

EXHIBIT A  
As Amended

# **Accessory Short-Term Rentals in Multi-Dwelling Structures**

## **Mayor's Recommended Draft As Amended**

**December 8, 2014**

**Portland City Council Hearing  
Wednesday, November 19, 2014 at 2:00 pm**

**Second Reading  
Thursday, December 18, 2014**

**Council Chambers, City Hall  
1221 SW 4<sup>th</sup> Avenue, Portland, Oregon**

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## Accessory Short-Term Rentals in Multi-Dwelling Structures Mayor's Recommended Draft

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### How to submit testimony on the Mayor's Recommended Draft:

**Testify at the City Council hearing.** The hearing, on November 19, 2014 at 2:00 pm, will be held in Council Chambers at City Hall (1221 SW Fourth Avenue). Metered and pay parking is available in the vicinity. City Hall is served by many transit lines. Call TriMet at 503-238-7433 or check their web site at <http://www.trimet.org> for routes and schedules.

**Write to City Council.** Send written testimony to the Council Clerk at 1221 SW Fourth Avenue, Room 130, Portland, OR 97204, or email [Karla.Moore-Love@portlandoregon.gov](mailto:Karla.Moore-Love@portlandoregon.gov). Written testimony must be received by the time of the hearing and must include your name and address.

Copies of the *Mayor's Recommended Draft* are available on the Bureau of Planning and Sustainability (BPS) website ([www.portlandoregon.gov/bps/ricap](http://www.portlandoregon.gov/bps/ricap)). You can also pick up a copy at the BPS office at 1900 SW 4th Avenue, 7th Floor, or you can request a copy be mailed to you by calling 503-823-7700.

For more information, contact Matthew Robinson, Mayor Hales Office, at 503.823.4045 or [matthew.robinson@portlandoregon.gov](mailto:matthew.robinson@portlandoregon.gov).



Office of Mayor Charlie Hales  
City of Portland

October 17, 2014

Members of Portland City Council  
Portland City Hall  
1221 SW Fourth Avenue  
Portland, Oregon 97204

Dear City Commissioners:

Earlier this year we adopted regulations to allow accessory short-term rentals in single-dwelling homes. It was a great step in the right direction to support the sharing economy, but it didn't go far enough. As you recall, at our final hearing I directed my staff to explore options for expanding this program to multi-dwelling buildings.

My staff convened a working group that included representatives of multi-dwelling property owners, renters, housing advocates, and short-term rental companies. In addition, the group included members of your staffs and various City bureaus. The group met three times to discuss issues related to accessory short-term rentals in multi-dwelling buildings.

My recommendation – to allow accessory short-term rentals in multi-dwelling buildings – was greatly influenced by the input received during these discussions. A City Council hearing is scheduled on Nov. 19, 2014 to review this recommendation. I look forward to hearing from members of the community and to our deliberation.

