

AGENDA
SHORT TERM RENTAL IMPACT COMMITTEE
TUESDAY, SEPTEMBER 5, 2023
10:00 AM

- 1. CALL TO ORDER**
- 2. APPROVAL OF MINUTES**
 - A. June 23, 2023**
 - B. June 30, 2023**
 - C. July 14, 2023**
 - D. July 25, 2023**
- 3. NEW BUSINESS**
 - A. Deliverable of Short-Term Rental Impact Committee - Final Report to Council**
 - B. Code Compliance Department - Schedule Public Workshop**
 - C. Deputizing Code Compliance Officers**
 - D. Register Golf Cart with the City**
 - E. Analysis of Current Short-Term Rental Codes and Potential Changes**
- 4. NEXT MEETING DATE: September 26, 2023**
- 5. PUBLIC COMMENTS** (Comments from the public on any matters considered at the meeting, or on any matters not on the agenda)

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**MINUTES
SHORT TERM RENTAL
IMPACT COMMITTEE
JUNE 23, 2023 – 11:00 AM
CITY HALL BOARDROOM**

1. CALL TO ORDER:

The Short-Term Rental Impact Committee met in regular session with the following members and City staff present:

2. ROLL CALL:

Members Present

Patti Brown
Marcie Bell
Denise Owens

Members Absent

Ken Wampler
Todd Buhr
Casey Gates Ward
Carrie Harbarger

Staff Present

Rey Bailey, City Clerk
Troy Williams, Code Compliance Director
Noel Bell, Building Official
Kimberly Kopp, City Land Use Attorney
Billy Morales, Code Compliance Officer
Darlene Lebold, Administrative Assistant, Code Compliance

Visitors

Councilmember Torey Geile
Guy Tadlock
Wendy Anderson

3. APPROVAL OF MINUTES:

Minutes of the June 2, 2023 Short-Term Rental Impact Committee.

A voting quorum was not in place to be able to approve the minutes.

4. NEW BUSINESS

A. Meeting Ground Rules:

Committee Chair Patti Brown discussed the following ground rules that she would like the committee to establish for their meetings:

- Meeting will start promptly on time.
- Members show respect to one another.
 - Regardless of difference in opinions and points of view, they need to maintain that respect.
 - Do not raise voice or interrupt people while they have the floor.
 - Everyone will listen attentively to the person speaking.
 - No side discussions amongst the members during the meeting.
 - Raise hand, and wait to be acknowledged by the chair, before speaking.
- The City Clerk will forward draft copies of the minutes to each member prior to the meeting. Members should review the minutes in advance and get ready to point out any errors and approve the minutes during the meeting.

B. Charter/Goals and expected output from the committee:

Committee Chair Brown asked each member to share their perception as to the role of this committee and how they feel is the best way to move forward to reach their goal. She asked for the Land Use Attorney's view in regard to the mission of this committee.

According to the Land Use Attorney, the committee should review the effectiveness of the existing regulation as well as the impacts of the existing short-term rentals. Try to determine if the regulation is working, whether things are getting better, what are the continued impacts, and then submit a report to the council who will probably provide recommendations to the state based on that report. One probability could be to request more home rule power to have the authority to make decisions based on local needs.

Ms. Brown stated that as a member of the previous Short Term Rental Task Force, she feels that with what this committee recommended to the city council, they should have had a lot of the current issues in this town under control. Unfortunately, many of those recommendations were not implemented. They have issues that they have previously identified that still exist such as parking, noise, over-occupancy, and trash.

The Land Use Attorney pointed out that the city council implemented most of the recommendations presented to them by the initial Short-Term Rental Task Force.

Committee member Marcie Bell noted that she was not a member of the initial task force, but she attended all of their meetings. However, she was a member of the second Short-Term Rental Task Force, and that she does not believe the council accepted any of their recommendations.

Ms. Brown stated that one specific issue the second task force discussed was involving trash, and that a representative from Waste Management who attended one of their meetings told them that a 96-gallon trash can is meant for a household of 4 people. And so, an establishment with more than 4 people would obviously require more than one 96-gallon cans.

Ms. Bell mentioned that in that same conversation they also talked about maybe requiring them to have a third day pickup. At the time, the normal turnover day was usually

on a Saturday. Some of the companies did have a smaller version of the Waste Management truck that came around and picked up trash on Saturdays. She added that the council did not accept it as an amendment to the ordinance.

Ms. Bell stated that another issue they talked about was if someone is not registered as short-term rental and they are functioning as a short-term rental, the rules do not apply to them, and they can have more cars parked in front of their property than what the code allows. For instance, her street is a private road where the city does not enforce parking.

According to the Land Use Attorney, all short-term rentals need to be registered with the city and comply with the rules. When there is a short-term rental that is not registered, staff will investigate and gather evidence to prove that it is a short-term rental. Once they know it is a short-term rental, staff can issue a Notice of Violation for operating without being registered.

Code Compliance Director Troy Williams explained that if a property is registered as short-term rental and they have a violation, they will have the documentation and the property will be cited. If they suspect that a property is a short-term rental and they do not have anything in the system, they have certain steps in the process to prove it.

Committee member Denise Owens commented that she has reached out to the Code Compliance Department recently and reported some short-term rental violations in her neighborhood in regard to occupancy, parking, and trash. She continued that there are 8 houses in her neighborhood that are not registered short-term rentals and that these are the same 8 houses she has reported as far back as 2018. She continued that these houses have outdoor signs to prove they are short-term rentals. She also noted that she has done some research on what other cities do in these kinds of situations including the penalties they impose and compare those with the consequences of committing similar violations in the City of Destin. Some cities impose a fine up to \$10,000 even for a first violation.

According to the Land Use Attorney, the signs outside the properties are enough evidence to prove they are short-term rentals and that they can enforce the code immediately. However, the \$10,000 fine being imposed by other cities is pretty steep and it is not legal under Florida Statutes. Under state law they can only impose a maximum daily fine of \$250 for the first violation and a daily fine of \$500 for a repeat violation, which could subsequently equate to more than \$10,000 if the property does not come into compliance.

