

**CITY OF BILOXI  
AGENDA ITEM  
FACT SHEET**

Item No.: 4 C

Council Meeting Date: March 26, 2019

**ITEM TITLE:**            **ORDINANCE (1st Reading)**

**INTRODUCED BY:**    **Mayor Andrew "FoFo" Gilich**

**CONTACT PERSON:** **E. Michael Leonard, CAO**

*Jerry Creech*  
**Jerry Creech, Director of Community Development**

**SUMMARY EXPLANATION:**

An Ordinance to amend the Biloxi Land Development Ordinance, specifically Section 23-4-3(D) of the Land Development Ordinance, Commercial Uses, thereby modifying requirements for Short-Term Rentals (STR).

**Resolution** \_\_\_\_\_    **Ordinance**     **Public Hearing** \_\_\_\_\_    **Routine Agenda** \_\_\_\_\_

**Exhibits for Review**

**Contract** \_\_\_\_\_    **Minutes**     **Plans/Maps**     **Deed** \_\_\_\_\_    **Lease** \_\_\_\_\_

**Other (Specify):** Application and Case Fact Sheet

**Submittal Authorization:**    **Council President** \_\_\_\_\_    **Mayor**

**STAFF RECOMMENDATION:**    **Staff recommends approval**

**COUNCIL ACTION:**    **Motion By:** \_\_\_\_\_    **Second By:** \_\_\_\_\_

<b>Vote:</b>	<b>Councilmember</b>	<b>Yes</b>	<b>No</b>	<b>Other</b>	<b>Councilmember</b>	<b>Yes</b>	<b>No</b>	<b>Other</b>
	Lawrence	_____	_____	_____	Tisdale	_____	_____	_____
	Gines	_____	_____	_____	Glavan	_____	_____	_____
	Newman	_____	_____	_____	Barrett	_____	_____	_____
	Deming	_____	_____	_____				

**ACTION TAKEN:**

AN ORDINANCE TO AMEND THE BILOXI CODE OF ORDINANCES, SPECIFICALLY TO AMEND SECTION **23-4-3(D)(10)e** OF THE LAND DEVELOPMENT ORDINANCE, THEREBY MODIFYING REQUIREMENTS FOR **SHORT-TERM RENTALS (STR)**

WHEREAS, on Thursday, March 21, 2019, the Biloxi Planning Commission held a public hearing in the Auditorium of the Dr. Martin Luther King, Jr., Municipal Building, 676 Dr. Martin Luther King, Jr. Boulevard, Biloxi, Mississippi, to hear Case No. **19-023-PC**, City of Biloxi, with respect to a proposed **Text Amendment** to the Biloxi Code of Ordinances; and

WHEREAS, the Planning Commission members were apprised of the particulars of this case, being made cognizant of the fact that the Administration has proposed the Text Amendment to the Biloxi Land Development Ordinance, as addressed within Case No. **19-023-PC**, City of Biloxi; and

WHEREAS, it is the intent of this Text Amendment to amend Section **23-4-3(D)(10) e** of the Land Development Ordinance, thereby modifying requirements for **Short-Term Rentals (STR)**, as follows:

**Section 23-4-3(D) (10) e. Short Term Rental**

**10. Visitor Accommodations**

**e. Short-Term Rentals**

**Short-Term Rentals** are not permitted in Single-Family Residential zones, including Zones: **(A) Agricultural, (AR) Agricultural Restricted, (RE) Residential Estate, (RER) Residential Estate Restricted, (RS-5) High-Density Single-Family Residential, (RS-7.5) Medium-Density Single-Family Residential, and (RS-10) Low-Density Single-Family Residential.**

~~**Short-Term Rentals** are allowed by right within the following zoning districts:~~

~~Community Business (CB), Regional Business (RB), Downtown (DT), Waterfront (WF), and Short-Term Rental Overlay (STR-Overlay) subject to compliance with all of the standards mentioned below.~~

**Short-Term Rentals** shall be allowed as Conditional Use upon properties situated within the following zoning districts: **(NB) Neighborhood Business, (CB) Community Business, (RB) Regional Business, (DT) Downtown, (WF) Waterfront, (RM-20) Medium-Density Multifamily Residential, (RM-30) High-Density Multifamily Residential**, as well as within **(PD-GE) Planned Development–Gaming-Establishment, (PD-HB) Planned Development–Hospitality Business, (PD-C) Planned Development –Commercial** and **(PD-I) Planned Development – Infill** district zones, subject to conditional use review of the *following standards:*

**1. Declaration of Policy**

This section is intended to provide standards for **Short-Term Rentals** to allow for a Visitor Accommodation Use for properties, which have the characteristics of ~~Single-Family~~ residences *or dwelling units*, but providing specific limitations, which should prevent the commercial exploitation of these properties.

**2. Monitoring**

**Short-Term Rentals** shall maintain a guest register, which shall be made available for inspection by the City upon request. The guest register shall include the names and home addresses of transient guests, the transient guests' license plate numbers, dates of stay, and the unit number utilized by each transient guest. Complex properties must have an on-site office with an on-site representative or the name, address, and phone number of a local person who shall be able to provide thirty-minute appearance response to said **Short-Term Rental** unit site when so called upon by the city or other responsible authority.

**3. Additional Permit Application Requirements**

**Short-Term Rentals** shall be authorized only upon completing all items included and recited within the Land Development Ordinance to obtain Conditional Use Approval for this use. Individuals requesting **Short-Term Rental authorization shall be required to pay an annual application fee of one-hundred dollars (\$100.00); such fee is to be assessed and paid by applicant to the City of Biloxi Community Development Department, provide the name(s) of agencies (i.e., AirBNB, VRBO, Homeaway, etc.) they are affiliated with and obtain a Certificate of Occupancy, a Certificate of Zoning Compliance, and a Privilege Tax License, and an Occupant Limit Card** from the City of Biloxi. The Certificate of Occupancy, Certificate of Zoning Compliance, and Privilege Tax License shall not be transferred to any subsequent owner, and any change in ownership shall require new applications for all such certificates, permits, and licenses.

#### 4. STR (Short-Term Rentals) Standards

- A. Nothing in this subsection shall be construed to permit any commercial or residential use not otherwise allowed by the specific district classification in which the **Short-Term Rentals** are located.
- B. **Short-Term Rentals** shall be limited to ~~a total of four units upon any single tax parcel site with respect to the Density Limits provided within Section 25-5 of the Land Development Ordinance.~~
- C. Exterior sign(s) advertising **Short-Term Rentals** shall not be permitted on properties located in residential zoning districts.
- D. All lighting shall be compatible with the residential quality of the neighborhood in which the **Short-Term Rentals** are located.
- E. Parking for **Short-Term Rentals** shall be provided on site at a ratio of one parking space per unit or bedroom available, whichever is greater. Parking shall be arranged in a style reflective of a residential use.
- F. The combination of parking and all structures included as part of a **Short-Term Rental** shall occupy no more than sixty percent (60%) of the lot upon which this use is to be located.
- G. Any **Short-Term Rental** use proposed must be in conformance with all Subdivision Covenants or Deed Restrictions in effect for the specific property site in question. The property owner shall be responsible to demonstrate compliance with this directive. *Nothing in this section shall confer a right to offer a **Short-Term Rental** where such use is prohibited by a homeowners' association agreement, by a rental agreement or any other restrictions, covenants, requirements or enforceable agreements.*
- H. Upon accepting any **Short-Term Rental** application, the City of Biloxi will notify the *State Department of Revenue, Harrison County Tax Assessor, and Hotel & Lodging Association* to make them cognizant of the intention of establishing a **Short-Term Rental** facility at the location offered.

- I. **Short-Term Rentals** shall be subject to annual Fire Inspections by the Biloxi Fire Department, *or as required by City ordinance.*
- J. Any violation of ~~this ordinance~~ these **Short-Term Rental** provisions may result in the enforcement of remedies and penalties found in Section 23-9-6 of the Remedies and Penalties section of the Land Development Ordinance.
- K. The penalty for operating a **Short-Term Rental** without a business license will be assessed a fine of five hundred dollars (\$500.00) per violation per day.

SECTION 2. All other sections of said Section 23 of the Code of Ordinances of the City of Biloxi, Mississippi, shall remain in full force and effect.

SECTION 3. This ordinance shall become effective thirty days from and after its passage and publication with law.

.....A

RESOLUTION CALLING FOR A PUBLIC HEARING WITH RESPECT TO PROPOSED AMENDMENT TO THE BILOXI CODE OF ORDINANCES, SPECIFICALLY TO AMEND SECTION **23-4-3(D)(10)e** OF THE LAND DEVELOPMENT ORDINANCE, THEREBY MODIFYING REQUIREMENTS FOR **SHORT-TERM RENTALS (STR)**

WHEREAS, on Thursday, March 21, 2019, the Biloxi Planning Commission held a public hearing in the Auditorium of the Dr. Martin Luther King, Jr., Municipal Building, 676 Dr. Martin Luther King, Jr. Boulevard, Biloxi, Mississippi, to hear Case No. **19-023-PC**, City of Biloxi, with respect to a proposed **Text Amendment** to the Biloxi Code of Ordinances; and

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~~Overlay) subject to compliance with all of the standards mentioned below:~~

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- K. The penalty for operating a **Short-Term Rental** without a business license will be assessed a fine of five hundred dollars (\$500.00) per violation per day.

WHEREAS, the City Council of the City of Biloxi, Mississippi, having given the Planning Commission's recommendation full consideration, has determined that this is a matter of general public concern and, being so, it is in the best interest of the community to hold a public hearing on this matter before the City Council.

NOW, THEREFORE, BE IT RESOLVED, THAT THE CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, will conduct a public hearing in reference to Case No. 19-023-PC, City of Biloxi, on a date to be set and in accordance with all requirements as prescribed by the City of Biloxi Land Development Ordinance governing the conduct of public hearings.

..... B

RESOLUTION TO DENY THE AMENDMENT TO THE BILOXI CODE OF ORDINANCES, SPECIFICALLY TO AMEND SECTION **23-4-3(D)(10)e** OF THE LAND DEVELOPMENT ORDINANCE, THEREBY MODIFYING REQUIREMENTS FOR **SHORT-TERM RENTALS (STR)**

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- K. The penalty for operating a **Short-Term Rental** without a business license will be assessed a fine of five hundred dollars (\$500.00) per violation per day.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, that having given the Planning Commission's recommendation full consideration, hereby rejects said recommendation and hereby denies the requested Text Changes to the City of Biloxi Land Development Ordinance, as proposed by Case No. 19-023-PC, having determined that said Text Changes are unwarranted due to a determination that \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

.....C

1 **REPORTER'S PARTIAL TRANSCRIPT OF**

1

2  
3 **BILOXI PLANNING COMMISSION**  
4 **March 21st, 2019**  
5 **Dr. Martin Luther King, Jr. Municipal Bldg.**  
6 **676 Dr. Martin Luther King, Jr. Boulevard**  
7 **Biloxi, Mississippi**  
8 **COMMISSION MEMBERS PRESENT:**  
9 Mr. David Washer, President  
10 Mr. Jimmy Poulos  
11 Mr. John Snow  
12 Mr. August Parker  
13 Mr. Gary Lechner  
14 Ms. Joanne Humphries  
15 Mr. Charlie Dellenger  
16 Mr. Steve Delahousey  
17 Mr. Kyle Carron  
18 Mr. David Stanovich  
19 Mr. Joe King  
20 Ms. Cheryl Thompson  
21 Ms. Johnnie Smith  
22 Mr. Curtis Harrison

23 **OTHERS PRESENT:**

24 Mr. Jerry Creel,  
25 Director of Community Development  
26 Mr. Ed Shambra,  
27 Executive Planner  
28 Ms. Caryle Lena,  
29 Planning Technician  
30 Mr. Eric Nolan,  
31 City Arborist

32 **REPORTED BY:**

33 **CRYSTAL LYNN MORRIS, CSR**

34 **CRYSTAL LYNN MORRIS, CSR**  
35 **(228) 424-2047 E-MAIL ICAPTION4U@AOL.COM**

15:16:48 1 Business as a zone that will also allow  
15:16:49 2 for consideration for short-term rentals.  
15:16:52 3 So with that being said, we have NB  
15:16:56 4 Neighborhood Business, CB-Community  
15:16:58 5 Business, RB Regional Business, DT  
15:17:02 6 Downtown, WF Waterfront District, RM-20  
15:17:05 7 and RM-30 that are Multifamily  
15:17:07 8 Residential Districts and PD-GE, which is  
15:17:11 9 the Gaming Establishment District.  
15:17:12 10 PD-HD, which is the Hospitality Business  
15:17:16 11 District, and PD-C, which is the Planned  
15:17:19 12 Development Commercial District and PD-I  
15:17:21 13 which is the In fill District. All of  
15:17:21 14 these will now be districts that allow  
15:17:24 15 for short-term rentals under the  
15:17:27 16 Conditional Use umbrella.

