

League of Arizona Cities and Towns
Short-Term Rental Ordinance Working Group

Sample Short-Term Rental Ordinances
(pursuant to A.R.S. §9-500.39, as amended by [S.B. 1168](#))

August 2022

Revised September 2022

ORDINANCE NO. _____

AN ORDINANCE OF THE COMMON COUNCIL OF THE [CITY / TOWN] OF _____, ARIZONA, AMENDING THE CODE OF _____, ARIZONA BY [ADOPTING / AMENDING] ARTICLE ____ RELATING TO REGULATING SHORT TERM RENTALS AND VACATION RENTALS; INCORPORATING THE RECITALS BY REFERENCE; ESTABLISHING A PURPOSE; SETTING FORTH DEFINITIONS; REQUIRING [REGISTRATION/ A PERMIT] TO OPERATE A SHORT TERM RENTAL OR VACATION RENTAL WITHIN [CITY/TOWN] BOUNDARIES; ESTABLISHING REGULATIONS; ADOPTING NOTIFICATION AND DISCLOSURE REQUIREMENTS; ADOPTING INSURANCE REQUIREMENTS; ADOPTING APPLICATION FEES; ESTABLISHING FINES AND PENALTIES FOR VIOLATIONS; PROVIDING FOR ENFORCEMENT; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; ESTABLISHING AN EFFECTIVE DATE; AND _____.

WHEREAS local governments may regulate short term rentals and vacation rentals (“vacation rentals”) except as limited by Arizona Revised Statutes (“A.R.S.”) § 9-500.39;

WHEREAS the [City/Town] deems it necessary to adopt certain regulations regarding the use of property as a vacation rental to protect the health, safety, and welfare of the [City/Town] residents;

WHEREAS a central and significant goal for the [City/Town] is to protect the health, safety, and welfare of the [City/Town] residents, preserve its housing stock, and maintain the quality and character of residential neighborhoods;

WHEREAS the [City/Town] will require all vacation rentals to [register / obtain and maintain a valid City/Town permit / license], pay [registration /permitting] fees, provide an emergency point of contact to respond to compliance and emergencies in a timely manner, maintain insurance, provide neighbor notification, and disclose certain information about the vacation rental in each advertisement;

WHEREAS the [City/Town] will require all short-term rentals to obtain and maintain a valid transaction privilege tax (“TPT”) license number, provide proof of the TPT license to the [City/Town], and require disclosure of the TPT number on each advertisement;

WHEREAS the [City/Town] retains the right to change its fees after review and approval from [City/Town] Council;

WHEREAS the [City/Town] deems it necessary to establish penalties and fines that apply to vacation rentals; and

NOW THEREFORE, BE IT ORDAINED by the Common Council of the [City/Town] of _____, Arizona, as follows:

Section I. General.

The Code of _____, Arizona, is hereby amended by [amending/adding Article X-X, Short-term Rentals and Vacation Rentals], to read as follows:

[Sample ordinance 1: Permit or license required.](#)

or

[Sample ordinance 2: Registration required only.](#)

Section II. Penalties.

[Penalties cannot be adopted “by reference” only; they must be set forth in full in the adopting ordinance. A.R.S. [9-803](#)]

Section III. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section IV. Recitals.

The recitals above are fully incorporated in this Ordinance by reference.

Section V. Effective Date.

The effective date of this Ordinance shall be _____ days following adoption by the [City/Town] Council.

Section VI. Preservation of Rights and Duties.

This Ordinance does not affect the rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this Ordinance.

Section VII. Providing for Severability.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference, is for any reason held to be invalid or

unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the [City/Town] Council of _____ this ____ day of _____, 202_.

ATTEST:

CITY/TOWN OF _____, an Arizona municipal corporation

“ _____ ”
City/Town Clerk

“ _____ ”
Mayor

APPROVED AS TO FORM:

“ _____ ”
City/Town Attorney

I, _____, [CITY/TOWN] CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. _____ ADOPTED BY THE [CITY/TOWN] OF _____ ON THE ____ DAY OF _____, 202_, WAS POSTED IN THREE PLACES ON THE ____ DAY OF _____, 202_.

Sample Ordinance 1: Permit or License Requirement

Optional language/sections in grey highlight

ARTICLE X-X. SHORT-TERM RENTALS AND VACATION RENTALS

- Sec. X-X-1 Purpose.
- Sec. X-X-2 Definitions.
- Sec. X-X-3 Permit Required; Penalties.¹
- Sec. X-X-4 Emergency Point of Contact Requirements; Penalties.
- Sec. X-X-5 Compliance with the Law; Prohibited Uses.
- Sec. X-X-6 Neighbor Notification Required. (Optional)
- Sec. X-X-7 Advertisement Requirements. (Optional)
- Sec. X-X-8 Posting on the Property Required. (Optional)
- Sec. X-X-9 Insurance Required. (Optional)
- Sec. X-X-10 Background Checks Required. (Optional)
- Sec. X-X-11 Permit Suspensions.
- Sec. X-X-12 Enhanced Penalties.
- Sec. X-X-13 Appeals.
- Sec. X-X-14 Judicial Relief.
- Sec. X-X-15 Severability.

