

COUNCIL AGENDA STATEMENT



Meeting Date: January 13, 2026

To: Honorable Mayor and City Councilmembers

From: Brian Bradley, Deputy City Manager

Through George Garrett, City Manager

Agenda Item: **Resolution 2026-05**, Approving An Amendment Revising The Rates For The Vacation Rental Fee Schedule; And Providing For An Effective Date.

BACKGROUND & JUSTIFICATION:

At the request of Councilman Matlock, staff was asked to review the vacation rental fees based on costs currently absorbed by the local taxpayer. As the City must employ additional staff to cover the population of vacation renters within the City, these fees now include 10% of the budgets of Fire EMS and Parks and Recreation. The total fees incurred per vacation rental (see attached fee schedule) is \$2,202.91. This number is rounded down to a new base license fee of \$2,100.00 and a renewal fee of \$2,000.00. This represents a \$1,000.00 increase to the current fee structure.

This yearly increase in costs will represent a number that can be passed on to the renter (\$19.23 a week or \$2.73 a day). The increased fees will generate an additional \$1,229,000.00 for the City budget. This would represent a 52% decrease in the current fiscal year's deficit spend of \$2,136,92.00.

CONSISTENCY CHECKLIST:

Yes

No

1. Comprehensive Plan _____
2. Other _____
3. Not applicable _____

FISCAL NOTE:

NA

RECOMMENDATION:

Council approve Resolution

Sponsored by: Matlock

**CITY OF MARATHON, FLORIDA
RESOLUTION 2026-05**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING AN AMENDMENT REVISING THE RATES FOR THE VACATION RENTAL FEE SCHEDULE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 8-12 (c)(4) of the Code of Ordinances states that the City Council shall create and may amend the fee schedule for vacation rental property licenses and vacation rental agent licenses by resolution; and

WHEREAS, the City Council has instructed the City staff to review the fee schedule; and

WHEREAS, the City must now employ additional staff to cover the population of vacation renters within the City, which now includes 10% of the budgets of Fire EMS and Parks and Recreation; and

WHEREAS, the City continuously incurs the costs of dedicated staff for the review and processing of applications, scheduling of inspections, internet search for illegal advertisements and follow up of compliance with the Vacation Rental regulations; and

WHEREAS, the attached fees and rates were developed after much consideration, factual analysis of the increased costs and consultation with the City Manager.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, that:

Section 1. The above recitals are true, correct, and incorporated herein by this reference.

Section 2. The City Council hereby approves the fees for the issuance and renewal of vacation rental licenses and annual agent licenses attached hereto as Exhibit "A".

Section 3. The fees and rates for the issuance and renewal of vacation rental license and agent fees will be reviewed annually and any amendments will be brought before the City Council.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 13TH DAY OF JANUARY 2026.

THE CITY OF MARATHON, FLORIDA

Lynny Del Gaizo, Mayor

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:

Steve Williams, City Attorney

EXHIBIT A

City of Marathon Vacation Rental License Fees Adjusted fees are as follows:

New Vacation Rental Property License Fees: Includes new and upon transfer of ownership/delinquent/expired

Includes one (1) Fire-inspection;

*Fire fees are based on occupancy

1 Bedroom*	\$2,100.00
2 Bedrooms*	\$2,200.00
3 Bedrooms*	\$2,300.00
4 Bedrooms*	\$2,400.00
5 Bedrooms*	\$2,500.00
6 Bedrooms*	\$2,600.00
7 Bedrooms*	\$2,700.00
8 Bedrooms*	\$2,800.00
9 Bedrooms*	\$2,900.00
10 Bedrooms* (+)*	\$3,000.00
*plus an additional	\$100.00 for each additional bedroom.

Annual Vacation Rental Property Renewal Fees

Includes one (1) Fire-inspection;

*Fire fees are based on occupancy

1 Bedroom*	\$2,000.00
2 Bedrooms*	\$2,100.00
3 Bedrooms*	\$2,200.00
4 Bedrooms*	\$2,300.00
5 Bedrooms*	\$2,400.00
6 Bedrooms*	\$2,500.00
7 Bedrooms*	\$2,600.00
8 Bedrooms*	\$2,700.00
9 Bedrooms*	\$2,800.00
10 Bedrooms* (+)*	\$2,900.00
*plus an additional	\$100.00 for each additional bedroom.

Fire re-inspection: Each occurrence upon failure of included inspection \$150.00

Transfer of Agent Fee: \$250.00

Voluntarily Inactive Vacation Rental Property License Fee (during an expired, pending, or open permit): \$25.00/month

Vacation Rental Agent License Fee

Must be obtained or renewed before any inspections are done. Paid with completion of vacation rental course. Agent fees are due annually.

Vacation Rental Agent License Fee	\$500.00
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As authorized by Section 215.322(5), Florida Statutes, a convenience fee for transactions for any fees listed herein paid by approved credit cards or bank debit cards shall be charged in an amount of two and ninety-nine hundredths' percent (2.99%) of the fees and related charges being paid plus ninety-nine cents (0.99¢). For any fees listed herein paid by E-check via ACH direct-debit from most major banks a two dollar and twenty-five cent (\$2.25) flat fee will be applied.

The convenience fee must be disclosed prior to the completion of the transaction, so that the cardholder may decide whether to cancel the transaction or pay by another method.

In the event of a refund or reconciliation of payment made by the cardholder, the convenience fee is not included in any refund.

Vacation Rental Cost Analysis Breakdown

Annual Costs		
Allie (Legal) 5% salary	\$	5,300.00
Steve (Legal) 5% salary	\$	12,145.30
Special Magistrate - 75%	\$	16,952.25
 Vacation Rental Agent	\$	136,493.67
Vacation Rental Agent	\$	95,631.61
Vehicles	\$	14,285.71
Fuel	\$	4,024.04
Utilities	\$	3,303.24 water & electric
Software (opengov)	\$	10,351.15
Office Space (\$30 per SQ Ft)	\$	72,000.00
Supplies	\$	1,000.00
Code Officer	\$	79,678.90
Code Officer	\$	79,417.36
Parks and Rec (10% of Budget)	\$	198,982.00
Fire EMS (10% of Budget)	\$	877,931.00

			1 day per year		
			City Manager Time		
Soft costs (mgr, finance)	\$	22,969.24		4.6%	0.4%
	\$	1,596,067.93			

	Total	Agent Fees	Licenses
	\$ 755,400.00	\$ 42,900.00	\$ 712,500.00
	\$ 645,585.00	\$ 32,900.00	\$ 612,685.00

Addition to Rental Fees \$ 1,111,310.55