

Points of Consideration for Short-term Vacation Rentals:

- Jacksonville's economy as a whole thrives as a result of short-term rentals. Restaurants see more business; entertainment venues see more business.
- Short-term vacation rental options are often easier for families than hotels (consideration of a family of 5 that has to get 2 hotel rooms or rent a small cottage/home/condo- usually more affordable to rent the small home than pay for 2 hotel rooms).
- The current trend for millennial travelers is more towards looking outside of a typical hotel property to something cool and upscale in a section of the city with small breweries, restaurants and shops which is not where hotels are generally located. They have their own kitchen, pools, etc. for the same price as booking a hotel room.
- Per Longwoods 2017 Visitor Profile:
 - 6% of those surveyed rented Home/Condo for their Jacksonville Visit (4% US Norm)
 - 6% of those surveyed stayed in a B&B for Jax Visit (4% US Norm)
 - 5% of those surveyed stayed in a Time-Share for their Jax Visit (3% US Norm)
 - 2% of those surveyed rented a Cottage/Cabin (same as US Norm)

So, **19%** had alternative accommodations vs. hotel/resort/motel.

- Over 750 active listings on Airbnb. 52% is full house for rent. 47% rent private rooms and 1% rents shared rooms.
- Visit Jacksonville as a whole loses out with the decrease in bed tax required on short-term rentals versus regulated hotels. Since the bed tax is a self-reporting tax, we are reliant on those actually renting on the rental platform to charge the tax and remit it to the County.
- Visit Jacksonville is fully funded by the tourist development (bed tax) so we have a direct impact in ability to promote the City when taxes are evaded.

Short Term Rentals

Governing Ordinance:

- This issue is currently enforced as a “use violation” and cited under Ch. 656.222(b) which states:
“(b) The use provisions in the various zoning districts are exclusive and a use not included under permitted or permissible uses shall be prohibited in the district.”
- This section refers to the permitted and permissible uses identified by zoning categories in 656 Part 3. These uses are typically found in Low Density Residential which is addressed in 656.305. This RLD Zoning category does not permit hotels/motels in these areas by right or exception.
- Hotels/motels are defined in 656.1601 as follows:
“Hotel, motel means a building or group of buildings in which sleeping accommodations are offered to the public and intended primarily for rental to transients with a daily charge, as distinguished from multiple-family dwellings and rooming or boardinghouses, where rentals are for periods of a week or longer and occupancy is generally by residents rather than transients. The building or buildings may include such ancillary uses as a coffee shop, dining room, restaurant, meeting rooms and other similar uses.”
- Use of a residential property for short term rentals is considered operating a hotel or motel, which is not permitted or permissible in a residential zoning district.

Zoning Limitations:

- Hotels/motels are permissible by right in CCG-1, CCG-2 and CCBD zoning categories.
- In contrast to hotels/motels, a Bed and Breakfast use is allowable in RLD, RMD, and RHD zoning districts (by either right or exception), however, as indicated in the definition below, a Bed and Breakfast can only be established in a Historically significant areas or Landmarked properties District.
“Bed and breakfast establishment means a building or part thereof, other than a motel or hotel, originally constructed for residential use and located in an area of historical significance, as designated by the appropriate state or federal authority or as approved by the City Council and Historic Landmarks Commission of Jacksonville, where sleeping with a daily charge (no monthly rentals) and with the service of breakfast prepared by the operator or owner included in the daily charge and which also serves as the primary residence of the operator or owner thereof.”
- The Bed and Breakfast must also adhere to the development criteria as outlined in 656.401(b).

Enforcement Process:

- Currently the Municipal Code Compliance Division handles these use violations on a complaint basis.
- Once a complaint is received, an officer must inspect the property and attempt to document the violation, and search the “short-term rental” website listings (Air BnB, Home-away etc.). The officer will also attempt to make contact with the current occupants of the property to ask how they rented the property and the length of their scheduled stay.
- Once a violation is confirmed, the officer will issue a warning citation allowing a reasonable time to comply (typically 30 days).
- Upon re-inspection, if the violation can be confirmed to remain, the officer will proceed with paying citations incrementally as detailed below:
 - 1st paying citation – \$255.00
 - 2nd paying citation – \$305.00
 - 3rd and subsequent – \$355.00
- If the same owner is identified as a violator at a separate location following the warning, the officer will go straight to paying citation at the new location.

Challenges in Enforcement:

- Websites do not always show the address of the advertised properties (prior to booking and confirmation).
- There are multiple short-term rental sites through which a property can be rented.
- Owners who have been cited previously will advise renters to tell anyone asking that they are renting for the whole week.

Other items of Concern:

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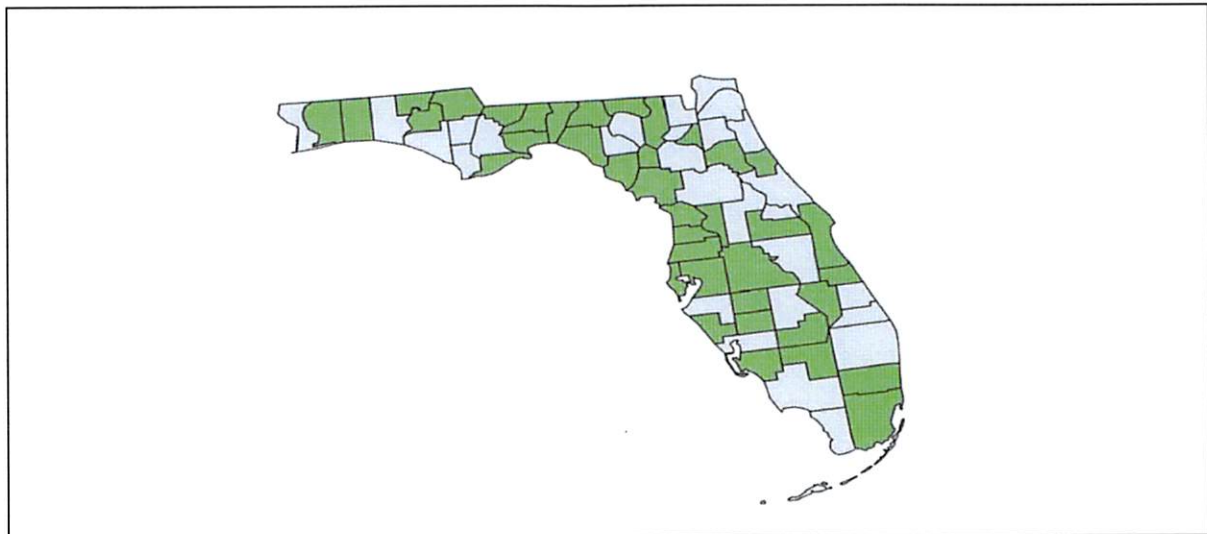
EXCERPT FROM COUNCIL AUDITOR'S OFFICE REPORT #813

