

ORDINANCE G-7156

AN ORDINANCE AMENDING THE CODE OF THE CITY OF PHOENIX, ARIZONA, CHAPTER 10, ARTICLE XVI -- SHORT-TERM VACATION RENTAL.

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BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX:

SECTION 1: That Chapter 10, Article XVI -- Short-Term Vacation Rental is amended to read as follows:

**Sec. 10-193. Definition~~S~~**

In this article, unless the context otherwise requires:

- A. ~~Online lodging marketplace~~ means "online lodging marketplace" as defined in ~~Section 42-5076, Arizona Revised Statutes.~~ **DIRECTOR** MEANS THE PLANNING AND DEVELOPMENT DIRECTOR OR HIS OR HER DESIGNEE.
- B. ~~Online lodging operator~~ means "online lodging operator" as defined in ~~Section 42-5076, Arizona Revised Statutes.~~ **EVENT CENTER** MEANS A RESIDENTIAL PROPERTY:
  - 1. WHERE THE OWNER, ITS RENTER, OR GUEST CHARGES OR ADVERTISES TO CHARGE OTHER INDIVIDUALS A RENT, ADMISSION FEE, COVER CHARGE, DONATION, OR ANY OTHER VALUABLE CONSIDERATION TO ACCESS ANY PORTION OF THE RESIDENTIAL PROPERTY; OR

2. WHERE THE SALE OF ALCOHOL OR OTHER PRODUCTS OR SERVICES OCCURS ON THE RESIDENTIAL PROPERTY; OR
  3. IS BEING USED AS ASSEMBLY, GENERAL, ASSEMBLY HALL, PUBLIC ASSEMBLY-ACTIVE RECREATIONAL, PUBLIC ASSEMBLY-ENTERTAINMENT, PUBLIC ASSEMBLY-GENERAL, PUBLIC ASSEMBLY-RESIDENTIAL, OR PUBLIC ASSEMBLY-SPECTATOR AS DEFINED IN SECTION 202 OF THE ZONING ORDINANCE
- C. ~~Nonresidential use means use that is prohibited in a residentially zoned district.~~ HEARING OFFICER MEANS THE SHORT-TERM RENTAL APPEAL HEARING OFFICER DESIGNATED BY THE DIRECTOR TO HEAR AN APPEAL OF DENIAL OR SUSPENSION OF A SHORT-TERM RENTAL APPLICATION OR PERMIT.
- D. ~~Short term rental means "vacation rental" as defined in Section 9-500.39, Arizona Revised Statutes. Vacation rental does not include residential lease with a lease term of 31 days or longer.~~ NEIGHBORING PROPERTY MEANS A SINGLE-FAMILY RESIDENTIAL PROPERTY THAT IS ADJACENT IN ALL CARDINAL DIRECTIONS TO, DIRECTLY ACROSS THE STREET FROM, OR DIAGONALLY ACROSS THE STREET FROM A SINGLE-FAMILY PROPERTY BEING USED AS A SHORT-TERM RENTAL. IF THE SHORT-TERM RENTAL IS A UNIT WITHIN A MULTI-FAMILY RESIDENTIAL BUILDING, NEIGHBORING PROPERTY MEANS ALL RESIDENTIAL UNITS ON THE SAME FLOOR AS THE SHORT-TERM RENTAL.
- E. ~~Vacation rental means short term rental.~~ NONRESIDENTIAL USE MEANS A USE THAT IS PROHIBITED IN A RESIDENTIALLY ZONED DISTRICT.
- F. ~~Verified violation means a finally adjudicated finding of guilt or civil responsibility for violating any State law or local ordinance relating to use of the property for short term rental purpose.~~ ONLINE LODGING MARKETPLACE MEANS "ONLINE LODGING MARKETPLACE" AS DEFINED IN A.R.S. § 42-5076.
- G. ONLINE LODGING OPERATOR MEANS "ONLINE LODGING OPERATOR" AS DEFINED IN A.R.S. § 42-5076.
- H. OWNER MEANS ANY PERSON WHO, ALONE OR WITH OTHERS, HAS TITLE, LEASE, 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 THE PROPERTY, DWELLING UNIT, OR PORTION THEREOF.

