

# State Preemption & Short-Term Rentals

*Home rule in the era of Airbnb*

# INTRODUCTIONS



John Kavanagh  
Arizona State Representative



Ulrik Binzer  
Founder of Host Compliance

# ABOUT HOST COMPLIANCE



## Who We Are

- World's leading provider of short-term rental compliance and enforcement technology for governments
- Team of seasoned technology executives, data-scientists and local government leaders

## How We Help

- **STR registration, compliance monitoring, tax collection, audit and enforcement software:** Comprehensive suite of integrated software-as-a-service solutions to help local governments address all short-term rental related issues.
- **STR Data:** Detailed STR listing and activity data across the ~50 top STR websites (~99% of the STR universe)
- **STR Consulting:** Objective advice on short-term rental related regulatory and enforcement best practices

# MORE THAN 300 LEADING CITIES AND COUNTIES ARE LOOKING TO HOST COMPLIANCE FOR GUIDANCE, DATA, AND SOLUTIONS TO THEIR SHORT-TERM RENTAL CHALLENGES



## Select Major City/County Clients



**DENVER**  
THE MILE HIGH CITY



City of  
**Fort Collins**



**Nashville**  
MUSIC CITY

City of  
**SACRAMENTO**



THE CITY OF  
**Edmonton**



CITY OF  
**ORLANDO**



 **CITY OF KNOXVILLE**  
MADELINE ROGERO, MAYOR

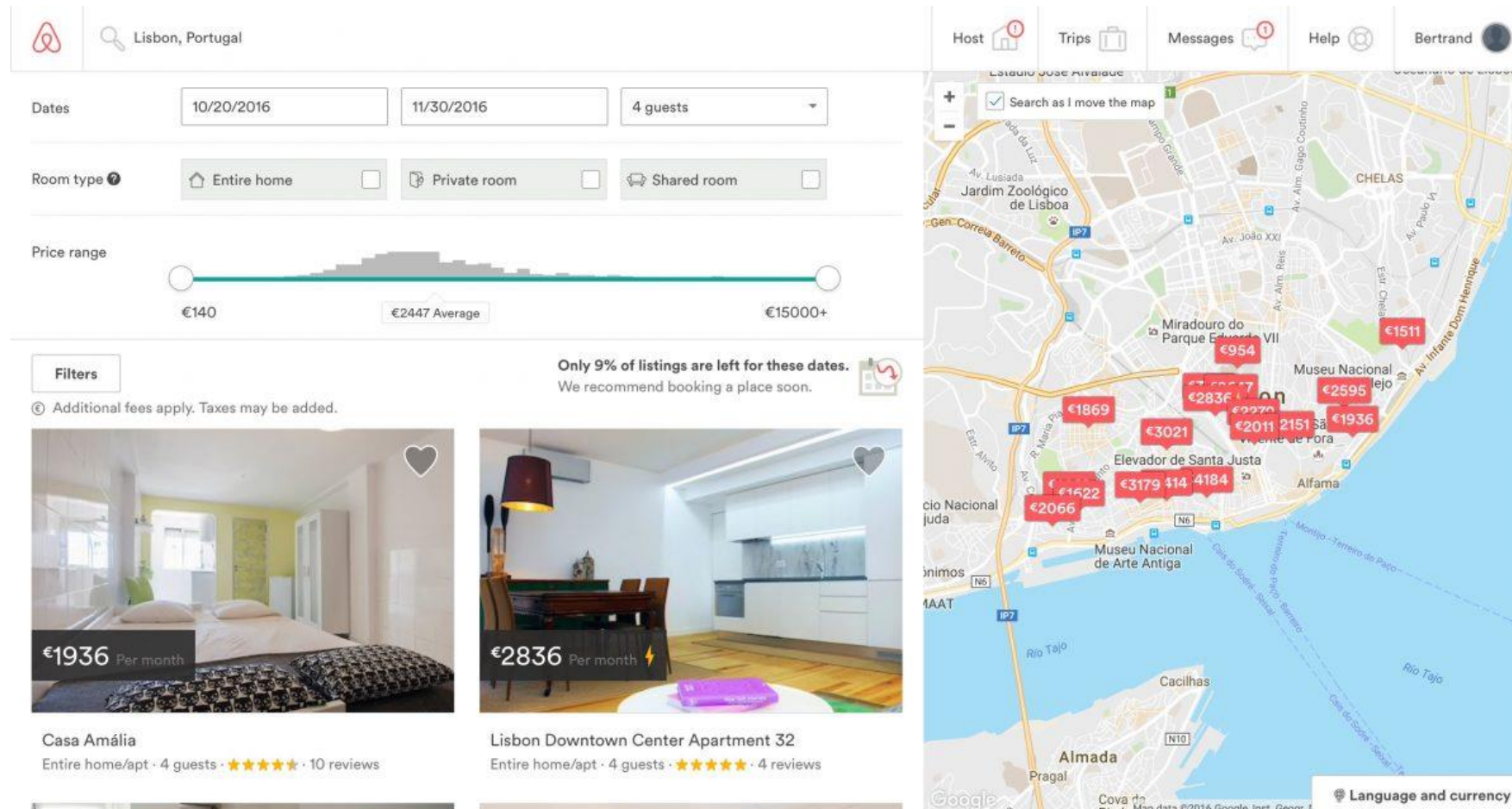
**austintexas.gov**  
the official website of the City of Austin

# AGENDA

- **Short-term Rental Market Overview**
- The Community Impacts of Short-Term Vacation Rentals
- Best Practices for Regulating Short-term Vacation Rentals
- The Push for State-Preemption of Local Short-Term Rental Regulations
- State-Preemption in Practice: Arizona Case-study
- Conclusion and Q&A

# WHAT ARE SHORT-TERM RENTALS (STRS)?

Rentals of a residential dwelling units usually for periods of **less than a month**. Commonly booked through one of the many online marketplaces available, such as Airbnb, VRBO, and more.



The screenshot displays the Airbnb search interface for Lisbon, Portugal. The search parameters are: Dates: 10/20/2016 to 11/30/2016, 4 guests, Room type: Entire home, and Price range: €140 to €1500+ (Average: €2447). A warning indicates that only 9% of listings are left for these dates. Two listings are shown: 'Casa Amália' (€1936/month) and 'Lisbon Downtown Center Apartment 32' (€2836/month). A map of Lisbon shows various neighborhoods with price markers ranging from €954 to €3179.

Host | Trips | Messages | Help | Bertrand

Lisbon, Portugal

Dates: 10/20/2016 | 11/30/2016 | 4 guests

Room type: Entire home | Private room | Shared room

Price range: €140 | €2447 Average | €1500+

Filters

© Additional fees apply. Taxes may be added.

Only 9% of listings are left for these dates. We recommend booking a place soon.

€1936 Per month  
Casa Amália  
Entire home/apt · 4 guests · ★★★★★ · 10 reviews

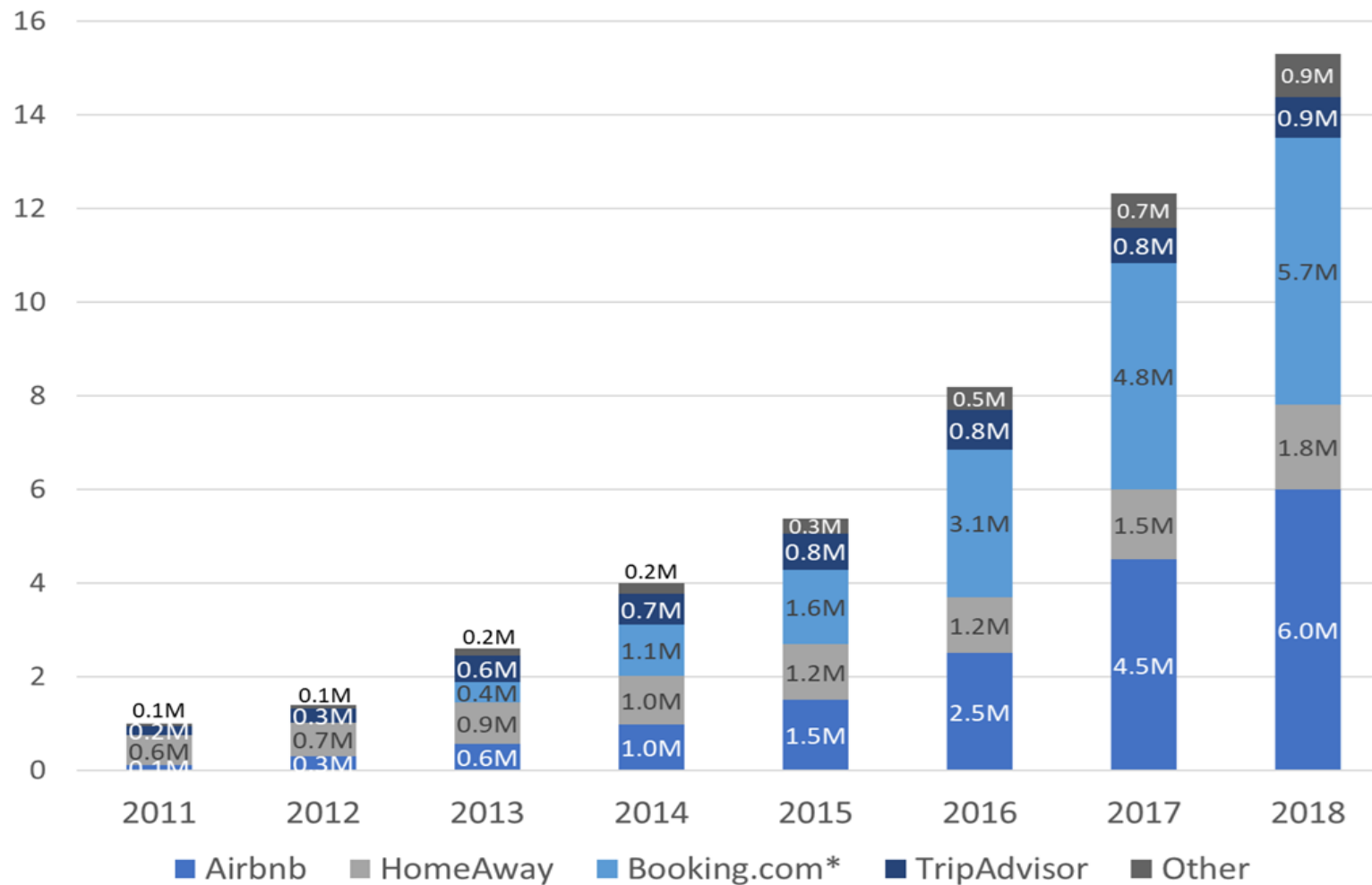
€2836 Per month  
Lisbon Downtown Center Apartment 32  
Entire home/apt · 4 guests · ★★★★★ · 4 reviews

