



AGENDA
CITY OF LAKE WORTH BEACH
SPECIAL CITY COMMISSION MEETING - STRS
CITY HALL COMMISSION CHAMBER
THURSDAY, FEBRUARY 09, 2023 - 5:00 PM

ROLL CALL:

PLEDGE OF ALLEGIANCE: led by Commissioner Kimberly Stokes.

UNFINISHED BUSINESS:

A. [Update Discussion on Vacation and Short-Term Rentals in Lake Worth Beach](#)

ADJOURNMENT:

The City Commission has adopted Rules of Decorum for Citizen Participation (See Resolution No. 81-2022). The Rules of Decorum are posted within the City Hall Chambers, City Hall Conference Room, posted online at: <https://lakeworthbeachfl.gov/government/virtual-meetings/>, and available through the City Clerk's office. Compliance with the Rules of Decorum is expected and appreciated.

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she 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. (F.S. 286.0105)

STAFF REPORT SPECIAL MEETING

AGENDA DATE: February 9, 2023

DEPARTMENT: Community Sustainability

TITLE:

Update Discussion on Vacation and Short-Term Rentals in Lake Worth Beach

SUMMARY:

Additional discussion seeking consensus on policy and next steps regarding vacation rentals and short-term rentals in Lake Worth Beach

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Beach has struggled with the issue of vacation and short-term rentals for nearly a decade. At present, vacation and short-term rentals of residential dwelling units is not allowed and have not been allowed in the City going back many years. Beginning during the Great Recession and the years following, this type of use of residential properties has proliferated across the country and within the City. The actual number of these rentals within the City is unknown but is estimated at more than a several of hundred during the Winter Season.

Because the State of Florida has preempted the City from establishing any new regulations for the specific use regarding vacation and short-term rentals, the City's Land Development Regulations (LDRs) have not been amended to recognize their existence. In addition, the use is not listed within the City's LDRs and was not specifically mentioned in the City's Zoning Code, which existed prior to the adoption of the LDRs in August 2013. As such, the City has been grappling with how to address the myriad issues raised by their existence. City Staff prepared two memos outlining possible next steps and options for a City policy. These memos serve as the basis for a renewed discussion of the topic and can serve to offer an appropriate City policy moving forward. There also have been at least two workshop discussions regarding the topic with the last being held on May 23, 2022.

DIRECTION:

Provide consensus regarding vacation and short-term rental policy and direction

ATTACHMENT(S):

Fiscal Impact Analysis – N/A
Presentation
2022 Vacation Rental Memo
2021 Vacation Rental Memo
2020 Vacation Rental Memo



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08/16/2021



CITY OF LAKE WORTH BEACH

Community
SustainabilitySM

Vacation/Short Term Rentals Air B&Bs

**Commission Workshop Discussion
February 9, 2023**

Vacation/ Short Term Rentals

Air B&B's



Options for Vacation/Short Term Rentals

Option 1 - Continue the status quo of the use not being allowed

- 100s of properties currently held out as vacation/short term rentals
- Most have residential rental business licenses restricting rental terms to 60 days or more
- Code Compliance has numerous complaints and cases being held awaiting policy direction on issue. If policy direction is to prohibit them, cases will be adjudicated

Option 2 - Allow use throughout the City and adopt rules to govern their options

- Require management rules and oversight ordinance
- Cannot regulate rental duration or rental frequency

Vacation/Short Term Rentals



“White Paper” Items for Option 2

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:

1. A completed and signed Vacation Rental Registration Form.
2. Payment of applicable fee (to be established by resolution and based on occupancy level).
3. 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.
4. A copy of the Vacation Rental’s current and active certificate of registration with the Florida Department of Revenue.
5. Evidence of the Vacation Rental’s current and active account with the Palm Beach County Tax Collector and Palm Beach County.

Vacation/Short Term Rentals



“White Paper” Items for Option 2 (continued)

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:

6. Exterior site sketch showing all structures, pools, spas, hot tubs, fencing, and uses, including areas provided for off street parking.
7. Interior building sketch by floor showing the floor layout, identifying all bedrooms, other rooms, exits, hallways, stairways, as applicable.
8. Occupancy limits established based on sketch and posted within Vacation Rental.
9. Property owner to provide 24/7 contact information for property owner or manager in case of emergency to City, PBSO, PBCFR and all occupants.
10. Parking restrictions.

