CITY OF DESTIN



AGENDA ITEM

CITY COUNCIL MEETING DATE: February 21, 2017
TYPE OF AGENDA ITEM: Public Hearing

TO:

Mayor and City Council

THROUGH:

City Manager, Carisse LeJeune City Attorney, Jeff Burns JB PER KAH (25-06-17)

FROM:

Community Development Director, Karen Haynes (NOLLINES 02-08-17

DATE:

February 09, 2017

SUBJECT:

Second Reading of Ordinance No. 17-03-CC which amends the Code of Ordinances, Article VI. – Registration of Short-Term Rentals. This amendment to the Code of

Ordinances is Staff initiated.

- I. <u>BACKGROUND:</u> During the last three (3) months the Community Development Department's Code Enforcement Division has been working with Staff of the Building Division, Planning Division, Finance Division, IT Department, and the Community Development Director to identify opportunities to streamline the Short-Term Rental Registration process by amending the Article VI Registration of Short-Term Rentals in the City of Destin's Code of Ordinances. The proposed ordinance revision is attached (Exhibit "A").
- II. <u>DISCUSSION:</u> Over the course of the last year, Staff has implemented new software, Citizen Serve, in the registration process, which has enabled Staff to organize and track Short-Term Rental Registrations in a digital platform. The proposed revisions have been identified as opportunities to further utilize Citizen Serve as the programs registration software to its fullest extent, to reduce paper applications while transitioning to an all-digital format, and to reduce redundancy in the Short-Term Rental Registration Application requirements.

The proposed revisions include requiring the Short-Term Rental Registration Application include a City of Destin Business Tax Receipt (BTR); valid current Florida Department of Revenue Annual Resale Certificate required by State Statute; valid current Department of Business and Professional Regulation Vacation Rental Dwelling License required by State Statute; and Owner or Agent of the Owner acknowledgement for adherence to all applicable regulations. The revisions further streamline the administration of the application, by requiring all applications have a completeness review prior to review for ordinance compliance. Additional revisions include redefining the rental registration period; inclusion of language referencing the City's parking ordinances, including the issuance of citations or impoundment for violations; and requiring renewals complete a new application each year to ensure the City has up-to-date information on the property owner, the property, the required State of Florida licenses, and contact information for the local responsible party.

In addition to the revisions discussed above, Proposed Ordinance 17-03-CC also amends Code of Ordinances, Article VI. – Registration of Short-Term Rentals, Sec. 13-112. – Expiration of Registration, to include redefining the registration period and establishing a penalty for renewals submitted after the renewal registration period.

- A. <u>Link to Strategic Goals / Objectives:</u> 5B1: Monitor and maintain Code Enforcement Compliance Action Plan.
- **B.** Effect on Budget (EOB): Implementation of the proposed changes will likely improve Staff efficiency, customer compliance, assist in code enforcement and potential penalty fees, all of which could have a positive effect on the budget.
- C. <u>Level of Service (LOS)</u>: The Level of Service to the City of Destin customer is anticipated to increase, as the Short-Term Rental Registration Process becomes streamlined; the proposed ordinance will also enhance enforcement/compliance level of service.
- III. <u>CONCLUSION:</u> The revisions contained within Proposed Ordinance 17-03-CC will enable the Community Development Department's Code Enforcement Division's Staff to manage the registration of Short-Term Rentals in a more comprehensive and efficient manner.
- IV. <u>RECOMMENDED MOTION:</u> "I move that the City Council approve proposed Ordinance 17-03-CC for final adoption.

Exhibits:

A. Proposed Ordinance 17-03-CC

ORDINANCE 17-03-CC

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO SHORT-TERM RENTAL REGISTRATIONS; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR THE AMENDMENT OF CODE OF ORDINANCES ARTICLE VI – REGISTRATION OF SHORT-TERM RENTALS; PROVIDING FOR INCORPORATION INTO THE CODE OF ORDINANCES; PROVIDING FOR CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY. The authority for enactment of this Ordinance is Article 1, Section 1.01(b) of the City Charter, Section 166.021, Florida Statutes and Chapter 163, Part II, Florida Statutes.

