ORDINANCE NO. (O)23-01

AN ORDINANCE OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING ORO VALLEY TOWN CODE CHAPTER 8, BUSINESS REGULATIONS, TO INCLUDE ARTICLE 8-8, SHORT-TERM RENTALS AND VACATION RENTALS

WHEREAS, on September 27, 1989, the Mayor and Council adopted Ordinance (O) 89-21, adopting that certain document entitled "Oro Valley Town Code", including Chapter 8, Business Regulations; and

WHEREAS, local governments may regulate short-term rentals and vacation rentals except as limited by Arizona Revised Statutes ("A.R.S.") § 9-500.39; and

WHEREAS, the Town of Oro Valley deems it necessary to adopt certain regulations regarding the use of property as a vacation rental to protect the health, safety, and welfare of the Town residents; and

WHEREAS, the Mayor and Council have considered the proposed amendment to the Oro Valley Town Code Chapter 8, Business Regulations adding Article 8-8, Short-Term Rentals and Vacation Rentals, and finds that it is in the best interest of the Town; and

WHEREAS, in compliance with A.R.S. § 9-499.15, new fees included in Article 8-8, Short-Term Rentals and Vacation Rentals, have been posted on the Town of Oro Valley's website for sixty (60) days.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Oro Valley, Arizona that:

SECTION 1. The Oro Valley Town Code Article 8-8, Short-Term Rentals and Vacation Rentals, declared a public record by Resolution No. (R)23-02 and incorporated herein by this reference, is hereby adopted.

SECTION 2. All Oro Valley Ordinances, Resolutions, or Motions and parts of Ordinances, Resolutions or Motions of the Council in conflict with the provisions of this Ordinance are hereby repealed.

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 of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by Mayor and Town Council of the Town of Oro Valley, Arizona this 4th day of January 2023.

TOWN OF ORO VALLEY

Joseph C. Winfield, Mayor

ATTEST:

APPROVED AS TO FORM:

Michael Standish, Town Clerk

Tobin Sidles, Legal Services Director

ARTICLE 8-8. SHORT-TERM RENTALS AND VACATION RENTALS

SECTIONS:

- 8-8-1 PURPOSE
- 8-8-2 DEFINITIONS
- 8-8-3 LICENSE REQUIRED; PENALTIES
- 8-8-4 EMERGENCY POINT OF CONTACT REQUIREMENTS; PENALTIES
- 8-8-5 COMPLIANCE WITH THE LAW; PROHIBITED USES
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- 8-8-8 POSTING ON THE PROPERTY REQUIRED
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- 8-8-10 BACKGROUND CHECKS REQUIRED
- 8-8-11 LICENSE SUSPENSIONS
- 8-8-12 VIOLATIONS AND PENALTIES
- 8-8-13 APPEALS
- 8-8-14 JUDICIAL RELIEF
- 8-8-15 SEVERABILITY

8-8-1 PURPOSE.

THIS ARTICLE IS ADOPTED TO PROTECT THE HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY OF THE TOWN OF ORO VALLEY BY ENACTING REASONABLE REGULATIONS FOR SHORT-TERM RENTALS AND VACATION RENTALS. THESE REGULATIONS ARE IN ADDITION TO OTHER CODES OF THE TOWN OF ORO VALLEY.

8-8-2 **DEFINITIONS.**

IN THIS ARTICLE, UNLESS THE CONTEXT OR DEFINITIONS IN A.R.S. § 9-500.39 INDICATE OTHERWISE, THE FOLLOWING TERMS OR PHRASES ARE DEFINED AS FOLLOWS:

A. *ONLINE LODGING MARKETPLACE* HAS THE SAME MEANING PRESCRIBED IN A.R.S. § 42-5076.

B. *SHORT-TERM RENTAL* AND *VACATION RENTAL* ARE INTERCHANGEABLE FOR PURPOSES OF THIS ARTICLE AND MEAN 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. "VACATION RENTAL" DOES NOT INCLUDE:

1. ACCOMMODATIONS OR 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 THAT WOULD OTHERWISE REQUIRE A LICENSE, RETAIL, RESTAURANT, BANQUET SPACE, OR OTHER SIMILAR USE.

C. *TRANSACTION PRIVILEGE TAX LICENSE* IS THE LICENSE ISSUED BY THE STATE OF ARIZONA PURSUANT TO A.R.S., TITLE 42.

D. TRANSIENT HAS THE SAME MEANING PRESCRIBED IN A.R.S. § 42-5070.

E. *ADVERTISEMENT* MEANS ANY METHOD OF SOLICITING THE USE OF PROPERTY FOR VACATION RENTAL PURPOSES.

F. *APPLICANT* MEANS THE OWNER OR OWNER'S DESIGNEE WHO APPLIES WITH THE TOWN OF ORO VALLEY FOR A LICENSE OR RENEWAL OF A LICENSE.

G. DAYS SHALL MEAN CALENDAR DAYS UNLESS STATED OTHERWISE.

H. *DESIGNEE* AND *AGENT* ARE INTERCHANGEABLE FOR PURPOSES OF THIS ARTICLE AND MEAN ANY PERSON OR PERSONS WITH THE CHARGE, CARE, OR CONTROL OF ANY PROPERTY, DWELLING UNIT, OR PORTION THEREOF. "DESIGNEE" INCLUDES THE "EMERGENCY POINT OF CONTACT."

