

**Housing & Economic  
Development Committee Meeting**  
Tuesday, October 21, 2025 at 5:30 PM



**MEMBERS**  
Councilor Pious Ali, Chair  
Councilor Regina Phillips  
Councilor Kate Sykes  
Councilor Sarah Michniewicz

To submit written public comment on an agenda item, email [edd@portlandmaine.gov](mailto:edd@portlandmaine.gov). Submissions must be received by 12:00 pm the day before the Housing & Economic Development meeting to guarantee their inclusion in the agenda packet. All submissions must include the commenter's name and legal address. To help ensure your comment is submitted for the correct item, please include the name of the agenda item (see below).

**REMOTE ACCESS INFORMATION**

The Housing & Economic Development Committee will conduct this meeting remotely via Zoom pursuant to the Remote Meeting Policy adopted by the Portland City Council. Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live either in person or via Zoom, a recording will be available in the [Agenda Center](#) following the meeting.

For public comment via Zoom, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit \*9. You will be unmuted by the host when it is time for public comment.

**Please click the link below to join the Zoom meeting:**

<https://portlandmaine-gov.zoom.us/j/83329598115?pwd=QnfQQHnN8dDEDPPXS55htOhMV8zKPz.1>  
Passcode:897371

Phone one-tap:

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Join via audio:

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+1 301 715 8592 US (Washington DC)  
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+1 309 205 3325 US  
+1 564 217 2000 US  
+1 669 444 9171 US  
+1 669 900 6833 US (San Jose)  
+1 689 278 1000 US  
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International numbers available: <https://portlandmaine-gov.zoom.us/j/7bG3Tl6>

1. **Review and accept Minutes of previous meetings held on:**
  - a. September 23, 2025 - See attached draft meeting Minutes;
  - b. October 7, 2025 - See attached draft meeting Minutes; and,
  - c. October 15, 2025 - See attached draft meeting Minutes.
2. **Discussion regarding proposed entertainment license - Councilors Grant and Michniewicz**
  - a. See attached proposed ordinance amendments.
3. **Discussion regarding Performance Hall Moratorium - Chair Councilor Pious Ali**
4. **Discussion regarding Rent Control Ordinance Policy - Chair Councilor Pious Ali**
  - a. See Councilor Kate Sykes Memo attached.
5. **Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C) and 5 M.R.S.A. 13119-A, the Committee will go into executive session to provide staff direction regarding possible negotiation for sale of City-owned property at Portland Technology Park.**

Next Meeting Date: November 18, 2025

Minutes

Remote Housing and Economic Development Committee

September 23, 2025

**NOTE: This meeting was held via Zoom and can be viewed at this link:**

<http://www.portlandmaine.gov/1695/Economic-Development-Committee> These Minutes provide a record of those in attendance, general discussion taking place, and motions made.

A remote meeting of the Housing and Economic Development Committee (HEDC) of the Portland City Council was held on Tuesday, September 23, 2025, at 5:30 p.m. via Zoom. Present from the HEDC were Chair Councilor Pious Ali, and members Councilors Sarah Michniewicz and Kate Sykes. Member Councilor Regina Phillips could not be present. City staff present were Associate Corporation Counsel Avery Dandreta, Housing and Community Development Division Director Mary Davis, Public Assemblies Director Andy Downs, Corporation Counsel Michael Goldman, Parks and Public Assemblies Director Ethan Hipple, Housing Safety Division Director Zachary Lenhert, Assistant City Manager Dena Libner, Deputy Director of Parks and Public Assemblies Angela O'Connor, Principal Administrative Officer Lori Paulette, and Housing and Economic Development Department Director Greg Watson,

**Item #1: Review and accept Minutes of previous meeting held on July 15, 2025**

On motion made by Councilor Sykes, seconded by Chair Councilor Ali, the Committee voted 3-0 to accept the minute as published.

