



Short Term Rental (STR)

*Staff Recommendations for
changes to existing regulation*



August 2015

Short Term Rental Agenda

- Definition and Types
- Active STR Licenses
 - How Many
 - Where Located
 - Census Tract
 - Complaints
- STR-PACE July Pilot Program
- Council Resolution
 - Elements 1-4
- Next Steps



What are Short Term Rentals?

Short Term Rentals: the rental of a residential dwelling unit or accessory building on a temporary basis for periods of less than 30 consecutive days.



Type 1 - Owner Occupied

- Include rental of entire dwelling unit



Type 1A - Owner Occupied

- Only part of the unit
- Owner is generally present during the rental



Type 2 - Not Owner Occupied

- Single-family or two-family properties
- Include rental of entire dwelling unit
- No more than 3% of the single-family or two-family detached residential units within the census tract



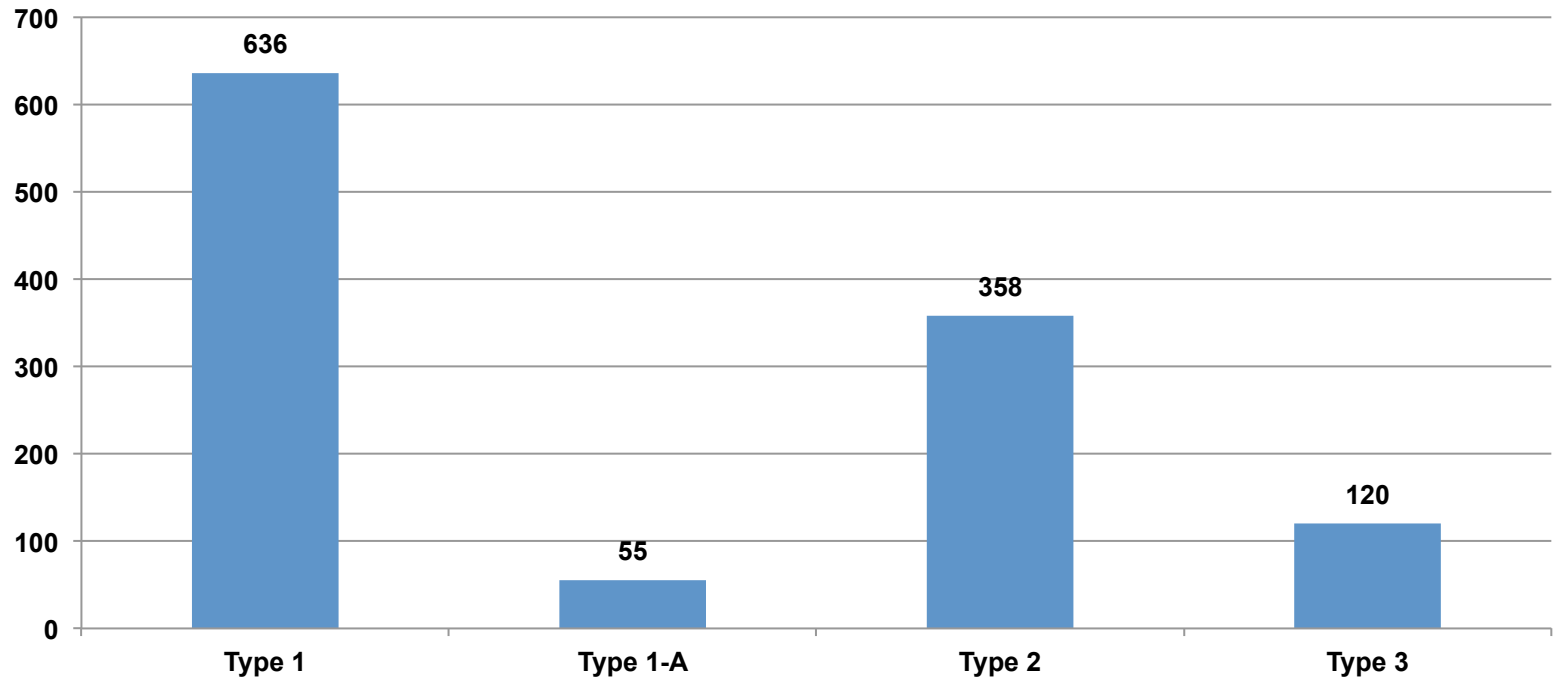
Type 3 – Multi-family | Commercial

- Multifamily use (apartments, condos, etc.)
- Include rental of entire dwelling unit
- Subject to 3% or 25% cap

