May 2012

Special Request Results

Why We Did This Report

This memo responds to a request from Council Member Spelman regarding the difference in 311 and 911 calls between short-term rentals (STRs) and other residential properties.

What We Did

To complete this special request, we:

- Randomly sampled 466 residential properties with a geographic distribution comparable to that of the identified STRs and determined the number of 311 and 911 calls at these locations
- Compared the call distribution to that of STRs

See Attachment A for the distribution of STRs and our sample.

For more information on this or any of our reports, email oca_auditor@austintexas.gov

Special Request Report on Short-Term Rentals

Mayor and Council,

I am pleased to present this special request report on short-term rentals.

BACKGROUND

On April 20, 2012, the Office of the City Auditor presented the Short-term Rentals Audit to the Audit and Finance Committee. This audit included the number and types of 311 and 911 calls among short-term rentals and compared them to calls for the City as a whole.

OBJECTIVE AND SCOPE

Our objective was to determine whether short-term rental properties differ from other residential properties in their use of the 311 and 911 systems.

The scope included 311 and 911 calls in calendar year 2011.

WHAT WE FOUND

While the average number of 311 and 911 calls per property was similar for STRs and our sample of residential properties, a higher percentage of STRs were associated with calls (see Exhibit 1). STRs were almost twice as likely to be associated with a 911 call.

EXHIBIT 1
Properties Associated with 311 and 911 Calls

	STRs	Sampled Residential
Percent with 311 Calls	39.07%	23.82%
Average # of 311 Calls	1.71	1.85
Percent with 911 Calls	52.64%	28.54%
Average # of 911 Calls	1.96	2.02

SOURCE: OCA analysis of 311 and 911 call data for CY 2011.

We found that the most common call types were similar for short-term rentals (STRs) and residential properties in our sample. Eight of the top ten 311 call categories and seven of the top ten 911 categories were the same for both groups. See Exhibit 2 for the full list of top call types.

EXHIBIT 2
Top Call Types for 311 and 911 Calls

STR 311 Categories	Residential 311 Categories	STR 911 Categories	Residential 911 Categories
Austin Resource Recovery (ARR) Cart Management	ARR Cart Management	Alarm Burglar	Alarm Burglar
Code Compliance	Water Waste Report	City Ordinance Violation	DOC / C.O. Violation
Water Waste Report	Code Compliance	Suspicious Person	Suspicious Person
ARR Missed Garbage	ARR Missed Garbage	ID Property Crimes	Hang-up Residence
APD Nonemergency – Unavailable	APD Nonemergency - Unavailable	Service	Suspicious Vehicle
ARR Missed Recycling	ARR Missed Recycling	Burglary Residence	Disturbance Other
Street Light Issue – Address	Street Light Issue-Address	Suspicious Vehicle	ID Property Crimes
ARR General	ARR General	Check Welfare Service	Parking Violation
ARR Billing Inquiry	ARR Missed Yard Trimmings	Disturbance Other	Hang-up Mobile
ARR Call Transfer – CIC Only	ARR Missed Bulky Items Collection	Alarm Robbery (tied)	Family Disturbance
		Parking Violation (tied)	

SOURCE: OCA analysis of 311 and 911 call data for CY 2011.

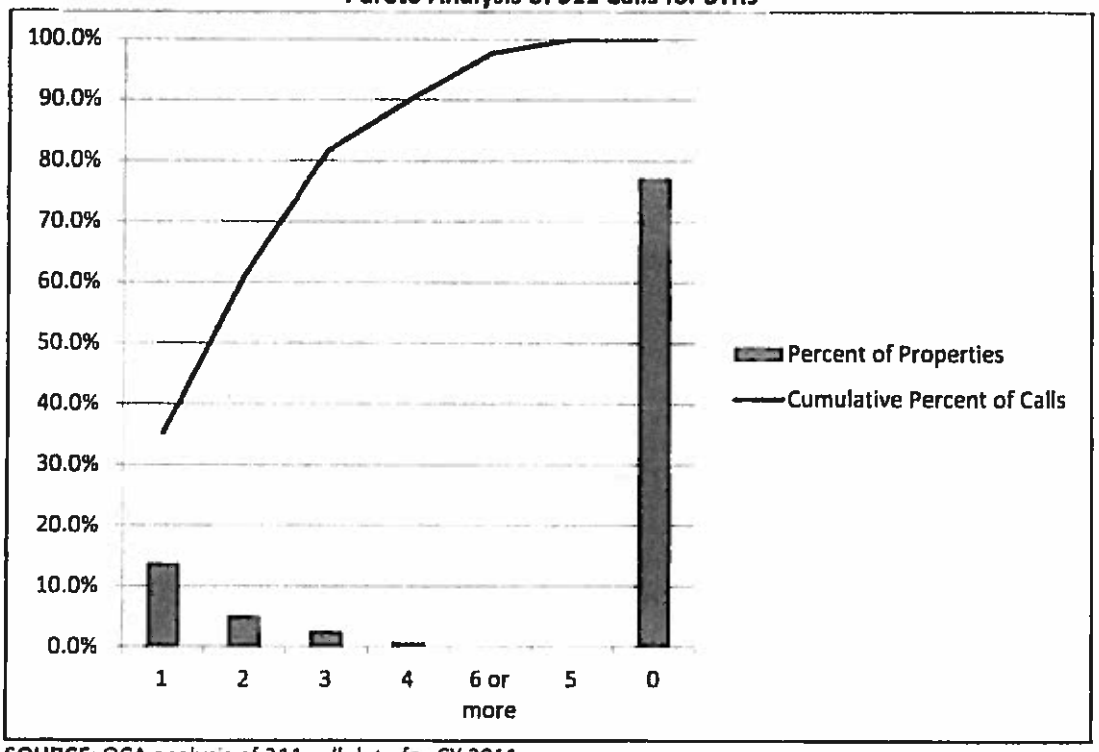
For STRs, the majority of 311 calls came from properties with only a few calls each (see Exhibit 3). This indicates that service level is driven by the overall number of properties, rather than by a small group of frequent users (see Exhibit 4 for Pareto analysis).

EXHIBIT 3
Distribution of 311 Calls Among STRs

311 Calls per Property	Number of Properties	Percent of Properties	Percent of 311 Calls
0	847	77.1%	0.0%
1	151	13.8%	35.2%
2	56	5.1%	26.1%
3	29	2.6%	20.3%
4	9	0.8%	8.4%
5	2	0.2%	2.3%
6 or more	4	0.2%	7.7%
Total	**1098**	**100.0%**	**100.0%**

SOURCE: OCA analysis 311 data for CY 2011.

EXHIBIT 4
Pareto Analysis of 311 Calls for STRs



SOURCE: OCA analysis of 311 call data for CY 2011.

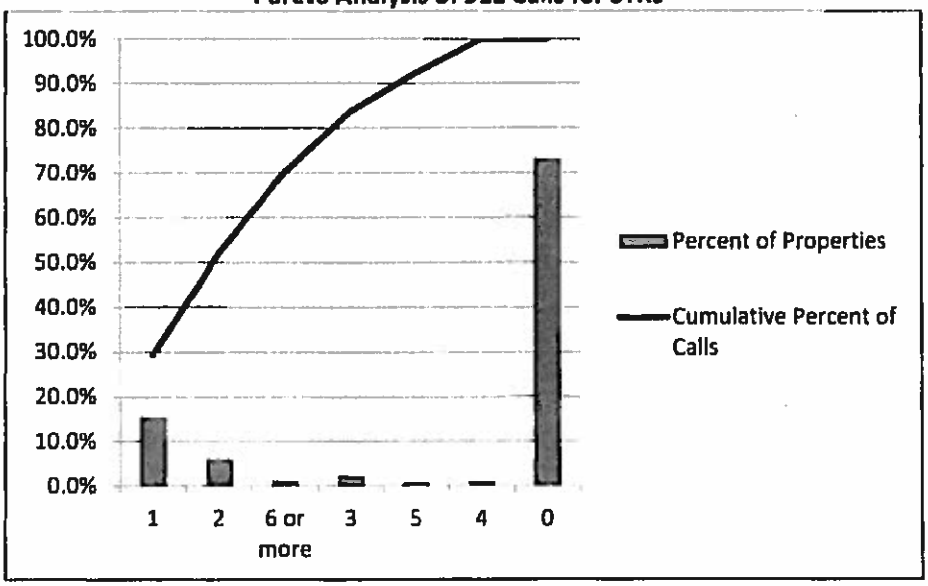
For 911 calls, approximately half the calls came from STR properties with only one or two calls, but frequent users (with six or more calls) accounted for 18% of calls despite being only one percent of all properties (see Exhibit 5, and Exhibit 6 for Pareto analysis).

EXHIBIT 5
Distribution of 911 Calls Among STRs

911 Calls per Property	Number of Properties	Percent of Properties	Percent of 911 Calls
0	803	73.1%	0.0%
1	169	15.4%	29.2%
2	66	6.0%	22.8%
3	26	2.4%	13.5%
4	11	1.0%	7.6%
5	10	0.9%	8.7%
6 or more	13	1.2%	18.2%
Total	**1098**	**100.0%**	**100.0%**

SOURCE: OCA analysis of 911 data for CY 2011

EXHIBIT 6
Pareto Analysis of 911 Calls for STRs



SOURCE: OCA analysis of 911 data for CY 2011.