Thank you,

Charlie Hales, Mayor  
City of Portland

## Amendments to Type A Accessory Short-Term Rental Regulations

|           | Single-Dwelling Units   | Multi-Dwelling Units  |
|-----------|---|---|
| <b>1</b>  | <b>Accessory Use</b>  |   |
|           | 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 for a least 270 days each year.   |   |
| <b>2</b>  | <b>Building Type</b>  |   |
|           | Allow in all single-dwelling units, including: houses, attached houses, duplexes, Accessory Dwelling Units (ADUs), manufactured dwellings, <u>houseboats, and single-dwelling units in multi-dwelling development.</u>  | Allow in residential units in multi-dwelling buildings (3+ units).  |
| <b>3</b>  | <b>Cap</b>  |   |
|           | No cap.   | Limit number to 1 or 25% of the units in a multi-dwelling building.   |
| <b>4</b>  | <b>Bedroom Requirements</b>   |   |
|           | Allow the operator to rent bedrooms that the Bureau of Development Services has verified: <ol style="list-style-type: none"> <li>Met the building code requirements for sleeping rooms at the time they were created or converted; and</li> <li>Have smoke detectors that are interconnected with smoke detectors in adjacent hallways and carbon monoxide detectors where carbon monoxide sources are present.</li> </ol>  | Allow the operator to rent bedrooms. Portland Fire & Rescue conducts an inspection of the multi-dwelling buildings every two years.<br><br>The property owner or their authorized agent certifies that the bedrooms have smoke detectors that are interconnected with smoke detectors in an adjacent hallway within the dwelling unit and carbon monoxide detectors where carbon monoxide sources are present.  |
| <b>5</b>  | <b>Process</b>  |   |
|           | Allow 1 and 2 bedroom Accessory Short-Term Rentals through a Type A permit process: <ul style="list-style-type: none"> <li>- Administrative permit</li> <li>- 1-2 week process</li> <li>- Initial BDS Inspection required, then one every six years. Intervening years the resident certifies there has been no changes to room to be rented since BDS inspection and it has required smoke and carbon monoxide detectors.</li> <li>- Renewal required every 2 years</li> <li>- Fee: \$180 for initial permit</li> <li>- <u>Property owner notarized signature required</u></li> <li>- May be revoked for failure to comply with the regulations</li> </ul> | Allow 1 and 2 bedroom Accessory Short-Term Rentals through a Type A permit process: <ul style="list-style-type: none"> <li>- Administrative permit</li> <li>- 1-2 week process</li> <li>- No inspection required through this permit, as Fire &amp; Rescue conducts an inspection every 2 years</li> <li>- Property owner or their authorized agent certifies for smoke and carbon monoxide detectors.</li> <li>- Renewal required every 2 years</li> <li>- Estimated fee: \$100</li> <li>- Property owner or their authorized agent notarized signature required</li> <li>- May be revoked for failure to comply with the regulations</li> </ul> |
| <b>6</b>  | <b>Required Notice</b>  |   |
|           | Resident sends a notice, including their contact information, to <u>residents and</u> owners of property abutting or across the street from the residence and to all ONI recognized organizations.  | Resident sends a notice, including their contact information, to the property manager (if there is one), residents and owners of units adjacent, across the hallway, above, and below the unit, and all ONI recognized organizations.   |
| <b>7</b>  | <b>Posting Permit Number</b>  |   |
|           | Accessory short-term rental permit number must be included in all advertising and posted in the dwelling unit.  |   |
| <b>8</b>  | <b>Number of Guests</b>   |   |
|           | 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, domestic partnership, legal adoption or guardianship, plus not more than 5 additional persons, who live together in one dwelling unit..."   |   |
| <b>9</b>  | <b>Home Occupations</b>   |   |
|           | Do not allow in conjunction with a Type B home occupation which allows residents to use their homes as a place of work, and either one employee or up to 8 customers a day can come to the site.  |   |
| <b>10</b> | <b>Employees</b>  |   |
|           | Do not allow nonresident employees. Allow hired service for normal maintenance of the residence or site, such as yard maintenance and housecleaning.  |   |

## Summary of the Mayor's Recommendation for Accessory Short-Term Rentals in Multi-Dwelling Units

On November 19, 2014 City Council considered expanding the accessory short-term rental permit program to multi-dwelling units. This handout summarizes amendments proposed to the accessory short-term rentals regulations which currently apply to single-dwelling units. The amendments were informed by discussions held by a working group representing multi-dwelling housing interests and city staff.

### Recommendation

1. **Allow Accessory Short-Term Rentals (ASTRs) in multi-dwelling units.** This expands the allowance to all residential units, including multi-dwelling structures, multi-dwelling development (an assortment of structures on one property), manufactured homes in a manufactured home park, and houseboats.
2. **Limit number of multi-dwelling units with ASTRs to 1 unit or up to 25 percent of all units.** BDS has determined that with this restriction, the need for a change of occupancy will not be triggered. The cap on the number of ASTRs, along with the requirement that the resident must occupy the unit at least 270 calendar year, ensures that the building more closely matches the non-transient nature of the R-2 (i.e. residential) building code occupancy class.
3. **Require property owner or their authorized agent approval.** The application will require the notarized signature of the property owner or their authorized agent.
4. **No additional inspection required in multi-dwelling structures.** Portland Fire & Rescue conducts inspections for buildings containing 3 or more units every two years. Therefore, no additional inspection is required through this permit.
5. **Self-certification of smoke and carbon monoxide detectors.** While Portland Fire & Rescue conducts inspections for the common spaces in multi-dwelling buildings, they do not inspect each unit. Therefore, this proposal requires that the property owner or their authorized agent certify that bedrooms have smoke detectors that are interconnected with smoke detectors in adjacent hallways within the dwelling unit and carbon monoxide detectors where carbon monoxide sources are present.
6. **Notification is required.** Residents in multi-dwelling structures will be required to send a notification letter that contains the description of their proposed short-term rental with their contact information to:
  - property manager;
  - residents and owners of units adjacent, across the hallway, above and below the unit; and
  - ONI recognized organizations.
7. **Permit Fee for ASTR in multi-dwelling structure.** The estimated fee is \$100 for a two-year permit.