15:17:30 17 Also as a change we are adding an  
15:17:33 18 annual fee of \$100 to obtain and retain  
15:17:36 19 short-term rental licenses. We are also  
15:17:40 20 removing the limitation of four units at  
15:17:43 21 any one, single site. Instead of putting  
15:17:46 22 a limitation of it we will let the normal  
15:17:48 23 density provisions take prevalence there.

15:17:53 24 Short-term rentals must be in  
15:17:56 25 conformity with covenants, HOA,

36 **CRYSTAL LYNN MORRIS, CSR**  
37 **(228) 424-2047 E-MAIL ICAPTION4U@AOL.COM**

1 **MR. WASHER:**

2

15:15:07 2 Next hearing is Case No.  
3 19-023-PC City of Biloxi to consider a  
4 text change, specifically to amend  
5 Section 23-4-3(D) of the Land Development  
6 Ordinance, Commercial Uses, thereby  
7 modifying requirements for Short-Term  
8 Rentals. This case was advertised on  
9 March 1st, 7th and 14th. We will let Mr.  
10 Shambra address that.

11 Please leave quietly.

12 **MR. SHAMBRA:**

13 This is a text amendment to amend  
14 23-4-3(D) 310 E, the section which talks  
15 about short-term rentals. To give a  
16 brief summary, you have the case fact  
17 sheet that show all the verbiage in there  
18 and what will be changed and what will be  
19 removed. To give you a brief overview,  
20 what we are suggesting with the text  
21 change is all short-term rentals will now  
22 be Conditional Use. So there won't be  
23 any permitted and conditional. They will  
24 all be treated as Conditional Uses.

25 We've added the NB Neighborhood

36 **CRYSTAL LYNN MORRIS, CSR**  
37 **(228) 424-2047 E-MAIL ICAPTION4U@AOL.COM**

15:18:00 1 Homeowner's Association Agreements and  
15:18:01 2 other enforceable restrictions that are  
15:18:01 3 placed.  
15:18:04 4 And the penalty for operating a  
15:18:07 5 short-term rental without a city license  
15:18:12 6 will now be assessed a fine of \$500 per  
15:18:16 7 day that the violation continues.

8 **MR. WASHER:**

9 Thank you. We will go ahead and  
10 open the floor -- these have been posted  
11 and out on the website, the proposed  
12 changes. We will open the floor for  
13 anyone that would like to speak in favor  
14 or against. Just a reminder you will  
15 have five minutes, so make your points  
16 before the clock runs out. So anyone  
17 that would like to speak, one at a time,  
18 come forward and give us your name and  
19 address for the record and please sign  
20 in.

21 **MS. \*\*:**

22 Susanne -460 John Lee Road in  
23 Biloxi. I do have a short-term rental  
24 application in but I do understand this  
25 is strictly for the changes in the LDO.

36 **CRYSTAL LYNN MORRIS, CSR**  
37 **(228) 424-2047 E-MAIL ICAPTION4U@AOL.COM**

15:19:13 1 Some of the considerations that I  
 15:19:17 2 want to talk to you about, and I will  
 15:19:19 3 probably do these out of order, but the  
 15:19:22 4 last one you mentioned was the \$500 a day  
 15:19:25 5 fine. I do believe a fine should be in  
 15:19:29 6 order. I think \$500 a day may be a  
 15:19:32 7 little bit excessive considering in  
 15:19:37 8 23-9-6 B the criminal penalties are  
 15:19:41 9 actually less than what you are wanting  
 15:19:42 10 for the fees for the short-term rentals.  
 15:19:45 11 So \$500 a day may be excessive. So I  
 15:19:49 12 would like you to reconsider that.  
 15:19:51 13 Also, I was wondering, commercial  
 15:19:58 14 business that states use by right so you  
 15:20:02 15 already have several short-term rentals  
 15:20:04 16 that are approved. Is their Conditional  
 15:20:08 17 Use just going to be a formality since  
 15:20:10 18 they were already grandfathered in so to  
 15:20:13 19 speak. So mainly I have a lot of  
 15:20:15 20 questions. Should the commercial  
 15:20:22 21 business require Conditional Use or maybe  
 15:20:24 22 should do another type since it already  
 15:20:28 23 meets all the Conditional Use  
 15:20:30 24 applications it is just a matter of  
 15:20:31 25 applying for short-term rental. So are

CRYSTAL LYNN MORRIS, CSR  
 (228) 424-2047 E-MAIL ICAPTION4U@AOL.COM

15:20:34 1 you overburdening yourself by saying it  
 15:20:37 2 has to be Conditional Use. Maybe it  
 15:20:39 3 should be another type of application or  
 15:20:40 4 form since they are in commercial  
 15:20:42 5 business. How many inspectors is it  
 15:20:45 6 going to take in order to inspect the  
 15:20:48 7 existing short-term rentals and the new  
 15:20:51 8 short-term rentals. Do you have enough  
 15:20:53 9 code enforcement personnel. My concerns  
 15:20:56 10 are you going to put these changes of the  
 15:20:59 11 LDO in place and you are not going to be  
 15:21:03 12 able to do any enforcement. So it is not  
 15:21:06 13 going to benefit the City, you are going  
 15:21:08 14 to be burdening yourself and it's going  
 15:21:10 15 to be getting worse. I was wondering  
 15:21:13 16 also if the criteria listed in the  
 15:21:17 17 Conditional Use is a little bit broad for  
 15:21:19 18 short-term rentals. You state no noise,  
 15:21:27 19 odor and vibrations. That is not  
 15:21:30 20 relevant to short-term rentals, but is  
 15:21:32 21 relevant to having dog kennels. So the  
 15:21:35 22 Conditional Use standards seem to be a  
 15:21:39 23 little bit broad.  
 15:21:39 24 I know there is a lot of  
 15:21:41 25 questions on short-term rentals affecting

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15:21:46 1 neighborhoods. I know there is a certain  
 15:21:48 2 distance between liquor stores, churches  
 15:21:51 3 or schools. Is it possible to do that  
 15:21:54 4 same type of specification. Maybe that  
 15:21:57 5 would help determine short-term rentals  
 15:22:03 6 locations a little better and not be  
 15:22:05 7 quite so broad and outreaching. Should  
 15:22:10 8 you waive the fines for the existing  
 15:22:13 9 operators until they can go through the  
 15:22:16 10 inspection process considering they are  
 15:22:18 11 already operating because they are use by  
 15:22:21 12 right, fining them \$500 a day because  
 15:22:24 13 everything is switched I am wondering if  
 15:22:28 14 something shouldn't be grandfathered in.  
 15:22:31 15 Also to make the application  
 15:22:33 16 process a little bit faster I know there  
 15:22:37 17 has been several comments about due  
 15:22:41 18 diligence. We are into 5, 6 months now  
 15:22:45 19 just trying to get some of the  
 15:22:47 20 applications done. So I am wondering if  
 15:22:50 21 that also should not also be part of the  
 15:22:52 22 restructuring for the LDO for the  
 15:22:54 23 short-term rentals to consider that.  
 15:22:56 24 That is all I have for today. Thank you.  
 15:23:05 25 MR. STALLWORTH:

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15:23:38 1 Bill Stallworth, 279 Bohn Street.  
 15:23:43 2 Currently I have two, legal short-term  
 15:23:46 3 rental units and in the process of  
 15:23:49 4 developing two additional ones. I am  
 15:23:52 5 strongly opposed to taking the right to  
 15:23:56 6 have those in those zones that are  
 15:23:59 7 already zoned. I understand you are  
 15:24:00 8 trying to deal with a situation where  
 15:24:03 9 people may be developing in those areas  
 15:24:06 10 that are now either Conditional Use or  
 15:24:08 11 not zoned for it at all. But to take  
 15:24:11 12 away the right that is already there and  
 15:24:16 13 now to put it in a term of Conditional  
 15:24:19 14 Use is a step backwards. Pure and  
 15:24:23 15 simple. Because those units are now  
 15:24:25 16 coming online. In order to get them  
 15:24:27 17 approved I would, if these changes go in  
 15:24:33 18 effect, I would have to come back before  
 15:24:35 19 you one more time to try to get a  
 15:24:37 20 Conditional Use permit. To go through  
 15:24:39 21 the City Council is burdensome.  
 15:24:42 22 These areas that are commercially  
 15:24:44 23 zoned are typically there for a reason,  
 15:24:46 24 they are commercial. And in the past  
 15:24:51 25 those zones that are commercial basically

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15:24:54 1 were allowing high-use residential to be  
 15:24:59 2 utilized. I would ask this committee to  
 15:25:02 3 not strike that portion out. Keep those  
 15:25:07 4 areas that are by right. By right. And  
 15:25:11 5 if you are looking at Conditional Use  
 15:25:13 6 then the areas, the new areas that you  
 15:25:17 7 are looking to take into account where  
 15:25:21 8 they are high-density residential,  
 15:25:24 9 multifamily residential or whatever, if  
 15:25:27 10 you want to you put those in Conditional  
 15:25:30 11 Use then fine. I think that is a way to  
 15:25:31 12 deal with it on a case by case basis.

15:25:34 13 For those of us who've already  
 15:25:36 14 invested money and looking to invest more  
 15:25:40 15 money into this this becomes  
 15:25:41 16 unnecessarily burdensome. The whole  
 15:25:45 17 section, the first portion should stay in  
 15:25:50 18 and then look at this from a Conditional  
 15:25:55 19 Use for other activities. It takes a lot  
 15:26:04 20 of money to do a good short-term rental.  
 15:26:05 21 The property I am developing at 283 I  
 15:26:09 22 know I've spent almost \$90,000 to try to  
 15:26:12 23 get this property and develop it and I am  
 15:26:16 24 still spending money. And now to have  
 15:26:18 25 that process further delayed by going

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15:26:21 1 into a Conditional Use application would  
 15:26:25 2 be very problematic. The \$100 fee I  
 15:26:31 3 don't have a problem with that. The  
 15:26:33 4 fines I think that they can be  
 15:26:37 5 appropriate. But as the previous speaker  
 15:26:40 6 has stated, right now the City is having  
 15:26:42 7 a real hard time managing those  
 15:26:46 8 properties that are currently out there  
 15:26:50 9 that are not legal. Why add an  
 15:26:57 10 additional burden to the whole process.  
 15:26:59 11 Right now if you are in a by right zone  
 15:27:02 12 you can simply come in, make the  
 15:27:03 13 application, show what you are going to  
 15:27:05 14 do and that process speeds along. To add  
 15:27:09 15 further involvement by the City, I think  
 15:27:14 16 in the already overworked staff capacity  
 15:27:17 17 and the Planning Commission that would  
 15:27:21 18 typically have to hear all these requests  
 15:27:24 19 I think that is two steps backwards. So  
 15:27:27 20 I encourage you please leave that section  
 15:27:31 21 as it is. Leave those sections that are  
 15:27:35 22 currently in there by right by right.  
 15:27:37 23 And then cut your own workload down by  
 15:27:41 24 dealing with those cases that are hard to  
 15:27:44 25 manage. But in those commercial areas I

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15:27:47 1 don't think you are hearing any  
 15:27:50 2 complaints from anyone in a commercial  
 15:27:51 3 zone saying that it should not be there.  
 15:27:54 4 I have not heard it and I don't think  
 15:27:56 5 anyone else heard it. I think this is an  
 15:28:00 6 overreach. I don't know why it was put  
 15:28:02 7 there but this is truly an overreach for  
 15:28:06 8 the entire process. So please consider  
 15:28:07 9 keeping those by right by right. Oand  
 15:28:10 10 then cut your own workload as well as the  
 15:28:14 11 City employees workload down by looking  
 15:28:17 12 at the hard to reach cases. Thank you  
 15:28:20 13 very much.