Active STR Licenses by Type

Snapshot: August 1, 2015

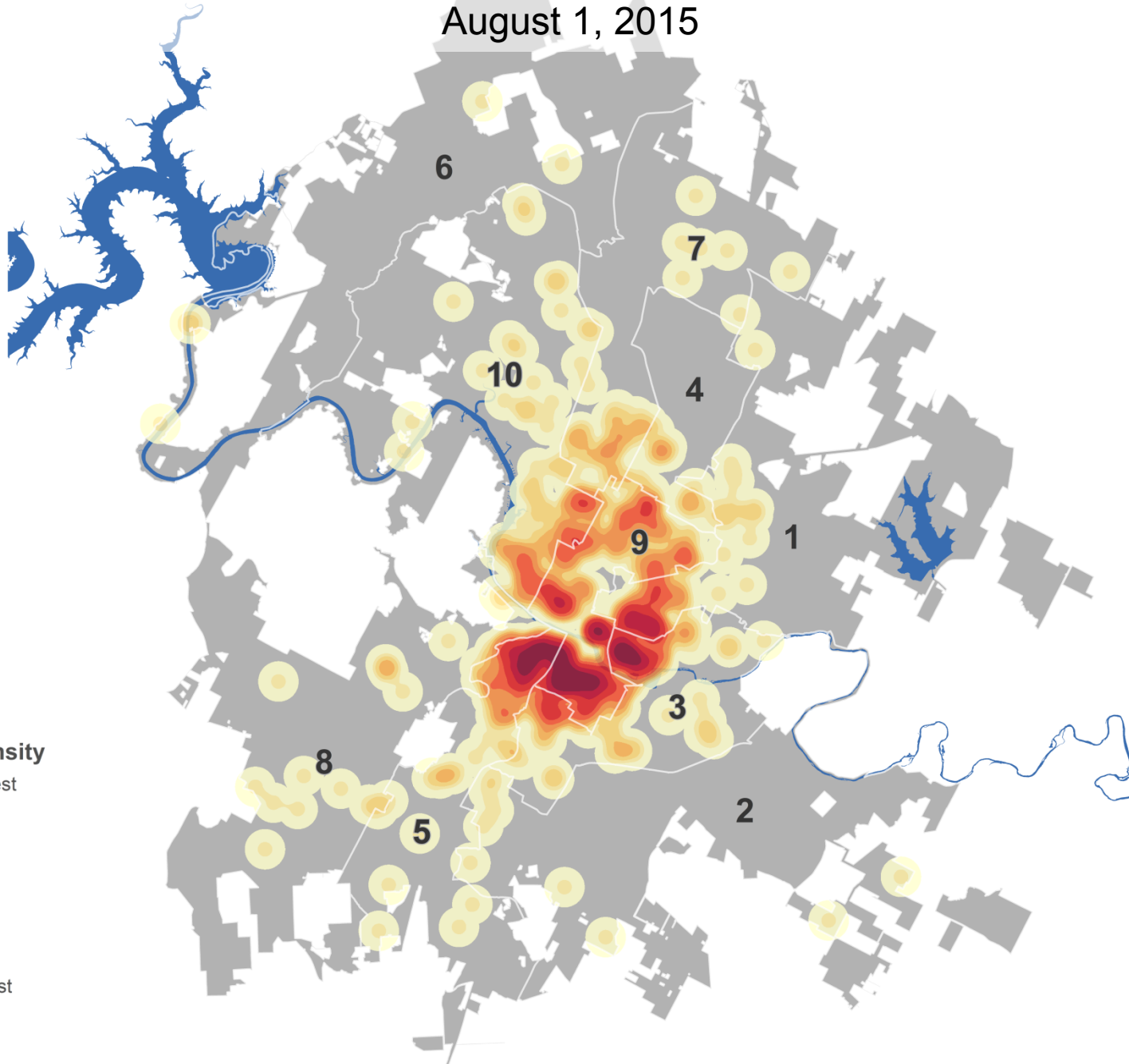
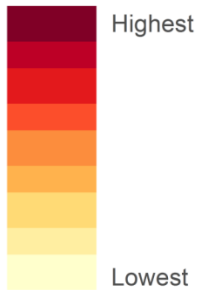
License Type	Number Issued	%	Description
Type 1	636	54%	Owner occupied & secondary structures on property
Type 1-A	55	5%	Owner occupied/one room rental
Type 2	358	31%	Non-owner occupied
Type 3	120	10%	Multifamily housing/commercial - condos, townhouses and apartments
Total	1,169	100%	



