



MEMORANDUM

CC-26-072

Short-Term Rentals Direction from Council to Administration and Commissions

Item Type: Action Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: March 18, 2026
From: Julie Engebretsen, Community Development Director
Through: Melissa Jacobsen, City Manager

SUMMARY:

Over the past two months, the Planning Commission (PC) and the Economic Development Advisory Commission (EDC) have discussed Short-Term Rentals (STRs). Their memos to Council (CC-26-068 and CC-26-069) are included in the packet under Reports. Staff is seeking two Council sponsors to work on a resolution that will provide direction to the Administration and the Commissions on next steps.

BACKGROUND:

STRs were a major topic during the Comprehensive Plan process, and community interest continues. A few things to know at this point:

1. The Public Review Draft of the Title 21 Rewrite will include a basic STR registration requirement and a definition of STR's, but no cap on the number of units or more stringent regulations. The public will be able to comment on these basic regulations in the upcoming 45-day public comment period. (Launch forthcoming before the next Council meeting on April 13th).
2. The EDC proposed research into up to four STR scenarios, and the PC suggested exploring incentives for long-term rentals. These topics are intentionally broad. Council direction would help focus this work on policy and code options that align with City capacity and that the Council may wish to consider adopting.

RECOMMENDATION: Identify two Council sponsors to work with staff to draft a resolution outlining next steps and providing direction to the Administration, Planning Commission and the Economic Development Advisory Commission.