**COMMENTARY****33.207.010 Purpose**

Currently the regulations only apply to certain types of residential structures: houses, attached houses, duplexes, manufactured homes on their own lot, and accessory dwelling units. This amendment reflects that the regulations now apply to all residential units not just "certain types".

**33.207.020 Description and Definitions**

- A. Description.** Amendment clarifies short-term rentals are when overnight guests stay less than 30 days at a time; 30 days is not the limit on the number of nights that a host can rent to overnight guests.

## PROPOSED ZONING CODE LANGUAGE

### CHAPTER 33.207 ACCESSORY SHORT-TERM RENTALS

#### Sections:

- 33.207.010 Purpose
- 33.207.020 Description and Definitions
- 33.207.030 Where These Regulations Apply
- 33.207.040 Type A Accessory Short-Term Rentals
- 33.207.050 Type B Accessory Short-Term Rentals
- 33.207.060 Monitoring
- 33.207.070 Pre-Established Bed and Breakfast Facilities

#### **33.207.010 Purpose**

This chapter provides standards for the establishment of accessory short-term rentals. ~~The regulations are intended to allow for a more efficient use of certain types of residential structures in a manner which keeps them primarily in residential use, and without detracting from neighborhood character.~~ The regulations are intended to allow for a more efficient use of residential structures, without detracting from neighborhood character, and ensuring that the primary use remains residential. In some situations, the operator can take advantage of the scale and architectural or historical significance of a residence. The regulations also provide an alternative form of lodging for visitors who prefer a residential setting.

#### **33.207.020 Description and Definitions**

- A. Description.** An accessory short-term rental is where an individual or family resides in a dwelling unit and rents bedrooms to overnight guests for fewer than 30 consecutive days. There are two types of accessory short-term rental:
  1. Type A. A Type A accessory short-term rental is where no more than 2 bedrooms are rented to overnight guests.
  2. Type B. A Type B accessory short-term rental is where 3 or more bedrooms are rented to overnight guests.
- B. Definitions.** For the purposes of this chapter, the following words have the following meanings:
  1. Resident. The individual or family who resides in the dwelling unit. The resident can be the owner or a long-term renter.
  2. Operator. The resident or a person or entity that is designated by the resident to manage the accessory short-term rental.

#### **33.207.030 Where These Regulations Apply**

The regulations of this chapter apply to accessory short-term rentals in all zones. In zones where Retail Sales And Service uses are allowed, limited or conditional uses, accessory short-term rentals may be regulated either as a Retail Sales And Service use, or as an accessory short-term rental under the regulations of this chapter. The decision is up to the applicant.

## COMMENTARY

### 33.207.040. Type A Accessory Short-Term Rentals

#### A. Use-related regulations

3. **Allowed structure type.** This paragraph has been amended to include all residential structure types, including multi-dwelling structures.
4. **Cap.** This regulation limits the number of ASTRs in a multi-dwelling building to 1 unit or up to 25% of units in the building. The cap on ASTRs, along with the requirement that the resident must occupy the unit for at least 270 days during each calendar year, ensures that ASTRs in a multi-dwelling building will not change the overall residential nature of the building.

