

Proposed Short-Term Rental Regulations Section 28 - Article XXIII Answers to Frequently Asked Questions March 27, 2025

1. What is a short-term rental?

A short-term rental (STR), as defined by the ordinance, is a dwelling unit or any portion of a dwelling unit that is rented out or offered to be rented out for a period of less than 30 consecutive days. Exceptions include boarding homes, hotels, bed & breakfast facilities, lodging facilities, alternate housing facilities, buildings providing sleeping facilities primarily for the purpose of rendering services regulated by a department or agency of the federal government or of the State of Texas, or leaseback arrangements under which the seller of a home leases the home back from the purchaser.

2. Did the City of Houston solicit stakeholder feedback from platforms, STR owners/operators, and the Houston community?

Yes. The first draft of the ordinance was posted for public comment on November 13, 2024. More than 270 comments and suggestions were received from the public, as well as red line revisions from Houston First Corporation, Airbnb, Lodgeur, Jason Ginsburg (Houstonians Against Airbnb), the Houston Apartment Association, Ursula Jessee and other local superhosts, the Hotel and Lodging Association of Greater Houston, and Houston City Council Members.

3. What is the effective date of the proposed STR Ordinance?

The registration website will go live on or about August 1, 2025, and STR registration applicants will have until January 1, 2026, to come into compliance with the ordinance.

4. Can I apply online for a Certificate of Registration, or do I have to apply in person?

The City of Houston has contracted with Host Compliance by Granicus to perform all online registration of STRs for the City of Houston. On or before August 1, 2025, the City will establish a landing page on ARA's Regulatory Permitting webpage which will have a link to the online registration application portal. For STR owners/operators/agents needing additional assistance, you can visit ARA's customer service counter at the Houston Permitting Center, 1002 Washington Ave.

5. Is the application process lengthy?

The application process can often be completed quickly if the applicant gathers the following items and information in advance of applying for a STR Certificate of Registration:

- a. The property address.
- b. Name(s) of property owner(s).
- c. Contact information for the owner, operator, or agent, who must be available (by phone) 24/7 to respond within one hour after being notified of an emergency condition or situation at the property.
- d. A list of online platforms that have facilitated bookings for the property.
- e. Proof that the applicant owns the property, or a sworn or unsworn declaration signed by the property owner granting permission for the operation of a short-term rental.
- f. Declaration by the property owner that the use of the property as a short-term rental does not violate any covenants, homeowner association rules, bylaws, deed restrictions, condominium agreement terms, rental agreement terms, or other restrictions, including but not limited to minimum occupancy duration requirements applicable to the property proposed to be used as a short-term rental.
- g. Proof of registration to pay Hotel Occupancy Taxes (HOT) or, if applicable, proof of payment of Hotel Occupancy Taxes for the operation of the short-term rental. Applicants can register to pay Hotel Occupancy Taxes here: Registration Form | Houston First Corporation; and,
- h. An application fee of \$275.00, plus any applicable City of Houston administrative fee, will be collected on the registration portal before an STR Certificate of Registration Application will be considered complete.

6. How was the fee determined?

The annual fee of \$275, plus the City of Houston's administrative fee (which is \$33.10 for calendar year 2025) were determined via a Cost-of-Service Study performed by the City of Houston's Finance Department (City of Houston fees change annually according to changes in the Consumer Price Index).

7. I own an apartment complex where my tenants are encouraged to sublet their units as STRs. Do I have to register each unit as an STR?

Yes. Each unit rented as an STR must have a valid Certificate of Registration for that unit.

8. I am a tenant in an apartment complex that allows me to sublet my apartment unit for use an STR. Are there any requirements unique to my situation?

Yes. A tenant in an apartment complex who subleases his/her apartment must apply for a Certificate of Registration for that unit. The application must include a sworn or unsworn declaration from the *owner* of the property granting permission for its operation as a short-term rental.

The application must also include an acknowledgement or declaration by the *owner* of the apartment unit that the use of the property as a short-term rental does not violate any covenants, homeowners' association rules, bylaws, deed restrictions, rental agreement terms, or other restrictions – including but not limited to minimum occupancy duration requirements applicable to the property proposed to be used as a short-term rental.

9. Can my application for a Certificate of Registration be denied?

Yes. Reasons for denial may include: the application for the certificate of registration contains false, misleading, incorrect, or incomplete information; proof of registration for, or remittance of hotel occupancy taxes, is not provided; or the applicant has had a certificate of registration revoked within the last 12 months.

10. What are the general requirements for STR owners/operators/occupants?

General requirements include posting/displaying specific information (see Question 11, below), compliance with the City's noise and sound regulations, building and neighborhood protection requirements, waste and litter requirements, fire code provisions, minimum stay requirements, and payment of hotel occupancy taxes applicable to STRs. The ordinance also prohibits advertising of any STR as an event space.