Sec. X-X-1 Purpose.

This Article is adopted to protect the health, safety, and welfare of the community of the [City/Town] by enacting reasonable regulations for short-term rentals and vacation rentals. These regulations are in addition to other codes of the [City/Town].

Sec. X-X-2 Definitions. [go to top]

In this Article, unless the context or definitions in A.R.S. § 9-500.39 indicate otherwise, the following terms or phrases are defined as follows:

“Online Lodging Marketplace” has the same meaning prescribed in A.R.S. § 42-5076.

“Short-term rental” and “vacation rental” are interchangeable for purposes of this Article and mean any individually or collectively owned single-family or one-to-four-family house or dwelling unit, or any unit or group of units in a condominium or cooperative, that is also a transient public lodging establishment or owner-occupied residential home offered for transient use. “Vacation rental” does not include:

(i) accommodations [or property] that is classified for property taxation under A.R.S. § 42-12001; or

(ii) any unit that is used for any nonresidential use, including a special event that would otherwise require a permit, retail, restaurant, banquet space, or other similar use.

“Transaction privilege tax license” is the license issued by the State of Arizona pursuant to A.R.S., Title 42.

“Transient” has the same meaning prescribed in A.R.S. § 42-5070.

Optional definitions (not specifically defined in A.R.S. § 9-500.39) [go to top]

“Advertisement” means any method of soliciting the use of property for vacation rental purposes.

“Applicant” means the owner or owner’s designee who applies with the [City/Town] for a permit or renewal of a permit].

“Days” shall mean calendar days unless stated otherwise.

“Designee” and “Agent” are interchangeable for purposes of this Article and mean any person or persons with the charge, care, or control of any property, dwelling unit, or portion thereof. “Designee” includes the “emergency point of contact.”

“Emergency point of contact” means the owner or individual designated by the owner to: (i) serve as the local twenty-four (24) hour emergency point of contact for the vacation rental; and (ii) respond to complaints and emergencies relating to the vacation rental in a timely manner as required by this Article.

“Neighbor notification” means the written notice provided by the owner to each single-family residential property adjacent to the vacation rental property, directly across from the vacation rental property, and diagonally across the street of the vacation rental property

that includes the valid permit number issued by the [City/Town], the physical address of the vacation rental, and the name, address, and twenty-four (24) hour telephone number of the emergency point of contact.

“Nonresidential use” means any use that is not permitted in a residential zoning district pursuant to a [City/Town] zoning ordinance. [Nonresidential use includes _____].

“Owner” means any person who, alone or with others, has title or interest in a property, dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and includes any person who as agent, executor, administrator, trustee, or guardian has charge, care, or control of any property, dwelling unit, or portion thereof.

“Permit” means authorization by the [City/Town] to operate a vacation rental in accordance with this Article.

“Person” means an individual, public entity, firm, corporation, partnership, limited liability company, trust, association, or any other business entity or juridical person, whether operating on a for-profit or nonprofit basis.

“Timely manner” means responding to complaints and emergencies in person, by phone, or by email within [the timeframe required by public safety personnel / _____ hours from the request by public safety personnel].

Sec. X-X-3 Permit Required; Penalties. [\[go to top\]](#)

(A) *Permit required.* Prior to use of a property as a vacation rental, the owner of shall obtain a [one-time / annual / bi-annual] vacation rental permit from the [City/Town]. Renting, or offering for rent, a vacation rental without complying with the permit requirement in this Section X-X-3 is prohibited.

(B) *Permit applications.* The owner of a proposed vacation rental shall submit to the [City/Town] a permit application on a form furnished by the [City/Town]. The permit application shall be signed by the applicant and shall contain the following minimum information, which shall be made publicly available:

- (1) The physical address of the residential property proposed to be used as a vacation rental.
- (2) The name, address, and telephone number of the owner for which the vacation rental registration certificate is to be issued. If the property owner is an entity, the legal name of the entity and its statutory agent.
- (3) The name, address, and telephone number of each designee of the owner, if any.

(4) The full name, address, and twenty-four (24) hour telephone number of the individual who will serve as the emergency point of contact.

(5) Proof of a valid transaction privilege tax license.

(6) Acknowledgment by the owner of an agreement to comply with all applicable laws, regulations, and ordinances, including the requirement that the owner and each designee shall not be a registered sex offender, been convicted of any felony act that resulted in death or serious physical injury, or been convicted of any felony use of a deadly weapon within the past five years.

(C) *Permit fee.* Every application, including any renewal application, for a vacation rental permit under this Article shall be accompanied by a [non-refundable / refundable] fee established by City/Town Council resolution.