The Code Compliance Director stated that when his department is notified about a property being in violation, they go out and investigate and issue the proper citation. But they do not necessarily have the authority to physically force somebody to stop doing what they are doing. They can send them before the Special Magistrate as quickly as the code would allow so that the Special Magistrate can make the final determination and issue the proper order.

Ms. Brown commented that the negative impact of the short-term rentals could be mitigated if they have enough staff that could just enforce the code quickly and consistently. She also stated that home rule is what they really need in Destin to allow them to perform the functions necessary to allow for solutions to local issues and problems.

The Code Compliance Director noted that when he took over the department about two months ago, he put in a budget request for staffing for next year for one full time and two part-time officers. He recently submitted an updated request for 5 full time and 2 part-time officers. He continued that the council has several top priorities, with short-term rentals being one of them.

Councilmember Torey Geile stated that according to the president of the Sterling Shores Condominiums Homeowners Association, there is a fire code that states occupancy must be based on square footage. He asked whether this rule is limited to condominiums.

The Land Use Attorney noted that their short-term rental ordinance applies only to single-family homes currently because during the council's previous discussions, it was determined that the same issues that occur in single-family homes did not occur at the condominiums. With regards to square footage, council went back and forth on this issue because depending on position, different stakeholders have different opinions on how they measure living space.

Councilmember Geile asked if there is anything in the ordinance that requires a warning for anyone who fails to register, or could they issue a citation after the first offense.

The Land Use Attorney stated that ample warnings have already been given, and that they can legally issue a citation after the first offense, but a Notice of Violation has to be issued to the property owner.

Ms. Bell stated that although parking, trash, and noise are big issues, they have an even bigger problems with short-term rentals such as drugs and domestic violence issues; and that she has had a personal experience with the latter. They need home rule back whatever it takes to accomplish it. They need more code compliance officers. They also need more law enforcement officers, outside of code compliance officers, that can deal directly with those types of issues.

Ms. Brown ask how the property owner is notified when there is a violation.

According to the Land Use Attorney, the state statutes require either a personal service or certified mail. If the green card for certified mail is not signed, and there is no one to which to deliver the notice, the statutes allow posting on the property. A lot of times, the city's code compliance officers send out the certified mail and post the property at the same time.

Ms. Bell recommends the city establishes a department that deals solely with short-term rental issues, in one physical location, with members communicating with each other and knowing exactly everything that needs to be done before someone can operate as a commercial entity in a single-family residential neighborhood, whether it be a BTR from the city and the county, sales tax account with the State of Florida, Florida Public Lodging and Establishment License with DPBR, or change of use if applicable.

The Code Compliance Director stated that he cannot speak about past regime, but his present team works well together. They have streamlined the system and things have gotten better. Every member of his team is in constant contact with one another. Each one is doing multiple things and a change in physical location is not going to change anything. He also noted there are over 1200 short-term rentals located within the city. They want to be able to do as much as they possibly can, but they have a very limited staff. They need to have more people to be able to accomplish them.

Ms. Bell stated that she absolutely agrees with the Code Compliance Director and pledged her full support in obtaining the appropriate level of staffing for his department.

Ms. Brown would like the home rule topic to be placed on their next meeting agenda and for the Land Use Attorney to discuss it further so they can all understand it.

Councilmember Geile stated that if they get home rule back, they can increase the fines significantly where it can become a deterrent. But they need to focus on things they could present to the State Legislation to achieve home rule if this committee decides that the impact of short-term rentals is mostly negative, such as what every university is reporting that short-term rentals reduce affordable housing and affordable housing inventory, and other things that are killing this community as a whole.

There were some discussions relative to permanent meeting time for this committee. Ms. Brown would like that issue addressed at the next meeting when more members are present.

5. PUBLIC COMMENTS

Mr. Guy Tadlock, a resident of Holiday Isle, stated that they have lost about 20 full-time residents in his neighborhood during the past several years due to short-term rentals as things have become quite unbearable. He stated that the quality of some of the short-term renters coming to the city now are quite undesirable as evidenced by the unpleasant sights and vulgarities they are forced to endure around his neighborhood. He stated that the rental management companies are a big source of all the problems. For instance, they advertise that certain properties sleep 40 people when in fact there is a city ordinance against it. He stated there are “party busses” filled with drunk passengers being driven around the city. Bartenders call the party bus to pick up passengers. Most times these passengers do not know where they are going and get off at certain locations. On one occasion, a passenger arrived in his neighborhood. He wondered around knocking at every door thinking it was his home. He ended up collapsing near someone’s house and a sheriff’s deputy had to be called.

Mr. Tadlock also reported that there are short term rentals that are not registered but are not afraid to suffer the consequences because it is a very lucrative business, and they are more than glad to pay the fine. He likes the idea of a home rule so that the city can impose higher fines so that it can become a deterrent. He also urges the city council to get behind the city’s Code Compliance Department and increase their level of staffing to improve their efficiency.

The Land Use Attorney commented that she is seriously thinking about recommending that certain short-term rental violations be considered a misdemeanor offense as there is a code

section that gives the city the authority to send someone who committed a misdemeanor act up to 60 days in jail.

Also, according to Mr. Tadlock, there are times when a family goes on vacation and rent their home while they are away, but they are not registered short-term rental; adding it is an issue that may need to be addressed. Some discussions followed about a possible home-sharing whereby families from two different states go on vacation simultaneously and live in each other's home during that period. It may or may not involved any cash payment.

According to the Land Use Attorney, home-sharing is not exempt from registration. If this is actually happening in Destin, and it is being advertised or reported, the parties involved will be required to register.

Ms. Bell reported that as part of their research program, Monroe County TDC had contracted with a firm called Destin Matrix to gather occupancy and rate statistics from Florida Keys vacation companies. The Okaloosa County website shows the county TDC utilizes the program as well. She stated that having this type of information could greatly benefit this committee since their mission is to conduct research and gather statistics on the impact of short-term rentals. However, ordering it may have to be done by a municipality.

The Land Use Attorney recommends requesting the data from Okaloosa County TDC. They may already have the statistics for the City of Destin; otherwise, they can discuss ways to obtain that information.