MR. WASHER:

Thank you Mr. Stallworth.

MR. MILLER:

15:28:21 15  
 15:28:26 16  
 15:28:38 17  
 15:28:40 18 My name is Marty Miller. I live  
 15:28:44 19 at 357 Forrest Avenue. And although the  
 15:28:47 20 area I live in is not effected by this I  
 15:28:51 21 give the City kudos for getting up today  
 15:28:55 22 and making changes within the Ordinance  
 15:28:58 23 that I think would be smart. You know  
 15:29:02 24 when using the word by right, because of  
 15:29:04 25 old Ordinances and our fear of making  
 changes by right -- you can park 15 or 20

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15:29:10 1 cars in the front yard in old East  
 15:29:11 2 Biloxi. You can put your boat out or  
 15:29:14 3 whatever mess there is. I think that  
 15:29:15 4 when we do make a change we try to make  
 15:29:18 5 it better for everyone.  
 15:29:20 6 Statistically speaking, Biloxi  
 15:29:23 7 has one of the largest inventories of  
 15:29:27 8 small, single family homes on the Coast.  
 15:29:30 9 Yet at the same time like mistakes in the  
 15:29:33 10 past have been made where we allowed  
 15:29:35 11 ancillary buildings and rentals and all  
 15:29:37 12 that in an attempt to try to help base  
 15:29:40 13 housing and things like that. As time  
 15:29:42 14 goes on things change and these are no  
 15:29:45 15 longer popular. And we also have a  
 15:29:48 16 building codes department trying to keep  
 15:29:51 17 up with the mess that has been caused by  
 15:29:52 18 it. Looking forward we want to make sure  
 15:29:55 19 it is not a phase and how is it going to  
 15:29:58 20 affect the City and our single-family  
 15:30:00 21 people in the City. As it stands right  
 15:30:03 22 now our property values in East Biloxi  
 15:30:05 23 run 35 to 65 per square foot, while  
 15:30:08 24 places like Bay St. Louis are looking at  
 15:30:11 25 100 to 200 a square foot, you have to ask

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15:30:14 1 what are we doing. We need to protect  
 15:30:17 2 our right to have single-family homes and  
 15:30:22 3 a right to have great neighborhoods and a  
 15:30:25 4 right to keep our crime lower. If you  
 15:30:26 5 look at the crimes for Biloxi,  
 15:30:27 6 particularly East Biloxi, and our casinos  
 15:30:31 7 play into this, our crimes are going up  
 15:30:33 8 because we have ran our properties into  
 15:30:36 9 the ground with rentals that can't be  
 15:30:39 10 managed and the cause and affect is while  
 15:30:41 11 we as a lot of cities are making changes  
 15:30:45 12 and moving forward better property values  
 15:30:47 13 and conditions and people are make paying  
 15:30:49 14 higher monies to live there while those  
 15:30:53 15 with criminal background or whatever  
 15:30:55 16 problems they have thus leaving the City  
 15:30:57 17 with a burden of crime and low income  
 15:31:00 18 housing, which I am in favor of people  
 15:31:03 19 having homes but it should not take down  
 15:31:06 20 neighborhoods.

15:31:07 21 I guess what I am trying to say  
 15:31:08 22 is keep up the good work and I think  
 15:31:11 23 Biloxi is trying to do a good job but  
 15:31:16 24 make sure you are making the right  
 15:31:19 25 decisions that work for everybody, so

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15:31:19 1 that not only downtown Biloxi prospers,  
 15:31:24 2 but out schools and neighborhoods around  
 15:31:26 3 it still benefit to the overall value of  
 15:31:28 4 life in East Biloxi. Thank you.

15:31:31 5 MR. WASHER:

15:31:31 6 Thank you.

15:31:31 7 MS. BURNETT:

15:31:41 8 Cathy Burnett. My husband and I  
 15:31:44 9 live at 1282 Beach Boulevard, Cypress  
 15:31:47 10 Cove. Thank you for the support at the  
 15:31:50 11 last vote and I am here to ask you for  
 15:31:53 12 your continued support for the City  
 15:31:58 13 Council for another vote. Thank you.

15:32:22 14 MR. WOLDRICH: \*\*

15:32:22 15 Brandon Woldrich. I am here  
 15:32:26 16 today wearing a few different hats. As a  
 15:32:28 17 resident that lives in a multifamily  
 15:32:30 18 property that is subject to high-end  
 15:32:32 19 daily rentals and worked for a  
 15:32:34 20 development company and we run an  
 15:32:36 21 entertainment operation and hospitality  
 15:32:40 22 hotels as well.

15:32:42 23 First of all, there is really two  
 15:32:43 24 situations here. You are talking about  
 15:32:45 25 single-family homes and talking about

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15:32:47 1 condos on the beach or areas near the  
 15:32:50 2 casino where people know they are in a  
 15:32:52 3 high volume area. I think most of these  
 15:32:55 4 issues can be covered more preferably by  
 15:32:56 5 other people. I agree with the \$500  
 15:32:59 6 fine. If it does not have teeth to it  
 15:33:02 7 nobody will pay attention. If you rent  
 15:33:02 8 your condo for \$200 a day it is cheaper  
 15:33:05 9 to pay the fine. I think that is a good  
 15:33:07 10 thing.

15:33:08 11 Second thing. One, there is a  
 15:33:10 12 website called AIR-DNA.com. It is a tool  
 15:33:14 13 we use to help predict hotel rates and  
 15:33:17 14 see every single short-term rental in  
 15:33:19 15 whatever market you are looking at, how  
 15:33:23 16 often they are renting and how much they  
 15:33:23 17 are renting them for. So it is an  
 15:33:23 18 important mechanism. You could have  
 15:33:27 19 someone behind a computer constantly  
 15:33:27 20 looking at this and identifying who is  
 15:33:29 21 listing their property and who is not.  
 15:33:30 22 So that may be a tool you can use.

15:33:32 23 Secondly, one thing that is  
 15:33:34 24 happening in the industry is a blend of  
 15:33:35 25 these two markets. So with the hotel you

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15:33:38 1 may take reservations over the phone or  
 15:33:40 2 website, but we also have third parties  
 15:33:40 3 that sell for you like Travelocity,  
 15:33:46 4 Expedia, whatever these concepts are. So  
 15:33:47 5 the home rentals like AIRBNB, VRBO and  
 15:33:53 6 Homeaway are going to start to merge.  
 15:33:55 7 Right now you can't go on and book a  
 15:33:57 8 short-term rental. But it is already  
 15:33:59 9 happening in Europe. If you go in France  
 15:34:00 10 you will see hotel properties, Best  
 15:34:03 11 Western, that is being listed via AIRBNB  
 15:34:07 12 are going to book through third-party  
 15:34:11 13 travel sites. I don't know if we have  
 15:34:13 14 got to that point, but someone in the  
 15:34:15 15 hotel business one year from now you  
 15:34:19 16 limit my ability to sell through these  
 15:34:21 17 other channels without going through a  
 15:34:24 18 lot of effort to control that. I don't  
 15:34:24 19 know if that issue was thought of, but  
 15:34:27 20 every hotel on the Coast sells through  
 15:34:30 21 all these different channels. So  
 15:34:31 22 eventually that will be fed by AIRBNB,  
 15:34:32 23 VRBO and these other sites. So I don't  
 15:34:33 24 know what that does to existing operators  
 15:34:36 25 if they have to come get individual-use

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15:34:39 1 permits for every hotel room but that is  
 15:34:43 2 happening and going to happen nationwide.  
 15:34:45 3 One thing I would point out is we  
 15:34:47 4 are not saturated and we have vacant  
 15:34:51 5 property. You see New Orleans, San  
 15:34:53 6 Francisco and New York moving away from  
 15:34:55 7 these because people are coming in and  
 15:34:56 8 buying multiple units and driving out  
 15:34:59 9 local residents that can't afford the  
 15:35:00 10 rents. We have so much vacant real  
 15:35:03 11 estate I just think we should have  
 15:35:04 12 whoever wants to come in and invest  
 15:35:06 13 money, whether a local person adding one  
 15:35:08 14 or two units or someone wanting to build  
 15:35:11 15 a 20-unit condo and manage that as a  
 15:35:14 16 rental property, whatever barriers we put  
 15:35:16 17 up that is fewer people willing to invest  
 15:35:20 18 in the market. So if we could divide --  
 15:35:23 19 it is two different situations when you  
 15:35:25 20 are talking about neighborhoods versus  
 15:35:26 21 what is fairly obvious commercial use.  
 15:35:28 22 And whatever barriers you put there will  
 15:35:32 23 deter future development. And I hope you  
 15:35:34 24 take that into consideration.

15:35:36 25 MR. DELAHOUSEY:

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15:36:28 1 Creel direct the visitor accommodations  
 15:36:31 2 and all.  
 15:36:31 3 MR. CREEL:  
 15:36:31 4 Yes. As long as you have an  
 15:36:32 5 existing zoned use by right. As long as  
 15:36:36 6 you have your applications in before any  
 15:36:39 7 changes that are approved become  
 15:36:39 8 effective you would be grandfathered in.  
 15:36:43 9 And we have already had Sea Breeze, Ocean  
 15:36:50 10 Club, La Chateau Grand and Oak Shores  
 15:36:51 11 have all come in because their property  
 15:36:53 12 was zoned correctly and we are processing  
 15:36:56 13 those applications now.  
 15:36:58 14 Now, what would happen is if  
 15:37:00 15 these changes -- if the Planning  
 15:37:02 16 Commission approves these changes and  
 15:37:03 17 then the City Council approves these  
 15:37:07 18 changes then any applications after that  
 15:37:09 19 for use by right, you know the use by  
 15:37:10 20 right would go away and anyone would have  
 15:37:12 21 to come in and go through the whole  
 15:37:15 22 process.

15:37:15 23 MR. WOLDRICH:

15:37:16 24 So that would be the individual  
 15:37:17 25 owners or developers for the whole  
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15:35:38 1 Mr. Woldrich, ass to developer  
 15:35:39 2 which scenario would be more enticing for  
 15:35:43 3 you if you wanted to develop in Biloxi.  
 15:35:45 4 One where you had short-term rentals in  
 15:35:47 5 specific areas by right or where you had  
 15:35:52 6 no short-term rentals by right and  
 15:35:53 7 everything was conditional?

15:35:53 8 MR. WOLDRICH:

15:35:55 9 I think it has to be by right.  
 15:35:57 10 The South Beach Hotel was built to be a  
 15:36:00 11 condo hotel. And initially we wanted to  
 15:36:02 12 sell every unit as a developer and manage  
 15:36:04 13 those rentals ourselves. So to make it  
 15:36:04 14 easier for a person that lived in  
 15:36:07 15 California to still invest in our market  
 15:36:08 16 and not be tied here managing that  
 15:36:10 17 property. So if you have to come in and  
 15:36:12 18 get a hundred different units approved  
 15:36:15 19 that is a big burden and every case would  
 15:36:18 20 be different who wanted to deal with that  
 15:36:20 21 or not, but it would be major deterrent  
 15:36:25 22 for people to even consider coming into  
 15:36:25 23 this market.

