



City of Palm Springs

VACATION RENTAL ADMINISTRATIVE PROCEDURE

SUBJECT: Estate Planning Entities Relating to Vacation Rental and Homeshare Registration Certificate Requirements

I. Purpose

To clarify and facilitate compliance with Palm Springs Municipal Code (PSMC) Chapter 5.25 and Ordinance Number 1918 for the purpose of interpreting and carrying out requirements associated with Registration Certificate requirements in Chapter 5.25.040(b).

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 herein further establishes and interprets Section 5.25.040(b) Registration Certificate requirements in cases where the Owner(s) of a Vacation Rental or Homeshare Property is a natural person or persons, and forms a legal entity that holds the Property for the purpose of estate or tax planning.

This Administrative Regulation is issued as an interim matter. The issue addressed pursuant to this regulation will be the subject of an amendment to PSMC Chapter 5.25.

III. Procedure

- A. In instances when title to a Property is held by a legal entity established by a natural person for estate or tax planning purposes, the City shall deem the natural person in question to be an applicant who may apply for a Vacation Rental or Homeshare Registration Certificate. Such a natural person must provide documentation of the participation in the legal entity of all owners of the Property, as well as the establishment and function of the legal entity itself. Staff shall request, and an applicant shall provide, supplemental information related to the legal entity as deemed necessary and appropriate by the City.
- B. During this interim timeframe, all Vacation Rental or Homeshare Registration Certificate applications that are considered per this Administrative Regulation may be reviewed by the City Attorney for approval or non-approval. The City retains the authority to deny any application by a legal entity formed for business purposes and/or to limit liability.

IV. Effective Date

This Administrative Procedure has been approved on 7/25/2018.

APPROVED:

A handwritten signature in black ink, appearing to read "D. H. Ready", written over a horizontal line.

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

AS TO FORM:

A handwritten signature in black ink, appearing to read "Edward Z. Kotkin", written over a horizontal line.

EDWARD Z. KOTKIN
City Attorney