

**AGENDA**  
**SHORT TERM RENTAL IMPACT COMMITTEE**  
**TUESDAY, OCTOBER 24, 2023**  
**10:00 AM**

- 1. CALL TO ORDER**
- 2. APPROVAL OF MINUTES**
  - A. October 10, 2023**
- 3. NEW BUSINESS**
  - A. City Council Report**
    - 1. Purpose Section**
    - 2. Background Section**
    - 3. Economic Benefit Section**
    - 4. Residential Impact Section**
    - 5. Conclusion Section**
- 4. PUBLIC COMMENTS**
- 5. NEXT MEETING DATE: Tuesday, November 7, 2023**
- 6. 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 MEETING  
OCTOBER 10, 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  
Casey Gates Ward  
Carrie Harbarger  
Todd Buhr  
Ken Wampler  
Patti Brown (via teleconference)

**Members Absent**

Denise Owens

**Staff Present**

Rey Bailey, City Clerk  
Troy Williams, Code Compliance Director  
Kimberly Kopp, City Attorney

**Visitors**

Councilmember Torey Geile  
Guy Tadlock – Resident  
Alice Tadlock – Resident  
Daryll Shelton - Resident

**3. APPROVAL OF MINUTES:**

A. September 26, 2023

**Minutes of September 26, 2023, were unanimously approved 5-0.**

**4. NEW BUSINESS**

A. Deliverable of Short-Term Rental Impact Committee – Final Report to Council

- Purpose Section
- Background Section
- Economic Benefit Section
- Residential Impacts Section

The City Clerk announced that no revisions to any of the above sections were received for the committee's review and discussion at this meeting.

## **OTHER BUSINESS**

There were some discussions as to how funds generated by the Code Compliance Department (i.e., STR registrations, citations, and livery registrations) are spent.

Code Compliance Director Troy Williams stated that through some mechanism some of the funding comes back to support the Code Compliance Department operations.

According to Committee member Todd Buhr, based on previous budget discussions, those funds go into the city's General Fund. There is a code compliance portion, and a portion that supports other city operations. He added that to varying degrees, none of the city's fee structures completely cover all their activities.

Vice Chair Marcie Bell noted that this is the type of data that they have not put into any portions of their council report. She continued that their draft report does not currently contain any hard data numbers which is part of their tasking for fact finding.

Mr. Buhr stated that while data is great, they are not necessarily required to come back with a bunch of tables and graphs. They can render an opinion or draw a reasonable conclusion from factual evidence or based on their perception or experience.

Committee member Casey Ward opined that it would really help to include hard numbers such as how many calls the Code Compliance Department and/or the Sheriff's Department are getting on a daily basis with regards to short-term rental complaints.

According to Ms. Bell, they do not necessarily have to fill in the report with tables and graphs. They could add statements based on the information they collected, such as "Fifty percent of the 1100 calls received by the Code Compliance Department and the Sheriff's Office during the past several months involved short-term rental properties."

Committee member Wampler commented that for the purposes of the city council, the data points are good relative to evaluating each person's perspective on the severity of the issue as it changes from person to person. They can determine how much is truly happening statistically. He added that they need to have a clear representation of both the pros and cons of short-term rentals.

Ms. Bell noted there are other impacts that are not measurable by data such as the things she mentioned earlier regarding lack of fire suppression system and ADA compliance.

Councilmember Geile opined that one very important element of the report is the population descriptive statistics for the City of Destin – the total number of residents, total number of homesteaded residents, and an estimated daily number of tourists – as this has financial impacts on the city. He recommends looking at the financial impacts on citizens both directly and indirectly. He added that the city council may forward findings of this committee to

state legislators, the Florida League of Cities, and other appropriate entities involved with state regulation and so it is very important for this committee to keep the council in mind as they write the report so that the council understand the committee's goal and the full intent of the report.

According to Mr. Buhr, any statistics they provide need to be measurable, quantifiable, and actionable. He stated that direct impacts are sometimes hard to measure and quantify with any degree of accuracy. But indirect impacts are even harder to measure as they are mostly based on gut feelings.