Opportunity for Improvement 1 *Not Collecting Taxes from "Peer-to-Peer Property Rental" Companies*

"Peer-to-peer property rental" companies (e.g. Airbnb) currently do not submit Tourist Development and Convention Development Taxes to the City. While individuals who rent their properties via those platforms could charge and submit those taxes themselves, there are likely to be issues due to persons that rent out their properties possibly not being aware of the requirement to collect those taxes and due to a lack of enforcement by the City.

Airbnb offered to enter into an agreement with the City on February 12, 2016, but no agreement was signed. Various aspects have to be considered before such an agreement could be signed. For example, the proposed agreement would only apply to Airbnb while there are other "peer-to-peer property rental" companies. Another issue would be how to treat taxes owed from past years. Finally, it is difficult to find a solution for the auditing rights aspect since the City would likely want to retain audit rights, and it is not clear if the "peer-to-peer property rental" companies would be open to allowing the City's auditing rights requirements.

As of March 2018, 39 of 63 (or 62%) counties in Florida that assess the Tourist Development and Convention Development Taxes have an agreement with Airbnb, one of the largest companies in this industry. Counties that have an agreement with Airbnb are shaded (or in green, if color version) in the map below.

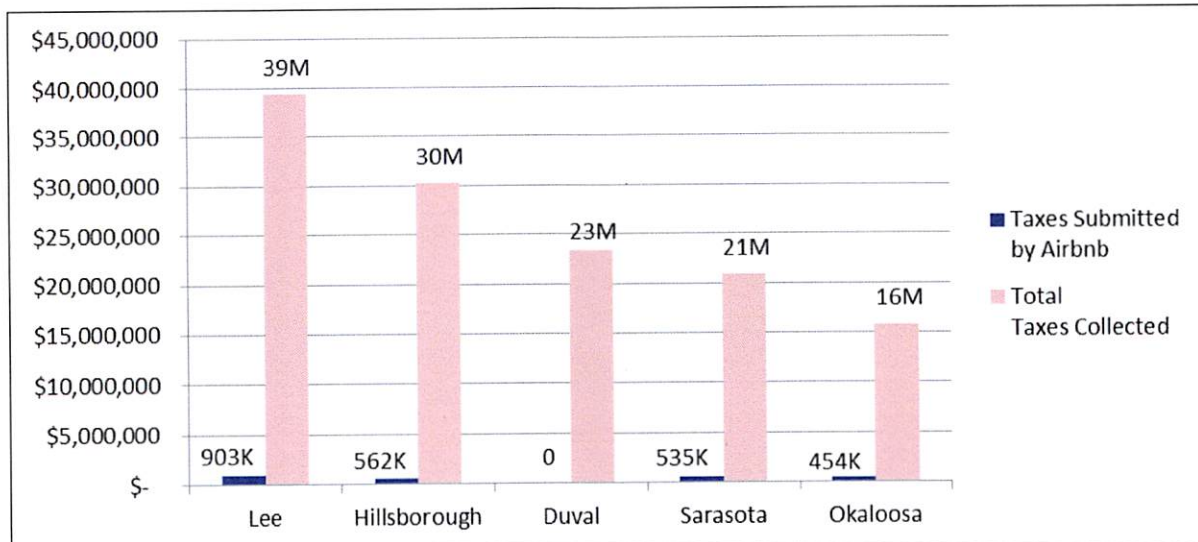


Source: <https://www.airbnbcitizen.com/2017-florida-tax-report/>

- To estimate the potential lost revenue, we compared Duval County to other counties:
- 1) that receive similar amounts of Tourist Development and Convention Development Taxes per the State of Florida; and

2) that have an agreement with Airbnb.

Below is a graph that shows the total Tourist Development and Convention Development Taxes collected by Duval County and those counties in 2017 along with the taxes Airbnb states it submitted to each county in calendar year 2017:



Sources: <https://www.airbnbcitizen.com/2017-florida-tax-report/> & <http://floridarevenue.com/taxes/tables/f3fy2017.xlsx>

In a different report from the same source (<https://www.airbnbcitizen.com/florida-2017-report/>), Airbnb estimated that there were 42,600 guest arrivals in Duval County, which resulted in total income of \$6.1 million for the hosts in 2017. If the \$6.1 million amount were accurate and assuming no owner directly submitted taxes, the City would have failed to collect \$366,000 in Tourist Development and Convention Development Taxes just from Airbnb in calendar year 2017 alone.

Recommendation to Opportunity for Improvement 1

We recommend that the Administration work with the applicable parties to make a decision on how to proceed with this issue including whether to sign an agreement with Airbnb and other similar companies or to pursue other alternatives that would ensure the City is collecting the accurate amount of Tourist Development and Convention Development Taxes.

Administration Response to Opportunity for Improvement 1

Agree Disagree Partially Agree

This matter not only includes collection of tourist development tax funds but will also entail significant zoning code changes to allow Airbnb and other similar entities to operate in the County. The administration has recommended to various council leadership in the past to create a special committee on short term rental matters to decide if and/or where short term rental companies should be allowed to operate in the county. Upon such conclusion an agreement may then be executed and tourist development taxes collected.

