

My name is Luis Bonet and since 2018 my wife and I have operated an Airbnb guest house (ADU) on our property located on District 9, with zipcode 78751. We live on property and have homestead exemption. We are fully compliant of Austin STR ordinance and have paid for permits and hospitality taxes every single time they are due.

As a fully compliant STR operator we are very frustrated with City of Austin lack of prioritization and enforcement of the STR ordinance. Back in 2022 I wrote to Mrs. Tovo about this issue and in 2023 to Mr. Qadri with no response. I have reported numerous non-permit operators and sadly they are still operating without much consequence. Multiple articles have been published stating that in Austin only 10% of the STR operators have a permit, which is a pitiful record. It is my speculation that if a non-compliant STR does not bother to get a permit they will also never pay hospitality taxes. This is a huge gap in revenue for the City of Austin and wonder why the Council is not addressing it more forcefully. I also anticipate that the non-compliant operators are your problem child that overcrowd their properties with excessive guests and causes problems with neighbors thereby disrupting the community.

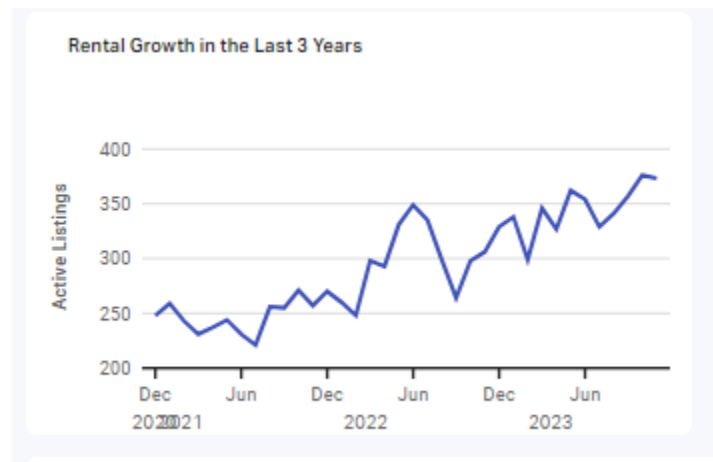
Data from AirDNA shows that in 2 years the number of STR listings in 78751 has grown from 250 to 375 listings (50% increase). AirDNA also reports that total revenue for STRs in 2023 was about \$14M which translates to about \$1.5M in taxes most of which is not collected. The COA database shows that over the last 3 years there has been an average of 76 permit holders, which means there are about 300 non-compliant operators in 78751. That's about 2/3 STR are non-compliant, and the numbers keep growing. City wide the number of STR licensees have hovered around 2,100 effectively staying flat. I conclude new STR operators are not seeking a permit.

From our view non-compliant operators will continue to operate and violate the ordinance as there are no significant consequences. I have been asking if the ordinance allows for back charging non-compliant operators for permits and taxes not paid. This situation has been going for years and I am amazed that we are still not addressing it in a more aggressive way.

In summary, it seems unreasonable for STR licensed property owners to pay for permit fees and pay hospitality taxes while our competition gets by and not be penalized or even shutdown. My recommendation is for the City to either enforce the ordinance or eliminate it altogether so we level the playing field.

