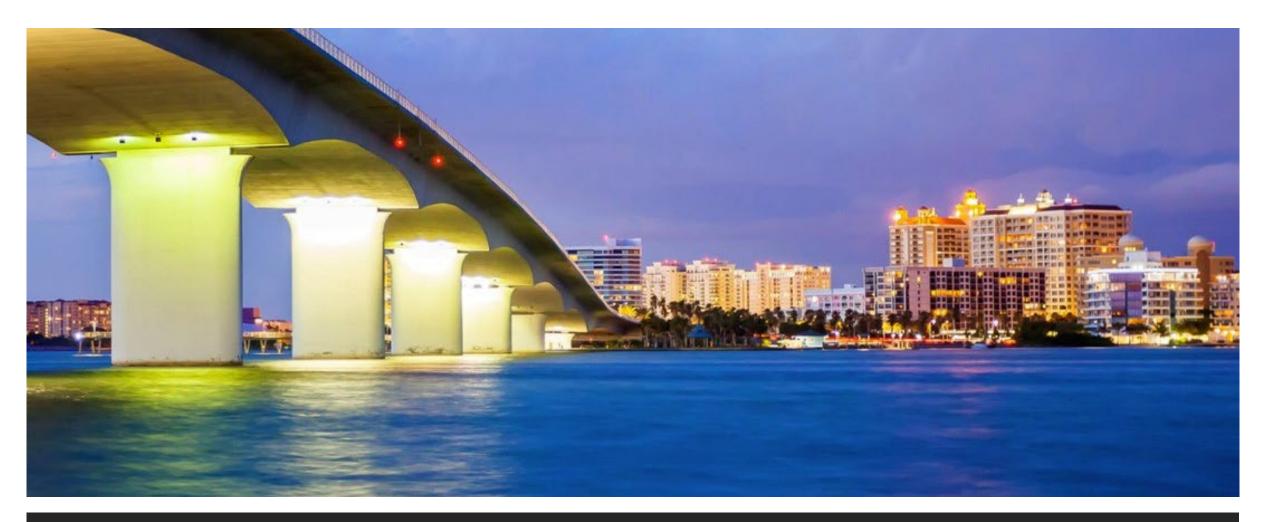


#### CITY OF SARASOTA VACATION RENTAL CITYWIDE REGISTRATION

CITY COMMISSION WORKSHOP JULY 10<sup>TH</sup>, 2023



#### WHAT IS A VACATION RENTAL (PER FLORIDA STATUTE)?

 A vacation rental is considered a Transient public lodging establishment, defined in Section 509.013(4)(a)(1), Florida statutes as: "...any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests." HOW DID WE GET HERE?

• Over the course of the past several years, the vacation rental industry has continuously expanded throughout the state of Florida, prompting many municipalities to adopt registration ordinances and regulations.

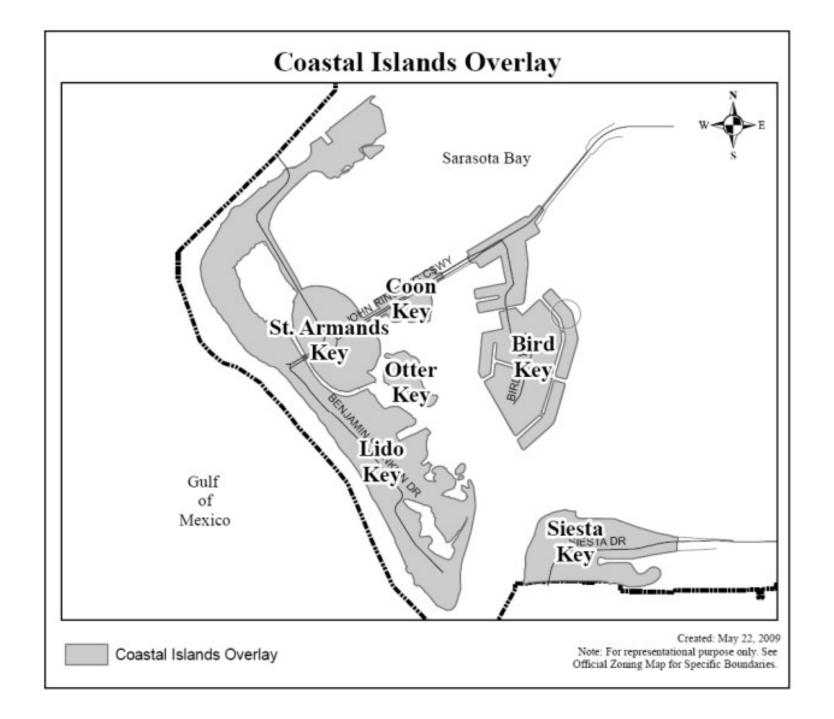
• The vacation rental industry has grown exponentially in the City of Sarasota, particularly within the Coastal Islands Overlay, prompting the adoption of *Chapter 34.5 – Vacation Rentals* in 2021.