15:36:25 24 MR. WASHER:

15:36:28 25 Mr. Woldrich, I will let Mr.  
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15:37:20 1 project?  
 15:37:21 2 MR. CREEL:  
 15:37:21 3 With the La Chateau Grand what  
 15:37:24 4 they do is get the applications from the  
 15:37:25 5 individual unit owners and brought it in.  
 15:37:27 6 If it is a unit that is owned by one  
 15:37:30 7 developer he would be the applicant for  
 15:37:33 8 all the units.  
 15:37:33 9 MR. WOLDRICH:  
 15:37:34 10 I think that is good. That is  
 15:37:36 11 all I have. Again, I think things are  
 15:37:38 12 hopping in Biloxi and I would hate to see  
 15:37:41 13 road blocking for something that might  
 15:37:44 14 happen. I think it would be easier to  
 15:37:46 15 plan smartly and restrict the amount  
 15:37:49 16 licenses going forward if it did become a  
 15:37:52 17 problem. But right now I think we should  
 15:37:52 18 do whatever we can to attract development  
 15:37:55 19 to the Coast.

15:37:56 20 MR. WASHER:

15:37:58 21 Anyone else?

15:37:58 22 MS. PIPIAN:

15:37:58 23 My name is Nancy Pipian. I am a  
 15:38:19 24 resident of Gulfport. I do property  
 15:38:23 25 management from Pass Christian to  
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15:38:25 1 Biloxi's east end. I came before the  
 15:38:28 2 Council about 4 or 5 years ago with a  
 15:38:30 3 lady who was one of the very first ones  
 15:38:32 4 to get a home permitted across from the  
 15:38:36 5 George Ohr Museum. We went through it  
 15:38:40 6 and she is successful at what she is  
 15:38:43 7 doing now.

15:38:45 8 We were told at that time, and I  
 15:38:47 9 plead ignorance, and I will abide by the  
 15:38:51 10 ruling and make applications or my owners  
 15:38:53 11 and I know will make applications. We  
 15:38:55 12 were not aware we had to be zoned or get  
 15:38:58 13 permitted and we will change that.

15:39:01 14 We currently are paying roughly  
 15:39:05 15 -- excuse me, in 2018 we paid \$35,948.62  
 15:39:13 16 through the sales tax, 12 percent sales  
 15:39:17 17 taxes to the State just for the City of  
 15:39:20 18 Biloxi. That was on roughly 18  
 15:39:23 19 properties. And in '17 it was the same  
 15:39:30 20 amount less about \$600. Over the past  
 15:39:33 21 ten years we have paid in to the City and  
 15:39:36 22 State who redistributes it to the City of  
 15:39:39 23 Biloxi \$351,740.60. That is 12 percent  
 15:39:44 24 collected on every rental. When I spoke  
 15:39:47 25 with the head of the tax commission back

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15:39:50 1 in about 1990 he told me that every penny  
 15:39:54 2 contributed to or connected to a vacation  
 15:39:57 3 rental had to be taxed at the 7 percent  
 15:40:00 4 and then the 12 percent when that was  
 15:40:03 5 passed. That includes the cleaning fee,  
 15:40:07 6 and whatever HOA fee the homeowners  
 15:40:13 7 charge, we tax that at 12 percent. Not  
 15:40:17 8 everybody does. And a lot of the  
 15:40:18 9 individual owners do not, but we do. I  
 15:40:21 10 don't look good in stripes and I want to  
 15:40:24 11 keep my real estate license, so I don't  
 15:40:27 12 want anything to be not legal. I don't  
 15:40:32 13 understand. I am a licensed agent and I  
 15:40:35 14 deal in rentals not property sales. And  
 15:40:38 15 I am not sure about Conditional Use and  
 15:40:41 16 permitted use. I believe the Villas at  
 15:40:45 17 Ocean Club was a hotel and it is a  
 15:40:47 18 permitted use. But when this proposal  
 15:40:49 19 happens that will become a Conditional  
 15:40:54 20 Use; is that correct?

MR. CREEL:

15:40:54 21  
 15:40:55 22 Yes, ma'am. Again, the Villas  
 15:40:57 23 are zoned correctly right now. If you  
 15:41:00 24 get your applications in and we get those  
 15:41:03 25 processed before these changes become

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15:41:05 1 effective those units would be  
 15:41:07 2 grandfathered in. If you wait until  
 15:41:09 3 after the changes become effective you  
 15:41:12 4 would have to start at square one.

MS. PIPIAN:

15:41:14 5 I will have a letter telling my  
 15:41:16 6 owners to get their act going and take  
 15:41:19 7 care of it. What about Sea Breeze?

MR. CREEL:

15:41:22 8 We are already processing the  
 15:41:23 9 applications for them.

MS. PIPIAN:

15:41:28 10 And that is a permitted use  
 15:41:29 11 there?

MR. CREEL:

15:41:27 12 It is zoned correctly, yes.

MS. PIPIAN:

15:41:30 13 I think all of our properties are  
 15:41:32 14 right along the Coast. I have people  
 15:41:35 15 that want to buy homes that are off beach  
 15:41:38 16 in subdivisions but I don't manage those.  
 15:41:40 17 I tell them don't do that. We do not  
 15:41:43 18 have that demand for properties that are  
 15:41:45 19 four blocks off the beach for vacation  
 15:41:48 20 rentals. The need is not there. We

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15:41:50 1 still have all the homeowners and beach  
 15:41:53 2 front homes that need to be rented and  
 15:41:57 3 fully occupied before I am willing to  
 15:41:58 4 manage properties north of there.

15:42:00 5 I have been managing short-term  
 15:42:03 6 rentals since 1990 and licensed since  
 15:42:08 7 1980. I got my license when I was four.  
 15:42:11 8 So we are a property management company  
 15:42:14 9 solely, and in our third generation.

15:42:17 10 My time is up in a minute. I  
 15:42:20 11 want to do what is right and I want the  
 15:42:22 12 Coast to continue to improve. We do need  
 15:42:26 13 vacation rentals. They serve a purpose.  
 15:42:30 14 Some people are religiously against  
 15:42:32 15 casinos and do not want to stay at  
 15:42:35 16 casinos. Some people want to stay in  
 15:42:37 17 something more family-oriented and some  
 15:42:40 18 want to stay where there is not cigarette  
 15:42:42 19 smoke. Now we do have a place in  
 15:42:45 20 Gulfport and Biloxi now that are  
 15:42:46 21 smokeless, but we still provide the  
 15:42:49 22 vacation home and the condos do provide a  
 15:42:53 23 need for people. And I want to -- I hope  
 15:42:56 24 you will consider making it not so  
 15:42:59 25 restrictive that it makes it impossible

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15:43:02 1 to us to do so. I think you are on the  
 15:43:04 2 right road. I think \$500 a day is high.  
 15:43:07 3 I would love to see a moratorium or give  
 15:43:10 4 us time to get permitted and then put  
 15:43:14 5 that \$500 in. I don't care if you put a  
 15:43:17 6 thousand in, but let everyone get caught  
 15:43:21 7 up because I was unaware. My time is up.  
 15:43:24 8 That you very much.

15:43:45 9 MR. CASIO:

15:43:46 10 James Casio, 1282 Beach  
 15:43:49 11 Boulevard. I want to thank each and  
 15:43:52 12 every one of you for all the hard work  
 15:43:53 13 you have done and keep it up. We are  
 15:43:55 14 here to say I don't think Cypress Cove is  
 15:43:58 15 a place for short-term rentals because it  
 15:44:01 16 is so compact and small. There is a  
 15:44:03 17 place on the Coast for it. It is down by  
 15:44:05 18 the commercial areas and casinos, Shark  
 15:44:09 19 Heads. But Cypress Cove is in a  
 15:44:12 20 residential area and we hope it stays  
 15:44:14 21 residential and not short-term rentals.  
 15:44:20 22 Thank you very much.

15:44:21 23 MR. WASHER:

15:44:22 24 Thank you, sir.

15:44:37 25 MS. HOST: \*\*

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15:44:39 1 Cathy Host, retired Air Force. I  
 15:44:42 2 love this Committee. You heard us when  
 15:44:44 3 we were here. You sat and listened for  
 15:44:47 4 ever on all the reasons why you should  
 15:44:51 5 put \$54,000 in someone's pocket when they  
 15:44:55 6 negated the rules, bought, and tried to  
 15:44:59 7 undermine everything. I am so impressed  
 15:45:03 8 that you did it and you heard us and you  
 15:45:04 9 did not allow them to take advantage.

15:45:07 10 When I hear how it is going to be  
 15:45:10 11 enforced, I just think the IRS does a  
 15:45:13 12 good job. Biloxi can do a good job, too.  
 15:45:16 13 I love that you are spending the time to  
 15:45:18 14 acknowledge and recognize we don't want  
 15:45:22 15 such a congested area that we would be  
 15:45:27 16 like Florida and everything else.

15:45:30 17 Because even when I had the privilege to  
 15:45:32 18 listen to the case before I just saw all  
 15:45:36 19 the Cruisin the Coast riding in that  
 15:45:39 20 area. And I know that we go back and  
 15:45:42 21 forth to the VA and I know all about the  
 15:45:45 22 traffic. And we have all these beautiful  
 15:45:49 23 hotels coming up and everything, so let  
 15:45:52 24 them let others have the privilege. We  
 15:45:55 25 need the ideas that all of us love with

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15:46:01 1 the trees and grass and not all congested  
 15:46:05 2 and commercialized. And I love the \$500  
 15:46:07 3 fines. Thank you.

15:46:08 4 MR. WASHER:

15:46:06 5 Thank you, ma'am.

15:46:21 6 MS. JO HENGEN:

15:46:21 7 I am Sandy Jo Hengen and I have  
 15:46:26 8 spoken many times and I thank you for  
 15:46:27 9 reading all of our e-mails. And we ask  
 15:46:32 10 that you continue to recommend denial for  
 15:46:35 11 short-term residential where we are. We  
 15:46:38 12 have major concerns there other than just  
 15:46:40 13 the short-term rental, so if we could get  
 15:46:42 14 this off the docket we would really  
 15:46:45 15 appreciate it. Thank you very much.

15:46:45 16 MS. LONGINO:

15:46:56 17 Hey there. Denise Longino, 9601  
 15:47:00 18 West Oaklawn Road in Woolmarket. But as  
 15:47:01 19 a retired teacher I decided to help my  
 15:47:05 20 cousin who owned a unit at the Chateau Le  
 15:47:09 21 Grand. I have not spoken but will when I  
 15:47:13 22 leave here. What timeframe constitutes  
 15:47:16 23 short-term rental? A weekend? A week?

15:47:19 24 MR. CREEL:

15:47:22 25 Anything less than 30 days.

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15:47:24 1 MS. LONGINO:  
 15:47:24 2 Thank you. And where does one go  
 15:47:26 3 to get an application?

15:47:29 4 MR. CREEL:

15:47:30 5 Right here in this department.

15:47:31 6 MS. LONGINO:

15:47:32 7 Thank you.

15:47:34 8 MR. WASHER:

15:47:35 9 Yes, ma'am. Mr. Genzer.

15:47:35 10 MR. GENZER:

15:47:39 11 My name is Frank Genzer and I am  
 15:47:41 12 at 145 St. Jude Street. What I am asking  
 15:47:44 13 is simply a clarification of 4F. I am  
 15:47:47 14 not sure what it means. It says,  
 15:47:49 15 "60 percent of the lot upon which to be  
 15:47:51 16 used." Does that mean 60 percent of the  
 15:47:55 17 units within a given project can only be  
 15:47:58 18 short-term rental? I really don't  
 15:48:01 19 understand it and just would like  
 15:48:04 20 clarification for that.

15:48:07 21 MR. CREEL:

15:48:08 22 That part is actually already in  
 15:48:10 23 the ordinance. And what that had to do  
 15:48:12 24 with is if we had a new development that  
 15:48:15 25 came forward and were proposing to build

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15 48 17 1 short-term rentals that would be the  
15 48 20 2 limit of the impervious surface coverage  
15 48 24 3 on that property.

15 48 25 4 MR. GENZER:

15 48 27 5 I didn't understand if it was the  
15 48 28 6 total number of units you were  
15 48 30 7 restricting. Well, I think you all know  
15 48 32 8 I am not in favor of short-term rental in  
15 48 36 9 existing residential properties like my  
15 48 39 10 neighborhood. I think when Cypress Cove  
15 48 43 11 was originally intended it was intended  
15 48 45 12 for long-term permanent residential use.  
15 48 52 13 And like many of the others I don't like  
15 48 54 14 the additional traffic that short-term  
15 48 57 15 rentals will put on St. Jude. I would  
15 49 00 16 like that if short-term rentals were ever  
15 49 04 17 permitted that you would follow your own  
15 49 06 18 very rules when you allow that project to  
15 49 11 19 become a condominium and not allow any  
15 49 15 20 traffic from that onto St. Jude. That  
15 49 19 21 was a restriction that y'all on the  
15 49 20 22 developers but has never been enforced.  
15 49 24 23 Thank you.

