City of Delray Beach

Legislation Text

File #: 18-610, **Version:** 1

TO: **Mayor and Commissioners**
FROM: **Michael Coleman, Director, Neighborhood and Community Services**
THROUGH: **Mark R. Lauzier, City Manager**
DATE: **October 9, 2018**

SHORT TERM RENTALS

Recommended Action:

Require Short-Term Rentals to register as a business requiring a Business Tax Receipt with an annual fee and contract with a vendor to capture the locations of the Short-Term Rentals.

Background:

Short-term rentals (STRs) are a nationally-emerging issue, which has already impacted the City of Delray Beach. The City first began researching options to regulate STRs in 2016 and contacted a vendor for a demo of their product. Based on that initial discussion, the vendor provided the City with data of the total number of short-term rentals (STRs) within the City limits. In March 2018, the City re-engaged a vendor for updated data on the number of STRs within the City limits. City staff has gathered data from a vendor on the total number of STRs in 2016 and 2018. The data shows a 35% increase in STRs from May 2016 to March 2018.

Our presentation will provide background on the issue of short-term rentals (STRs). It will highlight benchmarking of three (3) peer localities in Florida. Short-term rentals include those listings on AirBnB, VBRO and FlipKey, to name a few. Also included is how to address the issues associated with short-term rentals and the fiscal and operational impacts.

City Attorney Review:

City Attorney's Office will provide input during the Workshop on comments/questions that pertain to the legality of this presentation and recommendations.

Funding Source/Financial Impact:

Approximately $129,000 in revenue would be generated
Accounts: 001-00-000-316-010 and 001-00-000-316-011

Timing:

October 2018
- Direction from Commission
- Contract with vendor to provide data on Short-Term Rentals
- Mail Notice to Property Owner w/60-day notice to comply

November & December 2018
-        Process BTR applications

January 2019
-        Issue violations for non-compliance