- I. *SHORT-TERM RENTAL* MEANS 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 FOR A TERM OF LESS THAN 30 DAYS. *SHORT-TERM RENTAL* DOES NOT INCLUDE:
  - 1. PROPERTY THAT IS CLASSIFIED FOR PROPERTY TAXATION UNDER A.R.S. § 42-12001; OR
  - 2. ANY UNIT THAT IS USED FOR ANY NONRESIDENTIAL USE, INCLUDING A SPECIAL EVENT.
- J. *SPECIAL EVENT* MEANS A RETAIL, RESTAURANT, BANQUET SPACE, OR USE THAT IS EITHER PROHIBITED IN A RESIDENTIAL ZONING DISTRICT OR A USE THAT REQUIRES A LICENSE OR PERMIT FROM THE STATE, THE COUNTY, OR THE CITY OF PHOENIX.
- K. *VACATION RENTAL* MEANS SHORT-TERM RENTAL.
- L. *SHORT-TERM RENTAL PERMIT* MEANS A PERMIT ISSUED TO A PROPERTY OWNER WHO INTENDS TO OFFER TO RENT THE PROPERTY AS A SHORT-TERM RENTAL.
- M. *VERIFIED VIOLATION* MEANS A FINALLY ADJUDICATED FINDING OF GUILT OR CIVIL RESPONSIBILITY FOR VIOLATING ANY APPLICABLE LAW OR ORDINANCE RELATING TO THE USE OF THE PROPERTY FOR SHORT-TERM RENTAL PURPOSES.

**Sec. 10-194. ~~Vacation rental registration required.~~ PLANNING AND DEVELOPMENT DIRECTOR – DUTIES**

- ~~A. The owner of vacation rental must register with the City of Phoenix on a form or platform specified by the City of Phoenix.~~
- ~~B. Vacation rental registration must include the following information about the vacation rental:
 
  - ~~1. Name of property owner. If the property owner is a business entity, the name of the statutory agent.~~
  - ~~2. Address of vacation rental.~~~~

~~3. Phone number and email address of the property owner or property owner's agent who has the authority and responsibility to respond to complaints in person, over the phone, or by email at any time of the day.~~

~~C. The City will provide a vacation rental registration number for each vacation rental registered by a property owner.~~

~~D. If there is a change in the information required in subsection **B** of this section, the owner of vacation rental must complete a new vacation rental registration within ten days.~~

~~E. The owner of the vacation rental must display the phone number and email address of the property owner or property owner's agent who has authority and responsibility to respond to complaint in person, over the phone, by email, or text at any time of the day. The information required under this subsection must be displayed in a conspicuous place within ten feet of the primary entrance inside of the vacation rental.~~

UNLESS OTHERWISE PROVIDED, IT SHALL BE THE DUTY AND RESPONSIBILITY OF THE DIRECTOR TO ADMINISTER THE SHORT-TERM RENTAL PERMITTING PROGRAM. PURSUANT TO THIS DUTY THE DIRECTOR SHALL:

A. ISSUE, RENEW, DENY, OR SUSPEND A SHORT-TERM RENTAL PERMIT AS REQUIRED BY THIS ARTICLE.

B. DESIGNATE A HEARING OFFICER TO HEAR AN APPEAL OF A DECISION TO DENY OR SUSPEND A SHORT-TERM RENTAL PERMIT.

C. COORDINATE WITH OTHER DEPARTMENTS TO SUPPORT THE IMPLEMENTATION OF THIS ARTICLE.

**Sec. 10-195. ~~Vacation rental; violations.~~ SHORT-TERM RENTAL; PERMITS FOR VACATIONS RENTALS REQUIRED**

~~A. Renting, or offering for rent, a vacation rental for uses contained in subsection **C** of this section is prohibited.~~

~~B. An online lodging operator shall provide the following statement in its offer to rent a vacation rental on any chosen online lodging marketplace:~~

~~This property cannot be used for purposes identified in the City of Phoenix Ordinance Section 10-195(c). The City of Phoenix short term registration number for this property is \_\_\_\_\_.~~

~~C. Failure to post the following notice in a conspicuous place in the vacation rental is prohibited.~~

~~NOTICE: Using this property for following purposes is prohibited:~~

- ~~1. Any nonresidential use;~~
- ~~2. Holding a special event that required 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 offender;~~
- ~~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. Other uses prohibited by A.R.S. 9-500.39~~

~~D. Renting, or offering for rent, a vacation rental without complying with the registration requirement in Section 10-194 is prohibited.~~

~~E. When requested by a police officer, the owner or owner's agent whose name appears on the vacation rental registration must be on the vacation rental premises, or be available over the phone or text, within 60 minutes after receiving the request. Failure of the owner or owner's agent to be on the vacation rental premises, or be available on the phone or text, within 60 minutes after receiving the request by the police officer is a violation of this article.~~

~~F. For purposes of this section, the online lodging marketplace is not responsible for any violation committed by an online lodging operator that advertises on the online lodging marketplace's platform.~~

A. IT IS PROHIBITED FOR ANY OWNER TO RENT, OR OFFER TO RENT, A SHORT-TERM RENTAL WITHOUT FIRST OBTAINING AND MAINTAINING IN EFFECT A CURRENT, UNREVOKED, AND UNSUSPENDED SHORT-TERM RENTAL PERMIT.

