



COUNCIL COMMITTEE REPORT

Planning and Neighborhoods Committee

Date: August 17, 2015

Agenda Item #6

Agenda Item: Discussion and possible action on recommendations for short-term rental regulations and enforcement.

Vote: No action taken

Sponsors/Department:

Carl Smart, Director, Austin Code Department

Marcus Elliot, Austin Code Department

Summary of Discussion

Staff provided a review of the Short-Term Rental program, definition and types, active Short-Term Rental Licenses, how many, where they are located, census tract, complaints and next steps.

Public Comments

There were 210 speakers signed up to speak on Short-Term Rentals who were either for or against the item. For an outlined detail please review the Channel 6 video.

Direction

The Committee unanimously approved further discussion of this item either at the August 20, 2015 City Council meeting or at the September 21, 2015, Planning and Neighborhoods Committee meeting.

Recommendation:

At the August 17, 2015, the committee unanimously approved the first (4) BE IT RESOLVED sections unanimously by a 4-0 vote.

At the August 17, 2015, the committee approved the following BE IT RESOLVED sections on a 3-1 vote for further discussion at the August 20, 2015 City Council meeting:

1. Add the existing requirement to include license numbers in advertisements as required by Section 1303 in City Code Section 25-12-213 (Local Amendments to the International Property Maintenance Code) to Subpart C under Division 1 of Article 4 – Additional Requirements for Certain uses of City Code;
2. Add a Bad Actor Clause similar to City Code Section 25-2-818(N):
6. Require operators to maintain a guest registry;
7. Require short-term rental license holders to comply with noise requirements;
8. Set the occupancy limit for short-term rentals as the lesser of:

- a. six adults;
 - b. four adults in the area defined in City Code Section 25-2-511 C and D or;
 - c. not more than two adults per bedroom;
9. Prohibit occupancy of a short-term rental when the building permit prohibits occupancy of the structure;
11. Authorize the Code Official to suspend or revoke a license when false information is included in a license application and when the license is issued in error, similar to City Code Section 25-1-411-
- SUSPENSION OF A PERMIT OR LICENSE

At the August 17, 2015 meeting, the committee approved the following BE IT RESOLVED sections on a 4-0 vote for further discussion and possible action at the September 21, 2015 Planning and Neighborhoods Committee Meeting:

- 3. Add short-term rentals to Section 1301 in City Code Section 25-12-213 (*Local Amendments to the International Property Maintenance Code*)
- 4. Require inspection, including septic systems, during the application or approval process for all short-term rentals

At the August 17, 2015 meeting, the committee approved on a 4-0 vote to discuss the below amendments from MPT Tovo, for further discussion and possible action at the September 21, 2015 Planning and Neighborhoods Committee Meeting:

Implement an immediate suspension on all new Type 2 short term rental licenses until new code enforcement amendments and processes are in place, and schedule a public hearing six months after the date of rules adoption to gauge effectiveness and consider revisions.

Prohibit use of STRs for gatherings, such as weddings, bachelor parties, etc.

Require STR license to lapse if no hotel taxes are paid within one year.

For any STR application or license renewal, require both owner and property manager to certify that they have no outstanding code or APD violations within last two years. (*discuss with bad actor clause*)

Repeal provision that allows 25% of multifamily units in commercially zoned areas to be removed from rental market as Type 3 STRs, and cap at no more than 1-3%.

Clarify that Type 2 STRs and non-owner occupied Type 3s are subject to federal ADA requirements as commercial places of lodging.

Establish fines sufficient to serve as clear financial deterrents for violations and increase fines for repeat offenders.

Initiate a phases-in process to limit Type 2 short term rentals to commercially zoned areas, and require Conditional Use Permits for continued operation of Type 2s in single family zoning.