

ORDINANCE NO.

AN ORDINANCE AMENDING CITY CODE CHAPTER 25-2 (ZONING) RELATING TO THE REGULATION OF SHORT-TERM RENTAL RESIDENTIAL USES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Subsection (B) of City Code Section 25-2-3 (*Residential Uses Described*) is amended to add a new use classification, Short-Term Rental, to read as follows and to renumber the remaining classifications accordingly:

- (10) SHORT-TERM RENTAL (TYPE 1) AND (TYPE 2) use is the rental of a residential dwelling unit or accessory building, other than a unit or building associated with a condominium residential, multifamily residential, or group residential use, on a temporary or transient basis in accordance with Article 4, Division 1, Subpart C (*Requirements for Short-Term Rental Uses*) of this chapter. The use does not include an extension for less than 30 consecutive days of a previously existing rental agreement of 30 consecutive days or more.

PART 2. City Code Section 25-2-491 (*Permitted, Conditional, and Prohibited Uses*) is amended to add two new uses, Short-Term Rental (Type 1) and Short-Term Rental (Type 2), and the chart in Subsection (C) is amended as follows:

Short-Term Rental (Type 1) use is a permitted use in the following base districts:

- Lake Austin residence (LA)
- rural residence (RR)
- single-family residence large lot (SF-1)
- single-family residence standard lot (SF-2)
- family residence (SF-3)
- single-family residence small lot (SF-4A)
- single-family residence condominium site (SF-4B)
- urban family residence (SF-5)
- townhouse and condominium residence (SF-6)
- multifamily residence limited density (MF-1)
- multifamily residence low density (MF-2)
- multifamily residence medium density (MF-3)
- multifamily residence moderate-high density (MF-4)
- multifamily residence high density (MF-5)

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1 multifamily residence highest density (MF-6)
2 central business (CBD)
3 downtown mixed use (DMU)

4 Short-Term Rental (Type 2) use is a conditional use in the following base districts:

5 Lake Austin residence (LA)
6 rural residence (RR)
7 single-family residence large lot (SF-1)
8 single-family residence standard lot (SF-2)
9 family residence (SF-3)
10 single-family residence small lot (SF-4A)
11 single-family residence condominium site (SF-4B)
12 urban family residence (SF-5)
13 townhouse and condominium residence (SF-6)
14 multifamily residence limited density (MF-1)
15 multifamily residence low density (MF-2)
16 multifamily residence medium density (MF-3)
17 multifamily residence moderate-high density (MF-4)
18 multifamily residence high density (MF-5)
19 multifamily residence highest density (MF-6)
20 central business (CBD)
21 downtown mixed use (DMU)

22
23 **PART 3.** City Code Section 25-2-557 (*Reserved*) is amended to read:

24 **§ 25-2-557 RENTAL OF INDIVIDUAL ROOMS IN CERTAIN RESIDENTIAL**
25 **DISTRICTS [RESERVED].**

26 Except in the case of a Bed and Breakfast Residential Use, the rental of individual
27 rooms for a period of less than 30 consecutive days within a Lake Austin
28 residence, rural residence, single-family residence large lot, single-family
29 residence standard lot, family residence, single-family residence small lot, single-
30 family residence condominium site, urban family residence, or townhouse and
31 condominium residence district is prohibited.

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33 **PART 4.** City Code Chapter 25-2, Subchapter C, Article 4, Division 1 (*Residential*
34 *Uses*) is amended to add a new Subpart C to read as follows:

35 ***Subpart C. Requirements for Short-Term Rental Uses.***

36 **§ 25-2-788 SHORT-TERM RENTAL (TYPE 1) USE.**

37 (A) This section applies to a short-term rental use that:

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- 1 (1) is owner-occupied and has a residence homestead exemption as defined
- 2 under state law; and
- 3 (2) is rented:
 - 4 (a) for periods of less than 30 consecutive days for an annual total of
 - 5 no more than 90 days; or
 - 6 (b) for periods of less than 30 consecutive days for an annual total of
 - 7 more than 90 days, if the owner occupies the property for at least
 - 8 275 days during the year.

9 (B) A short-term residential use under this section may not:

- 10 (1) be used for gatherings;
- 11 (2) include the rental of less than an entire dwelling unit; or
- 12 (3) operate without a certificate of registration required by Section 25-2-790
- 13 (*Registration and Notification Requirements*).
- 14

15 **§ 25-2-789 SHORT-TERM RENTAL (TYPE 2) USE.**

16 (A) This section applies to a short-term rental use that is rented for periods of less

17 than 30 consecutive days, but does not qualify as a short-term rental (type 1)

18 use.

