RESOLUTION NO. 2022-36

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA, ESTABLISHING AS A PUBLIC RECORD CHANGES TO SEDONA CITY CODE CHAPTER 5.25 (SHORT-TERM RENTAL REGULATION).

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA that the changes to Sedona City Code Chapter 5.25 (Short-Term Rental Regulation) as set forth in Exhibit A "2022 Amendments To Sedona City Code Chapter 5.25 (Short-Term Rental Regulation)" and attached hereto, constitutes a public record to be adopted by reference in Ordinance No. 2022-11 pursuant to A.R.S. § 9-802.

One paper copy and one electronic copy of this public record shall be filed in the office of the City Clerk and kept available for public use and inspection.

APPROVED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona this 22nd day of November, 2022.

Sandra J. Moriany, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

Kurt W. Christianson, City Attorney

Chapter 5.25

SHORT-TERM RENTAL REGULATION

Sections:

5.25.010 TitlePurpose: Administration: Enforcement. 5.25.020 Findings and purpose Definitions. 5.25.030 DefinitionsPermit Required. 5.25.040 **Emergency contact.** 5.25.050 Use regulations. 5.25.060 Neighbor Notification Required. 5.25.070 Advertisement Requirements. Posting on the Property Required. 5.25.080 5,25,090 Insurance Required. 5.25.100 **Background Checks Required.** 5.25.110 Permit Suspension. 5.25.120 Penalties. Appeals. 5.25.130 5.25.140 Judicial Relief

5.25.010 TitlePurpose: Administration: Enforcement.

This chapter shall be known as the city of Sedona short-term rental regulation chapter. A. The city of Sedona is committed to maintaining its small-town character, scenic beauty, and natural resources that are the foundation of its economic strength and quality of life. This Chapter is adopted to protect the public peace, health, safety, and welfare of the City's residents and visitors by enacting reasonable regulations of short-term rentals consistent with A.R.S. § 9-500.39 and to help mitigate harmful abuses associated with short-term rentals. Such reasonable regulations include requiring; (1) permitting of short-term rentals; (2) compliance with zoning, safety, and nuisance standards; (3) disclosure of contact information of the property owner or owner's designee responsible for responding to complaints, incidences, and emergencies associated with a short-term rental; (4) notification to neighboring properties that

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a property will be used as a short-term rental: (5) prohibition of the use of short-term rentals for illegal and harmful purposes: and (6) implementation of an administrative process to suspend short-term rental permits and reasonable civil penalties for the misuse of short-term rentals.

B, It is the responsibility of the Short-Term Rental Specialist to administer the provisions of this Chapter, including the issuance, denial, and suspension of licenses. Pursuant to these responsibilities, the Short-Term Rental Specialist has the authority to create rules, regulations, and policies consistent with the purpose of this Chapter and to develop the necessary forms and database to implement this Chapter. The Sedona Police Department, Code Compliance, and any other City department, division, or official designated by the City Manager is authorized to enforce the provisions of this Chapter.

5.25.020 Findings and purposeDefinitions.

The city of Sedona is committed to maintaining its small-town character, scenic beauty, and natural resources that are the foundation of its economic strength and quality of life. (Sedona Community Plan, Section 9.2, Recommendations Goal 1.0.) The purpose of this chapter is to safeguard the public health and safety of the residents of Sedona and their visitors and guests while preserving the residential character of neighborhoods, minimizing nuisances, and providing equity with other residential and commercial uses. Therefore, in an attempt to further promote the aims and goals of the Sedona Community Plan, the city does hereby adopt the following provisions in an attempt to protect the public's health and safety in residential neighborhoods.

The terms of this Chapter have the below meanings, whether or not the term is capitalized, unless the context requires otherwise. Words in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. The term "including" means "including but not limited to" or "including without limitation." The term "shall" means a requirement or mandate, All references to laws or regulations mean such laws and regulations as amended or replaced. Definitions set forth in this Section apply only to this Chapter and do not affect and are not to be applied to any other Chapter of the Sedona City Code.

"Advertisement" means any method of soliciting the use of property for short-term rental ourposes.

