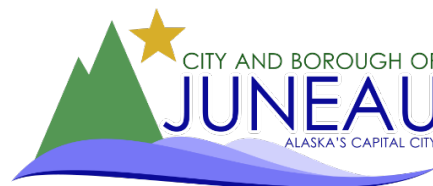


SHORT TERM RENTAL TASK FORCE (STRTF) MINUTES

April 03, 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 - Chair Bryson called the meeting to order at 12:20 p.m. (late start due to technical issues)

B. LAND ACKNOWLEDGEMENT – Read by Committee Member Petersen

C. ROLL CALL

Present: Chair Wade Bryson, Deputy Mayor Greg Smith, Assemblymember Alicia Hughes-Skandijs, Commissioner Erik Pedersen, Dan Coleman, Patty Collins, Adam Dordea, Carole Triem, Joyce Niven, and Meilani Schijvens

Absent: Ryan Kauzlarich

Staff/Others: Deputy City Manager Robert Barr, and Meeting Tech Kevin Allen

D. APPROVAL OF AGENDA – agenda approved as presented

E. APPROVAL OF MINUTES – minutes approved as presented

1. 2025-03-06 Short Term Rental Task Force DRAFT minutes
2. 2025-03-20 Short Term Rental Task Force DRAFT minutes

F. AGENDA TOPICS

3. Information Item from Task Force Member Dordea

Mr. Dordea shared that a memo came out from the University of Hawaii Economic Research Organization. In the last year Maui looked at changing how they regulate short-term rentals and during that review looked at removing over 6,000 short-term rental condos from the market. The University of Hawaii did a study to determine what the economic impact would be on the community taxation to determine if it would make sense for the community to do that. The Mayor of Maui wanted this policy change to phase out over 3,000 vacation rentals on July 1st of this year, and then the remaining of those by January 1st 2026. The study showed that it would reduce the entire visitor industry in Maui by 15% and reduce their GDP, which is approximately \$900 million by over 4%.

If all of the 6,000 rentals went into long-term housing, it would increase the housing stock by 13%. Mr. Dordea noted that he brought this to the committee because Maui is a very tourist heavy economy, similar to Juneau's and they were looking at this from the impact on affordability and housing. In Juneau we have approximately 2½ - 3% maximum short-term rentals, and many of those are used for multiple situations throughout the year. For every 1% of housing stock returned from short-term rental to long-term is between .5 - 4% reduction in rental rates. The study indicates that if 3% of short terms were brought back into long-term, then, on a \$2000/month rental in Juneau you'd see approximately a \$24 decrease in rent per year. Further, the study states that it would reduce condo prices in Maui by 20 - 40% if all they went on the market immediately which would reduce the property taxes in Maui by approximately \$90 million. The study suggested several other options for policies, such as gradual implementation, lottery-based permit system, and adding a tax to homes vacant for 6+ months. where people can, you know, bid to have a certain number of permits, or an unlimited number of permits and also having a tax on vacant houses.

Mr. Dordea stated his intent in sharing this material was to take a look at other communities and find out what the economic impact for Juneau might be; and keep us from making changes that have unintended consequences we hadn't considered. He would be interested in hearing from Travel Juneau or other organizations that may have data, to avoid doing something that impacts jobs and the economy more than the impact on housing.

4. Information Item from Task Force Member Coleman

Mr. Coleman noted that he had reviewed the matrix, and included in this STRTF packet was his feedback as it relates to all the elements of the matrix. He gave a high-level overview of the material he'd submitted and his thoughts on each topic. He included, on his matrix feedback, additional ideas for consideration that are based off the Anchorage Assembly's work from October 2023 - March 2025 which included license fee, fines/penalties, owner affidavit, biennial renewal, automatic renewal license transfer limitations and MOU's with hosting platforms.

5. Continued discussion on regulatory considerations and member perspectives

Permitting/Licensing Discussion:

Mr. Coleman stated it was important to consider that if CBJ is going to collect sales tax through the platforms to make a requirement that to be listed on those platforms that your license number is included in the listing.

Mr. Peterson commented that for a larger operator with multiple Airbnb's, a license should be required but if you were an owner/operator or living on the property most of the time, perhaps you could be exempted from that requirement; and there may be an opportunity to use the licensing to differentiate the types of operators.

