

Exhibit A

Regulation of Short-Term Rentals (Vacation Rentals) Amending Title 7: Business Regulations of the Yuma City Code to add a new Chapter 77: Short-Term Rentals (STRs)

Chapter 77: Short-Term Rentals (STRs)

General Provisions

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§77-01 Purpose

The purpose of the STR regulations is to protect the health, safety, and welfare of the community and visitors.

§77-02 Definitions

“Hospitality tax” means the special sales tax set forth in the Yuma City Charter, Article III, § 16.

"Online lodging marketplace" has the same meaning prescribed in A.R.S. § 42-5076 and generally means a person that provides a digital platform for compensation through which an unaffiliated third party offers to rent lodging accommodations in this State to an occupant, including a transient.

"Online lodging operator" has the same meaning as prescribed in A.R.S. § 42- 5076 and means a person that is engaged in the business of renting to an occupant, including a transient as defined in A.R.S. § 42-5070, any lodging accommodation in this State offered through an online lodging marketplace.

"Owner" means any person who, alone or with others, has title or interest in a property, dwelling unit, or portion thereof, with or without actual possession of the short-term rental.

"Owner's designee" means any person or persons with the charge, care, or control of any property, dwelling unit, or portion thereof and includes the "emergency point of contact."

"Person" means any individual, public entity, firm, corporation, partnership, limited liability company, trust, association, or any other entity of any kind.

"Short-term rental" or "STR" means any individually or collectively owned single-family or one-to-four-family house or dwelling unit, accessory 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. A short-term rental shall also include a dwelling unit in a multiple-family development offered for rent as transient lodging. Each unit that is separately leased is a STR. A short-term rental does not include a timeshare managed pursuant to A.R.S. § 33-2201 *et seq.*

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

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

§77-03 Business License Required

- A. City Business License required. It is unlawful to rent or offer to rent a short-term rental (STR) without having first obtained a valid City Business License issued under this chapter. A separate Business License is required for each STR.
- B. Prima facie evidence. Representations or advertisements including online lodging marketplace listings that reference the property, house, or dwelling unit location within the City as available for transient lodging is prima facie evidence that an owner is offering to rent or operating a STR in the City.
- C. Violations. In addition to any penalty or fine that may be imposed under this Chapter (Penalty § 77-99), the owner shall immediately cease operations of the STR until a valid Business License is obtained.

§77-04 Transient Lodging taxation classification/local sales tax and hospitality tax

- A. The State of Arizona Department of Revenue (AZDOR) includes STRs in the AZDOR Transient Lodging classification.

B. The income from STR rentals is subject to the same taxes and the same rates as other transient lodging/hotels/motels operating in the City of Yuma/State of Arizona, including:

1. Arizona transaction privilege tax (TPT);
2. local sales taxes; and,
3. any Hospitality Tax (2% tax).

Source: A.R.S. §§ 42-5042, 42-5070; Model City Tax Code (MCTC) Article IV: Privilege Taxes (transient lodging); and Yuma City Charter Articles III, § 16, and XIII, § 7, as amended.

§77-05 Advertisements

Beginning on any STR stay in the City of Yuma offered for June 1, 2024, and all future dates thereafter, the owner shall display the State TPT license number and the City Business License number on each advertisement associated with the STR, including online lodging marketplace advertisements.

§ 77-90 Severability Clause

If any provision of this chapter or its application to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of this chapter that can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

§77-99 Penalty

Consistent with A.R.S. § 9-500.39, it shall be unlawful for any person, firm, or corporation to violate, or cause the violation of, any provision of this ordinance. Any person, firm, or corporation violating any of the provisions in this ordinance shall be guilty of a class 1 misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed \$1,000.00 or by imprisonment for not more than ten (10) days or both fine and imprisonment. Each separate day or part thereof during which any violation of sections of this ordinance occurs or continues to occur shall be deemed to constitute a separate offense, and upon conviction thereof shall be punishable as provided by this section.