"Applicant" means the owner or owner's designee who applies with the city for a permit or renewal of a permit.

"City code" means the Sedona City Code and the Sedona Land Development Code.

"Days" shall mean calendar days unless stated otherwise.

"Emergency point of contact" means the owner or individual designated by the owner to: (i) serve as the local twenty-four (24) hour emergency point of contact for the short-term rental; and (ii) respond to complaints and emergencies relating to the short-term rental in a timely manner as required by this chapter.

"Guest" means a person who makes transient use of a Short-Term Rental. For the purposes of this chapter, any person who makes payment for the use of a Short-Term Rental, any person identified on the rental agreement for a Short-Term Rental, any person who sleeps or plans to sleep overnight in a Short-Term Rental, and any person present in a Short-Term Rental after 10:00 PM, are each presumed to be a guest of that Short-Term Rental.

"Neighbor notification" means the written notice provided by the owner to each single family residential property adjacent to the short-term rental property, directly across from the short-term rental property, and diagonally across the street of the short-term rental property that includes the valid permit number issued by the city, the physical address of the short-term rental, and the name, address, and twenty-four (24) hour telephone number of the emergency point of contact.

"Nonresidential Use" means any use that is not permitted in a residential zoning district pursuant to the Sedona Land Development Code and any use for which an entrant or guest pays an entrance fee.

"Online lodging marketplace" has the same meaning prescribed in A.R.S. § 42-5076.

"Owner" means the owner of a short-term rental or, in the case of a short-term rental owned by a business entity, the natural persons legally authorized to execute contracts on behalf of that business entity. "Owner's designee" means an agent or representative of the owner, such as a landlord, statutory agent, or property manager, or other designee acting on behalf of the owner, who controls or otherwise regulates the occupancy or use of the short-term rental.

"Permit" or "short-term rental permit" means authorization from the city to operate a short-term rental as set forth in Section 5.25.030.

"Person" means an individual, public entity, firm, corporation, partnership, limited liability company, trust, association, or any other business entity or juridical person, whether operating on a for-profit or nonprofit basis.

"Short-term rental" or "vacation rental" means any individually or collectively owned single-family or one- to four-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" and "short-term rental" do not include a dwelling unit that is used for any nonresidential use, including for a special event that would otherwise require a permit or license pursuant to a city or town ordinance or a state law or rule or for a retail, restaurant, banquet space or other similar use.

"Special event" has the same meaning given to it in the Sedona Land Development Code,

"Timely manner" means (i) within one (1) hour of the initiation of contact with the emergency point of contact regarding a complaint, incident, or emergency associated with a short-term rental for which public safety personnel are dispatched; and (ii) within twenty-four (24) hours of the initiation of contact with the emergency point of contact regarding all other complaints, incidences, and emergencies associated with a short-term rental. "Initiation of contact" means the first actual contact or documented attempt to contact, such as leaving a voicemail or sending an email to the designated emergency point of contact.

"Transient" means any person who either at the person's own expense or at the expense of another obtains lodging space or the use of lodging space on a daily or weekly basis, or any other basis for less than 30 consecutive days,

"Transaction privilege tax license" is the license issued by the State of Arizona pursuant to A.R.S., Title 42.

"Transient lodging" means the business of operating for occupancy by transients a hotel or motel, including an inn, tourist home or house, dude ranch, resort, campground, studio or bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure, and also including a space, lot, or slab that is occupied or intended or designed for occupancy by transients in a mobile home or trailer furnished by them for such occupancy. Transient lodging does not include those exceptions identified in A.R.S. § 42-5070(B).

"Verified violation" means a finding of guilt or civil responsibility for violating any state law or local ordinance relating to a purpose prescribed in A.R.S. Sections 9-500.39(B) or 9-500.39(K) that has been finally adjudicated.

5.25.030 DefinitionsPermit Required; Renewal.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

"Emergency point of contact" means the owner or owner's designee who is located within 25-miles of the vacation rental, short-term rental, or transient lodging establishment and who is available 24 hours per day, seven days per week for the purpose of responding in person, telephonically, or by electronic mail to complaints, emergencies, or other incidents at the property in a timely manner.

