Recommendation for Council Action

Austin City Council Work Session	Item ID	54097	Agenda Number	A.1

Meeting Date:	1/26/2016	Department:	Planning and Zoning

Subject

Approve an ordinance relating to short-term rental use. (THE PUBLIC HEARING FOR THIS ITEM WAS HELD AND CLOSED JANUARY 28, 2016.)

Amount and Source of Funding

Fiscal Note

Purchasing Language:	
Prior Council Action:	January 28, 2016 - Council took public testimony, closed the public hearing and postponed the item to February 23, 2016.
For More Information:	Marcus Elliott, Austin Code Department, 512-972-1951; Greg Dutton, Planning and Zoning Department, 512-974-3509; Trish Link, Law Department, 512-974-2173.
Council Committee, Boards and Commission Action:	December 8, 2015 - Approved by the Planning Commission on a vote 12-0 with amendments. Commissioner Thompson was absent. December 16, 2015 - Building & Standards Commission voted on a motion to recommend the amendments to the Property Maintenance Code with one change. The motion failed on a vote of 9-3 and comes to Council without a recommendation. (12 votes in favor of the motion are necessary).
MBE / WBE:	
Related Items:	

Additional Backup Information

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 to Council within 150 days. These amendments include, but are not limited to:

- 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)
- Phases out existing Type 2 short-term rentals by April 1, 2022.

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.)