SECTION 2. FINDINGS OF FACT.

WHEREAS, the City Council has deemed it necessary to amend the existing Code of Ordinances to provide for revisions to the Short-Term Rental Registration process; and

WHEREAS, the City Council of the City of Destin recognizes the need to ensure proper licensing, payment of registration fees, and code compliance with the Short-Term Rental Registration Ordinance; and

WHEREAS, the City Council has determined that this ordinance is consistent with the adopted Comprehensive Plan and is in the best interests of the City and its citizens; and

WHEREAS, a public hearing has been conducted by the City Council after due public notice.

NOTE: Language in all sections of this ordinance that is struck through is language proposed to be deleted, <u>underlined language</u> is language proposed to be added, language that is not struck through or <u>underlined</u> is not to be changed, and * * * represents sections of the Code of Ordinances that have been skipped and remain unchanged.

ARTICLE VI. - REGISTRATION OF SHORT-TERM RENTALS

Sec. 13-103. - Purpose.

The <u>City Council</u> of the City of Destin recognizes that the unregulated rental of single-family detached dwelling units by seasonal residents uniquely impacts certain neighborhoods within the City of Destin. Therefore, it is necessary and in the interest of the public health, safety, and welfare to monitor and provide reasonable means for citizens of the City of Destin to mitigate impacts created by such rental of single-family detached dwelling units within the City of Destin as set forth by this article.

(Ord. No. 151.23, § 3, 6-3-02)

Sec. 13-104. - Definitions.

For the purpose of this article, the following terms, phrases, words, abbreviations and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory. Words not defined shall be given their meaning as provided in section 1-2, Definitions and rules of construction, of the City of Destin Code of Ordinances.

Condominium shall mean the form of ownership of real property, created pursuant to Chapter 718.103 of the Florida State Statutes, which is comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements.

Dwelling, single-family shall mean for the purposes of this article a residential structure that may either be detached from any other residential structure or be attached to a wall of another residential structure such as townhomes, duplexes, and triplexes.

Garbage shall mean every accumulation of waste (animal, vegetable and/or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning, storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers); and all other putrescible or easily decomposed animal or vegetable waste matter which is likely to attract flies or rodents.

Owner shall mean the person in whom is vested the ownership, dominion, or title of property.

Responsible party shall mean for the purposes of this article, the owner or the person designated by the owner of the property to be called upon to answer for the maintenance of the property and the conduct and acts of seasonal residents of single-family dwelling units.

Seasonal resident shall mean people, guests, tourists, lessees, vacationers, or others who lease or rent a single-family dwelling unit for valuable consideration for a period of time between one (1) day to no more than six (6) months.

Short_term rental shall mean for the purposes of this article, any occupancy of a single-family dwelling unit for a period of time between one (1) day to no more than six (6) months.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 3, 12-21-15)

Sec. 13-105. - Registration required.

It shall be unlawful for any person to allow another person to occupy any single-family detached dwelling unit as a seasonal resident within the City of Destin, or offer such rental services within the City of Destin, unless the person has been registered with the City of Destin in accordance with the provisions of this article.

(Ord. No. 151.23, § 3, 6-3-02)

Sec. 13-106. - Formal application required.

Every person required to procure a registration under the provisions of this article shall submit a formal new application for such registration each year to the City Manager or his designee. Submission of an incomplete registration application form shall result in rejection of the application.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 4, 12-21-15)

Sec. 13-107. - Application for registration.

