ORDINANCE No. 189650

Establish an annual residential rental unit registration fee to fund the Housing Bureau's Rental Services Office from the Housing Investment Fund (Ordinance)

The City of Portland Ordains:

Section 1. The Council finds:

- 1. The City of Portland established a Rental Services Office within the Housing Bureau in fiscal year 2017-2018 to address landlord-tenant and fair housing issues.
- 2. The Rental Services Office is responsible for contracting out funding for fair housing and landlord tenant services, developing code and administrative rules associated with local landlord-tenant law, processing exemptions to local mandatory relocation assistance, and providing technical assistance and information (in person, via email, and over the phone) to renters and landlords on general landlord-tenant law.
- 3. 54% of funding for the Rental Services Office in the current fiscal year is supported by onetime general or onetime cannabis funds.
- 4. The Council enacted Ordinance 189086 on July 25, 2018, requiring all residential rental housing units operating within city limits to register with the Revenue Division.
- 5. In the FY 2019-2020 Adopted Budget, Council directed the Housing Bureau and the Revenue Division to develop a fee schedule for the residential rental unit registration requirement. The fee schedule is to be based upon recovering sufficient resources to fully fund the Rental Services Office and fee collection activities of the Revenue Division.
- 6. Ordinance 189086 created three temporary residential rental unit registration administration positions in the Revenue Division until a permanent funding source was established. This Ordinance makes the residential rental unit registration requirement, annual fee, and those positions permanent.

NOW, THEREFORE, the Council directs:

- a. An annual residential rental unit registration fee of \$60 per unit shall be implemented by the Revenue Division, effective as of tax year 2019.
- b. Residential housing units guaranteed to be affordable, under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 60 percent of the median household income shall be exempt from the annual residential rental unit registration fee. Portland Housing Bureau will provide the Revenue Division a list of verified affordable

housing units for purposes of administering this exemption. Exempted units are still required to complete an annual registration.

- c. Revenue from the fee, net of Council-approved Revenue Division collection costs, shall be directly deposited as it is collected into the Housing Investment Fund and used to fund the Housing Bureau's Rental Services Office.
- d. The fee shall be adjusted annually to account for inflation or deflation using the Consumer Price Index, West Region. It shall also be adjusted to align actual receipts with program requirements.
- e. Under authority granted to the Revenue Division Director by Ordinance 189086, the Revenue Division, in consultation with the Housing Bureau, may adjust the residential rental unit registration fee rate annually to ensure sufficient program resources.
- f. The FY 2019-2020 Adopted Budget shall be amended in the Fall BMP authorizing the Revenue Division to make three program-related Revenue and Tax Specialist positions permanent.

Passed by the Council: AUG 07 2019

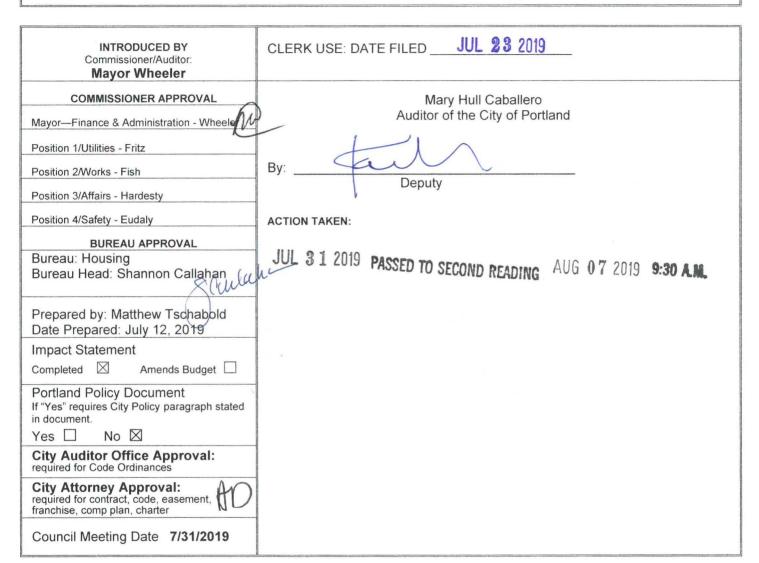
Mayor Wheeler Prepared by: Matthew Tschabold Date Prepared: July 12, 2019 Mary Hull Caballero Auditor of the City of Portland By

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Agenda No. ORDINANCE NO. Title 189650

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AGENDA 2-22	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:
		YEAS NAYS
Start time:	1. Fritz	1. Fritz
Total amount of time needed: (for presentation, testimony and discussion)	2. Fish	2. Fish
	3. Hardesty	3. Hardesty
REGULAR 🛛	4. Eudaly	4. Eudaly
Total amount of time needed: <u>30 minutes</u> (for presentation, testimony and discussion)	Wheeler	Wheeler