Council Auditor's Office
Short Term Rentals Doing Business in Jacksonville

Booking Site	Jacksonville	Jacksonville Beach
Airbnb	774	273
VRBO	300+	228 (1)
HomeAway	300+	215 (1)
9Flats	627	178
Tripadvisor	27	32 (2)
FlipKey	76	106 (2)
Housetrip	74	103 (2)
HolidayLettings	69	98 (2)
Booking.com	7	5

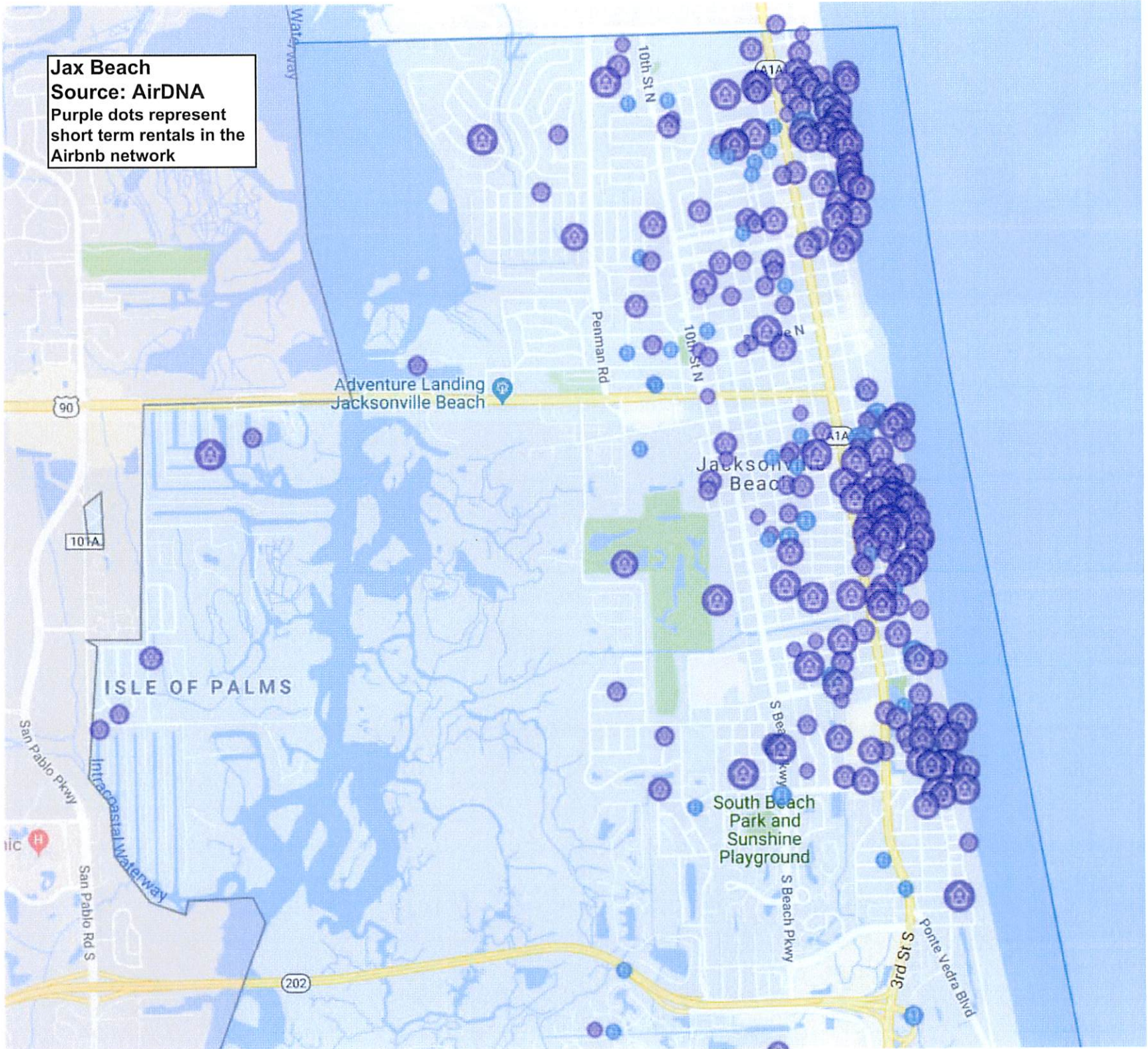
Footnotes:

Overall: Properties can be listed on multiple booking sites and therefore the numbers above are not necessarily cumulative. The number of properties was obtained by performing searches for each location on the booking sites. This listing may not be all inclusive.

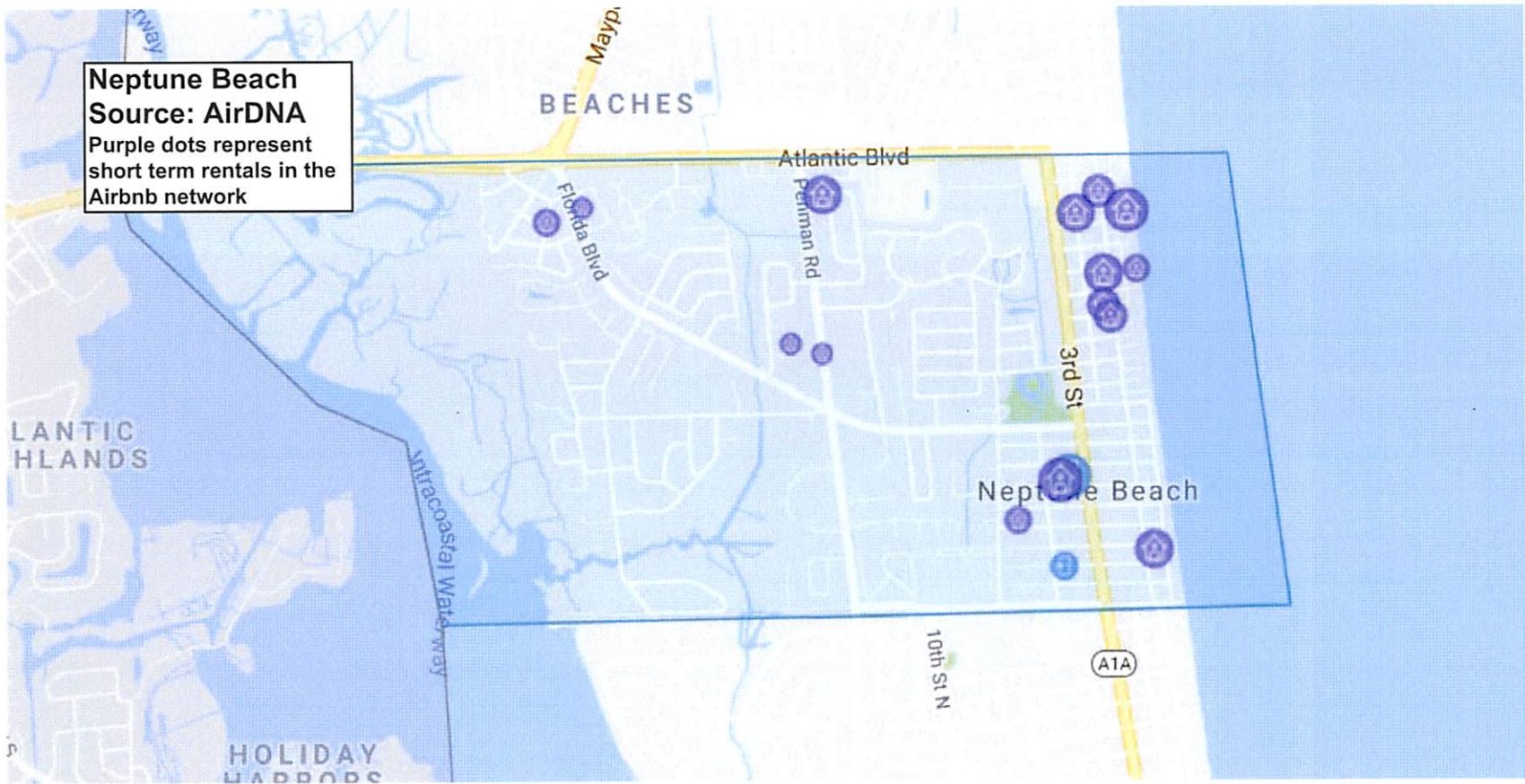
(1) These booking sites are owned by the same parent company.

