



Agenda

Economic Development Advisory Commission Regular Meeting

Tuesday, September 08, 2026 at 6:00 PM

City Hall Cowles Council Chambers In-Person & Via Zoom Webinar

Homer City Hall

491 E. Pioneer Avenue
Homer, Alaska 99603
www.cityofhomer-ak.gov

Zoom Webinar ID: 990 0366 1092 Password: 725933

<https://cityofhomer.zoom.us>
Dial: 346-248-7799 or 669-900-6833;
(Toll Free) 888-788-0099 or 877-853-5247

CALL TO ORDER, PLEDGE OF ALLEGIANCE, 6:00 P.M.

AGENDA APPROVAL

PUBLIC COMMENTS ON MATTERS ALREADY ON THE AGENDA (3 minute time limit)

RECONSIDERATION

AGENDA APPROVAL

- [A.](#) August 2026 Minutes

VISITORS/PRESENTATIONS (10 minute time limit)

- A. Kachemak Bay Conservation Society-Short Term Rentals and Housing

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

- [A.](#) EDC Staff Report
- B. Clerk's Report
- C. Homer Chamber of Commerce
- D. Homer Marine Trades
- E. KPEDD

PUBLIC HEARING

PENDING BUSINESS

- A. Short Term Rentals
 - 1. Approaches from other communities
 - 2. Owner occupancy requirements
 - 3. Short-term rental registration

4. Nonconformity code
5. Commissioner Baily and Zubek comments
6. Draft response to Council

NEW BUSINESS

INFORMATIONAL MATERIALS

[A.](#) City Manager's Report

[B.](#) Calendar

COMMENTS OF THE AUDIENCE (3 minute time limit)

COMMENTS OF THE CITY STAFF

COMMENTS OF THE COMMISSION

ADJOURNMENT

Next Regular Meeting is **Tuesday, October 13th, at 6:00 p.m.** All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.

CALL TO ORDER

Session 26-08 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:00 p.m. on August 11th, 2026 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar, and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONERS AREVALO, MARKS, NOOMAH, STARK, ZUBEK, BAILY & YOUNG

ABSENT:

STAFF: COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN & DEPUTY CLERK PILLIFANT

1. CALL TO ORDER 6:00

2. AGENDA APPROVAL

Commissioner Marks noted laydown items; May minutes, Definitions document from Baily and CIP memorandum.

BAILY /AREVALO MOVED TO APPROVE THE AGENDA.

NO DISCUSSION

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Ian Reed-He has grown kids with families and they all own homes and do Airbnb. None would consider a longer term rental. Long term rentals are not an option.

Kathy Carssow-Recent experience with an str in Kodiak and that owner explained that she wanted to connect with her renters so she did not use Airbnb. Key point (that Carssow has repeated) is if we don't have neighbors, we don't have neighborhoods. Allowing absentee landlords in residential zones corrupts the integrity of our zoning.

Scott Adams-Was hoping Rita Schultz would comment as she has 50 rentals. Why are we trying to distinguish one type of str from another. He has a str and I doesn't use the sites (such as Airbnb). He rents to people he knows, he is registered with state and borough. Compliance will be difficult to enforce.

Mark Freund-When you own a house it is in your best interest to have the type of renter you want. Whether it is str or ltr. Allow people to utilize their properties the way they want. That way the younger generation can enter the market.

Scott Turkington-str's are a way to achieve the dream, employ family, make a little income, very beneficial.

Deborah Isaacson- Most rentals are people like her who need the income. It is a way to help kids afford to live in Homer. There are other issues that should be looked at such as Pioneer Avenue. Deborah stated that are city is losing business properties on Pioneer Avenue.

4. RECONSIDERATION

5. APPROVAL OF MINUTES

ZUBEK/BAILY MOVED TO APPROVE THE 05-26 & 06-26 MINUTES

Correction on spelling of Keith Smith to Heath Smith.

PASSED UNANIMOUSLY

Vote: Non-objection.

Unanimous consent.

6. VISITORS/PRESENTATIONS

Lia Shelton, Haven House-was not able to attend

Anna Sansom, Homer Bed & Breakfast-shared flyers-“Local Lodging Recommendations” and “Local Recommendations for You”. Covered the following topics-

- Handout for requirements for becoming a B&B.
- How it is different from other STRs
- Associations and Partnerships
- Events they support
- Economic contribution to tax base

Charles Anderson Kachemak Board of Realtors-reviewed data from his presentation. Spoke on the following topics-

- See report in packet.
- Getting accurate data is important. Lack of accurate data prompted action to create database.
- Housing starts-Identified that this is a Homer strength.
- Absorption Rate of housing for sale (how long they are listed and on market) and how that compares to other cities. Numbers show there is no feeding frenzy.
- 6.1% of str's are convertible to ltr's.
- 30% of rentals are under \$1000/month. Surprising.
- STRs are an active participant in creation of housing in market.
- Concern that regulation will have negative effects.

7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS

- A. EDC Staff Report-EDC Commissioner to attend City Council August 24th-AREVALO (w MARKS backup)
- B. Clerk's Report

- C. Homer Chamber of Commerce Director's Report-ENGEBRETSEN gave update.
- D. Homer Marine Trades-Reminder to Clerk to request their minutes.
- E. KPEDD-Look forward to report at next meeting.

8. PUBLIC HEARING

9. PENDING BUSINESS

A. Short Term Rentals

Discussion included:

- Personal housing experiences of Commissioner Young and Zubek
- Title 21 draft and timeline for comments
- Definitions, registration and annual reporting
- Interest in continuing work and listening to community speakers
- Goal to send recommendations to City Council

The meeting recessed at 8:14 p.m. and reconvened at 8:24 p.m.

10. NEW BUSINESS

A. Capitol Improvement Plan

YOUNG/NOOMAH MOVED TO RECOMMEND THE FOLLOWING 3 PROJECTS TO CITY COUNCIL FOR INCLUSION IN THE LEGISLATIVE PRIORITY SECTION AND PRIORITIZE THEM:

1. Homer Harbor Float
2. Homer Spit Coastal Erosion
3. Comprehensive Drainage Management Plan

Discussion: CIP discussed at length during Worksession. Suggestion for commissioners to comment as individuals on CIP by 9/21/26

Chair Marks called for a roll-call vote.

VOTE:

YES: AREVALO, MARKS, STARK, YOUNG, NOOMAH, BAILY, ZUBEK

NO:

Passed Unanimously

AREVALO will attend City Council Meeting on August 24th

11. COMMENTS OF THE AUDIENCE

Scott Adams-What is affordable? Why are STRs the focus? Harbor is overflowing with out of town companies taking space. Issue is bigger than approach.

12. INFORMATIONAL MATERIALS

- A. City Manager's Report
- B. 2026 Calendar

13. COMMENTS OF THE CITY STAFF

Deputy Clerk Pillifant-Great meeting.

Community Development Director Engebretsen- Would like some clarity on process when the commission meets next time. How would you like to organize? Send an email about structure of Worksession. Don't forget that in public meeting you need to let people speak openly.

14. COMMENTS OF THE MAYOR/COUNCIL MEMBER

15. COMMENTS OF THE COMMISSION

Commissioner Young: Busy summer. Nice to hear from all the visitors. I hope everyone had success. Good luck to teachers starting back.

Commissioner Arevalo: Our purpose has not been to vilify str's. That is not what we are doing. We are not solving homer's housing crisis. This is a space for us to digest what work has already been done and also what other communities have done. We don't want homer to go willy nilly on it. Our work is to put a little brain power toward the issue. looking at what info has been gathered and how Homer may opt to develop their policies. We knew walking in that this was a big lift.

Commissioner Zubek: Suggest to assign homework if people have action items. I appreciated the homework of the 3 things that helped me. and Julie's 24th anniversary with the city!

Commissioner Noomah: I voted and it was very easy. Vote early, I recommend it. It would go better in the future to separate personal anecdotes with professional research. We need to rely on professional data. recommend the data .

Commissioner Stark- Thanks to everyone, thanks to Julie for the great information. The more we can get specificity the better. We are supposed to be about economic opportunity. Thanks everyone.

Commissioner Stark -Theo, I agree with you on data. You can submit anything to the clerk. We would love that info.

Commissioner Baily- Thank you Madame Chair thanks to Julie for the work to keep us focused. Echo my appreciation. We need to get the info earlier. What I have learned, is that we need to come up with

a way to make sure nobody is adversely impacted, business and residents. Let's focus on what we need to do to give the council a good recommendation.

Commissioner Marks-I know a lot of things are going on and I appreciate that you are not just lumps on a log. It is very important to follow the ask. They (City Council) may not have asked the right questions. That is why it is important to be on this commission. Serious thought there is recognition that it is ok to not agree. We will find out what dates work for Worksession.