Applications for registration shall set forth and/or include at a minimum:

- (1) Address, lot, block and subdivision name of single-family dwelling unit offered for rental;
- (2) Name, address, and phone number of owner of said single-family dwelling unit;
- (3) Email of owner of said single-family dwelling unit;
- (4) Name, address, and emergency contact phone number of responsible party for said single-family dwelling unit, which shall be a twenty-four-hour, seven (7) days a week contact number;
- (5) That the phone number for the Emergency contact phone number for a Responsible Party, which will be answered twenty-four (24) hours a day, seven (7) days a week, by a party with authority to address or coordinate and correct problems-violations associated with the single-family dwelling unit;

- (6) Acknowledgement by owner adherence to all applicable regulations attributed to short term rentals; Acknowledgement signed by the Owner or Agent of the Owner, understanding and agreeing to the initial and on-going compliance with the City of Destin's short-term rental regulations and standards contained herein and all other applicable local, state, and federal laws, regulations, and standards to include, but not limited to F.S. Ch. 509, and Rules, Chapter 61C and 69A, of the Florida Administrative Code.
- (7) Proof of owner's current ownership of the single-family dwelling unit; Valid and current City of Destin Business Tax Receipt.
- (8) Provide, at time of application or within sixty (60) days of issuance of city registration, a Valid and current Florida Department of Revenue Annual Resale Certificate sales tax identification number under F.S. Ch. 212, and a valid current Department of Business and Professional Regulation Vacation Rental Dwelling License under F.S. Ch. 509.
- (9) Signage must be displayed in accordance with City of Destin Code of Ordinances, Chapter 13, Article 6, Section 13-116, prior to approval.
- (10) Application Fee is required at the time of application and is non-refundable. Applications submitted without an Application Fee will be deemed incomplete.
- (11) Applications deemed incomplete will be rejected/returned to the owner/applicant and are subject to a Reapplication Fee and Late Fees.
- (12) Applications in a paper format may be subject to an additional Administrative Fee.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 5, 12-21-15)

Sec. 13-108. - Responsible Party required.

Whenever any property is required to be registered under this article, the owner shall appoint a person to serve as the local Responsible Party for service of notices as are specified herein, and notices given to the responsible party shall be sufficient to satisfy any requirement of notice to the owner. The owner shall notify the City Manager or his designee in writing of the appointment within five (5) days of being required to make such appointment, and shall thereafter notify the City Manager or his designee of any change of Responsible Party within fifteen (15) days of such change. Further, it is hereby made the affirmative duty of the responsible party to:

- (1) <u>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;</u>
- (2) Maintain all properties under their control in compliance with the occupancy limits, as specified in the City of Destin Code of Ordinances;
- (3) See the provisions of this article are complied with and promptly address any violations of this article or any violations of law, which may come to the attention of the responsible party;
- (4) Be available with authority to address and correct violations with the rental of the single-family dwelling unit twenty-four (24) hours a day, seven (7) days a week;
- (5) Be situated close enough to the single-family dwelling unit as to be able to, and shall, service emergency calls within one (1) hour of notification;
- (6) Maintain the entire property of the single-family dwelling unit free of garbage and litter. Provide however, that this section shall not prohibit the storage of garbage and litter in authorized private receptacles for collection.

Sec. 13-1089. - General regulations/standards.

(1) All vehicles shall only be parked in the improved accessway/vehicle use area as defined per Land Development Code, Section 3.00.01 and/or within the garage area of the single-family dwelling unit. Garage area parking shall only be counted as provided parking if the area is open and free from obstructions. Vehicles shall not be within the right-of-way, including the grassy/unimproved areas and sidewalk sections for pedestrian traffic pursuant to City of Destin Code of Ordinances, Chapter 19.5, Traffic and Motor Vehicles and Land Development Code, Section 8.01.00.6. Vehicles found in violation of the City of Destin's applicable codes may be subject to citation or impoundment;