15 49 29 24 MR. MARVER:

15 49 33 25 Victor Marver, 1263 Father Ryan  
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15 49 36 1 Avenue. I am speaking in behalf of my  
15 49 39 2 parents who live at 1308 Beach Boulevard.  
15 49 43 3 We chose the neighborhood where we are  
15 49 45 4 because it was a very nice single-family  
15 49 49 5 residential neighborhood and we would  
15 49 50 6 like to keep it that way. We are opposed  
15 49 52 7 to short-term rentals in our  
15 49 55 8 neighborhood. Thank you.

15 49 57 9 MR. WASHER:

15 49 57 10 Thank you, sir. Anyone else?

15 49 57 11 MR. SMITH:

15 50 02 12 Good afternoon. Dennis Smith,  
15 50 04 13 1664 Beach Boulevard. First thank you  
15 50 07 14 for allowing me to speak today. I  
15 50 10 15 appreciate the time.

15 50 11 16 Firstly, in the changes I think  
15 50 16 17 that the residential areas of Biloxi are  
15 50 19 18 completely protected in this. I don't  
15 50 21 19 think anyone should have any concern  
15 50 23 20 because this really does protects the  
15 50 26 21 residents. But in the other part of it,  
15 50 28 22 the only thing that I am kind of  
15 50 31 23 concerned about is is that there is a  
15 50 34 24 gentleman over here speaking earlier of  
15 50 37 25 commercial rated property has always been

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15 50 40 1 you get permission and you can do what  
15 50 43 2 you want with it according to where it is  
15 50 46 3 at and according to the zoning or City  
15 50 49 4 Council would approve. So this is  
15 50 52 5 stepping back. This part about it making  
15 50 58 6 a Conditional Use mandatory for someone  
15 51 01 7 who bought commercial property or owned  
15 51 04 8 it for years or going to buy it, this is  
15 51 08 9 a 50-year setback. I think each one  
15 51 11 10 should be considered and then if it is  
15 51 14 11 already zoned then it should be used  
15 51 17 12 according to how it was zoned in the  
15 51 19 13 beginning when they paid the price for  
15 51 21 14 commercial property. Like the Sea Breeze  
15 51 24 15 would be commercial. Anyone who is there  
15 51 26 16 they should not in the future after they  
15 51 29 17 pay for it come back and get maybe  
15 51 32 18 approval for Conditional Use and maybe  
15 51 34 19 not. That is the only objection I have  
15 51 36 20 to this at all. Most of this does a  
15 51 41 21 wonderful job in protecting the  
15 51 43 22 residential areas of Biloxi. Thank you.

15 51 45 23 MR. WASHER:

15 51 48 24 Thank you.

15 51 47 25 MR. CREEL:

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15 51 49 1 With regard to Sea Breeze, and  
15 51 51 2 the others we mentioned before, once you  
15 51 53 3 are grandfathered in, once you come in  
15 51 56 4 and get your license and grandfathered  
15 51 58 5 like Sea Breeze and Ocean Club you are  
15 52 05 6 grandfathered from that point on. All  
15 52 08 7 have you to do is come back every year  
15 52 09 8 and renew your license. That is all. So  
15 52 11 9 you would not lose it unless you seize to  
15 52 14 10 operate that use for a period of one  
15 52 17 11 year.

15 52 17 12 MR. SMITH:

15 52 19 13 Thank you, Mr. Creel. Then my  
15 52 22 14 question is this: As I understand it if  
15 52 25 15 this gentleman sells his unit then the  
15 52 29 16 new people would not be obliged to the  
15 52 33 17 same rights he had?

15 52 34 18 MR. CREEL:

15 52 34 19 No. If he sells his unit the new  
15 52 36 20 people would have to come in and apply.  
15 52 39 21 Changing ownership with a Conditional Use  
15 52 41 22 the Ordinance does not allow that.

15 52 44 23 MR. SMITH:

15 52 44 24 But two months ago if you sold  
15 52 46 25 for \$160,000 they could do what they

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15:52:47 1 wanted. They could commercial it or not.  
15:52:50 2 But they won't be able to going forward,  
15:52:52 3 so what does that do to the value of that  
15:52:55 4 man's property?

15:52:55 5 MR. STALLWORTH:

15:52:56 6 I agree with you.

15:53:00 7 MR. CREEL:

15:53:01 8 What he would have to do if he  
15:53:03 9 sells the property to someone else for  
15:53:04 10 short-term rental the new owner would  
15:53:06 11 have to come in and go through the  
15:53:08 12 process.

15:53:09 13 MR. SMITH:

15:53:09 14 So the new owner would be able to  
15:53:12 15 continue as he did without any extra  
15:53:15 16 permission as long as he said it was  
15:53:17 17 okay?

15:53:18 18 MR. CREEL:

15:53:19 19 No. What I am saying is that if  
15:53:21 20 Mr. Stallworth sells his unit to someone  
15:53:24 21 else he loses the Conditional Use permit  
15:53:26 22 because the Conditional Use permit does  
15:53:27 23 not transfer with changing ownership. So  
15:53:30 24 the new person that buys the property  
15:53:33 25 from him would have to come in and apply

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15:53:35 1 under the new rules.

15:53:36 2 MR. SMITH:

15:53:37 3 I understand. Am I the only one  
15:53:39 4 in the room that thinks that is unfair to  
15:53:42 5 him? That's all I wanted to say. Thank  
15:53:47 6 you very much for your time.

15:53:47 7 AUDIENCE MEMBER:

15:53:49 8 A lot of people think it is  
15:53:51 9 unfair to have a fishing license, too.

15:53:51 10 MR. PONSEN:

15:53:58 11 Paxton Louis Ponsen. 1015 La  
15:54:05 12 Fontaine Avenue. I am a local for 26  
15:54:07 13 years. I run two charter boats. I am a  
15:54:09 14 license captain and in been in the oil  
15:54:12 15 field 15 years. I recently acquired a  
15:54:15 16 large vessel docked behind the Golden  
15:54:18 17 Nugget and was hoping the short-term  
15:54:20 18 rental would include harbors at one point  
15:54:23 19 or we discuss it as an option.

15:54:26 20 The boat has federal permits and  
15:54:28 21 primarily operates for the two months  
15:54:31 22 right now, snapper season. And  
15:54:34 23 throughout the year mainly sits in the  
15:54:36 24 harbor. Definitely like to be considered  
15:54:39 25 if possible that the harbor have some

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15:54:44 1 form for us to be able to possibly take  
15:54:48 2 these boats and include them in  
15:54:49 3 short-term rentals. It's definitely an  
15:54:52 4 experience that is wanted proven in  
15:54:56 5 Destine and Pensacola. And I just didn't  
15:55:01 6 know where we stand on it now and here to  
15:55:03 7 find that out.

15:55:18 8 MR. SIMMS:

15:55:21 9 Vin Simms, 145 Gill Avenue. I am  
15:55:26 10 hoping maybe just a couple questions  
15:55:29 11 could be answered. So with regards to  
15:55:35 12 the stated goal of this is to get people  
15:55:37 13 under the umbrella and short-term rentals  
15:55:41 14 become licensed and make sure they are on  
15:55:44 15 the tax roles. Ultimately as a city that  
15:55:47 16 is what they are looking to do.

15:55:49 17 We heard a lot today about the  
15:55:50 18 timeframe between now and this approval  
15:55:53 19 and then a few weeks down the road when  
15:55:56 20 City Council votes yes or no to that as a  
15:55:56 21 window of opportunity so to speak for a  
15:55:59 22 number of the properties that are  
15:56:01 23 currently conditional or commercial  
15:56:03 24 business, waterfront business districts  
15:56:06 25 that are now being moved backwards into

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15:56:08 1 the Conditional Use criteria. And I  
15:56:10 2 think that is great if they've got a few  
15:56:13 3 weeks to hurry up and apply and that  
15:56:17 4 helps the goal, which is you are getting  
15:56:20 5 them on the roles and they pay taxes.  
15:56:22 6 But I find it hard to believe that anyone  
15:56:24 7 here really thinks that hundreds of these  
15:56:28 8 illegal short-term rentals are going to  
15:56:30 9 act within this stated few-week period of  
15:56:34 10 time. And based on the rules that I see  
15:56:37 11 folks in those areas that don't act are  
15:56:40 12 now in a position to \$500 a day  
15:56:46 13 continuing what were illegal activities  
15:56:47 14 for them. But not just if they continue  
15:56:50 15 to do it and not listen, but if they  
15:56:52 16 continue do it because it's their  
15:56:55 17 livelihood and they put in their  
15:56:58 18 application, and as we know based on the  
15:57:00 19 prior meeting just one development took  
15:57:04 20 an hour. Last time here just four condo  
15:57:06 21 applications took three hours. Is this  
15:57:10 22 Committee really in a position to say  
15:57:12 23 with a straight face to someone like this  
15:57:15 24 guy whose wanting to sell his property  
15:57:18 25 that his buyer should enter in line

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15:57:22 1 depending on how many -- two times a  
 15:57:25 2 month Thursday down the road and put in a  
 15:57:28 3 condition that says I need to make sure  
 15:57:30 4 that they approve me and then in three  
 15:57:32 5 weeks City Council needs to approve me.  
 15:57:35 6 I just don't see how at a max if you  
 15:57:38 7 don't have anything else to talk about  
 15:57:40 8 you are going to get five of these a day,  
 15:57:43 9 five parcels. And I hear you that if it  
 15:57:46 10 is an apartment it is one application.  
 15:57:48 11 But the fact is every tax parcel under  
 15:57:52 12 the current Conditional Use law is  
 15:57:54 13 entitled to an individual hearing. And  
 15:57:56 14 it seems to me to be a very burdensome  
 15:58:02 15 process for this Board and the City  
 15:58:04 16 Council frankly that should be focused on  
 15:58:07 17 something other than approving just the  
 15:58:09 18 9th floor of Sea Breeze and so on for how  
 15:58:14 19 many years will these applications wind  
 15:58:15 20 up. That is a practical thought that I  
 15:58:18 21 don't know if anyone articulated it, but  
 15:58:22 22 I don't know if you believe you can knock  
 15:58:24 23 through them. It makes no common sense.  
 15:58:26 24 I just wanted to ask 100 percent clarity  
 15:58:30 25 there is no proposed change to the actual

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15:58:34 1 Conditional Use as the criteria? The  
 15:58:36 2 conditional use in the Land Development  
 15:58:39 3 Ordinance is not being changed at all as  
 15:58:42 4 a part of this. The same Conditional Use  
 15:58:45 5 standards as written are in fact going to  
 15:58:47 6 be the process for everyone in the zone  
 15:58:50 7 once this is passed?

MR. CREEL:

15:58:51 8 The short-term rental regulations  
 15:58:51 9 once they are approved and the  
 15:58:54 10 Conditional Use requirements, the  
 15:58:56 11 Conditional Use requirements there are no  
 15:58:57 12 proposed changes.

MR. SIMMS:

15:59:01 13 That is what I'm asking. I had  
 15:59:01 14 one other question and I know it was  
 15:59:01 15 rushed over when I attended the workshop  
 15:59:08 16 and you talked about a few Council  
 15:59:12 17 people, not necessarily the majority,  
 15:59:14 18 that are interested in overlay districts  
 15:59:16 19 and you tabled that concept for the  
 15:59:18 20 purpose of this new law. Is that  
 15:59:21 21 something that is potentially on the  
 15:59:23 22 table to look at some targeted  
 15:59:25 23 potentially whether East Biloxi  
 15:59:27 24

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15:59:31 1 redevelopment areas or waterfront areas  
 15:59:33 2 or do you think by not putting overlay  
 15:59:37 3 districts in this legislation that means  
 15:59:38 4 that is just done as far as this current  
 15:59:40 5 committee is thinking. We don't want  
 15:59:42 6 anything but RM-20 plus for short -- term  
 15:59:45 7 rentals.