(D) *Issuance; reasons for denial.* The [City/Town] [shall issue or deny the permit within seven (7) business days after receipt of a complete application, except that the City/Town] may deny issuance of a permit for any of the following reasons:

(1) The applicant failed to provide the information required under subsection B;

(2) The applicant failed to pay the permit fee required under subsection C;

(3) The applicant provided false information;

(4) The owner or designee of the owner: (i) is a registered sex offender; (ii) has been convicted of any felony act that resulted in death or serious physical injury; or (iii) has been convicted of any felony use of a deadly weapon within five (5) years of submitting the application; or

(5) At the time of application, the owner has a suspended permit for the same vacation rental.

(E) *Notice of denial; appeal.* The [Town/City] manager or designee shall give notice of the denial of an application to the applicant by [mailing / emailing] the notice to applicant at the address listed on the application. The notice of the denial shall inform the applicant of the right to appeal the denial as provided for in Sec. [X-X-13](#).

(F) *Maintaining Accurate Information; Violations.* All applicants and persons holding permits issued pursuant to this Article shall give [prior] written notice to the [Town/City] Manager or designee of any [material] change in information submitted in connection with an application for a permit or renewal of a permit. The notice shall be provided to the [Town/City] Manager not less than [ten (10) days prior to the effective date of the change]. [Any information required for an application under this Section X-X-3 is deemed to be material for purposes of this Section X-X-3.] A violation of this subsection is a civil offense.

(G) *Term of Permit; Renewal application.* All permits issued under this Article shall be valid [for a period of one (1) year from the date of their issuance / until suspended or revoked]. Except where the [City/Town] has received a new application along with the requisite fees, it shall be unlawful for any person to operate a vacation rental after the expiration date recorded upon the face of the vacation rental permit.

(H) *Operating Without a Permit; Penalties.* A vacation rental that fails to apply for a permit or license within thirty (30) days of the permit application being made available by the [City/Town] shall immediately cease operations. In addition to any other penalty pursuant to the [City/Town] Code, the [City/Town] may impose a civil penalty of up to \$1,000 per month against the owner if the owner or owner's designee fails to apply for permit within 30 days of receiving the written notice of violation from the [City/Town]. Representations or advertisements including online listings that reference the property, house or dwelling unit location within the [City/Town] is prima facie evidence that a vacation rental is operating in the [City/Town].

(I) *Non-transferable.* No permit shall be transferable either as to location or as to person.

(J) *Implementation.* The [City/Town] Manager or designee shall develop the necessary forms and/or database necessary to implement this Section X-X-3.

Sec. X-X-4 Emergency Point of Contact Requirements; Penalties. [\[go to top\]](#)

(A) *Emergency Responses; Violations.* When requested by a police officer, the owner or emergency point of contact whose name appears on the permit application must be on the vacation rental premises, or be available over the phone or text, within [sixty (60) minutes] of the request.

(B) *Non-emergency Responses; Violations.* The owner or emergency point of contact shall respond to all other complaints relating to the vacation rental in person, over the phone, by e-mail, or by text within [twenty-four (24) hours of the request / in a timely manner].

(C) *Maintaining Accurate Emergency Information.* All applicants and persons holding permits issued pursuant to this Article shall give prior written notice to the [Town/City] Manager or designee of any change to the contact information provided to the [City/Town] for the emergency point of contact. The notice shall be provided to the [Town/City] Manager not less than ten (10) days prior to the effective date of the change.

(D) *Violations.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section shall be a civil offense.

(E) *Penalties.* In addition to any other penalty pursuant to the [City/Town] Code, an owner shall be subject to civil penalties of up to \$1,000 for every thirty (30) days the owner fails to provide notice to the [City/Town] as required under this subsection. Before imposing the initial civil penalty, the [City/Town] shall provide thirty (30) days' notice to the owner by [emailing /mailing]

a notice of violation to the owner's [email address / mailing address] that was provided to the [City/Town]. The notice of the violation shall inform the applicant of the right to appeal the denial as provided for in Sec. [X-X-13](#). Notwithstanding the date of the notice of violation, the date for calculating the penalties shall be the first day the vacation rental is occupied following the owner's failure to provide the notice to the [City/Town] regarding the change.

Sec. X-X-5 Compliance with the Law; Prohibited Uses. [\[go to top\]](#)

(A) A vacation rental shall comply with the federal, state, and local laws [, including laws relating to public health and safety, sanitation, solid waste, hazardous waste, tax privilege licensing, property tax registration, traffic control, pollution control, noise, property maintenance, and nuisance abatement].

(B) No person or entity shall operate a vacation rental in violation of this Article or other law. In addition, the use of a vacation rental property for any of the following uses or purposes is strictly prohibited:

- (1) Any nonresidential use;
- (2) Holding a special event that requires a permit or license pursuant to a city or town ordinance or state law or rule;
- (3) Operating a retail business, restaurant, event center, banquet hall or similar use;
- (4) Housing sex offenders;
- (5) Operating or maintaining a sober living home;
- (6) Selling liquor, illegal drugs, or pornography;
- (7) Operating a nude or topless dancing;
- (8) Obscenity;
- (9) Adult-oriented business; or
- (10) Any other use prohibited by A.R.S. § 9-500.39 or the [City/Town] code.

