

Under the Government's program "Building Portugal: New Strategy for Housing," Decree-Law No. 76/2024 was published on October 23, aiming to establish conditions for the coexistence of Local Accommodation Establishments with housing promotion policies.

Let's review the main changes introduced:

### Possibility of Municipal Regulation Approval

Municipalities with 1000 Local Accommodation Establishments can approve regulations regarding this activity. The Municipal Assembly has a period of 12 months from the time this number is reached to explicitly decide whether to exercise this regulatory power.

For municipalities that already have more than 1000 establishments as of November 1 of this year—the date of this law's entry into force—the decision mentioned must occur within the next 12 months, that is, by December 1, 2025.

The regulation may establish the role of "Local Accommodation Ombudsman," responsible for assisting the municipality in managing disputes among residents, Local Accommodation operators, and condominium owners or other interested parties. This role includes:

- a) Reviewing complaints submitted;
- b) Issuing recommendations; and
- c) Approving and implementing best practice guides for the operation of Local Accommodation activities.

### New Rules for Advance Communication

The requirement to indicate the seasonal period in the advance communication has been revoked when it pertains to permanent housing used for this purpose for no more than 120 days.

Additionally, the minutes of the condominium assembly are no longer required for Local Accommodation Establishments, except hostels, located in autonomous fractions under horizontal property regime.

The interested party is exempt from providing elements held by Public Administration, as long as they consent for the municipality to obtain them through the Public Administration Interoperability Platform.

It is also noted that the period for opposing the advance communication is now:

- a) 60 days regardless of the type of Local Accommodation Establishment, as long as it is not located in a containment area;
- b) 90 days for Local Accommodation Establishments located in containment areas.

During these periods, the municipality must conduct an inspection to verify compliance with legal requirements.

# Grounds for Opposing Advance Communication

The following grounds for opposing the advance communication have been added:

- a) Violation of restrictions set by municipalities regarding containment and sustainable growth areas, or lack of appropriate use authorization for the building;
- b) Non-compliance with applicable legislation.

There is also the possibility for the interested party to request, once, an inspection by municipal services to attempt to overturn the opposition to the advance communication, bearing the costs of this inspection.

The registration of Local Accommodation Establishments is no longer subject to a deadline, eliminating the need for renewal and prohibiting its transfer.

## Cancellation of Registration

New grounds for registration cancellation have emerged, while existing ones remain:

- a) Lack of mandatory insurance or failure to submit information and its respective proof;
- b) Repeated and proven acts that disturb the normal use of the building;
- c) Verification of Local Accommodation Establishments in buildings where a lease contract for permanent housing was signed within the 2 years prior to registration, provided the property is in a containment area and violates the approved regulation.

Opposition from the condominium assembly to the establishment of new accommodations depends on the cumulative fulfillment of the following requirements:

- a) Resolution approved by more than half of the building's ownership share;
- b) Grounds based on repeated disturbances to the normal use of the building;
- c) Acts causing discomfort and inconvenience to the residents.



Once the mentioned requirements are met, it is up to the President of the competent Municipal Chamber to decide on the cancellation of registration.

The President of the Municipal Chamber may initiate a new procedure aimed at reaching an agreement among the parties, with the support of the Local Accommodation Ombudsman, creating commitments and conditions to be fulfilled.

This procedure must be concluded within a maximum of 60 days, with the President of the Municipal Chamber or delegated officials analyzing the final report from this procedure and deciding on the cancellation of registration as well as any other proposed measures.

The cancellation of registration results in the immediate cessation of the establishment's operation, without prejudice to the right to a prior hearing.

The condominium assembly can only oppose the establishment of new accommodations in an autonomous fraction or part of a building that can be independently used if the resolution is approved by more than half of the ownership share and is based on repeated disturbances.

#### Containment and Sustainable Growth Areas

In the municipal regulation regarding Local Accommodation activities, containment areas and sustainable growth areas may be created. The former correspond to areas where there is an overload of Local Accommodation Establishments, while the latter are areas where it is justified to prevent and monitor the establishment of new accommodations to avoid overload. The restrictions and rules for these areas are subject to the regulations established in the aforementioned regulation.

The creation of these areas must be supported by an evaluation study analyzing the concentration and impact of Local Accommodations in a specific zone, ensuring compliance with the principle of proportionality.

These areas must be re-evaluated at least every three years, with Turismo de Portugal, I.P. being informed of the conclusions obtained from the re-evaluation.

