
Correspondence re: short term rental

1 message

Jill Duson <jillduson@gmail.com>

Wed, Oct 10, 2018 at 8:05 PM

To: joey.brunelle@gmail.com, jyork2@maine.rr.com

Cc: Mary Davis <mpd@portlandmaine.gov>, Victoria Volent <vvolent@portlandmaine.gov>, Michael Sauschuck <mjs@portlandmaine.gov>

I try to be attentive to getting council related information in the hands of staff, for inclusion in the Housing Committee record of review on issues. Still, from time to time, I slip on this and have to backtrack.

I have forwarded the attached message string to city staff for inclusion in the Housing Committee record of review of STR issues.

And, I write to request that you use my city e-mail address (jduson@portlandmaine.gov) for council related correspondence.

Thanks

On Wed, Oct 3, 2018 at 2:45 PM Joey Brunelle <joey.brunelle@gmail.com> wrote:

Except Jay, the data is in. We don't have studies from Portland, Maine, but there have been other studies in other cities that demonstrate that rampant Airbnbs in non-owner occupied homes makes rents go up. [Here is an article about one such study that examined 100 metro areas:](#)

"The researchers looked at rents and home prices in the 100 largest metro areas in the U.S. between 2012 and 2016. They found that a 10% increase in Airbnb listings leads to a 0.39% increase in rents and a 0.64% increase in house prices. "That may sound minuscule, but between 2012 and 2016, rents rose by about 2.2% annually [on average in the 100 areas], so a 0.39% increase in that context isn't very small at all," says Edward Kung, an assistant professor of economics at the University of California Los Angeles and one of the study's authors."

I refuse to believe that there's now nothing the City of Portland can do to get more affordable housing back. If I believed that that horse was truly out of the barn, as you say, I wouldn't be running for City Council. There are still things we can do, and things we should do - and better regulations around Airbnbs is one of those things.

- Joey

On Sun, Sep 30, 2018 at 5:39 PM Jay York <jyork2@maine.rr.com> wrote:

Hi Joey,

According to the data provided from the last Housing Committee meeting the city doesn't know the level STR are affecting the full time rental market...but everyone's proposing solutions before all the data is there. I haven't seen a report of the number of police calls to buildings with STRs either so disruptions to neighborhoods is nothing but anecdotal. If I was forced to put my unit on the full time rental market it would not be "affordable." And neither will any of the apartments that are renting now as STRs. If you can't afford to live somewhere then you move to a place you can afford. If city leaders had taken steps to control housing development 10 years ago then we might still have "affordable" rentals in Portland. The horse is out of the barn and there is no getting it back.

Jay

On Sep 30, 2018, at 5:05 PM, Joey Brunelle <joey.brunelle@gmail.com> wrote:

Hi Jay - thanks for sending this to me. Just so you know, I'm cc'ing my response to your original recipients.

It's undeniable that the guests who stay at Airbnbs (just like hotels) spend money in the community - you are right about that. But as I see it, the problem is that in many (but not all) cases Airbnbs (unlike hotels) take housing away from the housing supply accessible to residents. These are often units that would have been put on the rental market, one way or another. And we know that decreased supply makes rents go up. While Airbnb guests have a positive impact on businesses, they also have a negative impact on renters - a group that includes the folks who are working at those businesses. Yes, businesses are booming, but wages have been stagnant, healthcare costs are very high, and many people in my generation are burdened by student loan payments that can equal or exceed their rent - the last thing these folks need is more unaffordable housing. And if Airbnbs are contributing to that problem, I want to address it.

And don't forget that if these housing units were being rented to Portland residents instead of on Airbnb, those Portland residents would spend money in the Portland economy too. Spending isn't strictly the purview of tourists. But those folks would spend money at different locations: instead of boutiques and restaurants and bars, they'd spend more at grocery stores, laundromats, and other businesses that actually serve the community - not just tourists.

Do I think Airbnbs are the only think contributing to unaffordable housing? No - far from it. There are plenty of bigger, better solutions to the housing crisis - but Airbnb is still a factor, and additional limits on the number and type of Airbnbs can help address this problem, so I think it's worth pursuing better regulations. There's no silver bullet solution to the unaffordable housing problem - it's going to require addressing many different problems simultaneously, and this is one.

And this is to say nothing of the impact that Airbnbs have had on neighborhoods. I don't know if you saw, but the Press Herald recently reported that in my part of Munjoy Hill, one in five housing units has been listed as an Airbnb in the last year. No wonder the streets are so quiet, no wonder there aren't a lot of families and kids around, no wonder there isn't really a grocery store up here - the people living in the houses around me aren't from here, they're on vacation. The nearly-unfettered proliferation of Airbnbs on Munjoy Hill and elsewhere has, in my opinion, definitely had a negative impact on the character of neighborhoods.

I'm happy to keep this dialogue going - this is a complex issue, and there are many conflicting aspects to it. Thanks for writing me, I hope you and Tucker are well. :-)

- Joey

On Fri, Sep 28, 2018 at 7:18 PM Jay York <jyork2@maine.rr.com> wrote:

Hi Joey,

Take a moment and read this.

Jay

Begin forwarded message:

From: Jay York <jyork2@maine.rr.com>

Subject: Airbnb & local economy

Date: September 28, 2018 at 6:26:38 PM EDT

To: Jill Duson <jduson@portlandmaine.gov>, Pious Ali <pali@portlandmaine.gov>

Cc: Ethan Strimling <estrimling@portlandmaine.gov>, Jon Jennings <jpj@portlandmaine.gov>

Hi Jill,

By the end of this year I will have rented my Airbnb for 250 nights. My 595 square foot, one room, rental unit is part of my home but has separate entrances. It was previously rented as an artist studio (not a living space) and has no kitchen. The economic impact of this STR breaks down to a little over \$27,000 for me, almost \$3000 in lodging taxes for the state, and well over **\$32,000 for local businesses**. With almost every night rented being double occupancy that translates to about 500 guests going out to eat at least twice each day. And since the reason most of my guests have chosen Portland as their destination is to explore the restaurant and brewery/distillery scene, assuming a daily average of \$130 (per couple) spending is far more than reasonable.

I have read many letters and discussions about STR impacts on the rental housing market but have not read about the impacts on the local Portland economy. My calculations suggest that if I renovated my unit into a full time rental and rented it at the going rate for studio apartments I would see income of only \$15,000 per year, the state would get zero in lodging tax, and local businesses would get less than \$3000 (based on single occupancy) per year. That's a huge reduction in local spending because of a change to full time rental. So now lets just guess at (because, so far, that's all the city can do) what a number (maybe 400) of similar type STRs in Portland would have as impact on the **local economy...\$25,000,000+ per year**. And it could be almost twice that.

Please consider this while addressing proposed changes to STR ordinances in Portland.

Jay York

PS. And consider that all this STR economy is happening while the hotel business is booming.