**Item #2: (Public Comment) Review and recommendation to the City Council regarding request by the VFW to waive Poker License Fee – Zachary Lenhart**

Mr. Lenhart noted that per Chapter 15 of the City Code, the City Council can waive or reduce license fees, which is what the VFW has requested, i.e., waive the Poker License Fee. The Committee is being requested to make a recommendation to the City Council. The HEDC reviewed the VFW's 2024 Beano License Fee waiver request on January 23, 2024 and recommended the 50% of the 2024 fee be waived.

Councilor Sykes noted that VFW provides a community benefit for not all citizens of Portland and questioned setting a precedent.

Councilor Michniewicz noted that this is the first time she has been presented with this issue and questioned how many non-profits were aware of potential waiver/grant requests.

Ms. Libner noted a staff oversight to not bring the HEDC vote on 1/23/2024 to the City Council and if voted favorably at this meeting, staff would bring both to the City Council for their vote.

Chair Councilor Ali opened the meeting for public comment.

Douglas Doughty, member of the VFW and prior military service, said that the VFW is passionate about their responsibility to give back personally and organizationally, sponsoring many community events at no cost. Fees charged go back directly into the community and hoped the Committee would look favorably on this request.

Dave Bianculli, Commander of VFW, highlighted the many community benefits the VFW serves and what it does for the community, noting that it makes sense to waive the fees. The VFW has all volunteers and no paid employees. Reports are done for every event which are reviewed by the State.

Jared Sawyer, Portland resident and member/CFO of the VFW, noted that the VFW does provide direct support to community in Woodfords Corner, donates to storage to the Little League in their basement, Portland Public Schools holds seminars in their hall at no charge, holding Cancer benefit events at no cost, Thanksgiving day dinners, direct donations for 4<sup>th</sup> of July PSO event, and more. If a homeless veteran calls, the VFW can put them in a place to sleep. Mr. Sawyer said that the benefits go on and urged the Committee to recommend approval to the City Council.

The Committee discussed defining direct public benefits and an accounting mechanism that would help the Council understand the benefits, with Mr. Goldman noting it is in the City Council's discretion to make the determination as the direct public benefits term is not defined in the ordinance.

After further Committee discussion, on motion made by Councilor Michniewicz, seconded by Councilor Sykes, the Committee voted 3-0 to recommend to the City Council a 50% discount for the VFW and the Maine Irish Heritage Center (who had also requested the waiver previously).

**Item #3: (Public Comment) Review and recommendation to the City Council Agreement for 2026 Back Cove Festival**

Mr. Hipple provided highlights of the proposed agreement with the Promoters for a similar festival that took place this past Summer. The proposed Agreement would be a 3-year agreement and a 3-year renewal and went over the terms.

Regarding this past Festival, Mr. Hipple and Mr. Downs noted that things went better than expected and staff supports the proposed agreement, reached after extended negotiations to be fair and balanced. The footprint is similar and attendance and hours are the same.

There was discussion between the Committee and staff regarding communication issues with the neighbors and a concentrated effort would need to be made to ensure that all are heard, noting a targeted email approach for better responses/timing for future events. Noise issues are handled in the moment with a direct line from Police dispatch to organizers and City staff. Decibels levels are checked on site during the event.

Committee members, after further discussions with staff, recommended that staff meet with community members/neighbors and discuss concerns/issues raised today with them so they are informed of future possible festivals coming and can offer feedback to the Committee. The Committee also requested that a tiered percentage of ticket sales to the City possibly be an option.

**Item #4: Discussion: Restaurant Industry workforce and labor issues – Review Downtown Transit Oriented Development Tax Increment Financing District eligible uses for potential ways to assist the restaurant industry.**

Mr. Watson noted that this item related to the Committee policy initiative regarding the restaurant industry labor shortage and thinking about creative opportunities to keep it all working. Allowable uses in the Downtown TOD TIF are intended to support infrastructure, i.e., sidewalks, streetscapes, parking but there are more general opportunities including workforce training.

