2019 FOLLOW-UP

Portland makes progress towards better regulation of short-term rental market

Portland made progress toward better regulation of short-term rentals by reaching a data-sharing and registration agreement with a key rental platform and passing an ordinance requiring compliance from all platforms.

Once the data sharing and revised registration process is in place, Portland should have information it needs to enforce the short-term rental market.

We will follow-up in 2020 to determine how the City has used the data and whether it has implemented the recommendations.

Our 2018 audit of Portland's short-term rental regulation found that only about 22 percent of units were registered, and the effect on housing availability and affordability was unknown. We made recommendations to improve data collection and enforcement, and to monitor the effect of short-term rentals on the housing market.

	2018 Recommendations	2019 Auditor's Status Update
In Process	Obtain data on active short-term rental hosts, listings, and occupancy from booking agents or from other publicly available sources and use it to enforce the City's zoning and tax code.	In August 2019 the City and Airbnb signed a data-sharing and pass-through registration agreement. The platform will send the City data every month for the prior month, beginning on December 1, 2019. The data provided will include transactional and booking data, and hosts will register permits through Airbnb. City Council passed an ordinance in June 2019 requiring all booking platforms that do not enter into an approved data-sharing agreement to include only addresses that are in the City's Short-Term Rental Registry and are permitted by the City.
Not Implemented	Use proactive, risk-based enforcement to target hosts with multiple listings and potential commercial activities in residential zones.	The City will evaluate the enforcement process and resources needed once the data sharing agreement is in effect in December 2019. Having access to platform data will allow the City to identify hosts with multiple listings.
	Revise the permitting process to meet intended safety and neighborhood livability goals.	The Bureau of Development Services says it cannot implement this until City Council changes the zoning code to expand the scope of safety inspections. Additional resources may be needed.

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Not Implemented ⚠	Use host data to enforce booking agents' compliance with City Code.	The Bureau of Revenue and Financial Services will revisit the enforcement process once it has the data from the sharing agreement with Airbnb and other platforms expected to comply with the ordinance.
In Process ⧗	Work with Council to add measuring the effect of short-term rentals on housing goals to short-term rental City Code and regulations.	The Housing Bureau worked with Council in July 2018 to enact an ordinance requiring all residential long-term rental housing units to register with the City's Revenue Division. The data collected through the registration requirement will be used by the Housing Bureau to establish a baseline inventory of long-term rental units. This inventory will be used to compare to inventory of short-term rentals operating in the city.
	Obtain short-term rental data from booking agents or from other publicly available sources, develop a monitoring process of the market, and evaluate effects on housing. Report short-term rental market data in the State of Housing annual report.	The Housing Bureau obtained short-term rental data from a company that tracks listings on various platforms. Together with long-term rental data, these will be incorporated in the annual State of Housing report. The Housing Bureau will monitor changes in the long-and-short term rental markets.

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