# The Need to Regulate "Vacation Rentals" in Portland

(Short-term Rentals in Residential Zones of less than 30-days duration)

#### **Current State:**

- There are an ever increasing number of "vacation rentals" in Portland listed on the internet, with at least 2/3rds listing nightly or weekly rentals. Examples: Vrho.com.
  - o vbo.com = 118 listings; 92 offer nightly rates; 63 offer weekly rates
  - HomeAway.com = 62 listings; 39 offer nightly rates; 32 offer weekly rates
  - o airbnb.com = 107 listings all listing nightly rates
  - Currently short-term rentals in residential zones of less than one month are only legal if you are licensed as a Bed & Breakfast, and hardly any are because:
    - B&B permit requires Type 2 Conditional Use Review (\$3,000 \$4,000)
    - B&B ordinance requires an owner or manager to live on premises
  - Unlike a B&B, an owner or manager generally does NOT live on-site at a "Vacation Rental" - resulting in an unsupervised situation
  - The motivation for Vacation Rentals is primarily economic: short-term Vacation Rentals are generally considered more profitable than month-to-month rentals if the property owner can rent more than 13 weeks each year

#### **Problem:**

- 100 200 vacation rentals are currently operating out of compliance and with no regulation
- Most are not collecting Lodging Tax and, as a result, the City/County is likely to be losing \$250,000 - \$500,000 per year in tax revenue. For example:
  - 200 rooms x \$100/night x 30% occupancy x 11.5% = \$251,850
  - o 200 rooms x \$150/night x 40% occupancy x 11.5% = \$503,700
- In other cities vacation rentals have required regulation because neighbors complained that there was no limit as to the number of guests, and that there were noise, parking and traffic problems.
- The current lack of enforcement penalizes those who do or attempt to comply.

#### **Desired State:**

• Amend the Bed & Breakfast ordinance to also account for Vacation Rentals or create a new "Vacation Rental" or "Short-term Rental" ordinance (as other municipalities have done)

### **Action Requested:**

• That City Council request the Bureau of Development Services report back to the Council with an assessment of the current situation regarding "Vacation Rentals" and "Short-term Rentals" in Portland with recommendations for how to best regulate them.





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Owner login Help

VRBO\* is Vacation Rentals by Owner\*

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"Floating Home" Featured on ~HGTV's~ Living Channel 80 Homes -

Portland [#29508]

USA > Oregon > Portland Metro > Portland

16 photos

3BR/2.5BA (Sleeps 6-10) \$400/nt US Dollars VRBO Stayed Here

Floating Home - Visit Oregon, the Original Adventure Land! - Portland T#392761

USA > Oregon > Portland Metro > Portland

2BR+/2BA (Sleeps 8) \$300/nt - \$1800-\$2100/wk US Dollars 16 photos

Beautiful Home in Prestigious Irvington Neighborhood - Portland [#80998]

USA > Oregon > Portland Metro > Portland

3BR+/1.5BA (Sleeps 6) From \$155/nt US Dollars

16 photos

3 BR/2 BA. Close in. Mid Century Home. Available 2011! - Portland

USA > Oregon > Portland Metro > Portland

3BR/2BA (Sleeps 5-7) From \$175 US Dollars 16 photos

Garden View Hideway in Prestigious Irvington Neighborhood - Portland

[#120133]

USA > Oregon > Portland Metro > Portland

16 photos 1BR/1BA (Sleeps 2-4) \$1400-\$1800/mo US Dollars

Da Gorge Townhome - Troutdale (North East Portland Oregon) - Portland

[#125091]

USA > Oregon > Portland Metro > Portland

3BR/2.5BA (Sleeps 6-7) \$99-\$185/nt US Dollars 16 photos

Fantastic View Apartment Above Downtown Portland - Portland [#129368]

USA > Oregon > Portland Metro > Portland

2BR/1BA (Sleeps 4) From \$165/nt - \$925/wk - \$1995/mo US Dollars

16 photos

Portland's Most Talked About, Well-Kept Secret! - Portland [#130670] USA > Oregon > Portland Metro > Portland