Chair Councilor Ali noted that this item came about when many restaurants were closing. He is open to suggestions but not necessarily at this meeting. As has been discussed, housing for these employees is also a major component here and in many locales.

**Item #5: Communication Only: Quarter 2 Rent Control Report**

Chair Councilor Ali said that this is a communication item. He asked if there were any questions/comments. There being none, he thanked staff for the report.

**Item #6: (Public Comment) Review and recommendation to the City Council regarding the issuance of an RFP for a Licensed Early Childhood Education Provider at City-owned property known as BC 2.**

Ms. Libner noted that the Committee first took this up here early Summer. At that time, there were Committee questions and public comment, and Councilors Sykes and Bullett discussed proposed amendments thereafter. At this point in time, staff recommends postponing this until 2026 to look into it and evaluate it more so that it will be a success, particularly staffing issues as staff understands this to be a major issue for childcare providers.

On motion made by Councilor Sykes, seconded by Councilor Michniewicz, the Committee voted 3-0 to postpone this to 2026.

**Item #7: Oral Communication: HEDC to discuss Performance Hall Moratorium at its October 21, 2025, meeting.**

Mr. Watson noted that Councilors Grant and Michniewicz will bring a proposal to consider an ordinance to formalize community benefits associated with performance venues.

**Item #8: (Public Comment) Review and recommendation to the City Council on a request for loan funding from the Jill C. Duson Housing Trust Fund for Lambert Woods North/622 Auburn Street**

Ms. Davis, acknowledging that Virginia White from POAH was in attendance for any questions, gave a high level overview noting that the Committee is familiar with the development, which is requesting \$360,000 in loan funding as noted above. The funding will fill

the gap for the development of 72 units of affordable housing at 60% AMI across 6 residential buildings. The City's underwriter has reviewed and approved with conditions.

Councilor Ali opened the meeting for public comment; seeing none, he closed the public comment session.

On motion then made by Councilor Sykes, seconded by Councilor Michniewicz, the Committee voted 3-0 to forward this to the City Council with a recommendation of approval.

**Item #9 – (Public Comment) Review and recommendation to the City Council approval of an Amendment to the Declaration of Condominium for Dougherty Commons Phase 2**

Ms. Davis noted that this is another project the Committee is well familiar with and then described the amendment the HEDC is being asked to recommend approval to the City Council.

Councilor Michniewicz appreciated the amount of work to get this to the point that it can move forward for the good of the project.

On motion then made by Councilor Michniewicz, seconded by Councilor Sykes, the Committee voted 3-0 to forward this to the City Council with a recommendation of approval.

**Item #10: Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C) and 5 M.R.S.A. 13119-A, the Committee will go into executive session to provide direction to staff regarding the disposition of City-owned property at 21 Randall Street**

Mr. Goldman said that this item is appropriate for executive session so as to not to jeopardize the City's negotiating position in this possible sale of City-owned real estate.

Chair Councilor Ali asked if there was any public comment; seeing none, the public comment session was closed. He then noted that the Committee would go into executive session and after the executive session the meeting would be concluded.

On motion made by Councilor Michniewicz, seconded by Councilor Sykes, the Board voted 3-0 to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) and 5 M.R.S.A. 13119-A to provide direction to staff regarding negotiations for the possible disposition of City-owned property at 21 Randall Street – at approximately 7:27 p.m. At approximately 7:48 the Committee came out of executive session and the meeting was adjourned.

