



City of Chandler Proposed Code Amendments - Short Term Rentals (STR)

February 9, 2023





2016 Legislation: SB 1350



Prohibited from regulating vacation rentals based on classification, use or occupancy



Preempted from banning STRs



Did not affect HOA CC&Rs



Provided limited health and safety oversight



Established transient lodging tax collection

Airbnb, neighbors speak out on deadly Airbnb house party shooting in Chandler

Posted Jun 16, 2019



Some Phoenix-area homeowners say short-term rentals wreaking havoc on their neighborhoods

Morgan Loew
Posted Feb 26, 2020

Homeowners look to stop rowdy rental guests next door

Wild party causes major damage for Tempe Airbnb homeowner

Ryan Simms
Posted May 29, 2019



Woman shot in the arm during party at Airbnb rental, 911 call released

Published October 11, 2019 | Crime and Public Safety | FOX 10 Phoenix

Unintended Consequence: "Party Houses"

Expanded protections for STRs



Increase in special event reservations/"party houses"



Municipalities and neighborhoods unable to regulate due to protections



Public attention brought desire for additional legislation



STRs & Common Concerns

Common calls for service to short term rentals include:

-  Parking Violations
-  Liquor Violations
-  Noise Complaints



2019 Legislation:

HB 2672

- \$ Established verified violation process
- ✓ Allowed collection of owner contact information by a local government
- ⊘ Prohibited operation and advertising without a TPT license
- ⊘ Prohibited special events that would require a permit
- ✓ Mayor and Council Final Adopted Ordinance 4939 and added Chapter 22 – Short Term Rentals on October 12, 2020

Current Short Term Rental Workflow

Resident
Contacts City



Officer Dispatched
& Takes Appropriate
Action

Owner notified of
citation within 7
business days

Case Tracked by PD
Through Final
Court Disposition

Tax and License
Division Submits
verified violation
to ADOR & notifies
owner within 30
days

ADOR may assesses
penalty equal to the
difference between
the amount
prescribed in Statute
and the penalty given
by the City

Non-enforcement
calls documented

Enforcement calls
result in civil or
criminal complaints
forwarded to City
Prosecutor

City notifies ADOR
of verified violation
penalty amount



Unintended Consequence: Difficult Enforcement System

Verified Violation System proved challenging to execute on



Difficult to hold STR owners accountable for renters bad behavior

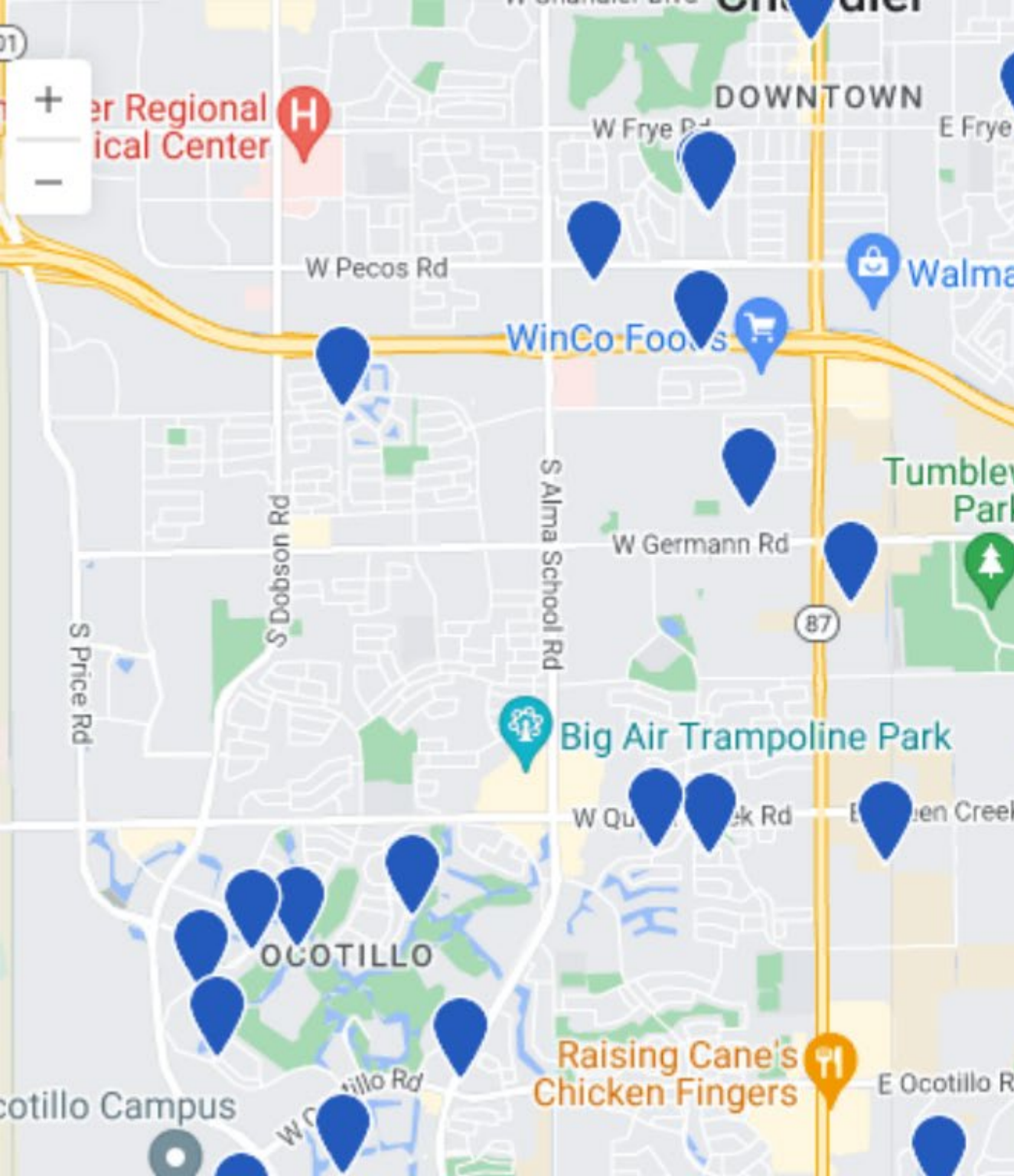


Municipalities and neighborhoods unable to regulate due to current statute



Public attention brought desire for additional legislation

Short Term Rentals in Chandler



X 244 STRs currently on the Chandler registry

X 131 calls for service at 46 identified rental properties (2022)

2022 Legislation:

SB 1168

- Requires STR operators to obtain a license (as opposed to joining a registry) and be subject to a nonrefundable application fee and annual license fee
- Prohibits STRs from being used for non-residential uses
- Requires a point-of-contact to be available for emergencies or non-emergency complaints
- Requires written neighbor notification to all surrounding residential properties
- Requires license and contact information to be conspicuously placed in the rental
- Allows a municipality to suspend an STR license for repeated violations

Short Term Rental Workflow

Minimal Changes from Current Process

Resident
Contacts City



Officer Dispatched & Takes
Appropriate Action

Non-enforcement calls
documented or sent to Code
Enforcement for follow up

Enforcement calls result in
civil or criminal complaints
forwarded to City Prosecutor



Case Tracked by PD
Through Final
Court Disposition



City notifies owner
of violation and
issues penalty

*City previously
required to notify
Department of
Revenue for
enforcement of
penalty*



Owner has 10
calendar days to
appeal decision
through written
notice



Next Steps

January 23 – February 6 | **Public Comment**

February 9 | **Council Subcommittee**

March | **Council Consideration**

April | **Effective Date 30 Days After
Council Action**