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## Fwd: STR numbers, STR owner-occupied definition

1 message

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Tue, Sep 25, 2018 at 12:47 PM

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Just thought our staff team should have this.

----- Forwarded message -----

From: **ralph baldwin** <rbaldwin1@maine.rr.com>

Date: Tue, Sep 25, 2018, 8:48 AM

Subject: STR numbers, STR owner-occupied definition

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### TWO TOPICS

As Portland continues to discuss the role of short-term rentals in the city, two topics stand out in my mind of preeminent importance: numbers, and owner-occupied status. Both keep entering discussion, so both need focus and clarification.

### NUMBERS

A recurring theme is the idea that short-term rentals have a negative impact on affordable housing. Let's all insist on accurate data for all discussion - whether by citizens, the council, city staff, or the media. The city staff has worked to present the most accurate statistics available, and those statistics should now serve to guide informed discussion. Our next step is the additional work to refine those numbers so they are useful for discussion of affordability.

The following is an effort to arrive at numbers that likely reflect the realities. Hence, the following is an exercise in simple subtraction.

1. 726\* number of registered STR units in Portland
2. -116\*\* number of registered STR units on the islands
3. -195\*\*\* likely number of mainland units that are single rooms, not whole apts.

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415 likely base number of "Entire Space" STR mainland units

But this number is still high and unrealistic if we are discussing impact on affordable housing in mainland Portland. A host of other factors reduce this number - all of them, as city staff has indicated, difficult to determine exactly. However, we know that the following categories of STR's are part of the Portland picture and further reduce the above number:

4. a limited period of STR rental while on vacation, away on business, etc. (a week or so)
5. registered as STR but not actively used as STR at this point: vacant condos
6. units that have never been long-term rentals
7. rejuvenated units added to housing stock after years of neglect, idleness, vacancy
8. units created new from undeveloped space: basements, garages, etc.
9. rooms in hotels, inns, bed and breakfasts registered as STR units
10. units used for two months to generate Airbnb statistics to inflate real estate price
11. short experiment abandoned: low profit, too much work, inconvenient, etc.

12. units that would not be affordable housing if on the long-term rental market

Of these #4-12, the greatest group is #12. Most STR units in Portland would not rent for \$800-\$1200 as long-term rentals. They are more typical of units in the range of \$1800-\$2500/month or more - not "affordable housing."

Can we arrive at a reliable number of units affecting affordable rents by subtracting further? We cannot if we are bound by commitment to accuracy and integrity. But we absolutely know that the number is much less than 726, and much less than 415. And available numbers vary by season. A search of dates in March, 2019, for example, shows only 65 "Entire Space" units currently available in Airbnb.

Conclusion: Instead of reaching for the highest number imaginable, for honest discussion of the impact of STR's on affordable housing in Portland, let us all commit to reaching down toward the lowest realistic number by rejecting all categories that have nothing to do with removal of affordable units from the rental market. There is no justification for use of inflated numbers in future discussion and the making of city policy.

#### OWNER OCCUPIED

Some council members and others in the community have expressed confusion about the meaning of the term "owner-occupied." If the City decides to use a new definition of "owner-occupied," please acknowledge that dozens of STR operators have registered units as owner-occupied in good faith under current application of the regulations that went into effect on January 1, 2018. If new language moves those people under the cap of non-owner occupied, they should be considered already safely under the cap since they are not changing their use - the city is changing its definition.

\*August 29, 2018 report from Jeff Levine

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\*\*\*From sampling 5 dates October-January: determined number of "entire place", "single rm."