City of Coral Gables City Commission Meeting Agenda Item E-4 September 28, 2016 City Commission Chambers 405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Jim Cason Commissioner Pat Keon Commissioner Vince Lago Vice Mayor Frank Quesada Commissioner Jeannett Slesnick

City Staff

City Manager, Cathy Swanson-Rivenbark Assistant City Manager, Peter Iglesias City Attorney, Craig E. Leen City Clerk, Walter J. Foeman Deputy City Clerk, Billy Urquia

Public Speaker(s)

Agenda Item E-4 [12:21:09 p.m.]

An Ordinance of the City Commission of Coral Gables, Florida providing for text amendments to the City of Coral Gables Official Zoning Code, by amending Article 5, "Development Standards," amending Section 5-2601, "Bed and Breakfast establishments" to modify the existing Bed and Breakfast establishment standards and criteria to allow for viable bed and breakfast establishments; providing for a repealer provision, severability clause, codification, and providing for an effective date (07-13-16 PZB recommended approval; Vote 7-0).

Mayor Cason: And onto E-4, which is another Ordinance on First Reading.

City Attorney Leen: Mr. Mayor, Item E-4 is an Ordinance of the City Commission of Coral Gables, Florida providing for text amendments to the City of Coral Gables Official Zoning Code, by amending Article 5, "Development Standards," amending Section 5-2601, "Bed and Breakfast establishments" to modify the existing Bed and Breakfast establishment standards and

criteria to allow for viable bed and breakfast establishments; providing for a repealer provision, severability clause, codification, and providing for an effective date. The Planning and Zoning Board recommended approval by a vote of 7-0 on 07-13-16. It's a public hearing item. One point to add from a legal perspective is, there is an opinion that has been issued that hourly rentals are not allowed in Coral Gables, that would obviously apply to Bed and Breakfast too, and that's going to be talked about a little bit later today. In addition, there has been an issue about B&B and overnight accommodations, whether those are allowed in the City; the City has provisions in its Zoning Code that is not allowed in the City. The only thing that is allowed in the City is if it's a recognized hotel, legally with a certificate of use essentially allowing it to be a hotel, allowing it to be an overnight accommodation, or allowing it to be a bed and breakfast, but we do not in the City allow and there is a City Attorney opinion on point citing to the Zoning Code provisions, we do not allow in residential areas individual residents to essentially rent out their house to someone on an overnight basis or a weekly basis or a monthly basis. We do not allow that. It has to be at least six months. The person basically has to be a tenant.

Mayor Cason: And to follow up on that, we have been actually looking and found many, many people that are violating that ordinance, and more than that there are people that have Homesteaded properties that are renting them out, they can lose their Homestead, very serious trouble, people are not paying federal tax on their income, people are not paying bed and breakfast, and people are not paying the business license. So people are doing a very risky...we basically who they are, we found people even in Coco Plum doing this. So it's not allowed and this doesn't allow it.

Commissioner Lago: And a bigger problem besides all those, which the Mayor mentioned, which are very important and need to be dealt with and you should be very concerned about that is that on Edgewater Drive in several of the buildings, I've actually found, I used to live in 100 Edgewater Drive, and I still own that unit, I was notified especially in that building that you have several owners using Airbnb style rentals and the interesting part about it, which is like in most buildings, when you apply to be a renter in one of these buildings you have a go through a very rigorous process. They do a background check, they do a credit check, they do a criminal check, so you have these individuals in these buildings, we have a lot of young children coming in and out, riding their bikes and then you have individuals, again, who you don't know who their backgrounds are, or what their interests are, and what nefarious activity they've been involved in, coming in and out of these apartment buildings. In the building that I own, for example, there are two units that are constantly turning over on a weekly basis that are renting for about \$100 and something dollars on Airbnb, and that's a problem, and thank God nothing has happened yet, but if something were to happen we could have a major issue on our hands.

Mayor Cason: And to give you an example of extremes that some people go to, we found and Code Enforcement followed up, a person who was renting a home who went and got two

construction sheds, put them in the backyard and sub-rented them to people, put a TV in them

and a bed, and had garden sheds were being rented to people. I mean this is absolutely absurd,

but that's the level that people go. It wasn't comical when they got caught. So any rate, on this

one, basically what it does is it makes the parking conditions a little but easier. We've had this in

the legislation for years, no one's ever set up a bed and breakfast, is that correct, because of the

parking.

