



SHORT TERM RENTAL TASK FORCE AGENDA

June 12, 2025 at 12:10 PM

Assembly Chambers/Zoom Webinar

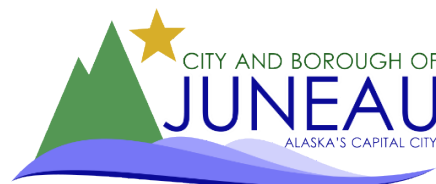
<https://juneau.zoom.us/j/85489869354> or call 1-253-215-8782 Webinar ID: 854 8986 9354

Assembly Chambers at 155 Heritage Way

- A. CALL TO ORDER**
- B. LAND ACKNOWLEDGEMENT**
- C. ROLL CALL**
- D. APPROVAL OF AGENDA**
- E. APPROVAL OF MINUTES**
 - 1. 2025-05-15 STRTF Meeting Minutes - Draft**
- F. AGENDA TOPICS**
 - 1. STR Correspondence from Member Collins**
 - 2. STRTF Draft Report - June 12 2025**
- G. STAFF REPORTS**
- H. COMMITTEE MEMBER COMMENTS AND QUESTIONS**
- I. SUPPLEMENTAL MATERIALS**
- J. ADJOURNMENT**

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SHORT-TERM RENTAL TASK FORCE (STRTF) MEETING MINUTES - **DRAFT**



May 15, 2025 at 12:10 PM

Assembly Chambers/Zoom Webinar

A. CALL TO ORDER

Mr. Bryson called the Short-Term Rental Task Force (STRTF) to order at 12:10pm in the Assembly Chambers and online.

B. LAND ACKNOWLEDGEMENT

Mr. Coleman provided the following 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!*"

B. ROLL CALL

Present: Chair Wade Bryson, Carole Triem, Erik Pedersen, Adam Dordea, Joyce Niven, Dan Coleman, Patty Collins, Ryan Kauzlarich, Meilani Schijvens, Alicia Hughes-Skandijs

Absent: Greg Smith

Staff present: Deputy Manager Robert Barr, Deputy Clerk Andi Hirsh, Special Project Planning Manager Rob Dumouchel, Attorney Clinton Mitchell, Meeting Technician Kevin Allen, Treasurer Ruth Kostik

D. APPROVAL OF AGENDA - approved

E. APPROVAL OF MINUTES

1. April 3, 2025 STRTF Meeting Minutes - Draft

2. May 1, 2025 STRTF Meeting Minutes – Draft

Ms. Collins provided a correction to the May 1 minutes.

MOTION by Mr. Byson to approve the minutes as amended. Motion passed by unanimous consent.

F. AGENDA TOPICS

3. Staff recommended amendment to Ordinance 2025-23

Mr. Barr said the staff amendment proposed would make it clear that an operator could start advertising as soon as CBJ issues a registration number.

MOTION by Ms. Hughes-Skandijs to support for this amendment to the Assembly and asked for unanimous consent. Motion passed by unanimous consent.

4. Recommendation from Task Force Member Schijvens

MOTION by Ms. Schijvens for the STRTF to recommend to the CBJ Assembly that revenue collected from online short-term rental (STF) facilitators support housing in Juneau.

Mr. Coleman and Ms. Triem spoke in support of the motion.

Ms. Hughes-Skandijs said the Assembly decided to make a choice every year about what would go to Affordable Housing Fund. She said she supported the idea conceptually but thought it was outside the scope of this taskforce.

OBJECTION by Mr. Bryson. Mr. Bryson said he understood the purpose but did not want to limit the Assembly.

Roll Call Vote:

Ayes: Ms. Hughes-Skandijs, Ms. Triem, Mr. Dordea, Ms. Coleman, Ms. Schijvens, Ms. Collins, Ms. Niven, Mr. Kauzlarich

Nays: Mr. Bryson, Mr. Pedersen

Motion passed 8 yeas to 2 nays.