The figures below show the number of ASTRs that would be allowed in a variety of multi-dwelling buildings. The zoning code rounds fractions for maximum limits DOWN to the nearest whole number (33.930.020.B.1)

|             |          |
|-------------|----------|
| 3 -7 units  | 1 ASTR   |
| 8- 11 units | 2 ASTRs  |
| 12-15 units | 3 ASTRs  |
| 16-19 units | 4 ASTRs  |
| 20-23 units | 5 ASTRs  |
| 24-27 units | 6 ASTRs  |
| 28-31 units | 7 ASTRs  |
| 32-35 units | 8 ASTRs  |
| 36-39 units | 9 ASTRs  |
| 40-43 units | 10 ASTRs |
| 100 units   | 25 ASTRs |
| 200 units   | 50 ASTRs |



## PROPOSED ZONING CODE LANGUAGE

### 33.207.040 Type A Accessory Short-Term Rentals

#### A. Use-related regulations.

1. Accessory use. A Type A accessory short-term rental must be accessory to a Household Living use on a site. This means that a resident must occupy the dwelling unit for at least 270 days during each calendar year, and unless allowed by Paragraph .040.B.2 or .040.B.3, the bedrooms rented to overnight guests must be within the dwelling unit that the resident occupies.
2. Permit required. A Type A accessory short-term rental requires a Type A accessory short-term rental permit ~~per~~ consistent with Subsection 040.C.
3. Allowed structure type. A Type A accessory short-term rental is allowed in all only in the following residential structure types when accessory to a Household Living use.:
  - a. ~~House;~~
  - b. ~~Attached house;~~
  - c. ~~Duplex;~~
  - d. ~~Manufactured home on its own lot; and~~
  - e. ~~Accessory dwelling unit.~~
4. Cap. The number of dwelling units in a multi-dwelling structure or a triplex that can have an accessory short-term rental is limited to 1 unit, or 25 percent of the total number of units in the structure, whichever is greater.

**COMMENTARY**

5. **Prohibition.** In 1972, to ensure adequate fire and life safety protection for inhabitants of older multi-story hotel and apartment structures, the City of Portland adopted Chapter 13 of the Uniform Building Code which applies to existing buildings. Many older structures built under previous codes were constructed in configurations that do not meet current safety requirements or provide adequate safeguards, such as lack of enclosed stairways, enclosed vertical shafts, or availability of proper exits. The purpose of Chapter 13 is to provide a reasonable degree of safety to persons living and sleeping in apartments and hotels through conformity with the minimum safety provisions of Chapter 13. By 1975 all buildings subject to the Chapter 13 building regulations had been inspected and brought into compliance via a permit with the Chapter 13 minimum standards. These buildings are referred to as "buildings with a Chapter 13 agreement" and are subject to the Chapter 13 building regulations.

This amendment ensures that accessory short-term rentals are not allowed in Chapter 13 buildings without fire sprinkler protection to the exitways. Once the Fire Marshal's Office deems the fire sprinkler system acceptable for the building, individual dwelling units in the building may be allowed to have an accessory short-term rental. In addition, these dwelling units must meet the Bedroom Requirements listed in 33.207.050.B.4.b and c. (smoke alarms and carbon monoxide alarms).

**PROPOSED ZONING CODE LANGUAGE**

5. Prohibition. Accessory short term rentals are prohibited in a building subject to Chapter 13 of the Uniform Building Code (1970 edition) in effect on September 7, 1972, except when the Fire Marshal's Office has determined that the building has a fire sprinkler system that protects the exitways.

**B. Standards.** The following standards apply to Type A accessory short-term rentals. Adjustments are prohibited:

1. Maximum size. A Type A accessory short-term rental is limited to renting a maximum of 2 bedrooms to overnight guests.
2. Accessory dwelling units. On sites with an accessory dwelling unit, the resident can live in the primary or accessory dwelling unit and rent bedrooms in either dwelling unit, but the maximum number of bedrooms on the site that can be rented to overnight guests is 2.
3. Detached accessory structures. A bedroom in a detached accessory structure can be rented to overnight guests, and counts toward the maximum size limit.

## COMMENTARY

4. **Bedroom Requirements.** The Bureau of Development Services ensures that the bedroom requirements for ASTRs in single dwellings/duplex units are met by conducting an inspection of the bedrooms when the ASTR permit is issued, and then again every 6 years. Residents are required to renew the permit and self-certify that the bedrooms continue to meet the regulations every 2 years.

