

Policy Brief: Short-Term Rental Regulation in Juneau, Alaska

Context & Current Conditions Juneau currently has approximately 370 active short-term rentals (STRs) during peak season and 180 in the off-season. This number has remained stable for the past three years. The city has stated that STR regulation should focus solely on improving housing affordability and ensuring tax compliance. Juneau has experienced no documented STR-related nuisances such as noise complaints or party houses.

Key Facts

- The city's housing needs assessment identifies an immediate need for 400 housing units, 80% of which must be below \$2,000/month.
- Most STRs in Juneau do not match the current need and operate less than 180 days/year. Many transition to monthly rentals in the off-season, particularly to house the state legislature (January to May). 64% of STRs operate 6 months or less. Would housing be available for legislative session 200+ rentals went to long term and weren't available?
- Juneau is geographically insulated from non-cruise ship mass tourism growth due to its lack of road access and limited air/ferry capacity, limiting STR expansion naturally.
- Back-of-the-envelope estimates suggest STRs contribute over \$50 million annually in direct tourist spending, though a formal economic study has not yet been conducted.

Policy Recommendations

1. **Support Compliance Through Platform Cooperation:** Finalize the city's collaboration with Airbnb/VRBO to improve tax collection. Most compliance issues are addressable through automation.
2. **Avoid Blanket Caps or Residency Requirements:** These do not align with the nature of STRs in Juneau and would have minimal impact on affordability.
3. **Target Policies Toward Actual Housing Needs:** If affordability is the goal, focus regulation on ADUs and 1–2 bedroom units that could be viable long-term rentals—not on high-end or seasonal properties unlikely to convert.
4. **Use Data to Guide Decisions:** Require registration and data-sharing for all STRs, then analyze annually to assess impact before introducing new restrictions.
5. **Fund a Full Economic Impact Study:** Use STR permit fees to commission a comprehensive, independent analysis of STR contributions to Juneau's economy and the potential economic impact of proposed restrictions.

Conclusion Juneau's short-term rental market is stable, limited in scale, and significantly supports local economic activity. Regulation should be measured, evidence-based, and directly tied to identified housing needs. Heavy restrictions could bring economic harm without meaningfully improving housing affordability.