Councilmember Geile informed the committee that he called Representative Maney's office and explained to them that the Destin City Council established a Short-Term Rental Impacts Committee whose sole purpose is fact-finding. The committee will gather facts relating to the impacts of existing short-term rentals in residential areas within the city and provide a report setting forth such facts and findings to the city council. According to Councilmember Geile, he was provided with a point of contact to a couple of sub-committees that would be willing to provide some guidance relative to the committee's goals and the direction they want to go; but that it would be up to this committee to decide how they want to proceed with this information.

Ms. Bell recommends having a committee member and city staff member reach out to these entities together, and that she would be willing to represent the committee.

Ms. Bell also alluded to the Florida Keys Vacation Rental Investigative Report, a copy of which was previously provided to committee members. She stated that there is a particular section in the report called Situation Analysis that talks about Legal Vacation Rental Units and Illegal Vacation Rentals. There is also a section on Oversight and Enforcement. She asked whether the committee is interested in adding similar sections to the report, and if they could provide recommendations on how to incorporate them into the report.

Mr. Buhr stated that he cannot fully support the Economic Development Section as written. There are several direct impacts that seemed to be duplicative to indirect impacts to residents. He continued that simply providing a list of financial benefits that residents receive from the TDC solely because of short-term rental occupancy does not seem accurate as there are other sources of funding other than short-term rentals. He added that funding related items could be covered under a heading that says short-term rental contributed TDC funding which provide funding back to the community.

Mr. Wampler argues that the same thing can be said with the residential impacts. A lot of the problems already exist regardless of the presence of short-term rentals. The level of impact may change because of short-term rentals, but to represent that all the things that are negatively impacting the residents are associated directly or indirectly with short-term vacation rentals is not a fair assessment. He added that the evidence cannot be just once perspective. It has to be accompanied by facts or data points.

Ms. Bell read the following portions of the resolution that established the committee:

*“WHEREAS the presence of short- term vacation rentals in established residential neighborhoods can create compatibility impacts, among which may include, but are not limited to excessive noise, on- street parking, accumulation of trash, and diminished public safety.*

*WHEREAS some short-term vacation rental owners have now begun advertising their single and multi- family residential properties as destinations for events such as weddings, reunions, and other celebrations that attract large crowds in residential neighborhoods creating noise, traffic, and parking problems.*

*WHEREAS the City seeks to balance respect for private property rights and incompatibility concerns between the investors/ short-term vacation rentals and families/ permanent single and multi-family residences in established residential neighborhoods through the use of reasonable development standards.*

*WHEREAS 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 within the City of Destin.”*

She stated that these are the obvious impacts they have been talking about over and over, and that her objective when she decided to join the committee was to present the not so obvious impacts. Those that are not quantifiable but negatively affect the lives of residents.

Councilmember Geile explained that the only reason he asked the council to initiate the committee was due to citizen outcry. His own intent is to give the citizens a voice. The idea was to get some volunteers from different parts of the community to find a way to address this issue. He had no preconceived notion on how the facts will be presented. It will be up to this committee as to how they want to approach it.

Mr. Wampler stated that to be fair, they should either revise their particular section based on suggestions from others or leave things as they are. In any event, he still intends to revise his section by adding a caveat that not all the citizens enjoy the listed economic benefits, which is similar to the fact that not all items listed in the residential impacts section are created by short-term rental occupancy as previously discussed. He will also clarify the percentage of funding the TDC receives from short-term rentals.

Ms. Bell agreed to leaving their sections as they are at this time, but with Mr. Wampler to include the disclaimer that he talked about.

There was a consensus to obtain the following information in preparation for the next meeting:

- Population Descriptive Statistics (Total number of residents, total number of homesteaded residents, estimated number of tourists in Destin daily per Councilmember Geiles recommendation
- Get in contact with members of the sub-committees that would be willing to provide some guidance relative to the committee’s goals and the direction they want to go; as provided by Representative Many’s office.

- The amount of money generated by the Code Compliance Department (STR registration, livery registrations, citations, etc.) and how they are spent.
- Include a Data Analysis Section in the report to which to place data points that are collected.

### **PUBLIC COMMENTS:**

Mr. Guy Tadlock commented that after living in a neighborhood with a lot of short-term rentals for over 20 years, he is quite confident in saying that the quality of guests that are coming to Destin is continuing to deteriorate over the years. He also mentioned that he received information from the Okaloosa County Property Appraiser on the total number of homesteaded residents in Destin the past 20 years. The homesteaded residents in 2023 comprise of only about 25% of the total number of residents.