(C) A vacation rental lacking a valid transaction privilege tax license issued by the State of Arizona shall not be rented or offered for rent.

(D) No person or entity may receive payment or accept a fee, directly or indirectly, for facilitating the rental of a vacation rental operating in violation of this Code or other law.

(E) In addition to any other penalty pursuant to the [City/Town] Code, any person who causes, allows, facilitates, aides, or abets any violation of this Article shall be subject to a civil offense.

(F) The failure of any designee to comply with this Article shall not relieve the owner of liability under this Article.

Sec. X-X-6 Neighbor Notification Required. [\[go to top\]](#)

(A) *Neighbor notification.* Prior to offering a vacation rental for rent for the first time, the owner or designee shall provide neighbor notification to each single-family residential property adjacent to the vacation rental property, directly across from the vacation rental property, and diagonally across the street of the vacation rental property. The neighbor notification shall be provided in writing in the form required by the [City/Town] and shall include the following minimum information:

- (1) The permit number issued by the [City/Town];
- (2) The physical address of the vacation rental; and
- (3) The name, physical address, email address, and twenty-four (24) hour telephone number of the emergency point of contact.

(B) *Additional neighbor notification required.* Any change to the information provided under Subsection A shall require additional neighbor notification by the owner or designee not later than five (5) days prior to each change. The additional notification shall be provided in the manner required by Section A.

(C) *Attestation.* [At the time of the application / Prior to offering a vacation rental for rent for the first time / Within ___ days of a request by the City/Town,] the owner or designee shall provide to the [City/Town] an attestation of compliance with the neighbor notification required by this Section X-X-6.

(D) *Violations.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-6 shall be a civil offense.

Sec. X-X-7 Advertisement Requirements. [\[go to top\]](#)

(A) *Required Disclosure.* To protect the peace, health, safety, and general welfare of the [City's/Town's] residents and visitors, the owner or owner's designee shall be responsible for displaying the permit number issued by the [Town/City] on each advertisement for such vacation rental.

(B) *Violations.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section shall be a civil offense. Each advertisement in violation of this Section X-X-7 shall constitute a separate violation.

Sec. X-X-8 Posting on the Property Required. [\[go to top\]](#)

(A) *Posting at the Vacation Rental.* The owner of the vacation rental must display the name, phone number, and email address of the [owner, designee, and] emergency point of contact in a conspicuous place within _____ feet of the primary entrance of the vacation rental [to read as follows: _____].

(B) *Failure to Comply.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-8 shall be a civil offense. Each day a vacation rental does not display the information required by this Section X-X-8 shall constitute a separate violation.

Sec. X-X-9 Insurance Required. [\[go to top\]](#)

(A) *Required insurance.* Prior to offering or renting a vacation rental for rent for the first time, liability insurance appropriate to cover the vacation rental in the aggregate of at least \$500,000 shall be provided by the owner or the online marketplace platform.

(B) *Proof of insurance.* Proof of the required liability insurance coverage shall be provided to the [City/Town] upon a request by the City/Town / no later than _____ days prior to offering or renting the vacation rental for rent for the first time].

(C) *Violation.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-9 shall be a civil offense. Each day a vacation rental lacks the insurance required by this Section X-X-9 shall constitute a separate violation.]

Sec. X-X-10 Background Checks Required. [\[go to top\]](#)

(A) No sex offender shall be permitted to rent or occupy the vacation rental. Owners who allow a sex offender at the vacation rental shall be found in violation of this Section X-X-10.

(B) Within twenty-four (24) hours of every booking, a sex offender background check on each guest shall be conducted by the owner or by the online lodging marketplace on which the vacation rental is advertised. The owner shall demonstrate compliance with this requirement by retaining a full copy of each background check for a minimum of twelve (12) months after the booking date and providing the copy to the [City/Town] upon a request by a police officer.

(C) In addition to any other penalty pursuant to the [City/Town] Code, any person who violates this Section X-X-10 shall be subject to a civil offense.

(D) The failure of an online lodging marketplace to conduct a background check shall not relieve the owner of liability under this Sec. X-X-10.

Sec. X-X-11 Permit Suspensions. [\[go to top\]](#)

(A) *Permit suspensions.* The [City/Town] may initiate an administrative process to suspend a vacation rental permit for a period of up to twelve (12) months for any of the following:

(1) Three verified violations of this Article within a twelve (12) month period, not including any such violation based on an aesthetic, solid waste disposal or vehicle parking violation that is not also a serious threat to public health and safety.

(2) One verified violation that results in or constitutes any of the following:

(a) A felony offense committed at or in the vicinity of a vacation rental by the owner of the vacation rental or by the owner's designee;

(b) A serious physical injury or wrongful death at or related to a vacation rental resulting from the knowing, intentional or reckless conduct of the owner of the vacation rental or the owner's designee;

(c) The owner of the vacation rental or the owner's designee knowingly or intentionally housing a sex offender, allowing offenses related to adult-oriented businesses, sexual offenses, or prostitution, or operating or maintaining a sober living home; or

(d) The owner of the vacation rental or the owner's designee knowingly or intentionally allowing the use of a vacation rental for a special event that would otherwise require a permit or license pursuant to the [City/Town] code or a state law or rule or for a retail, restaurant, banquet space or other similar use.

