

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING AND WORK STUDY SESSION MINUTES
MONDAY, NOVEMBER 20, 2023**



**CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251**

CALL TO ORDER

Mayor David D. Ortega called to order a Regular Meeting and Work Study Session of the Scottsdale City Council at 5:00 P.M. on Monday, November 20, 2023 in the City Hall Kiva Forum.

ROLL CALL

Present: Mayor David D. Ortega; Vice Mayor Solange Whitehead; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Kathy Littlefield

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

PLEDGE OF ALLEGIANCE – Councilwoman Janik

MAYOR'S REPORT

Mayor Ortega called attention to the ongoing wars in foreign countries as they fight to protect their democracy and freedom and asked for a moment of silent reflection for these war-torn countries.

Mayor Ortega commented on Thanksgiving week and the importance of giving thanks for one another, our families, and for the safety of our military.

PUBLIC COMMENT

- Kyle McGinley discussed zoning and parking concerns related to a business (spa/personal care services) that is affecting the Vista Bonita neighborhood.
- Brent Bieser commented about the challenges he is facing regarding a S-R zoned property located at Scottsdale Road and Vista Drive and the related parking issues with the hotel across the street in the Town of Paradise Valley.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

CONSENT AGENDA

1. Ashler Hills Park Construction Phase Contract

Request: Adopt **Resolution No. 12969** authorizing Construction Manager at Risk Contract No. 2023-168-COS with Valley Rain Construction Corporation, in an amount not to exceed \$8,753,376, to provide construction services for the Bond 2019 Project 55 – Build a 17-Acre Neighborhood Park at Ashler Hills Drive and 74th Way (Whisper Rock).

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

City Engineer Alison Tymkiw gave a PowerPoint presentation (attached) on the proposed Ashler Hills Park Construction Phase Contract.

2. WestWorld Master Plan Phase II Services Engineering Services Contract Amendment

Request: Adopt **Resolution No. 12983** authorizing Contract No. 2022-100-COS-A1, the first amendment to the contract with Kimley-Horn and Associates, Inc., in the amount of \$385,360, for WestWorld Master Plan Phase II Services.

Location: 16601 N. Pima Road

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

3. On-Call Electrical Engineering Services Contracts for Capital Improvement and Facilities Projects

Request: Adopt **Resolution No. 12979** authorizing the following on-call electrical engineering services contracts for two years with the option to extend for three additional one-year periods, in an amount not to exceed \$1,500,000 for the initial two-year term of each contract:

1. Contract No. 2023-188-COS with GLHN Architects & Engineers, Inc.
2. Contract No. 2023-189-COS with LSW Engineers Arizona, Inc.
3. Contract No. 2023-190-COS with Energy Systems Design, Inc.

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

4. First Substantial Amendment to the Community Development Block Grant (CDBG) Fiscal Year (FY) 2023/24 Annual Action Plan

Request: Adopt **Resolution No. 12964** to authorize:

1. Approval of the substantial amendment to the FY 2023/24 Annual Action Plan and authorize the:
 - a. City Manager, or designee, to submit the Annual Action Plan Amendment to the U.S. Department of Housing and Urban Development (HUD) and execute appropriate certifications **Staff Contact(s):** Judy Doyle, Community Services Assistant Executive Director, 480-312-2691, jdoyle@scottsdaleaz.gov
 - b. The 2023/24 Annual Action Plan to reflect the reallocation of up to \$49,000 of FY 2023/24 CDBG Grant Public Services funds for a senior services Caseworker position that was originally allocated to fund an adolescent mental health services Caseworker position.
 - c. The City Manager, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Judy Doyle, Community Services Assistant Executive Director, 480-312-2691, jdoyle@scottsdaleaz.gov

5. State Lobbying and Information Services Contract Amendment

Request: Adopt **Resolution No. 12973** authorizing Contract No. 2020-183-COS-A3, the third extension to the contract with The Aarons Company, LLC, in the annual amount of \$54,000, to provide state lobbying and information services on behalf of the City.

Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov

6. 2024 State Legislative Agenda

Request: Approval of the City of Scottsdale's 2024 State Legislative Agenda and authorizing the City's registered lobbyists to take the necessary actions to communicate the City's position on these matters to local, regional, State, and Federal officials; members of the Arizona State Legislature; and members of the United States Congress.

Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov

Government Relations Director Dale Wiebusch gave a presentation on the proposed 2024 State Legislative Agenda.

7. Proposition 202 Grant Funds Acceptance

Request: Adopt **Resolution No. 12974** to authorize:

1. Acceptance of Proposition 202 grant funds from the Gila River Indian Community, in the amount of \$155,000, for the support of educational, conservation, recreational, health and human services programs; the promotion of commerce and economic development; and other programs and activities benefiting the public.
2. A Budget Transfer, of up to \$5,000, from the adopted Fiscal Year 2023/24 Future Grants and/or Grant Contingency budget to newly created cost centers to record the related grant activity.

Staff Contact(s): Dale Wiebusch, Government Relations Director, 480-312-2683, dwiebusch@scottsdaleaz.gov

8. Kent Settlement Agreement

Request: Adopt **Resolution No. 12993** to authorize:

1. Agreement No. 2023-197-COS with Jacob Kent, D.D.S. and Kent Dentistry, Inc., in the amount of \$571,211.96 for all claims stemming from a sewage overflow incident at 14201 N. Hayden Drive, Suite D-3, Scottsdale, Arizona 85260.
2. The City Manager, City Treasurer, City Attorney, and their respective staff, to execute such documents and take such other actions as necessary to carry out the purpose of this Resolution.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

9. Monthly Financial Report

Request: Accept the Fiscal Year 2023/24 Monthly Financial Report as of September 2023.

Staff Contact(s): Ana Lia Johnson, Interim Budget Director, 480-312-7893, anjohanson@scottsdaleaz.gov

10. Interim Finance Consultant Services Contract

Request: Adopt **Resolution No. 12990** authorizing Contract No. 2023-194-COS with Interim Public Management, LLC, in the amount of \$150,000, for interim finance consultant services to assist with budget development, enterprise resource planning implementation and fee studies, banking contracts, and other financial services.

Staff Contact(s): Jenn Myers, Purchasing Director, 480-312-5706, jmyers@scottsdaleaz.gov

*****10A. Perfluoroalkyl Substances Settlement Agreements**

Request: Adopt **Resolution No. 12997** to authorize:

1. The City's participation in the settlement with DuPont in *City of Camden, et al. v E.I. DuPont de Nemours and Company, et al.*, No. 2:23-cv-03230-RMG, and the settlement with 3M in *City of Camden, et al. v. 3M Company*, Case No. 2:23-cv-03147-RMG.
2. The City Attorney to file all claims, including future supplemental claims and a Special Needs Claim Form with the District Court.
3. The City Manager, City Treasurer, and City Attorney, and their respective staff to execute such documents and take such other actions as necessary to carry out the intent of this Resolution.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilmember Graham requested additional information on Item 1 [Ashler Hills Park Construction Phase Contract] and Item 6 [2024 State Legislative Agenda].

There was no public comment on the Consent Agenda items.

Vice Mayor Whitehead made a motion to approve Consent Agenda Items 1 through 10A. Councilmember Durham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

PUBLIC COMMENT

No public comments were received.

CITIZEN PETITIONS

11. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Ben Lane, City Clerk, 480-312-2411, blane@scottsdaleaz.gov

No citizen petitions were received.

WORK STUDY SESSION

PUBLIC COMMENT

No public comments were received.

1. Maricopa Association of Governments (MAG) Economic Trends Presentation

Request: Presentation and discussion on (MAG) analysis of current trends in the economy, real estate transactions, and housing affordability.

Presenter(s): Brent Stockwell, Assistant City Manager and Anubhav Bagley, Regional Analytics Director, Maricopa Association of Governments

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov

Maricopa Association of Governments (MAG) Managing Executive Director Ed Zuercher and MAG Regional Analytics Director Anubhav Bagley gave a PowerPoint presentation (attached) on economic trends in Scottsdale and Maricopa County.

Councilmembers made the following observations and suggestions:

- Provide information on longitudinal trends (by percentage) of individuals working in Scottsdale and living outside of the city.
- Analyze trends related to individuals working at home by sector.
- Provide data on the national average for the commute to work distance.
- It is encouraging that residential housing completions are increasing.
- Provide data on the percentage of workers who work at a Scottsdale-based business, live outside Scottsdale, and work from home or have a hybrid schedule.
- Provide trend data on mortgage rates.
- Determine if Costar rent data includes “junk fees”.
- Research if apartment complexes with 50 or more units are more or less likely to have short term rentals.
- The multi-family housing data provided by MAG is very useful.

2. **Short Term Rental Discussion and Possible Action**

Request: Presentation of detailed report on crimes and infractions committed and calls for service at short term rentals in the City and a summary of actions taken by adjoining jurisdictions as well as discussion and possible Council action regarding potential additional or increased enforcement mechanisms and/or efforts related to short term rentals.

Presenter(s): Brent Stockwell, Assistant City Manager

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288,
bstockwell@scottsdaleaz.gov

Assistant City Manager Brent Stockwell, Tax and Licensing Manager Sarah VanGoethem, McKellips District Police Commander Jeromie O’Meara, Downtown Section Police Lieutenant George Gollihar, Communications and Public Affairs Director Kelly Corsette, Management Associate to the City Manager Will Brooks, and Government Relations Director Dale Wiebusch gave a PowerPoint presentation (attached) on short term rentals.

There was Council consensus on the following items:

- Support for the recommended changes to the Nuisance Party and Vacation Rental Ordinances.
- Continue to look at possible solutions for addressing occupancy load concerns.

Councilmembers made the following observations and suggestions:

- Continue to consider program costs and determine if higher application fees can be charged within State law limits.
- Provide financial information that was not included in today’s presentation.
- Simplify ordinances and group these ordinances together where possible.
- Verify emergency contact information of applicants.

MOTION AND VOTE – ADJOURNMENT

Councilwoman Janik made a motion to adjourn the Regular Meeting and Work Study Session. Vice Mayor Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

ADJOURNMENT

Mayor Ortega adjourned the Regular Meeting and Work Study Session at 8:22 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on January 9, 2024

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting and Work Study Session of the City Council of Scottsdale, Arizona, held on the 20th day of November 2023.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 9th day of January 2024.



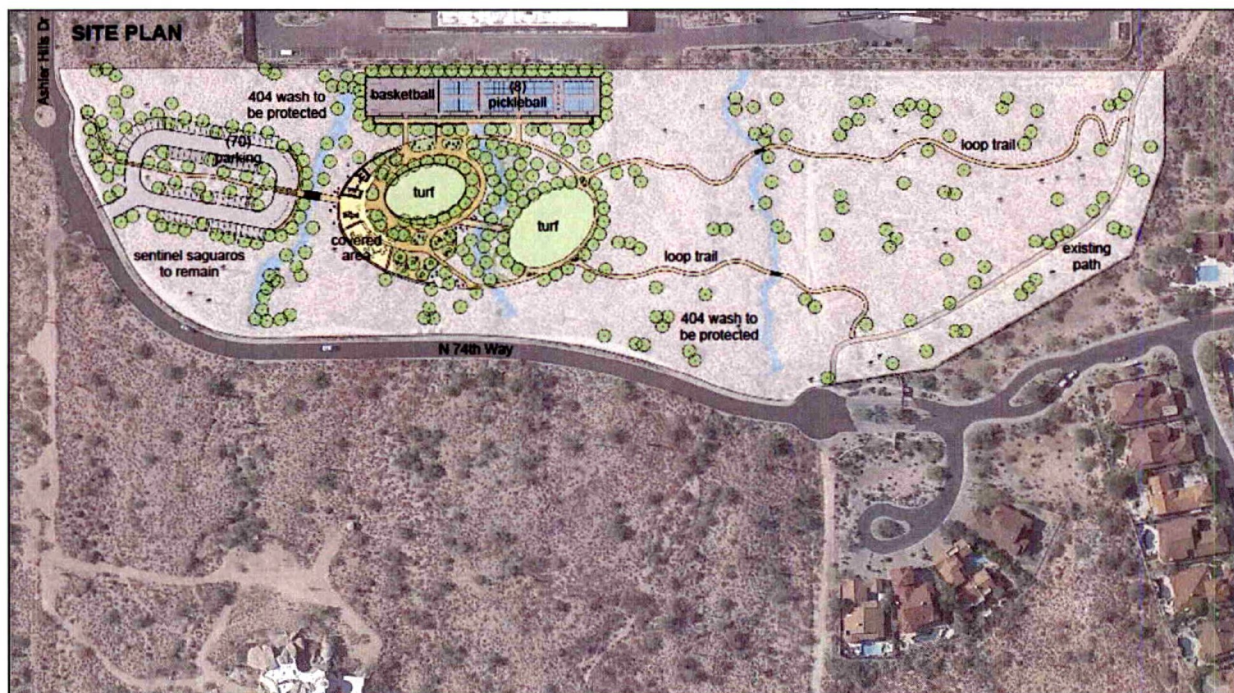
Ben Lane, City Clerk

Item #1: Construction Manager at Risk Construction Phase Services for Ashler Hills Park

Adopt Resolution No. 12969 to authorize:

- Construction Manager at Risk (CMAR) Contract 2023-168-COS in the amount of \$8,753,376.00 between the City and Valley Rain Construction Corporation for construction services for 2019 Bond Project 55 - Build a 17-Acre Neighborhood Park at Ashler Hills Drive and 74th Way (Whisper Rock).