Worksession TBA before September 8th meeting. August 25th preferred, 5p.m.

16. ADJOURNMENT

There being no further business to come before the Commission, Chair Marks adjourned the meeting at 9:21 p.m. The next regular meeting is Tuesday, September 8th, 2026 at 6:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers and via Zoom Webinar.

MARYA PILLIFANT, DEPUTY CITY CLERK

Approved:_____



AGENDA ITEM REPORT

September Staff Report

Item Type: Information Memorandum
Prepared For: Economic Development Advisory Commission
Meeting Date: September 8, 2026
Staff Contact: Julie Engebretsen, Community Development Director

September EDC Staff Report

1. **Municipal Election:** Candidate filing for Homer City Council and mayor is open September 1–15. Please contact the City Clerk’s Office for details.
2. **Short-Term Rental Regulations:** The EDC may want additional time to discuss the proposed regulations. If so, staff recommends passing a motion at this meeting so the Planning Commission can adjust its fall schedule. An early decision will help keep the process clear and transparent for the public.
3. **Just an FYI – Jenny Carroll** has retired from the City Manager’s office, and Planner Will Anderson has been hired to fill the position. This means Planning and Zoning is hiring! If you know anyone who is interested in an entry or mid-level position with the City, send them my way!
4. **New Community Development Associate Hired** – I’m pleased to announce Damara Burnett has been hired as a half time employee, on the Economic Development side of the department. You may see her at future meetings in my absence. She comes from a background in education and also works in the mariculture industry here in Homer.

Commissioner to speak at September 14th CC meeting _____



AGENDA ITEM REPORT

September Short Term Rental Staff Report

Item Type: Action Memorandum
Prepared For: Economic Development Advisory Commission
Meeting Date: September 8, 2026
Staff Contact: Julie Engebretsen, Community Development Director

Requestion Action: Work through the tasks listed in this report

Background

The City Council asked the EDC to review several short-term rental topics and provide recommendations by the October meeting. The EDC also has various questions, and some Commissioners submitted items they wanted to discuss. This report organizes the discussion so the Commission can work through each topic, identify areas of agreement, and note any items that need more time at the October meeting. There is a lot to work through; consider if the Commission wants to ask Council for more time to work on this topic.

Meeting Topic Order:

1. Review approaches used by other communities and identify options relevant to Homer.
2. Consider operator-occupancy requirements.
3. Consider a short-term rental registration system.
4. Discuss how existing and nonconforming uses should be treated.
5. Review Commissioners Bailey and Zubeck comments on Title 21
6. Review and finalize the draft response to City Council.

TASKS:

1. Please decide on your top 3 approaches to STR regulation from other Communities. Email staff or bring to the meeting.
2. Be ready to vote on a recommendation to require a primary occupant on the property for STR's in Urban and Rural Residential.
3. Be ready to vote on a formal motion about a registration system
4. Listen to information about nonconformity in City Code (too detailed a topic for a deep dive at this meeting, but an overview will be provided)
5. Read Commissioner Zubeck and Bailey comments, Bailey Table on Title 21
6. Read the Draft Response to Council. Email staff any comments or provide at the meeting.

Attachments: This staff report is set up a little different. Resolution 26-028(A) is provided as the first attachment. The rest of the report is broken up by topic with a cover page, and then attachments relating to the topic. The topic order (repeated from page 1)

Topic Order:

1. Review approaches used by other communities and identify options relevant to Homer.
2. Consider operator-occupancy requirements.
3. Consider a short-term rental registration system.
4. Discuss how existing and nonconforming uses should be treated.
5. Review Commissioners Bailey and Zubeck comments on Title 21
6. Review and finalize the draft response to City Council.

**CITY OF HOMER
HOMER, ALASKA**

Davis/Erickson

RESOLUTION 26-028(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
ASKING THE ECONOMIC DEVELOPMENT ADVISORY COMMISSION
(EDC) TO REVIEW SHORT-TERM RENTALS (STRs), GATHER
COMMUNITY INPUT, AND PROVIDE FINDINGS AND
RECOMMENDATIONS TO THE CITY COUNCIL

WHEREAS, Short-term rentals (STRs) are one of several factors that may influence housing availability, seasonal workforce needs, and the local economy in Homer; and

WHEREAS, Homer experiences significant seasonal variation in population, housing demand, and visitor activity, particularly during peak summer months; and

WHEREAS, The availability of both long-term and seasonal summer and winter housing is an ongoing concern for residents, employers, and employees in the community; and

WHEREAS, STRs may provide economic benefits to property owners, local businesses, and the broader visitor economy; and

WHEREAS, Policy approaches to STRs vary widely across Alaska and other tourism-based communities, including registration approaches, zoning tools, owner-occupancy requirements, and other local measures; and

WHEREAS, The City Council recognizes the importance of maintaining a level playing field among lodging types, and between STR activity occurring within and outside City limits, including consideration of tax collection and related requirements; and

WHEREAS, The City Council would benefit from a clearer understanding of local conditions in Homer, including community perspectives and how STRs may interact with housing availability and economic activity; and

WHEREAS, The City Council desires to consider both potential benefits and potential unintended consequences of any future policy direction;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby directs the Economic Development and Advisory Commission to:

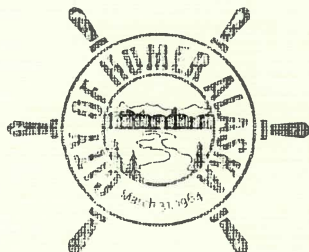
1. Gather input from a range of local perspectives, including residents, renters, employers, STR hosts, Kachemak Board of Realtors, the Kenai Peninsula Economic Development District and others affected by seasonal housing dynamics;

2. Consider definitions of STR's, hotels, hostels, bed and breakfasts, hotels and apartments in conjunction with the Title 21 rewrite project;
3. Develop a general understanding of STR activity in Homer, including approximate numbers, general distribution, and seasonal patterns of use;
4. Consider how housing availability changes throughout the year, particularly during peak summer months, slower winter months and how STRs may or may not contribute to those changes;
5. Review examples of STR approaches used in other Alaska and comparable communities, and consider which elements, if any, may be relevant to Homer (the attached AI-assisted summary of other communities' approaches may be helpful in this regard);
6. Consider potential effects of STR activity and potential policy responses on housing availability, seasonal workforce needs, local businesses, and the visitor economy;
7. Consider the potential benefits, costs, and practical implications of a local STR registration approach, including whether registration numbers should be displayed in online listings or advertising, whether registration should be offered at no cost, a nominal cost, or at a level intended to recover administrative expenses, and whether a registration approach would improve the City's understanding of STR activity and support more informed decision-making;
8. Provide to the City Council a summary of observations, key takeaways, and a small number of possible near-term steps for Council consideration;
9. Provide, if appropriate, a broader range of potential future approaches for Council discussion;
10. Report back to the City Council ~~on or before~~ **between August 1st and** October 15, 2026.

PASSED AND ADOPTED by the Homer City Council this 13th day of April, 2026.

CITY OF HOMER

RACHEL LORD, MAYOR



86 ATTEST:

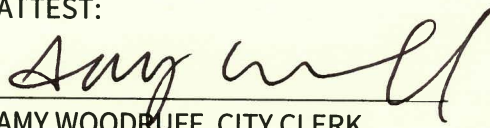
87

88

89

90

91


AMY WOODRUFF, CITY CLERK

Fiscal Note: N/A

1. Review Other Communities' Approaches

Task: Please bring with you your top 3 approaches to STR regulation from other Communities.

Discussion: Review attached AI generated attachment. Consider which elements, if any may be relevant to Homer, and the impact of these policies on housing availability, seasonal workforce needs, local business and the visitor economy. (Resolution task #5, 6)

Intended outcome: Commissioners reach consensus on useful options and considerations, and how they would affect Homer, and provide feedback to Council.

Action items:

- Commissioners review and discuss the examples during the meeting.
- Commissioners pass a motion stating which if any elements may be relevant to Homer. (In context of Council asking for near and mid term steps the City can take).
- Commissioners reach consensus on how these options would affect Homer.

Synopsis of regulatory programs from earlier work:

Many regulatory programs generally fall into three categories:

Light Regulation: No limits on zoning, the number of rental nights, or total number of permits, No requirement for life safety inspections No requirement for principal owner or operator to be on-site

Moderate Regulation: No cap on the number of permits, Moderate zoning district limitations, Requires life safety inspections

Robust Regulation: Caps the total number of permits, Limits to the number of rental nights, Strong zoning district limitations, Owners or operators must reside within 30 minutes of rental

Attachments for this discussion:

- Commissioner Zubeck Comments
- STR Report from Councilman Davis (AI generated)

Commissioner Zubeck Comments 9/1/26

How have other communities regulated Short Term Rentals?