Map showing price markers: €954, €1511, €2595, €1936, €2011, €2151, €2836, €3021, €3179, €414, €4184, €2066, €1869, €1922.

Language and currency

# THE NUMBER OF STRS HAVE GROWN 1,530% SINCE 2011

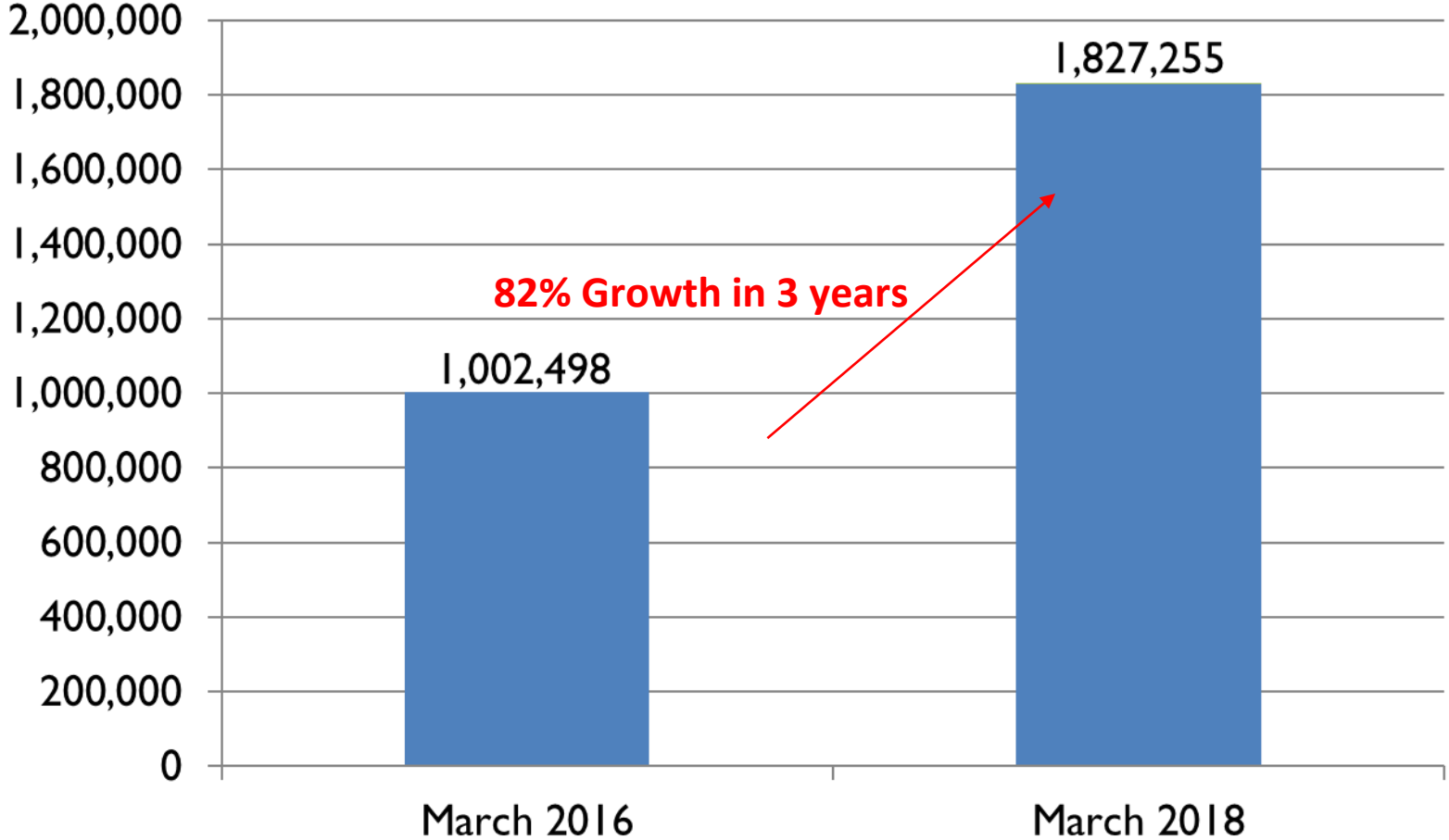
Millions of STR listings



# IN THE US AND CANADA, THE NUMBER OF SHORT-TERM RENTAL LISTINGS HAS GROWN BY 82% OVER THE LAST 3 YEARS



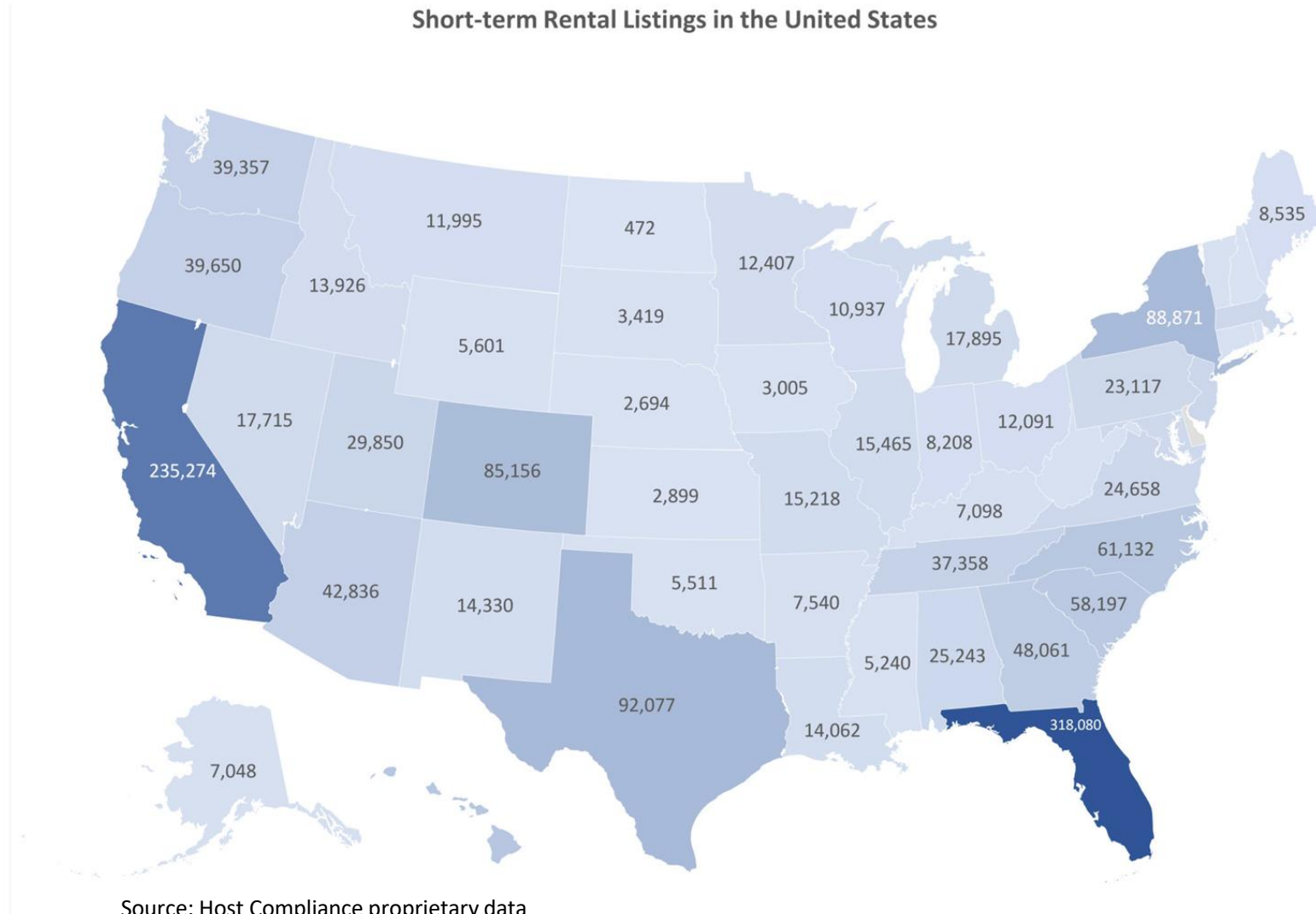
### # of Listing in the U.S. and Canada



Source: Host Compliance proprietary data



# THE ~1.8 MILLION SHORT-TERM RENTALS IN THE U.S. ARE WIDELY DISTRIBUTED BUT FL, CA, TX, NY AND CO ACCOUNT FOR JUST OVER HALF OF THE TOTAL



