#16-1253

TO: Honorable Mayor & Members of the

Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: November 15, 2016

TITLE: Ordinance Amending Article X, Vacation Rentals, Chapter 15 of the

Code of Ordinances of the City of Fort Lauderdale (Code)

Recommendation

It is recommended that the City Commission adopt an ordinance on second reading amending the regulation of vacation rentals.

Background

On August 18, 2015, the City Commission voted unanimously to approve the new Vacation Rental Ordinance on second reading with an effective date of November 1, 2015.

Since the adoption of the ordinance the City Commission directed staff to draft a revised ordinance to address certain items that have been brought up by our neighbors, members of the vacation rental community, and the City Commission. To address this request the Code Compliance Division of the Department of Sustainable Development (DSD) held multiple outreach meetings in order to gain feedback prior to drafting the revision.

These meeting dates were held on the following dates:

- June 29, 2016 Public Engagement Workshop (Minutes attached as Exhibit 1)
- July 14, 2016 Ordinance Review Committee Meeting (Minutes attached as Exhibit 2)
- August 4, 2016 Public Engagement Workshop (Minutes attached as Exhibit 3)

Subsequent to these meetings, staff placed the draft amendment on the September 7, 2016 City Commission meeting for consideration on first reading. However, at this meeting the City Commission expressed a concern that not all members of the vacation rental community had been able to express their concerns and position on the matter.

As a result, the City Commission deferred the item to October 5, 2016 and directed staff to hold an additional workshop with the intent of accomplishing the goal of allowing our

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neighbors and members of the vacation rental community the time to go over the draft ordinance in detail.

Staff held this workshop on the evening of September 22, 2016 at the City Hall Commission Chamber. City staff gave a presentation of the proposed changes in detail and allowed for input from neighbors and the vacation rental industry. A follow-up public meeting was also held on September 28, 2016 to allow for additional public input.

At its October 18, 2016 Regular Meeting, the City Commission heard and approved the item on first reading by a vote of 4 to 1. During the discussion the City Commission directed staff to address specific topics. These included the following:

- Owner Occupied Relief from Registration Fees
- Early Compliance Relief from Registration Fees
- Exemption of Children Determine a Suitable Age
- Authorization to Register on Behalf of the Owner
- Removal of Grace Period Prior to October 1, 2016

The following outlines the findings of staff on each topic and any action taken or proposed to be taken to address them. Within Exhibit 5 new or removed language between first and second reading is identified by either a double underline (new language) or a double strike through (removed language).

Owner Occupied/Early Compliance

The fees associated with vacation rentals are addressed in a separate resolution and to address proposed changes to the fee structure in regards to the topic of owner occupied vacation rentals and early compliance that ordinance will have to be amended. Staff will be bringing the vacation rental fee resolution back to the City Commission for consideration at a later date.

Exemption of Children - Determine a Suitable Age

Staff researched 20 municipalities throughout the country in order to see if there was a trend in the specific age of children that are exempted from limitations on occupancy.

Staff found that out of the 20 municipalities researched only 8 of them allowed for an exemption for children. Of those 8 the ages were inconsistent between one another. The following is a breakdown of each of the 8 municipalities that allow for an exemption and the age associated with it:

- San Luis Obispo, CA Minors Under 18
- Austin, TX Minors Under 18
- Charlottesville, VA Minors Under 18

- Marathon, FL Minors Under 12.
- South Lake Tahoe, CA Minor Under 10.
- Santa Cruz County, CA Minors Under 6 (formerly under 12 until recent amendment)
- Sonoma County, CA Minors Under 3
- Tillamook County, OR Minors Under 2

The remaining municipalities did not appear to have an exemption listed within their ordinances. These include:

- Arroyo Grande, CA
- Encinitas, CA
- Solana Beach, CA
- San Francisco, CA
- San Jose, CA
- Portland, OR
- Nashville, TN
- Durango, CO
- Santa Fe, NM
- Anna Maria, FL
- Dania Beach, FL
- Hollywood, FL

Staff has not made a change to the language proposed at first reading on this topic.

