
Fwd: Airbnb & local economy

1 message

Jon Jennings <jpj@portlandmaine.gov>
To: Mary Davis <mpd@portlandmaine.gov>

Wed, Oct 10, 2018 at 10:09 AM

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From: **Jay York** <jyork2@maine.rr.com>
Date: Fri, Sep 28, 2018 at 6:26 PM
Subject: Airbnb & local economy
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.

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