



Short-Term Rentals

Planning and Sustainability
Commission Briefing
April 8, 2014



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.



Today's Agenda

- Background:
 - Types of short-term rentals
 - Current regulations
 - What other cities are doing
 - What we heard
- Proposal
- Transient Lodging Tax



Rental Types

~~Long Term
(more than
30 days)~~

Short Term
(less than
30 days)



Hotels and Motels



- Commercial Use
- Not allowed in residential zones
- Annual health inspections
- Pay Transient Lodging Taxes



Bed and Breakfast Facilities



- Allowed through a Conditional Use Review Process in residential zones
- Annual health inspection for facilities over two guest rooms.
- Pay Transient Lodging Taxes



Type II Conditional Use Review

- Administrative decision
- Appealable to Hearings Officer
- 8-10 week process
- Fee: \$4130
- Public notice sent to property owners and recognized organizations within 150 feet
- 24 Conditional Use Reviews for Bed & Breakfast Facilities since 2004



Peer-to-Peer Rentals



Currently, these short-term rentals are regulated as Bed and Breakfast Facilities



Short-Term Rental Internet Sites



Growth of Listings

Internet Site	January 2011*	January 2013*	January 2014	April 5, 2014
AirBnB Listings	107	863	1,302	1,572
Home Away (VRBO) Listings	62	239	254	292
Total	169	1,102	1,556	1,864

*Based on public testimony at Planning and Sustainability Commission.



Types of Listings



Majority of listings are in houses



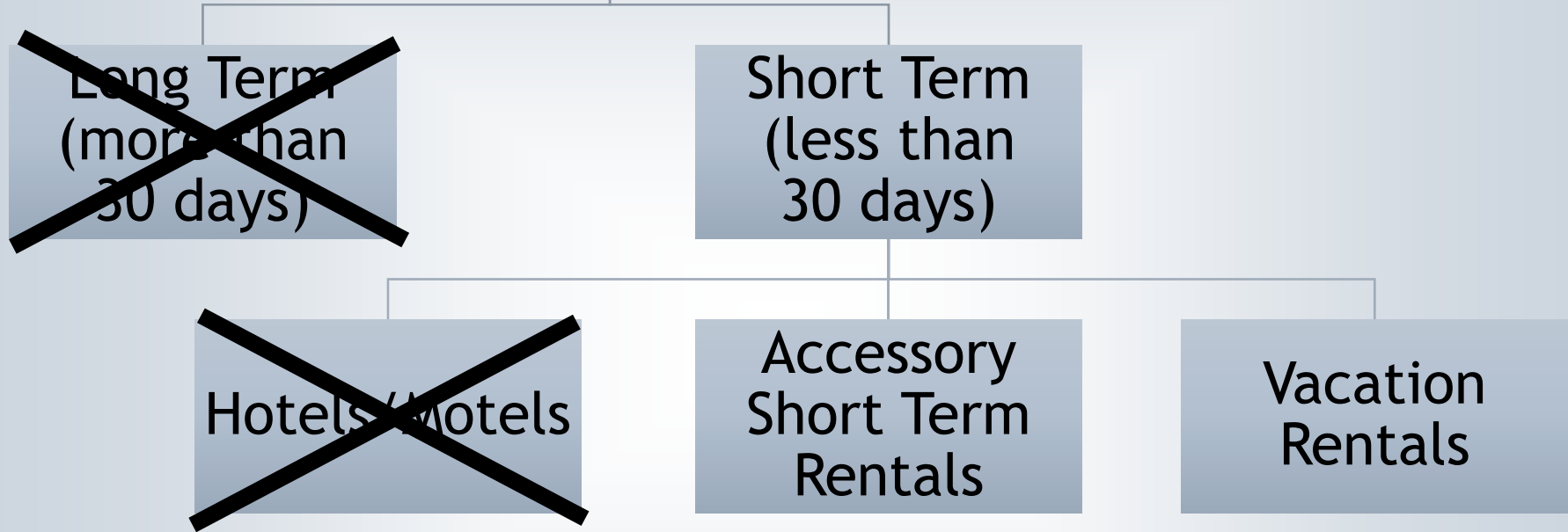
Accessory Dwelling Units (ADU)



