

**MINUTES**  
**CITY OF INDIAN ROCKS BEACH- SPECIAL CITY COMMISSION MEETING**  
**THURSDAY, FEBRUARY 27, 2025 AT 10:30 A.M.**  
**HOLIDAY INN HARBORSIDE- 401 2<sup>nd</sup> STREET – PELICAN-SANDPIPER ROOM**  
**INDIAN ROCKS BEACH, FL. 33785**

Mayor-Commissioner Houseberg called the meeting to order at 10:30 a.m., followed by the Pledge of Allegiance and a moment of silence.

**MEMBERS' PRESENT:** Mayor-Commissioner Denise Houseberg, Vice-Mayor Commissioner Janet Wilson, Commissioner John Bigelow, Commissioner Jude Bond, and Commissioner Hope Wyant.  
**OTHERS PRESENT:** City Attorney Randy D. Mora, City Manager Gregg Mims, City Clerk Lorin Kornijtschuk, and Attorney Carlos Kelly.

1. **DISCUSSION OF** Settlement Proposal in resolution of AP 6, LLC v. City of Indian Rocks Beach, M.D. Case No. 8:23-cv-01986 and of AP 6, LLC's Bert J. Harris, Jr., Private Property Rights Act Claim.

The City Attorney presented a summary of the legal situation surrounding the City of Indian Rocks Beach and AP 6 LLC. The case began after the city adopted an ordinance regulating short-term rentals in May 2023, which led to a lawsuit from AP 6 in August 2023, challenging the ordinance on various grounds. This case was moved to a federal court in September 2023. Mediation was pursued, but complications arose due to a bill from the 2024 legislative session, which could have affected the city's ability to regulate short-term rentals.

By August 2024, a proposed settlement framework was formalized involving proposed revisions to the City's short term rental ordinance adopted in May 2023, but the City Commission did not approve the settlement terms. In response, AP 6 reopened litigation. The court promptly directed the parties to return to mediation. In January 2025, the Commission held a public meeting to discuss the resulting proposed settlement framework, which Plaintiff conditioned upon resolution of (i) their Bert Harris claim and (ii) passage of a proposed revised ordinance. The Commission first held an hours long discussion concerning the response to Plaintiff's Bert Harris claim. At the conclusion of the public hearing on the City's response to the Harris Act claim, the Commission authorized the City Attorney to send a letter proposing an occupancy concession, in exchange for a negotiated settlement and release agreement. The proposed response did not include any monetary settlement concessions. After the public hearing concerning how to respond to Plaintiff's Bert Harris Claim, a majority of the Commission approved the proposed revised ordinance on first reading. The Commission subsequently held a meeting on February 11, 2025, to consider the second and final reading of the proposed ordinance revisions, but unanimously voted to table second reading of the ordinance to allow time for a work session on the proposed revised ordinance.

After the Commission's February 11 hearing, AP 6 filed to resume litigation. The court granted this motion. The city is now presented with an opportunity to settle the AP 6 case, which would involve resolving the Bert Harris claim and dismissing the federal lawsuit, without changing the city's ordinances. However, other lawsuits against the city remain unresolved, and settling the AP 6 case does not guarantee the dismissal of those suits.

The City Commission must decide whether to accept the settlement offer or continue with litigation.

## **2. PUBLIC COMMENT.**

### **Mayor-Commissioner Houseberg opened public comment.**

Kelly Cisarik, 448 Harbor Drive South, questioned whether the company has met local and state requirements, including compliance with Indian Rocks Beach ordinances, Florida business regulations, and corporate disclosure laws. She also questioned whether AP 6 LLC has the legal standing to sue and whether its ownership structure is properly disclosed.

Kellee Watt, 431 Harbor Drive South, questioned whether AP 6 LLC is properly licensed to operate in Florida. She pointed out that the entity does not appear in the state's business registration database and has not passed a required fire inspection, making it non-compliant with Florida Statute 509.

Diane Daniel, 309 10<sup>th</sup> Avenue, expressed concern that allowing AP 6 LLC to win the case could set a dangerous precedent. Daniels urged the city to take stronger action, warning that the issue will only worsen if not firmly addressed.