BDS does not recommend that bedrooms in multi-dwelling structures receive an inspection through this permit. Multi-dwelling structures and triplexes are already inspected under the Portland Fire & Rescue (PF&R) Safety Inspection program, which examines the safety features of common areas (e.g. condition and operation of exit doors, emergency lighting, exit signs, components of fire-resistive construction, fire extinguishers, and records for fire alarm and fire protection systems). However, the PF&R inspectors do not inspect individual units.

Therefore, this amendment does not require that BDS verify that the bedrooms rented to overnight guests in a multi-dwelling structure or triplex meet the building code requirements for sleeping rooms. However, the bedrooms must still have interconnected smoke detectors and a carbon monoxide alarm. BDS will verify the bedrooms meet these requirements through self-certification by the property owner or their authorized agent on the permit application.

### Type A Accessory Short-Term Rental Permit Inspections

| Bureau of Development Services  | Portland Fire and Rescue  |
|---|---|
| <p>BDS conducts an initial inspection and then every 6 years with resident self-certifying in the intervening years.</p> <ul style="list-style-type: none"> <li>House/attached house</li> <li>Accessory dwelling unit (ADU)</li> <li>Duplex/attached duplex</li> <li>Multi-Dwelling Development (assortment of buildings on one parcel)</li> <li>Manufactured dwelling (manufactured home, mobile home, and residential trailer) on its own lot or in a manufactured home park</li> <li>Houseboat (individual and in moorages)</li> </ul> | <p>PF&amp;R conducts inspections on multi-dwelling structures with three or more units every 2 years. The property owner or their authorized agent must self-certify that the bedrooms to be rented have the required smoke detectors and carbon monoxide alarms.</p> <ul style="list-style-type: none"> <li>Multi-Dwelling Structure (3+ units)</li> </ul> |

**PROPOSED ZONING CODE LANGUAGE**

4. Bedroom requirements. The Bureau of Development Services must verify that each bedroom to be rented to overnight guests:
  - a. Met the building code requirements for a sleeping room at the time it was created or converted. Bedrooms in multi-dwelling structures and in triplexes are exempt from this requirement;
  - b. Has a smoke detector that is interconnected with a smoke detector in an adjacent hallway that is in the dwelling unit; and
  - c. Is located on the floor of a dwelling unit equipped with a functioning carbon monoxide alarm. If the dwelling unit does not have a carbon monoxide source, then a carbon monoxide alarm is not required.
5. Number of residents and guests. The total number of residents and guests occupying a dwelling unit with a Type A accessory short-term rental may not exceed the number allowed for a household. For sites with an accessory dwelling unit, the total number of residents and guests occupying both dwelling units may not exceed the number allowed for a household.
6. Employees. Nonresident employees are prohibited. Hired service for normal maintenance, repair and care of the residence or site, such as yard maintenance or house cleaning, is allowed.
7. Services to overnight guests and visitors. Serving alcohol and food to overnight guests and visitors is allowed and may be subject to other county or state requirements.
8. Commercial meetings. Commercial meetings include luncheons, banquets, parties, weddings, meetings, charitable fund raising, commercial or advertising activities, or other gatherings for direct or indirect compensation. Commercial meetings are prohibited with a Type A accessory short-term rental. A historic landmark that receives special assessment from the State, may be open to the public for 4 hours one day each year. This is not considered a commercial meeting.
9. A Type B accessory home occupation is prohibited with a Type A accessory short-term rental.

**COMMENTARY****C. Type A Accessory Short-Term Rental Permit****1. Notification.**

a. [No change]

b. (1) Two amendments are proposed to the existing notification requirements for single-dwelling units:

- The requirement to send the notice to the property owner, if not the resident, has been deleted because amendments in 33.207.C.2.a (b) requires the property owner's signature; and
- Notification must also be sent to residents. This change ensures that renters of abutting properties will have information about the accessory short-term rental.

(2) The amendments to this subparagraph create different notification requirements for multi-dwelling structures.