Condominiums and Apartments



Rental Types



Big Cities: New York and San Francisco



Resort Towns: Cannon Beach, OR



Visitor Destinations: Ashland, OR



Recent Regulations: Austin, Texas



Recent Regulations: Amsterdam



Public Involvement

Published Public *Discussion Draft* on January 6, 2014

7 week review and comment period:

- Sent more than 1,000 notices
- Met with coalitions and neighborhoods
- PSC, DRAC, HLC, and DZ Commission briefings
- Public open house
- Spoke to over 350 people
- Received over 100 written comments



What we heard

General Support

- Reduces the barriers of entry for the legal establishment of short-term rentals.
- Allows for efficient use of underutilized rooms.
- Allows flexibility similar to home occupations.
- Provides income to be able to stay in homes in times of job and income insecurity.
- Brings tourism dollars to neighborhood businesses.
- Provides an alternative form of lodging.



What we heard

General Opposition

- Impacts neighborhood livability:
 - noise, parking, traffic, privacy, security, housing affordability, neighborhood stability.
- Increases activity in residential “enclaves”
- Economically benefits one household at the expense of the neighborhood
- Not appropriate for RICAP



Residential Zones

Residential zones are intended to preserve land for housing.

The use regulations are intended to create, maintain and promote residential neighborhoods. They allow for some non-residential uses but not to such an extent as to sacrifice the overall image and character of the residential neighborhood.