Hilary King, 327 Bahia Vista, urged officials to consider the long-term consequences of settling the case, questioning what alternatives might arise if similar claims are made in the future.

Bob Coplen, 447 20<sup>th</sup> Avenue, expressed concerns about the broader implications of settling the case, emphasizing the need to consider precedent and potential future challenges. He highlighted the importance of ensuring that any decision made does not open the door for further legal or operational issues related to short-term rentals in the community.

Mary Wilkerson, 490 Harbor Drive North, expressed concerns about AP 6, stating they do not seem like good neighbors. She warned that settling the case could set a precedent, encouraging more rental owners to push for similar allowances.

Thea Wilson, 444 Harbor Drive South urged officials to take a firm stand, warning that the issue extends beyond Indian Rocks Beach.

Elizabeth Flynn, 914 Hidden Harbor Drive, stated that initially, she was unsure about allowing 14 occupants but became increasingly uneasy after further research and public input.

Patti Katz, 124 13<sup>th</sup> Avenue, stated that she is not opposed to short-term rentals but supports those who follow regulations and actively participate in the community. She criticized commissions that disregard residents' concerns and opposed individuals who sue the city over reasonable regulations.

Jennifer Riley, 510 Janice Place, emphasized the real, daily impact short-term rentals have on residents' lives, beyond just discussions at city meetings. She warned that allowing one lawsuit to succeed could set a precedent, encouraging more legal challenges and gradually weakening local ordinances.

Alisa Harris, 208 10<sup>th</sup> Avenue, expressed frustration with feeling disconnected from the community, where a few individuals dominate discussions. Despite having friends in the community, they are unwilling to engage due to fears of harassment. They desire a peaceful neighborhood with consistent rule enforcement but feel their concerns are being overlooked.

Judy Schmeling, 1509 Bay Shore Boulevard, shared her experience as a short-term rental owner in the panhandle and acknowledges that while she understands the rights of property owners, there should be limits. She mentions that the community she is part of has strict standards, and everyone is expected to follow the rules. She believes that without enforcement of these rules, the situation will continue to worsen.

John Pfanstiehl, 448 Harbor Drive South defends property rights but stresses that residential neighborhoods should remain for residential use, and he is critical of the vacation rental industry's disregard for zoning laws.

Jerry Newton, 438 Harbor Drive North, stated there is a contradiction that short-term rental owners who claim they follow the rules, and are okay with the city's current regulations are the very ones pushing to change those regulations.

Ron Hubbard, 406 12<sup>th</sup> Avenue criticizes the impact that short-term rentals are having on residential neighborhoods, noting the negative effects on the quality of life and neighborhood stability. Hubbard encourages the commission to take a stronger stance on regulating these rentals and to protect the integrity of the community.

Susan Bell, 717 1<sup>st</sup> Street, expressed concern about the growing number of short-term rentals in the area, stating that there are already hundreds and more will continue to emerge.

Eddie Bie, 497 20<sup>th</sup> Avenue, expressed that without limits, the situation will negatively affect the neighborhood and lead to larger problems in the future.

Matthew Barrowclough, 211 11<sup>th</sup> Avenue stated he would like this Commission to consider the challenges that we are undergoing today and to focus on the build-back process, from the hurricane damages.

Linda Newton, 438 Harbor Drive North, expressed frustration with the increasing number of short-term rentals in her neighborhood, highlighting safety concerns and disruptions.

R.B. Johnson, 1206 Beach Trail accused the owners of short-term rentals of being motivated by greed, claiming they do not care about the welfare of the city or its residents.

Lauren Farris, 472 Harbor Drive South, emphasized that the majority of the community feels strongly about maintaining existing ordinances, particularly regarding the definition of a bedroom, stressing the importance of listening to residents' concerns and maintaining the integrity of the area.

Beth McMullen, 481 Harbor Drive South, urged the Commission to listen to the community and support their concerns, warning that changing the laws would set a harmful precedent.

**Mayor Commissioner Houseberg Closed the Public Comment.**

## **Commission Discussion.**

Mayor Commissioner Houseberg asked if 455 20<sup>th</sup> Avenue, AP6, had a City of Indian Rocks Beach Business Tax Receipt.

