

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: 1000 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.
- 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 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 Section 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: Recommended by Planning Commission on a 12-0 vote (Commissioner Thompson absent) with the following amendments:

- Increase the distance requirement between STRs (Type 2) from 500 feet to 1,000 feet.
- Variance process for additional occupancy.
- Limit occupancy to 8 adults per site; 6 adults per license.
- Phase out date of April 1, 2020 for Type 2 STRs.
- A recommendation that the Austin City Council not revisit the ordinance in 2017.

December 16, 2015: Building and Standards Commission voted on a motion to recommend the amendments to the Property Maintenance Code with one change: require that there be at least two substantiated violations prior to suspending a short-term rental license. The motion failed on a vote of 9-3 and comes to Council without a recommendation. (Because the Commission consists of 22 members, the motion required 12 votes in favor to pass.)

Council Action

January 28, 2016: A public hearing has been set.

Ordinance Number: NA

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