

**MINUTES
SHORT TERM RENTAL
IMPACT COMMITTEE MEETING
OCTOBER 24, 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
Todd Buhr
Patti Brown

Members Absent

Denise Owens
Carrie Harbarger
Ken Wampler

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
Fay Culberson – Resident

APPROVAL OF MINUTES:

A. September 26, 2023

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

3. NEW BUSINESS

Committee member Marcie Bell read Resolution 23-04 – *Establishment of the Short-Term Rental Impact Committee* – by title for the record:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, ESTABLISHING THE SHORT-TERM RENTAL IMPACT COMMITTEE, WHICH SHALL BE SUBJECT TO THE SUNSHINE LAW; AUTHORIZING THE COMMITTEE TO DESCRIBE THE IMPACTS OF SHORT-TERM RENTALS ON RESIDENTS IN RESIDENTIAL AREAS; PROVIDING FOR SUNSET; AND PROVIDING FOR AN EFFECTIVE DATE.

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

The committee reviewed each of the following draft sections of the draft final report to council.

.....

1. Purpose Section – Prepared by City Attorney Kimberly Kopp

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;

DISCUSSION:

Committee member Todd Buhr moved for approval of the Purpose Section of the committee's final report to the city council, as presented, seconded by Committee member Patti Brown.

Ms. Bell reemphasized the following statement on the second paragraph of the above document: *"While the city council recognizes that short-term rentals provide positive economic impacts, there is also a significant down-side to the local residents"* for the record.

Motion passed 4-0.



2. Background Section – Prepared by Committee member Patti Brown

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.

DISCUSSION:

Ms. Brown pointed out that the passage date of Article 7 of the LDC restricting short-term rentals in certain districts is required in paragraph 2 of the above document.

The City Attorney explained that Article 7 is a massive part of the code, and that every section has a different effective date.

After a brief discussion, the committee agreed to reword the paragraph to read: *“It should be noted that prior to 2011 state legislature and continuing through today, Article 7 of the City of Destin Land Development Code restricts short-term rentals to the following zoning districts:”* The committee also agreed that *“Calhoun Mixed Use (CMU)”* should be deleted from the list.

The committee also agreed to delete the last sentence, *“A third STR committee was convened in 2023 to assess the impacts of STR units and is currently in progress”* entirely from this section as the background section should only pertain to events that happened prior to the formation of this committee.

Motion by Committee member Brown, seconded by Committee member Ward, to approve the Background Section of the report, as amended, passed 4-0.



3. Economic Benefit Section – Prepared by Committee member Ken Wampler

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.

DISCUSSION:

Ms. Bell noted that after reviewing this section, she does not feel this section of the report matches the purpose of the resolution as she read it earlier. She also does not think the information presented is supported by data that they received.

Ms. Brown stated that the way this section is presented seems to indicate that the city will collapse if not for short-term rentals.

Ms. Bell pointed out that the data that was previously requested and presented to the committee was regarding TDC funds. But the money taken from Destin is not equally spent in Destin. Florida Statute dictates how the money collected is to be distributed. She added that the list is not just about Destin but about Okaloosa County as a whole.

Mr. Darryl Shelton, a Destin resident, noted that the list also included Crab Island, which is not part of Destin.

Mr. Buhr recommends modifying the titles of sections 2 and 3 as follows:

- Renaming Section 2 to read: “*Background – History of Destin’s STR Regulations.*”
- Renaming this section (Section 3) to read: “*Background – Economic Benefits of Tourism.*”

There were no objections to Mr. Buhr’s recommendation.

Ms. Bell recommends adding language in this section acknowledging the state statute that governs the TDC’s distribution of funds following the statement, “*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 Campsite.*”

The City Attorney will insert that language and the statutory section in paragraph 3 of this section.

There were some discussions relative to the following heading: “*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:*”

Ms. Bell suggests making it absolutely clear that TDC only provides partial funding for the list of things that follow this heading.

There was also a suggestion to replace “Direct benefits...” to “Tourism benefits” and making it clear that the benefits are not just for the City of Destin residents but also for Okaloosa County residents.

The committee agreed to Mr. Buhr’s recommendation to change the heading to read, “*Tourism benefits for Destin and/or Okaloosa County residents (TDC provides partial funding to Destin and/or Okaloosa County residents for the following):*”

In the bulletized list of items on page two of the section, Ms. Bell recommends changing the language, “*Provides funding for the Chamber of Commerce*” to “*Provides funding for the local Chambers of Commerce*” as the TDC also provides funding for the Fort Walton Beach Chamber of Commerce.