Ms. Wendy Anderson, a resident of Crystal Beach, stated that she does not feel safe walking around certain neighborhoods due to the influx of homeless people; adding there are always homeless people in their beach walkover using the restroom facility. She also expressed her concern about the illegal immigrants not knowing who are clean and who are on drugs. She stated that the city's problems are not limited to tourists and short-term rentals. They also have society issues they have to solve to keep this town nice and safe.

Ms. Anderson also stated there are families who are fighting to keep their home. Some need to rent out a room to supplement their income and to make ends meet. She also noted that they built certain additions to their home and that they need to rent part of it to be able to afford it. They should be allowed to do this without having to register as short-term rentals. She added that the city needs to maintain that family-friendly atmosphere in order to become a better family- friendly community.

Also, according to Ms. Anderson, there are people that are trying to abide by the city's rules but are not able to because some of them are confusing, contradictory, and at times inconsistent. For instance, certain homes in her neighborhood are allowed certain number of setbacks while others have no setbacks at all. She continued that there have been some discussions about occupancy on some homes being based on square footage while others on the number of bedrooms.

The Land Use Attorney noted that there is currently no exception in the code for someone wanting to rent out a room in their home. They are currently required to register as short-term rental. There are certain rules depending upon when the home is constructed. There are homes

that were grandfathered in because they have been in existence before certain codes were adopted. She recommends Ms. Anderson meets with the city's Community Development staff as well as Code Compliance to discuss these issues so they can advise her on what she can and cannot do.

Some discussion followed regarding items to be placed on the next meeting agenda. The following topics were identified:

- Home rule
- Input Data Base utilized by Florida Keys (Destin Matrix)
- Starting time for future meetings
- Misdemeanor charges – short term rental violations
- Home Exchange Program
- Funding options to build resources for better enforcement of short-term rental regulations.
- Format of committee's formal report to the city council.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 12:40 PM.

Patti Brown, Chair

**MINUTES
SHORT TERM RENTAL
IMPACT COMMITTEE
JUNE 30, 2023 – 11:00 AM
CITY HALL BOARDROOM**

1. CALL TO ORDER:

The Short-Term Rental Impact Committee met in regular session with the following members and City staff present:

2. ROLL CALL:

Members Present

Patti Brown
Marcie Bell
Denise Owens
Ken Wampler
Casey Gates Ward
Todd Buhr (Via telephone)

Members Absent

Carrie Harbarger

Staff Present

Kim Montgomery, Deputy City Clerk
Sharon Gardner, Records Specialist
Troy Williams, Code Compliance Director
Noel Bell, Building Official
Kimberly Kopp, City Land Use Attorney

Visitors

Councilmember Torey Geile
Darryl Shelton

3. APPROVAL OF MINUTES:

A. Minutes of June 2, 2023, Short-Term Rental Impact Committee.

Motion by Marcie Bell, seconded by Ken Wampler, to approve the minutes of June 2, 2023 Short-Term Rental Impact Committee meeting passed 5-0 (Todd Buhr was not eligible to vote via phone).

B. Minutes of June 23, 2023, Short-Term Rental Impact Committee.

Motion by Ken Wampler to delay approval of the minutes of June 23, 2023 Short-Term Rental Impact Committee meeting to correct some typographical errors was seconded by Marcie Bell and passed 5-0.

Committee Chair Patti Brown mentioned that she will not be able to attend the next meeting in person, but she will try to participate by phone. Marcie Bell, the committee vice-chair, will preside over the meeting.

4. NEW BUSINESS

A. Home Rule – Discussion

The Land Use Attorney provided a brief overview of home rule. She stated that home rule basically means the city can do anything as long as it does not violate state law. It is a very broad concept, and which is not limited to short-term rentals. When it comes to short-term rentals, they are preempted from doing 3 things. They cannot prohibit short-term rentals in residential areas unless they have an existing zoning code prior to 2011, when that particular section of the state statutes took effect. Also, the city cannot regulate the duration and frequency of rentals. She added that the theory behind requesting home rule is that the city knows more about what is good for their community more so than the state.

Ms. Brown noted that the report this committee will present to the city council can then be presented to the state by the council. However, recommendations coming from one city may not be enough to affect any changes in statutes unless it is being done by other cities throughout the state.

The Land Use Attorney pointed out that the city has adopted several resolutions in the past requesting home rules and forwarded them to Florida League of Cities and other jurisdictions encouraging them to join in. Sometimes they have depending on the subject matter. Florida League of Cities lobbies the legislature for the municipalities.

B. Misdemeanor Charges- Short Term Rental Code Violations-Discussion

The Land Use Attorney stated the law basically allows municipalities to impose up to 60 days in prison and a fine up to \$500 for misdemeanor violations if it is written in their code as such. However, since the city does not have its own police department, they would need to discuss enforcement issues with the Okaloosa County Sheriff's Office.

Ms. Brown requests this item remains on the next meeting agenda. Ms. Brown asked the Land Use Attorney and staff to invite an Okaloosa County Sheriff's Office representative to attend the next meeting to discuss charges they could impose.

Ms. Casey Ward mentioned that short term rental rules are being violated in her neighborhood as she sees different state license plates on various occasions in one of the neighboring homes. She asked how this ought to be reported.

According to Code Compliance Director Troy Williams, they have the option of calling the city with the complaint, coming in person to report it, or using the city's Help Desk.

The Land Use Attorney stated that the city can also monitor the advertisement to see if the property is being advertised.

Mr. Todd Buhr pointed out that the city's noise ordinance has a very specific table of penalties which would be a good model to follow: First offense is warning, second offense is \$100 fine, third offense is \$250, and fourth and subsequent offenses would be \$500 and misdemeanor charges.

Mr. Ken Wampler mentioned there was a Business Tax Receipt (BTR) Task Force that was formed to review fees that have not been updated since 1996. That committee's recommendations were never implemented.

The Land Use Attorney noted they were preempted by state law since the state took away their home rule.

Mr. Wampler stated that there are ways in the BTR to add more penalties to stop repeat offenders from continuing to violate policies. It is not just about short-term rentals but it involves various other businesses in the city.