1BR/1BA (Sleeps 2-4) \$99-\$120/nt - \$2970/mo US Dollars

16 photos

16 photos	Classic Apartment in Historic Irvington-1100 Sq.Ft. Quality! - Portland [#137893] USA > Oregon > Portland Metro > Portland 1BR/1BA (Sleeps 3) \$130-\$165/nt US Dollars	15
16 photos	January Special!!! Elegantly Restored-Hawthorne Dist Condo - Portland [#143389] USA > Oregon > Portland Metro > Portland 2BR/1BA (Sleeps 4) From \$170/nt - \$1100/wk US Dollars	28
16 photos	Far from Ordinary, Close to Downtown:Buckman House - Portland [#160919] USA > Oregon > Portland Metro > Portland 4BR/2BA (Sleeps 2-9) From \$180/nt-\$230/\$1250/wk - \$4600/mo US Dollars	22
16 photos	Luxury Downtown Portland Riverfront Condo - Portland [#161946] USA > Oregon > Portland Metro > Portland 2BR/2BA (Sleeps 4) From \$179/nt - \$1595/wk US Dollars	
16 photos	Luxury Riverfront Downtown Condo - Portland [#161960] USA > Oregon > Portland Metro > Portland 1BR/1BA (Sleeps 2) From \$189/nt US Dollars	
16 photos	Urban Oasis on Northwest Lovejoy- Come and Stay - Portland [#171890] USA > Oregon > Portland Metro > Portland Studio/1BA (Sleeps 2-3) \$2100-\$2400/mo US Dollars	9
16 photos	Heart of the Pearl District in Downtown Portland - Portland [#179553] USA > Oregon > Portland Metro > Portland 2BR+/2.5BA (Sleeps 2-6) From \$300/nt- email 4 long term pricing US Dollars	
16 photos	January Special! Midcentury Ranch - Sleeps 6 - 7 Min Downtown! - Portland [#181802] USA > Oregon > Portland Metro > Portland 3BR/2BA (Sleeps 6) From \$125 to \$155/nt US Dollars	11
16 photos	The Garden Guest House on Hawthorne - Portland [#185973] USA > Oregon > Portland Metro > Portland 2BR/1BA (Sleeps 4-6) \$120-\$150/nt - \$720-\$900/wk US Dollars	16
16 photos	Beautiful Riverside Condo! Same Day Rental! - Portland [#189719] USA > Oregon > Portland Metro > Portland 2BR/1BA (Sleeps 2-6) \$175/nt-\$269/nt US Dollars	3
16 photos	The 1908 House - Winter Special \$100 Night - Book 3 Get 1 Free - Portland [#190047] USA > Oregon > Portland Metro > Portland 4BR/3BA (Sleeps 2-16) \$100-\$275/nt - \$900/wk-\$1650/wk US Dollars	20
16 photos	Romantic Riverfront Condo! Same Day Rental!!! - Portland [#190653] USA > Oregon > Portland Metro > Portland 1BR/1BA (Sleeps 2-3) \$169/nt-\$209/nt US Dollars	5
16 photos	Beautiful Condo in Pearl District, Downtown Portland - Portland [#214290] USA > Oregon > Portland Metro > Portland 2BR+/2BA (Sleeps 4-6) \$200/nt US Dollars	5
16 photos	Beautiful Forested Loft in Nw Hills Secluded Yet Close to Town - Portland [#220161] USA > Oregon > Portland Metro > Portland 3BR/1BA (Sleeps 4) \$100/nt - \$600/wk US Dollars	21

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The world's largest selection of vacation homes, condos, cabins & villas to rent for your next vacation.