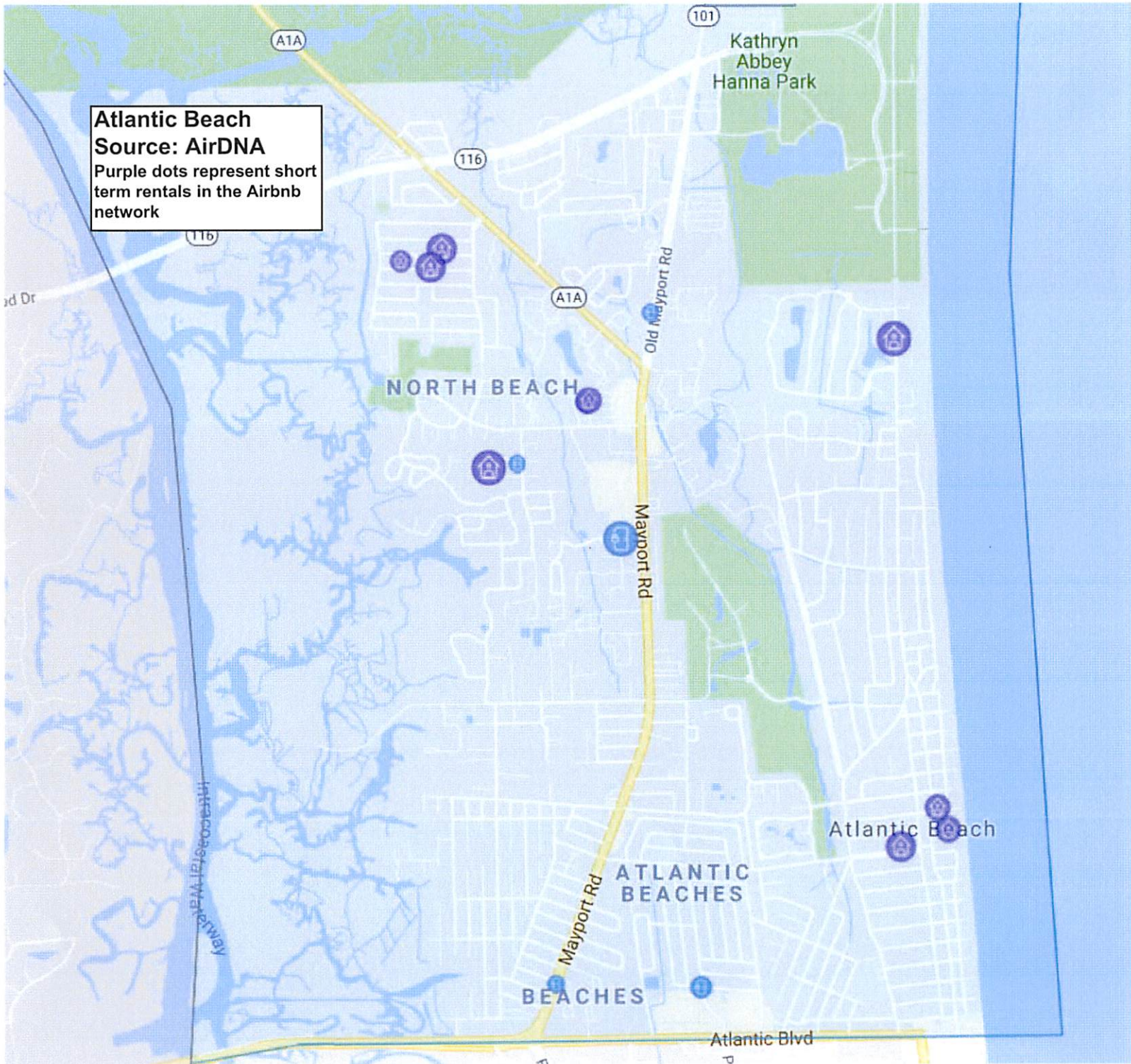
(2) These booking sites are owned by the same parent company.

