

## **Short-Term Rentals in Phoenix, AZ**

(As of March 2022, but always refer back to code to see if updated.)

**This document can be found on the Phoenix Block Watch Advisory Board web site under BW Forms. Links are live. [phxblockwatch.org](http://phxblockwatch.org)**

Currently the Phoenix Police Department responds to crimes and parking and noise disturbances occurring related to short-term rentals. Police officers will generally fill out a police response fee notice card (party card) if deemed necessary at the time of contact. The form is sent to the Public Records and Services Unit within the Phoenix Police Department. In accordance with the guidelines laid out in Phoenix City Code 2-22, a police response service fee notice is sent to the responsible party that was contacted at the short-term rental. The Public Records and Services Unit may send fee notices to homeowners in certain situations, usually when repeated police response fee notices are received within 12 calendar months. Regarding enforcement of Phoenix City Code G-6653, there are no direct criminal penalties to owners regarding noise or disturbance (unless the owner was present and participating in the event). Currently the details are being worked out regarding enforcement of G-6653. Noise disturbances are the most common call regarding a short-term rentals. As of right now, we are asking owners to install cameras and decibel sensors, but there is no requirement. The ten items listed in subsection C of G-6653 are administrative violations, and at this time (March 2022) Phoenix PD does not have a method in place to investigate those issues. Additionally, the Phoenix Police Department's legal unit needs to review the code and determine whether it can be implemented into our computer system and enforced by police officers. If police did investigate the issues, it would have to be proven that the owner of the short-term rental knowingly rented to the violators with knowledge of their intentions. According to the code, the platform operator (Air BnB, VRBO, etc) cannot be held liable for such a booking.

**The following codes from Arizona Revised Statute and the Phoenix City Code could be used by officers responding to a loud party according to Operations Orders:**

ARS 13-2904 Disorderly Conduct

ARS 13-2917 Public Nuisance

PCC 23-48 Public Urination

PCC 23-9 Obstructing a Thoroughfare (street or sidewalk)

ARS 4-244 Liquor violations

ARS 4-241 Underage drinking

All codes are focused on the individual(s) committing or facilitating the crime that were present at the time of the occurrence. The codes do not allow for a short-term rental owner who was not present to be cited. There is a possibility, depending on circumstances, that the owner could be sent a police response fee through the Public Records and Services Unit.

## **City departments involved with short-term rental compliance:**

### **PDD: Planning and Development Department**

Planning and Development maintains a database of short-term rental registrations that include owner and contact information, including a responsible 3<sup>rd</sup> party or caretaker. The form is to be placed near the front door so officers may contact the responsible party by phone or in person to resolve an issue. Contact with PDD can be made at 602-262-7811 or [vacation.rental@phoenix.gov](mailto:vacation.rental@phoenix.gov)

### **NSD: Neighborhood Services Division**

Neighborhood Services is responsible for violations occurring on private property such as blight, code violations, and neglected properties. Contact can be made at 602-534-4444 or [nsd@phoenix.gov](mailto:nsd@phoenix.gov)

### **PPD: Phoenix Police Department**

Phoenix police are responsible for criminal activity and noise disturbances. Contact can be made at 602-262-6151 #4 or 911 in case of an emergency.

Link to Loud Party information:

<https://www.phoenix.gov/police/resources-information/loud-party-ordinance/faq>

## **ARS 9-500.39.**

### Limits on regulation of vacation rentals and short-term rentals; state preemption; definitions

A. A city or town may not prohibit vacation rentals or short-term rentals.

B. A city or town may not restrict the use of or regulate vacation rentals or short-term rentals based on their classification, use or occupancy except as provided in this section. A city or town may regulate vacation rentals or short-term rentals for the following purposes:

1. Protecting the public's health and safety, including rules and regulations related to fire and building codes, health and sanitation, transportation or traffic control, solid or hazardous waste and pollution control, and designation of an emergency point of contact, if the city or town demonstrates that the rule or regulation is for the primary purpose of protecting the public's health and safety.
2. Adopting and enforcing residential use and zoning ordinances, including ordinances related to noise, protection of welfare, property maintenance and other nuisance issues, if the ordinance is applied in the same manner as other property classified under sections 42-12003 and 42-12004.
3. Limiting or prohibiting the use of a vacation rental or short-term rental for the purposes of housing sex offenders, operating or maintaining a sober living home, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.
4. Requiring the owner of a vacation rental or short-term rental to provide the city or town with contact information for the owner or the owner's designee who is responsible for responding to complaints in a timely manner in person, over the phone or by email at any time of day before offering for rent or renting the vacation rental or short-term rental.