Active **Type 1** Short-term rentals (STRs)

August 1, 2015

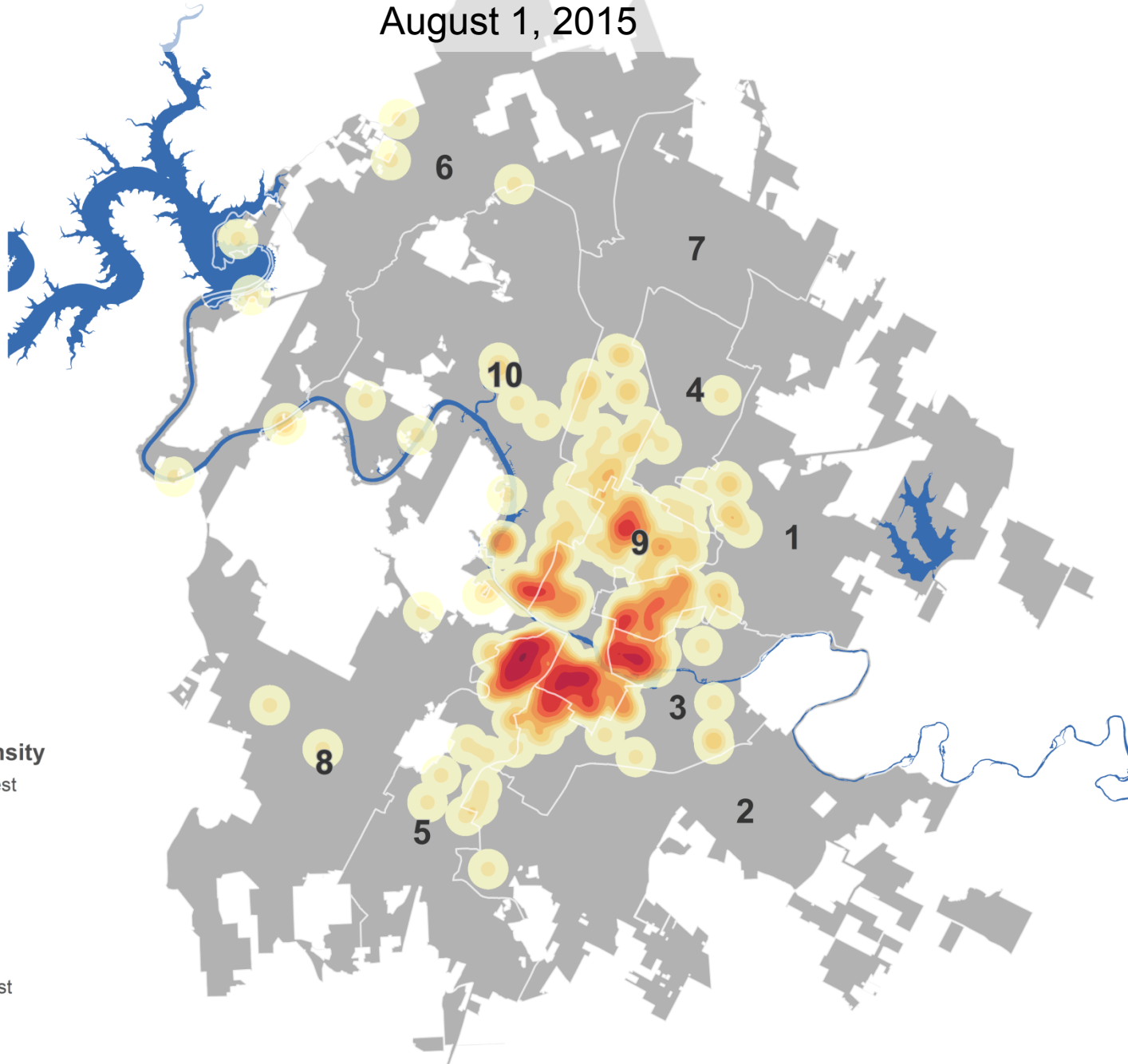
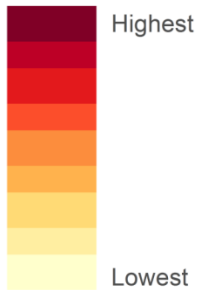
License Density