MR. CREEL:

15:59:45 8 The recommendation from the  
 15:59:45 9 Planning Commission was that no overlay  
 15:59:47 10 districts would be created. That is a  
 15:59:49 11 recommendation to go to the City Council.  
 15:59:52 12 Can the City Council say we think there  
 15:59:54 13 should be some overlay districts? Yes,  
 15:59:57 14 they have the right to --

MR. SIMMS:

15:59:59 15 But as it stands right now we  
 16:00:00 16 will see what happens with City Council.

MR. WASHER:

16:00:02 17 You have about 20 seconds.

MR. SIMMS:

16:00:04 18 So one thought was given the  
 16:00:04 19 change to promoting month to month  
 16:00:07 20 rentals as opposed to short-term rentals  
 16:00:09 21 did you want to think maybe 28 days as  
 16:00:12 22  
 16:00:14 23

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16:00:17 1 the legal limit so it is not illegal to  
 16:00:20 2 rent in the month of February and not be  
 16:00:23 3 a \$500 fine. Just a thought. I know you  
 16:00:27 4 are at 30 right now, but 28 might make  
 16:00:29 5 sense.

MR. WASHER:

16:00:29 6 Thank you, sir.

MS. AMES:

16:00:31 7 Tammy Ames, 2544 South Shore  
 16:00:35 8 Drive in Biloxi. I am a licensed realtor  
 16:00:39 9 in Mississippi and I would like to say  
 16:00:43 10 that if I have a client asking me to  
 16:00:44 11 purchase property and I tell them they  
 16:00:49 12 need to put a contingency in the contract  
 16:00:51 13 saying they have to have approval from  
 16:00:55 14 the City before they can use the property  
 16:00:58 15 in ways they want to use it they are not  
 16:01:00 16 going to do that. And if they do they  
 16:01:03 17 will expect the seller to reduce the  
 16:01:05 18 price because they are going to have to  
 16:01:09 19 sit and wait and go through these  
 16:01:10 20 meetings.

16:01:14 21 In addition to that I don't think  
 16:01:15 22 you can even come in and ask for the  
 16:01:16 23 permission unless you rightfully own the

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16:01:19 1 property.  
 16:01:19 2 MR. WASHER:  
 16:01:19 3 We see those applications on a  
 16:01:21 4 fairly regular basis. Most of the times  
 16:01:25 5 it is commercial property and those are  
 16:01:28 6 contingencies in there for the joint  
 16:01:30 7 application for the buyer and seller.  
 16:01:32 8 MS. AMES:  
 16:01:33 9 Okay. The other thing I wanted  
 16:01:36 10 to ask is what is the notification  
 16:01:38 11 process for letting everyone in Biloxi  
 16:01:41 12 know this meeting was happening today?  
 16:01:44 13 The only reason I found out was because a  
 16:01:48 14 friend told me. I didn't get anything in  
 16:01:50 15 the mail.  
 16:01:50 16 MR. WASHER:  
 16:01:50 17 Legal publications.  
 16:01:52 18 MR. CREEL:  
 16:01:52 19 We handle it the same way we do  
 16:01:55 20 any other public hearing. We advertise  
 16:01:55 21 them in publications and we notify in  
 16:02:01 22 certain -- well, not in this case. We  
 16:02:01 23 handle this through the publications.  
 16:02:07 24 If this were about a specific  
 16:02:10 25 property we would have notified within  
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16:02:12 1 200 feet of that property. But since  
 16:02:14 2 this is a citywide issue we handle it  
 16:02:18 3 through the publications.  
 16:02:20 4 MS. AMES:  
 16:02:20 5 I have been through the variance  
 16:02:22 6 process and in the variance process I  
 16:02:24 7 knew letters were sent out and so that is  
 16:02:27 8 why I was asking. Thank you.  
 16:02:30 9 MR. WASHER:  
 16:02:30 10 Yes, ma'am. Thank you. Anyone  
 16:02:38 11 else?  
 16:02:38 12 MS. EHAD: \*\*  
 16:02:38 13 Can I ask for a clarification.  
 16:02:51 14 Susie, again. I just wanted  
 16:02:53 15 clarification. You said that you can do  
 16:02:56 16 a co-application with an owner and a  
 16:03:00 17 potential buyer. If it does not transfer  
 16:03:03 18 and that Conditional Use is in both names  
 16:03:09 19 what happens?  
 16:03:09 20 MR. WASHER:  
 16:03:10 21 If the property is never sold.  
 16:03:12 22 MS. EHAD:  
 16:03:12 23 But if it does sell and you said  
 16:03:14 24 it does not transfer.  
 16:03:15 25 MR. CREEL:  
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16:03:16 1 If the buyer is one of the  
 16:03:18 2 applicants on there we would acknowledge  
 16:03:21 3 that. We would accept that if it gets  
 16:03:23 4 approved through the process.  
 16:03:25 5 MS. EHAD:  
 16:03:25 6 Okay. And will it also be taken  
 16:03:28 7 under consideration if it was previously  
 16:03:31 8 a Conditional Use as part of the  
 16:03:35 9 application?  
 16:03:38 10 MR. WASHER:  
 16:03:36 11 Absolutely.  
 16:03:37 12 MS. EHAD:  
 16:03:37 13 Thank you.  
 16:03:38 14 MR. WASHER:  
 16:03:39 15 Yes, ma'am. We very much  
 16:03:40 16 appreciate your comments. Jerry,  
 16:03:43 17 anything you want to say in conclusion?  
 16:03:49 18 MR. CREEL:  
 16:03:49 19 We've heard a number of questions  
 16:03:51 20 and concerns here today. And, of course,  
 16:03:53 21 again, we are not in the business of  
 16:03:55 22 trying to promote short-term rentals or  
 16:04:00 23 to shut short-term rental down. What we  
 16:04:02 24 are trying to do is come up with  
 16:04:04 25 reasonable regulations to regulate  
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16:04:06 1 short-term rental. And based on our  
 16:04:10 2 research and what we have done we believe  
 16:04:12 3 that these are reasonable. We feel that  
 16:04:16 4 making all of the uses, all of the  
 16:04:23 5 short-term rental applications  
 16:04:25 6 Conditional Use actually bring people  
 16:04:27 7 under the radar and it has worked  
 16:04:30 8 already. Just since we started with the  
 16:04:31 9 process we have received over 170  
 16:04:34 10 applications from people that were  
 16:04:35 11 operating short-term rentals without the  
 16:04:37 12 proper licenses. We believe that there  
 16:04:39 13 are places where short-term rental is  
 16:04:41 14 appropriate, some places where it is not  
 16:04:43 15 appropriate. And so what we have done  
 16:04:46 16 today is make recommendations to the  
 16:04:49 17 Planning Commission that we believe help  
 16:04:52 18 us to better police this activity and  
 16:04:58 19 make sure that people are applying for  
 16:05:00 20 the proper licenses so that we can  
 16:05:03 21 monitor them. It is not an attempt to  
 16:05:06 22 make it more burdensome.  
 16:05:08 23 Most of the things we are asking  
 16:05:09 24 for as far as documentations to be  
 16:05:13 25 provided is something that should already  
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16:05:15 1 be happening, like sales tax revenue  
 16:05:18 2 information showing that that is being  
 16:05:20 3 paid, those kind of things. Keeping the  
 16:05:22 4 register of the guests there so if we  
 16:05:25 5 have a complaint to the police department  
 16:05:27 6 that the police department can track who  
 16:05:29 7 was there and what dates they were there.  
 16:05:31 8 So everything that we have put into these  
 16:05:34 9 recommendations we believe is for the  
 16:05:36 10 betterment of being able to monitor and  
 16:05:39 11 regulate short-term rental.

16:05:41 12 MR. WASHER:

16:05:41 13 Thank you. Mr. Keaton, we  
 16:05:44 14 appreciate WLOX being here today to keep  
 16:05:49 15 the public informed.

16:05:49 17  
16:05:49 18 MR. WASHER:

16:12:30 19 Case No. 19-023-PC City of  
 16:12:30 20 Biloxi.

16:12:30 21 MR. SHAMBRA:

16:12:32 22 We have gone over all of the  
 16:12:34 23 discussion. As I said before, you are  
 16:12:37 24 doing all short-term rentals now as  
 16:12:39 25 Conditional Uses and talking about

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16:12:40 1 neighborhood business being added to the  
 16:12:42 2 mix and talking about removing the  
 16:12:46 3 limitation of the four units. And  
 16:12:48 4 short-term rentals must be conforming  
 16:12:51 5 with the covenants or HOA agreements and  
 16:12:54 6 any other type enforcement restrictions.  
 16:12:58 7 Hence, short-term rentals without a city  
 16:13:00 8 business license will be fined \$500 a day  
 16:13:03 9 for however long the violation continues.  
 16:13:04 10 And, of course, the annual fee of \$100 to  
 16:13:08 11 obtain and retain the short-term rental  
 16:13:10 12 licenses. That's basically the changes  
 16:13:14 13 you are looking at.

16:13:16 14 MR. WASHER:

16:13:16 15 Jerry, just before we entertain  
 16:13:19 16 any motions, talk again about the  
 16:13:21 17 grandfathering and make sure everyone is  
 16:13:24 18 clear on that.

16:13:25 19 MR. CREEL:

16:13:26 20 Okay. Anything that is approved  
 16:13:27 21 today would be a recommendation to the  
 16:13:29 22 City Council. So none of these changes  
 16:13:33 23 will go into effect immediately.

16:13:35 24 Now, if everybody follows the  
 16:13:38 25 schedule that we anticipate the final,

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16:13:42 1 second reading of this would be heard at  
 16:13:44 2 the first meeting in April for the second  
 16:13:48 3 reading for approval. If the City  
 16:13:51 4 Council approves these changes  
 16:13:53 5 unanimously they would go into effect  
 16:13:56 6 immediately. If it is a split decision  
 16:13:59 7 it takes 30 days for it to go into  
 16:14:01 8 effect.

16:14:02 9 What we are talking about now is  
 16:14:04 10 if any properties in the City where  
 16:14:06 11 someone wants to do short-term rental and  
 16:14:08 12 the property is already zoned as a use by  
 16:14:12 13 right if they get their application in to  
 16:14:16 14 us before these new changes become  
 16:14:20 15 effective we could look at that as a  
 16:14:23 16 grandfathered in situation provided they  
 16:14:26 17 comply with the fire department  
 16:14:29 18 inspection and those type of things.  
 16:14:31 19 However, if the people who have it as a  
 16:14:34 20 use by right now the property is use by  
 16:14:38 21 right wait until after these new  
 16:14:40 22 regulations go into effect they would  
 16:14:42 23 have to come in and start at square one.

16:14:45 24 Anybody that is grandfathered in  
 16:14:47 25 would not have to come back in and go

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16:14:50 1 back through the process later as long as  
 16:14:53 2 they continue to operate all they have to  
 16:14:55 3 do is come back in every year and renew  
 16:14:59 4 their business license each year. So it  
 16:15:02 5 is basically our business license  
 16:15:06 6 administrators sends out a renewal  
 16:15:09 7 notice. As long as that renewal notice  
 16:15:10 8 is sent back in a timely manner and we  
 16:15:13 9 approve it the short-term rental can  
 16:15:16 10 continue to operate.

16:15:17 11 The only time it would cease is  
 16:15:19 12 if the short-term rental ceased for  
 16:15:22 13 whatever reason for a period of one year  
 16:15:24 14 or if the owner decided to sell the unit  
 16:15:28 15 to another person. And that does not  
 16:15:30 16 have anything to do with the short-term  
 16:15:33 17 rental per se, that has to do with any  
 16:15:36 18 Conditional Use permit. Conditional Use  
 16:15:38 19 permit is not transferrable. The  
 16:15:42 20 Conditional Use permit, if someone wants  
 16:15:44 21 to buy that out would have to come in and  
 16:15:47 22 start at square one and make the  
 16:15:49 23 application and be heard on an individual  
 16:15:52 24 basis. That covers everything.

