



City of Homer

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Memorandum

Agenda Changes/Supplemental Packet

TO: ECONOMIC DEVELOPMENT ADVISORY COMMISSION
FROM: ZACH PETTIT, DEPUTY CITY CLERK I
DATE: JANUARY 9, 2024
SUBJECT: SUPPLEMENTAL

REPORTS

9. A. Short Term Rentals

Public Comment Received on Short Term Rentals

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January 6, 2024

City of Homer
Economic Development Commission
Sent via email

Dear Economic Development Commission Members,

Thank you for considering these comments regarding the draft short-term rental (STR) ordinances for the City of Homer. I own and operate several residential rental properties both inside and outside of city limits of Homer. All are currently long-term or mid-term rentals, but I have also operated a STR within city limits in the past. I am also working on developing short-term and mid-term workforce/student/intern housing in the Central Business District, which should be fully operational by this spring.

In addition to my general comments below, I've included comments organized by the proposed ordinance citation for clarity and ease of reference.

I do agree that ensuring that all businesses in Homer are following the laws already on the books regarding noise, nuisance, and sales tax collection is a worthy goal. However, the City has a lot of work to do to connect the dots about how this proposed ordinance relates to improving housing availability in Homer, besides just a loose mention of it in a Whereas clause or two. It also requires to City to explain why they cannot, with existing information and resources, achieve the same results (sales tax compliance, reduction of nuisances) without additional regulation of a very specific industry.

As this regulatory process unfolds over the next several weeks to months, I think committing to delayed enactment until 2025 would be crucial, as many STR operators are currently receiving bookings daily for the summer 2024 season. Significant changes to the regulatory landscape mere weeks before visitors come flocking to Homer could be damaging to local businesses, with no tangible benefits or improvement to the tight housing market.

I would also ask all the advisory commissions, City Council, Mayor, City Manager, and staff to consider whether this is the best use of time and resources to address the housing shortage in Homer. What are we *not* working on by focusing on STRs?

Thank you again for considering these comments. Unfortunately, I am not able to attend the EDC meeting in person, but I welcome any questions you may have by phone or email.

Respectfully,

Dorothy Duncan

(907) 299-2265
ursaminor907@gmail.com

5.48.010 Definitions

Some terms are used inconsistently throughout the ordinance and should be reviewed. “Owner” vs. “operator”. “Short-term rental” vs. “property” vs. “dwelling unit” vs. “vacation rental”.

5.48.020

General comment - are there other ways to ensure that existing laws are being followed? The City should have the same intent (collect taxes, reduce public nuisances) for all businesses equally. Are there specific barriers to obtaining this information from STRs vs other businesses? If there is a specific problem with rental properties, perhaps an educational campaign directed to STR operators would be more helpful.

5.48.030

(a) Substitute “operator” for “owner”. An owner of a property may lease to someone on a long-term basis, with the operator being the one that rents the unit short-term. This is a common practice.

(b) Specify that the operator, and not the owner, needs to apply for the permit.

(d)(2) How many parking spaces are required? Is there a cross reference to a City code that describes the exact measurements for what is considered a parking space? Perhaps 21.55.090? Otherwise, this seems subjective and essentially unenforceable.

(g) Strike the phrase “with City Manager or designee approval”. The text following it should set the standard for when transfers will be approved, and by including the additional language it makes it sound like there is additional discretionary power that the City Manager could carry out on a whim. See proposed 5.48.050(c) for a phrasing that does not add in the City Manager approval requirement.

5.48.050

General comment - without the companion ordinances regarding zoning districts that allow STRs as a primary use, it’s hard to meaningfully comment on this section. Suggest combining the two proposed code sections into one package for all future commenting and public hearing processes.

(a) Regarding the date of operation (currently cut off on December 2023), this could severely impact planned STR investments made in 2023 for the 2024 summer season. If not eliminated entirely, this date should be revised to be December 2024 or to read “prior to the effective date of these ordinances”.

5.48.60

(a) I highly recommend deleting this subsection entirely.

First, it is in the property owner’s/operator’s best interest to manage guest use to be as low impact as possible. No owner or operator wants an over-capacity rental, whether it is long-term or short-term. In fact, in the conversations in many STR investor circles is exactly about how to ensure stated capacity levels are maintained (most often, 2 people per *bed*, not *bedroom*). Leave this to the individual operators to self-regulate – they will. And if they don’t, regulations already on the books regarding noise, nuisance, parking, etc. will be waiting.