Active **Type 2** Short-term rentals (STRs)

August 1, 2015

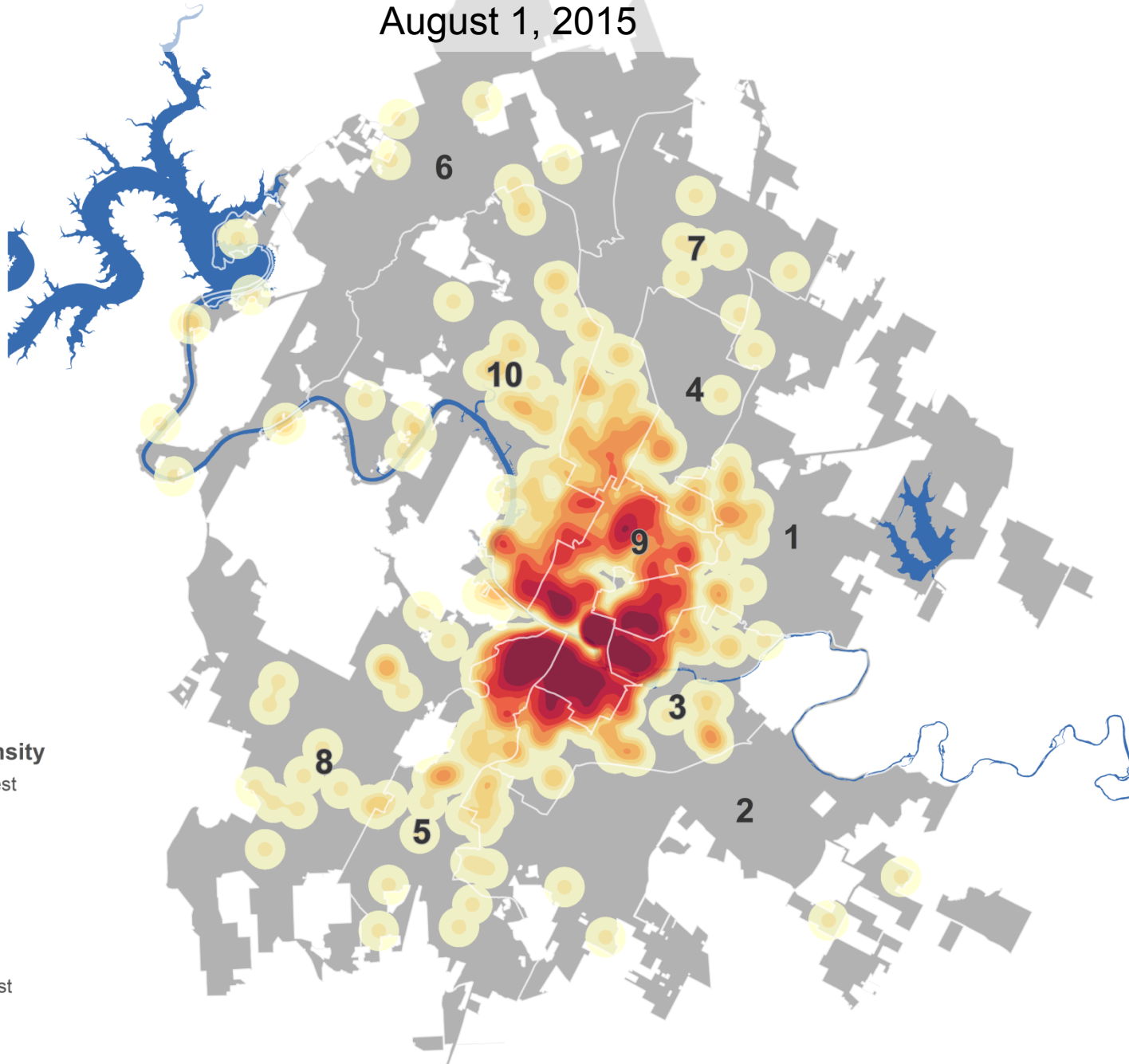
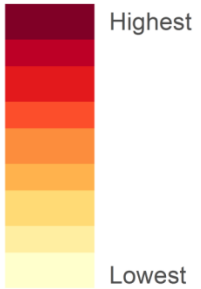
License Density