"Transient" means any person who either at the person's own expense or at the expense of another obtains lodging space or the use of lodging space on a daily or weekly basis, or any other basis for less than 30 consecutive days.

"Transient lodging" means the business of operating for occupancy by transients a hotel or motel, including an inn, tourist home or house, dude ranch, resort, campground, studio or bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure, and also including a space, lot, or slab that is occupied or intended or designed for occupancy by transients in a mobile home or trailer furnished by them for such occupancy. Transient lodging does not include those exceptions identified in A.R.S. § 42-5070(B).

"Vacation rental" or "short-term rental" means any individually or collectively owned singlefamily or one- to four family house or dwelling unit or any unit or group of units in a condominium, cooperative, or timeshare 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" and "short-term-rental" do not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center, or another similar use.

A. Permit required. Effective on February 15, 2023, no person shall advertise or operate a short-term rental in the city without a valid annual short-term rental permit issued by the city.

Renting, or offering for rent, a short-term rental without complying with the permit requirement in this section is prohibited. In addition to any other penalty imposed pursuant to the city code, any property that operates as a short-term rental and fails to apply for a short-term rental permit in accordance with this section, must cease operations immediately.

B. Permit applications. The owner or the owner's designee of a proposed short-term 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 short-term rental.
- The name and contact information of the owner (address, email address, and telephone number). If the property owner is an entity, the legal name of the entity and name and contact information (address, email address, and telephone number) of its statutory agent.
- The name and contact information (address, email address, and telephone number)
 of the owner's designee, if any. The owner shall certify that the owner's designee is
 authorized to act upon the owner's behalf
- The name and contact information (address, email address, and telephone number)
 of the emergency point of contact.
- Proof of a valid transaction privilege tax license for the short-term rental.
- Acknowledgment by the owner of an agreement to comply with all applicable
 laws, regulations, and ordinances, including compliance with neighbor notification,
 evidence of liability insurance, and the requirement that the owner and each
 designee shall not be a registered sex offender.

- C. Permit fee. Every application, including any renewal application, for a short-term rental permit under this chapter shall be accompanied by payment of a non-refundable fee prescribed in the city's then current consolidated fee schedule.
- D. Permit Denial. The city may deny issuance of a new short-term rental permit or renewal permit for any of the following reasons:
 - 1. Failure to provide the information required under subsection B;
 - 2. Failure to pay the permit fee required under subsection C:
 - 3. The applicant provides false information:
 - 4. The owner or designee of the owner: (i) is a registered sex offender; (ii) has been convicted of any felony act that resulted in death or serious physical injury; or (iii) has been convicted of any felony use of a deadly weapon within five (5) years of submitting the application; or
 - 5. At the time of application, the owner has a suspended permit for the same short-term rental or any of the following applies: (a) one violation at the short-term rental that resulted in or constituted any of the offenses described in Sec. 5.25.110.A.2.; or (b) three violations of this chapter at a short-term rental within a twelve (12) month period, not including an aesthetic, solid waste disposal or vehicle parking violation that is not also a serious threat to public health and safety.
- E. Notice of denial; appeal. The city manager or designee shall give notice of the denial of an application to the applicant by emailing the notice to applicant at the email address listed on the application. The notice of the denial shall inform the applicant of the right to appeal the denial as provided for in SCC Section 5.25,130.
- F. Maintaining Accurate Information: Violations. All applicants and persons holding permits issued pursuant to this chapter shall give prior written notice to the Short-Term Rental.

 Specialist of any change in information submitted in connection with an application for a permit or renewal of a permit. The notice shall be provided to the Short-Term Rental Specialist within ten (10) days of the effective date of the change.
- G. Term of Permit. All permits issued under this chapter shall be valid for a period of one (1) year from the date of their issuance unless suspended or revoked. It shall be unlawful for any

person to operate a short-term rental after the expiration date recorded upon the face of the permit.

H. Non-transferable. No permit shall be transferable either as to location or as to person.

 If the owner has received notice of violation of this chapter, any law or regulation, including disciplinary action against the permit, the application for renewal shall include a copy of the notice or disciplinary action.