Ms. Marcie Bell stated that the previous two wedding that she reported on Holiday Isle, one of the firms involved has a BTR with the City of Destin. She asked if there is a way to punish companies with a BTR with the City of Destin and holding them accountable for violating the rules.

According to the Land Use Attorney, a BTR is a non-regulatory tax which are issued without considering those other issues. When a firm commits a violation, the issue is not about the BTR, but the code that they violated. For example, for commercial weddings, there is a commercial wedding ordinance enforcement that they should follow.

There was some discussion relative to the required short-term rental signs when no-one is neither answering nor returning the call from the emergency phone number listed on the sign.

The Land Use Attorney stated that is a clear violation that is easier to prove to the Special Magistrate than a noise complaint. If the noise ordinance is being repeatedly violated, they can argue that the management company is violating the ordinance by not being responsive.

Ms. Bell stated that they should focus on the impact of Short-Term Rentals in their entirety. Short-term renters have no stake in their neighborhoods, so there is no reason for them to care about how their behavior affects the people who live here. The property owners do not have to pay additional property taxes to benefit the community. They do not have to pay extra insurance. She stated that short-term rentals are artificially inflating rental costs in their neighborhood. It is making it impossible for families to continue to live in their current neighborhood. Those that are not registered are exempt from short-term rental punishments.

Ms. Bell also noted that there is a new law that goes into effect on July 1st requiring companies to report all their undocumented workers. Their hospitality industry will suffer because many of the workers that work everywhere here are undocumented.

Mr. Wampler stated that they all agree that they should focus their attention on the bad players, but there are a lot of positive things about hospitality businesses that they cannot overlook. They can generate sales for nearby retail and service businesses and capture tourism dollars in the community. They can generate significant tax revenues while creating many jobs for residents.

Mr. Buhr pointed out that the charter they have from the council is to report the impact of short-term rentals to residents, both positive and negative.

Ms. Brown mentioned that a copy of the report from the Keys that Ms. Bell provided to them following their last meeting will be used as an example on how they would present their findings to the city council.

Ms. Bell clarified that she provided the report as a background on how to prepare a report and not necessarily for the negative impact.

Ms. Brown stated that the point they made at their last meeting was they would read the report and they would format their report to the city council similar to it.

At time Ms. Brown noted there are topics on the agenda that they will not have time to discuss today, but she would like those items place on the next meeting agenda.

5. PUBLIC COMMENTS

Mr. Darryl Shelton stated with regards to the short-term rental signs, it would be very easy for code enforcement personnel to dial the number listed on those signs and see if they get an answer from a responsible party. He also agrees with Ms. Bell's statement that a lot of the short-term rental owners have no stake in their neighborhoods, so there is no reason for them to care about how their behavior affects the residents. A large percentage of them do not even live in Florida. It is truly a problem, and this committee may want to see what the other communities are handling similar problems.

6. NEXT MEETING DATE: Friday July 14, 2023, 11:00 AM

There was a brief discussion regarding changing the meeting dates and times. The committee agreed to schedule the next meeting on Friday, July 14th at 11 AM, and subsequent meetings to be held every other Tuesday at 10 AM starting on July 25th.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 12:15 PM.

Deputy City Clerk

Patti Brown, Chair

**MINUTES
SHORT TERM RENTAL
IMPACT COMMITTEE
JULY 14, 2023 – 11:00 AM
CITY HALL BOARDROOM**

1. CALL TO ORDER:

The Short-Term Rental Impact Committee met in regular session with the following members and City staff present:

2. ROLL CALL:

Members Present

Marcie Bell
Denise Owens
Casey Gates Ward
Carrie Harbarger (arrived: 11:15 a.m.)
Todd Buhr (via teleconference)
Ken Wampler (via teleconference)
Patti Brown (via teleconference)

Staff Present

Rey Bailey, City Clerk
Troy Williams, Code Compliance Director
Noel Bell, Building Official
Darlene Lebold, Admin Asst, Code

Visitors

Guy Tadlock
Alice Tadlock
Darryl Shelton
Karen Shelton
Melisa Garza – Emerald Coast Association of Realtors

Vice-Chair Marcie Bell announced that they do not have a physical quorum at this time. They have 3 members present and 3 members participating by telephone. This meeting will be treated as a workshop where no official actions can be taken.

3. APPROVAL OF MINUTES:

A. June 23, 2023

B. June 30, 2023

Approval of above meeting minutes moved to the next meeting due to lack of a voting quorum.

4. NEW BUSINESS

A. Misdemeanor Charges – STR Code Violation

B. Home Exchange Program – Discussion

There was a consensus amongst the committee members to move agenda items 4A and 4B above to the next meeting agenda when they can be discussed in the presence of the Land Use Attorney who was investigating the legal aspects of the subject matters.

Referencing agenda item 4A, Committee member Todd Buhr encourages everyone to study Chapter 14 of the current Destin Code of Ordinances Article 2 dealing with noise prior to the next meeting. He stated that it has its own separate penalty which goes through a graduated offense whereby fourth offense or four or more violations occurring within any six months period is considered a misdemeanor of the second degree punishable by a fine of no more than \$500 or a sentence not more than 60 days in jail, or both. He added that it would be useful in their discussion of this topic.

At this time, Committee member Carrie Harbarger joined the meeting.

C. Funding options to build resources for short-term rental code enforcement – Discussion

Code Compliance Director Troy Williams announced they have asked for additional personnel for the Fiscal Year 2024 Budget.

Ms. Bell noted that she has pledged her support for increased funding to build resources for code enforcement at the last meeting.

Mr. Williams stated that raising the short-term rental registration fees may be something the committee can consider taking before the council as it can assist in a lot of things.

The City Clerk announced that the City Council will establish the millage rate at the July 17th meeting, after which they can only lower and not raise the millage rate per state statutes.

Mr. Buhr stated that although the committee can certainly lend their support to the Code Compliance Department, this is an issue that they should carefully and formally address in their report since their charter is to report impact of short-term rentals.

Ms. Patti Brown stated that short-term rentals are responsible for a lot of issues for which they need code enforcement action, adding she would not want to see other businesses get their fees increased. They need to be able to draw the money from the right source for adequate staff in order to enforce the things they are presenting to the council.