AirDNA data

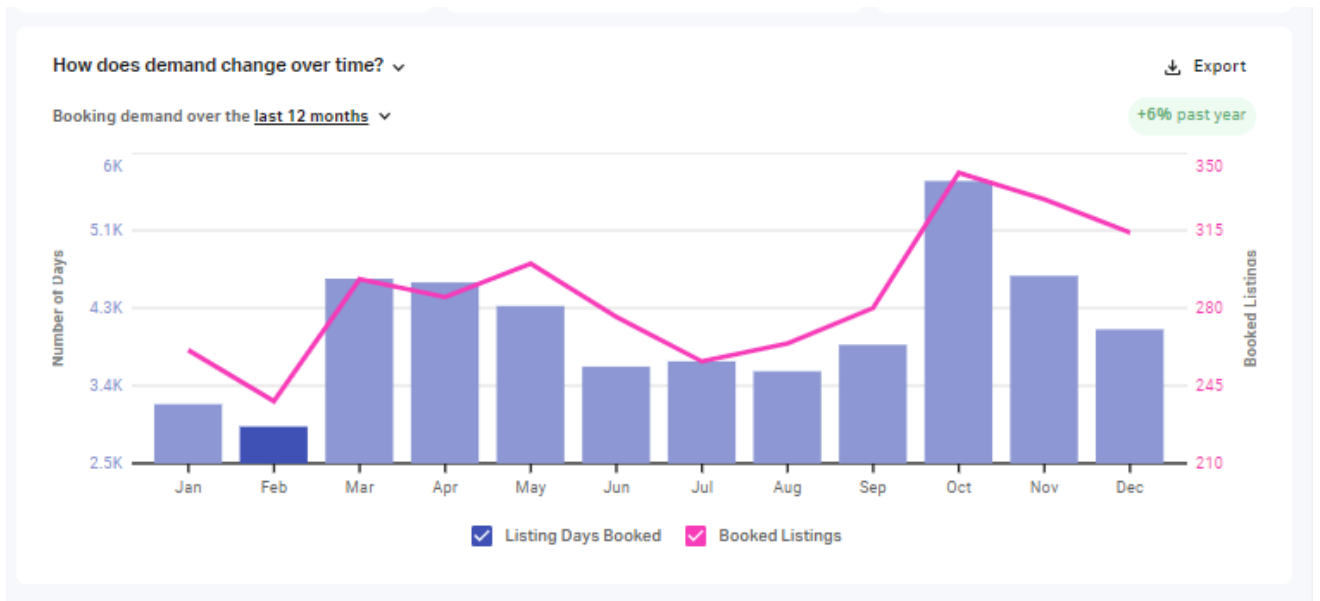
a. STR Active Listings Growth (78751)



In 2 years, the number of STR listings in 78751 has grown from 250 to 375 listings (50% increase). COA database shows that over the last 3 years an average of 76 permits have been issued which means there are about 300 non-compliant operators in 78751.

City wide the number of STR licensees have hovered around 2,100 effectively stay flat. I conclude that the new STR operators do not seek a permit.

