

**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 been 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 if \$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

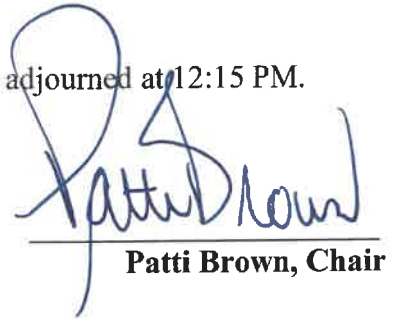
Mr. Darryl Shelton stated with regards to the short-term rental signs, it would be very easy for code enforcement personnel to dial the number listed on those signs and see if they get an answer from a responsible party. He also agrees with Ms. Bell's statement that a lot of the short-term rental owners 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.



Patti Brown, 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