B. IT IS PROHIBITED FOR ANY PERSON TO KNOWINGLY OCCUPY A SHORT-TERM RENTAL THAT DOES NOT HAVE A CURRENT AND UNSUSPENDED SHORT-TERM RENTAL PERMIT.

**Sec. 10-196. ~~Enhanced penalties.~~ NEW SHORT-TERM RENTAL PERMIT; PERMIT RENEWAL; FEES**

~~A. The remedies herein are cumulative and the City may proceed under one or more such remedies.~~

~~B. Any vacation rental owner, agent, or renter who causes, permits, facilitates, aids, or abets any violation of any provision of this article or who fails to perform any act or duty required by this article is subject to a civil sanction as follows:~~

~~1. First offense, \$500.00.~~

~~2. Second offense on the property within 12 months period, \$1,000.00 per offense.~~

~~3. Third and subsequent offense within 12 months period, \$1,500.00 per offense.~~

~~C. Notwithstanding any other provisions of this code, the vacation rental owner, agent, or renter who causes, permits, facilitates, aids, or abets the use of the vacation rental in violation of any provision of this code is subject to a civil sanction as set forth in subsection B of this section.~~

~~D. Any vacation rental owner, agent, or renter who causes, permits, facilitates, aids, or abets any violation of any provision of this article or who fails to perform any act or duty required by this article is guilty of a Class 1 misdemeanor.~~

~~E. Notwithstanding any provision in this article, a vacation rental owner is not liable for any violation of this article if the vacation rental owner: (1) identified on the vacation rental registry an online lodging operator who will be responsible for complying with all applicable requirements of the City code; and (2) submitted to the City a signed agreement with an online lodging operator who will be responsible for complying with all applicable requirements of this article. The online lodging operator who signs the agreement will be liable for any violation relating to any violation of this article.~~

A. ANY PERSON DESIRING TO OBTAIN A SHORT-TERM RENTAL PERMIT SHALL SUBMIT AN APPLICATION TO THE PLANNING AND DEVELOPMENT DEPARTMENT ON THE FORM PROVIDED BY THE PLANNING AND DEVELOPMENT DEPARTMENT FOR THAT PURPOSE.

B. THE APPLICATION SHALL BE ACCOMPANIED BY A NON-REFUNDABLE FEE OF \$250.

C. A PERMIT ISSUED PURSUANT TO THIS ARTICLE SHALL EXPIRE ONE YEAR FROM THE DATE OF THE SHORT-TERM RENTAL PERMIT ISSUANCE.

D. THE SHORT-TERM RENTAL OWNER/DESIGNEE MUST SUBMIT AN APPLICATION TO RENEW THE SHORT-TERM RENTAL PERMIT A MINIMUM OF 15 WORKING DAYS BEFORE THE PERMIT EXPIRES AND PAY THE PLANNING AND DEVELOPMENT DEPARTMENT A RENEWAL FEE NOT TO EXCEED \$250. IF A PERMIT RENEWAL APPLICATION IS SUBMITTED 15 WORKING DAYS AFTER THE EXPIRATION DATE, A NEW SHORT-TERM RENTAL PERMIT MUST BE FILED UNDER SECTION 10-197.

E. NO APPLICATION FOR A NEW PERMIT OR PERMIT RENEWAL MAY BE FILED FOR A SHORT-TERM RENTAL WITH A SUSPENDED PERMIT.

**Sec. 10-197. ~~Verified violation notification to the Arizona Department of Revenue.~~  
SHORT-TERM RENTAL PERMIT APPLICATIONS; CONTENT**

~~A. Within 30 days after a verified violation, and if required by law, the City will notify the Arizona Department of Revenue and the owner of the vacation rental of the verified violation.~~

~~B. The notification provided pursuant to subsection A of this section will include the amount of civil penalty assessed against the owner of the vacation rental and any other information required by law.~~