Respectfully, Lori Paulette

## Minutes

### Remote Housing and Economic Development Committee

October 7, 2025

**NOTE: This meeting was held via Zoom and can be viewed at this link:**

**<https://portlandme.portal.civicclerk.com/event/8321/media>. These Minutes provide a record of those in attendance, general discussion taking place, and motions made.**

A remote meeting of the Housing and Economic Development Committee (HEDC) of the Portland City Council was held on Tuesday, October 7, 2025, at 5:30 p.m. via Zoom. Present from the HEDC were Chair Pious Ali, and members, Sarah Michniewicz, and Kate Sykes. Also present were City Council members Mayor, Mark Dion, Anna Bullett and Wesley Pelletier. Present from the City staff were Housing and Economic Development Department Director Greg Watson, Housing and Community Development Division Director Mary Davis, Corporation Counsel Michael Goldman, Assistant City Manager Dena Libner, Parks and Recreation Department Director, Ethan Hipple, and Director of Public Assemblies Division, Andy Downs.

Chair Ali experienced technical difficulties and asked Mayor Dion to Chair the meeting.

#### **Item #1: Public Hearing: Review and recommendation to City Council Agreement for 2026 Back Cove Festival**

Director Hipple introduced the item and outlined the revisions made as a result of guidance received from Committee members during the meeting on September 23, 2025. Revisions include an increase to the escalating fee schedule, organizers hosting two neighborhood meetings each year (60 days prior and 90 days post event), provision of financial

records to verify accuracy of payments to the City and agreement by the organizer not to transfer or assign contract rights.

Mayor Dion opened the item to questions from Committee members. Councilor Sykes inquired about how the engagement with the community would work; it should be proactive and include the community in planning. Councilor Michniewicz asked about the no transfer clause without prior city manager approval and suggested that be changed to without prior city council approval and also expressed concerns about the noise fee. Councilor Sykes also inquired about the ticket fee and suggested that include not only tickets sold by comped or donated tickets; also suggested that the financial records should include a full audit of each type of ticket (sold, comped, donated, etc.). Councilor Bullett mentioned receiving lots of positive feedback and was concerned that councilors should not stray into the operational aspects of the agreement. Councilor Bullett also raised concerns about seeking monetary compensation for comped or donated tickets which could result in fewer ticket donations being made available to the community. Councilor Pelletier indicated he was happy with where the contract is at now, heard a lot of positive feedback regarding the festival and doesn't want disincentive donated tickets. Councilor Sykes indicated she is looking for more transparency about where the comped tickets are going and that staff should not be receiving comped tickets.

In response to Councilor Michniewicz's concern regarding the noise deposit, Mr. Downs indicated the fee is determined by city ordinance and he believes the promoter responded quickly to any noise concerns that were raised during the festival.

After continued committee discussion on the above mentioned topics, Mayor Dion opened the item to public comment.

Devin Green talked about her concerns and the concerns of the Friends of Payson Park which have been shared with the council. While there may have been a lot of positive feedback, there has also been negative comments too. Ms. Green believes full transparency by the promoter concerning finances is important and the city should be making a better deal on the revenue share model. Ms. Green also indicated that there needs to be more community engagement by the promoter.

Seeing no other public comment, Mayor Dion closed the public comment period.

Councilor Michniewicz made a motion to refer the item to the City Council which was seconded by Councilor Ali. Councilor Sykes made a motion to amend the agreement to a 1 year term; seconded by Councilor Michniewicz. After a lengthy discussion regarding how to move forward, both motions were withdrawn. Councilor Sykes made a motion to postpone action to a Housing and Economic Development Committee meeting to be scheduled for the week of October 13th; motion was seconded by Councilor Michniewicz and approved by a 3-0 vote of the committee.

Motion to adjourn by Councilor Sykes, seconded by Councilor Michniewicz and approved by 2-0 vote (Councilor Ali exited the meeting prior to the motion). Meeting was adjourned at 7:09 pm.

A followup meeting will be scheduled for next week on this same item.

