

ORDINANCE NO. 16-1142

**AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF LAKE HAVASU CITY,
MOHAVE COUNTY, ARIZONA, AMENDING TITLE 5 OF THE LAKE HAVASU
CITY CODE TO ADD A NEW CHAPTER 5.20, VACATION RENTALS, BY
REFERENCE**

IT IS ORDAINED, by the Mayor and City Council of Lake Havasu City, Arizona, as follows:

Section 1: That Lake Havasu City Code Title 5, Business Licenses and Regulations, is amended to add a new Chapter 5.20, Vacation Rentals, as specified in the document entitled "Lake Havasu City Code Chapter 5.20 Vacation Rentals" dated April 12, 2016, declared a public record by Resolution No. 16-3029, available electronically on the City's website (www.lhcaz.gov) and at least one paper copy available at the City Clerk's office, which is referred to, adopted in its entirety, and made part of this Ordinance as if fully set forth in this Ordinance.

Section 2: All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are repealed.

Section 3: That the terms and provisions of this Ordinance are severable and if any section, subsection, sentence, clause, phrase, or portion of this Ordinance, or any part of the Lake Havasu City Code adopted herein by reference, is for any reason held to be invalid, unenforceable or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

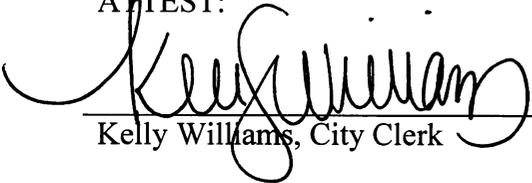
PASSED AND ADOPTED by the City Council of Lake Havasu City, Arizona, April 12, 2016.

APPROVED:



Mark S. Nexsen, Mayor

ATTEST:



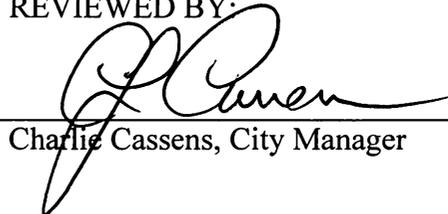
Kelly Williams, City Clerk

APPROVED AS TO FORM:



Kelly Garry, City Attorney

REVIEWED BY:



Charlie Cassens, City Manager

CHAPTER 5.20 VACATION RENTALS

5.20.010 APPLICABILITY

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5.20.010 APPLICABILITY

A. The purpose of this Chapter is to establish regulations for vacation rental use of residential property enabling the City to preserve the public health, safety, and welfare.

B. This Chapter is not intended to further regulate hotels, motels, inns, time-share units, bed and breakfasts, or non-vacation type rental arrangements including, but not limited to, lodging houses, rooming houses, convalescent homes, rest homes, halfway homes, or rehabilitation homes.

5.20.020 DEFINITIONS

For purposes of this Chapter, the following words and phrases have the respective meanings:

“Applicant” means the Owner or in the event the Vacation Rental unit is covered by an Exclusive Listing Arrangement, the agent or representative of the Owner.

“Bedroom” means an area of a Vacation Rental normally occupied for sleeping and being heated or cooled by any equipment for human habitation, which is 100 square feet and greater in size, with at least one horizontal distance measuring at least seven feet, having four walls to the ceiling, at least one of which is located along an exterior wall with a window, and containing a built-in closet.

“Exclusive Listing Arrangement” means a written agreement between an Owner and an agent or representative where the agent or representative has the sole and exclusive right to rent or lease a Vacation Rental unit to any person and the Owner is prohibited from renting or leasing the Vacation Rental unit except through the Owner’s agent or representative.

“Good Neighbor Brochure” means a document approved by the City Manager that summarizes general rules of conduct, consideration, and respect, including without limitation provisions of the Lake Havasu City Municipal Code applicable to or expected of residents of the City.

“Hotline” means the telephonic service operated by or for the City for the purpose of receiving complaints regarding the operation of any Vacation Rental and the forwarding of complaints to the appropriate Local Contact Person.

“Local Contact Person” means a local property manager, Owner or Owner’s agent, who is available twenty-four hours per day, seven days per week for the purpose of responding in-person within forty-five minutes to complaints regarding the condition, operation, or conduct of occupants of the Vacation Rental, or any Owner’s agent authorized by the Owner to take remedial action and who responds to any violation of this Code.

