ORDINANCE NO. ______________

AN ORDINANCE AMENDING CHAPTERS 25-2 (ZONING) OF THE CITY CODE RELATING TO SHORT-TERM RENTALS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. City Code Section 25-2-491 (Permitted, Conditional, and Prohibited Uses) is amended to amend the chart in Subsection (C) as follows:

Short-term rental uses regulated under Section 25-2-788 (Short-term Rental (Type 1) Regulations) and Section 25-2-790 (Short-term Rental (Type 3) Regulations) are a permitted use in the following base districts:

- Lake Austin residence (LA)
- rural residence (RR)
- single-family residence large lot (SF-1)
- single-family residence standard lot (SF-2)
- family residence (SF-3)
- single-family residence small lot (SF-4A)
- single-family residence condominium site (SF-4B)
- urban family residence (SF-5)
- townhouse and condominium residence (SF-6)
- multifamily residence limited density (MF-1)
- multifamily residence low density (MF-2)
- multifamily residence medium density (MF-3)
- multifamily residence moderate-high density (MF-4)
- multifamily residence high density (MF-5)
- multifamily residence highest density (MF-6)
- central business (CBD)
- downtown mixed use (DMU)
planned unit development (PUD)
general-retail – mixed use (GR-MU)
commercial services – mixed use (CS-MU)
commercial services – vertical mixed use (CS-V)
general retail – vertical mixed use (GR-V)

PART 2. City Code Section 25-2-791 (License Requirements) is amended to amend Subsection (C) and add a new Subsection (H) and a new Subsection (I) to read as follows:

§25-2-791 LICENSE REQUIREMENTS.

(C) Except as provided in subsection (H), the director shall issue a license under this section if:

(1) the application includes all information required under Subsection (B) of this section;

(2) the proposed short-term rental use complies with the requirements of Section 25-2-788 (Short-Term Rental (Type 1) Regulations), Section 25-2-789 (Short-Term Rental (Type 2) Regulations), or Section 25-2-790 (Short-Term Rental (Type 3) Regulations);

(3) for a short-term rental use regulated under Section 25-2-789 (Short-Term Rental (Type 2) Regulations), no more than 3% of the single-family, detached residential units within the census tract of the property are short-term rental (Type 2) uses as determined by the Director under Section 25-2-793 (Determination of Short-Term Rental Density); and

(a) the structure has a valid certificate of occupancy or compliance, as required by Chapter 25-1, Article 9 (Certificates of Compliance and Occupancy); or

(b) the structure has been determined by the building official not to pose a hazard to life, health, or public safety, based on a minimum life-safety inspection;

(4) for a short-term rental use regulated under Section 25-2-790 (Short-Term Rental (Type 3) Regulations), located in a non-commercial zoning district, no more than 3% of the total number of dwelling units at the property and no more than 3% of the total number of dwelling units located within any building or detached structure at the property are short-term rental (Type 3) uses as determined by the Director under Section 25-2-793 (Determination of Short-Term Rental Density); and
(a) the structure and the dwelling unit at issue have a valid certificate of occupancy or compliance, as required by Chapter 25-1, Article 9 (Certificates of Compliance and Occupancy); or
(b) the structure and the dwelling unit at issue have been determined by the building official not to pose a hazard to life, health, or public safety, based on a minimum life-safety inspection.

(5) For a short-term rental use regulated under Section 25-2-790 (Short-Term Rental (Type 3) Regulations), located in a commercial zoning district, no more than 25% of the total number of dwelling units at the property and no more than 25% of the total number of dwelling units located within any building or detached structure at the property are short-term rental (Type 3) uses as determined by the Director under Section 25-2-793 (Determination of Short-Term Rental Density); and

(a) the structure and the dwelling unit at issue have a valid certificate of occupancy or compliance, as required by Chapter 25-1, Article 9 (Certificates of Compliance and Occupancy); or
(b) the structure and the dwelling unit at issue have been determined by the building official not to pose a hazard to life, health, or public safety, based on a minimum life-safety inspection.

(H) After November 23, 2015, the director may not issue a license to operate short-term rental use as described in Section 25-2-789 (Short-Term Rental (Type 2) Regulations) located in the following base districts:

(1) Lake Austin residence (LA);
(2) rural residence (RR);
(3) single-family residence large lot (SF-1);
(4) single-family residence standard lot (SF-2);
(5) family residence (SF-3);
(6) single-family residence small lot (SF-4A);
(7) single-family residence condominium site (SF-4B);
(8) urban family residence (SF-5);
(9) townhouse and condominium residence (SF-6);
(10) multifamily residence limited density (MF-1);
(11) multifamily residence low density (MF-2);
(12) multifamily residence medium density (MF-3);
(13) multifamily residence moderate-high density (MF-4);
(14) multifamily residence high density (MF-5);
(15) multifamily residence highest density (MF-6);
(16) central business (CBD);
(17) downtown mixed use (DMU);
(18) planned unit development (PUD);
(19) general-retail – mixed use (GR-MU);
(20) commercial services – mixed use (CS-MU);
(21) commercial services – vertical mixed use (CS-V); and
(22) general retail – vertical mixed use (GR-V).

(I) The limitation in subsection (H) does not apply to an annual renewal authorized in subsection (E).

PART 3. Council directs the City Manager to set a public hearing on or before December 31, 2016, that allows the Council to consider the effectiveness of this ordinance and to consider revisions.

PART 4. This ordinance expires on December 31, 2016.

PART 5. This ordinance takes effect on ____________, 2015.

PASSED AND APPROVED

____________________ $ ______________________ ________
____________________ $ ______________________ ________

____________________, 2015

____________________, 2015

Steve Adler
Mayor

APPROVED: ________________ ATTEST: ________________
Anne L. Morgan Jannette S. Goodall
Interim City Attorney City Clerk