A. EACH APPLICANT FOR A SHORT-TERM RENTAL PERMIT SHALL SUBMIT, AS APPLICABLE, THE FOLLOWING:

1. THE PHYSICAL ADDRESS OF THE RESIDENTIAL PROPERTY PROPOSED TO BE USED AS A SHORT-TERM RENTAL.
2. THE NAME, ADDRESS, TELEPHONE NUMBER, AND EMAIL ADDRESS OF THE OWNER FOR WHICH THE SHORT-TERM RENTAL REGISTRATION CERTIFICATE IS TO BE ISSUED.
3. THE NAME, ADDRESS, TELEPHONE NUMBER, AND EMAIL ADDRESS OF THE OWNER'S DESIGNEE.
4. THE NAME, ADDRESS, 24-HOUR TELEPHONE NUMBER, AND EMAIL ADDRESS OF THE INDIVIDUAL WHO WILL SERVE AS THE EMERGENCY POINT OF CONTACT.
5. PROOF OF VALID TRANSACTION PRIVILEGE TAX LICENSE.
6. EVIDENCE OF LIABILITY INSURANCE APPROPRIATE TO COVER THE SHORT-TERM RENTAL IN THE AGGREGATE OF AT LEAST \$500,000 OR EVIDENCE THAT EACH SHORT-TERM RENTAL TRANSACTION WILL BE PROVIDED THROUGH A PLATFORM THAT PROVIDES EQUAL OR GREATER PRIMARY LIABILITY INSURANCE COVERAGE FOR THE SHORT-TERM RENTAL.
7. EVIDENCE THAT THE SHORT-TERM RENTAL IS REGISTERED WITH THE MARICOPA COUNTY ASSESSOR'S OFFICE IN ACCORDANCE WITH A.R.S. § 33-1902.
8. A SIGNED AGREEMENT TO COMPLY WITH ALL APPLICABLE LAWS, REGULATIONS, AND ORDINANCES, INCLUDING PAYING ALL FEES AND FINES IMPOSED BY THE CITY.
9. IF THE APPLICANT IS AN INDIVIDUAL, PROOF OF LAWFUL PRESENCE IN THE UNITED STATES
10. A WRITTEN DESCRIPTION OR MAP SHOWING THE LOCATIONS OF THE SMOKE DETECTOR, CARBON MONOXIDE DETECTOR, FIRE EXTINGUISHER, AND OTHER REQUIRED SAFETY EQUIPMENT.



11. ANY OTHER INFORMATION AS THE PLANNING AND DEVELOPMENT DEPARTMENT MAY REQUIRE TO VERIFY INFORMATION PROVIDED BY THE APPLICANT.

- B. AN APPLICATION MUST BE FILED FOR EACH SINGLE-FAMILY PROPERTY, EACH DWELLING UNIT IN A ONE-TO-FOUR FAMILY HOUSE, AND EACH INDIVIDUAL UNIT IN A MULTI-FAMILY PROPERTY SUCH AS A CONDOMINIUM OR COOPERATIVE.
- C. THE DIRECTOR MUST EITHER APPROVE OR DENY THE SHORT-TERM RENTAL APPLICATION OR RENEWAL WITHIN 7 DAYS OF RECEIVING THE APPLICATION. THE APPLICATION IS DEEMED DENIED IF THE APPLICATION IS NOT APPROVED WITHIN 7 DAYS AFTER THE PLANNING AND DEVELOPMENT DEPARTMENT RECEIVES A COMPLETE APPLICATION.

**Sec. 10-198. EMERGENCY CONTACT; RESPONSE TIME; UPDATE REQUIRED**

- A. IF REQUIRED BY A POLICE OFFICER, FIREFIGHTER, OR CODE ENFORCEMENT OFFICER, THE PERSON LISTED AS THE EMERGENCY CONTACT MUST BE ON THE SHORT-TERM RENTAL PREMISES, OR BE AVAILABLE BY PHONE OR TEXT, WITHIN 30 MINUTES AFTER RECEIVING THE REQUEST.
- B. NOTWITHSTANDING SUBSECTION A., THE EMERGENCY CONTACT MUST BE ON THE SHORT-TERM RENTAL PREMISE IN-PERSON WITHIN 30 MINUTES AFTER BEING REGISTERED BY A POLICE OFFICER, FIREFIGHTER, OR CODE ENFORCEMENT OFFICER IF THE SHORT-TERM RENTAL OWNER OR THE SHORT-TERM RENTAL PROPERTY.
  - 1. HAS ONE VERIFIED VIOLATION WITHIN THE LAST 12 MONTHS; OR
  - 2. HAS A SHORT-TERM RENTAL PERMIT SUSPENDED WITHIN THE LAST 36 MONTHS.
- C. IF THERE IS A CHANGE TO THE EMERGENCY CONTACT SHOWN ON THE PERMIT APPLICATION, THE OWNER OF A SHORT-TERM RENTAL MUST IMMEDIATELY UPDATE THE CONTACT INFORMATION TO THE PLANNING AND DEVELOPMENT DEPARTMENT.