(B) *Appeals.* A decision to suspend a permit may be appealed by the owner as set forth in Sec. [X-X-13](#).

Sec. X-X-12 Enhanced Penalties. [\[go to top\]](#)

(A) The remedies in this Article are cumulative and the [City/Town] may proceed under one or more such remedies.

(B) In addition to any other penalty pursuant to the [City/Town] Code, and notwithstanding any other law, the [City/Town] may impose a civil penalty of the following amounts against an owner if the owner causes, allows, facilitates, aides, or abets a verified violation of any provision of this Article or fails to perform any act or duty required by this Article, related to the same vacation rental property within the same twelve-month period:

(1) Up to \$500 or up to an amount equal to one night's rent for the vacation rental as advertised, whichever is greater, for the first violation.

(2) Up to \$1,000 or up to an amount equal to two nights' rent for the vacation rental as advertised, whichever is greater, for the second violation.

(3) Up to \$3,500 or up to an amount equal to three nights' rent for the vacation rental as advertised, whichever is greater, for a third and any subsequent violation.

If multiple violations arise out of the same response to an incident at a vacation rental, those violations are considered one violation for the purpose of assessing civil penalties.

(C) In addition to any other penalty pursuant to the Code, any property that operates as a vacation rental and fails to apply for vacation rental permit in accordance with this Article within thirty (30) days of the application process being made available by the Town, must cease operations immediately. In addition to any fines imposed pursuant to this Section X-X-12, the Town may impose a civil penalty of up to one thousand dollars (\$1,000) per month against the owner if the owner or owner's designee fails to apply within thirty (30) days of receiving written notice of the failure to comply with this Article.

Sec. X-X-13 Appeals. [\[go to top\]](#)

(A) Any person aggrieved by any decision with respect to the denial of or a refusal to issue a vacation rental permit, the suspension of a vacation rental permit, or a penalty imposed pursuant to this Article may appeal the decision by filing a written notice of appeal with the [\[City/Town\]](#) Manager no later than thirty (30) days from the date of the decision letter. The notice of appeal shall be on a form approved by the [\[City/Town\]](#).

(B) An appeal under this Section X-X-13 does not operate as a stay of the permit suspension.

(C) This Section X-X-13 is not applicable to judicial actions brought pursuant to Sec. [X-X-14](#) or to penalties including fines imposed by a court.

Sec. X-X-14 Judicial relief. [\[go to top\]](#)

(A) Notwithstanding Sec. [X-X-11](#), any attempted or completed felony act, arising from the occupancy or use of a vacation rental that results in a death, or actual or attempted serious physical injury, shall be grounds for judicial relief in the form of a suspension of the property's use as a vacation rental for a period that shall not exceed twelve (12) months.

(B) The [\[City/Town\]](#) attorney may initiate proceedings in the [\[City/Town\]](#) court or other court of competent jurisdiction to enforce this Section X-X-14.

Sec. X-X-15 Severability. [\[go to top\]](#)

In the event any section or provision of this Article shall be declared by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of this Article as a whole or any part thereof other than the part so declared to be invalid or unconstitutional.

Sample Ordinance 2: Registration required only.

[Optional language is highlighted in grey.]

ARTICLE X-X. SHORT-TERM RENTALS AND VACATION RENTALS

- Sec. X-X-1 [Purpose.](#)
- Sec. X-X-2 [Definitions.](#)
- Sec. X-X-3 [Registration Required; Penalties.](#)
- Sec. X-X-4 [Emergency Point of Contact Requirements; Penalties.](#)
- Sec. X-X-5 [Compliance with the Law; Prohibited Uses.](#)
- Sec. X-X-6 [Neighbor Notification Requirements.](#) (*Optional*)
- Sec. X-X-7 [Advertisement Requirements.](#) (*Optional*)
- Sec. X-X-8 [Posting on the Property Required.](#) (*Optional*)
- Sec. X-X-9 [Insurance Requirements.](#) (*Optional*)
- Sec. X-X-10 [Background Checks.](#) (*Optional*)
- Sec. X-X-11 [Enhanced Penalties.](#)
- Sec. X-X-12 [Appeals.](#)
- Sec. X-X-13 [Judicial relief.](#)
- Sec. X-X-14 [Severability.](#)

Sec. X-X-1 Purpose. [\[go to top\]](#)

This Article is adopted to protect the health, safety, and welfare of the community of the [City/Town] by enacting reasonable regulations for short-term rentals and vacation rentals. These regulations are in addition to other codes of the [City/Town].

Sec. X-X-2 Definitions. [\[go to top\]](#)

In this Article, unless the context or definitions in A.R.S. § 9-500.39 indicate otherwise, the following terms or phrases are defined as follows:

“Online Lodging Marketplace” has the same meaning prescribed in A.R.S. § 42-5076.