- (2) It shall be unlawful to allow or make any noise or sound which exceed the limits set forth in Chapter 14, Article 2;
- (3) Signage will be posted and maintained on the single-family dwelling unit in accordance with section 13-116, of this article;
- (4) No garbage container shall be located at the curb for pickup before 12:00 p.m. of the day prior to pick up, and garbage container shall be removed before midnight of the day of pickup. Additionally, by 5:00 p.m. the day after the last day of the contracted short-term rental period, all garbage shall be removed. The owner shall be required to obtain additional garbage containers and to acquire special valet garbage service from the city's solid waste removal provider in order to ensure all garbage is properly contained and removed. The owner, in lieu of acquiring valet garbage service from the city's solid waste removal provided, may utilize a third party valet garbage service removal provider, but such private service shall not excuse continuing to accept and pay for regular services of the city solid waste service provider;
- (5) Whoever, without being authorized, licensed, or invited, willfully enters or remains in any structure or conveyance of a single-family dwelling unit, or, having been authorized, licensed, or invited is warned by the owner or lessee, to depart the single-family dwelling unit and refuses to do so, commits the offense of trespass in a structure or conveyance;
- (6) Recreational amenities, such as exercise facilities, hot tubs and swimming pools, may not be jointly shared commodities and should not be considered available for use unless the right to use such facilities is clearly stated in the rental agreement for the dwelling unit;
- (7) Responsible party: Whenever any property is required to be registered under this article, the owner shall appoint a person to serve as the local responsible party for service of notices as are specified herein, and notices given to the responsible party shall be sufficient to satisfy any requirement of notice to the owner. The owner shall notify the <u>City Manager or his designee in writing of the appointment within five (5) days of being required to make such appointment, and shall thereafter notify the city manager or his designee of any change of responsible party within fifteen (15) days of such change. Further, it is hereby made the affirmative duty of the responsible party to:</u>
 - 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;
 - b. See that the provisions of this article are complied with and promptly address any violations of this article or any violations of law, which may come to the attention of the responsible party;
 - c. Be available with authority to address or coordinate problems with the rental of the single family dwelling unit twenty four (24) hours a day, seven (7) days a week;
 - d. Be situated close enough to the single family dwelling unit as to be able to, and shall, service emergency calls within one (1) hour of notification:
 - e. Keep available a register of all guests, which shall be open to inspection by officers of the City of Destin at all times;
 - e. Maintain the entire property of the single-family dwelling unit free of garbage and litter. Provided however, that this section shall not prohibit the storage of garbage and litter in authorized private receptacles for collection.

(Ord. No. 15-15-CC, § 6, 12-21-15)

Sec. 13-110. - Fees for registration.

The City of Destin is authorized and shall charge reasonable fees for registration to compensate for administrative expenses. The fees for registration shall be provided for, from time to time, by resolution adopted by the \underline{C} ity \underline{C} ouncil of the City of Destin.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 7, 12-21-15)

Sec. 13-110. - Issuance or refusal of registration.

The city manager or his designee shall issue a registration certificate of compliance to the applicant upon proof of the following:

- (1) The owner and/or responsible party completes and receives approval of the City of Destin registration application form;
- (2) The registration fee has been paid to the City of Destin;
- (3) A business tax receipt from the City of Destin pursuance to Chapter 13 of the Code of Ordinances;
- (4) A business tax receipt from Okaloosa County;
- (5) An affidavit demonstrating maintaining initial and on going compliance with short term rental regulations and standards contained herein, plus any other applicable local, state, and federal laws, regulations, and standards to include, but not be limited to F.S. Ch. 509, and Rules, Chapters 61C and 69A, Florida Administrative Code; and
- (6) A copy of the form of short term rental/lease agreement to be used when contracting with seasonal residents.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 8, 12-21-15)

Sec. 13-111. - Registration not transferable.

No registration issued under the provisions of this article shall be transferred, of assigned, of used by any person, owner, or agent of the owner other than the one to whom it is issued, or at any location other than the one for which it is issued. No registration issued under this Article creates any vested right.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 9, 12-21-15)

Sec. 13-112. - Renewals and expiration of registration.

