

EXHIBIT A

An Act To Reduce the Number of Short Term Rentals in Portland

An Act to Reduce the Number of Short Term Rentals (STRs) in Portland will restrict all Portland STRs to only those that are owner-occupied, tenant-occupied, or located in two-unit buildings occupied by the owner. It increases the annual fee for owner-occupied STRs to \$250 and non-owner occupied units to \$750, and simplifies the fee structure. The Act also requires notification to all residents within 500 feet of a registered STR, increases penalties for and strengthens enforcement of violations, requires the logging of complaints against STRs, and allows the city to revoke STR registrations.

BE IT ORDAINED:

1. That Chapter 6, Sections 6-150.1, 6-151, 6-152, 6-153, 6-154, 6-155, and 6-156 of the Portland City Code are hereby amended to read as follows:

Sec. 6-150.1. Definitions.

...

Owner-Occupied shall mean a rental unit owned and occupied by the registrant as all or part of the registrant's his or her primary residence. Accessory dwelling units as defined in Chapter 14 of this Code, are not considered owner-occupied units for purposes of short term rental registration and regulation.

...

~~*Primary Residence* shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.~~ shall have the same meaning as "Permanent residence" as defined in the Maine Resident Homestead Property Tax Exemption, 36 M.R.S. § 681 et seq.

...

Two-Family Dwelling shall mean a single building containing two dwelling units, where dwelling unit has the same meaning as in Chapter 14 of this code.

Sec. 6-151. Registration required.

...

(h) For all STR registrations, the City Clerk shall provide a one-time notification of the registration issuance to all owners and non-owner occupants, according to the most recent City assessment and voting records, of property located within five hundred (500) feet of the registered dwelling unit, which notice shall include the Owner's emergency contact person information.

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Sec. 6-152. Registration Fees.

...

~~(c) Short Term Rental Registration Fee Structure.—The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any owner occupied, tenant occupied, first, and then fees will be attributed at the higher rate for any non-owner occupied mainland units.~~

~~Owners and tenants may register more than one owner occupied or tenant occupied unit (bedrooms, separate spaces, etc.) within their primary residence.~~

Owner Occupied Units, Tenant Occupied Units, Island Short Term Rentals	1st Unit — \$100 2nd Unit — \$250 3rd Unit — \$500 4th Unit — \$1,000 5th Unit — \$2,000
Non-Owner Occupied Mainland Units	1st Unit — \$200 2nd Unit — \$500 3rd Unit — \$1,000 4th Unit — \$2,000 5th Unit — \$4,000

1. For each Owner-Occupied or Tenant-Occupied Short Term Rental the registrant shall pay a fee of two hundred fifty dollars (\$250) to the city each year at the time of registration or renewal. Subject to the limitations in Sec. 6-153, below, a registrant may register more than one Owner-Occupied or Tenant-

Occupied Short Term Rental but for each additional such registration, the registrant must pay an additional fee of two hundred fifty dollars (\$250).

2. For each Non-Owner Occupied or Non-Tenant Occupied Short Term Rental, the registrant shall pay a fee of seven hundred and fifty dollars (\$750) to the city each year at the time of registration or renewal. Subject to the limitations in Sec. 6-153, below, a registrant may register more than one Non-Owner Occupied or Non-Tenant Occupied Short Term Rental but for each additional such registration, the registrant must pay an additional fee of seven hundred and fifty dollars (\$750).

...

Sec. 6-153. Limitations on Short Term Rental Units.

(a) *Occupancy Limit.* Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) *Limitation on Total Number of Short Term Rentals.* No more than one percent (1%) of the number of Long Term Rental units registered with the City as provided in Section 6-151, or 400 250, whichever is fewer, non-owner occupied ~~mainland~~ short term rental units shall be registered in any one calendar year. For the purposes of this section, any tenant-occupied short term rental shall be counted as an owner-occupied short term rental.

A ~~mainland~~ short term rental unit in an owner-occupied ~~multi-unit~~ Two-Family Dwelling, where the unit is not the primary residence of the owner, shall be counted and registered as a non-owner occupied unit. As provided below, no non-owner occupied short term rental may be registered unless it is located in a Two-Family Dwelling in which the other dwelling unit is owned and occupied by the registrant as his or her primary residence.

...