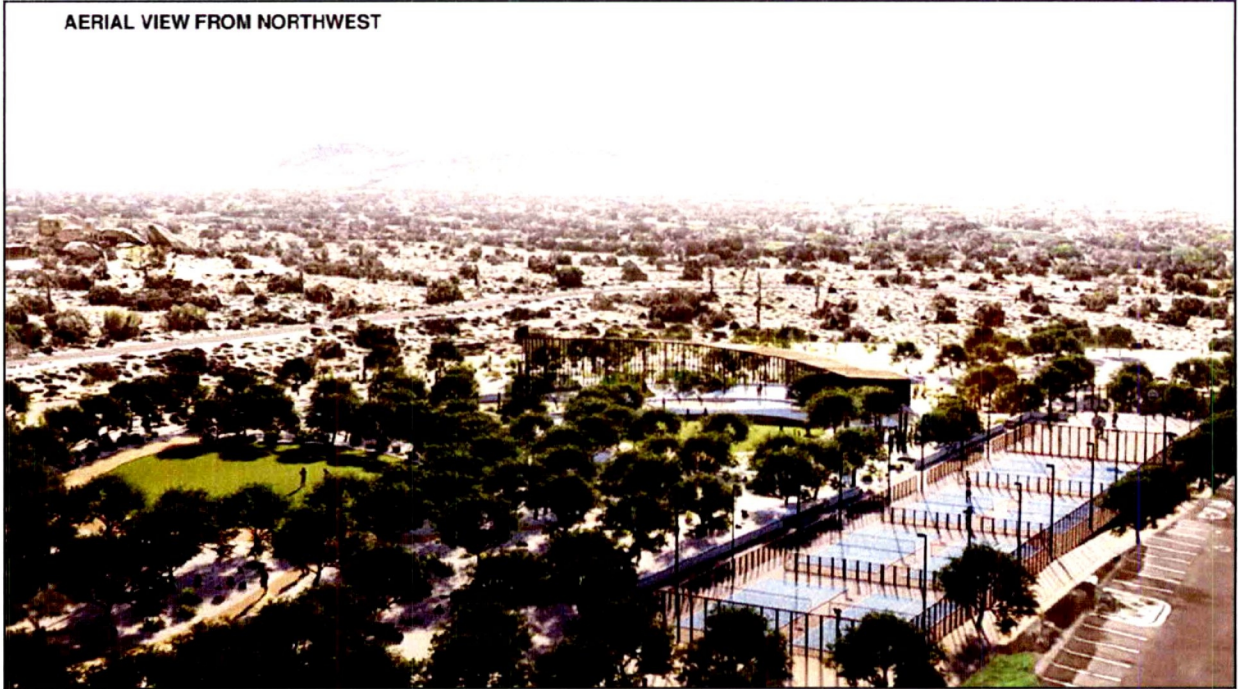
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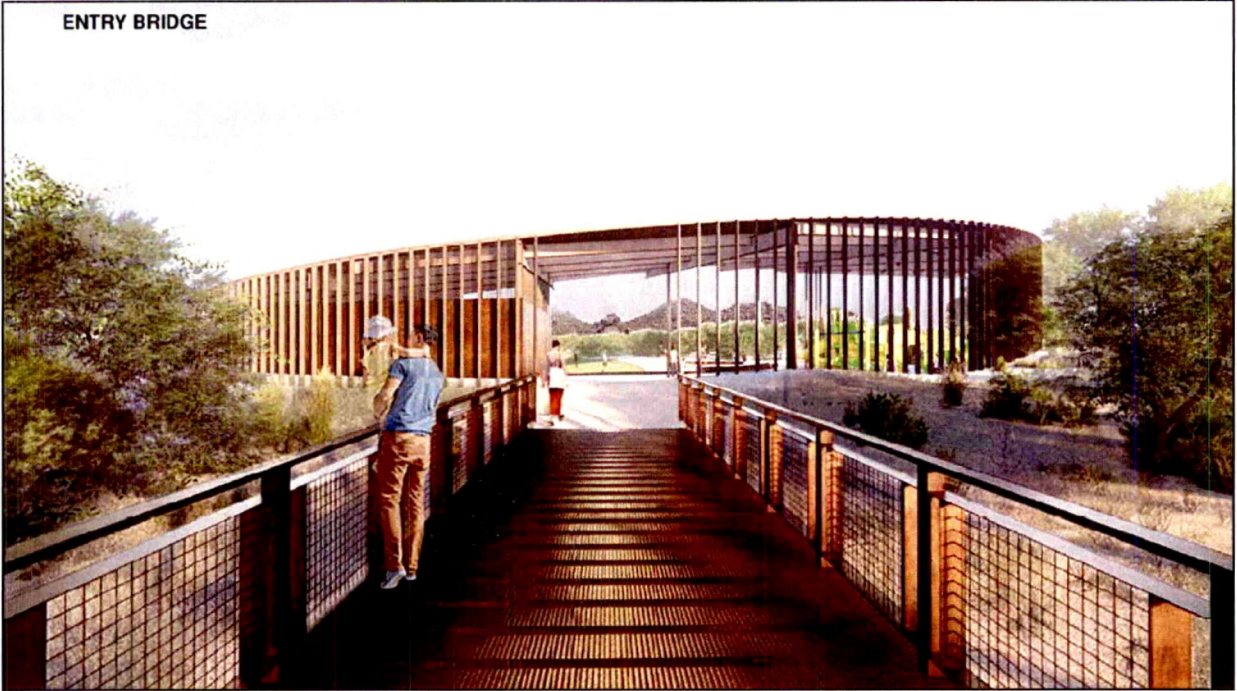


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ENTRY BRIDGE



5



6

6

Questions?

7

7

Work Study 1



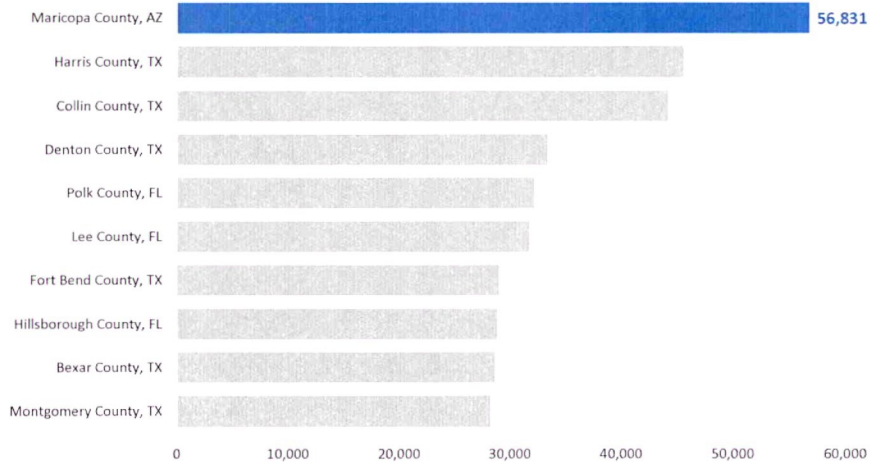
Regional Economic and Housing Trends

Scottsdale City Council
November 20, 2023

1

Maricopa County saw the largest population growth in the nation

Top 10 Counties in Numeric Growth, 2021 to 2022

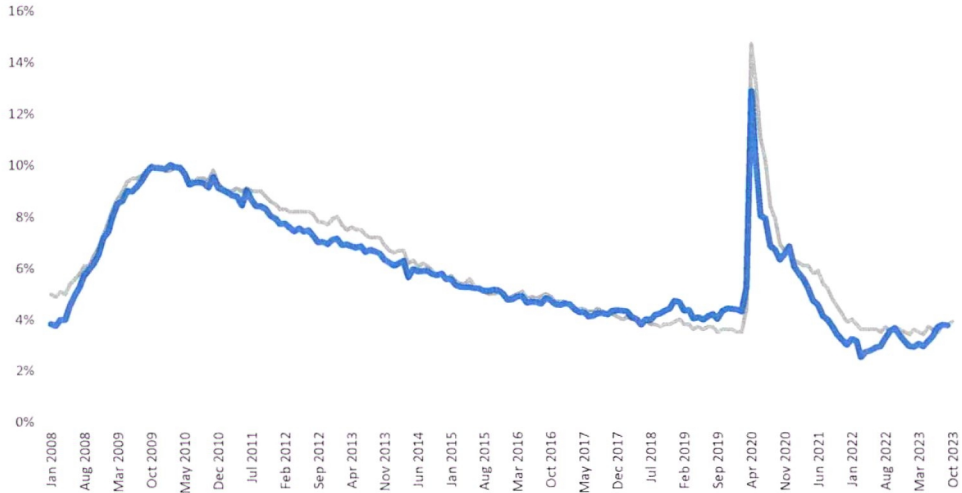


Source: U.S. Census Bureau, Vintage 2022 Population Estimates



2

Unemployment rate for the Phoenix MSA and U.S. is 3.8% (Sept 2023)



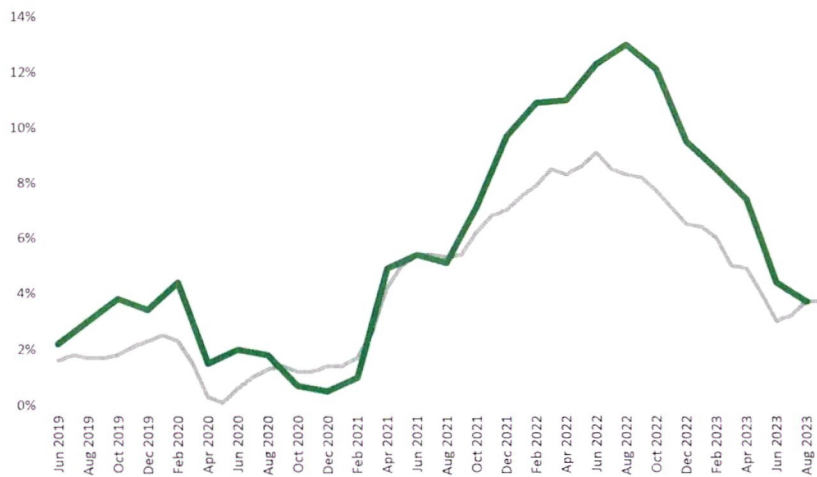
Source: U.S. Bureau of Labor Statistics, Arizona Office of Economic Opportunity, EBRC



3

Phoenix MSA and U.S. inflation are both at 3.7% (August 2023)

Year-Over-Year Percent Change in Consumer Price Index (CPI)



Source: U.S. Bureau of Labor Statistics

Phoenix MSA Inflation Components:

- Utility piped gas service 16.2% ↑
- Cereals and bakery products 10.9% ↑
- Rent of primary residence 9.5% ↑



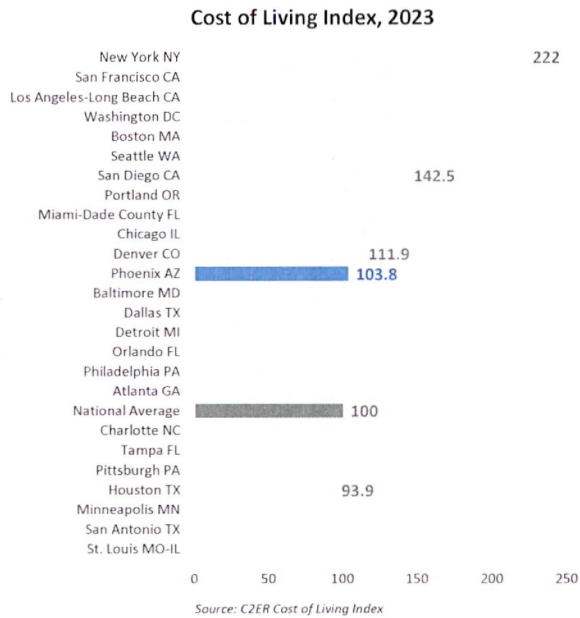
4

Cost of Living

► **Phoenix** is ranked **12th** among the top 25 most populous cities in terms of highest cost of living

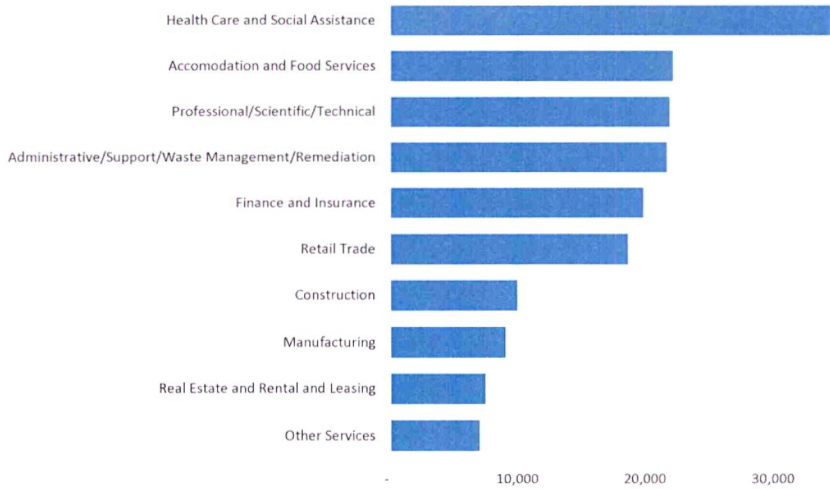
► Phoenix was ranked **18th** in 2021

Cost of living index is calculated using prices of select goods and services to reflect consumer expenditures, with a base of 100 as the national average cost of living.