5. Report from Task Force Member Coleman

Coleman said there was no direct correlation between regulating STRs and long-term rental vacancies. He said Bellingham used rental vacancy rates as lever for STRs and removed some restrictions when vacancy rates went up. He recommended CBJ look at limitations based on available housing instead of number of STR.

6. Continued discussion/deliberation on draft STR matrix

Mr. Bryson said they needed to decide which metric to use to look at implementing restrictions and that if they could not come to consensus, they should move it to the Assembly.

Mr. Petersen recommended simplifying the STR matrix to reduce the number of levels.

Ms. Hughes-Skandijs said she felt more comfortable with regulatory language instead of a matrix.

MOTION by Ms. Schijvens to support using year-round STRs and percentage of rental stock for the matrix.

OBJECTION by Ms. Triem. She said she preferred using the rental vacancy rate and rental cost burden. Mr. Coleman said vacancy rate was flawed tool. Ms. Collins said they should be using seasonal STR numbers.

OBJECTION by Ms. Hughes-Skandijs, who said they should send a more simplified version of the matrix to Assembly.

Mr. Barr left at 1:00pm and was replaced by Mr. Dumouchel.

Roll Call Vote:

Ayes: Mr. Dordea, Mr. Coleman, Ms. Schijvens

Nays: Ms. Hughes-Skandijs, Ms. Triem, Ms. Collins, Ms. Niven, Mr. Kauzlarich, Mr. Pedersen, Mr. Bryson

Motion to use year-round STRs and percentage of rental stock failed, 3 yeas to 7 nays.

MOTION by Ms. Collins use rental vacancy rate and rental cost burden for the matrix. She said that staff should use a consistent data source when looking at these factors.

AMENDMENT by Mr. Pedersen to strike rental cost burden and only use rental vacancy rate. Motion passed by unanimous consent.

OBJECTION on the main motion as amended by Mr. Coleman.

Roll call vote on the main motion as amended:

Ayes: Ms. Hughes-Skandijs, Ms. Triem, Mr. Collins, Ms. Niven, Mr. Kauzlarich, Mr. Pedersen

Nays: Mr. Dordea, Mr. Coleman, Ms. Schijvens, Mr. Bryson

Motion to use rental vacancy rate as the matrix lever passed, 6 yeas to 4 nays.

MOTION by Ms. Hughes-Skandijs to direct staff to simplify and consolidate the matrix into a different format.

OBJECTION Mr. Coleman for purposes of a question regarding the intent of the motion maker. He retained his objection.

Roll call vote:

Ayes: Ms. Hughes-Skandijs, Ms. Triem, Mr. Pedersen, Mr. Kauzlarich, Ms. Niven, Ms. Collins, Mr. Bryson

Nays: Ms. Schijvens, Mr. Coleman, Mr. Dordea

Motion to simplify the matrix passed, 7 yeas to 3 nays.

7. Information only: Public comment forms received to date

G. STAFF REPORTS

H. COMMITTEE MEMBER COMMENTS AND QUESTIONS

I. NEXT MEETING DATE

J. SUPPLEMENTAL MATERIALS

K. ADJOURNMENT

Having no more business to come before the Short-Term Rental Task Force, the meeting ended at 1:22pm.

STR Task Force,

There are a few additional things that I think the STR task for should recommend to the city assembly:

Clarity that a per person or entity STR limit is specific to the use of an entire dwell unit.

I suggest all regulation wording is clear that it applies the use of an entire dwelling unit & does not limit the number of rooms someone can rent in their own primary dwelling. Someone renting 2 rooms in the home in which they reside should not be considered as having 2 STR rentals for the purpose of the CBJ STR limit.

Fees:

I suggest we recommend that the annual fee for STR operators cover the costs to CBJ for anything that is unique to the STR industry. An example would be the cost of an 3rd party organization or contractor hired to help monitor the STR industry in Juneau. The estimated cost would be divided among the estimated number of STR operators and charged as the registration fee. The industry does pay both sales & room tax but so does the hotel & motel industry & they are not difficult or time consuming to monitor or audit. The unique nature of the STR industry can lead to unique costs to the city.

