#25-0756

**TO**: Honorable Mayor & Members of the

Fort Lauderdale City Commission

**FROM**: Rickelle Williams, City Manager

**DATE**: September 16, 2025

**TITLE**: Resolution Repealing Resolution No. 17-81 and Adopting a New Vacation

Rental Registration Fee Structure - (Commission Districts 1, 2, 3 and 4)

### Recommendation

Staff recommends that the City Commission repeal Resolution No. 17-81 and adopt a resolution to approve a new vacation rental registration fee structure for the Vacation Rental Program to ensure full cost recovery for program administration and inspections.

### **Background**

On August 18, 2015, the City Commission created the Vacation Rental Registration Program (Program) via Ordinance No. C-15-29 and adopted the vacation rental registration fee structure via Resolution No. 15-183. The Program ensures that vacation rental operators are current with state and local licenses as well as that vacation rental properties meet minimum housing and life safety standards as required by the City of Fort Lauderdale's Code of Ordinances. Program objectives are achieved through a registration and renewal process that includes an inspection of vacation rental properties. On April 19, 2017, the City Commission adopted Resolution No. 17-81, which reduced the initial registration and inspection fees below what was identified as full cost recovery based on a cost analysis study.

Prior to the April 19, 2017 action by the City Commission, discussions began during the May 3, 2016, City Commission meeting when a proposed resolution to set the registration fee at \$750 per dwelling unit was deferred. The discussion of the proposed resolution continued to November 15, 2016, when concern was expressed that requiring duplexes and triplexes to pay multiple fees was inappropriate since all units are under a single roof. This ongoing dialogue resulted in the current registration fee being below full cost recovery. The City Commission's action did not intentionally set fees below cost recovery but two (2) key decisions created a funding gap. First, allowing multi-unit properties under one roof to pay a single fee, despite each unit requiring a separate inspection and staff effort; and second, the directive that homesteaded properties would pay only half of the standard registration fee.

Since 2017, there have been several changes to the Program that have led to the current fee schedule not providing full program cost recovery. Due to a significant increase in

both registered and unregistered vacation rentals, growing from 320 registered vacation rentals in 2017 to 1,305 in 2025, City staff was added to the Program to effectively handle the growing demands of registration, inspections, monitoring, and enforcement. The Program team now includes one (1) code compliance supervisor, one (1) senior code compliance officer, two (2) code compliance officers, two (2) administrators, and one (1) senior business tax specialist.

Further enhancement to the Program was implemented due to the transient nature of vacation rentals that led the City to seek an effective way to continuously monitor online listings for compliance. In 2018, the City contracted with Host Compliance, which was the sole proprietary vendor for vacation rental online monitoring at the time, at an annual cost of \$96,963.75. A year later, in 2019, a more cost-effective provider, Harmari/LTAS Technologies, was selected. The initial first-year cost was \$45,499.00, which then dropped to an annual cost of \$27,249.00.

In 2022, after the community requested a real-time response to after-hours requests for service regarding vacation rentals, the City entered into an agreement with Harmari (now known as Avenu Analytics). The agreement included a 24/7 customer service call center to handle vacation rental inquiries and service requests. This enhancement increased the total annual cost of the monitoring services to \$77,250.00.

In response to these operational enhancements, City staff conducted a comprehensive fee study in July 2025 to evaluate the Program's current administration, inspection, and enforcement costs. The study assessed the time, personnel, and resources required to maintain the Program and ensure public safety and neighborhood integrity, as well as the increased costs associated with the contracted software platform used for monitoring vacation rental listings and the dedicated customer support center.

The findings of the study support an amendment to the fee structure that reflects the full cost recovery of service provision, including both administrative processing and field inspections, the contracted software platform used to monitor vacation rental listings, and the dedicated customer support center. The proposed fees are designed to ensure the Program remains self-sustaining and responsive to increasing regulatory needs. The current new registration fee is approximately 40% below cost recovery. Increasing the fee as proposed may result in approximately \$320,000 in additional revenue annually.

Fee Type	Current Fee	Proposed Fee	Difference
New Registration Fee	\$350.00	\$880.00	+\$530.00
Renewal Registration Fee (Standard)	\$160.00	\$650.00	+\$490.00
Renewal Fee (Owner-Occupied)	\$80.00	\$200.00	+\$120.00
Safety Inspection / Re-Inspection / No-Show	\$75.00	\$100.00	+\$25.00
Late Registration Payment Fee	\$75.00	\$100.00	+\$25.00
Transfer Rental Agent Fee	\$35.00	\$50.00	+\$15.00

<sup>\*</sup>Proposed fees are rounded for ease of implementation.

## **Short-Term Rental Registration Fees**

City	Initial Registration/Permit Fee
Fort Lauderdale	\$350
Pompano Beach	\$675
Hollywood	\$850
Lauderdale-by-the-Sea	\$750

#### Notes:

- Fort Lauderdale: This fee is for up to four units. An additional Business Tax License fee (from \$80 to \$240) may also apply.
- Pompano Beach: Fees are based on non-owner occupied, single-family/duplex applications.
- Hollywood: Fees are based on non-owner occupied, single-family/duplex applications.
- Lauderdale-by-the-Sea: This fee is for a new application for a single-family home or townhome.

## Resource Impact

There is no fiscal impact associated with action. However, approval of the proposed fees will result in increased cost recovery for the Program, aligning revenues with the actual cost of services, and ensuring the Program remains self-sustaining.

# **Strategic Connections**

This item is a Fiscal Year 2025 Commission Priority, advancing the Public Safety and Community Initiatives.

This item advances the Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community

This item supports the Advance Fort Lauderdale 2040 Comprehensive Plan specifically advancing:

- The Neighborhood Enhancement Focus Area
- The Housing Element
- Goal 2: Be a community of strong, beautiful, and healthy neighborhoods.

# <u>Attachments</u>

Exhibit 1 – Vacation Rental Fee Study Report

Exhibit 2 – Resolution

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