“Owner” means the person(s) or entity(ies) that hold(s) legal or equitable title to a Vacation Rental.

“Property” means a residential legal lot of record on which a Vacation Rental is located.

“Rental Term” means the period of time a Responsible Person rents or leases a Vacation Rental.

“Responsible Person” means an occupant of a Vacation Rental who shall be legally responsible for compliance of all occupants of the unit and their guests with all provisions of this Chapter and this Code.

“Vacation Rental” means one or more residential dwellings, including either a single-family detached or multiple-family attached unit, or any portion of such a dwelling, including associated yards, rented for occupancy for dwelling, lodging, or sleeping purposes for a period of twenty-nine consecutive days or less, other than ongoing month-to-month tenancy granted to the same renter for the same unit, occupancy on a time-share basis, or a condominium hotel.

“Vacation Rental Registration Certificate” or “Registration Certificate” means an annual registration submitted to the City pursuant to this Chapter.

5.20.030 REGISTRATION CERTIFICATE AND ADVERTISEMENT DISPLAY REQUIRED

A. No Owner of a Vacation Rental shall rent a Vacation Rental for a period of twenty-nine consecutive days or less without a valid Vacation Rental Registration Certificate.

B. The current Vacation Rental Registration Certificate number issued by the City shall be displayed in a clear and legible manner on all advertising related to each Vacation Rental, including without limitation, web based advertising, print media, and television.

5.20.040 AGENCY

A. An Owner may retain an agent or a representative to comply with the requirements of this Chapter, including, without limitation, the filing of a complete Vacation Rental registration, the management of the Vacation Rental unit or units, and the compliance with the requirements of this Chapter. Except as provided in Subsection B of this Section and notwithstanding any agency relationships between an Owner and an agent or representative, the Owner of the Vacation Rental unit or units shall remain responsible for compliance with the provisions of this Chapter and the failure of an agent to comply with this Chapter shall not relieve the Owner of the Owner’s obligations under the provisions of this Chapter.

B. In the event an Owner enters into an Exclusive Listing Arrangement, the Vacation Rental registration certificate may be secured, and the transient occupancy registration certificate requirements provided in this Chapter may be performed, by the agent or representative and not

by the Owner. In addition, in the event an Owner enters into an Exclusive Listing Arrangement, the Owner will not be required to secure a separate business license for the business of operating a Vacation Rental.

5.20.050 VACATION RENTAL REGISTRATION REQUIREMENTS

A. Prior to use of a property as a Vacation Rental, the applicant shall register the property as a Vacation Rental with the City annually on a registration form furnished by the City and signed by the applicant under penalty of perjury. Each application shall contain the following information:

1. The address of the residential property proposed to be used as a Vacation Rental.
2. The name, address, and telephone number of the Owner of the unit for which the Vacation Rental registration certificate is to be issued.
3. The name, address, and telephone number of the agent, if any, of the Owner of the unit.
4. The name, address, and twenty-four hour telephone number of the Local Contact Person and verification that the Local Contact Person can respond in-person to the site of the Vacation Rental within forty-five (45) minutes.
5. Evidence that the Applicant has provided the name and twenty-four-hour telephone number of the Local Contact Person to all property owners, as shown in the Mohave County Assessor's records, within 300 feet of the Vacation Rental property.
6. The number of Bedrooms in the Vacation Rental unit.
7. The applicable overnight occupancy limit of the unit consistent with the provisions of this Chapter.
8. Evidence of a valid business license issued by the City for the separate business of operating Vacation Rentals or submission of a certificate that Owner is exempt or otherwise not covered by the City's Business Tax Ordinance for such activity.
9. Evidence of a valid Transaction Privilege Tax License issued by the State of Arizona for the Vacation Rental unit.
10. Such other information as the City Manager deems reasonably necessary to administer this Chapter.

B. The Vacation Rental application shall be accompanied by a fee established in accordance with City Code Chapter 3.20.

C. A Vacation Rental Registration Certificate may be denied if a Registration Certificate for the same unit and issued to the same Owner was previously revoked pursuant to this Chapter.