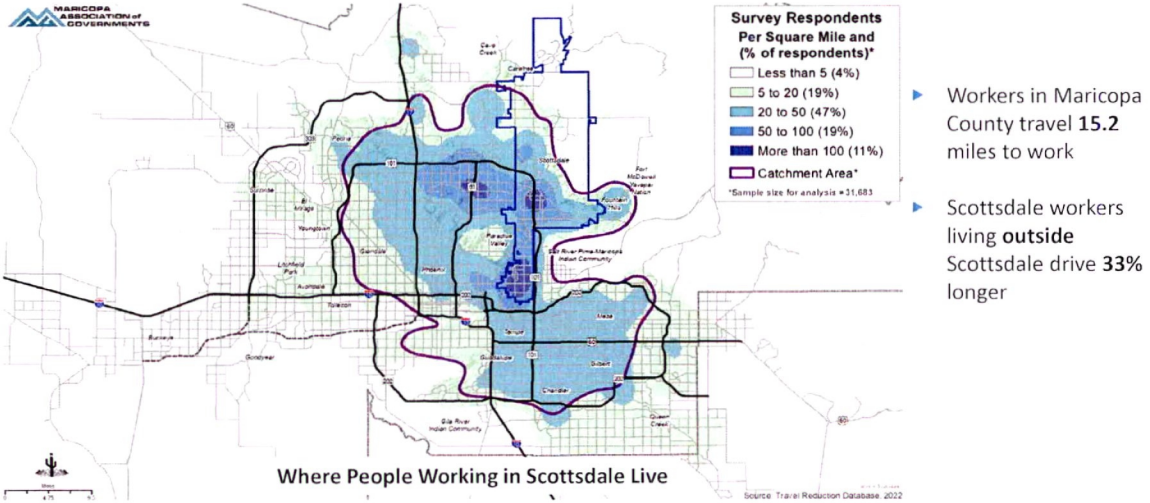


9.6% increase in total employment in Scottsdale since 2020

Top 10 Employment Sectors, 2022

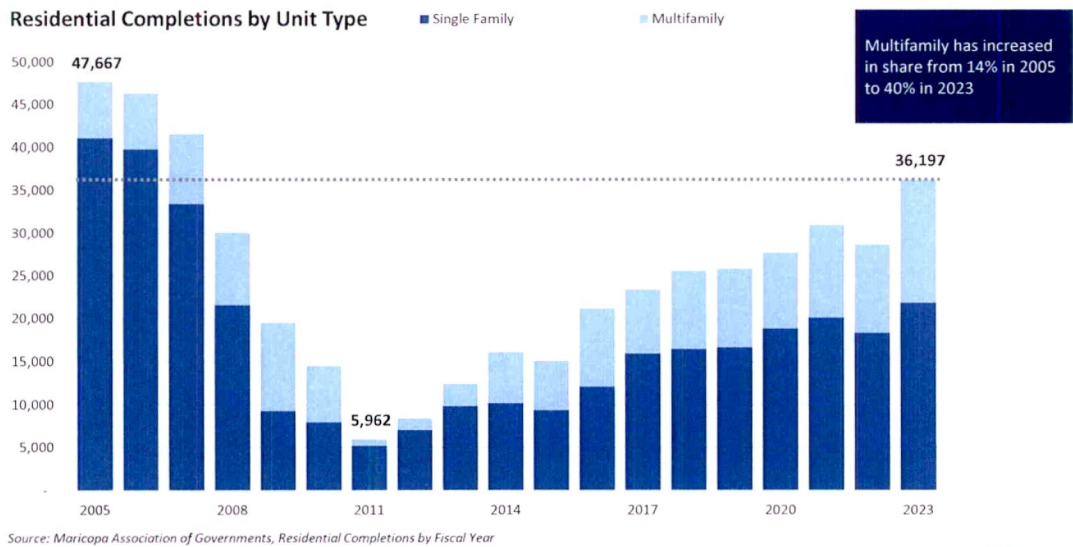


80% of workers in Scottsdale live outside the city

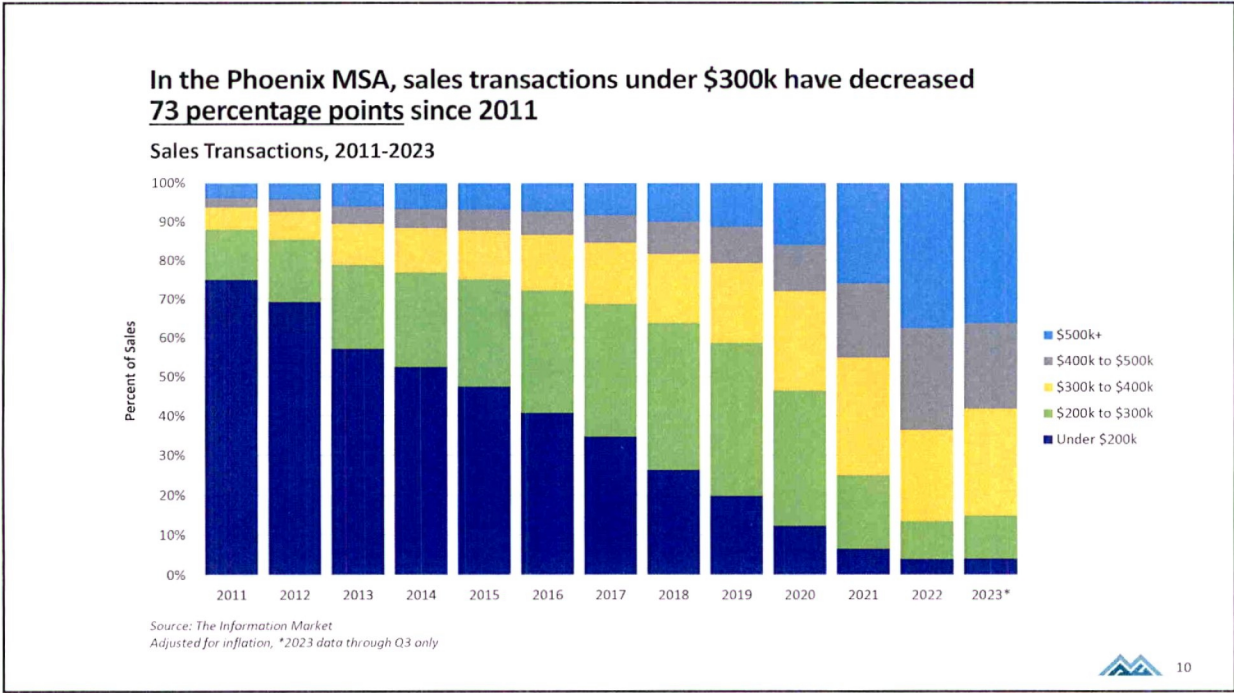
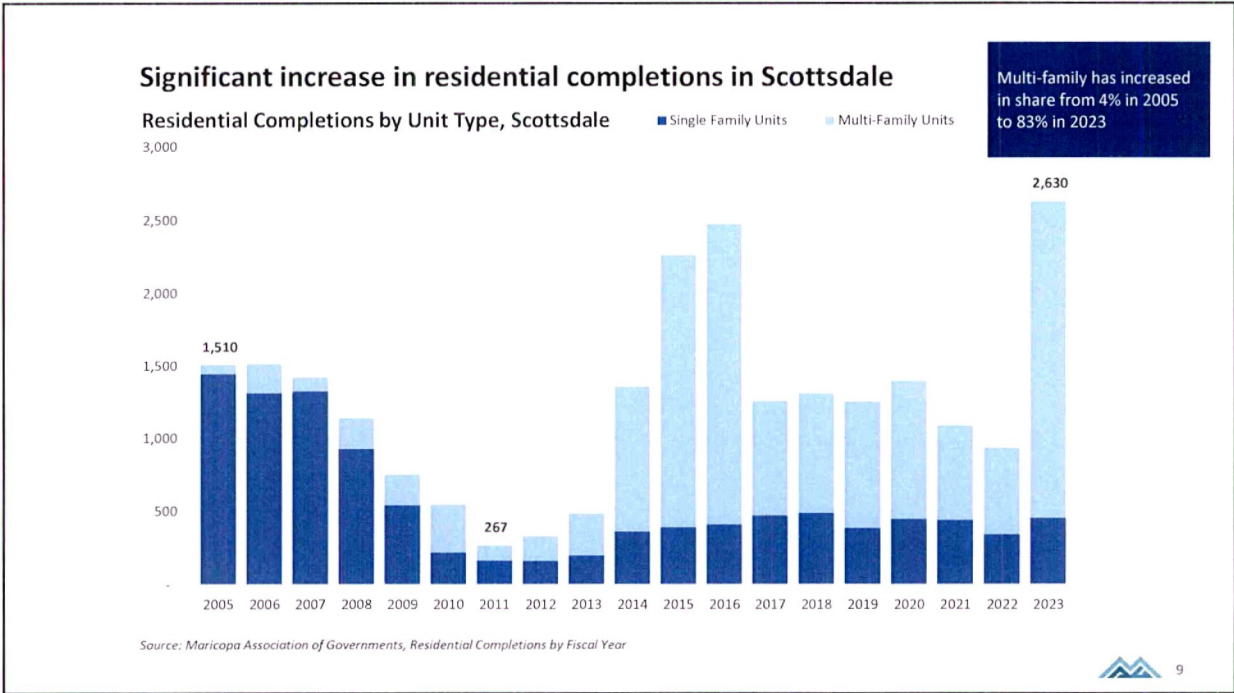


7

Maricopa County residential completions are reaching pre-recession levels

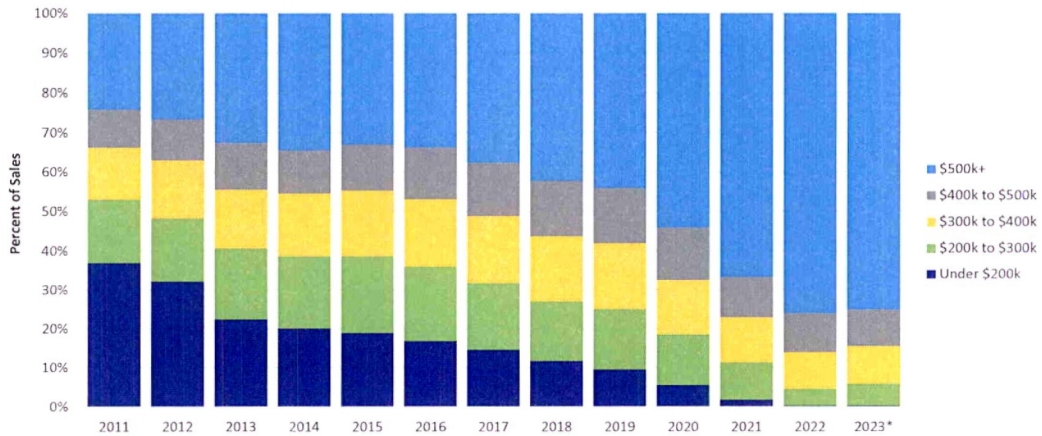


8



In Scottsdale, sales transactions under \$300k have decreased 47 percentage points since 2011

Sales Transactions, 2011-2023

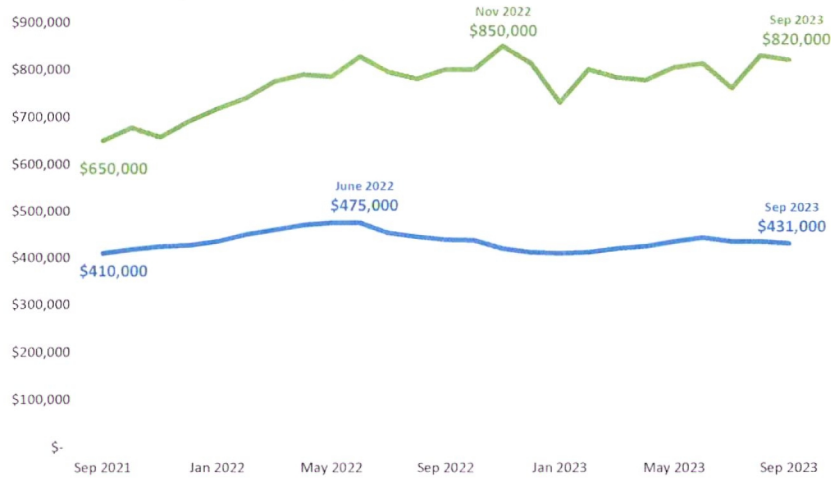


Source: The Information Market
Adjusted for inflation, *2023 data through Q3 only

11

Median sale price in Scottsdale is higher than the Phoenix MSA

Median Sale Price, Phoenix MSA and Scottsdale

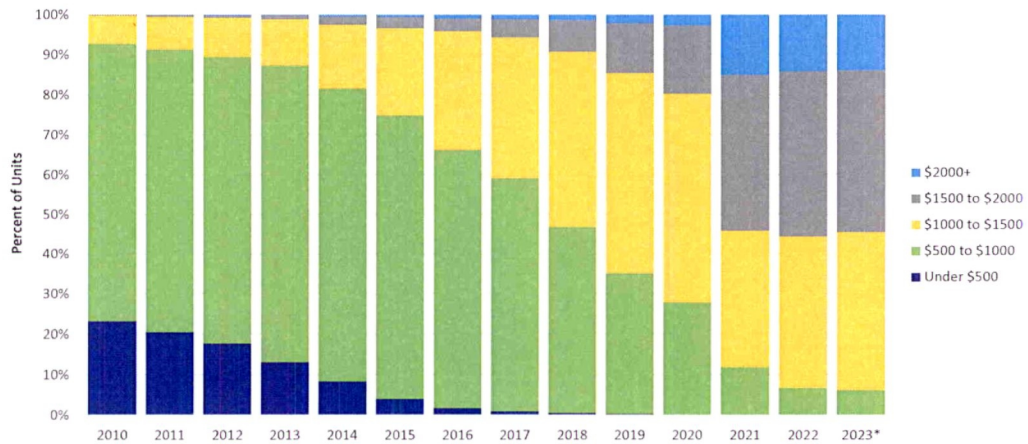


Source: The Information Market, Arizona Regional Multiple Listing Service

12

In the Phoenix MSA, availability of apartment units with rent under \$1,000 has decreased by more than 86 percentage points since 2010

