

ORDINANCE NO. 20151217-098

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
 - (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.
- (D) A license issued under this section:
 - (1) is valid for a maximum of one year from the date of issuance, subject to a one-time extension of 30 days at the discretion of the director;
 - (2) may not be transferred by the property owner listed on the application and does not convey with a sale or transfer of the property; and
 - (3) satisfies the requirement for a change of use permit from residential to short-term rental use.
- (E) A license may be renewed annually if the owner:
 - (1) pays a renewal fee established by separate ordinance;
 - (2) provides documentation showing that hotel occupancy taxes have been paid for the licensed unit as required by Section 11-2-4 (*Quarterly Reports; Payments*) for the previous year; and
 - (3) provides updates of any changes to the information required under Subsection (B) of this section.
- (F) An advertisement promoting the availability of short-term rental property in violation of city code is prima facie evidence of a violation and may be grounds for denial, suspension, or revocation of a license.
- ~~[(G) Notwithstanding any provision of Section 25 2 791(F) to the contrary, a person may advertise the availability of an unlicensed short term rental and the advertisement is not grounds for license denial if the director determines all of the following:~~
 - ~~(a) The person owns the property advertised or has obtained the owner's authorization to advertise the property for short term rental solely to gauge public interest in the property for short term rental use;~~
 - ~~(b) The advertisement does not depict or describe availability of the property for uses or occupancy that would violate code, except for the lack of a short term rental license; and~~
 - ~~(c) The property advertised is not in operation as short term rental.]~~

(G[H]) After November 23, 2015, the director may not issue a license to operate a short-term rental use described in Section 25-2-789 (*Short-Term Rental (Type 2) Regulations*) except for an application received prior to September 17, 2015. In any event, the director may not issue a license pursuant to an application received after November 12, 2015.

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

PART 2. This ordinance takes effect on December 28, 2015.

PASSED AND APPROVED

December 17, 2015

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Steve Adler
Mayor

APPROVED:

Anne L. Morgan
City Attorney

ATTEST:

Jannette S. Goodall
City Clerk