All Active Short-term rentals (STRs)

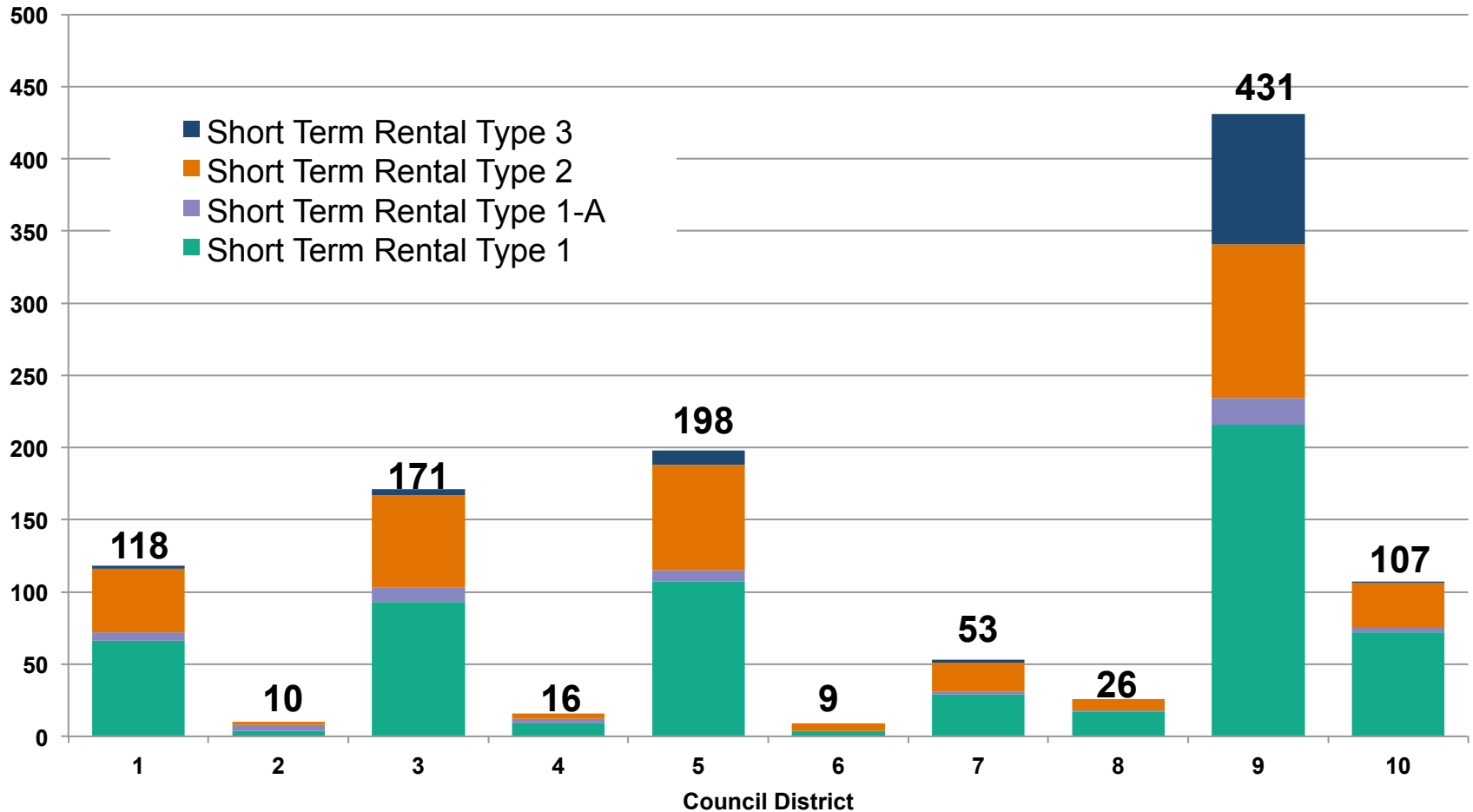
August 1, 2015

License Density



Active STR Licenses by Council District

Snapshot: August 1, 2015

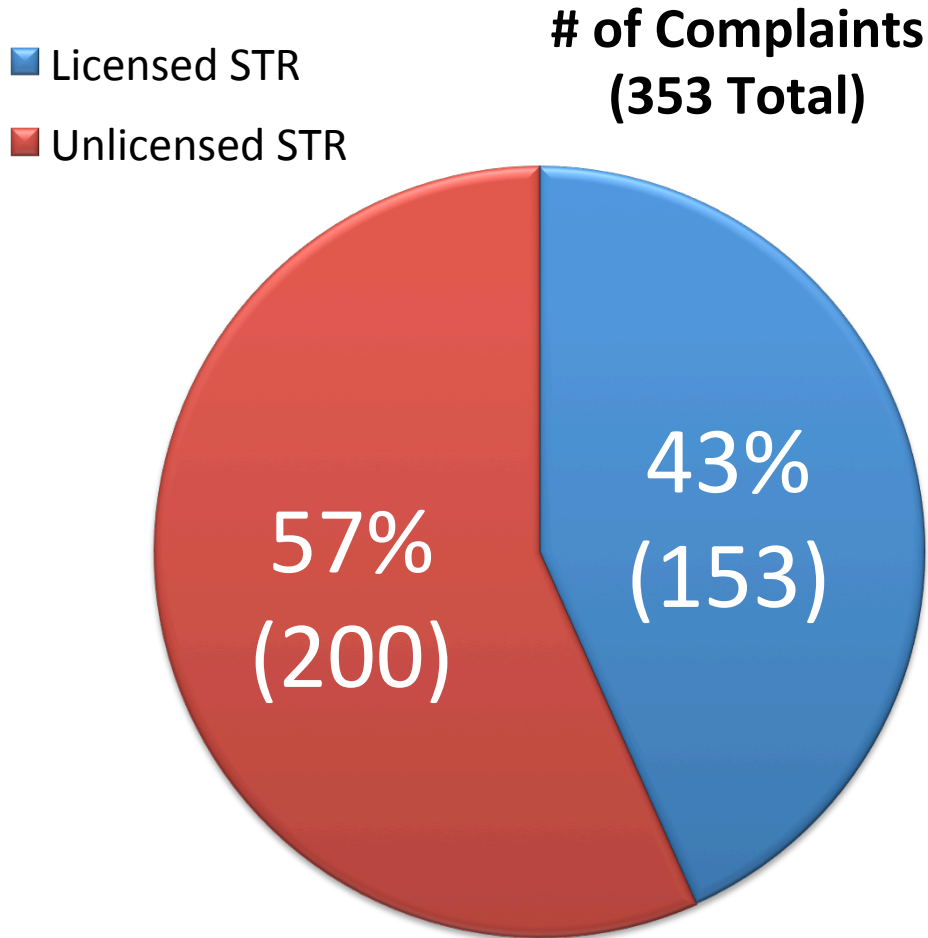


Snapshot: August 1, 2015



STR Complaint Service Request from 3-1-1

October 2012 through August 2015



Unlicensed STRs

- 166 properties/200 complaints
- Avg: **1.2** complaints/property

Licensed STRs

- 118 properties/153 complaints
- Avg: **1.3** complaints/property

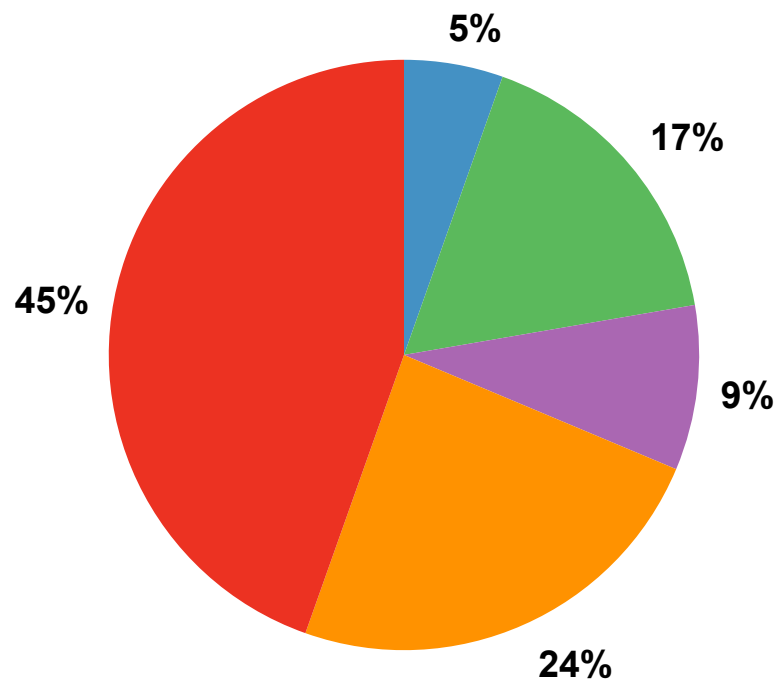
Licensed STRs with Code Complaints

October 2012 through August 2015

Type	Noise	Over Occupancy	Parking	No License	Alleged Illegal Activity, trash and debris, etc..	Total
