

Frequently Asked Questions

SHORT-TERM RENTALS

1. **What is a short-term rental?**

A short-term rental, or STR, is any portion of a residential premises used for lodging accommodations for occupants for a period of less than thirty (30) consecutive days. It may include the entire dwelling unit, one room in the dwelling unit, or just a bed or couch within the unit. An STR does not include a Bed and Breakfast as defined in the Unified Development Code.

2. **Do I need a permit to operate a short-term rental in Woodcreek?**

Yes. Starting January 1, 2023, the owner/operator of a short-term rental must apply for and obtain a permit to operate the STR.

3. **Is there a fee for a short-term rental permit?**

A non-refundable fee of \$500 is paid at the time you submit a permit application or apply for a renewal permit. Your application will not be reviewed until the fee is paid.

4. **Are there any restrictions on where short-term rentals can be located?**

Yes. Ordinance No. XX-XXX authorizes an STR as an allowed land use only within the following zoned districts: SF-4 (single-family), Multi-Family, non-residential, and mixed-use zoned districts. STRs are prohibited in all other zoned districts within the City.

- 5. My proposed short-term rental is located within a Planned Development (PD) zoning district. Are STRs allowed in a PD?**
Most residential planned developments have low housing densities and are not appropriate locations for a short-term rental. However, if the ordinance that established the PD allows for a housing density of 12 units per acre or greater, an STR will be permitted.
- 6. Since STRs are allowed in non-residential zoning districts, does that mean I can conduct a short-term rental in my office building or warehouse?**
No. A short-term rental must be conducted within a residential structure. In addition, a new residential structure cannot be built in a non-residential zoning district for the purpose of conducting an STR.
- 7. I began operating a short-term rental before the City of Woodcreek adopted the STR ordinances. Do I still need to obtain an STR permit?**
Yes. Short-term rentals existing prior to the January 1, 2023 effective date are not “grandfathered.” All the requirements for permitting, location and rules of operation apply to both new and existing STRs.
- 8. My STR is also my principal residence. Do the short-term rental ordinances still apply to me?**
Yes. Unlike some cities, the short-term rental ordinances in Woodcreek do not distinguish between an owner-occupied STR and an investor-owned STR. It doesn’t matter whether you live in your STR, or you are an absentee owner living in another state, or you are a corporation that buys homes for the sole purpose of operating them as STRs. The location, permitting and operational rules apply equally to all situations.
- 9. How do I apply for a short-term rental permit?**
All applications for STR permits will be processed at City Hall. There you can apply and provide documents necessary for the City to review

your application.

10. I live in an apartment. Can I use my apartment as a short-term rental?

An apartment may be used as an STR if the landlord agrees and it meets all other requirements of City ordinances. During the application process, you will be asked to declare whether the proposed short-term rental is a single-family unit or a multi-family unit. If the proposed STR is part of a multi-family building, you will be required to provide documentation that the landlord consents to the use of the premises for a short-term rental. The apartment must be located within Woodcreek's Multi Family zone where STR's are authorized.

11. Why does the City need to see a copy of the host rules for my STR?

Although the City has adopted regulations related to STR operation, it is your responsibility as the host to convey those regulations and other information to your guests. Host rules for every STR must include contact information for the Local Responsible Party and provide occupants with notice of the City's regulations on parking, noise, curfew, and trash, and the penalties for violating those regulations.

12. Is there a cap on the number of short-term rental permits that the City will issue?

No. All properties in the eligible zoning districts have the same opportunity to receive a short-term rental permit. There is no maximum on the number of STR permits that may be approved in a neighborhood, census tract or any other geographical area within the city, provided the area is within the eligible zoning districts.

13. I notice that my STR permit is valid for only one year. How do I renew my permit?

Thirty to sixty days prior to the expiration of your STR permit, you will

receive a reminder from the City that it is time to renew. To renew, return to City Hall and complete a renewal application. You will be asked to provide the same documents as the initial application, with updates, if any. The fee for a renewal permit is \$500.

14. My hosting platform offers liability insurance coverage for my STR operation. Is that coverage acceptable?

Yes, provided it satisfies the requirement to maintain coverage of \$1 million per occurrence and the insurer is licensed to conduct business in the State of Texas. To be accepted, a certificate of coverage is required. Promotional materials or screenshots from the hosting platform's website are not sufficient. The certificate must include the name of the carrier, limits of liability, and effective dates, and the certificate must be submitted with all other documentation at the time of application.

15. I received a notice that my insurance coverage has lapsed. What should I do?

You are required to maintain liability coverage while your STR permit is active. You should present to City Hall to update information about your insurance renewal and provide the renewal certificate of coverage. Failure to provide current insurance information may result in revocation of the STR permit.

16. Since I own the property where my STR is located, don't I have the right to conduct a short-term rental regardless of the City's ordinances, rules and regulations?

