### Recommendation for Council Action

**Austin City Council Addendum** | **Item ID** | 17496 | **Agenda Number** | 1.
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**Meeting Date:** 8/2/2012  
**Department:** Management Services

**Subject**

Approve an ordinance on second and third readings amending Title 25 of the City Code addressing the short term rental of residential units. (Public Hearing closed)

**Amount and Source of Funding**

**Fiscal Note**

**Purchasing Language:**

**Prior Council Action:**
- January 12, 2012: City Council passed a resolution directing the City Auditor to prepare a report looking at several aspects of the short term rental market in Austin.
- June 7, 2012: Council closed the public hearing and passed the ordinance on first reading.

**For More Information:** Jerry Rusthoven, 974-3207

**Boards and Commission Action:** Recommended by the Planning Commission.

**MBE / WBE:**

**Related Items:**

**Additional Backup Information**

For visitors or Austin residents seeking a place to stay for a short period of time, the short term rental of a house or other residential structure has become an increasingly popular option. These short term rentals can offer great flexibility and a unique experience for visitors, and can provide an important source of income for the property owner.

As these short term rentals become more popular, homeowners that reside near them have questioned whether the rental of residential structures for short durations should be more appropriately considered a commercial rather than residential activity, and regulated accordingly.

The Planning Commission has worked extensively with stakeholders and has drafted a proposal to regulate the short term rental of residential structures through amendments to the land development code.