“Short-term rental” and “vacation rental” are interchangeable for purposes of this Article and mean any individually or collectively owned single-family or one-to-four-family house or dwelling unit, or any unit or group of units in a condominium or cooperative, that is also a transient public lodging establishment or owner-occupied residential home offered for transient use. “Vacation rental” does not include:

(i) accommodations [\[or property\]](#) that is classified for property taxation under A.R.S. § 42-12001; or

(ii) any unit that is used for any nonresidential use, including a special event that would otherwise require a permit, retail, restaurant, banquet space, or other similar use.

“Transaction privilege tax license” is the license issued by the State of Arizona pursuant to A.R.S., Title 42.

“Transient” has the same meaning prescribed in A.R.S. § 42-5070.

Optional definitions (not specifically defined in A.R.S. § 9-500.39) [\[go to top\]](#)

“Advertisement” means any method of soliciting the use of property for vacation rental purposes.

“Applicant” means the owner or owner’s designee who registers the vacation rental with the [City/Town].

“Days” shall mean calendar days unless stated otherwise.

“Designee” and “Agent” are interchangeable for purposes of this Article and mean any person or persons with the charge, care, or control of any property, dwelling unit, or portion thereof. “Designee” includes the “emergency point of contact.”

“Emergency point of contact” means the owner or individual designated by the owner to: (i) serve as the local twenty-four (24) hour emergency point of contact for the vacation rental; and (ii) respond to complaints and emergencies relating to the vacation rental in a timely manner as required by this Article.

“Neighbor notification” means the written notice provided by the owner to each single-family residential property adjacent to the vacation rental property, directly across from the vacation rental property, and diagonally across the street of the vacation rental property that includes the valid permit number issued by the [City/Town], the physical address of the vacation rental, and the name, address, and twenty-four (24) hour telephone number of the emergency point of contact.

“Nonresidential use” means any use that is not permitted in a residential zoning district pursuant to a [City/Town] zoning ordinance. [Nonresidential use includes _____].

“Owner” means any person who, alone or with others, has title or interest in a property, dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and includes any person who as agent, executor, administrator, trustee, or guardian has charge, care, or control of any property, dwelling unit, or portion thereof.

“Person” means an individual, public entity, firm, corporation, partnership, limited liability company, trust, association, or any other business entity or juridical person, whether operating on a for-profit or nonprofit basis.

“Timely manner” means responding to complaints and emergencies in person, by phone, or by email within [the timeframe required by public safety personnel / _____ hours from the request by public safety personnel].

Sec. X-X-3 Registration Required; Penalties. [\[go to top\]](#)

(A) *Vacation rental registration required.* Prior to use of a property as a vacation rental, the owner of the vacation rental shall register the vacation rental with the [City/Town]. Renting, or offering for rent, a vacation rental without complying with the registration requirement in this Section X-X-3 is prohibited.

(B) *Registration application.* The owner of a proposed vacation rental shall submit to the [City/Town] a registration application on a form furnished by the [City/Town]. The application shall [be signed by the applicant] and shall contain the following minimum information, which shall be made publicly available:

- (1) The physical address of the residential property proposed to be used as a vacation rental.

(2) The name, address, and telephone number of the owner for which the vacation rental registration certificate is to be issued. If the property owner is an entity, the legal name of the entity and its statutory agent.

(3) The name, address, and telephone number of the designee, if any, of the owner.

(4) The name, address, and twenty-four (24) hour telephone number of the individual who will serve as the emergency point of contact.

[(7) An attestation signed by the applicant of compliance with the notification required in this Article.]

[(8) Evidence of liability insurance appropriate to cover the vacation rental in the aggregate of at least \$500,000 or evidence that each vacation rental transaction will be provided through a platform that provides equal or greater primary liability insurance coverage for the vacation rental.]

[(9) Evidence the vacation rental is registered with [Maricopa] County Assessor's Office in accordance with A.R.S. § 33-1902.]

[(10) If the applicant is an individual, proof of lawful presence in the United States in accordance with A.R.S. §§ 1-502 and 41-1080.]

(C) *Registration number.* The City will provide a vacation rental registration number for each vacation rental registered by a property owner.

(D) *Maintaining Accurate Information.* The owner shall give [prior] written notice to the [Town/City] manager or designee of any [material] change in information submitted in connection with a registration application. The notice shall be provided to the [Town/City] Manager not less than [ten (10) days prior to the effective date of the change]. [Any information required for an application under this Section X-X-3 is deemed to be material for purposes of this Section X-X-3.] A violation of this subsection is a civil offense.

(E) *Illegal Operations; Penalties.* A vacation rental that fails to register the vacation rental within 30 days of the registration application being made available by the [City/Town] shall immediately cease operations. Representations or advertisements including online listings that reference the property, house, or dwelling unit location within the [City/Town] is prima facie evidence that a vacation rental is operating in the [City/Town].