Jax Beach
Source: AirDNA
Purple dots represent
short term rentals in the
Airbnb network



Neptune Beach
Source: AirDNA
Purple dots represent
short term rentals in the
Airbnb network





Atlantic Beach
Source: AirDNA
Purple dots represent short term rentals in the Airbnb network

Kathryn Abbey Hanna Park

NORTH BEACH

ATLANTIC BEACHES

Atlantic Beach

BEACHES

Atlantic Blvd

A1A

116

A1A

101

116

Old Mayport Rd

Mayport Rd

Mayport Rd

Intracoastal Waterway

rd Dr

Overview of City's 6% Tourist/Convention Development Tax Use

Tourist/Convention Development Tax Amount	City Account	Current Use of Funds	FY 2018/19 Budgeted Amount
2%	Tourist Development Council	To carry out the Tourist Development Plan	9,000,000
2%	Sports Complex Capital Maintenance	To construct, extend, enlarge, remodel, repair, improve or maintain the Sports Complex	8,600,000
2%	City Venues	To make a portion of the debt service payments on the Stadium	9,000,000

CHAPTER 69A-43
UNIFORM FIRE SAFETY STANDARDS FOR TRANSIENT PUBLIC LODGING
ESTABLISHMENTS, TIMESHARE PLANS, AND TIMESHARE UNIT FACILITIES'

69A-43.001	Title
69A-43.002	Purpose
69A-43.003	Scope
69A-43.004	Definitions
69A-43.005	Interpretation of this Rule Chapter
69A-43.009	Automatic Smoke Detection Requirements
69A-43.0095	Individually Annunciated at Panel
69A-43.011	Standpipe and Hose Systems
69A-43.014	Special Compliance Schedule
69A-43.015	Historic Hotel Structures
69A-43.018	One and Two Family Dwellings, Recreational Vehicles and Mobile Homes Licensed as Public Lodging Establishments
69A-43.019	Standards of the National Fire Protection Association Adopted

69A-43.001 Title.

These rules, comprising Rule Chapter 69A-43, F.A.C., shall be known as "The Uniform Fire Safety Standards for Transient Public Lodging Establishments, Timeshare Plans, or Timeshare Unit Facilities."

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 11-12-85, Formerly 4A-43.01, Amended 5-14-91, 9-6-01, Formerly 4A-43.001.

69A-43.002 Purpose.

The purpose of this rule chapter is to specify measures to be used in conjunction with Sections 509.215 and 721.24, F.S., to provide a reasonable degree of public safety from fire in transient public lodging establishments, or any transient facility or accommodation of a "time-share plan" or "time share unit." These rules try to avoid requirements which might result in unreasonable hardships, or unnecessary inconvenience, or interference with the normal use and occupancy of a building, but at the same time insist upon compliance with a uniform standard for life safety necessary in the public interest.

Rulemaking Authority 509.215(7), 633.104, 721.24(5) FS. Law Implemented 509.215, 633.206, 721.24 FS. History—New 11-12-85, Formerly 4A-43.02, Amended 5-14-91, Formerly 4A-43.002.

69A-43.003 Scope.

These rules apply to any transient public lodging establishment as defined and licensed by the Department of Business and Professional Regulation under Sections 509.013(4) and (11), F.S., and any time-share unit or time-share plan as defined in Sections 721.05(39) and (41), F.S.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 11-12-85, Formerly 4A-43.03, Amended 8-24-87, 5-14-91, 5-23-94, 9-6-01, Formerly 4A-43.003.

69A-43.004 Definitions.

As used in this rule chapter, the following definitions shall apply:

(1) "Approved" shall refer either to:

(a) Materials, devices, construction, and installation accepted by the authority having jurisdiction under the provisions of these rules by reason of tests or investigations conducted by it or by an agency satisfactory to the authority, based upon nationally accepted test standards or principles; or to:

(b) Occupancy or use accepted by the authority having jurisdiction under the provisions of these rules by reason of the submission of adequate proof of conformity with the basic requirements of the State Fire Marshal's Rules.

(2) "Authority having jurisdiction" shall mean the Division of Hotels and Restaurants, Department of Business and Professional Regulation, and the local governmental entity, organization, office, or individual responsible for approving equipment, an installation, or a procedure.

(3) "Date the construction contract is let" means the date the permit is issued to begin construction.

(4) "NFPA" is the abbreviation for the National Fire Protection Association.

(5) "Public Lodging Establishment" means any establishment classified as a hotel, motel, resort condominium, non-transient apartment, transient apartment, roominghouse or resort dwelling as defined in Section 509.242(1), F.S.

(6) "One Family Dwelling" means a detached building containing no more than one living unit which is rented for transient occupancy to a single party at a time, containing no cooking or sanitary facilities in common with any other dwelling.

(7) "Two Family Dwelling" means a detached building containing no more than two separate and distinct living units which are separately rented for transient occupancy to a single party at a time, neither of which contain cooking or sanitary facilities in common with each other or any other dwelling.

(8) "Sleeping Room" means a room that has the sole purpose of providing sleeping facilities, commonly referred to as a "bedroom," and does not include living rooms or dens having sofas that convert to beds.

Rulemaking Authority 509.215(3), (7), 633.104, 721.24(5) FS. Law Implemented 509.215, 509.242(1), 633.206, 721.24(5) FS. History--New 11-12-85, Formerly 4A-43.04, Amended 8-24-87, 5-14-91, 5-23-94, Formerly 4A-43.004.

69A-43.005 Interpretation of this Rule Chapter.

The State Fire Marshal shall be the final administrative interpreting authority regarding the rules in this rule chapter.

Rulemaking Authority 509.215(7), 633.104 FS. Law Implemented 509.215(7), 633.104, 633.206, 721.24 FS. History--New 11-12-85, Formerly 4A-43.05, 4A-43.005.

69A-43.009 Automatic Smoke Detection Requirements.

(1) The single station smoke detectors specified for construction contracts before October 1, 1983, by Section 509.215, F.S., for transient public lodging establishments which are less than 3 stories in height and by Section 721.24, F.S., for a time-share plan which is less than 3 stories in height shall be approved UL 217, listed single station smoke detector. Existing facilities may continue to use battery powered smoke detectors provided they are tested on a regular basis in accordance with paragraph (1)(b) and replaced in accordance with the manufacturer's recommendations, as required in Section 2-6 of NFPA 72, the edition as adopted in Rule 69A-3.012, F.A.C., but not less than once every twelve (12) months. New facilities shall have the detectors powered by the building electrical service with a rechargeable battery as a secondary power supply in compliance with NFPA 72, Section 1-5.2.6, the edition as adopted in Rule 69A-3.012, F.A.C.

(a) All such smoke detectors shall comply with NFPA 72, Section 2-3, the edition as adopted in Rule Chapter 69A-3, F.A.C.

(b) Battery powered, single station smoke detectors, where used, shall be tested and inspected not less frequently than once per week. A log of the required tests and inspections shall be kept and available to the authority having jurisdiction at any time. This log shall include, but not be limited to, the following information and any other information as may be required by the authority having jurisdiction.