- Seward - Automated software that tracks apps & websites – principal owner is required to be on-site in SF&2F Zoning districts. Limited bedroom ratio in each zone. Permit: \$53.50
- Anchorage – Municipal STR per unit: \$400/year renewable every 2 years. Fee waived to \$50 if unit is primary residence or rented >180 days. Liability insurance required. Local contact. 12% room tax on all stays <30 days
- Sitka – New STR operators be primary residents for min 6 months per year (permit: \$100). Permits attached to person, not dwelling. ADUs are currently prohibited from being used as short-term rentals under local code.

Options:

- a. Primary Residence Requirement
 - i. Research suggests ownership limit policies have a larger effect on market size than registration requirements alone (from the AI generated document)
- b. Zoning Restrictions
- c. Quota Limit
- d. Registration and Licensing
 - i. Health & Safety requirements – emergencies, safety equipment, inspections
 - ii. Occupancy Limits
 - iii. Ownership/Property Type
 - iv. Data
 - v. Taxes
 - vi. Tie to the person, not the parcel

My suggestions:

- a. Short term rentals must be the owner's primary residence if located in a residential zone. Add section in zoning for Short Term Rentals if we are defining differently.
- b. Short Term rental permits stay with the owner, not the property. Permits expire upon gift or sale and must be re-applied for by the new owner
- c. City of Homer should be advocating strongly for a bed tax with the Kenai Peninsula Borough. Bed taxes can be tied to property tax exemptions for year-round rentals/occupancy.

SHORT-TERM RENTAL REGULATIONS

Caps, Zoning, and Ownership Rules in Alaska and Comparable Tourism Communities

Research survey of approaches in Alaska, Oregon, and Washington | 2025–2026

At a Glance: Community Comparison

The table below summarizes the regulatory approaches of the communities researched. Detail on each follows in subsequent sections.

Community	Approach	Key Details
Seward, AK	Zoning + Permit	Residential zones: 50% of bedrooms, max 3; commercial zones: max 5. Annual life safety inspection required. STRs banned in boat harbor.
Soldotna, AK	Tax + Permit	4% lodging tax effective Jan 2025. New permit ordinance (2025): all STRs require administrative permit; owner-occupied units previously exempt.
Sitka, AK	Owner Occupancy	New STRs require owner to live on property as primary residence ≥6 months/year. Effectively bans investor-owned vacation rentals.
Anchorage, AK	Licensing (Data-First)	Municipal STR license required as of Sept 2024 (\$400/yr). No cap or zoning restriction. Primary goal: data collection. Vetoed once by mayor.
Juneau, AK	Registration Only	Free CBJ registration; listing must display registration number. 14% lodging tax. No caps, no zoning limits, no owner-occupancy requirement.
Bend, OR	Spacing + Type Tiers	Type II (non-owner-occupied whole house): must be 500 ft from nearest Type II. Type I (owner-occupied, ≤2 rooms): no spacing limit. Effective cap via distance rule.
Newport, OR	Neighborhood Caps	Hard caps by district: Nye Beach ~100 licenses; Oceanfront ~75; other residential ~30. Plus 250-ft spacing rule.
Chelan County/Leavenworth, WA	Hard Housing Stock Cap	County-wide cap at 6% of housing stock. Leavenworth area at ~16% and closed to new permits. Non-transferable permits (expire on sale).

1. Alaska: The Regulatory Landscape

Alaska has no statewide STR registration, licensing, or cap system. There is also no statewide lodging tax — Alaska is the only state in the nation without one. All regulation is municipal. This creates a patchwork where approaches vary widely even between neighboring communities on the Kenai Peninsula. A 2023 Alaska House bill (HB 184, Rep. Andrew Gray) proposed a statewide registry and a limit of one STR per owner, but it did not advance out of committee. As of early 2026, no statewide framework has passed.

Soldotna

Soldotna has been actively tightening its STR framework since 2023. In December 2023, the city council adopted a 4% lodging tax on stays under 30 days, effective January 1, 2025, with revenue directed to a Tourism Enhancement Fund. The ordinance was amended in December 2024 to add quarterly reporting requirements, a \$25 penalty for failure to file, and a \$250/day fee for unlawful operation.

A second ordinance (2025-039), under consideration as of early 2025, would require all STRs — including owner-occupied units currently exempt — to obtain an administrative permit and meet operational requirements. Non-owner-occupied units already require a local point of contact, occupancy limits, and parking/signage restrictions; the proposed change would bring owner-occupied units into the same framework. As of the time of this research, the ordinance had not yet been adopted.

Note: Soldotna currently has no hard cap on STR numbers, no zoning restrictions by district, and no owner-residency requirement — but the pending permit ordinance would close the exemption for owner-occupied units.

Seward

Seward has one of the more developed STR frameworks on the Kenai Peninsula, shaped by its acute housing shortage and heavy summer tourism. Key features of the current code:

- Residential zones: STRs limited to 50% of bedrooms per unit, with a maximum of 3 bedrooms rentable. This effectively ensures that in a whole house, at least half the bedrooms remain in residential use.
- Commercial zones: up to 5 bedrooms permitted for STR use.
- Annual permit required (\$50 application fee + \$45 life safety inspection fee), renewable each January.
- Listing must display the STR permit number.
- STRs are not permitted in the Seward Boat Harbor.

Seward's Planning and Zoning Commission considered more aggressive measures in 2022, including a ban on new whole-house rentals in residential zones and a 4-year waiting period for non-Seward-area residents seeking commercial-zone permits. These proposals met resistance from the City Council and as of 2022 had been postponed. Community Development Director Jason Bickling noted that residents rejected an outright cap: "People did not want an actual cap because there were some downsides... but to see if we could come up with some other ways to reach our goals of protecting residential housing, keeping land speculation out."

Note: *Seward's bedroom-ratio rule is a notable alternative to a hard cap — it limits STR intensity per property without setting a ceiling on the total number of permitted STRs. The proposed non-resident waiting period would be a significant tool against outside land speculation if enacted.*

Sitka

Sitka has Alaska's most restrictive STR policy for investor-owned properties. Following a 2022 ordinance tightening, new STRs are only permitted if the owner occupies the property as a primary residence for at least six months of the year. This effectively prohibits investor-owned whole-house vacation rentals while still allowing homeowners to host guests seasonally. Sitka also maintains a Planning Commission permitting process to control STRs in residential neighborhoods.

Anchorage

Anchorage's path to STR regulation has been contentious. The Assembly passed a licensing ordinance in March 2024 on a 7-5 vote; Mayor Bronson vetoed it within 24 hours, calling it "meddling" with property owners. The Assembly overrode the veto, and the licensing program went into effect September 15, 2024. Requirements include:

- Municipal STR license per unit: \$400/year (renewable every 2 years). Fee waived to \$50 if the unit is the owner's primary residence or rented long-term for more than 180 days — explicitly designed to incentivize return to long-term rental market.
- Minimum \$500,000 liability insurance (waived if major platform provides equivalent coverage).
- 24/7 on-call contact who can respond to issues within 24 hours.
- 12% room tax on stays under 30 days.

Notably, Anchorage's program was framed primarily as a data-collection exercise — to understand how many STRs exist, who owns them, and whether they are materially affecting the housing market. No caps, no zoning restrictions, and no owner-occupancy requirements have been adopted. Assembly member Zaletel: "We need to figure out: Is it a problem? If it is, how big is it?"

Juneau

Juneau takes the lightest-touch approach of Alaska's major cities. Registration with the CBJ Sales Tax Office is required and is free. Every listing must display its CBJ registration number. The 14% combined tax (5% sales + 9% lodging) is substantial. But Juneau has imposed no caps, no zoning

restrictions, and no owner-occupancy requirements. As of July 2025, platforms like Airbnb and VRBO are required to collect and remit Juneau's taxes on behalf of hosts.

State-Level Proposal: HB 184 (2023)

In May 2023, Representative Andrew Gray (D-Anchorage) introduced HB 184, which would have established a statewide STR registry and limited each owner to one registered STR unit. The bill was grounded in research showing that ownership-limit policies have a larger effect on STR market size than registration-only policies. UAA economist Brett Watson stated: "It seems that the policies that are enforcing strict rules have some bite, and they decrease the size of the market." The bill did not advance past committee. No comparable statewide measure has passed as of early 2026.