D. A Vacation Rental Registration Certificate may be denied for failing to provide required information or for failure to pay amounts owed to the City for penalties, interest, fees, charges, transaction privilege taxes, sewer connection fees, or any other amounts owed to the City for any other reason. Any Applicant who has a current debt related to any open or closed account maintained or formerly maintained with the City shall be ineligible to receive any new or additional licenses until such debt has been resolved to the satisfaction of the City.

E. Upon change of property Owner, Owner’s agent, or other material facts set forth in the annual registration, a new registration for a Vacation Rental shall be required to continue operation of the Vacation Rental and within fourteen days of said change the Owner or Owner’s agent shall submit the required registration and fee.

F. The denial of a Registration Certificate for any reason may be appealed in writing to the City Manager.

G. A Vacation Rental Registration Certificate shall be in effect and valid for one (1) year, or any portion of a year, from the date of application and shall require renewal each year thereafter.

5.20.060 OPERATIONAL REQUIREMENTS AND STANDARD CONDITIONS

A. The Owner shall be responsible to ensure that the Vacation Rental unit complies with all applicable codes regarding fire, building, health and safety, and all other relevant laws.

B. The Local Contact Person shall limit overnight occupancy of the Vacation Rental unit to a maximum number of overnight occupants equal to two persons, plus an additional two persons per Bedroom within the Vacation Rental unit. The number of Bedrooms in a Vacation Rental may be verified by staff using County Assessor or City Building records or by inspection, prior to the issuance of a certificate. The following chart is provided as an example of how this Section would be applied to specific situations:

Number of Bedrooms	Total of Overnight Occupants
0	2
1	4
2	6
3	8
4	10
5	12
6	14
7	16

C. During the Rental Term each Vacation Rental unit is rented, the Local Contact Person shall be available twenty-four hours per day, seven days per week for the purpose of responding in-person within forty-five minutes to any initial or successive complaints regarding the condition, operation, or conduct of occupants of the Vacation Rental.

D. The Local Contact Person shall be responsible to ensure that the occupants and guests of the Vacation Rental unit do not create unreasonable noise disturbances, engage in disorderly conduct, or violate provisions of the Code or any state law.

E. The Local Contact Person shall be responsible to ensure that trash and refuse shall not be left stored within public view, except in proper containers no more than twelve hours before collection, as described in Title 14.

F. The Local Contact Person shall be responsible to ensure that noise levels shall not exceed those described in Chapter 9.30.

G. Prior to occupancy pursuant to each separate occasion of rental of a Vacation Rental, the Owner or the Owner's agent or representative shall enter into a written rental agreement with a Responsible Person where (1) the Responsible Person will provide the Responsible Person's name, age, address, and a copy of a government issued identification; (2) establishes and sets out the terms and conditions of the rental agreement, including without limitation occupancy limits, trash disposal, and noise prohibitions; (3) requires the Responsible Person to acknowledge and agree that he or she is legally responsible for compliance of all occupants of the Vacation Rental or their guests with all provisions of this Chapter and the Code; (4) provides a copy of the "Good Neighbor Brochure" to the Responsible Person. Each rental agreement shall be maintained by the Owner or the Owner's agent for a minimum of two years and shall be readily available for inspection upon request of the City Manager. Notwithstanding a rental agreement between the Responsible Person and Owner, the Owner of the Vacation Rental unit or units shall remain responsible for compliance with the provisions of this Chapter and the failure of the Responsible Person to comply with this Chapter or the rental agreement shall not relieve the Owner of the obligations under the provisions of this Chapter.

H. The Local Contact Person shall, upon notification that the Responsible Person, including any occupant or guest of the Vacation Rental unit, has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of provisions of the Code or any state law, shall promptly respond in a timely and appropriate manner to prevent a recurrence of such conduct by those occupants or guests. For the purpose of this Subsection and Subsection I below, the phrase "in a timely and appropriate manner" shall mean each of the following components:

1. Telephonic contact with the Responsible Person at the subject Vacation Rental unit within thirty minutes of a call for each incident during a Rental Term.
2. In-person contact at the subject Vacation Rental unit within forty-five minutes of a call if contact with the Responsible Person is not made by telephone for each incident during a Rental Term;
3. If the Local Contact Person must be contacted by the Hotline with a complaint, the Local Contact Person must report back to the Hotline of the disposition and handling of the reported incident within forty-five minutes of each call from the Hotline for each incident during a Rental Term.