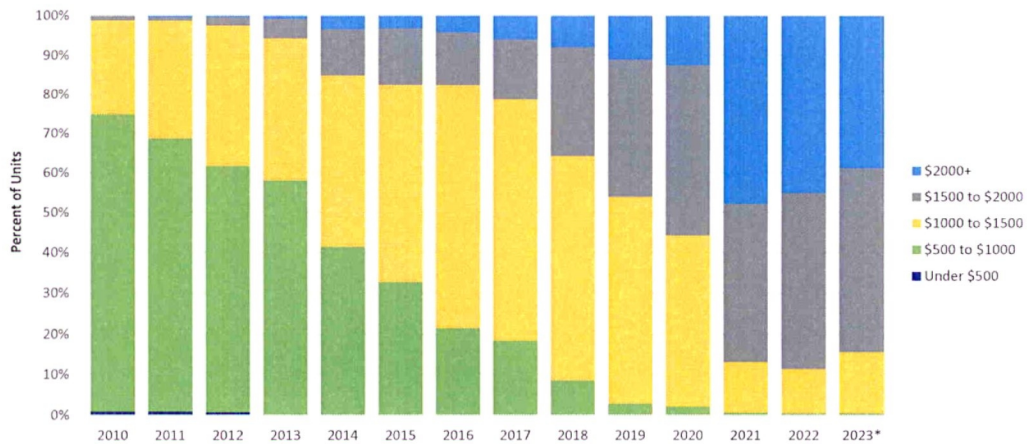
Apartment Rent, 2010-2023



Source: RealData, Inc.
Adjusted for inflation, *2023 data through Q2 only

In Scottsdale, availability of apartment units with rent under \$1,000 has decreased by nearly 75 percentage points since 2010

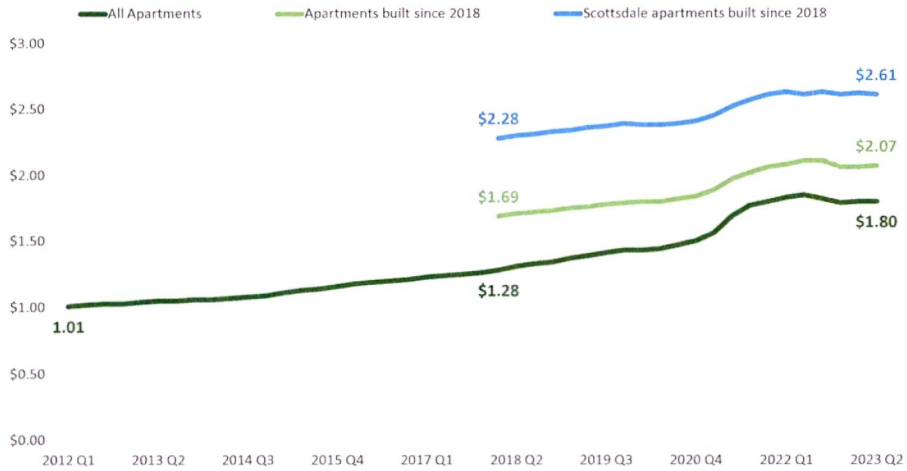
Apartment Rent, 2010-2023



Source: RealData, Inc.
Adjusted for inflation, *2023 data for Q2 only

Newly-built apartment rent is 15% higher in the Phoenix MSA

Apartment Rent by Square Foot

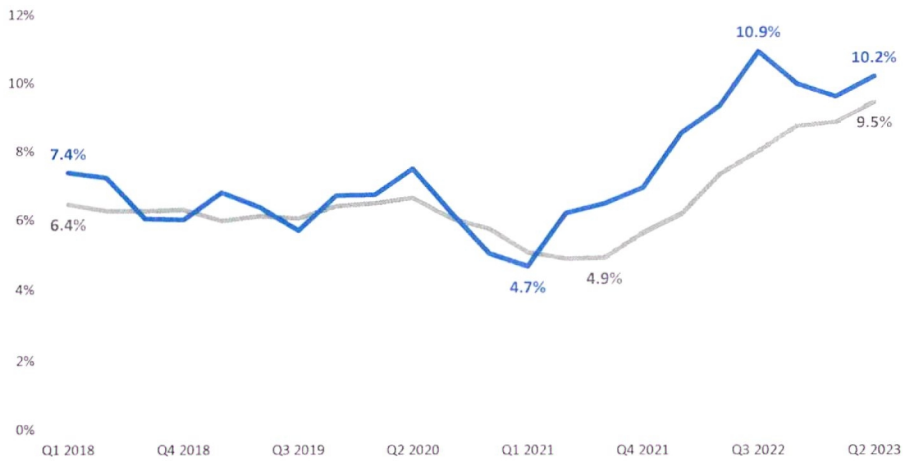


Source: CoStar



15

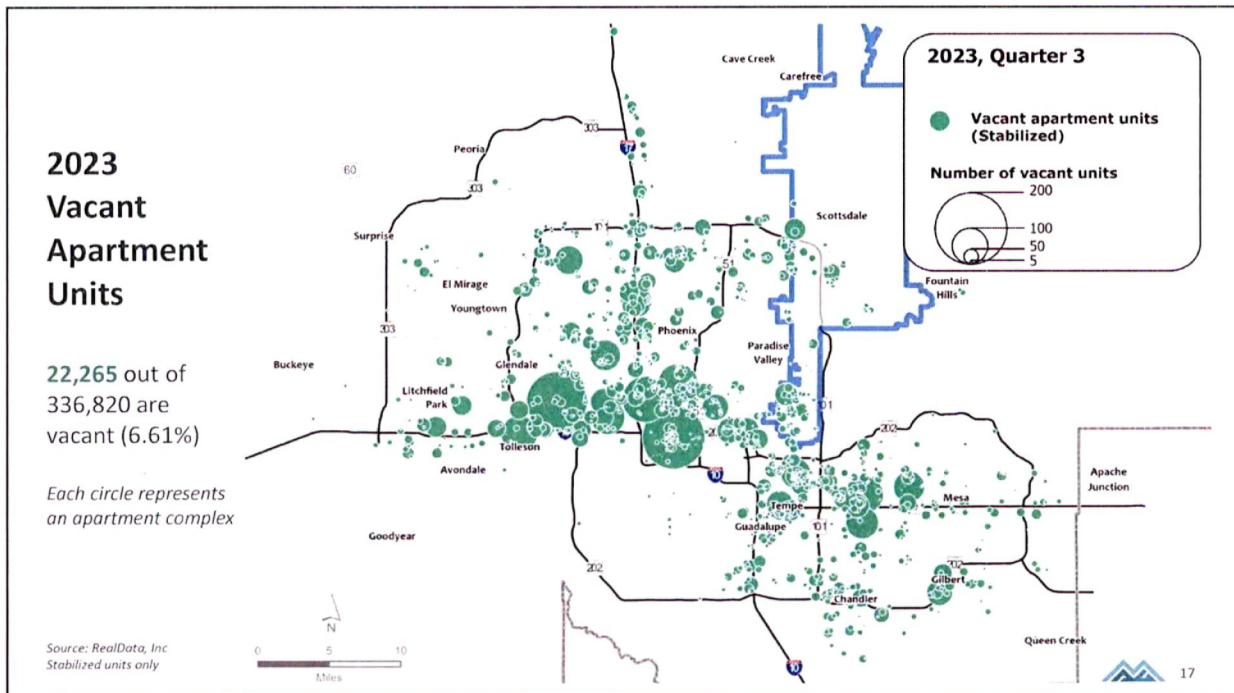
Multifamily vacancy rate has increased in the Phoenix MSA and Scottsdale



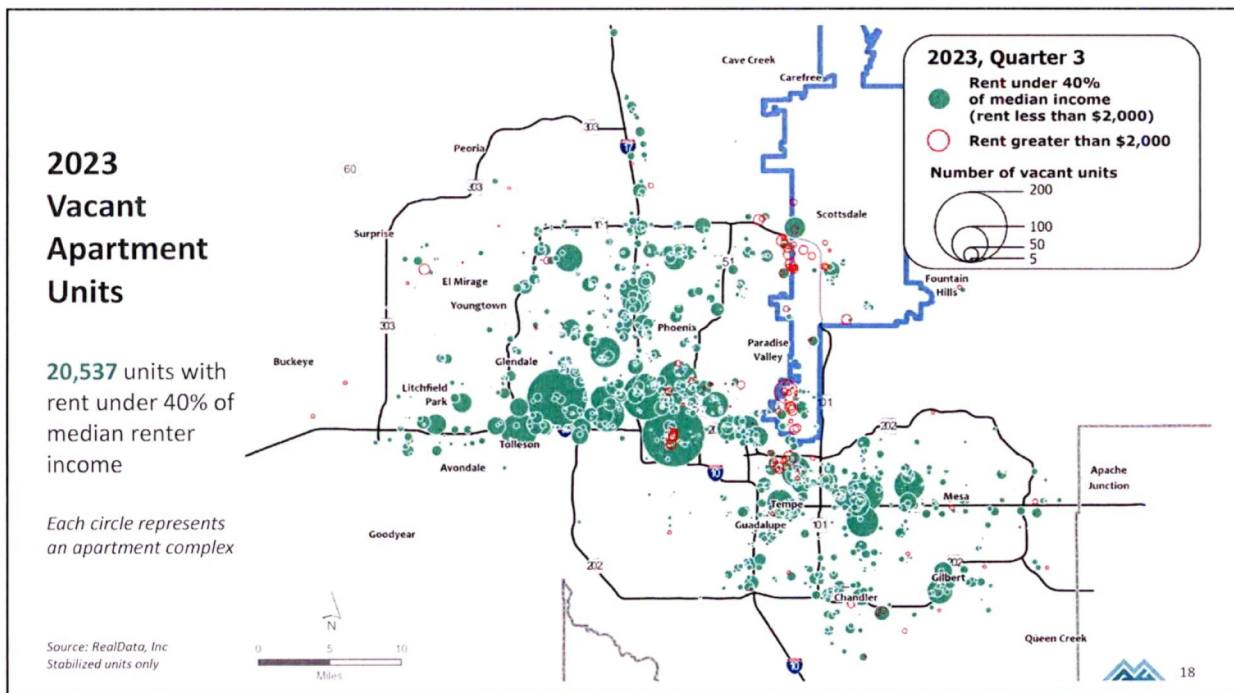
Source: CoStar



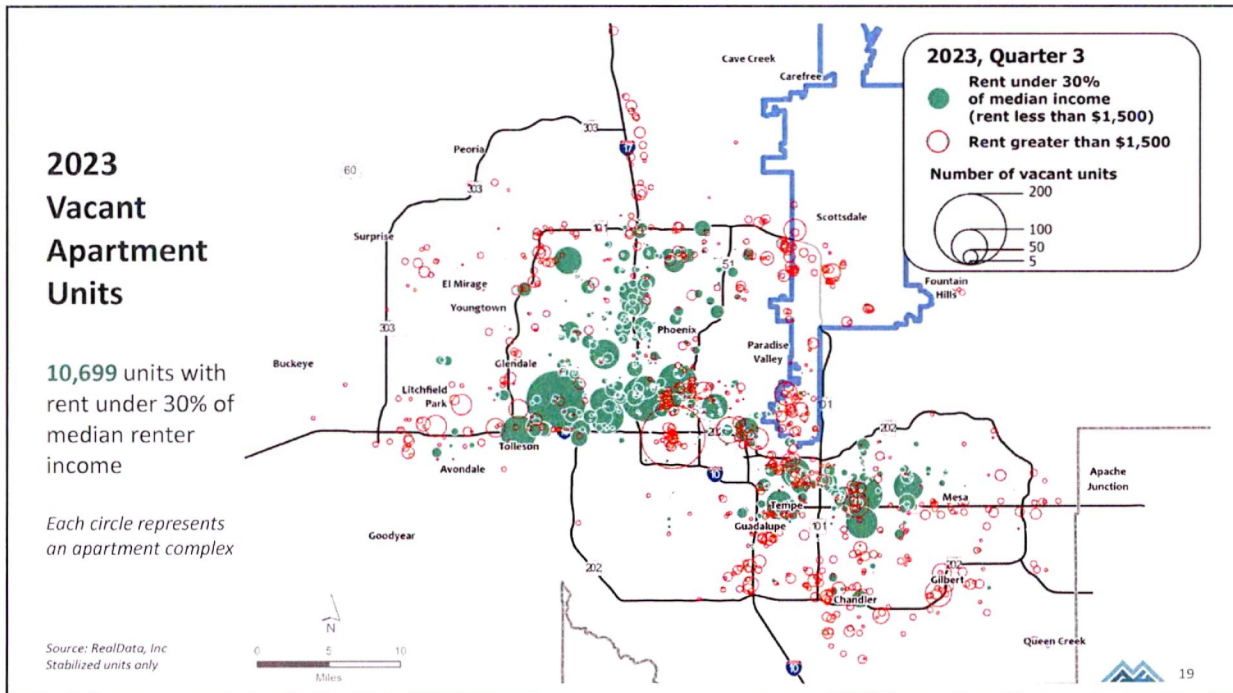
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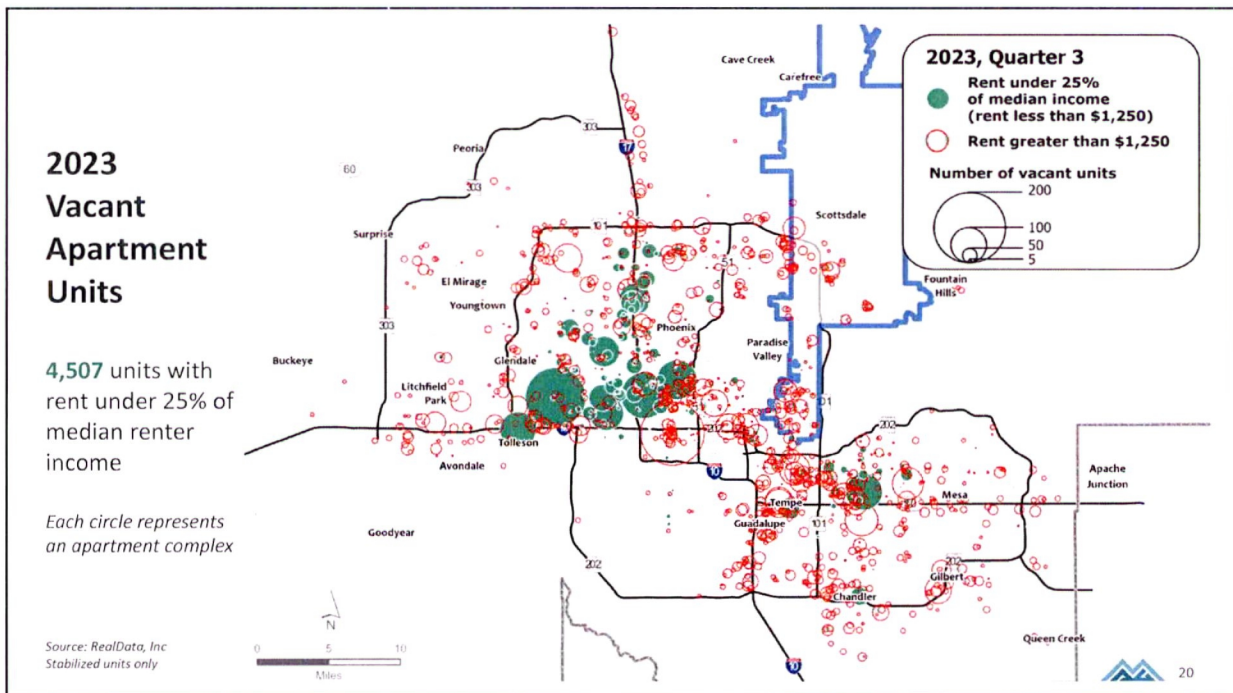
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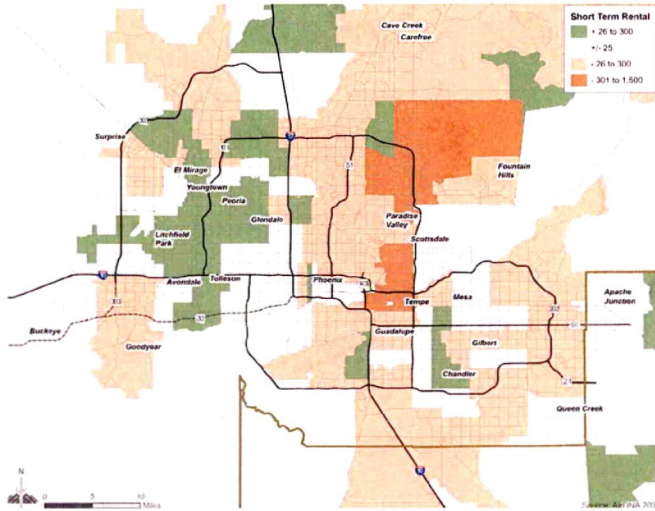