Ms. Alice Tadlock recommends adding under residential impacts that the number of full-time residents in short-term rental neighborhoods are shrinking.

Mr. Buhr stated that though he agrees with that observation, he does not believe declining demographics is technically a direct impact of short-term rentals unlike trash, parking, and noise.

Mrs. Tadlock argues that residents are choosing to leave because short-term rentals are diminishing their quality of life.

### **ADJOURNMENT**

Having no further business at this time, the meeting was adjourned at 11:35 AM.

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**Marcie Bell, Vice-Chair**

## DRAFT PURPOSE OF SHORT-TERM RENTAL IMPACT COMMITTEE

AUGUST 29, 2023

On March 6, 2023, the City Council passed Resolution 23-04, which established the Short Term Rental Impacts Committee (“**Committee**”), whose sole purpose is fact-finding. Specifically, Resolution 23-04 expressly states that the “Committee will gather facts relating to the impacts of existing short-term rentals in residential areas within the City of Destin, and provide a report setting forth such facts and findings to the City Council (“**Report**”). This Committee shall not be responsible for making recommendations to the City Council with respect to additional or modified City regulations. However, upon completion of the Report, the City Council may forward findings of the Committee to legislators of the State of Florida, the Florida League of Cities, and/or other appropriate entities involved with State regulation.”

Additionally, as a basis for this fact-finding mission, the resolution set forth several legislative findings. While the City Council recognizes that short-term rentals provide significant positive economic impacts, there is also a significant downside to the local residents. This is largely because a short-term rental often resembles a hotel or motel more than a typical single family home. The City Council recognized the following:

- A home is typically the largest investment a family will make in their lifetime, with the home held sacred in popular culture as the heart and the center of the family unit.
- Local governments apply design standards tailored for residential neighborhoods for their roads, driveways, parking areas, emergency services planning, public shelters, emergency evacuation plans, solid waste collection, utilities, buffers, and are also tailored in assessing their infrastructure impacts.
- Traditional lodging establishments (hotels, motels and bed and breakfasts) are restricted to non-residentially zoned areas where more intense uses are separated from less busy and quieter residential uses.
- The presence of short-term vacation rentals in established residential neighborhoods can create compatibility impacts, among which may include, but are not limited to, excessive noise, on-street parking, accumulation of trash, and diminished public safety.
- Some short-term vacation rental owners will make investments in upgrading building safety measures of their rental properties whereas other owners will not make such investments.
- Over the past several years, short-term vacation rentals have increased in popularity and it is estimated that there are over 600 short term rentals in the City of Destin, as advertised on various websites.
- Some short-term vacation rental owners have now begun advertising their single and multi-family residential properties as destinations for events such as weddings, reunions, and

other celebrations that attract large crowds in residential neighborhoods creating noise, traffic, and parking problems.

- The City of Destin promotes tourism, including appreciation and enjoyment of the City's abundant preserved natural areas, pristine beaches, and walking and bicycling paths that make the City of Destin unique among Florida's coastal municipalities.
- Many local jurisdictions in the State of Florida including the City of Destin, and other local governments across the nation, have standards in place to minimize the impacts caused by short-term vacation rentals.
- The City desires to encourage short-term vacation rentals that are safe, fit in with the character of the neighborhood, provide positive impacts for tourism, increase property values, and achieve greater neighborhood compatibility.
- The City seeks to balance respect for private property rights and incompatibility concerns between the investors/short-term vacation rentals and families/permanent single and multi-family residences in established residential neighborhoods through the use of reasonable development standards.
- 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 within the City of Destin;

## 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 STR Task Force was established on 5/20/19 and chartered with making more recommendations that 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. A third STR committee was convened in 2023 to assess the impacts of STR units and is currently in process.

## **DRAFT ECONOMIC BENEFITS OF SHORT TERM RENTAL IMPACT OCT 2023**

On March 6, 2023, the City Council passed Resolution 23-04, which established the Short Term Rental Impacts Committee (“**Committee**”), whose sole purpose is fact-finding. Specifically, Resolution 23-04 expressly states that the “Committee will gather facts relating to the impacts of existing short-term rentals in residential areas within the City of Destin, and provide a report setting forth such facts and findings to the City Council (“**Report**”).

