

## ORDINANCE AMENDMENT REVIEW SHEET

**Amendment:** C20-2015-012 Short-Term Rentals

**Description:** Consider amendments to Title 25 of the City Code related to short-term rentals.

**Proposed Language:** See attached draft ordinance.

**Summary of proposed code changes:**

- 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 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.
- New general requirements:
  - Maintain a guest registry.
  - Limits use of sound equipment and noise/music.
  - Prohibits occupancy of a short-term rental if the building permit does not allow occupancy.
  - Requires advertisements or promotions to include license numbers and occupancy limit.
  - Prohibits advertising or promoting a short-term rental if it is not licensed.
  - Prohibits 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. (Council initiated.)
- 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.

- Removes short-term rental use from 25-2-511 (Dwelling Unit Occupancy Limit)
- Phases out existing Type 2 short-term rentals by April 1, 2022.

**Background:** Initiated by Council on 8/20/15, 9/17/15, 9/22/15, and 10/15/15.

In June of 2015 Council directed the City Manager to provide recommendations to improve enforcement and amend the City Code as necessary regarding short-term rentals. 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 within 150 days.

**Staff Recommendation:** Approve the proposed amendments.

**Board and Commission Actions**

**November 17, 2015:** Recommended by the Codes and Ordinances Subcommittee on a 5-0 vote (Commissioner Stevens absent) with changes to the occupancy limit:

- (1) a short-term rental site maximum occupancy limit of 10 –regardless of relationship- and 6 unrelated adults; and
- (2) a process to expand the occupancy limit in certain circumstances.

**December 8, 2015:** To be reviewed by Planning Commission.

**Council Action**

**December 10, 2015:** A public hearing has been set.

**Ordinance Number:** NA

**City Staff:** Marcus Elliott **Phone:** 974-1951 **Email:** marcus.elliott@austintexas.gov

**City Staff:** Trish Link **Phone:** 974-2173 **Email:** patricia.link@austintexas.gov