1. A list, clearly identifying each individual detector by its physical location.
2. The date of each required test & inspection.
3. The identity and signature of the inspector.
4. The result of each test & inspection.
5. The completion date and form of any maintenance performed.
6. The completion date and form of any corrective measures taken for each improperly functioning device.
7. A copy of the manufacturer's recommended maintenance schedule and procedures.

(c) At such time that the authority having jurisdiction finds cause to believe that the requirements of paragraphs (1)(a) or (b), are not being fulfilled, detectors powered by the building electrical system shall be required.

(2) Specialized smoke detectors for the deaf and hearing-impaired as required by Section 509.215(6), F.S., shall be listed by a nationally recognized testing laboratory for the intended use, and shall:

(a) Have a visual signaling appliance which has an effective intensity rating of at least 100 candela; and,

(b) Be listed by a nationally recognized testing laboratory for the particular purpose of alerting the deaf and hearing impaired in

the event of a fire.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 11-12-85, Formerly 4A-43.09, Amended 8-24-87, 5-14-91, 9-6-01, Formerly 4A-43.009.

69A-43.0095 Individually Annunciated at Panel.

Single station smoke detectors which annunciate at a panel at a supervised location, where used, shall meet the following:

(1) All means of interconnecting equipment, devices and/or appliances shall be monitored for the integrity of the conductors or equivalent so that the occurrence of a single open or a single ground trouble condition in the installation conductors and their restoration to normal shall be automatically signaled as “trouble” at the panel in the supervised location.

(2) Trouble signals shall be audible and distinctive from alarm signals, and shall comply with NFPA 72, Section 1-5.4.6, the edition as adopted in Rule Chapter 69A-3, F.A.C.

(3) The annunciator system shall have primary power supplied in accordance with NFPA 72, Section 1-5.2.4, the edition as adopted in Rule Chapter 69A-3, F.A.C., and secondary power supplied in accordance with NFPA 72, Section 1-5.2.5, the edition as adopted in Rule Chapter 69A-3, F.A.C.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215, 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 5-14-91, Amended 9-6-01, Formerly 4A-43.0095.

69A-43.011 Standpipe and Hose Systems.

Standpipe and hose systems are required for all transient public lodging establishments, timeshare units or timeshare plans which are located in buildings exceeding 50 feet in height or in buildings over six stories high which have a complete automatic sprinkler system. The standpipe and hose systems shall comply with the provisions of NFPA 14, the edition as adopted in Rule 69A-3.012, F.A.C. Both standpipe and hose are required for those buildings which do not have sprinkler systems. A standpipe with no hose, but hose connections, is required for those buildings that do have sprinkler systems.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 11-12-85, Formerly 4A-43.11, Amended 8-24-87, 5-14-91, 9-6-01, Formerly 4A-43.011.

69A-43.014 Special Compliance Schedule.

All required public lodging establishments, time share plans or time share units shall be sprinklered in accordance with Sections 509.215 and 721.24, F.S. All systems must have been installed and operational by October 1, 1994, and the Division of the State Fire Marshal will no longer grant any extensions for delayed installations.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 11-12-85, Formerly 4A-43.14, Amended 8-24-87, 5-14-91, 9-6-01, Formerly 4A-43.014.

69A-43.015 Historic Hotel Structures.

(1) Any request to utilize the special provisions of Section 509.215(4), F.S., shall be made in writing to the Director of the Division of State Fire Marshal.

(2) The special historical review task force, as designated in Section 509.215(4)(b), F.S., shall review the application of fire safety standards required by Section 509.215, F.S., and shall address other fire safety provisions pursuant to the authority of Section 633.104, F.S.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 11-12-85, Formerly 4A-43.15, Amended 8-24-87, 5-14-91, 9-6-01, Formerly 4A-43.015.

69A-43.018 One and Two Family Dwellings, Recreational Vehicles and Mobile Homes Licensed as Public Lodging Establishments.

(1) This section applies to one and two family dwellings, recreational vehicles and mobile homes licensed as public lodging establishments as defined in Section 509.013(4)(a), F.S. Except as modified by this rule, one and two family dwellings used by more than one party per living unit shall comply with Chapter 24, One-Family and Two-Family Dwellings, of NFPA 101, Life Safety

Code, as adopted in Chapter 69A-3, F.A.C., and incorporated by reference therein.

(2) Three family and four family dwellings licensed as public lodging establishments shall comply with Chapter 28, New Hotels and Dormitories or Chapter 29, Existing Hotels and Dormitories, of NFPA 101, Life Safety Code, as adopted in Chapter 69A-3, F.A.C., and incorporated by reference therein.

(3) Smoke detectors.

(a) One and two family dwellings and mobile homes shall have an approved single station or multiple station smoke detectors continuously powered by the house electrical system.

(b) Recreational vehicles shall have an approved single station smoke detector continuously powered by 120 volt electrical service.

(c) In addition to paragraph (3)(a) or (b), above, an approved single station smoke detector powered by the building electrical system, and 120 volt AC electrical service for recreational vehicles, shall be provided in each sleeping room.

(d) To qualify as "approved," smoke detectors shall be installed in accordance with NFPA 72, National Fire Alarm Code, the edition as adopted in Chapter 69A-3, F.A.C., and incorporated by reference therein.

(4) Means of egress.

(a) Every one and two family dwelling, recreational vehicle or mobile home licensed as a public lodging establishment shall have a minimum of one primary exit and one secondary means of escape.

(b) The primary means of exit shall be a door, stairway, or ramp providing a means of unobstructed exit travel to the outside of the dwelling, recreational vehicle or mobile home, at street or ground level.

(c) The secondary means of escape shall be one of the following:

1. A door, stairway or ramp providing a way of unobstructed exit travel to the outside of the dwelling, recreational vehicle or mobile home, at street or ground level that is independent of and remote from the primary means of exit, or

2. An outside window or door operable from the inside, without the use of tools or special equipment, that provides a clear opening having a minimum of 5.7 square feet of area with no dimension less than 20 inches in width or 24 inches in height. The bottom of the opening shall not be more than 44 inches off the floor. The opening must be directly accessible to fire department rescue apparatus or fire department extension ladder.