Among the sampled residential properties, for both 311 and 911 calls the majority came from properties with either one or two calls or six or more calls (see Exhibits 7 and 8). This indicates that service level is a combination of the overall number of properties and a few frequent users (see Exhibits 9 and 10 for Pareto analysis). The frequent users with six or more calls accounted for 25% of 311 calls and 22% of 911 calls, despite making up 0.6% and 1.5% of the population, respectively.

EXHIBIT 7
Distribution of 311 Calls Among Sampled Residential Properties

311 Calls per Property	Number of Properties	Percent of Properties	Percent of 311 Calls
0	355	76.18%	0.00%
1	79	16.95%	38.54%
2	16	3.43%	15.61%
3	10	2.15%	14.63%
4	3	0.64%	5.85%
5	0	0.00%	0.00%
6 or more	3	0.64%	25.37%
Total	**466**	**100.00%**	**100.00%**

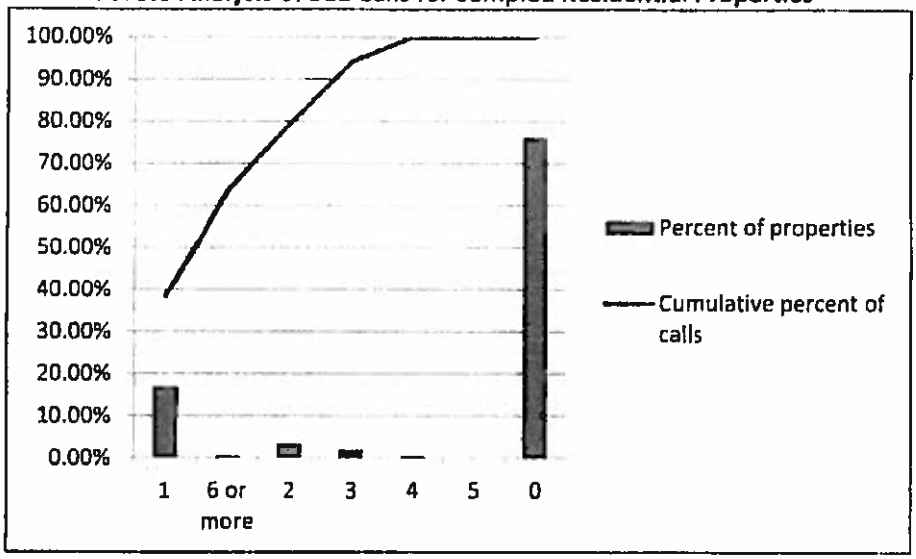
SOURCE: OCA analysis of 311 data for CY 2011 for sampled residential properties.

EXHIBIT 8
Distribution of 911 Calls Among Sampled Residential Properties

311 Calls per Property	Number of Properties	Percent of Properties	Percent of 311 Calls
0	333	71.46%	0.00%
1	82	17.60%	30.60%
2	21	4.51%	15.67%
3	13	2.79%	14.55%
4	4	0.86%	5.97%
5	6	1.29%	11.19%
6 or more	7	1.50%	22.01%
Total	**466**	**100.00%**	**100.00%**

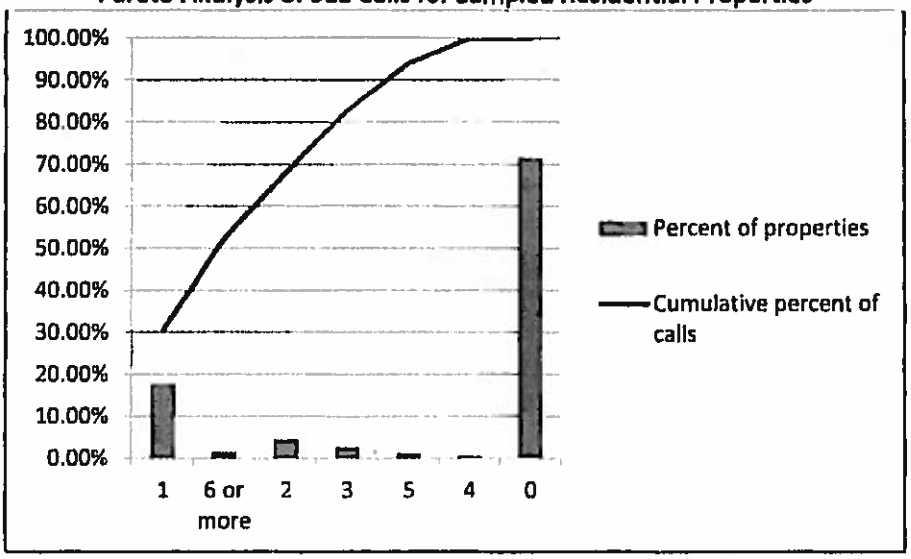
SOURCE: OCA analysis of 911 data for CY 2011 for sampled residential properties.

EXHIBIT 9
Pareto Analysis of 311 Calls for Sampled Residential Properties



SOURCE: OCA analysis of 311 call data for CY 2011 for sampled residential properties.

EXHIBIT 10
Pareto Analysis of 911 Calls for Sampled Residential Properties



SOURCE: OCA analysis of 911 call data for CY 2011 for sampled residential properties.

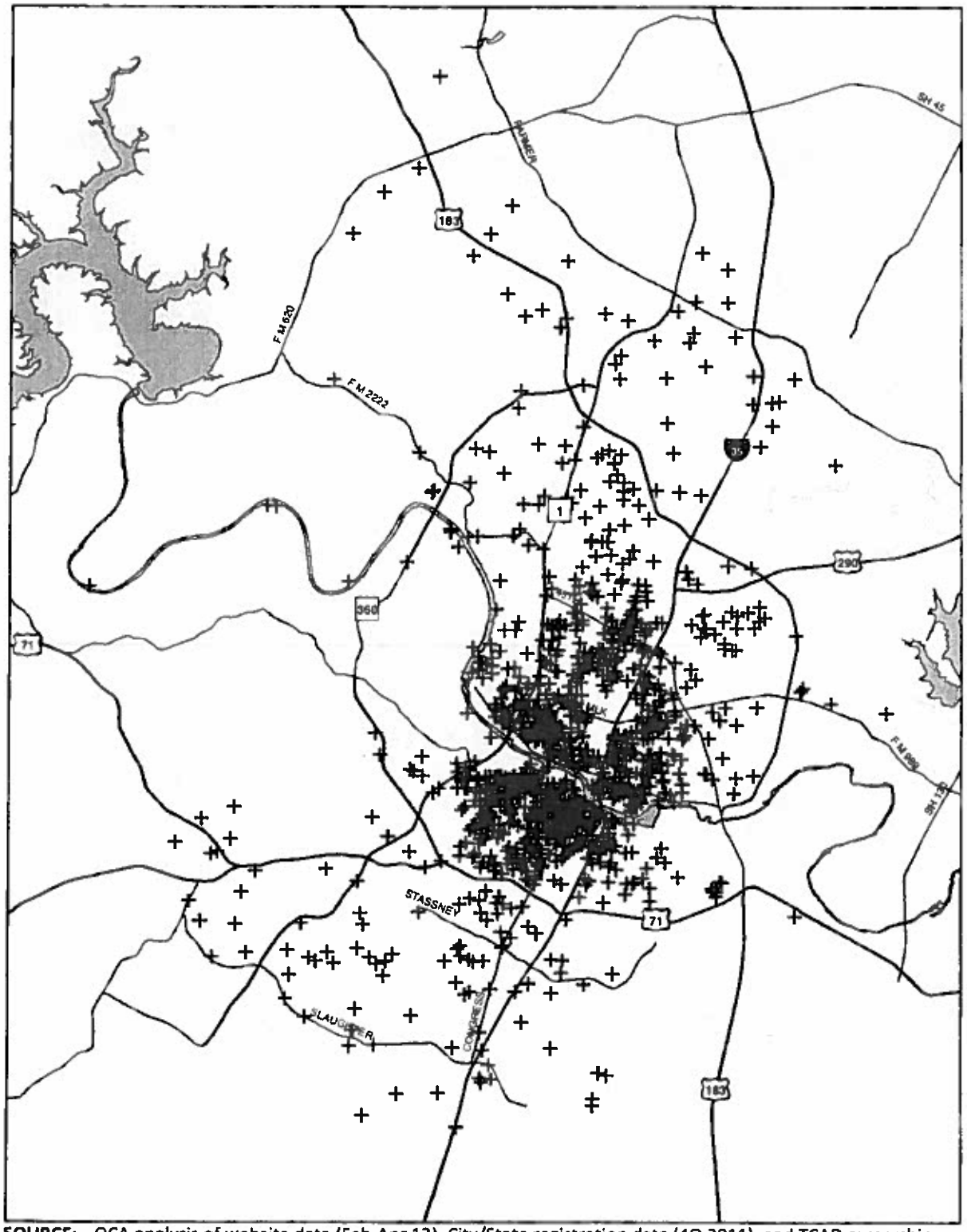
For the properties with higher than average 311 and 911 use, geographic distribution is similar between STRs and residential properties (see Attachment B).

We appreciate the assistance of the GIS staff in the Office of Communications and Technology Management.

