

Summary of RICAP 6 Accessory Short-Term Rentals Proposed Regulations

PSC Recommended Draft – May 7, 2014

This handout summarizes the Zoning Code amendments proposed on pages 50-61 of the Regulatory Improvement Code Amendment Package 6 (RICAP 6) Recommended Draft. The Portland City Council will hold a hearing on this issue on June 4, 2014 at 2:00 pm.

Recently, there has been a dramatic increase in the number of residences being rented informally on a short-term basis through internet sites such as Airbnb and Home Away. In Portland, for example, Airbnb lists over 1600 today, up from 107 in January 2011. The most common listings are from hosts who live on their property and offer a bedroom for rent on a nightly basis in their residence. This is a new way of providing visitor lodging accommodations and many cities are determining how to regulate these short-term rentals.

In Portland, rentals of less than 30 days are considered short-term and renting up to five bedrooms is allowed through the Bed and Breakfast Facility chapter of the Zoning Code. The process requires a Type II Conditional Use Review approval, which is a discretionary decision, costs \$4130, takes approximately eight to ten weeks to process, includes a public notice, and provides the ability to appeal staff's decision to Portland's Hearings Officer.

The recommended amendments offer 1- and 2-bedroom short-term rentals a less expensive and faster process, while ensuring that adjacent neighbors are notified of the activity. The key features of the proposed amendments are:

- Move the regulations in Chapter 33.212, Bed and Breakfast (B&B) Facilities to a new chapter: Chapter 33.207, Accessory Short-Term Rentals.
- Define Accessory Short-Term Rentals as one where “an individual or family resides in a house, attached house, duplex or manufactured home on its own lot and rents bedrooms to overnight guests.”
- Distinguish Type A Accessory Short-Term Rentals (one- and two-bedroom rentals) from Type B Accessory Short-Term Rentals (three to five bedrooms).
- Provide a new by-right (non-discretionary) process and set of standards for Type A Accessory Short-Term Rentals, while retaining the existing Bed and Breakfast (B&B) Facilities process (Type II Conditional Use) for the Type B Accessory Short-Term Rentals.

Summary of Chapter 33.207 Accessory Short-Term Rental Regulations

Updated: May 7, 2014

	Type A (1 and 2 Bedrooms)	Type B (3 to 5 Bedrooms)
1 Accessory Use	Allow as accessory to residential (Household Living) 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	Allow in houses, attached houses, duplexes, manufactured homes on their own lots and Accessory Dwelling Units (ADUs).	
3 Bedroom Requirements	Allow the operator to rent bedrooms that the Bureau of Development Services has verified: <ol style="list-style-type: none"> 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 Process	Allow 1 and 2 bedroom Accessory Short-Term Rentals by-right with an over-the-counter permit. Type A Accessory Short-Term Rental Permit: <ul style="list-style-type: none"> - 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 	Continue to allow 3 to 5 bedroom Accessory Short-Term Rentals through a Conditional Use Review. Type II Conditional Use Review: <ul style="list-style-type: none"> - Administrative land use decision - Appealable to Hearings Officer - 8-10 week process - Inspection required - Fee: \$4130 - Approval does not need to be renewed
5 Required Notice	Operator sends a notice, including their contact information, to all recognized organizations and owners of property abutting or across the street from the residence.	Public notice sent to property owners and recognized organizations within 150 feet of the residence. for Type II Conditional Uses.
6 Number of Guests	Maximum number of occupants is the same as what is currently allowed in a household. Household is defined as "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..."	No zoning code maximum on number of occupants. Maximum number can be set through the Conditional Use Review.
7 Home Occupations	Do not allow in conjunction with an Accessory Home Occupation. An Accessory Home Occupation is one where the residents use their home as a place of work, and either one employee or up to 8 customers a day come to the site.	
8 Employees	Do not allow nonresident employees. Allow hired service for normal maintenance of the residence or site, such as yard maintenance and housecleaning.	Continue to allow nonresident employees for activities such as booking rooms and food preparation. Maximum number and activities of nonresident employees can be set through the conditional use process.
9 Commercial Meetings	Do not allow commercial meetings.	Continue to allow in multi-dwelling zones through a Type III Conditional Use. Continue to prohibit in single-dwelling zones.
10 Private Social Gatherings	No limit to the number of private social gatherings, consistent with all other residential uses.	