

## **EXHIBIT A**

### **ARTICLE 4.13 - SHORT-TERM RENTAL**

#### **Sec. 4.13.001. Purpose and applicability.**

This article aims to establish regulations for the registration and use of Short-Term Rentals for single-family living units. The requirements of this article apply only to Short-Term Rentals, as defined herein, located in residential zoning districts established under Chapter 15, Zoning of the City of Leon Valley Code of Ordinances. Nothing in this article, however, shall be construed as a waiver of the requirement to assess and collect hotel occupancy taxes for any residential rental for a period of less than 30 consecutive days of property located outside of such residential-only zoning districts.

#### **Sec. 4.13.002. Definitions.**

*Advertise* means the written, audio, oral or other methods of drawing the public's attention whether by brochure, written literature or on-line posting to a Short-Term Rental to promote the availability of the Short-Term Rental.

*Hotel Occupancy Tax* means the hotel occupancy tax as defined in Chapter 11 of the Leon Valley Code of Ordinances and V.T.C.A. Texas Tax Code, Chapter 351.

*Local Emergency Contact* means an individual other than the applicant, who resides within 50 miles of the subject property, and who is designated by the owner/applicant to act as the owner's authorized agent if the owner has traveled outside of the immediate area or is otherwise unavailable. The local emergency contact should be reachable on a 24-hour basis, have access to the Short-Term Rental Property, and be authorized by the owner to act in the owner's absence to address any complaints, disturbances, and emergencies.

*Owner* means any person, agent, operator, firm, trust, corporation, limited liability company, partnership or business organization having a legal or equitable interest in the property; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property, including the guardian of the estate of any such person, and the executor or code official of the estate of such person if ordered to take possession of real property by a court. The term "owner" does not include the holder of a non-possessory security interest in the property.

*Party* means a social gathering of people or special event, including those who have not rented the residence, for the primary purpose of eating, drinking or entertainment in a manner that is disruptive to the surrounding properties.

*Short-Term Rental (STR)* means a residential dwelling unit, apartment, condominium or accessory dwelling, that may or may not be owner or lessee occupied; where sleeping areas are rented to overnight guests for a period less than 30 consecutive days (but not less than 12 hours). The term does not include:

- (1) A unit that is used for a nonresidential purpose, including an educational, health care, retail, restaurant, banquet space, or event center purpose or another similar use;
- (2) A bed and breakfast;
- (3) A hotel/residence hotel; or
- (4) Individual room rentals while owner/lessee holder-occupied

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### **Sec. 4.13.003. Short-Term Rental registration requirements.**

No person shall hereafter advertise, offer to rent or rent, lease, sublease, license or sublicense a residential property within the City as a Short-Term Rental for which a registration has not been properly made and filed with the Planning and Zoning Department of the City. Registration shall be made upon forms furnished by the City for such purpose and shall specifically require the following minimum information:

- (1) Name, address, phone number and e-mail address of the property owner of the Short-Term Rental property;
- (2) Name, address, phone number and e-mail address of the designated Local Emergency Contact;
- (3) All Short Term rentals existing before this ordinance will have six months from the passage of this ordinance to register (November 7, 2023).

### **Sec. 4.13.005. Restrictions on Short-Term Rentals.**

- (1) To operate or allow to be operated a Short-Term Rental without first registering, in accordance with this article, the property in which the rental is to occur;
- (2) To advertise or offer a Short-Term Rental without first registering, in accordance with this article, the property in which the rental is to occur; documented advertisement of the subject property as a Short-Term Rental, online or offline, shall be considered evidence of a violation of this article;
- (3) To operate a Short-Term Rental that does not comply with all applicable city and state laws and codes;
- (4) To operate a Short-Term Rental without paying the required hotel occupancy taxes;
- (5) To offer or allow the use of a Short-Term Rental for the sole or primary purpose of having a party venue;
- (8) Permit the use of Short-Term Rental for the purpose of housing sex offenders; operating a structured sober, recovery or other purpose living home or similar enterprise; selling illegal drugs; selling alcohol or another activity that requires a permit or license under the Alcoholic Beverage Code or operating as a sexually oriented business.
- (9) In order to preserve the essential character of residential areas, it shall be unlawful In areas zoned for residential use, no short- term rental shall operate within 200 feet of another short-term rental on the same block face, measured property line to property line. This provision does not apply to individuals registered by May 30, 2023.