Kenneth J. Mory, City Auditor

ATTACHMENT A

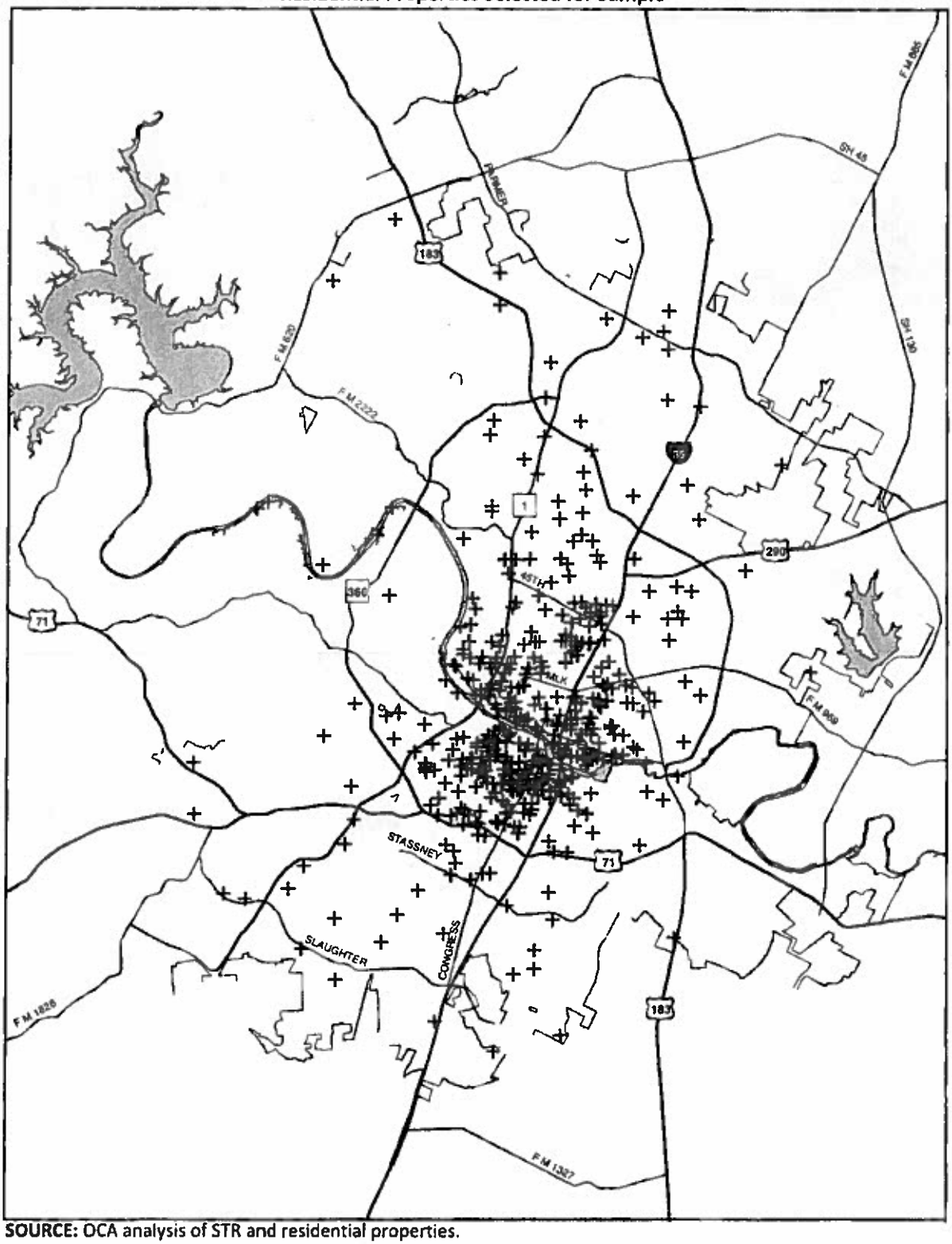
Short-term Rentals Identified in Prior Audit



SOURCE: OCA analysis of website data (Feb-Apr 12), City/State registration data (4Q 2011), and TCAD ownership data (Mar-Apr 12).

ATTACHMENT A

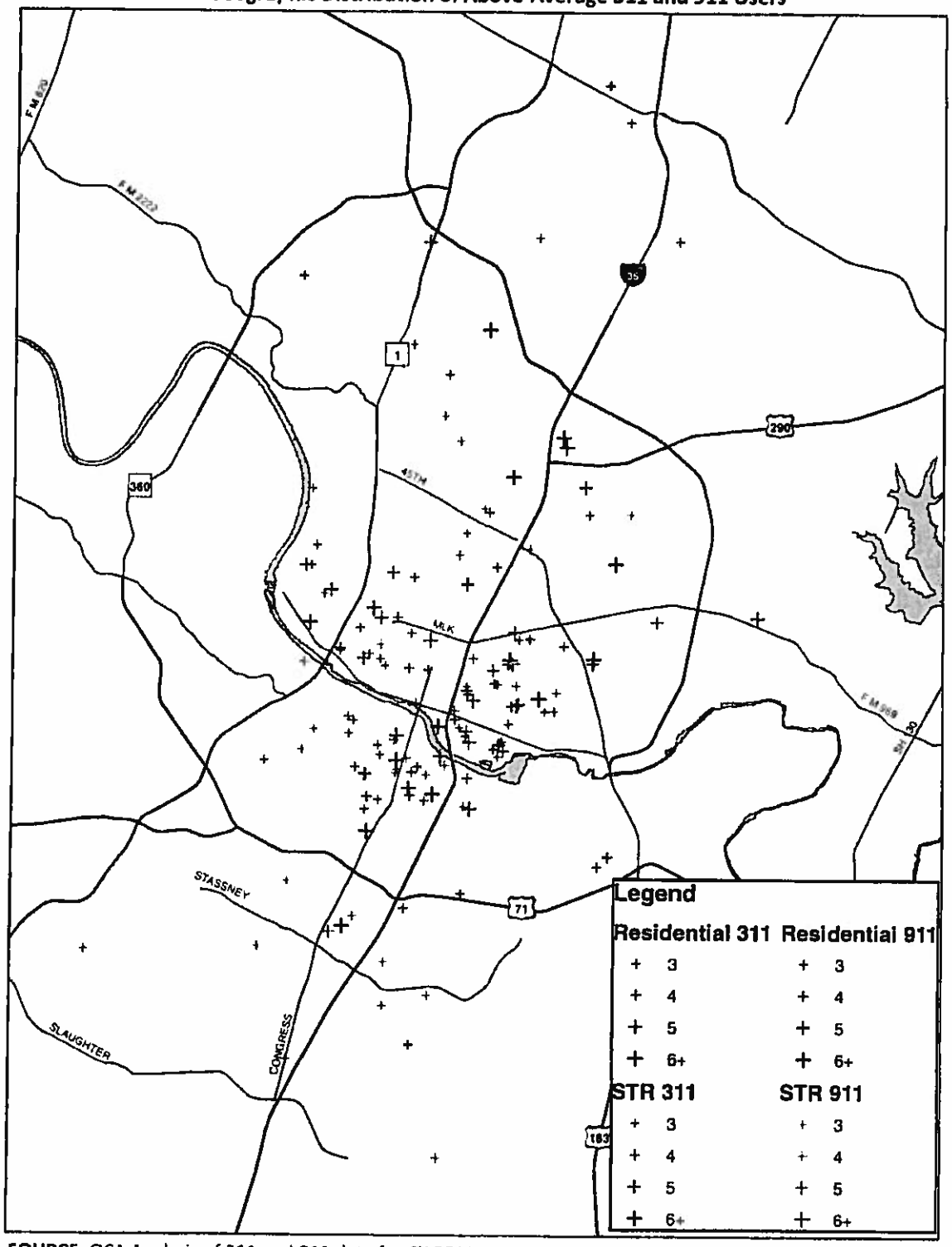
Residential Properties Selected for Sample



SOURCE: OCA analysis of STR and residential properties.

ATTACHMENT B

Geographic Distribution of Above-Average 311 and 911 Users



SOURCE: OCA Analysis of 311 and 911 data for CY 2011.

May 2012

Special Request Results

Why We Did This Report

This memo responds to a request from Council Member Tovo at the April 20, 2012 Audit and Finance Committee meeting regarding the number of short-term rentals advertised online.

What We Did

To complete this special request, we summarized the number of STR listings on eight websites over an eleven-week period.

For more information on this or any of our reports, email oca_auditor@austintexas.gov

Special Request Report on Short-term Rental Website Listings

C4

Mayor and Council,

I am pleased to present this special request report on short-term rental website listings.

BACKGROUND

On April 20, 2012, the Office of the City Auditor presented the Short-term Rentals Audit to the Audit and Finance Committee. This audit identified and mapped 1,500 short-term rentals in the City of Austin.

OBJECTIVE AND SCOPE

Our objective was to track the change in the volume of short-term rental listings on selected websites.

The scope included reviews of eight websites, from February 2011 through April 2011.

WHAT WE FOUND

The Short-term Rentals Audit identified short-term rentals (STRs) using information from website listings and government registrations. The number of STRs was reduced to 1,500 through the following steps:

- Eliminating duplicates (properties found in multiple sources or listed more than once on the same website)
- Combining individual room listings into a single record (e.g. a four-bedroom house might have a separate listing for each bedroom)
- Selecting only properties within the Austin full-purpose jurisdiction
- Selecting only properties for which sufficient information was provided to establish a specific location

Our analysis of website listings, shown in Attachment A, does not take these factors into consideration and comprises all website listings for the given time period. STR listings peaked in mid-March, and then dropped slightly and stayed stable through mid-April. Most of the growth in early March was due to an increase in the number of listings on Airbnb; the other websites were relatively unchanged from February through April.