**Sec. 10-199. ADJACENT PROPERTIES NOTIFICATION REQUIRED**

- A. THE OWNER OR OWNER'S DESIGNEE MUST SEND, BY CERTIFIED MAIL, A NOTICE OF INTENT TO OPERATE A SHORT-TERM RENTAL TO ALL NEIGHBORING PROPERTIES.
- B. THE NOTICE OF INTENT TO OPERATE A SHORT-TERM RENTAL MUST BE SUBSTANTIALLY SIMILAR TO THE FOLLOWING:

DEAR [NAME],

THIS LETTER IS TO INFORM YOU THE PROPERTY OWNER AT [ADDRESS] PLANS TO MAKE THE PROPERTY AVAILABLE FOR SHORT-TERM RENTAL USE. THE PERMIT NUMBER FOR THE SHORT-TERM RENTAL IS [XXXXXXXX]. THE 24-HOUR EMERGENCY POINT OF CONTACT FOR THIS PROPERTY IS [NAME]. HE/SHE CAN BE REACHED AT [PHONE NUMBER] AND [EMAIL] IF YOU HAVE ANY QUESTIONS OR CONCERNS, PLEASE CONTACT [NAME OF THE PROPERTY OWNER OR AGENT] AT [PHONE NUMBER/EMAIL]

[OWNER'S NAME]

- C. BEFORE OFFERING A SHORT-TERM RENTAL, THE OWNER OR OWNER'S DESIGNEE MUST SUBMIT TO THE PLANNING AND DEVELOPMENT DEPARTMENT AN ATTESTATION OF COMPLIANCE WITH THE NOTIFICATION REQUIREMENT AND THE FOLLOWING:
  - 1. MAILING RECEIPTS SHOWING THE REQUIRED NOTICES OF INTENT TO OPERATE A SHORT-TERM RENTAL WERE DELIVERED OR ATTEMPTS TO DELIVER WERE MADE.
  - 2. A COPY OF THE NOTICE OF INTENT TO OPERATE A SHORT-TERM RENTAL.
  - 3. THE NAME AND CONTACT INFORMATION OF THE PERSON ATTESTING TO COMPLIANCE WITH THE NOTIFICATION REQUIREMENT.
- D. THE OWNER OF THE SHORT-TERM RENTAL MUST PROVIDE TO THE PLANNING AND DEVELOPMENT DEPARTMENT A REVISED NOTICE OF INTENT TO OPERATE A SHORT-TERM RENTAL IF THERE IS A CHANGE TO THE OWNERSHIP OR EMERGENCY POINT OF CONTACT INFORMATION FOR THE SHORT-TERM RENTAL. THE REVISED NOTICE OF INTENT MUST BE SENT PURSUANT TO REQUIREMENTS IN SUBSECTIONS (A) AND (C) OF THIS SECTION.

- E. THE OWNER OR OWNER'S DESIGNEE MUST SEND, BY CERTIFIED MAIL, A NOTICE OF INTENT TO OPERATE A SHORT-TERM RENTAL TO ALL NEIGHBORHOOD ASSOCIATIONS AND HOAS REGISTERED WITH THE NEIGHBORHOOD SERVICES DEPARTMENT AND LOCATED WITHIN 600 FEET OF THE SUBJECT SHORT-TERM RENTAL PROPERTY.

**Sec. 10-200. CRIMINAL BACKGROUND VERIFICATION**

BEFORE OFFERING A SHORT-TERM RENTAL, THE OWNER OR OWNER'S DESIGNEE MUST SUBMIT TO THE PLANNING AND DEVELOPMENT DEPARTMENT A NOTARIZED ATTESTION THAT BOTH THE OWNER AND OWNER'S DESIGNEE ARE NOT REGISTERED SEX OFFENDERS OR HAVE NOT BEEN CONVICTED OF ANY FELONY ACT THAT RESULTED IN DEATH OR SERIOUS PHYSICAL INJURY, OR ANY FELONY USE OF A DEADLY WEAPON DURING THE FIVE YEARS BEFORE THE PERMIT APPLICATION DATE.