C. Within thirty days after a verified violation, a city or town shall notify the department of revenue and the owner of the vacation rental or short-term rental of the verified violation of the city's or town's applicable laws, regulations or ordinances and, if the owner of the vacation rental or short-term rental received the verified violation, whether the city or town imposed a civil penalty on the owner of the vacation rental or short-term rental and the amount of the civil penalty, if assessed. If multiple verified violations arise out of the same response to an incident at a vacation rental or short-term rental, those verified violations are considered one verified violation for the purpose of assessing civil penalties pursuant to section 42-1125.02, subsection B.

D. If the owner of a vacation rental or short-term rental has provided contact information to a city or town pursuant to subsection B, paragraph 4 of this section and if the city or town issues a citation for a violation of the city's or town's applicable laws, regulations or ordinances or a state law that occurred on the owner's vacation rental or short-term rental property, the city or town shall make a reasonable attempt to notify the owner or the owner's designee of the citation within seven business days after the citation is issued using the contact information provided pursuant to subsection B, paragraph 4 of this section. If the owner of a vacation rental or short-term rental has not provided contact information pursuant to subsection B, paragraph 4 of this section, the city or town is not required to provide such notice.

E. This section does not exempt an owner of a residential rental property, as defined in section 33-1901, from maintaining with the assessor of the county in which the property is located information required under title 33, chapter 17, article 1.

F. A vacation rental or short-term rental may not be used for nonresidential uses, including for a special event that would otherwise require a permit or license pursuant to a city or town ordinance or a state law or rule or for a retail, restaurant, banquet space or other similar use.

G. For the purposes of this section:

1. "Transient" has the same meaning prescribed in section 42-5070.

2. "Vacation rental" or "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, cooperative or timeshare, that is also a transient public lodging establishment or owner-occupied residential home offered for transient use if the accommodations are not classified for property taxation under section 42-12001. Vacation rental and short-term rental do not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

3. "Verified violation" means a finding of guilt or civil responsibility for violating any state law or local ordinance relating to a purpose prescribed in subsection B or F of this section that has been finally adjudicated.

### **PHOENIX ORDINANCE G-6653**

AN ORDINANCE RELATING TO SHORT-TERM VACATION RENTAL BY AMENDING THE PHOENIX CITY CODE, CHAPTER 10, BY ADDING A NEW ARTICLE XVI; IMPOSING A PENALTY FOR VIOLATIONS AND INCLUDING SEVERABILITY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX, as follows:

SECTION 1. Chapter 10, Phoenix City Code, is amended by adding Article XVI, Sections 10-193 through 10-197as follows:

10-193 Definition in this Article, unless the context otherwise requires:

A *Online Lodging Marketplace* means "online lodging marketplace" as defined in A.R.S. section 42-5076.

B. *Online Lodging Operator* means "online lodging operator" as defined in A.R.S. Section 42- 5076.

C. *Nonresidential use* means use that is prohibited in a residentially-zoned district.

D. *Short-term rental* means "vacation rental" as defined in A.R.S. Section 9-500.39.

Vacation rental does not include residential lease with a lease term of 31 days or longer.

E. *Vacation rental* means short-term rental.

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.

10-194 Vacation Rental Registration Required

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 the property owner. If the property owner is a business entity, the name of the statutory agent.

2. Address of the 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, the owner of vacation rental must complete a new vacation rental registration within 10 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 e-mail, or text at any time of the day. The information required under this paragraph must be displayed in a conspicuous place within 10 feet of the primary entrance inside of the vacation rental.