Kenneth J. Mory, City Auditor

ATTACHMENT A

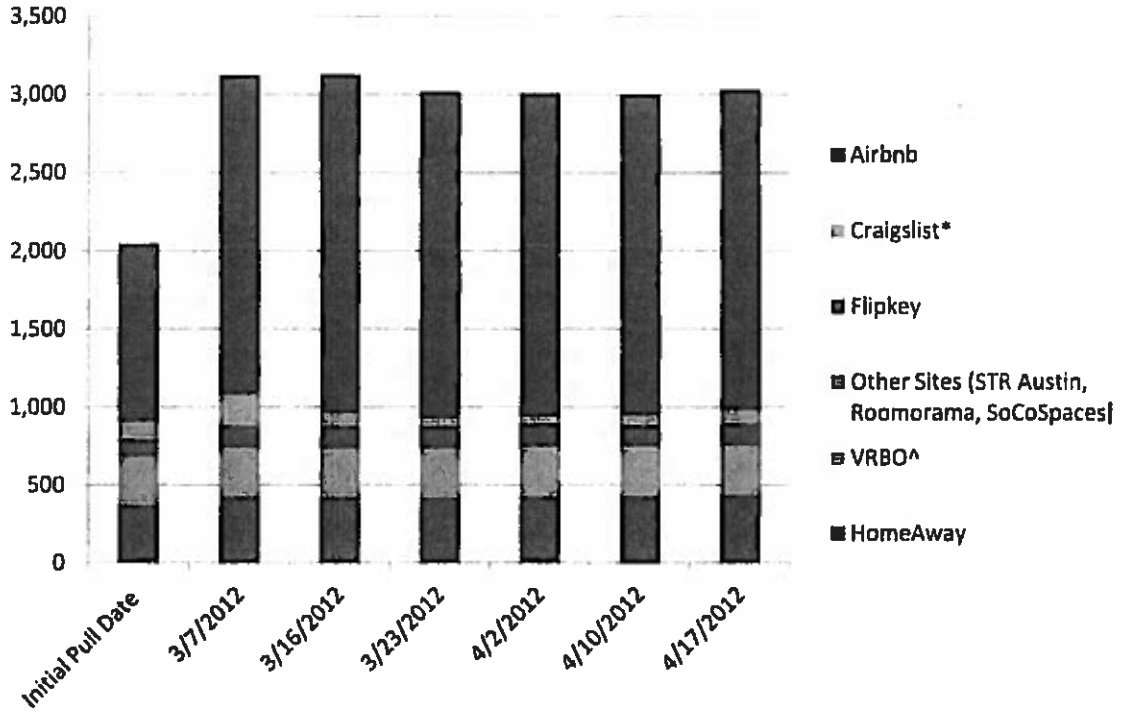
EXHIBIT 1
Listing Counts by Website

Website	Initial Pull Date	Initial Pull	3/7/12	3/16/12	3/23/12	4/2/12	4/10/12	4/17/12
Airbnb	2/13-2/14/12	1,144	2,044	2,166	2,093	2,075	2,052	2,050
HomeAway	2/13/12	370	426	422	419	426	428	435
VRBO	3/13/12	316	316^	314	316	321	318	320
STR Austin	2/23/12	24	40	41	43	43	33	33
Flipkey	2/9/12	69	72	75	73	73	73	75
Roomorama	2/13/12	18	24	23	23	28	28	28
Craigslist*	2/27/12	102	197	81	48	41	63	82
SoCoSpaces	2/24/12	2	5	5	5	5	5	7
Total		**2,045**	**3,124**	**3,127**	**3,020**	**3,012**	**3,000**	**3,030**

^VRBO listing were pulled on 03/13/2012. The 03/07/2012 number is an estimate.
* Tracking counts for Craigslist will be for a day before the tracking date noted (e.g., data from 03/06/2012 was counted on 03/07/2012).

SOURCE: OCA analysis of selected websites.

EXHIBIT 2
Change In STR Website Listings Over Time



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* Tracking counts for Craigslist will be for a day before the tracking date noted (e.g., data from 03/06/2012 was counted on 03/07/2012).

SOURCE: OCA analysis of selected websites.

CH

DRAFT

Short Term Rentals

Summary of the Planning Commission Committee on Codes and Ordinances

Note: This summary is for general discussion purposes, and does not cover every aspect of the proposals under consideration. Please see the draft ordinance and staff report for more details.

Residential Units Not Affected by this proposal

- Units rented for 30 days or more
- Multi-family units
- Apartments
- Condominiums
- Group Residential Use

Type 1 Rental

Description

- Owner-Occupied – **and** –
- Registered Homestead – **and** –
- Short Term leases do not exceed a cumulative total of 90 days per year.

Requirements

- Pay Hotel Occupancy Tax (15% of gross receipts) (current state law)
- Permitted in single family, multi-family and mixed use zoning
- Inspection (upon registration and then every three years) (*fee not yet established*)
- Certificate of Registration (good for one year, and renewable) (*fee not yet established*)
- Provide packet of information to all tenants
- Notify all properties within 100 feet

Prohibitions

- No gatherings
- May not rent out individual rooms
- The Certificate of Registration is not transferable
- The Certificate of Registration may become void if there are three or more valid citations against the tenants or property.

Type 2 Rental

Description

- Not Owner-Occupied – **or** –
- Not a Registered Homestead – **or** –
- Short Term leases exceed a cumulative total of 90 days per year.

Requirements

Starred items are different from Type 1 Rentals

- Pay Hotel Occupancy Tax (15% of gross receipts) (current state law)
- ❖ Conditional in single family, multi-family and mixed use zoning
- ❖ No closer than 1000 feet to another Type 2 STR or a Bed-and-Breakfast.
- ❖ Conditional Use Permit
    - Approximately $461 for application filing and notification
    - Additional restrictions may be placed on the property with the CUP
    - Public hearing at Planning Commission
    - Planning Commission decision may be appealed to Council
- Inspection (upon registration and then every three years) (*fee not yet established*)
- Certificate of Registration (good for one year, and renewable) (*fee not yet established*)
- Provide packet of information to all tenants
- Notify all properties within 100 feet.

Prohibitions

- No gatherings
- May not rent out individual rooms
- The Certificate of Registration is not transferable
- The Certificate of Registration may become void if there are three or more valid citations against the tenants or property.

Short Term Rentals

Other Considerations

The following items were ideas or issues raised in the discussion at the Codes and Ordinances Committee. The Committee made no recommendation on these ideas, but asked that they be presented during the discussions at the full Planning Commission.

1. Possibly make Type 2 Short Term Rentals a *Permitted* use on properties with multi-family or less restrictive base zoning.

2. Possibly exempt Type 2 Short Term Rentals from the 1000 foot spacing requirements if they are located in multi-family or less restrictive base zoning.

3. The issue of "three or more citations" voiding the certificate of residency needs to be further clarified.

Short Term Rentals

Summary of Staff Recommendation

All Short Term Rentals

Description

- Any single family property rented for less than 30 days.

Requirements

- Pay Hotel Occupancy Tax (15% of gross receipts) (current state law)
- Permitted in single family, multi-family and mixed use zoning
- Registration (updated as needed) (*fee not yet established*)
- Provide packet of information to all tenants
- Inspection (if rented on a short term basis five or more times per year) (*fee not yet established*)

Prohibitions

- May not rent out individual rooms

April 2012

Audit Report Addendum

Why We Did This Audit

This audit addendum was requested by the Audit and Finance Committee on April 20, 2012.

For more information on this or any of our reports, email oca_auditor@austintexas.gov

Short-term Rentals Audit Addendum

CN

Mayor and Council,

I am pleased to present this addendum to the Short-term Rentals Audit.