Ms. Hughes-Skandijs agreed with needing the license number tied to the platforms. Regarding permit and license requirements Ms. Hughes-Skandijs noted these can be customized many ways to accomplish different things and hope the task force can find some consensus so we can use these requirements to create a deterrent effect.

Zoning Restrictions – Neighborhood and/or Building & Density Restrictions Discussion:

Chair Bryson asked members if they had any zoning comments, noting that the task force had previously commented that they weren't interested in implementing zoning restrictions.

Ms. Triem stated that if Juneau suddenly becomes the party destination of the country then the Assembly should look at zoning and the areas there may be neighborhood impacts we're not aware of; so, she requested they not take zoning restrictions completely off the table.

Ms. Schijvens noted that in comparing Juneau's short-term rental numbers with other communities, such as Maui, Juneau is just below thresholds to have these type of restrictions. However, if numbers suddenly jump up then it would be good to have some regulations in place.

Mr. Dordea commented that, rather than zoning, if there was a rental where parties were regularly happening, we could use permitting as a way to incorporate those offences, adding a monetary cost to each offence.

Mr. Coleman commented, if the city was going to provide any fiscal incentives for builders they should not allow that to be for short-term rentals.

Ms. Nivens added that if a developer is creating large multi-family units than having the ability to convert a small percentage of those units into Airbnb's to help finance the larger project would be worth the Assembly considering if the goal is to create more housing in Juneau.

Chair Bryson asked members if there was any discussion on density limits as one of the matrix factors; seeing no interest from members this option wouldn't be part of the matrix.

Short-Term Rental Ban Discussion:

Members discussed and noted they are looking at short-term rental regulations at the right point in time while rentals are still within a manageable number; and will allow for clear communication to the Juneau community once the matrix and regulations are finalized.

Cap on STR Units & Minimum Rental Periods Discussion:

Members discussed a potential cap at a higher tier in the matrix. Staff noted that this could be a complex item for them to potentially implement. This topic could fall in the same column as 'if we become the party capital of the country'. Staff would request the task force look at some metrics or triggers for the various tiers of impact, that may not be needed now but are a guideline for future Assembly's. Members noted the task force should take into consideration special events, such as Iron Man, that could trigger a high amount of Airbnb's for a specific amount of time. Another option would be to look at stand-alone units vs. owner/operator occupied and only put a cap on a stand-alone.

Minimum rental periods will be part of the tiered matrix discussion at a later meeting.

Maximum Number of STR Permits per Person Discussion:

Ms. Hughes-Skandijs stated she would be interested in favoring the owner/operator that is using part of their property to help off-set mortgage/housing costs vs. a business entity that runs 15+ units for a living. She commented that when looking at purchasing a house many of them were listed as 'perfect for a short-term rental income' and since the Assembly goal is to get houses on the market so people can buy houses to live in, she would be in favor of a limit.

Mr. Dordea asked how many operators own and operate multiple units and is it going to make an impact.

Mr. Barr replied that he didn't have exact numbers but in general from the registration data we have, the majority of our current STR units are owner/operator and operating a single unit, somewhere around 84%.

Ms. Collins commented that if this is added to the matrix it should be based on dwelling units and not just listings.

Ms. Triem agreed with members and was in favor of leaving this topic on the matrix for consideration and could be tool for future value to look at.

Mr. Coleman shared that if this regulation is considered we need to think about the impact of enforcement and how that would be realistically achievable by staff.

Owner Occupancy Requirements Discussion:

There was discussion among members of what constitutes owner occupancy, how to regulate or enforce those requirements – through licensing or permitting and staff availability to enforce the regulations the task force comes up with.

Residency Requirements Discussion:

Since there are some nuances related to creating residency requirements vs. owner occupancy, it was agreed that continued discussion on this topic would happen when reviewing the matrix.

Platform Data Sharing Discussion:

There is still some data collection that needs to happen and many unanswered questions so this topic will continue to evolve.

G. STAFF REPORTS

H. COMMITTEE MEMBER COMMENTS AND QUESTIONS

I. NEXT MEETING DATE – *April 17, 2025 at 12:10 p.m. Assembly Chambers/Zoom*

J. SUPPLEMENTAL MATERIALS - *None*

K. ADJOURNMENT

There being no further business to come before the Task Force meeting adjourned at 1:30 p.m.