family trust or a limited liability company consisting solely of natural persons".
- B. PSMC Section 5.25.085 specifies that relevant information relating to Vacation Rentals owned by a Business Entity be disclosed to the Enforcement Official, and that Business Entities transfer each Vacation Rental ownership to a natural person prior to June 1, 2018 or cease operating as a Vacation Rental.
- C. This Administrative Procedure defers enforcement of the requirement of PSMC Section 5.25.085 for Business Entities to transfer each Vacation Rental ownership to a natural person prior to June 1, 2018 or cease operating as a Vacation Rental.
- D. This deferral shall remain in place, and existing Business Entities may continue to own their existing Vacation Rental properties as such until the earlier of: a) September 1, 2018 or b) an amendment to Palm Springs Municipal Code Chapter 5.25.

## **IV. Effective Date**

This Administrative Procedure has been approved on 5/2/2018.

APPROVED:

A blue ink signature of David H. Ready, Esq., Ph.D., written over a horizontal line.

DAVID H. READY, Esq., Ph.D.  
City Manager

AS TO FORM:

A blue ink signature of Edward Z. Kotkin, written over a horizontal line.

EDWARD Z. KOTKIN  
City Attorney