Recommendation for Council Action

<table>
<thead>
<tr>
<th>Austin City Council</th>
<th>Item ID</th>
<th>52662</th>
<th>Agenda Number</th>
<th>81.</th>
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</thead>
<tbody>
<tr>
<td>Meeting Date:</td>
<td>12/10/2015</td>
<td>Agenda Number</td>
<td>Planning and Zoning</td>
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<tr>
<td>Subject</td>
<td>Conduct a public hearing and consider an ordinance amending City Code Title 25 related to short-term rental use.</td>
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<td>Amount and Source of Funding</td>
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<td>Fiscal Note</td>
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<td>Purchasing Language:</td>
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<td>Prior Council Action:</td>
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<td>For More Information:</td>
<td>Trish Link, Law Department, 512-974-2173; Marcus Elliott, Austin Code Department, 512-974-1951; Greg Dutton, Planning and Zoning Department, 512-974-3509</td>
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<td>Council Committee, Boards and Commission Action:</td>
<td>December 8, 2015 - To be reviewed by the Planning Commission.</td>
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<td>MBE / WBE:</td>
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<td>Related Items:</td>
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In August, September, and October of 2015, Council initiated amendments to the City Code related to short-term rentals (STRs) and directed the City Manager to bring the amendments to Council within 150 days. These amendments include, but are not limited to:

- Inspection every 3 years for renewals.
- Adds a distance limitation between Type 2 short-term rentals: 500 feet from an existing Type 2 short-term rental, unless grandfathered (if the license is issued prior to a certain date, the license is not suspended, and is timely renewed).
- Requires an applicant to provide local contact information.
- Requires a certification related to outstanding City Code and state law violations at the property.
- Limits reliance on certificates of occupancy to certificates issued within the last 10 years.
- Requires a determination from Austin Water that the septic system complies with City Code.
• Authorizes the director to deny a renewal application if the license is currently suspended, other violations exist, or if repeat offenses occur at the property.
• Deletes “test the waters” provision.
• States that a violation of the short-term rental regulations is grounds to deny, suspend, or revoke a license.
• Establishes general requirements for short-term rentals:
  ▪ maintain a guest registry.
  ▪ limit use of sound equipment and noise/music.
  ▪ prohibit occupancy of a short-term rental if the building permit does not allow occupancy.
  ▪ require advertisements or promotions to include license numbers and occupancy limit.
  ▪ prohibit advertising or promoting a short-term rental if it is not licensed.
  ▪ prohibit advertising or promoting a short-term rental in a manner that violates the City Code.
• Creates specific occupancy limits for assemblies at short-term rentals and general use of short-term rentals.
• Authorizes the director to deny an initial application for a license if applicant violates City Code (or, if applicable, state law) a certain number of times during a specific timeframe.
• Requires a non-compliant property owner to pay a non-compliance fee when applying for or renewing a short-term rental license.
• Creates evidence standards that show a violation of the occupancy and advertising requirements.
• Amends the Local Amendments to the Property Maintenance Code
  ▪ include a definition for “short-term rental”,
  ▪ adds “short-term rentals” to inspection requirements,
  ▪ authorizes the director to suspend a license if it was issued in error, and
  ▪ authorizes the director to suspend a license for repeated violations.
• Removes short-term rental use from 25-2-511 ( Dwelling Unit Occupancy Limit)
• Phases out existing Type 2 short-term rentals from residential areas by April 1, 2022.