

1. Agenda Housing Committee Meeting October 24, 2018

Documents:

[00 AGENDA HC MEETING 10.24.2018 REV 10.22.PDF](#)

2. Review And Accept Minutes Of Previous Meeting Held On October 11, 2018

Documents:

[01 DRAFT MINUTES HOUSING COMMITTEE 10.11.18.PDF](#)

3. Review, Discussion And Possible Recommendation Regarding Proposed Policy Changes To Chapter 6, Article VI, Residential Rental Unit Registration Requirements, As It Applies To Short-Term Rental Units

Documents:

[02.A. 2018-10-16 CONSENT AMENDMENTS.PDF](#)  
[02.B. 2018-10-16 STR DECISION POINTS.PDF](#)  
[02.B.I. 2018-10-19 MATRIX OF PROPOSED AMENDMENTS TO STR ORDINANCE.PDF](#)  
[02.B.II. 2018-10-11 STR AMENDMENT MAYOR-COOK 10-3-18.PDF](#)  
[02.B.III. 2018-10-11 COOK AMENDMENTS TO STR SEC 6-151 10-3-18.PDF](#)  
[02.B.IV. 2018-10-11 RAY AMENDMENTS.PDF](#)  
[02.B.V. 2018-10-11 STAFF STR AMENDMENTS.PDF](#)  
[02.B.VI. 2018-10-15 THIBODEAU AMENDMENT.PDF](#)  
[02.C. AMENDMENT TO INCREASE SHORT TERM RENTAL REGISTRATION FEES MEMO 10.19.18 1.PDF](#)  
[02.D. UPDATE FROM PERMITTING AND INSPECTIONS.PDF](#)  
[02.E. PUBLIC COMMENT CITY OF PORTLAND MAIL - RE\\_ SHORT-TERM RENTAL REGULATION.PDF](#)  
[02.E.I. PUBLIC COMMENT PROPOSED SHORT TERM RENTAL REVISIONS.PDF](#)  
[02.E.II. PUBLIC COMMENT SHORT TERM RENTALS, ONE PERSON ONE LISTING WITHOUT EXCEPTION.PDF](#)  
[02.E.III. PUBLIC COMMENT STR CONSIDERATIONS\\_2018.PDF](#)  
[02.E.IV. PUBLIC COMMENT STR TESTIMONY.PDF](#)  
[02.E.V. PUBLIC COMMENT STR.PDF](#)  
[02.E.VI. PUBLIC COMMENT STR.PDF](#)  
[02.F. MEMO COUNCILOR DUSON WAITING LIST AMENDMENT.PDF](#)

4. 2018 Interim Housing Report

Documents:

[03 2018 INTERIM HOUSING REPORT.PDF](#)

5. 2018 Work Plan Discussion

Documents:

[04 2018 HC WORKPLAN 10.24.18.DOCX](#)





## HOUSING COMMITTEE

**DATE:** Wednesday October 24, 2018  
**TIME:** 5:30 p.m. – 9:00 p.m.  
**LOCATION:** City Hall, Room 209

### AGENDA

1. Review and accept Minutes of previous meeting held on October 11, 2018
2. (Action item) Review, Discussion and Possible Recommendation regarding Proposed Policy Changes to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to short-term rental units. (Public Comment)
  - a. Consent amendment
  - b. Short-term rental decision points
    - i. Revised Matrix
    - ii. Cook/Mayor Amendment
    - iii. Cook Amendment
    - iv. Ray Amendment
    - v. Staff Amendment
    - vi. Thibodeau Amendment
  - c. Order 225-17/18 Referring an Increase in Short Term Rental Registration Fees to the Housing Committee
  - d. Update to short-term rental registration program from Permitting and Inspections
  - e. Public comments received since October 11, 2018
  - f. Order 67-18/19 Amendment to Chapter 6 Re: Short Term Rentals
3. Presentation of 2018 Interim Housing Report
4. Committee Discussion re: 2018 Work Plan Discussion

**Councilor Jill C. Duson, Chair**

**Next Meeting Date: Wednesday, November 14, 2018 City Hall, Room 209**

## **Housing Committee Minutes of October 11, 2018 Meeting**

**NOTE: The Housing Committee meetings are now live-streamed, which can be viewed at this link: [http://townhallstreams.com/stream.php?location\\_id=42&id=16398](http://townhallstreams.com/stream.php?location_id=42&id=16398) These minutes provide a record of those in attendance, general discussions taking place, and motions made.**

A meeting of the Portland City Council's Housing Committee (HC) was held on Thursday, October 11, 2018 at 5:30 P.M. in Council Chambers at Portland's City Hall. Councilors present at the meeting included Committee members Councilor Kimberly Cook, and Councilor Jill Duson, Chair of the Committee. City Council members present were Mayor Ethan Strimling, Councilor Belinda Ray and Councilor Spencer Thibodeau. City staff present included Mary Davis Housing and Community Development, Victoria Volent Housing Programs, Michael Sauschuck Assistant City Manager, Fire Chief Keith Gautreau, Michael Russell Permitting and Inspections Department Director, Jessica Hanscombe Licensing and Registration Coordinator, Jonathan Rioux Inspections Director, and Anne Torregrossa Associate Corporation Counsel.

### **Item 1: Review and accept Minutes of previous meetings held on September 24, 2018**

Motion by Councilor Cook to accept the minutes. Motion was seconded by Councilor Duson and minutes approved 2-0.

### **Item 2: Presentation, Overview and Integrated Report from Permitting and Inspections and Fire Department re: Short term and Long-term Safety Inspections, and Program Budgets (Public Comment)**

Chief Keith Gautreau introduce the item to the Committee. He highlighted his memo recapping the bullet points, and changes since 2017. For approximately one year, the Fire Department (FD) has been working jointly with the Permitting and Inspections Department. The FD is now using new software (as is the Permitting and Inspections Department). The Fire Department assists the Permitting and Inspections Department. After the Noyes Street fire, inspections uncovered numerous violations. Working with landlords, the number of violations has come down. Chief Gautreau provided an overview of each chart, highlighting significant items.

Councilor Duson noted the activity of Assistant City Manager Sauschuck to meet with landlord stakeholders as well as tenant associations. Chief Gautreau was asked to confirm that the data from the Fire Department and Permitting and Inspections Department is entered into the same software to assist the

public with locating public information. Councilor Duson confirmed that the Life Safety Educational information with the Fire Department and Permitting and Inspections is similar.

Councilor Duson opened the meeting to public comment. Seeing none, the public comment period was closed.

**Item 3: Review, Discussion and Possible recommendation regarding Proposed Policy Changes to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to Short-term Rental Units. This is an actionable item and public comment will be taken.**

Councilor Duson announced that due to the absence of Councilor Ali, the Committee would hold off on an actual vote.

Councilor Duson began the meeting by introducing the memo prepared by Jessica Hanscombe. Mike Sauschuck explained the process of communication and collaboration during the past week and the development of the communication matrix.

Mayor Strimling would like to include the idea of a study, possibly completed by GPCOG, regarding the impact of STR on the housing market. Mike Sauschuck agreed to look into how that could be accomplished. Councilor Duson would like to make a recommendation on moving forward with the study on the agenda for the October 24 meeting to make a motion for the City Council to commission the study.

Jessica Hanscombe presented her memo to the Committee. Her research concluded that the city has 165 non-owner occupied mainland units registered for 2018. This is 135 units below the cap of 300. However, if the non-owner occupied units in an owner-occupied building (125) and the total “unknown” (30) units are added to the current cap total, then the updated total is 310 with 20 units being over the cap.

Councilor Cook asked for the memo to be clarified to read “165 non-owner occupied mainland units in non-owner occupied buildings”.

Mayor Strimling asked for an update to the number of STR chart (from the previous meeting). Councilor Duson would like this as a communication item for the next meeting. Mayor Strimling would like to know multi-room counts.

Councilor Duson asked if a moratorium is necessary to stop taking applications that may add to the count of non-owner occupied buildings. Councilor Ray would like to know if a moratorium or passage of updates could be made retroactive. Anne Torregrossa responded that land-use case law allows for retroactive if the applicant has not spend a significant among of money to apply the ordinance. Councilor Cook asked if the Council could pass a resolution to clarify definitions rather than pass a moratorium. She would like to see a means of ensuring the city does not accept applications that would possibly bring the number of non-occupied units over the 300 cap.

Councilor Duson requested a moratorium be brought the City Council's Monday meeting (October 15) from Corporation Council to discontinue accepting applications for non-owner occupied STR buildings until February 4, 2019. Per Anne Torregrossa, this could be effective Monday. A motion was made by Councilor Cook for a moratorium on accepting new short term rental applications on non-owner occupied mainland in non-owner occupied buildings effective October 15 through February 4, 2019. Councilor Duson seconded the motion. The motion was approved 2-0.

Councilor Duson requested a discussion of the matrix of information. Councilor Cook noted there are areas within the matrix that she is in agreement with "staff" recommendations. Anne Torregrossa presented the matrix. Councilor Duson requested a matrix of changes be presented to the Committee at the October 24 meeting.

Councilor Duson opened the meeting for public comment.

Arthur Fink (Peaks Island) - sees advantages and disadvantages of STR. Peaks Island has a separate issue from the Mainland. Does not believe renting a room takes a unit off the long-term rental market. Hopes the Committee is trying to define STR as within an owner-occupied unit as opposed to a non-owner occupied building.

Gabriel Zappia Local Landlord- The STR market keeps money in the local market rather than money spent on a hotel. Feels the issue is neighborhood related. If an owner would like multiple units, than the process should include site plan review by the Planning Board.

Marsha Campbell (108 Salem Street/AirBnb host). Has a room in her home she short-term rents. Supports owner-occupied STRs.

Ed Pontius (14 Cleaves Street/ STR host.). Asked Committee not to disrupt the positive side effects that the income from AirBnb and flexibility that STR availability provides. The income from STR stimulates the local economy

Scott Lindsay (111 and 136 Commercial St/ host of 4 non-owner occupied units). This meeting is moving the goal post. Feels this is a zoning ordinance item that can work. It is awful that owners like him have complied with everything but now it is back on the table. He supports grandfathering, or tweaking based on data. Is looking for consistency to help with long term planning.

Mark (Landlord in Portland) Council and Mayor do not understand what is going on. Is aware of property owners offering STR that are not registered. Regulating somebody's housing already is not adding any more units.

Chris Aceto (Landlord in Portland) Agrees with Scott that is feels like we are being scapegoated. Does not believe 4% of the rental market is causing the other 96% to increase rents. The desirability of Portland is why rents are going up. See the positive effect on buildings along Parkside because of the prevalence of STR.

Daniel Steele (52 Center Street/STR owner ) Feels “the train has left the station” on stopping STR. We should not described STR as AirBnbs. Cannot plan long term with annual changes.

Erna Koch (79 Vesper Street/STR owner) - would like a more participatory process to discuss STR. Owners have much to offer to the Committee regarding ideas to work together.

Gil Helmick (39 Cumberland/STR owner) - Would like to deliver a nine page letter to the Committee. Problems are in fact are not generated by the host community. Slum-lords have been bought out and replaced with STR owners who are fixing up these buildings and bring them up to code and making them safe. These investment need to be financed. Low wages are also to blame for the lack of housing affordable to workers. Supports higher fees.

Dan Mawhinney (12 Walker/STR owner) - Is renovating and living in the building they recently purchased. Respects goal of committee to address the issue of the failure of building owners to property identify themselves so they can be accountable to city officials. Supports comments concerning the perception that STR are going to eliminate long-term rental units. Just the opposite may happen if owners can capitalize on the income from STR to fix buildings for their long-term rental tenants. Does not want to convert rentals to condos. Short sided for the Committee to divide up owner and non-owner definition. Would like a hybrid. In the building and allow STR within the building. Would support workshops for a solution for the city and STR owners.

Katherine Palmer (62 Monument St and 70 Waterville/ STR owner)- feels strongly not to turn rental buildings or single family houses into condos. Supports being an entrepreneur and fixing up properties. Concerned with the point of withdrawing registration with two complaints. How will due process be protected?

Karen Snyder- (72 Waterville/ owns long term rentals) - recent city housing policy have not created workforce housing. Owner occupied units are acceptable. Washington DC, South Portland, Toronto and Montreal are all changing their STR ordinances to support owner-occupied units. Non-owner occupied units do not conserve residential housing and neighborhoods.

Ralph Baldwin (Commercial Street/ STR host in rental units) - long term participant in the STR process . The STR revisions seem premature on an ordinance that has only been in effect for ten months. The effect on LTR by STR is still unknown. The Strimling-Cook amendments violate rights to privacy of owners and guests. Concerned if the public record was altered; cannot find the STR presented by the Mayor. Would like the page returned to the public records.

Mike Webster (155 Sherwood St/STR owner) - Buildings as a whole were originally determined as owner-occupied. Does not support a moratorium. Requested additional data and consideration prior to overhaul.

Aaiyn Foster (10 New Island Avenue Peaks Island) - Supports the work of the Housing Committee. Airbnb works and is a great community. The guest reviews work to keep successful and

unsuccessful STR works. Would like to give time to allow the original ordinance to play out. Limits and caps work and should allow to remain in place and give it due time to work.

Ken Thomas (Danforth Street and Share Portland)- changing the ordinance now would be a shame as no significant concerns have come to light to justify changes. The changes recommends a dramatic shift in the ordinance. Would like to “hit the pause button” on moving forward. Neighborhoods have not been destroyed and rents have not been negatively effective. There is a need for consistency.

Richard Noyes (40 Woodmont/ STR owner). Enjoys being an AirBnb host. The income from hosting is turned back into the upkeep of the building. Supports regulations.

Councilor Duson closed the public comment period.

A lengthy discussion regarding proposed amendments to Chapter 6, Article VI, Residential Rental Unit Registration Requirements as it applies to short-term rentals units ensued. The results of the discussion will be presented to the Committee at the October 24 meeting.

Anne Torregrossa noted Corporation Counsel will provide language for a moratorium vote for the City Council on Monday or later, that is retroactive.

**Item 4: Committee Discussion re: 2018 Work Plan**

On a motion made by Council Cook and seconded by Councilor Duson (approved 2-0) the meeting was adjourned at 10:29 pm.

Respectfully submitted,

Victoria Volent

CONSENT AMENDMENT

City of Portland  
Code of Ordinances  
Sec. 6-155

Buildings and Building Regulations  
Chapter 6  
Rev. 3-27-2017

**ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS**

**Sec. 6-150. Purpose.**

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential long term rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. Non-owner occupied short term rental units remove housing units from the long term rental market and may contribute to the increase in the cost of rental housing in the City.

This article is intended to require the disclosure of the ownership of such property, and to regulate the renting of property within the City, and to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, to ensure that housing units remain available for rent to those who reside or seek to reside within the City, to ensure that residential areas are not unduly impacted by the operation of short term rentals, and to ensure that owners and tenants comply with chapters 6 and 10 of the City Code.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-150.1. Definitions.**

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

*Island Short Term Rental* shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.

*Long Term Rental* shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

*Mainland Short Term Rental* shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

*Multi-Unit* shall mean a single, detached building in common ownership interest containing more than one (1) residential or

commercial unit, as determined by the Director of the Permitting and Inspections Department.

*Owner-Occupied* shall mean a rental unit owned and occupied by the registrant as his or her primary residence. Accessory dwelling units as defined in Chapter 14 of this Code, are not considered owner-occupied units for purposes of short term rental registration and regulation.

*Owner* shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

*Primary Residence* shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

*Registrant* shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

*Rental unit* is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a *rental unit*. *Dwelling units* and *rooming units* as defined in §6-106 are, without limitation, *rental units*. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a *rental unit*.

*Short Term Rental* is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

*Short Term Rental Property Manager* shall mean the manager of the Short Term Rental Unit or the person or persons responsible for its regular maintenance or repair.

*Single Family Home* shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

*Tenant-Occupied* shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully

occupies the rental unit as his or her primary residence.  
(Ord. 179-16/17, 3-27-2017)

**Sec. 6-151. Registration required.**

*(a) Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.
2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rental.
3. Each owner, manager, ~~and/or~~ person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must apply to register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility. New owners or tenants applying to register an existing short term rental unit are considered new applicants and shall be subject to all limitations and regulations in effect at the time of the application.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

*(b) Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;
3. The tax assessor's chart, block and lot of the property

on which the building is located;

4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:
  - a. The name of ~~E~~each individual person that has an ownership interest in any entity that is the record owner. This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a corporation; and
  - b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity.
6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;

a. For Short Term Rental units that are owner-occupied, the ~~registrant~~ owner must provide a notarized primary residence affidavit, on forms provided by the City. The owner must also produce for review one of the following demonstrating residency at the owner-occupied unit:

- i. Valid driver's license or other state-issued identification;
- ii. Valid motor vehicle registration;
- iii. Current voter registration;
- iv. Proof of homestead exemption; or
- v. Other documentation proving residence to the satisfaction of the City's Permitting and Inspections Department.

b. For Short Term Rental units that are tenant-occupied, the ~~registrant~~ tenant must provide a notarized primary residence affidavit, a notarized statement of permission by his/her landlord, both on forms supplied by the City. The tenant must also produce for review one of the following demonstrating residency at the tenant-occupied unit:

- i. Valid driver's license or other state-issued identification;
- ii. Valid motor vehicle registration;
- iii. Current voter registration; or
- iv. Other documentation proving residence to the satisfaction of the City's Permitting and Inspections Department

3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest; and

3.4. For Short term rental units that are within a condominium or homeowner's association, an attestation that use of the unit as a short term rental is allowed under the relevant documents.

(d) *Display of Short Term Rental Registration Number*

*Required.* Once registration is approved by the City, each short term rental shall be given a registration number, which must be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord. 298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017)  
)

### **Sec. 6-152. Registration Fees.**

(a) *Annual Registration Fee.* Upon initial registration and by January 1st of each year, registrants shall pay the City a registration fee for each rental unit, in the amounts set forth below. A rental unit shall not be considered registered unless and until this fee is paid in full.

(b) *Long Term Rental Registration Fee.* The registrant of a long term rental shall pay thirty five dollars (\$35.00) to the City by January 1st of each year.

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any short term rental units operating in a single family home or owner occupied multi-family buildings and then fees will be attributed at the higher rate for any units located in non-owner occupied buildings. If an owner registers units in both owner occupied and non-owner occupied buildings then the owner occupied fees will be considered the first unit under the fee structure starting with the 1<sup>st</sup> unit fee as described in the chart below regardless of the order in which the units are registered.

Owners may register more than one short term rental unit (bedrooms, separate spaces, etc.) within their primary residence.

Owner Occupied Single Family Home , or Tenant Occupied	\$100
Multi-Unit Owner Occupied Building Island Short Term Rentals	1 <sup>st</sup> Unit - \$100 2 <sup>nd</sup> Unit - \$250 3 <sup>rd</sup> Unit - \$500 4 <sup>th</sup> Unit - \$1,000 5 <sup>th</sup> Unit - \$2,000
<del>Multi-Unit</del> Non-Owner Occupied <del>Units Building</del>	1 <sup>st</sup> Unit - \$200 2 <sup>nd</sup> Unit - \$500 3 <sup>rd</sup> Unit - \$1,000 4 <sup>th</sup> Unit - \$2,000 5 <sup>th</sup> Unit - \$4,000

(d) *Registration and Renewal Fee Discounts.* The following discounts shall apply to the registration and renewal fees:

- (1) \$10 discount for each rental unit within a fully-sprinkled building as verified by a testing report, maintenance report or a maintenance contract, which shall be provided at the time of registration and upon each registration renewal;
- (2) \$7.50 discount for each rental unit within a building with a centrally-monitored fire alarm as verified by Fire Department logs or an alarm contract, which shall be provided at the time of registration and upon each registration renewal;
- (3) \$5.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Housing Quality Standard (HQS) inspection within the preceding year as verified by the HQS inspection report, which shall be provided at the time of registration and upon each registration renewal;
- (4) \$10.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Uniform Physical Condition Standard (UPCS) inspection within the preceding year as verified by the UPCS inspection report, which shall be provided at the time of registration and upon each registration renewal;

- (5) \$2.50 for a rental unit that is subject to a signed lease which prohibits smoking by tenants as verified by a copy of the current lease, which shall be provided at the time of registration and upon each registration renewal. The existence of and enforcement of this provision may be verified through an inspections of each rental unit.

The total amount of discounts from the annual registration or renewal fee as described above shall not exceed \$20.00 per unit, ~~and the minimum annual fee for registration or renewal shall be \$15.00 per unit.~~

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-153. ~~Violations~~ Limitations on Short Term Rental Units.**

(a) *Occupancy Limit.* Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) *Limitation on Total Number of Short Term Rentals.* No more than 300 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

(c) Limitations on number of Short Term Rentals an Individual or Entity May Register. An individual or entity may only register up to five (5) short term rentals in the City, including the Islands, in any one (1) calendar year. For purposes of this section, short term rentals registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

(d) Limitations on number of Short Term Rentals for which an Individual or Entity may be the Short Term Rental Property Manager. No individual or entity may be the Short Term Rental Property Manager for more than five (5) mainland short term rental units in the City.

~~(e)~~ (e) No individual or entity may register a short term rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on an Island.

~~(f)~~ (e) The number of short term rental units that may be

operated in a multi-unit building are as follows:

Total # of Units in a Building	# of Short Term Rental Units Allowed in a Building	
	Owner Occupied	Non-Owner Occupied
2	2	1
3	3	2
4	4	2
5	5	2
6-9	5	4
10+	5	5

Tenant-occupied units, where the tenant is the registrant, shall not be counted towards these limits.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-154. Allocation of Short Term Rentals.**

~~(a) The limitations on the allocation of Non-owner occupied mainland short term rental units, identified in which are limited by section 6-153(b), shall be allocated each year on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand. The City Manager or his or her designee, may institute a lottery process at his or her discretion.~~

~~(b) Notwithstanding the limitations in section 6-153(b) and (c), valid registrations of short term rentals may be renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.~~

~~However, if the number of registered non-owner occupied mainland units exceeds the limitations in section 6-153(b), then no new non-owner occupied mainland units shall be registered until the number of units falls below that limitation. The City Manager or his or her designee may implement staggered application deadlines for new applications, as necessary to implement this requirement.~~

~~Failure to renew by January 1 shall result in the forfeiture of the right to renew the registration, and any subsequent application shall be treated as a new~~

application for registration.

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-155. Violations.**

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

(a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;

(b) Any person, business entity, or other organization failing to timely file any required update to the registration;

(c) Any person, business entity, or other organization failing to acquire and/or display the required short term rental registration number;

~~(e)~~(d) Any person, business entity, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;

~~(d)~~(e) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;

~~(e)~~(f) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;

~~(f) Any person business entity or other organization failing to timely file the required registration or failing to timely pay, in full, the registration fee or annual renewal fee, or failing to timely file any required update to the registration shall be in violation of this Article for which a fine of \$100.00 per day each day the violation continues shall be assessed;~~

~~(g) Any person providing false information with respect to registration shall be in violation of this article for~~

~~which a fine of \$1,000.00 shall be assessed;~~

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-156. Enforcement.**

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, at the discretion of the City Manager or his or her designee, have its registration revoked and be ineligible for registration for a period of twelve (12) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, at the discretion of the City Manager or his or her designee, prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(d) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may be in addition to fines levied against owners of property.

(e) Violations of the provisions of this article shall be grounds to deny an application or renewal application for a short term rental registration.

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017)

**Sec. 6-157. Revenue Allocation.**

Notwithstanding section 6-1(b), all revenue generated from short term rental registration fees and penalties shall be used to first fund short term rental related administrative costs. Any remaining revenue shall be deposited in the Housing Trust Fund, as defined in Section 14-489.

(Ord. 179-16/17, 3-27-2017)

**MEMORANDUM**

**TO:** City of Portland Housing Committee; Councilor Ray; Mayor Strimling  
**FROM:** Anne Torregrossa  
**DATE:** October 16, 2018  
**RE:** Decision points for changes to short term rental ordinance

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At the October 11, 2018 Housing Committee Meeting, the members of the Housing Committee present at the time, as well as Councilor Ray and Mayor Strimling, considered the various amendments before the Committee and gave staff feedback on those likely to be agreed upon. Those amendments are included in the attached **Consent Amendment**. In addition, it was clear that the Committee still had several decision points remaining.

**1. Additional disclosures upon renewal (Cook Amendment).**

This amendment would require 1) the disclosure of the number of nights the unit was rented on a short term basis in the previous year; and 2) proof that the registrant had paid Maine State lodging taxes in the previous year.

**6-151(c)(5) (NEW)**

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

. . .

5. If the application is for renewal, the following:

- (a) The number of nights the unit was rented on a short-term basis in the previous reporting year. For purposes of reporting this information, November 1 through October 31 is the reporting period for a renewal of January 1, and
- (b) Produce for review, proof that state lodging taxes were paid for the year prior to the renewal date.

**2. Allowing tenants to register more than one space in their rental (Staff Amendment).**

This amendment would allow tenants to register more than one short term rental unit in their dwelling (bedrooms, separate spaces, etc.).

**6-152(c) (NEW)**

Owners and tenants may register more than one short term rental unit (bedrooms, separate spaces, etc.) within their primary residence.

**3. Changes to the Fee Structure.**

Councilor Ray and Councilor Cook and the Mayor have presented two different options for changing the fee structure. Staff had originally proposed a third option, but now recommends adoption of Councilor Ray’s amendment. In brief, the two amendments do the following:

- (a) Councilor Ray Amendment. This Amendment would collapse the fee structure so that island rentals, owner-occupied units, and tenant-occupied units would all be subject to the same fee structure, while non-owner occupied units would be subject to a higher fee structure.

<del>Owner Occupied Single Family Home, or Tenant Occupied</del>	\$100
<del>Multi Unit Owner Occupied Building</del> <del>Island Short Term Rentals; Owner-Occupied Units; Tenant-Occupied Units</del>	1 <sup>st</sup> Unit - \$100 2 <sup>nd</sup> Unit - \$250 3 <sup>rd</sup> Unit - \$500 4 <sup>th</sup> Unit - \$1,000 5 <sup>th</sup> Unit - \$2,000
<del>Multi Unit</del> Non-Owner Occupied <u>Units</u> <del>Building</del>	1 <sup>st</sup> Unit - \$200 2 <sup>nd</sup> Unit - \$500 3 <sup>rd</sup> Unit - \$1,000 4 <sup>th</sup> Unit - \$2,000 5 <sup>th</sup> Unit - \$4,000

Additional Changes: If this amendment is adopted, the following additional changes would be made to § 152(c):

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any ~~short term rental units operating in a single family home or owner occupied multi family buildings~~ owner occupied or tenant occupied

units and then fees will be attributed at the higher rate for any non-owner occupied units. ~~units located in non-owner occupied buildings. If an owner registers units in both owner occupied and non-owner occupied buildings then the owner occupied fees will be considered the first unit under the fee structure starting with the 1<sup>st</sup> unit fee as described in the chart below regardless of the order in which the units are registered.~~

(b) Mayor/Councilor Cook Amendment.

This amendment would also collapse the fee structure so that owner-occupied and tenant-occupied units were subject to the \$100 registration fee, while non-owner occupied units would be subject to the escalating fees. This eliminates the separate treatment of island rentals, and the registration fee for island rentals would be based on whether they were owner-occupied or non-owner occupied.

Owner Occupied <del>Single Family Home,</del> or Tenant Occupied <u>Units</u>	\$100
<del>Multi Unit Owner Occupied Building Island Short Term Rentals</del>	<del>1<sup>st</sup> Unit - \$100 2<sup>nd</sup> Unit - \$250 3<sup>rd</sup> Unit - \$500 4<sup>th</sup> Unit - \$1,000 5<sup>th</sup> Unit - \$2,000</del>
<del>Multi Unit</del> Non-Owner Occupied <u>Building Units</u>	1 <sup>st</sup> Unit - \$200 2 <sup>nd</sup> Unit - \$500 3 <sup>rd</sup> Unit - \$1,000 4 <sup>th</sup> Unit - \$2,000 5 <sup>th</sup> Unit - \$4,000

Additional Changes: If this amendment is adopted, the following additional changes would be made to § 152(c):

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. ~~The fee total will accumulate first by counting any short term rental units operating in a single family home or owner occupied~~

~~multi-family buildings and then fees will be attributed at the higher rate for any units located in non-owner occupied buildings. If an owner registers units in both owner-occupied and non-owner-occupied buildings then the owner-occupied fees will be considered the first unit under the fee structure starting with the 1<sup>st</sup> unit fee as described in the chart below regardless of the order in which the units are registered.~~

**4. Incorporating Non-Owner Occupied Units in an Owner-Occupied Building within the Non-Owner Occupied Cap.**

Given the proposal currently pending before Council to include all non-owner occupied units within the 300 cap, the Committee should consider whether to incorporate that into its proposal to Council, or whether to propose an alternative. The proposal before Council would make this change effective October 12, 2018, while both Councilor Ray and staff have proposed amendments to make this change effective December 1, 2018.