I. *EMERGENCY POINT OF CONTACT* MEANS THE OWNER OR INDIVIDUAL DESIGNATED BY THE OWNER TO:

1. SERVE AS THE LOCAL TWENTY-FOUR (24) HOUR EMERGENCY POINT OF CONTACT FOR THE VACATION RENTAL; AND

2. RESPOND TO COMPLAINTS AND EMERGENCIES RELATING TO THE VACATION RENTAL IN A TIMELY MANNER AS REQUIRED BY THIS ARTICLE.

J. *CIVIL HEARING OFFICER*: THE INDIVIDUAL DESIGNATED BY THE TOWN MANAGER OR THEIR DESIGNEE TO CONDUCT HEARINGS AND MAKE RULINGS RELATED TO THIS CHAPTER ON SHORT-TERM RENTAL LICENSE SUSPENSIONS, CIVIL VIOLATIONS, AND CITATIONS ISSUED.

K. *LICENSING ADMINISTRATOR*: THE COMMUNITY AND ECONOMIC DEVELOPMENT DIRECTOR OR THEIR DESIGNEE.

L. *NEIGHBOR NOTIFICATION* MEANS THE WRITTEN NOTICE PROVIDED BY THE OWNER TO EACH SINGLE-FAMILY RESIDENTIAL PROPERTY ADJACENT TO THE VACATION RENTAL PROPERTY, DIRECTLY ACROSS FROM THE VACATION RENTAL PROPERTY, AND DIAGONALLY ACROSS THE STREET OF THE VACATION RENTAL PROPERTY, THE PHYSICAL ADDRESS OF THE VACATION RENTAL, AND THE NAME, ADDRESS, AND TWENTY-FOUR (24) HOUR TELEPHONE NUMBER OF THE EMERGENCY POINT OF CONTACT.

M. *NONRESIDENTIAL USE* MEANS ANY USE THAT IS NOT LICENSED IN A RESIDENTIAL ZONING DISTRICT PURSUANT TO THE TOWN OF ORO VALLEY ZONING ORDINANCE.

N. *OWNER* MEANS ANY PERSON WHO, ALONE OR WITH OTHERS, HAS TITLE 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 ANY PROPERTY, DWELLING UNIT, OR PORTION THEREOF.

O. *LICENSE* MEANS AUTHORIZATION BY THE TOWN OF ORO VALLEY TO OPERATE A VACATION RENTAL IN ACCORDANCE WITH THIS ARTICLE.

P. *PERSON* MEANS AN INDIVIDUAL, PUBLIC ENTITY, FIRM, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, TRUST, ASSOCIATION, OR ANY OTHER BUSINESS ENTITY OR JURIDICAL PERSON, WHETHER OPERATING ON A FOR-PROFIT OR NONPROFIT BASIS.

Q. *TIMELY MANNER* MEANS RESPONDING TO COMPLAINTS AND EMERGENCIES IN PERSON, BY PHONE, OR BY EMAIL WITHIN 60 MINUTES OF AN EMERGENCY NOTIFICATION AND WITHIN 24 HOURS OF A NON-EMERGENCY NOTIFICATION BY PUBLIC SAFETY PERSONNEL.

R. EMERGENCY MEANS ANY TIME THE POLICE ARE REQUIRED TO RESPOND TO A COMPLAINT AND IT IS DETERMINED BY THE RESPONDING POLICE THAT THE OWNER OR DESIGNEE MUST BE CONTACTED TO ADDRESS AN IMMEDIATE CONCERN.

SEC. 8-8-3 LICENSE REQUIRED; PENALTIES.

A. LICENSE REQUIRED.

TO OBTAIN A NEW OR RENEWAL LICENSE, A PERSON MUST SUBMIT TO THE TOWN A COMPLETE APPLICATION ON THE FORMS PRESCRIBED BY THE LICENSING ADMINISTRATOR. PRIOR TO USE OF A PROPERTY AS A VACATION RENTAL, THE OWNER OF SHALL OBTAIN AN ANNUAL SHORT TERM/VACATION RENTAL LICENSE FROM THE TOWN OF ORO VALLEY. RENTING, OR OFFERING FOR RENT, A VACATION RENTAL WITHOUT COMPLYING WITH THE LICENSE REQUIREMENT IN THIS SECTION 8-8-3 IS PROHIBITED. A SEPARATE LICENSE IS REQUIRED FOR EACH SHORT-TERM RENTAL. A LICENSE IS VALID FOR ONE (1) YEAR FROM THE DATE OF ISSUANCE OR RENEWAL. A LICENSE IS NON-TRANSFERABLE AND NON-ASSIGNABLE. ATTEMPTED TRANSFER OR ASSIGNMENT WILL VOID THE LICENSE AND ALL FEES PAID WILL BE FORFEITED.

COMPLETE RENEWAL APPLICATIONS MUST BE SUBMITTED TO THE LICENSING ADMINISTRATOR NO LATER THAN FORTY-FIVE (45) CALENDAR DAYS PRIOR TO THE EXPIRATION OF A LICENSE; OTHERWISE, THE LICENSE WILL BE DEEMED EXPIRED AND NON-RENEWABLE. IF A COMPLETE RENEWAL APPLICATION AND THE APPLICABLE RENEWAL FEE ARE NOT RECEIVED BY THE REQUIRED DATE, AN APPLICATION FOR A NEW LICENSE MUST BE SUBMITTED AND MUST INCLUDE ALL INFORMATION AND FEES REQUIRED FOR A NEW LICENSE APPLICATION.

