

One of Austin's most hyped real estate trends in recent years has been a surge in short-term vacation rentals – houses converted to essentially mini-motels without the on-site manager. (They number more than 500, up from a few dozen five years ago). While a recent /Austin American-Statesman/ story extolled the benefits such properties provide out-of-towners and the owners who rent to them, it glossed over the significant problems these operations pose for neighborhood residents. Imagine: Instead of having a single family next door for the year, you have 100 strangers – alternating with periods of extended vacancies. When noise, traffic and security problems arise, area residents can find it a real challenge reaching the absentee landlords to communicate concerns.

I know. My wife and I have watched helplessly as short-term rentals (STRs) have popped up in our Central Austin neighborhood, bringing late-night parties, parking and security woes to our little corner of the city. Fed up, a neighbor of ours eventually filed a formal complaint with the city. Months later, we continue to await a resolution.

STRs typically rent to guests for anywhere between a couple of nights to a couple of weeks. Owners stock them with amenities (pots, pans, bedding etc); transactions are completed via the Internet, usually through companies specializing in such arrangements. These rentals tend to be clustered close to the city's central tourist sites, in residential neighborhoods like ours. By displacing residents with transients, STR's negatively affect our neighborhood's special character and sense of community.

Our sister city, Portland, bans STR's in residential neighborhoods. Chicago heavily regulates STRs. New York and San Francisco ban them. So does Rollingwood. The city of Austin, in contrast, has allowed them to proliferate – virtually unregulated, and in apparent violation of city zoning laws (we'll get to this in a minute). The city, for instance, limits neither the number of guests at a property at a given time, nor the number of STRs citywide. There is nothing to prevent an investor, moreover, from establishing five, six or seven of these properties on a single block.

As to their apparent illegality: Austin's Land Development Code stipulates that residential properties be “non-transient” in nature. Fortunately, in a common-sense interpretation this summer, the Board of Adjustment said short-term rentals of less than 10 consecutive days in residential neighborhoods do violate the city zoning code, reversing its earlier ruling. Despite the law, the city is apparently taking a long-term, “let's-study-the-issue-before-we-rewrite-or-enforce-existing-codes” approach. This could take years. Meanwhile, the number of STRs in Austin soars. STRs in the Zilker neighborhood doubled between May and August of this year, to 60 from 30.

Make no mistake: Many STR opponents fully support occasional and long-term rentals. SXSW, Austin City Limits and UT football games draw tens of thousands of visitors to the city each year; renting a room in your home to these out-of-town guests is a great way for enterprising home owners to make some extra money. It is the commercialization of neighborhood space – turning residential property into what are effectively mini-hotels – that is the problem. We're against the under 30 day, continuous, commercial-in-nature rentals in single-use, residential neighborhoods. By driving out residents, these properties

reduce population densities in neighborhoods, especially in inner-city areas near downtown, where high density is an official goal. This affects Austinites' representation in the schools and in government. Moreover, by tying up housing stock, these short-term commercial properties also keep home and rental costs artificially high, enabling still fewer people to move into the neighborhood.

The controversy surrounding STRs has been framed as a property rights issue; landowners making use of their property as they deem fit. But if anyone's property rights are violated, they are the owners who wish to remain in their homes, who have a continuing commitment to their neighborhood, and who watch with alarm as zoning codes are trampled.

When we buy a house in a single-use residential neighborhood, the city promises us a safe, tranquil setting, away from commercial and industrial development, in which to raise our kids, walk our dogs, and frolic in our yards. Codes evolve over time; and I can imagine that one day, Austinites may decide that STRs should have some presence in our neighborhoods. We already do this for Bed & Breakfasts. The decision to permit B&Bs in residential neighborhoods was not arrived at by ignoring existing zoning laws. We got there by way of public debate -- and the adoption of sound regulations. We expect the city to address the problems posed by STRs in the same manner.

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