Committee member Ken Wampler noted that short-term vacation rental fees have more than quadrupled during the past several years, increasing from \$50.00 to \$750.00. He stated that he has invested a lot of time adding up the violations that are recorded by code enforcement relating to the big 3 issues – trash, noise, and parking – and the majority may have been related to vacation rentals, but it is not 100 percent. He continued that he is a firm believer that the bad offenders need to be paying their fair share, and so if they go before the city council and ask them to raise fees, they need to make sure it is not a blanket increase for vacation rentals; adding they need to find a way to penalize the bad actors.

Ms. Brown stated that they have not been fining people enough for the violations. They have been issuing a lot more warnings.

Ms. Bell noted that Mr. Troy Williams has only been the Code Compliance Director for a few months, and that a lot of the things this committee has been discussing and which are the sources of their frustrations have been going on way before his arrival.

According to Mr. Williams, there are warnings and citations that are being issued, but short-term renters changeover frequently. There are some inherent processes they are trying to work out internally, such as whether to increase the level of fines from one week to another when they are dealing with different people committing similar violations. He also stated there are some citations that they can issue to the owner of the resident, however, everything about code enforcement takes time. There are a lot of background work and investigation that goes into it. That is where having additional personnel would help.

Ms. Brown stated that a lot of the responsibilities should fall under the rental agents. They should be required to give people in written form information regarding rules and regulations. She continued that the short-term rental agents have failed the residents and short-term rental owners by not giving advance directions to their visitors. It is the code enforcement officers that come around educating everyone, and that the time spent doing that costs a lot of money. Ms. Brown also stated that they should be able to fine the rental agents rather than the guests for illegal parking.

Mr. Williams noted this is the type of discussion they should be having with the Land Use Attorney. She will be the one to make the determination whether the city has the ability to punish the rental agents. He added that the rental agents act as the manager for the rental agency, but they are not always physically present on the property.

According to Mr. Wampler, it could also work if they fine the property owner. They will not be happy with it and blame the rental agent for not doing their job.

Mr. Buhr noted that the Hollywood, Florida code reads, *"In addition to any fines, another remedy described herein, or provided for by the law, is that the City Manager shall suspend the vacation rental license upon a third violation of this chapter in any continuous 12-month period. Such suspension of the vacation rental license shall be for a period of one year."* He added that all it takes is one vacation rental company to get suspended for everyone to pay attention.

Ms. Bell noted that she has also been searching for historical information regarding the short-term rental fees and investigating the data. For instance, she wanted to know how much money the city paid to purchase the new trucks and all the equipment when they switched over from code enforcement to code compliance. But the exact numbers are not easy to pinpoint as they are combined in the budget. She added that in order for this committee to have an actual true data with regards to budget, staff would have to go in and break those numbers down. This committee will be operating blindly without the true data.

Mr. Buhr stated that the Finance Director can be very instrumental in obtaining this information and it would be beneficial to invite her to one of their meetings. Even though she is also fairly new to the city, historical information on the budget should be archived and accessible

to her. He added that this committee's report should be comprehensive and factual, and everything needs to be backed up by data. It has to be defensible along with the city's fee structure.

Committee member Ward asked how many violations a business can get before they are shutdown.

Mr. Williams explained that there is a process that they follow. There are warnings issued or fines imposed on the violators; and then a Notice of Violation and Notice of Hearing issued before they can take the individual before the city's Special Magistrate for resolution.

Mr. Buhr clarified that the City of Destin does not have a mechanism to revoke anybody's business license. They can issue someone a ticket as often as necessary, but they have no mechanism to revoke their license as long as they pay the fines. He added that there is also no mechanism to deny someone a business tax receipt as long as they submit the proper paperwork.

Mr. Wampler noted that the business tax receipt has not been updated since the 1990s. He was a member of the BTR Task Force which was created by the council several years ago. They spent 9 months creating recommendations to the council that would have updated the BTR code to today's standards which has the authority to reject, fine, or suspend individual's ability to conduct business in the City of Destin; but these recommendations were never implemented.

D. Input Data Base – Florida Keys (Destimetrics)

Ms. Bell stated that they have originally requested this information because she thought Okaloosa County participated in it and might have the information for the city.

Mr. Wampler stated that if they are looking for statewide statistics on vacation rentals which Okaloosa County TDC uses for analyzing the past and projecting the future from the occupancy average daily rate (ADR) revenue that generate sales tax/bed tax that goes to the cities and county, he will be able to provide a copy of those reports. He just needs to know the kind of statistics this committee wants as well as the time period to run the reports.

Following a brief discussion, the committee requested a report that provides a variety of information depicting the short-term rental financial situation from 2018 to the present.

E. Items for the next agenda

Mr. Buhr would like to include analysis of short-term rental code or potential changes to the code as a topic of discussion on the next meeting agenda. His reference documents will be the Walton County and Hollywood Florida code documents, copies of which were provided to the committee earlier this month. He stated this is an opportunity to use other jurisdiction's best practices and make improvements to the city's codes. He would like to hear recommendations from the Code Compliance Director and Community Development Director regarding changes to the code.

Ms. Bell urged everyone to review the materials in advance of the next meeting.

Ms. Bell would like to add to the next agenda some discussions regarding definitions within city codes for the different types of properties, such as single-family residence, hotel/motel, and boarding house. She would also like to include the two items they were not able to discuss today – Misdemeanor Charges – STR Code Violations, and the Home Exchange Program.

5. PUBLIC COMMENTS:

Mrs. Karen Shelton, a Destin resident, asked how it can be proven that someone is renting their property without registering with the city.

According to Mr. Williams, his code officers can find advertising online. They could also investigate once they receive complaints from the neighboring properties.

Mrs. Shelton recommends imposing a fine so high that would deter this type of action.

Mr. Darryl Shelton, a Destin resident, noted that this committee has been charged with reporting the impact of short-term rentals to the residents of the city, and that it is incumbent upon this committee to not only consider what has happened in the past but also what is coming down in the future. One of the things he has observed which has started this year with Airbnb was advertising the rent so low to encourage more occupants. The average nightly charge per room is \$67.00. People are sharing the room and pay a lot less for each room. They share bathrooms, kitchens, and swimming pools. This will have a big impact in the neighborhood especially when occupancy requirements are not being enforced.

Mr. Guy Tadlock, a Destin resident, stated that occupancy data is important for this committee and the City of Destin to better understand the impact of short-term rentals.

Mr. Wampler stated that the Okaloosa County Clerk of Courts currently collects that information and provides a monthly report. The other data set he is able to obtain from the TDC could provide that information.

6. NEXT MEETING DATE: Tuesday, July 25, 2023, 10:00 AM

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 12:40 PM.

Marcie Bell, Vice-Chair

**MINUTES
SHORT TERM RENTAL
IMPACT COMMITTEE
JULY 25, 2023 – 10:00 AM
CITY HALL BOARDROOM**

1. CALL TO ORDER:

The Short-Term Rental Impact Committee met in regular session with the following members and City staff present:

2. ROLL CALL:

Members Present

Marcie Bell
Carrie Harbarger
Casey Gates Ward
Todd Buhr (via teleconference)

Staff Present

Rey Bailey, City Clerk
Troy Williams, Code Compliance Director
Steve O'Connor, Principal Planner
Darlene Lebold, Admin Asst, Code
William Morales, Code Officer
Kimberly Kopp, City Attorney

Members Absent

Denise Owens
Patti Brown
Ken Wampler

VISITORS

Capt. Jason Fulghum, District 3 Chief –
Okaloosa County Sheriff's Department
Darryl Shelton
Guy Tadlock
Alice Tadlock
Melissa Garza

Vice-Chair Marcie Bell announced that this meeting will serve as a workshop only and no official action will be taken as there are not enough members physically present to constitute a quorum.

APPROVAL OF MINUTES:

A. June 23, 2023

B. June 30, 2023

Approval of above meeting minutes moved to the next meeting.

3. NEW BUSINESS

A. Misdemeanor Charges – STR Code Violations

According to the City Attorney Kimberly Kopp, this committee has briefly discussed at a prior meeting whether they could under state law, and as a municipality, treat certain offenses as misdemeanors, which would be a fine of up to \$500, or up to 60 days in jail for the violators. She had invited Capt. Jason Fulghum of Okaloosa Sheriff's Department, to this meeting to get a law enforcement's perspective on what kinds of code violations could be classified as misdemeanors and being able to enforce those kinds of code provisions.

Capt. Fulghum noted that the Sheriff's Department enforces life safety regulations, and that any city code that could be tied to preservation of life will definitely be enforced. However, they could provide back up support to the city's code officers responding to a noise complaint to make sure they are safe.

Vice-Chair Marcie Bell asked whether trespass is enforced by the Sheriff's Department.

Capt. Fulghum replied affirmatively stating that it is state law, but they will first issue a warning for the initial violation.

Ms. Kopp asked whether arrests can be made if they change the code making excessive noise a misdemeanor.

Capt. Fulghum reiterated that they would only accompany the city's code officers when they respond to a noise complaint. He also stated that the city will be better served by increasing the fines considerably and holding the property owner accountable for the violation. With regards to the enforcement phase in the county code, the first offense is a written warning; the second offense is \$100 fine; the third offense is a \$350 fine; the fourth offense is a \$400 fine for a second-degree misdemeanor charge. He added that as a general policy, they would not conduct any arrests on any code violation that does not rise to the level of a life safety infraction; but they would be willing to take appropriate actions if there is any ongoing violation the code officers cannot solve.

Ms. Kopp asked whether the only way to enforce a misdemeanor charge in the city code is to obtain an arrest warrant.

According to Capt. Fulghum, there are cases where they can issue a Notice to Appear, but not if the person is not resident of Okaloosa County; and so, they have to obtain a warrant for short-term renters. But even if they are successful, chances are the individual will be gone by the time the warrant is signed by the judge. He added that the State Attorney's Office will not be willing to extradite people for this level of violation.

Ms. Kopp asked whether there is anything in the code they could classify as misdemeanor violation that could rise to the level of life safety from the code compliance perspective.

Code Compliance Director Troy Williams states they would need to conduct more research with regards to short-term rentals especially since the Land Development Code is currently being rewritten.

According to Capt. Fulghum, if the code compliance officers do not feel safe responding to a violation, they can contact the Sheriff's Department and a law enforcement officer will accompany them. The code compliance officer would still interact with the people and conduct the enforcement part while the Sheriff's deputy stands guard until the action is completed.

Ms. Kopp stated that judges do not usually want to fine a property manager who did not actually make the noise guilty of a misdemeanor. But they could probably write into the code that a certain number of noise complaints constitute a breach of the peace or disorderly conduct and then bring up misdemeanor charges on the property manager for failure to evict if they receive multiple noise complaints and fail to evict the tenant. She asked whether this would be enforceable.

According to Capt. Fulghum, they may not enforce it because currently they only enforce life safety infractions.

There were some suggestions to take away their short-term rental license to operate if they commit a certain number of violations.

Ms. Kopp stated that they could pull their permit so they could not operate. However, a lot of them will keep operating because the city's \$500 a day fine, which by state statute is the maximum amount they could impose, is nothing compared to what they make a day. There is also a process involved before they could impose the fine which could take some time. However, when they get to that point, the \$500 a day fine becomes a lien once it is reported. If they do not pay it after 90 days, the city could foreclose on their property.

B. Home Exchange Program

Ms. Kopp requests this item be placed on the next agenda so she could conduct more research on the subject.

C. Positive/Negative Impacts of Short-Term Rentals.

There were considerable discussions relating to what the committee members perceive as both positive and negative impacts of short-term rentals. The committee members, as well as some of the visitors to the meeting, compiled the following list of pros and cons which they agreed to discuss further at the next meeting.

City of Destin Resolution 23-04 – Section (Whereas) #12: the City Council desires to create a fact-finding committee for the purpose of describing actual and ongoing impacts from short-term rentals in residential areas located with the City of Destin.