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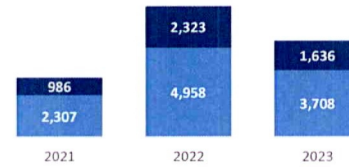
20

27% reduction of active short-term rentals in Scottsdale (17% reduction in Phoenix MSA)



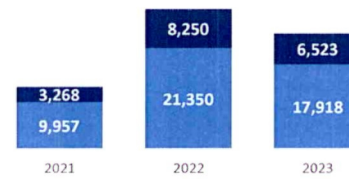
Scottsdale

■ Sometimes 25-75% ■ Most of the time 75%+



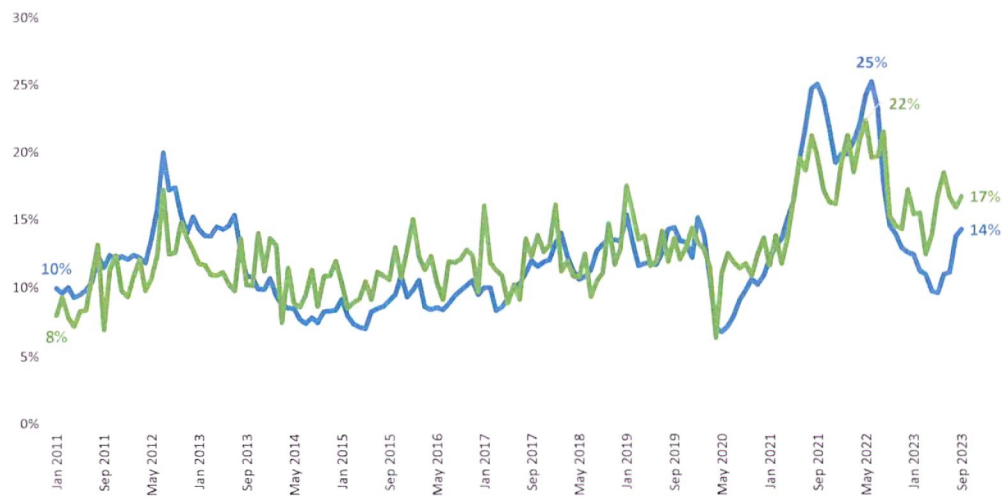
Phoenix MSA

■ Sometimes 25-75% ■ Most of the time 75%+



Scottsdale saw similar trends as Phoenix MSA in sales to institutional buyers

Percent of Sales to Institutional Buyers (Corporate Buyers like OpenDoor, OfferPad, Redfin, etc.)



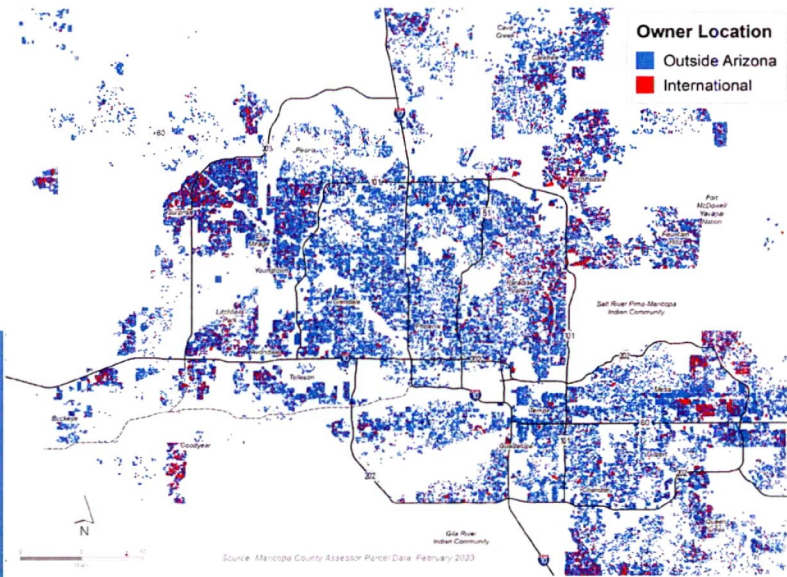
Source: The Information Market

26% of Maricopa County housing stock is investor or seasonal owned

- ▶ 52% from Maricopa County
- ▶ 42% from other states
 - ▶ Top 2: California, Washington
- ▶ 4% are international
 - ▶ Primarily Canada

35% of Scottsdale housing stock is investor or seasonal owned

- ▶ 52% from Maricopa County
- ▶ 55% are from other states
 - ▶ Top 2: California, Illinois
- ▶ 6% are international
 - ▶ Primarily Canada

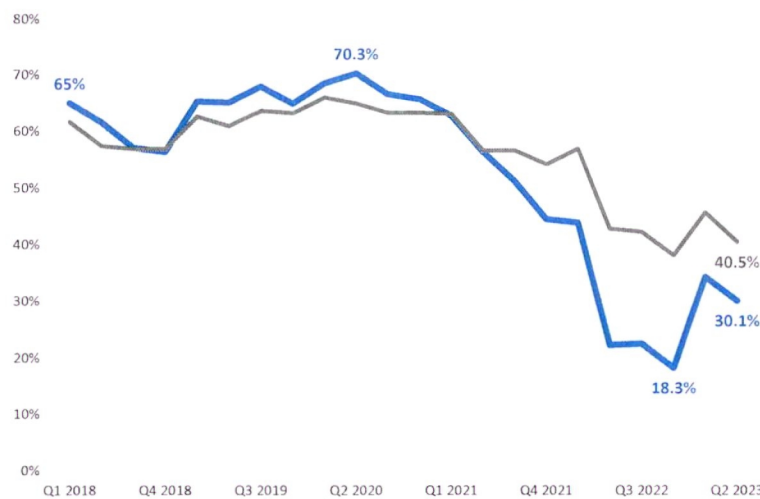


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23

Phoenix MSA is less affordable than the United States

Share of homes sold that are affordable at median household income



Comparison to Peer Metros

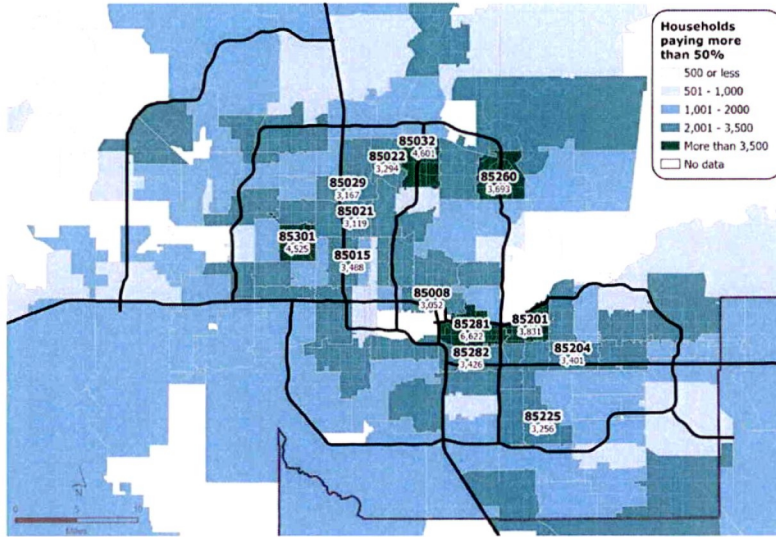
Metro Area	Q2 2023
National	40.5%
Houston	40.4%
Phoenix	30.1%
Denver	26.3%
Salt Lake	21.3%
San Diego	6.3%

Source: National Association of Realtors/Wells Fargo Housing Opportunity Index

24

24

256,000 Severely cost-burdened households in the Phoenix MSA



- ▶ Severely cost-burdened households spend 50% or more of their income on housing
- ▶ 15% of households in the Phoenix MSA are severely cost-burdened
- ▶ 14% of households nationwide are severely cost-burdened

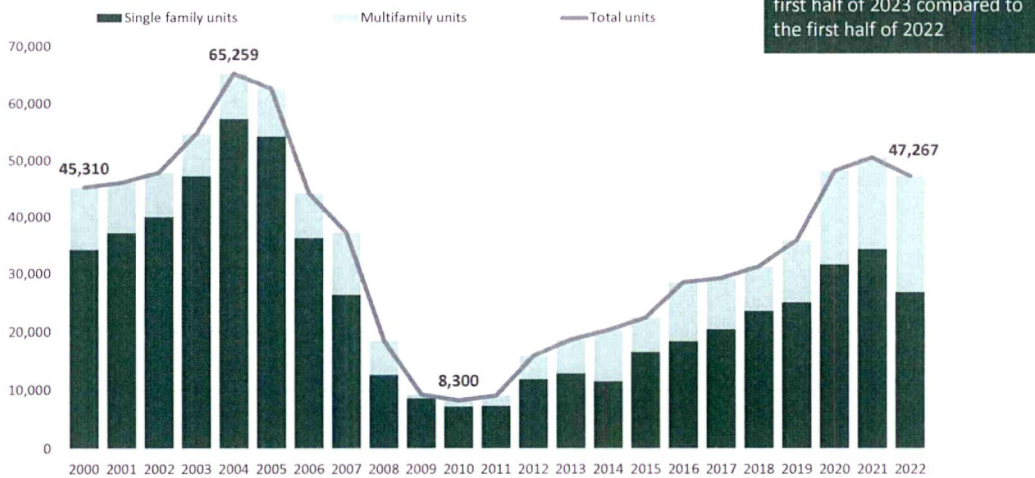
27% of multifamily renter households are severely cost-burdened

Scottsdale

- ▶ 15,907 severely cost-burdened households (14% of households)

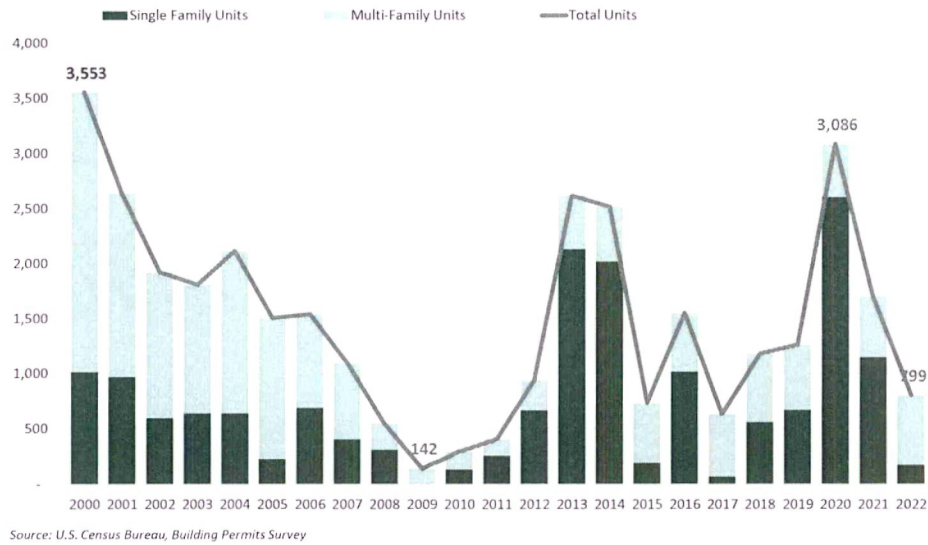
Source: American Community Survey 5-year estimate (2017-2021) and 1-year estimate

Phoenix MSA saw a significant increase in number of residential permits since 2010