J. A Permit may not be renewed if there are causes for denial, suspension, revocation or other permitting sanctions as provided in this chapter.

K. Unless otherwise provided by law, the city may use any information obtained from a permit application for any lawful purpose including communicating information related to public health and safety, providing reminders regarding compliance with laws, and general city updates.

5.25.040 Emergency contact.

Before renting the property or offering the property for rent, the owner of any vacation rental, short term rental, or transient lodging establishment shall provide the city with the name, address, e-mail address, and phone number of an emergency point of contact who is available 24 hours per day, seven days per week for the purpose of responding in a timely manner to any complaints, emergencies, or other incidents at the property. The owner shall notify the city, in writing, of all changes in the emergency contact information required by this section, not less than 10 days prior to the effective date of the change. The emergency point of contact shall be responsible to ensure that the occupants and guests of the property do not create unlawful noise disturbances, engage in disorderly conduct, or violate provisions of the Sedona City Code or any state law. Upon notification from the city that any occupant or guest of the property has created unlawful noise or disturbances, engaged in disorderly conduct, or committed violations of provisions of the Sedona City Code or any state law, the emergency point of contact shall respond in a timely and appropriate manner to prevent such conduct. The phrase "in a timely and appropriate manner" shall mean telephonic or in person contact with the occupants of the property and the city or the city's designee within 60 minutes of a call for each incident.

The contact information for the emergency point of contact shall be posted in a prominent and visible location inside the short-term rental, vacation rental, or transient lodging establishment.

A. Emergency Responses: Violations. When requested by a police officer, emergency point of contact must affirmatively respond to complaints in person, by telephone, or by email within 60 minutes of the initiation of contact and assist to resolve the complaint. Failure of the emergency point of contact to respond in a timely manner is a violation of this chapter and the owner shall be deemed responsible for such violation.

B. Non-emergency Responses: Violations. The emergency point of contact shall respond to all other complaints relating to the short-term rental in person, by telephone, by email within 24 hours of the initiation of contact and assist to resolve the complaint. Failure of the emergency point of contact to respond in a timely manner is a violation of this chapter and the owner shall be deemed responsible for such violation.

C. Maintaining Accurate Emergency Information. All applicants and persons holding permits issued pursuant to this chapter shall give prior written notice to the Short-Term Rental.

Specialist of any change to the contact information provided to the city for the emergency point of contact. The notice shall be provided to the Short-Term Rental Specialist within 10 days of the effective date of the change.

5.25.050 Use regulations.

A. The Sedona Land Development Code district regulations shall be applied to a short-term rental, vacation rental, or transient lodging establishment in the same manner as other property classified under A.R.S. §§ 42-12003 and 42-12004 except as permitted by state law. The use of any short-term rental, vacation rental, or transient lodging establishment in any single-family residential district shall be limited to the uses identified in the Sedona Land Development Code for that particular zoning district. No vacation rental, short-term rental, or transient lodging establishment in any residential district shall be used for nonresidential uses, including for any special event that would require a permit or license pursuant to SCC §.05.030(B) or as a retail establishment, restaurant, banquet space, or any other similar use. The owner of any vacation rental, short-term rental, or transient lodging establishment shall be responsible to ensure that the property complies with all applicable fire, building, health and safety codes, and all other relevant state and local laws. No vacation rental, short-term rental,

or transient lodging establishment shall be rented or offered for rent without a current, valid transaction privilege tax license. The owner of any vacation rental, short-term rental, or transient lodging establishment shall list the transaction privilege tax license number on each advertisement offering the property for rent.

B. A short-term rental shall comply with federal, state, and local laws, including laws relating to public health and safety, sanitation, solid waste, hazardous waste, tax privilege licensing, property tax registration, traffic control, pollution control, noise, property maintenance, and nuisance abatement.

