

**MINUTES
SHORT TERM RENTAL
IMPACT COMMITTEE
AUGUST 8, 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
Ken Wampler
Todd Buhr (teleconferencing)
Patti Brown (teleconferencing)

Staff Present

Rey Bailey, City Clerk
Troy Williams, Code Compliance Director
Brian Davis, Code Compliance Deputy Director
Darlene Lebold, Code Administrative Assistant
Steve O'Connor, Principal Planner
Kimberly Kopp, City Attorney

Members Absent

Casey Gates Ward
Denise Owens
Carrie Harbarger

VISITORS

Torey Geile, Councilmember
Alice Tadlock, Resident
Guy Tadlock, Resident

The City Attorney announced this meeting will be converted into a workshop since they do not have enough members that are physically present.

3. APPROVAL OF MINUTES:

- A. June 23, 2023**
- B. June 30, 2023**
- C. July 14, 2023**

4. NEW BUSINESS

- A. Key Data from January 2018 – June 2023 Short-Term Rental Annual Revenue and Occupancy.

Mr. Ken Wampler presented the short-term rental revenue and occupancy data from 2018-2022. He noted that in 2018, the occupancy was around 60%, and the revenue was slightly over \$4 million. In 2019, revenue increased but occupancy remained the same. In 2020, the occupancy stayed the same again, but revenue decreased for obvious reasons. But, in 2021 and 2022, the occupancy grew slightly, but revenue grew significantly. They consider both 2021 and 2022 as anomalies, and 2023 as more normalized where occupancy decreased significantly but revenue still exceeded 2018. He added they are accomplishing the goal, less people spending more money, even though the 2023 statistics are only through July 28th. He will be glad to provide more reports going forward.

Committee member Patti Brown asked how Adjusted Paid Occupancy differs from the Unit Revenue Recognized.

Mr. Wampler explained that Adjusted Paid Occupancy is where an owner comes and stays in their unit, then it is removed. The same way with maintenance and renovations of the unit. The Unit Revenue is revenue associated with that occupancy.

Ms. Brown asked why 2021 and 2022 data are so much difference from the others.

Mr. Wampler explained that rates went up significantly during those years; adding that paying less than \$600 a night for a hotel room can be considered a good deal.

Committee member Todd Buhr requests additional details on the total number of units.

B. Okaloosa County TDC City of Destin Funding from Fiscal Year 2012 – 2023

Mr. Wampler presented data showing "\$100 million for beachfront from dredging for all the little events" and other examples of funds distributed back to the City of Destin from tourism development taxes. He added it is hard not to consider this a pro in terms of short-term rental impacts to the City of Destin.

Discussion covered the 10% state statute cap that can be used for life safety expenditures. According to Ms. Bell, by State Statute, of all the dollars that are being collected and however they are distributed, only 10% from funds collected are put out for life safety – the Sheriff's Department, the fire department, and maybe even for code compliance. The question is how to bring more funds so they could get more law enforcement services because they are already established. The crux of all of this is that they have little to no enforcement because they do not even have the means to fund them. She added that she is committed to finding the City's Code Compliance Department more money to help build the department.

The City Attorney asked Mr. Wampler, as a short-term rental representative how he feels about the TDC funding another position at the Sheriff's Office for someone dedicated to short-term rental impacts if the Sheriff's Office is even amenable to that.

According to Mr. Wampler, he said it all along that if the city spent as much time and energy on going after the bad offenders as they do for the rest of the group, he cannot say that the all the problems would have been solved, but he thinks 90% of the problem would have been taken care of at this point. He added that he is not sure if there is a way for the TDC to fund the position of the Sheriff's Office.

C. Home Exchange Program

Item tabled to the next meeting to allow the City Attorney to gather more information on the subject.

D. Analysis of Current Short-Term Rental Codes and Potential Changes

Committee member Marcie Bell initiated a discussion referencing the original 2017 Short-Term Rental Ordinance, stating that in reviewing that ordinance, the minutes of the initial Short-Term Rental Task Force meetings, or minutes of the City Council meetings, she did not see anywhere that states they should only be enforcing parking from 10 pm to 7 am, which is currently happening.

Speaking from her own personal experience, Ms. Bell noted having an issue with the short-term rental home located across the street from her home that is only allowed to have two parking spaces but is consistently having guests bringing in a third car. It makes it almost impossible for her and other neighbors to get in and out of their driveway.

Code Compliance Director Troy Williams noted that current enforcement is based on required overnight parking spaces. The property is entitled to a certain number of parking spaces; but having guests during the day or daily visitation is not currently covered by the code. He added that they do enforce any sidewalk and rights-of-way violations 24 hours a day.

Ms. Bell expressed that homes should only be allowed to utilize their approved number of parking spaces, and if they have guests that are constantly bringing in additional vehicles, those vehicles should be parked elsewhere away from the property or make other arrangements.

According to committee member Todd Buhr, there should be a sign on the property that gives the maximum number of parking spaces, which ought to be enforced at any time of the day and which needs to be clarified in the ordinance. He added that it also involves public safety. Nothing should impede emergency responders from reaching and attending to the injured parties or to any emergency situations.

Principal Planner Steve O'Connor pointed out that parking is not tied to the occupancy of a building. They have clear grounds to regulate the amount of parking at short-term rental homes during the hours from 10 pm to 7 am, but not at all hours of the day. He added that if they are going to limit the number of guests or cars that can come to a short-term rental home during the day, they will need to do the same for every single-family resident that is not short-term rentals.

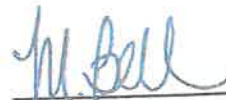
Further dialogue covered topics including focusing committee goals on addressing residential impact, frustration over lack of progress from previous task forces, and emphasizing the need to move forward with developing recommendations.

5. NEXT MEETING DATE: Tuesday, August 22, 2023, 10:00 AM

6. PUBLIC COMMENTS

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 11:50 AM.



Marcie Bell, Vice-Chair