### **10-195 Vacation Rental; Violations**

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: NOTICE: Using this property for following purposes are 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 -2- Ordinance G-6653 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. 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 premise, or be available over the phone or text, within 60 minutes after receiving the request. Failure for the owner or owner's agent to be on the vacation rental premise, 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.

### **10-196 Enhanced Penalties**

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

B. Any vacation rental owner, agent, renter, who causes, permits, facilitates, aides, 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.
2. Second offense on the property within twelve-month period, \$1,000 per offense.
3. Third and subsequent offense within twelve-month period, \$1,500 per offense.

C. Notwithstanding any other provisions of the Code, the vacation rental owner, agent, renter, who causes, permits, facilitates, aides, or abets the use of the vacation rental in violation of any provision of the Code is subject to a civil sanction as set forth in Subsection B of this Section.

D. Any vacation rental owner, agent, renter, who causes, permits, facilitates, aides, 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 -3- Ordinance G-6653 misdemeanor.

E. Notwithstanding any provision in the 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 the Ordinance. The online lodging operator who signs the agreement will be liable for any violation relating to any violation of this Article.

### **10-197 Verified Violation Notification to the Arizona Department of Revenue**

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

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

SECTION 2. Any person found guilty of violating any applicable provision of this Ordinance shall be guilty of a class one misdemeanor as indicated or as otherwise provided herein and by Section 1-5.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court, such decision shall not affect the validity of remaining sections.

PASSED by the Council of the City of Phoenix this 8th day of January, 2020.

## **PLANNING AND DEVELOPMENT REGISTRATION**

**Introduction:** In 2019 the Arizona Legislature authorized municipalities to create provisions for short-term vacation rentals (Arizona Revised Statutes (A.R.S. §9-500.39). The City of Phoenix adopted the Short-Term Vacation Rental Ordinance (G-6653) in January 2020, to implement the law passed by the state Legislature.

The Short-Term Vacation Rental Ordinance ([ORDINANCE G-6653](#)) requires owners of short-term or vacation rentals to register with the city; and provide emergency and complaint contact information.

The ordinance outlines vacation rental violations and reaffirms prohibited types of uses and introduces an enhanced penalty structure. This ordinance also adds a few new City Code Definitions.

#### Short Term Vacation Rental Registration Process

- An owner of a short-term vacation rental, including owner-occupied rentals, or the online lodging operator must register the vacation rental unit in the City of Phoenix Short-term vacation rental registry, via the link to the online registration portal (PHX at Your Service) below.
- Please follow the instructions in the [user guide](#). Please fill out one online form for each individual vacation rental unit, and do not list multiple units on one field.
- After you have registered, you will automatically receive a “Registration Certificate,” including a registration number. You must display the “Registration Certificate” inside the vacation rental within 10 feet of the primary entrance.
- If there is a change of information, please go into the online portal and make the changes within 10 days of the change of information.

#### Other Requirements:

- As the property owner or online lodging operator, you need to add the following statement to your vacation rental advertisement on the online lodging marketplace you have chosen (the platform you advertise on, which could be Airbnb, VRBO, etc.): “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 \_\_\_\_\_”. (You add the registration number, which can be found on your “Registration Certificate”).
- As the online lodging operator, you must post a notice in a conspicuous place with a list of the prohibited uses, as listed in 10-195 (c), in the vacation rental (or use this [STANDARD NOTICE](#)).
- If you are an Online Lodging Operator (OLO), but not the property owner, then City of Phoenix Ordinance Section 10-196 (e) may be applicable to you. Please read the [ORDINANCE G-6653](#) for details

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 premise, or be available over the phone or text, within 60 minutes after receiving the request. Failure to be on the premise, or be available over the phone or text, within 60 minutes is a violation.

