



Elizabeth Comfort  
Finance Director

## Department of Finance

Public Services Building  
2051 Kaen Road, Suite 490 | Oregon City, OR 97045

### MEMORANDUM

TO: Clackamas County Board of County Commissioners  
FROM: Elizabeth Comfort, Director of Finance, Department of Finance  
RE: Update on Short Term Rental Program  
DATE: December 3, 2024

**REQUEST:** This is an informational update only on the Short Term Rental (STR) program that resulted from the STR ordinance approved in December 2023. Staff projects the program will achieve self-sufficiency in the future, as revenues are expected to increase.

**BACKGROUND:** After the passage of Ordinance 04-2023, the Department of Finance was assigned implementation of the STR program and sought a vendor to help support it. The Department of Tourism committed \$200,000 in startup funding to support the program during the two-year pilot period.

Staff used targeted communications to notify community members in unincorporated areas of the County about the new ordinance. STR owners and operators began registering for the program and paying the fee in January 2024. Staff has answered dozens of questions to help STR businesses understand the ordinance.

In March 2024, GovOS was selected to enhance the program by identifying eligible and non-compliant properties, accepting payments and connecting payments with owner/operator accounts. GovOS offers a 24/7 live helpline for concerned neighbor complaints and technical questions from owners/operators.

Staff projects the revenues collected from the STR user fee will cover the program's costs, which should make the program self-sustaining in the future. The current monthly cost to operate this program is approximately \$12,000 and the monthly revenue average is \$13,000. While software costs will increase incrementally each year, personnel costs should decrease as County staff and owner/operators familiarize themselves with the program. In the second year we will learn how the costs and revenues will level during this pilot period.

- 82% of known eligible properties are in compliance with the STR program (876 out of 1066).
- Of 37 total complaints for 33 properties, primary concerns were lack of signage, noise and garbage.
- The Transient Lodging Tax (TLT) has recorded an additional 293 registrations and an increase of \$267,432 in revenue year over year (January – August 2023 vs. January – August 2024), as the ordinance requires an STR owner/operator to be registered for TLT.

Respectfully Submitted,

*Elizabeth Comfort*

Elizabeth Comfort  
Director, Department of Finance

Attachments: Short Term Rental Revenue & Expense Report January 2024 through September 2024

## Clackamas County Short Term Rental Financial Summary January - September 2024

|                           | January<br>2024 | February<br>2024 | March<br>2024 | April<br>2024  | May 2024      | June<br>2024  | July<br>2024  | August<br>2024 | Sept<br>2024  | YTD<br>Actuals |
|---------------------------|-----------------|------------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|----------------|
| <b>Revenues:</b>          |                 |                  |               |                |               |               |               |                |               |                |
| Short Term Rental Fee     | 12,416          | 11,936           | 12,139        | 6,773          | 13,211        | 8,618         | 23,876        | 17,666         | 12,122        | 118,758        |
| Tourism Start Up Funding  | -               | -                | -             | 200,000        | -             | -             |               |                |               | 200,000        |
| <b>Total Revenue</b>      | <b>12,416</b>   | <b>11,936</b>    | <b>12,139</b> | <b>206,773</b> | <b>13,211</b> | <b>8,618</b>  | <b>23,876</b> | <b>17,666</b>  | <b>12,122</b> | <b>318,758</b> |
| <b>Expenditures:</b>      |                 |                  |               |                |               |               |               |                |               |                |
| Personnel                 | 6,345           | 5,864            | 5,996         | 5,383          | 5,825         | 5,732         | 7,539         | 9,015          | 5,926         | 57,625         |
| Start Up Costs            | 800             |                  | 1,555         | 1,000          |               |               |               |                |               | 3,355          |
| Software Contract         | 5,346           | 5,346            | 5,346         | 5,346          | 5,346         | 5,346         | 5,346         | 5,346          | 5,346         | 48,114         |
| <b>Total Expenditures</b> | <b>12,491</b>   | <b>11,210</b>    | <b>12,897</b> | <b>11,729</b>  | <b>11,171</b> | <b>11,078</b> | <b>12,885</b> | <b>14,361</b>  | <b>11,272</b> | <b>109,094</b> |
| <br>Monthly Net           | <br>(75)        | <br>726          | <br>(758)     | <br>195,044    | <br>2,040     | <br>(2,460)   | <br>10,991    | <br>3,305      | <br>850       | <br>209,663    |

*Software Launch*