Source: U.S. Census Bureau, Building Permits Survey

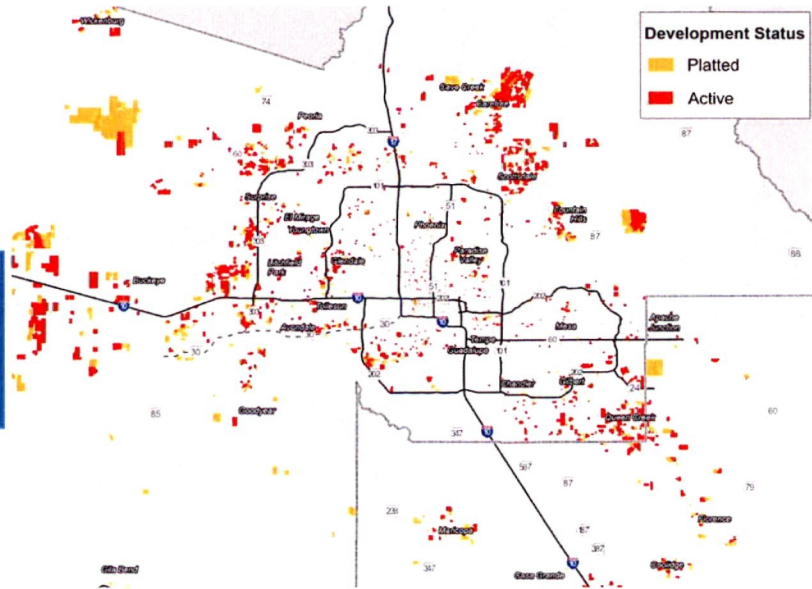
Scottsdale has had a drop in residential permits in recent years



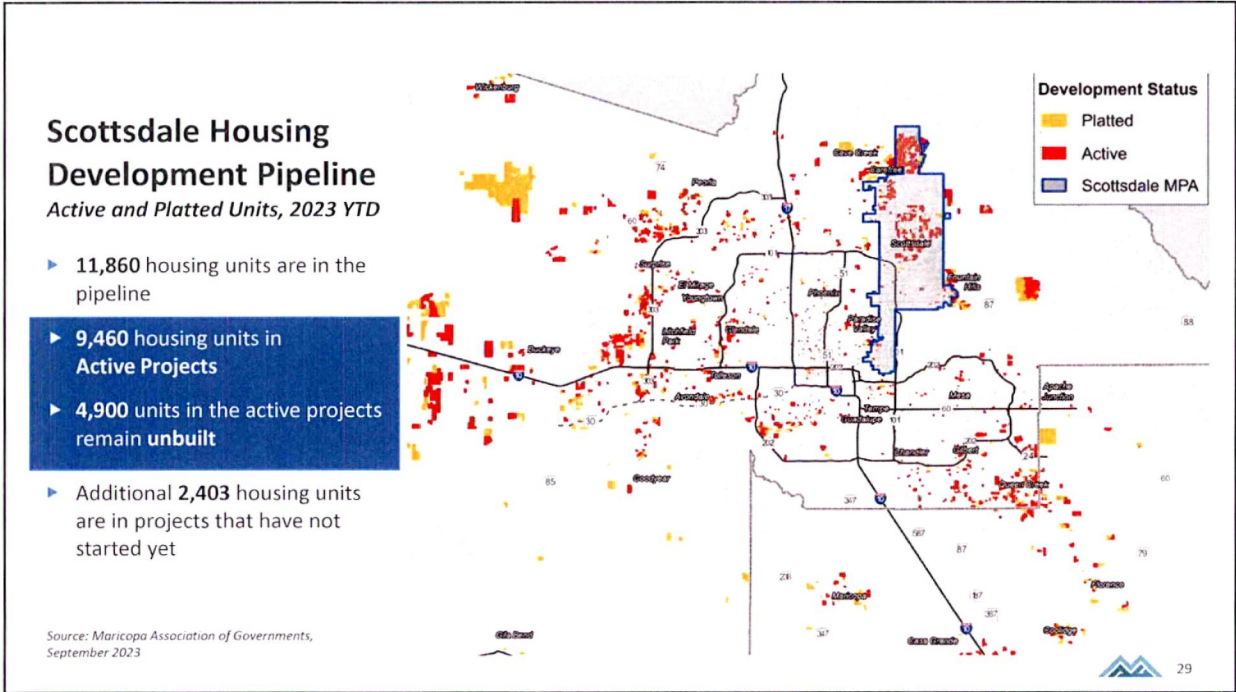
Phoenix MSA Housing Development Pipeline

Active and Platted Units, 2023 YTD

- ▶ 275,000 housing units are in the pipeline
- ▶ 178,000 housing units in Active Projects
- ▶ 106,000 units in the active projects remain unbuilt – nearly 3 years' worth of units
- ▶ Additional 97,000 housing units are in projects that have not started yet



Source: Maricopa Association of Governments, September 2023



Takeaways

Economy	<ul style="list-style-type: none"> ▶ Robust economic growth – diversifying economy ▶ Inflation stabilized but higher in select segments ▶ Increasing cost of living could impact attractiveness ▶ Scottsdale is a job-rich community – dependent on continuing to attract workforce
Housing	<ul style="list-style-type: none"> ▶ Housing completions back at 2007 level ▶ Increased residential permit activity ▶ Decrease in sales price ▶ Increase in vacancy rate ▶ Affordability easing in some submarkets ▶ Multi-family continues to be dominant sector in Scottsdale, limited development capacity for single family
Real Estate	<ul style="list-style-type: none"> ▶ Investor activity low in housing transactions ▶ Scottsdale reduction in short term rentals ▶ 15% increase in approved residential pipeline

Explore more data!

Housing Data Explorer

- ▶ Regional trends in housing and affordability
- ▶ "Housing Update" tab with key highlights
- ▶ Sales and rent data through Q2 2023
- ▶ More to come!

azmag.gov/Housing-Data-Explorer

Ed Zuercher

Executive Director

ezuercher@azmag.gov

602-254-6300

Anubhav Bagley

Regional Analytics Director

abagley@azmag.gov

602-254-6300



maps.azmag.gov

data.azmag.gov

azmag.gov/Census

azmag.gov/RADigest



Short-Term Rental Response

November 20, 2023
City Council Work Study Session

Go to [ScottsdaleAZ.gov](https://www.scottsdaleaz.gov), search "Short-Term Rental"

1

Overview

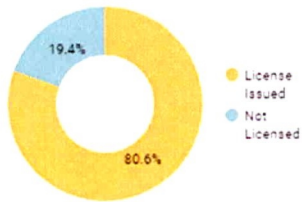
Brent Stockwell, Assistant City Manager

2

The number of short-term rentals in Scottsdale varies over time

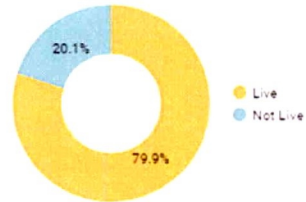
Current STRs

4,105



Current & Previous STRs

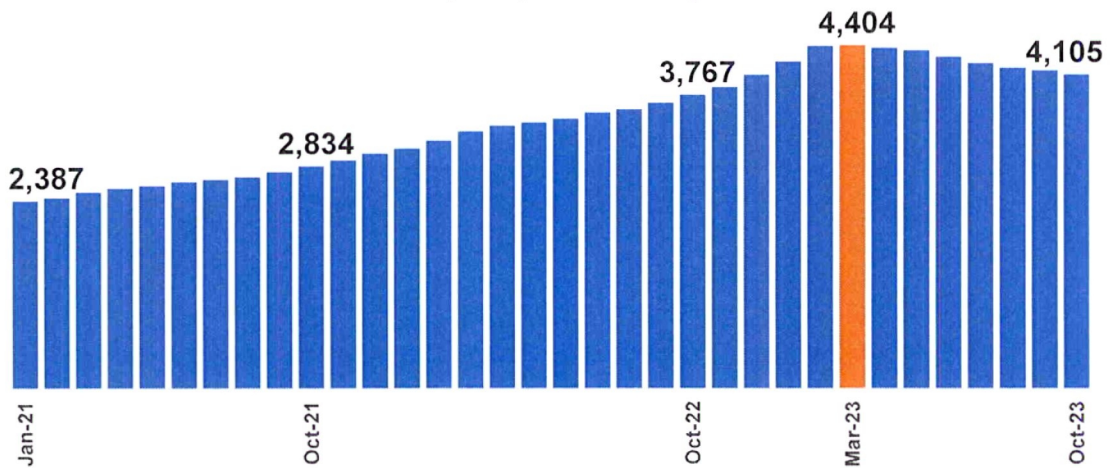
5,039



Source: Rentalscape

3

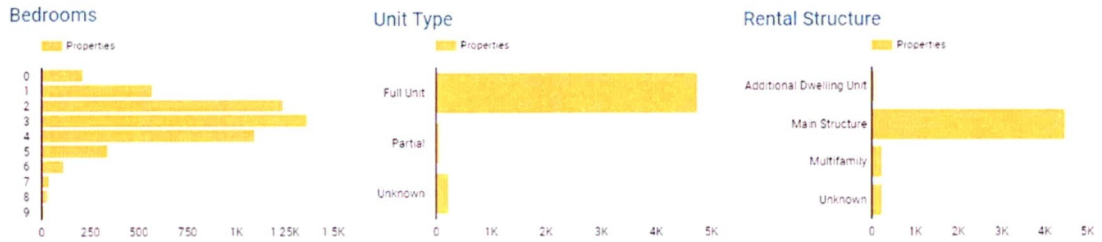
The number of live properties peaked in March



Source: Rentalscape

4

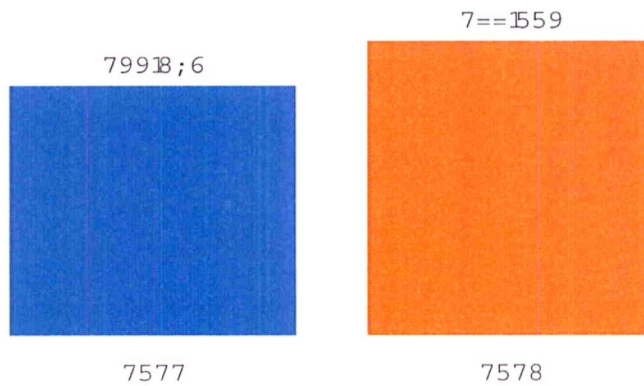
Full unit, single-family with 2-4 Bedrooms



Source: Rentalscape

5

Stays have increased 17% since 2022

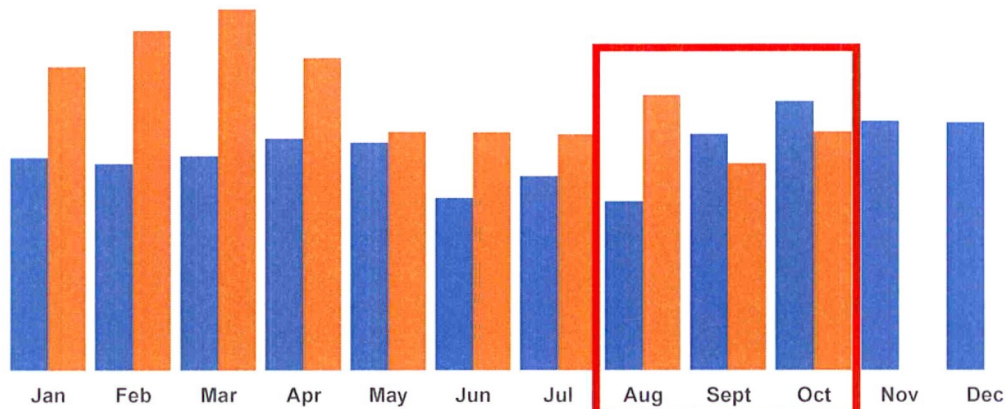


*2023 November and December stays not included

Source: Rentalscape

6

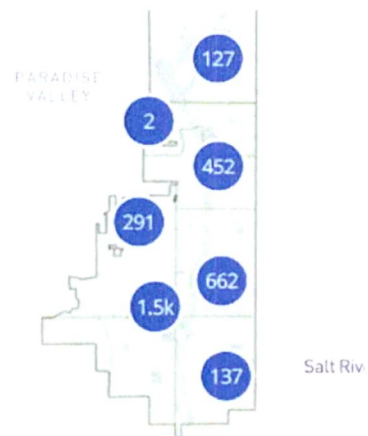
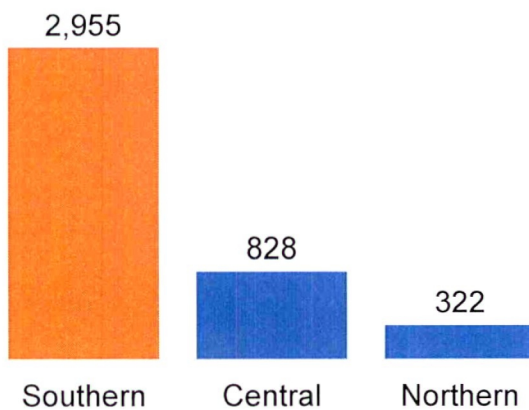
Since August, stays are trending lower



Source: Rentalscape

7

About 70% are in southern Scottsdale

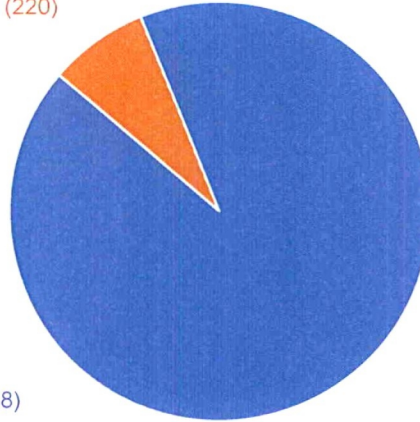


Source: Rentalscape

8

92% of licensed owners only have 1 property

STR Owners with More than 1 Property (220)



STR Owners with Only 1 Property (2,628)

Source: Rentalscape

9

Lots of issues to consider

- Lots of individual properties
- Lots of different neighbors
- Lots of different owners
- Lots of different emergency contacts
- Lots of different guests every week
- Lots of State preemptions and limits
- Lots of Scottsdale-specific ordinance requirements