**5. Limitations on Number of Registrations.**

There are several proposals on the table to reduce the number of registrations moving forward.

(a) Mayor/Councilor Cook Amendment.

This amendment would allow individuals to register only one (either owner-occupied or non-owner occupied unit) in the future.

*(c) Limitations on number of Short Term Rentals an Individual or Entity May Register. An individual or entity may only register up to five (5) short term rentals in the City, including the Islands, in any one (1) calendar year. For purposes of this section, short term rentals registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.*

(b) Mayor/Councilor Cook Alternative Amendment.

Alternatively, the Mayor and Councilor Cook have proposed eliminating all non-owner occupied units in the future, although currently registered non-owner occupied units would be allowed to renew. This proposal would require a change to several sections of the ordinance.

(c) Staff Recommendation.

Staff's recommendation to lower registrations moving forward is to lower the number of units an individual can register from five to three.

(c) Limitations on number of Short Term Rentals an Individual or Entity May Register. After December 1, 2018, ~~An~~ individual or entity may only register up to ~~five~~three (~~35~~) short term rentals ~~s~~ units in the City, including the Islands, in any one (1) calendar year. For purposes of this section, short term rentals ~~s~~ units registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

Additional Changes: If staff's alternative recommendation is adopted, changes will also need to be made to § 6-152(c) (chart of fees), and § 6-153(e) (chart of units per building).

## **6. Limitations on Short Term Rental Units per Building.**

There are currently three separate proposals for the number of short term rental units to be allowed per building. An overview of the impact of those different amendments, based on building size, is included as ATTACHMENT A. To simplify the decision-making process, it would be helpful for the Committee to consider the following:

- (a) Does the Committee want to limit the number of rental units in a building on the islands?
- (b) Does the Committee want to limit the number of units (bedrooms) an owner can have in his or her apartment, when the building is a multi-family?
- (c) Does the Committee want to count the owner-occupied unit (or bedrooms) in a building towards the total amount of units in a building?
- (d) Does the Committee want to limit the number of units (bedrooms) a tenant can have in his or her apartment, when the building is a multi-family?
- (e) Does the Committee want to count the tenant-occupied units (or bedrooms) in a building towards the total amount of units in a building?
- (f) Does the Committee want to treat owner-occupied and non-owner occupied buildings differently for purposes of counting the number of units in a building?
- (g) What is the appropriate number of short term rental units in a building?

## **7. Allocation of Non-Owner Occupied Mainland Registrations.**

The Consent Amendment has language that registrations of mainland, non-owner occupied units will be allocated first to renewals, and then to the waitlist on a first-come, first-served basis. Councilor Thibodeau has offered an additional amendment to change the way that registrations would be allocated off the waitlist. His proposal is:

Applicants will be chosen off the waitlist as follows:

1. Applicants who do not have any registered non-owner occupied short term rental units will be registered in the order in which they applied.
2. If there are any remaining registrations available, applicants who have one registered non-owner occupied short term rental unit will be registered in the order in which they applied.
3. This pattern shall proceed for applicants who have two registered non-owner occupied short term rental units, then three, four, and five registered units.

**8. Renewal Date for 2019.**

Staff normally sends out renewal notices 60 and 30 days in advance of the renewal date. Given the shifting landscape with the proposed changes, staff would request that the renewal date be pushed to February 1, 2019 for this year only.

**9. Addressing Nuisance Buildings.**

Councilor Cook and the Mayor have proposed that the Committee consider a way for short term rental properties that receive multiple complaints to have a hearing and/or license revocation process. Staff has suggested that this be addressed as part of the Disorderly House Ordinance, and the Committee may want to consider changes to that ordinance.

**10. Study of Impacts of Short Term Rentals on the Long Term Housing Market.**

Mayor Strimling has suggested retaining the Greater Portland Council of Governments, or similar entity, to complete a study on the impacts of short term rentals on the long-term housing market in Portland.

**ADDENDUM A  
 IMPACTS OF AMENDMENTS ON  
 SHORT TERM RENTAL UNITS PER BUILDING**

**Two-Unit:**

	<b>Ray</b>	<b>Mayor/Cook</b>	<b>Staff</b>
Owner-Occupied	1 owner-occupied OR 1 tenant-occupied OR 1 non-owner occupied	1 owner-occupied OR 1 tenant-occupied OR 1 non-owner occupied	3 bedrooms in owner unit AND 1 tenant-occupied OR 1 non-owner occupied
Non-Owner Occupied	1 tenant-occupied OR 1 non-owner occupied	1 tenant-occupied OR 1 non-owner occupied	1 tenant-occupied AND 1 non-owner occupied

**Three-Unit:**

	<b>Ray</b>	<b>Mayor/Cook</b>	<b>Staff</b>
Owner-Occupied	2 bedrooms in owner unit OR 2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	2 bedrooms in owner unit OR 2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	3 bedrooms in owner unit AND 2 tenant-occupied OR 2 non-owner-occupied OR Combination
Non-Owner Occupied	2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	3 tenant-occupied OR 2 non-owner occupied OR Combination

**Four-Unit:**

	<b>Ray</b>	<b>Mayor/Cook</b>	<b>Staff</b>
Owner-Occupied	3 bedrooms in owner unit OR 3 tenant-occupied OR 3 non-owner occupied OR Combination (max 3)	2 bedrooms in owner unit OR 2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	3 bedrooms in owner unit AND 3 tenant-occupied OR 2 non-owner-occupied OR Combination
Non-Owner Occupied	2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	4 tenant-occupied OR 2 non-owner occupied OR Combination

**Five Unit:**

	<b>Ray</b>	<b>Mayor/Cook</b>	<b>Staff</b>
Owner-Occupied	4 bedrooms in owner unit OR 4 tenant-occupied OR 4 non-owner occupied OR Combination (max 4)	2 bedrooms in owner unit OR 2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	3 bedrooms in owner unit AND 4 tenant-occupied OR 2 non-owner-occupied OR Combination
Non-Owner Occupied	2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	2 tenant-occupied OR 2 non-owner occupied OR Combination (max 2)	3 tenant-occupied OR 2 non-owner occupied OR Combination

**Six-Nine Unit:**

	<b>Ray</b>	<b>Mayor/Cook</b>	<b>Staff</b>
Owner-Occupied	5 bedrooms in owner unit OR 5 tenant-occupied OR 5 non-owner occupied OR Combination (max 5)	4 bedrooms in owner unit OR 4 tenant-occupied OR 4 non-owner occupied OR Combination (max 4)	3 bedrooms in owner unit AND 5 tenant-occupied OR 3 non-owner-occupied OR Permissible combination
Non-Owner Occupied	4 tenant-occupied OR 4 non-owner occupied OR Combination (max 4)	4 tenant-occupied OR 4 non-owner occupied OR Combination (max 4)	6 tenant-occupied OR 3 non-owner occupied OR Combination

**Ten+ Unit:**

	<b>Ray</b>	<b>Mayor/Cook</b>	<b>Staff</b>
Owner-Occupied	5 bedrooms in owner unit OR 5 tenant-occupied OR 5 non-owner occupied OR Combination (max 5)	5 bedrooms in owner unit OR 5 tenant-occupied OR 5 non-owner occupied OR Combination (max 5)	3 bedrooms in owner unit AND 10+ tenant-occupied OR 3 non-owner-occupied OR Permissible combination
Non-Owner Occupied	5 tenant-occupied OR 5 non-owner occupied OR Combination (max 5)	5 tenant-occupied OR 5 non-owner occupied OR Combination (max 5)	10+ tenant-occupied OR 3 non-owner occupied OR Combination

PROPOSED AMENDMENTS TO SHORT TERM RENTAL ORDINANCE  
REFLECTING COMMITTEE FEEDBACK  
OCTOBER 24, 2018

Chapter 6. Article VI. Residential Rental Unit Registration Requirements

SECTION	MAYOR/COOK AMENDMENT	REASON	COOK AMENDMENT	REASON	RAY AMENDMENT	REASON	STAFF AMENDMENT	REASON
<b>6-150 Purpose</b>	Adds language to the purpose section regarding removal of long-term units; short-term rental units being lodging, and causing disruptions; ensuring that housing units remain available; and ensuring that residential areas are not unduly disrupted.						Adds language to the purpose section consistent with the Mayor/Cook Amendment, with the exception of the characterization of short term rentals as lodging.	The Mayor/Cook Amendment captures City concerns with respect to the housing marking and disruption of neighborhoods. The characterization of short term rentals as lodging is inconsistent with Ch. 14.
<b>6-150.1 Definitions</b>	Clarifies that definition of Owner-Occupied does not include accessory apartments.						Retains intent of Mayor/Cook Amendment with respect to accessory apartments, with minor changes for clarity.	Accessory apartments are currently understood to be separate dwelling units, but additional clarification is appropriate.

Language incorporated into the Consent Amendment is highlighted in **RED**.

Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.

Remaining language is for further discussion by Committee.

6-150.1 Definitions					Adds definition for "Short Term Property Manager"	To limit the number of properties that can be managed by one individual/entity in Section 6-153.(d) below		
6-151(a)(3) Registration of Ownership			Add language clarifying that new owners and tenants are considered new applicants.					
6-151(c)(2)(a) 6-151(c)(2)(b) Registration of Ownership			Adds requirement that owner or tenant produce two forms of documentation to verify primary residence in order to register owner- occupied or tenant-occupied unit.				Adds requirements for primary residence verification similar to Cook Amendment, but requires only one form of verification and allows staff to use discretion in accepting alternative documentation.	One form of verification is sufficient to accomplish the goals of verification. Allowing alternative forms of verification is important, particularly for individuals who may not have the specific documentation required.

Language incorporated into the Consent Amendment is highlighted in RED.

Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.

Remaining language is for further discussion by Committee.

<p><b>6-151(c)(4)</b> [NEW] <b>Registration of Ownership</b></p>			<p>Requires that an applicant in a residence with a condo or homeowner's association <u>attest produce an affidavit attesting that the short term use is allowed.</u></p>					
<p><b>6-151(c)(5)(a)</b> [NEW] <b>Registration of Ownership</b></p>			<p>Requires applicants renewing their applications disclose the number of nights that the unit was rented on a STR basis in the previous year.</p>					
<p><b>6-151(c)(5)(b)</b> [NEW] <b>Registration of Ownership</b></p>			<p>Requires applicants renewing their applications show proof that State of Maine lodging taxes were paid.</p>					
<p><b>6-151(f)</b> [NEW] <b>Registration of Ownership</b></p>			<p><del>Require that short term rental information be made available online</del></p>					

Language incorporated into the Consent Amendment is highlighted in RED.  
 Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.  
 Remaining language is for further discussion by Committee.

<b>6-152(c) Registration Fees</b>	Deletes language around how to calculate fees for those who register both owner-occupied and non-owner occupied.				Clarifies language around how to calculate fees for those who register both owner-occupied and non-owner occupied.		Adds clarifying language consistent with the Ray amendment regarding calculating fees.	Adds simplicity and clarity.
							Adds language that owners and tenants may rent multiple units (bedrooms, separate spaces, etc.) in their primary residence.	Allows owners and tenants to rent out multiple spaces in their primary residence.
	Eliminates language around single family homes and owner occupied multi-family buildings. Removes distinction for Island rentals, such that all non-owner occupied units are subject to the same fees.				Eliminates language around single family homes/owner-occupied multi-family buildings	To simplify language and allow for a simplification of the fee structure	Deletes staggered fee structure for owner-occupied units and Island units. Clarifies that fees for fourth and fifth non-owner occupied units are available only for grandfathered units.	Simplifies the fee structure for owner-occupied, tenant-occupied and island units. Reflects staff suggestion that no individual be allowed to register more than 3 units, unless otherwise grandfathered.

Language incorporated into the Consent Amendment is highlighted in RED.  
 Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.  
 Remaining language is for further discussion by Committee.

<p><b>6-153 (b) Limitations</b></p>					<p><b>Keeps the cap at 300</b></p>	<p>To ensure that the number of non-owner occupied STRs in the City remains below 1% of our overall number of housing units, thereby reducing their impact on the housing market</p>		
					<p><b>Adds language specifying that non-owner occupied units in owner-occupied buildings shall be regulated as non-owner occupied units</b></p>	<p>To ensure that we are meeting the original intent of the 300 unit cap, as expressed above.</p>	<p><b>Adds language consistent with Ray amendment to clarify treatment of non-owner occupied units in an owner-occupied building.</b></p>	<p>Brings non-owner occupied units in owner-occupied buildings within 300 cap.</p>

Language incorporated into the Consent Amendment is highlighted in **RED**.  
 Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.  
 Remaining language is for further discussion by Committee.

<b>6-153(c) Limitations</b>	As of 12/1/18 individuals may only register one Island STR. As of 12/1/18 individuals may only register owner-occupied or tenant-occupied units. “Grandfathers” registered island and non-owner occupied units if they renew and continue to comply with requirements.							
							Reduces the number of units an individual may register from five to three. Grandfathers registrants who have four or five registrations as of 12/1/18 with respect to those units.	Staff recommends this as a way to reduce the number of units that an individual can register.

Language incorporated into the Consent Amendment is highlighted in **RED**.  
 Language that was deleted or modified by agreement is shown as a **STRIKETHROUGH**.  
 Remaining language is for further discussion by Committee.

<p><b>6-153 (d)</b> [NEW - RAY] Limitations</p>					<p>Adds language limiting the number of STRs that may be managed by a single individual or entity.</p>	<p>To discourage large property management companies from moving into the STR management business and marketing their services to owners who may not otherwise consider converting from LTR to STR</p>		
<p><b>6-153(e)</b> [MAYOR/COOK] <b>6-153(f)</b> [RAY] Limitations</p>					<p>Adds “mainland”</p>	<p>To ensure Island rentals are not affected by the chart change</p>	<p>Consistent with Ray amendment.</p>	<p>The islands have historical use of STRs, and staff does not recommend further restrictions.</p>
	<p>Eliminates owner-occupied column in chart limiting number of STRs per building.</p>				<p>Eliminates tiered approach to number of units allowed in multi-unit buildings, bringing number allowed in owner-occupied units in alignment with number allowed in non-owner occupied units</p>	<p>To ensure that the number of STR units in a building remains proportional to the number of LTR units in the building, and to ensure that no building can ever be completely composed of STR units</p>	<p>Eliminates owner-occupied column consistent with Mayor/Cook and Ray amendments, BUT title change applies limits only to non-owner occupied units. ALSO reduces the number of STR units in a 6+ unit building to reflect reduction in</p>	<p>This changes the limitations so that they only apply to non-owner occupied units. This allows a tenant or owner to STR multiple spaces in their primary residence, subject to the three-unit overall cap.</p>

Language incorporated into the Consent Amendment is highlighted in RED.  
 Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.  
 Remaining language is for further discussion by Committee.

							number of units an individual can register.	
	Removes exception for owner-occupied and tenant-occupied units in counter per-building limit.				Also adds language clarifying that tenant occupied and owner occupied STR units DO count toward the number of STR units in a building	Again, to make sure that no multi-unit can ever be comprised of solely STR units and that the number of STRs remain proportional to the number of LTRs in a multi-unit.	Removes language consistent with Mayor/Cook amendment.	While staff recommends removing this language, the title change in the chart makes it so that the limits only apply to non-owner occupied units.
<b>6-153 (f) [NEW] [MAYOR/COOK] Limitations</b>	<del>Requires that Building Authority hold hearing before renewing where more than two complaints or disturbances are filed in one year.</del>							
<b>6-154 Allocations of Short Term Rentals</b>					<del>Eliminates language about lottery</del>	To ensure that if/when space becomes available under the cap, the waitlist is used to allow the “next person in line” the opportunity to take that space	Clarifies that lottery is only to be used with respect to the waitlist.	Gives the City Manager discretion in how to allocate registrations off the waitlist.

Language incorporated into the Consent Amendment is highlighted in RED.  
 Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.  
 Remaining language is for further discussion by Committee.

					Added renewal language	To allow for auto-renewal of units.	Consistent with Ray amendment.	
	Allocates 300 cap first to renewal applications, and then to new applications if cap is not reached.				Added language to clarify what will happen if counting non-owner occupied STRS in owner-occupied buildings toward the cap causes us to exceed the cap	To respect STR operators who legitimately registered their units in 2017 while also keeping our cap at 300, even if we have to get back to it through attrition	Consistent with Ray amendment.  **Staff will request that this deadline be postponed until February 1, 2019 to allow for this year's registrations.	
	ALTERNATIVE: Delete language regarding cap if only allowing owner-occupied and tenant-occupied.							
<b>6-155(e) Violations</b>	Specifies that failure to acquire or display registration number is a violation.						Consistent with Mayor/Cook Amendment.	
<b>6-156(c) Enforcement</b>	<del>Increases period of disqualification for a disorderly house from 12 months to 36 months.</del>							

Language incorporated into the Consent Amendment is highlighted in RED.

Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.

Remaining language is for further discussion by Committee.

<b>6-156(e) Enforcement</b>	Provides that violations of Article are grounds to deny an application.						Consistent with Mayor/Cook Amendment.	
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Language incorporated into the Consent Amendment is highlighted in RED.  
Language that was deleted or modified by agreement is shown as a ~~STRIKETHROUGH~~.  
Remaining language is for further discussion by Committee.

**PROPOSED COOK/MAYOR AMENDMENT**  
**ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS**

**Sec. 6-150. Purpose.**

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential long term rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. Non-owner occupied short term rental units remove housing units from the long term rental market and may contribute to the increase in the cost of rental housing in the City. Short term rental units offer lodging, rather than residential use, and as such have caused disruptions in certain circumstances.

This article is intended to require the disclosure of the ownership of such property, to regulate the renting of property within the City, ~~and~~ to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, to ensure that housing units remain available for rent to those who reside or seek to reside within the City, to ensure that residential areas are not unduly impacted by the operation of short term rentals, and to ensure that owners and tenants comply with chapters 6 and 10 of the City Code.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-150.1. Definitions.**

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

*Island Short Term Rental* shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.

*Long Term Rental* shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

*Mainland Short Term Rental* shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

*Multi-Unit* shall mean a single, detached building in common ownership interest containing more than one (1) residential or

commercial unit, as determined by the Director of the Permitting and Inspections Department.

*Owner-Occupied* shall mean a rental unit owned and occupied by the registrant as his or her primary residence. Accessory dwelling units are not considered owner-occupied units for purposes of short term rental registration and regulation as defined in Chapter 14.

*Owner* shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

*Primary Residence* shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

*Registrant* shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

*Rental unit* is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a *rental unit*. *Dwelling units* and *rooming units* as defined in §6-106 are, without limitation, *rental units*. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a *rental unit*.

*Short Term Rental* is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

*Single Family Home* shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

*Tenant-Occupied* shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully occupies the rental unit as his or her primary residence.  
(Ord. 179-16/17, 3-27-2017)

**Sec. 6-151. Registration required.**

(a) *Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.
2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rentals.
3. Each owner, manager, or person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

(b) *Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;
3. The tax assessor's chart, block and lot of the property on which the building is located;
4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:
  - a. Each individual person that has an ownership interest in any entity that is the record owner.

This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a corporation; and

- b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity.
  6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
  - a. For Short Term Rental units that are owner-occupied, the registrant must provide a notarized primary residence affidavit, on forms provided by the City.
  - b. For Short Term Rental units that are tenant-occupied, the registrant must provide a notarized primary residence affidavit, a notarized statement of permission by his/her landlord, both on forms

supplied by the City.

3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest;

(d) *Display of Short Term Rental Registration Number Required.*

Once registration is approved by the City, each short term rental shall be given a registration number, which must be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord. 298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-152. Registration Fees.**

(a) *Annual Registration Fee.* Upon initial registration and by January 1st of each year, registrants shall pay the City a registration fee for each rental unit, in the amounts set forth below. A rental unit shall not be considered registered unless and until this fee is paid in full.

(b) *Long Term Rental Registration Fee.* The registrant of a long term rental shall pay thirty five dollars (\$35.00) to the City by January 1st of each year.

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. ~~The fee total will accumulate first by counting any owner occupied or tenant occupied units short term rental units operating in a single family home or owner occupied multi family buildings and then fees will be attributed at the higher rate for any non owner occupied units units located in non-owner occupied buildings. If an owner registers units in both in the owner occupied and non-owner occupied buildings categories then the owner occupied fees will be considered the first unit under the fee structure starting with the 1<sup>st</sup> unit fee as described in the chart below regardless of the order~~

~~in which the units are registered.~~

Owner Occupied <del>Single Family Home</del> or Tenant Occupied <u>Units</u>	\$100
<del>Multi Unit Owner Occupied Building</del> <del>Island Short Term Rentals</del>	<del>1<sup>st</sup> Unit - \$100</del> <del>2<sup>nd</sup> Unit - \$250</del> <del>3<sup>rd</sup> Unit - \$500</del> <del>4<sup>th</sup> Unit - \$1,000</del> <del>5<sup>th</sup> Unit - \$2,000</del>
<del>Multi Unit</del> Non-Owner Occupied <u>Building Units</u>	1 <sup>st</sup> Unit - \$200 2 <sup>nd</sup> Unit - \$500 3 <sup>rd</sup> Unit - \$1,000 4 <sup>th</sup> Unit - \$2,000 5 <sup>th</sup> Unit - \$4,000

(d) *Registration and Renewal Fee Discounts.* The following discounts shall apply to the registration and renewal fees:

- (1) \$10 discount for each rental unit within a fully-sprinkled building as verified by a testing report, maintenance report or a maintenance contract, which shall be provided at the time of registration and upon each registration renewal;
- (2) \$7.50 discount for each rental unit within a building with a centrally-monitored fire alarm as verified by Fire Department logs or an alarm contract, which shall be provided at the time of registration and upon each registration renewal;
- (3) \$5.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Housing Quality Standard (HQS) inspection within the preceding year as verified by the HQS inspection report, which shall be provided at the time of registration and upon each registration renewal;
- (4) \$10.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Uniform Physical Condition Standard (UPCS) inspection within the preceding year as verified by the UPCS inspection report, which shall be provided at the time of

registration and upon each registration renewal;

- (5) \$2.50 for a rental unit that is subject to a signed lease which prohibits smoking by tenants as verified by a copy of the current lease, which shall be provided at the time of registration and upon each registration renewal. The existence of and enforcement of this provision may be verified through an inspection~~s~~ of each rental unit.

The total amount of discounts from the annual registration or renewal fee as described above shall not exceed \$20.00, and the minimum annual fee for registration or renewal shall be \$15.00 per unit.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-153. ~~Violations~~Limitations on Short Term Rental Units.**

(a) *Occupancy Limit.* Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) *Limitation on Total Number of Short Term Rentals.* No more than 300 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

(c) *Limitations on number of Short Term Rentals an Individual or Entity May Register.* An individual or entity may only register up to five (5) short term rental~~s~~ units in the City, including the Islands, in any one (1) calendar year. For purposes of this section, short term rental units registered by an entity in which the registrant has an ownership interest shall be counted towards this limit. Except for registrants with more than one registered island short term rental unit as of December 1, 2018, an owner may only register one (1) island short term rental unit in any calendar year. Except for registrants who registered a non-owner occupied unit as of December 1, 2018, only owner-occupied or tenant-occupied units are eligible to be registered as a short-term rental unit.

Notwithstanding the requirements of this section, owners with more than one (1) short term rental unit registered as of December 1, 2018 may apply to renew the registration for those units, so long as the owner retains ownership of that unit and continues to comply with all other provisions of this article.

(d) No individual or entity may register a short term rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on an Island.

(e) The number of short term rental units that may be operated in a multi-unit building are as follows:

Total # of Units in a Building	# of Short Term Rental Units Allowed in a Building	
	Owner Occupied	Non-Owner Occupied
2	2	1
3	3	2
4	4	2
5	5	2
6-9	5	4
10+	5	5

~~Owner occupied units and tenant occupied units, where the tenant is the registrant, shall not be counted towards these limits.~~

f. ~~Where more than two [complaints/confirmed disturbances/police reports] are filed regarding the same Short term rental unit or multi-unit building, that unit or any unit in the multi-unit building may not be renewed until and unless the Building Authority holds a hearing and finds that the continued operation of the short term rental unit does not unduly disrupt the purpose of the zone in which it is located. [FOR DISCUSSION PURPOSES. TRYING TO ADDRESS WHERE THERE ARE RECURRENT DISTURBANCES]~~

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-154. Allocation of Non-owner Occupied Short Term Rentals Units.**

~~The limitations on the allocation of 300 non-owner occupied mainland short term rental units identified in section 6-153(b) shall be allocated each year first to renewal applications which shall be filed by December 31st on a first come, first registered basis. If this limit is not reached after review and issuance of renewal registrations, then new applications for non-owner occupied units will be accepted on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has~~

~~been reached, a waitlist will be formed to help gauge market demand. The City Manager or his or her designee, may institute a lottery process at his or her discretion. [alternatively] delete this section if we choose to only allow owner-occupied & tenant-occupied STR units after December 1, 2018 under 6-153(c)~~  
(Ord. 179-16/17, 3-27-2017)

### **Sec. 6-155. Violations.**

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

- (a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;
- (b) Any person, business entity, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;
- (c) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;
- (d) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;
- (e) Any person, business entity or other organization failing to timely file the required registration, acquire and/or display the required Short Term Rental registration number, or failing to timely pay, in full, the registration fee or annual renewal fee, or failing to timely file any required update to the registration ~~shall be~~ is in violation of this Article for which a fine of \$100.00 per day each day the violation continues shall be assessed;
- (f) Any person providing false information with respect to registration shall be in violation of this article for which a fine of \$1,000.00 shall be assessed;

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-156. Enforcement.**

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, at the discretion of the City Manager or his or her designee, have its registration revoked and be ineligible for registration for a period of ~~twelve—36~~ (~~1236~~) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, at the discretion of the City Manager or his or her designee, prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(d) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may be in addition to fines levied against owners of property.

(e) Violations of the provisions of this article shall be grounds to deny an application or renewal application for a short-term rental registration.

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017)

**Sec. 6-157. Revenue Allocation.**

Notwithstanding section 6-1(b), all revenue generated from short term rental registration fees and penalties shall be used to first fund short term rental related administrative costs. Any remaining revenue shall be deposited in the Housing Trust Fund, as defined in Section 14-489.

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-158. Reserved.**

**Sec. 6-159. Reserved.**

City of Portland  
Code of Ordinances  
Sec. 6-157

Buildings and Building Regulations  
Chapter 6  
Rev. 3-27-2017

**Sec. 6-160. Reserved.**  
**Sec. 6-161. Reserved.**  
**Sec. 6-162. Reserved.**  
**Sec. 6-163. Reserved.**  
**Sec. 6-164. Reserved.**

PROPOSED AMENDMENTS TO CHAPTER 6, ARTICLE VI, § 6-151  
SPONSORED BY COUNCILOR COOK

**Sec. 6-151. Registration required.**

(a) *Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.
2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rental.
3. Each owner, manager, ~~and~~ person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must apply to register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility. New owners or tenants applying to register an existing short term rental unit are considered new applicants and shall be subject to all limitations and regulations in effect at the time of the application.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

(b) *Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;

3. The tax assessor's chart, block and lot of the property on which the building is located;
4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:
  - a. The name of ~~E~~each individual person that has an ownership interest in any entity that is the record owner. This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a corporation; and
  - b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity.
6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.*

A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;

a. For Short Term Rental units that are owner-occupied, the ~~owner~~~~registrant~~ must provide a notarized primary residence affidavit, on forms provided by the City, and must also produce for review two of the following demonstrating residency at the owner-occupied unit:

- i. Valid driver's license or other state-issued identification;
- ii. Valid motor vehicle registration;
- iii. Current voter registration; or
- iv. Proof of homestead exemption.

b. For Short Term Rental units that are tenant-occupied, the ~~tenant~~ ~~registrant~~ must provide a notarized primary residence affidavit, ~~and~~ a notarized statement of permission by his/her landlord, both on forms supplied by the City, and must also produce for review two of the following demonstrating residency at the tenant-occupied unit:

- i. Valid driver's license or other state-issued identification;
- ii. Valid motor vehicle registration;
- iii. Current voter registration; or
- iv. Recent utility bill.

3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest;

4. For Short term rental units that are within a condominium or homeowner's association, a notarized affidavit attesting that use of the unit as a short term rental is allowed under the relevant documents.

5. If the application is for renewal, the following:

(a) The number of nights the unit was rented on a short-term basis in the previous reporting year. For purposes of reporting this information, November 1 through October 31 is the reporting period for a renewal of January 1, and

(b) Produce for review, proof that state lodging taxes were paid for the year prior to the renewal date.

(d) *Display of Short Term Rental Registration Number Required.* Once registration is approved by the City, each short term rental shall be given a registration number, which must be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord. 298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017)

(f) The City shall make available on its website a way for the public to query by address whether there are any short term rental registrations, and if so how many there are at a given address. [this doesn't seem to fit here, but where?]

**RAY AMENDMENT TO SHORT TERM RENTAL  
ALLOCATION AND REGISTRATION REQUIREMENTS**

**ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS**

**Sec. 6-150. Purpose.**

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. This article is intended to require the disclosure of the ownership of such property, to regulate the renting of property within the City, and to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, and to ensure that owners and tenants comply with chapters 6 and 10 of the City Code.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-150.1. Definitions.**

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

*Island Short Term Rental* shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.

*Long Term Rental* shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

*Mainland Short Term Rental* shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

*Multi-Unit* shall mean a single, detached building in common ownership interest containing more than one (1) residential or commercial unit, as determined by the Director of the Permitting and Inspections Department.

*Owner-Occupied* shall mean a rental unit owned and occupied by the registrant as his or her primary residence.

*Owner* shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

*Primary Residence* shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

*Registrant* shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

*Rental unit* is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a *rental unit*. *Dwelling units* and *rooming units* as defined in §6-106 are, without limitation, *rental units*. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a *rental unit*.

*Short Term Rental* is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

*Short Term Rental Property Manager shall mean the manager of the Short Term Rental Unit or the person or persons responsible for its regular maintenance or repair.*

*Single Family Home* shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

*Tenant-Occupied* shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully occupies the rental unit as his or her primary residence.  
(Ord. 179-16/17, 3-27-2017)

**Sec. 6-151. Registration required.**

(a) *Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year. Registration must

be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.

2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rentals.
3. Each owner, manager, or person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

(b) *Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;
3. The tax assessor's chart, block and lot of the property on which the building is located;
4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:
  - a. Each individual person that has an ownership interest in any entity that is the record owner. This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a

corporation; and

- b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity.
6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
  - a. For Short Term Rental units that are owner-occupied, the registrant must provide a notarized primary residence affidavit, on forms provided by the City.
  - b. For Short Term Rental units that are tenant-occupied, the registrant must provide a notarized primary residence affidavit, a notarized statement of permission by his/her landlord, both on forms supplied by the City.
3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in

which the registrant has an ownership interest;

(d) *Display of Short Term Rental Registration Number Required.*

Once registration is approved by the City, each short term rental shall be given a registration number, which must be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord. 298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-152. Registration Fees.**

(a) *Annual Registration Fee.* Upon initial registration and by January 1st of each year, registrants shall pay the City a registration fee for each rental unit, in the amounts set forth below. A rental unit shall not be considered registered unless and until this fee is paid in full.

(b) *Long Term Rental Registration Fee.* The registrant of a long term rental shall pay thirty five dollars (\$35.00) to the City by January 1st of each year.

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any owner--occupied or tenant-occupied units ~~short term rental units operating in a single family home or owner occupied multi family buildings~~ and then fees will be attributed at the higher rate for any non owner--occupied units ~~units located in non-owner occupied buildings. If an owner registers units in both owner occupied and non owner occupied buildings then the owner occupied fees will be considered the first unit under the fee structure starting with the 1<sup>st</sup> unit fee as described in the chart below regardless of the order in which the units are registered.~~

<del>Owner Occupied Single Family Home or Tenant Occupied Units</del>	\$100
<del>Multi-Unit Owner Occupied Building</del> Island Short Term Rentals, <u>Owner-occupied Units; Tenant-occupied Units</u>	1 <sup>st</sup> Unit - \$100 2 <sup>nd</sup> Unit - \$250 3 <sup>rd</sup> Unit - \$500 4 <sup>th</sup> Unit - \$1,000 5 <sup>th</sup> Unit - \$2,000
<del>Multi-Unit Non-Owner-Occupied Building</del> <u>Units</u>	1 <sup>st</sup> Unit - \$200 2 <sup>nd</sup> Unit - \$500 3 <sup>rd</sup> Unit - \$1,000 4 <sup>th</sup> Unit - \$2,000 5 <sup>th</sup> Unit - \$4,000

(d) *Registration and Renewal Fee Discounts.* The following discounts shall apply to the registration and renewal fees:

- (1) \$10 discount for each rental unit within a fully-sprinkled building as verified by a testing report, maintenance report or a maintenance contract, which shall be provided at the time of registration and upon each registration renewal;
- (2) \$7.50 discount for each rental unit within a building with a centrally-monitored fire alarm as verified by Fire Department logs or an alarm contract, which shall be provided at the time of registration and upon each registration renewal;
- (3) \$5.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Housing Quality Standard (HQS) inspection within the preceding year as verified by the HQS inspection report, which shall be provided at the time of registration and upon each registration renewal;
- (4) \$10.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Uniform Physical Condition Standard (UPCS) inspection within the preceding year as verified by the UPCS inspection report, which shall be provided at the time of registration and upon each registration renewal;

- (5) \$2.50 for a rental unit that is subject to a signed lease which prohibits smoking by tenants as verified by a copy of the current lease, which shall be provided at the time of registration and upon each registration renewal. The existence of and enforcement of this provision may be verified through an inspections of each rental unit.

The total amount of discounts from the annual registration or renewal fee as described above shall not exceed \$20.00 per unit. ~~and the minimum annual fee for registration or renewal shall be \$15.00 per unit.~~

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-153. ~~Violations~~Limitations.**

(a) Occupancy Limit. Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) Limitation on Total Number of Short Term Rentals. No more than 300 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

As of November 1, 2018, or the date of passage of these updates to the STR ordinance, whichever is earlier, Mainland Short Term Rental Units in Owner-Occupied Multi-units that are not the Primary Residence of the registrant shall be understood to be Non Owner-occupied units and regulated as such.

(c) Limitations on number of Short Term Rentals an Individual or Entity May Register. An individual or entity may only register up to five (5) short term rentals in the City, including the Islands, in any one (1) calendar year. For purposes of this section, short term rentals registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

(e)(d) Limitations on number of Short Term Rentals for which an Individual or Entity may be the Short Term Rental Property Manager. No individual or entity may be the Short Term Rental Property Manager for more than five (5) mainland short term rental units in the City.

~~(d)~~(e) No individual or entity may register a short term rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on an Island.

~~(f)~~(e) The number of mainland short term rental units that may be operated in a multi-unit building are as follows:

Total # of Units in Building	# of Short Term Rental Units Allowed in Building	
	Owner-Occupied	Non Owner-Occupied
2	<del>21</del>	1
3	<del>32</del>	2
4	<del>43</del>	2
5	<del>54</del>	2
6-9	5	4
10+	5	5

~~Owner-occupied units and Tenant-occupied units, where the tenant is the registrant,~~ shall ~~not~~ be counted towards these limits.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-154. Allocation of Short Term Rentals.**

~~The limitations on the allocation of short~~Non-owner occupied mainland short term rental units identified registrations, which are limited by in section 6-153(b) shall be allocated ~~each year~~ on a first come, first registered basis. Once the total number of units identified in section 6-153(b) (the "Cap") has been reached, a waitlist will be formed to help gauge market demand. ~~The City Manager or his or her designee, may institute a lottery process at his or her discretion.~~

(Ord. 179-16/17, 3-27-2017)

Valid non-owner occupied mainland registrations may be automatically renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.

Failure to renew by January 1 shall result in the forfeiture of the automatic right to renew the registration of a unit, and re-registration shall be available only if the limitations in 6-153(b) have not been reached, or if the applicant is chosen off the waitlist.

If this automatic right to renew causes the number of Non-Owner

Occupied Mainland Short Term Rentals to exceed the Cap, no new Non-Owner Occupied Mainland Short Terms Rentals shall be registered until the number of Non-Owner Occupied Mainland Rentals falls below the Cap.

**Sec. 6-155. Violations.**

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

- (a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;
- (b) Any person, business entity, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;
- (c) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;
- (d) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;
- (e) Any person business entity or other organization failing to timely file the required registration or failing to timely pay, in full, the registration fee or annual renewal fee, or failing to timely file any required update to the registration shall be in violation of this Article for which a fine of \$100.00 per day each day the violation continues shall be assessed;
- (f) Any person providing false information with respect to registration shall be in violation of this article for which a fine of \$1,000.00 shall be assessed;

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-156. Enforcement.**

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted

by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, at the discretion of the City Manager or his or her designee, have its registration revoked and be ineligible for registration for a period of twelve (12) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, at the discretion of the City Manager or his or her designee, prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(d) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may be in addition to fines levied against owners of property.

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017)

**Sec. 6-157. Revenue Allocation.**

Notwithstanding section 6-1(b), all revenue generated from short term rental registration fees and penalties shall be used to first fund short term rental related administrative costs. Any remaining revenue shall be deposited in the Housing Trust Fund, as defined in Section 14-489.

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-158. Reserved.**

**Sec. 6-159. Reserved.**

**Sec. 6-160. Reserved.**

**Sec. 6-161. Reserved.**

**Sec. 6-162. Reserved.**

**Sec. 6-163. Reserved.**

**Sec. 6-164. Reserved.**

## STAFF PROPOSED AMENDMENT TO CHAPTER 6, ARTICLE VI

### ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS

#### Sec. 6-150. Purpose.

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential long term rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. Non-owner occupied short term rental units remove housing units from the long term rental market and may contribute to the increase in the cost of rental housing in the City.

This article is intended to require the disclosure of the ownership of such property, and to regulate the renting of property within the City, and to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, to ensure that housing units remain available for rent to those who reside or seek to reside within the City, to ensure that residential areas are not unduly impacted by the operation of short term rentals, and to ensure that owners and tenants comply with chapters 6 and 10 of the City Code.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

#### Sec. 6-150.1. Definitions.

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

*Island Short Term Rental* shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.

*Long Term Rental* shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

*Mainland Short Term Rental* shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

*Multi-Unit* shall mean a single, detached building in common

ownership interest containing more than one (1) residential or commercial unit, as determined by the Director of the Permitting and Inspections Department.

*Owner-Occupied* shall mean a rental unit owned and occupied by the registrant as his or her primary residence. Accessory dwelling units as defined in Chapter 14 of this Code, are not considered owner-occupied units for purposes of short term rental registration and regulation.

*Owner* shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

*Primary Residence* shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

*Registrant* shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

*Rental unit* is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a *rental unit*. *Dwelling units* and *rooming units* as defined in §6-106 are, without limitation, *rental units*. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a *rental unit*.

*Short Term Rental* is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

*Single Family Home* shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

*Tenant-Occupied* shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully occupies the rental unit as his or her primary residence.

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-151. Registration required.**

*(a) Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.
2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rental~~s~~.
3. Each owner, manager, or person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

*(b) Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;
3. The tax assessor's chart, block and lot of the property on which the building is located;
4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:

- a. The name of ~~E~~each individual person that has an ownership interest in any entity that is the record owner. This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a corporation; and
  - b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity.
  6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
  - a. For Short Term Rental units that are owner-occupied, the ~~registrant~~ owner must provide a notarized primary residence affidavit, on forms provided by the City. The owner must also produce for review one of the following demonstrating residency at the owner-occupied unit:

- i. Valid driver's license or other state-issued identification;
- ii. Valid motor vehicle registration;
- iii. Current voter registration;
- iv. Proof of homestead exemption; or
- i.v. Other documentation proving residence to the satisfaction of the City's Permitting and Inspections Department.

b. For Short Term Rental units that are tenant-occupied, the ~~registrant~~ tenant must provide a notarized primary residence affidavit, and a notarized statement of permission by his/her landlord, both on forms supplied by the City. The tenant must also produce for review one of the following demonstrating residency at the tenant-occupied unit:

- i. Valid driver's license or other state-issued identification;
- ii. Valid motor vehicle registration;
- iii. Current voter registration; or
- iv. Other documentation proving residence to the satisfaction of the City's Permitting and Inspections Department

3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest. +

(d) *Display of Short Term Rental Registration Number Required.*  
Once registration is approved by the City, each short term rental shall be given a registration number, which much be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord.

298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-152. Registration Fees.**

(a) *Annual Registration Fee.* Upon initial registration and by January 1st of each year, registrants shall pay the City a registration fee for each rental unit, in the amounts set forth below. A rental unit shall not be considered registered unless and until this fee is paid in full.

(b) *Long Term Rental Registration Fee.* The registrant of a long term rental shall pay thirty five dollars (\$35.00) to the City by January 1st of each year.

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any owner occupied or tenant occupied units ~~short term rental units operating in a single family home or owner occupied multi-family buildings~~ and then fees will be attributed at the higher rate for any non owner occupied units ~~units located in non owner occupied buildings.~~ ~~If an owner registers units in both owner occupied and non owner occupied buildings then the owner occupied fees will be considered the first unit under the fee structure starting with the 1<sup>st</sup> unit fee as described in the chart below regardless of the order in which the units are registered.~~

Owners and tenants may register more than one short term rental unit (bedrooms, separate spaces, etc.) within their primary residence.

<del>Owner Occupied Single Family Home Units; or Tenant Occupied Units; Island Short Term Rental Units</del>	<del>\$100 each</del>
<del>Multi Unit Owner Occupied Building          Island Short Term Rentals</del>	<del>1<sup>st</sup> Unit - \$100          2<sup>nd</sup> Unit - \$250          3<sup>rd</sup> Unit - \$500          4<sup>th</sup> Unit - \$1,000          5<sup>th</sup> Unit - \$2,000</del>
<del>Multi Unit Non Owner Occupied Building          Non-Owner Occupied Mainland Short Term Rental Units</del>	<del>1<sup>st</sup> Unit - \$200          2<sup>nd</sup> Unit - \$500          3<sup>rd</sup> Unit - \$1,000          4<sup>th</sup> Unit - \$2,000*          5<sup>th</sup> Unit - \$4,000*</del>

\* Available only for units that are lawfully registered as of December 1, 2018, and timely reregister each year.

(d) *Registration and Renewal Fee Discounts.* The following discounts shall apply to the registration and renewal fees:

- (1) \$10 discount for each rental unit within a fully-sprinkled building as verified by a testing report, maintenance report or a maintenance contract, which shall be provided at the time of registration and upon each registration renewal;
- (2) \$7.50 discount for each rental unit within a building with a centrally-monitored fire alarm as verified by Fire Department logs or an alarm contract, which shall be provided at the time of registration and upon each registration renewal;
- (3) \$5.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Housing Quality Standard (HQS) inspection within the preceding year as verified by the HQS inspection report, which shall be provided at the time of registration and upon each registration renewal;
- (4) \$10.00 for a rental unit that has been subject to and

has passed a Housing and Urban Development Uniform Physical Condition Standard (UPCS) inspection within the preceding year as verified by the UPCS inspection report, which shall be provided at the time of registration and upon each registration renewal;

- (5) \$2.50 for a rental unit that is subject to a signed lease which prohibits smoking by tenants as verified by a copy of the current lease, which shall be provided at the time of registration and upon each registration renewal. The existence of and enforcement of this provision may be verified through an inspections of each rental unit.

The total amount of discounts from the annual registration or renewal fee as described above shall not exceed \$20.00, and the minimum annual fee for registration or renewal shall be \$15.00 per unit.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-153. ~~Violations~~Limitations on Short Term Rental Units.**

(a) *Occupancy Limit.* Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) *Limitation on Total Number of Short Term Rentals.* No more than 300 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

As of December 1, 2018, Mainland Short Term Rental Units in Owner-Occupied Multi-units that are not the Primary Residence of the registrant shall be counted as Non-Owner occupied units and subject to this limitation.

(c) *Limitations on number of Short Term Rentals an Individual or Entity May Register.* After December 1, 2018, Aan individual or entity may only register up to threefive (35) short term rentals ~~units~~ in the City, including the Islands, in any one (1) calendar year. For purposes of this section, short term rental ~~units~~ registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

~~(e)~~(d) No individual or entity may register a short term

rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on an Island.

~~(d)~~(e) The number of mainland short term rental units that may be operated in a multi-unit building are as follows:

Total # of <u>Dwelling</u> Units in <del>Building</del>	# of <u>Non Owner Occupied</u> Short Term Rental Units Allowed in Building	
	<del>Owner Occupied</del>	<del>Non-Owner Occupied</del>
2	<del>2</del>	1
<del>3-5</del>	3	2
<del>6+</del>		3
<del>4</del>	4	<del>2</del>
<del>5</del>	5	<del>2</del>
<del>6-9</del>	5	4
<del>10+</del>	5	5

~~Tenant-occupied units, where the tenant is the registrant, shall not be counted towards these limits.~~

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017)

**Sec. 6-154. Allocation of Short Term Rentals.**

~~(a) The limitations on the allocation of Non-owner occupied mainland short term rental units identified in, which are limited by section 6-153(b), shall be allocated each year on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed ~~to help gauge market demand~~. The City Manager or his or her designee, may institute a lottery process to allocate available registrations off the waitlist at his or her discretion.~~

~~(b) Notwithstanding the limitations in section 6-153(b) and (c), valid registrations of short term rentals may be renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.~~

~~However, if the number of registered non-owner occupied mainland units exceeds the limitations in section 6-153(b), then no new non-owner occupied mainland units shall be registered until the number of units falls below that limitation. The City Manager or his or her designee may implement staggered application deadlines for renewal applications and new applications as necessary to implement this requirement.~~

Failure to renew by January 1 shall result in the forfeiture of the right to renew the registration, and any subsequent application shall be treated as a new application for registration.

(Ord. 179-16/17, 3-27-2017)

**Sec. 6-155. Violations.**

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

- (a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;
- (b) Any person, business entity, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;
- (c) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;
- (d) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;
- (e) Any person business entity or other organization failing to timely file the required registration, acquire and/or display the required Short Term Rental registration number, or failing to timely pay, in full, the registration fee or annual renewal fee, or failing to timely file any required update to the registration ~~shall~~ be is in violation of this Article for which a fine of \$100.00 per day each day the violation continues shall be assessed;
- (f) Any person providing false information with respect to registration shall be in violation of this article for

which a fine of \$1,000.00 shall be assessed;  
(Ord. 179-16/17, 3-27-2017)

**Sec. 6-156. Enforcement.**

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, at the discretion of the City Manager or his or her designee, have its registration revoked and be ineligible for registration for a period of twelve (12) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, at the discretion of the City Manager or his or her designee, prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(d) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may be in addition to fines levied against owners of property.

(e) Violations of the provisions of this article shall be grounds to deny an application or renewal application for a short term rental registration.

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017)

**Sec. 6-157. Revenue Allocation.**

Notwithstanding section 6-1(b), all revenue generated from short term rental registration fees and penalties shall be used to first fund short term rental related administrative costs. Any remaining revenue shall be deposited in the Housing Trust Fund, as defined in Section 14-489.

(Ord. 179-16/17, 3-27-2017)

- Sec. 6-158. Reserved.**
- Sec. 6-159. Reserved.**
- Sec. 6-160. Reserved.**
- Sec. 6-161. Reserved.**
- Sec. 6-162. Reserved.**
- Sec. 6-163. Reserved.**
- Sec. 6-164. Reserved.**

PROPOSED THIBODEAU AMENDMENT

Sec. 6-154. Allocation of Short Term Rentals.

The limitations on the allocation of short term rental units identified in section 6-153(b) shall be allocated ~~each year~~ on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed. Applicants will be chosen off the waitlist as follows:

1. Applicants who do not have any registered non-owner occupied short term rental units will be registered in the order in which they applied.

2. If there are any remaining registrations available, applicants who have one registered non-owner occupied short term rental unit will be registered in the order in which they applied.

3. This pattern shall proceed for applicants who have two registered non-owner occupied short term rental units, then three, four, and five registered units.

~~to help gauge market demand. The City Manager or his or her designee, may institute a lottery process at his or her discretion.~~



**TO:** Councilor Jill Duson, Chair  
Members of the Housing and Community Development Committee

**FROM:** Mary P. Davis, HCD Division Director  
Housing and Community Development Division

**DATED:** October 19, 2018

**SUBJECT:** Proposal to Increase Short Term Rental Registration Fees

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### Introduction

During the May 21 meeting of the City Council, by a passage of 5 – 3, the City Council referred Order 225-17/18 (introduced by Mayor Ethan Strimling) to increase fees for registering short term rental units, and direct revenue related to the fee increase to the Housing Trust Fund. These changes would be effective January 1, 2019. The Council further ordered the Housing Committee to review the issue and provide its final recommendation to the Council. The committee initially considered this amendment at its July 31 and September 6, 2018 meeting where it was determined that a decision on this item would be delayed and considered as part of a package of proposed amendments to the Short Term Rental Registration Program. Therefore, the item is included in this agenda as part of the action item regarding Proposed Policy Changes to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to short-term rental units.

The *Order Referring a Proposal to Increase Short Term Rental Registration Fees to the Housing Committee* proposes to increase the fees for registering a short term rental unit to \$500 for the 1<sup>st</sup> unit; \$1,000 for the 2<sup>nd</sup> unit; \$2,000 for the 3<sup>rd</sup> unit; \$3,000 for the 4<sup>th</sup> unit; and \$5,000 for the 5<sup>th</sup> unit. The fee increase shall be applied to; an Owner-Occupied Single Family Home or Tenant Occupied Unit; Multi-Unit Owner-Occupied Buildings, and Island Short Term Rentals; and Multi-Unit Non-Owner Occupied Buildings.

Two Possible Committee Actions:

- (1) Recommendation to City Council to **Approve** the Proposal to Increase Short Term Rental Registration Fees
- (2) Recommendation to City Council to **NOT Approve** the Proposal to Increase Short Term Rental Registration Fees

Attachments: Order 225-17/18 Order Referring a Proposal to Increase Short Term Rental Registration Fees to the Housing Committee

Order 225-17/18

Passage: 5-3 (Mavodones, Costa, Duson) on 5/21/2018

Effective 5/31/2018

ETHAN K. STRIMLING (MAYOR)  
BELINDA S. RAY (1)  
SPENCER R. THIBODEAU (2)  
BRIAN E. BATSON (3)  
JUSTIN COSTA (4)

**CITY OF PORTLAND**  
IN THE CITY COUNCIL

KIMBERLY COOK (5)  
JILL C. DUSON (A/L)  
PIOUS ALI (A/L)  
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER REFERRING A PROPOSAL TO INCREASE  
SHORT TERM RENTAL REGISTRATION FEES TO THE HOUSING COMMITTEE**

**ORDERED**, that the City Council hereby refers a proposal to increase the fees for registering short term rental units to \$500.00 for the 1st unit, \$1,000 for the 2nd unit; \$2,000 for the 3rd unit, \$3,000 for the 4th unit and \$5,000 for the 5th unit, increasing revenues by \$250,000 in the Permitting and Inspections Department account 100-25-03, and that the revenue from the increase be allocated to the Housing Trust Fund, to the Housing Committee; and

**BE IT FURTHER ORDERED**, that the Housing Committee review the issue and provide its final recommendation to the City Council.

Update to Short Term Rental Registration Program from Permitting and Inspections Department. (Revisions and follow-up information requested during the September 26th and October 11th Housing Committee meeting.)

1. Added memo: Financial Impact of Short-term Rental Fee Schedule Ordinance Amendment
2. Updated the Short Term Rental data as of 10.24.18
3. Revised version of the Housing Safety Talking Points 9.26.18, adding the word "Mainland" to the second table.
4. Revised version of the Answers document, adding the word "Mainland" to the answer for Q20.
5. Revised version of Appendix C - Tables and Graphs, inserting the word "Mainland" in each title or data label that mentions non owner occupied units.
6. Revised version of Jessica Hanscombe's memo from October 11<sup>th</sup>, inserting the word "Mainland".
7. Response to question asked at the October 11th meeting regarding clarification on the actual number of multiple room registrations (where an owner or tenant may rent out multiple bedrooms in their home)
  - i. This data was not collected previously. The application has been amended to capture this going forward. The following data is available for Owner Occupied only:
    1. 5 properties have 2 rooms each
    2. 1 property has 3 rooms
    3. 1 property has 4 rooms



Permitting and Inspections Department  
Michael A. Russell, MS, Director

October 19, 2018

To: Jill Duson, Chair  
Members of the Portland Housing Committee  
From: Samantha Chapin, Principal Administrative Officer  
Cc: Michael Russell, Director, Permitting and Inspections Department  
Michael Sauschuck, Assistant City Manager  
RE: Financial Impact of Short Term Rental Fee Schedule Ordinance Amendments

#### Current Owner Occupied Building Fee Schedule

Owner Occupied Building fees are calculated according to the following:

First Unit	\$100
Second Unit	\$250
Third Unit	\$500
Fourth Unit	\$1,000
Fifth Unit	\$2,000

Multiple short term units registered within the owner's primary residential unit are included in the above scale. For example, 1 single family home with 2 rented rooms is charged the first unit and second unit rate.

#### Proposed Fee Schedule Changes

The fee remains at \$100 for one Short Term Rental within the owner or tenant occupied unit under both proposals.

All other registrations were recalculated using the respective fee proposals and the difference between the originally charged fee and new fee were totaled. The sole difference between the two fee structures applies to multiple short term units all within an owner occupied unit:

- Councilor Ray's proposal would result in no change to these fees from what was originally charged – units would follow the above owner occupied scale.
- Mayor Strimling and Councilor Cook's proposal would result in a decrease of these fees, as each short term rental unit within an owner occupied unit would be charged at \$100 each, rather than the above scale.

Additional financial impacts concerning Mayor Strimling and Councilor Cook's proposal would result from changing the Island Short Term Rental fee structure, however, this impact cannot be determined because the data is unavailable.

Financial Impact of Councilor Ray's proposal = \$27,050 gain.

Financial Impact of Mayor Strimling and Councilor Cook's proposal = \$24,150 gain.



Permitting and Inspections Department  
 Michael A. Russell, MS, Director

TO: Jill Duson, Chair  
 Members of the Portland Housing Committee

FROM: Jessica Hanscombe, Licensing and Registration Coordinator

Cc: Michael Russell, Director, Permitting and Inspections Department  
 Michael Sauschuck, Assistant City Manager

SUBJECT: Short Term Rentals

DATE: **October 24, 2018**

**Short Term Rentals by Applicant and Unit Totals**

	Total	Island	Non Owner Occupied	Owner Occupied	Tenant Occupied
Applicants	645	120	122	374	29
Units	765	122	164	450*	29

Source: As of 10/24/18, Energov.

\*Please see the breakdown below.

**Owner Occupied and Non Owner Occupied Short Term Rental Units within Owner**

Number of Owner Occupied Primary Units	Number of Non Owner Occupied Units	Unknown	Total Number of Units
298	151	1	450

**Occupied Buildings**

Source: As of 10/24/18, Energov.

Currently, the City has 164 Non Owner Occupied Mainland Units in Non Owner Occupied Buildings registered for 2018. This is 136 units below the cap of 300. If we add the Non Owner Occupied Units in an Owner Occupied Building (151) and the Unknown (1) to the current cap total, then the updated total is 316 with 16 units being over the cap.

**Short Term Rental Applicants and Units since 10/12/18**

	Total	Non Owner Occupied Units in a Non Owner Occupied Building	Non Owner Occupied Units in an Owner Occupied Building
Applicants	15	10	5
Units	20	8	12

Source: Original hard copy applications since 10/12/18.



Permitting and Inspections Department  
Michael A. Russell, MS, Director

**Number and Percentage of Short Term Rental Units by Type, 2018**

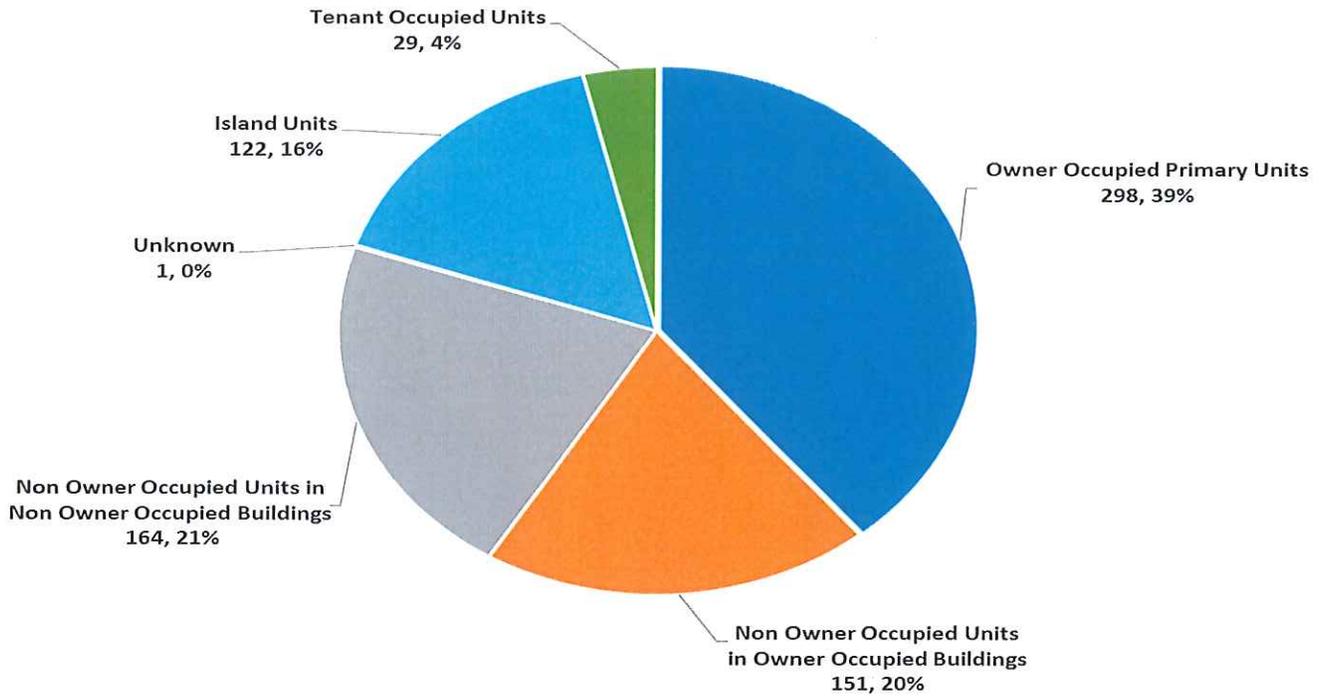
Type of Unit	Number	Percentage
Owner Occupied Primary Unit	298	39%
Non Owner Occupied Unit in a Owner Occupied Building	151	20%
Non Owner Occupied Unit in a Non Owner Occupied Building	164	21%
Unknown	1	< 1%
Island Unit	122	16%
Tenant Occupied Unit	29	4%
Total Units	765	100%

**Source:** As of October 24, 2018, Energov.



Permitting and Inspections Department  
Michael A. Russell, MS, Director

### Number and Percentage of Short Term Rental Units by Type, 2018



Source: As of October 24, 2018, Energov.



Permitting and Inspections Department  
Michael A. Russell, MS, Director

## Housing Committee Update September 18, 2018

### FY18 Financials

	Total	Long term	Short term
Revenue	\$614,266***	\$522,484+	\$91,782***
Expenditures	\$484,785*	\$393,003	\$91,782
Tyler Technology	\$129,481**	-	-

\*Staff expenditures represent 91% of all expenditures.

\*\*Contribution towards City's \$2 million investment.

\*\*\*After contributing \$33,139 to the Housing Trust Fund

+ \$50,000 collected in FY18 was for 2017 rental registrations.

### Short Term Rental Registration by the Number of Applicants and Units, 2017-18

	Total	Island	Non Owner Occupied Mainland	Owner Occupied and Non Owner Occupied Mainland Units in Owner Occupied Buildings	Tenant Occupied
Applicants	643	120	119	376	28
Units	781	123	162	468	28

Note: As of September 18, 2018.

### Rental Registration by Total Number of Applicants and Units, 2017-18

	Long term	Short term
Applicants	4,376	643
Units	17,796	781

Note: As of September 18, 2018.

### Rental Registration Follow-up Effort by the Number of Landlords, 2017-18

Type of Follow-up	Total	Long term	Short Term
Letter or Notice of Violation	2,215	1,700	515
Summons	56	56	0

Note: As of September 18, 2018.

### FY18 Rental Inspections by Number and Type

	Total
Housing Safety	3,802
Infestation/Insects	68
Legalization of Unit	37
Total	3,907

Note: Permitting and Inspections Department data only.

Source: All data is from Energov software (Tyler Technology), City of Portland, 2018.



Permitting and Inspections Department  
Michael A. Russell, MS, Director

### Successes

- Short term rental registrations far exceeded the initial estimate, however, the non-owner mainland cap is not close to the maximum allowed.
- Short term rental revenue surpassed the budgeted estimate by 108.2%.
  - Budgeted \$60,000; collected \$124,921, exceeding projections by \$64,921
- Delinquent rental registrations have been greatly reduced by a concentrated outreach effort during the first half of this calendar year.
- Following up on Two Family properties for a second inspection and collaborating with the Fire Department on 3+ Family properties to reach those with the highest risk scores.
- Egress window informational bulletin to clarify the Office of the State Fire Marshal's policy.

### Challenges

- Unresponsive landlords to registration and inspection requests.

### Recommendations

- Automatic renewals for short term rental registrations.
- Allow tenants to register more than one bedroom as a short term rental.

September 18, 2018

To: Housing Committee Members

From: Michael Russell, Director, Permitting and Inspections Department

Cc: Jonathan Rioux, Inspections Director, Permitting and Inspections Department

Jessica Hanscombe, Licensing and Registration Coordinator, Permitting and Inspections Department

Samantha Chapin, Principal Administrative Officer, Permitting and Inspections Department

Mary Davis, Division Director, Housing & Community Development Division, Planning & Urban Development Department

Victoria Volent, Housing Program Manager, Housing & Community Development Division

Keith Gautreau, Acting Fire Chief

Michael Sauschuck, Assistant City Manager

RE: Answers to requests, questions and comments from the July 31, 2018 Housing Committee meeting

Type	Requests	Answers
General	R1. Please explain the citizen education portion of the program. Provide examples of what education documents are available for the public.	<p>1) Education is the primary method to achieve voluntary code compliance and ensure safety. This allows efficient use of our enforcement resources. Multiple modes of education are used with citizens by:</p> <ol style="list-style-type: none"> <li>1) Posting educational materials and Frequently Asked Question documents to our department website,</li> <li>2) Sharing during our “Ask the Code Officer,” and, “Ask the Plan Reviewer,” meetings, and</li> <li>3) Teaching during inspections.</li> </ol> <p>An inspection provides the opportunity to explain the importance of each code requirement. Please see <b>Appendix A</b> for examples of materials.</p>
General	R2. Please report on all expenditures (including salary and fees paid to Host Compliance).	<p><b>Fiscal Year 2018 = Total: \$484,785</b></p> <p><b>Direct Costs:</b></p> <p><b>Salaries:</b></p> <p>Licensing &amp; Registration Assistants (2 @ 50%) \$40,384.50  Housing Safety Inspectors (4) \$177,510.76 (vacancies for partial year)  Uniforms/Cell Phones: \$3,075.69  Admin Costs (Training/Postage/Memberships/Travel): \$2,936.60  Contractual (Mileage, Host Compliance, Printing): \$33,526.81  Office equipment rental: \$400.27  Supplies and Equipment \$3,237.12</p>

		<p><b>Indirect costs</b> including salaries of staff time working on housing safety tasks, not charged to housing safety budget, and fringe for all staff.</p> <p><b>Salaries:</b>  Licensing &amp; Registration Coordinator (50%) \$27,203  Inspections Director (50%) \$42,032  Permitting &amp; Inspections Director (20%) \$22,506  Principal Administrative Officer (40%) \$21,660  Support Services Specialist (20%) \$8,220</p> <p>Fringe (32.61%) \$102,092</p>
General	R3. Please provide an updated budget and registration report for the next meeting.	<p><b>Fiscal Year 2019 Budget:</b>  <u>Revenues (Registrations):</u>  \$539,815 (\$100,000 STR, \$439,815 LTR)</p> <p><u>Expenditures:</u> \$471,130</p> <p><b>Direct Costs:</b>  <b>Salaries:</b>  Housing Safety Inspectors (4): \$198,595  Licensing &amp; Registration Assistant: \$40,385  Inspections Director (40%) \$34,633  Licensing &amp; Registration Coordinator (40%) \$22,789  Uniforms/Cell Phones: \$4,321  Admin Costs (Training/Postage/Memberships/Travel): \$6,140  Contractual (Mileage, Host Compliance, Printing): \$37,995  Office equipment rental: \$385  Supplies and Equipment \$1,750</p> <p><b>Indirect costs</b> including:  <b>Admin staff indirect:</b>  Permitting &amp; Inspections Director: (10%) \$11,696  Principal Administrative Officer: (20%) \$11,673  Support Services Specialist: (10%) \$4,111  Fringe: (32.61%) \$96,657</p>
General	R4. Would like to see a checklist for housing safety inspections prior to the inspection.	<p>1) A checklist represents a subset of all potential code violations. We will provide a pre-inspection checklist to help owners prepare and know</p>

		<p>what to expect. This checklist is also posted on our website. Please see <b>Appendix B</b> for the checklist. The Housing Inspectors are cross-trained in the Maine Uniform Building and Energy Code (MUBEC) and the National Fire Protection Association (NFPA) Life Safety standards as State Certified Code Enforcement Officers and NFPA Pro-Board Certified Fire Inspectors. The inspections cover a very broad range of codes including structural, plumbing, electric and life safety.</p>
General	R5. Would like to see more details regarding the expenditures of the rental registration and STR programs.	<p><b>Fiscal Year 2018:</b>  Please see R2 above for entire program.  Licensing and Registration Coordinator: (20%) \$10,881  Licensing and Registration Assistants (2 @ 20%) \$15,834  Host Compliance: \$29,995  Inspectors (approximately 20% each) \$35,072.20</p>
General	R6. Would like an audit conducted to ensure the rental registration program is being run efficiently.	<p>1) All revenue and expenditure information are publicly available in the City's annual budget and available on the website. External auditors audit the City each year. Annual financial audits are conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States. The most recent audit report (2017) was conducted by Runyon Kersteen Ouellette (RKO) and is available on the City of Portland's website.</p>
Short-Term	R7. We would like staff to provide new policy ideas for consideration.	<p>1) More time for the growth of the short-term rental program will provide additional data points for evaluation and the opportunity for further recommendations.</p>
Short-Term	R8. Please provide more detail about the two staff recommendations: 1) Automatic renewal of rental registrations and 2) Amend the ordinance to allow tenant to register more than one bedroom as a unit within their apartment.	<p>1) An annual renewal invoice will be sent with the registration fee owed. A Primary Residence affidavit or Landlord Statement of Permission will also be sent to be notarized and returned for those units registered as owner or tenant occupied, respectively. The registration will stay in a pending status until the payment and notarized documents are received. This will save the customer from providing the same application information each year.  2) According to Corporation Counsel's interpretation of the Short Term Rental ordinance, the ordinance limits tenants to registering only one unit, and therefore, a tenant cannot separately register bedrooms.</p>
Short-Term	R9. Please describe the monitoring services provided by Host Compliance.	<p>1) <b>Address Identification of Short-Term Rentals</b> - An Excel spreadsheet is delivered by weekly email and a live web dashboard with complete</p>

		<p>address and contact information and screenshots of all identifiable Short Term Rentals is available on demand.</p> <p>2) <b>Compliance Monitoring of Short-Term Rentals</b> - Host Compliance monitors the compliance status (registration) of units across 60+ rental websites. Once non-compliance is confirmed by cross-referencing our registration database, then a warning letter is sent. If the host is still non-compliant after 30 days, then a Notice of Violation is sent. After an additional 30 days, the final step for non-compliance is a summons to district court and assessment of a fine. A screenshot of the ad is sent with each communication, so there is no question which unit is in violation.</p>
Short-Term	R10. Would like an update to the previous spreadsheet titled “Number of short-term rentals units registered by the number and type of applicant”, dated July 31, 2018.	1) Please see <b>Appendix C</b> .
Short-Term	R11. Would like to receive updated data from Permitting and Inspections that distinguishes between owner-occupied units and units in an owner-occupied building that are not housing the owner.	1) The information currently available makes this difficult to determine with 100% confidence. To provide a range of possible values, two data scenarios have been provided. The first assumes an owner always registers their own unit when registering. The second assumes an owner never registers their own unit. Please see <b>Appendix C</b> .
	<b>Questions</b>	<b>Answers</b>
General	Q1. Can the public access the Tyler Technology directly?	1) No, a license is required and there are security concerns to allow public access. Data can be exported into Excel and shared.
General	Q2. How does the city track complaints?	1) Staff utilizes the IG Enforce and Energov (Tyler Technologies) code management and inspections modules to create and schedule inspections, add violations and documents, and manage each inspection and follow-up. We track complaints by parcel and to completion.
General	Q3. Can these complaints be tracked by citizens?	1) Not currently, but we’re working on custom reports that can be accessed on our website and this is the type of information that will be available.
General	Q4. What is the process regarding multiple complaints?	1) We treat each complaint seriously and follow-up. Multiple complaints received on the same property will lead to repeat investigations with an increasing level of scrutiny.
General	Q5. Are their consequences for multiple complaints?	1) Multiple complaints alone do not lead to consequences beyond repeat investigation. The factual findings will dictate the consequences. The

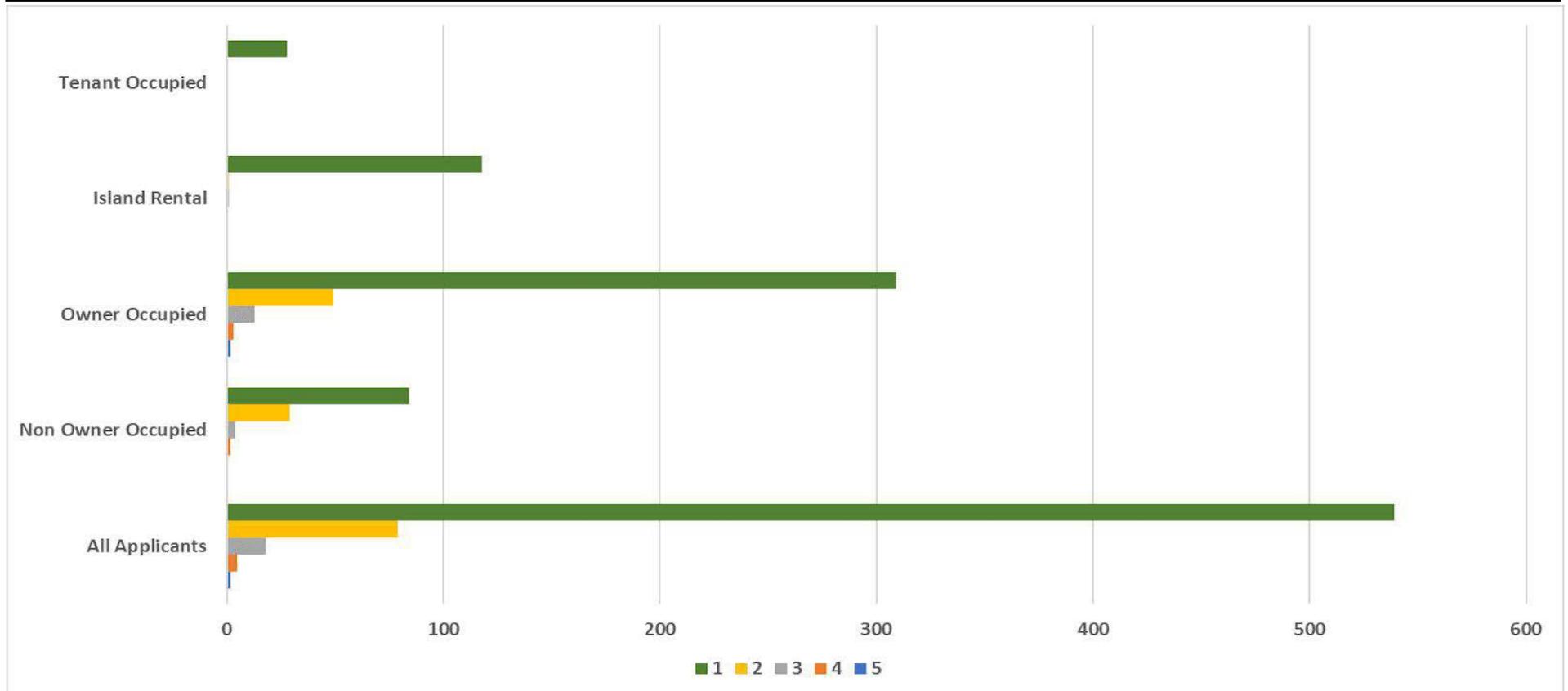
		presence of code violations and, in particular, repeat code violations will lead to further consequences.
General	Q6. How does the Fire Department inspections factor into the inspection data provided by Permitting and Inspections?	1) The Fire Department provides inspection data to the Permitting and Inspections Department to coordinate Long Term inspections. This helps to ensure good customer service by prioritizing properties.
General	Q7. Are nuisance complaints tracked?	1) All land-use complaints for the Permitting and Inspections Department are tracked through the same centralized process. Depending on the nature, some nuisance complaints are referred to other city departments.
General	Q8. What percent are these expenditures (for rental registration program) viewed against the entire department?	1) FY18 Expenditures= 23% 2) FY18 Revenue = 12.6%
General	Q9. Does the safety inspection totals for FY 2018 include both long and short term rentals?	1) Yes.
General	Q10. Does the total number of Housing Safety inspections include those conducted by the Fire Department?	1) The Fire Department tracks and reports their inspections using the same Energov system as the Permitting and Inspections Department. These inspection numbers are reported separately.
General	Q11. How much does it cost to run the program?	1) FY18 expenditures = \$484,785
General	Q12. Do the rental registration fees also cover general inspection costs?	1) The rental registration fees cover the direct and indirect costs of those staff assigned with housing safety tasks. Revenue beyond the short term rental expenditures go to the Housing Trust Fund. Revenue beyond the long term expenditures go to the General Fund. Please see the Permitting and Inspections Department organizational chart for those staff covered by rental registration fees in FY19 ( <b>Appendix D</b> ).
Short-Term	Q13. How often are the short term rentals on Peaks Island inspected?	1) It depends on the risk score, scheduling, and how many reinspections are necessary to confirm compliance.
Short-Term	Q14. What amount was contributed to the Housing Trust Fund?	1) FY18 = \$33,139.
Short-Term	Q15. Why is the mayor increasing the fees?	1) We defer to the Mayor to answer.
Short-Term	Q16. After looking at the ordinance, I have realized that the way we originally wrote it, tenants are already allowed to STR up to 5 spaces in their unit. That leads me to wonder what the complaints have been about. Have we been enforcing the	1) According to Corporation Counsel's interpretation of the STR ordinance, it limits tenants to registering only one unit and a tenant cannot separately register bedrooms. Tenants have expressed a desire to register multiple bedrooms separately within one apartment.

	<p>ordinance differently from the way it is written? Or did I misunderstand what tenants want to do?</p> <p>Again, as written, a tenant-occupied unit is treated exactly as an owner-occupied single family home, so I'm confused as to what, exactly, the staff recommendation is around tenant-occupied units.</p>	
Short-Term	<p>Q17. How can host compliance tell if a unit is registered? According to this constituent, he can't list his 8-digit registration number in his ads because platforms like Airbnb see a string of numbers that long and think the host is trying to post his/her phone number in order to work around the platform and book units privately. Are registration numbers being listed in ads? And if not, does that make it more difficult for Host Compliance to determine registration? Also, what other purpose do we use the registration numbers for?</p>	<ol style="list-style-type: none"> <li>1) Host Compliance compares the addresses of the posted short term rental ads with the those listed within the registration database. The database is updated daily. Host Compliance emails their observations in an Excel spreadsheet to the Licensing and Registration staff on a weekly basis. The Licensing and Registration staff validates the non-compliance observations or invalidates by indicating the unit is registered.</li> <li>2) The registration number can be listed as long as the dash is removed from the number.</li> <li>3) Yes, registration numbers are commonly listed in the ad. We're working with the individual rental sites to make this a requirement when posting an ad.</li> <li>4) It doesn't make it more difficult for Host Compliance to determine registration because their non-compliant observations are compared against our registration database.</li> <li>5) Licensing and Registration uses the registration number as a unique identifier for the rental registration.</li> </ol>
Short-Term	<p>Q18. This constituent received two violation letters from Host Compliance even though he rents his units for greater than 30-day periods. Does Host Compliance distinguish rentals by length of stay? Are we sending out erroneous letters to people?</p>	<ol style="list-style-type: none"> <li>1) Yes. Host Compliance does distinguish rentals by length of stay.</li> <li>2) Errors do occasionally occur, especially for hosts who vary their ads by length of stay. Sometimes there is confusion with a parcel number or a unit number that can lead to an erroneous letter. We can easily correct it when brought to our attention. Overall, this happens very rarely.</li> </ol>
Short-Term	<p>Q19. Would we be better served hiring a part-time city employee at a \$30,000 salary (including fringe) to manage STRs and check compliance, or are we certain Host Compliance is the best way to go?</p>	<ol style="list-style-type: none"> <li>1) The City researched vendors and Host Compliance was the most developed and sophisticated. Host Compliance developed an algorithm that scans 60+ rental websites for short term rentals advertised in Portland. This would be an incredibly labor-intensive and inefficient process for a part-time employee to search on a daily basis and manage compliance status and notification. Host Compliance has contracts with many municipalities. Their website is <a href="https://hostcompliance.com/">https://hostcompliance.com/</a></li> </ol>

Short-Term	Q20. Is the cap is being under counted due to the definition of “owner occupied”?	1) The current ordinance may result in non owner occupied mainland units being undercounted within owner occupied buildings.
Short-Term	Q21. How many units are being removed from the long-term market?	1) This is difficult to answer with certainty. Some registrants start renting a short-term then change back to long-term. Others register the same unit as long-term and short-term. This is a very fluid number and changes frequently. Please see the August 29th memo from the Planning and Urban Development Department Director, Jeff Levine, in <b>Appendix E.</b>
	<b>Comments</b>	<b>Answers</b>
General	C1. Concerned with the long response time, and difficulty trying to reach inspectors.	There are many ways to reach the inspections staff: 1) All direct phone numbers and email addresses are listed on the department webpage; 2) 30-minute appointments are available every Thursday morning with the Inspections Director for “Ask the Code Officer,” and are scheduled in advance; and 3) Messages left in the general department mailbox are forwarded to the appropriate staff.
Long-Term	C2. Concerned that low risk units are being inspected multiple times.	1) Our initial priority was to inspect all of the Two-Family properties, since they historically weren’t inspected and are at the highest risk of injury and death. The first year of inspections used a very abbreviated checklist in an effort to reach as many as possible, and as quickly as possible. In subsequent years, we have returned to those properties to complete a comprehensive inspection. This comprehensive inspection of Building and Life Safety Codes is the standard for our inspections.

**Table 1. Number of Short Term Rental Units Registered by the Number and Type of Applicants, 2017-18**

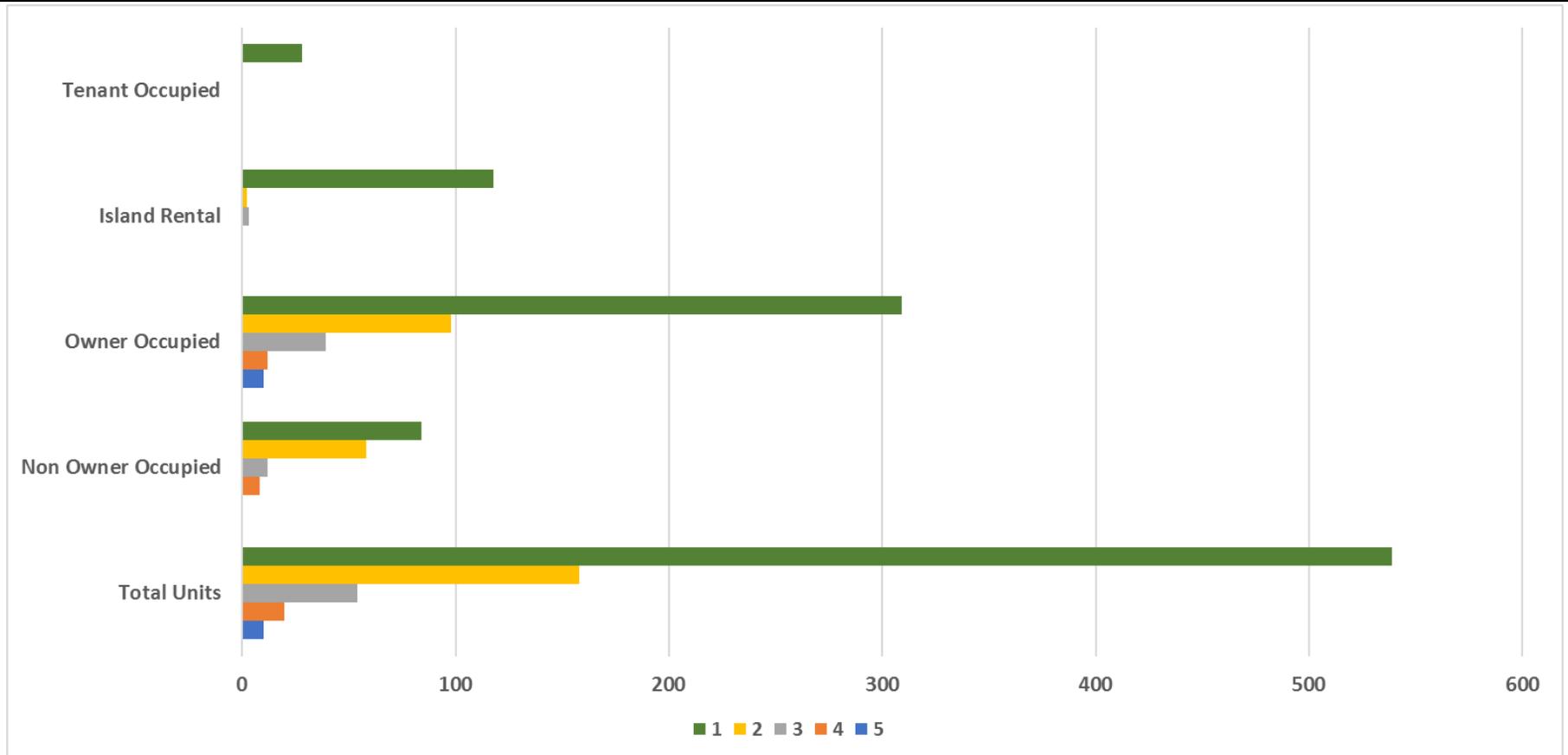
Number of Units Registered Per Applicant	Number of Applicants	%	Number of Non Owner Occupied Applicants for Mainland Units in Non Owner Occupied Buildings	%	Number of Owner Occupied Applicants for Owner Occupied and Non Owner Occupied Mainland Units in Owner Occupied Buildings	%	Number of Island Rental Applicants	Number of Tenant Occupied Applicants
5	2	0%	0	0%	2	1%	0	0
4	5	1%	2	2%	3	1%	0	0
3	18	3%	4	3%	13	3%	1	0
2	79	12%	29	24%	49	13%	1	0
1	539	84%	84	71%	309	82%	118	28
<b>Total</b>	<b>643</b>	<b>100%</b>	<b>119</b>	<b>100%</b>	<b>376</b>	<b>100%</b>	<b>120</b>	<b>28</b>



Source: Energov software, City of Portland, September 18, 2018.

**Table 2. Number of Short Term Rental Units Registered by the Number and Type, 2017-18**

Number of Units Registered per Applicant	Total Units	%	Number of Non Owner Occupied Mainland Units in Non Owner Occupied Buildings	%	Number of Owner Occupied and Non Owner Occupied Mainland Units in Owner Occupied Buildings	%	Number of Island Rental Units	Number of Tenant Occupied Units
5	10	1%	0	0%	10	2%	0	0
4	20	3%	8	5%	12	3%	0	0
3	54	7%	12	7%	39	8%	3	0
2	158	20%	58	36%	98	21%	2	0
1	539	69%	84	52%	309	66%	118	28
<b>Total</b>	<b>781</b>	<b>100%</b>	<b>162</b>	<b>100%</b>	<b>468</b>	<b>100%</b>	<b>123</b>	<b>28</b>



Source: Energov software, City of Portland, September 18, 2018.

**Table 3. Owner Occupied Short Term Rental Applicants and the Potential Number of Non-Owner Occupied Mainland Units in Owner Occupied Buildings (Scenario 1)**

Number of Units Registered	Number of Owner Occupied Applicants	Potential Number of Owner Occupied Primary Units	Potential Number of Non Owner Occupied Mainland Units in Owner Occupied Buildings	Total Number of Units
5	2	2	8	10
4	3	3	9	12
3	13	13	26	39
2	49	49	49	98
1	309	309	0	309
<b>Total</b>	<b>376</b>	<b>376</b>	<b>92</b>	<b>468</b>

**Note:** This assumes each owner occupied applicant is registering their own unit (primary).

**Source:** Energov software, City of Portland, September 18, 2018.

**Table 4. Owner Occupied Short Term Rental Applicants and the Potential Number of Non-Owner Occupied Mainland Units in Owner Occupied Buildings (Scenario 2)**

Number of Units Registered	Number of Owner Occupied Applicants	Potential Number of Owner Occupied Primary Units	Potential Number of Non Owner Occupied Mainland Units in Owner Occupied Buildings	Total Number of Units
5	2	0	10	10
4	3	0	12	12
3	13	0	39	39
2	49	0	98	98
1	309	0	309	309
<b>Total</b>	<b>376</b>	<b>0</b>	<b>468</b>	<b>468</b>

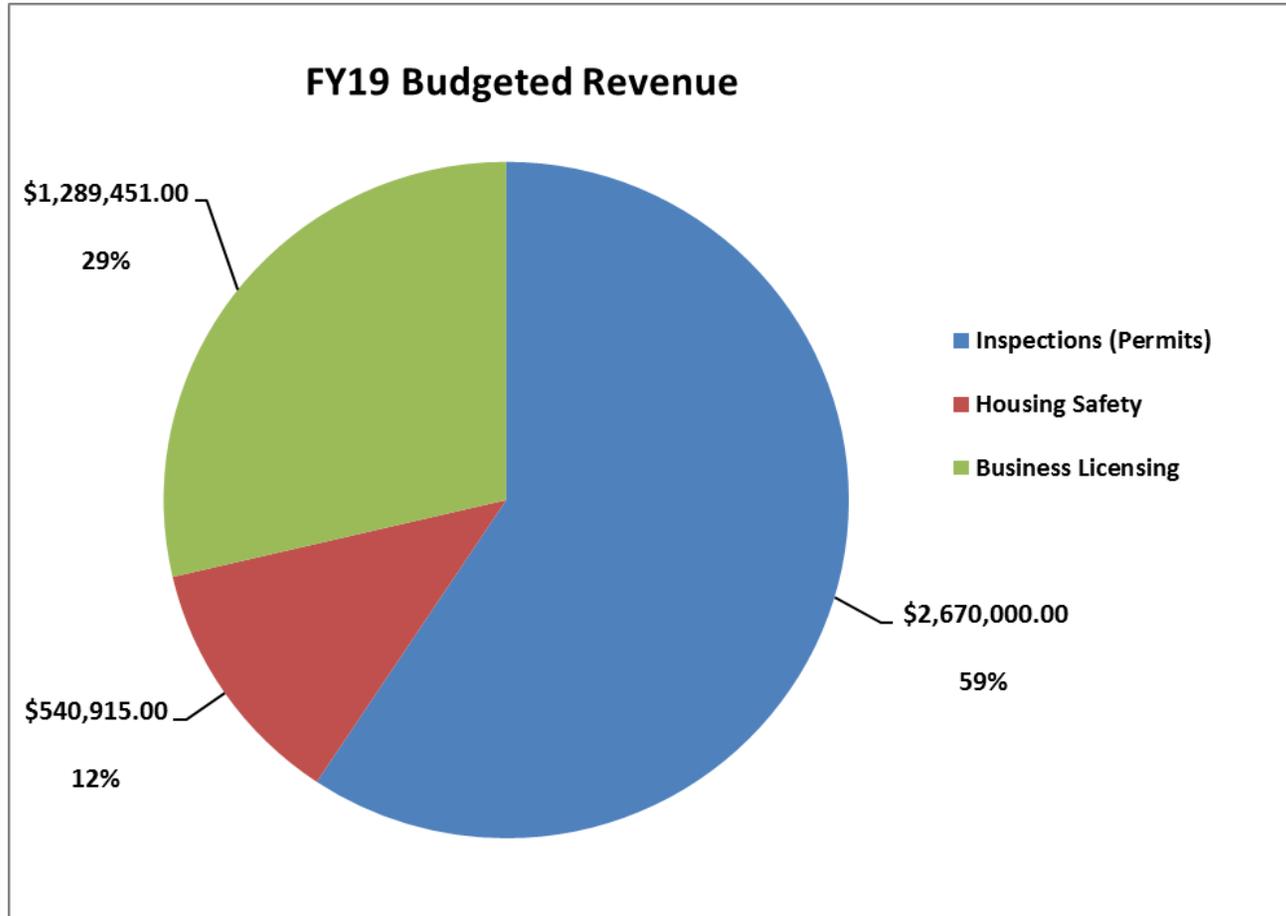
**Note:** This assumes each owner occupied applicant is not registering their own unit (primary).

**Source:** Energov software, City of Portland, September 18, 2018.

Tables 3 and 4 provide the range for the number of owner occupied applicants registering their own unit and the number of non-owner occupied units within owner occupied buildings. The true value for the number of owner occupied applicants registering their primary unit is between 0-376. The true value for the number of non owner occupied units within owner occupied buildings is between 92-468. It is challenging to get a more exact estimate during our inaugural year because the rental registration form did not ask which is the owner's unit. This question will be added to the application and will capture this data for the next registration cycle and beyond.

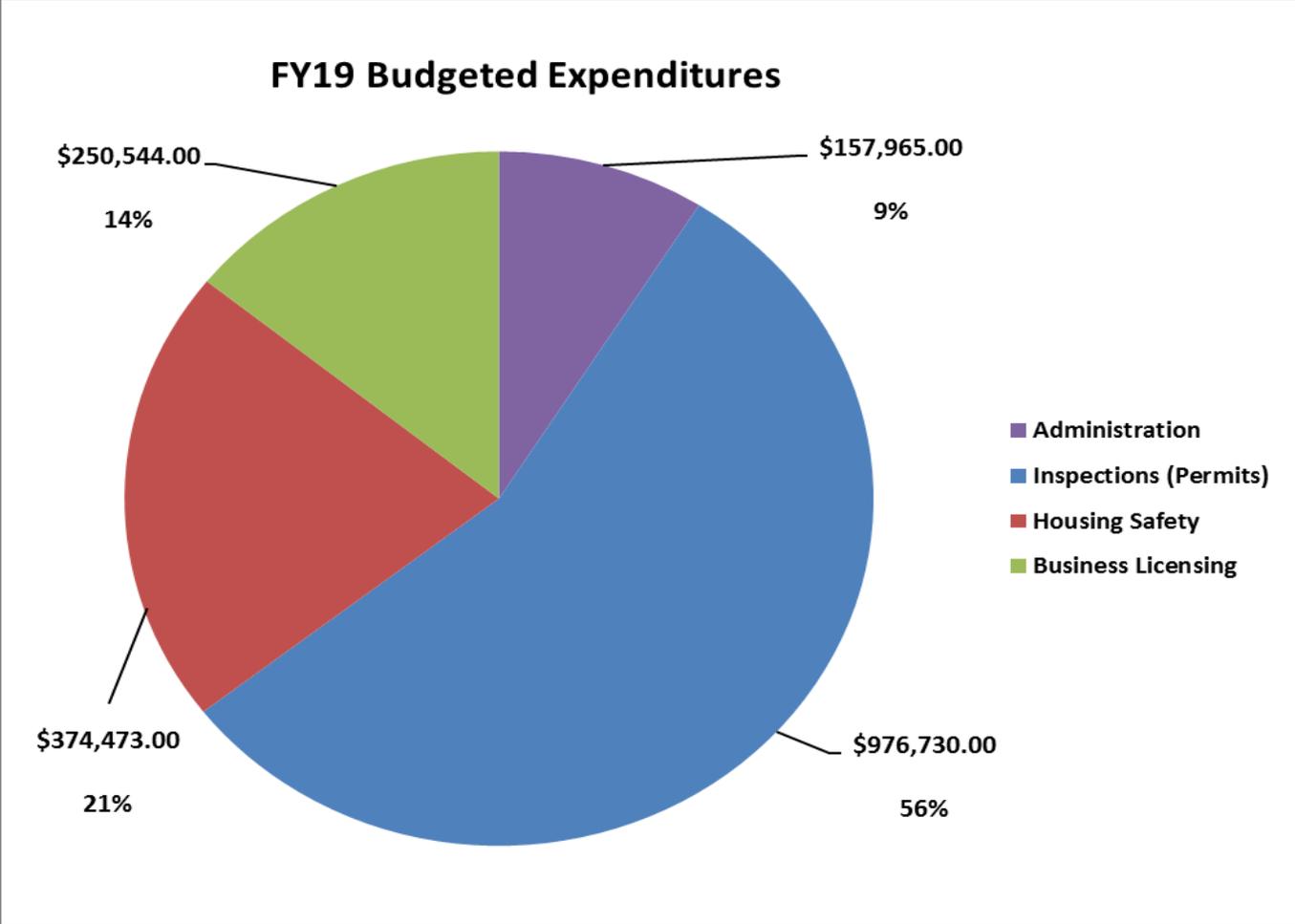
## Financial Charts, FY18-19

Chart 1. FY19 Permitting and Inspections Department Budgeted Revenue



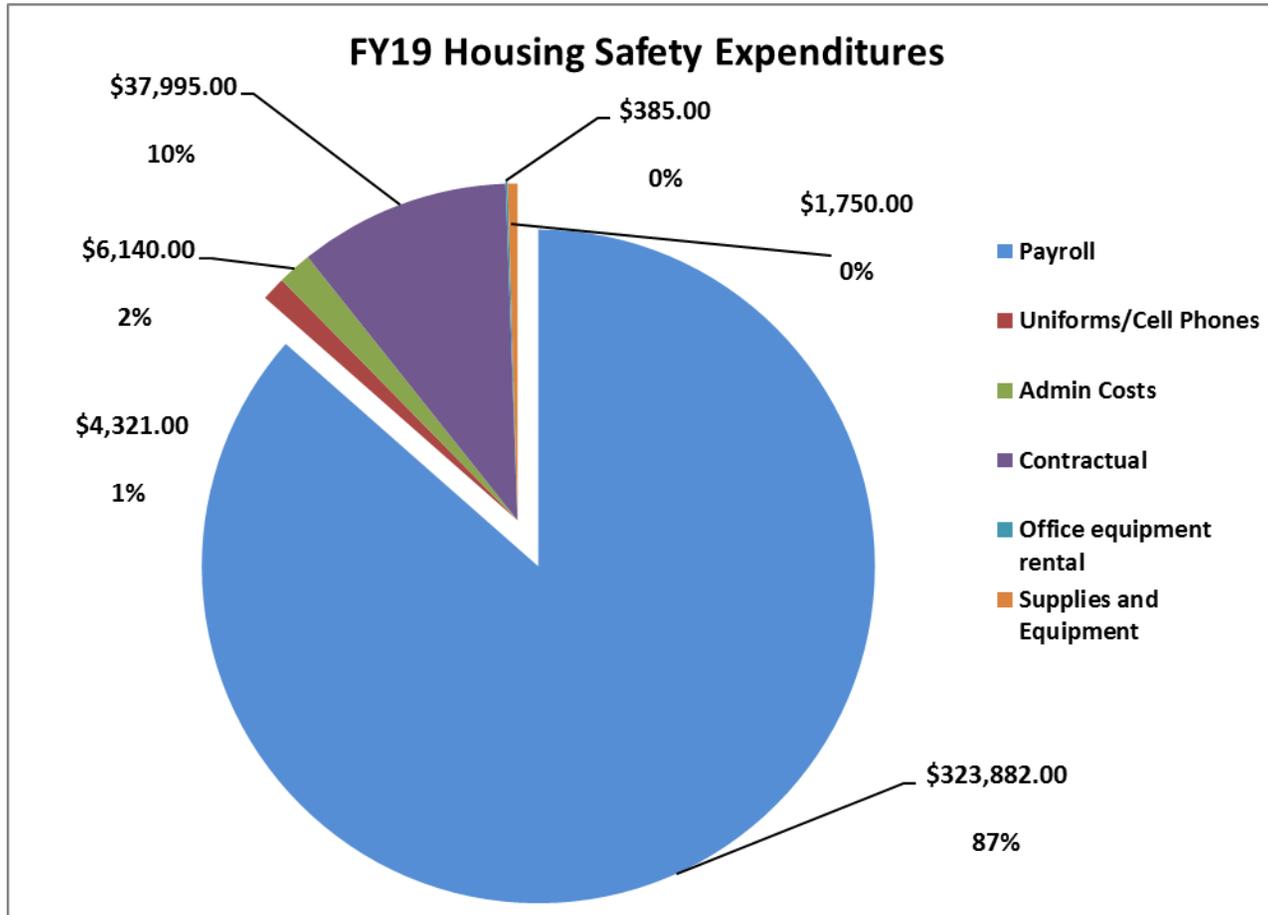
Source: Energov software, City of Portland, September 18, 2018.

**Chart 2. FY19 Permitting and Inspections Department Budgeted Expenditures**



Source: Energov software, City of Portland, September 18, 2018.

**Chart 3. FY19 Housing Safety Budgeted Expenditures**

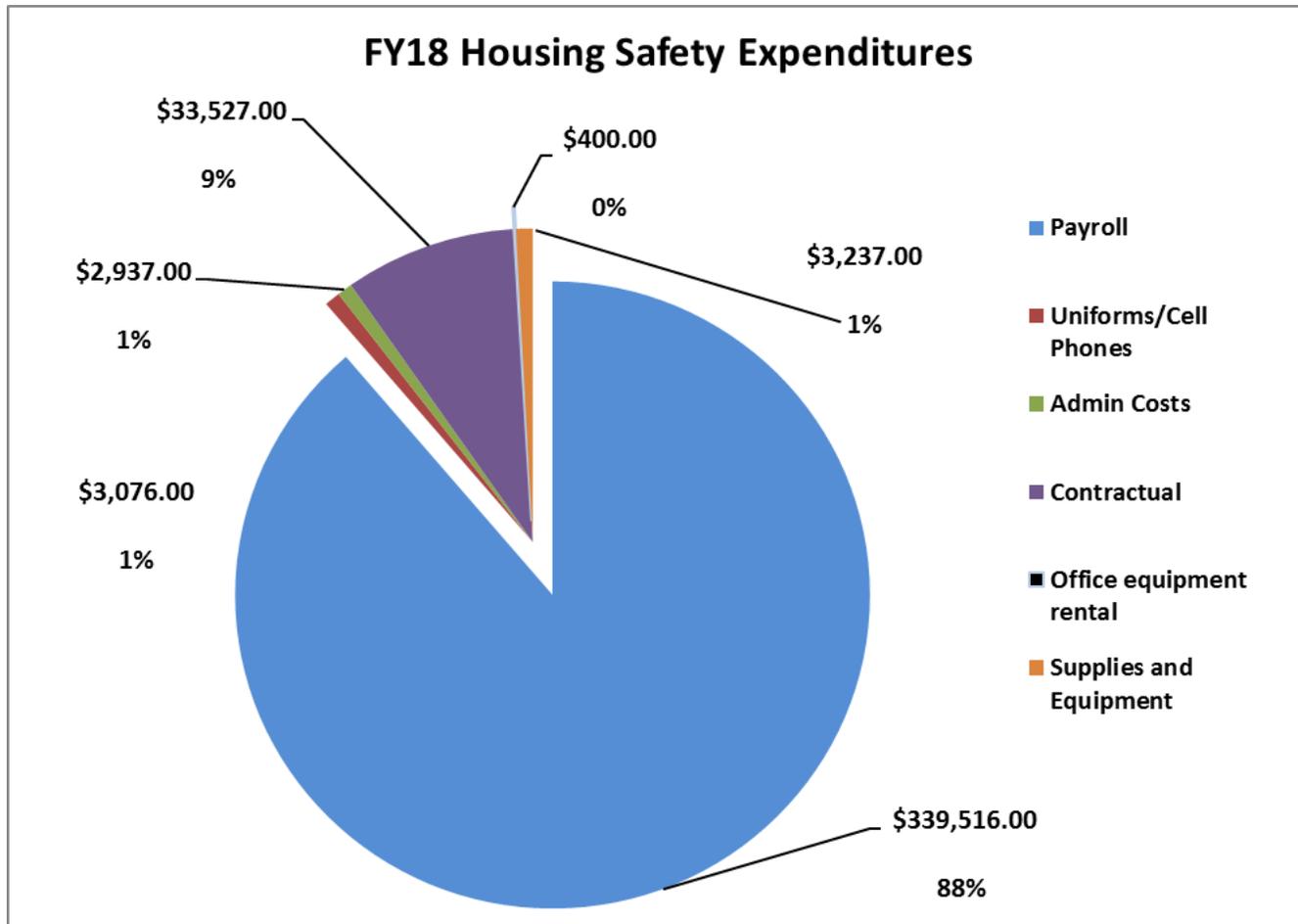


**Admin Costs** = Training, Postage, Memberships, and Travel.

**Contractual** = Mileage, Host Compliance, and Printing.

**Source:** Energov software, City of Portland, September 18, 2018.

**Chart 4. FY18 Housing Safety Budgeted Expenditures**



**Admin Costs** = Training, Postage, Memberships, and Travel.

**Contractual** = Mileage, Host Compliance, and Printing.

**Source:** Energov software, City of Portland, September 18, 2018.



Permitting and Inspections Department  
Michael A. Russell, MS, Director

TO: Jill Duson, Chair  
Members of the Portland Housing Committee

FROM: Jessica Hanscombe, Licensing and Registration Coordinator

SUBJECT: Short Term Rental Owner Occupied Units

DATE: October 5, 2018

The Committee requested clarification about the number of Owner Occupied Short Term Rentals that were truly occupied by the owner, as opposed to simply having the owner live in the building. In reviewing those applications, I was able to determine which category a good amount of the units registered fall into. Those that I was unable to determine from the registration, I sent an email requesting that information. There are still some that have not replied to my request for clarification, which I list in the unknown category. Also, I did have a few changes of ownerships or individuals that were not renewing. Those registrations have been revoked and are not included in these numbers.

<b>Number of Owner Occupied Primary Units</b>	<b>Number of Non Owner Occupied Mainland Units</b>	<b>Unknown</b>	<b>Total Number of Units</b>
282	125	30	437

Currently, the City has 165 Non Owner Occupied Mainland Units registered for 2018. This is 135 units below the cap of 300. If we add the Non Owner Occupied Mainland Units in an Owner Occupied Building (125) and the Unknown (30) to the current cap total, then the updated total is 320 with 20 units being over the cap.

CC: Michael Russell, Director of Permitting and Inspections  
Anne Torregrossa, Associate Corporation Counsel  
Michael Sauschuck, Assistant City Manager

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## Re: Short-Term Rental Regulation

1 message

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Jill Duson <jduson@portlandmaine.gov>

Wed, Oct 17, 2018 at 8:46 PM

To: Aaron Berger <bioleera@gmail.com>

Cc: Kim Cook <kcook@portlandmaine.gov>, Pious Ali <pali@portlandmaine.gov>, Mary Davis <mpd@portlandmaine.gov>

Thank you for your message.

I am copying it to Housing Committee staff to be added to the public record.

On Wed, Oct 17, 2018, 7:00 PM Aaron Berger <bioleera@gmail.com> wrote:

Dear City Council,

I, Aaron Berger, a resident of parkside neighborhood am writing to you to ask that you support the "One Person, One Listing", regulations on short-term rentals and that you forbid the 300+ units of non-owner-occupied short-term rentals from being grandfathered in. This is an important issue to me because I feel powerless as a tenant in this city. My apartment building is up for sale again for the second time in two years. I have a lot of anxiety about living under new management. Normally, a healthy housing market would weed out the bad landlords, but moving in Portland is a dire gamble. The odds are stacked against me that I will be able to find affordable housing.

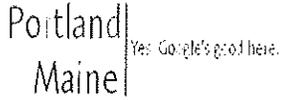
This is why I'm writing to you. The simplest way to lower prices is to increase the amount of housing on the market. People are in need of relief now and can't wait for two years of construction. The 300+ non-owner-occupied STR units are all market ready. Compared to the 83 units built in the past 3 years using inclusionary zoning, we can see how this would be a major bump in the housing stock. According to the 2017 Housing Committee report, Portland has spent an average of \$14,500 on subsidies per unit since the year 2000. Putting these STR units back on the market will cost the city next to nothing, but could have cost over 4 million dollars if created through subsidies.

The reason these STR units are so cheap for the city is because Portland has already paid the price. People with families and jobs were pushed out of their homes by landlords who sought to profit from the leniency of the city staff. Residential zoning explicitly forbids commercial use of the property. Portland is not some "frontier", where "pioneers" are to be rewarded. Community members from across the city have been pushed out by people speculating on a legal gray zone. It is important to not set a precedent of rewarding those who have fractured our community simply because they got started before the laws were established.

As the government representing the people of Portland, I ask that you do not grandfather in these 300+ non-owner-occupied short-term rentals, and stick to a simple "One Person, One Listing" city law that applies to everyone equally.

Thank you for your time and consideration,

Aaron Berger  
11 Grant st Apt #6



Victoria Volent &lt;vvolent@portlandmaine.gov&gt;

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**Proposed Short Term Rental Revisions**1 message

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**Jill Duson** <jduson@portlandmaine.gov>

Tue, Oct 16, 2018 at 1:38 AM

To: Joe Pinto &lt;josephmpinto@gmail.com&gt;

Cc: Mary Davis &lt;mpd@portlandmaine.gov&gt;, Victoria Volent &lt;vvolent@portlandmaine.gov&gt;

Thank for your message.

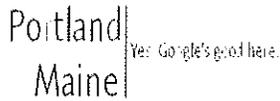
I have copied your e-mail to staff so it can be included in the Committee records.

On Mon, Oct 15, 2018, 8:34 PM Joe Pinto <josephmpinto@gmail.com> wrote:

Dear Portland City Council:

I am writing to voice my support for "One Person, One Listing" short-term rental regulations in Portland, and I strongly believe that existing non-owner-occupied AirBnB properties should *not* be grandfathered in, because to do so would be to knowingly create two unequal tiers of profit opportunity and functionally establish two unequal classes of short-term rental operators in Portland. I hope the Council understands this and takes the appropriate steps.

Yours gratefully,  
Joe Pinto



Victoria Volent &lt;vvolent@portlandmaine.gov&gt;

---

**Re: Short Term Rentals: One Person One Listing Without Exception**

1 message

Jill Duson &lt;jduson@portlandmaine.gov&gt;

Sun, Oct 14, 2018 at 6:21 PM

To: Jai Kang &lt;jaigene.kang@gmail.com&gt;

Cc: Mary Davis &lt;mpd@portlandmaine.gov&gt;, Victoria Volent &lt;vvolent@portlandmaine.gov&gt;

Thank for your message.

I have copied your e-mail to staff so it can be included in the Committee records.

On Fri, Oct 12, 2018, 10:24 PM Jai Kang <jaigene.kang@gmail.com> wrote:

To The Housing Committee,

I am writing to you as a constituent and as a renter -- the latter being a population which dwarfs landlords and stands in contrast to homeowners.

I understand the council is besieged by policies -- federal, state, and otherwise -- far beyond your scope and may feel helpless to fight back against unregulated hostels like AirBNB. However, the council has laudably made clear they have made their initial attempts at regulations too complex to enforce, consume, and even track. It's wonderful you are considering going back to the drawing board.

That being said, I STRONGLY OPPOSE creating a grandfathered class of 300+ rentals. This would effectively create a permanent, highly extracting tier in a **2-tier system**. It would also make clear that the council is more interested in the interests of moneyed corporations, the pleasure of tourists, and the whims of the Chamber Commerce over everyday people struggling to survive in a quickly gentrifying city.

There is a lot to love about Portland, but everyday it quickly vanishes from our hands. In place of the people and culture that make Portland an attractive place to live we see more luxury condos, lavish restaurants, and other such amenities for the ultra wealthy. Staving the bleeding of the STRs is not a solution but would at least be a palliative gesture for the precarious renter class in Portland.

The young, the new to Maine, and the like already tell each other not to go to Portland -- to instead seek Biddeford, Saco, or Westbrook. It's often said that Portland is a fare-gone conclusion -- and not enacting a simple, egalitarian "One Person One Listing (without exception)" rule would prove such assertions correct.

Sincerely,  
Jai Kang  
824 Washington Ave

Gil Helmick  
39 Cumberland Ave.  
Portland, ME 04101  
207-400-7543  
gilhelmick@gmail.com

We know that the growth of short-term rentals (Airbnb and other platforms) in Portland is problematic. If my assumptions are true, from regulatory and political perspectives, I do not see the current conditions supporting short term rental (STR) platforms sustainably.

I suggest various problems created by STRs are not generated from the hosts that the STR platforms were designed to support. I suggest that the few hosts who have created conditions expressed repeatedly in the media regarding long term rental shortages and adverse guest experiences are a minority. However, because of this, STRs can and should be regulated.

I suggest that there is a segment of STR hosts creating these difficulties disproportionately. This segment will rent/lease many units and transition them into satellite business sites via STR platforms. These rogue entrepreneurs avoid building maintenance, safety regulations, supervision of their guests and a list of other activities and oversight that nourishes a neighborhood, the surrounding community and the city.

I think we must oversimplify to identify a solution. Renting rooms is a tradition of human existence. That said, I believe STRs should be limited to owners of a building who reside on site or tenants who reside in a unit (with landlord approval). If STR services are within these limitations, most downsides, including building maintenance, safety regulations, care and supervision of guests, etc are addressed.

I imagine there are a number of units within the peninsula that are off the long term market due to rogue entrepreneurs who don't consider nor ultimately care about our neighborhoods and quality of life. I speculate they don't invest much thought and consideration into the safety of their guests.

Our guests are often families and many return annually. We host family reunions for those who can't afford large hotel accommodations and for those who prefer a space that is more of a home environment rather than institutional. Many of these families return. Other guests prefer the peace, quiet and privacy of a short term rental over the atmosphere of hotels and bed and breakfast inns. There is bountiful joy in our building with toddlers, children, parents and grandparents.

## **Re: Affordable Housing**

The argument that the "affordable housing shortage" was caused by Short Term Rentals has many flaws.

Ten years ago, Portland's rental housing stock was in ruins due to decades of deferred maintenance, profiteering and bad ideas. It was a vast collection of moldy fire traps.

The multi-unit we purchased was such a property. To renovate a building this size, age and condition and to current codes requires in the vicinity of \$400,000. This included removing oil furnaces, pipe and radiators, oil tanks and associated contamination and replacing it with efficient systems on all floors, all rooms.

I spent nearly a year in the cellar accomplishing this, plus re-pointing all brick and stone, weather-proofing the foundation, installing exterior french drains, installing sound and heat insulation and a fire-rated cellar ceiling. I added heating and dehumidification systems. I removed one hundred plus years of roof to reach the original plank, installed a white roof to reflect heat and light into space for another contribution to mitigating global warming. Our roof/crawl space has an R-60 insulation rating. We insulated the building, weather-proofed every window, door, and all plumbing/heating/wiring conduit to the exterior. We designed and installed landscaping to move Munjoy Hill surface water away from our building and our neighbor's building as well. This required sacrifice and investment.

We hired a professional environmental quality company to provide blower door and infrared readings. When we completed the renovation, he stated that he hadn't tested a building our size and age that achieved as high a score. A fire inspector, following the annual unannounced inspection, asked if I would be willing to make a video that he could show to other Portland landlords.

*I spent three years on the project. I did it correctly.*

Bringing Portland's abused housing stock into the realm of healthy and safe requires huge investments and ongoing maintenance, repair and replacement costs. Those investments cannot occur without an increase in rents and income to pay for those expenses.

I am retired. I am a disabled veteran. My wife works full time. When I pass, if she lacks our rental income, she will be without retirement support other than social security.

**People are not homeless due to short term rentals.** *Blaming short term rentals for expensive housing is inaccurate, uninformed and shortsighted. It is creating conflict between neighbors rather than challenging the bigger issues behind expensive housing:*

1. The same banks and hedge funds that caused the financial collapse formed companies that bought vast amounts of properties with failed mortgages for pennies on the dollar, fixed and flipped them at huge gains. This inventory is still be rented and sold with massive profits.

2. Climate change is moving well-heeled people from Florida, the Carolinas, New York and other regions to Maine. What we perceive as expensive, they perceive as excellent value.

3. *Affordable housing isn't possible until the minimum wage far exceeds \$15/hr.* Given health care costs, food costs, across the board inflation and housing costs, a minimum wage of \$24/hr. would equal the same purchasing power as the minimum wage of 1986.

4. Companies developing new buildings "buy" their way out of affordable housing requirements. Cities and states compete for development with tax relief incentives that rob our communities of the funds necessary to support appropriate infrastructure and social programs designed to support our citizens.

5. There is a natural progression toward gentrification of communities such as Portland. Years ago, natural beauty and inexpensive housing attracted cultural creatives. These creatives are the "urban pioneers". They flocked to Portland as they did to San Francisco and Mendocino in Northern California, Silver Lake, Venice Beach and Mission Beach in Southern California, the French Quarter in New Orleans to name a few. The urban pioneers create a sub-culture that attracts artisans, then cafes and then restaurants. These are followed by shops and boutiques which, in total, create interesting neighborhoods. From here, real estate prices and rents escalate as the middle class and eventually upper class follow the appeal.

**Re: STR problems according to neighbors and the press**

The press and a few politicians present short term rental hosts as predators. The charges of damaging affordable housing are valid when the "hosts" are not stakeholders and avoid the responsibilities of a good landlord.

Our building and guests have not eroded the neighborhood. In fact, our influence is exactly the opposite.

When we purchased our property nine years ago, this was a neighborhood of syringes on the sidewalk along with empty beer and whiskey bottles on the tree lawn. These are activities reserved for darkness and shadow. We installed porch lights that automatically light the sidewalk from dusk to dawn. Our entire property is lit from motion detector flood lights. These difficulties subsided.

Wild parties were common. For example, one neighbor's building attracted a line of teenage boys on the sidewalk as strippers performed in a second floor parlor. Public drinking was a persistent nuisance. Loud parties were plentiful. I evicted tenants for that behavior.

Yes, gentrification has occurred as noted above. Airbnb guests didn't inspire the creation of the plush array of upscale restaurants, upscale retail shops, upscale breweries, upscale distilleries and upscale gyms. Although the tourism dollar enhances their bottom line, this influx and success of new businesses requires customers who are residents year-round.

**Even with this, there are a few with hidden agendas.**

For example, one neighbor was interviewed after calling the mayor's office about parking. I explained that our Airbnb guests use far less "on-street parking" than our full time tenants used. Many of our guests use our off street parking as well. Our neighbor's response was "well, they park inappropriately, sometimes taking up more space than they should." Sufficient parking is a problem endemic to all cities. For example, we know that appropriate and considerate parking at one moment can appear "inappropriate" hours later as surrounding vehicles depart and arrive. Yet, somehow it is Airbnb guests who "park inappropriately".

**Host Solutions**

We have approximately 28 neighbors living on three sides of the property.

Out of respect to them and to us, we have house rules for our guests which include:

1. The building is quiet as of 10 pm.
2. Windows remain closed with ample air conditioning during dinners or gatherings.

We provide all of our neighbors with our cell numbers and encourage them to call regarding any inconvenience. On rare occasions, we have had problem guests. When I learn of a problem, I deal with it decisively and unconditionally.

We are rarely out of town. When we are, we advise our neighbors and we have a house sitter. Meaningful solutions occur via conversation and communication. Otherwise, the corporate hotels love the debate. They prefer that the citizens argue and drive the hotels' perceived competition from the vicinity. At times, the anti-STR voices sound similar to a hotel association's lobbying effort.

## **City Solutions:**

I thought the first set of rules was too lenient.

I believe the licensing fees should be increased.

I believe there should be annual / mandatory safety inspections.

Those of us who register and support the rules shouldn't suffer from those who don't and the apparent lack of ability to enforce current rules.

We must afford short term rental permit enforcement and safety inspections. Increasing fees is wise if it supports safety and license oversight. This would allow added safety inspection opportunities into buildings that would otherwise be ignored. I rented STR apartments in New York City and Boston that were fire traps.

*If current rules are not being enforced, how will new or different rules be enforced? Will the city punish good citizens with additional burdens or limitations inspired by problems caused by a different population that doesn't care?*

## **Additional considerations:**

1. The economies that STRs bring to the market allows cash otherwise sent to Marriott's [et al] corporate accounts in another state or country to be spent locally. *The money saved from STR economies is redistributed to local businesses and local support personnel [housekeeping, gardening, etc]. The income derived from STR rentals by the host is spent locally as well. Hotels export these benefit differentials out of state.*

2. Many travelers are part of the Airbnb traveling community that Airbnb delivers to Portland. *I have selected destinations that offered a healthy Airbnb selection over destinations that would have forced me into hotels.* My experience and decisions are not uncommon in the STR guest demographic.

October 11, 2018

Housing Committee  
City of Portland

Dear Councilor Duson and Housing Committee Members

My name is Ed Pontius and for the past year my family and I have lived in our house on Cleeve Street in East Bayside.

I am providing this testimony to ask that Portland take care NOT to disrupt short-term rental opportunities that are beneficial for me and my family and for the larger community.

I am 65 years old and it's true that I did purchase our three story home in April 2017 with the intent of having some support from rental income as I cut back my work hours this coming year. I hope to have the opportunity to retire, and the current income from the Airbnb unit in our house will definitely help.

However I have more concerns than just rental income. I'm hoping in my retirement to be able to match the energy and effectiveness of my fellow volunteers working with the Citizens' Climate Lobby and Maine AllCare and other important efforts that benefit our community. One of things that having Airbnb has allowed me to do already in my first year in this home has been the flexibility to host community activities and events that I could not have hosted in a long-term rental in our home. In the past year I've regularly hosted events for Citizens' Climate Lobby, I've hosted a major event for Maine AllCare, and my house served as a major operations center for a key period last year in support of Maine's Ranked Choice Voting effort. None of this would have been possible were we to be pushed into using the space we have in our house for long-term rental only.

Nor would it have been possible for me to welcome family and friends coming to Portland, many on fixed and limited incomes, coming to visit my wife in long-term care locally for her dementia.

Please consider the economic benefit which a vibrant sharing economy supports. Please consider the interests of Portland owner-occupants, who spend the largest part of any short-term rental income here in Maine. Please allow me the flexibility and the continued opportunity to continue to support my community with the use of short-term rental in my house.

Thank you for your consideration.

Edward Pontius MD, DLFAPA  
14 Cleeve Street #3  
Portland ME 04101-2502



Victoria Volent &lt;vvolent@portlandmaine.gov&gt;

**Fwd: Short term rentals**

1 message

Mary Davis <mpd@portlandmaine.gov>  
 To: Victoria Volent <vvolent@portlandmaine.gov>

Tue, Oct 23, 2018 at 8:26 AM

Public comment for Housing Committee

----- Forwarded message -----

From: **Jon Jennings** <jpj@portlandmaine.gov>  
 Date: Tue, Oct 23, 2018 at 5:36 AM  
 Subject: Fwd: Short term rentals  
 To: Jeff Levine <jlevine@portlandmaine.gov>, Mary Davis <mpd@portlandmaine.gov>

----- Forwarded message -----

From: **Jay York** <jyork2@maine.rr.com>  
 Date: Mon, Oct 22, 2018 at 4:10 PM  
 Subject: Short term rentals  
 To: Jill Duson <jduson@portlandmaine.gov>  
 CC: Ethan Strimling <estrimling@portlandmaine.gov>

Hi Jill,

In regards to all of the proposed amendments to:**ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS**

I would suggest that (1) requiring the advertisements (primarily online listings of STRs) to include a city issued registration number is quite possibly not legal.

(2) that a notarized primary residence affidavit only provides assurance that an owner swore before a notary that the STR is owner-occupied. The affidavit form provided by the City should require the owner to present proof of ownership and primary residency (and

whatever other documentation is deemed necessary) to the notary before notarization. This would make it unnecessary for the City to require anything more than the affidavit (and payment) at registration.

Jay York

--  
 Jon P. Jennings  
 City Manager  
 City of Portland  
 389 Congress Street  
 Portland, ME 04101  
 (207) 874-8689 Office  
 jpj@portlandmaine.gov  
 www.portlandmaine.gov

--  
 Sent from Gmail Mobile



Victoria Volent &lt;vvolent@portlandmaine.gov&gt;

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**Fwd: Short-term rentals on Munjoy Hill**

1 message

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**Mary Davis** <mpd@portlandmaine.gov>  
To: Victoria Volent <vvolent@portlandmaine.gov>

Wed, Oct 24, 2018 at 8:49 AM

More Public Comment

Mary P. Davis, Division Director  
Housing & Community Development Division  
Planning & Urban Development Department  
City of Portland  
389 Congress Street Room 312  
Portland ME 04101  
(207)874-8711  
(207) 874-8949 FAX  
mpd@portlandmaine.gov  
www.portlandmaine.gov

----- Forwarded message -----

From: **Pamela Day** <pday2304@gmail.com>  
Date: Tue, Oct 23, 2018 at 3:37 PM  
Subject: Short-term rentals on Munjoy Hill  
To: Jill Duson <jduson@maine.rr.com>, <kcook@portlandmaine.gov>, Belinda Ray <bsr@portlandmaine.gov>, <sthibodeau@portlandmaine.gov>, <bbatson@portlandmaine.gov>, <mpd@portlandmaine.gov>, <nmm@portlandmaine.gov>, <pali@portlandmaine.gov>, <estrimling@portlandmaine.gov>  
Cc: Michael Petit <mpetit417@gmail.com>

We are writing to encourage the Council to ensure that any amendments or changes to the STR ordinance bring it in line with those of many other US cities: one host, one listing, or owner occupied unit only.

Our neighborhood is inundated, especially in the summer, with people who have no connection with the community. In addition, the numerous STRs on Munjoy Hill have served to remove an increasing number of housing units from long term housing and, as a result, increased the cost of current, available housing.

We should be looking for ways to increase affordable housing in Portland, not further reduce it through a proliferation of insufficiently regulated short-term rentals.

**Pamela Day & Michael Petit**  
25 Waterville Street, Portland 04101



Mary Davis

Division Director, Housing &amp; Community Development Division

**TO:** Councilor Duson, Chair  
Members of the Housing and Community Development Committee

**FROM:** Mary P. Davis, Division Director  
Housing & Community Development Division

**DATE:** October 22, 2018

**SUBJECT:** Order 67-18/19 Amendment to Chapter 6 Re: Short Term Rentals  
("automatic right to renew" for registered mainland, non-owner occupied short-term rental units that renew prior to January 1.)

The Housing Committee met on July 31, 2018 and voted unanimously (2-0 Cook absent) to forward this proposed amendment to the City Council with a recommendation for passage. Order 67-18/19 received a second reading on September 17; council action was postponed to the first council meeting in November to allow the Housing Committee to complete their work on a package of amendments to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to Short-term Rental Units.

The amendments being considered by the Housing Committee may cover some of the issues contained in the amendment mentioned above. It is anticipated that the package of amendments regarding short-term rentals will be ready for council action on November 19.

Therefore, the Housing Committee may consider a recommendation to the City Council that action on this item be postponed to November 19, along with a recommendation that the City Council not approve the Amendment outlined in Order 67-18/19 in favor of the more amendments currently being considered by the Housing Committee.

**MEMORANDUM**  
**City Council Agenda Item**

**DISTRIBUTE TO:** Jon Jennings, Ethan Strimling, Michael Sauschuck, Sonia Bean, Nancy English, Danielle West-Chuhta, Deivy Periana

**FROM:** Planning and Urban Development and Housing and Community Development

**DATE:** August 17, 2018

**SUBJECT:** Amendment to Chapter 6 section 6-154, Allocation of Short Term Rentals

**SPONSOR:** Housing Committee, Councilor Jill Duson, Chair

The Housing Committee met on July 31, 2018 and voted unanimously (2-0, Cook absent) to forward this item to the City Council with a recommendation for passage.

**COUNCIL MEETING DATE ACTION IS REQUESTED:**  
**1<sup>st</sup> reading September 5, 2018 Final Action September 17, 2018**

**Can action be taken at a later date:  Yes  No (If no why not?)**

**PRESENTATION:** Staff will be available for presentation

**I. ONE SENTENCE SUMMARY**

The Housing Committee voted to recommend changes to clarify the ordinances with respect to the renewal of non-owner occupied, mainland short term rental units, which are subject to the 300 unit city-wide cap, to ensure an automatic renewal process and clarify that the lottery process is only available if there is a waitlist for registrations.

**II. AGENDA DESCRIPTION**

Chapter 6, Article VI of the City Code governs the registration of both long term and short term rentals, and § 6-151(a)(1) requires that rental units must be registered and renewed annually. The ordinance imposes a cap on mainland, non-owner occupied short term rental units, limiting the number of registered units in the City to 300. Section 6-154 describes the allocation of registrations for non-owner occupied mainland short-term rental units as on a “first come, first registered basis,” but also provides that “The City Manager or his or her designee may institute a lottery process at his or her discretion.”

The proposed amendment to § 6-154 adds an “automatic right to renew” for registered mainland, non-owner occupied short term rental units that renew prior to January 1. It also clarifies that the lottery process will only be used to choose applicants off a waitlist once the 300 cap is met. If an existing registration is not renewed by January 1, the applicant would forfeit his or her automatic right to renew. However, registration would still be available if the 300 cap had not been met or if the application was chosen off the waitlist.

If the non-owner occupied mainland short-term rental unit registrations are not automatically renewed, there is the possibility, as the short-term rental industry grows, that valid registered units may not receive renewal under the current first-come, first-registered process or under the lottery process. This change gives owners certainty about their ability to continue operating, so long as they renew in a timely fashion.

### **III. BACKGROUND**

Housing Committee Chair Duson introduced this amendment to the Housing Committee on July 31, to add an “automatic right to renew” for registered mainland, non-owner occupied short term rental units that renew prior to January 1, and to clarify that the lottery process is only available if there is a waitlist for registrations.

### **IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED**

The intended result is to amend the existing ordinance to ensure an automatic renewal process for non-owner occupied mainland short-term rental units.

### **V. FINANCIAL IMPACT**

**Not applicable**

### **VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION**

### **VII. RECOMMENDATION**

On July 31, 2018 the Housing Committee voted unanimously (2-0, Cook absent) to forward this item to the City Council with a recommendation for passage.

### **VIII. LIST ATTACHMENTS**

Red lined version of current and proposed changes to Chapter 6, Article VI, section 6-154

**PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.**

Prepared by: Victoria Volent

Date: August 17, 2018

### **Current Ordinance; Section 6-154**

Sec. 6-154. Allocation of Short Term Rentals.

The limitations on the allocation of short term rental units identified in section 6-153(b) shall be allocated each year on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand. The City Manager or his or her designee may institute a lottery process at his or her discretion.

### **Proposed Amendment to Section 6-154**

~~The limitations on the allocation of~~Non-owner occupied mainland short term rental ~~units~~ registrations, which are limited ~~identified in~~by section 6-153(b), shall be allocated ~~each year~~ on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand. The City Manager or his or her designee may institute a lottery process at his or her discretion to allocate any registration that becomes available after the formation of the waitlist.

Valid non-owner occupied mainland registrations may be automatically renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year. Failure to renew by January 1 shall result in the forfeiture of the automatic right to renew the registration of a unit, and re-registration shall only be available if the limitations in 6-153 (b) have not been reached, or if the applicant is chosen off of the waitlist.

## **2018 Interim Update of Housing Data and Policy Implementations**

### **Portland's Housing Market**

- a. Existing Conditions and Trends**
  - Rental Market Survey**
  - MEREDA**
  - Multi-family forecast for Southern Maine**
  - 2018 Income Limits and FMR for Portland HUD Metro Area**
  - 2018 Maximum Monthly Rent**
  - Monthly Median Rent by Neighborhood from 2018 Rental Housing Survey**

### **Portland's Housing Initiatives**

- a. Subsidized Housing Development**
  
- b. Initiatives and Implementation Tools**
  - Inclusionary Zoning**
  - Accessory Dwelling Units**
  - Low-income rental housing units in R-5 zone**
  - Rental Housing Advisory Committee**
  - Disorderly House Ordinance**
  - Munjoy Hill Conservation Overlay District**
  - Additions to Existing Buildings**
  - Amendment to B-1 and B-1b Neighborhood Business Zone**
  - Portland Water District Water Efficiency and Repair Services Program**
  - Short Term Rental Registration Program**
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### **Resources**

- a. Federal Resources**
  - HOME**
  - Community Development Block Grant (CDBG)**
  - Lead Hazard Control Grant**
  
- b. Local Resources**
  - Housing Trust Fund**
  - Affordable Housing Tax Increment Financing**
  
- c. 2018 Subsidized Affordable Housing Projects**
- d. City-owned Property**

### **Policy Proposals**

- a. Federal Resources**

# State of the Housing Market

## EXISTING CONDITIONS AND TRENDS

### RENTAL MARKET SURVEY

In January 2018, the City of Portland conducted a comprehensive survey of local rental property owners. The primary objective of the survey was to estimate the rent levels across the city and by neighborhood. Information was gathered from two primary sources; property owners of residential rental units registered with the city, and the rent rolls of approximately twenty landlords and property managers who owned or managed a large number of buildings and units in the city.

Through the City's rental housing registration, 3,771 properties representing 12,425 units were identified as residential rental units appropriate for the study.

Results from the survey indicate that the most common rental units in Portland are one- and two-bedroom units, together representing almost three-quarters of all rental properties. Studio apartments and three-bedroom units are less common, at 14% and 13%, respectively, and very few of the City's rental units contain four bedrooms (2%).

The survey includes both high-end properties and income-regulated units. In this way, the results reflect the full spectrum of Portland's rental market. The survey asked respondents to list the rent for the "most recent unit you rented of each size".

The high response rate and representative distribution of properties allowed for a number of robust estimates of the Portland rental market, including estimates of current rent levels, the change in rents levels from a year ago, the average number of occupants living in a rental unit, and the prevalence of including utilities in the rent.

The median monthly rent for all rental units in Portland, regardless of size, is \$1,200, and the average rent is \$1,225. This includes both units with landlord-paid utilities and tenant-paid utilities. Compared to last year, rents are flat, with a median price change of \$0 across all unit sizes, and an average change of +\$26. In general, rents increase as the number of bedrooms increase, ranging from a median rent of \$850 for a studio apartment to a median rent of \$1,980 for a four-bedroom unit.

Studio apartments make up a little more than 10% of rental units in Portland. The median rent for a studio is \$850, with the middle 50% of rents falling between \$730 and \$925. The median price per square foot is \$2.30, and the median change in rent compared to last year is \$0. The average number of occupants is 1.1.

Roughly, one-third of Portland rental units have one-bedroom. The median rent for a one-bedroom unit is \$1,050, with the middle 50% of rents falling between \$850 and \$1,200. The median price per square foot is \$1.80, and the median change in rent compared to last year is \$0. The average number of occupants is 1.5

Two-bedroom units, representing about 40% of the City's rental units, have a median rent of \$1,380 and an average rent of \$1,360, with the middle 50% of rents between \$1,200 and \$1,465.

Roughly, 17% of units have three bedrooms. The median rent for a three-bedroom is \$1,500, with the middle 50% of rents falling between \$1,220 and \$1,800. The median price per square foot is \$1.20, and the median change in rent compared to last year is \$0. The average number of occupants is 3.0.

Very few rental units in Portland are four-bedrooms (2%). The median rent for a four-bedroom is \$1,980, with the middle 50% of rents falling between \$1,600 and \$2,000. The median price per square foot is \$1.10, and the median change in rent compared to last year is \$0. The average number of occupants is 3.7.

For two-bedroom units, the East End and West End neighborhoods have the highest average rents. Rents in the Oakdale, Parkside, and Bayside neighborhoods are about average, although that masks considerable variation within the neighborhood. North Deering, Downtown, Deering Center, East Deering, Riverton, and Valley Street had rents below the citywide average.

Please visit the [Rental Market Survey, Portland, Maine 2018](#) to read the full report.

## **MEREDA**

The Maine Real Estate & Development Association (MEREDA) is an organization whose mission is to promote an environment for responsible development and ownership of real estate throughout the state. Through their website ([www.mereda.org](http://www.mereda.org)) MEREDA provides, among other services, residential market analysis, forecasts, and the MEREDA Index. The MEREDA Index is a measure of real estate activity designed to track changes in Maine's real estate markets. The Index is a composite of nine seasonally adjusted measures reflecting both new development and transactions involving existing properties.

From the *MEREDA Index Spring Edition, 2018*, MEREDA anticipates there is likely to be growth for many months to come, perhaps slowed only slightly by rising interest rates, land prices, and construction costs. Low inventory due to so little construction from 2007 to 2014 continues to fuel demand as does Maine's older housing stock and aging populations.

According to MEREDA, overall the residential market is robust. The element that continues to influence price is inventory. The median home price in Southern Maine rose 6.9% over the past two quarters and approximately 10% over the past year. During this time the volume of transactions declined by 5%. The rise in median price is a direct result of buyers chasing limited amount of homes for sale. Portland's peninsula and Deering Center continue to be a hot market. Condominium projects appeal to empty nesters, and young urban buyers seeking vibrant, mixed use, pedestrian and bike friendly communities. New home starts are up although construction materials remain high with a shortage of labor. If these two factors remain tight, most new construction homes will be sold above median price.

Please visit the [Spring 2018 MEREDA Index](#) to read the full report.

## MULTI-FAMILY FORECAST FOR SOUTHERN MAINE

Brit Vitalius, the President of the Southern Maine Landlord Association, prepares an annual real estate forecast for Southern Maine. Before providing predictions, the report assesses current market conditions regarding inventory (Greater Portland has a record low inventory of 0 to 1.5 months), pricing (Portland rents are leveling off), affordability (affordability has improved with subsidized rents catching up with and passing market rents), and change in median sale price of single-family housing (Portland's median sale price increased from 2016 to 2017 by 13%). The forecast for 2018 noted sales would stay strong in Portland due to high demand and low inventory, and rents were anticipated to remain flat due to regional development.

Please visit the [Multi-Family Forecast for Southern Maine](#) to read the full report.

## 2018 INCOME LIMIT- PORTLAND HUD METRO AREA

The U.S. Department of Housing and Urban Development (HUD) computes income limits for Portland based on local Area Median Income (AMI). At least 11 HUD programs and 14 other federal programs use some variation of HUD's income limits. Portland applies HUD's income limits to determine and monitor household eligibility with the City's Inclusionary Zoning and Low-Income Housing programs, and for residential housing federally funded through HOME and Community Development Block Grants (CDBG).

The chart below depicts the maximum income level for various household sizes using HUD's AMI designations. HUD describes households in the 30% AMI bracket as extremely low-income. 50% AMI is also known as very-low income households. 80% AMI households are low-income earners, and 100% to 120% AMI are commonly known as workforce housing households.

Household Size

AMI	1	2	3	4	5	6	7	8
30%	\$18,950	\$21,650	\$24,350	\$27,050	\$29,250	\$31,400	\$33,550	\$35,750
50%	\$31,550	\$36,050	\$40,550	\$45,050	\$48,700	\$52,300	\$55,900	\$59,500
60%	\$37,860	\$43,260	\$48,660	\$54,060	\$58,440	\$62,760	\$67,080	\$71,400
80%	\$50,350	\$57,550	\$64,750	\$71,900	\$77,700	\$83,450	\$89,200	\$94,950
100%	\$63,070	\$72,080	\$81,090	\$90,100	\$97,308	\$104,516	\$111,724	\$118,932
110%	\$69,400	\$79,300	\$89,200	\$99,100	\$107,050	\$115,000	\$122,900	\$130,850
120%	\$75,700	\$86,500	\$97,300	\$108,100	\$116,750	\$125,400	\$134,050	\$142,700

Source: HUD, 2018 Income limits – Portland HUD Metro FMR Area

## MAXIMUM MONTHLY RENT

Affordable housing means different things to different people depending upon income level. To be considerable affordable, rent and utilities in an apartment or the monthly mortgage payment and housing expenses for a homeowner should be less than 30% of a household’s gross monthly income.

The chart below presents the maximum affordable housing expenses (rent plus utilities) broken down by household size and income levels. For example, a low-income household (80% AMI) of three people is a household that earns less than \$64,750 but more than \$48,660. At an income level of \$64,750, the household is able to afford a maximum rent of \$1,168 per month. A household, based on size and income, which pays more than 30% of their income on housing expenses is considered rent burdened.

Household Size

AMI	1	2	3	4	5	6
30%	\$474	\$541	\$609	\$676	\$731	\$785
50%	\$788	\$845	\$1,171	\$1,307	\$1,442	\$1,576
60%	\$947	\$1,082	\$1,217	\$1,352	\$1,461	\$1,569
80%	\$1,259	\$1,439	\$1,168	\$1,798	\$1,943	\$2,086
100%	\$1,577	\$1,802	\$2,027	\$2,253	\$2,433	\$2,613
120%	\$1,893	\$2,162	\$2,433	\$2,703	\$2,919	\$3,135

Source: HUD

## PORTLAND RENTS

From the 2018 Rental Market Survey conducted on behalf of the City, the following chart provides information for units by bedroom count. For example, a two-bedroom unit, the most common rental unit in Portland and the usual proxy for the overall rental market, has a median rent of \$1,380 and an average rent of \$1,360. The middle 50% of rents for two-bedroom units fall between \$1,200 and \$1,465, and the median price per square foot for a two-bedroom unit is \$1.50. The median rent for the highest-quality two-bedroom units is \$1,800 (7% of two-bedroom units) while the median rent for the remaining 93% of units is \$1,375.

## Summary of Rents

	Studio	1BD	2BD	3BD	4BD	All
<b>Median Rent</b>	\$850	\$1,050	\$1,380	\$1,500	\$1,980	\$1,200
<b>Average Rent</b>	\$865	\$1,050	\$1,360	\$1,565	\$1,875	\$1,225
<b>25th Percentile</b>	\$730	\$850	\$1,200	\$1,220	\$1,600	\$935
<b>75th Percentile</b>	\$925	\$1,200	\$1,465	\$1,800	\$2,000	\$1,400
<b>Square Feet (median)</b>	365	600	906	1,200	1,450	749
<b>\$/Square Foot (median)</b>	\$2.30	\$1.80	\$1.50	\$1.20	\$1.10	\$1.64
<b>Median Y/Y Change</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Average Y/Y Change</b>	\$27	\$19	\$24	\$37	\$15	\$26
<b># of Occupants (average)</b>	1.1	1.5	2.3	3.0	3.7	2.1
<b>Median Rent for Class A<sup>viii</sup></b>	\$1,150	\$1,550	\$1,800	\$2,700	n/a	\$1,600
<b>Median Rent for Non-Class A</b>	\$836	\$1,025	\$1,375	\$1,500	\$1,980	\$1,158

Source: Stepwide Data Research, Rental Market Survey, Portland Maine 2018

### MONTHLY MEDIAN RENT BY NEIGHBORHOOD

Also from the 2018 *Rental Market Survey* is the following chart that shows the median and average rents for two-bedroom units in each of twelve Portland neighborhoods. The chart compares the neighborhood's average rent (or adjusted rent) to the city average. For the samples of five neighborhoods, one large building heavily influenced the average rents for the neighborhood. Because this is the first time the survey was done, it is not possible to know whether this building is representative of the neighborhood. To be conservative, each neighborhood's sample was adjusted so that no single building exerted an influence greater than 33% on the neighborhood's average rent (as measured by the contribution of the weighted average of each building to the total average). This resulted in adjusted average rents for five neighborhoods, as shown in the table.

For two-bedroom units, the East End and West End neighborhoods have the highest average rents. Rents in the Oakdale, Parkside, and Bayside neighborhoods are about average, although that masks considerable variation within the neighborhood. North Deering, Downtown, Deering Center, East Deering, Riverton, and Valley Street had rents below the overall average.

Neighborhood	Bldngs	Units	25 <sup>th</sup> %	Median	75 <sup>th</sup> %	Average	Adjusted Average
Bayside	47	234	\$963	\$1,350	\$1,800	\$1,423	\$1,346
Deering Center/Back Cove	84	143	\$1,100	\$1,225	\$1,350	\$1,242	\$1,242
Downtown	24	103	\$995	\$1,135	\$1,500	\$1,257	\$1,273
East Deering	48	139	\$1,200	\$1,225	\$1,350	\$1,252	\$1,252
East End	95	249	\$1,185	\$1,400	\$1,640	\$1,482	\$1,482
North Deering	33	150	\$1,390	\$1,465	\$1,465	\$1,397	\$1,285
Oakdale	58	257	\$1,395	\$1,400	\$1,400	\$1,359	\$1,327
Parkside	64	167	\$1,165	\$1,325	\$1,500	\$1,374	\$1,374
Riverton	12	138	\$1,400	\$1,400	\$1,450	\$1,406	\$1,285
Valley Street	35	138	\$1,150	\$1,200	\$1,300	\$1,240	\$1,240
West End	104	355	\$1,250	\$1,378	\$1,406	\$1,408	\$1,408
Other / Combined	57	99	\$1,100	\$1,200	\$1,400	\$1,238	\$1,238
<b>TOTAL</b>	<b>661</b>	<b>2,172</b>	<b>\$1,200</b>	<b>\$1,380</b>	<b>\$1,465</b>	<b>\$1,360</b>	

The “Other/Combined” neighborhood includes Rosemont, Stroudwater, Libbytown, and Nason’s Corner  
Source: Stepwide Data Research, Rental Market Survey, Portland Maine 2018

## PORTLAND HOUSING INITIATIVES

### Subsidized Housing Development

The U.S. Department of Housing and Urban Development’s (HUD) mission is to “create strong sustainable, inclusive communities and quality affordable homes for all”. To fund this mission, HUD allocates money directly to states and local governments for community planning and development projects through HOME Investment Partnership Programs, and Community Development Block Grants (CDBG). Under the umbrella of HUD is the Neighborhood Stabilization Program (NSP) was a program established under the 2008 stimulus-funding packet approved by the U.S. Congress. Congress appropriated three rounds of funding; Portland was not a direct grantee, funding was provided through Maine Department of Economic and Community Development. The NSP program was established to assist communities with high rates of foreclosed and abandoned properties. The Housing Development Fund (HDF) is comprised of loan repayment from the housing rehabilitation program funded through the CDBG Program, and proceeds from the sale of properties assisted through HUD Urban Development Action Grant Program (UDAG) in Portland. The money that comes into this fund from these programs is repurposed towards housing rehabilitation and development. Locally, Portland’s Housing Trust Fund (HTF) and Affordable Housing Tax Increment Financing (TIF) support the production of housing for very low-income households and workforce housing households.

### Subsidized Housing Development in Portland Since 2000

No.	Owner/Project	Units	HOME	HDF	CDBG	HTF	TIF	NSP
1	Adams School	16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,710,000
2	Bayside Anchor	45	\$500,000	\$ -	\$ -	\$ -	\$ -	\$ -
3	Bayside East	20	\$250,000	\$ -	\$ -	\$ -	\$ -	\$ -
4	58 Boyd Street	55	\$200,000		\$ 30,000		\$ 2,144,566	
5	977 Brighton Avenue	40	\$ -	\$ -	\$ -	\$300,000	\$ 1,954,486	\$ -
6	17 Carleton	37	\$ -	\$ -	\$ -	\$ -	\$ 726,000	\$ -
7	409 Cumberland	57	\$500,000	\$ -	\$ -	\$ -	\$ 759,392	\$ -
8	53 Danforth	43	\$325,000	\$ -	\$ -	\$ -	\$ -	\$ -
9	Deering Place	80	\$200,000	\$ -	\$ -	\$ -	\$ 4,185,757	\$ -
10	Elm Terrace	38	\$403,795	\$ -	\$ -	\$ -	\$ -	\$ -
11	Florence House	25	\$240,000	\$ -	\$ -	\$ -	\$ -	\$ -
12	Fore River	20	\$388,474	\$ -	\$ -	\$ -	\$ -	\$ -
13	37 Front Street	111	\$ 510,174	\$ -	\$250,000	\$925,000	\$ -	\$ -
14	IRIS Park Apartments	31	\$ -	\$250,000	\$ -	\$ -	\$ -	\$ -
15	Island View Apartments	70	\$ 71,015	\$ 192,639	\$ 136,346	\$ -	\$ -	\$ -
16	178 Kennebec Street	46	\$370,000	\$ -	\$ -	\$ -	\$ 2,889,164	\$ -
17	Logan Place	30	\$435,000	\$ -	\$ -	\$ -	\$ -	\$ -
18	Motherhouse	88	\$627,223	\$ -	\$ -	\$ -	\$ -	\$ -
19	65 Munjoy	8	\$ -	\$ -	\$ -	\$ 175,000	\$ -	\$ -
20	Oak Street	37	\$ -	\$ -	\$ -	\$380,585	\$ -	\$ -
21	Pearl Place - Phase I	60	\$427,000	\$ -	\$ -	\$ -	\$ 615,502	\$ -
22	Pearl Place - Phase II	54	\$400,000	\$ -	\$ -	\$ -	\$ -	\$ -
23	Rosa True School	10	\$ 118,500	\$ -	\$ -	\$ -	\$ -	\$ -
24	Shalom House	10	\$ 93,000	\$ -	\$ -	\$ -	\$ -	\$ -
25	Peaks Senior Housing	12	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
26	Peninsula Community II L	16	\$307,700	\$ -	\$ -	\$ -	\$ -	\$ -
27	Peninsula Community III L	10	\$200,000	\$ -	\$ -	\$ -	\$ -	\$ -
28	Peninsula Community LP	12	\$300,000	\$ -	\$ -	\$ -	\$ -	\$ -
29	St. Doms Family Housing	12	\$ -	\$436,500	\$ -	\$ -	\$ -	\$ -
30	Unity Village	33	\$ 86,500	\$ -	\$363,863	\$ -	\$ -	\$ -
31	Valley Street	24	\$320,000	\$ -	\$ -	\$ -	\$ -	\$ -
32	Walker Terrace	40	\$382,000	\$220,000	\$ -	\$ -	\$ -	\$ -
33	134 Washington Ave	18	\$522,448	\$ -	\$ -	\$ -	\$ 207,116	\$ -
34	Wellesley Estates	45	\$ -	\$256,000	\$ -	\$ -	\$ -	\$ -
35	Yale Court	30	\$ 150,000	\$200,000	\$ -	\$ -	\$ -	\$ -
		Units	HOME	HDF	CDBG	HTF	TIF	NSF
	<b>Total</b>	1283	\$8,477,829	\$1,555,139	\$780,209	\$1,780,585	\$13,481,983	\$1,710,000
	<b>Total City Investment</b>		\$27,785,745					
	<b>Avg. City Contribution/Un</b>		\$21,656.86					

Last Updated 10-2-16

By leveraging federal and local funding, the City has invested almost \$28 million in the creation of 1,283 units of affordable housing since the adoption of the 2002 Housing Plan.

## INITIATIVES AND IMPLEMENTATION TOOLS

### Inclusionary Zoning

A development of ten or more units of housing in the City requires the project to provide either on-site or off-site workforce housing units, or make a payment to the City’s Housing Trust Fund. Since passage of the Ensure Workforce Housing Ordinance in 2015, there have been several projects reviewed under the Inclusionary Zoning requirements. The projects have chosen a number of creative approaches towards meeting the Ordinance, which is designed to provide flexibility in how to produce workforce housing.

The following is a chart of inclusionary zoning development projects from December 2015 to September 2018. These projects do not include housing developed with any tax credits or city subsidies.

Address	Status	# of Units	Type	Workforce Units	On-site Units	Off-site Units	Fee-in-lieu
169 Newbury	Completed	26	Condo	2	0	2	\$0
62 India	Completed	29	Condo	0	0	0	\$276,500**
443 Congress	Completed	28	Rental	0	0	0	\$280,000*
20 Thames	Under Construction	28	Condo	0	0	0	\$280,000
1 Joy Place	Under Construction	12	Condo	1	1	0	\$0
70 Anderson	Under Construction	10	Rental	1	1	0	\$0
1700 Westbrook	Under Construction	123	S/F	12	12	0	\$0
60 Parris	Under Construction	23	Condo	2	2	0	\$0
75 Chestnut	Approved (2016)	54	Rental	5	5	0	\$0
161 York	Approved (2017)	11	Condo	0	0	0	\$110,000
221 Congress	Approved (2017)	17	Condo	0	0	0	\$170,000
153-165 Sheridan	Approved (2017)	19	Condo	1	1	0	\$0
218 Washington	Approved (2017)	45	Condo	0	0	0	\$416,250
22 Hope Ave	Approved (2018)	16	SF	1	1	0	\$0
383 Commercial	Approved (2018)	82	Condo	8	0	8	\$0
56 Hampshire	Approved (2018)	30	Rental	3	0	1	\$209,398
86 Newbury	Approved (2018)	10	Rental	1	1	0	\$0
300 Allen	Approved (2018)	12	Condo	1	1	0	\$0
subtotals		575		38	25	11	\$1,185,648
Pending Projects							
1844 Forest	Under Review	16	Rental	TBD	TBD	TBD	TBD
140 Congress	Under Review	13	Rental	1	1	0	\$0
208 Fore	Under Review	34	Rental	0	0	0	\$355,977

\*Fee-in-lieu collected on 12-19-2017. \*\* Fee-in-lieu collected on 7-3-2018.

During a review of the Inclusionary Zoning Ordinance on June 18, the City Council amended the code to redefine the term low-income household from “80%” AMI to “100%” AMI, add “single-family” and “subdivisions consisting of a group of dwellings” to the term eligible project, removed the sunset clause, and amend the number of required units in a project from 10% “rounded down” to 10% with the “option of paying a partial fee-in-lieu as per (e) 4 below for any fractional value or providing an

additional unit on site.” The latter changes addressed concerns that the on-site fee-in-lieu requirement, while listed at 10%, can be as low as 5.25% when the calculation of a project’s inclusionary obligation results in a fractional unit that is rounded down.

The Planning Board amended the *Guidelines for Developers of Inclusionary Workforce Units* (on June 12, 2018) to change the calculation of the maximum sale price of a workforce unit from 30% of 120% AMI to 30% of 110% AMI. A well-calculated sale price allows for a range of buyers rather than the rare buyer that can afford the maximum sale price calculated at 30% of 120% AMI and income qualify as earning at or below 120% AMI. Applying a target AMI that is 10 percentage points less than the target AMI of 120% broadens the market of income-qualified households eligible to purchase the maximum priced workforce housing unit. Prior to this amendment, the Planning Board approved three workforce condominium units at the higher maximum sale price calculation.

The Planning Board will also review for amendment a change to language related to a “restrictive period”. Found in the *Workforce Housing Agreement* (signed by the Developer and the City) the term “restrictive period” is a period “at least 180 days following the City’s Notice of Determination”. The Notice of Determination is the date the City communicates to the developer the maximum allowable sale price of the workforce home ownership unit. During those 180 days, workforce units are not necessarily listed for sale or even identified as Workforce Housing in advertising material. Staff is finding that 180 days from commencement of marketing is not sufficient time to allow for sale of deed-restricted units. In fact, in speaking to others who market similar units nationally, staff has learned that it is difficult to successfully market them prior to construction being largely complete. In order to provide the necessary time to publically notify and properly market the units, staff is going to recommend revisions to this language at a future Planning Board meeting..

To assist with the sale of the three condominium units approved before passage of the amendments, and to help workforce households find affordable rental and home ownership units, the City recently launched a marketing page on its web site. The *Workforce Units for Rent and Sale in Portland* site lists units created through the City’s Inclusionary Zoning ordinance. The web page provides a listing of currently available units, contact information, eligibility requirements, and charts to assist with determining income eligibility based on household size and income. Along with searching current listings, browsers can also sign-up to be notified of future housing opportunities. The link to the City’s Workforce Housing Units in Portland for Sale and Rent marketing page is: <http://www.portlandmaine.gov/2367/Workforce-Housing-Units> A [News Flash](#) from October 18 regarding the condominium units has also generated buyer interest.

In the event that these extended marketing efforts are not successful by themselves, staff will be suggesting contingency plans to ensure that these three units are sold to households that meet the workforce standards. Staff suggestions and proposals that may require Council action will be proposed at a future Housing Committee meeting.



Parris Terraces



1 Joy Place

### **Accessory Dwelling Units**

A 2018 Housing Committee goal is to increase access to rental and ownership housing that is safe and affordable for working and low-income families. As part of achieving that goal, the Committee prioritized the objective of identifying and recommending policies to remove barriers to Accessory Dwelling Units (ADU) in residential zones.

An ADU is an additional living quarter that is independent of and wholly contained within a principal building or attached/detached accessory structure (such as a garage) on property where a single-family dwelling-unit or multi-family dwelling-unit is the principal use. ADU's have the potential to increase the city's supply of affordable housing (both for rental and home ownership), augment the diversity of housing options available to Portland's residents, provide flexibility for property owners, address shifting demographic trends towards smaller households, allow more possibilities for aging in place, and allow for the more efficient use of existing housing stock and infrastructure.

The ReCode Portland initiative is an opportunity to review ADU regulations. While the first phase of the ReCode work is primarily focused on organizational issues such as formatting and readability, there are some substantive policy issues that will be taken up in that phase. The current disjointed approach to ADU's is one of those policy issues that will be tackled in the first phase.

Most of Portland's residential zoning districts permit some form of an accessory dwelling unit. ReCode Portland will explore establishing a more uniform definition and set of requirements across Portland's various zoning districts to broaden opportunities for implementation, reduce unwanted regulatory constraints and employ consistent terminology. It will also look at streamlining the process for ADU permitting to encourage ADU's as a method of increasing the quantity and diversity of Portland's housing stock. Current thinking is that ADU rules will be made consistent across the mainland, with a slightly different set of rules for the islands based on a review of recommendations from Peaks Island's non-profit community-based committee called Homestart.

## Low-Income Rental Housing Units

The city of Portland allows for the use of additional dwelling units within the R-5 zone when the owner agrees to certain restrictions based on income and rental limits that comply with Section 14-118 (a) 5. The homeowner is to rent the accessory dwelling unit only to eligible individuals or families that earn at or below 80% of the Area Median Income. The size of the household and the number of bedrooms determines the maximum rent amount.

Low-Income Rental Housing Agreement properties as of October 2018

Address	No. of Bedrooms	Unit(s)	Approval Date with ZBA	Effective Date of Agreement
14 Alba Street	two/one	1 <sup>st</sup> floor & 2 <sup>nd</sup> floor	01/07/2015	10/06/2016
593 Washington	one	3 <sup>rd</sup> floor (attic)	06/16/2016	08/25/2017
77 William Street	one	3 <sup>rd</sup> floor (attic)	01/19/2017	08/25/2017
75 Douglas Street	one	above garage	06/01/2017	11/15/2017
79 Clinton Street	one	third floor	09/21/2017	pending
240 Brighton Ave	two	third floor	11/2/2017	pending
613 Washington	studio	third floor (attic)	11/15/2017	pending
11 Galvin Street	one	third floor (attic)	02/01/2018	pending
27 Brentwood	studio	detached garage	06/21/2018	pending
170 Veranda St	2 one-bdrm	1 <sup>st</sup> floor & 2 <sup>nd</sup> floor	08/16/2018	pending

Source: Housing and Community Development

## Rental Housing Advisory Committee

Section 6-225 of the Tenant Housing Rights Ordinance creates a Rental Housing Advisory Committee. At the August 13, 2018 City Council meeting, the Council approved changes to the composition of the Rental Housing Advisory Committee, and their recommended duties. The recommended changes to the structure and duties of the Rental Housing Advisory Committee is in keeping with the 2018 Portland City Council Committee on Housing goal to develop and recommend a Housing Advisory Board consistent with the language approved by the Council as part of the 2016 Housing security package.

The number of members belonging to the Rental Housing Advisory Committee increased from seven members to nine members. Seven committee members will continue to be comprised of three landlords, three tenants and one at-large member who is neither a landlord nor a tenant. One additional member will have experience in legal rights/interests of tenants nominated by Pine Tree Legal Assistance. The other additional member will have experience in legal rights/interests of landlords nominated by the Southern Maine Landlord Association.

The duties of the Rental Housing Advisory Committee will include providing the Housing Committee with recommendations or proposals for improvements, modifications, or changes to the City's housing ordinance or policies. The Rental Housing Advisory Committee will also identify educational opportunities, seminars, and materials that would be useful to landlords and tenants.

The City Clerk will advertise openings to the Rental Housing Advisory Committee during the week of November 19. Interviews with the City Council's Nominating Committee will occur in February 2019 for a start date of April, 2019.

### **Disorderly House Ordinance**

The Police Department requested amendments to the disorderly house ordinance (City Code of Ordinances, Section 6-202) to provide notice to tenants when the enforcement of the disorderly house ordinance against the landlord may impact the interests of the tenants. Providing notice is important to protect the rights of all tenants, especially those tenants that may not have contributed to the incidents that gave rise to the designation of the property as a disorderly house but may be impacted by the relief granted by the Court.

The first amendment to the disorderly house ordinance requires the City to provide notice to tenants once a formal complaint (e.g. typically a Rule 80(k) action) is filed in court against the landlord/owner for enforcement of the ordinance. The tenants would receive notice of the complaint by posting at the premises or regular mail. Following receipt of the notice, tenants would be allowed to join in the matter as interested parties. The second amendment requires the City to provide all tenants of the building with "reasonable written notice of said condemnation or posting against occupancy." If the City is required to move forward with condemnation of the property involving an immediate threat to the health and safety of the tenants, the proposed amendment will allow tenants adequate time to seek alternate housing or retain counsel if additional relief is required. The City Council approved these amendments during their July 18, 2018 meeting.

### **Munjoy Hill Conservation Overlay District**

On December 18, 2017 the City Council voted to approve a six-month moratorium on demolition and new construction in the R-6 district on Munjoy Hill. This action was taken in response to concentration of demolition of existing structures in the area, and accompanying concerns about the appropriateness of the design and scale of some of the new construction taking place. The moratorium included a requirement for the implementation of interim zoning to govern development in the R-6 zone for the duration of the moratorium to be implemented within 65 days of December 4, 2017. Following six months of stakeholder meetings, including two public listening sessions, the Planning Board recommended creation of a new overlay district to regulate development in the R-6 zone on Munjoy Hill. During their June 4 meeting, the Council added a new section 14-140.5, Munjoy Hill Conservation Overlay District, to the code. These amendments created additional dimensional standards for redevelopment; added requirements regulating design of items such as roof lines and parking locations; and added a demolition review process that would temporarily stay removal of buildings that meet standards for being "preferably preserved". These ordinance changes were designed to ensure that new development and redevelopment on Munjoy Hill is compatible with the existing built form in the area.

In conjunction with passage of a new Munjoy Hill Conservation Overlay District, the Council approved an amendment to the zoning map to depict the new Overlay Zone.

### **Additions to Existing Buildings**

From discussions during the Munjoy Hill outreach process, the Planning Board recommended amendments to simplify and modernized the requirements for additions to non-conforming structures in the City in order to better accommodate owners' desire to put limited additions on these structures. A non-conforming structure would be allowed to add a one-time, one-story addition onto a non-conforming section, provided that any addition does not otherwise increase the non-conformity of the building. The change is intended to allow for appropriate additions to existing buildings than the current language, which limits extensions more significantly and in a manner that is unlikely to be cost-effective for a homeowner. The amendment took effect on June 5 to replace the Interim Planning Overlay (IPOD) and moratorium on demolition for Munjoy Hill.

### **Amendment to B-1 and B-1b Neighborhood Business Zone**

The B-1 and B-1b Neighborhood Business zones are intended to foster mixed-use development in its traditional form, with residential uses located over ground floor commercial spaces. However, this design standard is somewhat incompatible with fair housing laws that require residential projects of four or more units provide ADA accessible ground-floor units where no elevator exists, or make all units and common space accessible in a building where an elevator does exist. Installation of an elevator for universal building access in small-scale mixed-use projects is oftentimes challenging if not cost prohibitive, thus requiring a ground-floor residential unit. The City Council approved (on March 5, 2018) amendment of the city code to allow live/work units or straight residential units (determined by depth of street frontage) to remove the regulatory barrier on ground-floor units in off-peninsula locations.

### **Portland Water District Efficiency and Repair Services Program**

This program provides financial assistance to low-income residential customers of the Portland Water District (PWD) for the repairs and improvements that reduce water consumption through the installation of plumbing fixtures and water saving devices including the repair of leaking or broken water pipes, toilets, hot water tanks, faucets, showerheads, toilet dams, and low-flow devices. The City of Portland administers the program on behalf of the PWD. A qualified residential customer is one who owns and occupies a year round residence within the PWD service area and whose household income is at or below 80% of the area median income. The PWD has initially set aside \$10,000 for this program.

### **Short-term Rental Registration Program**

Portland approved an ordinance in April 2017 requiring Short-term rental (STR) owners to register with the city effective January 1, 2018 and placed a cap of 300 non-owner occupied units on the mainland. The purpose of the Ordinance is to protect Portland's long-term rental units from leaving the local market to host short-term guests, and to ensure the safety of each unit. The City adopted a registration fee to pay the cost of inspections. Funds not spend towards program administration are deposited into the Housing Trust Fund for the creation of affordable housing.

A recent review of the nascent program determined short-term rental registration fees exceeded initial estimates. Registration revenue of \$124,921 surpassed the budget estimates by 108.2% or \$64,921. \$33,318.80 from the registration revenue was deposited into the Housing Trust Fund at the end of FY18. The greatest challenge facing the program is landlords who are unresponsive to registration and inspection requests. Concentrated outreach efforts during the first half of the calendar year have greatly reduced delinquent rental registrations.

The Housing Committee is reviewing data and proposed amendments to Chapter 6, Article VI, Residential Rental Unit Registration Requirements as it applies to short-term rentals units. Per the request of the Housing Committee, Permitting and Inspections provided two tables for discussion during their October 24 meeting. The first table charts the number of owner-occupied short-term rental applications and the potential of non-owner occupied units in owner-occupied buildings based on the assumption that each owner-occupied applicant is registering their own unit as the primary residence. The second table charts owner-occupied short-term rental applicants and the potential number of non-owner occupied units in owner-occupied buildings on the assumptions that each owner-occupied applicant is not registering their own unit as the primary residence.

Table 1. Owner-occupied Short Term Rental Applicants and the Potential Number of Non-Owner Occupied Units in Owner-Occupied Buildings (Scenario 1) 2017-2018

Number of Units Registered	Number of Owner-Occupied Applicants	Potential Number of Owner-Occupied Primary Units	Potential Number of Non-Owner Occupied Mainland Units in Owner-Occupied Buildings	Total Number of Units
5	2	2	8	10
4	3	3	9	12
3	13	13	26	39
2	49	49	49	98
1	309	309	0	309
<b>Total</b>	<b>376</b>	<b>376</b>	<b>92</b>	<b>468</b>

Source: Energov software, City of Portland, September 18, 2018.

Table 2. Owner Occupied Short Term Rental Applicants and the Potential Number of Non-Owner Occupied Units in Owner Occupied Buildings (Scenario 2) 2017-2018

Number of Units Registered	Number of Owner Occupied Applicants	Potential Number of Owner Occupied Primary Units	Potential Number of Non-Owner Occupied Mainland Units in Owner Occupied Buildings	Total Number of Units
5	2	0	10	10
4	3	0	12	12
3	13	0	39	39
2	49	0	98	98
1	309	0	309	309
<b>Total</b>	<b>376</b>	<b>0</b>	<b>468</b>	<b>468</b>

Source: Energov software, City of Portland, September 18, 2018.

Tables 1 and 2 provide data of owner occupied applicants registering their own unit and the potential number of non-owner occupied units within owner-occupied buildings based on the number of units registered. The true value for the number of owner occupied applicants registering their primary unit is between 0-376. The true value for the number of non-owner occupied units within owner occupied buildings is between 92-468. Per Permitting and Inspections, it is challenging to provide a more exact estimate during the inaugural year because the rental registration form did not ask which is the owner's unit. This question will be added to the rental application and will capture this data for the next registration cycle and beyond.

The Housing Committee has begun an overview of the short-term rental ordinance. To assist with their review, the Housing Committee recommends the City Council commission a study to analyze the impact of short-term rental units on the long-term rental housing market.

**Long Term Rental Registration and Inspection Program**

Michael Russell, Director of the City's Permitting and Inspections Department, presented a review of the Rental Registration and Inspection Program over the course of three Housing Committee meetings (July 31, September 26 and October 11).

The Fire Department collaborates with the Permitting and Inspections Department's Housing Safety Office on proactive inspections, scheduling, on-going training, education, re-inspections and answering complaints regarding long-term rental units. The four major themes of focus are life safety, consistency, being reasonable, and communication.

**Rental Registration by Total Number of Applicants and Units, 2017-18**

	<b>Long term</b>	<b>Short term</b>
Applicants	4,376	643
Units	17,796	781

**Note:** As of September 18, 2018.

**Rental Registration Follow-up Effort by the Number of Landlords, 2017-18**

<b>Type of Follow-up</b>	<b>Total</b>	<b>Long term</b>	<b>Short Term</b>
Letter or Notice of Violation	2,215	1,700	515
Summons	56	56	0

**Note:** As of September 18, 2018.

**FY18 Rental Inspections by Number and Type**

	<b>Total</b>
Housing Safety	3,802
Infestation/Insects	68
Legalization of Unit	37
<b>Total</b>	<b>3,907</b>

**Note:** Permitting and Inspections Department data only.

**Source:** All data is from Energov software (Tyler Technology), City of Portland, 2018.

During the October 11 meeting of the Housing Committee, Fire Chief Keith Gautreau presented a recap and history of the Fire Department’s Inspection Program from May 2015 to date.

New Inspection Program / Process since May 2015

- o March 2015 NFPA (National Fire Protection Assoc.) Training
- o Training on our software and how to maximize its potential
- o New Enforcement Procedures in place (Summons & Consent Agreements)
- o Court appearances / pursuing legal action for extreme cases
- o Focus on Residential Housing
- o Focus on Quality not Quantity (take time and follow through)
- o Recurring Department wide training twice in 2016 & 2017
- o Started Joint Inspections with HSO November 2018
- o Switched over to new Energov (Tyler) software April 2018

Fire Prevention Activities: Includes Residential Apartments (> 3 units), Schools, Fire Permits, Complaints, Hazmat and Public Education

Year	Jan – March	April – June	July - Sept	Oct - Dec	Total
2016	519	966	790	788	3,063
2017	483	930	802	759	2,974
2018	651	181	203	0	1,035*

\*November 2017, the Fire Department began joint inspections with the Housing Safety Office

Percentage of follow-up inspections

Year	Total	Reinspections	Percentage	Public Education
2016	3,063	284	9%	138
2017	2,974	552	19%	122
2018	1,035	205	20%	33*

\*33 number impacted due to vacant Captain’s position

The educational component of the process includes brochure information regarding the State Fire Marshall's egress window policy, fire escape-planning, and fire alarm safety tips.

Please visit the [Update on Fire Department Inspections Program](#) to read the full report.

## RESOURCES

### FEDERAL SOURCES

The U. S. Department of Housing and Urban Development's (HUD) mission is to "create strong, sustainable, inclusive communities and quality affordable homes for all." To fund this mission, HUD allocates money directly to state and local governments for community planning and development projects through:

- HOME Investment Partnership Programs (HOME)
- Community Development Block Grants (CDBG)
- Emergency Solutions Grants Program (ESG)
- Housing Development Fund (HDF)
- Neighborhood Stabilization Program (NSP) (no longer available)
- Lead Hazard Control Grant
- Brownfield Economic Development Initiative

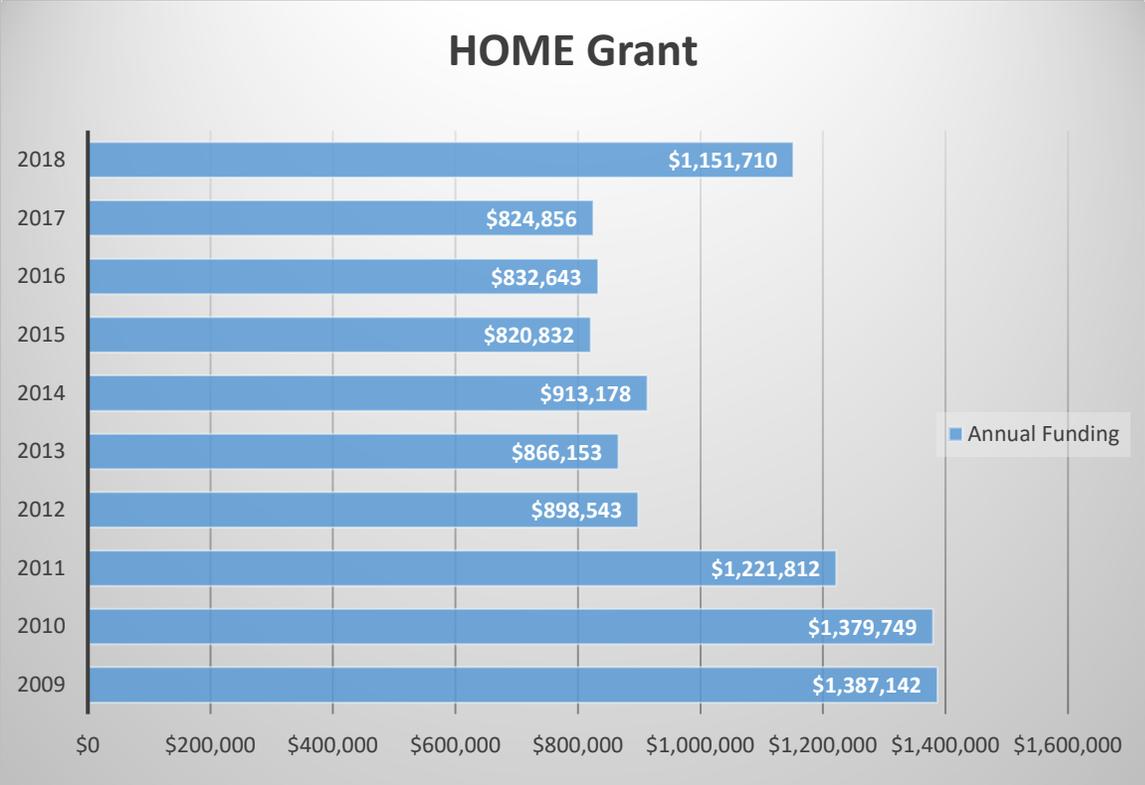
### HOME Investment Partnership Program (HOME)

HOME funds can assist with building, buying, and/or rehabilitating housing for rent or homeownership as well as providing direct short-term rental assistance and security deposits to low-income families through Tenant Based Rental Assistance Voucher Program (TBRA). The City's HOME Program provides assistance through housing rehabilitation, tenant based rental assistance and the Affordable Housing Development Program which focuses on the development of new affordable rental housing.

HOME funding invested in rental housing assists households at or below 60% area median income. HOME funding invested in housing rehabilitation assists households at or below 80% area median income.

HOME has been the largest funding source for the City helping to develop (in conjunction with other local and federal programs) 1,057 units of low-income housing through the allocation of approximately a little more than \$8.4 million in funds since 2000.

Portland received \$1,151,710 in HOME funding for fiscal year 2018-2019, an increase of \$326,854 from the previous year. FY19 funding allocations will help to create: 75 housing units at 510 Cumberland/Deering Place (\$200,000 in addition to \$300,000 provided in FY18); 111 housing units at 37 Front Street (\$510,174); and 51 housing units at 178 Kennebec Street (\$370,000).

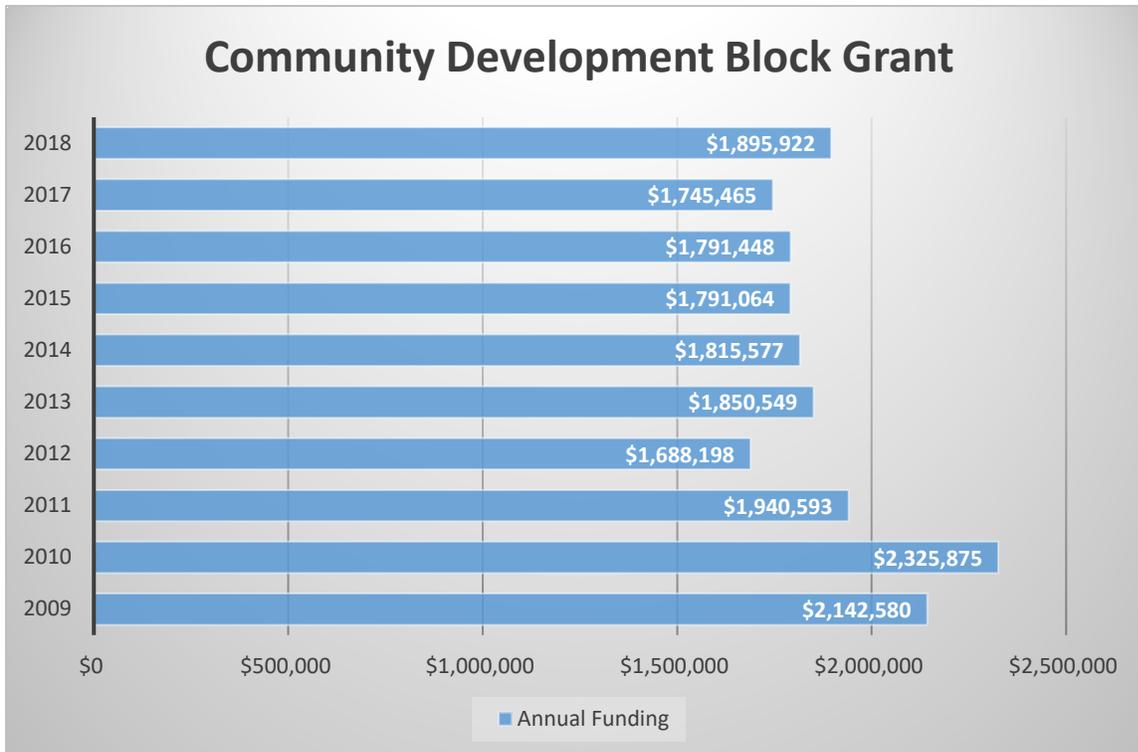


Source: HUD Exchange, HUD Awards and Allocations (2009 – 2018)

**Community Development Block Grants (CDBG)**

The Community Development Block Grant (CDBG) program distributes annual grants to provide communities with resources to develop and expand housing and economic opportunities for low-income households at or below 80% Area Median Income.

Portland received \$1,895,922 in CDBG funding for fiscal year 2018-2019- an increase of \$150,457 from the previous year. Funding allocations from the CDBG fund will assist in the creation of: 55 housing units at 58 Boyd Street (FY18 \$30,000); and 111 housing units at 37 Front Street (FY19 \$250,000).



Source: HUD Exchange, HUD Awards and Allocations (2009 – 2018)

### **Lead Safe Housing**

The City of Portland has been committed to eliminating lead poisoning in children since 1995 when it received its first HUD Lead Hazard Control Grant. The control and elimination of lead-based paint remains a critical focus of the City of Portland in the housing rehabilitation program and over the years, 450 units have been made lead-safe in Portland. Within the Lead Hazard Control grant program, Portland has effectively and successfully addressed lead hazards that are prevalent in the City's older housing stock. These efforts will continue through the housing rehabilitation program.

The 2016-2019 Lead Hazard Control grant from HUD will complete lead hazard control work in 88 units. To date, lead hazard remediation work has been completed in 43 units. A Healthy Homes inspection is also performed on all qualifying units and, in conjunction with HOME and CDBG funds, the program is able to address code violations, and health and safety issues.

## LOCAL RESOURCES

### Housing Trust Fund

The Housing Trust fund was established to promote, retain; and create an adequate supply of housing, particularly affordable housing, for very-low, low, and median-income households, and to limit the net loss of housing units in the City. During 2018, deposits into the fund were contributed from the City's Inclusionary Zoning fee-in-lieu option (\$556,500), a transfer from the short-term rental registration program (\$33,318.80) and the appropriation of \$1,000,000 from the sale of city-owned property at 0 Hancock Street (aka the WEX project). Expenditures for 2018 included \$300,000 to leverage the creation by Avesta of 40 units of senior housing at 977 Brighton Avenue, and \$925,000 towards 111 units of housing for Portland Housing Authority's 37 Front Street project. The Housing Trust Fund has a balance of \$998,321 as of October 24, 2018.

Developments evaluated for funding must promote the efficient use of land in locations in proximity to shopping, work places, and community facilities. Projects are also encouraged to incorporate high standards of design, energy efficiency, "green" design, and social sustainability.

#### Sources and Uses of Housing Trust Funds

DEPOSITS		EXPENDITURES	
Maine Medical Center HRO 2002-2003	\$ 315,580.00	Avesta Oak Street Lofts 2011	\$ (380,585)
Sportsman's Grill HRO 2002	\$ 40,000.00	Housing First Pre-Development RFP 2014	\$ (75,000)
Berlin City Auto HRO 2009	\$ 116,000.00	65 Hanover & 62 Alder Sts Feasibility Study 2015	\$ (9,250)
Stop n Shop HRO 2010	\$ 289,250.00	65 Munjoy Street 2017	\$ (175,000)
Rockbridge/Eastland Park HRO 2012	\$ 42,500.00	37 Front Street 2018	\$ (925,000)
Riverwalk/Ocean Gateway HRO 2012	\$ 250,000.00	977 Brighton Avenue 2018	\$ (300,000)
118 Congress LLC HRO 2014	\$ 3,500.00	<b>Total Expenditures</b>	<b>\$ (1,864,835)</b>
Sale of Tax Acquired Property 91 & 97 Belfort Street 2017	\$ 86,424.00		
Sale of Tax Acquired Property 116 Upper A Street 2017	\$ 78,527.00		
443 Congress Street IZ 2017	\$ 280,000.00		
62 India Street IZ 2018	\$ 276,500.00		
Short Term Rental Fee transfer 2018	\$ 33,318.80		
Previous INTEREST EARNED	\$ 51,556.00		
0 Thames Street (WEX) sale 2018	\$ 1,000,000.00		
<b>Total Deposits</b>	<b>\$2,863,155.80</b>	<b>BALANCE</b>	<b>\$998,320.80</b>

HRO - Housing Replacement Ordinance;  
IZ = Inclusionary Zoning Fee-in-lieu  
as of 10-24-2018



977 Brighton Avenue



37 Front Street

### **Affordable Housing Tax Increment Financing (TIF)**

Affordable Housing Tax Increment Financing (AHTIF) is a tool used by municipalities in Maine to provide financial assistance in the development of affordable housing projects governed by the Maine State Housing Authority. A TIF works by capturing new tax growth above existing tax revenue resulting from a property or district's increase in property value. These funds are then targeted to support a specific project or district that increase the amount of market rate and affordable housing or improves the health, welfare or safety of residents. To qualify for subsidy funding (subject to City Council approval), thirty-three percent of the units in the development must be designated as affordable units.

Affordable Housing TIF districts approved during the 2018- 2019 fiscal year:

- 977 Brighton Avenue – 40 age restricted housing units
- 178 Kennebec Street – 51 age restricted housing units

Affordable Housing TIF districts approved during the 2017- 2018 fiscal year:

- 58 Boyd Street - 55 housing units
- 510 Cumberland (Deering Place) - 75 housing units



510 Cumberland Avenue (Deering Place)



178 Kennebec Street

## **SUBSIDIZED AFFORDABLE HOUSING PROJECTS**

Housing development projects created approved in 2018 with the assistance of funding appropriated through the City's Housing and Community Development Division are summarized below.

### **510 Cumberland (Deering Place)**

- HOME Funds: \$200,000 (in addition to \$300,000 allocated in FY18) to Avesta Housing
- Affordable Housing TIF: 4,185,757 over 30 years

Avesta Housing Development Corporation (AHDC) is proposing to renovate and construct a mixed-income rental housing development on a site they own located at 61 Deering Street and 510 Cumberland Avenue.

The project will consist of 75 units of rental housing including 15 efficiency units, 38 one-bedroom units, 9 two-bedroom units and 13 three-bedroom units. Thirteen units will be affordable to households earning 40% area median income, thirty-two units will be affordable to households earning 50% area median income, and thirty units will be at market rates. .

### **37 Front Street Re-Development**

- HOME Funds: \$510,174 to Portland Housing Authority
- Housing Trust Funds: \$925,000 to PHA
- CDBG Funds: \$250,000

Portland Housing Authority is proposing the demolition of 50 units of public housing and the new construction of up to 111 units of mixed-income family housing in Portland's East Deering neighborhood.

The site will be redeveloped in two phases, and will consist of six buildings with 111 residential units, a modern community center, comprehensive redesign of the pedestrian network, community amenities including a playground and several passive use green spaces, and 102 off-street parking spaces.

Six new two to three-story buildings will replace the nineteen (19) existing buildings, and will contain 111 residential apartments, with a mixture of one through five-bedroom units.

In terms of unit affordability, 77% (or 85) of units affordable to households at or below 50% of the Area Median Income (AMI) ( which is \$40,550 for a family of three), 3 units will be affordable at or below 60% of the Area Median Income (AMI) and 23 of the units would be market rate. The market rate units will feature rents 5-10% below market rate.

### **178 Kennebec Street**

- HOME Funds: \$370,000 to Maine Workforce Housing
- Affordable Housing TIF: \$2,889,164 over 30 years

Maine Workforce Housing, LLC intends to construct a 7-story mixed use building including 51- apartments for 55+ residents consisting of five studio and forty-six one-bedroom units at 178 Kennebec Street in Portland’s Bayside neighborhood.

The ground level will be an artist studio and five efficiency units. The second through seventh floors will feature 46 one-bedroom units.

Sixteen units will be affordable to households at or below 50% AMI (which is \$31,550 for a one-person household). Twenty-four units are targeted towards households earning 60% AMI. Eleven units will be market rate.

### **977 Brighton Avenue**

- Housing Trust Funds: \$300,000 to Avesta Housing on 9-5-18
- Affordable Housing TIF of \$1,954,486 over 30 years on 7-16-18

The 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project consists of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot of 32 cars and an external gathering area or patio for residents.

The development involves the new construction of 40 one-bedroom rental apartments for seniors (55+ years of age), in one four-story building. 34 of the apartments will be affordable and 6 will be market rate. 24 units will be affordable to households at or below 50% area median income and 10 will be affordable to households at or below 60% area median income.

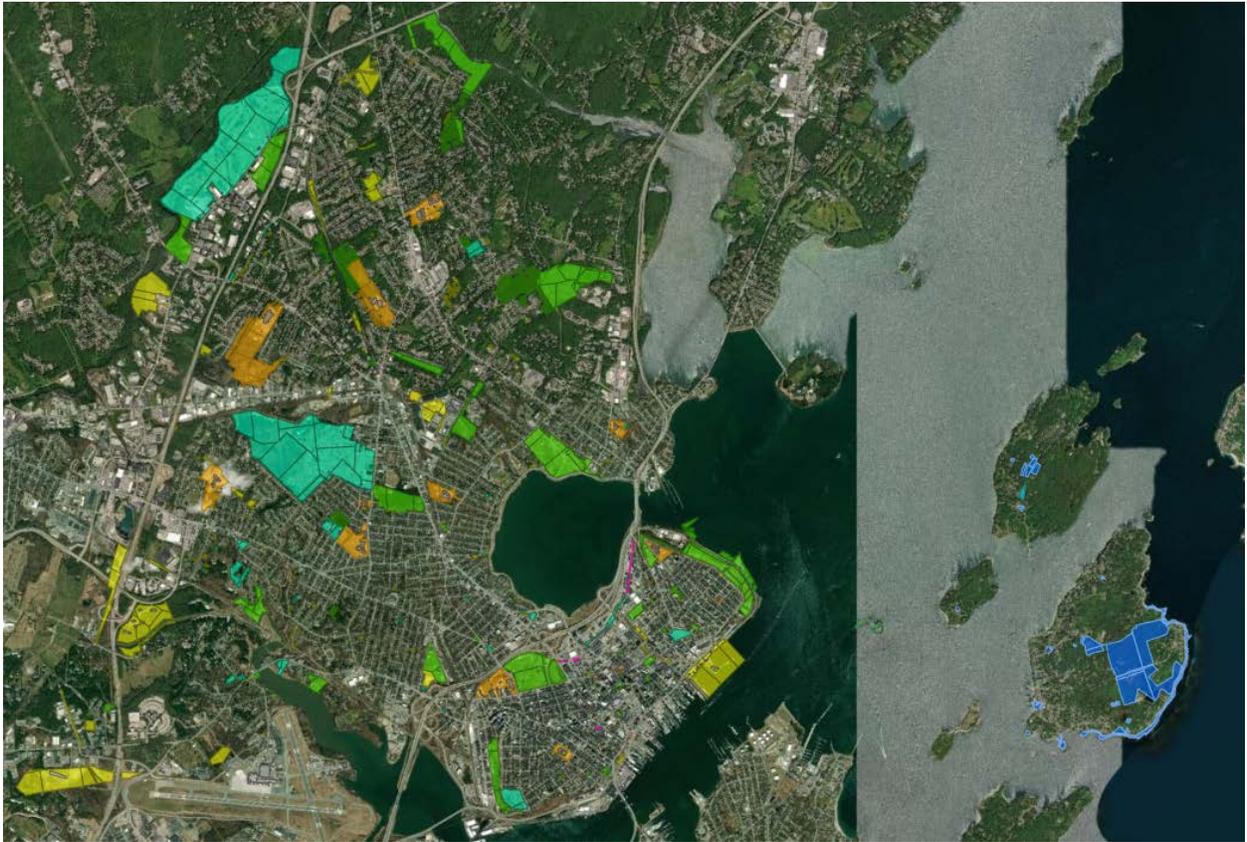
## CITY-OWNED PROPERTY

Within the City Council's on-going goals and objectives is a recommendation from the Housing Committee to increase access to rental and ownership housing that is safe and affordable for working and low-income families. To attain this goal, the Housing Committee proposed investigating the use of City-owned property for housing development.

In accordance with Section 2-313 of the City Code, the City may provide city-owned land for housing development and offer the land below market price to encourage housing development or support greater affordability. Selling city-owned land provides the City with unique control over the timing, location, and affordability of housing development in Portland. It also has the added benefit of turning land with no tax liability into an income generating property for the City's tax rolls.

In November 2017, Portland's Assessing Department identified more than 550 city-owned parcels. During 2018, staff reviewed each parcel with assistance from staff in Economic Development, Assessor, Parks, Recreation & Facilities, and Public Works with the goal of identifying the current use or site conditions. Some select parcels were presented to the Housing Committee for a greater analysis. 21 Randall Street is a .32 acre or 13,956 square foot parcel in the R-5 zone abutting the Front Street redevelopment project. This lot would allow for one multiplex building of six units of housing. 0 Westbrook Street is situated across from the future Stroudwater Preserve site, and is the entrance to the Fore River Sanctuary. The site features several streams/drainage channels, wet areas that drain to the Fore River, and the remnants of a portion of the historic Cumberland Oxford Canal. A natural gas pipeline that serves the Portland Tech Park is within the site. There are also numerous Portland Water District, drainage, and other easements on the site. An initial review of the parcel suggests the possibility of developing six single-family lots. However, given the many challenges associated with the site, the development would be very expensive. Staff did not recommend pursuing this parcel as an option for housing development. 2 Boyd Street (aka "Franklin Reserve") is a 1.4 acres parcel within the 130-acre land area of East Bayside. During the March 28, 2018 meeting of the Housing Committee, Christina Egan, the Executive Director of GPCOG presented an overview of GPCOG's *East Bayside Brownfield Area-Wide Plan* report. The report recommends "the City (to) consider whether or not an exploration of possible reuse options for this site is desired". Staff recommended identifying a preferred use or reuse option that aligns with the needs of the community. 622 Auburn Street is a 4.8-acre parcel that abuts a 13-acre parcel of city-owned property in Falmouth. The 622 Auburn Street parcel has wetlands identified by the National Wetland Inventory and a consulting wetland soil scientist using aerial photography. A citywide staff review of the property in Falmouth may determine it is a more promising location for potential housing development.

From the research into the current use and site conditions of each city-owned parcel, staff prepared, at the Housing Committee's direction, an annotated interactive map of city-owned property. The map provide both an overview of all city-owned properties as well as a breakdown by parcel categories such as; Land Bank/Parkland; Schools; Services & Industry; Deed-Restricted; Islands; and Other Parcels. Due to the nature of parcel activity (i.e. purchases, sales, land-bank designations, etc.), continued up-dates to the browser will be necessary to ensure future accuracy. The city-owned property map will be an accessible tool to assist with the comprehensive and focused comparison and understanding of constraints and opportunities of city-owned land.



**DRAFT**

**2018 Housing Committee Work Plan**

**October 19, 2018**

October 24, 2018

1. (Action item) Review, Discussion and Possible Recommendation regarding Proposed Policy Changes to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to short-term rental units. (Public Comment)
2. Presentation of 2018 Interim Housing Report
3. 2018 Work Plan Discussion

November 14, 2018

1. Portland Housing Authority presentation on the Rental Assistance Demonstration (RAD) program
2. Presentation and Discussion of Community Land Trust model
3. Update on Inclusionary Zoning Units for Sale and Potential Committee Action
4. 2018 Work Plan Discussion

November 28, 2018

1. Review of 2018 Annual Committee Report
2. 2018 and 2019 Work Plan Discussion (new and/or updated recommendations to forward to the 2019 Housing Committee)

December 26, 2018 – canceled

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COMPLETED WORK

January 24, 2018

1. Review 2017 Housing Policy Proposals.
2. Review 2017 Housing Committee Report; Goals, Work Plan, and Accomplishments.
3. Review Summary of Feedback of Housing Policy Proposals.
4. First Review of Developer Feedback on the Inclusionary Zoning Ordinance.
5. Update on 2018 Short Term Rental registration process.
6. 2018 Work Plan Discussion

February 12, 2018

1. Review Housing Policy Proposals
2. Review Public Feedback on Housing Policy Proposals
3. 2018 Work Plan Discussion

February 28, 2018

1. Housing Program Budget - Review and Recommendation to the City Council
2. Overview of the Housing and Community Development Division
3. Overview of the Housing Trust Fund
4. Communication Items: Community Land Trust Information; City-owned property information; Text Analysis of Housing Report Survey
5. 2018 Work Plan Discussion

March 28, 2018

1. 14-403
2. HomeStart
3. Affordable Housing Development HOME Fund Application - Review and Approval to Issue by the Committee
4. Franklin Reserve Massing Study/GPCOG overview of Brownfields Planning Grant
5. 2018 Work Plan Discussion – including a discussion of the Council’s goal setting session

April 25, 2018

1. Rental Market Survey results presentation

2. Review and Vote to Recommend to the City Council Amendments to Chapter 6 re: Disorderly House Ordinance.
3. Housing Trust Fund Annual Plan
4. Tax Acquired and City-Owned Property – Westbrook Street
5. 2018 Work Plan Discussion

Communication Items:

Portland Water District water efficiency and repair services program

Inclusionary Zoning Workflow Update

May 23, 2018

1. Review Funding Requests Received from the Affordable Housing Development HOME Fund Application
2. (Action Item) Review and Recommendation to the City Council of the 2018 Housing Trust Fund Annual Plan
3. Review of Amendments to Ordinance: Section 6-225 of the Tenant Housing Rights Ordinance. (Housing Advisory Board) (Public Comment)
4. Communication Item: HUD FY18/19 Funding Update
5. 2018 Work Plan Discussion

June 5, 2018

1. (Action Item) 5:30 pm to 6:30 pm - Joint meeting with the Economic Development Committee to Review and Recommend to the City Council Affordable Housing TIF Requests
2. (Action Item) Review and Recommendation to the City Council – Funding Requests Received from the Affordable Housing Development HOME Fund Application
3. (Action Item) Review and Recommendation to City Council of Amendments to Ordinance: Section 6-225 of the Tenant Housing Rights Ordinance. (Housing Advisory Board)
4. Hotel Linkage Fee Discussion
5. 2018 Work Plan Discussion

June 27, 2018

1. Presentation of City-Owned Property Map - housing development potential
2. (Action Item) Review and Recommendation to the City Council – HOME Affordable Housing Development Funding Requests Received from the Affordable Housing Development HOME Fund Application
3. (Action Item) Review and Recommendation to the Planning Board - Hotel Linkage Fee
4. 2018 Amended Housing Committee Schedule
5. Communication Item: FY19 HUD Annual Allocation Plan
6. Communication Item: Accessory Dwelling Units – site page review
7. 2018 Work Plan Discussion

July 31, 2018

1. Rental Housing Safety & Inspection Program - Implementation and Financial Report
2. Short Term Rental Registration Program – Implementation, Financial Report and possible Ordinance revisions
3. Initial Discussion of Order 225-17/18 Referring an Increase in Short Term Rental Registration Fees to the Housing Committee
4. (Action Item) Reconsideration of the Committee’s HOME Funding Recommendation
5. (Action Item) Review and Recommendation to the City Council Housing Trust Fund Allocation(s)
6. Public Comment Received since the last meeting: topics include allowing housing in “Franklin Reserve” and the City’s short term rental policy
7. Communication Item: Accessory Dwelling Units
8. Communication Item: Site Walk 622 Auburn Street
9. Communication Item: Map of City Owned Property
10. 2018 Work Plan Discussion

August 22, 2018 – canceled

September 6, 2018

1. Overview of Legal Framework for Municipal Fees, Land Use Controls, and Exactions
2. (Action Item) Review and Recommendation to the Housing Committee re: Order 225-17/18 Referring an Increase in Short Term Rental Registration Fees to the Housing Committee

3. Review and Discussion of possible changes to the Condominium Conversion Ordinance Section 14-565 to 14-571.
4. Review and discussion of a proposed ordinance addressing new hotel developments and affordable housing demand
5. Communication Item: Review of Map of City-Owned Property
6. Communication Item: Accessory Dwelling Units
7. 2018 Work Plan Discussion

September 26, 2018

1. Review and Discussion of Permitting and Inspections' response to questions from the July 31 meeting regarding rental housing safety and inspections program, and short and long term rental registration program
2. Review and Discussion of Proposed Policy Changes to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to short-term rental units.
3. Communication Item: FY18 HUD Consolidated Annual Performance Report
4. 2018 Work Plan Discussion

October 11, 2018

1. Presentation, Overview and Integrated Report from Permitting and Inspections and Fire Department re: Short-term and Long-term Safety Inspections, and Program Budgets (Public Comment)
2. (Action Item) Review, Discussion and Possible Recommendation regarding Proposed Policy Changes to Chapter 6, Article VI, Residential Rental Unit Registration Requirements, as it applies to short-term rental units. (Public Comment)
3. 2018 Work Plan Discussion