

# NEIGHBORS - *not* Nightmares

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

## Fact Sheet

***Neighbors not Nightmares is a non-partisan statewide network of residents who are working to connect and support Arizonans to save our neighborhoods and protect them from invasion by unstaffed motels.***

***We just want our neighborhoods back, along with the zoning we relied on when we bought or rented our homes.***

Neighborhoods are for ***neighbors living in homes***, not travelers staying in unstaffed motels, which too often become overcrowded rowdy party houses with illicit or illegal behavior. **NOT THINGS LIKE THIS NEXTDOOR:**



*Frat boys playing beer pong*

with...



*Oh, yes, he IS!*

or...



*Property manager left this*

We could go on for days with horror stories, like parties with 300 people, sex in the back yard with prostitutes, abusive behavior toward us and our neighbors, but you have a life...

## ***HOW DID THIS HAPPEN TO US?***

In 2016, the Legislature passed SB 1350, known as the "Airbnb Bill," which prohibited municipalities and counties from regulating short-term rentals ("STRs"). It was sold as a boon to the growing "sharing economy." **It effectively eliminated all single-family zoning in Arizona.** There are **no occupancy limits**, so someone from Alaska could buy a 4-bedroom house in Phoenix, put it in an LLC, then convert it to 9 bedrooms/7 baths, and rent it out to up to 32 people at a time, saying it would hold 100 people for parties. Or houses in Paradise Valley rented to 39 "guests" at a time!

They also passed **SB 1487**, which withholds shared revenue from cities and towns that are found by the Attorney General to have violated state law. Since state revenue is up to ½ of the municipalities' income, it's critical to their survival. Sedona has been "1487'd" twice when they tried to put fees on STRs. The effect is that cities and towns are extremely hesitant to even *attempt* to take any control of the exploding problem.

***The cities' and towns' hands have been tied. The State of Arizona, which has zero resources to maintain any semblance of planning and zoning, has usurped control of those functions, while leaving the municipalities stuck with the increased burden and cost of dealing with the consequences. The municipalities have the knowledge and staff, but not the right to fix them!***

## ***THE PROBLEMS ARE STATEWIDE***

Arizona has mushroomed from nearly zero to nearly 25,000 STRs in the 4 years since SB1350 passed (per AirDNA).

**Sedona** has lost ½ of their rental inventory in the last 4 years to short-term rentals. They've lost ½ of their school population, are losing essential community elements like schools, Little League teams, and remotely-affordable housing for the police, teachers, firefighters, store owners, and tourism employees. **Lake Havasu City**, with 55,000 residents and around 1000 STRs, has the very same problem. As do **Page, Bisbee, Jerome, Flagstaff**, and **Cottonwood**. **Scottsdale** has gone from zero short-term rentals to over 4000 since 2016. And **Paradise Valley** is under siege, with over 300, a significant chunk of which are owned by corporations.

All around the state, corporate short-term rentals have become an enormous business. This is **not about Mom & Pop** making extra income anymore. The vast majority of listings are **multi-property investment groups** that are rapidly consolidating and invading residential areas. **Of the 25,000 STR listings currently in Arizona, we estimate that most are controlled by around 5,000 investors.**

***Why does the state give special treatment to 5,000 investors while their STRs ruin the quality of life for 7 million residents? How can any sane person claim that a corporation, REIT, or investment company is a single family?***

## HOW DOES THIS AFFECT HOAs?

Post-1350, even HOAs and CC&Rs provide only limited protection, because the neighbors have to do all enforcement, which can involve substantial legal expenses. Your city or town can't help you anymore. AND several HOAs have already been taken over by investors who tell the actual homeowners, **"We're in control now, and you can't do anything!"**

## WE'RE SUBSIDIZING OUR OWN TORTURE!

***These unstaffed motels are making our lives miserable and using a disproportionate share of infrastructure and police attention.*** Frequently there are 20-40 people consuming water and emitting sewer and trash into systems designed for homes with 6 people. They pay the same water/sewer and trash rates we do. AND they pay property taxes at the same rate as real residents. Even worse, many in historic neighborhoods are cheating and paying even less!

**At best, they are only paying 56% of their fair share. Here are the AZ tax rates ("assessment ratio") by Property Classification:**

Class 1:	Commercial Property, e.g., Hotels & Motels	18%
Classes 3 & 4:	Residential & Residential Rental Property	10%
Class 6:	Historic Owner-Occupied Residential Property	5%

***Where's that leave us?*** After putting up with noise, trash, rowdiness, transiency, lack of real neighbors, and damage to our communities caused by their **businesses**, when the infrastructure has to be upgraded to handle the (commercial) load **THEY** have created... **WE are left to endure months of construction and street closures in our neighborhoods to replace the sewer pipes THEY have overloaded. And all the while, WE are subsidizing their businesses!**

## STRs ARE STEALING ARIZONANS' JOBS!

Go to our website to see how ***every STR bedroom takes one job*** from the hospitality industry. YIKES!

## WE AREN'T JUST LOSING OUR PEACE AND QUIET

Our homes are our havens, for which we've worked our whole lives. We bought or rented in neighborhoods with zoning to protect our investment, our kids, and ourselves. **We are losing our neighborhoods, which are the foundation of any community, as well as our very society. Our property rights should matter. Our health and safety should matter. But under current law, they don't. We have to change the LAW!**

## HOW CAN YOU HELP STOP THE MADNESS?

GO TO OUR WEBSITE [www.neighborsnotnightmares.com](http://www.neighborsnotnightmares.com) You can learn a ton there. Every one of us – and our friends and relatives – needs to urge our Legislators and the Governor to **FIX 1350!** You will find both who your legislators are and how to contact them, along with how to get one of these signs for your yard:



(FIX1350.com fits on signs. It forwards to NNN website)

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