2. Oregon: Sophisticated Density Controls

Bend

Bend has one of the most carefully engineered STR frameworks in the Pacific Northwest, developed in response to explosive STR growth (over 1,000 listings by 2022 in a city of ~100,000). The core mechanism is a two-tier permit system tied to owner occupancy and a geographic spacing rule:

- Type I (Owner-Occupied or Infrequent Use): Covers owner-occupied rentals of up to 2 bedrooms, or whole-house rentals limited to 4 periods or 30 days per year. No spacing requirement — anyone may obtain this permit. Application fee: ~\$1,315.
- Type II (Non-Owner-Occupied Whole House): Requires that no other Type II rental exists within 500 feet, measured radially from the property boundary. This 500-foot buffer was increased from 250 feet in 2022. Application fee: ~\$3,657. Minimum \$500,000 liability insurance required.

In practice, the 500-foot rule effectively functions as a density cap without being a numeric cap — as STRs fill in a neighborhood, the 500-foot bubble around each one prevents new permits from being issued nearby. Practitioners note that as of 2023, "the regulations put an effective stop on new short-term rentals" in much of Bend. Pre-2015 permits are grandfathered and transferable, making those properties significantly more valuable.

The land use permit is property-specific and non-transferable for post-2015 Type II permits. Operators also need a separate annual operating license (\$205/year renewal). Occupancy is capped at 2 per bedroom plus 2 additional (e.g., 8 guests maximum for a 3-bedroom home).

Note: Bend's spacing rule is a highly replicable model for communities wanting density control without a hard numeric cap. It avoids the legal vulnerability of numeric caps (see Idaho section) while achieving a similar result geographically.

Newport

Newport (pop. ~11,000, home of the Oregon Coast Aquarium) enacted a significant STR ordinance in 2019. Newport uses hard numeric caps by neighborhood district — an unusual approach among Oregon cities:

- Nye Beach historic district: capped at approximately 100 STR licenses.
- Oceanfront area: capped at approximately 75 licenses.
- Other residential zones: smaller district caps of approximately 30.
- Total city cap set initially around 200 licenses, with a goal of reducing to ~170 through attrition.
- 250-foot spacing buffer between STRs in certain zones.

Newport's approach is directly relevant for communities that want to limit STR concentration in particular neighborhood types — distinguishing, for instance, between a historic downtown or touristy waterfront zone and quieter residential areas. Enforcement tightened in 2023.

3. Washington: Hard Housing-Stock Caps

Chelan County / Leavenworth

Chelan County (home to the tourist destination of Leavenworth) enacted comprehensive STR rules in July 2021 after a moratorium. The county uses a hard housing-stock cap approach:

- County-wide cap: STRs may not exceed 6% of the total housing stock in most areas. In the immediate Leavenworth, Lake Wenatchee, and Plain areas, the cap has been exceeded (the area is at approximately 16% of housing stock) and is closed to new permits indefinitely.
- Owner-occupancy tiers: Tier 1 (owner within 200 feet of property at all times during guest stays) is allowed in most zones. Non-owner-occupied properties face stricter zoning requirements (Rural Residential/Resource, 5+ acres minimum in some categories).
- Non-transferable permits: STR permits expire when a property is sold. New owners cannot inherit the STR permit and must reapply — but since the cap has been exceeded, they cannot get a new one. This effectively means STR-permitted properties in Leavenworth sell at a premium and that the permitted inventory shrinks over time through attrition.

The city of Leavenworth itself takes an even harder line: STRs are largely prohibited in residential zones within city limits, with exceptions only for owner-occupied bed-and-breakfast operations (conditional use permit required, owner must be on premises during all guest stays). Non-owner-occupied STRs within city limits are prohibited in all residential districts.

Chelan County's non-transferable permit design is worth particular attention: it allows existing operators to continue while ensuring that permits don't become a tradeable commodity, and that over time the total inventory declines through natural turnover.

4. Synthesis: What Works, What Doesn't, and What Alaska Communities Can Learn

On Caps and Limits

Numeric hard caps — a fixed ceiling on the number of permitted STRs across a community or zone — are the most direct tool. Alaska has no court precedent or state preemption statute limiting their use, and the communities in this report that have adopted them have done so without successful legal challenge to date. Alternatives to a hard cap exist and are worth knowing about, as they can achieve similar density-control results through different mechanisms:

- Geographic spacing rules (Bend's 500-foot buffer between non-owner-occupied whole-house rentals) — effectively create scarcity without a numeric ceiling.
- Housing-stock percentage caps (Chelan County's 6%) — frame the limit as a proportion of the housing market, not an absolute number, which may be more defensible as a legitimate land-use regulation.
- Bedroom-ratio rules (Seward's 50% of bedrooms) — limit intensity at the property level without capping total numbers.
- Neighborhood/district caps (Newport's tiered district approach) — target high-tourism areas specifically.

On Zoning Approaches

Limiting STRs by zoning district — allowing them in commercial or resort zones while restricting or banning them in residential zones — is among the most widely used and legally durable approaches. Leavenworth prohibits STRs in residential zones entirely; Seward limits STR intensity by bedroom ratio within each zone. For Alaska communities, a zoning-based approach has several advantages: it aligns with existing land-use planning frameworks, it is spatially targeted, and it preserves residential neighborhoods for long-term housing without eliminating tourism accommodation capacity in appropriate commercial zones.

The key implementation challenge is enforcement: rules on paper without dedicated staffing produce large illegal markets. Communities that have added a dedicated STR enforcement officer — funding the position through licensing fees — have seen materially better compliance.

On Owner Occupancy and Ownership Limits

Owner-occupancy requirements are among the most effective tools for preserving residential housing stock. The core logic: a homeowner renting spare rooms or hosting while away is a fundamentally different activity from an outside investor converting a home into a de facto hotel. Sitka (Alaska) has adopted this directly, requiring new STR operators to be primary residents for at least six months annually — the most directly usable Alaska model for other communities considering this approach.

A.I.-Generated Content

One-per-owner limits (the approach proposed in Alaska's HB 184) target the commercial multi-STR investor rather than the homeowner supplementing their income. Research from UAA suggests ownership-limit policies have a larger effect on market size than registration requirements alone.

Non-transferable permits (Chelan County) achieve a similar result indirectly: by ensuring that STR permits don't survive property sales, the policy discourages pure investment acquisition while allowing existing operators to continue. This approach may be more legally defensible than ownership limits because it regulates the permit, not the person.

Key Takeaways

- Registration and taxation alone (the Juneau model) generate revenue and data but do not limit STR growth or protect housing stock. They are a starting point, not a complete policy.
- Geographic spacing rules and zoning restrictions — alongside hard caps — each have a track record of effectiveness; the right tool depends on community goals and political context.
- Owner-occupancy requirements are the single most direct tool for separating homeowner hosting from investor-owned vacation rentals — and Sitka's approach is a usable Alaska model.
- Non-transferable permits (Chelan County model) are an underused tool that naturally limits permit inventory over time without requiring enforcement of a hard cap.
- Dedicated enforcement staffing is essential — regulations without an enforcement mechanism produce large illegal markets. Self-funding enforcement through licensing fees is a proven model.
- A pre-resident or local-residency waiting period (Seward's proposed 4-year waiting period for non-Seward-area residents) is a creative tool specifically targeted at outside land speculation.
- The Anchorage model of data-first licensing before additional restrictions is sensible for communities that don't yet know the scale of the problem — but should include a stated timeline for evaluating whether additional measures are needed.

— End of Report —

2. Operator-Occupancy Requirement in Urban Residential and Rural Residential Districts

Task: Be ready to vote on a recommendation to require a primary occupant on the property for STR's in Urban and Rural Residential.

Note: This topic overlaps Topic #5 Commissioner Bailey and Zubeck, but this topic is intended to be very narrow. Staff is flexible on how the Commission wants to approach this question.

Decision question: Should the City require operator occupancy for short-term rentals in the Urban Residential (UR) and Rural Residential (RR) districts?

Proposed direction: Do not allow new whole-property short-term rentals in the UR and RR zoning districts. Room rentals, bed-and-breakfast uses, and cabin rentals would remain allowed with a resident on the property.

Intended outcome: A recorded Commission vote providing clear policy direction. Whole property rentals would continue where allowed. (Provide a partial response to Task 8)

Action items:

- Commission conducts and records the vote.
- Outcome will be forward to council.

3. Short-Term Rental Registration System

Task: Be ready to vote on a formal motion about a registration system

Decision question: Should the City establish a short-term rental registration system?

Discussion: Commissioners have expressed mixed viewpoints, and there is not yet a clear consensus.

Intended outcome: A recorded yes-or-no vote on whether to support a registration system. This is not a motion in support of the specific language in Title 21. Just the overall concept of having a registration system.