19 (B) A short-term rental (type 2) use under this section may not:

- 20 (1) be used for gatherings;
- 21 (2) include the rental of less than an entire dwelling unit;
- 22 (3) be less than 1,000 feet, as measured from property line to property line,
- 23 from an existing short-term rental (type 2) use or an existing bed and
- 24 breakfast residential use; or
- 25 (4) operate without:
 - 26 (a) a conditional use permit;
 - 27 (b) a certificate of registration as required by Section 25-2-790
 - 28 (*Registration and Notification Requirements*); or
 - 29 (b) providing notification to renters and adjoining landowners, as
 - 30 required by Section 25-2-791 (*Notification Requirements*).

31 (C) A conditional use permit for a short-term rental (type 2) use remains valid if a

32 certificate of registration is obtained within 90 days after issuance of the permit

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and is renewed without expiration as required under Section 25-2-790
(*Registration Requirements*).

§ 25-2-790 REGISTRATION REQUIREMENTS.

- (A) A certificate of registration is required under this section for each property containing a short-term rental (type 1) or short-term rental (type 2) use.
- (B) To obtain a certificate of registration, the owner of a short-term rental use must submit an application on a form provided for that purpose by the director. The application must include the following:
- (1) a fee established by separate ordinance;
 - (2) the name, street address, mailing address, facsimile number, and telephone number of the owner of the property;
 - (3) the name, street address, mailing address, facsimile number, and telephone number of a local responsible contact for the property;
 - (4) the street address of the short-term rental use;
 - (5) a tax identification number;
 - (6) proof of property insurance;
 - (7) proof of payment of hotel occupancy taxes due as of the date of submission of the application;
 - (8) a copy of a current, valid certificate of occupancy showing that the short-term rental use facility is in compliance with Title 25 of the City Code of Ordinances; and
 - (9) any other information requested by the director.
- (C) The director shall issue a certificate of registration under this section if:
- (1) the application includes all information required under Subsection (B) of this section;
 - (2) the proposed short-term rental use complies with the requirements of Section 25-2-788 (*Short-Term Rental (Type 1) Use*) or Section 25-2-789 (*Short-Term Rental (Type 2) Use*);
 - (3) the owner obtains a safety inspection establishing that the short-term rental use complies with minimum requirements for health and safety;
 - (4) for a short-term rental use under Section 25-2-789 (*Short-Term Rental (Type 2) Use*), the property has obtained a conditional use permit.

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- 1 (D) A certificate of registration may be renewed annually if the owner:
- 2 (1) pays a renewal fee established by separate ordinance;
- 3 (2) the owner provides:
- 4 (a) documentation showing that hotel occupancy taxes have been paid
- 5 for the property as required by Section 11-2-4 (*Quarterly Reports;*
- 6 *Payments*);
- 7 (b) updates of any changes to the required information for the local
- 8 responsible contact; and
- 9 (3) obtains a safety inspection for the short-term rental use for at least every
- 10 third annual registration.
- 11 (E) A certificate of registration issued under this section:
- 12 (1) is valid for one year from the date of issuance, subject to a one-time
- 13 extension of 30 days at the discretion of the director;
- 14 (2) may not be transferred by the property owner listed on the application
- 15 and does not convey with a sale or transfer of the property; and
- 16 (3) is automatically revoked if:
- 17 (a) three or more complaints, associated with the property or tenants
- 18 of the property, are filed and validated by Code Compliance within
- 19 a period of one year or less; or
- 20 (b) the owner fails to pay hotel occupancy taxes for the property as
- 21 required by Section 11-2-4 (*Quarterly Reports; Payments*).
- 22
- 23 (F) A certificate of registration rendered void under Subsection (E) may not be
- 24 renewed under Subsection (D), and a new certificate of registration may not be
- 25 issued for the same property sooner than one year after the date the certificate is
- 26 rendered void.

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28 **§ 25-2-791 NOTIFICATION REQUIREMENTS.**

- 29 (A) The director shall provide a packet of information with each certificate of
- 30 registration summarizing the restrictions applicable to the short-term residential
- 31 use, including:
- 32 (1) the name and contact information of the local responsible contact
- 33 designated in the application;

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- (2) occupancy limits applicable under Section 25-2-511 (*Dwelling Unit Occupancy Limit*);
- (3) restrictions on noise applicable under Chapter 9-2 (*Noise and Amplified Sound*), including limitations on the use of amplified sound;
- (4) parking restrictions;
- (5) prohibition on gatherings;
- (6) trash collection schedule;
- (7) information on relevant burn bans;
- (8) information on relevant water restrictions; and
- (9) other guidelines and requirements applicable to short-term rental uses.