All registrations issued under the provisions of this article shall be valid for no more than one (1) year, and all registrations shall expire on March 1 of each year. Registrations that are not renewed by March 1 of each year may be renewed up to the last business day in April of that year without paying a late renewal fee. Owners who do not renew their registrations before the last business day in April shall pay the appropriate late renewal fee as established, from time to time, by the city council of the City of Destin.

All Short-Term Rental Registrations issued under the provisions of this article shall be valid for a period not to exceed twelve (12) months and expiring on the last day of February of each calendar year.

Renewal applications must meet the requirements of the City of Destin's Code of Ordinances, Chapter 13, Article 6, Section 13-107. Short-Term Rental Registration renewals may be renewed between January 1 and March 1 of each year. Short-Term Rental Registrations are due March 1 of each year; any such renewal registration received after March 1 of each year is considered late and is subject to a Late Fee of fifty (\$50) and must be paid in addition to any other applicable fees prior to a renewal approval, except as otherwise approved by the City Manager or their designee.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 10, 12-21-15)

Sec. 13-112.5 - False Information.

It shall be unlawful for any person to give any false or misleading information in connection with the application for registration required by this article.

Sec. 13-113. - Territory embraced.

The provisions of this article shall apply within the City of Destin.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 12, 12-21-15)

Sec. 13-114. - Posting of signage.

Prior to the owner of the single-family dwelling unit allowing another person to occupy the single-family dwelling unit as a seasonal resident, owner shall post a sign on the property meeting the following requirements:

- (a) The sign must be prominently placed on the property of the single family dwelling unit so that the required content of the sign shall be legible as viewed from the public right-of-way; however, signage shall not be placed in the public right-of-way;
- (b) Such sign shall be not larger than eighteen (18) inches by twelve (12) inches and not smaller than sixteen (16) inches by ten (10) inches in size;
- (c) The sign must clearly indicate the name, and twenty-four (24) hours a day, seven (7) days a week emergency contact phone number of the responsible party for said single-family dwelling unit. If the responsible party phone number and the rental contact phone number are different, the sign shall clearly indicate both phone numbers;
- (d) The sign must be continuously on the property of the single-family dwelling unit during any period a local business tax or registration has not expired; and.
- (e) The sign must clearly indicate the expiration date of both the local business tax and registration, if applicable.
- (2) Prior to the owner of the single family dwelling unit allowing another person to occupy the single family dwelling unit as a seasonal resident, owner shall post signage within the single-family dwelling unit meeting the following requirements:
 - (a) At least two (2) signs must be prominently placed within the single-family dwelling unit so that the required content of the sign shall be legible as viewed by the occupants of the unit;
 - (b) Signage shall be not larger than eighteen (18) inches by twelve (12) inches and not smaller than sixteen (16) inches by ten (10) inches in size;
 - (c) Signage must clearly state the following:
 - "Be considerate of your neighbors. This house is located in a residential neighborhood, therefore noise or sound is restricted per local ordinance. If breach of peace is violated and/or conduct is disorderly, local law enforcement will respond. Thank you!"
 - (d) The signs must be continuously posted within the single-family dwelling unit during any period a local business tax or registration has not expired.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 02-09-CC, § 3, 11-4-02; Ord. No. 06-07-CC, § 3, 7-10-06; Ord. No. 06-23-CN, § 4, 12-18-06; Ord. No. 15-15-CC, § 13, 12-21-15)

Sec. 13-115. - Preemption of homeowner's association.

All regulations regarding the posting of a sign on the property of the single-family detached dwelling unit shall preempt any homeowner's association restrictions on the posting of signs to the extent that any such homeowner's association restrictions or regulations conflict with this Article.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 14, 12-21-15)

Sec. 13-116. Complaints.

