

The background of the slide features a series of thin, black, intersecting lines that form various geometric shapes, including triangles and polygons, creating a dynamic and abstract pattern.

STR WORKING GROUP

INCREASING COMPLIANCE
OF STR LICENSES AND
COLLECTION OF TAX
REVENUES

November 8, 2023

STR WORKING GROUP MEMBERS

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Working Group Chair

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AGENDA

Understanding the Austin Short Term Rental
Landscape

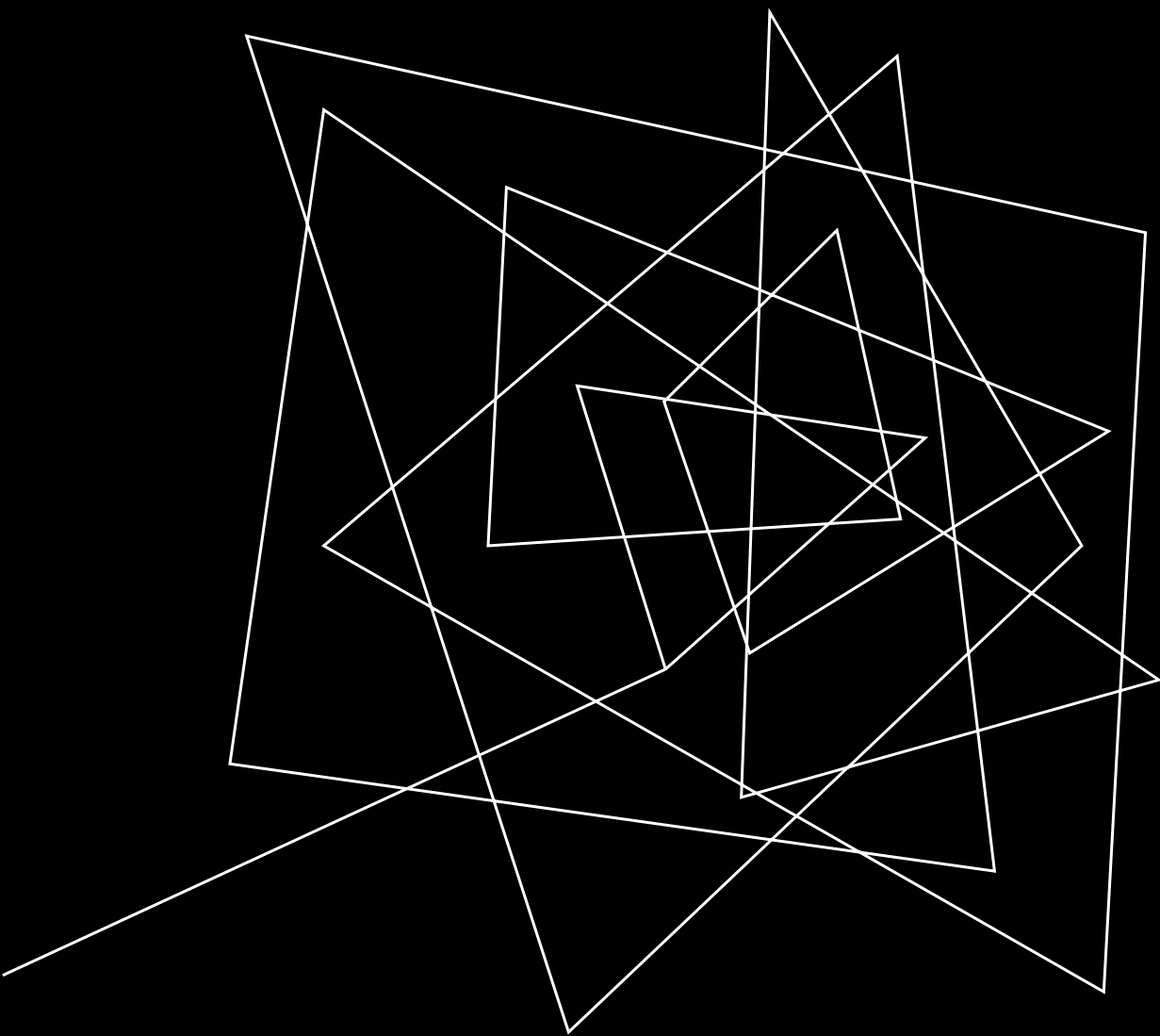
New Efforts to Establish Compliance of STR Licenses