C. No person or entity shall operate a short-term rental in violation of this chapter or other law. In addition, the use of a short-term rental property for any of the following uses or purposes is strictly prohibited:

- Any nonresidential use including operating a retail business, restaurant, event center, banquet hall or similar use or any other use prohibited by A.R.S. § 9-500,39 or the city code.
- 2. Holding a special event that requires a permit or license pursuant to city code or state law or rule.
- Housing sex offenders.
- 4, Operating or maintaining a sober living home.
- 5. Selling or offering for sale, consideration, or entrance fee, liquor or illegal drugs.
- Obscenity, operating an adult-oriented business, nude or topless dancing, or commercial display or production of pornography.
- 7. Any use that constitutes a substantial disturbance of the quiet enjoyment, and peace, health, safety or general welfare of private or public property through a nuisance party or unruly gathering, including, but not limited to, excessive noise or traffic, obstruction of public streets by crowds or vehicles, the service of alcohol to minors, fights, disturbances of the peace, litter, spirituous liquor served to, or in the possession of, or consumed by any minor, or where illegal drugs are in the possession of, or consumed by, any person.

D. A short-term rental lacking a valid transaction privilege tax license issued by the State of Arizona shall not be rented or offered for rent.

E. Health, Safety, and Sanitation. To protect the health, safety, and general welfare of all short-term rental occupants, short-term rentals must meet the minimum standards for habitable structures set forth in the city code. The city may require inspection if it has a reason for concern that the short-term rental may not be compliant with the city code.

F. The failure of any owner's designee to comply with this chapter shall not relieve the owner of liability under this chapter.

5.25.060 Neighbor Notification Required.

A. Neighbor notification, Prior to offering a short-term rental for rent or renting a short-term rental, the owner or designee shall provide neighbor notification to each single-family residential property adjacent to the short-term rental property, directly across from the short-term rental property, and diagonally across the street of the short-term rental property. The neighbor notification shall be provided in writing by certified mail, return receipt requested or hand delivered in the form required by the city and shall include the following minimum information:

- 1. The short-term rental permit number issued by the city:
- 2. The short-term rental address; and
- 3. The name, physical address, email address, and twenty-four (24) hour telephone number of the emergency point of contact.

B. Additional neighbor notification required. Any change to the information provided under subsection A shall require additional neighbor notification by the owner or designee within five (5) calendar days of each change. The additional notification shall be provided in the manner required by subsection A.

C. Attestation. Prior to offering a short-term rental for rent, the owner or designee shall provide to the city an attestation of compliance with the neighbor notification required by this section that includes the address of each property notified and manner of notification.

5.25.070 Advertisement Requirements.

A. Required Disclosure. To protect the peace, health, safety, and general welfare of the city's residents and visitors, the owner or owner's designee shall be responsible for displaying the permit number issued by the city on each advertisement for such short-term rental.

5.25.080 Posting on the Property Required.

A. The following notice or other form provided by the Short-Term Rental Specialist, must be completed in 14-point or larger bold font, on a laminated or otherwise similarly shielded paper, and prominently displayed on conspicuous location within 10 feet of the primary entrance. The notice shall include information regarding the location of any fire or life safety equipment such as fire extinguishers, and the City of Sedona noise and waste disposal regulations.

NOTICE

USE OF THIS PROPERTY FOR ANY OF THE FOLLOWING PURPOSES IS PROHIBITED; VIOLATORS
MAY BE SUBJECT TO SUBSTANTIAL PENALTIES;

- Any nonresidential use including operating a retail business, restaurant, event center, banquet hall or similar use or any other use prohibited by A.R.S. § 9-500.39 or the city code.
- Holding a special event that requires a permit or license pursuant to city code or state law or rule.
- Housing sex offenders.
- Operating or maintaining a sober living home.
- Selling or offering for sale, consideration, or entrance fee, liquor or illegal drugs,
- Obscenity, operating an adult-oriented business, nude or topless dancing, or commercial display or production of pornography.
- 7. Any use that constitutes a substantial disturbance of the quiet enjoyment, and peace, health, safety or general welfare of private or public property through a nuisance party or unruly gathering, including, but not limited to, excessive noise or traffic, obstruction of public streets by crowds or vehicles, the service of alcohol to minors, fights, disturbances of the peace, litter, spirituous liquor served to, or in the possession of, or consumed by any minor, or where illegal drugs are in the possession of, or consumed by, any person.