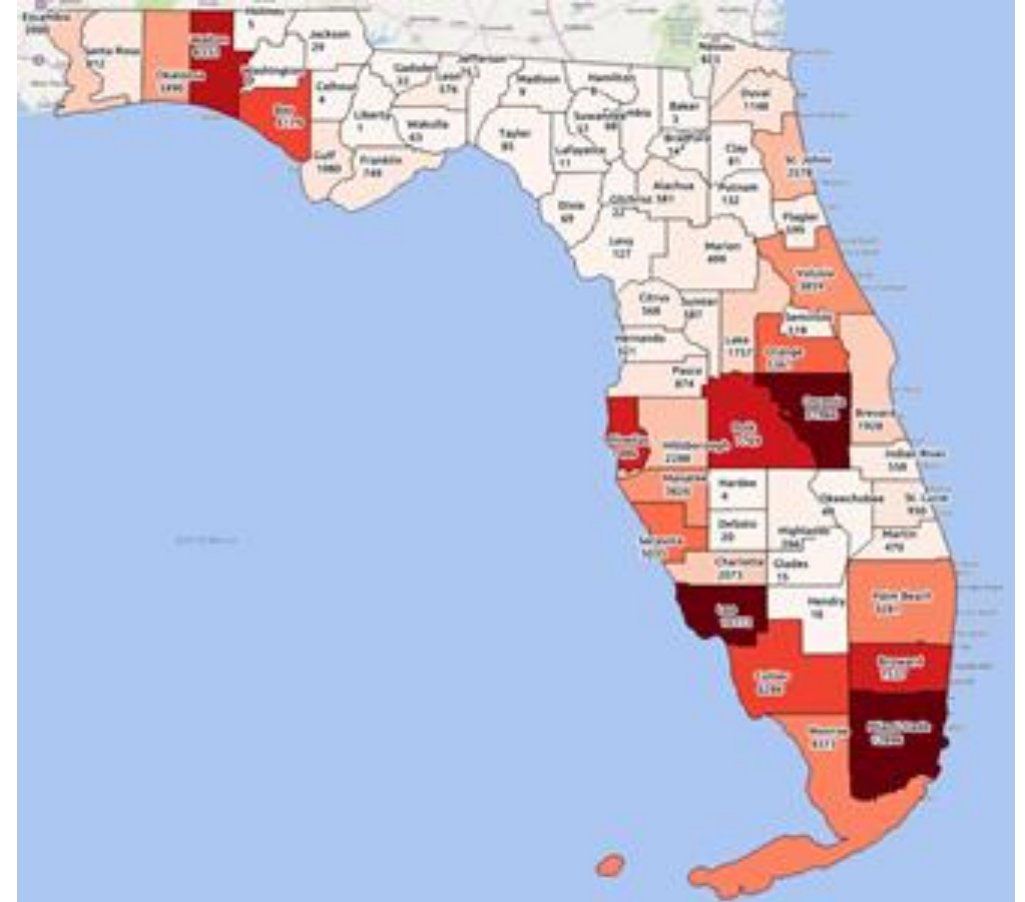
Source: Host Compliance proprietary data

# SHORT-TERM VACATION RENTALS TEND TO BE HIGHLY CONCENTRATED IN CERTAIN COMMUNITIES

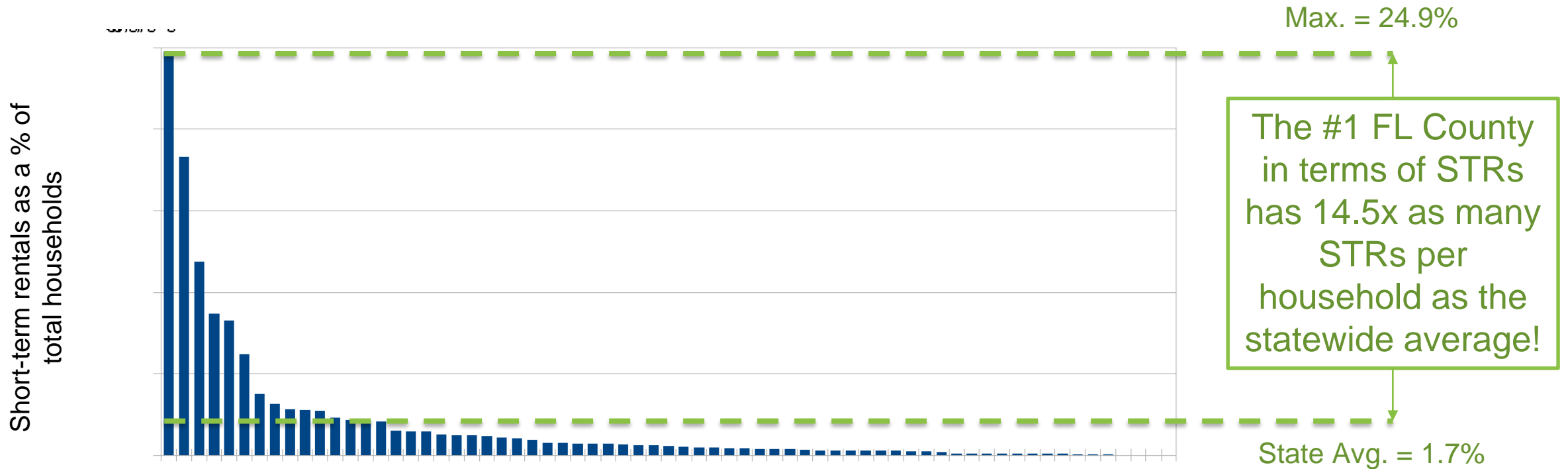
## Florida Example:

<u>County Name</u>	<u># of STR Units</u>	<u>% of Total</u>
Osceola	31,966	20.7%
Miami-Dade	12,896	8.4%
Lee	10,172	6.6%
Walton	8,332	5.4%
Polk	7,769	5.0%
Broward	7,537	4.9%
Pinellas	7,486	4.8%
Collier	6,286	4.1%
Bay	6,179	4.0%
Orange	5,361	3.5%
Sarasota	5,035	3.3%
Monroe	4,373	2.8%
Palm Beach	4,281	2.8%
Volusia	3,859	2.5%
Manatee	3,826	2.5%
All Other Counties	29,043	18.8%
<b>FLORIDA TOTAL</b>	<b>154,401</b>	<b>100.0%</b>

81% of Florida's  
154,000  
residential  
short-term  
rentals are  
concentrated in  
just 15  
counties...

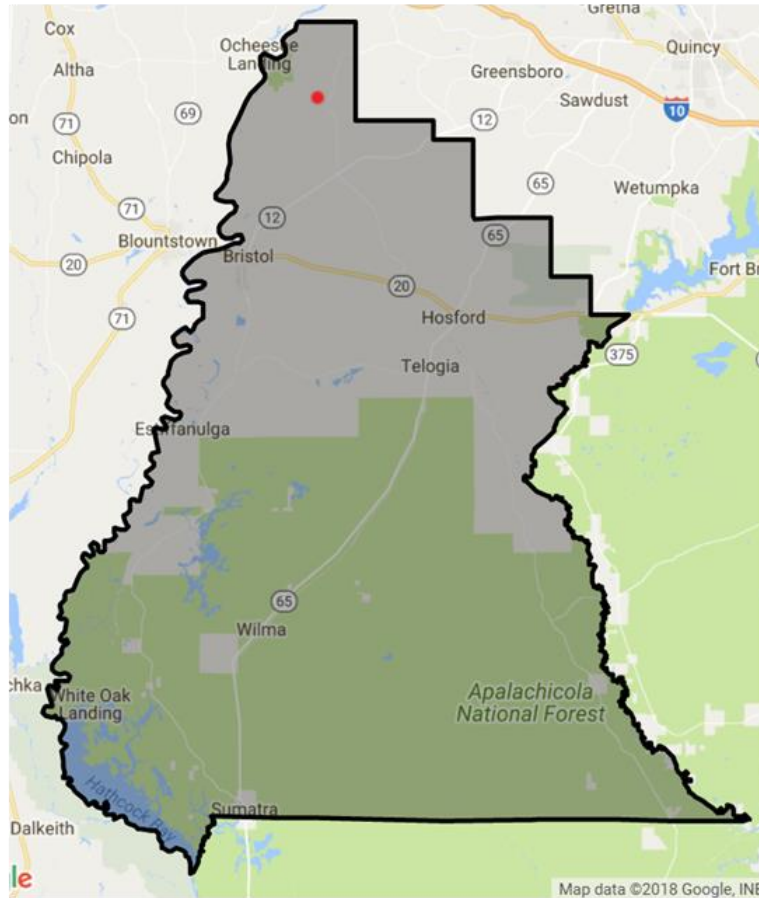


... BECAUSE OF THIS CONCENTRATION, SHORT-TERM RENTALS REPRESENT A LARGE SHARE OF PERMANENT HOUSEHOLDS IN SOME COMMUNITIES WHILE THEY ARE NON-EXISTENT IN OTHERS