This is not a unique concept. The fees charged by the State of Alaska's for all occupational licenses are organized in this way. Each industry is treated as unique and covers 100% of all costs to the state associated with that industry. This would include basic office support for registration and maintenance of records, auditing of applications and continuing education requirements, investigations of complaints including the cost of using the state law department or police department. The bi-annual registration fee charged for an occupational license in the state of Alaska can & does change each renewal period & is a unique fee for each occupation.

I do not advocate CBJ go to the degree of detail that the state does but I do think the industry should cover the basic costs to CBJ that are unique to the STR industry & not shared by other industries. I believe that CBJ staff can make a good basic estimate of this without a large staff time burden.

Preventing per person or entity limit work arounds

Two ways to work around any per person or entity STR limit the city may wish to impose are:

- Proxy ownership which is when someone allows there name to be used for the CBJ STR registration but is not the STR operator or owner.
- Multiple LLC ownership is when a single STR owner creates multiple business entities for registering STR's. A regulation with a per person or entity limit does not prevent a single person from creating multiple business entities unless CBJ specifically prohibits the practice.

In order to discourage / prevent proxy & multiple business entity registrations I suggest the following:

- CBJ specifically says in the regulations that any one person cannot register or own more than the allowed number of STR's regardless of property being personal property, business property or rented property.
- When registering with CBJ all proprieties registered under a business entity should provide a copy of the business license with the names of all business owners.
- If audited, all registered STR owners should be able to show proof that they owned or held a long term lease for the STR property or the owned the business entity that owned or held a long term lease for the STR property.
- A penalty of \$100 per day charged to an STR owner who has falsified any records in regards to CBJ STR registration.

Grandfathering

I do believe that STR owners effected by any changes in regulation need time to adapt. I support grandfathering for a period of 2 to 3 years to help effected property owners transition. I do not support permanent grandfathering of any STR's.

Buffer for vacancy rate data swings

It is difficult for any business to practice if there are quick changes to the industry. In oder to prevent this & buffer against statistical anomalies I suggest:

- The Juneau vacancy rate should statistically change for at least 3 years before the per person or entity number can be upgraded or downgraded by CBJ.
- Have a minimum of a 12 month buffer between when CBJ decides to upgrade or downgrade the per person or entity limit and limit deadline is put in place. This is especially important for a downgrade so that people are not forced to cancel reservations that had previously been made.

Thank you,
Patty Collins



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TO: Chair Bryson & Short Term Rental Task Force (STRTF)
DATE: June 12, 2025
FROM: Robert Barr, Deputy City Manager
RE: STRTF Draft Report to the Assembly

The purpose of this memo is to summarize the work of the STRTF to-date and serve as a draft report to the Assembly for the STRTF's consideration.