Your local emergency point of contact person's name is	and can be
reached by phone 24 hours a day, seven days a week, at	

City of Sedona Short-Term Rental Permit # .

5.25.090 Insurance Required.

A. Required insurance. The owner, owner's designee, or the online lodging marketplace platform shall maintain liability insurance appropriate to cover the short-term rental in the aggregate of at least \$500,000.

B. Proof of insurance, Proof of the required liability insurance coverage shall be provided to the city upon a request by the city within ten (10) calendar days of a request from the city.

5.25.100 Background Checks Required.

A. No sex offender shall be permitted to rent or occupy the short-term rental. Owners who allow a sex offender at the short-term rental shall be found in violation of this section.

B. At least twenty-four (24) hours prior to a guest's check-in, the owner or owner's designee shall conduct a sex offender background check on the booking guest: provided, however, that this requirement may be satisfied by the owner providing evidence that the online lodging marketplace on which the short-term rental is booked conducted a sex offender background check of the booking guest. The owner shall demonstrate compliance with this requirement by retaining a full copy of each background check for a minimum of twelve (12) months after the booking date and providing the copy to the city upon a request.

C. The failure of an online lodging marketplace to conduct a background check shall not relieve the owner of liability under this Section.

5.25.110 Permit Suspensions.

A. Permit suspensions. The Short-Term Rental Specialist shall suspend a short-term rental permit for up to twelve (12) months for any of the following reasons:

- Three verified violations of this chapter within a twelve (12) month period, not including any such 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 short-term rental by the owner of the short-term rental or by the owner's designee:
 - (b) A serious physical injury or wrongful death at or related to a short-term rental resulting from the knowing, intentional or reckless conduct of the owner or the owner's designee;
 - (c) The owner or the 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 home; or (d) The owner or the owner's designee knowingly or intentionally allowing the use of a short-term rental for a special event that would otherwise require a permit or license pursuant to the city code or a state law or rule or for a retail, restaurant, banquet space or other similar use.
- B. Permit Suspension Process. The Short-Term Rental Specialist shall give written notice to the owner or owner's designee of the violation that may result in the suspension of the permit. The notice must include a description of the violation, the statutory or code reference, notification that a hearing may be requested within 15 days of service of notice, and a warning that failure to timely request a hearing in writing within 15 days may result in suspension of the short-term rental permit. The notice may be served on the owner or owner's designee per SCC Section 1.15.010.D.2.e. or by email. Service of the notice will be deemed complete upon posting of and mailing to the address of the short-term rental or emergency point of contact, email, or receipt of personal service on the owner or owner's designee.
- D. Appeals. A decision to suspend a permit may be appealed by the owner as set forth in Section 5.25.130.
- E. Reapplication after Denial or Revocation. No owner or owner's designee who has had a permit denied or revoked pursuant to this chapter may apply for another permit for 1 year after the decision or appeal affecting the applicant's permit has become final. The Short-

Term Rental Specialist may reduce in whole or in part the 1-year period, if the denial was based on a good faith failure to provide complete information provided that the applicant is now in compliance with this chapter and has paid all required fees and penalties.

5.25.060120 Penalties.

A. Causing, permitting, facilitating, aiding, or abetting any violation of any provision of this chapter, or Ffailure to comply with this chapter, is punishable as a misdemeanor, and shall also constitute a civil offense as set forth in may subject the owner of the short-term rental, vacation rental, or transient lodging establishment to civil penalties up to \$2,500 per violation under-SCC 1.15,010. Any person who admits, or is found responsible, for a civil offense pursuant to this chapter shall be subject to a penalty in the minimum amount of \$500.

B. The remedies in this chapter are cumulative and the city may proceed under one or more such remedies.

C. Verified Violation Penalties. In addition to any other penalty imposed pursuant to the city code, and notwithstanding any other law, the city may impose a civil penalty of the following amounts against an owner if the owner or owner's designee 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 short-term 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 short-term 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 short-term 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 short-term 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 short-term rental, those violations are considered one violation for the purpose of assessing civil penalties pursuant to this subsection.