B. LICENSE APPLICATIONS.

THE OWNER OF A PROPOSED VACATION RENTAL SHALL SUBMIT TO THE TOWN OF ORO VALLEY A LICENSE APPLICATION ON A FORM FURNISHED BY THE TOWN OF ORO VALLEY. THE LICENSE APPLICATION SHALL BE SIGNED BY THE APPLICANT AND SHALL CONTAIN THE FOLLOWING MINIMUM INFORMATION, WHICH SHALL BE MADE PUBLICLY AVAILABLE: 1. THE PHYSICAL ADDRESS OF THE RESIDENTIAL PROPERTY PROPOSED TO BE USED AS A VACATION RENTAL.

2. THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE OWNER FOR WHICH THE VACATION RENTAL REGISTRATION CERTIFICATE IS TO BE ISSUED. IF THE PROPERTY OWNER IS AN ENTITY, THE LEGAL NAME OF THE ENTITY AND ITS STATUTORY AGENT.

3. THE NAME, ADDRESS, AND TELEPHONE NUMBER OF EACH DESIGNEE OF THE OWNER, IF ANY.

4. THE FULL NAME, ADDRESS, AND TWENTY-FOUR (24) HOUR TELEPHONE NUMBER OF THE INDIVIDUAL WHO WILL SERVE AS THE EMERGENCY POINT OF CONTACT.

5. PROOF OF A VALID TRANSACTION PRIVILEGE TAX LICENSE.

6. ACKNOWLEDGMENT BY THE OWNER OF AN AGREEMENT TO COMPLY WITH ALL APPLICABLE LAWS, REGULATIONS, AND ORDINANCES, INCLUDING THE REQUIREMENT THAT THE OWNER AND EACH DESIGNEE SHALL NOT BE A REGISTERED SEX OFFENDER, BEEN CONVICTED OF ANY FELONY ACT THAT RESULTED IN DEATH OR SERIOUS PHYSICAL INJURY, OR BEEN CONVICTED OF ANY FELONY USE OF A DEADLY WEAPON WITHIN THE PAST FIVE YEARS.

7. ATTESTATION OF COMPLIANCE WITH THE NOTIFICATION REQUIRED IN THIS ARTICLE.]

8. EVIDENCE OF LIABILITY INSURANCE APPROPRIATE TO COVER THE VACATION RENTAL IN THE AGGREGATE OF AT LEAST \$500,000 OR EVIDENCE THAT EACH VACATION RENTAL TRANSACTION WILL BE PROVIDED THROUGH A PLATFORM THAT PROVIDES EQUAL OR GREATER PRIMARY LIABILITY INSURANCE COVERAGE FOR THE VACATION RENTAL.

9. EVIDENCE THE VACATION RENTAL IS REGISTERED WITH PIMA COUNTY ASSESSOR'S OFFICE IN ACCORDANCE WITH A.R.S. § 33-1902.

10. IF THE APPLICANT IS AN INDIVIDUAL, PROOF OF LAWFUL PRESENCE IN THE UNITED STATES IN ACCORDANCE WITH A.R.S. §§ 1-502 AND 41-1080.

C. LICENSE FEE.

EVERY APPLICATION, INCLUDING ANY RENEWAL APPLICATION, FOR A VACATION RENTAL LICENSE UNDER THIS ARTICLE SHALL BE ACCOMPANIED BY A NON-REFUNDABLE FEE ESTABLISHED BY TOWN COUNCIL RESOLUTION.

D. ISSUANCE; REASONS FOR DENIAL. THE TOWN OF ORO VALLEY SHALL ISSUE OR DENY THE LICENSE WITHIN SEVEN (7) BUSINESS DAYS AFTER RECEIPT OF A COMPLETE APPLICATION, EXCEPT THAT THE TOWN MAY DENY ISSUANCE OF A LICENSE FOR ANY OF THE FOLLOWING REASONS:

1. THE APPLICANT FAILED TO PROVIDE THE INFORMATION REQUIRED UNDER SUBSECTION B;

2. THE APPLICANT FAILED TO PAY THE LICENSE FEE REQUIRED UNDER SUBSECTION C;

3. THE APPLICANT PROVIDED FALSE INFORMATION;

4. THE OWNER OR DESIGNEE OF THE OWNER: (I) IS A REGISTERED SEX OFFENDER; (II) HAS BEEN CONVICTED OF ANY FELONY ACT THAT RESULTED IN DEATH OR SERIOUS PHYSICAL INJURY; OR (III) HAS BEEN CONVICTED OF ANY FELONY USE OF A DEADLY WEAPON WITHIN FIVE (5) YEARS OF SUBMITTING THE APPLICATION; OR

5. AT THE TIME OF APPLICATION, THE OWNER HAS A SUSPENDED LICENSE FOR THE SAME VACATION RENTAL OR ANY OF THE FOLLOWING APPLIES: (A) ONE VIOLATION AT THE VACATION RENTAL THAT RESULTED IN OR CONSTITUTED ANY OF THE OFFENSES DESCRIBED IN SEC. 8-8-11; OR (B) THREE VIOLATIONS OF THIS ARTICLE AT THE VACATION RENTAL WITHIN A TWELVE (12) MONTH PERIOD, NOT INCLUDING AN AESTHETIC, SOLID WASTE DISPOSAL OR VEHICLE PARKING VIOLATION THAT IS NOT ALSO A SERIOUS THREAT TO PUBLIC HEALTH AND SAFETY.

E. NOTICE OF DENIAL; APPEAL.

THE LICENSING ADMINISTRATOR OR DESIGNEE SHALL GIVE NOTICE OF THE DENIAL OF AN APPLICATION TO THE APPLICANT BY EMAILING THE NOTICE TO APPLICANT AT THE EMAIL ADDRESS LISTED ON THE APPLICATION. THE NOTICE OF THE DENIAL SHALL INFORM THE APPLICANT OF THE RIGHT TO APPEAL THE DENIAL AS PROVIDED FOR IN SEC. 8-8-13.

F. APPEALS FOR APPLICATION DENIALS AND SUSPENSION OF LICENSE:

1. THE LICENSING ADMINISTRATOR OR DESIGNEE MUST GIVE WRITTEN NOTICE TO THE OWNER OR OWNER'S DESIGNEE OF A VIOLATION THAT MAY RESULT IN THE SUSPENSION OF THE LICENSE. THE NOTICE MUST INCLUDE A DESCRIPTION OF THE VIOLATION, THE STATUTORY OR CODE REFERENCE, NOTIFICATION THAT A HEARING MAY BE REQUESTED, THE TIME LIMIT FOR REQUESTING A HEARING, AND A WARNING THAT FAILURE TO TIMELY REQUEST A HEARING MAY RESULT IN SUSPENSION OF THE LICENSE. THE NOTICE MUST BE SERVED ON THE OWNER OR OWNER'S DESIGNEE BY EITHER PERSONAL SERVICE OR REGISTERED/CERTIFIED MAIL USING THE ADDRESS PROVIDED PURSUANT TO SEC. 8-8-13. SERVICE OF THE NOTICE WILL BE DEEMED COMPLETE UPON MAILING TO, OR RECEIPT OF PERSONAL SERVICE ON, THE OWNER OR OWNER'S DESIGNEE.

2. THE OWNER OR OWNER'S DESIGNEE RECEIVING A NOTICE UNDER SEC. 8-8-13 MAY REQUEST A HEARING. IF REQUESTED, THE HEARING WILL BE CONDUCTED IN THE SAME MANNER AS SET FORTH IN ORO VALLEY TOWN CODE SEC. 8-8-13. REQUESTING A HEARING WILL STAY THE DECISION OF THE LICENSING ADMINISTRATOR OR DESIGNEE TO SUSPEND A LICENSE UNTIL THE CIVIL HEARING OFFICER HAS RENDERED A DECISION. IF THE DECISION TO SUSPEND THE LICENSE IS UPHELD BY THE CIVIL HEARING OFFICER, AND THE ORIGINAL PERIOD OF SUSPENSION HAS PASSED, IN WHOLE OR IN PART, THE CIVIL HEARING OFFICER MAY DESIGNATE THE PERIOD OF SUSPENSION FOR UP TO TWELVE (12) MONTHS.

3. IF THE OWNER OR OWNER'S DESIGNEE DOES NOT REQUEST A HEARING, THE LICENSING ADMINISTRATOR OR DESIGNEE MAY SUSPEND THE LICENSE FOR UP TO TWELVE (12) MONTHS.

G. MAINTAINING ACCURATE INFORMATION; VIOLATIONS.

ALL APPLICANTS AND PERSONS HOLDING LICENSES ISSUED PURSUANT TO THIS ARTICLE SHALL GIVE [PRIOR] WRITTEN NOTICE TO THE LICENSING ADMINISTRATOR OR DESIGNEE OF ANY MATERIAL CHANGE IN INFORMATION SUBMITTED IN CONNECTION WITH AN APPLICATION FOR A LICENSE OR RENEWAL OF A LICENSE. THE NOTICE SHALL BE PROVIDED TO THE LICENSING ADMINISTRATOR OR DESIGNEE NOT LESS THAN TEN (10) DAYS PRIOR TO THE EFFECTIVE DATE OF THE CHANGE. ANY INFORMATION REQUIRED FOR AN APPLICATION UNDER THIS SECTION 8-8-3 IS DEEMED TO BE MATERIAL FOR PURPOSES OF THIS SECTION 8-8-3. A VIOLATION OF THIS SUBSECTION IS A CIVIL OFFENSE.

H. TERM OF LICENSE; RENEWAL APPLICATION.

ALL LICENSES ISSUED UNDER THIS ARTICLE SHALL BE VALID FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF THEIR ISSUANCE / UNTIL SUSPENDED OR REVOKED. EXCEPT WHERE THE TOWN HAS RECEIVED A NEW APPLICATION ALONG WITH THE REQUISITE FEES, IT SHALL BE UNLAWFUL FOR ANY PERSON TO OPERATE A VACATION RENTAL AFTER THE EXPIRATION DATE RECORDED UPON THE FACE OF THE VACATION RENTAL LICENSE.

