



Memorandum

To: Honorable Mayor & City Commissioners

From: Carmen Davis, City Manager

Subject: Air B&B, Short Term and Vacation Rental Potential Regulations Update

Date: June 1, 2022

Per the consensus of direction posed to City staff regarding Air B&Bs, Short Term and Vacation Rentals ("Vacation Rentals") at the May 23, 2022 Commission Workshop, the following is provided as base regulations the City could impose in order to reasonably allow and regulate Vacation Rentals within the City of Lake Worth Beach. The below list of potential regulations are not prohibited under the current statutory scheme for Vacation Rentals.

Potential Regulations:

- 1. Establish a registration process as part of the Business License application process for the property owner to establish compliance with all required criteria, which may include:
 - a. A completed and signed Vacation Rental Registration Form.
 - b. Payment of applicable fee (to be established by resolution and based on occupancy level).
 - c. A copy of the Vacation Rental's current and active license as a transient public lodging establishment with the Florida Department of Business and Professional Regulation.
 - d. A copy of the Vacation Rental's current and active certificate of registration with the Florida Department of Revenue.
 - e. Evidence of the Vacation Rental's current and active account with the Palm Beach County Tax Collector and Palm Beach County.
 - f. Exterior site sketch showing all structures, pools, spas, hot tubs, fencing, and uses, including areas provided for off street parking.
 - g. Interior building sketch by floor showing the floor layout, identifying all bedrooms, other rooms, exits, hallways, stairways, as applicable.
 - h. Occupancy limits established based on sketch and posted within Vacation Rental.
 - i. Property owner to provide 24/7 contact information for property owner or manager in case of emergency to City, PBSO, PBCFR and all occupants.
- 2. Except for owner-occupied Vacation Rentals, utilities could be assessed under the commercial rate schedules (coordination with Village of Palm Springs and Palm Beach County would be necessary on properties outside City limits).

- 3. Except for owner-occupied Vacation Rentals, use & occupancy inspections would be conducted to reflect commercial use and potentially increase to an annual inspection along with fire marshal inspection.
- 4. External signage would need to be consistent with current sign code; internal postings would be required for waste collection schedule, noise ordinance, emergency numbers, etc.
- 5. Create a specific calls-for-service standard for Vacation Rentals to more quickly declare them a Chronic Nuisance and commence the process to obtain compliance with all regulations.
- 6. Establish off street parking requirements depending on occupancy.
- 7. Create potential fee schedule for violations and identify irreparable fine amount for operating a Vacation Rental without the appropriate licenses and certifications.

In order to incorporate all of these recommendations, the City would need to amend the following Chapters of its Code of Ordinances:

- 1. Chapter 2, Administration, Article VI Code Compliance and Article VII Abatement of Nuisances
- 2. Chapter 14, Business License
- 3. Chapter 18, Utilities (and the applicable rate resolutions)
- 4. Chapter 23, Land Development Regulations, Article 1 General Provisions, Article 3 Zoning Districts, Article 4 Development Standards and possibly Article 5 Supplemental Regulations.

The City's Resolution providing the official schedule of fees and charges also would need to be amended.

Please note, if the City modifies its existing Code of Ordinances to allow for Vacation Rentals (which are currently prohibited city-wide), Vacation Rentals would be allowed city-wide due to the State's preemption set forth in section 509.032, Florida Statutes. Further, once Vacation Rentals are allowed, the City is currently prohibited from regulating the rental duration or rental frequency of Vacation Rentals.