Vacation/Short Term Rentals



“White Paper” Items for Option 2 (continued)

- **Property could not be claimed as homestead (with exception for owner-occupied).**
- **Utilities would be possibly assessed under the commercial rate schedules (coordination with Village of Palm Springs and Palm Beach County would be necessary on properties outside City limits).**
- **Use & Occupancy inspection would be conducted to reflect commercial use and potentially increase to an annual inspection along with fire marshal inspection.**
- **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.**
- **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.**

Vacation/Short Term Rentals



“White Paper” Items for Option 2 (continued)

- **Possibly equate the Vacation Rental use to a motel, hotel or extending stay lodging and each Vacation Rental would have to meet the performance criteria of such uses as outlined in the Land Development Regulations.**
- **Parking requirements would need to be established, which could be that of a single family residence or transient lodging facility (depending on occupancy level).**
- **Create potential fee schedule for violations and identify irreparable fine amount for operating a Vacation Rental without the appropriate licenses and certifications.**
- **All Vacation Rental structures (residences) would need to meet commercial fire code and accessibility requirements.**
- **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.**

Vacation/Short Term Rentals



Next Steps

In order to incorporate the desired recommendations, the City would need to amend the following Chapters of its Code of Ordinances and its Schedule of Fees & Charges

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
6. Chapter 23, Land Development Regulations, Article 1 General Provisions, Article 3 Zoning Districts, Article 4 Development Standards and possibly Article 5 Supplemental Regulations.

Vacation/Short Term Rentals



Questions & Thank You





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Office of the City Manager
7 North Dixie Highway
Lake Worth Beach, FL 33460
561-586-1689

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.



Office of the City Manager
7 North Dixie Highway
Lake Worth Beach, FL 33460
561-586-1689

Memorandum

To: Honorable Mayor & City Commissioners

Through: Juan Ruiz, Interim City Manager

From: William Waters, Community Sustainability Director

Subject: Air B&B, Short Term and Vacation Rental Status


Date: July 8, 2021

The issue of managing and regulating Air B&B, Short Term and Vacation Rentals has been a topic of discussion going back at least 8 years. Over that time these rentals have proliferated across the City. As has been discussed, several years ago the State of Florida preempted the City from instituting regulations governing these uses directly. Prior to the preemption, the City's Land Development Regulations (LDRs) and Permitted Use Table did not allow for single family residential rentals for less than sixty (60) days, and single-family residences could not be transient lodging, which is leasable lodging for less than thirty (30) days. These types of uses are not even mentioned as permitted uses anywhere in the current version of City's LDRs. Consequently, the operation of these rentals technically is prohibited and illegal in the City. Their existence and prohibition are issues that require both further discussion and an established policy direction. The policy question outstanding is whether to allow these uses to legally operate, which would require that they be allowed anywhere in the city, or to continue to prohibit them, which would be leaving the status quo. Leaving the status quo would raise an additional question of enforcement and the ramifications of such code compliance actions.

At the direction of the previous Commission and City Manager, the City's Code Compliance Division has not actively or aggressively cited illegally operating Air B&B, Short Term or Vacation Rentals. Most properties operating as such at least have an active Lake Worth Beach Residential Rental Business License, which stipulates that residential rentals cannot be for less than sixty (60) days. In circumstances, where the City has received complaints regarding a property and there are other code compliance violations present including an illegal rental, the property is cited for all violations. A few of these have been presented to the Special Magistrate, who has found them in violation. At present there are over 100 complaints regarding properties where the operation of an Air B&B, Short Term or Vacation Rental is the only issue. Code Compliance does monitor these properties, but actual violation proceedings have not been processed and they have not been presented to the Special Magistrate.

The public also has been informed that the City will conduct a second public workshop to discuss this issue. Provided here as an attachment is a "white paper" prepared by the City Attorney's Office and this Department that offers an outline of possible regulations that could be adopted to govern the activities of these uses. The "white paper" was the result of questions and policy suggestions that arose during the discussion at the first public workshop on this issue.


Presently, a clear policy direction on this issue has not been established. Barring any change in direction, the uses will remain prohibited. Many likely will continue to operate illegally. Code Compliance will continue to



monitor properties and code violation proceedings will not move forward unless other violations are cited (and the complaints, if anonymous, involve life-safety issues). Please keep in mind that establishing a clear policy direction on this issue will be involved and somewhat time consuming. It would be appropriate to have the second policy workshop on the issue to bring everyone up to the same understanding of where the City is and what the possible ramifications would be should a change in policy be adopted.

Should there be a need for further clarification or should additional questions need to be addressed, please let me know.

Thank you.





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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: October 23, 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 are 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
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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.