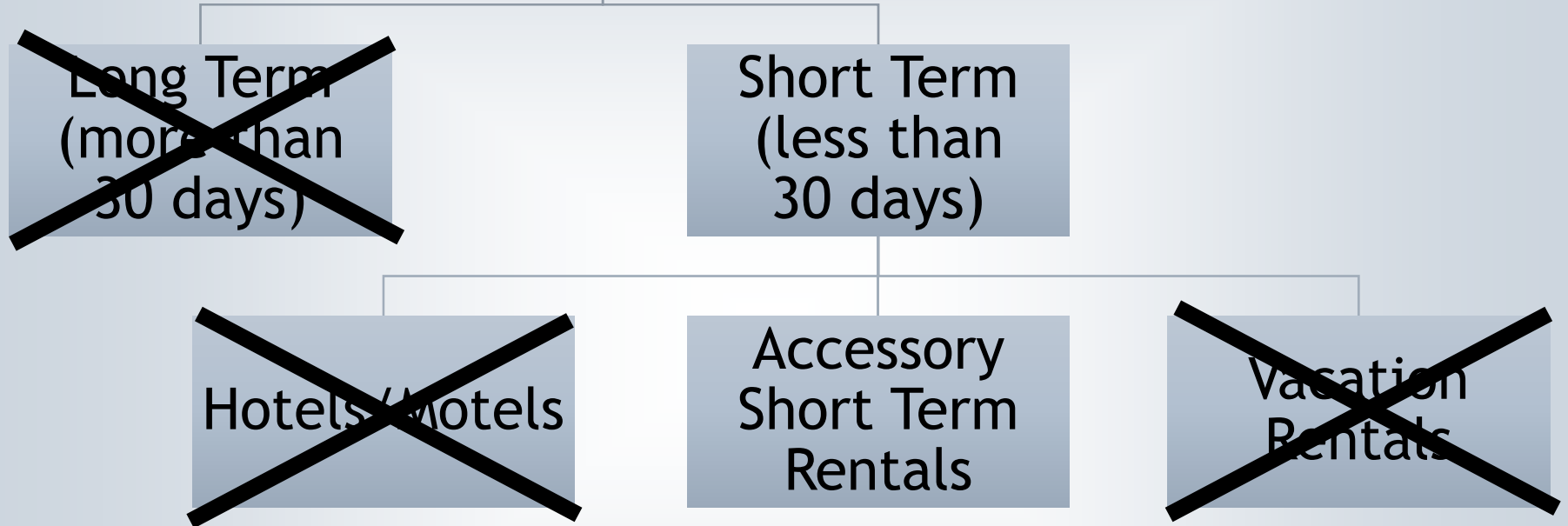


Non-Residential Uses Allowed in Residential Zones

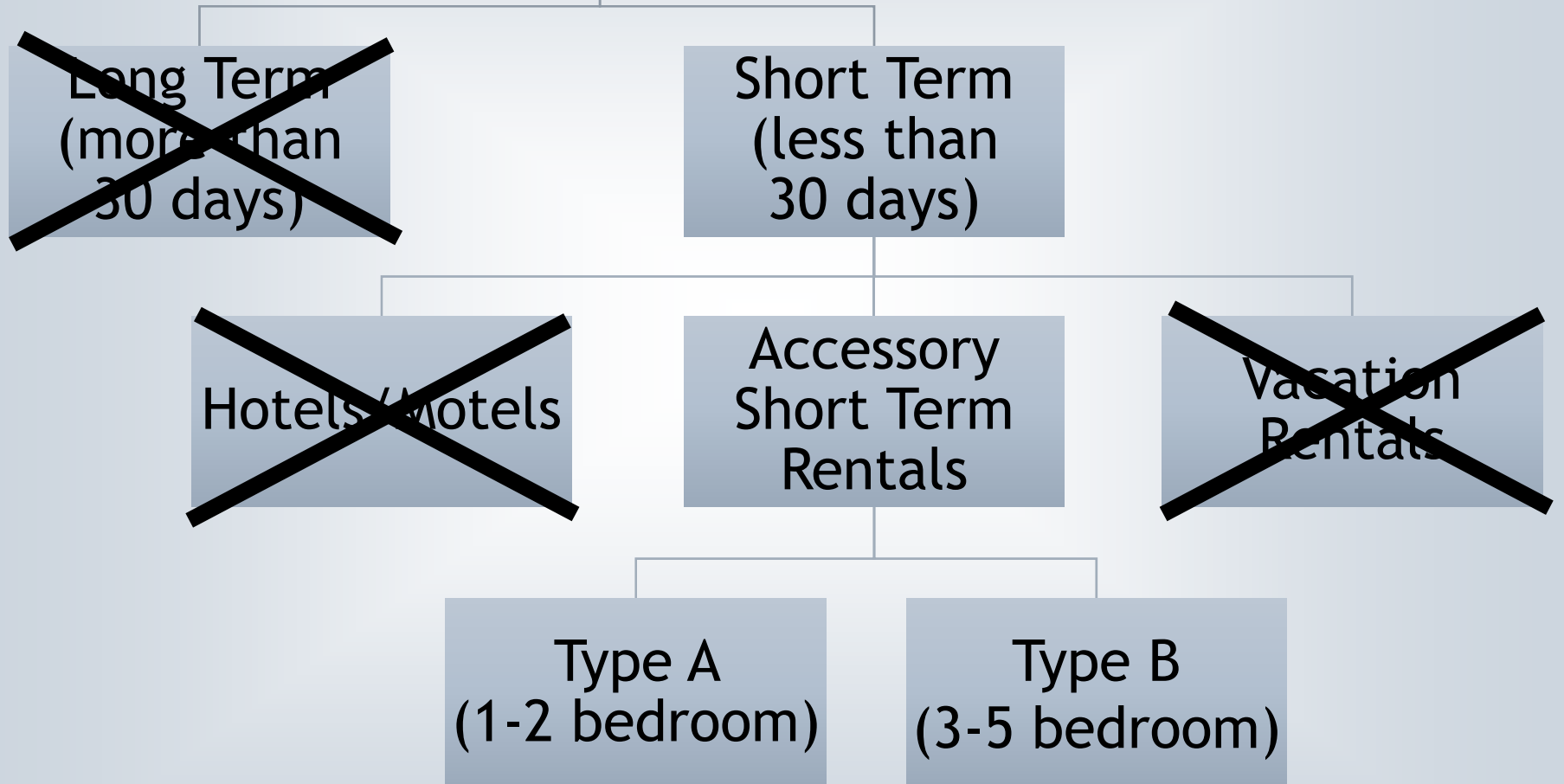
- Schools - CU
- Religious Institutions - CU
- Bed and Breakfast Facilities - CU
- Home Occupations - Permit
- Market Gardens - Allowed outright
- Family Daycare - Allowed outright



Rental Types



Rental Types



Proposed Regulations

1. Accessory Use
2. Building Types
3. Bedroom Requirements
4. Process
5. Required Notice
6. Number of Guests
7. Home Occupations
8. Employees
9. Commercial Meetings
10. Private Social Gatherings



1. Accessory Use

Allow as accessory to residential use.