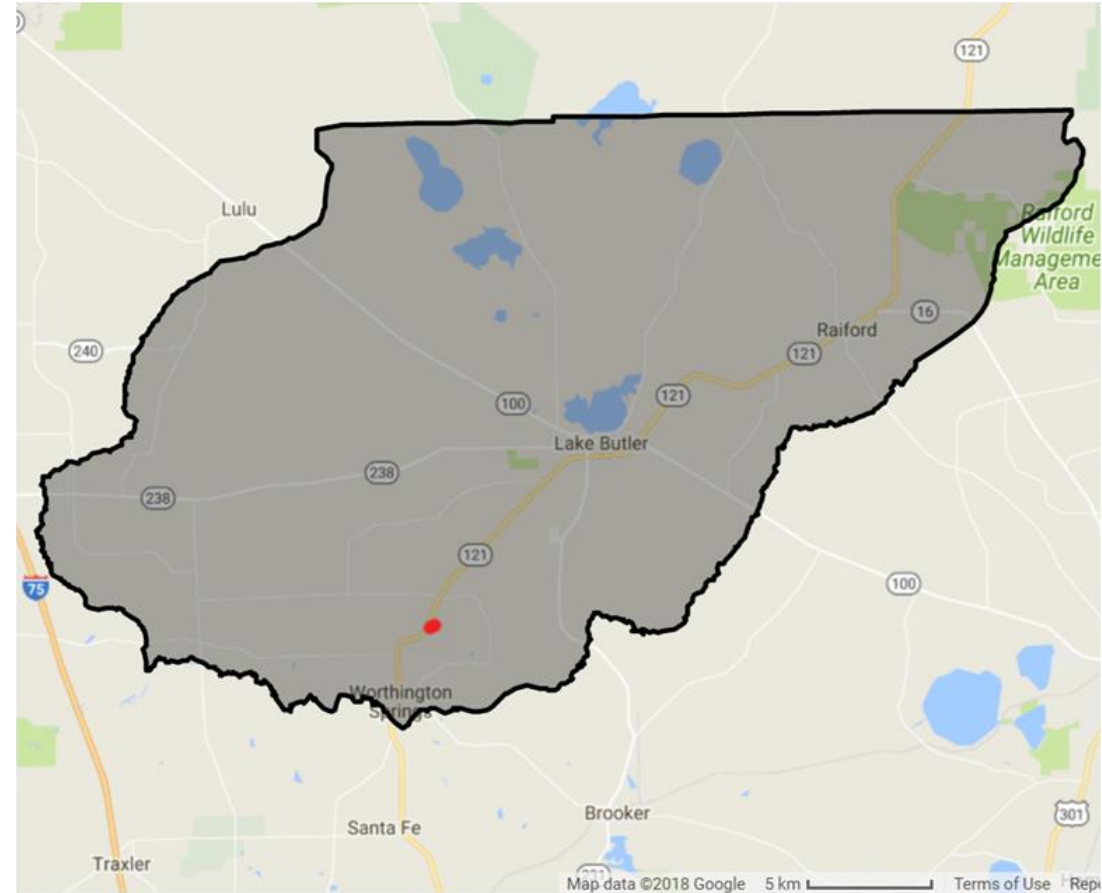


# IN PRACTICE THIS MEANS THAT SOME COMMUNITIES HAVE BASICALLY NO SHORT-TERM RENTALS...

**Liberty County, FL Example:**



**Union County, FL Example:**



*The 3 red dots denotes Liberty County's and Union County's only short-term residential rentals*

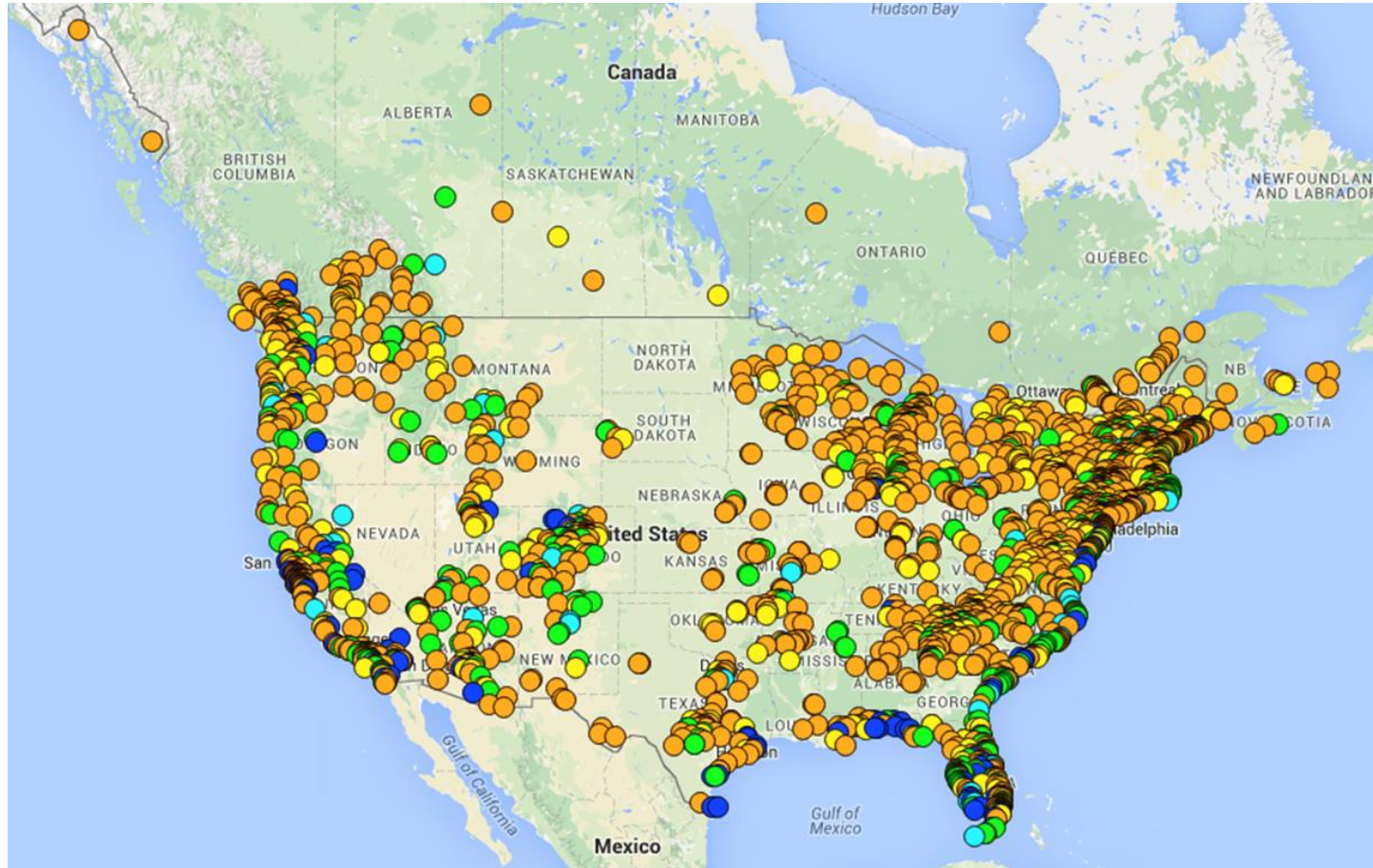
# ...WHILE SOME NEIGHBORHOODS IN OTHER COMMUNITIES ARE LITERALLY BEING TURNED INTO COMMUNITIES OF TRANSIENTS...

**Osceola County, FL Neighborhood Example:**

*Each **red dot** denotes a short-term residential rental listing*



# ON A NATIONAL BASIS, CLOSE TO 2,000 COMMUNITIES ARE NOW MATERIALLY IMPACTED BY SHORT-TERM RENTALS



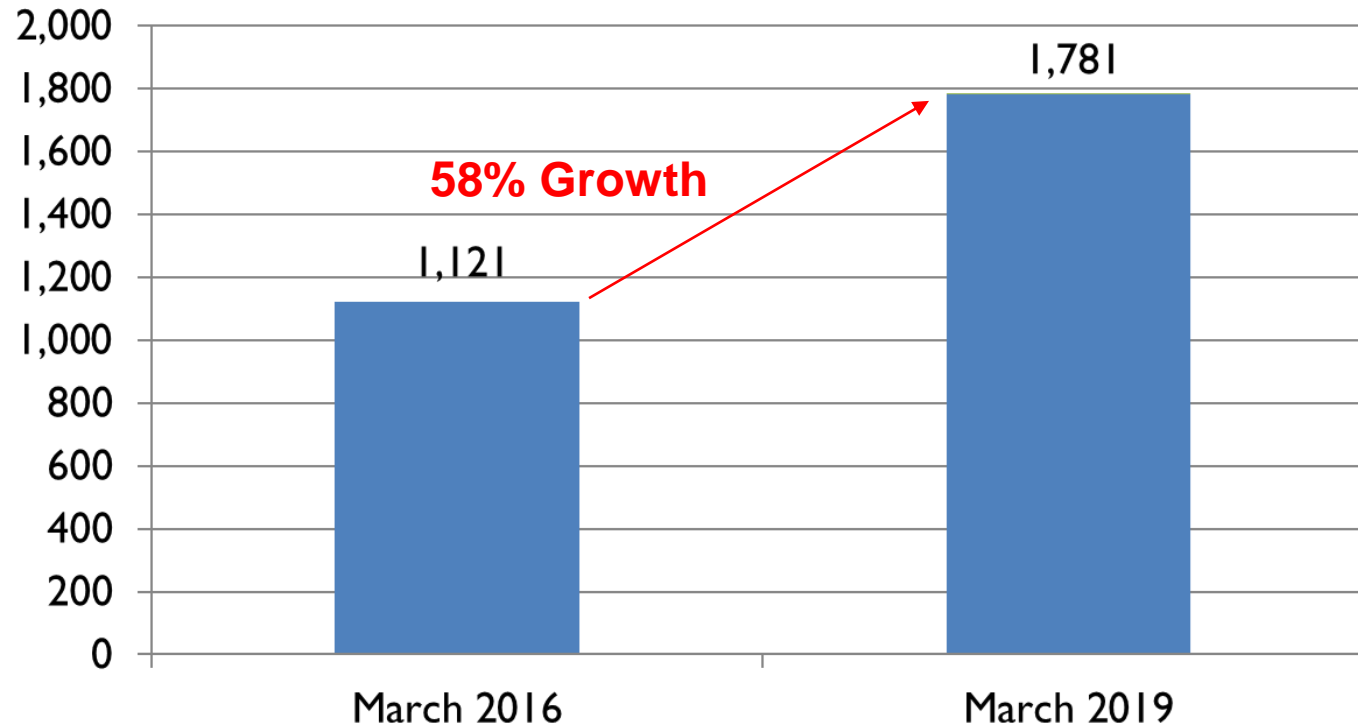
# of North  
American Cities  
& Counties with  
More than 100  
STR listings

