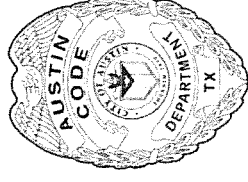
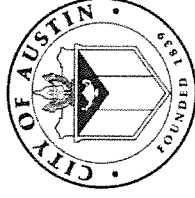


AUSTIN CODE DEPARTMENT

SHORT-TERM RENTAL(STR) REGISTRATION PROGRAM

Program Status Update – June 15, 2015



Presented by: Austin Code Department

Background

- During February and March 2012, the City Auditor identified 1500 STR properties through website listings and Hotel Occupancy Tax Registrations
- Neighborhood representatives expressed the following concerns regarding STRs: safety, property values, changing neighborhood identity and nuisance issues
- On August 2, 2012, Austin City Council approved City Ordinance No. 20120802-122, which required short-term rentals to register with the City of Austin

Review of Short-Term Rental (STR) Program

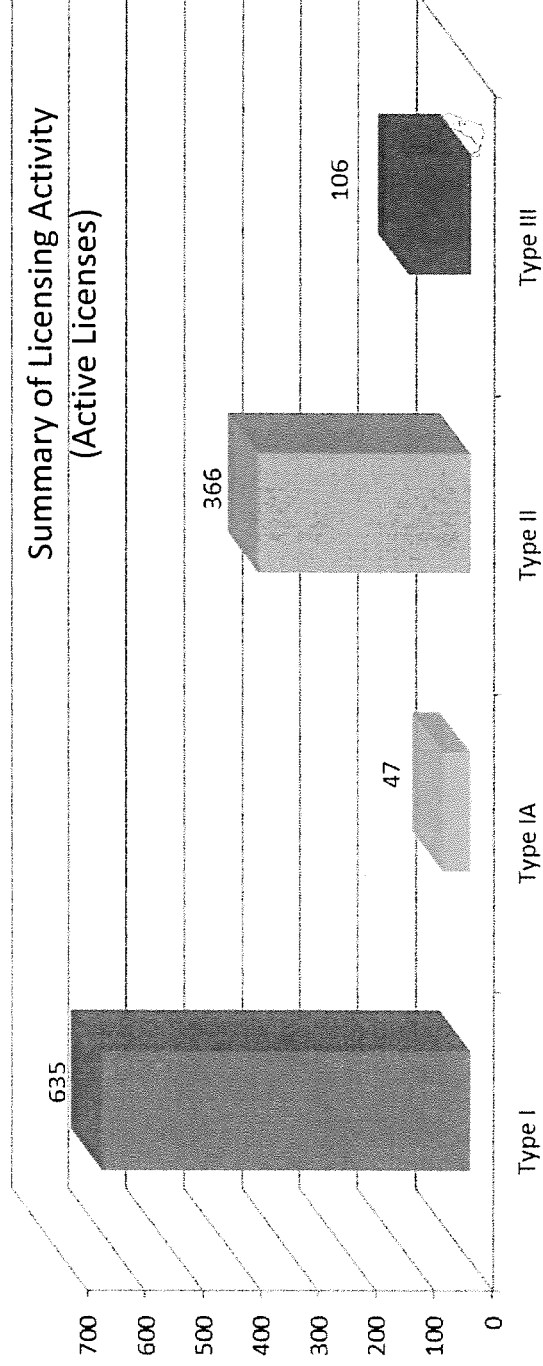
- Inception of STR Program: October 1, 2012
- Elements of the Program:
 - STR Types
 - Type 1 (owner occupied);
 - Type 1A – partial unit (owner occupied);
 - Type 2 (non-owner occupied) residential properties; and
 - Type 3 (commercial and non-commercial zoned properties)
 - Apartments;
 - Condominiums; and
 - Other dwelling units
 - Licensing Fee
 - Annual Renewal Fee
 - Notification Requirement
 - Density Caps
 - Type 2 STRs - 3% maximum of single family residences per census tract
 - Type 3 STRs - 3% or 25% percent maximum of total dwelling units

