

TOWN *Of* **PARADISE VALLEY**



STAFF REPORT

TO: Mayor Bien-Willner and Town Council Members

FROM: Jill B. Keimach, Town Manager
Andrew J. McGuire, Town Attorney

DATE: April 14, 2022

DEPARTMENT: Town Attorney's Office
Andrew McGuire, 602-257-7664

AGENDA TITLE:

Town response to the March 30, 2022, Investigative Report from the Arizona Attorney General's Office, in response to the 1487 Complaint filed by State Senator Warren Petersen.

RECOMMENDATION:

Direct staff to prepare an ordinance harmonizing Town Code with the Arizona Attorney General's Office Investigative Report No. 22-001, dated March 30, 2022 (the "Report"), and submit said ordinance for Council consideration.

SUMMARY STATEMENT:

On January 27, 2022, after many months of study, deliberation, and public input, the Council passed Ordinance 2022-03 (the "Ordinance"), amending the Town Code to address nuisances, unruly gatherings, non-compliant Short-Term Rentals ("STRs"), and the peace, health, safety, and welfare of the general public.

On February 8, 2022, State Senator Warren Petersen filed a "request to investigate" with the Office of the Arizona Attorney General, pursuant to A.R.S. § 41-194.01. In his request, State Senator Petersen alleged that the Ordinance "as a whole fails as a matter of law."

On March 30, 2022, the Arizona Attorney General's Office issued the Report, in which it determined that "most of the Ordinance does not violate state law," but that "a few" specific provisions within the Ordinance did violate state law related to local regulation of STRs. When alleging these "few" violations of state law, the Report identified specific subsections or clauses within the Ordinance and, in many cases, identified the specific words to which it objected.

The Town Attorney has provided the Attorney General's Office with proposed changes to the Ordinance in the form attached to this staff report. Any comments from the Attorney General's Office will be discussed during the executive session.

BUDGETARY IMPACT:

If the Town does not “repeal or amend” the Ordinance as specified in the Report, the Attorney General “will notify the State Treasurer, who shall withhold state shared monies pursuant to § 41-194.01(B)(1)(a).”

ATTACHMENTS:

- A. Staff Report
- B. Investigative Report No. 22-001