

Late Backup

ORDINANCE NO. _____

**AN ORDINANCE AMENDING CITY CODE CHAPTER 25-2 RELATING TO
SHORT-TERM RENTALS.**

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

PART 1. City Code Section 25-2-791 (*License Requirements*) is amended to
repeal Subsection (G) and to re-letter the remaining subsections to read as follows:

§ 25-2-791 LICENSE REQUIREMENTS.

(A) This section applies to a license required under Section 25-2-788 (*Short-Term Rental (Type 1) Regulations*), Section 25-2-789 (*Short-Term Rental (Type 2) Regulations*), and Section 25-2-790 (*Short-Term Rental (Type 3) Regulations*).

(B) To obtain a license, the owner of a short-term rental use must submit an application on a form provided for that purpose by the director. The application must include the following:

- (1) a fee established by separate ordinance;
- (2) the name, street address, mailing address, and telephone number of the owner of the property;
- (3) the name, street address, mailing address, and telephone number of a local responsible contact for the property;
- (4) the street address of the short-term rental use;
- (5) proof of property insurance;
- (6) proof of payment of hotel occupancy taxes due as of the date of submission of the application; and
- (7) any other information requested by the director.

(C) Except as provided in subsection (G[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 (including Type 2 and Type 1 second dwelling unit or secondary apartment) 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

- 1 (a) the structure and the dwelling unit at issue have a valid
2 certificate of occupancy or compliance, as required by Chapter
3 25-1, Article 9 (*Certificates of Compliance and Occupancy*); or
4 (b) the structure and the dwelling unit at issue have been
5 determined by the building official not to pose a hazard to life,
6 health, or public safety, based on a minimum life-safety
7 inspection.

8 (D) A license issued under this section:

- 9 (1) is valid for a maximum of one year from the date of issuance, subject
10 to a one-time extension of 30 days at the discretion of the director;
11 (2) may not be transferred by the property owner listed on the application
12 and does not convey with a sale or transfer of the property; and
13 (3) satisfies the requirement for a change of use permit from residential to
14 short-term rental use.

15 (E) A license may be renewed annually if the owner:

- 16 (1) pays a renewal fee established by separate ordinance;
17 (2) provides documentation showing that hotel occupancy taxes have
18 been paid for the licensed unit as required by Section 11-2-4
19 (*Quarterly Reports; Payments*) for the previous year; and
20 (3) provides updates of any changes to the information required under
21 Subsection (B) of this section.

22 (F) An advertisement promoting the availability of short-term rental property in
23 violation of city code is prima facie evidence of a violation and may be
24 grounds for denial, suspension, or revocation of a license.

25 ~~[(G) Notwithstanding any provision of Section 25-2-791(F) to the contrary, a~~
26 ~~person may advertise the availability of an unlicensed short term rental and~~
27 ~~the advertisement is not grounds for license denial if the director determines~~
28 ~~all of the following:~~

- 29 ~~(a) The person owns the property advertised or has obtained the~~
30 ~~owner's authorization to advertise the property for short term~~
31 ~~rental solely to gauge public interest in the property for short~~
32 ~~term rental use;~~

~~(c) The property advertised is not in operation as short term rental.~~

(H[F]) The limitation in subsection (G[H]) does not apply to an annual renewal authorized in subsection (E).

PASSED AND APPROVED

www

Steve Adler
Mayor

APPROVED: _____
Anne L. Morgan
City Attorney

ATTEST: _____
Jannette S. Goodall
City Clerk