Authorization to Register on Behalf of the Owner

To address this topic the following language was added to the proposed ordinance amendment:

It is unlawful for any person to allow another person to occupy any residential property that is a single-family, two-family, three-family, or four-family house or dwelling unit as a Vacation Rental within the City of Fort Lauderdale, or offer such property for rent as a Vacation Rental rental services within the City of Fort Lauderdale, unless the person owner of the property in fee simple title or his or her authorized representative has registered the property as a Vacation Rental property with the City of Fort Lauderdale and the Vacation Rental property has been issued a certificate of compliance in accordance with the provisions of this Article.

<u>Authorization letter if the application is being submitted on behalf of the owner of the property by his or her authorized representative</u>

Please refer to pages 3 & 5 of Exhibit 5 to review the new language in the context of the proposed ordinance.

Removal of Grace Period Prior to October 1, 2016

To address this topic the following language was stricken from the proposed ordinance amendment:

A property with an effective and valid license as a Vacation Rental classification of public lodging establishment issued by the Florida Department of Business and Professional Regulations prior to August 18, 2015, shall have until October 1, 2016 to come into compliance with subsections 15-278.1.a and c. and may be issued a certificate of compliance if in compliance with all other aspect of this Article.

Please refer to page 9 & 10 of Exhibit 5 to review the stricken language in the context of the proposed ordinance.

For clarification purposes staff has made the following additional changes to the proposed ordinance between first and second reading:

Page 10 of Exhibit 5 – language was added to clarify how the number of sleeping rooms will be verified. The language reads as follows:

Two two (2) persons per Sleeping Room meeting the requirements for a sleeping room. The number of Bedrooms bedrooms reflected in the records of the Broward County Property Appraiser's Office and confirmed by on-site inspection by a representative of the City shall be used in determining the number of Sleeping Rooms at the Vacation rental.

Please note that the inclusion of the language regarding verification of sleeping room through an on-site inspection is directly related to comments received by members of the vacation rental industry.

Page 12 of Exhibit 5 – language was added for clarification purposes and the 90-day period proposed for certificates to remain valid has been extended to 180-days. The language reads as follows:

All registrations for which a certificate of compliance has been issued under the provisions of this Article shall be valid for no more than one year, and all registrations and certificates of compliance shall expire on September 30th of each year. The application for renewal must be submitted no later than sixty (60) days prior to the September 30th expiration date. Dates for renewal and applicable late—Late renewal fees shall be established by resolution of the City Commission of the City of Fort Lauderdale and shall be charged to an application for renewal submitted prior to the expiration date but after the sixty (60) days required by this section. All applications for renewal received after September 30th shall be processed as a new application and subject to all applicable fees.

11/15/2016 CAM #16-1253 All registrations for which certificates of compliance were issued within <u>90 one</u> <u>hundred eighty (180)</u> days prior to September 30th shall remain valid and shall not expire until September 30th of the following year.

Page 13 of Exhibit 5 – language was added to specify the fees associated with civil citations.

The amount of the civil penalty for each uncontested violation shall be \$200.00 and for each contested violation the penalty shall be \$275.00. Repeat violations shall be assessed consistent with Section 11-21, of the Code of Ordinances.

To review the changes in the proposed ordinance in more detail please see the draft ordinance amendment attached as Exhibit 5.

Resource Impact

There is no resource impact associated with this action at this time.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included in the Public Places Cylinder of Excellence, specifically advancing:

• Goal 5: Be a community of strong beautiful neighborhoods.

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

Attachments

Exhibit 1 – June 29, 2016 Meeting Minutes

Exhibit 2 – July 14, 2016 Meeting Minutes

Exhibit 3 – August 4, 2016 Meeting Minutes

Exhibit 4 – Draft September 22, 2016 Meeting Minutes

Exhibit 5 – Proposed Ordinance

Prepared by: Anthony Greg Fajardo, Sustainable Development Director

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