Second, this is too low of a threshold and does not address some of the unique lodging experiences in Homer. Studio apartments (zero bedrooms), boats, yurts, bunkhouses, hostels, temp workforce housing, etc. Many local real estate investors are currently trying to think out of the box to meet some of Homer’s unique and seasonal needs, and limiting them in this way discourages innovation and could cause a previously viable project to not pencil out anymore.

Third, it is an inequitable and unreasonable standard. No other ordinance in the City of Homer determines how many people can sleep in a room. No other ordinance in the City of Homer requires checking the ages of room occupants, and potentially having to evict a family when a child turns 13.

Fifth, this does not make a rental “safer” whether it is long or short-term.

Sixth, this is unenforceable. It is difficult even for STR operators with doorbell cameras to monitor and enforce the number of people in a rental, regardless of the occupancy limit set by the operator. How is the City going to enforce this?

(b) Remove the part about sharing the Emergency Contact with neighbors within 300 feet. If there is a bona fide emergency (fire, domestic dispute, etc.), neighbors should immediately call 911. If there is an alleged code violation, neighbors should contact the City during regular business hours to lodge a complaint. Not only would that lead to quicker response times for an actual emergency, it would ensure that the City be made aware of all issues as they happen. Its not common practice for businesses to have to share personal contact information with neighbors, and STRs should not be required to either as a matter of privacy and to avoid harassment. There are other options for neighbors if something is not to their liking.

(f) This seems to be a whole separate process, what are the standards by which someone needs to prove adequate parking?

5.48.70

General comment – all of these reasons for permit revocation sound good in simple terms, but in the real world would be very subjective and difficult to enforce in a non-arbitrary way. Recommend deleting this section, or amending to require more defined circumstances that would result in permit revocation.

(b)(1) Who determines what an “emergency” is, and what “negligence in responding” is? By what standards?

(b)(2) What is a “law enforcement violation related to the short-term rental”?

(b)(3) What is the threshold of if non-compliance is considered “chronic”?

(b)(5) What is a “noted” Building or Fire code violation? Is there a code cross reference that would be helpful here?

(b)(6) What is a “significant” violation vs a non-significant violation? What is a “relevant” authority?

5.48.80

General comment – especially as these proposed ordinances are new, and the unintended consequences have not yet been discovered, there should be an option for appeal that does not involve the court system. If the City Manager is the issuer of the permit, you could add an avenue to appeal to the City Council as a first step to more effectively hear complaints and resolve any issues. Having to sue the City (and pay their administrative expenses in advance) in order to have a legitimate issue or discrepancy heard would be extremely burdensome.

From: [Department Planning](#)
To: [Zach Pettit](#)
Subject: FW: Form submission from: Draft Short Term Rental Regulations
Date: Monday, January 8, 2024 8:35:46 AM

From: City of Homer Alaska Official Website [mailto:homer-ak@municodeweb.com]
Sent: Tuesday, December 26, 2023 1:23 PM
To: Department Planning <Planning@ci.homer.ak.us>
Subject: Form submission from: Draft Short Term Rental Regulations

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Submitted on Tuesday, December 26, 2023 - 1:22pm

Submitted by anonymous user: 209.112.183.200

Submitted values are:

Name William D. and Marianne Schlegelmilch
Comment

Dear Planning Department,

Short term rentals ruin neighborhoods, turning them from close-knit supportive and friendly environments into throngs of strangers wandering around day and night talking on their cellphones and disrupting neighborhood solitude. They also drive up property values and make it all but impossible for residents who do not have deep pockets to ever consider moving within our city as sales often happen within the span of 2-3 days to cash paying profiteers.

This has become increasingly evident in the Mountain View neighborhood where we live, along with unregulated new construction obviously designed for short term rentals that violate city codes on size and

height restrictions, all with the city apparently turning a blind eye to their significant negative impacts on neighborhoods, such as run-off issues, increased density and major uptick in traffic noise and congestion—all issues which our city council seem unconcerned with as they push their personal views and agendas on long-term citizens and even adjacent business owners who have invested heavily in this area.

As citizens, you have asked for our input. As government officials, will you care to hear us?

William D. and Marianne Schlegelmilch

4470 Kachemak Way

Homer

907 235-6913

STR owner or employee? Y/N Home owner, city resident

The results of this submission may be viewed at:

<https://www.cityofhomer-ak.gov/node/78385/submission/51508>