1,781

Source: Host Compliance proprietary data

# ...AND THE NUMBER OF COMMUNITIES SIGNIFICANTLY IMPACTED BY STRS IS GROWING DRAMATICALLY

## # of North American Jurisdictions with >100 STR Listings



Source: Host Compliance proprietary data

# AGENDA

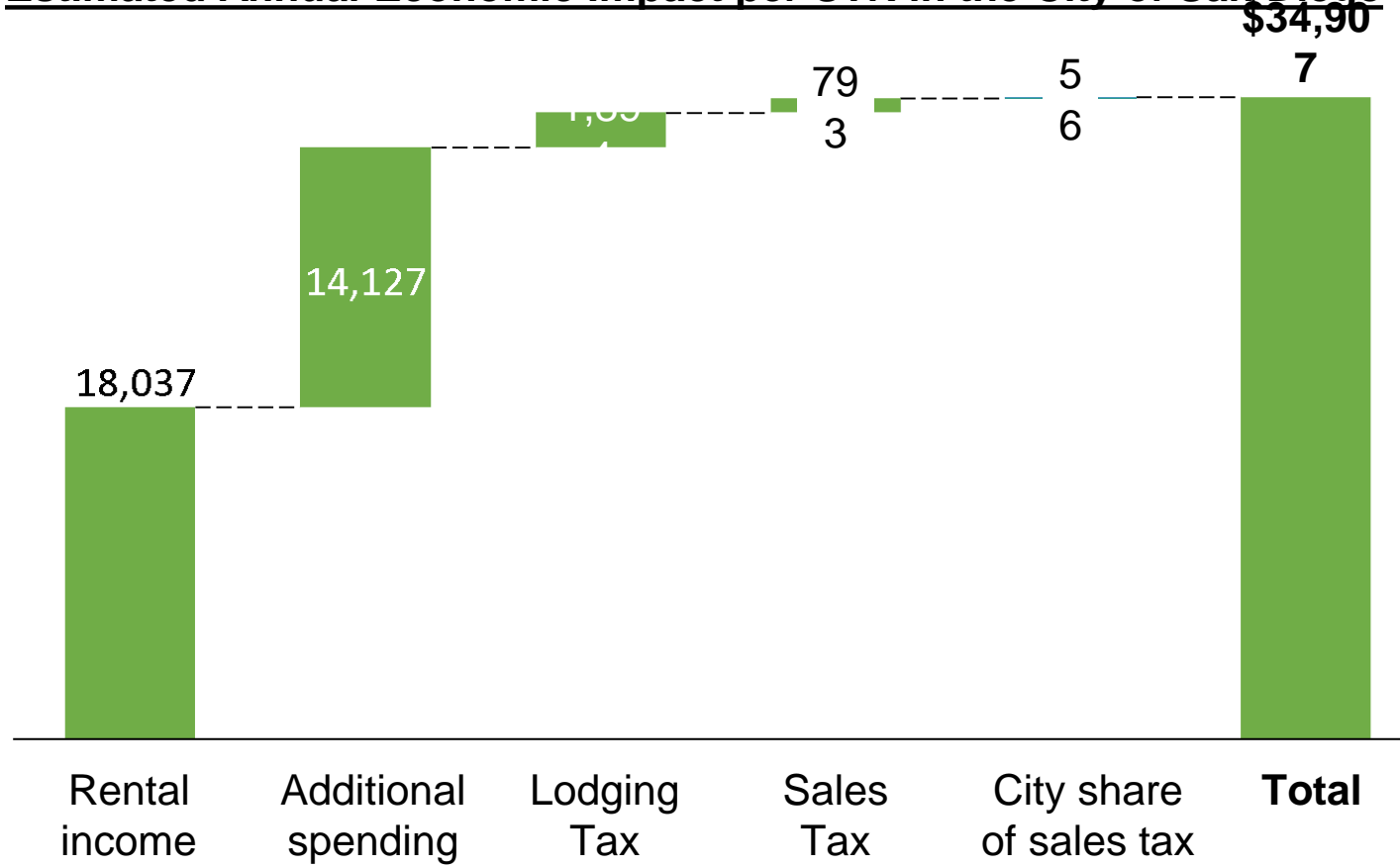
- Short-term Rental Market Overview
- **The Community Impacts of Short-Term Vacation Rentals**
- Best Practices for Regulating Short-term Vacation Rentals
- The Push for State-Preemption of Local Short-Term Rental Regulations
- State-Preemption in Practice: Arizona Case-study
- Conclusion and Q&A



# THE GOOD: SHORT-TERM RENTALS CAN DRIVE SIGNIFICANT ECONOMIC GROWTH...



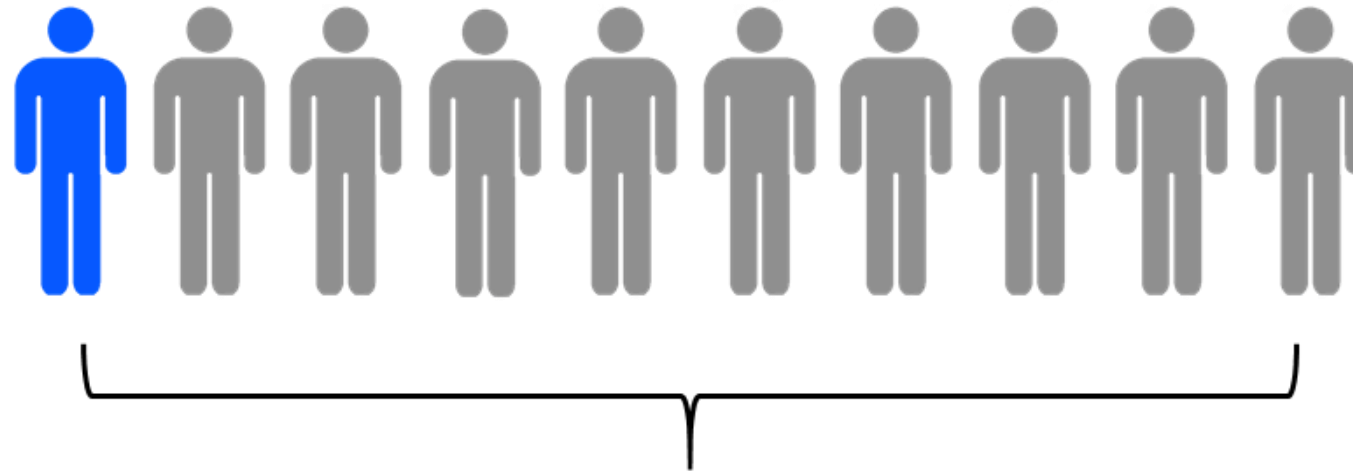
Estimated Annual Economic Impact per STR in the City of San Diego



Source: National University System Institute for Policy Research (October 2015)

# THE NOT SO GOOD: WITHOUT PROPER ENFORCEMENT ONLY A SMALL FRACTION OF SHORT-TERM RENTALS FOLLOW THE RULES AND PAY THEIR FAIR SHARE OF TAXES

- Generally only ~10% of short-term rentals will voluntarily get registered and pay their fair share of taxes.



Large potential for increasing tax revenue and fairness

# The Bad: Short-term rentals can displace long-term tenants, alter the neighborhood character and raise legitimate parking, noise, safety, trash and fairness concerns

Conversion of long-term rentals into STRs can affect housing availability



Increased tourism can change the neighborhood character



Visitors don't always know (or follow) local rules



Short-term renters may not care about keeping good neighborly relations



Increased occupancy can have negative trash related side-effects



Unfair competition from VRBOs can cause conflicts and hotel job losses



# THE NEGATIVE IMPACTS OF SHORT-TERM RENTALS ARE DIRECTLY IMPACTING LOCAL RESIDENTS IN MANY COMMUNITIES



Emmy J

*"It is loud, and there is live music and karaoke stuff, and it's all done outside because of the pool. They're out in front at 4 in the afternoon waiting for their Uber to come, drunk on the front lawn."*

*"We did not buy our house to be living next to a hotel. Would you buy a home if you knew a hotel like this was operating next door, if you wanted to set your life up and raise a family?"*



Jessica C.