(F) *Implementation.* The [City/Town] Manager or designee shall develop the necessary application, attestation, and/or database necessary to implement this Section X-X-3.

Sec. X-X-4 Emergency Point of Contact Requirements; Penalties. [\[go to top\]](#)

(A) *Emergency Responses; Violations.* When requested by a police officer, the owner or emergency point of contact whose name appears on the vacation rental registration must be on the vacation rental premises, or be available over the phone or text, within [sixty (60) minutes] of the request. In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section shall be a civil offense.

(B) *Non-emergency Responses; Violations.* The owner or emergency point of contact shall respond to all other complaints relating to the vacation rental in person, over the phone, by e-mail, or by text within [twenty-four (24) hours of the request / in a timely manner]. In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-4 shall be a civil offense.

(C) *Maintaining Accurate Emergency Information.* All applicants and persons holding permits issued pursuant to this Article shall give prior written notice to the [Town/City] Manager or designee of any change to the contact information provided to the [City/Town] for the emergency point of contact. The notice shall be provided to the [Town/City] Manager not less than ten (10) days prior to the effective date of the change. The failure to provide prior written notice to the [City/Town] of the change is a violation of this Section.

(D) *Penalties.* In addition to any other penalty pursuant to the [City/Town] Code, an owner shall be subject to civil penalties of up to \$1,000 for every thirty (30) days the owner fails to provide notice to the [City/Town] as required under this subsection. Before imposing the initial civil penalty, the [City/Town] shall provide thirty (30) days' notice to the owner by [emailing / mailing] a notice of violation to the owner's [email address / mailing address] that was provided to the [City/Town]. The notice of the violation shall inform the applicant of the right to appeal the denial as provided for in Sec. X-X-13. Notwithstanding the date of the notice of violation, the date for calculating the penalties shall be the first day the vacation rental is occupied following the owner's failure to provide the notice to the [City/Town] regarding the change.

(E) *Use of a Designee.* The failure of any emergency point of contact to comply with the response requirements shall not relieve the owner of liability under this Section X-X-4.

Sec. X-X-5 Compliance with the Law; Prohibited Uses. [\[go to top\]](#)

(A) A vacation rental shall comply with the federal, state, and local laws [, including laws relating to public health and safety, sanitation, solid waste, hazardous waste, tax privilege licensing, property tax registration, traffic control, pollution control, noise, property maintenance, and nuisance abatement].

(B) The use of a vacation rental property for any of the following uses or purposes is strictly prohibited:

- (1) Any nonresidential use;

- (2) Holding a special event that requires a permit or license pursuant to a city or town ordinance or state law or rule;
- (3) Operating a retail business, restaurant, event center, banquet hall or similar use;
- (4) Housing sex offenders;
- (5) Operating or maintaining a sober living home;
- (6) Selling liquor, illegal drugs, or pornography;
- (7) Operating a nude or topless dancing;
- (8) Obscenity;
- (9) Adult-oriented business; or
- (10) Any other use prohibited by A.R.S. § 9-500.39 or the [City/Town] code.

(C) A vacation rental lacking a valid transaction privilege tax license issued by the State of Arizona shall not be rented or offered for rent.

(D) No person or entity shall operate a vacation rental in violation of this Article or other law.

(E) No person or entity may receive payment or accept a fee, directly or indirectly, for facilitating the rental of a vacation rental operating in violation of this Code or other law.

(F) In addition to any other penalty pursuant to the [City/Town] Code, any person who causes, allows, facilitates, aides, or abets any violation of this Article shall be subject to a civil offense.

(G) The failure of any designee to comply with this Article shall not relieve the owner of liability under this Article.

Sec. X-X-6 Neighbor Notification Requirements. [\[go to top\]](#)

(A) *Neighbor notification.* Prior to offering a vacation rental for rent for the first time, the owner or designee shall provide neighbor notification to each single-family residential property adjacent to the vacation rental property, directly across from the vacation rental property, and diagonally across the street of the vacation rental property. The neighbor notification shall be provided in writing in the form required by the [City/Town] and shall include the following minimum information:

- (1) The registration number issued by the [City/Town];
- (2) The physical address of the vacation rental; and

(3) The name, physical address, email address, and twenty-four (24) hour telephone number of the emergency point of contact.

(B) *Additional neighbor notification required.* Any change to the information provided under Subsection A shall require additional neighbor notification by the owner or designee not later than five (5) days prior to each change.

(C) *Attestation.* [At the time of the application / Prior to offering a vacation rental for rent for the first time / Within ___ days of a request by the City/Town,] the owner or designee shall provide to the [City/Town] an attestation of compliance with the neighbor notification required by this Section X-X-6.

(D) *Violations.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-6 shall be a civil offense.

Sec. X-X-7 Advertisement Requirements. [\[go to top\]](#)

(A) *Required Disclosure.* To protect the peace, health, safety, and general welfare of the [City's/Town's] residents and visitors, the owner or owner's designee shall be responsible for displaying the registration number issued by the [Town/City] on each advertisement for such vacation rental.