## PROPOSED ZONING CODE LANGUAGE

**C. Type A accessory short-term rental permit.** The resident of a dwelling unit with a Type A accessory short-term rental must obtain a permit from the Bureau of Development Services. It is the responsibility of the resident to obtain the permit every two years. The permit requires the resident, and operator if the operator is not the resident, to agree to abide by the requirements of this section, and document that the required notification requirements have been met:

1. Notification. The resident must:

a. Prepare a notification letter that:

- (1) Describes the operation and the number of bedrooms that will be rented to overnight guests;
- (2) Includes information on how to contact the resident, and the operator if the operator is not the resident, by phone; and
- (3) Describes how the standards in Subsection .040.A and B are met.

b. Mail or deliver the notification letter ~~to~~ as follows:

- (1) All residential structure types except multi-dwelling structures. If the Type A accessory short-term rental is in a dwelling unit in a residential structure other than a multi-dwelling structure, then the notification letter must be mailed or delivered to all recognized organizations whose boundaries include the accessory short-term rental, the property owner if not the resident, and all residents and owners of property abutting or across the street from the accessory short-term rental. See Figure 207-1.
- (2) Multi-dwelling structures. If the Type A accessory short-term rental is in a dwelling unit in a multi-dwelling structure, then the notification letter must be mailed or delivered to all recognized organizations whose boundaries include the accessory short-term rental, the property manager if there is one, and all residents and owners of dwelling units abutting, across the hall from, above, and below the accessory short-term rental.

2. Required information for permit. In order to apply for a Type A accessory short-term rental permit, the resident or operator must submit to the Bureau of Development Services:

a. Two copies of the completed application form bearing the address of the property, and the name, notarized signature, address, and telephone number of the following:

- (1) the ~~r~~Resident; and
- (2) eOperator; and if the operator is not also the resident;
- (3) Property owner or their authorized agent.

b. A copy of the notification letter and a list with the names and addresses of all the property owners, residents and recognized organizations that received the notification.

**COMMENTARY****Figure 207-1**

Title of Figure 207-1 is amended to exclude dwelling units in multi-dwelling structures.



Notice of the proposed Type A short-term rental is sent or delivered to the owners of these sites.

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**COMMENTARY****33.207.050. Type B Accessory Short-Term Rentals****A. Use-related regulations**

See commentary for Type A Accessory Short-Term Rentals.

## PROPOSED ZONING CODE LANGUAGE

### 33.207.050 Type B Accessory Short-Term Rentals

#### A. Use-related regulations.

1. Accessory use. A Type B accessory short-term rental must be accessory to a Household Living use on a site. This means that a resident must occupy the dwelling unit for at least 270 days during each calendar year, and unless allowed by Paragraph .050.B.2 or .050.B.3, the bedrooms rented to guests must be within the dwelling unit that the resident occupies.
2. Conditional use review. A Type B accessory short-term rental requires a conditional use review. A Type B accessory short-term rental that proposes commercial meetings is processed through a Type III procedure. All other Type B accessory short-term rentals are processed through a Type II procedure. The approval criteria are stated in 33.815.105, Institutional and other uses in R zones.
3. Allowed structure type. A Type A accessory short-term rental is allowed in all only in the following residential structure types when accessory to a Household Living use. :
  - a. ~~House;~~
  - b. ~~Attached house;~~
  - c. ~~Duplex;~~
  - d. ~~Manufactured home on its own lot; and~~
  - e. ~~Accessory dwelling unit.~~
4. Cap. The number of dwelling units in a multi-dwelling structure or a triplex that can have an accessory short-term rental is limited to 1 unit or 25 percent of the total number of units in the structure, whichever is greater.
5. Prohibition. Accessory short term rentals are prohibited in a building subject to Chapter 13 of the Uniform Building Code (1970 edition) in effect on September 7, 1972, except when the Fire Marshal's Office has determined that the building has a fire sprinkler system that protects the exitways.

#### B. Standards.

1. Maximum size. Type B accessory short-term rental is limited to renting a maximum of 5 bedrooms to overnight guests. In the single-dwelling zones, a Type B accessory short-term rental over this size limit is prohibited.
2. Accessory dwelling units. On sites with an accessory dwelling unit, the resident can live in the primary or accessory dwelling unit and rent bedrooms in either dwelling unit.
3. Detached accessory structures. A bedroom in a detached accessory structure can be rented to overnight guests, and counts toward the maximum size limit.