(d) The secondary means of exit and sleeping room smoke detectors are not required if the dwelling, recreational vehicle or mobile home is protected throughout by an approved automatic sprinkler system in accordance with NFPA 13, Standard for Installation of Sprinkler Systems, or NFPA 13D, Standard for the Installation of Sprinkler Systems in One and Two Family Dwellings and Mobile Homes, or NFPA 13R, Standard for the Installation of Sprinkler Systems in Residential Occupancies Up to Four Stories in Height, as adopted in Chapter 69A-3, F.A.C., and incorporated by reference therein.

(5) The maximum occupancy load permitted for one and two family dwellings and mobile homes licensed as public lodging establishments shall be computed at 150 square feet gross floor area per person. The occupancy load for recreational vehicles licensed as public lodging establishments will be the occupancy load designated by the manufacturer of the recreational vehicle, which shall be posted in the vehicle.

(6) Battery powered emergency lighting shall be provided for a period of not less than one (1) hour to illuminate the primary exit. The emergency lighting shall provide illumination automatically in the event of any interruption of normal lighting.

(7) Minimum acceptable portable fire extinguisher requirements shall conform to NFPA 10, as adopted in Rule 69A-3.012, F.A.C.

(8) A floor diagram reflecting the actual floor arrangement, primary exit location, secondary exit location and room identification shall be posted in a conspicuous location.

(9) A fire safety information pamphlet describing evacuation of the dwelling or vehicle, smoke detector information, procedures for reporting a fire or other emergency shall be provided to guests.

(10) Unvented fuel fired heaters shall not be utilized in one and two family dwellings, recreational vehicles or mobile homes licensed as public lodging establishments.

(11) Specialized smoke detectors for the deaf and hearing impaired shall be available upon request by guests in public lodging establishments at a rate of at least one such smoke detector per 50 dwelling units or portions thereof, not to exceed five such smoke detectors per public lodging facility, as provided in Section 509.215(8), F.S.

Rulemaking Authority 509.215(7), 633.104, 633.206(1)(b), 721.24(5) FS. Law Implemented 509.215(7), 633.104(1), 633.206(1)(b), 721.24(5) FS. History—New 5-23-94, Amended 9-6-01, Formerly 4A-43.018.

69A-43.019 Standards of the National Fire Protection Association Adopted.

(1) Except as modified by Section 509.215, F.S., the standards of the National Fire Protection Association, NFPA 101, the Life Safety Code, the edition as adopted and incorporated in Rule 69A-3.012, F.A.C., shall be the uniform firesafety standards for "public lodging establishments," as defined in Section 509.013(4)(a), F.S., which are "transient establishments," as defined in Section 509.013(11), F.S.

(2) The codes and standards published by the National Fire Protection Association may be obtained by writing to the National Fire Protection Association at 1 Batterymarch Park, Quincy, Massachusetts 02169-7471. All codes and standards referenced in this rule are also available for public inspection during regular business hours at the Bureau of Fire Prevention, Division of State Fire Marshal, 325 John Knox Road, The Atrium, Third Floor, Tallahassee, Florida 32303.

Rulemaking Authority 509.215(5) FS. Law Implemented 509.215 FS. History—New 9-15-02, Formerly 4A-43.019.

The 2015 Florida Statutes

Title XIV	TAXATION AND FINANCE	Chapter 196	EXEMPTION	View Entire Chapter
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196.012 Definitions.—For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

- (1) "Exempt use of property for exempt purposes" means predominant or exclusive use of property owned by an exempt entity for educational, literary, scientific, religious, charitable, or governmental purposes, as defined in this chapter.
- (2) "Exclusive use of property" means use of property solely for exempt purposes. Such purposes may include more than one class of exempt use.
- (3) "Predominant use of property" means use of property for exempt purposes in excess of 50 percent but less than exclusive.
- (4) "Use" means the exercise of any right or power over real or personal property incident to the ownership of the property.
- (5) "Educational institution" means a federal, state, parochial, church, or private school, college, or university conducting regular classes and courses of study required for eligibility to certification by, accreditation to, or membership in the State Department of Education of Florida, Southern Association of Colleges and Schools, or the Florida Council of Independent Schools; a nonprofit private school the principal activity of which is conducting regular classes and courses of study accepted for continuing postgraduate dental education credit by a board of the Division of Medical Quality Assurance; educational direct-support organizations created pursuant to ss. 1001.24, 1004.28, and 1004.70; facilities located on the property of eligible entities which will become owned by those entities on a date certain; and institutions of higher education, as defined under and participating in the Higher Educational Facilities Financing Act.

(6) Governmental, municipal, or public purpose or function shall be deemed to be served or performed when the lessee under any leasehold interest created in property of the United States, the state or any of its political subdivisions, or any municipal, agency, special district, authority, or other public body corporate of the state is demonstrated to perform a function or serve a governmental purpose which could properly be performed or served by an appropriate governmental unit or which is demonstrated to perform a function or serve a purpose which would otherwise be a valid subject for the allocation of public funds. For purposes of the preceding sentence, an activity undertaken by a lessee which is permitted under the terms of its lease of real property designated as an aviation area on an airport layout plan which has been approved by the Federal Aviation Administration and which real property is used for the administration, operation, business offices and activities related specifically hereto in connection with the conduct of an aircraft full service fixed base operation which provides goods and services to the general aviation public in the promotion of air commerce shall be deemed an activity which serves a governmental, municipal, or public purpose or function. Any activity undertaken by a lessee which is permitted under the terms of its lease of real property designated as a public

