



Short-Term Rentals

Priority Statement:

The Florida League of Cities SUPPORTS legislation providing for a collaboration between the Florida Department of Business and Professional Regulation and cities to ensure that short-term rental properties abide by state and local regulations, are properly licensed and insured, and comply with state and local taxation requirements as well as industry-accepted safety practices. The Florida League of Cities SUPPORTS legislation clarifying that existing, grandfathered municipal short-term rental ordinances can be amended without penalty.

Background:

In 2011, the Florida Legislature preempted cities from regulating short-term vacation rentals. The legislation included a provision that “grandfathered” any existing ordinance that was passed prior to June 1, 2011. With the rise in use of online rental platforms, cities began to see a proliferation of short-term rental properties in traditional single-family neighborhoods. In 2014, the Legislature restored some authority back to local governments so they could address many of the problems they were seeing in their communities relating to parking, noise, trash and life-safety issues. This legislation left in place existing statutory language stating that cities cannot “prohibit” short-term rentals or regulate the duration or frequency of the rental.

Both pieces of legislation resulted in the creation of two different classes of cities: those with Home Rule authority and those without. Those cities fortunate enough to have had an ordinance in place prior to the 2011 preemption are still allowed to regulate short-term rentals, but the question remains whether these ordinances will continue to be valid if amended. Some city attorneys believe these ordinances are “frozen” and any future amendments would cause a loss of the “grandfather.” Technology has changed significantly since 2011, and many grandfathered cities would like to modernize their ordinances to address current issues without fear of losing all regulatory authority. Cities without short-term rental regulations in place prior to June 1, 2011, have had their zoning authority stripped and are now seeing these rentals completely overtake residential neighborhoods. Long-time residents are moving out as a result, and the residential character of traditional neighborhoods is slowly being destroyed.

The restoration of zoning authority will allow cities to implement smart, targeted solutions to problems caused by vacation rentals and will ensure the preservation of traditional residential communities and neighborhoods. Cities use zoning as a tool to prepare for their future growth and to control where commercial and residential properties are located. Properties that sleep over a dozen people with constant turnover are essentially the hotel next door. Hotels have

Contact: Tara Taggart, Legislative Policy Analyst – 850.701.3603 – ttaggart@flcities.com

different infrastructure needs than single-family residential properties. As residential neighborhoods are developed, the infrastructure installed is designed for the future use of the properties. Many neighborhoods have infrastructure in place with capacity for up to eight people per house. Now there are houses in these very same neighborhoods that sleep more people than the number originally planned for, placing a significant strain on existing infrastructure.

Balancing everyone's property rights is key to solving this problem. Unruly behavior and issues with parking, noise and public safety impact the families that live next door. Residents do not know who will be renting these properties, sex offenders do not have to register before staying in them, and, ultimately, neighbors are less likely to confront strangers when problems or nuisances arise. Additionally, many of these properties are investor-owned with no direct point of contact to reach when situations occur. The out-of-state property owner may not even be aware of the problems created by their renters with constant turnover. The problem ends as one renter leaves and begins again as new renters arrive. This causes a significant drain on law enforcement resources. **When a law enforcement officer is called to respond to noise complaints, one less officer is on the street preventing and solving crimes.**

Cities are eager to partner with the state to ensure that these properties are safe for visitors, operators are held accountable, and everyone's property rights are balanced. Many issues need to be addressed:

- The Department of Business and Professional Regulation is tasked with investigating unlicensed vacation rentals but lacks the resources to execute this task to the full extent. DBPR can partner with local code enforcement officers to ensure properties are licensed and inspected.
- Licensed short-term rentals are required to charge sales tax to renters and remit this to the state. Many properties are not doing this. Short-term rental owners in some counties are also required to collect and remit tourist development taxes to the state. This is not occurring either, and the Department of Revenue does not have the resources to monitor these transactions, costing the state and local governments millions of dollars in lost revenue.
- Legislation needs to be passed to address homestead fraud. One of the most contentious parts of this issue is homesteaded properties being used by residents to make additional income while still living in their homes. They should be able to do this. However, cities need a tool to identify the properties being used specifically to operate as short-term rentals.

Contact: Tara Taggart, Legislative Policy Analyst – 850.701.3603 – ttaggart@flcities.com

12/01/2020