Respectively submitted, Mary Davis

## Minutes

### Remote Housing and Economic Development Committee

October 15, 2025

**NOTE: This meeting was held via Zoom and can be viewed at this link:**

**<https://portlandme.portal.civicclerk.com/event/8331/media>. These Minutes provide a record of those in attendance, general discussion taking place, and motions made.**

A remote meeting of the Housing and Economic Development Committee (HEDC) of the Portland City Council was held on Tuesday, October 15, 2025, at 5:30 p.m. via Zoom. Present from the HEDC were Chair Councilor Pious Ali, and members Councilors Sarah Michniewicz, Regina Phillips and Kate Sykes. Present from the City staff were Housing and Economic Development Department Director Greg Watson, Housing and Community Development Division Director Mary Davis, Corporation Counsel Michael Goldman, Assistant City Manager Dena Libner, Parks and Recreation Department Director, Ethan Hipple, and Director of Public Assemblies Division, Andy Downs.

#### **Item #1: Review and recommendation to City Council for Agreement for 2026 Back Cove Festival**

Director Hipple introduced the item and outlined the revisions made as a result of guidance received from Committee members during the meeting on October 7, 2025. Revisions include an increase to the noise deposit (\$1,000 to \$5,000) and requiring any transfer of contract rights to be approved by the City Council, not the City Manager.

Councilor Phillips and Councilor Michniewicz asked several clarifying questions. Councilor Michniewicz asked staff to review all changes made to the original agreement, which Director Hipple provided. Councilor Michniewicz requested that Corporation Counsel review if

and how amendments may be made by the Council. Corporation Counsel Goldman indicated that a contract is different from an ordinance and it would be difficult for the Council to make amendments on the floor as the other party would not have an opportunity to agree or negotiate. Councilor Sykes indicated that all her concerns were not addressed and she remains concerned about transparency around the type of tickets issued, return on investment to the City, and how neighborhood concerns are being addressed.

After continued committee discussion and responses from staff, Councilor Ali asked for a motion. Councilor Phillips made a motion which was seconded by Councilor Michniewicz. The Committee voted 3-1 (Sykes against) to forward the item on to the City Council for approval.

Public comment was not taken on this item because the Committee took public comment at its meeting on October 7, 2025.

Motion to adjourn by Councilor Phillips, seconded by Councilor Michniewicz and approved by 4-0 vote Meeting was adjourned at 6:41 pm.

Next meeting is scheduled for October 21, 2025.

Respectively submitted, Mary Davis

## Chapter 4 AMUSEMENTS\*

**\*Cross reference(s)** Zoning regulation of adult business establishments, § 14373 et seq.

**State law reference(s)** Pinball machines, 8 M.R.S.A. § 441 et seq.

### **Art. I. In General, §§ 41415**

### **Art. II. Amusement Devices, §§ 416440**

Div. 1. Generally, §§ 416425

Div. 2. License, §§ 426440

### **Art. III. Entertainment, §§ 441470**

Div. 1. Generally, §§ 441450

Div. 2. License, §§ 4514-56

Div. 3. Standards for Entertainment Pursuant to a License, §§ 4574-70

### **Art. IV. Gaming, §§ 471482**

Div. 1. Generally, §§ 471480

Div. 2. License, §§ 481482

### **Art. V. Nudity in Licensed Businesses, §§ 483496**

Div. 1. Generally, §§ 483, 484

Div. 2. License, §§ 485497

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## **ARTICLE III. ENTERTAINMENT\***

**\*State law reference(s)** Dances, 8 M.R.S.A. § 161 et seq.; special permit for music, dancing or entertainment, 28 M.R.S.A. § 702.

### DIVISION 1. GENERALLY

#### **Sec. 441. Purpose.**

The purpose of this article is to control the issuance of special permits for entertainment.

(Code 1968, § 907.1; Ord. No. 23180, 122280; Ord. No. 3495, 7595; Ord. No. 165-06/07, 4-4-07; Ord. No. 285-19/20, 7-15-2019)

**Sec. 442. Definitions.**

Terms used in this article shall have their common meaning except that the definitions set forth in chapter 15 and/or in this section shall apply unless the context clearly indicates that a different meaning is intended.

