

ORDINANCE No. 189028 As Amended

Amend Tourism Improvement District code to include short-term rental hosts who use Booking Agents to advertise or accept reservations and other housekeeping changes. (Ordinance; amend Code Chapter 6.05)

The City of Portland ordains:

Section 1. The Council finds:

1. The Tourism Improvement District was established in June 2012, to increase investment in marketing and promoting Portland as a premier travel destination and ensure that Portland remained competitive and did not lose its market share of the tourism industry.
2. Portland's lodging industry has changed over the last five years beyond the traditional hotel being the main lodging provider. As many as 4,000 rooms are rented in Portland in short-term rental accommodations, following the legalization of this type of accessory residential property use in 2014.
3. Both traditional hotels and short-term rentals bring increased tourism to Portland. Without continuing to market Portland as a premier travel destination to tourists wanting both traditional and non-traditional lodging accommodations, Portland will lose market share and their competitive edge.
4. The Tourism Improvement District is governed by those who pay the assessment and benefit from it. The Management Corporation that contracts with the City to provide tourism promotion for the industry has a committee that represents the rate payers. This committee approves the yearly work program that is funded by these revenues. The Management Corporation will add members to their committee to represent the short-term rental segment and the annual work program will ensure that all lodging types, including Short-Term Rentals, will benefit from destination promotion.
5. City Council passed Resolution #37288 on May 31, 2017. This resolution directed the Bureau of Revenue & Financial Services – Revenue Division and the City Attorney's Office to draft City Code amendments to include Short-Term Rental activity in the Tourism Improvement District to ensure Short-Term Rental activity is paying their share of tourism promotion.

NOW, THEREFORE, the Council directs:

- a. Code Chapter 6.05 is amended as shown in Exhibit A.
- b. The effective date of the amendments to Code Chapter 6.05 is August 1, 2018.
- c. The assessment of the 2% Tourism Improvement District fee is effective for short-term rental hosts who use Booking Agents to advertise or accept reservations for new reservations on or after August 1, 2018.

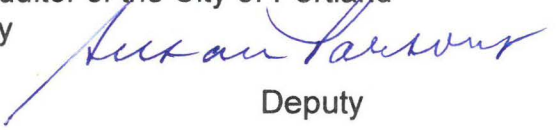
189028

Passed by the Council: JUN 20 2018

Mayor Ted Wheeler
Commissioner Nick Fish
Prepared by: Terri Williams
Date Prepared: February 6, 2018

Mary Hull Caballero
Auditor of the City of Portland

By



Deputy

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<p align="center">INTRODUCED BY Commissioner/Auditor: Mayor Wheeler Commissioner Fish</p>	CLERK USE: DATE FILED <u> JUN 06 2018 </u>
<p align="center">COMMISSIONER APPROVAL</p> Mayor—Finance & Administration - Wheeler <i>KC</i> Position 1/Utilities - Fritz Position 2/Works - Fish <i>SUSAN Nick Fish</i> Position 3/Affairs - Saltzman Position 4/Safety - Eudaly	<p align="center">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p>
<p align="center">BUREAU APPROVAL</p> Bureau:	<p>ACTION TAKEN:</p> <p align="center">JUN 13 2018 PASSED TO SECOND READING JUN 20 2018 9:30 A.M. As Amended</p>
Prepared by: Thomas W. Lannom Date Prepared: February 5, 2018	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
✓ City Auditor Office Approval: required for Code Ordinances <i>Tom</i>	
✓ City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>Kane</i>	
Council Meeting Date June 13, 2018	

AGENDA <i>2 of 2</i>
TIME CERTAIN <input checked="" type="checkbox"/> Start time: 4 pm <i>9:45</i> Total amount of time needed: 60 minutes <i>45</i> (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: 30 minutes (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Eudaly	4. Eudaly	✓	
Wheeler	Wheeler	✓	