Suggested motion: Move to support establishment of a free or low-cost short-term rental registration system to collect data for the purpose of improving the City's understanding of STR activity and support more informed decision making. (Resolutions Task # 7)

Action items:

- A commissioner makes a motion to support or decline a registration system.
- Commission conducts and records the vote.
- Staff documents the Commission's rationale for the prevailing vote on the motion.

4. Existing Uses and Nonconformity

Task: Listen to information about nonconformity in City Code (an overview)

Discussion: Review what types of grandfathering may be available under Title 21 and how existing short-term rentals would be treated. Include the current nonconformity provisions, discontinuance provision, and the principle that Homer does not automatically sunset an established land-use right.

Reference: Title 21.61.010

Policy question: What approach would provide consistent treatment for properties inside and outside the city?

Intended outcome: Commission direction on how existing uses should be addressed in the draft regulations.

Action items:

- Staff explains current nonconformity provisions.
- Commission identifies a preferred approach via motion.
- Staff provides information from the prevailing side on the motion.

Attachments for this discussion: HCC Title 21.61.010 Nonconformity

CHAPTER 21.61
NONCONFORMING USES, STRUCTURES, AND LOTS

§ 21.61.010. Nonconformities in general.

When a zoning ordinance or other land use regulation is adopted or amended, or when the zoning district designation applicable to a lot changes, or when annexation or other boundary changes occur, then as a result a previously lawful lot, structure, or use may no longer be allowed. Such previously lawful lot, structure, or use shall be considered a nonconforming lot, structure or use. Such nonconformities may continue, subject to the requirements of this chapter and any other provisions of the Homer Zoning Code that expressly apply to nonconforming lots, structures, or uses.

(Ord. 08-29, 2008)

§ 21.61.015. Definitions.

For the purposes of this chapter the following words and phrases shall be interpreted or defined as set forth in this section, and such interpretations or definitions shall supersede any conflicting interpretations or definitions set forth elsewhere in this title:

“Abandon” means (1) with respect to a use, the cessation of such use for any length of time, combined with intent to indefinitely cease such use, or (2) with respect to a structure, the cessation of occupancy of such structure for any length of time, combined with intent to indefinitely cease occupancy of such structure.

“Change” means, with respect to a nonconforming use, that the nonconforming use has been converted to a different use for any period of time, regardless of intent.

“Discontinued” means that a nonconforming use has ceased, and has not substantially resumed, for a period of 24 consecutive months, regardless of intent.

“Occupy” or “occupancy” means actual physical occupancy of a structure or lot, regardless of intent.

“Primary use” means the primary activity actually conducted in a serious, substantial, and ongoing manner on a lot or in a structure, and for which the lot or structure is actually and primarily occupied and maintained, regardless of intent.

“Substantially resumed” means substantial and continuous resumption of the use as the primary use for a period of at least 60 consecutive days. Activity that does not meet this standard is not sufficient to interrupt a period of discontinuance.

“Use” means activity actually conducted on a lot or in a structure, and for which the lot or structure is actually occupied and maintained, regardless of intent.

(Ord. 08-29, 2008; Ord. 13-42(A) § 1, 2013)

§ 21.61.020. Nonconforming lots.

- a. A nonconforming lot containing at least 6,000 square feet on May 16, 1978, may be developed in conformity with all other provisions of this title even though such lot fails to meet currently applicable minimum area or width requirements.

- b. No lot containing less than 6,000 square feet on May 16, 1978, may be used except as follows:
1. In the residential districts, i.e., RR, UR, and RO, on any lot that fails to meet minimum area or width requirements, one single-family dwelling with a proper zoning permit is permitted; and
 2. In all other districts such lots may be used only in full compliance with all applicable provisions of the current zoning code.

(Ord. 08-29, 2008)

§ 21.61.030. Nonconforming structures.

A nonconforming structure may be continued so long as it remains otherwise lawful, subject to the following provisions:

- a. A nonconforming structure may be enlarged or altered, but only if it does not increase its nonconformity;
- b. If a nonconforming structure is moved for any reason for any distance whatsoever it shall thereafter conform to the code provisions applicable in the zone in which it is located after it is moved;
- c. If a nonconforming structure or nonconforming portion of a structure is damaged by any means to an extent of more than 50 percent of its replacement cost at time of the damage, it shall not be reconstructed except in conformity with the provisions of Homer City Code.
- d. If at any time a nonconforming structure is abandoned or brought into conformity with this title, the structure shall thereafter conform to all the regulations of the zoning district in which it is located, and the nonconforming structure shall not be allowed to continue in use.

(Ord. 08-29, 2008)

§ 21.61.040. Nonconforming uses.

A nonconforming use may be continued so long as it remains otherwise lawful, subject to the following provisions:

- a. No nonconforming use shall be enlarged or increased, nor extended to occupy a greater area of land than was occupied as of the date it became nonconforming;
- b. No nonconforming use shall be moved in whole or in part to any other portion of the lot that was not occupied by the nonconforming use as of the date it became nonconforming;
- c. Any new structure built in connection with the nonconforming use must be in full compliance with all applicable provisions of the zoning code and other laws then in effect;
- d. If at any time a nonconforming use is abandoned, changed, discontinued, or ceases

to be the primary use of a lot, the use of that lot shall thereafter conform to the code provisions applicable in the zone in which the lot is located, and the nonconforming use shall not thereafter be resumed or allowed to continue.

(Ord. 08-29, 2008)

§ 21.61.050. Proof of nonconforming use or structure.

- a. It is the responsibility of the owner to produce evidence proving the existence and continuous use of every lawful nonconforming use and structure.
- b. Proof of the following nonconforming uses and structures shall be submitted to the City Planner:
 1. Uses and structures that existed lawfully before annexation to the City on or after March 20, 2002, and that are nonconforming as a result of the annexation;
 2. Structures that existed lawfully before inclusion within the Bridge Creek Watershed Protection District and that are nonconforming as a result of the inclusion;
 3. Structures that existed lawfully on or before September 27, 1982; and
 4. Structures that existed lawfully before an amendment to this title or an amendment to the zoning map, and that are nonconforming as a result of the amendment.
- c. Proof of all other nonconforming uses and structures shall be submitted to the City Planner for presentation to the Planning Commission at a public hearing.
- d. Upon presentation of such proof, the reviewing authority finds to be a nonconforming use or structure under HCC § 21.61.010. For each use or structure that the reviewing authority finds to be a nonconforming use or structure under HCC § 21.61.010, the reviewing authority shall adopt a written decision that includes a complete description of the nonconforming use or structure.
- e. No zoning permit may be issued under Chapter 21.70 HCC for any activity on a lot prior to a determination under this section approving of all nonconforming uses and structures existing on the lot.

(Ord. 08-29, 2008; Ord. 09-10(A) § 1, 2009)

§ 21.61.060. Termination of nonconforming use or structure.

The right to continue a nonconforming use or structure previously approved under this chapter is subject to termination by the Commission if it finds, after providing the property owner notice and an opportunity to be heard at a public hearing, that:

- a. In the case of a nonconforming structure, it has subsequently been abandoned or brought into conformity with the Homer Zoning Code; or
- b. In the case of a nonconforming use, the use has subsequently been abandoned, changed, discontinued, or ceases to be the primary use of a lot.

§ 21.61.060

§ 21.61.070

(Ord. 08-29, 2008; Ord. 09-10(A) § 2, 2009)

§ 21.61.070. Small wind energy systems.

The installation of a small wind energy system that complies with all applicable laws at the time of its installation does not enlarge, increase or expand a nonconforming use or structure.

(Ord. 09-34(A) § 22, 2009)

5. Commissioner Bailey and Zubeck Comments

Discussion: Review and consider the comments.

Intended outcome: Determine whether follow-up, referral, or inclusion in a future agenda is needed.

Action items:

- Commission provides direction on the appropriate next step.
- Staff records and schedules any requested follow-up.

Attachments for this discussion:

- Commissioner Baily Comments
- Bailey Table on Title 21
- Commissioner Zubeck Comments

- Submitted to the City of Homer Economic Development Commission

By Landa Baily, Commissioner

August 18, 2026

Dear EDC Commissioners:

The issue of short term rentals is in large part before the EDC because Homer residents brought the issue of businesses and individuals, who do not live on the property, operating these commercial uses in residential zones, to the Homer City Council.

The EDC mission states in part: “. . . promote a high quality of life for Homer **residents** and businesses. (Bolding provided.)

The public concern is clear: 460 signatures on a petition advocating that STR’s in residential zones in the City of Homer be allowed only on the property that is the primary residence of the owner/operator, submitted as public comments to the City of Homer Joint City Council and Planning Commission work session, June 22, 2026. Other public comments: Approximately 23 public comments asked for allowing STRs only on property that is the primary residence of the owner/operator in residential zones and approximately 22 public comments asked for no STR regulations.