This means that the individual or family who operate the Accessory Short-Term Rental must occupy the unit as their primary residence.



2. Building Type

- Houses
- Attached Houses
- Duplexes
- Manufactured Homes
- Accessory Dwelling Units (ADUs)



2. Building Type

Group R3 Building Code Occupancy –
Structures containing 1 - 2 dwelling units

(i.e. house or duplex)



R3 Occupancy
also includes
“Lodging House” –
renting up to 5 guest
rooms



2. Building Type

Group R2 Building Code Occupancy – Structures containing 3+ dwelling units

(e.g. triplex, apartment or dormitory)



When *dwelling* units are converted to *sleeping* units, i.e. long term to short term tenancies, the occupancy must change to R1.



2. Building Type

Group R1 Building Code Occupancy (e.g. Hotels)



- Change of occupancy from R2 to R1 requires:
- Architect's structural research and analysis
 - Fire sprinklers
 - New doors / windows
 - "Rated" corridors



3. Legal Bedrooms*

* amended by April 8, 2014 memo

Language in the Proposed Draft:

The operator of an accessory short-term rental can only rent legal bedrooms.



3. Bedroom Requirements*

* as amended in April 8, 2014 memo

The operator of an accessory short-term rental can only rent bedrooms that BDS has verified:

- Met the building code requirements for sleeping rooms at the time they were created or converted; and
- Have smoke detectors that are interconnected with smoke detectors in adjacent hallways.



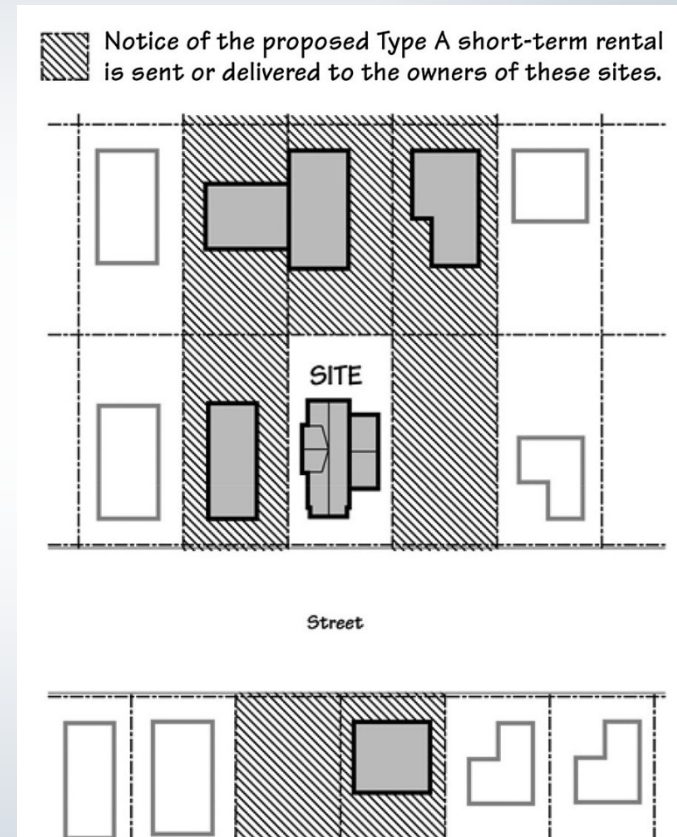
4. Type A Accessory Short-Term Rental Permit

- Administrative permit
- 1-2 week process
- Inspection required
- Renewal required every 2 years.
- Estimated fee: \$180
- May be revoked for failure to comply with the regulations.



5. Required Notice

Operator sends a notice to all recognized organizations and owners of property abutting or across the street from the residence.



6. Number of Guests

Maximum number of guests is the same as what is currently allowed in a household:

“One or more persons related by blood, marriage, legal adoption or guardianship, plus not more than 5 additional persons, who live together in one dwelling unit...”



7. Home Occupations

Do not allow in conjunction with an Accessory Home Occupation.



Employees, Meetings, and Gatherings

8. Nonresident employees are not allowed.
9. Commercial meetings are not allowed.
10. Private Social Gatherings are not limited.



Transient Lodging Taxes and Business Registration

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Questions?