11. What information will the owner/operator be required to display for occupants?

The STR owner/operator will be required to display, on-site, a valid STR registration certificate issued by the City and the name(s) and phone number(s) of a 24-hour contact person or persons authorized to respond to an emergency condition or situation at the property.

12. What are the occupancy limits?

There are no maximum occupancy limits.

13. Will STR owners/operators be required to pay the city's Hotel Occupancy Tax (HOT)?

Yes. STR properties located within the Houston city limits must pay HOT through Houston First Corporation. Payments can be made online at www.houstonfirst.com.

14. I list my STR with a platform that has an agreement with the City of Houston to pay HOT on my behalf. What am I required to report to the City to comply with the HOT requirement?

Airbnb and Home Away have existing agreements with Houston First Corporation that allow these platforms to pay HOT on behalf of their hosts. Any form or receipt of remittance of payment by a platform is acceptable. The registrant should upload this proof at the time of application and at any time the proof is requested by the City. An example of the type of receipt from the platform that will be accepted as proof of payment of HOT taxes for rentals via that platform is provided below. NOTE: Many hosts rent on multiple platforms. Proof of applicant registration for, and payment of, HOT taxes for rentals via platforms other than Airbnb and Home Away is required and can be obtained from Houston First.

Guest paid	
\$237.00 x 22 nights	\$5,214.00
Cleaning fee	\$200.00
Guest service fee	\$1,029.96
Occupancy taxes	\$920.38
Total (USD)	\$7,364.34
Host payout	
Host payout 22 nights room fee Show breakdowns	\$6,600.00
22 nights room fee	*-,
22 nights room fee Show breakdowns	\$6,600.00 \$200.00 -\$1,386.00
22 nights room fee Show breakdowns Cleaning fee Nightly rate adjustment	\$200.00

15. Will STR owners/operators be required to purchase STR insurance or provide proof of having STR insurance on the property?

No.

16. Are Certificates of Registration transferable?

Certificates of Registration are non-transferable. A registrant may provide a change in information without submitting a new certificate of registration application. Change in ownership will require the purchaser, transferee, or lessee to apply for a new certificate of registration to operate as an STR.

17. Is this ordinance doing anything to address STRs used as party houses?

The ordinance states that a short-term rental cannot be advertised as an event space. We understand families or groups of friends rent STRs for personal use – reunions, birthday parties, etc. The referenced prohibition applies to those who advertise and rent STRs as event spaces. No event occurring at an STR may be promoted on STR platforms, social media, or with any physical signage.

18. What are the penalties if an STR owner/operator violates the ordinance?

Any person who violates provisions of the article commits an offense and upon conviction thereof, shall be punished by a fine of not less than \$100.00 and not more than \$500.00 for each violation. Each day any violation continues shall constitute and be punishable as a separate violation of this article.

19. Can an STR certificate of registration be revoked once it has been issued by the City?

Yes. A revocation of a certificate of registration may occur in the case of a criminal conviction for a major offense; multiple violations of the City's sound ordinance; multiple nuisance violations; a registration that was issued in error; building code violations; erroneous registration information; failure to pay HOT; and failure to report changes in owner/operator information. Once a certificate of revocation has been revoked, the owner/operator is not eligible to reapply for a one-year period.

20. Can I appeal the revocation of my registration or is a revocation final?

Yes. Section 28-735 of the ordinance states that an applicant or registrant may appeal the City's decision to deny or revoke a Certificate of Registration by requesting a hearing within 20 days of after the applicant is given notice of revocation. The hearing is conducted by an Administrative Hearing Official in the Municipal Courts Department.

21. Do platforms have any responsibilities under the ordinance?

The City of Houston will request that a platform remove an STR listing if the listing lacks a certificate of registration number, a registration number is invalid or expired, or a certificate of registration has been revoked. The platform is required to remove the STR listing from their platform within ten (10) business days following receipt of the City's notification requesting that a platform remove the listing.

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22. Is there a limit on the number of STR rentals allowed in the city or how many a person may own?

There is no limit on the total number of STRs allowed to operate in the city or how many an owner can operate. However, each STR (including individual condominium or apartment units in a single complex) requires a separate certificate of registration.

23. Will the City regulate what STRs can charge customers?

No.

24. How can I lodge a complaint against an STR that I feel is in violation of the ordinance?

The City has contracted with Host Compliance by Granicus to operate a 24-hour hotline for STR concerns. The phone number and web link for Host Compliance by Granicus will be available on the STR landing page on the City of Houston's Regulatory Permitting website.