(d) No individual or entity may register a short term rental ~~in any single family home unless it is owner-occupied; tenant occupied with permission of the owner; or located in a Two-Family Dwelling, where one dwelling unit is owned and occupied by the registrant as his or her primary residence or located on an Island.~~

~~(e) The number of short term rental units that may be operated in a multi-unit building are as follows:~~

Total # of Units in a Building	# of Short Term Rental Units Allowed in a Building	
	Owner Occupied	Non-Owner Occupied
2	1	1
3	2	2
4	3	2
5	4	2
6-9	5	4
10+	5	5

~~1. Tenant-occupied units, where the tenant is the registrant, shall be counted towards these limits.~~

~~2. Owner-occupied units shall be counted towards these limits.~~

~~(f) Notwithstanding the requirements of subsections (e) and (e) Subject to the limitations contained in this section, owners may register up to five (5) owner-occupied units (bedrooms, separate spaces, etc.) within their primary residence, provided that the number of rental units does not exceed the number of bedrooms.~~

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Sec. 6-154. Allocation of Short Term Rentals.

(a) ~~Non-owner occupied mainland~~ Short term rental units that are neither owner-occupied nor tenant-occupied, which are limited by section 6-153(b), shall be allocated on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand.

(b) ~~Notwithstanding~~ Subject to the limitations in section 6-153, current registrations of short term rentals may be renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.

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Sec. 6-155. Violations and Penalties.

For the purposes of this section, each day in violation of any provision of this article shall constitute a separate violation. Violations of this article shall be subject to the provisions of section 6-1. Notwithstanding the provisions of § 6-1, the first penalty applied for any violation specified in subsections (a) through (e) below shall be \$1,000.00 per day, and any subsequent penalty applied for such a violation shall be \$1,500 per day; the penalty for any other violation of this article shall be \$1,000.00 per day. Any such penalties may be in addition to any sanction provided by section 6-156 of this Article. In any court action, the City may seek injunctive relief in addition to penalties. The City shall be entitled to recover its costs of enforcement, including its reasonable attorney's fees. Specific violations of this article, subject to the such provisions of section 6-1, include, but are not limited to:

...

(d) Any person, business entity, or other organization providing false information with respect to registration. ~~Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;~~

...

Sec. 6-156. Enforcement.

...

(c) The Permitting and Inspections Department shall deny any application or renewal application for a short term rental registration, and may revoke any existing registration, upon any failure of the registrant to meet all of the requirements of this chapter, including but not limited to any violation of the provisions of this Article. If a violation is found to exist by the Permitting and Inspections Department, in addition to such denial or revocation, the Permitting and Inspections Department may also prohibit the owner, registrant, or their agent or representative, from registering any other dwelling unit under this Article, for 12 months following the current registration expiration date.

(d) Complaints.

1. Any member of the public, including persons and organizations, may file complaints regarding any short term rentals operating in violation of this Article with the

Permitting and Inspections Department. Public complaints, or copies thereof, regarding any such violation received by any City Department shall immediately be transmitted to and received as filed properly by the Permitting and Inspections Department.

2. The Permitting and Inspections Department shall establish and maintain a log of all complaints received under this subsection for each short-term rental, and shall annually, on or before July 1, publish and present to the City Council a report containing the entire log of complaints from the previous 12 months.

3. The Permitting and Inspections Department shall investigate all complaints as appropriate, and request voluntary correction by the owner and/or registrant responsible for the cause of any substantiated complaint.

4. If the owner and/or registrant fails to remedy the cause for any substantiated complaint within seven days after such a request, the Permitting and Inspections Department shall pursue appropriate enforcement action under this section, including referral to the building authority for enforcement under subsection (a) above.

5. Nothing in this subsection shall be construed to alter, apply to, or restrict the activities, policies, or procedures of the Portland Police Department, nor to prohibit or restrict any otherwise appropriate response by the Portland Police Department or any of its Officers, provided that copies of all complaints received by the Portland Police Department regarding any short term rentals operating in violation of this Article shall be transmitted to the Permitting and Inspections Department as provided in paragraph 1, above.

(ee) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, ~~at the discretion of the City Manager or his or her designee,~~ have its registration revoked and be ineligible for registration for a period of twelve (12) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, ~~at the discretion of the City Manager or his or her designee,~~ prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(~~d~~f) Fines ~~may~~shall be attributed to Property Management firms found operating short term rental units in violation of this article. These fines ~~may~~shall be in addition to fines levied against owners of property.

~~————(e) Violations of the provisions of this article shall be grounds to deny an application or renewal application for a short term rental registration.~~