BACKGROUND

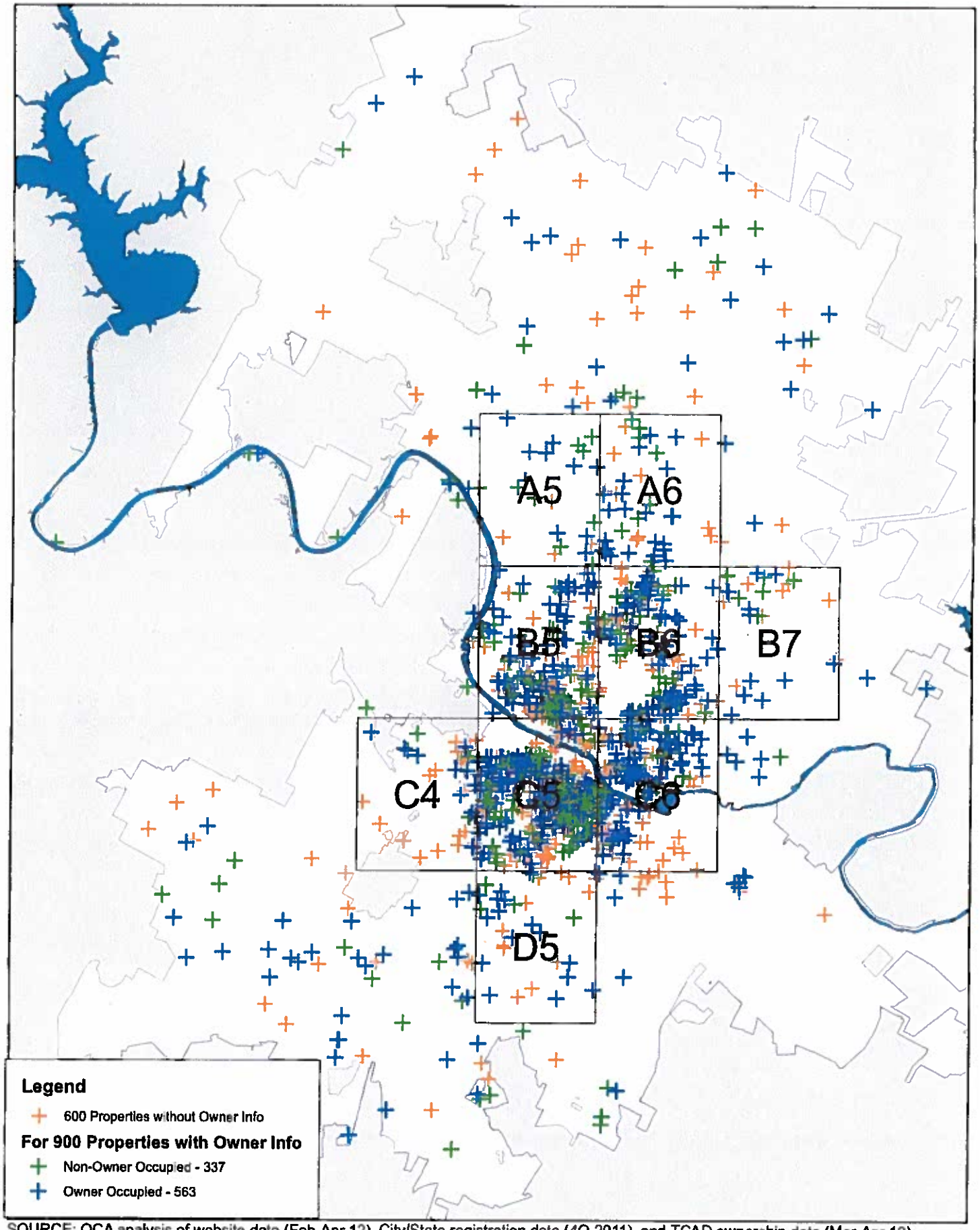
At the direction of the Audit and Finance Committee of the Austin City Council, the Office of the City Auditor has prepared a map book showing the approximate locations of short-term rental properties (STRs) identified in the Short-term Rentals Audit Report, released April 20, 2012.

WHAT WE FOUND

Exhibit 2 of the Short-term Rentals Audit Report shows the locations of audit-identified STRs. This map book provides a detailed view of STRs in selected areas of the City. The cover page shows the areas selected, along with their identifying labels. The following pages each display an area of 2.5 miles by 3 miles, showing the STRs and corresponding owner occupancy information (if any). Areas were included if they contained at least 20 STRs.

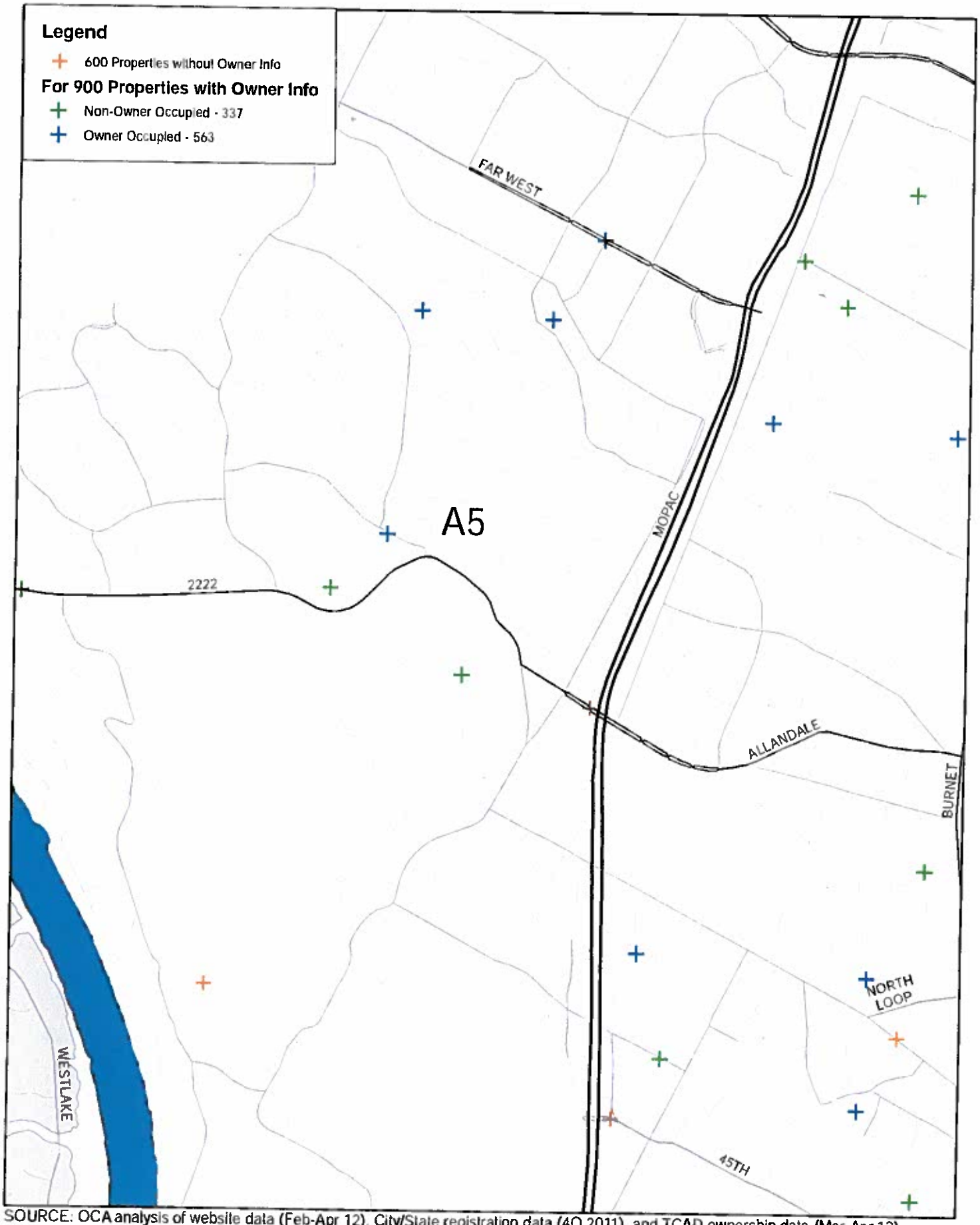
Kenneth J. Mory, City Auditor

Short-term Rental Properties Map Book



SOURCE: OCA analysis of website data (Feb-Apr 12), City/State registration data (4Q 2011), and TCAD ownership data (Mar-Apr 12)

Short-term Rental Properties Map Book



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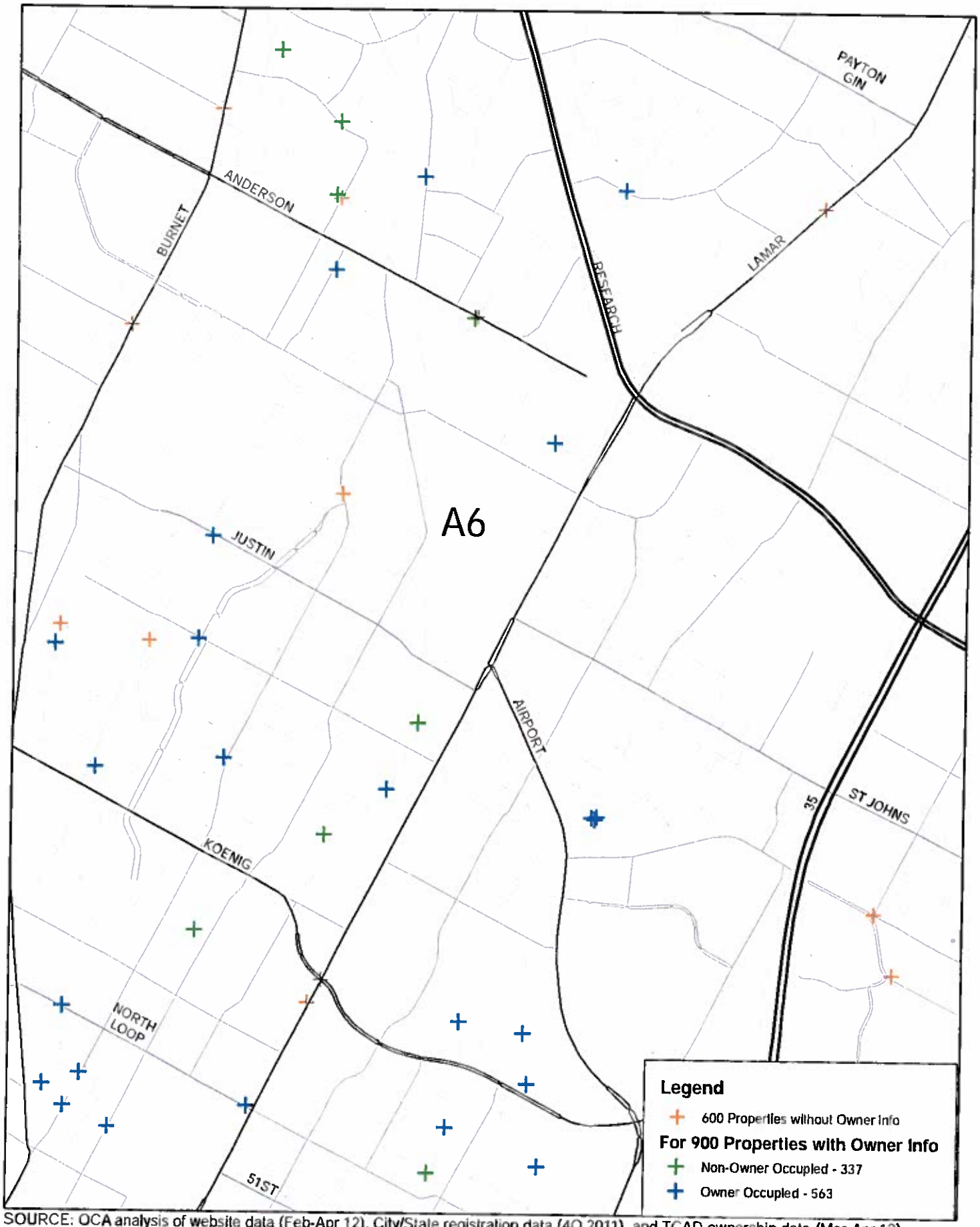