#### **Featured Vacation Rentals**

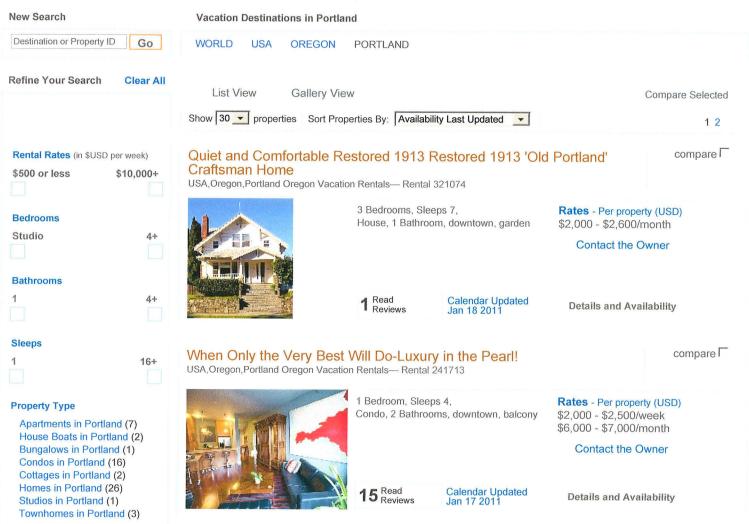
Sunriver

Medford

Depoe Bay



Vacation Home Rentals in Portland, OR (56)



**Location Type** 

Downtown Rentals (33) Lake Rentals (2) Mountain Rentals (2) River Rentals (15) Waterfront Rentals (7)

#### Things To Do In

Golf Rentals in Portland (39) Ski Rentals in Portland (19)

#### Search By Anailable Date

Check-in Check-qut (22)Go
Non Smoking (49)
Pet Friendly Rentals (24)
Wheelchair Accessible (6)

#### **Travel Style**

Budget Vacation Rentals in Portland (4) Luxury Vacation Rentals in Portland (10)

#### **Reviews Views**

Reviews of Portland rentals









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### On the River! Large in-City 1+ Bedroom Rental...

USA, Oregon, Portland Oregon Vacation Rentals—Rental 248617



1 Bedroom, Sleeps 4, House, 1 Bathroom, downtown, waterfront, balcony

4 Read Reviews

Calendar Updated Jan 17 2011 Rates - Per property (USD)