STR Pros	STR Cons
1. Families can visit and not stay in a Hotel	1. Over Occupancy
2. Support of Local Businesses	2. Congested Traffic
3. Access to Entertainment	3. Limited Parking
	4. Extra Trash
	5. Sanitation Issues
	6. No Regard for Private Property
	7. Increased Insurance Costs for Destin Residents
	8. Increased Noise Pollution
	9. Impacts on Infrastructure
	10. ADA Compliance Issues
	11. Rouge Crowds affecting Traffic
	12. Increased Public Safety Issues
	13. Increased Beach Safety Issues
	14. Transient People/Not attracting Families
	15. Accidental Fire Concerns-Grilling on Balconies
	16. Owners that do not live here and own Numerous STRs
	17. Increased Risk to Residents due to Higher/Over Occupancy of STR
	18. Alcohol Related Incidents
	19. Fire Suppression Concerns if STR Over Occupied
	20. LSV use Increasing and Reckless

Ms. Bell noted that she brought copies of minutes and ordinances from previous two Short Term Rental Task Forces' meetings. There are some code provisions that are not being enforced. There were also recommendations from the Task Force that were not adopted by the council. She would like for this item to be placed on the agenda for discussion at their next meeting.

4. PUBLIC COMMENTS

Mr. Guy Tadlock, a Destin resident, stated that there should be a limit on the number of short-term rentals in the city; adding that some homeowners' associations do not allow more than two out-of-state short-term rental owners. They do not care about the neighborhood. All they care about is making money. They are seeing more and more out of state owners of multiple properties on Holiday Isle subdivisions. They have one right now that owns 9 properties, many of which are big houses with 5 or more bedrooms.

Ms. Bell stated that out-of-state owners have no ownership to this community.

The Land Use Attorney explained that there is a difference what the city can do and what homeowners' associations can do. There is a statutory preemption that affects the city that homeowners' associations do not have. For instance, the city cannot prohibit short-term rentals which is why establishing home rule is quite important.

Mr. Tadlock would also like to see the council adopt an ordinance to not allow a house to be remodeled to allow living below the base flood elevations. There is a house at Gulf Shore Drive that is being advertise that sleeps 24 people.

According to the Land Use Attorney, this matter is currently being heavily litigated with multiple lawsuits pending, and that they should not be discussing it at this time.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 11:40 AM.

Marcie Bell, Vice-Chair

Background

The explosive growth of short-term rental (STR) properties in the Destin Florida area prompted concerned residents in 2017 to engage with the City of Destin to protect single family residential neighborhoods from collateral impacts such as over occupancy, excessive noise, illegal parking, commercial activities, and illegal STR units that fail to register/pay required taxes. In response to the residents' request, the City of Destin established in November of 2017 a diverse Short Term Rental Task Force comprised (STRTF) comprised of both residents and businesses involved in the marketing/management of short-term rental properties in the Destin area.

It should be noted, Per Article 7 of the City of Destin Land Development Code passed on XXXX (need the date), short-term rentals were restricted to the following zones:

- Bay Resort Mixed Use (BRMU)
- Crystal Beach Resort (CBR)
- Calhoun Mixed Use (CMU)
- Gulf Resort Mixed Use (GRMU)
- Holiday Isle Mixed Use (HIMU)
- North Harbor Mixed Use (NHMU)
- Residential, Office, Institutional General Development (ROI-GD)
- Residential, Office, Institutional Tourist Development (ROI-TD)
- South Harbor Mixed Use (SHMU)
- Crystal Beach Neighborhood (CBN)
- Low Density Residential– Holiday Isle (LDR-HI)
- Medium Density Residential– Holiday Isle (MDR-HI)
- High Density Residential– Holiday Isle (HDR-HI)

On 01/03/2018 a pivotal public meeting was held with the Destin City Council to review and share the Short Term Rental Task Force (STRTF) recommendations. The key points and concerns discussed regarding short term rentals include:

- Occupancy limits - The task force debated and voted to recommend a maximum occupancy standard of 2 people per bedroom plus 2 additional people, not counting children under 14. This was opposed by some rental owners who felt it was too restrictive.
- Commercial activity - Illegal commercial activities like large weddings occurring at rental homes in residential areas was a concern. The city attorney advised these violate city codes. The task force discussed cracking down on properties advertising as wedding venues.
- Parking - Requiring parking spaces and maximum occupancy be posted on signs in front of rental properties was recommended.
- Enforcement - Having enough code enforcement, especially after hours, to monitor and cite violators was noted as an issue. Deputizing part-time staff was suggested.
- Safety - Older homes converted to short term rentals may not meet hotel safety standards. Inspections were proposed to catch illegal conversions of spaces.

- Registration - Requiring updated floor plans be submitted annually to compare against original plans was recommended to identify illegal build-outs.
- Advertising - False advertising about allowable activities was a concern. It was suggested violations occur if ads conflict with registered information.
- Insurance - Requiring short term rentals to add the city as an additional insured party was recommended.

Although not all recommendations were accepted by the Destin City Council, it did eventually approve the Short-Term Rental Ordinance No. 18-29-CC in 2019. In summary, the ordinance establishes clear occupancy restrictions for short term rentals in Destin based on bedrooms and parking, with options to maintain prior higher limits if legally established.

Below is a summary of the key rules and regulations covered in Destin City Ordinance No. 18-29-CC:

Occupancy Limits

- Maximum overnight occupancy is the lesser of: 2 people per bedroom plus 4 additional people, or a total of 24 people.
- Occupancy must be posted on a sign outside the rental property.
- Overnight limits cannot be exceeded from 10pm to 7am.

Registration and Reporting

- Short-term rentals must be registered annually and update occupancy limits.
- A local responsible party must be designated and available 24/7.
- Rentals must comply with all city codes and regulations.

Advertising

- All marketing must list the occupancy limits and maximum parking.
- Advertising occupancy higher than allowed is prima facie evidence of a violation.

Rental Agreements

- Must contain occupancy limit, number of vehicles allowed based on parking, notice to evacuate if ordered, and city regulations.

Grandfathering

- Option to apply for 5-year grandfathering of prior higher occupancy limits if verifiable proof is provided.
- False information can incur fines.
- Limits of 24 or less don't require grandfathering.