Whenever a violation of this article occurs, or is alleged to have occurred, any person may file a written complaint. Such complaint, stating fully the causes and basis thereof, shall be filed with the city manager or his designee. The city manager or his designee shall record properly such complaint, investigate, and take action thereon in accordance with sections 14-71 through 14-85, City of Destin Code of Ordinances.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 15, 12-21-15)

Sec. 13-1176. - Enforcement.

The provisions of this article shall be enforced as provided in Chapter 14, Offenses and Miscellaneous Provisions, of the Code Ordinances of the City of Destin, and by such other means as are specified herein below:

- (1) Code enforcement: The Code Enforcement Division may enforce the terms of this article by bringing a case to the Code Enforcement Special Magistrate or Code Enforcement Board, whichever is applicable, as provided in Chapter 14, Offenses and Miscellaneous Provisions, Article III, Code Enforcement Board or Special Magistrate, of the Code of Ordinances of the City of Destin and F.S. Ch. 162, Pt. 1.
- (2) Civil citation: The Code Enforcement Division, or other duly authorized officer or authority, may enforce the terms of this article through issuance of civil citation as provided in Chapter 14, Offenses and Miscellaneous Provisions, Article III, Code of Enforcement Citation Program and Procedures, of the Code of Ordinances of the City of Destin and F.S. Ch. 162, Pt. 2.
- (3) Denial/Suspension/Revocation: Any registration issued pursuant to this article may be administratively denied, revoked, or suspended by the city for failure to satisfy the requirements for registration or for violation by the owner of this article, any City of Destin Ordinance, or state law. Such denial, revocation or suspension is in addition to any penalty provided herein. Any appeal of administrative action taken pursuant to this subsection shall be as provided in City of Destin Land Development Code Section 2.22.00, Appeals.
- (4) Criminal penalties: A violation of this article shall be punishable as a misdemeanor by a fine of up to five hundred dollars (\$500.00) per violation and a definite term of imprisonment of not more than sixty (60) days as provided in F.S. § 162.22.

It is the legislative intent of the <u>City Council</u> in enacting this article to provide an additional or supplemental means of obtaining compliance with the requirements stated herein. Nothing contained in this article shall be deemed to prohibit the City of Destin from seeking enforcement by any other means provided by law, including, but not limited to, filing an action for declaratory and injunctive relief in a court of competent jurisdiction.

(Ord. No. 151.23, § 3, 6-3-02; Ord. No. 15-15-CC, § 16, 12-21-15)

Secs. 13-117, 13-118, 13-119. - Reserved.

EXHIBIT: A

SECTION 3. AMENDMENT OF CODE OF ORDINANCE'S ARTICLE VI – REGISTRATION OF SHORT-TERM RENTALS,

SECTION 4. INCORPORATION INTO CODE OF ORDINANCES. This ordinance shall be incorporated into the City of Destin's Code of Ordinances and any section or paragraph number or letter and any heading may be changed or modified as necessary to effectuate the foregoing.

SECTION 5. CONFLICTING PROVISIONS. Special Acts of the Florida Legislature applicable to the incorporated area of the City of Destin, City Ordinances and City Resolutions, or parts, thereof, in conflict with the provisions of this ordinance are hereby superseded by this ordinance to the extent of such conflict.

SECTION 6. SEVERABILITY. Each separate provision of this ordinance is deemed independent of all other provisions herein so that if any portion or provision of this ordinance is declared invalid, all other provisions thereof shall remain valid and enforceable.

SECTION 7. EFFECTIVE DATE. This ordinance shall become effective upon its adoption by the City Council and signature by the Mayor.

ATTEST:	ADOPTED THISDAY OF
	By: Scott Fischer, Mayor
	The form and legal sufficiency of the foregoing has been reviewed and approved by the City Attorney.
Rey Bailey, City Clerk	Jeff Burns, City Attorney
Staff Report: Second Reading:	