*Entertainment* shall mean and include any event to which the public is invited or allowed to watch, listen to, or participate in; or is conducted for the purposes of holding the attention of, gaining the attention of, or diverting or amusing patrons or guests, including, but not limited to any of the following:

1. Dancing by patrons to live or recorded music;
2. The presentation of music played on sound equipment operated by an agent or contractor of the establishment, commonly known as 'disc jockey' or 'DJ';
3. The playing of background music, except where the background music cannot be heard beyond the limits of the premises on which the music is being played;
4. The presentation of live music whether amplified or unamplified;
5. The presentation of music concerts, or other similar forms of musical entertainment from any source; or
6. Any other live performance, including, but not limited to, presentations by single or multiple performers, such as hypnotists, comedians, dance arts, concerts, dances, live bands, karaoke or other live music.

*Entertainment Sector Benefit Agreement* means an agreement entered into between the City and certain entertainment licensees pursuant to which the licensee provides financial contributions to the City's Entertainment Sector Trust Fund and/or in-kind contributions to support Portland's entertainment sector. Such financial and in-kind contributions shall be used to provide benefits to entertainers and entertainment businesses in Portland including, but not limited to, the use or improvement of spaces used for entertainment events, rehearsals, or community events; materials, equipment, or services that are

reasonably necessary for artists or entertainment businesses; funding for education and training of artists and entertainment business staff; and similar expenses.

Indoor Entertainment shall mean entertainment that is conducted within a fully enclosed building or structure, including ensuring that all windows and doors remain closed during the time that entertainment is occurring.

Large Capacity Entertainment License means an entertainment license for premises with a capacity of 2000 or more people.

Outdoor Entertainment shall mean entertainment that is conducted outside of a fully enclosed building or structure, or is conducted within a building or structure in any manner such that the sound generated by that entertainment is intentionally projected outside of that building or structure.

(Code 1968, § 907.3; Ord. No. 23180, 122280; Ord. No. 3495, 7595; Ord. No. 165-06/07, 4-4-07; Ord. No. 285-19/20, 7-15-2019)

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## DIVISION 2. LICENSE\*

\*Cross reference(s) Licenses and permits generally, Ch. 15.

### Sec. 451. Required.

(a) No person shall conduct, or permit to be conducted on a premises, or other location owned or controlled by that person, any entertainment without first obtaining a license as provided in this Article.

(b) *Single Event Entertainment License - Private Property.* A Single Event Entertainment License - Private Property shall allow the licensee to conduct a single indoor or outdoor entertainment event lasting no more than eight hours in one 24-hour period at the premises for which the license is issued. No more than five Single Event Entertainment Licenses may be issued for events at any one premises in any twelve-month period.

(c) *Single Event Entertainment License - Public Property.* A Single Event Entertainment License - Public Property shall allow the licensee to conduct a single indoor or outdoor entertainment event lasting no more than eight hours in one 24-

hour period on City-owned property. Multiple events by the same party and on the same City-owned property may be combined into one license.

(d) *Indoor Entertainment License.* An Indoor Entertainment License shall allow the licensee to conduct indoor entertainment only at the premises for which the license is issued.

(e) *Outdoor Entertainment License.* An Outdoor Entertainment License shall allow the licensee to conduct outdoor entertainment only at the premises for which the license is issued.

(f) *Combined Entertainment License.* A Combined Entertainment License shall allow the licensee to conduct indoor and/or outdoor entertainment at the premises for which the license is issued.

(g) *Expanded Entertainment Addendum.* An Expanded Entertainment Addendum shall be in addition to any entertainment license and shall allow the licensee to conduct after-hours entertainment and/or to exceed the applicable sound limits. Expanded Entertainment Addendum shall be at the sole discretion of the City Manager.