**COMMENTARY****4. Bedroom Requirements.**

See commentary for Type A Accessory Short-Term Rentals.

## PROPOSED ZONING CODE LANGUAGE

4. Bedroom requirements. The Bureau of Development Services must verify that each bedroom to be rented to overnight guests:
  - a. Met the building code requirements for a sleeping room at the time it was created or converted. Bedrooms in multi-dwelling structures and in triplexes are exempt from this requirement;
  - b. Has a smoke detector that is interconnected with a smoke detector in an adjacent hallway that is in the dwelling unit; and
  - c. Is located on the floor of a dwelling unit equipped with a functioning carbon monoxide alarm. If the dwelling unit does not have a carbon monoxide source, then a carbon monoxide alarm is not required.
5. Number of residents and overnight guests. The total number of residents and overnight guests occupying a dwelling unit with a Type B accessory short-term rental may be limited as part of a conditional use approval.
6. Employees. Nonresident employees for activities such as booking rooms and food preparation may be approved as part of the conditional use review. Hired service for normal maintenance, repair and care of the residence or site, such as yard maintenance or house cleaning, is allowed. The number of employees and the frequency of employee auto trips to the facility may be limited or monitored as part of a conditional use approval.
7. Services to guests and visitors. Serving alcohol and food to guests and visitors is allowed and may be subject to other county or state requirements.
8. Commercial meetings.
  - a. Commercial meetings. Commercial meetings include luncheons, banquets, parties, weddings, meetings, charitable fund raising, commercial or advertising activities, or other gatherings for direct or indirect compensation. Commercial meetings are regulated as follows:
    - (1) In the single-dwelling zones, commercial meetings are prohibited;
    - (2) In all other zones, up to 24 commercial meetings per year may be approved as part of a conditional use review. The maximum number of visitors or guests per event will be determined through the conditional use review. Adjustments to the maximum number of meetings per year are prohibited.
  - b. Historic landmarks. A historic landmark that receives special assessment from the State, may be open to the public for 4 hours one day each year. This does not count as a commercial meeting.
  - c. Meeting log. The operator must log the dates of all commercial meetings held, and the number of visitors or guests at each event. The log must be available for inspection by City staff upon request.

**COMMENTARY**

No changes proposed.

## PROPOSED ZONING CODE LANGUAGE

9. **Appearance.** Residential structures may be remodeled for the development of an accessory short-term rental. However, structural alterations may not be made that prevent the structure being used as a residence in the future. Internal or external changes that will make the dwelling appear less residential in nature or function are not allowed. Examples of such alterations include installation of more than three parking spaces, paving of required setbacks, and commercial-type exterior lighting.
10. A Type B accessory home occupation is prohibited with a Type B accessory short-term rental.

### **33.207.060 Monitoring**

All accessory short-term rentals must maintain a guest log book. It must include the names and home addresses of guests, guest's license plate numbers if traveling by car, dates of stay, and the room assigned to each guest. The log must be available for inspection by City staff upon request.

### **33.207.070 Pre-Established Bed and Breakfast Facilities**

- A. Facilities without a revocable permit.** Bed and breakfast facilities that were operating before May 24, 1988, and which did not receive a revocable permit, may continue to operate as an approved conditional use if the operator can show proof that the operation was established through City licensing. The requirements for verification are listed below.
  1. The facility was operating with a City business license or was granted exemption from the business license requirement;
  2. City transient lodging taxes were paid part or all of the tax period preceding May 24, 1988; and
  3. The owner or operator can document that the Portland Bureaus of Planning or Buildings approved the site for a bed and breakfast facility prior to purchase, construction, or remodeling of the facility.
- B. Alterations and Expansions.** The approved conditional use status provided for in Subsection 070.A applies only to the number of bedrooms and size of facility that existed on January 1, 1991. Any expansions of building area or alterations that increase the intensity of the facility are not allowed unless approved through a conditional use review as provided in Section 33.207.050.A.2.
- C. Facilities with a revocable permit.** Bed and breakfast facilities operating under approved revocable permits are subject to the regulations for revocable permits in 33.700.120, Status of Prior Revocable Permits.