• Ordinance No. 21-5353 was adopted on second reading by the City Commission on May 4, 2021 adding a new Chapter 34.5, to the Sarasota City Code.

• Ordinance No. 22-5392 revised Sarasota City Code Chapter 34.5 and was adopted on second reading by the City Commission on January 3, 2022. Revisions included four items that helped improve the registration process which were discovered once the registrations started.

#### HOW DID WE GET HERE?

- Sarasota City Code Chapter 34.5 defines a vacation rental as: "Vacation rental means a rental as defined in Sections 509.242(1)(c) and 509.013(4)(a)(1), Florida Statutes excluding those vacation rentals in condominiums and cooperatives and which is located in a residential zone within the Coastal Islands Overlay District established by Section VI-907 of the Zoning Code."
- Chapter 34.5 requires biennial registration of vacation rentals in any individually or collectively owned single family, two family, three family, and four family house or dwelling units located in residential zoning districts within the Coastal Islands Overlay District.
- Chapter 34.5 contains the requirements for items needed to obtain the registration including, but not limited to, proof of City and County business tax receipt, proof of transient public lodging licensed issued by the Department of Business and Professional Regulation, exterior and interior sketch of the building, example rental lease agreement, acknowledgment of City rules regulating vacation rentals and designation of responsible party. The registration also requires an inspection of the property.
- These registration requirements DO NOT apply to owner occupied vacation rentals, condominiums, cooperatives, or rentals offered for 30 days or more.



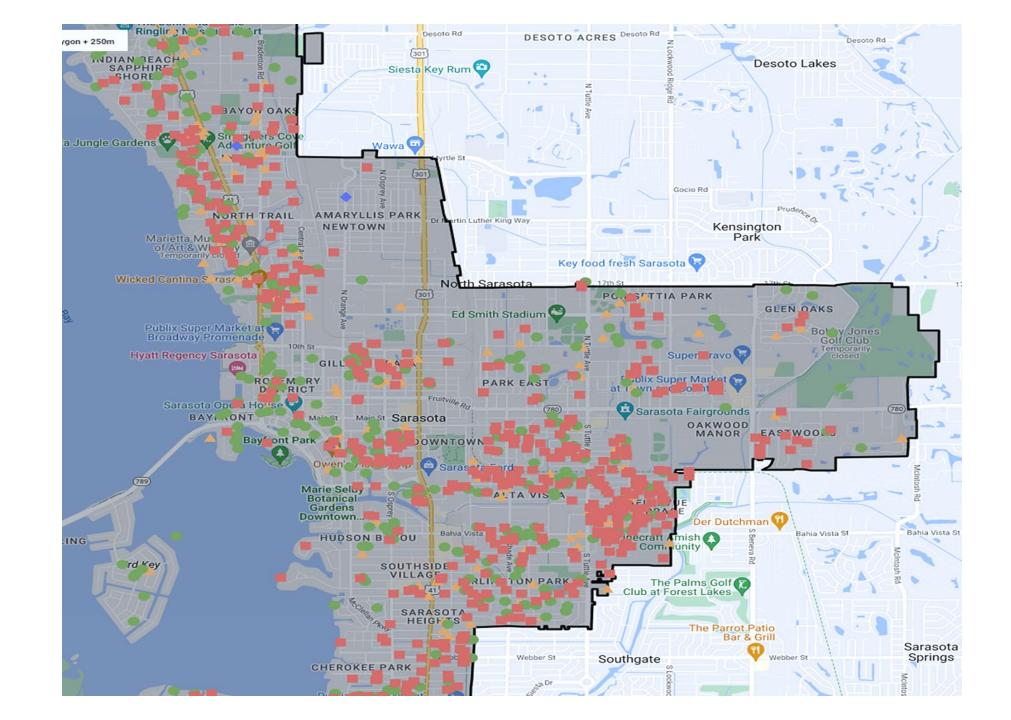
• Chapter 34.5 aims to ensure residents' peaceful enjoyment of their homes, to protect the health and safety of vacation rental tenants, and to encourage them to be respectful of neighborhood residents.