(B) The owner or operator of a short-term rental use must:

- (1) provide renters a copy of the information packet under Subsection (A) of this section;
- (2) post the packet conspicuously in the common area of each dwelling rental unit included in the registration; and
- (3) mail notice of the contact information for the local responsible contact to all properties within 100 feet of the short-term rental use.

§ 25-2-792 NONCONFORMING SHORT-TERM RENTAL USES.

[reserved]

§ 25-2-793 CRIMINAL ENFORCEMENT.

- (A) Criminal penalties for violations of this subpart are prescribed by Title 1 (*General Provisions*) of the City Code.
- (B) A separate offense is committed each day that a violation of this subpart continues.

PART 5. City Code Chapter 25-2, Subchapter E, Article 4, Subsection 4.2.1. (*Mixed Use Combining District*) is amended to read as follows:

4.2.1. Mixed Use Combining District

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1 A. **Purpose.** The purpose of a mixed use (MU) combining district is to allow
2 office, retail, commercial, and residential uses to be combined in a single
3 development.

4 B. **Base Districts.** A mixed use (MU) combining district may be combined with
5 the following base districts:

- 6 1. Neighborhood office, if the use of an MU combining district will further
7 the purpose of the neighborhood office base district;
- 8 2. Limited office;
- 9 3. General office;
- 10 4. Neighborhood commercial;
- 11 5. Community commercial;
- 12 6. General commercial services; and
- 13 7. Commercial liquor sales.

14 C. Allowed and Conditional Uses [~~Uses Allowed~~].

15 1. In the MU combining district, the following uses are permitted:

- 16 i.~~[1.]~~ Vertical mixed use buildings, subject to compliance with Section
17 4.3. of this Subchapter;
- 18 ii.~~[2.]~~ Commercial uses that are permitted in the base district;
- 19 iii.~~[3.]~~ Civic uses that are permitted in the base district;
- 20 iv.~~[4.]~~ Townhouse residential;
- 21 v.~~[5.]~~ Multifamily residential;
- 22 vi.~~[6.]~~ Single-family residential;
- 23 vii.~~[7.]~~ Single-family attached residential;
- 24 viii.~~[8.]~~ Small lot single-family residential;
- 25 ix.~~[9.]~~ Two-family residential;

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x.[10.] Condominium residential;

xi.[11.] Duplex residential;

xii.[12.] Group residential;

xiii.[13.] Group home, class I (limited);

xiv.[14.] Group home, class I (general); ~~and~~

xv.[15.] Group home, class II; and

xvi. Short Term Rental (Type 1).

2. In the MU combining district, the short term rental (type 2) use is conditional.

D. **District Standards.**

1. A single-family residential use must comply with the site development regulations prescribed by Section 25-2-492 (*Site Development Regulations*) for a family residence (SF-3) district, except for the front yard setback. The use must comply with the front yard setback prescribed for the base district.
2. A single-family attached residential use must comply with Section 25-2-772 (*Single-Family Attached Residential Use*).
3. A small lot single-family residential use must comply with Section 25-2-779 (*Small Lot Single-Family Residential Use*).
4. A two-family residential use must comply with Section 25-2-774 (*Two-Family Residential Use*).
5. A duplex residential use must comply with Section 25-2-773 (*Duplex Residential Use*).
6. This subsection applies to a multifamily residential use, a townhouse residential use, a condominium residential use, a group residential use, or a group home use.
 - a. In a mixed use (MU) combining district that is combined with a neighborhood office (NO) base district, the minimum site area for each dwelling unit is:

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- (i) 3,600 square feet, for an efficiency dwelling unit;
- (ii) 4,000 square feet, for a one bedroom dwelling unit; and
- (iii) 4,400 square feet, for a dwelling unit with two or more bedrooms.

b. In an MU combining district that is combined with an limited office (LO) or neighborhood commercial (LR) base district, the minimum site area for each dwelling unit is:

- (i) 1,600 square feet, for an efficiency dwelling unit;
- (ii) 2,000 square feet, for a one bedroom dwelling unit; and
- (iii) 2,400 square feet, for a dwelling unit with two or more bedrooms.

c. In an MU combining district that is combined with a general office (GO), community commercial (GR), general commercial services (CS), or commercial services – liquor sales (CS-1) base district, the minimum site area for each dwelling unit is:

- (i) 800 square feet, for an efficiency dwelling unit;
- (ii) 1,000 square feet, for a one bedroom dwelling unit; and
- (iii) 1,200 square feet, for a dwelling unit with two or more bedrooms.

PART 6. This ordinance takes effect on _____.

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PASSED AND APPROVED

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_____, 2012

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Lee Leffingwell
Mayor

APPROVED: _____

Karen M. Kennard
City Attorney

ATTEST: _____

Shirley A. Gentry
City Clerk

DRAFT