**Sec. 10-201. DISPLAY OF PERMIT, PERMIT NUMBER, AND ACKNOWLEDGEMENT OF LOUD PARTY ORDINANCE.**

- A. THE OWNER OR OWNER'S DESIGNEE OF A SHORT-TERM RENTAL MUST DISPLAY ON EACH ADVERTISEMENT FOR A SHORT-TERM RENTAL THE FOLLOWING:
  - 1. THE LOCAL REGULATORY PERMIT NUMBER ON EACH ADVERTISEMENT FOR A SHORT-TERM RENTAL THAT THE OWNER OR OWNER'S DESIGNEE MAINTAINS.
  - 2. THE OWNER, RENTER, AND THE GUEST MAY BE LIABLE FOR UP TO \$2,000 TO COVER THE COSTS OF POLICE RESPONSE TO THE PROPERTY PURSUANT TO SECTION 2-22 OF THE PHOENIX CITY CODE.
- B. A COPY OF THE PERMIT MUST BE DISPLAYED UNOBSTRUCTED AND CLEARLY VISIBLE WITHIN 10 FEET OF THE PRIMARY ENTRANCE INSIDE OF THE SHORT-TERM RENTAL.
- C. ALL ONLINE LODGING OPERATORS MUST REQUIRE THAT ANY SHORT-TERM RENTAL PROPERTIES LISTED OR ADVERTISED MUST HAVE A CURRENT AND UNSUSPENDED PERMIT ISSUED UNDER SECTION 10-197 AND MUST INCLUDE THE CURRENT AND UNSUSPENDED PERMIT NUMBER ON THE ADVERTISEMENT. FOR A VIOLATION UNDER THIS SUBSECTION, THE MAXIMUM FINE EACH VIOLATION EACH DAY SHALL NOT EXCEED \$2,500.

D. AN ONLINE SHORT-TERM RENTAL ADVERTISING PLATFORM SHALL VERIFY THAT EACH SHORT-TERM RENTAL LISTING LOCATED WITHIN THE CITY OF PHOENIX HAS COMPLIED WITH THE SHORT TERM RENTAL ORDINANCE REQUIREMENT OF OBTAINING A PERMIT BEFORE ADVERTISING ON SAID ONLINE PLATFORM.

**Sec. 10-202. SUSPENSION OF PERMIT; GROUNDS; NOTIFICATION**

- A. THE DIRECTOR MAY SUSPEND A PERMIT FOR UP TO 12 MONTHS FOR ANY OF THE FOLLOWING:
1. THREE VERIFIED VIOLATIONS WITHIN TWELVE-MONTH PERIOD, EXCLUDING ANY VERIFIED VIOLATIONS BASED SOLELY ON AN AESTHETIC, SOLID WASTE DISPOSAL, OR VEHICLE PARKING VIOLATION THAT IS NOT 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 SHORT-TERM RENTAL BY THE SHORT-TERM RENTAL OWNER OR OWNER'S DESIGNEE.
    - b. A SERIOUS PHYSICAL INJURY OR WRONGFUL DEATH AT OR RELATED TO A SHORT-TERM RENTAL RESULTING FROM THE KNOWING, INTENTIONAL, OR RECKLESS CONDUCT OF THE SHORT-TERM RENTAL OWNER OR OWNER'S DESIGNEE.
    - c. AN OWNER OR OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY HOUSING A REGISTERED SEX OFFENDER, ALLOWING OFFENSES RELATED TO ADULT-ORIENTED BUSINESSES, SEXUAL OFFENSES OR PROSTITUTION, OR OPERATING OR MAINTAINING A SOBER LIVING HOME.
    - d. ANY ATTEMPTED OR COMPLETED FELONY ACT, ARISING FROM THE OCCUPANCY OR USE OF A SHORT-TERM RENTAL, THAT RESULTS IN A DEATH, OR ACTUAL OR ATTEMPTED SERIOUS PHYSICAL INJURY.
    - e. AN OWNER OR OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY ALLOWING THE USE OF A SHORT-TERM RENTAL FOR A SPECIAL EVENT.

- B. UNLESS AN APPEAL IS FILED PURSUANT TO SECTION 10-203, THE SUSPENSION BECOMES EFFECTIVE 10 DAYS AFTER THE ISSUANCE OF THE DECISION BY THE DIRECTOR.
- C. IF THE LAST DAY OF THE SUSPENSION OCCURS AFTER THE PERMIT EXPIRATION DATE, THE DIRECTOR SHALL ADMINISTRATIVELY EXTEND THE PERMIT EXPIRATION DATE TO THE LAST DAY OF THE SUSPENSION.