STR 1	18	56	30	80	148	332
STR 1-A	0	0	2	2	9	13
STR 2	13	43	10	76	110	252
STR 3	0	1	0	3	5	9
Total	31	100	42	161	272	606

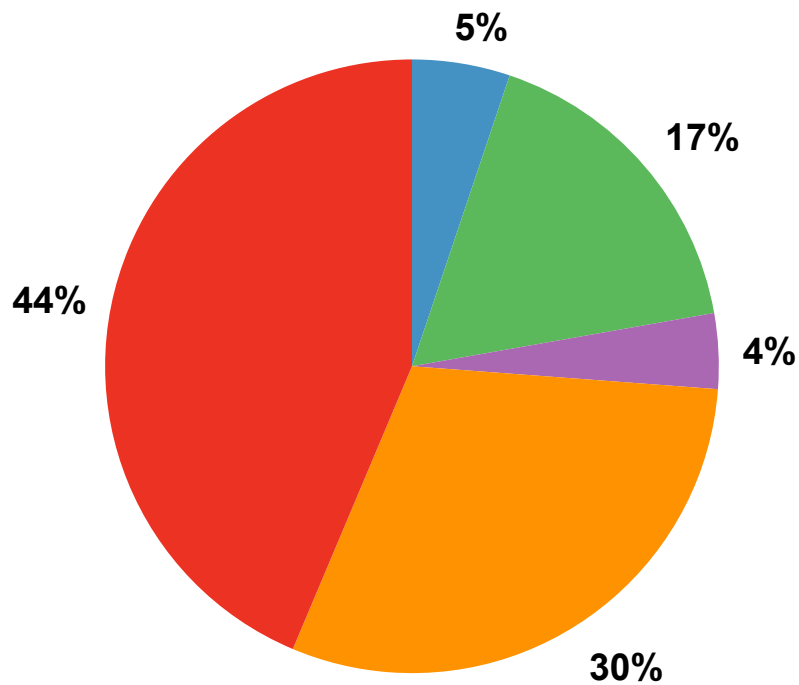
Type 1

332 Total Complaints

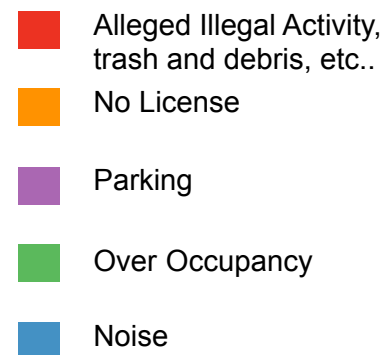


Type 2

252 Total Complaints



Complaint Type



STR Pilot Program

STR—PACE Enhanced Enforcement July 3-Aug. 1, 2015

- **120** total service requests received from 3-1-1
 - **19** service requests received during the weekend hours
- **249** proactive visits were made to known repeat offenders
- **146** violations were found in the following categories
 - Operating without a license 54
 - Over-occupancy 25
 - Excessive noise 41
 - Parking Violations 15
 - Trash and debris 4
 - Alleged illegal activity 7

STR Pilot Program

STR—PACE Enhanced Enforcement July 3-Aug. 1, 2015

- Enforcement Actions taken
 - **18** Notices of Violations were issued for properties operating without a short term rental license
 - **2** suspensions of short term rental license
- **\$5,831** ACD expenditure for pilot program
- **\$69,970** annual estimated cost

Council Resolution

Resolution No. 20150618-078

Directs the City Manager to develop a plan for better enforcement regarding short-term rental properties, particularly those that have repeated complaints.