16:15:58 25 MR. DELAHOUSEY:

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16:15:59 1 I have a question. So if you  
 16:16:01 2 have a -- assuming that this proposed  
 16:16:02 3 change does pass. If an applicant has an  
 16:16:07 4 application with you but it has not been  
 16:16:09 5 processed yet, do they still once the --  
 16:16:16 6 if this becomes approved are they  
 16:16:21 7 penalized the day that it becomes --

16:16:22 8 MR. CREEL:

16:16:22 9 No. We handle it just like a set  
 16:16:25 10 of plans if there were a building code  
 16:16:27 11 addition change. As long as we get the  
 16:16:31 12 application in before that becomes  
 16:16:34 13 effective we will go ahead and review  
 16:16:37 14 those plans under the previous addition  
 16:16:40 15 of the building code. We would do the  
 16:16:43 16 same with these. If the application  
 16:16:45 17 comes in and let's say a week later the  
 16:16:48 18 new regulations go into effect we would  
 16:16:51 19 still honor that application as being  
 16:16:54 20 submitted before the deadline.

16:16:58 21 MR. CARRON:

16:16:59 22 How about any delays that are  
 16:17:00 23 caused by the City itself as far as  
 16:17:03 24 inspections?

16:17:04 25 MR. CREEL:

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16:17:04 1 Same thing. That is what I am  
 16:17:05 2 talking about. As long as the  
 16:17:06 3 application -- we would go by the date on  
 16:17:10 4 the application or the date it is  
 16:17:10 5 received.

16:17:10 6 MR. WASHER:

16:17:10 7 Any other questions.

16:17:15 8 Entertain a motion.

16:17:19 9 MR. PARKER:

16:17:20 10 Motion to approve.

16:17:22 11 MR. POULOS:

16:17:23 12 Second.

16:17:23 13 MR. WASHER:

16:17:23 14 Motion by Mr. Parker recommending  
 16:17:23 15 approval and seconded by Mr. Poulos. All  
 16:17:24 16 those in favor of approval raise your  
 16:17:26 17 hand.

16:17:29 18 MR. DELAHOUSEY:

16:17:30 19 Can we have a discussion?

16:17:30 20 MR. WASHER:

16:17:34 21 We have a motion and second  
 16:17:35 22 recommending approval. Anymore  
 16:17:35 23 discussion?

16:17:35 24 MR. DELAHOUSEY:

16:17:38 25 Again, I don't understand the

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16:17:40 1 impetus behind this. If the problem is  
 16:17:42 2 there are a lot of existing short-term  
 16:17:45 3 rentals who have not obtained the right  
 16:17:48 4 permits that seems to be an enforcement  
 16:17:51 5 problem. Why are we penalizing future  
 16:17:54 6 development? And we've heard more than  
 16:17:56 7 one people say here -- that it would  
 16:18:06 8 impede future development. And I just  
 16:18:08 9 don't quite understand. And I have to  
 16:18:12 10 agree with Mr. Stallworth that this  
 16:18:14 11 appears to be moving backwards instead of  
 16:18:19 12 forward in encouraging the right type of  
 16:18:22 13 development and the right type of  
 16:18:23 14 enforcement.

16:18:24 15 Having a blanket change in the  
 16:18:27 16 language of the LDO, I just do not  
 16:18:30 17 understand it. It does not make sense.

16:18:32 18 MR. CREEL:

16:18:33 19 In a perfect world what would  
 16:18:35 20 happen is that if we have short-term  
 16:18:38 21 rental allowed as a use by right in the  
 16:18:41 22 Land Development Ordinance the honor  
 16:18:46 23 system would be in effect where we would  
 16:18:48 24 expect applicants to come in voluntarily  
 16:18:51 25 fill out the application and move

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16:18:53 1 forward.

16:18:54 2 The problem is that's not  
 16:18:56 3 happening. It has happened with some  
 16:18:59 4 after we started talking about changes in  
 16:19:02 5 the Ordinance. The problem is is that if  
 16:19:05 6 we continue to allow it as a use by right  
 16:19:09 7 there is no initiative for a person  
 16:19:12 8 flying under the radar to come in and  
 16:19:15 9 make application. It is allowed as a use  
 16:19:19 10 by right, they are going to continue to  
 16:19:21 11 operate. And there is probably not going  
 16:19:24 12 to be anyone to call and report that it  
 16:19:25 13 is going on without the proper licenses.  
 16:19:28 14 And the purpose of this, again, the  
 16:19:31 15 purpose of this is to make sure that we  
 16:19:34 16 consider every application on an  
 16:19:37 17 individual basis to see whether or not  
 16:19:39 18 the location is appropriate or not  
 16:19:41 19 appropriate.

16:19:43 20 I would assume that in the cases  
 16:19:45 21 where this is in a commercial district  
 16:19:49 22 that if an application comes in and fire  
 16:19:52 23 department goes out and inspects that  
 16:19:54 24 place and all the safety measures are in  
 16:19:56 25 there it would probably be approved. I

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16:19:59 1 would expect more scrutiny to be given to  
 16:20:02 2 those in multifamily residential zoning  
 16:20:06 3 because we have already had cases where  
 16:20:08 4 there were situations where we felt that  
 16:20:10 5 one complex it was appropriate and one  
 16:20:13 6 complex we felt that it was not  
 16:20:15 7 appropriate. But, yes, this is going to  
 16:20:17 8 add more work to us. But that's never  
 16:20:21 9 stopped -- I mean, what do we do. Do we  
 16:20:26 10 take the position because it's more work  
 16:20:29 11 we just don't regulate it. No, we can't  
 16:20:32 12 do that. This is something I think is  
 16:20:34 13 very reasonable. I think the locations  
 16:20:36 14 where the applications are coming in are  
 16:20:38 15 appropriate, but they will be handled  
 16:20:41 16 through this body expeditiously and moved  
 16:20:45 17 on to the City Council. If it is an area  
 16:20:48 18 that is not appropriate I believe the  
 16:20:50 19 people that live around that area have a  
 16:20:52 20 right to be heard. That is why a public  
 16:20:55 21 hearing is required with a Conditional  
 16:20:57 22 Use application. So that's the reasoning  
 16:21:00 23 behind this.

16:21:02 24 MR. DELAHOUSEY:

16:21:03 25 But I still don't understand why

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16:21:07 1 -- I would not want to invest a  
 16:21:11 2 significant amount of resources into  
 16:21:14 3 developing in vacant property here if  
 16:21:20 4 everything was conditional. And you say  
 16:21:22 5 this body will probably -- likely those  
 16:21:25 6 that will make since will probably  
 16:21:27 7 approve. I agree. But we may not be  
 16:21:31 8 here. It could be an unreasonable body  
 16:21:33 9 that serves on this. Is there a problem  
 16:21:36 10 with the proliferation of short-term  
 16:21:38 11 rentals right now? And what is to  
 16:21:40 12 prevent them from doing this illegally if  
 16:21:44 13 this is passed, why would they not  
 16:21:47 14 continue to do it illegally?

16:21:48 15 MR. CREEL:

16:21:49 16 And we may have to do deal with  
 16:21:51 17 that. But just like any other  
 16:21:52 18 development -- think about any  
 16:21:52 19 development that comes to town. When  
 16:21:54 20 someone comes in and they are getting  
 16:21:56 21 ready to invest in a piece of property  
 16:21:58 22 they do their due diligence. They come  
 16:22:01 23 in and check the zoning and the LDO to  
 16:22:05 24 see if it is something that is allowed by  
 16:22:07 25 right or conditional use. They

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16:22:08 1 understand that if it is allowed by  
 16:22:10 2 Conditional Use that there is always a  
 16:22:12 3 chance it may not be approved. That's  
 16:22:15 4 why -- again, that is why there is a  
 16:22:17 5 public hearing so neighbors can come in  
 16:22:20 6 and chime in why they feel it is not an  
 16:22:23 7 appropriate location for it. But this is  
 16:22:24 8 not just tied to short-term rental. This  
 16:22:27 9 is tied to any type of development coming  
 16:22:30 10 to town.

16:22:31 11 MR. DELLENGER:

16:22:33 12 I agree with Mr. Delahousey in  
 16:22:33 13 that we are taking the right away in  
 16:22:36 14 certain zones, which I don't agree with.  
 16:22:39 15 Now, I agree that they should have to be  
 16:22:41 16 permitted, licensed and everything else  
 16:22:43 17 to be able to operate in the City of  
 16:22:45 18 Biloxi just like any other business  
 16:22:47 19 would. And we should be able to stick  
 16:22:49 20 that on those people that are in  
 16:22:52 21 commercial licenses instead of a  
 16:22:54 22 Conditional Use that they have to be  
 16:22:56 23 licensed, permitted and all the other  
 16:22:58 24 requirements. Why could we not do that  
 16:23:01 25 in commercial zones instead of

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16:23:02 1 Conditional Use so that their right is  
 16:23:04 2 still there but to operate as a  
 16:23:06 3 short-term rental they have to be  
 16:23:08 4 licensed, permitted and everything else  
 16:23:11 5 just like any business. If I opened a  
 16:23:13 6 business you would not know I was  
 16:23:15 7 operating unless somebody turned me in.  
 16:23:18 8 It does not have to be short-term rental  
 16:23:20 9 it could be renting videos. Now you  
 16:23:22 10 would not know that unless someone turns  
 16:23:23 11 me in. Now all you can do to me at that  
 16:23:24 12 point is say well, you need to get  
 16:23:25 13 licensed and permitted and whatever else  
 16:23:28 14 to be able to operate in the city. The  
 16:23:30 15 same as short-term rentals in commercial.  
 16:23:32 16 MR. CREEL:

16:23:33 17 And that is true. But that is  
 16:23:34 18 the way it works with any code  
 16:23:38 19 enforcement case. We are very dependant  
 16:23:38 20 on people calling us. There is no way  
 16:23:42 21 for us to know there are code violations  
 16:23:44 22 out there that may not be in plain public  
 16:23:48 23 view unless we get someone call in and  
 16:23:51 24 tell us that there is a violation there.  
 16:23:52 25 So we are very dependant on the public to

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16:23:56 1 keep us informed about illegal operations  
16:24:01 2 or operations that are operating  
16:24:02 3 unlicensed.

16:24:02 4 I think we have been very fair in  
16:24:05 5 making a provision to allow anyone right  
16:24:08 6 now that has a short-term rental  
16:24:09 7 operation to come in before these changes  
16:24:13 8 become effective and get grandfathered  
16:24:18 9 in. I don't think we can be any fairer  
16:24:18 10 than that.

16:24:19 11 MR. DELAHOUSEY:  
16:24:22 12 How many applications do you  
16:24:23 13 have?

16:24:23 14 MR. CREEL:  
16:24:24 15 Over 170.

16:24:25 16 MR. DELAHOUSEY:  
16:24:28 17 And do you think that imposing a  
16:24:29 18 stiffer penalty of \$500 rather than  
16:24:29 19 changing the language, imposing a penalty  
16:24:34 20 and publicizing that you were going to be  
16:24:35 21 penalized and that we were going to  
16:24:37 22 enforce it do you not think you would  
16:24:38 23 have gotten the same amount of  
16:24:41 24 applications in?

16:24:42 25 MR. CREEL:

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16:24:43 1 We believe that both are needed.  
16:24:46 2 We believe the change to Conditional Use  
16:24:47 3 and we believe the stiffer fines because  
16:24:50 4 anyone that is operating an illegal  
16:24:53 5 operation is going to weigh the cost of  
16:24:55 6 the court fee versus the penalty. And if  
16:24:59 7 it is out of balance they are going to  
16:25:02 8 come in and get licensed and go through  
16:25:04 9 the proper steps.

16:25:04 10 MR. DELAHOUSEY:  
16:25:05 11 I agree \$25 is a joke. I think  
16:25:07 12 the \$500 is reasonable, but I think that  
16:25:10 13 would serve as the impetus for making  
16:25:13 14 people abide by the law and make sure  
16:25:16 15 they are permitted.

