CITY OF ST. AUGUSTINE

City Commission Special Meeting
Wednesday, May 22, 2019

The City Commission met in formal session Wednesday, May 22, 2019 at 9:00 A.M. in the Alcazar Room at City Hall. The meeting was called to order by Mayor Tracy Upchurch, and the following were present:

1. Roll Call: Tracy Upchurch, Mayor/City Commissioner
Leanna S.A. Freeman, Vice Mayor/City Commissioner
Nancy Sikes-Kline, City Commissioner
Roxanne Horvath, City Commissioner
John Valdes, City Commissioner

John Regan, City Manager
Isabelle Lopez, City Attorney
Darlene Galambos, City Clerk
David Birchim, Director, Planning and Building
Barry Fox, Police Chief
Robin DiAngelis, Recording Secretary

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2. General Public Comments

The Commissioners heard from the following members of the public:

- Mike Jagielski
- Ed Slavin

3. Overview and discussion of short term vacation rentals.

David Birchim, Planning and Building Director, presented a short PowerPoint slide show of vacation rental history in St. Augustine. He said there were currently 517 short term rental properties in the City, and 980 rental advertisements, which included more than one advertisement portal for some units. He also noted that a 56% of residents who responded to the Citizen Survey revealed that vacation rentals did not impact their neighborhood.

Commissioner Sikes-Kline requested a brief review of the vacation rental registration process.

Mr. Birchim responded that the City's Ordinance 2010-24 required vacation rental registration for properties in RS-1 and RS-2.[1] The applicant was given a copy of the Ordinance along with a one page registration form which was signed and notarized in the Planning and Building Department. The applicant was advised to contact the St. Johns County Tax Collector's office for further processing.

Commissioner Sikes-Kline requested to have the registration procedures visible and easy to find on the City's website.

Commissioner Freeman asked about percentages of residential homes that were part of the 517 short term vacation rentals, properties outside of RS-1 and RS-2 (Residential Single-family-one and Residential Single-family-two zoning districts) that were unregistered vacation rentals and citizens that responded to the survey be made available for dissemination during a future meeting.

Commissioner Horvath questioned if owners were aware of special taxes and property insurance requirements.

Commissioners heard Public Comment regarding short term vacation rentals from the following members of the public:

- Doreen Duffy
- Gina Burrel
- Todd Broder
- Ed Slavin
- Donna Nelson
- George A. Edwards
- Marianne Larson
- Cindy Wasserbauer
- Bryan Anderson
- Roberto Bello
- Mack Allen
- Amanda Delgado
- Christina Candar
- Anthony Sexton
- Jerry Holeman
- Linda Searnock
- Wayne Westcott
- Mike Jagielski
- Yvonne Puckett
- Ron May
- Michael Southerland
- Barry G. Fouts
- Shelby Spinneweber
- Blake Souder
- Susie Gushae
- Jay Rubnich
- Edith Mae Fox
- Joe Teison
- Parrish Jones
- Sandra Flowers
- Michael Gallagher[2]
- Rick Spence
- Pam Linder
- Aaron Pavloff
- Pat Dobosz
- Charles Pappas
- Bob Dennig
- Stacey Hume
- Denise Hammond
- Paul Seago
- Gretchen Kornutik
- Linda Searnock
- BJ Kalaidi

Public comment was closed.

Speakers addressed positive aspects:

- ❖ Preservation and restoration of neglected historic properties
- ❖ Ability of owners or management companies to screen tenants, limit capacities and set rental expectations
- ❖ Owners felt they were ambassadors for the City
- ❖ Owners relied on rental income to maintain properties
- ❖ Management companies conducted regular inspections
- ❖ Space did not always allow for on-site host compliance
- ❖ Rental properties were typically well maintained
- ❖ A seven day minimum rental was not reasonable
- ❖ Guests frequent local businesses and restaurants
- ❖ Lower occupancies had positive effects
- ❖ Evacuee hosting during hurricanes at no cost
- ❖ Self-regulation generated positive online reviews
- ❖ Recommendation to establish a short-term rental committee

