

2022 AMENDMENTS TO THE LAKE HAVASU CITY CODE

CHAPTER 5.20, VACATION RENTALS

NOVEMBER 22, 2022

§ 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. These regulations are in addition to other codes of the City.
- 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 definitions shall apply unless the context clearly indicates or requires a different meaning.

- A. **BANQUET SPACE.** An Event Center that is used for serving and/or consuming food and/or beverages.
- B. **EVENT CENTER.** Any dwelling unit (i) for which the occupant has made payment for transient use of the dwelling unit and (ii) which is used for Special Events or other Nonresidential Uses.
- C. **EMERGENCY POINT OF CONTACT.** The Owner or Owner's designee, who is available 24 hours per day, 7 days per week for the purpose of responding in-person, telephonically, or by electronic mail to complaints or emergencies in a timely manner.
- D. **NONRESIDENTIAL USES.** Any use that is not permitted in a residential zoning district pursuant to the Zoning Code.
- E. **OWNER.** The person(s) or entity(ies) that hold(s) legal or equitable title to a vacation rental.
- F. **PROPERTY.** A residential legal lot of record on which a vacation rental is located.
- G. **SPECIAL EVENT.** Has the same meaning as City Code § 9.20.010(C).
- H. **VACATION RENTAL.** Any individually or collectively owned single-family or 1-to-4-family house or dwelling unit or any unit or group of units in a condominium or cooperative, that is also a transient public lodging establishment or owner-occupied residential home offered for transient use if the accommodations are not classified for property taxation under A.R.S. § 42-12001. Vacation Rental does not include a unit that is

used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

I. **VERIFIED VIOLATION.** A finding of guilt or civil responsibility for violating any state law or local ordinance relating to a purpose prescribed in A.R.S. § 9-500.39(B) or (K) that has been finally adjudicated.

J. **TRANSIENT.** As defined by A.R.S. § 42-5070.

§ 5.20.025 PERMIT.

- A. A Lake Havasu City Vacation Rental permit is required to offer a vacation rental for rent in Lake Havasu City.
- B. Permit applications. The Owner of a proposed vacation rental shall submit to the City a permit application on a form furnished by the City. The permit application shall be signed by the applicant and shall contain the following minimum information, which shall be made publicly available:
 - 1. The physical address of the residential property proposed to be used as a Vacation Rental.
 - 2. The name, address, and telephone number of the Owner for which the vacation rental registration certificate is to be issued. If the Owner is an entity, the legal name of the entity and its statutory agent.
 - 3. The name, address, and telephone number of each designee of the Owner, if any.
 - 4. The full name, address, and twenty-four (24) hour telephone number of the individual who will serve as the Emergency Point of Contact.
 - 5. Proof of a valid transaction privilege tax license.
 - 6. Acknowledgment by the Owner of an agreement to comply with all applicable laws, regulations, and ordinances, including the requirement that the Owner and each designee shall not be a registered sex offender, been convicted of any felony act that resulted in death or serious physical injury, or been convicted of any felony use of a deadly weapon within the past five years.
 - 7. Attestation of compliance with the notification required in this Chapter.
 - 8. Evidence of liability insurance appropriate to cover the vacation rental in the aggregate of at least \$500,000 or evidence that each vacation rental transaction will be provided through a platform that provides equal or greater primary liability insurance coverage for the vacation rental.

- C. The permit will be issued or denied within seven business days of receipt of a complete application and fee.
- D. A Vacation Rental application may be denied for any of the following:
 - 1. Failure to provide name, address, phone number and email address for the Owner; address of the vacation rental; proof of a valid Arizona transaction privilege tax license; emergency point of contact; and acknowledgement of an agreement to comply with all applicable laws, regulations, and ordinances;
 - 2. Failure to pay the required, nonrefundable permit fee;
 - 3. At the time of application, the Owner has a suspended permit for the same vacation rental;
 - 4. The applicant provides false information; or
 - 5. The Owner or Owner's designee is a registered sex offender or has been convicted of any felony act that resulted in death or serious physical injury or any felony use of a deadly weapon within the past five years.
- E. No permit granted pursuant to this Chapter shall be transferable from one person to another for from one location to another.
- F. All permits issued under this Section shall be valid for a period of one year from the date of issuance.
- G. A permit may not be renewed if there are causes for denial, suspension, revocation, or other permitting sanctions as provided in this Chapter.
- H. Upon expiration of a permit, a complete application along with the requisite fees is required to continue the operation of a Vacation Rental.

§ 5.20.030 AGENCY.

An Owner may retain an agent or a representative to comply with the requirements of this Chapter, including, without limitation, the management of the Vacation Rental, and the compliance with the requirements of this Chapter. Notwithstanding any agency relationships between an Owner and an agent or representative, the Owner of the Vacation Rental 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.

§ 5.20.040 EMERGENCY POINT OF CONTACT.

- A. Prior to use of a property as a Vacation Rental, the name and contact information of the Emergency Point of Contact shall be provided to the City on a form furnished by the City

and signed by the Owner under penalty of perjury. Each form shall contain the following information, which will be made publicly available:

1. The address of the property to be used as a Vacation Rental.
 2. The name, address, and telephone number of the owner of the Vacation Rental.
 3. The name, address, and telephone number of the Owner's designee or agent, if any, of the Vacation Rental.
 4. The name, address, and 24-hour telephone number of the Emergency Point of Contact and verification that the Emergency Point of Contact can respond to complaints as required by this Code.
- B. Upon change of Vacation Rental Owner, Owner's agent or designee, Emergency Point of Contact, or other material information, a new form shall be submitted to the City within 14 calendar days of the change.

§ 5.20.050 OPERATIONAL REQUIREMENTS AND STANDARD CONDITIONS.

- A. The Owner shall be responsible to ensure that the Vacation Rental complies with all applicable codes regarding fire, building, health and safety, and all other relevant laws.
- B. During the rental of a Vacation Rental, the Emergency Point of Contact shall be available 24 hours per day, 7 days per week for the purpose of responding in a timely manner to any complaints regarding the Vacation Rental.
- C. The Owner and Emergency Point of Contact shall be responsible to ensure that the occupants and guests of the Vacation Rental do not create unreasonable noise disturbances, engage in disorderly conduct, or violate provisions of the City code or any state law.
- D. The Owner and Emergency Point of Contact shall be responsible to ensure that trash and refuse shall not be left stored within public view at the Vacation Rental, except in proper containers no more than 12 hours before collection, as described in Title 14.
- E. The Owner and Emergency Point of Contact shall be responsible to ensure that noise levels shall not exceed those described in Chapter 9.30.
- F. The Emergency Point of Contact shall, upon notification that any occupant or guest of the Vacation Rental, has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of provisions of the City Code or any state law, 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 chapter, the phrase "in a timely and appropriate manner" shall mean:

1. Telephonic contact with the occupants at the subject Vacation Rental within 30 minutes of a call for each incident;
 2. In-person contact at the subject Vacation Rental within 45 minutes of a call if contact with the occupants is not made by telephone for each incident;
 3. If the Emergency Point of Contact must be contacted by the City with a complaint, the Emergency Point of Contact must report back to the City of the disposition and handling of the reported incident within 45 minutes of each call from the City for each incident.
 4. If required by public safety personnel, the Emergency Point of Contact must respond to a complaint or emergency within thirty minutes in person.
- G. Failure of the Emergency Point of Contact to respond to calls or complaints from the City regarding the condition, operation, or conduct of occupants and guests of the Vacation Rental in a timely and appropriate manner shall be in violation of the provisions of this Chapter. It is not intended that an Emergency Point of Contact act as a peace officer or place themselves in an at-risk situation.
- H. The Owner shall comply with all provisions of the City Tax Code concerning transient occupancy taxes.
- I. A Vacation Rental may not be used for nonresidential uses, including a special event that would otherwise require a permit or license for a retail, restaurant, Banquet Space, Event Center, or other similar use.
- J. Owner must maintain a current transaction privilege tax license from the Arizona Department of Revenue and list the transaction privilege tax license number on each advertisement for each Vacation Rental the Owner maintains, including online lodging marketplace posting in accordance with A.R.S. § 42-5042.
- K. Prior to offering a Vacation Rental for rent for the first time, the Owner or Owner's designee must notify all single-family residential properties adjacent to, directly and diagonally across the street from the Vacation Rental and all multi-family residential building units on the same floor as the Vacation Rental with the following: permit number, address and emergency contact information. The requirements of this subsection may be met by providing notice to all owners or residents of single-family residential properties and lots located within three hundred feet (300') of the property line of the lot on which the short-term rental is located.
1. The Owner or Owner's designee must provide the City with an attestation of notification compliance containing the permit number, address of each property notified, and the description of the manner in which the Owner provided notification to each property subject to notification.
 2. Any time the contact information required by A.R.S. § 9-500.39(A)(4) changes, the Owner or Owner's designee must provide the notice required by subsection (K) of this Section with the updated contact information in accordance with Section 5.20.040(B) above.

3. Upon the request of City, Owner or Owner's designee must provide an attestation of compliance with Section 5.20.050(K) within ten (10) calendar days of the request.
- L. The Owner or Owner's designee of a Vacation Rental must display the local regulatory permit number on each advertisement for a Vacation Rental.
- M. All Vacation Rentals must maintain liability insurance appropriate to cover the Vacation Rental in the aggregate of at least \$500,000 or to advertise and offer each Vacation Rental through an online lodging marketplace that provide equal or greater insurance coverage.
- N. Prior to commencement of occupancy or during check-in, the Owner shall describe all rules and regulations applicable to the use of the property as a Vacation Rental including, but not limited to, parking restrictions, restriction on noise and amplified sound, trash collection schedules, event and non-residential use restrictions, and any other information, as required by this Code applicable to the Vacation Rental and the surrounding neighborhood. Prior to or upon the guest's arrival at the Vacation Rental, the Owner shall provide the booking guest with a written copy of the statement of rules and regulations acknowledged by the booking guest at the time of booking. The Owner shall keep a record of compliance with this Section.
- O. The following notice must be posted in 14-point or larger bold font, on a laminated or otherwise similarly shielded paper, and prominently displayed in the Vacation Rental on the inside of the front door and the primary door to the backyard or in a conspicuous location near each such door.

NOTICE

You are expected to respect those who live in this neighborhood. The neighbors have the contact information for your emergency point of contact and are encouraged to contact them if activity at this rental disturbs the peace in the neighborhood or otherwise violates any federal, state or local laws, resulting in the possible immediate eviction of all occupants and loss of your deposit.

Use of this property for any of the following purposes is prohibited and violators may be subject to substantial penalties:

- 1) Any use that disturbs neighboring properties' peace and enjoyment, including, but not limited to, excessive noise, impeding traffic, obstruction of public streets by crowds or vehicles, use of illegal fireworks, use or possession of illegal drugs, drinking in public areas, the service of alcohol to minors or consumption of alcohol by minors, fighting, disturbing the peace, or littering;**
- 2) Housing sex offenders;**
- 3) Operating or maintaining a sober living home;**
- 4) Selling controlled substances, liquor or pornography;**
- 5) Obscenity, nude or topless dancing, and other adult oriented businesses, performances, parties or activities in which value is given in exchange for an adult-oriented service; or**

- 6) Any uses prohibited under ARS § 9-500.39, or federal, state or local law.

Unless the City expressly permits such a use in writing, use of this property for any of the following purposes is prohibited and violators may be subject to substantial penalties: use for any nonresidential use, including 1) for a special event that would otherwise require a permit or license pursuant to City ordinance or state law or rule or 2) operating a retail business, restaurant, event center, banquet space, or similar use.

Your emergency point of contact is _____ and can be reached by phone 24 hours a day, seven days a week, at _____.

- P. To protect the health, safety, and general welfare of all Vacation Rental occupants, Vacation Rentals must meet the minimum standards for habitable structures, including occupancy limits, set forth in this Code, the adopted International Property Maintenance Code, and the City's Zoning Code and the requirements in this subsection and the requirements in subsection (1) below. The City may require inspection if it has a reason for concern that the Vacation Rental may not be compliant with the City's fire, building or zoning requirements.
1. Owners shall:
 - a. install and maintain a working smoke alarm and carbon monoxide (CO) alarm system, which may require several detection units in the Vacation Rental maintained annually as required by NFPA 72. Owner shall keep and make available for inspection upon request by the Fire Marshal a record of all inspections and maintenance activities.
 - b. install, maintain, and inspect a portable, multi-purpose fire extinguisher in any kitchen area and on each floor of a Vacation Rental and within 20 feet of every outdoor fire feature, fire pit, patio heater, fireplace, or other areas with fire. The extinguishers shall be installed on the wall in an open common area or in an enclosed space with appropriate markings visibly showing the location of the fire extinguisher.
 - c. provide and prominently display a map of the Vacation Rental showing the following: safe routes of egress in the event of a fire or other emergency; locate of fire detection and suppression equipment; and any additional information relevant to such emergency preparedness measures. The map shall include the full property address, emergency information (i.e., 911) and Owner contact information.
- Q. In accordance with ARS § 9-500.39, a Vacation Rental may not be rented, advertised, or used for any of the following uses or purposes: housing sex offenders, operating or maintaining a sober living home, selling illegal drugs, liquor control, or pornography,