Hazel, age 11

*"Sometimes, when they are outside, they're playing beer pong just wearing their underwear"*

# THE EXPLOSIVE GROWTH OF SHORT-TERM RENTALS HAS MADE IT THE SINGLE MOST CONTROVERSIAL LAND USE ISSUE IN DECADES.

## Airbnb San Francisco backlash: thousands petition for more oversight

More than 1  
offer visitors  
ones most h



Waiting for lax1-ib.adn

SANTA MONICA

## Santa Monica Just Banned Airbnb's Biggest Moneymakers

By Bianca Barragan | May 13, 2015, 12:04pm PDT



## In Austin, A Boom In Short-Term Rentals Brings A Backlash

February 5  
Heard on



Kristen J  
has lived  
two-stor

"There a  
smaller s  
buying u

Like ma  
market f

## Political contests erupt as cities and hotel industry struggle to curb Airbnb

By Robert McCartney

October 15, 2018 at 5:04 PM



*In the last 12 month's 4,623 news stories have covered this issue across the U.S.*

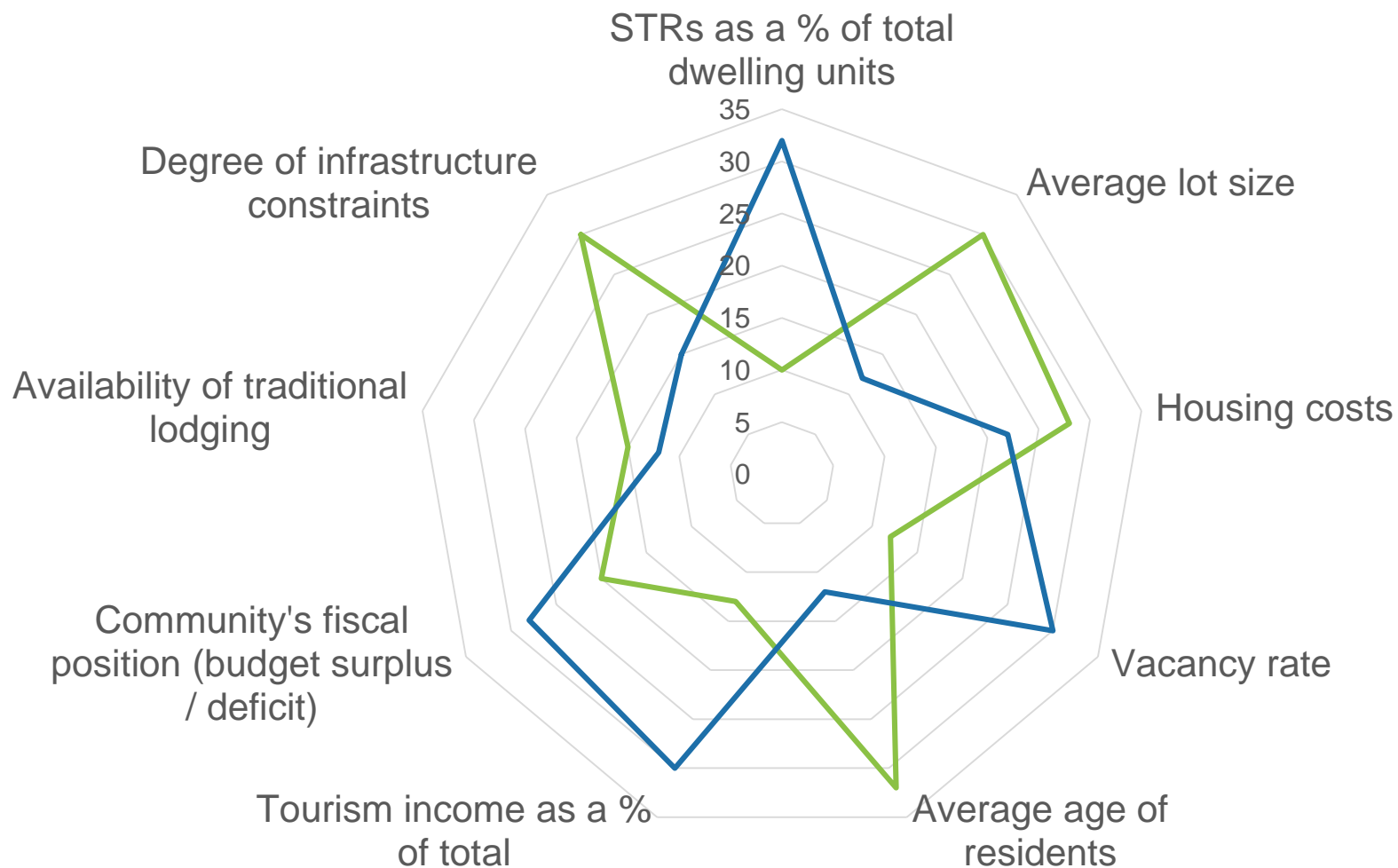
Source: Host Compliance proprietary data

# AGENDA

- Short-term Rental Market Overview
- The Community Impacts of Short-Term Vacation Rentals
- **Best Practices for Regulating Short-term Vacation Rentals**
- The Push for State-Preemption of Local Short-Term Rental Regulations
- State-Preemption in Practice: Arizona Case-study
- Conclusion and Q&A

# HOW TO BEST REGULATE SHORT-TERM RENTALS ENTIRELY DEPENDS ON EACH COMMUNITY'S LOCAL CIRCUMSTANCES AND PLANNING OBJECTIVES

— Community A — Community B



**ONE SIZE DOES NOT FIT ALL**



# OVER THE PAST FEW YEARS BEST PRACTICES HAVE EMERGED FOR HOW BEST TO ACHIEVE VARIOUS LOCAL PLANNING OBJECTIVES



## Common Short-term Rental Policy Objectives

- Housing Availability
- Neighborhood Preservation
- Protect Quality of Life
- Economic Development
- Safety

## Regulatory Best Practices:

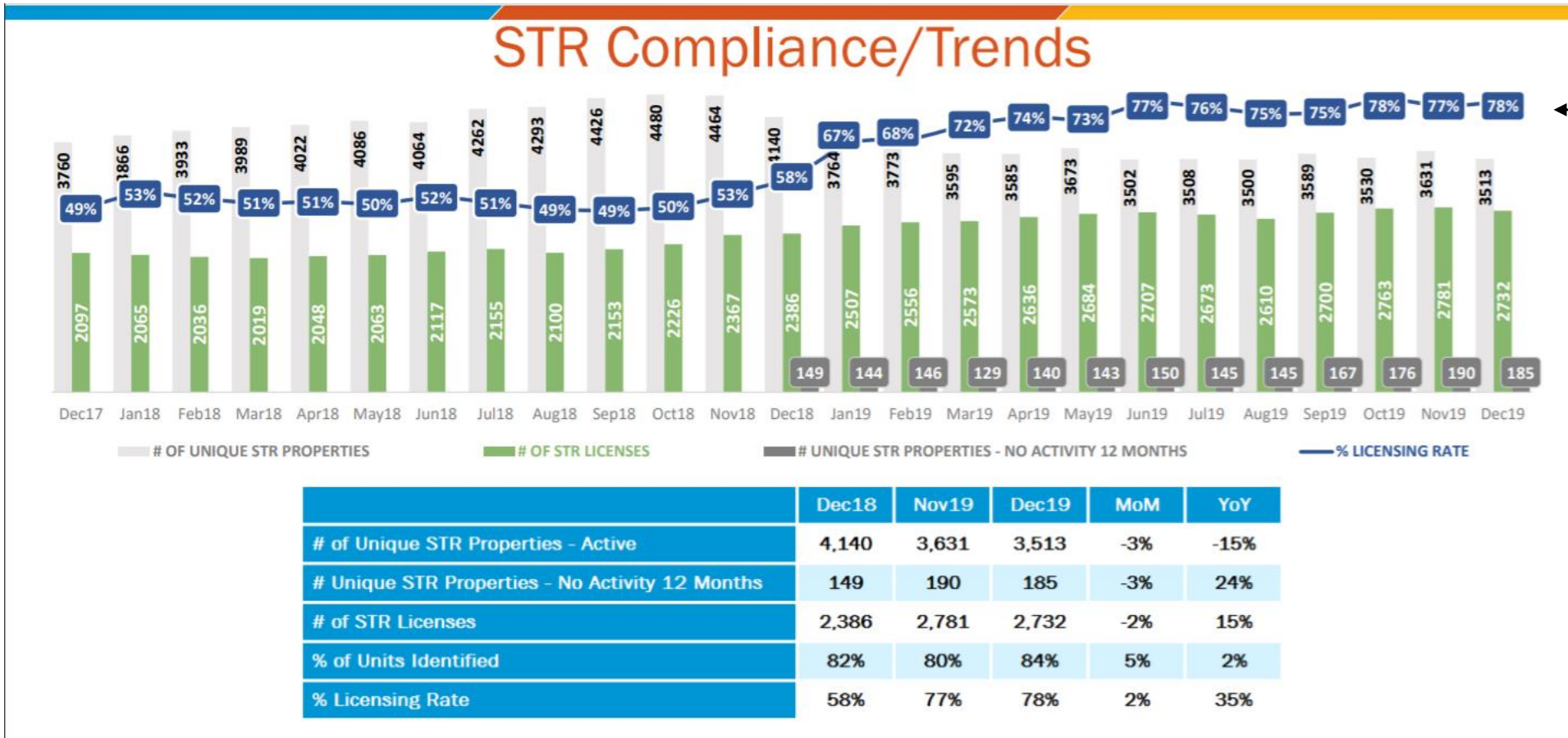
- Only allow permanent residents to operate short-term rentals
- Disallow rentals in subsidized housing
- Set neighborhood quotas
- Ban signs
- Require adequate parking and garbage disposal
- Require hosts to post noise ordinance
- Require a local contact person
- Encourage hosting in certain areas and time frames
- Require physical safety and habitability inspections



