

ORDINANCE NO. O 23-01

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF STAR VALLEY, ARIZONA, AMENDING STAR VALLEY TOWN CODE BY ADOPTING TITLE 3, CHAPTER 4 RELATING TO REGULATING SHORT-TERM RENTALS AND VACATION RENTALS; INCORPORATING THE RECITALS BY REFERENCE; ESTABLISHING A PURPOSE; SETTING FORTH DEFINITIONS; REQUIRING A PERMIT TO OPERATE A SHORT-TERM RENTAL OR VACATION RENTAL WITHIN TOWN BOUNDARIES; ESTABLISHING REGULATIONS; ADOPTING NOTIFICATION AND DISCLOSURE REQUIREMENTS; ADOPTING INSURANCE REQUIREMENTS; ADOPTING APPLICATION FEES; ESTABLISHING FINES AND PENALTIES FOR VIOLATIONS; PROVIDING FOR ENFORCEMENT; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

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

WHEREAS, the Town of Star Valley (hereinafter referred to as the “Town”) 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;

WHEREAS, a central and significant goal for the Town is to protect the health, safety, and welfare of the Town residents, preserve its housing stock, and maintain the quality and character of residential neighborhoods;

WHEREAS, the Town will require all vacation rentals to obtain and maintain a valid Town permit, pay permitting fees, provide an emergency point of contact to respond to compliance and emergencies in a timely manner, maintain insurance, provide neighbor notification, and disclose certain information about the vacation rental in each advertisement;

WHEREAS, the Town will require all short-term rentals to obtain and maintain a valid transaction privilege tax (“TPT”) license number, provide proof of the TPT license to the Town, and require disclosure of the TPT number on each advertisement;

WHEREAS, the Town retains the right to change its fees after review and approval from Town Council;

WHEREAS, the Town deems it necessary to establish penalties and fines that apply to vacation rentals.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF STAR VALLEY, ARIZONA AS FOLLOWS:

Section I. **General.**

1. That new Chapter 4 Short-Term Rentals and Vacation Rentals, be created within existing Star Valley Town Code, Title 3 (Business and License Regulations).
2. That certain document known as “Title 3 (Business and License Regulations), Chapter 4 Short-Term Rentals and Vacation Rentals,” at least three paper copies or one paper copy and one electronic copy of which are accessible on the town’s website and filed in the office of the town clerk, which document was made a public record by Resolution No. R 23-01 of the Town of Star Valley, is hereby referred to, adopted and made a part hereof as if fully set out in this ordinance, pursuant to A.R.S. § 9-802.

Section II. **Penalties.**

Operating Without a Permit; Penalties. A vacation rental that fails to apply for a permit or license within thirty (30) days of the permit application being made available by the Town shall immediately cease operations. In addition to any other penalty pursuant to the Town 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 permit 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 is prima facie that a vacation rental is operating in the Town.

Emergency Point of Contact Requirements; Penalties. In addition to any other penalty pursuant to the Town Code, an owner shall be subject to civil penalties of up to \$1,000 for every thirty (30) days the owner fails to provide notice to the Town as required under this subsection. Before imposing the initial civil penalty, the Town shall provide thirty (30) days’ notice to the owner by mailing a notice of violation to the owner’s mailing address that was provided to the Town. The notice of the violation shall inform the applicant of the right to appeal the denial as provided for in Section 3-4-13. Notwithstanding the date of the notice of violation, the date for calculating the penalties shall be the first day the vacation rental is occupied following the owner’s failure to provide the notice to the Town regarding the change.

Enhanced Penalties. In addition to any other penalty pursuant to the Town 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 Chapter or fails to perform any act or duty required by this Chapter, 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 for the vacation rental as advertised, whichever is greater, for the second violation.
- (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.

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 permit in accordance with this Chapter 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 Section 3-4-12, 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 with thirty (30) days of receiving written notice of the failure to comply with this Chapter.

Section III. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section IV. Recitals.

The recitals above are fully incorporated in this Ordinance by reference.

Section V. Effective Date.

The effective date of this Ordinance shall be thirty (30) days following adoption by the Town Council.

Section VI. Preservation of Rights and Duties.

This Ordinance does not affect the rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this Ordinance.

Section VII. Providing for Severability.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference, 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 THE MAYOR AND COMMON COUNCIL OF THE TOWN OF STAR VALLEY, ARIZONA this _____ day of _____, 2023, by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____

Bobby Davis, Mayor

ATTEST:

APPROVED AS TO FORM:

Edie Chapin, Town Clerk

Timothy W. Grier, Town Attorney

I DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF ORDINANCE NO. O 23-01
ADOPTED BY THE TOWN OF STAR VALLEY ON THE _____ DAY OF _____, 2023,
WAS POSTED IN THREE PLACES ON THE _____ DAY OF _____, 2023.

Eddie Chapin, Town Clerk