Future Meetings

INTRODUCTION - COMPLEXITY BETWEEN STRS AND HOTELS IN AUSTIN TEXAS

Short-term rentals (STRs) and hotels are both accommodations that people can stay in for a short period of time, typically less than 30 days. However, there are some key differences between the two.

- Hotels are typically regulated by the city or county in which they are located. This means that hotels must comply with certain zoning ordinances, safety standards, and other regulations. STRs, on the other hand, are often less regulated. In Austin, for example, STRs are only required to have a license from the city.
- Hotels are typically larger and have more amenities than STRs. Hotels often have swimming pools, restaurants, fitness centers, and other amenities that STRs do not.
- Hotels are typically more expensive than STRs. This is because hotels have more overhead costs, such as the cost of maintaining a large staff and building.



PRIMARY GOALS

Increase STR licensing adoption and tax collection

BY THE NUMBERS

	Count	Qualifier	Notes
AirDNA	34,055 unique listings	Less than 30 days	
City of Austin	1,972 active licenses	Short term Rentals presentation 9.6.22	We estimate that there are approximately 11,000 STR advertisements within the City of Austin
AirDNA/VRBO	10,042 /6,000 listings	31–90 day stays	
311 Compliant Data	8,133 complaints	STR Cases from 1/2019 to 9/2022	Austin Code Department

CITY OF AUSTIN STR TYPES

Type of STR	Description	Differences	Permitted counts
Type 1 STR	Owner-occupied properties or those associated with an owner-occupied principal residence.	Must be owner-occupied.	10,000
Type 2 STR	Not owner-occupied or associated with an owner-occupied principal residence.	Must be located in a commercial zoning district.	5,000
Type 3 STR	Multifamily properties with four or more units.	Must be located in a commercial zoning district.	2,000
Type 4 STR	Long-term rentals (31-90 days).	Must obtain a special permit.	1,000

MEETINGS

<ul style="list-style-type: none">• Working Group 10.27.23 – kick off
<ul style="list-style-type: none">• Michael Whallen and Ashly Hodgini – VRBO conversation 11.1.23 Gain Understanding of other city regulations
<ul style="list-style-type: none">• Future meetings
<ul style="list-style-type: none">• Micheal McGill with CM Alter Office
<ul style="list-style-type: none">• Daniel Word with Austin Code Department

PROBLEM

- Short-term rentals (STRs) are becoming increasingly popular, but many STR hosts are not complying with the city's regulations or paying their fair share of taxes.
- This is causing several problems for the city, including:
 - Loss of revenue
 - Increased noise and nuisance complaints
 - Increased strain on city services

PROBLEM

- Large-scale STR operators are amassing multiple properties, operating essentially as unregulated hotels. This disrupts the residential feel of neighborhoods and can lead to housing shortages.
- Unregulated large-scale STRs can contribute to increased rental prices, noise issues, parking problems, and safety concerns. They can also undercut local hotels that abide by strict regulations.

PROBLEM

- The City of Austin currently lacks a comprehensive database for short-term rentals (STRs).
- A centralized STR database would aid in regulation enforcement, tax collection, and policy making. It also promotes transparency and accountability among operators.
- Without appropriate and reliable & accurate data STR Platforms cannot be held accountable for non license listings, nor collect tax revenues.

BENEFITS

- Increased tax revenue
- Drive adoption of STR licenses
- Decreased noise and nuisance complaints
- Decreased strain on city services
- A fairer and more equitable STR & housing (rental) market