The Committee recognized the following pros to the community from Short Term Rental Occupancy but that not all the citizens enjoys these benefits just like not all the items listed in the Residential impacts section are created by Short Term Rental Occupancy:

The tourist development district (TDC) imposes an occupancy tax of six percent (6%) on all short term stays at: Hotels, Motels, Resort, Vacation Rentals and Campsites. This tax is not imposed on any local resident or other business in the district and the use of the funds is governed by the state guidelines for permissible uses.

### **Direct benefits for local residents (TDC provides funding for the following that may or may not cover 100% of the cost to provide the specific service:**

- Provides a critical positive impact for local businesses that would not otherwise be financial viable.
- Provides for employment of local residents in the lodging, hospitality and food beverage industry.
- Generates sales tax back to the municipality.
- One of the top two economic businesses in the area.
- Provides for increased real estate values (residential and business).
- Provides for additional ad valorem and property taxes.
- Provides for access to expanded entertainment for the locals.
- Provides for funding for beach front property acquisition.
- Provides for funding of beach access points.
- Provides much needed funding for beach renourishment restoration.
- Provides funding for waterway dredging needs.
- Provides funding for beach cleaning.
- Provides funding for lifeguards along the City beaches
- Provides funding for Sea Turtle nesting survey/monitoring.
- Provides funding for preservation and protection of natural resources.
- Provides funding for local law enforcement services within the City.
- Provides funding for critical artificial reef program to sustain and improve the fishing fleet.
- Allows for families to visit the area all staying in one home or condominium versus multiple hotel rooms.

- Provided funding for June Decker Park construction.
- Provides funding for city park maintenance.
- Provides funding for local History & Fishing Museum.
- Provides funding for Festivals and Fishing Rodeos.
- Provides funding for the Harbor CRA.
- Provides funding for Crab Island Corridor.
- Provides funding for the Chamber of Commerce.
- Provides funding for local event advertising.
- Provides the City with funding through the Short-term registration process for code enforcement.
- Provides funding for roadway improvements (Cross Town Connector, Highway 98 expansion).
- Provides a means by which individuals can afford a retirement home in advance of retiring to the area.

#### In-direct benefits to local residents

- Increased convenient and expanded variety of shopping, dining and entertainment options (Whole Foods, Fresh Market, Cracker Barrel, Multiple Grocery Stores (Typical Area with the full-time resident base as Destin, would not have the quantity or variety of options))
- STR owners pay more in property taxes since they are not able to file homestead
- Off-sets the cost for City Code Enforcement expenses for local residences and businesses
- Subsidizes the cost for lifeguards expenses for local residents
- Subsidizes the cost for beach renourishment so the local residents do not have to bear 100% of the cost.
- Subsidizes the cost of public safety.
- Increased demand for service industry workers (Cleaners, Handyman, pool cleaning, landscape maintenance, guest services, property managers, inspectors) therefore the hospitality working residents and paid higher wages.
- Frequent home/condominium fixture and furnishings upgrades that equates to more income for businesses the provide those services.
- Frequent in home/condominium upgrades/renovations that equates to more businesses that provide interior renovation/reconstruction services.
- Higher demand for tradesmen (HVAC, Electrical, Plumbing) which allows for more options on an annual basis.

The question is how can the community work together to address problems caused and created by all those who live, work or visit this beautiful area. There will always be the need for code enforcement, infrastructure improvements, public safety, beach renourishment, and businesses, so how can we improve the experience for all without significantly increasing property taxes.

## Rey Bailey

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**To:** Kimberly Kopp; Troy Williams; Noell Bell  
**Cc:** Torey Geile; Brian Davis; Darlene Lebold; William Morales  
**Subject:** RE: STR Impact Committee - City Council Report

**From:** MB <[marciebell1@aol.com](mailto:marciebell1@aol.com)>  
**Sent:** Monday, October 23, 2023 3:41 PM  
**To:** Rey Bailey <[rbailey@cityofdestin.com](mailto:rbailey@cityofdestin.com)>  
**Cc:** Kimberly Kopp <[kkopp@romanokopplaw.com](mailto:kkopp@romanokopplaw.com)>; Troy Williams <[twilliams@cityofdestin.com](mailto:twilliams@cityofdestin.com)>; Torey Geile <[tgeile@cityofdestin.com](mailto:tgeile@cityofdestin.com)>  
**Subject:** Re: STR Impact Committee - City Council Report

I present to you, my assigned Section of the Report, for review by my fellow Committee members before tomorrow's scheduled meeting.