# ...AND IF PROPERLY ENFORCED THESE LOCAL POLICIES ARE WORKING



## Denver, CO example



~80%  
**COMPLIANCE RATE**



CONNECT WITH US 311 | POCKETGOV | DENVERGOV.ORG | DENVER 8 TV

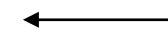
Source: Denver Short Term Rental Advisory Committee Meeting Materials, December, 2019

# ...WHILE GENERATING MUCH NEEDED INCOME FOR LOCAL COMMUNITIES



## Denver, CO example

	<b>Annual Budget Impact</b>
Lodging Tax Revenue	~\$10,100,000
Citation Revenue	~\$125,000
License Fee Revenue	~\$70,000
<b>Total Revenue</b>	<b>\$10,295,000</b>
Enforcement Staff Salaries*	\$309,700*
Host Compliance Software	~\$125,000
<b>Total Program Cost</b>	<b>\$434,700</b>
<b>Net Income to City</b>	<b>\$9,860,300</b>



**~\$10 million  
positive  
contribution to  
the City's  
budget**

\* Does not include City Attorney and Hearing Officer costs for show cause cases, denial hearings, etc.  
Source: Denver Short Term Rental Advisory Committee Meeting Materials, September 10, 2019

# AGENDA



- Short-term Rental Market Overview
- The Community Impacts of Short-Term Vacation Rentals
- Best Practices for Regulating Short-term Vacation Rentals
- **The Push for State-Preemption of Local Short-Term Rental Regulations**
- State-Preemption in Practice: Arizona Case-study
- Conclusion and Q&A

A FUNDAMENTAL PRINCIPLE OF THE U.S. CONSTITUTION IS  
THE BELIEF THAT LOCAL GOVERNMENTS ARE BEST SUITED  
TO DEAL WITH LOCAL ISSUES

*“The government  
closest to the  
people serves the  
people best.”*

- Thomas Jefferson



# ALL U.S. STATES HAVE A LONG TRADITION OF DELEGATING LAND USE POLICY TO LOCAL GOVERNMENTS

*“The impacts of land use decisions are felt most acutely [...] by those living nearby. Only local governments, the governments closest to the people, understand the culture, topography, and history of the community sufficiently to judge the wisdom of altering its character.”*

- Kenneth Stahl, Professor, Director, Environmental Land Use and Real Estate Law Program, Chapman University Fowler School of Law

# IN RECENT YEARS, MAJORITY CONTROLLED STATE LEGISLATURES HAVE BEGUN TO SYSTEMATICALLY CHALLENGE HOME RULE THROUGH THE USE OF “STATE PREEMPTION”

- “Preemption” is legal doctrine that empowers states to override local governments when they differ.
- Preemption was historically only used to for narrow issues of regulation and was designed to align state and local laws to make sure there were no inconsistencies.
- In recent years, new, more aggressive types of preemption have emerged:
  - Block local governments’ action
  - Subjects local governments and officials to penalties such as fines, damages and removal from office.
- New preemptions are sometimes driven by partisan, ideological or special-interest motivations (i.e. some state preemptions have been stimulated by corporate interests to block regulations they dislike)





# STATE PREEMPTION OF LOCAL SHORT-TERM RENTAL REGULATION TAKES MANY FORMS (1 OF 3)



## The [false] “equivalency” doctrine...

### Michigan Example:

*For the purposes of zoning, all of the following apply to the rental of a dwelling, including, but not limited to, short-term rental:*

*(a) It is a **residential use of property and a permitted use in all residential zones.***

*(b) It is **not subject to a special use or conditional use permit** or procedure different from those required for other dwellings in the same zone.*

*(c) It is **not a commercial use** of property.*

- Michigan House Bill No. 4503 (2017)



# STATE PREEMPTION OF LOCAL SHORT-TERM RENTAL REGULATION TAKES MANY FORMS (2 OF 3)



## **The blanket prohibition of local restrictions on short-term rentals...**

### Idaho Example:

- (1) Neither a county nor a city may enact or enforce any ordinance that has the express or practical effect of prohibiting short-term rentals or vacation rentals*
  - (2) Neither a county nor a city can regulate the operation of a short-term rental marketplace.*
- Idaho Code §67-6539

# STATE PREEMPTION OF LOCAL SHORT-TERM RENTAL REGULATION TAKES MANY FORMS (2 OF 3)



## The “catch me if you can” doctrine...

### Utah Example:

*(1) a legislative body may not:*

*(a) enact or enforce an ordinance that prohibits an individual from listing or offering a short-term rental on a short-term rental website; or*

*(b) use an ordinance that prohibits the act of renting a short-term rental to fine, charge, prosecute, or otherwise punish an individual solely for the act of listing or offering a short-term rental on a short-term rental website.*

- Utah H.B. 253 (2017)

# LAWS THAT PREEMPT LOCAL SHORT-TERM RENTAL REGULATIONS ARE OFTEN WRITTEN BY SPECIAL INTERESTS WITH DEEP POCKETS AND ARMIES OF LOBBYISTS

*“The [“Short Term Rental Unit Act.”] [...] — was drafted last year in consultation with Airbnb, HomeAway and other companies that allow property owners to rent out houses online”*

- The Tennessean, Feb. 15, 2018

*“ In the latter half of 2017 [Airbnb] more than doubled the number of lobbyists it employed in Tennessee, to from four to 11, and spent between \$225,000 and \$350,000 on lobbying between February 2017 and August 2018, according to reports the company filed with the state.”*

- Wired Magazine, 03.20.2019

# AGENDA

- Short-term Rental Market Overview
- The Community Impacts of Short-Term Vacation Rentals
- Best Practices for Regulating Short-term Vacation Rentals
- The Push for State-Preemption of Local Short-Term Rental Regulations
- **State-Preemption in Practice: Arizona Case-study**
- Conclusion and Q&A

# Arizona's Short-term Rental Law

{ A Lesson in Unintended Negative Consequences

By State Representative John Kavanagh

# Book One: Genesis

***In the beginning there was no zoning and municipalities were without form. And the people then said, “Let there be zoning and it was good.”***

But in 2016, the Arizona legislature enamored by the dual forces of the digital revolution and deregulation, exempted homeowners who wanted to rent out all or part of their homes for short-term rentals from local zoning laws and other regulations.

**And then it was not so good.**

# The 2016 Bill

The 2016 short-term rental bill pre-empted local control, including residential zoning laws that generally prohibited short-term rentals as a business use in a residential area.

**9-500.39. Limits on regulation of vacation rentals and short-term rentals; state preemption; definitions**

**A. A city or town may not prohibit vacation rentals or short-term rentals.**

It also greatly limited most local restrictions on usage, including local room occupancy limits, which opened the rental homes up for over-occupancy, party house and event-venue abuses.

The original bill also expanded definitions, which also caused problems.

2. "Vacation rental" or "short-term 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

That phrase expanded the definition beyond the individually-owned home and opened it up to company ownership.

In addition, the definition went beyond single family homes and allowed four-unit buildings to become mini-hotels.



# The Bill Had Monumental Support

The 2016 bill passed overwhelmingly in both the state senate and the house and was enthusiastically signed into law by the governor. In fact, I was the sole lone NO vote in the senate. Note my “Red Badge of Courage.”

SB1350		SPONSOR: LESKO		Ayes 27	
TECHNICAL CORRECTIONS; TAXATION				Nays 1	
NOW: ONE INF LOGGING, ADMINISTRATION, DEFINITIONS				Not Voting 2	
				Vacant 0	
ALLEN S	Y	KAVANAGH	N		
BARTO	Y	LESKO	Y		
BEGAY	Y	MCGUIRE	Y		
BRADLEY	Y	MEZA	NV		
BURGES	Y	MIRANDA	NV		
CAJERO BEDFORD	Y	PANCRAZI	Y		
CONTRERAS	Y	PIERCE	Y		
DALESSANDRO	Y	QUEZADA	Y		
DIAL	Y	SHERWOOD	Y		
DONAHUE	Y	SHOOTER	Y		
DRIGGS	Y	SMITH	Y		
FARLEY	Y	WORSLEY	Y		
FARNSWORTH D	Y	YARBROUGH	Y		
GRIFFIN	Y	YEE	Y		
HOBBS	Y	PRESIDENT BIGGS	Y		
THIRD READING					

# Was The Legislature Deceived? Did We Buy Snake Oil?



Was The Legislature  
Deceived? Did We Buy  
Snake Oil?



# Myth #1

“This will allow empty nesters with an extra bedroom to earn a little extra cash renting a room to an exchange student from Sweden.”



Reality #1

Well, at least they got the student part right.



# Myth #2

“The homeowners will be present in most cases to police the lodgers renting the room.”



# Reality #2

Whole house rentals with absent owners are the norm.

Few renters rent single rooms and few owners want to have strangers in their homes while they are living there. Parties, often in the backyards, go on long into the night.



# Myth #3

“People would not rent their homes for large events, such as weddings, graduations, etc. These rentals were only for lodging.”





