

SPECIAL COMMITTEE MEETING ON SHORT-TERM VACATION RENTALS AGENDA

**Thursday, October 22, 2018
1:30 PM**

Lynwood Roberts, 1st Floor, City Hall

Danny Becton, Chair
Jim Love
Ju'Coby Pittman

Legislative Assistant: Melanie Wilkes
Office of General Counsel: Jason Teal
Office of General Counsel: Lawsikia Hodges
Research Asst.: Jeff Clements

Meeting Convened:

Meeting Adjourned:

If a person decides to appeal any decision made by the Council with respect to any matter considered at such meeting, such person will need a record of the proceedings, and for such purpose, such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

I. Office of General Counsel

Speakers: Jason Teal, Attorney IV; Lawsikia Hodges, Attorney IV

- Current Issues of Opportunity and the Deficiency in our code for which we are addressing.
- Legislative History and Industry Data
- Attorney General Opinion
- Other County Solutions

II. Building Code

- Building code requirements for hotels vs. bed breakfasts vs /short-term rentals

III. Industry

Speakers; Expedia Group; Booking.com; AirBnB; Florida Vacation Rental Management Association (FVRMA); VTrips; Florida Restaurant and Lodging Association

- Best Practices and Processes
- Reservation Systems and Web Sites
- Permitting
- Agreements

- AirBnB – Kenny Montilla
- Expedia – Paul Seago
- VTrips – Steve Milo
- Booking.com – Emmett OKeefe
- Florida VRMA – Denis Hanks, Executive Director
- Florida Restaurant and Lodging Association – Nicole Chapman

Committee On: Special Committee on Short-Term Vacation Rentals

IV. Administration

Speaker: Mayor's Office, Brian Hughes, Chief of Staff;

V. Finance

Speaker: Joey Greive, Chief Financial Officer

- Auditing
- Others

VI. Public Comments

VII. Adjourn

Next Meeting: November 15th, 2018 (9am – 12noon)

*****NOTE: Other items may be added at the discretion of the Chair.*****

I. Relevant State Statutes

Section 509.032, F.S. – Allows a local government to regulate vacation rentals, but prohibits local government's ability to outright prohibit them or restrict the duration or frequency of rental periods. Does not apply to any local law adopted prior to 2011. It requires licensing with the State Div. of Hotels and Restaurants. Allows local government inspections for compliance with Florida Building Code and Florida Fire Code.

Section 509.261, F.S. – Penalties for operating an unlicensed or improper vacation rental up to \$1000 per violation, potential revocation of license.

Section 509.241, F.S. – Unlicensed vacation rentals can be prosecuted for second degree misdemeanor.

II. Registration

Each property owner register and annually renew each property address where STVR is offered.

Fee

Information required in registration (license from Div. of Hotels, insurance, permission from (or notice to?) HOA, COU, etc.)

Each platform (AirBnB, Expedia, etc.) – is there a difference between platforms who collect taxes or who don't?

III. Zoning regulations

Certificate of Use – required of each address (required of each platform?)

Application requirements – zoning, building, fire code review (inspections

Costs – processing, inspecting

Parking

Max. occupancy (2 persons per bedroom; max 12 persons per property)

Pets

Noise

Signage

Single family vs multi-family – reason to treat differently? LDR – only within home occupied by owner.

Entire structure or limitations?

IV. Other issues

Solid waste collection – 1X per week

Swimming pools

Sexual predators - Proximity to schools, parks, playgrounds

V. Enforcement

Do “normal” penalties work?

Increase fines

Bond subject to forfeiture for violations

Injunction

Revocation of COU – site specific

Revocation of license – bans owner from engaging in business – shell corporations.

Failure to remit taxes

Summary of Agreement Terms
Airbnb Voluntary Collection Agreement (2016 Airbnb Proposal)

- **Agreement Parties:**
 - Airbnb and City (City Council action necessary to approve agreement)
- **Applicability of Agreement**
 - Only applies to Booking Transaction of Guests or Hosts on Airbnb Platform made on or after the Effective Date of the Agreement (does not apply to Booking Transactions prior to Effective Date)
- **Agreement Term**
 - Remains in effect unless terminated by a party pursuant to advance notice provisions
- **Services to be Provided:**
 - Will register as a for the reporting, collection and remittance of TDT dealer (“Dealer”) with respect to Hosts or Guests use of Airbnb Platform
 - Reasonably report aggregate information on the tax return form prescribed by the Tax Collector and remit all TDT collected from Guests use of Airbnb Platform to Tax Collector.
- **Airbnb Liability:**
 - Will contractually assume liability for any failure to report, collect and/or remit the correct amount of TDT, including penalties and interest, subject to auditing rights limitation.
- **Limitation on City auditing rights:**
 - So long as Airbnb is not in breach of the Agreement, the City shall agree to audit Airbnb on the basis of TDT tax returns and supporting documentation filed by Airbnb with the Tax Collector and **shall not** directly or indirectly audit any individual Guest or Host relating to such Booking Transactions unless an audit has been exhausted with the matter unresolved
 - City must agree to audit Airbnb on an anonymous numbered account basis. Airbnb shall not be required to produce any personally identifiable information relating to any Host or Guest and/or relating to any Booking Transaction in connection with the audit
 - City audit rights on alleged under collection of TDT is limited to no more than a consecutive 12 month period within any consecutive 48 month period.
- **Guest and Host Liability:**
 - Host shall not be required to individually register with the Tax Collector to collect, remit and report TDT for Host’s activity on the Airbnb Platform as long as Airbnb is in compliance with the Agreement and the City Code (not applicable to other non-Airbnb platforms used by Host)
- **“Waiver of Look – Back” provision (blanket release by City)**
 - City releases, acquits, waives and forever discharges **Airbnb** (and related entities) and **Hosts or Guests** from any and all actions, causes of action, indebtedness, suits, damages or claims arising out of or relating to payment of an/or collection of TDT or other tax indebtedness on any Booking Transactions completed on the Airbnb Platform **prior to** the Effective Date and outside of the Agreement term. Waiver is not applicable to other non-Airbnb platforms used by Host.

Policy Matters to Consider

- Airbnb liability, Hosts or Guests liability, City auditing rights
- Review and compare contracts executed by other counties/cities
- Inclusion of contract parameters in City Code (together with a registration process) and granting the Mayor or designee the authority to execute each contract subject to Code provisions
- Establishing a registration process in the Code for use by various Platforms and/or Hosts or Guests