I. OPERATING WITHOUT A LICENSE; PENALTIES.

A VACATION RENTAL THAT FAILS TO APPLY FOR A LICENSE WITHIN THIRTY (30) DAYS OF THE LICENSE APPLICATION BEING MADE AVAILABLE BY THE TOWN SHALL IMMEDIATELY CEASE OPERATIONS. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, THE TOWN MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 PER MONTH AGAINST THE OWNER IF THE OWNER OR OWNER'S DESIGNEE FAILS TO APPLY FOR LICENSE WITHIN 30 DAYS OF RECEIVING THE WRITTEN NOTICE OF VIOLATION FROM THE TOWN. REPRESENTATIONS OR ADVERTISEMENTS INCLUDING ONLINE LISTINGS THAT REFERENCE THE PROPERTY, HOUSE OR DWELLING UNIT LOCATION WITHIN THE TOWN OF ORO VALLEY INCORPORATED BOUNDARY IS PRIMA FACIE EVIDENCE THAT A VACATION RENTAL IS OPERATING IN THE TOWN.

J. NON-TRANSFERABLE.

NO LICENSE SHALL BE TRANSFERABLE EITHER AS TO LOCATION OR AS TO PERSON.

K. IMPLEMENTATION.

THE TOWN OF ORO VALLEY LICENSING ADMINISTRATOR OR DESIGNEE SHALL DEVELOP THE NECESSARY FORMS AND/OR DATABASE NECESSARY TO IMPLEMENT THIS SECTION 8-8-3.

SEC. 8-8-4 EMERGENCY POINT OF CONTACT REQUIREMENTS; PENALTIES.

A. EMERGENCY RESPONSES; VIOLATIONS. WHEN REQUESTED BY A POLICE OFFICER, THE OWNER OR EMERGENCY POINT OF CONTACT WHOSE NAME APPEARS ON THE LICENSE APPLICATION MUST BE ON THE VACATION RENTAL PREMISES, OR BE AVAILABLE OVER THE PHONE OR TEXT, WITHIN SIXTY (60) MINUTES OF THE REQUEST.

B. NON-EMERGENCY RESPONSES; VIOLATIONS.

THE OWNER OR EMERGENCY POINT OF CONTACT SHALL RESPOND TO ALL OTHER COMPLAINTS RELATING TO THE VACATION RENTAL IN PERSON, OVER THE PHONE, BY E-MAIL, OR BY TEXT WITHIN TWENTY-FOUR (24) HOURS OF THE REQUEST.

C. MAINTAINING ACCURATE EMERGENCY INFORMATION.

ALL APPLICANTS AND PERSONS HOLDING LICENSES ISSUED PURSUANT TO THIS ARTICLE SHALL GIVE PRIOR WRITTEN NOTICE TO THE LICENSING ADMINISTRATOR OR DESIGNEE OF ANY CHANGE TO THE CONTACT INFORMATION PROVIDED TO THE TOWN OF ORO VALLEY FOR THE EMERGENCY POINT OF CONTACT. THE NOTICE SHALL BE PROVIDED TO THE LICENSING ADMINISTRATOR NOT LESS THAN TEN (10) DAYS PRIOR TO THE EFFECTIVE DATE OF THE CHANGE.

SEC. 8-8-5 COMPLIANCE WITH THE LAW; PROHIBITED USES.

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A. A VACATION RENTAL SHALL COMPLY WITH THE FEDERAL, STATE, AND LOCAL LAWS INCLUDING LAWS RELATING TO PUBLIC HEALTH AND SAFETY, SANITATION, SOLID WASTE, HAZARDOUS WASTE, TAX PRIVILEGE LICENSING, PROPERTY TAX REGISTRATION, TRAFFIC CONTROL, POLLUTION CONTROL, NOISE, PROPERTY MAINTENANCE, AND NUISANCE ABATEMENT.

B. NO PERSON OR ENTITY SHALL OPERATE A VACATION RENTAL IN VIOLATION OF THIS ARTICLE OR OTHER LAW. IN ADDITION, THE USE OF A VACATION RENTAL PROPERTY FOR ANY OF THE FOLLOWING USES OR PURPOSES IS STRICTLY PROHIBITED:

1. ANY NONRESIDENTIAL USE;

2. HOLDING A SPECIAL EVENT THAT REQUIRES A PERMIT PURSUANT TO TOWN OR ORO VALLEY CODE OR STATE LAW OR RULE;

3. OPERATING A RETAIL BUSINESS, RESTAURANT, EVENT CENTER, BANQUET HALL 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. ANY OTHER USE PROHIBITED BY A.R.S. § 9-500.39 OR THE TOWN OF ORO VALLEY CODE.

C. A VACATION RENTAL LACKING A VALID TRANSACTION PRIVILEGE TAX LICENSE ISSUED BY THE STATE OF ARIZONA SHALL NOT BE RENTED OR OFFERED FOR RENT.

D. NO PERSON OR ENTITY OPERATING A SHORT TERM OR VACATION RENTAL MAY RECEIVE PAYMENT OR ACCEPT A FEE, DIRECTLY OR INDIRECTLY, FOR FACILITATING THE RENTAL OF A VACATION RENTAL OPERATING IN VIOLATION OF THIS CODE OR OTHER LAW.

E. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, ANY PERSON WHO CAUSES, ALLOWS, FACILITATES, AIDES, OR

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ABETS ANY VIOLATION OF THIS ARTICLE SHALL BE SUBJECT TO A CIVIL OFFENSE.

F. THE FAILURE OF ANY DESIGNEE TO COMPLY WITH THIS ARTICLE SHALL NOT RELIEVE THE OWNER OF LIABILITY UNDER THIS ARTICLE.

SEC. 8-8-6 NEIGHBOR NOTIFICATION REQUIRED.

A. NEIGHBOR NOTIFICATION.

PRIOR TO SECURING A LICENSE FOR A VACATION RENTAL FOR RENT, THE OWNER OR DESIGNEE SHALL PROVIDE NEIGHBOR NOTIFICATION TO EACH SINGLE-FAMILY RESIDENTIAL PROPERTY ADJACENT TO THE VACATION RENTAL PROPERTY, DIRECTLY ACROSS FROM THE VACATION RENTAL PROPERTY, AND DIAGONALLY ACROSS THE STREET OF THE VACATION RENTAL PROPERTY. THE NEIGHBOR NOTIFICATION SHALL BE PROVIDED IN WRITING IN THE FORM REQUIRED BY THE TOWN, SHALL BE DISTRIBUTED VIA REGISTERED OR CERTIFIED MAIL AND SHALL INCLUDE THE FOLLOWING MINIMUM **INFORMATION:**

1. THE PHYSICAL ADDRESS OF THE VACATION RENTAL;

2. THE NAME, PHYSICAL ADDRESS, EMAIL ADDRESS, AND TWENTY-FOUR (24) HOUR TELEPHONE NUMBER OF THE EMERGENCY POINT OF CONTACT.

B. ADDITIONAL NEIGHBOR NOTIFICATION REQUIRED. ANY CHANGE TO THE INFORMATION PROVIDED UNDER SUBSECTION A SHALL REQUIRE ADDITIONAL NEIGHBOR NOTIFICATION BY THE OWNER OR DESIGNEE NOT LATER THAN FIVE (5) DAYS PRIOR TO EACH CHANGE. THE ADDITIONAL NOTIFICATION SHALL BE PROVIDED IN THE MANNER REQUIRED BY SECTION A.

C. ATTESTATION.

THE OWNER OR DESIGNEE SHALL PROVIDE TO THE TOWN AN ATTESTATION OF COMPLIANCE WITH THE NEIGHBOR NOTIFICATION REQUIRED BY SECTION 8-8-6.

D. VIOLATIONS.

IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, A VIOLATION OF THIS SECTION 8-8-6 SHALL BE A CIVIL OFFENSE.

SEC. 8-8-7 ADVERTISEMENT REQUIREMENTS.

A. REQUIRED DISCLOSURE.

TO PROTECT THE PEACE, HEALTH, SAFETY, AND GENERAL WELFARE OF THE

TOWN'S RESIDENTS AND VISITORS, THE OWNER OR OWNER'S DESIGNEE SHALL

BE RESPONSIBLE FOR DISPLAYING THE LICENSE NUMBER ISSUED BY THE TOWN ON EACH ADVERTISEMENT FOR SUCH VACATION RENTAL.

B. VIOLATIONS.

IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, A VIOLATION OF THIS SECTION SHALL BE A CIVIL OFFENSE. EACH ADVERTISEMENT IN VIOLATION OF THIS SECTION 8-8-7 SHALL CONSTITUTE A SEPARATE VIOLATION.

SEC. 8-8-8 POSTING ON THE PROPERTY REQUIRED.

A. POSTING AT THE VACATION RENTAL.

THE OWNER OF THE VACATION RENTAL MUST DISPLAY THE NAME, PHONE NUMBER, AND EMAIL ADDRESS OF THE OWNER, DESIGNEE, AND EMERGENCY POINT OF CONTACT OUTSIDE THE RESIDENCE, ON A FORM PROVIDED BY THE TOWN, IN A CONSPICUOUS PLACE WITHIN TEN (10) FEET OF THE PRIMARY ENTRANCE OF THE VACATION RENTAL, OR AS APPROVED BY THE LICENSING ADMINISTRATOR OR DESIGNEE.

B. FAILURE TO COMPLY.

IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, A VIOLATION OF THIS SECTION 8-8-8 SHALL BE A CIVIL OFFENSE. EACH DAY A VACATION RENTAL DOES NOT DISPLAY THE INFORMATION REQUIRED BY THIS SECTION 8-8-8 SHALL CONSTITUTE A SEPARATE VIOLATION.

SEC. 8-8-9 INSURANCE REQUIRED.

A. REQUIRED INSURANCE.

PRIOR TO OFFERING OR RENTING A VACATION RENTAL FOR RENT FOR THE FIRST TIME, LIABILITY INSURANCE APPROPRIATE TO COVER THE VACATION RENTAL IN THE AGGREGATE OF AT LEAST \$500,000 SHALL BE PROVIDED BY THE OWNER OR THE ONLINE MARKETPLACE PLATFORM.

B. PROOF OF INSURANCE.

PROOF OF THE REQUIRED LIABILITY INSURANCE COVERAGE SHALL BE PROVIDED TO THE TOWN AT THE TIME OF APPLICATION OR RENEWAL OF A LICENSE REQUIRED BY THIS SECTION.