### IMPACTS - Draft #2

It is imperative for anyone reading this section of the committee's report to understand completely, the Committee agreed there are economic benefits to 'tourism' in Destin. However, the overall consensus is the detriment to Destin's residentially zoned areas as a whole, most notably to the permanent full-time residents, outweigh the economic benefits when it comes to ***the health, safety and Quality of Life for the very citizens who call Destin, "Home."***

In a nutshell, Short Term Rentals located in both single family (attached and detached) and multi-family residential zoned areas of the City of Destin directly cause negative impacts to the health and safety of both the residents and the tourists, but most notably to the QUALITY OF LIFE of local permanent residents who live in the residential areas of the city. Quality of Life is defined by the Oxford Language as "the standard of health, comfort, and happiness experienced by an individual or group."

### 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 can cause stress to residents, residential areas 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***

Resident is an adjective defined as : (a) ***living in a place*** for some length of time : (b) serving in a ***regular or full-time capacity*** : not migratory

Resident is also a noun defined as : one who ***resides in a place***

Residence is a noun defined as : (a) the act or fact of dwelling in a place for some time : (b) the **act or fact of living or regularly staying at or in some place** for the discharge of a duty or the enjoyment of a benefit : (c) a **building used as a home**

Dwelling is a noun defined as : a shelter (such as a house) in **which people live**

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 **servicing 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)

Quality of Life is a noun phrase defined as: the degree to which a person or group is healthy, comfortable, and able to enjoy the activities of daily living

### **The Question:**

What are the impacts of short-term rentals on (permanent) residents in residential areas (located within the City of Destin)?

### **Answer:**

Below is a list of those impacts, divided into 4 types, and in no particular order:

#### **A. Direct, obvious and continuing impacts to (permanent) residents/residential areas:**

1. Traffic congestion
2. Limited parking
3. Sanitation issues
4. Noise
5. Too many people in small areas aka over-occupancy
6. Not true neighbors, as defined above
7. Residents do not know the rental neighbors as defined above, they only know the tag on the car, IF the car is not a rental, or IF the occupants did not arrive via UBER from the airport
8. Commercial activity in residential areas
9. Uptick in crimes of opportunity
10. Public nuisance, as defined above

#### **B. Not so obvious, but both direct and indirect impacts to (permanent) residents/ residential areas of the City of Destin:**

1. Wear and tear on common community property in residential areas
2. STRs have absentee owners in residential areas
3. No on-site management for STR properties in residential areas, such as those at hotels/motels, resorts and condominium complexes
4. No onsite check-in, such as those at commercial entities (hotels/motels, resorts and condominiums) to count heads in beds/occupancy in STRs in residential areas

5. No drop-in checks by owners or property management companies of STRs in residential areas
6. No longer a sense of community in residential neighborhoods
7. Degradation of true residential neighborhoods
8. Increased public safety issues in residential areas, as documented by OCSO and Code Compliance, such as...

- a. Gun and weapon incidents
- b. Suicide incidents
- c. Domestic violence incidents
- d. Accidental fires caused by outdoor grill incidents
- e. Alcohol related incidents
- f. Drug use and overdose incidents
- g. Trespassing on permanent residents' private property incidents

C. Impacts that are on a larger scale of concern for the safety of both residents and vacationers alike in residential areas:

1. No requirement for fire suppression systems in STRs in residential areas
2. No requirement for pool/hot tub safety systems in STRs in residential areas
3. No requirement for ADA compliance in STRs in residential areas
4. No requirement for enforcement of sex offender registration in STRs in residential areas
5. Increased home insurance costs due to safety incidents in STRs in residential areas
6. Increased property taxes come with increased property values, not always beneficial to the working class and retirees on fixed incomes in residential areas
7. Wear and tear on public properties located in residential areas
8. Increased use of unstable, locally funded, infrastructure in residential areas
9. Increase in non-permitted construction in residential areas, such as adding illegal bedrooms and bathrooms to increase occupancy; causing an overload on residential infrastructure and to both Destin's code compliance and building departments to keep up with violators/violations
10. Increased beach safety issues in residential areas. There is no regard for established safety flag systems.
11. No investment in the community, by owners/vacationers of STR properties in residential areas, such as our local schools and community events that serve them
12. Increased drug trafficking in residential areas
13. Increased human trafficking in residential areas