I ask that the agenda for our upcoming meeting include an item addressing STR property ownership. I intend to make up to three motions for consideration by my fellow EDC members:

- 1) I move that the Economic Development Commission advise the City Council to amend Title 21 to allow Short Term Rentals in all Residential Zones only on the premises of the operator’s primary permanent residence.
- 2) I move that the Economic Development Commission advise the City Council to amend Title 21 to allow Short Term Rentals in all non-Residential Zones regardless of property ownership.
- 3) I move that the Economic Development Commission advise the City Council to amend Title 21 to allow operators of STRs that are in Residential Zones on property other than the operator’s primary residence that have been in operation for the preceding year in accordance with all applicable local and state laws to continue to operate under a nontransferable “grandfather” exemption that terminates upon the transfer of ownership or lease of the property or the STR business.

Answers to concerns I have heard raised in testimony before us to date:

How is an operator’s primary residence determined? It is the primary or permanent place of residence per the operator’s Alaska Permanent Fund eligibility application or that would qualify as the operator’s permanent primary residence for purposes of PFD eligibility.

How is compliance with applicable state and local laws determined? Presentation of an applicable State of Alaska Business license and Kenai Peninsula Borough sales and business tax records.

Does this allow for the STR to be located in, not only the dwelling unit, but also in an accessory building on the property of owner/operator's primary residence? Yes.

Does this allow for the STR operator to temporarily reside at another location while operating the STR? Yes, as long as the property is the operator's primary residence per the State of Alaska Permanent Fund eligibility requirements.

Is the operator allowed to conduct another business, e.g. commercial fishing, away from Homer while operating an STR on the property of their primary residence? Yes.

If the operator's primary residence is in an apartment of an apartment building that the operator owns, is the operator allowed to operate a STR in another apartment in the same building? Yes.

If the property is in the business district, on the Spit, or in another nonresidential zone, does the operator have to reside on the property? No.

Will enforcement of this zoning provision differ from enforcement of the other Title 21 provisions? No. It will be enforced as all other Homer zoning regulations are enforced.

Title 21 Chapter 21.03.020 PH Draft, Chapter 21.02.040 Words and Phrases (Current Definitions used in zoning Code) code		Suggested
Bed and Breakfast	Bed and Breakfast	Bed and Breakfast
means a dwelling in which an individual or family resides and rents bedrooms in the dwelling to overnight guests, if the bed and breakfast use is accessory to the principal use of the dwelling as the primary residence of the operator. If the dwelling has six or more bedrooms available for rental to overnight guests it is a hotel and not a bed and breakfast.	means a dwelling in which an individual or family resides and rents no more than five bedrooms in the dwelling to overnight guests, where the bed and breakfast use is accessory to the principal use of the dwelling as the primary residence of the operator. A bed and breakfast is a type of short term rental (as defined in this section).	means a residential dwelling which is the primary residence of the operator who rents no more than five bed rooms to overnight guests, where lodging with a meal is provided for compensation on a short-term basis, is advertised as a bed and breakfast by the owner and is registered with the borough for tax purposes as a bed and breakfast. The term does not include boardinghouses, short-term rentals, and separate apartments which are leased on a month-to-month or longer basis.
Dormitory	Dormitory	Dormitory
means a building or portion of a building that provides one or more rooms used for residential living purposes by a number of individuals that are rented or hired out for more than nominal consideration on a greater than weekly or prearranged basis. A building or structure that provides such rooms on less than a weekly basis shall be classified as a “hotel” or “motel,” “rooming house,” or other more suitable classification. “Dormitory” excludes hotel, motel, shelter for the homeless and bed and breakfast.	means a building or portion of a building that provides one or more rooms used for residential living purposes by a number of individuals that are rented or hired out for more than nominal consideration on a greater than weekly or pre-arranged basis. A building or structure that provides such rooms on less than a weekly basis shall be classified as a “hotel” or “motel,” “rooming house,” or other more suitable classification. “Dormitory” excludes hotel, motel, shelter for the homeless and bed and breakfast.	<i>means building providing temporary housing associated with an education institution providing one or more rooms used for residential living purposes by a number of individuals for the duration of one or more education terms.</i> Dormitory excludes hotel, motel, shelter for the homeless, short term rental and bed and breakfast.

Title 21 Chapter 21.03.020 PH Draft, Chapter 21.02.040
Words and Phrases (Current Definitions used in zoning
Code) code

Suggested

[Type here]

[Type here] [Type here]

Guest Room	Guest Room	Guest Room
means a single unit for the accommodation of guests without kitchen or cooking facilities in a bed and breakfast, rooming house, hotel or motel.	means a single unit for the accommodation of guests without kitchen or cooking facilities in a bed and breakfast, rooming house, short term rental, hotel or motel.	Same as proposed in PH draft.
Guest House	Guest House	Guest House
means an accessory building without kitchen or cooking facilities and occupied solely by nonpaying guests or by persons employed on the premises.	None	None
Home Occupation	Home Occupation	Home Occupation
means any use customarily conducted entirely within a dwelling or a building accessory to a dwelling, and carried on by the dwelling occupants, that is clearly incidental and secondary to the use of the dwelling for dwelling purposes and does not change the character thereof, and includes no display of stock in trade, no outside storage of materials or equipment and no commodity sold upon the premises. "Home occupation" does not include bed and breakfast.	means any use customarily conducted entirely within a dwelling or a building accessory to a dwelling, and carried on by the dwelling occupants, that is clearly incidental and secondary to the use of the dwelling for dwelling purposes and does not change the character thereof, and includes no display of stock in trade, no outside storage of materials or equipment and no commodity sold upon the premises. "Home occupation" does not include bed and breakfast	means any use customarily conducted entirely within a dwelling or a building accessory to a dwelling, and carried on by the dwelling occupants, that is clearly incidental and secondary to the use of the dwelling for dwelling purposes and does not change the character thereof, and includes no display of stock in trade, no outside storage of materials or equipment and no commodity sold upon the premises. Home occupation does not include bed and breakfast <i>or short term rental.</i>
Hostel	Hostel	Hostel
means any building or portion of a building containing dormitory-style sleeping accommodations for not more than 15 guests that are used, rented or hired out on a daily or longer basis.	means any building or portion of a building containing dormitory-style sleeping accommodations for not more than 15 guests that are used, rented or hired out on a daily or longer basis.	Same as proposed in PH draft.

Title 21 Chapter 21.03.020 PH Draft, Chapter 21.02.040

Words and Phrases (Current Code) Definitions used in zoning code

Suggested

[Type here]

[Type here] [Type here]

Hotel or Motel	Hotel or Motel	Hotel or Motel
means any building or group of buildings containing six or more guest rooms that are used, rented or hired out to be occupied for sleeping purposes by guests. "Hotel" or "motel" also means any building or group of buildings containing five or less guest rooms that are used, rented or hired out to be occupied for sleeping purposes by more than 15 guests. The terms "hotel" and "motel" exclude bed and breakfast, rooming house, dormitory, shelter for the homeless, and hostel.	means any building or group of buildings containing six or more guest rooms that are used, rented or hired out to be occupied for sleeping purposes by guests. "Hotel" or "motel" also means any building or group of buildings containing five or less guest rooms that are used, rented or hired out to be occupied for sleeping purposes by more than 15 guests. The terms "hotel" and "motel" exclude bed and breakfast, rooming house, dormitory, shelter for the homeless, and hostel.	Same as proposed in PH draft and current Title 21.
Lodging	Lodging	Lodging
means any building or portion of a building that does not contain a dwelling unit and that contains no more than five guest rooms that are used, rented or hired out to be occupied for sleeping purposes by guests.	None	None
Primary Residence	Primary Residence	Primary Residence
None	None	<i>means property occupied as the permanent place of abode by a resident for at least 185 days over the prior calendar year unless a longer absence is required for medical, educational or military service.</i>
Rooming House	Rooming House	Rooming House
means a dwelling containing not more than five guest rooms that are used, rented or hired out to be occupied for sleeping purposes by guests. A rooming house shall not accommodate in	means a dwelling containing not more than five guest rooms that are used, rented or hired out to be occupied for sleeping purposes by guests. A rooming house shall not accommodate in excess of 15	<i>means a multi-tenant house not containing more than five bedrooms with one or more bedrooms rented separately to individual renters on a month-to-month basis and</i>

Title 21 Chapter 21.03.020 PH Draft, Chapter 21.02.040
Words and Phrases (Current Definitions used in zoning
Code) code

Suggested

[Type here]