Enforcement

- The local responsible party and owner can be cited for violations.
- Penalties include fines and potential loss of rental registration.

In addition, the ordinance makes it clear that it is the rental agency and/or the homeowner's responsibility to inform all seasonal residents prior to occupancy of the single-family dwelling unit of applicable City of Destin ordinances concerning noise, vehicle parking, garbage, and common area usage.

While the new STR ordinance helped to combat the illegal STR units and the overcrowding of STR homes in single family residential neighborhoods, it is a constant battle to make renters aware of the rules and follow-up with timely code enforcement.

A second and third STR Task Force were established. The second one was established on 5/20/19 and chartered with making more recommendations were presented to the City Council on 12/2/2019 regarding additional ordinances for STR units; however, the recommendations were never put to a vote by the Destin City Council. The Third STR Task Force was convened in 2023 to assess the impacts of STR units and is current in process.

Rey Bailey

From: MB <marciebell1@aol.com>
Sent: Friday, September 1, 2023 11:55 AM
To: Rey Bailey; Kimberly Kopp
Subject: STR Impact Committee DRAFT STR Impacts Section (my assigned section)

[CAUTION: This email originated from outside of the City of Destin email system. DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

STR IMPACTS SECTION “DRAFT”

It is imperative for anyone reading this section of the report to understand completely that while we can all agree there are many economic benefits to ‘tourism’ in Destin, the overall detriment to the community as a whole, and most notably the residentially zoned areas of Destin far outweigh the benefits when it comes to the health, safety and quality of life of the very residents who call Destin, “Home.”

Definitions as defined by Merriam-Webster Dictionary:

Impact is a noun defined as : the force of impression of one thing on another : a significant or major effect

Note: impacts cause stress to residents and the community as a whole

Nuisance is a noun defined as : HARM, INJURY : one that is annoying, unpleasant, or obnoxious

***Note: a public nuisance is defined by the Oxford Language as “an act, condition, or thing that is illegal because it interferes with the rights of the public generally.”

Stress is a noun defined as : constraining force or influence: such as : a physical, chemical, or emotional factor that causes bodily or mental tension and may be a factor in disease causation : a state resulting from a stress especially : one of bodily or mental tension resulting from factors that tend to alter an existent equilibrium
Stress is also a verb (transitive) defined as : to subject to physical or psychological stress

Home is a noun defined as : one's place of **residence**

Residential is an adjective defined as
: used as a **residence** or by **residents** : restricted to or **occupied by residences**

Area is a noun defined as : a particular extent of space or surface or one **serving a special function**

Neighbor is a noun defined as : one **living** or located near another

Neighborhood is a noun defined as : a section **lived** in by neighbors and usually having distinguishing characteristics

Community is a noun defined as : a unified body of individuals such as : the people with common interests **living** in a particular area : a group of people with a common characteristic or interest **living** together within a larger society

Zoning is a noun defined as : the act or process of partitioning a city, town, or borough into zones **reserved** for different purposes (**such as residence** or business)

***Note: Quality of Life is defined by the Oxford Language as “the standard of health, comfort, and happiness experienced by an individual or group.”

Question:

How do Short Term Rentals impact residential areas located within the City of Destin?

Answer:

Below is a list of impacts, divided into 3 types, and in no particular order:

1. Direct, obvious and ongoing impacts to residential areas:

- Traffic congestion
- Limited parking
- Sanitation issues
- Noise
- Too many people in small areas
- Not true neighbors
- Residents do not know their rental neighbors, they only know the tag on the car
- Commercial activity in residential areas
- Uptick in crimes of opportunity
- Public nuisance

1. Not so obvious, yet detrimental impacts to residential areas:

- The wear and tear on common community property
- Absentee owners
- No onsite management
- No onsite check-in; to count heads in beds
- No drop in checks by management
- No sense of community
- Degradation of neighborhoods
- Increased public safety issues, such as...
- Gun and weapon incidents
- Domestic violence incidents
- Accidental fires caused by outdoor grills
- Alcohol related incidents
- Drug use and overdose incidents
- Trespassing on private property

3: Impacts not only to residential areas, but also to the community of the City of Destin as a whole:

- Increased home insurance costs
- Increased property taxes
- Wear and tear on public properties
- Increased use of unstable infrastructure
- Increased non-permitted construction, adding illegal bedrooms and bathrooms to increase occupancy; causing an overload to Destin’s building to keep up with violators and violations
- Increased demand on products residents depend on such as groceries, leaving residents few choices
- Increased beach safety issues
- Owners of STR properties are NOT invested in the community, such as our local schools and the community events that serve them

- Increased drug trafficking
- Increased human trafficking
- Loss of revenue for locally owned commercial event venues and hotels that also employ locals
- Money from STRs is funneled through TDC coffers, not returned to City that generated it, and not through city tax revenue streams
- Loss of the family vacation feel. Party atmosphere. Our residential areas feel more like Bourbon Street or Las Vegas, even on the local waterways
- Increased trash and garbage along roadways and waterways
- No regard for the protection of Destin's beaches and natural resources including Gulf Islands National Seashore and Crab Island.
- No regard for the protection of Destin's wildlife, many species that are endangered and protected by federal and state law. Note: the very reason they want to come here
- No regard for Florida State Statute, biking laws
- No regard for Florida State Statute, low speed vehicle laws
- No regard for local pet laws
- No regard for pedestrians and their safety
- No regard for State of Florida traffic laws
- Directly related to rising housing costs in residential neighborhoods ; Little to no inventory for affordable workforce housing and long-term rentals
- Illegal operations, not paying into anything local, county or state
- Minimal upkeep of the properties, interior/exterior including health and safety issues
- Wages for cleaning services have decreased and the workload has increased
- No requirement for fire suppression systems
- No requirement for ADA compliance
- Detrimental to local workforce in restaurants; many locally run establishments have recently closed
- Little to no enforcement of sex offender laws including no law requiring registration while in Destin
- Increased need for additional Code Compliance and law-enforcement with no means to pay for it.

The question at the end of the day, is if the number of Destin's homesteaded properties continues on its downward trend, then why would there be a need to be a incorporated City, when there will be no one left for Council members to represent that can vote?