D. Overall impacts to the community as a whole, not just attributed to short term rentals in residential areas of the City of Destin:

1. Loss of revenue for locally owned commercial event venues and hotels.
2. Money from TDC 6% bed tax collection is funneled through Okaloosa County coffers, and 100% of bed tax revenue is not returned to City of Destin, the municipality that generated it. And, there are no other city tax revenue streams to offset 100,000+ vacationers/week in a small 13,000+ population city like Destin.
3. Party atmosphere. There has been a loss of the family vacation feel across the city. The City of Destin and the residential zoned areas feel more like Bourbon Street or Las Vegas, even on the local waterways, such as bayous, canals, and the Destin Harbor.
4. Increased trash and garbage along roadways and waterways, including residential areas.
5. Disregard in the protection of Destin's parks, beaches and natural resources, including all those located in residential areas.
6. Disregard for the protection of Destin's wildlife, many species that are endangered and protected by federal and state law, including those in residential areas.
7. Disregard for local and Florida State Statute sidewalk laws, including Destin's residential areas.
8. Disregard for Florida State Statute, biking laws, including Destin's residential areas.
9. Disregard for Florida State Statute, low speed vehicle laws, including Destin's residential areas.
10. Disregard for local pet laws, including Destin's residential areas.
11. Disregard for local parking laws, including Destin's residential areas.
12. Disregard for pedestrians and their safety, including Destin's residential areas.

13. Disregard for Florida State Statute traffic laws, including Destin's residential areas.
14. Directly related to rising housing costs in residential zoned neighborhoods; creating little to no inventory for affordable workforce housing and long-term rentals in residential areas.
15. Illegal operations of STRs, means they are registered and not paying local, county and/or state regulatory fees.
16. Minimal upkeep of STR properties in residential areas, interior/exterior including health and safety issues such as black mold issues, as reported to Destin city staff.
17. Increased need for additional Code Compliance and law-enforcement, most notably in residential areas without the means to pay for services.

At the end of the day, QUALITY OF LIFE may be considered subjective. However, it is how the permanent year-round residents of Destin, who live in residential zoned areas, measure their overall well-being. The compiled data shows, time and time again, over the course of the past 5 years, the impacts to permanent residents' QUALITY OF LIFE, has been exponentially negatively impacted over the same time period.

## CONCLUSION

In accordance with the parameters set out in Destin City Council Resolution 2023-04 and subsequently modified by Destin City Council Resolution 2023-24, the Short Term Rental Impacts Committee (“Committee”) met a number of times over the past several months to conduct fact-finding and discuss the many ways that short term rentals have impacted the City of Destin in the past and continue to impact the City of Destin today.

As outlined in the previous sections of this report, the issue of short term rentals and their impact on the community and its residents is a complex topic. The economic impact to the area that comes from tourism in general is certainly significant and as the short term vacation rental industry continues to grow, its contribution to the local economy grows as well. This growth of the short term vacation rental industry has also introduced a number of issues and challenges for the City of Destin and its residents. From the increase in excessive noise complaints, trash accumulation, and parking violations to concerning public safety incidents, the end result has been a diminished Quality of Life for Destin’s residents.

Through our many discussions both internally and with external entities (i.e. – city staff, other residents, etc), the Committee collected and shared facts and information about short term rentals and residential experiences and then discussed and shared a variety of observations, opinions, and perspectives. We found consensus and unanimous agreement on a number of topics. Conversely, there were also some areas that the members of the Committee could not coalesce around a unified position due to both the complex nature of the topic(s) as well as the varied experiences and background of the individual committee members.

In addition to the facts presented in the previous sections of this report, the Committee submits these findings to the Destin City Council for consideration.

**Finding #1. The continued increase in short term rentals has had a dramatic impact on the availability affordable housing in Destin.** The conversion of residential housing into short term rentals has reduced the availability of affordable housing for residents and workers in the tourism industry. The removal of homes from the available supply for long term residents has also resulted in an upward pressure on the cost of the remaining homes for rent and for sale which increases the difficulty in finding and retaining workers that can afford to pay the increased housing costs.