City Attorney Leen: Yes and I seen the Building Official know me. I do need to add one thing to

Item E-5. On Second Reading there is going to be an addition that's being proposed by staff, I

agree with the City Attorney that if there is multiple violations, pardon me, that every year the

certificate of use will have to come back up for review by City staff, by appropriate staff, so it will be issued every year to make sure that all of these issues are being complied with, because

one concern, for example the Building Official raised, which is a correct concern is some of

these are older buildings and you are having people live there, I mean basically stay there, and

there is a concern that that needs to be looked at every year to make sure that this is an

appropriate facility to house people on a temporary basis, and also that the Fire Marshalls are

able to get in there and take a look at it and make sure that there is not a fire concern.

Mayor Cason: And in fact these are historic properties of which there are more than I thought in

these designated areas, so it's not like anybody can go set up a rental, this is historic properties

that will have to follow certain conditions, and this will help those owners of historic properties

maintain them.

Assistant City Manager Iglesias: And as you will initiate a fire inspection to make sure that it's a

safe location and since it's a yearly, CU (Certificate of Use) is issued on a yearly basis it would

be a yearly fire inspection.

Mayor Cason: This fits in with the Charrette that was held back – one of the things people

wanted.

Commissioner Keon: I'm really thrilled to see that we are beginning to implement, and that you

are working so diligently in implementing the North Ponce planning efforts that have been going

on, that have lots and lots of plans, but have never had any implementation, so thank you.

Mr. Trias: This is one of many.

City Commission Meeting September 28, 2016

Page 3

Mayor Cason: This does provide a service – people may have relatives coming in and they don't

really want to put them in a hotel, it's too expensive, you live in the area and they want to put them next door in one of these places. I think it's a great addition to the options for the residents

in that area.

Commissioner Keon: When someone applies to be a bed and breakfast it goes through a

licensing or a permit process, it's a certificate of occupancy. So by the time that they do the

certificate of occupancy is there an inspection time.

Assistant City Manager Iglesias: That initiates an initial fire inspection to make sure that the

building is safe for the additional.

Commissioner Keon: OK. And you feel that it needs to be redone every year?

Assistant City Manager Iglesias: A CU is issued every year, so it's a yearly fire inspection.

Commission Keon: Oh, OK.

City Manager Swanson-Rivenbark: It's not a burdensome...

Commissioner Keon: Oh, OK. So it's annually that certificate of use is renewed.

Assistant City Manager Iglesias: Yes, it's an annual...

Commissioner Keon: So you just do the inspections that go...

Assistant City Manager Iglesias: It's an annual inspection that the Fire Department does to make

sure that everything is safe.

Mayor Cason: Who monitors the quality of the breakfast? Just kidding, just kidding.

City Manager Swanson-Rivenbark: And I know that Historical Resources and Cultural Arts and I

apologize to her for that title, is excited too, because that creates an economic incentive to

preserve the character of that North Gables District that is really very special, and so by having that annual review we can monitor the parking rather than putting arbitrary assignments, we can

continue to ensure the life safety, which is critical, but we've looked at this on why hasn't

anybody done it, and what do we need to do to encourage it, and this ordinance on First Reading

captures that.

City Commission Meeting

Page 4

Mayor Cason: And we have an applicant ready, right?- that actually wants to set up a bed and

breakfast?

Commissioner Keon: Yes. So some of these are in areas where there already are residential

parking programs or whatever, we just give them whatever they need to be able to give to their

guests so that they can...

Assistant City Manager Iglesias: It's going to be looked at on a case-by-case basis, but the fact is

we do have that CU on a yearly basis allows us to assess anything that would be detrimental.

Commissioner Keon: But I mean the operator of a bed and breakfast could be given the

residential, if it passes or whatever, so that the people won't be ticketing for parking in that area.

Assistant City Manager Iglesias: Yes Commissioner.

Commissioner Keon: OK – great.

City Manager Swanson-Rivenbark: But more and more Commissioner you'll note the proximity to the airport, our people are Ubering or they are zip car or the trolley, which is right walkable,

there are many instances where people are not coming by car, and we've seen that both in the

formal hotels as well as other types of uses that cater to the leisure tourist.

Commissioner Keon: I think it's great.

Mayor Cason: Alright, do we have a motion on E-4?

Commissioner Lago: So moved.

Mayor Cason: Commissioner Lago makes the motion, the Vice Mayor seconds – City Clerk.

Commissioner Slesnick: Yes

Commissioner Keon: Yes

Commissioner Lago: Yes

Vice Mayor Quesada: Yes

Mayor Cason: Yes

(Vote: 5-0)

[End: 12:30:04 p.m.]

City Commission Meeting September 28, 2016