City Attorney Mora clarified that whether or not the property has a license is a separate issue and is a code compliance issue that is independent of the proposal. There are specific legal reasons why enforcement of the 2023 ordinance has been delayed. Despite the litigation complexities, the opposing party has legal standing to sue as they own property in Florida. The question of whether the claims will prevail remains separate for the standing to sue.

Commissioner Bond asked for more clarity if the situation were resolved by giving AP6 the four extra people, would this then be phased out upon the sale of the property.

City Attorney Mora clarified that if they sell to an external party, it would be phased out. If it were an internal transfer within the company, it would not.

Commissioner Bond asked if this would put an end to AP6's lawsuit, which is tied to the other lawsuits.

City Attorney Mora replied that it would put an end to AP6's lawsuit. They share legal counsel with the others, including the lawsuit we discussed earlier, and so far, AP6 has been the main one driving the motions. While he can't definitively say whether the other parties are ready or willing to dismiss their lawsuits, it is possible that with AP6 stepping back, some of the other plaintiffs might also choose to drop their actions. That is up to each individual plaintiff to decide.

Commissioner Bigelow commented that we can keep going in circles over this indefinitely, but the decision is never going to get made. We need to get a ruling from the judge on what to do. It is time to move on to other city business.

Mayor Commissioner Houseberg asked if adding two more people to a property would restore the 2023 ordinance's occupancy limits and improve efficiency.

City Attorney Mora explained that the 2023 ordinance includes a phased reduction in occupancy limits over two years. Currently, the limit is set to decrease from 12 occupants to 10 in May. The confusion arises because some refer to the limit as 14, while others calculate it as a reduction of two or four people, depending on the phase. If the city grants an exception to allow more occupants for a particular property, it would resolve that specific lawsuit. There are still multiple other lawsuits pending, so it would not eliminate all legal challenges. The city is still dealing with various legal and operational issues and enforcing the ordinance alone will not make all problems disappear.

Mayor Commissioner Houseberg emphasized that regardless of the litigation outcome, the core issues with short-term rental, such as noise and disturbances will persist. She acknowledged that whether the commission votes for or against a proposal, it will not directly solve these ongoing problems. She stated that the 2023 ordinance despite public criticism at the time, ultimately worked. She stressed the need to operate within established guidelines, remain fair, and recognize that short-term rentals are a legitimate business for some people.

Commissioner Bond asked whether the property in question is owned by a single-owner entity and if the identity of that owner is known.

City Attorney Mora confirmed that, based on public filings, certain members of the ownership structure are known and have been shared with the Commission. However, Mora emphasized that the ownership details are legally irrelevant since property can be owned in various ways, such as through trusts or corporations. He also noted that this reflects broader changes in housing ownership trends but is not pertinent to the legal claim or settlement decision.

Commissioner Wyant emphasized that their duty is to represent the entire community, not just those who attend meetings and voice opinions. She acknowledges that some residents disagree with the majority present and stresses the importance of making decisions that benefit everyone. While not in favor of short-term rentals overtaking neighborhoods, Wyant prioritizes rebuilding the city. She pointed out that regardless of occupancy limits, large gatherings will still happen, making enforcement difficult and costly. Given the challenges the city has faced, they question whether spending millions on legal battles over proving exact overnight occupancy is justifiable.

Vice Mayor Commissioner Wilson suggested a more open discussion where both sides, including attorneys representing different interests, could directly present their perspectives.

City Attorney Mora clarified that anyone, including attorneys, can speak at public meetings if they choose to.

**Commissioner Bigelow made a motion to reject the settlement proposal seconded by Vice-Mayor Commissioner Wilson.**

**Roll Call Vote:**

**AYES: Bigelow, Bond, Wyant and Wilson**

**NAYS: Houseberg**

**MOTION PASSED WITH A VOTE OF 4-1, REJECTING THE SETTLEMENT PROPOSAL.**

### **3. ADJOURNMENT.**

**Motion to adjourn was made by Vice Mayor Commissioner Wilson and seconded by Commissioner Wyant to adjourn at 12:14 p.m.**