

City of Marathon
Local Business Roundtable Discussion Action Minutes
May 3, 2021 5:30pm Meeting Minutes

CALL TO ORDER - A Roundtable Discussion was held on May 3, 2021 in the Marathon Council Chambers, 9805 Overseas Hwy., Marathon, Florida, Mayor Gonzalez called the discussion to order at 5:30 pm.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

There were present:

Councilmember John Bartus

Vice Mayor Mark Senmartin

Mayor Luis Gonzalez

Also, in attendance were:

City Manager, George Garrett

Deputy City Clerk, Hillary Palmer

City Attorney, Steve Williams

Planning Director Brian Shea

Planner, Amber Stonik

Also in attendance:

Monroe County Sherriff, Rick Ramsay

Monroe County Commissioner, Mike Forrester

Monroe County Mayor, Michelle Coldiron

Mayor Gonzalez called the meeting to order and the lead the pledge of allegiance.

Williams announced the latest COVID-19 Governor Executive Order as it related to wearing masks in public places. He stated he is currently reviewing the order and will be keeping watch for further information.

Bartus thanked everyone for their attendance and was excited to hear from the public.

The discussion began with Williams explaining the vacation rental laws and the facts associated with it.

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Larry Smorgala commented that the number of rentals exceeds the number of registered rentals with the City. He cited air B&B websites as references.

Senmartin instructed the public to report illegal vacation rentals to the City Code Department and Tax Collectors Office if they find them.

Michelle Frank asked if the City vacation rental program could partner with the County program?

Shane Cootie explained the Key West vacation rental program and spoke in favor of storage container homes in the Keys.

Garrett explained if the storage container homes meet Florida building code they can apply for a building permit.

Peter Demaris asked what percentage of bed tax is returned to the City?

Daniel Samess, Marathon Chamber of Commerce, explained how the percentages are divided up, ultimately no bed tax is returned to the City.

Jean Tarlton commented the vacation rental search feature is no longer on the City website.

Shea explained the new software system is now available for public access and vacation rental information can be viewed.

Peter Demaris asked for clarification on sewer infrastructure taxes.

Garrett explained the sewer project funding cycle.

Sarah Mathis asked for clarification on bed tax.

Bartus spoke on the City's affordable housing statistics and explained there are 749 currently existing units, 31 units in process and 225 units sought.

Troy Lotan commented about the severe problem with affordable housing.

Shane Cootie commented that it's hard for local business owners to keep employees and advocated for container homes. He also commented Monroe County has an abundant amount of land to build on in the lower keys.

Michelle Coldiron, Monroe County Mayor pointed out that the vacant land in Big Pine Key is mostly environmentally sensitive and not able to be built on.

Chris Todd Young, Habitat for Humanity, commented that solutions are needed in regards to regulations on the affordable units as a lot of people in the units are over qualified she explained.

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Shea explained the rental side of the affordables are easier to manage, it's the ownership side that has the issues.

Chris Todd Young commented the rentals have qualification issues also.

Garrett asked to meet in one on one with Chris Todd Young.

Michelle Frank asked how many hotel rooms are currently in Marathon?

Daniel Samess replied with the number of 1,000.

Bartus spoke on the number of affordable housing units left.

Michelle Frank asked staff to define affordable housing allocations vs. workforce allocations.

Larry Smorgala spoke on the 73rd Street project regarding the qualifications for renting and asked what the area median income is.

Shea replied that the area median income is \$84,400 for a family of 4 and explained the HUD income limits.

Larry Smorgala commented on the hard time he is having keeping staff at his air conditioning business and spoke on the local restaurants closing due to no staff. He spoke on his personal history living in the Keys and commented he is looking for solutions for affordable housing for his staff. He asked about the development next to Marlin Bay.

Bartus stated that all developments are presented in public at the City Council meetings.

Mallory Pinto asked if businesses have partnered with the City.

Bartus spoke on the problems the 1st time homebuyer program are dealing with such as insurance.

Mallory Pinto spoke on possible future incentives for landlords such as tax breaks.

Williams stated he would need to consult tax counsel regarding milage rates, etc.

Peter Demaris spoke on the differences between corporation resorts vs. mom & pop resorts.

Michelle Coldiron commented on the employee housing within resort communities.

Chris Todd Young advocated for requirement verifications for affordable housing and suggested providing landlords incentives.

Matt Sexton spoke on his personal experience owing a resort and the challenges he has faced concerning employee housing, vacation rentals, etc. and suggested incentives for not turning homes into vacation rentals.