\$105 - \$115/night \$650 - \$700/week

Contact the Owner

**Details and Availability** 

### Portland Luxury Townhouse 3 BR/2.5 BA; Sleeps 6-11

USA, Oregon, Portland Oregon Vacation Rentals— Rental 277402



3 Bedrooms, Sleeps 11, Townhome, 2 Bathrooms, 1 Half Bath, town, balcony

12 Read Reviews Calendar Updated Jan 17 2011 Rates - Per property (USD)

\$210/night \$1,200/week

Contact the Owner

**Details and Availability** 

### Elegant 1908 Craftsman Style Home with Hot Tub

USA, Oregon, Portland Oregon Vacation Rentals — Rental 204647



4 Bedrooms, Sleeps 10, House, 3 Bathrooms, village, balcony

20 Read Reviews Calendar Updated Jan 16 2011 Rates - Per property (USD)

\$100 - \$250/night \$700 - \$1,600/week

Contact the Owner

Details and Availability

#### Luxurious, Floating Home Vacation

USA, Oregon, Portland Oregon Vacation Rentals—Rental 309559



3 Bedrooms, Sleeps 8, House Boat, 2 Bathrooms, 1 Half Bath, lake, waterfront, garden

4 Read

Calendar Updated Jan 16 2011

#### Rates

No rental rates available - please contact the owner

Contact the Owner

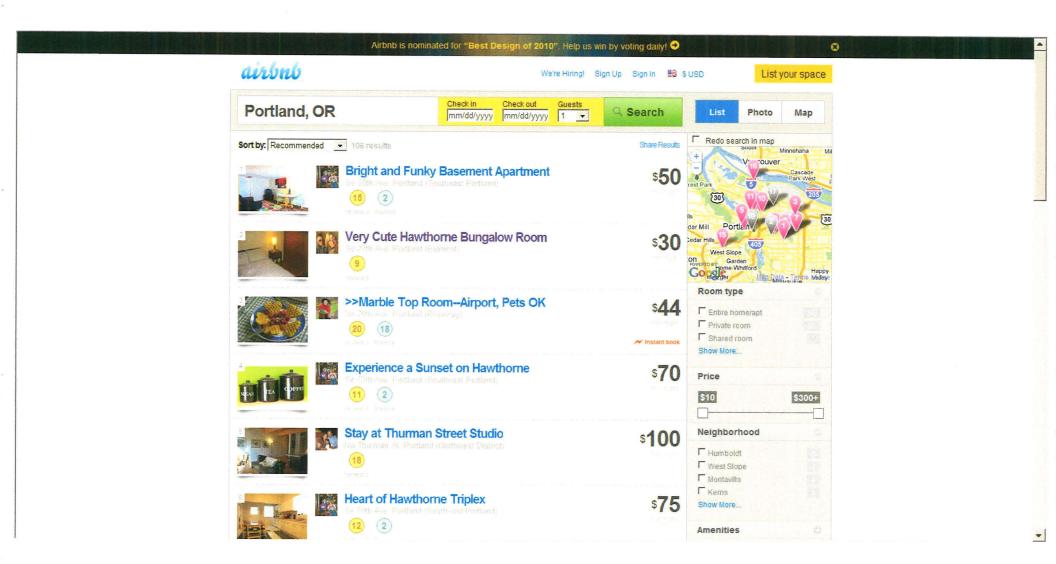
**Details and Availability** 

## Cozy Victorian Cottage in Portland's Sellwood Neighborhood

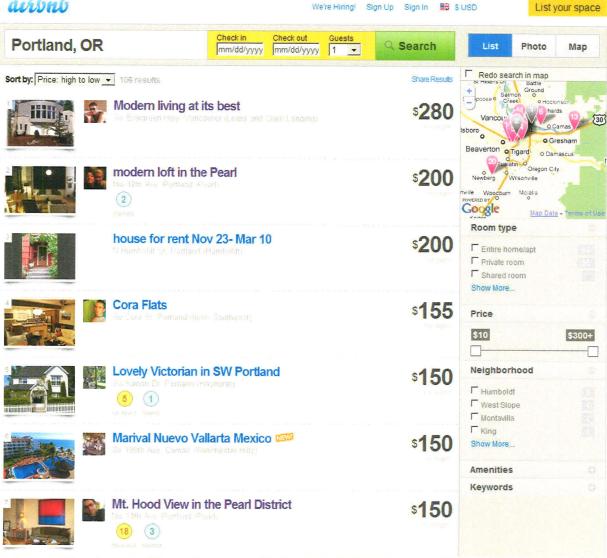
USA, Oregon, Portland Oregon Vacation Rentals—Rental 276678

2 Bedrooms, Sleeps 5, House, 1 Bathroom, downtown, river, airconditioning Rates - Per property (USD) \$150/night \$850/week \$1,950/month

Contact the Owner







### Moore-Love, Karla

From:

Steve Unger [steven.unger@comcast.net]

Sent:

Tuesday, January 18, 2011 10:32 AM

To:

Moore-Love, Karla

Cc:

**Dustin Carsey** 

Subject: From Steve Unger

Dear Karla,

I request to speak to City Council on Wednesday, January 26<sup>th</sup> at or about 9:30am.

I wish to speak about the need to amend the City Ordinances to account for the increasing number of "Vacation Rentals" (short-term rentals in residential zones of less than 30-days).

My understanding is that currently Vacation Rentals are not legal in Portland unless they are licensed as a bed and breakfast; however, most Vacation Rentals are not licensed as B&B's and are probably not paying the Portland Lodging Tax.

Thanks for your consideration.

Steve Unger Innkeeper

Lion and the Rose Victorian Bed & Breakfast Inn 1810 NE 15th Ave. Mailing Address: 1517 NE Schuyler St. Portland, OR 97212

Phone: 503.287.9245

Toll Free: 800.955.1647 Fax: 503.287-9247

Steve's Cell: 503 752 1807

E-mail: innkeeper@lionrose.com Web-site: www.lionrose.com

Directions: http://www.lionrose.com/directions.html

Request of Steve Unger to address Council regarding the need to account for the increasing number of Vacation Rentals in residential zones (Communication)

JAN 26 2011 PLACED ON FILE

Filed	JAN 2 1 2011
	onne Griffin-Valade for of the City of Portland
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COMMISSIONERS VOTED AS FOLLOWS:					
	YEAS	NAYS			
1. Fritz					
2. Fish					
3. Saltzman					
4. Leonard					
Adams					