



City of Scottsdale

3939 N. Drinkwater Blvd.
Scottsdale, AZ 85251-4468

November 9, 2021

The Honorable XXXX XXXXX
Arizona House of Representatives
1700 West Washington Street
Phoenix, AZ 85007

RE: Scottsdale's Short-Term Rentals

Dear XXXX XXXXX,

In 2016 the Arizona Legislature enacted legislation restricting local regulation of short-term rental properties. Shortly after this preemption of local authority, Scottsdale began hearing from constituents about their desire to amend the law to allow for reasonable regulations, limit the proliferation of short-term rentals, and prohibit activities disrupting their neighborhoods and quality of life, such as loud noise, crowds, and trash. Scottsdale is now home to more than 4,000 short-term rental properties. Residents have consistently and repeatedly asked the city for help in mitigating the adverse impacts of short-term rentals, resulting in more than 1800 calls for service to the Scottsdale Police Department. The destructive experiences in our neighborhoods are shared by many across the state of Arizona and the effects have been so detrimental that some homeowners have moved out of their homes.

In response to concerns raised by our residents, the city convened a working group comprised of residents from all areas of Scottsdale, both HOA and non-HOA neighborhoods, the Scottsdale Area Association of Realtors, stakeholders in the tourism industry, and two city councilmembers. The group was formed in a good faith effort to identify ways the city can work within the current law to improve monitoring and enforcement of regulations, with the goal being to ensure that Scottsdale is doing everything it can to manage the impacts from short-term rentals.

In July, we agreed to move forward with all working group recommendations that are within city purview. One important recommendation is to advocate for changes to state law that strengthen local control of short-term rental properties – to give Arizona cities tools to address issues that are impacting neighborhoods and residents.

We ask that you support reasonable and meaningful changes in state law that allow us and other impacted municipalities to protect our neighborhoods. The statutory changes that would have the biggest positive impact would:

- Allow cities the ability to impose reasonable licensing or permitting requirements
- Reestablish ability of cities to manage short-term rentals differently than long-term rentals
- Create a mechanism that caps the total percentage of short-term rentals allowed, and establishes method to provide better separation between rentals
- Require platforms to provide a disclosure of state laws and local ordinances, and require acknowledgement by owners, hosts, and renters
- Require short-term rentals to follow many of the public health and safety laws that apply to hotels



Attached for your review are the working group's full set of recommendations. Additional information is available at ScottsdaleAZ.gov, search "Short Term Rental Working Group."

We would like to discuss this further, please contact Mayor Ortega's Chief of Staff Rachel Smetana at 480-312-7806 or RSmetana@ScottsdaleAZ.gov to set up a time. We appreciate and value your assistance.

Sincerely and respectfully,

Mayor Ortega and the Scottsdale City Council



David D. Ortega
Mayor of Scottsdale



Tammy Caputi
Vice Mayor



Tom Durham
Councilmember



Betty Janik
Councilwoman



Kathleen S. Littlefield
Councilwoman



Linda Milhaver
Councilmember



Solange Whitehead
Councilwoman

Enclosure: Short-Term Rental Working Group Final Recommendations

Short-Term Rental Working Group Final Recommendations

This list of recommendations has been developed collaboratively with Working Group members. The recommendations are consistent with the Working Group's purpose to identify opportunities for the city to improve monitoring and enforcement of regulations to ensure that Scottsdale is doing everything it can to manage the impacts from short-term rentals.

Recommendations are designed to increase the likelihood that impacts can be prevented and minimized, enforcement is timely when violations occur, residents are informed about how to handle problems, and ordinances reflect the authority granted under state law.

#	Recommendations
1	Improve enforcement against properties who regularly violate the ordinances.
2	Work with the short-term rental industry to increase properties providing emergency contacts and improve voluntary compliance and ensure input from the industry is received prior to implementing any recommendations
3	Use technology to identify and increase emergency contacts and compliance from short-term rentals
4	Ensure Scottsdale is collecting all allowable revenue from short-term rentals and analyze whether fines could be increased
5	Evaluate whether Scottsdale's ordinances (Vacation Rental, Nuisance Party and Unlawful Gathering, and Noise Ordinances) could be strengthened to eliminate loopholes and improve ability to enforce
6	Improve information and resources shared by the city to help inform residents about what the city can and cannot do with short-term rentals and make it easier for people to contact the property managers/hosts when there are problems
7	Assist neighborhoods, including homeowners' associations, with information and resources on how to manage short-term rentals
8	Improve education about short-term rental best practices for residents, owners, and hosts
9	Share information with the State of Arizona about how the City of Scottsdale is using the powers available to cities, and advocate for necessary changes to State Law to return needed short-term rental oversight to the City of Scottsdale