[Type here] [Type here]

excess of 15 guests. A rooming house shall also include any structures associated with the dwelling, such as guest cabins; provided, that a conditional use permit was obtained for any associated structures, if a permit is required in order to have more than one building containing a permitted principal use on the lot. "Rooming house" does not include bed and breakfast.	guests. A rooming house shall also include any structures associated with the dwelling, such as guest cabins; provided, that a conditional use permit was obtained for any associated structures, if a permit is required in order to have more than one building containing a permitted principal use on the lot. "Rooming house" does not include bed and breakfast.	<i>having common shared facilities including bathrooms and kitchen, and rented out for purposes of sleeping. A rooming house shall not accommodate in excess of 5 renters.</i> A rooming house shall also include any structures associated with the dwelling, such as guest cabins, provided that a conditional use permit is obtained for any associated structures if a conditional use permit is required in order to have more than one building containing a permitted principal use on the lot. Rooming House does not include bed and breakfast <i>or short term rental.</i>
Short Term Rental	Short Term Rental	Short Term Rental
None	means a transient lodging establishment, located within a residential structure, engaged in providing temporary accommodations for the general public. Stay duration is less than thirty days. These may include, but are not limited to: entire dwellings, rooms within a dwelling, attached and detached accessory dwelling units, and bed and breakfast establishments. Short-term rentals do not include worker housing as defined in this title, which is strictly for transient workers.	means a transient lodging establishment, located within a residential <i>dwelling</i>, engaged in providing temporary accommodations for the general public. Stay duration is less than thirty days. These may include, but are not limited to entire dwellings, rooms within a dwelling, attached and detached accessory dwelling units and dwelling units attached to <i>or accessory to commercial or industrial buildings in other than Residential Zones. Short term rentals in Residential Zones are on property that is the primary residence of the operator. Short term rentals do not include bed and breakfast, rooming house, hostel, dormitory, or worker housing as defined in this title.</i>

Title 21 Chapter 21.03.020 PH Draft, Chapter 21.02.040

Words and Phrases (Current Code) Definitions used in zoning code

Suggested

[Type here]

[Type here] [Type here]

Worker Housing	Worker Housing	Worker Housing
NONE	means accommodation that is used solely for the purpose of providing cooking, sanitary, and sleeping facilities to house workers associated with a particular business, institution or industry. Housing types may include, but are not limited to, bunkhouses, boarding houses, dormitories, attached dwelling units, and manufactured homes.	<i>means housing provided for the temporary or seasonal employment of workers in a particular industry, located on or near the worksite, and intended for occupancy for a limited period of time,</i> used solely for the purpose of providing cooking, sanitary, and sleeping facilities to house workers associated with a particular business, institution or industry. Housing types may include, but are not limited to, bunkhouses, boarding houses, dormitories, attached dwelling units, and manufactured homes. <i>(Note for Division III Zoning Districts: Allowed in any zone <u>except</u> Residential Zones, unless provided for by a conditional use permit)</i>

After reviewing **Chapter 21.51 Short Terms Rentals** from the Title 21 Update, here are my suggestions:

21.51.020 Applicability

Take out “rental cabins”. I don’t know why cabins would be exempt.

21.51.030 Specific Use Standards

Restrict short term rentals in residential zones to have a primary residence requirement

Remove the line allowing short-term rental permits to be transferrable. The permit should be tied to the person, not the parcel. If it sells, the new owner will have to apply for their own permit.

6. Response to City Council

Task: Read the Draft Response to Council. Email staff any comments or provide at the meeting.

Discussion: Review the draft memorandum responding to Council and the proposed attachments. The memorandum should reflect that the Commission heard a range of viewpoints and that the discussion became more focused over time. Key themes include the relationship between short-term rentals and housing, concerns regarding whole-house rentals in single-family residential areas, and the role of short-term rentals in tourism and resident income.

Intended outcome: Agreement on the Commission's findings, recommendations, and supporting materials for Council.

Action items:

- Commission reviews and revises the draft response.
- Staff finalizes the memorandum and attachment list based on Commission direction.
- Commission identifies any remaining issues that require additional discussion.

Attachments for this discussion:

- No draft memo/narrative has been prepared, but I did start an appendix type document with longer responses and references. If the format is acceptable, I will continue filling out the document. (and make it a nicer document)

EDC DRAFT RESPONSE FOR COUNCIL 9/2/26 meeting

INSERT HERE: 1-2 page narrative summary response to Council

This document: Attachment with lengthier responses

Task 1: Gather input from a range of local perspectives including residents, renters, employers, STR hosts, Kachemak Board of Realtors, the Kenai Peninsula Economic Development district and others affected by seasonal housing dynamics.

The Commission heard presentations from the Kenai Peninsula Economic Development District, Dorothy Duncan - small business rental property owner, Kachemak Board of Realtors, Homer Bed and Breakfast Association and Kachemak Bay Conservation Society. In addition the Commission heard many public comments from a range of business owners in the tourism and accommodations industry, private property homeowners that live next to short term rentals and interested in concerned community members from the southern Kenai Peninsula.

Key Takeaway: There are many viewpoints on the role of government, the effectiveness and fairness of regulating one type of business to the benefit of others, and what Homer should or should not do. There *is* consensus that housing is tight in Homer, it's a complex issue, and solutions are multifaceted. No one action or regulation will fix the problem.

References: KPEDD Housing Report, KPEDD housing presentation at the April 2026 Industry Outlook Forum in Seward (YouTube recording), Kachemak Board of Realtors Report

Task 2: Consider definitions of STR's, hotels, hostels, bed and breakfasts hotels and apartments in conjunction with the title 21 rewrite project;

References: Public Hearing Draft of Tite 21 Zoning Code Update (pages,_JE to complete)____

Key Takeaway:

Task 3: Develop a general understanding of STR activity in Homer including approximate numbers general distribution and a seasonal pattern of use;

References: Jonathan Young's analysis dated_____

Key Takeaway:

Task 4: Consider how housing availability changes throughout the year particularly during summer peak months slower winter months on how str's may or may not contribute to those changes;

References: KPEDD Housing Report, Kachemak Board of Realtors Report, Jonathan Young's analysis dated____

Key Takeaway:

Task 5 Review examples of approaches used in other Alaska and comparable communities and consider which elements if any may be relevant to Homer

The Commission reviewed multiple examples from other Alaskan communities and cities across the country.

Elements relevant to Homer:

Task 6: Consider potential effects of STR activity and potential policy responses on housing availability seasonal workforce needs local businesses and the visitor economy;

Key Takeway: Many factors effect housing. While STR's may have some effect, it is one of many factors. _____

Task 7: Consider the potential benefits costs and practical implications of a local str registration approach Including whether registration numbers should be displayed in online listings or advertising, whether registrations should be offered at no cost a nominal cost or at a level intended to recover administrative expenses and whether a registration approach would improve the city's understanding of str activity and support more informed decision-making;

Key Takeaway: The Commission

Task 8: Provide to the City Council a summary of observations key takeaways and a small number of possible near-term steps for the council to for Council consideration;

60 References: see summary list of key takeaways

61 **Possible near-term steps** for Council consideration:

62 **Task 9:** Provide if appropriate a broader range of potential future approaches for council
63 discussion.

64 **Potential Future Approaches:**

- 65 1. Encourage the construction of more housing
66 2. Consider incentives to incentivize more housing construction
67 3. Continue to work with community partners on housing issues
68 4. Continue consideration of the different levels of regulation inside and outside
69 Homer City Limits.

70

71 Attachemnts:

72 Hyperlink to KPEDD report

73 Hyperlink to KPEDD housing presentation

74 Copy of Kahcemak Board of Realtors Report

75 Copy of J Young's report

76 _____?

77



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum

TO: Mayor Lord and Homer City Council
FROM: Melissa Jacobsen, City Manager
DATE: August 19, 2026
SUBJECT: City Manager's Report for August 24, 2026, Council Meeting

Ramp 4 Project Update

In 2025 the City issued an invitation to bid and awarded a contract for the design and construction of Homer Harbor's System Ramp 4 to Turnagain Marine. There are several moving pieces with this important project because we are working with funding from the Denali Commission Transportation Program and the United States Maritime Administration (MARAD). Since the contract award, we've received our pre-award notice from MARAD and worked with our attorneys at JDO to accomplish a final contract with Turnagain Marine. We've also received our pre-award spending authorization from MARAD and are awaiting one final item regarding extension information from the Denali Commission. Once that's in place we'll be ready to issue our Notice to Proceed (NTP) 1 to Turnagain for the design phase of the project. Progress was slowed as we worked through the contract, but that was necessary to ensure we are compliant with our funding requirements.