16:25:19 16 MR. CARRON:  
16:25:20 17 Ballpark what did we have in  
16:25:23 18 short-term rentals that are illegal and  
16:25:25 19 now you are talking about we have 170  
16:25:28 20 applications for people that are in a  
16:25:30 21 legal area?

16:25:31 22 MR. CREEL:  
16:25:31 23 The 170 applications were people  
16:25:33 24 that were operating without a license,  
16:25:36 25 without a city license.

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16:25:37 1 MR. CARRON:  
16:25:38 2 But how many legal short-term  
16:25:40 3 rentals did we have before that?

16:25:40 4 MR. CREEL:

16:25:40 5 The ones that y'all had -- the  
16:25:47 6 majority --

16:25:47 7 MR. DELAHOUSEY:  
16:25:47 8 16.

16:25:47 9 MR. STANOVICH:

16:25:49 10 You were talking about this in  
16:25:52 11 the committee meeting. This is where I  
16:25:54 12 come down on this. If you go open a  
16:25:57 13 barber shop in downtown Biloxi you have  
16:26:00 14 to get a license and subject to life  
16:26:02 15 safety inspections. I would say the  
16:26:05 16 answer to that is yes.

16:26:06 17 If I go to open up a short-term  
16:26:09 18 rental do you consider that a business?  
16:26:11 19 It's a hotel operation.

16:26:13 20 MR. CARRON:

16:26:14 21 I think the difference there is  
16:26:15 22 that we are talking places where  
16:26:17 23 basically this business is run out of  
16:26:20 24 sight of everyday people.

16:26:23 25 MR. STANOVICH:

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16:26:24 1 The point I'm getting to is this:  
16:26:26 2 A gentleman brought up Sea Breeze. I am  
16:26:28 3 very familiar with Sea Breeze, I live  
16:26:29 4 there too. Probably 40 or 50 people,  
16:26:32 5 rough estimate, that are running  
16:26:34 6 short-term rentals there. Okay. You  
16:26:36 7 know how many at Sea Breeze are licensed  
16:26:39 8 that have safety inspections every year?  
16:26:43 9 One.

16:26:43 10 AUDIENCE MEMBER:

16:26:43 11 They did not know.

16:26:44 12 MR. STANOVICH:

16:26:45 13 I understand that, but that's the  
16:26:46 14 point. We have approved other short-term  
16:26:50 15 rentals in this town and they are subject  
16:26:51 16 to safety inspections annually. Now, is  
16:26:54 17 it fair for the ones that are applying  
16:26:56 18 for these licenses and they are subject  
16:26:58 19 to inspections and the ones that have not  
16:27:01 20 applied is it fair to them, do they go  
16:27:04 21 under the radar and not be subject to  
16:27:06 22 this?

16:27:08 23 MR. SMITH:

16:27:08 24 Put us under the hotel and motel.  
16:27:10 25 Let them police us.

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16:27:13 1 MR. STANOVICH:  
 16:27:14 2 That is -- Sea Breeze is not a  
 16:27:14 3 hotel/motel. It is a condominium.  
 16:27:14 4 MR. SMITH:  
 16:27:23 5 According to --  
 16:27:23 6 MR. STANOVICH:  
 16:27:26 7 Anyway that is my point.  
 16:27:28 8 MR. DELLENGER:  
 16:27:28 9 But I think Steve and I's  
 16:27:27 10 argument is not that we are not trying to  
 16:27:29 11 take those out, we are trying to say they  
 16:27:31 12 need to be, but not to take a right away  
 16:27:34 13 for them to be able to do it. You said  
 16:27:36 14 it best. If someone in commercial zoning  
 16:27:39 15 comes to us after this time period is up  
 16:27:42 16 we probably would approve that.  
 16:27:45 17 Probably.  
 16:27:46 18 MR. CREEL:  
 16:27:46 19 If it is in the right location.  
 16:27:49 20 MR. DELLENGER:  
 16:27:49 21 That is not guaranteed. Their  
 16:27:52 22 right is gone because we could decline  
 16:27:55 23 them in a commercial zone.  
 16:27:57 24 MR. CREEL:  
 16:27:58 25 Even in things where the staff  
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16:28:01 1 believe it is a slam dunk we can never  
 16:28:04 2 tell anybody that this is going to be  
 16:28:06 3 approved. We can't do that. We never do  
 16:28:07 4 that. We never tell them the Council is  
 16:28:09 5 going to approve something.  
 16:28:11 6 MR. DELLENGER:  
 16:28:12 7 They all ought to be licensed,  
 16:28:12 8 permitted, inspected to be able to  
 16:28:15 9 operate in the City of Biloxi.  
 16:28:16 10 MR. STANOVICH:  
 16:28:17 11 But if we don't know they are  
 16:28:19 12 running a short-term rental they will not  
 16:28:23 13 be inspected. How would you do that?  
 16:28:24 14 MR. DELLENGER:  
 16:28:24 15 Well it is like any other  
 16:28:24 16 business, I mean, we have to find them.  
 16:28:27 17 MR. STALLWORTH:  
 16:28:27 18 Are you going to make Conditional  
 16:28:30 19 Use for barber shops, for grocery stores?  
 16:28:34 20 MR. DELLENGER:  
 16:28:38 21 Like you said, you live in Sea  
 16:28:39 22 Breeze. There are 39 that are not  
 16:28:41 23 complying. You could turn 39 of those in  
 16:28:44 24 and say you have to comply with those  
 16:28:46 25 rules. They would be under the same  
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16:28:50 1 astringence.  
 16:28:50 2 MR. CREEL:  
 16:28:51 3 Let me just give you one example  
 16:28:52 4 that might illustrate this a little more.  
 16:28:55 5 They just went through a lawsuit fight at  
 16:28:58 6 Beau View Towers for this very same  
 16:29:00 7 thing. There were a number of units and  
 16:29:01 8 it was zoned correctly. It was zoned CB.  
 16:29:04 9 It was built with the understanding that  
 16:29:08 10 it would be for owner-occupied long-term  
 16:29:12 11 rentals. The homeowner's association  
 16:29:14 12 rules stated that. After they sold a  
 16:29:17 13 certain number of those units the owner,  
 16:29:20 14 the developer, turned around and sold a  
 16:29:22 15 number of the remaining units for  
 16:29:25 16 short-term rental. The owners in there  
 16:29:29 17 sued the Homeowners Association for  
 16:29:32 18 violating their rights to the agreement  
 16:29:35 19 they had signed when they bought their  
 16:29:38 20 units. And the owners won that lawsuit.  
 16:29:41 21 Now, every lawsuit is different,  
 16:29:43 22 you know, and you can't guarantee that is  
 16:29:45 23 the way. But here is a case where we --  
 16:29:48 24 the only way that we knew that short-term  
 16:29:50 25 rental was going on in there was because  
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16:29:52 1 some of the owners in the building called  
 16:29:55 2 and reported it. Otherwise we would have  
 16:29:57 3 never known it or known to try and  
 16:29:59 4 investigate it.  
 16:30:00 5 MR. DELAHOUSEY:  
 16:30:01 6 But there is also an equal amount  
 16:30:04 7 of case law that has said that HOA tries  
 16:30:09 8 to restrict use of a landowner's property  
 16:30:12 9 that on appeal the course of rule, the  
 16:30:15 10 property owner has a right to do what  
 16:30:18 11 they want to within reason of that  
 16:30:20 12 property. So I think there is case law  
 16:30:22 13 on both.  
 16:30:23 14 MR. CREEL:  
 16:30:23 15 Let's go back to this. And I  
 16:30:25 16 think this was mentioned before and I  
 16:30:26 17 have mentioned this too. You are talking  
 16:30:31 18 in some cases complexes. We are not  
 16:30:33 19 talking single-family residential here  
 16:30:37 20 because there is no recommendation to  
 16:30:38 21 allow short-term rentals.  
 16:30:40 22 You are taking a vertical  
 16:30:42 23 subdivision where in some cases some  
 16:30:44 24 people bought their units to live in, to  
 16:30:47 25 owner occupy for a permanent residence.  
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16:30:50 1 This is the equivalent of taking a  
 16:30:53 2 single-family subdivision and pushing all  
 16:30:55 3 those houses together and going up and  
 16:30:57 4 turning it into a vertical subdivision.  
 16:31:00 5 And you are allowing -- by allowing, you  
 16:31:04 6 are allowing someone to come in right  
 16:31:06 7 next door and basically open a hotel in  
 16:31:09 8 the unit right next to those people that  
 16:31:12 9 bought that unit for their permanent  
 16:31:16 10 residency. To me that is something that  
 16:31:22 11 deserves a public hearing. That is not  
 16:31:24 12 something that should just be approved  
 16:31:26 13 without someone having the opportunity to  
 16:31:29 14 at least speak to that argument.  
 16:31:31 15 MR. DELLENGER:  
 16:31:32 16 But we did that when we  
 16:31:34 17 recommended to a whole complex to rezone  
 16:31:35 18 their whole property as commercial  
 16:31:35 19 instead of coming in individually to do  
 16:31:37 20 it when there were only 14 units that  
 16:31:40 21 wanted to do it or 20 units out of 170  
 16:31:43 22 that wanted to do it.  
 16:31:44 23 MR. CREEL:  
 16:31:45 24 I can tell you that right now we  
 16:31:46 25 have way more applications on Oak Shores  
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16:31:49 1 right now then the 14 that initially  
 16:31:51 2 came. Just about everything in Oak  
 16:31:54 3 Shores right now there is an application  
 16:31:56 4 for short-term rental to get  
 16:31:58 5 grandfathered in.  
 16:32:01 6 MR. DELAHOUSEY:  
 16:32:01 7 I don't know what the occupancy  
 16:32:03 8 rate of the condos are now, but it seems  
 16:32:04 9 to me that there are a lot of properties  
 16:32:06 10 that are vacant and empty condominiums  
 16:32:09 11 and that this, if this passes it is just  
 16:32:13 12 going to inhibit people from wanting to  
 16:32:16 13 do that. We have had people come before  
 16:32:19 14 this Commission and say they are  
 16:32:21 15 interested in bringing their families, 6  
 16:32:23 16 or 8 people down here and staying a week  
 16:32:26 17 or so. But they are not getting six  
 16:32:28 18 hotel rooms. So it does not --  
 16:32:30 19 MR. CREEL:  
 16:32:31 20 If you are reading what is  
 16:32:34 21 happening in New Orleans right now you  
 16:32:36 22 will see that the stable, permanent  
 16:32:39 23 resident are being pushed out of these  
 16:32:43 24 neighborhoods because investors are  
 16:32:45 25 coming in and buying the properties and  
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16:32:48 1 converting them to short-term rental.  
 16:32:51 2 MR. DELLENGER:  
 16:32:51 3 But we are not in New Orleans.  
 16:32:53 4 We are not in Destine.  
 16:32:55 5 MR. CREEL:  
 16:32:55 6 We are a tourism destination.  
 16:33:00 7 MR. WASHER:  
 16:33:01 8 We can beat this to death. And  
 16:33:06 9 out of respect is there anything anyone  
 16:33:07 10 else wants to discuss?  
 16:33:17 11 We have had a motion for approval  
 16:33:17 12 by Mr. Parker and seconded by Mr. Poulos.  
 16:33:26 13 All those in favor of approval as  
 16:33:28 14 presented raise your hand, please.  
 16:33:28 15 Mr. Harrison; Ms. Smith; Ms.  
 16:33:28 16 Thompson; Mr. King; Mr. Stanovich; Mr.  
 16:33:28 17 Carron; Ms. Humphries; Mr. Lechner; Mr.  
 16:33:28 18 Parker; Mr. Snow; Mr. Poulos; myself,  
 16:33:28 19 David Washer.  
 16:33:29 20 Any opposed? Mr. Delahousey and  
 16:33:42 21 Mr. Dellenger.  
 16:33:43 22 Any abstentions?  
 16:33:44 23 Motion carries.  
 16:33:47 24 Gentlemen, we appreciate your  
 16:33:49 25 opinions. Everyone voiced their own  
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1 opinion. If nothing else come before the  
 2 Planning Commission we are going to  
 3 adjourn.  
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