

SHORT TERM RENTAL TASK FORCE (STRTF) AGENDA

April 17, 2025 at 12:10 PM

Assembly Chambers/Zoom Webinar

https://juneau.zoom.us/j/85489869354 or call 1-253-215-8782 Webinar ID: 854 8986 9354

Assembly Chambers at 155 Heritage Way

A. CALL TO ORDER

B. LAND ACKNOWLEDGEMENT

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. *Gunalchéesh!*

- C. ROLL CALL
- D. APPROVAL OF AGENDA
- E. AGENDA TOPICS
 - 1. Discuss and Deliberation on Draft STR Matrix
 - Presentation of a Recommendation Option from Task Force Member Schijvens
- F. STAFF REPORTS

Information Only: Public Comment To-Date

- G. COMMITTEE MEMBER COMMENTS AND QUESTIONS
- H. NEXT MEETING DATES

May 1, 2025 at 12:10pm Assembly Chambers/Zoom

May 15, 2025 12:10pm Assembly Chambers/Zoom

- I. SUPPLEMENTAL MATERIALS
- J. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, e-mail: city.clerk@juneau.gov.

Reminder of charge

Create a matrix that evaluates and recommends various regulatory actions for STRs to improve housing availability in Juneau. This matrix should look at both short and long-term regulatory options in order to inform not only options to address the current STR and housing landscape, but also be the basis for the Assembly to take future action without the need to revisit this process if the landscape should change.

Impact levels - staff draft

Core to the matrix requires defining levels of housing availability/affordability impact at which various regulatory options would be considered. The task force may wish to either:

- 1) Revise the staff provided draft definitions below
- 2) Especially if unable to reach consensus, recommend the Assembly engage in research or attempt at the Assembly level to define impact levels.

Note: the task force may wish to further debate whether the quantitative measurement should be the number of **year-round** versus the number of **seasonally** operated STRs, or an entirely different metric.

- Using a **year-round** number (270+ days, full home), the task force could reasonably assume the vast majority of those units are only available for short-term rentals in any given year in the community. By using this number, the task force may miss the impact of seasonal STRs that, for whatever reason, are not available at any point in the year for longer-term rentals because of their seasonal status.
- Using a **seasonal** number, the task force would address any concerns about missing long-term rental impacts; however, this would discount the value of off-season long-term rentals (e.g. legislature) to the extent those are being provided by seasonal STR operations.
- Regardless of which quantitative measurement used, the task force could care for any real
 or perceived deficiencies by adjusting the recommended regulatory options associated
 with each level.

Level	Seasonal	% of Rental Stock	Year-round	% of Rental Stock
	STRs		STRs	
1	<300¹	<6.4%	<80	<1.7%
2	300-450 ²	6.4% - 9.5%	80-130	1.7% - 2.8%
3	450-600	9.5% - 12.7%	130-180	2.8% - 3.8%
4	600-750	12.7% - 15.9%	180-230	3.8% - 4.9%
5	>750	>15.9%	>230	>4.9%

For reference: Juneau has approximately 14,170 housing units. Approximately $1/3^{rd}$, or 4,723, are considered part of the rental stock.

¹ Staff opted to begin the levels at this number because a significant majority of the task force members have indicated a desire to minimally regulate single STR operators who are utilizing their primary residence and/or ADU as a STR and 300 represents a rough estimate of that type of STR use in our community. This could be alternately cared for by choosing a different impact metric and/or carving out an exemption in regulation.

² For the summer of 2024, we are in this range: ~387

Regulatory options

Based on STR Task Force discussions to date, the following regulatory options were included for consideration in the draft matrix below³.

- A. Requirement that STR operators obtain a free, annual permit
- B. Requirement that software platforms post valid STR permit numbers on advertisements
- C. Requirement that software platforms collect and remit required taxes
- D. Institute a fee for the annual permit, increasing per number of STRs permitted per person/entity.
- E. Increase/change fines for non-compliance of permit terms currently \$25/day for failing to register. Proposed change to \$100/day or the amount of the gross daily rate last advertised for the rental, whichever is greater.
- F. Cap the number of STRs permittable per person or entity.
- G. Institute an onsite resident requirement for an STR to function on the parcel
- H. Institute an onsite resident requirement for an STR to function per dwelling unit (e.g. room rentals only, no whole house)
- I. Cap the number of permitted STRs at a specific number, exempt STRs with primary resident occupancy living on [the parcel or in the dwelling unit]
- J. Cap the number of permitted STRs at a specific number
- K. Propose a STR specific additional sales tax [requires a community-wide vote]
- L. Exempt shared-dwelling unit STRs, where an individual dwelling unit is lived in by a full time resident and individual bedrooms with other shared living spaces are short-term rented, from certain regulations.

Draft Matrix

Based on the above, the task force may consider the below a starting point for discussion as it develops a matrix for public comment and eventual submission to the Assembly:

Level	Regulations	
1	A, B, C, D-	
2	A, B, C, D	
3	A, B, C, D	
4	A, B, C, D+	
5	A, B, C, D+	

A minus (-) sign indicates the associated option at a lesser degree of regulatory burden and a plus (+) sign indicates the opposite. As an example, D- could be interpreted as "Fee required, but fee waived for onsite [parcel or dwelling unit] residency."

Staff did not have a sense of where the task force would collectively place items E through L as a starting point and look to the task force for continued discussion on those and any other potential options.

³ Regulatory categories the task force elected not to pursue include: zoning restrictions, neighborhood and/or building restrictions, density limits, bans, caps on STR days of operation, and minimum rental periods.

The next two tasks for the STR task force are to:

- 1) Discuss and confirm or change the metrics used for the impact levels section of the matrix
- 2) Discuss and confirm or change the regulatory options at each level within the matrix

Notes:

A is already in place; existing code (69.40.020(f)) requires notification to CBJ within 30 days of any changes to the registration (e.g. sale/transfer of property) which allows the permit to move from seller to buyer.

B, C are pending public hearing and adoption at the next Regular Assembly Meeting in accordance with the recommendation of the STR Task Force.

E is partially proposed to change, as noted above, and is a staff recommendation.

 From:
 Meilani Schijvens

 To:
 Robert Barr

 Subject:
 STR option

Date: Sunday, April 13, 2025 8:15:26 PM

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Greetings Robert-

Can you include the following in this week's packet?

Greetings STR Task Force,

Our committee previously recommended that online Short-Term Rental (STR) facilitators, such as Airbnb and VRBO, automatically collect applicable CBJ taxes from STRs and remit these taxes directly to CBJ.

I propose an additional recommendation:

Revenues collected from Juneau STR taxes should be directed into a dedicated fund specifically supporting:

- New housing construction
- Down payment assistance
- Healthy homes rehabilitation and repairs
- Rental vouchers for low-income residents earning under 120% of Median Family Income (MFI)

According to AirDNA analysis, Juneau STRs generated total revenues of \$12.6 million in 2024, indicating potential CBJ tax collections of approximately \$1.77 million.

Two local organizations currently possess the expertise and capacity to effectively manage and allocate such funding: the Tlingit Haida Regional Housing Authority, which is already engaged in similar initiatives locally, and the Juneau Community Foundation, experienced in managing and directing local funding of this type.

Thank you for your consideration.

Sincerely,

Meilani Schijvens