C. VIOLATION.

IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, A VIOLATION OF THIS SECTION 8-8-9 SHALL BE A CIVIL OFFENSE. EACH DAY A VACATION RENTAL LACKS THE INSURANCE REQUIRED BY THIS SECTION 8-8-9 SHALL CONSTITUTE A SEPARATE VIOLATION.

SEC. 8-8-10 BACKGROUND CHECKS REQUIRED.

A. NO SEX OFFENDER SHALL BE LICENSED TO RENT OR OCCUPY THE VACATION RENTAL. OWNERS WHO ALLOW A SEX OFFENDER AT THE VACATION RENTAL SHALL BE FOUND IN VIOLATION OF THIS SECTION 8-8-10.

B. WITHIN TWENTY-FOUR (24) HOURS OF EVERY BOOKING, A SEX OFFENDER BACKGROUND CHECK ON EACH GUEST SHALL BE CONDUCTED BY THE OWNER OR BY THE ONLINE LODGING MARKETPLACE ON WHICH THE VACATION RENTAL IS ADVERTISED. THE OWNER SHALL DEMONSTRATE COMPLIANCE WITH THIS REQUIREMENT BY RETAINING A FULL COPY OF EACH BACKGROUND CHECK FOR A MINIMUM OF TWELVE (12) MONTHS AFTER THE BOOKING DATE AND PROVIDING THE COPY TO THE TOWN OF ORO VALLEY UPON A REQUEST BY A POLICE OFFICER.

C. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, ANY PERSON WHO VIOLATES THIS SECTION 8-8-10 SHALL BE SUBJECT TO A CIVIL OFFENSE.

D. THE FAILURE OF AN ONLINE LODGING MARKETPLACE TO CONDUCT A BACKGROUND CHECK SHALL NOT RELIEVE THE OWNER OF LIABILITY UNDER THIS SEC. 8-8-10.

SEC. 8-8-11 LICENSE SUSPENSIONS.

A. LICENSE SUSPENSIONS.

THE TOWN MAY INITIATE AN ADMINISTRATIVE PROCESS TO SUSPEND A VACATION RENTAL LICENSE FOR A PERIOD OF UP TO TWELVE (12) MONTHS FOR ANY OF THE FOLLOWING:

1. THREE (3) VERIFIED VIOLATIONS OF THIS ARTICLE WITHIN A TWELVE (12) MONTH PERIOD, NOT INCLUDING ANY SUCH VIOLATION BASED ON AN AESTHETIC, SOLID WASTE DISPOSAL OR VEHICLE PARKING VIOLATION THAT IS NOT ALSO A SERIOUS THREAT TO PUBLIC HEALTH AND SAFETY.

2. ONE (1) VERIFIED VIOLATION THAT RESULTS IN OR CONSTITUTES ANY OF THE FOLLOWING:

A. A FELONY OFFENSE COMMITTED AT OR IN THE VICINITY OF A VACATION RENTAL BY THE OWNER OF THE VACATION RENTAL OR BY THE OWNER'S DESIGNEE;

B. A SERIOUS PHYSICAL INJURY OR WRONGFUL DEATH AT OR RELATED TO A VACATION RENTAL RESULTING FROM THE KNOWING, INTENTIONAL OR RECKLESS CONDUCT OF THE OWNER OF THE VACATION RENTAL OR THE OWNER'S DESIGNEE;

C. THE OWNER OF THE VACATION RENTAL OR THE OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY HOUSING A SEX OFFENDER, ALLOWING OFFENSES RELATED TO ADULT-ORIENTED BUSINESSES, SEXUAL OFFENSES, OR PROSTITUTION, OR OPERATING OR MAINTAINING A SOBER LIVING HOME; OR

D. THE OWNER OF THE VACATION RENTAL OR THE OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY ALLOWING THE USE OF A VACATION RENTAL FOR A SPECIAL EVENT THAT WOULD OTHERWISE REQUIRE A LICENSE OR LICENSE PURSUANT TO THE TOWN OF ORO VALLEY CODE OR A STATE LAW OR RULE OR FOR A RETAIL, RESTAURANT, BANQUET SPACE OR OTHER SIMILAR USE.

B. APPEALS.

A DECISION TO SUSPEND A LICENSE MAY BE APPEALED BY THE OWNER AS SET FORTH IN SEC. 8-8-13.

C. VIOLATIONS OF THE TOWN-WIDE ORO VALLEY CODE INTENDED TO PROTECT THE PUBLIC'S HEALTH AND SAFETY AS WELL AS ORDINANCES RELATED TO NOISE PROTECTION OF WELFARE, PROPERTY MAINTENANCE AND OTHER NUISANCE ISSUES AT THE PROPERTY SHALL CONSTITUTE A VIOLATION OF THIS ORDINANCE.

SEC. 8-8-12 VIOLATIONS AND PENALTIES.

