

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: September 8, 2022

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

AGENDA TITLE:

Discussion and possible direction to staff regarding the substance of Ordinance 2022-06, amending certain provisions of Chapter 10 of the Town Code, to incorporate recent changes in legislation.

RECOMMENDATION:

Discussion of Ordinance No. 2022-06.

SUMMARY STATEMENT:

On January 27, 2022, after many months of study, deliberation, and public input, the Town 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 28, 2022, State Senator Warren Petersen submitted a "request to investigate" with the Office of the Arizona Attorney General pursuant to A.R.S. § 41-194.01, challenging the Ordinance. Subsequently, the Arizona Attorney General's Office issued a 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. The Town Attorney consulted with the Attorney General's Office regarding proposed amendments to the Town Code, as required to resolve the allegations contained in the Attorney General's report. Pursuant to those consultations, staff prepared and the Town Council adopted Ordinance 2022-04; the Attorney General's Office confirmed that the amendments in Ordinance 2022-04 addressed the issues raised by its report.

As part of the 2022 legislative session, SB1168 was adopted and signed by the Governor. SB1168 amended A.R.S. § 9-500.39 to add, *inter alia*, provisions related to permits for STRs. To incorporate SB1168 into the Town's Attorney General-approved STR code provisions, staff has prepared Ordinance 2022-06 for Town Council consideration.

BUDGETARY IMPACT:

N/A

ATTACHMENTS:

- A. Staff Report
- B. Ordinance No. 2022-06
- C. Article 10-14 Comparison
- D. Presentation