- All this combines to make education and enforcement challenging

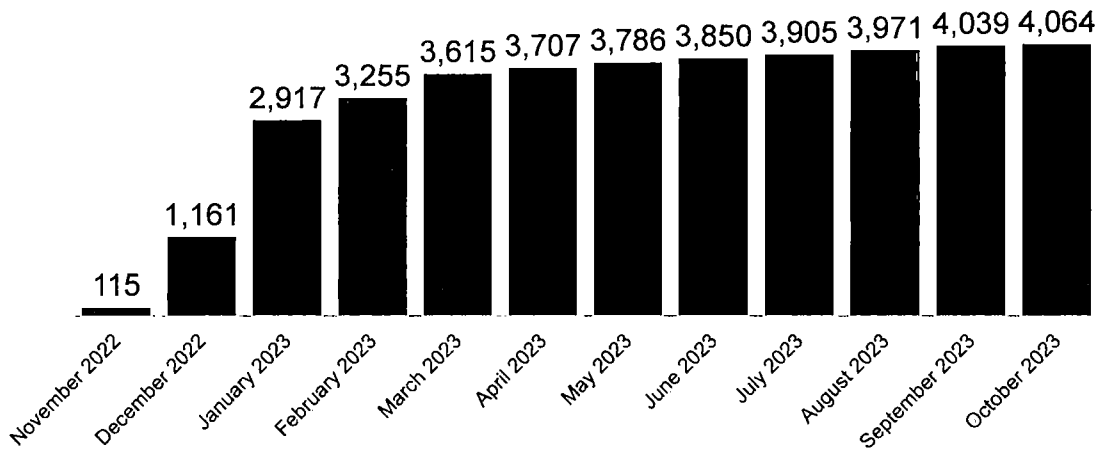
10

Licensing

Sarah VanGoethem, Tax and Licensing Manager

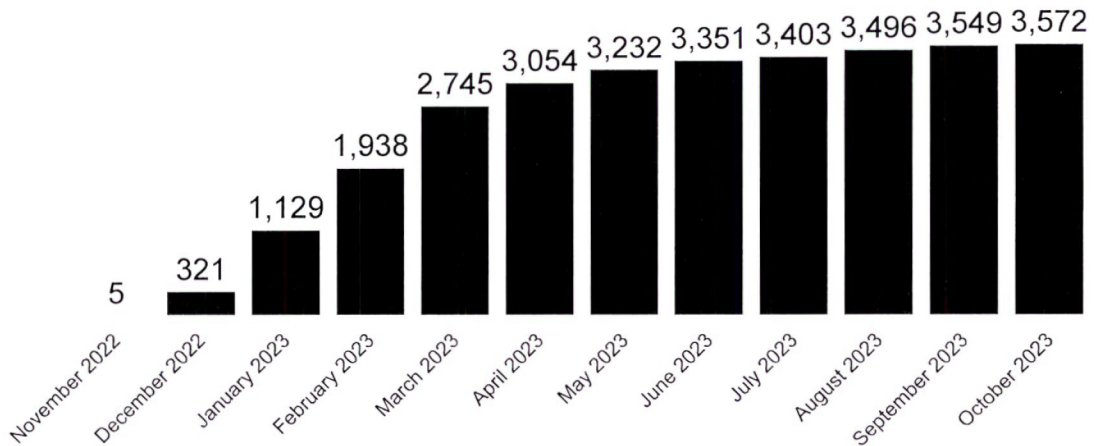
11

Cumulative New STR Applications



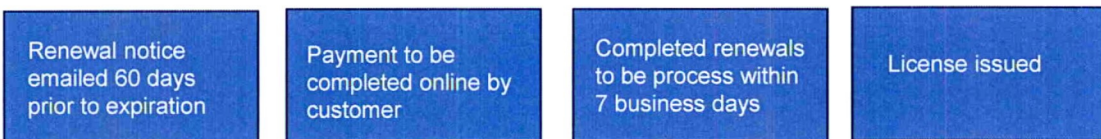
12

Cumulative Newly Approved STR Licenses



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STR Licensing Next Steps



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Code Enforcement

Alyssa Yanez, Code Enforcement Manager

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Scottsdale Code Enforcement Team

November 2022:

9 Code Inspectors

- *2 Short-Term Rental Contract Positions*

November 2023:

12 Code Inspectors

- *2 Short-Term Rental Inspectors*



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Team Roles & Responsibilities

2 STR Code Inspectors

- Unlicensed Live Listing Properties
- STR License Advertising Compliance
- Neighbor Notification Completion and Insurance Attestation

10 Area Assigned Code Inspectors

- Nonresidential Use
- Exceeding Occupancy
- Property Maintenance and Public Nuisance
- Zoning Ordinance

Enforcement Process



Intake & Assignment



Investigation & Communication



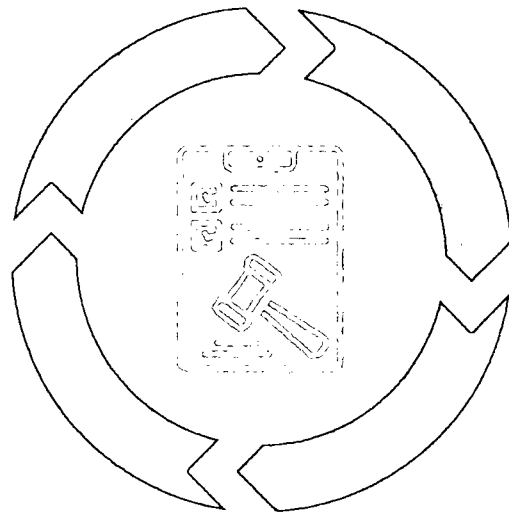
Notices & Compliance



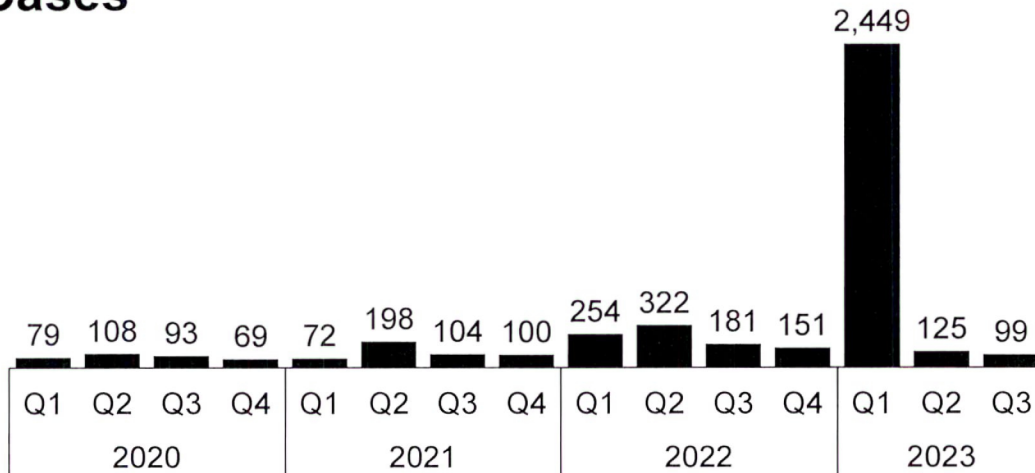
Community Engagement



Prosecution for Noncompliance



Short-term Rental Code Enforcement Cases



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Technology Support

- **Streamlines** Short-Term rental **identification**
- Provides **inspectors** with the most **current information**

The screenshot displays a user interface for property management. At the top, there are three images: an outdoor pool, a living area, and a kitchen. Below the images, there are sections for 'Possible Violations (36)', 'Booking Activities', and a calendar for 'Nov 2023'. The calendar shows dates from 1 to 30, with some dates highlighted in blue. The interface includes various icons and text elements, such as 'Dispute', 'History', and 'Live Editing'.

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Opportunities and Plans for the Future

- Commitment to *address concerns constructively & quickly*
- Work in partnership with SPD to *prioritize* STR related *issues & complaints*
- Continued *collaboration* to *identify* potential *violations proactively*

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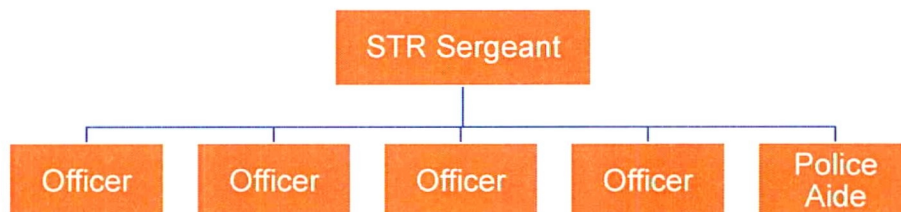
Scottsdale Police Department Actions

Jeromie O'Meara, McKellips District Commander

George Gollihar, Downtown Section Lieutenant

22

Short Term Rental Squad Staffing



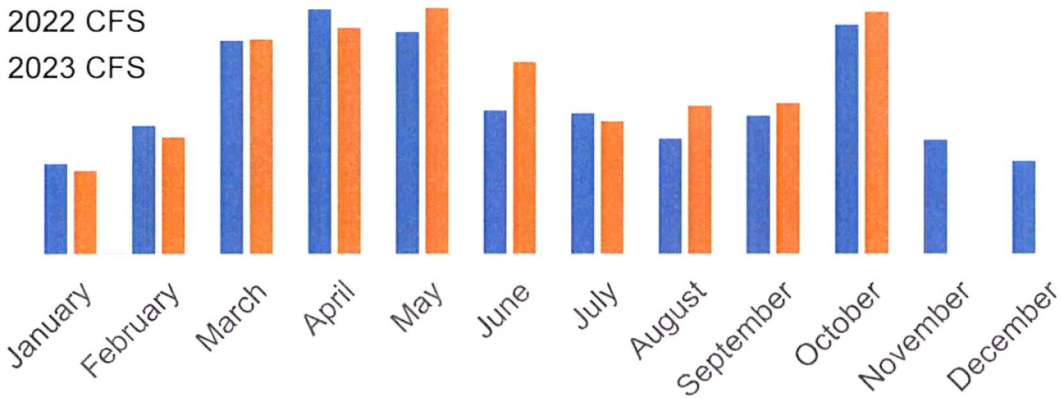
- Assigned within the Downtown Section of the McKellips District
 - Bike Units and Special Projects Squad part of the Downtown Section
 - Housed in the Downtown Police Building