Hornaday Park Lower Trail

In my July 27th report I provided a write up about some clearing that took place along Fairview below Karen Hornaday Park, explaining that it was a combination of right-of-way clearing and trail work. The trail work is ongoing and now passersby can see the trail taking shape. The team is currently laying the filter fabric layer and preparing it for laying gravel. Once the trail work is completed the area will be hydroseeded. Future plans include seeding with a wildflower mix that's appropriate for our area and installing a bench.

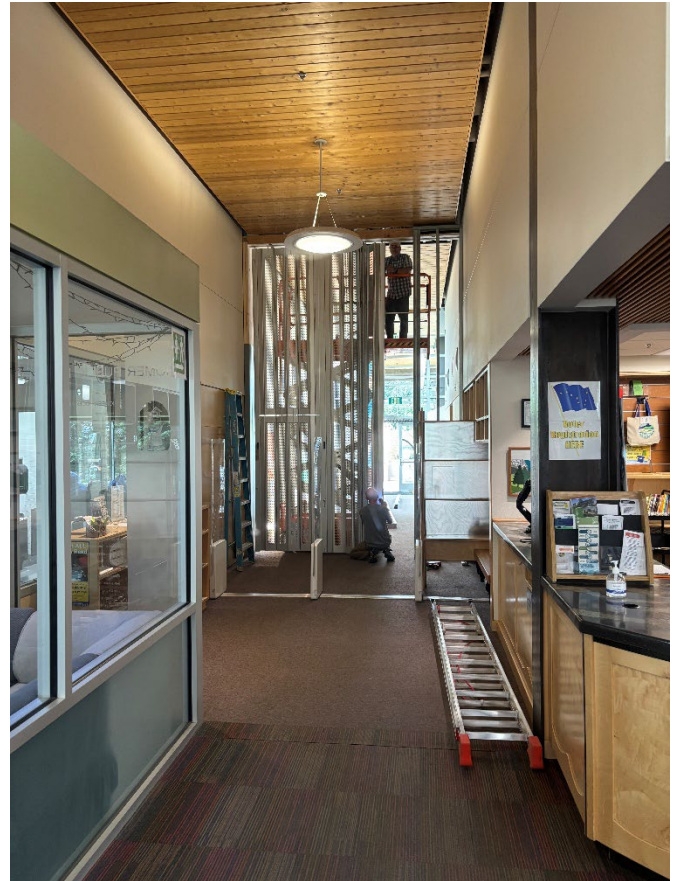


Homer Airport Night Closures Scheduled

The Homer Airport Improvement Project contractor will be performing maintenance on the airport electrical system from August 20 through August 31, 2026. The airport will be closed to all air traffic nightly from 9 PM to 7 AM during this period. The project engineer advises the dates are tentative and information will be updated as it becomes available. Thank you for your patience and understanding as they wrap up this project. For updates, please contact the QAP project engineer directly. Andrew Loman (720) 951-0162. This closure is not related to the City's work related to the airport flooding.

Library Security Grille

After a brief Library closure, the Library Security Grille is installed and ready to use! Here's a little photo montage of the installation.



City of Homer
Budget Development Schedule
for Fiscal Year 2028 and 2029

Dates	Event
8/24/2026	Budget Development Schedule delivered to Council
October - November 2026	Budget Worksessions (as needed)
Beginning of November 2026	Submit to departments, budget work sheets including salary and fringe benefit costs
11/23/2026	Committee of the Whole, Council to discuss budget priorities for the coming year
	Regular Meeting, Public Hearing - public input on budget priorities for the coming year
End of December 2026	Departmental Draft Budget and narratives to Finance
January 2027	City Manager - Budget Review with Finance Director and Department Heads
	Budget Discussions (Boards/Commissions)
2nd Meeting January 2027	Worksession - Department Budget Discussions
	During Committee of the Whole, Council to discuss Revenue Sources for General Fund and preliminary budget assumptions.
1st Meeting February 2027	Worksession - Department Budget Discussions
2nd Meeting February 2027	City Manager's Budget (Proposed Budget) to Council
	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
1st Meeting March 2027	Worksession - Budget Discussions
	Committee of the Whole, Council to discuss budget
2nd Meeting March 2027	Committee of the Whole, Council to discuss budget
	Regular Meeting - to introduce Budget and Water/Wastewater Rate Ordinances
1st Meeting April 2027	Committee of the Whole, Council to discuss budget
2nd Meeting April 2027	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
1st Meeting May 2027	Regular Meeting - Public Hearing & FY 28/29 Budget Adoption



PRATT
museum

homer society of
natural history, inc.

July 30, 2026

Melissa Jacobson, City Manager
Rachel Lord, Mayor
Homer City Council Members
City of Homer
491 East Pioneer Avenue
Homer, AK 99603

Dear Ms. Jacobson, Ms. Lord, and City Council Members,

On behalf of the Pratt Museum staff, Board of Directors, and volunteers of the Pratt Museum, thank you for the City of Homer's contribution of \$77,000.

The Pratt Museum is a dynamic cultural cornerstone that connects people to the Kachemak Bay region and each other. Building on a tradition of excellence, the Pratt continues to bring regionally relevant topics into focus for locals and visitors of all ages through our dynamic array of exhibits, educational programming, and permanent collection. Our nine-acre campus offers a peaceful escape in the heart of downtown Homer, with a thriving Botanical Garden and Forest Ecology Trail System directly connecting Homer Middle School, the downtown business district, and surrounding neighborhoods.

Support from the City of Homer is vital to our mission-driven work and ensures that the we continue to be a resource for learning and safe place for meaningful conversation and connection decades into the future. We are proud that the vibrancy of this institution contributes tangibly to local quality of life, helping make Homer a place where people want to live, work, and play.

Again, thank you very much for your investment in our community Museum. We hope to see you at the Pratt soon!

Sincerely,

Whitney Harness
Executive Director



ECONOMIC DEVELOPMENT ADVISORY COMMISSION 2026 Calendar

	AGENDA DEADLINE	MEETING	CITY COUNCIL MEETING FOR REPORT*	ANNUAL TOPICS/EVENTS
JANUARY	Wednesday 1/7 5:00 p.m.	Tuesday 1/13 6:00 p.m.	Monday 1/26 6:00 p.m.	• City Mid-Biennium Budget Review/Develop Requests • Land Allocation Plan Review • KPEDD Industry Outlook Forum
FEBRUARY	Wednesday 2/4 5:00 p.m.	Tuesday 2/10 6:00 p.m.	Monday 2/23 6:00 p.m.	• KPC Job Fair
MARCH	Wednesday 3/4 5:00 p.m.	Tuesday 3/10 6:00 p.m.	Monday 3/23 6:00 p.m.	• Clerk Reappointment Notices Sent Out • Update from Public Works Director • KPEDD CEDS Review
APRIL	Wednesday 4/8 5:00 p.m.	Tuesday 4/14 6:00 p.m.	Monday 4/27 6:00 p.m.	• Terms Begin April 1st • Advisory Body Training Worksession
MAY	Wednesday 5/6 5:00 p.m.	Tuesday 5/12 6:00 p.m.	Tuesday 5/26 6:00 p.m.	• Annual Review of Commission's Bylaws • Election of EDC Officers
JUNE	Wednesday 6/3 5:00 p.m.	Tuesday 6/9 6:00 p.m.	Monday 6/22 6:00 p.m.	• Comprehensive Plan Review
JULY	No Regular Meeting			
AUGUST	Wednesday 8/5 5:00 p.m.	Tuesday 8/11 6:00 p.m.	Monday 8/24 6:00 p.m.	• Capital Improvement Plan Review • Update from Public Works Director
SEPTEMBER	Wednesday 9/2 5:00 p.m.	Tuesday 9/08 6:00 p.m.	Monday 9/21 6:00 p.m.	• Workforce Development Speaker
OCTOBER	Wednesday 10/7 5:00 p.m.	Tuesday 10/13 6:00 p.m.	Monday 10/26 6:00 p.m.	• Annual Review of EDC's Strategic Plan/Goals & BR&E
NOVEMBER	Wednesday 11/4 5:00 p.m.	Tuesday 11/10 6:00 p.m.	Monday 11/23 6:00 p.m.	• Chamber's Annual Presentation to EDC • Approve Meeting Schedule for Upcoming Year
DECEMBER	No Regular Meeting			

*The Commission's opportunity to give their report to City Council is scheduled for the Council's regular meeting following the Commission's regular meeting, under Agenda Item 8 – Announcements/ Presentations/ Borough Report/Commission Reports. If you are unable to attend your assigned meeting to give a report in person, you can submit a written report to the Clerk's office for inclusion in the Council packet.