**Sec. 10-203. APPEAL**

- A. THE DIRECTOR MUST PERSONALLY SERVE OR MAIL BY CERTIFIED MAIL THE DECISION TO DENY OR SUSPEND A PERMIT OR PERMIT APPLICATION TO THE OWNER, OWNER'S DESIGNEE, IF ANY, AND EMERGENCY CONTACT PERSON AS SHOWN ON THE PERMIT APPLICATION.
- B. AN APPLICANT OR OWNER OF A PERMIT MAY APPEAL THE DENIAL OR SUSPENSION OF A PERMIT TO THE HEARING OFFICER 1) WITHIN 21 DAYS AFTER THE DIRECTOR ISSUES THE DECISION TO DENY OR SUSPEND A PERMIT OR PERMIT APPLICATION, OR 2) WITHIN 28 DAYS OF FILING A NEW OR RENEWAL PERMIT APPLICATION, WHICHEVER IS LONGER.
- C. THE HEARING OFFICER WILL SCHEDULE A HEARING WITHIN 30 DAYS AFTER RECEIVING THE APPEAL FILED UNDER SUBSECTION B. THE HEARING OFFICER MAY REVIEW RELEVANT WRITTEN EVIDENCE AND TESTIMONY FROM THE APPELLANT, THE CITY, AND THE PUBLIC. THE HEARING OFFICER WILL RENDER A DECISION WITHIN 30 DAYS AFTER THE HEARING.
- D. THE HEARING OFFICER'S DECISION UNDER THIS SECTION IS FINAL.
- E. AN APPEAL DOES NOT OPERATE AS A STAY OR SUSPENSION OF A PERMIT.

**Sec. 10-204. SHORT-TERM RENTAL; PROHIBITED USES**

- A. RENTING, OR OFFERING FOR RENT, A SHORT-TERM RENTAL FOR THE FOLLOWING USES IS PROHIBITED:
  - 1. A NON-RESIDENTIAL 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, BANQUET HALL, OR SIMILAR USE;
  4. KNOWINGLY HOUSING REGISTERED SEX OFFENDERS, OR ALLOWING REGISTERED SEX OFFENDERS TO OCCUPY THE SHORT-TERM RENTAL;
  5. OPERATING OR MAINTAINING A SOBER LIVING HOME;
  6. SELLING LIQUOR, ILLEGAL DRUGS, OR PORNOGRAPHY;
  7. OPERATING NUDE OR TOPLESS DANCING;
  8. OBSCENITY;
  9. ADULT-ORIENTED BUSINESS;
  10. AN EVENT CENTER;
  11. USE OR OCCUPYING ANY PORTION OF AN ACCESSORY DWELLING UNIT; OR
  12. ANY OTHER USE PROHIBITED BY A.R.S. § 9-500.39
- B. RENTING OR OFFERING TO RENT A SHORT-TERM RENTAL WITHOUT A VALID SHORT-TERM RENTAL PERMIT AND A VALID TRANSACTION PRIVILEGE TAX LICENSE ISSUED BY THE STATE OF ARIZONA IS PROHIBITED.
- C. RENTING A SHORT-TERM RENTAL TO A REGISTERED SEX OFFENDER IS PROHIBITED.
- D. RENTING A SHORT-TERM RENTAL WITHOUT CONDUCTING A REGISTERED SEX OFFENDER BACKGROUND CHECK ON EACH GUEST IS PROHIBITED. THE OWNER MUST MAINTAIN THE EVIDENCE OF COMPLIANCE FOR THE PRECEDING 12 MONTHS AND MAKE IT AVAILABLE FOR INSPECTION BY A CODE ENFORCEMENT OFFICER.

**Sec. 10-205. STANDARDS AND OPERATING REQUIREMENTS**

- A. TO ENSURE THE HEALTH AND SAFETY OF THE SHORT-TERM RENTAL OCCUPANTS AND THE PUBLIC, THE SHORT-TERM RENTAL MUST HAVE THE FOLLOWING SAFETY EQUIPMENT:
  - 1. A WORKING SMOKE AND CARBON MONOXIDE DETECTION AND NOTIFICATION SYSTEM MUST BE MAINTAINED AS REQUIRED UNDER NFPA 72.
  - 2. A PORTABLE FIRE EXTINGUISHER IN THE KITCHEN AND ANY AREA WITH AN OPEN FIRE SOURCE SUCH AS A STOVE, FIREPLACE, OR GRILL.
- B. THE OWNER OF THE SHORT-TERM RENTAL MUST DISPLAY THE NAME, PHONE NUMBER, AND EMAIL ADDRESS OF THE OWNER, OWNER'S DESIGNEE, AND EMERGENCY POINT OF CONTACT IN A CONSPICUOUS PLACE WITHIN 10 FEET OF THE PRIMARY ENTRANCE OF THE SHORT-TERM RENTAL IN AN UNOBSTRUCTED AND CLEARLY VISIBLE MANNER.
- C. THE DIRECTOR OF THE NEIGHBORHOOD SERVICES DEPARTMENT MAY ADOPT A POLICY TO REGULARLY INSPECT SHORT-TERM RENTAL PROPERTIES FOR COMPLIANCE WITH THIS SECTION.

**Sec. 10-206. ENHANCED PENALTIES**

- A. THE REMEDIES HEREIN ARE CUMULATIVE AND THE CITY MAY PROCEED UNDER ONE OR MORE SUCH REMEDIES.
- B. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CODE, AND EXCEPT FOR VIOLATION IN SUBSECTION C, ANY SHORT-TERM RENTAL OWNER WHO CAUSES, PERMITS, FACILITATES, AIDS OR ABETS ANY VIOLATION OF A PROVISION OF THIS ARTICLE OR WHO FAILS TO PERFORM ANY ACT OR DUTY REQUIRED BY THIS ARTICLE IS SUBJECT TO A CIVIL SANCTION AS FOLLOWS:
  - 1. FOR THE FIRST VERIFIED VIOLATION WITHIN TWELVE MONTHS, ONE NIGHT'S RENT AS ADVERTISED FOR THE SHORT-TERM RENTAL, UP TO \$500, WHICHEVER IS GREATER.

2. FOR THE SECOND VERIFIED VIOLATION WITHIN TWELVE MONTHS, TWO NIGHTS' RENT AS ADVERTISED FOR THE SHORT-TERM RENTAL, UP TO \$1,000, WHICHEVER IS GREATER.
  3. FOR THE THIRD AND ANY SUBSEQUENT VERIFIED VIOLATION WITHIN TWELVE MONTHS, THREE NIGHT'S RENT AS ADVERTISED FOR THE SHORT-TERM RENTAL, UP TO \$3,500, WHICHEVER IS GREATER.
  4. NOTWITHSTANDING ANY OTHER PROVISION OF THE CITY CODE, THE MANDATORY MINIMUM FOR A CIVIL VIOLATION UNDER THIS SECTION IS SET FORTH IN THIS SUBSECTION.
- C. IN ADDITION TO THE PENALTY IN SUBSECTION B, ANY OWNER WHO RENTS OR OFFERS TO RENT A SHORT-TERM RENTAL WITHOUT A PERMIT IS SUBJECT TO A CIVIL SANCTION OF \$1,000 PER MONTH.
- D. NOTWITHSTANDING THE PROVISIONS OF SUBSECTION C, IF A PERSON OBTAINED A PERMIT WITHIN 30 DAYS AFTER RECEIVING THE COMPLAINT THAT NOTICES THE VIOLATION OF SUBSECTION C, THE COURT SHALL DISMISS THE COMPLAINT FOR VIOLATING SUBSECTION C WITHOUT IMPOSING A CIVIL PENALTY.
- E. NOTWITHSTANDING ANY OTHER CIVIL VIOLATION OF THIS CODE, THE SHORT-TERM RENTAL OWNER, AGENT, OR RENTER WHO CAUSES, PERMITS, FACILITATES, AIDS, OR ABETS THE USE OF A SHORT-TERM RENTAL IN VIOLATION OF ANY PROVISION OF THE PHOENIX CITY CODE IS SUBJECT TO THE MINIMUM CIVIL SANCTION AS SET FORTH IN SUBSECTION B OF THIS SECTION.

SECTION 2: This Ordinance shall become effective on November 6, 2023.



PASSED by the Council of the City of Phoenix this 20th day of September,

2023.

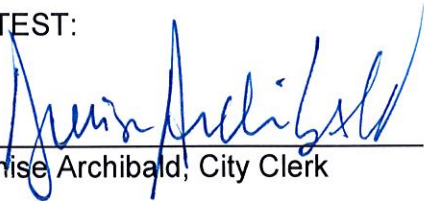


MAYOR

11/1/2023

Date

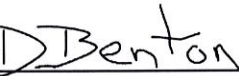
ATTEST:



Denise Archibald, City Clerk



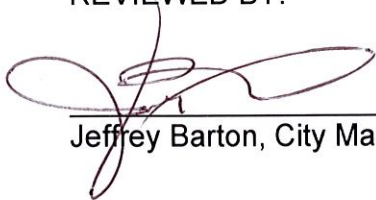
APPROVED AS TO FORM:  
Julie M. Kriegh, City Attorney

By:  \_\_\_\_\_

David Benton, Chief Counsel

REVIEWED BY:

*P ml*

 \_\_\_\_\_  
Jeffrey Barton, City Manager

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