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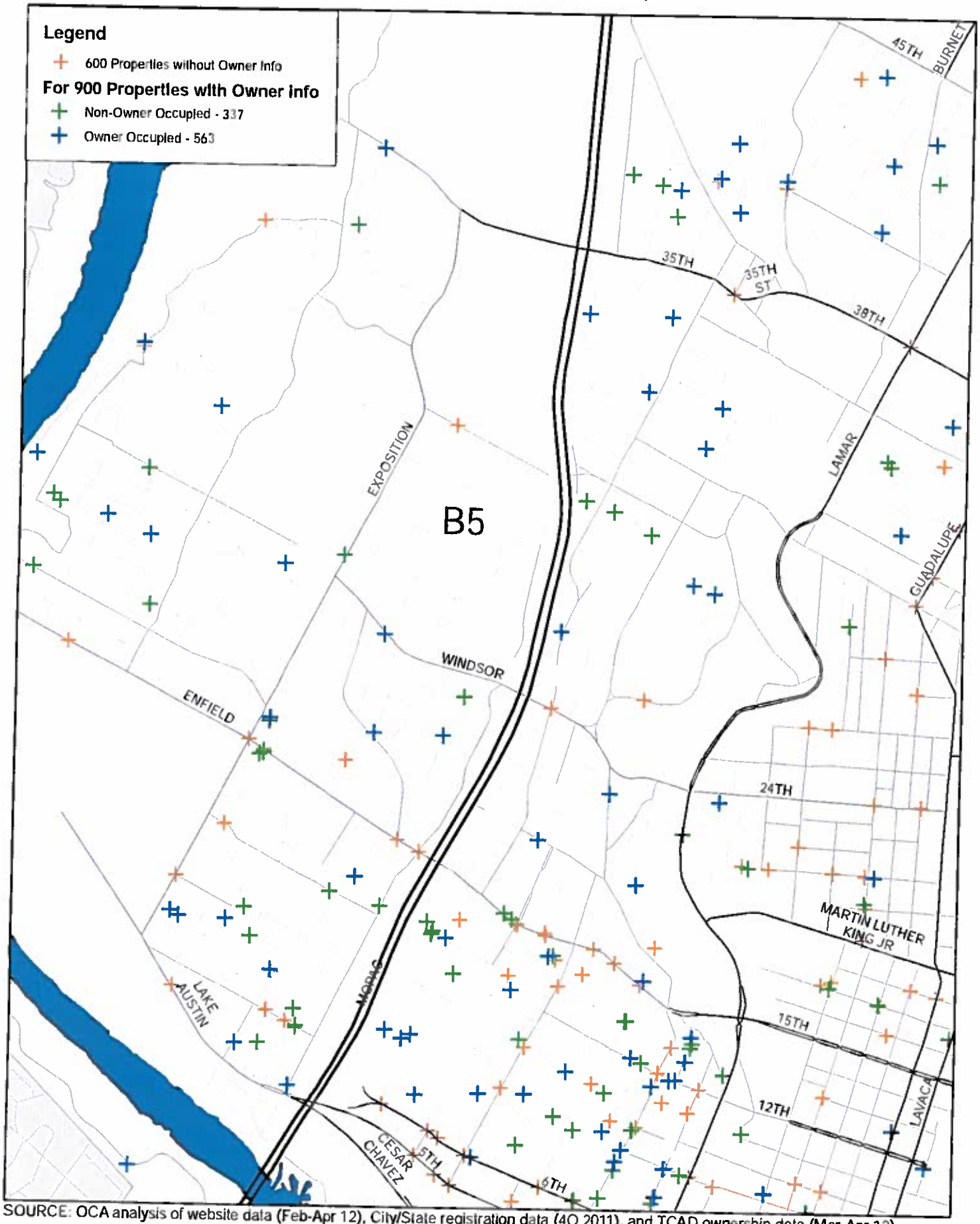

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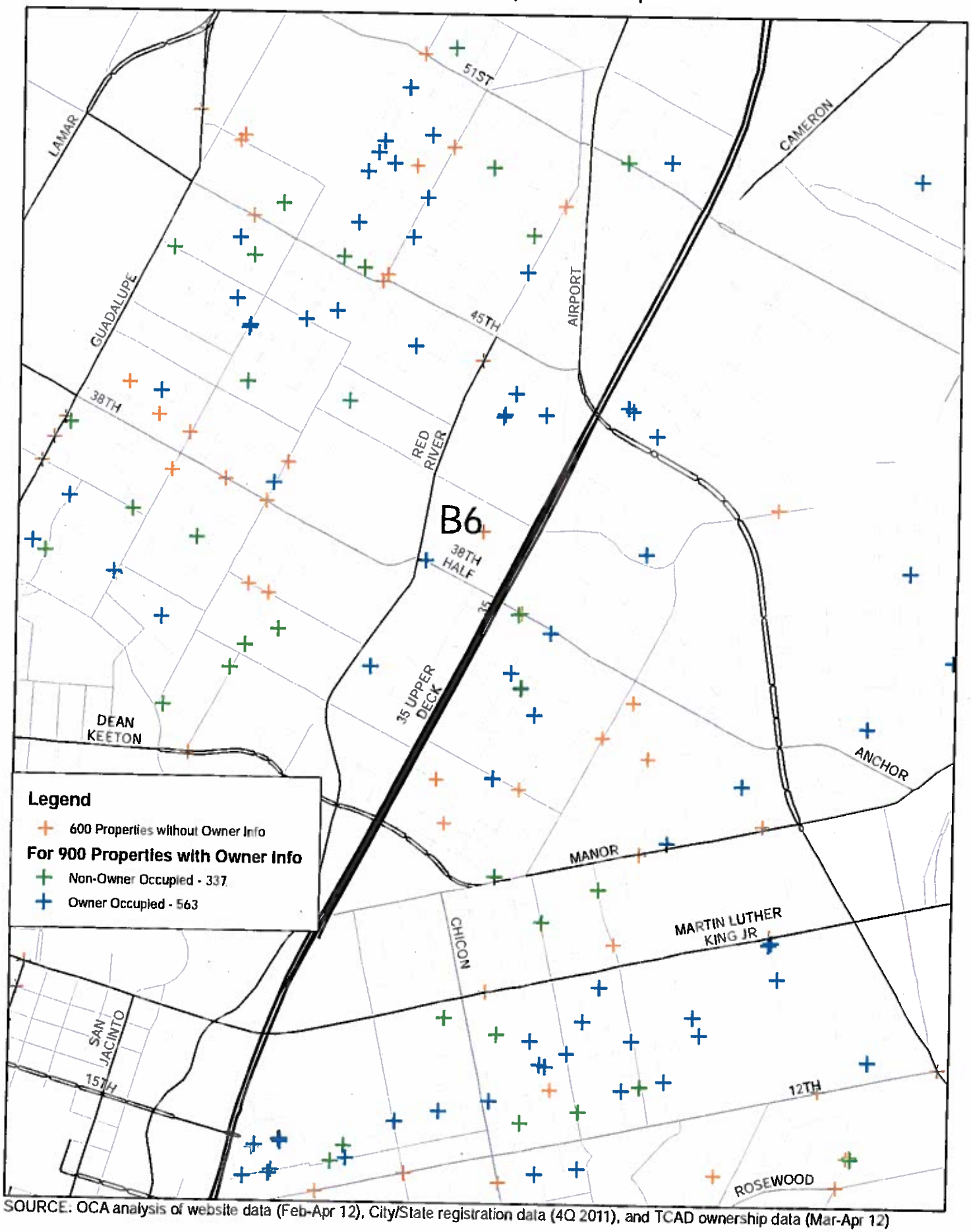

