

EXHIBIT A

An Act to Regulate Short-Term Rentals in Portland and Prohibit Corporate and Absentee Operation of Short-Term Rental Properties

An Act to Regulate Short-Term Rentals in Portland and Prohibit Corporate and Absentee Operation of Short-Term Rental Properties will prohibit corporate owners and non-local operators from registering short-term rentals in the city. It further strengthens tenant protections by prohibiting eviction of tenants for the purpose of immediate conversion to short-term rentals, and by prohibiting affordable and workforce housing from being used as short-term rentals. It also increases penalties for disorderly properties and violations of the city's existing short-term rental regulations.

BE IT ORDAINED:

That Chapter 6, Subsections 6-150.1, 6-151, 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.

...

Local Resident shall mean any natural person whose primary residence, as defined in this section, is located within a twenty (20) mile radius of the City of Portland.

...

Sec. 6-151. Registration required.

...

(h) Notification. In January of each year, the City shall publish an annual report indicating the number of new short term rentals registered in the previous year, by voting district.

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 400 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

A mainland short term rental unit in an owner-occupied multi-unit, where the unit is not the primary residence of the owner, shall be counted as a non-owner occupied unit.

(c) Limitations on number of Short Term Rentals an Individual or Entity May Register. An individual or entity may only register up to five (5) short term rental units in the City, including owner occupied, non-owner occupied, and island short term rental units, in any one (1) calendar year. For purposes of this section, short term rental units registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

(d) Limitations on Short Term Rentals in Single Family Homes. 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 on an Island.

(e) Restrictions on Registrations by Non-Local Residents. No individual may register a non-owner occupied short term rental unless they are a local resident or one of the following conditions are met:

1. The owner is a single-member limited liability company owned by a local resident.
2. The owner is a natural person, and, at the time of registration, designates a local resident who shall be available 24 hours per day, seven days a week, for the purpose of responding within one hour to complaints regarding the condition, operation, or conduct of occupants of the short term rental; and taking remedial action to resolve any such complaints.

(f) Limitations on Registration of Units Where Tenants Have Been Evicted. No individual or entity may register a short-term rental in a unit where an at-will tenancy has been terminated, except as allowed in accordance with 14 M.R.S. § 6002(1), for a period of twelve (12) months following termination of said tenancy.

(g) Prohibition of Registration of Affordable Units. No individual or entity may register a short-term rental in a unit legally required to be maintained as affordable or workforce housing as defined in Chapter 14 of this code.

(h) ~~(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.

(i) ~~(f)~~Notwithstanding the requirements of subsections (c) and ~~(h)~~~~(e)~~, owners may register up to five (5) owner-occupied units (bedrooms, separate spaces, etc.) within their primary residence.

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

(a) Non-owner occupied mainland short term rental units, 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 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.

1. Failure to renew by January 1 shall result in the forfeiture of the right to renew the registration, and any subsequent application shall be treated as a new application for registration.
2. The renewal date for 2019 only shall be February 1, 2019.

(c) No registration under this Article shall be transferrable or assignable.

(d) Any individual or entity with an active short term rental registration as of June 1, 2022 shall be eligible for renewal of said registration, and may not have an active short-

term rental registration revoked, or be denied a registration renewal, due to amendments to applicable sections of this code.

Sec. 6-155. Violations.

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

(a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;

(b) Any person, business entity, or other organization failing to timely file any required update to the registration;

(c) Any person, business entity, or other organization failing to acquire and/or display the required short term rental registration number;

(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~~\$1,500.00;

(e) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;

(f) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;

Sec. 6-156. Enforcement.

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) 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) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may 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.