Resolution Element 1

1. **Examine** issues & complaints related to the City's ability to effectively enforce Code requirements for STRs, including both complaints regarding unregistered properties & other issues such as noise, occupancy, etc.

Conducted stakeholder meetings with:

- **Council Member Gallo and neighborhood residents**
- **Industry leaders**
 - Home Away
 - Austin Apartment Association
 - Austin Rental Alliance
 - Others
- **Other City Departments**
- **Reviewed case history from the AMANDA database**
- **Analyzed complaints received from Austin 3-1-1**

Community Input

- Received nearly 180 recommendations and feedback from residents and external stakeholders during June and July.
- After eliminating duplicates, City Staff evaluated 101 unique recommendations that were divided into the following 16 categories.

Category	Number of Recommendations
Type 1	3
Type 2	9
Over Occupancy	7
Repeat Offenders	3
Advertising	6
Enforcement	11
Penalty	6
Application requirement	4
Licensing	16
License Appeal Process	5
Nuisance Concerns	3
Austin Code Department	7
Austin Code and other City Department Inspections	4
Process for responding to residents complaints	4
Community Comments & Questions	5
STR Industry Representatives Comments & Questions	7

Resolution Element 2

2. Determine if these issues are related to ACD resources/policies and/or deficiencies within City Code or the existing STR regulations that require Council action. Identify barriers to enforcement including those in the legal framework or in ACD operating procedures.

Identified several changes to be made to existing policies and procedures

- Registry requirement
- Local contact requirement
- Revise application

What are the barriers?

- Degree of evidence needed for court
- Difficulty proving over-occupancy
 - Related v. Unrelated

Any changes to legal framework?

- Ordinance changes
- Move to administrative hearing process

Resolution Element 3

3. **Identify** additional performance measures to capture data on complaints about STRs, hotel occupancy taxes received from STRs, and other useful information to inform an ongoing assessment of short-term rental activity.

- **Monitor 3-1-1 Complaints**
 - Number of 3-1-1 STR complaints received/year
- **Enforcement Efforts**
 - Number of weekend STR-PACE Team enforcement efforts/year
 - Number of STR cases assigned to the Building Standards Commission, Administrative Hearings and Courts
 - Number of STR advertisement violations enforced/year
 - Number of unlicensed STRs cases enforced/year
 - Number of STR licenses not issued, revoked or suspended/year for non-HOT payment
- **Fiscal**
 - Program revenues collected/year
 - Program expenditures/year
 - Program revenue to expenditure ratio per year

Resolution Element 4

4. **Make** recommendations on how the City can provide better enforcement for non-compliant short-term rentals.

1. Add a penalty for operating without a license for non-compliance equal to the cost of an Operating License
2. Add an Occupancy Limit Statement: It is a violation of city code to allow more than six (6) unrelated adults to occupy the dwelling at one time
3. Add a penalty for operating with an expired license for non-compliance equal to the cost of an Operating License
4. Add an inspection requirement
5. Strike “Testing the Waters” provision (added by PNC)

Resolution Element 4

4. **Make** recommendations on how the City can provide better enforcement for non-compliant short-term rentals.

6. Require Registry of STR Guests
7. Establish Occupancy Limits
8. Increase Non-compliance Penalty
9. Require STR license holders to demonstrate that the septic system complies with all City
(or other applicable regulatory) requirements
10. Require a local contact to reside within the Austin Metro Area
11. Make STRs subject to noise requirements as a condition of the license
12. Consider amending the penalty range for administrative citations
13. Add parking requirements

Next Steps

- City Manager present Resolution to Council August 20
- Austin Code submit ordinance amendments for Council approval
- Austin Code implements changes to administrative processes and procedures
- Implement evening and weekend enforcement of STR regulations
 - Pending resource availability

Contact Us

To report a possible code violation in your neighborhood,
call 3-1-1, download the mobile app by searching Austin 311, or
visit our website: www.austintexas.gov/department/code/services

Remember, you can always report a violation anonymously.

[View the 8.17.15 Planning and Neighborhood Committee meeting.](#)



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