

#15-1114

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

Fort Lauderdale City Commission

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

**DATE**: September 1, 2015

TITLE: Resolution Authorizing Vacation Rental Registration Fees

### Recommendation

It is recommended that the City Commission approve a fee schedule associated with the vacation rental registration program as authorized under Ordinance C-15-29, contingent upon the passage of the Ordinance.

# **Background**

On August 18, 2015, the City Commission passed Ordinance C-15-29. The Ordinance established a program to regulate the registration of vacation rentals. The Ordinance requires that vacation rental properties are issued an annual certificate of compliance. In addition, the Ordinance authorizes payment of a registration fee to recover the City's direct costs of providing service, regulation, and administration of the program, which will be carried out by the Code Compliance Division. The proposed fee schedule is provided below:

New Registration Fee	\$750.00
Renewal Registration Fee	\$500.00
Safety Inspection, Re-Inspection and No-Show Inspections	\$75.00
Late Registration Payment Fee	\$75.00
Transfer Rental Agent Fee	\$35.00

Fees are non-refundable. If any registration is not timely renewed, the property's registration is automatically void. Furthermore, once a registration is void, no rental activity may occur on the property and the property may not be advertised as a vacation rental. Reinstatement of the registration requires payment of the late fee and new registration fee.

In order to derive at the prescribed program fees, the Code Compliance Division conducted a registration fee study. The incorporated towns of Islamorada (estimated population of 6,427), Lauderdale by the Sea (estimated population of 6,321), and Marathon (estimated population of 3,353) as well as Flagler County (estimated population 99,956) administer a short-term rental program and

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#### established a fee schedule as follows:

Municipality	Islamorada	Lauderdale by the Sea	Marathon	Flagler (County)
New	\$1,000.00	\$250.00	\$750.00	\$500.00
registration				
Renewal	\$1,000.00	\$250.00	\$500.00	\$200.00
Safety		\$75.00		
inspection, re-				
inspection, and				
no-show				
Appeal from		\$500.00		
revocation or				
suspension of				
certificate or				
rental agent				
status				
Transfer agent			\$50.00	\$250.00
fee				
Modification				\$150.00

# **Resource Impact**

The vacation rental registration program requires hiring a code enforcement professional to develop, implement and manage the program as well as conduct inspections, monitor the registration status, and ensure compliance with the adopted regulations. The estimated cost to employ the individual and provide fringe benefits, tools, software, equipment, uniform, mobile phone, vehicle and related expenses is \$104,956.00.

The revenue for the first year of operation is estimated at \$93,750, which amounts to 125 applications at \$750.00 per registration fee. The program is anticipated to generate approximately \$62,500.00 in future years.

# **Strategic Connections**

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative included within *the Neighborhood Enhancement* Cylinder of Excellence, specifically advancing:

- Goal 5: Be a community of strong, beautiful and healthy neighborhoods.
- Objective 2: Enhance the beauty, aesthetics and environmental quality of neighborhoods.
- Initiative 4: Implement findings from the Code Enforcement Process Improvement Initiative.

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

Related CAM: CAM #15-0959

<u>Attachment</u> Exhibit 1 – Vacation Rental Fees Resolution

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