**Finding #2. There are multiple opportunities within the City of Destin’s control to improve management of short term rentals.** While the City of Destin has worked diligently to manage the evolving issue of short term rentals since the first task force was organized in 2017, the committee’s fact finding identified that there appear to be opportunities for continued improvement in the management of short term rentals that are within the city’s control and do not require coordination with any outside entities. This would include:

- *Improved compliance with existing ordinances and codes.* The Committee discussed numerous examples and observations of areas and times that short term rental properties and/or their occupants were less than fully compliant with Destin’s existing codes and ordinances. Whether these observed non-compliances were caused by varied guidance during changes in leadership within the city staff, constrained resources for Code Compliance, or due to other reasons, less than full compliance to existing codes exacerbates an already difficult situation and presents an unfair playing field for the short term rental properties that are in full compliance. Increased emphasis on full compliance by all short term rental properties has the potential to mitigate some of the negative impacts to residents in residential neighborhoods.
- *Future update to the existing Short Term Rental Ordinance(s).* In compliance with our establishing documents, this Committee has not rendered recommendations in this report to the City Council with respect to any City regulation. As the Committee researched the issue of short term rentals across the state during our fact finding phase, it did come to our attention that a number of regulating bodies for short term rentals in Florida have updated and/or evolved their short term rental ordinances since the last short term rental ordinance update was passed in Destin. It appears to the Committee that the City of Destin could benefit from incorporating some of the more recent best practices from around the State of Florida into the next update of Destin’s Short Term Rental Ordinance.

**Finding #3. Current legislative restraints within the State of Florida are limiting the city’s ability to manage short term rentals which has negatively impacted Quality of Life for Destin’s residents.** The Committee had numerous discussions that centered around the complex topic of property rights for both owners of short term rental properties as well as property owners that are year-round Destin residents. We strongly assert that all property owners are entitled to ‘Peaceful Enjoyment’ and that governing bodies at all levels should provide a balanced framework that allows each property owner to responsibly utilize their property without unduly impacting surrounding property owners or the community. The Committee finds that the increased proliferation of high occupancy short term rental units within Residential zoning districts has created a situation where the ‘Peaceful Enjoyment’ equation is significantly out of balance and that this has contributed to a meaningful degradation in the Quality of Life for Destin residents. To assist in providing a framework that provides a more balanced ‘Peaceful Enjoyment’ for all property owners, the Committee recommends that the Destin City Council engage with the legislators of the State of Florida and/or the Florida League of Cities to affect positive change in the following areas:

- *Updated definition of a Single Family Home.* According to the U.S. Census Bureau in 2022, the average family consisted of 3.13 persons with state averages ranging from 2.85 to 3.61 members respectively. While acknowledging there are many families in the U.S. larger than the stated averages and that Florida draws tourists from across the country, homes built for short term rentals with 10 or more bedrooms and occupancies of 15, 20, or even 25+ are

not marketing to one single family. These houses are often occupied by multiple families or large groups of individuals who pool their resources for a rental. This density and usage has characteristics that are in many ways more consistent with a Hotel/Motel in a Commercial or Resort zoning district rather than a single family home in a residentially zoned neighborhood. Commercial activities (weddings, motels, etc) are not currently allowed in areas zoned Residential for well established reasons. Therefore, the Committee recommends limiting the definition of a Single Family Home for residential purposes to an occupancy of no more than 12 people.

- *Increased Home Rule authorities for cities with populations of less than 30,000.* As the Committee researched the issue of short term rentals across the state during our fact finding phase, it also became clear that creating one overarching standard for a state like Florida is a monumental challenge. Any particular issue we face here in Destin may also be faced in other cities across the state such as Orlando, Miami, or Key West. The challenge is that the underlying conditions and potential solutions may be very different in each of those areas. Additionally, small towns like Destin do not have the same resources or staff that large cities such as Orlando and Miami have to manage short term rental issues as they evolve. As a matter of practicality, one size fits all approaches need to provide effectivity for the masses, so these solutions tend to be crafted with large population centers in mind which can make things more difficult for smaller cities that have both limited resources and more nuanced and micro problems they are dealing with. The more we researched the issue, the more it became apparent that small towns like Destin would benefit greatly from an expanded ability to create tailored solutions for local issues. Therefore, the Committee recommends that the Destin City Council advocate for the creation an expanded set of 'Home Rule' authorities in the area of short term rental management for cities in the State of Florida with populations of less than 30,000 residents.