

RESOLUTION NO. 2013-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO MIRAGE INCREASING THE RENTAL CERTIFICATE APPLICATION FEE FOR VACATION RENTALS REGULATED UNDER CHAPTER 3.25 OF THE RANCHO MIRAGE MUNICIPAL CODE

**WHEREAS**, a number of privately owned residential dwellings, such as, but not limited to, single-family and multiple-family dwelling units, apartment houses, condominiums, cooperative apartments and duplexes are being rented to transients by the owners of such residential dwellings or by their respective authorized agents or representatives as vacation rentals subject to the payment of transient occupancy taxes to the City of Rancho Mirage ("City") as required under Chapter 3.24 "Transient Occupancy Tax"; and

**WHEREAS**, it is anticipated that there will be approximately 400 homes registered as "vacation rentals" under the Vacation Rental Program created under Chapter 3.25 "Vacation Rentals" by the end of the 2012-2013 Fiscal Year in the City; and

**WHEREAS**, the Vacation Rental Program has been very successful in that it is expected to produce transient occupancy tax revenue for the City that will exceed \$150,000 in the 2012-2013 Fiscal Year and then it is expected to double to at least \$300,000 in the 2013-2014 Fiscal Year; and

**WHEREAS**, the Vacation Rental Program is also intended to mitigate the secondary negative effects of the use of privately owned residential dwellings located in certain residential neighborhoods; and

**WHEREAS**, the contract costs incurred by the City in administering the Vacation Rental Program is \$43,000 per annum; and

**WHEREAS**, subdivision (b) of section 3.25.060 "Vacation Rental Certificate - Application" provides that a vacation rental certificate application shall be accompanied by an application fee established by resolution of the City Council; and

**WHEREAS**, staff recommends that the current vacation rental certificate application fee be increased from \$30 to \$100, which is reasonable, fair and equitable in nature and proportionally representative of the costs to be incurred by the City in

administering the Vacation Rental Program; and

**WHEREAS**, the proposed \$100 vacation rental certificate application fee was endorsed by various leaders in the professional vacation rental management field, whom have provided advice and guidance to staff on the development of the Vacation Rental Program since its commencement.

**NOW, THEREFORE**, be it resolved by the City Council of the City of Rancho Mirage as follows:

**Section 1. Recitals**

That the foregoing Recitals are true and correct and are incorporated herein by this reference.

**Section 2. Vacation Rental Certificate Application Fee Increase**

That the City Council hereby approves increasing the vacation rental certificate application fee to ONE HUNDRED DOLLARS (\$100.00).

**Section 3. Findings and Conclusions**

That the City Council finds and concludes that:

(a) The subject fees are not regulatory fees or service fees governed by the Mitigation Fee Act as described in California Government Code sections 66000 et seq.; and

(b) The subject fees are reasonable, fair and equitable in nature and proportionally representative of the costs to be incurred by the City in administering the City's Vacation Rental Program.

**Section 4. Severability**

That the City Council declares that, should any provision, section, paragraph, sentence or word of this resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this resolution as hereby adopted shall remain in full force and effect.

**Section 5. Repeal of Conflicting Provisions**

That all the provisions of any policy set forth in any resolution as heretofore adopted by the City that are in conflict with the provisions of this resolution are hereby repealed.

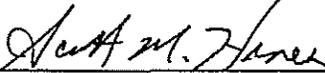
**Section 6. Effective Date**

That this resolution shall take effect immediately.

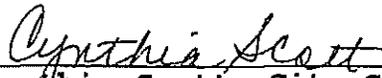
**Section 7. Certification**

That the City Clerk shall certify to the passage of this resolution and enter it into the book of original resolutions.

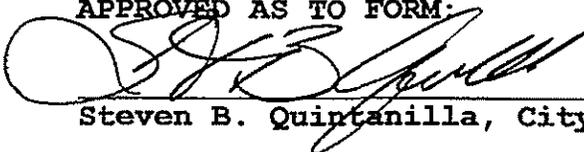
**PASSED, APPROVED AND ADOPTED** this 7<sup>th</sup> day of February, 2013.

  
\_\_\_\_\_  
Scott Hines, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Cynthia Scott, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Steven B. Quintanilla, City Attorney

**CERTIFICATION**

STATE OF CALIFORNIA        )  
COUNTY OF RIVERSIDE       )  
CITY OF RANCHO MIRAGE     )

I, Cynthia Scott, City Clerk of the City of Rancho Mirage, California, do hereby certify that Resolution No. 2013-05 was duly adopted by the City Council of the City of Rancho Mirage, California, at a regular meeting thereof held on the 7th day of February, 2013 by the following vote:

AYES:    HOBART, KITE, SMOTRICH, WEILL  
NOES:    NONE  
ABSENT:   NONE  
ABSTAIN:  HINES

Cynthia Scott  
CYNTHIA SCOTT, CMC  
CITY CLERK