(Code 1968, § 907.2; Ord. No. 23180, 122280; Ord. No. 3495, 7595; Substitute Ord. No. 310-A-01, § 1, 8-20-01; Ord. No. 165-06/07, 4-4-07; Ord. No.250-07/08, 5-19-08; Ord. No. 163-11/12, 5-7-12; Ord. No. 165-15/16, 3-7-2016; Ord. No. 18-17/18, 8212017; Ord. No. 285-19/20, 7-15-2019)

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**\*Editor's Note:** Sections 4-51.5 thru 4-51.7 *Moratorium on issuance of late-night entertainment licenses* expired on October 17, 2006, pursuant to Ord. No. 216-05/06, passed on 6-5-06.  
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## **Sec. 452. Application.**

(a) Application for a license under this division shall, in addition to the requirements of Chapter 15, be submitted on forms provided by the City. Applications shall specifically include:

1. The name and contact information of the owner or person in control of the building and/or premises;
2. The name and contact information of the person responsible for the entertainment, who shall be

available to respond to inquiries of the City at all times while entertainment is taking place;

3. The location of the premises; and
4. A plan of the premises, giving in detail the dimensions and diagram of space to be used for dancing, seating, toilet rooms, and means of egress.

Applicants must provide all required information and pay all required fees before a license application will be considered.

\* \* \*

(f) Entertainment Sector Benefit Agreement.

1. As a condition of receiving a Large Capacity Entertainment License, applicants, other than the City, for a license under Sections 4-51(d), (e) and (f) must enter into an Entertainment Sector Benefit Agreement with the City, which agreement is subject to review and approval by the City Council.
2. Any holder of a valid Large Capacity Entertainment License as of the effective date of this subsection (f), other than the City, must enter into an Entertainment Sector Benefit Agreement with the City prior to the second license termination date after said effective date. Such agreement is subject to review and approval by the City Council.
3. The total value of financial and in-kind benefits that an applicant will be required to provide under an Entertainment Sector Benefit Agreement shall be the equivalent of a percentage of the ticket price of each ticket sold for each entertainment event held at the licensed premises, adjusted for premises capacity, as set forth in the following table:

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<u>Premises Capacity</u>	<u>Percentage of base ticket price</u>
<u>2000-2499</u>	<u>1.0%</u>
<u>2500-2999</u>	<u>1.5%</u>

<u>3000 or more</u>	<u>2.0%</u>
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The decision whether to accept an in-kind contribution in lieu of a financial contribution from an applicant under an Entertainment Sector Benefit Agreement will be in the City Council's discretion.

For purposes of this paragraph, the term "base ticket price" means the cost of entry for an event excluding applicable taxes and third-party service and delivery fees. For example, if an entertainment license holder holds an event in its premises that have a capacity of 2200 people and sells 1500 tickets with a base ticket price of \$50 each and 700 tickets with a base ticket price of \$75 each, the amount due to the City would be as follows:

$[(1500 \times \$50) + (700 \times \$75)] \times 0.01 = \$1,275.00.$

4. Prior to execution of the first Entertainment Sector Benefit Agreement created under this subsection (f), the City Council will adopt an ordinance establishing an Entertainment Sector Trust Fund to hold any funds paid to the City pursuant to any Entertainment Sector Benefit Agreements and creating procedural rules for the disbursement of such funds to the entertainment sector. The purpose of the Entertainment Sector Benefit Agreement and the Entertainment Sector Trust fund established by this subsection (f) is to promote the city's creative economy, preserve the character and vitality of the arts community and enhance accessibility for local artists and residents.



To: Pious Ali, Chair and Members of the Housing & Economic Development Committee (HEDC)  
From: Kate Sykes, Councilor Dist. 5  
Date: Sep 22, 2025  
RE: Follow-Up on Rent Control Workshop and Ordinance Reform Process

Following the June 9th Council Workshop on Rent Control enforcement, and subsequent staff proposals to amend the ordinance, this memo outlines recommended next steps for consideration by HEDC.