Active STR Licenses by Type

Short-Term Rental License Quarterly Report

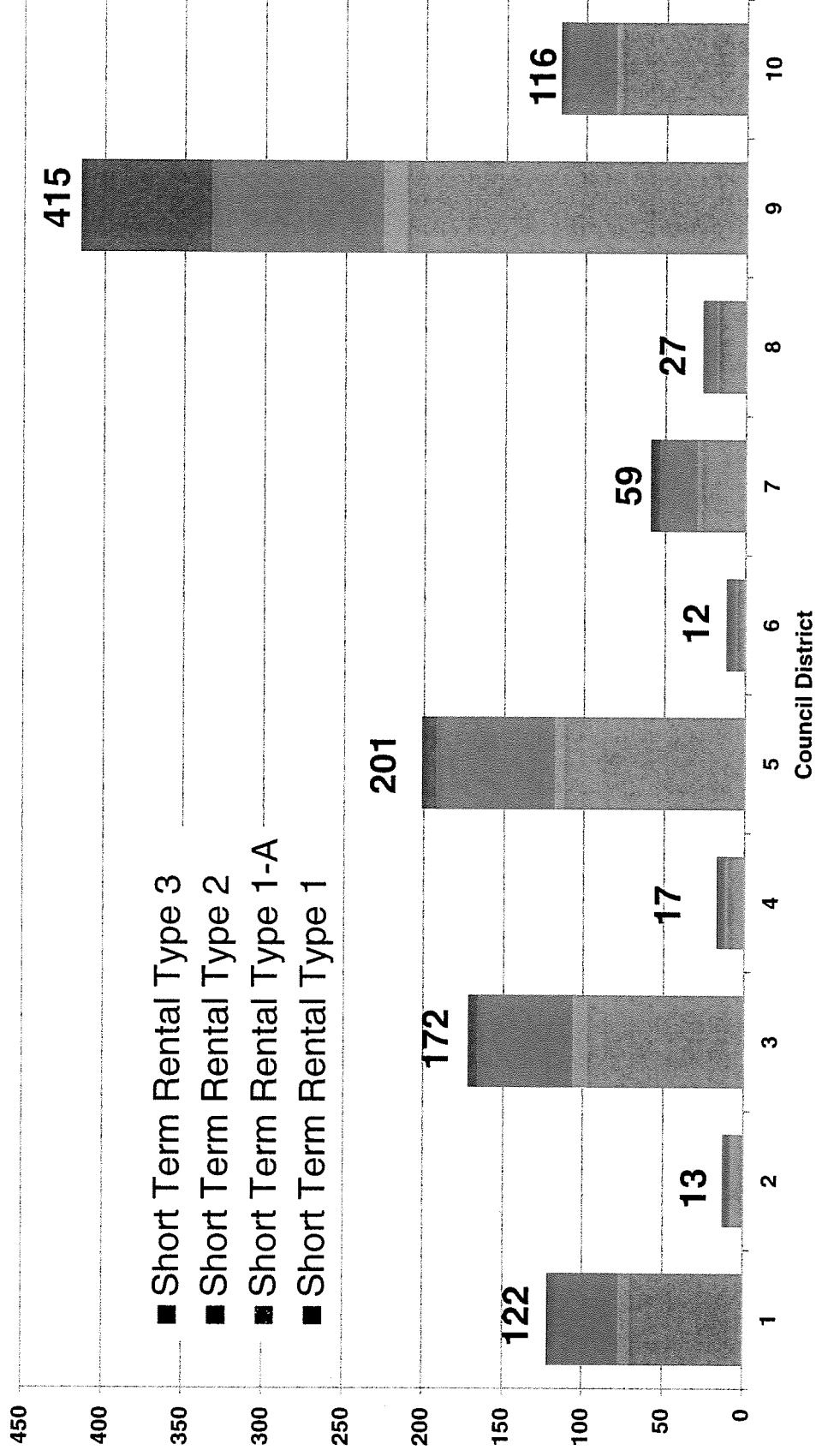
Snapshot: April 1, 2015

License	Number	Percent	Description
Type I	635	55.0%	Owner occupied & secondary structures on property
Type IA	47	4.1%	Owner occupied/one room rental
Type II	366	31.7%	Non-owner occupied
Type III	106	9.2%	Multifamily housing/commercial - condos, townhouses and apartments
Total	1154	100.0%	Number of Active Licenses



Active STR Licenses by Council District

Snapshot: April 1, 2015



Challenges

- “Gauging Public Interest” Advertising Provision
- Operating without a license
- Operating with an expired license
- Over Occupancy
- Not authorized to inspect licensed STRs

Recommendations

- Add a penalty for operating without a license
 - To address the “Gauging Public Interest” Advertising Provision
 - Section 25-2-791 (G) of the City’s Land Development Code
 - Also Known As “Testing the Waters”
 - Noncompliance Penalty
 - Equal to the cost of an Operating License;
 - Collected in addition to the Operating License Fee; and
 - Would encourage compliance with the ordinance

Recommendations

- Add a penalty for operating with an expired license
 - Noncompliance Penalty
 - Equal to the cost of an Operating License;
 - Collected in addition to the Operating License Fee;
 - To encourage the timely renewal of licenses; and
 - Decrease wait list time in capped areas (Type 2 and Type 3)
- Add an inspection requirement for STRs
 - To investigate complaints regarding over occupancy and compliance with other applicable laws

Recommendations

- Occupancy Limit Statement
 - Effective April 1, 2016, all STR Advertisements or promotions must include the following statement:
 - *It is a violation of city code to allow more than six (6) unrelated adults to occupy the dwelling unit at one time.*
 - In the interim, no more than six (6) unrelated adults may reside in a dwelling unit, except in the area defined in Subchapter F: Residential Design and Compatibility Standards Section 1.2.1.

Next Steps

- Council to consider a resolution to amend the STR Ordinance
- City Manager to review operational procedures and current policies to determine overall effectiveness
- City Manager will report back to City Council with recommendations for changes

Stronger Code Enforcement

- Suspensions and Denials
- Weekend and After Hours Inspections
- City Controller's Office
- State Comptroller's Office
- Public Assembly Code Enforcement (PACE) Team
- Administrative Hearing Process

AUSTIN CODE DEPARTMENT

Questions

Visit us online: austintexas.gov/Code

“Together We Make the Community Better