For information or questions, we refer to ORDINANCE G-6653, or contact: [vacation.rental@phoenix.gov](mailto:vacation.rental@phoenix.gov)

#### Note:

- On March 4th, 2020, Phoenix City Council adopted [Ordinance 6674](#) (Loud Party Ordinance), to address loud party noise issues in general and with short-term vacation rentals, in particular.
- For all Vacation Rentals and Short term rentals, Transaction Privilege Sales Tax license with the State of Arizona Department of Revenue is required. Please visit [www.aztaxes.gov](http://www.aztaxes.gov) to register and for more information.
- All rental units, including vacation and short term rentals, shall be registered with [Maricopa County](#), in accordance with [ARS 33-1902](#).
- [33-1902. Residential rental property; recording with the assessor; agent designation; civil penalty; fee](#)

- A. An owner of residential rental property shall maintain with the assessor in the county where the property is located information required by this section in a manner to be determined by the assessor. The owner shall update any information required by this section within ten days after a change in the information occurs. The following information shall be maintained:
  - 1. The name, address and telephone number of the property owner.
  - 2. If the property is owned by a corporation, limited liability company, partnership, limited partnership, trust or real estate investment trust, the name, address and telephone number of any of the following:
    - (a) For a corporation, a corporate officer.
    - (b) For a partnership, a general partner.
    - (c) For a limited liability company, the managing or administrative member.
    - (d) For a limited partnership, a general partner.
    - (e) For a trust, a trustee.
    - (f) For a real estate investment trust, a general partner or an officer.
  - 3. The street address and parcel number of the property.
  - 4. The year the building was built.
- B. An owner of residential rental property who lives outside this state shall designate and record with the assessor a statutory agent who lives in this state and who will accept legal service on behalf of the owner. The owner shall designate the agent in a manner to be determined by the assessor. The information shall include the name, address and telephone number of the agent.
- C. Residential rental property shall not be occupied if the information required by this section is not on file with the county assessor. If the owner has not filed the information required by this section with the county assessor and the residential rental property is occupied by a tenant and the tenant chooses to terminate the tenancy, the tenant shall deliver to the landlord, owner or managing agent of the property a written ten day notice to comply with this section. The notice shall be delivered by certified mail, return receipt requested, or by hand delivery. If the owner does not comply with this section within ten days after receipt of the notice, the tenant may terminate the rental agreement and the landlord shall return all prepaid rent to the tenant. Security deposits shall be returned in accordance with section 33-1321, subsection D. The landlord shall return those monies by certified mail, return receipt requested, or by hand delivery to the tenant within ten days after the termination of the rental agreement. This subsection applies to any existing lease and to any new lease after August 25, 2004. Notwithstanding this subsection, an owner is in compliance with this subsection only if the owner had filed the information required by subsection A of this section with the county assessor.
- D. All records, files and documents that are required by this section are public records.

- E. For residential rental property that is acquired by an owner after the date of the notice of assessed valuation and the notice prescribed by section 42-15103 and until the issuance of the next notice of assessed valuation, a city or town shall assess a civil penalty of one thousand dollars against a person who fails to comply with this section, plus an additional one hundred dollars for each month after the date of the original violation until compliance occurs. The court shall not suspend any portion of the civil penalty provided by this subsection.
- F. Notwithstanding subsection E of this section, if a person complies within ten days after receiving the complaint that notices the violation, the court shall dismiss the complaint and shall not impose a civil penalty.
- G. Except for newly acquired residential rental property as prescribed by subsection E of this section, if a residential rental property owner fails to register with the county assessor as prescribed by this section, the city or town may impose a civil penalty in the amount of one hundred fifty dollars per day for each day of violation after the date of the most recent notice of assessed valuation and the notice prescribed by section 42-15103. If a person complies within ten days after receiving the notice from the county assessor, the court shall dismiss the complaint and shall not impose a civil penalty.
- H. In carrying out this section, the county assessor shall have immunity as provided in section 12-820.01.
- I. The county assessor may assess a fee of not more than ten dollars for each initial registration and each change of information in the registry.
- J. On request from a city or town the county assessor shall provide the most current list of all registered rental property owners within the city's or town's boundaries.

**NEW AS OF MARCH 2022:**

<https://www.phoenix.gov/nsd>

On the 6<sup>th</sup> tile down you can click on it and register complaints directly to the Neighborhood Services Division.