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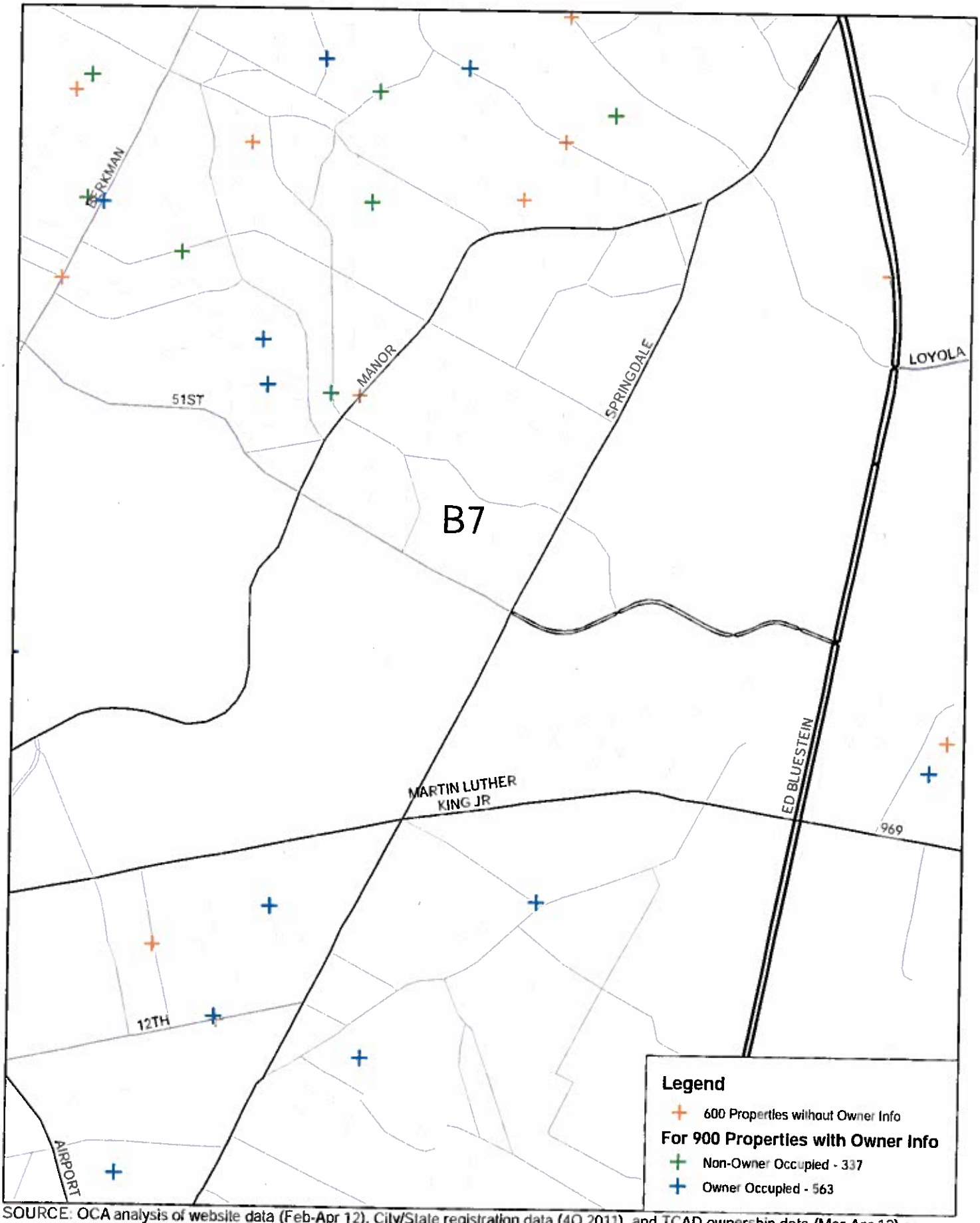

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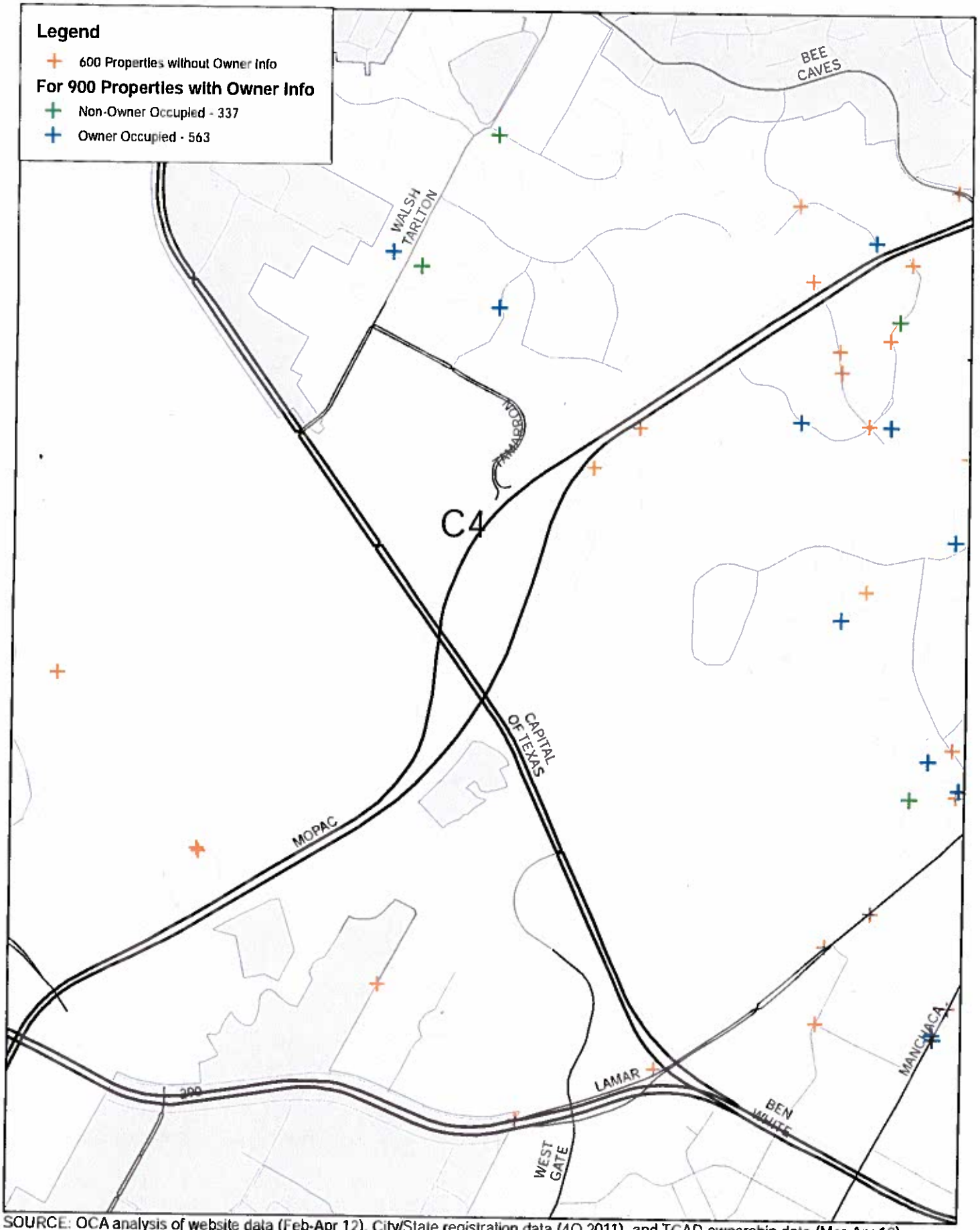

SOURCE: OCA analysis of website data (Feb-Apr 12), City/State registration data (4Q 2011), and TCAD ownership data (Mar-Apr 12)

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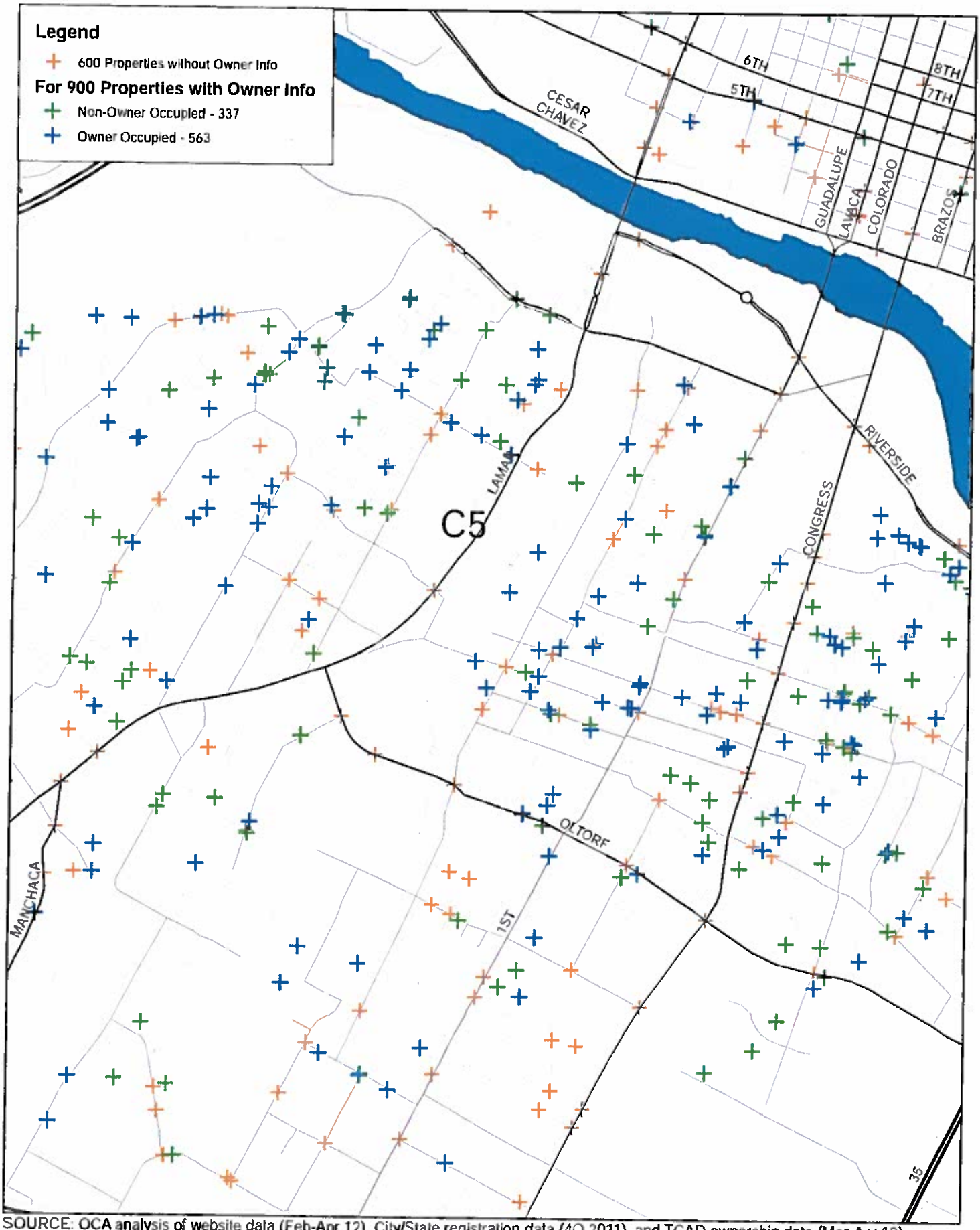