obscurity, nude or topless dancing, and other adult-oriented business performances, parties or activities in which value is given in exchange for an adult-oriented service.

§ 5.20.060 VIOLATIONS.

- A. The penalties set forth herein are cumulative, and the City may proceed under or more such penalties.
- B. Notwithstanding any other provision of this Code, causing, permitting, facilitating, aiding, or abetting any violation of any provision of this Chapter, or failing to perform any act or duty required by the Chapter, is punishable as a class one misdemeanor, and shall also constitute a civil offense. Any person who admits, or is found responsible for a civil offense pursuant to this subsection shall be subject to a fine in the minimum amount of \$500.
- C. A civil penalty will be imposed against an Owner for one or more Verified Violations received related to same Vacation Rental within the same twelve-month period as follows:
 - 1. For a first Verified Violation at a property, \$500 or an amount equal to one night's rent for the Vacation Rental as advertised, whichever is greater;
 - 2. For a second Verified Violation at a property, \$1,000 or an amount equal to two night's rent for the Vacation Rental as advertised, whichever is greater;
 - 3. For a third Verified Violation and any subsequent offenses at a property, \$3,500 or an amount equal to three night's rent for the Vacation Rental as advertised, whichever is greater.
- D. If multiple Verified Violations arise out of the same response to an incident at a Vacation Rental, those Verified Violations are considered one Verified Violation for the purpose of assessing civil penalties or suspending a permit.
- E. Notwithstanding the provisions of 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 21 calendar days but at least 30 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.
- F. A Vacation Rental Permit may be suspended for a period of up to twelve months for the following Verified Violations associated with a property:
 - 1. Three verified violations within a twelve month period, not including any Verified Violation based on an aesthetic, solid waste disposal, or vehicle parking violation that is not also a serious threat to public health and safety.
 - 2. One Verified Violation that results in or constitutes any of the following:

- a. A felony offense committed at or in the vicinity of a Vacation Rental by the Vacation Rental Owner or Owner's designee.
 - b. A serious physical injury or wrongful death at or related to a Vacation Rental resulting from the knowing, intentional or reckless conduct of the Vacation Rental Owner or Owner's designee.
 - c. An Owner or Owner's designee knowingly or intentionally housing a sex offender, allowing offenses related to adult-oriented businesses, sexual offenses or prostitution, or operating or maintaining a sober living facility, in violation of a regulation or ordinance adopted under ARS § 9-500.39(B)(3).
 - d. An Owner or Owner's designee knowingly or intentionally allowing the use of Vacation Rental for a special event that would otherwise require a permit or license pursuant to the City ordinance or state law or rule or for a retail, restaurant, banquet space or other similar use.
- G. Notwithstanding the above, any attempted or completed felony act, arising from the occupancy or use of a Vacation Rental or short-term rental, that results in a death, or actual or attempted serious physical injury, shall be grounds for judicial relief in the form of a suspension of the property's use as a Vacation Rental for a period of time that shall not exceed twelve months.
- H. In addition to any other penalty allowed by law, a civil penalty of \$1,000 will be imposed against the Owner for every thirty days the Owner fails to provide contact information as required by ARS § 9-500.39(B)(4).
- I. A Vacation Rental that does not have an active Vacation Rental permit must immediately cease operations.
- J. In addition to any other fines imposed, a civil penalty of \$1,000 per month against the Owner for failure to apply for a permit within thirty days after receiving written notice of the failure.
- K. 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.

§ 5.20.070 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.