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Williams commented on difficulties of not discriminating.

Senmartin cited an example of a recent affordable housing project and the City's role in controlling the rental amounts and also mentioned the 300 affordable units coming available in Monroe County.

Bartus asked if the remaining BPAS units could be transferred to affordable units.

Garrett replied yes.

Daniel Samess spoke on stretching out allocations and fractional units.

Garrett spoke on fractional units as an option and the 300 affordable units.

Daniel Samess explained the process of fractional units.

Matt Sexton spoke on workforce housing requirements.

Michelle Frank commented on the difficulty to get staffing in the Keys and spoke for the bus service as an option to transport employees to and from the mainland.

Garrett spoke on the various workforce housing units and addressed the topic of people in the units not working.

Senmartin spoke on the many homes lost in hurricane Irma.

Bartus added there is still a lot of hurricane damage left.

Senmartin spoke on the Coco Plum affordable housing project that was approved.

Garrett spoke on the tax credit project & the income based projects such as Seagrape apartments.

Aaron Hilligoss asked how income for the affordable units is regulated.

Shea explained the HUD ranking system

Aaron Hilligoss asked for information on the Coco Plum development project.

Garrett provided the details including the percentage breakdown on income levels.

Larry Smorgala commented on the workforce trades in the Florida Keys disappearing because the tradesmen can not afford to live here. He commented on the increased number of people now living and traveling to the Keys and the impacts on the bridges. He spoke on his personal experience of losing workforce due to not being able to afford living in the Keys.

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Senmartin spoke on the cadet and firefighter programs within Monroe County to help shape young people into trades.

Michelle Coldiron spoke on the Florida Keys Community College career development programs. Sarah Mathis spoke for a tax on vacation rentals.

Williams explained the vacation rental ordinance can not be changed.

Senmartin suggested increasing the vacation rental fees.

Charlie Brown stated there is not enough interest to fill the career development programs at the local college.

Mallory Pinto spoke for incentives for keeping workers in the Keys.

Peter Demaris spoke on the TDC budget and spoke for changes for the annual vacation rental license.

Shea provided the fee schedule for vacation rentals.

Williams spoke on the vacation rental fee structure.

Giselle Bursa also spoke on the vacation rental fee structure.

Penny Heart asked where the revenues for the vacation rental fees are going.

Garrett explained the revenue funds go to the affordable housing fund and salaries.

Penny Heart asked how the City can get more money into the 1st Time Homebuyer Program.

Senmartin spoke on income qualifications for down payments for the 1st Time Homebuyer Program.

Lynda Berrigan asked about the fees for vacation rentals.

Senmartin explained the fees are to pay to process the paperwork.

Lynda Berrigan stated the impact on the community is horrific and referenced the overflowing garbage cans, etc. She suggested coming up with creative ways to accumulate more funds to address the problem.

Williams explained raising taxes as a solution and increasing vacation rental fines.

Jane Tarlton asked if bed tax on transient rentals can be changed.

Bartus replied no.

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Jane Tarlton commented that the homes in Monroe County are designed for a certain occupancy load and the load is increasing.

Garrett spoke on the EDU formula in reference to wastewater flows.

Lauren Harris asked if there will be opportunities to purchase affordable units or just rentals.

Aaron Hilligoss spoke on other states having downstairs enclosures as affordable housing option.

Garrett explained the insurance issues with the downstairs enclosures.

Williams clarified other states have higher flood elevations than the Keys.

Bartus thanked the public for attending the discussion and City staff for their hard work.

Charley Brown asked when the public can expect another update.

Bartus replied we can meet again in six months to reevaluate.

Senmartin encouraged the public to attend and speak at the meetings.

Garrett announced his phone number is available if any members of the public would like to discuss the issues further.

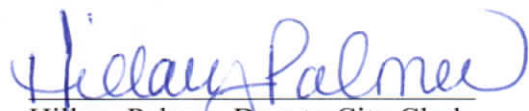
Gonzalez commented that he would reach out to House Representative Jim Mooney and Senator Ana Maria Rodriguez for their input for the next discussion.

Mallory Pinto suggested that 1st Time Homebuyer grant be changed.

Gonzalez commented look for changes in the future.

Discussion end at 7:58pm.

I certify the above represents an accurate summary of the Roundtable Discussion of March 3, 2021.


Hillary Palmer, Deputy City Clerk

6/10/21
Date