

TOWN *Of* **PARADISE VALLEY**



STAFF REPORT

TO: Mayor Bien-Willner and Town Council Members

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

DATE: January 27, 2022

DEPARTMENT: Andrew McGuire
Jill Keimach, 480 348-3544

AGENDA TITLE:

Discussion and Action Concerning Ordinance Number 2022-03 Amending the Paradise Valley Town Code Regarding Nuisances, Unruly Gatherings, Non-Compliant Short-Term Rentals, and the Peace, Health, Safety, and Welfare of the General Public.

RECOMMENDATION:

Adopt Ordinance Number 2022-03.

SUMMARY STATEMENT:

The Town Council over the past nearly three years has been focused on how best to respond to the growing neighborhood impacts as a result of a significant increase in Short-Term Rentals ("STRs") protected from any regulations as mandated by SB1350 (codified in A.R.S. § 9-500.39). This State law severely limited the Town's and all local government's authority over short-term rentals, including the local zoning and enforcement authority that applies to all other land uses and businesses in the Town. The Mayor, Vice Mayor, Council, staff, residents and consultants have spent considerable time researching and developing solutions to the following details:

- Specific impacts to the neighborhoods;
- the real and daily threat to the public's safety, both to renters visiting, and neighbors;
- the financial impact to property owners due to increased property damage and behaviors requiring police intervention associated with 'bad actors;'
- impacts and unequal regulation and enforcement between short-term rentals and the existing resorts based solely on the State's unequal protection of STRs;
- the impact to the PV Police Department and Code Enforcement's limited resources;
- the impact more globally to the State and the Short-Term Rental

industry as the 'bad actors' tarnish the reputations of both; and

- the restrictions and limited authority granted in A.R.S. § 9-500.39

A.R.S. § 9-500.39 continues to severely limit Arizona municipalities' authority to regulate short-term rentals (STRs). However, within the statutory constraints, there are certain limited enforcement methods available. Accordingly, the entire Council, staff and the legal team have worked together continuously since its summer break on several proposed Code amendments focused on addressing nuisances, unruly gatherings, non-compliant STRs, and the peace, health, safety, and welfare of the general public. The following code amendments were discussed during the Town Council Study Sessions on September 23, October 28, November 18, 2021 and January 13th, 2022. The code changes have been continually refined in order to comfortably fall within the State law restrictions. In general, the proposed code amendments for Council consideration on January 27 will:

- Expand the definition of "special events" to capture problem activities
- Require standard health & safety measures to protect renters
- Expand existing noise regulations to capture nuisance issues
- Make emergency contact numbers publicly available.

ATTACHMENTS:

- A. Staff Report
- B. Presentation
- C. Proposed Ordinance 2022-03 Amending Code Amendments
- D. January 2022 Amendments to the Town Code