

MEMORANDUM

Agenda Item No. 11(A)(3)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: September 16, 2014

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution directing County
Mayor and County Attorney to
determine what impact transient
Peer to Peer Room Rentals may
have on County revenues and
local hotels

Resolution No. R-817-14

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Dennis C. Moss.



R. A. Cuevas, Jr.
County Attorney

RAC/smm



MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: September 16, 2014

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 11(A)(3).

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(3)

9-16-14

RESOLUTION NO. R-817-14

RESOLUTION DIRECTING COUNTY MAYOR AND COUNTY ATTORNEY TO DETERMINE WHAT IMPACT TRANSIENT PEER TO PEER ROOM RENTALS MAY HAVE ON COUNTY REVENUES AND LOCAL HOTELS AND TO REPORT THEIR FINDINGS ALONG WITH RECOMMENDATIONS ON HOW TO MINIMIZE ANY IMPACT TO THIS BOARD WITHIN SIXTY DAYS

WHEREAS, companies such as Airbnb through the internet offer a service to match tourists with local hosts who are willing to rent their homes or rooms in their homes as a transient vacation rental to such tourists (“Peer to Peer Rentals”); and

WHEREAS, tourism has a significant impact on the local economy including the County through the collection of tourist taxes and sales taxes generated from occupied hotel rooms, restaurants, car rentals and merchandise sales which have been used by the County to fund tourist related facilities and other permitted services; and

WHEREAS, Peer to Peer Rentals may also negatively impact the occupancy rate of the County’s hotels which are an important service industry with respect to tourism; and

WHEREAS, the Peer to Peer Rentals offered by Airbnb have resulted in conflicts with governments, businesses and citizens in other communities throughout the country as demonstrated by the article that appeared in the New York Times on May 14, 2014 which is attached to this resolution as Exhibit A; and

WHEREAS, this Board wishes to direct the County Mayor and the County Attorney to evaluate and make recommendations regarding Peer to Peer Rentals,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that the County Mayor and the County Attorney are directed to determine what impact Peer to Peer Rentals may have on County revenues and the County's hotel industry, to make recommendations as to what steps the County may take to minimize any impact and to report their findings to this Board at a scheduled Commission meeting within sixty (60) days from the effective date of this resolution.

The foregoing resolution was sponsored by Commissioner Dennis C. Moss. It was offered by Commissioner **Dennis C. Moss**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

	Rebeca Sosa, Chairwoman	aye	
	Lynda Bell, Vice Chair	absent	
Bruno A. Barreiro	aye	Esteban L. Bovo, Jr.	aye
Jose "Pepe" Diaz	aye	Audrey M. Edmonson	aye
Sally A. Heyman	aye	Barbara J. Jordan	aye
Jean Monestime	aye	Dennis C. Moss	aye
Sen. Javier D. Souto	absent	Xavier L. Suarez	absent
Juan C. Zapata	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 16th day of September, 2014. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS



HARVEY RUVIN, CLERK

By: **Christopher Agrippa**

Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in black ink, appearing to read "GTH", is enclosed within a hand-drawn oval.

Gerald T. Heffernan

Exhibit A
New York Times Article

Airbnb, the popular apartment-sharing service, won a legal standoff Tuesday when a state judge ruled that the company did not have to give up customer records as part of an investigation by the New York attorney general.

The decision may give Airbnb only temporary respite, however. The office of Eric T. Schneiderman, the New York attorney general, said he planned to issue a new subpoena in coming days for Airbnb customer records that addressed the judge's concerns.

Still, Airbnb was fast to claim victory in one of the most prominent of several conflicts between members of the Internet's sharing economy and government officials.

Airbnb has met opposition from an array of factions, including hotels that face competition from its services, neighbors who don't like strangers staying next door and tenant rights groups who fear Airbnb will further diminish the availability of affordable housing.

Airbnb, for its part, has promoted the economic benefits that its service brings to people who are able to make extra money by renting out rooms in their homes, along with neighborhoods that see additional tourists attracted by local housing.

In a statement, Airbnb said it looked forward to working with Mr. Schneiderman to "make New York a better place to live, work and visit."

"This decision is good news for New Yorkers who simply want to share their home and the city they love," the company said.

As services like Airbnb and Uber, the ride-sharing service, spread across the country, lawmakers and other officials in some cities have started seeking ways to curb their explosive growth and bring them into compliance with existing laws, written before the companies were ever imagined.

In Seattle, the City Council recently passed rules imposing limits on the number of vehicles from ride-sharing services, though the companies have collected enough signatures to challenge the measure. In San Francisco, where Airbnb is based, proposed legislation could make short-term rentals through Airbnb and other services more complicated and expensive.

The Internet Association, a trade group that represents major web-based companies, called the judge's decision an "important win for the innovation economy and individual liberty."

The group's president and chief executive, Michael Beckerman, said in the statement: "The Internet Association supports the court's recognition that overly broad subpoenas that would not be appropriate going to a brick-and-mortar business should not be applied to sharing-economy services either."

Mr. Schneiderman, the attorney general, had asked Airbnb to produce records for thousands of Airbnb "hosts" in New York, the people who rent out their apartments to others.

He had sought their physical and email addresses, dates of guest stays and the amount of revenue the hosts made on their rentals, among other information. Some of the site's hosts, he says, are violating the law. In New York City, it is illegal to rent out an apartment for fewer than 30 days, a measure that was put in place in 2010 to crack down on unregulated hotels.

Airbnb had numerous objections to the subpoena, but the one that resonated with Justice Gerald W. Connolly of the Albany County Supreme Court was the company's argument that the demands for customer data were overly broad. In his decision, the judge said the subpoena was not limited to hosts in New York City, nor to rentals of fewer than 30 days.

The subpoena "as drafted," the judge wrote, "seeks materials that are irrelevant to the inquiry at hand and accordingly, must be quashed."

The judge also said in the decision that there was evidence that a "substantial" number of Airbnb hosts were violating New York's hotel and tax laws, and he ruled against the start-up on several of its other objections to the subpoena.

"Our office is committed to enforcing a law that provides vital protections for building residents and tourists alike," said Matthew Mittenthal, a spokesman for the attorney general. "The judge rejected all of Airbnb's arguments except for a narrow technical issue, and we will reissue the subpoena to address it."

Even as the case continues, Arun Sundararajan, a professor at New York University's Stern School of Business, said he would like to see Airbnb and lawmakers find a way to come up with new set of guidelines that distinguish between occasional users of the service and those who are doing it on a much larger scale with multiple apartments.

"We need a new regulatory framework that is reasonable and inclusive of providing this new form of short-term accommodation commercially," he said.