The ordinances adopted by the City Council regulating STRs, draw a reasonable balance between the rights of property owners who wish to conduct an STR and the rights of nearby property owners who may be impacted by operations of the STR. This is no different than every other parcel of land in the City. Depending upon where the parcel is located, some uses are appropriate, while others are not.

17. How many persons may occupy my short-term rental unit at one time?

A maximum occupancy will be established during the review of your permit application. Occupancy is a factor of the number of bedrooms and is calculated as follows: Two persons per bedroom, plus two additional persons. For example, a three-bedroom STR would have a maximum occupancy of (2 persons x 3 bedrooms) + 2 persons = 8 persons maximum. Regardless of the size of the STR, the maximum occupancy cannot exceed 10 persons. Allowing more persons to occupy the STR than the maximum will subject the owner/operator to a citation.

18. Is my short-term permit transferable in the event I sell my house or move my STR operation to another location?

No. An STR permit is both owner and location specific. The permit is non-transferable and non-assignable. A new permit will be required for the new owner of the house and you must obtain a new permit for a different location. Any attempt to transfer a permit or attempt to use another person's permit may be grounds for revocation of a permit.

19. Why does the City of Woodcreek require an inspection of the premises to receive a permit?

The City is concerned for the safety of your guests and wants to be sure guests are aware of the rules for operating an STR. All short-term rentals must be equipped with basic emergency systems such as smoke detectors, multiple ways to exit rooms in the event of fire, and a fire extinguisher. The STR must be free of potential hazards like exposed electrical wiring or unapproved modifications to a breaker box. The Code Compliance Officer inspecting the premises will also expect to see a copy of your host rules posted for your guests to let them know about restrictions on noise, parking, curfew, and trash disposal. A complete STR inspection checklist can be provided by City Hall.

20. **If I cannot use my premises for a short-term rental unit, may I lease it for longer than 30 days?** The City of Woodcreek does not regulate the long-term leasing of residential premises. No permit is required. However, as with a short-term rental, be sure to review all city ordinances for any special covenants and restrictions that govern the use of your premises.
21. **The host platform that I use for listing my short-term rental already collects hotel occupancy tax when someone books my unit. Do I still need to register with the City of Woodcreek for hotel occupancy tax?** Yes. Some of the host platforms such as Airbnb have contracts with the State of Texas to collect and remit hotel occupancy tax on behalf of STR operators. However, none of the platforms have a contract with the City of Woodcreek. It is the responsibility of the STR operator to register with, and submit tax reports to, the City of Woodcreek for the City's 9 percent hotel occupancy tax.
22. **I currently operate a short-term rental, but I am unable to obtain a permit due to the location of my STR or other reasons. May I continue to operate, and if so, for how long?** Ordinance No. XX-XXX provides a grace period to January 31, 2023, for the owner of an existing STR that was registered with the City of Woodcreek for hotel occupancy tax prior to April 30, 2022, but who is unable to obtain a permit. During that time, the owner should wind down operations of the STR. Existing STRs that registered for hotel occupancy tax after April 30, 2022 must discontinue operations by January 1, 2023, unless they are able to obtain a permit. There is no grace period for unregistered STRs, and they must cease operations once they have exhausted their opportunity to apply for a permit, but in no case later than January 1, 2023.
23. **Is the information I submit for my permit a matter of public record?** Most, but not all, of the information you provide when obtaining an STR

permit is public record. The City maintains an interactive map of all approved permits, which includes basic data such as the name of the permittee, the location, date of issuance, and the number of approved parking spaces. The map is viewable by anyone requesting access. Also, the City often receives open records requests from members of the public seeking data on specific STRs. The City is required by law to respond to those requests but does not provide data that is protected from public disclosure.

24. I received an Order of Revocation in the mail. What does that mean, and what rights do I have if I disagree with the Order?

An STR permit may be revoked for any of the following reasons if the permit holder:

- i. Received more than two citations for violations of the short-term rental ordinances or any other ordinance of the City within the preceding 12-month time period; or
- ii. Failed or refused to comply with an express condition of the permit and remains in non-compliance ten (10) days after being notified in writing of the non-compliance; or
- iii. Knowingly made a false statement in the permit application; or
- iv. Otherwise becomes disqualified for issuance of a permit under terms of the STR ordinances.

An Order of Revocation takes effect three days after mailing. If you disagree with the reasons stated in the Order, you must act quickly to preserve your right to appeal. Within ten days, present to City Hall for filing an appeal. You will be notified of a hearing date. At the hearing, you will have the opportunity to present testimony or other evidence to demonstrate that the reasons given in the Order are incorrect. The hearing officer will either sustain, modify, or rescind the Order of Revocation. You may have further rights, which the hearing officer will explain at the time of the hearing.