



MEMORANDUM

CC-26-069

Memorandum from the Planning Commission regarding Short Term Rentals

Item Type: Informational Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: March 19, 2026
From: Ryan Foster, Planning Director
Through: Melissa Jacobsen, City Manager

SUMMARY:

At the March 4, 2026 Planning Commission meeting, the Planning Commission moved to forward the attached memorandum to City Council for their consideration, with the request that Council provide direction to the EDC to take up consideration of Long-Term Rental Incentives.

ATTACHMENTS:

February 23, 2026 Memorandum from Commissioner Harness to the Planning Commission
Draft Minutes from the March 4, 2026 Planning Commission Meeting

February 23, 2026

To: HAPC members, Ryan Foster, City Planner

From: Dotti Harness, HAPC member

Re: Long-term rental aka "Lease to Locals," "Rent Local" incentives

At the Feb. 18th HAPC meeting I suggested changing the short-term rental registration narrative to long-term rental incentives. Ryan followed with: "What are examples of long-term rental incentives." Great questions bring forth more questions to help narrow in on a solution.

"What does long-term housing mean in Homer?"

Steady housing for June, July and August or year-round?

Local businesses need to feel secure that there is housing available for their employees during the peak summer months.

"How do communities incentivize long-term housing?"

Reduced city water and sewer rates. (Ole Andersson's suggestion). For the summer or year-round? Within city limits or beyond? How would the city tie the incentives to 'hailed' water customers?

How would borough property tax incentives work?

For city residents or beyond?

Challenge: Typically, property owners commit to long-term rentals in the spring, which may not align with KPB's tax levy timeline.

How have other communities tackled long-term rental incentives?

Sedona, AZ: the City Council approved \$240,000 for a pilot program that offers stipends to short-term rental owners who lease their properties for at least one year to a local worker (defined as a person who works at least 30 hours a week for at least 30 days for an employer based in Sedona).

www.sedonaaz.gov/your-government/departments-and-programs/community-development/housing/owners/rent-local-program

North Lake Tahoe, CA a "Lease to Locals" program pays homeowners to sign long-term leases with local renters. The program caps the amount of rent owners can charge. Tenants must work at least 20 hours per week at a business located within the boundaries of the Tahoe-Truckee Unified School District.

<https://www.northtahoecommunityalliance.com/project/lease-to-locals/>

Portland, Maine, "In an effort to open the rental market to those in need, up to 25 short-term rental owners in Portland will receive \$1,000 if they lease their units for at least a year."

Big Sky Montana and parts of Colorado have similar programs.

"How would landlord prove that they provide long-term rentals?"

Most important, it's should a voluntary program. If a property owner wants to participate, they would submit a:

- Rental agreement showing address, and
- Lease length that runs through the summer months, and
- Confirmation that the tenant is indeed a local hire, by a local business.
- Homeowners renting out a bedroom in their home must commit to renting out their space for a minimum of June, July and August.

How do cities fund "Lease to Locals" "Rent Local" programs?

Funding for long-term rental initiatives is typically derived from a combination of federal and state grants and locally generated revenues linked to short-term rental (STR) activity.

How does the HAPC move forward?

I will have a motion ready, such as: "The HAPC recommends forwarding this memorandum to the City Council to encourage consideration of long-term rental incentives."

CALL TO ORDER

Session 26-01, a Regular Meeting of the Planning Commission was called to order by Chair Scott Smith at 6:30 p.m. on March 4th, 2026 in the Cowles Council Chambers in City Hall, located at 491 E. Pioneer Avenue, Homer, Alaska, and via Zoom Webinar.

PRESENT: COMMISSIONERS SCHNEIDER, H. SMITH, HARNESS, S. SMITH, VENUTI,

ABSENT: COMMISSIONERS WALKER, BARNWELL

STAFF: CITY PLANNER FOSTER, DEPUTY CITY CLERK LYNN

AGENDA APPROVAL

Chair S. Smith requested a motion and second to approve the agenda.

HARNESS/SMITH MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

- A. Unapproved Regular Meeting Minutes of February 4th, 2026
- B. Decisions and Findings CUP 26-01, 960 East End Road

HARNESS/BARNWELL MOVED TO ADOPT THE CONSENT AGENDA.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PRESENTATIONS/VISITORS

REPORTS

City Planner's Report, Staff Report 26-004

The Planning Commission has completed a series of worksessions over the last few months leading consultant Agnew Beck to work on finalizing a public review draft of Title 21 to release in late March.

Homer City Council approved Ordinance 26-09 to align the term expirations for all commissioners and board members to March 31 every year.

PUBLIC HEARINGS

PLAT CONSIDERATION

PENDING BUSINESS

NEW BUSINESS

A. Memorandum 26-01, Review of the Planning Commission Bylaws

The commission reviewed the Bylaws for the first time of three meetings and asked the staff Liaison to clarify questions they had and bring back his findings to the Bylaws discussion on the March 18th meeting.

B. Memorandum 26-02, Long Term Rentals, Commissioner Harness

SCHNEIDER/HARNESS MOVE TO FORWARD THIS MEMORANDUM TO THE CITY COUNCIL AND THE EDC TO ENCOURAGE CONSIDERATION OF LONG-TERM RENTAL INCENTIVES

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT

Motion Carried

INFORMATIONAL MATERIALS

A. 2026 Planning Commission Meeting Calendar.

B. 2026 Housing Assessment

COMMENTS OF THE AUDIENCE

City resident Scott Adams commented on “dark houses” and talks of building height restrictions of other cities in Alaska.

COMMENTS OF THE STAFF

Planning Director Foster thanked the commission for a great meeting.

COMMENTS OF THE MAYOR/COUNCILMEMBER (If Present)

COMMENTS OF THE COMMISSION

Commissioner Harness thanked the commission for the motion to bring the long-term rental memo to the City Council.

Commissioner Venuti thanked the commissioners for serving.

Commissioner Schneider Thanked Commissioner H. Smith on bringing up drainage issues as they are not brought to attention often enough.

Chair S. Smith asked what is next for the planning commission after title 21 and thanked the Planning Commission for a good meeting.

ADJOURN

There being no further business to come before the Commission, Chair S. Smith adjourned the meeting at 7:25 p.m. The next Regular Meeting is scheduled for **Wednesday, March 18, 2026 6:30 p.m.** A Worksession is scheduled for 4:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar. Meetings will adjourn promptly at 9:30 p.m. An extension is allowed by a vote of the Commission.