And negative aspects:

- ❖ Capacity concerns
- ❖ Lack of affordable housing
- ❖ Long term rentals/student housing issues
- ❖ Changes to old town atmosphere
- ❖ Absentee ownership of multiple properties
- ❖ Home cost inflation
- ❖ Degradation of diversity
- ❖ Commercial activity in residential areas
- ❖ Regulation compliance
- ❖ Parking congestion
- ❖ Lack of handicap accessibility

[2] There was a brief recess from 10:52 to 11:01 a.m. Commissioner Freeman excused herself from the meeting.

- ❖ Recommendation to limit the number of rentals in each area
- ❖ Negative impact on existing Bed & Breakfast Inns
- ❖ Lack of required on-site parking
- ❖ Large corporations buying multiple houses
- ❖ Increased impacts on City services

Commissioner Valdes thanked all who came to speak or to listen. He felt it was an important beginning to the short term rental process, which was quickly growing and in need of regulation. He also supported the formation of a short term rental committee.

Commissioner Horvath agreed with Commissioner Valdes and supported establishing a committee. She felt strongly about on-site parking, limiting the number of people per bedroom, having owner contact information posted and addressing the seven day minimum. She felt that together, citizens and the City could work toward a resolution and appreciated the public input and differing points of view presented.

Commissioner Sikes-Kline thanked the folks who attended. She noted evident support for the home rental vacation industry and felt it was an opportunity for many older residents to age in place. She said it had grown from small rentals to mega companies with large property management teams, and she felt it was incumbent upon the Commission to review the process to ensure the safety of residents and visitors. She thought the City should explore regulating the number of rentals.

Isabelle Lopez, City Attorney, explained that the City had a limited area where it had authority regulate vacation rentals, and that the State of Florida restricted cities from prohibiting and regulating the frequency and duration of vacation rentals.

Mayor Upchurch felt the best path forward would be the creation of a special committee with representatives that were invested in vacation rental capacities. He suggested advertising for folks that were interested in serving on the special committee to be appointed during a future meeting.

Commissioner Sikes-Kline questioned the composition of the members for the committee.

Mayor Upchurch said it should be a variety of people that were engaged in rental activity including:

- ➢ Private and commercial short term rentals
- ➢ Bed and Breakfast Inns
- ➢ Vacation rental by owner industry
- ➢ Property managers
- ➢ Residents affected by vacation rentals

MOTION

Mayor Upchurch MOVED to instruct the City Manager to advertise for a variety of people in the industry and in the community that were interested in serving on the Special Committee on short term rentals. The motion was SECONDED by Commissioner Horvath.

Mr. Regan suggested during the June 24, 2019 City Commission meeting to appoint members, and he felt, based upon experience, there should be no more than seven members.

Commissioner Valdes requested an additional workshop meeting after 5:00 p.m. for those who were not able to attend a daytime meeting.

MOTION

Mayor Upchurch amended his motion to instruct the City Manager to advertise for a variety of people in the industry and in the community that were interested in serving on the Special Committee on Short Term Rentals to

submit applications and a letter stating qualifications for review and appointment during the June 24, 2019 meeting and to investigate the short term vacation rental market and to make recommendations to the committee about new or changes to existing City Ordinances. The motion was SECONDED by Commissioner Horvath and APPROVED BY UNANIMOUS VOICE VOTE.

Mr. Regan suggested duplicating the staff presentation during the June 10, 2019 meeting and allowing for public comment rather than an additional workshop.

It was the consensus of the Commission to add the item to the June 10, 2019 meeting and forego an additional workshop.

4. Adjournment

There being no further business, the meeting was adjourned at 12:08 P.M.[3]

T.L. Upchurch

Tracy Upchurch, MAYOR

Darlene Galambos

Darlene Galambos, CITY CLERK

CORPORATION OF THE CITY OF ST. AUGUSTINE

[3] Transcribed by Robin DiAngelis