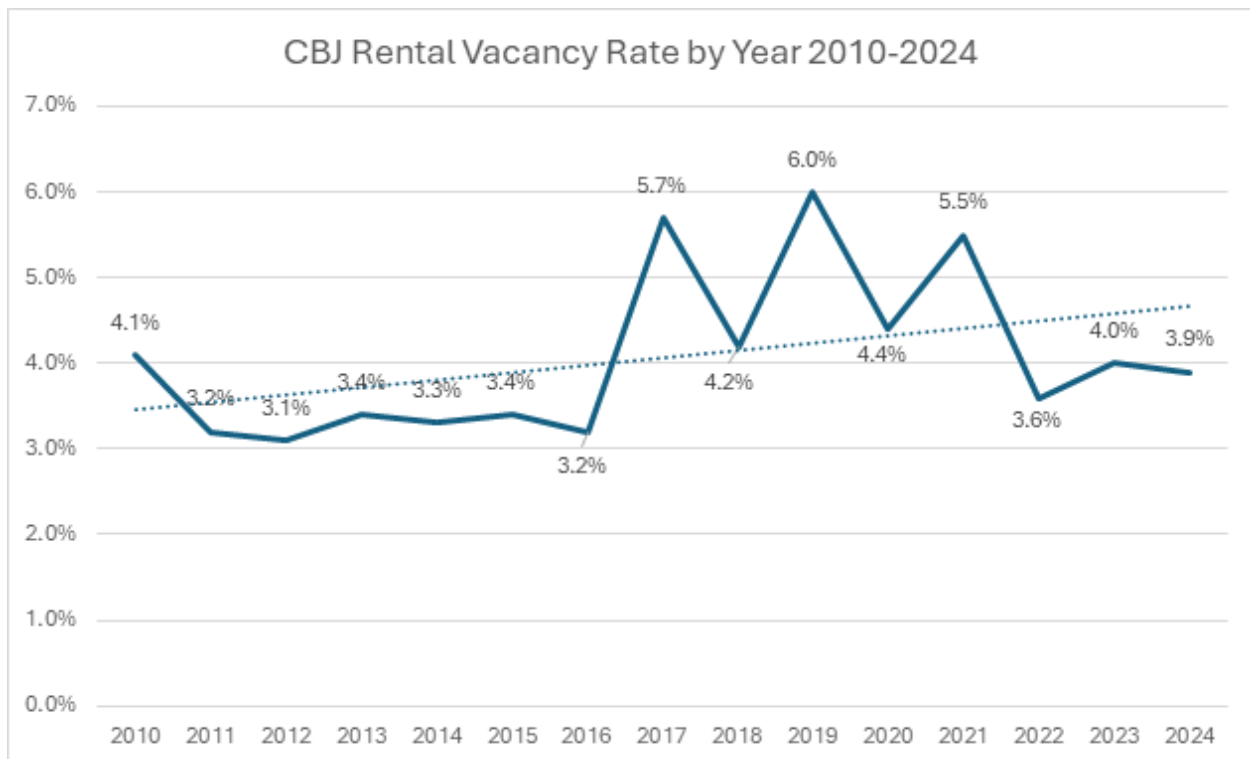
Upon the STRTF's recommendation, the Assembly passed changes to Title 69 at its May 19th Regular meeting. These changes modified code to require that:

- Marketplace facilitators collect and remit sales taxes on behalf of STR operators,
- Exempt local STR operators from sales tax filings when all of their business is being performed by a marketplace facilitator who is collecting and remitting on their behalf, and
- Requires STR marketplace facilitators to submit a monthly listing of all CBJ issued STR permit numbers

For one major platform, these changes are going into effect for July 1; staff are working on others. It is rare that the work of a task force results in completed legislation prior to its conclusion.

In addition to this accomplishment, the task force recommends the Assembly consider future STR regulatory options based on the community's rental vacancy rate (RVR), as annually published by the State of Alaska Department of Labor and Workforce Development¹.

¹ <https://live.laborstats.alaska.gov/housing/rentall.html>



The Task Force did not land on a specific RVR under which it would recommend additional regulations; however, the general sense of the task force was that our current RVR is too low. Utilizing the RVR as a metric for decision making passed the STRTF on a 6-4 vote.

If the Assembly determines additional regulation is warranted based on the RVR, the task force recommends the Assembly consider the following two regulations, in order:

1. Institute a fee for permits (currently free), based on current CBJ costs. Consider an increased fee for individuals/business entities with more than one STR.
2. Cap the number of STRs permissible per person or entity.

The STRTF started with a matrix that included 12 different types of potential STR regulations. Most were considered to be not a good fit for Juneau. The regulatory options that remained were contentious with proposed approaches either narrowly passing in the case of the above two (6-4) or narrowly failing. This trend was reflected in written public comment. Verbal public comment, mostly from those with interests in STRs, was predominantly opposed to regulation.