A. THE REMEDIES IN THIS ARTICLE ARE CUMULATIVE AND THE TOWN MAY PROCEED UNDER ONE OR MORE SUCH REMEDIES.

B. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE TOWN OF ORO VALLEY CODE, AND NOTWITHSTANDING ANY OTHER LAW, THE TOWN MAY IMPOSE A CIVIL PENALTY OF THE FOLLOWING AMOUNTS AGAINST AN OWNER IF THE OWNER CAUSES, ALLOWS, FACILITATES, AIDES, OR ABETS A VERIFIED VIOLATION OF ANY PROVISION OF THIS ARTICLE OR FAILS TO PERFORM ANY ACT OR DUTY REQUIRED BY THIS ARTICLE, RELATED TO THE SAME VACATION RENTAL PROPERTY WITHIN THE SAME TWELVE-MONTH PERIOD:

1. UP TO \$500 OR UP TO AN AMOUNT EQUAL TO ONE NIGHT'S RENT FOR THE VACATION RENTAL AS ADVERTISED, WHICHEVER IS GREATER, FOR THE FIRST VIOLATION.

2. UP TO \$1,000 OR UP TO AN AMOUNT EQUAL TO TWO NIGHTS' RENT {00454966.1}

FOR THE VACATION RENTAL AS ADVERTISED, WHICHEVER IS GREATER, FOR THE SECOND VIOLATION.

{00454966.1}

3. UP TO \$3,500 OR UP TO AN AMOUNT EQUAL TO THREE NIGHTS' RENT FOR THE VACATION RENTAL AS ADVERTISED, WHICHEVER IS GREATER, FOR A THIRD AND ANY SUBSEQUENT VIOLATION.

IF MULTIPLE VIOLATIONS ARISE OUT OF THE SAME RESPONSE TO AN INCIDENT AT A VACATION RENTAL, THOSE VIOLATIONS ARE CONSIDERED ONE VIOLATION FOR THE PURPOSE OF ASSESSING CIVIL PENALTIES.

C. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THE CODE, ANY PROPERTY THAT OPERATES AS A VACATION RENTAL AND FAILS TO APPLY FOR VACATION RENTAL LICENSE IN ACCORDANCE WITH THIS ARTICLE WITHIN THIRTY (30) DAYS OF THE APPLICATION PROCESS BEING MADE AVAILABLE BY THE TOWN, MUST CEASE OPERATIONS IMMEDIATELY. IN ADDITION TO ANY FINES IMPOSED PURSUANT TO THIS SECTION 8-8-12, THE TOWN MAY IMPOSE A CIVIL PENALTY OF UP TO ONE THOUSAND DOLLARS (\$1,000) PER MONTH AGAINST THE OWNER IF THE OWNER OR OWNER'S DESIGNEE FAILS TO APPLY WITHIN THIRTY (30) DAYS OF RECEIVING WRITTEN NOTICE OF THE FAILURE TO COMPLY WITH THIS ARTICLE.

SEC. 8-8-13 APPEALS.

A. ANY PERSON AGGRIEVED BY ANY DECISION WITH RESPECT TO THE DENIAL OF OR A REFUSAL TO ISSUE A VACATION RENTAL LICENSE, THE SUSPENSION OF A VACATION RENTAL LICENSE, OR A PENALTY IMPOSED PURSUANT TO THIS ARTICLE MAY APPEAL THE DECISION BY FILING A WRITTEN NOTICE OF APPEAL WITH THE LICENSING ADMINISTRATOR OR DESIGNEE NO LATER THAN THIRTY (30) DAYS FROM THE DATE OF THE DECISION LETTER. THE NOTICE OF APPEAL SHALL BE ON A FORM APPROVED BY THE TOWN.

B. AN APPEAL UNDER THIS SECTION 8-8-13 DOES NOT OPERATE AS A STAY OF THE LICENSE SUSPENSION.

C. THIS SECTION 8-8-13 IS NOT APPLICABLE TO JUDICIAL ACTIONS BROUGHT PURSUANT TO SEC. 8-8-14 OR TO PENALTIES INCLUDING FINES IMPOSED BY A COURT.

SEC. 8-8-14 JUDICIAL RELIEF.

A. NOTWITHSTANDING SEC. 8-8-11, ANY ATTEMPTED OR COMPLETED FELONY ACT, ARISING FROM THE OCCUPANCY OR USE OF A VACATION RENTAL THAT RESULTS IN A DEATH, OR ACTUAL OR ATTEMPTED SERIOUS PHYSICAL INJURY, SHALL BE GROUNDS FOR JUDICIAL RELIEF IN THE FORM OF A SUSPENSION OF THE PROPERTY'S USE AS A VACATION RENTAL FOR A PERIOD THAT SHALL NOT EXCEED TWELVE (12) MONTHS. B. THE TOWN OF ORO VALLEY ATTORNEY MAY INITIATE PROCEEDINGS IN THE TOWN OF ORO VALLEY COURT OR OTHER COURT OF COMPETENT JURISDICTION TO ENFORCE THIS SECTION 8-8-14.

SEC. 8-8-15 SEVERABILITY.

IN THE EVENT ANY SECTION OR PROVISION OF THIS ARTICLE SHALL BE DECLARED BY A COURT OF COMPETENT JURISDICTION TO BE INVALID OR UNCONSTITUTIONAL, SUCH DECISION SHALL NOT AFFECT THE VALIDITY OF THIS ARTICLE AS A WHOLE OR ANY PART THEREOF OTHER THAN THE PART SO DECLARED TO BE INVALID OR UNCONSTITUTIONAL.