

*Council initiated change  
from: Spelman*

## Late Backup

#40  
2/28/13

### RESOLUTION NO.

**WHEREAS**, on August 2, 2012, the City Council adopted Ordinance No. 20120802-122 to regulate the use of single-family homes for short-term rentals (“STRs”); and

**WHEREAS**, in response to concerns raised during early implementation of the regulations, the City Council passed Resolution No. 20121018-069 directing the City Manager to recommend amendments to, among other things, ensure greater compliance with the STR regulations, to improve notification and enforcement, and to ensure more efficient and cost-effective permit review; and

**WHEREAS**, on February 15, 2013, the Planning & Development Review Department provided a report to Council outlining several recommendations to improve the STR regulations; **NOW, THEREFORE**,

### **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

1. The City Council initiates code amendments to Title 25 (*Land Development*) and directs the City Manager to process an ordinance that achieves the following objectives:
  - (A) Amend the requirements for Type 1 STRs to allow an owner who is present on the property to rent part of a dwelling to a single party on a short-term basis, without renting the entire structure.
  - (B) Create a Type 3 STR for multi-family properties, with the same application requirements as Type 1 and Type 2 STRs, and any additional restrictions deemed appropriate.
  - (C) Repeal Subsection (C) of Section 25-2-788 (*Short-Term Rental (Type 1) Regulations*).

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- (D) Amend Section 25-2-790(B)(2) to eliminate the requirement for applicants to provide a fax number.
- (E) Limit notification to neighborhood associations and provide an option for electronic notification, in lieu of mailed notice.
- (F) Adjust the notification fee to reflect the direction in Subsection (E) and provide for a refund to applicants who previously paid the original fee.
- (G) Provide that operation of an STR without a proper license is an offense under Section 1-1-99 (*Offenses; General Penalty*) punishable by a fine of up to \$2,000 per day.
- (H) Include any other code amendments that are necessary to implement the additional direction in Part 2 of this resolution.

2. The City Manager is further directed to:

- (A) create a publicly available map and online database of short-term rentals.
- (B) develop online payment options and transition to an entirely online payment and registration process within six months.
- (C) establish a waiting list for homeowners seeking a license for a Type 2 STR in a census tract that has reached the 3% cap allowed under the regulations.

3. The ordinance required by this resolution should be presented to Council for consideration within 70 days. Changes that do not require code amendments should be fully implemented within 6 months, with monthly updates to be provided until all of the changes have been implemented.

**ADOPTED:** \_\_\_\_\_, 2013

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk