



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

**FROM:** Victoria Volent, Housing Program Manager  
Housing and Community Development Division

**DATED:** July 23, 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.

### **Order 225-17/18**

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.

Order 225-17/18 appeared as Amendment 3 to the Fiscal Year 2018 – 2019 Municipal Budget Order 218-17/18 Appropriation Resolve Prepared by Corporation Counsel for Mayor Strimling.

### **Section 6-152 Registration Fees**

Upon initial registration, and by January 1<sup>st</sup> of each year, registrants of short term rentals shall pay the City a registration fee for each rental unit in the amounts set forth in Section 6-152 ( c ); Short Term Rental Registration Fee Structure.

The following chart is a redlined version of the current fee schedule with the proposed fee increases in red.

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

**Recommendation**

The Housing Committee may review and discuss the fee schedule amendment, and consider a motion to recommend or not recommend the amendment to the City Council or table the amendment for further review.

Attachments

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

Chapter 6, Article VI, Residential Rental Unit Registration Requirements

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.