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airport as defined in s. 332.004(14) by municipalities, agencies, special districts, authorities, or other public bodies corporate and public bodies politic of the state, a spaceport as defined in s. 331.303, or which is located in a deepwater port identified in s. 403.021(9)(b) and owned by one of the foregoing governmental units, subject to a leasehold or other possessory interest of a nongovernmental lessee that is deemed to perform an aviation, airport, aerospace, maritime, or port purpose or operation shall be deemed an activity that serves a governmental, municipal, or public purpose. The use by a lessee, licensee, or management company of real property or a portion thereof as a convention center, visitor center, sports facility with permanent seating, concert hall, arena, stadium, park, or beach is deemed a use that serves a governmental, municipal, or public purpose or function when access to the property is open to the general public with or without a charge for admission. If property deeded to a municipality by the United States is subject to a requirement that the Federal Government, through a schedule established by the Secretary of the Interior, determine that the property is being maintained for public historic preservation, park, or recreational purposes and if those conditions are not met the property will revert back to the Federal Government, then such property shall be deemed to serve a municipal or public purpose. The term "governmental purpose" also includes a direct use of property on federal lands in connection with the Federal Government's Space Exploration Program or spaceport activities as defined in s. 212.02(22). Real property and tangible personal property owned by the Federal Government or Space Florida and used for defense and space exploration purposes or which is put to a use in support thereof shall be deemed to perform an essential national governmental purpose and shall be exempt. "Owned by the lessee" as used in this chapter does not include personal property, buildings, or other real property improvements used for the administration, operation, business offices and activities related specifically thereto in connection with the conduct of an aircraft full service fixed based operation which provides goods and services to the general aviation public in the promotion of air commerce provided that the real property is designated as an aviation area on an airport layout plan approved by the Federal Aviation Administration. For purposes of determination of "ownership," buildings and other real property improvements which will revert to the airport authority or other governmental unit upon expiration of the term of the lease shall be deemed "owned" by the governmental unit and not the lessee. Providing two-way telecommunications services to the public for hire by the use of a telecommunications facility, as defined in s. 364.02(14), and for which a certificate is required under chapter 364 does not constitute an exempt use for purposes of s. 196.199, unless the telecommunications services are provided by the operator of a public-use airport, as defined in s. 332.004, for the operator's provision of telecommunications services for the airport or its tenants, concessionaires, or licensees, or unless the telecommunications services are provided by a public hospital.

(7) "Charitable purpose" means a function or service which is of such a community service that its discontinuance could legally result in the allocation of public funds for the continuance of the function or service. It is not necessary that public funds be allocated for such function or service but only that any such allocation would be legal.

(8) "Hospital" means an institution which possesses a valid license granted under chapter 395 on January 1 of the year for which exemption from ad valorem taxation is requested.

(9) "Nursing home" or "home for special services" means an institution which possesses a valid license under chapter 400 on January 1 of the year for which exemption from ad valorem taxation is requested.

(10) "Gross income" means all income from whatever source derived, including, but not limited to, the following items, whether actually owned by or received by, or not received by but available to, any

person or couple: earned income, income from investments, gains derived from dealings in property, interest, rents, royalties, dividends, annuities, income from retirement plans, pensions, trusts, estates and inheritances, and direct and indirect gifts. Gross income specifically does not include payments made for the medical care of the individual, return of principal on the sale of a home, social security benefits, or public assistance payments payable to the person or assigned to an organization designated specifically for the support or benefit of that person.

(11) "Totally and permanently disabled person" means a person who is currently certified by two licensed physicians of this state who are professionally unrelated, by the United States Department of Veterans Affairs or its predecessor, or by the Social Security Administration, to be totally and permanently disabled.

(12) "Couple" means a husband and wife legally married under the laws of any state or territorial possession of the United States or of any foreign country.

(13) "Real estate used and owned as a homestead" means real property to the extent provided in s. 6(a), Art. VII of the State Constitution, but less any portion thereof used for commercial purposes, with the title of such property being recorded in the official records of the county in which the property is located. Property rented for more than 6 months is presumed to be used for commercial purposes.

(14) "New business" means:

(a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations:

a. Manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant; or

b. Is a target industry business as defined in s. 288.106(2)(q);

2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a business or organization newly domiciled in this state; provided such office space houses 50 or more full-time employees of such business or organization; provided that such business or organization office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

(b) Any business or organization located in an enterprise zone or brownfield area that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

(c) A business or organization that is situated on property annexed into a municipality and that, at the time of the annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

(15) "Expansion of an existing business" means:

(a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any of the operations referred to in subparagraph (14)(a)1.; or

2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operations on a site located

within the same county, municipality, or both colocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization, resulting in a net increase in employment of not less than 10 percent or an increase in productive output or sales of not less than 10 percent.

(b) Any business or organization located in an enterprise zone or brownfield area that increases operations on a site located within the same zone or area colocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization.

(16) "Permanent resident" means a person who has established a permanent residence as defined in subsection (17).

(17) "Permanent residence" means that place where a person has his or her true, fixed, and permanent home and principal establishment to which, whenever absent, he or she has the intention of returning. A person may have only one permanent residence at a time; and, once a permanent residence is established in a foreign state or country, it is presumed to continue until the person shows that a change has occurred.

(18) "Enterprise zone" means an area designated as an enterprise zone pursuant to s. [290.0065](#). This subsection expires on the date specified in s. [290.016](#) for the expiration of the Florida Enterprise Zone Act.

(19) "Ex-servicemember" means any person who has served as a member of the United States Armed Forces on active duty or state active duty, a member of the Florida National Guard, or a member of the United States Reserve Forces.

History.—s. 1, ch. 71-133; s. 1, ch. 72-367; s. 1, ch. 73-340; s. 14, ch. 74-234; s. 13, ch. 76-234; s. 1, ch. 77-447; s. 6, ch. 80-163; s. 1, ch. 80-347; s. 2, ch. 81-219; s. 85, ch. 81-259; s. 9, ch. 82-119; s. 29, ch. 84-356; s. 1, ch. 88-102; s. 45, ch. 91-45; s. 87, ch. 91-112; s. 1, ch. 91-121; s. 1, ch. 91-196; s. 3, ch. 92-167; s. 58, ch. 92-289; s. 9, ch. 93-132; s. 3, ch. 93-233; s. 61, ch. 93-268; s. 67, ch. 94-136; ss. 59, 66, ch. 94-353; s. 1472, ch. 95-147; s. 4, ch. 95-404; s. 3, ch. 97-197; s. 25, ch. 97-255; s. 2, ch. 97-294; s. 109, ch. 99-251; s. 11, ch. 99-256; s. 29, ch. 2001-79; s. 2, ch. 2002-183; s. 907, ch. 2002-387; s. 20, ch. 2003-32; s. 1, ch. 2005-42; s. 20, ch. 2005-132; s. 17, ch. 2005-287; s. 52, ch. 2006-60; s. 4, ch. 2006-291; s. 14, ch. 2007-5; s. 6, ch. 2008-227; s. 54, ch. 2011-36; s. 31, ch. 2011-64; s. 1, ch. 2011-182; s. 20, ch. 2012-5; s. 4, ch. 2013-77.