A special exception- In order to obtain a permit for a short-term rental that would otherwise violate the minimum separation distance and lot limitation described herein, a property owner may apply to the City Council for a special exception

The City Council shall consider factors such as the following:

1. Whether operation as a short-term rental in excess of the density limitation will not adversely impact the residential quality of the neighborhood in which the property is located;
2. Whether such operation is likely to disrupt adjacent owners' right to the quiet enjoyment of their property (for example, by considering whether lot sizes are small enough that noise is likely to affect neighboring property owners);
3. Whether such operation will substantially impact nearby streets, including whether the property provides only limited off-street parking;

4. Whether the applicant seeks to operate an entire residence as a short-term rental or whether the short-term rental use is limited to an accessory dwelling;
5. Whether the applicant occupies the premises as their primary residence or uses it as an investment property; and
6. Whether other short-term rentals in excess of the minimum separation distance are already operating on that block.

#### **Sec. 4.13.006. Brochure and safety features.**

- (a) *Informational brochure.* Each registrant operating a Short-Term Rental shall provide to guests a brochure that includes:
  - (1) The registrant's 24-hour contact information;
  - (2) A local responsible party's 24-hour contact information if the owner is not within the city limits when guests are renting the premises;
  - (3) Pertinent neighborhood information including, but not limited to, parking restrictions, restrictions on noise and amplified sound, and trash collection schedules; and
  - (4) Information to assist guests in the case of emergencies posing threats to personal safety or damage to property, including emergency and non-emergency telephone numbers for police, fire and emergency medical services providers and instructions for obtaining severe weather, natural or manmade disaster alerts and updates.
- (b) *Safety features.* Each Short-Term Rental registrant shall provide, in the premises, working smoke detectors in accordance with adopted codes and at least one working carbon monoxide detector and alarm, and one working fire extinguisher. The premises shall, otherwise, comply with applicable Code of Ordinance requirements, including, but not limited to, Building and Fire Codes.

#### **Sec. 4.13.008. Registration term, fees, and renewal.**

- (a) All registrations under this Chapter shall be valid for a period of one year from the date of its issuance.
- (b) The fee for registration of a Short-Term Rental shall be \$25.00 with a late fee of twice the established fee.

#### **Sec. 4.13.009. Suspension and revocation of Short-Term Rental registration.**

- (a) The Planning and Zoning director, or his/her designee, may suspend and/or revoke a Short-Term Rental registration if it is determined that the activities set forth above in section 4.13.005 are determined to have occurred at the Short-Term Rental; or a Short-Term Rental unit is listed on a hosting platform or advertised elsewhere without being registered as required under section 4.13.003
- (b) In addition to section 4.13.011, a violation of any of the conditions in section 4.13.009(a) shall result in progressive enforcement:
  - (1) Upon the first violation, the owner shall receive a written warning that includes a description of enforcement for future violations.
  - (2) Upon the second violation, the registration for the Short-Term Rental shall be terminated and the Short-Term Rental host prohibited from re-applying for a new registration for six months from the date of termination.

- (3) Upon the third violation, the registration for the Short-Term Rental shall be terminated and the Short-Term Rental host prohibited from re-applying for a new registration for one year from the date of termination.
- (4) Upon the fourth violation, the registration for the Short-Term Rental shall be terminated and the Short-Term Rental host prohibited from re-applying for a new registration at any time in the future.
- (c) During the time period that a Short-Term Rental registration is suspended or revoked, it shall be unlawful to advertise, offer to rent or rent, lease, sublease, license or sublicense the residential property subject to the suspension or revocation the within the City as a Short-Term Rental.

**Sec. 4.13.010. Appeal of denial, suspension or revocation of registration.**

In the event an applicant has been denied registration or if a registration has been suspended or revoked, the party affected may appeal that action to the city manager by submitting a letter within ten business days of the denial, suspension or revocation. The city manager, or his/her designee, shall review the appeal at a staff level and decide within ten business days of receiving the appeal request and shall have the authority to uphold or reject the action complained of and order that the registration be granted or reinstated. However, should the city manager uphold the denial, suspension or revocation, they shall schedule a hearing before the city council at a regular or special meeting within 30 days of the denial, unless the applicant withdraws the appeal in writing. Such a hearing shall be an administrative hearing, and adherence to formal rules of evidence shall not be required. The decision of the city council may be appealed as allowed by law to any court with jurisdiction.

**Sec. 4.13.011. Violations and penalties.**

Violation of this Article upon conviction shall be punished by a fine not to exceed the sum of \$500.00 for each offense and each day such violation shall continue shall be deemed to constitute a separate offense. Warnings, citations, and revocations may be issued to dwelling owners, operators, lessors, agents, occupants, tenants, and/or guests, depending on the nature of the violation. Dwelling owners are ultimately responsible for compliance with the requirements and restrictions imposed upon a Short-Term Rental by this article and for the conduct of their dwelling operators, lessors, agents, occupants, tenants, and guests, regardless of whether the owners are present at the dwelling.