C. In addition to any penalty imposed pursuant to this chapter, the city may impose a civil penalty of up to \$1,000 per month against the owner or owner's designee if the owner or owner's designee falls to apply for a short-term rental permit within 30 days of receiving written notice of such requirement, Representations or advertisements including online listings that reference the short-term rental property, house or dwelling unit location within the city is prima facie evidence that a short-term rental is operating in the city.

D. In addition to any other penalty pursuant to the City Code, an owner or owner's designee shall be subject to civil penalties of up to \$1,000 for every 30 days the owner or owner's designee fails to provide emergency point of contact information to the city as required per Section 5.25.40. Before imposing the initial civil penalty, the City shall provide 30 days' notice to the owner or owner's designee by emailing a notice of violation to the email address that was provided to the city.

E. A civil penalty assessed pursuant to this section shall be due within thirty (30) days of the initial notice sent to the owner or owner's designee. For purposes of this section, notice may be served on the owner or owner's designee per SCC Section 1.15.010,D.2.e. or by email. Service of the notice will be deemed complete upon posting of and mailing to the address of the short-term rental or emergency point of contact, email, or receipt of personal service on the owner or owner's designee.

F. The amount of the permit fee and any penalty imposed by the provisions of this chapter shall be deemed a debt to the city. An action may be commenced in the name of the city in any court of competent jurisdiction for the amount of any delinquent permit fee and penalties.

5.25.130 Appeals.

A. Any person aggrieved by any decision with respect to the denial of or a refusal to issue a short-term rental permit, or the suspension of a short-term rental permit may appeal the decision by filing a written notice of appeal requesting a hearing with the Short-Term Rental Specialist no later than fifteen (15) days from the date of the decision letter. The notice of appeal shall be on a form approved by the city.

B. This Section is not applicable to any penalty including fines imposed by a court or for actions brought pursuant to Section 5.25.140.

C. An appeal under this section does not operate as a stay of the permit suspension.

D. If the owner or owner's designee timely requests a hearing, the city shall schedule a hearing date before a civil hearing officer within 30 days of receipt of the request and give written notice to the owner or owner's designee of the scheduled date.

- 1. The hearing shall be held during regular city business hours.
- 2. All proceedings before the hearing officer shall be informal and without a jury, except that testimony shall be given under oath or affirmation. The rules of evidence do not apply, except for statutory provisions relating to privileged communications, and the hearing officer may permit any evidence deemed relevant to the issues at hand to be admitted. No prehearing discovery shall be permitted, except under extraordinary circumstances as determined by the hearing officer. The City is required to prove violations of this chapter by a preponderance of the evidence.
- 3. The hearing officer is authorized to make such orders as may be necessary or appropriate to fairly and efficiently determine the truth and decide the case at hand.
- The hearing may be continued one time by the hearing officer upon the written request of either party for good cause.
- 5. The owner and the city shall each be given an opportunity to present their respective cases. The city shall present its case first and each presentation may include; i. Sworn testimony: ii. Submission of evidence; iii. Presentation of witnesses; iv. Cross-examination; v. Opening and closing statements. The owner and city shall each be limited to two hours for testimony, presentation, cross-examination and statements unless the hearing officer, for good cause shown, extends the time.
- The hearing officer shall render a written decision within 30 days of the close of the hearing.
- If the owner or owner's designee fails to appear at the scheduled hearing, the hearing officer shall enter an order in favor of the city.
- The hearing officer's order shall be mailed to the owner or owner's designee by certified, return receipt requested mail.
- 9. The hearing shall be recorded by an electronic recording device.

E. Any final suspension shall be for a period of one year, except that a hearing officer may reduce the suspension period to a period of six months upon a finding that the owner has

made reasonable attempts to prevent nuisance activities and violations from occurring at the short-term rental.

5.25.140 Judicial Relief.

A. Notwithstanding section 5.25.130, any attempted or completed felony act, arising from the occupancy or use of a 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 short-term rental for a period that shall not exceed twelve (12) months.

B. The city attorney may initiate proceedings in the city court or other court of competent jurisdiction to enforce this section. The city has the burden of proving the attempted or completed felony act by a preponderance of the evidence.