(B) *Violations.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section shall be a civil offense. Each advertisement in violation of this Section X-X-7 shall constitute a separate violation.

(C) *Use of a Designee.* The failure of an online lodging marketplace to comply with disclosure requirements shall not relieve the owner of liability under this Section X-X-7.

Sec. X-X-8 Posting on the Property Required. [\[go to top\]](#)

(A) *Posting at the Vacation Rental.* The owner of the vacation rental must display the name, phone number, and email address of the [owner, designee, and] emergency point of contact in a conspicuous place within ___ feet of the primary entrance of the vacation rental [to read as follows: _____].

(B) *Failure to Comply.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-8 shall be a civil offense. Each day a vacation rental does not display the information required by this Section X-X-8 shall constitute a separate violation.

Sec. X-X-9 Insurance Requirements. [\[go to top\]](#)

(A) *Required insurance.* Prior to offering or renting a vacation rental for rent for the first time, liability insurance appropriate to cover the vacation rental in the aggregate of at least \$500,000 shall be provided by the owner or the online marketplace platform.

(B) *Proof of insurance.* Proof of the required liability insurance coverage shall be provided to the [City/Town [upon a request by the City/Town / no later than ____ days prior to offering or renting the vacation rental for rent for the first time]].

(C) *Violation.* In addition to any other penalty pursuant to the [City/Town] Code, a violation of this Section X-X-9 shall be a civil offense. Each day a vacation rental lacks the insurance required by this Section X-X-9 shall constitute a separate violation.]

Sec. X-X-10 Background Checks. [\[go to top\]](#)

(A) No sex offender shall be permitted to rent or occupy the vacation rental. Owners who allow a sex offender to rent or occupy their vacation rental shall be found in violation of this Section X-X-10.

(B) Within twenty-four (24) hours of every booking, a sex offender background check on each guest shall be conducted by the owner or by the online lodging marketplace on which the vacation rental is advertised. The owner shall demonstrate compliance with this requirement by retaining a full copy of each background check for a minimum of twelve (12) months after the booking date and providing the copy upon a request by a police officer.

(C) In addition to any other penalty pursuant to the [City/Town] Code, any person who violates this Section X-X-10 shall be subject to a civil offense.

Sec. X-X-11 Enhanced Penalties. [\[go to top\]](#)

(A) The remedies in this Article are cumulative and the [City/Town] may proceed under one or more such remedies.

(B) In addition to any other penalty pursuant to the [City/Town] Code, and notwithstanding any other law, the [City/Town] may impose a civil penalty of the following amounts against an owner if the owner causes, allows, facilitates, aides, or abets a verified violation of any provision of this Article or fails to perform any act or duty required by this Article, related to the same vacation rental property within the same twelve-month period:

(1) Up to \$500 or up to an amount equal to one night's rent for the vacation rental as advertised, whichever is greater, for the first violation.

(2) Up to \$1,000 or up to an amount equal to two nights' rent for the vacation rental as advertised, whichever is greater, for the second violation.

(3) Up to \$3,500 or up to an amount equal to three nights' rent for the vacation rental as advertised, whichever is greater, for a third and any subsequent violation.

If multiple violations arise out of the same response to an incident at a vacation rental, those violations are considered one violation for the purpose of assessing civil penalties.

(C) In addition to any other penalty pursuant to the Code, any property that operates as a vacation rental and fails to register a vacation rental in accordance with this Article within thirty (30) days of the application process being made available by the Town, must cease operations immediately. In addition to any fines imposed pursuant to this Section X-X-11, the Town may impose a civil penalty of up to one thousand dollars (\$1,000) per month against the owner if the owner or owner's designee fails to apply within thirty (30) days of receiving written notice of the failure to comply with this Article.

Sec. X-X-12 Appeals. [\[go to top\]](#)

(A) Any person aggrieved by any decision with respect to a penalty imposed pursuant to this Article may appeal the decision by filing a written notice of appeal with the [City/Town] Manager no later than thirty (30) days from the date of the decision letter. The notice of appeal shall be on a form approved by the [City/Town].

(B) An appeal under this Section X-X-12 does not operate as a stay of the permit suspension.

(C) This Section X-X-12 is not applicable to judicial actions brought pursuant to Sec. X-X-13 or to penalties including fines imposed by a court.

Sec. X-X-13 Judicial relief. [\[go to top\]](#)

(a) Any attempted or completed felony act, arising from the occupancy or use of a vacation rental that results in a death, or actual or attempted serious physical injury, shall be grounds for judicial relief in the form of a suspension of the property's use as a vacation rental for a period that shall not exceed twelve (12) months.

(b) The [City/Town] attorney may initiate proceedings in the [City/Town] court or other court of competent jurisdiction to enforce this Section X-X-13.

Sec. X-X-14 Severability. [\[go to top\]](#)

In the event any section or provision of this Article shall be declared by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of this Article as a whole or any part thereof other than the part so declared to be invalid or unconstitutional.