## Reality #3

Some homes became exclusive event venues with busloads of people arriving for weddings, graduation parties and other large events



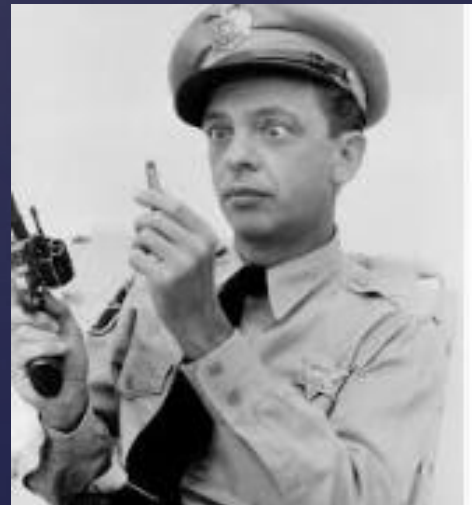
# Myth #4

“Local police and code enforcers will effectively enforce the nuisance laws and code violations.”



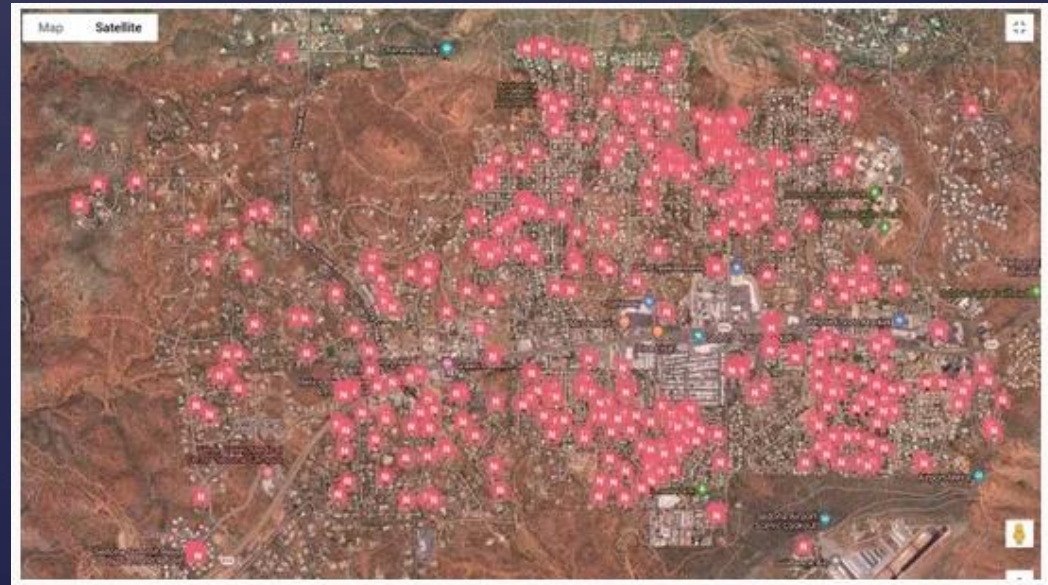
# Reality #4

Local code enforcers generally only work weekdays and most nuisance violations occur at night or on weekends and the police are reluctant to enforce nuisance laws. In addition, it is difficult to legally serve the owner of the property or cite him or her for nuisances.



# And then came another unintended consequence

The short-term rentals are so profitable in high-demand tourist areas that they began displacing rentals for residents. In Sedona, 20% of the rentals in the city proper are now short-term rentals creating a housing crisis for local workers.



# And yet another unintended consequence

One condominium complex near downtown Scottsdale that was almost exclusively occupied by retired seniors, now has about half the units operating as short-term rentals. Young partying vacationers have taken over public areas and make a lot of noise, even late into the night. The character of the complex and lifestyles of the retirees have been irreparably harmed.



# And yet still another unintended consequence

The inability to enforce occupancy standards, sometimes resulted in gross over-occupancy and the clogging of neighborhood sewer lines.



And let's not forget the  
litter, noise and parking  
problems.



# The Follow-up Bill

After three years of worsening problems, I introduced legislation to help resolve some of them. But based upon the popularity of the original bill, I knew that reforms had to be incremental, limited in scope and surgically targeted at specific problems.

In addition, stakeholders had to be included in the process, especially proponents of short-term rentals. Concepts had to be floated first and scaled back, as needed.

Overreach was the enemy that kills many bills.





# I Collaborated With

The Arizona League of Cities and Towns, the organization that represents and advocates for Arizona's municipalities

My wife, Linda Kavanagh, who was then mayor of our hometown, Fountain Hills, Arizona and was dealing with some egregious cases.

Legislative staff

Numerous stakeholders from both the short-term rental industry and aggrieved homeowners.

# The Original Goals



- #1 Make prevention and enforcement easier by better identification and communication with owners or their representatives.
- #2 Create a deterrent fine structure that would result in license revocation, whenever three violations with conviction had occurred within the previous twelve months.
- #3 Ban commercial ownership and limit personal ownership to one's primary and secondary residences to control the proliferation of units and provide a more level playing field for regular hotels.
- #4 Ban event venues completely.

Goal #1 Make prevention and enforcement easier by better identification of and communication with owners or their representatives. **This goal was met.**



## The new law''

1. Allows municipalities and counties to require the owner of a vacation or short-term rental to provide the municipality or county with contact information for the owner or owner's designee who is responsible for responding to complaints in a timely manner in person, over the phone or by email at any time of the day before offering for rent the vacation or short-term rental. (Sec. 1, 2)
5. Stipulates that the municipality or county must make a reasonable attempt to notify the owner or the owner's designee of the issuance of a citation for a violation of the municipality or county's laws, regulations or ordinances or a state law within seven business days after the citation is issued if the owner of the vacation or short-term rental has provided contact information to the municipality or county. (Sec. 1, 2)

Goal #2 Create a deterrent fine structure that would result in license revocation, whenever three violations with convictions had occurred within the previous twelve months. **This goal was partially met.**

Instead of revocation after three convictions within twelve months, we created escalating fines without revocation:

- First violation \$500
- Second violation \$1,000
- Third and Subsequent violations \$1,500 or 50% of the gross monthly revenues, whichever is greater.

If the local fine is less, the difference is forwarded to the state general fund.



Goal #3 Ban commercial ownership altogether and limit personal ownership to one's primary and secondary residences. **This goal was abandoned.**

After meeting with commercial companies, it became apparent that they tended to be highly responsible players who often rented to corporate clients, installed Wi-Fi trackers to prevent over-occupancy and installed decibel meters to monitor noise. They also hired persons to monitor the devices and call or respond to poorly behaving lodgers. Finally, the “brick and mortar” hotels showed little interest in the bill.



Goal #4 Ban event venues. **This goal was met.**

The new law:

7. Specifies that a vacation or short-term rental may not be used for a special event that would otherwise require a permit or license pursuant to a municipal or county ordinance or a state law or rule. (Sec. 1, 2)



# Homeowner Protections

1. Declares that for the purpose of calculating fines, multiple verified violations at the same incident will count as one.
2. Requires the municipality to notify the homeowner of all violations cited on the property.
3. Allows the judge on a first violation against the homeowner for violations on the property to waive the fine, if the homeowner can demonstrate a “good faith” effort to control lodgers.

# Law and Code Enforcement Help

1. Prohibits online lodging platforms from listing properties that do not have a sales tax license and requires the license number to be posted on the online ad.
2. Authorizes local and county tax officials to access state Department of Revenue tax information to aid in law enforcement.



# Concluding Comments

Most short-term rentals are not problematic but some are really bad actors.

Each jurisdiction needs to decide where to strike the balance between a property owner's right to fair use of his or her property and the rights of surrounding property owners to set and maintain community standards.

The effects of short-term rentals on existing "brick and mortar" hotels and on local housing availability and affordability also need to be considered but not in isolation but as part of other relevant factors, such as limits on apartment buildings and other affordable housing factors.

Is this the end  
of the short-term  
rental monster

?



# AGENDA



- Short-term Rental Market Overview
- The Community Impacts of Short-Term Vacation Rentals
- Best Practices for Regulating Short-term Vacation Rentals
- The Push for State-Preemption of Local Short-Term Rental Regulations
- State-Preemption in Practice: Arizona Case-study
- **Conclusion and Q&A**

# CONCLUSIONS AND NEXT STEPS



- Only local governments, the governments closest to the people, understand the culture, topography, and history of the community sufficiently to regulate short-term rentals.
  - Some communities have no STRs, other communities are significantly impacted
  - The challenges created by STRs are different in each community
  - Distinct regulatory tools are needed to address the different challenges
- In many State legislatures, special interests have hijacked the regulatory agenda as it relates to short-term rentals and spending millions to take away local control of the issue
- Arizona's experience prove state preemption and one-size-fits-all policies for short-term rentals do not work in practice and create many negative side-effects
- The fight over state preemption is currently in full flare in Florida, Michigan, Georgia, Arizona and many other States
- **CALL AND EMAIL YOUR STATE LEGISLATORS TODAY TO SHARE YOUR THOUGHTS ON THE MATTER**

# Contact info



Feel free to contact us anytime if you have any questions about state and local short-term rental regulations and how to best address the associated policy, registration, monitoring and enforcement challenges.

Ulrik Binzer

[ulrik.binzer@hostcompliance.com](mailto:ulrik.binzer@hostcompliance.com)

(415) 715-9280

John Kavanagh

[jkavanagh@azleg.gov](mailto:jkavanagh@azleg.gov)

(602) 926-5170

[www.hostcompliance.com](http://www.hostcompliance.com)