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## Memorandum

To: Honorable Mayor & City Commissioners

From: Michael Bornstein, City Manager

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

Date: November 13, 2020

Per the direction posed to City staff regarding Air B&Bs, Short Term and Vacation Rentals (“Vacation Rentals”), the City Attorney’s Office and the Community Sustainability Department collaborated to identify potential 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 is not prohibited under the current statutory scheme for Vacation Rentals. However, please note, if the City modifies its existing Code of Ordinances to allow for Vacation Rentals (which are currently prohibited city-wide), Vacation Rentals should 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.


### 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. Property could not be claimed as homestead (with exception for owner-occupied).
3. 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).
4. 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.
5. 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.
6. 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.
7. Possibly equate the Vacation Rental use to a motel, hotel or extended stay lodging and each Vacation Rental would have to meet the performance criteria of such uses as outlined in the Land Development Regulations.
8. Parking requirements would need to be established, which could be that of a single family residence or transient lodging facility (depending on occupancy level).
9. Create potential fee schedule for violations and identify irreparable fine amount for operating a Vacation Rental without the appropriate licenses and certifications.
10. Except for owner-occupied Vacation Rentals, Vacation Rental structures (residences) would need to meet commercial fire code and accessibility requirements.
11. Except for owner-occupied Vacation Rentals, potentially treat structures (residences) being used commercially as formal changes in use & occupancy triggering Florida Building Code Requirements to bring the structures up to current code. This may involve, structural, electrical, mechanical and plumbing requirements as well as fire code.

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 9, Buildings and Structural Regulations – 40 year recertification of commercial and multi-family structures and buildings
3. Chapter 11, Fire Protection and Prevention
4. Chapter 14, Business License
5. Chapter 18, Utilities (and the applicable rate resolutions)

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6. 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.