I. Failure of the Local Contact Person to respond to calls or complaints from the Hotline regarding the condition, operation, or conduct of occupants of the Vacation Rental in a timely and appropriate manner shall be grounds for imposition of penalties as set forth in this Chapter. It is not intended that a Local Contact Person act as a peace officer or place him or herself in an at-risk situation.

J. The Local Contact Person shall post a copy of the Vacation Rental Registration Certificate and a copy of the conditions set forth in this Section in a conspicuous place within the unit.

K. The Local Contact Person shall provide the Responsible Person of a Vacation Rental with the following information prior to occupancy of the unit and post such information in a conspicuous place within the unit:

1. The name of the Local Contact Person and a telephone number at which that party may be reached on a twenty-four-hour basis;
2. A “Good Neighbor Brochure” as defined in this Chapter;
3. The maximum number of overnight occupants permitted to stay in the unit;
4. The trash pick-up day and applicable rules and regulations pertaining to leaving or storing trash or refuse on the exterior of the property;
5. Notification that noise levels shall not exceed those described in Chapter 9.30;
6. Notification that the occupant may be cited or fined by the City and may be evicted by the Local Contact Person pursuant to state law, in addition to any other remedies available at law, for creating a disturbance or for violating other provisions of this Chapter;
7. Notification that failure to conform to the occupancy requirements of the Vacation Rental unit is a violation of this Chapter;
8. A copy of this Chapter, as may be amended from time to time.

L. The use of a Vacation Rental unit shall not violate any applicable conditions, covenants, or other restrictions on real property.

M. The Owner shall comply with all provisions of Chapter 5.04 and the City Tax Code concerning transient occupancy taxes and City business licensing.

N. The standard conditions may be modified by the City Manager upon request of the Owner or Owner’s agent based on site-specific circumstances for the purpose of allowing reasonable accommodation of a Vacation Rental. All requests must be in writing and shall identify how the strict application of the standard conditions creates an unreasonable hardship to a property such that, if the requirement is not modified, reasonable use of the property for a Vacation Rental would not be allowed. Any hardships identified must relate to physical constraints to the subject site and shall not be self-induced or economic. Any modifications of to the standard conditions shall not further exacerbate an already existing problem.

O. The City Manager shall have the authority to establish administrative rules and regulations consistent with the provisions of this Chapter for the purpose of interpreting, clarifying, carrying out, furthering, and enforcing the requirements and the provisions of this Chapter.

5.20.070 AUDIT

Each Owner, or Owner’s agent, shall provide access to each Vacation Rental and any records related to the use and occupancy of the Vacation Rental to the City Manager or designee at any time during normal business hours, for the purpose of inspection or audit to determine that the objectives and conditions of this Chapter are being fulfilled.

5.20.080 VIOLATIONS

A. Any person who uses, or allows the use of, residential property in violation of the provisions in this Chapter is guilty of a misdemeanor for each day in which the residential property is used, or allowed to be used, in violation of this Chapter. Violations are punishable pursuant to Title 1 City Code, except that each fine shall be no less than one-thousand (\$1,000) dollars.

B. Notwithstanding the provisions Title 1 any citation or courtesy notice issued for violations specified in this Section may provide for a reasonable compliance date or time of less than twenty one calendar days but at least thirty minutes from the date or the time the citation or pre-citation notice is given if, due to the nature of the violation, a shorter compliance period is necessary or appropriate, as determined in the reasonable judgment of the city official issuing the citation or notice.

C. Upon the third or subsequent violation in any twelve-month period, the City Manager may suspend or revoke the Vacation Rental registration certificate for a Vacation Rental unit.

D. Any person who fails to timely register a Vacation Rental shall pay a fine in the amount of two-thousand five-hundred (\$2,500) dollars. Such penalty may also include interest from the date on which the fee or charge became due and payable to the City until the date of payment.

E. The remedies provided for in this Section are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the City to address any violation of this code or other public nuisance.

5.20.090 REQUIREMENTS NOT EXCLUSIVE

The requirements of this Chapter shall be in addition to any license, permit, or fee required under any other provision of this Code. The issuance of any permit pursuant to this Chapter shall not relieve any person of the obligation to comply with all other provisions of this Code pertaining to the use and occupancy of Vacation Rental or the property on which it is located.