The committee agreed to Mr. Buhr’s recommendation to change the heading on page two of the section from “*In-direct benefit to local residents*” to read, “*Indirect tourism benefits for Destin and/or Okaloosa County residents:*”

Ms. Alice Tadlock recommends further change to the heading by inserting the word “some” to read, “*Indirect tourism benefits for some Destin and/or Okaloosa County residents:*” stating that not all citizens benefit from short-term rentals.

After a brief discussion, the committee agreed that the heading, as amended, is sufficient.

The committee also agreed to delete the second paragraph in this section that reads, “*The Committee recognized the following pros to the community from Short-Term Rental Occupancy but that not all the citizens enjoy these benefits just like not all the items listed in the Residential impacts section are created by Short Term Rental Occupancy:*”

At this time, Ms. Bell detailed the proposed amendments to this section as follows:

- Renaming this section (Section 3) to read: “*Background – Economic Benefits of Tourism.*”
- Adding language and the statutory section acknowledging the state statutes that govern the TDC’s distribution of funds following the statement, “*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 Campsite*”
- Replace the heading “*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:*” with “*Tourism benefits for Destin and/or Okaloosa County residents (TDC provides partial funding to Destin and/or Okaloosa County residents for the following):*”
- Reword the bulletized item on page 2 of the section from “*Provides funding for the Chamber of Commerce*” to read “*Provides funding for the local Chambers of Commerce.*”
- Replace the heading “*In-direct benefit to local residents*” on page two of the section with “*Indirect tourism benefits for Destin and/or Okaloosa County residents:*”
- Strike the second paragraph in this section that reads, “*The Committee recognized the following pros to the community from Short-Term Rental Occupancy but that not all the citizens enjoy these benefits just like not all the items listed in the Residential impacts section are created by Short Term Rental Occupancy:*”

The motion by Committee member Buhr, seconded by Committee Brown, to approve all the above amendments to this section passed 4-0.

.....

4. Residential Impacts Section – Prepared by Committee member Marcie Bell.

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 *servng 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 AC 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.

DISCUSSION:

At this time, Ms. Bell read the following statement in the email from Mr. Wampler who was not present at this meeting: *"I do not agree with a number of statements made in Mrs. Bell's section, specifically her statement that we all agree that the negative impact on all permanent residents outweighs the economic benefit of short-term rentals. I do agree that there are issues with some/a few short-term rentals in residential areas that must be individually addressed, but not as a blanket statement, which the committee has repeatedly agreed to. Since there are many other items in her revision that I disagree with, I will not list them here but ask this not be submitted as is."*

There were some discussions relative to the initial paragraph of this section on whether the phrase *"the overall consensus"* implies a majority. After a brief discussion, it was decided to replace that phrase with *"the majority of the committee."*

The committee agreed to reword the paragraph to read *“It is imperative for anyone reading this section of the Report to understand completely, the Committee agreed there are economic benefits to ‘tourism’ in Destin. However, the majority of the committee agree that 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.”

Committee member Buhr moved to approve this section, as amended, seconded by Committee member Brown. Motion passed 4-0.



5. Conclusion Section – Prepared by Committee member Todd Buhr

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 of 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 created 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.

DISCUSSION:

Motion by Committee member Ward, seconded by Committee member Brown, to approve the Conclusion section, as submitted, passed 4-0.

.....

Following a brief discussion among the committee members, Councilmember Buhr moved to include the following sections and titles to the final report to the council as follows:

- 1. Section 1: Purpose**
- 2. Section 2: Background — History of Destin’s Short-Term Rental Regulation**
- 3. Section 3: Background — Economic Benefits of Tourism**
- 4. Section 4: Impacts of Short-Term Rentals to Residents and Residential Areas**
- 5. Section 5: Conclusion**
- 6. Section 6: Appendix: Supporting Documents**

Motion was seconded by Committee member Ward and passed 4-0.

It was the consensus of the committee to allow the City Attorney to incorporate all the amendments that have been agreed upon by the committee into a proposed final report to the council.

6. NEXT MEETING DATE: Tuesday, November 7, 2023

ADJOURNMENT

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



Marcie Bell, Vice-Chair