This workshop surfaced both operational and structural issues that have undermined public trust in the Rent Control program. While enforcement has been uneven and compliance inconsistent, I believe the fundamental framework of the ordinance is sound and worth preserving.

I want to thank staff for bringing forward their perspective and for opening the door to this much-needed policy discussion. I also appreciate the thoughtful public comments we received from members of the Rent Board and the Portland Tenants Union. While I don't believe the ordinance is fundamentally broken, I do believe that better administrative practices, increased transparency, and selective ordinance reforms down the road can strengthen both compliance and public confidence.

The City has only recently hired the appropriate levels of enforcement staff. It is crucial that we give the department time to fully engage this role before we draw conclusions about any needed changes to the ordinance.

In my view, the most meaningful enforcement is just beginning. We should continue monitoring this system, identifying gaps, and working in collaboration with staff, tenants, and landlords to improve implementation.

### **Recommendations**

#### *Delay Structural Ordinance Changes*

The Rent Control Ordinance was adopted via citizen referendum and cannot be substantively amended by Council until five years have passed. Even setting that restriction aside, I believe a rush to amend the ordinance now could fracture public trust and distract from more urgent operational improvements.

We should continue studying and refining our understanding of implementation challenges before introducing legislative changes. I recommend we revisit this in 6–12 months.

#### *Clarify Banked Rent Policy to Support Flexibility*

One concern I've heard from landlords, particularly small, local property owners, is that the current structure disincentivizes keeping rents low out of goodwill or financial flexibility. If a landlord chooses to reduce rent for a tenant facing hardship, or for a family member, they risk losing access to the higher, previously banked amount.

To address landlord concerns and reduce confusion, the City should immediately issue clear guidance clarifying that charging less than the legal maximum rent does not reset the base rent, provided landlords keep accurate records and act in good faith.

The registration portal should include a field for landlords to explain below-market rents, with options like “family member occupant” or “hardship reduction.” Additionally, staff should work with the Rent Board and landlord groups to distribute this information and offer educational sessions on base rent and banked rent rules.

If confusion or disputes persist, we may consider codifying the following in ordinance:

- Landlords who charge below their maximum allowed rent may still bank the difference;
- Upon turnover, up to 20% of accumulated banked rent may be applied immediately, provided it was properly tracked and reported.

This approach encourages landlords to keep good tenants housed without fear of financial penalty, reduces the perverse incentive to force voluntary turnover solely to reset rents, and could offer a fair compromise between rent control stability and financial sustainability.

#### *Respect and Preserve Rent Board Jurisdiction*

Several proposed amendments from staff could curtail the authority of the Rent Board. I do not support this direction. I strongly recommend we convene a public HEDC workshop with the Rent Board before any ordinance changes affecting their powers are considered.

#### *Strengthen Transparency Without Undue Burden*

The staff proposal to try to address documentation requirements by allowing landlords to retain rent records themselves (rather than submit leases or payment receipts as documentation) could be a step backward. We've already seen how self-reporting can obscure illegal rent increases.

At minimum, I recommend:

- Uploading leases or payment receipt with base rent registration;
- Maintaining a public-facing registration history;
- Using this information to mail rental history cards to tenants annually

This would promote shared accountability and build trust among all parties.

#### *Restrictions on Tenant Advocacy*

The staff amendment requiring unanimous tenant consent before a third party may represent or advocate for them is both impractical and potentially unlawful. It's unclear to me what specific problem this proposed restriction is trying to solve, and requiring unanimous written consent from all tenants before a third party can advocate on their behalf seems unnecessary and overly burdensome. If there are concerns about representation, perhaps they can be addressed procedurally without restricting tenants' right to organize or seek advocacy.

#### **Recommended Next Steps for HEDC**

- Invite the Rent Board to a public workshop to review all proposed changes collaboratively;
- Request a timeline and strategy from staff to implement administrative improvements without ordinance changes;
- Revisit the question of legislative reform only after enforcement staff have had time to stabilize and evaluate the current system.