23



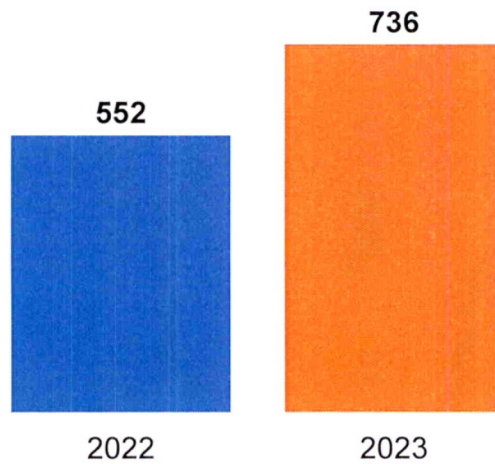
24

Nuisance party calls for service have outpaced 2022 by 5%

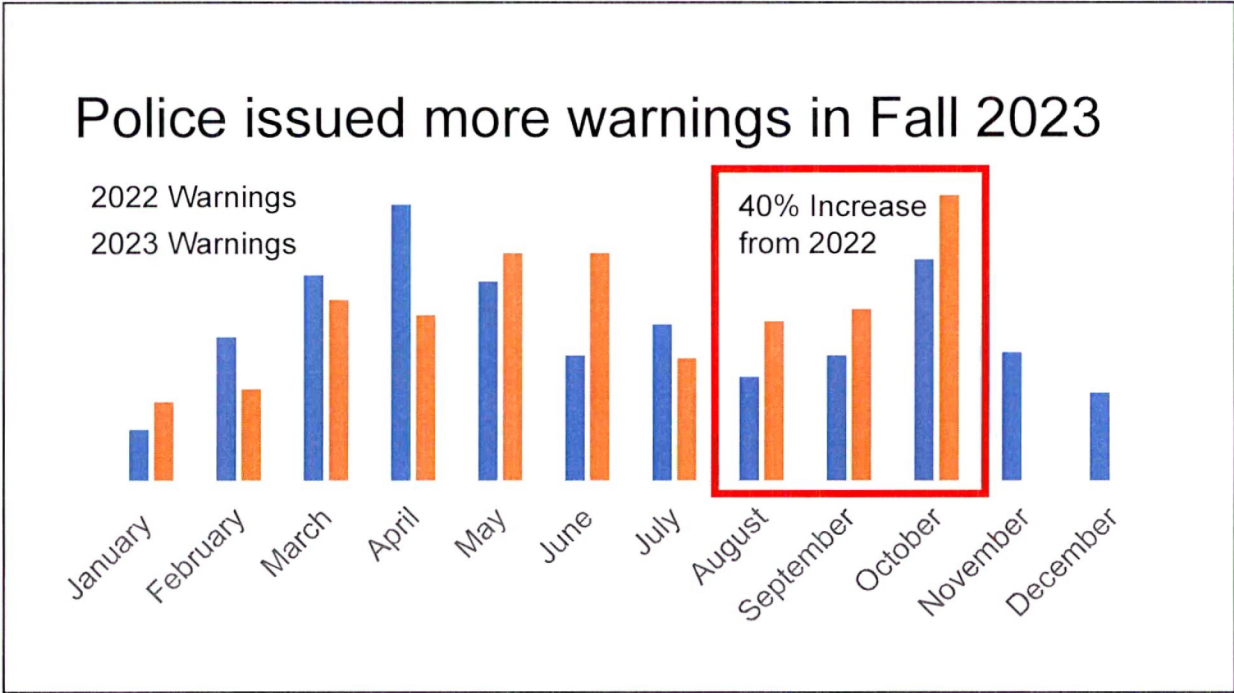


25

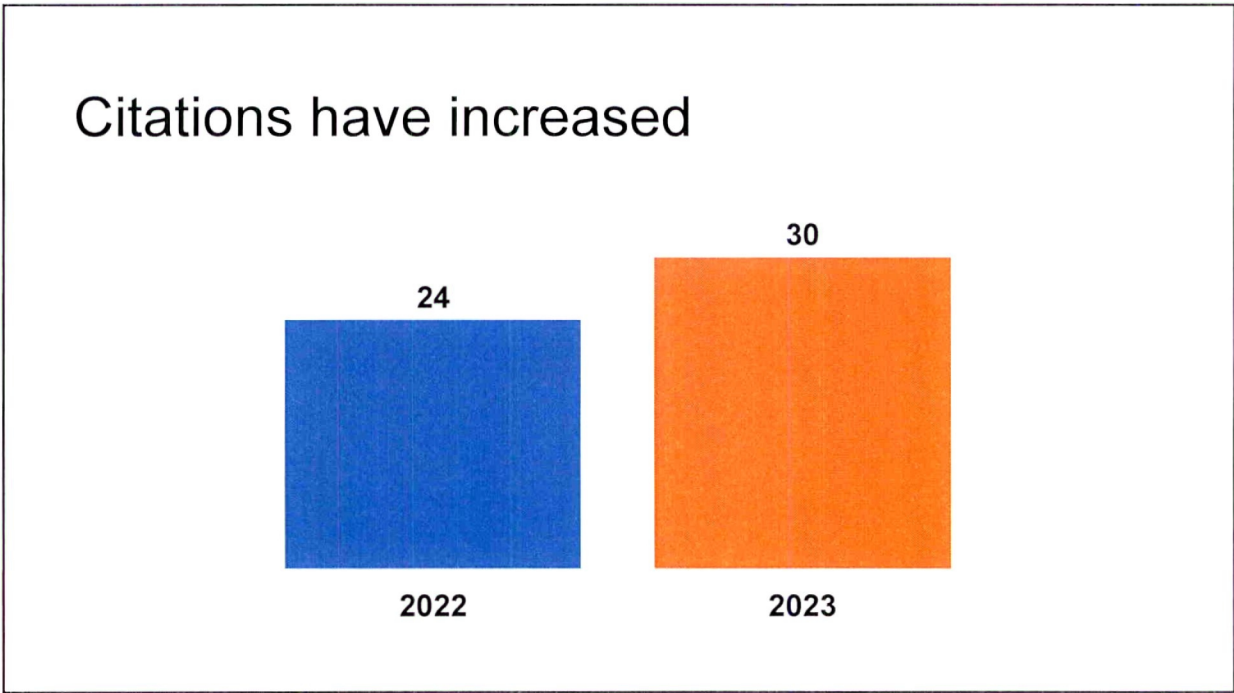
Nuisance party calls for service at STRs have grown by 33% during the same time period



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27



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Current Goals

- Increase enforcement efforts of responding patrol officers
- Decrease the response time of officers responding to nuisance party calls or other related disturbances at residences
- Improve the documentation for successful charging of violations post incident

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Opportunities and Plans for the Future

- Fully staff the STR team in 2024.
- Continue to evaluate and develop strategies to increase enforcement on violations while reducing the response time to nuisance party incidents
- Work in partnership with the City Prosecutor's Office and Code Enforcement to fully investigate and hold accountable properties in violation of the nuisance party and STR city ordinances
- Continue to share the trends and challenges of enforcement actions for the nuisance party and STR related city ordinances to enhance and strengthen the city codes regulating these activities
- Increase the analysis of the nuisance party and STR data for proactive strategies to reduce calls for service at known problem locations

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Communications

Kelly Corsette, Communications and Public Affairs Director

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Online Resources and Information

The screenshot displays the City of Scottsdale website's 'Vacation Rentals & Short-Term Rentals' page. At the top, there is a navigation bar with links for 'Home Page / Codes & Ordinances / Vacation Rentals & Short-Term Rentals', 'Home', 'Open Data Portal', and 'City of Scottsdale Home'. A search bar is located on the right. Below the navigation, a 'I want to...' section offers buttons for 'Understand license compliance' and 'Report a violation'. The main content area features a search bar labeled 'Search for an Address' and a map of Scottsdale. The map is color-coded to show the status of properties: green for 'Licensed', yellow for 'Pending', and red for 'Unlicensed'. The map includes street names such as E Desert Cove Ave, E Camelback Rd, and E Camelback Dr. On the left side of the page, there is a section titled 'PROPERTY OWNER REQUIREMENTS & City' with a sub-section for 'All properties offered for rent less than 30 days require a Scottsdale license'. This section includes links for 'Scottsdale Ordinance 4366', 'Learn more and apply for a license', and 'Scottsdale's Short Term Resource Center map'. A 'Skip to:' section provides quick links for 'Property owner/manager requirements & resources', 'Resources for neighborhoods', and 'Short term'.

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A Good Neighbor Guide for Scottsdale residents and neighborhoods




A Good Neighbor Guide for Scottsdale Visitors



A Good Neighbor Guide for Owners and Managers of Vacation and Short-Term Properties in Scottsdale

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SCOTTSDALE EZ

Short-Term Rental - Complaint

Step 1 - Details and Location

Details (*) (required)

Privacy Policy: zoning violation case files fall within the definition of a public record and are subject to public disclosure pursuant to ARS Section 39-121. The identities of complainants will be held as **confidential** unless ordered to be released by a judge of a court of record.

If police presence is needed on site immediately, please call 911 and an officer will be dispatched to the residence accordingly.

To lodge a complaint or learn more about company-specific policies pertaining to Short-Term Rental companies, visit

AirBnB - [Airbnb Neighborhoods - Contact Us](#)

VRBO - [Help \(vrbo.com\)](#)

What is the nature of the complaint? *

Unlicensed property

Online listings do not include Scottsdale Short-Term Rental License Number

Home is only partially rented out (guest house / single room)

Other - Please note in Description box below

Required

If you have an additional complaint regarding trash or nuisance party issues, please submit these complaints accordingly, by clicking on the highlighted orange word.

- Issues pertaining to **trash** are handled through our Solid Waste Department
- Excessive **noise** is handled through our Scottsdale Police Department

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Continuing Communication

Scottsdale proposals would strengthen local authority over short-term rentals

By Scottsdale Office of Communication

August 31, 2024

Three Scottsdale proposals that would give local government additional tools to protect neighborhoods from the negative impacts of short-term rental or Airbnb properties have been adopted and are now part of the League of Arizona Cities and Towns 2024 legislative agenda.

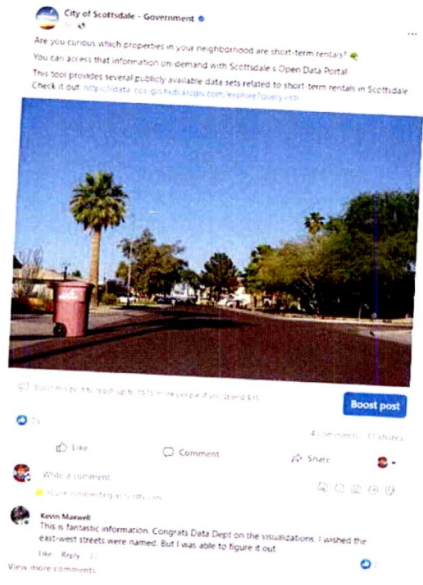
The proposals are designed to return quality of life to Arizona communities. They ask the Arizona legislature to amend state laws so that local governments control the total number of short-term rentals in their community, limit density in specified areas, and establish registration requirements for all short-term rentals.

"Many throughout Arizona are demonstrating the negative impacts of STRs," said Scottsdale Mayor David D. Ortega. "The undue cutting of housing, blocked neighborhoods, blockage of pathways, and undermining our vibrant resident population, which made Nevada and it's residents the most livable and desirable."

In 2017, the Arizona legislature pre-empted local authority over short-term rental properties, leaving today many municipalities in the same situation as the cities that banned property rentals of less than 30 days. Some smaller Arizona communities say that short-term rental or Airbnb properties are consuming 10% of their total housing stock.

Many destinations like Scottsdale and Sedona struggle to manage the negative impacts of thousands of these properties, which are clustered together in areas with unique neighborhoods, parks, trails, and scenic views.

The City of Scottsdale and other local governments are in full support from the Governor's Office in composing the League of Arizona Cities and Towns' legislative agenda during the 2024 legislative session. The legislative agenda hopes of establishing these measures in state law.



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Ordinance Updates

Will Brooks, Management Associate to the City Manager

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Review of other ordinances

Overall, Scottsdale's Ordinance is more detailed than other Arizona cities.

Generally, there are variations in these areas -

1. Response times for non-emergencies
2. Application information required
3. Sex offender background checks requirements

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Nuisance Party Ordinance Possible Changes

Promoters not clearly responsible for organizing a nuisance party	➔	Add promoters as responsible party
Difficult to require party attendees to leave property after nuisance party	➔	After police declare a party to be a nuisance, make it unlawful for attendees to stay on the property
People are holding parties at STRs that would otherwise require a special event permit	➔	Make it illegal to hold an event without a special event permit
Parties at STRs are illegally providing alcohol	➔	Enhance enforcement of applicable violations of Title 4

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Vacation Rental Ordinance Possible Changes

Minors renting STR properties pose a public safety hazard



Ban on people under 18 renting a STR in Vacation Rental Ordinance

High occupant load for parties/events at STRs poses a public safety hazard



Change the nuisance party ordinance to give police the ability to require non-residents to leave

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Addressing occupant load

While built as a single-family residence, short-term rentals are being used commercially; where guests are transient in nature, it creates a unique public safety issue. If we apply occupancy load limits consistent with other commercial residential properties:

- 200 sq. ft. per person (1,888 sq. ft. would be 9 people, 3,157 sq. ft. would be 15 and 3,896 would be 19)

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Legislative Updates

Dale Wiebusch, Government Relations Director

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2024 Legislative Efforts

- The City of Scottsdale submitted three short-term rental policy proposals to the League of Arizona Cities and Towns in August, and all three proposals passed the Resolutions Committee unanimously. The proposals are now included in the League's Legislative Agenda for the State Legislature's 2024 session.
- The Government Relations Department is already working with the League and other concerned cities and towns to advance these proposals.
- The legislation will be permissive, meaning each city or town has the option to create ordinances, but is not required to do so. What works for one city may not work for another – this is the essence of local control.
- The next state legislative session begins January 8, 2024.

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Policy Proposals

- Allow cities to place a cap on the total number of licenses within the city boundaries.
- Allow cities to limit density in defined geographical areas, e.g., the subdivision level.
- Address spacing between licensed short-term rentals.

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Issues to Consider with a Cap

With approximately 4,000 STRs in the city, we have:

- Decreased housing stock, which results in a lack of available dwellings, driving up home costs.
- Fewer full-time residents, which contributes to a decreased population – at 2.09 persons per household in Scottsdale (American Community Survey estimate), that equates to roughly 8,300 fewer people.
- Increased costs of police intervention and code enforcement.

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Issues to Consider with Density and Distance Requirements

- Community disconnect.
- Commercialization of neighborhoods.
- Certain neighborhoods are saturated with noise, nuisance and problematic behavior, and bear the brunt of density and lack of separation. Allow cities to place a cap on the total number of licenses within the city boundaries

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Hindrances in Advancing Legislation

- Private property rights argument.
- Legislative attitude leaning towards free market capitalism and maintaining a business-friendly atmosphere.
- Antipathy to cities and towns by certain members of the legislature.

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Assets in Advancing Legislation

- Multiple cities and the League of AZ Cities and Towns engaged.
- Active and vocal citizenry want their neighborhoods back.
- Current regulatory system is not curtailing problematic behavior to citizen satisfaction.

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Contacting Legislators

- Go to ScottsdaleAZ.gov, search “Government Relations”



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Short-Term Rental Response

November 20, 2023

City Council Work Study Session

Go to [ScottsdaleAZ.gov](https://www.scottsdaleaz.gov), search "Short-Term Rental"

Work Study 2

Requirement	Reference
1. Allowing a nuisance party or unlawful gathering	S.R.C. 18-124
2. Allowing a nuisance party or unlawful gathering – owner	S.R.C. 18-125
3. Refusing to provide truthful name and date of birth when detained	S.R.C. 18-130
4. Operating without a vacation or short-term rental license	S.R.C. 18-151.A
5. Operating with an expired, suspended or revoked license	S.R.C. 18-151.B
6. Fail to Update Information Required by License within 10 business days	S.R.C. 18-160
7. Fail to Comply with federal, state and local laws, rules regulations	S.R.C. 18-170
8. Using a STR for non-residential use or purpose	S.R.C. 18-171
9. Fail to Respond to an Emergency – Emergency Contact	S.R.C. 18-172.C
10. Failure by Owner to have Emergency Contact Respond to Emergency	S.R.C. 18-172.D
11. Fail to provide primarily liability insurance coverage of at least \$500k	S.R.C. 18-173
12. Fail to display license number on each advertisement	S.R.C. 18-174
13. Leave trash within public view not in proper collection containers	S.R.C. 18-175.B1
14. Place trash containers out early or not remove day of collection	S.R.C. 18-175.B2
15. Fail to have working smoke alarms installed and maintained	S.R.C. 18-171.C
16. Fail to provide and display floor plan with exit routes	S.R.C. 18-175.D
17. Fail to clean property in between stays	S.R.C. 18-175.E
18. Fail to provide regular (at least bi-monthly) pest control treatments	S.R.C. 18-175.F
19. Fail to comply with pool barrier requirements in S.R.C. 31-177	S.R.C. 18-175.G
20. Fail to post required notice inside front and back door	S.R.C. 18-175.H
21. Fail to conduct required sex offender background checks	S.R.C. 18-176
22. Fail to provide neighbor notification before first rental	S.R.C. 18-191
23. Exceed Occupancy Limits of 6 adults and related dependent children based on zoning	Zoning Ordinance