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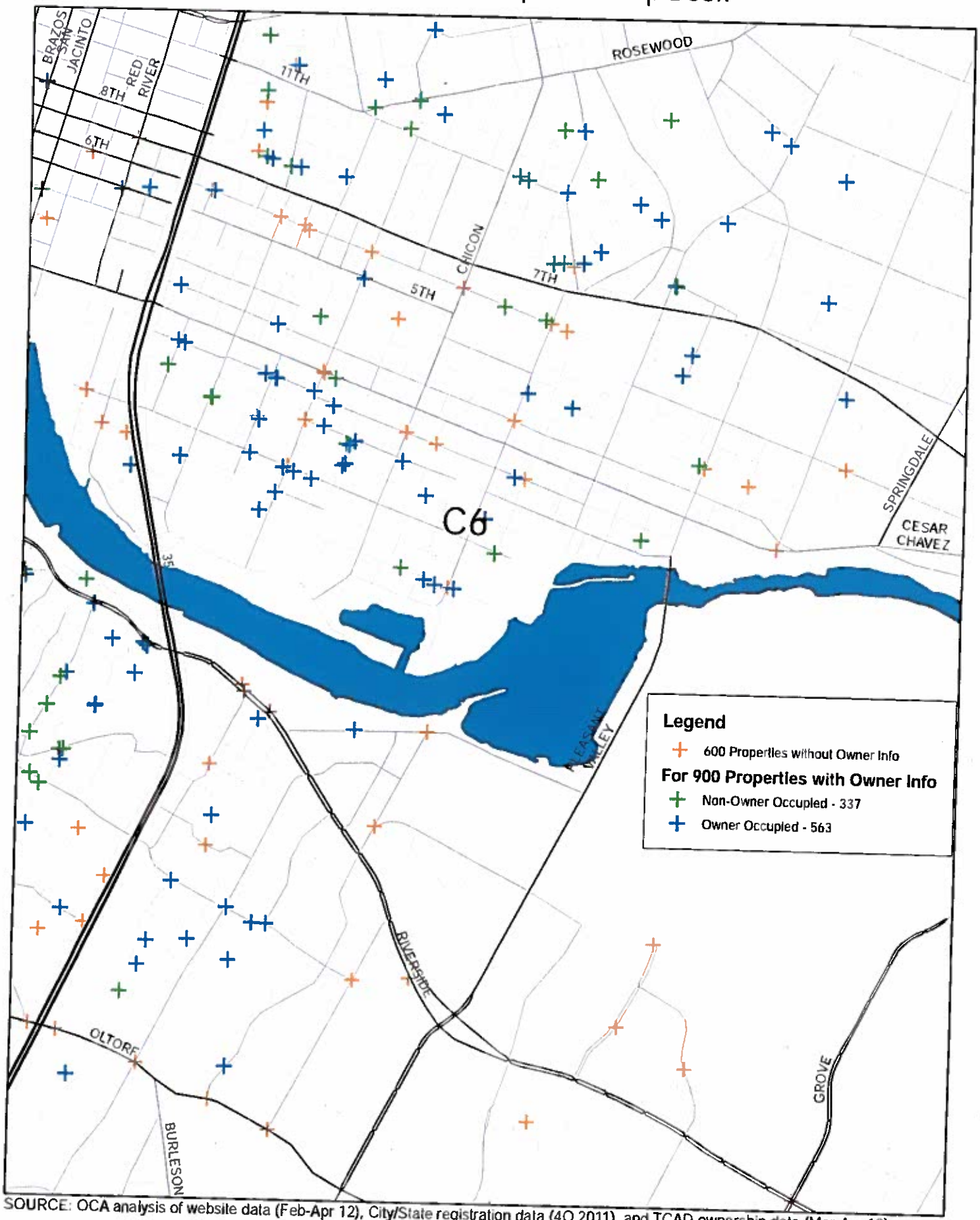

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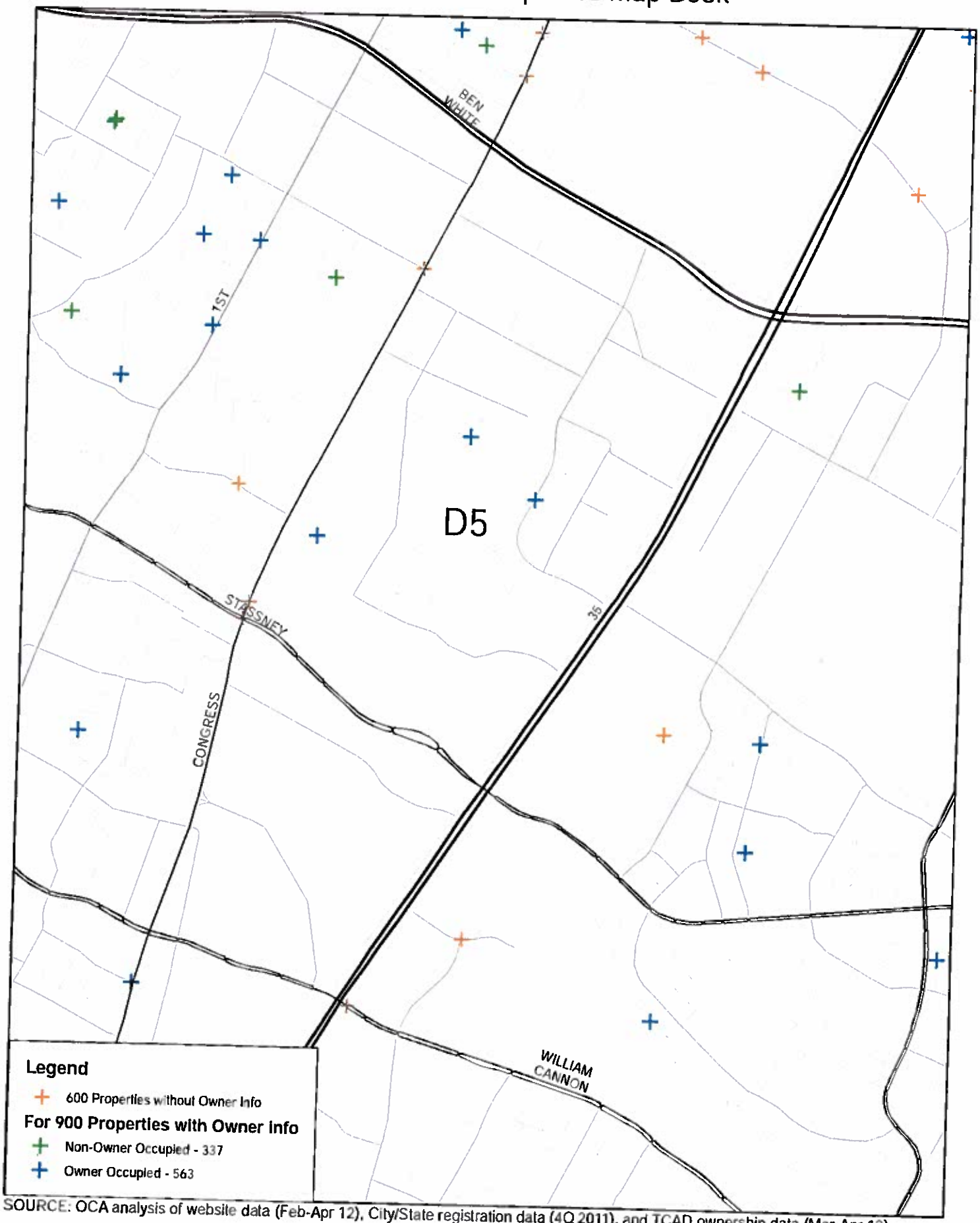

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