• While this ordinance has alleviated many concerns within the Coastal Islands Overlay, complaints from residents in neighborhoods on the Mainland have increased as the industry expands throughout the City.

#### WHAT ARE THE CURRENT REQUIREMENTS FOR VACATION RENTALS?

- The minimum stay requirement for vacation rentals within the entire City limits is 7 Full Days and 7 Full Nights, as per the City of Sarasota Zoning Code Section II-304(b)(1) and Section VI-202(b).
- All vacation rentals meeting the State's definition are required to obtain a vacation rental dwelling license from the Department of Business and Professional Regulation.
- The City of Sarasota and Sarasota County require vacation rental owners to obtain a Local Business Tax Receipt certificate to operate as a vacation rental business.
- Vacation rentals on the Coastal Islands Overlay are required to obtain a certificate of registration in accordance with City Code Chapter 34.5 to advertise or operate as a vacation rental.
- The certificate of registration application requires owners to submit proof of active local and state licensure and tax requirements and inspection for minimum safety and informational standards.
- Pass inspection conducted by the City.

Per Granicus (our Vacation Rental software), there are currently over 700 properties throughout city mainland neighborhoods meeting the definition of a vacation rental.



Of the 700 properties, some could be owner occupied which are not regulated by Chapter 34.5. Owner occupied rentals are properties where individual rooms in a home could be rented out while the owner is living in the home. The rental use has to be accessory.

### PROS OF EXPANDING VACATION RENTAL REGISTRATION CITYWIDE

- Ensures that vacation rental owners are in compliance with all applicable state licensure and tax requirements.
- Ensures that all residents of the City can maintain the peaceful enjoyment of their residential neighborhoods.

- Promotes increased safety measures for the welfare of transient renters.
- Promotes safety for transient renters, specifically relative to pool and fire safety.
- Provides increased ability for appropriate response to code compliance complaints.

<u>CONS OF EXPANDING VACATION RENTAL</u> <u>REGISTRATION CITYWIDE</u>

- Need for increased staff because of increased administrative and inspection work.
- Limited space for new staff
- Increased potential for new Bert J. Harris Act claims.

- Increased costs for owners not compliant with local and state licensure and tax requirements.
- Smaller "mom and pops" rental owners have voiced concern regarding being regulated to the same capacity as "hotel houses".

## THE FUTURE WITHOUT ENFORCEMENT

- Vacation rentals will continue to become more prevalent throughout the City limits as the number of rental units continues to increase.
- Unpermitted building and zoning violations may continue to go undetected, resulting in potential life safety concerns for neighbors and renters.
- Over-occupancy, trash, parking and noise concerns will continue to deprive residents of the peaceful enjoyment of their neighborhoods.



POTENTIAL IMPLEMENTATION TIME FRAME IF DIRECTED TO EXPAND

- Due to limited space and budget for new staff members, the target rollout would be the 2025 fiscal year (October 2024 - September 2025) unless otherwise directed.
- "One Stop Shop" building is targeted for completion by summer 2024, allowing more space for additional staff members.
- The ordinance fee schedule specific to the Coastal Island Overlay that will be discussed during the upcoming Budget Workshop will have to be revisited.
- Hiring and training new staff may take 3-5 months.

# Questions?