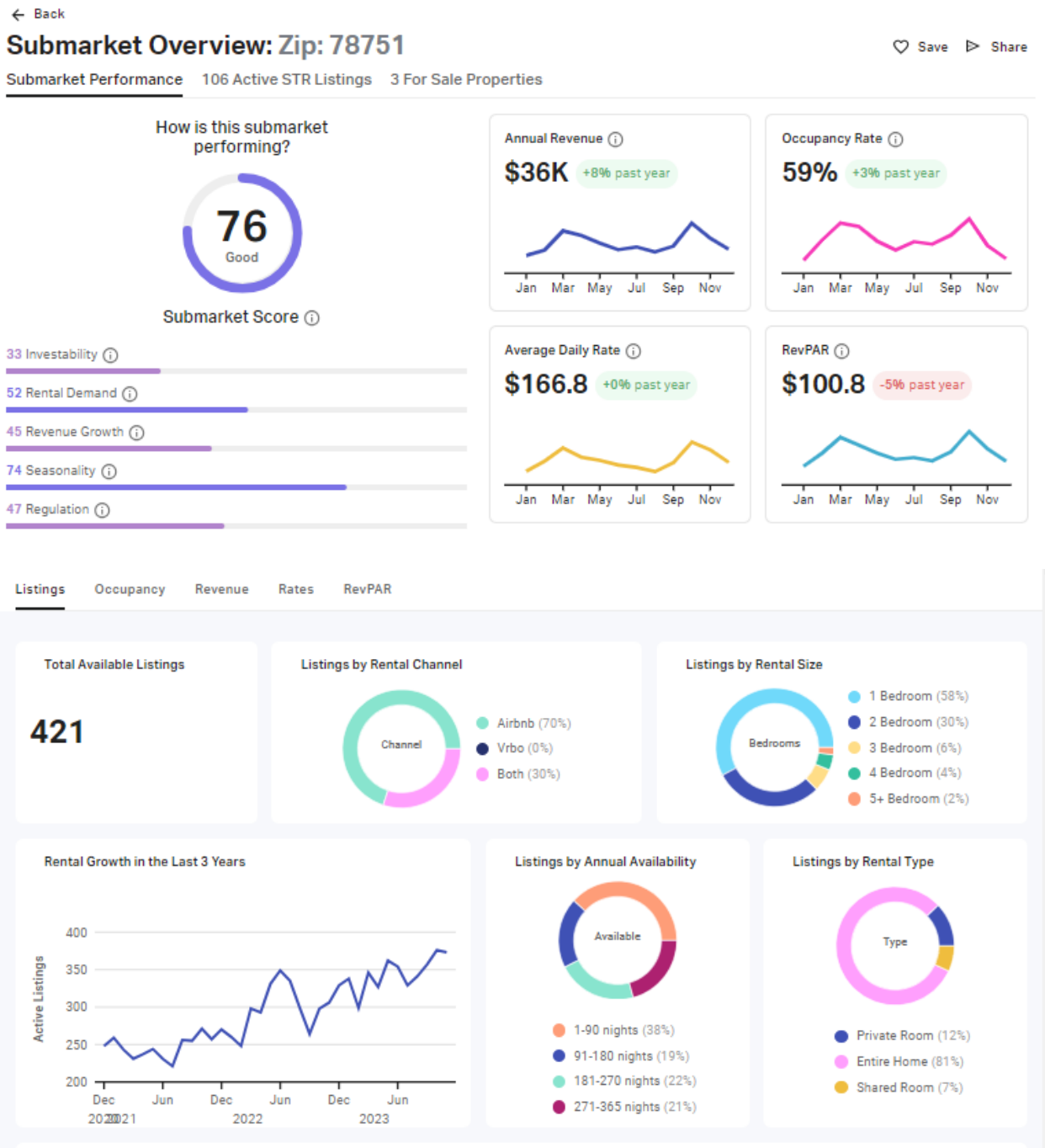
b. 78751 STR bookings and revenue



Tax Calculation

	All Properties			
	2023 Revenue			
	Days Booked	Listings	Revenue	Tax
Jan-23	3200	261	\$ 835,200	\$ 91,872
Feb-23	3000	238	\$ 714,000	\$ 78,540
Mar-23	4600	293	\$ 1,347,800	\$ 148,258
Apr-23	4500	285	\$ 1,282,500	\$ 141,075
May-23	4300	300	\$ 1,290,000	\$ 141,900
Jun-23	3600	276	\$ 993,600	\$ 109,296
Jul-23	3700	256	\$ 947,200	\$ 104,192
Aug-23	3600	264	\$ 950,400	\$ 104,544
Sep-23	3800	280	\$ 1,064,000	\$ 117,040
Oct-23	5600	341	\$ 1,909,600	\$ 210,056
Nov-23	4600	329	\$ 1,513,400	\$ 166,474
Dec-23	4000	314	\$ 1,256,000	\$ 138,160
			\$ 14,103,700	\$ 1,551,407

c. 78751 Marketing Data



Median Revenue: \$36,000/year

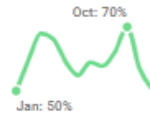
Hospitality Tax: \$3,960/year

Occupancy ⓘ

Occupancy Rate

59%

+3% past year



Length of Stay

4 Days

+1% past year



Booking Lead Time

39 Days

-16% past year

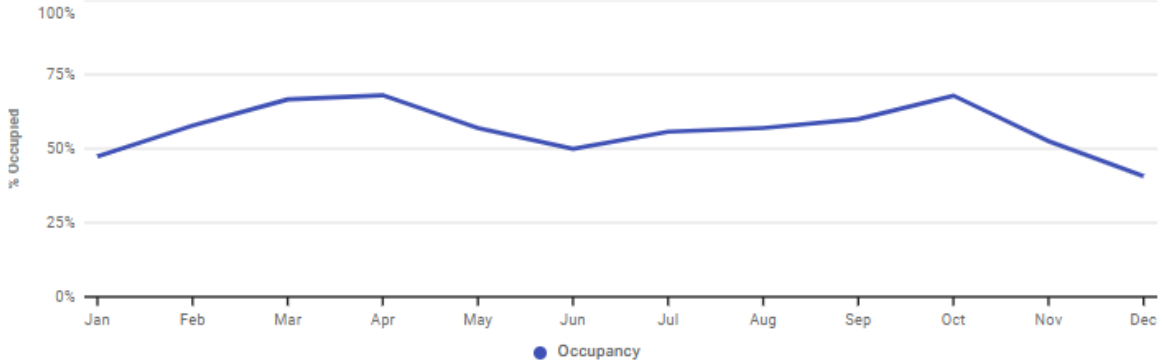


What percentage of the month was occupied? ▾

📄 Export

Average monthly occupancy over the last 12 months ▾

-11% past year



Rates ⓘ

Average Daily Rate

\$166.8

per night

+0% past year

Entire Place

\$180.4

per night

-7% past year

Professionally Managed

\$166

per night

+28% past year

Luxury

\$372.1

per night

-22% past year

What was the average daily rate? ▾

📄 Export

Average daily rate over the last 12 months ▾

-9% past year

