<u>Sample STR Matrix Levels based on Rental Vacancy Rate & Rental Cost Burden</u>

<u>Vacancy Rate</u>
  • Healthy Rental Market 8% (% provided in our task force package)
  • Currently Juneau has a 3.9% rental vacancy rate

<u>Rental Cost Burden</u>
  • A cost burdened renter is where more than 1/3 of the renters income is spent on their rent, & household utilities such as heating or electric
  • A healthy rental market is where less than 10-15% of renters are cost burdened (% I found internet, feel free to edit for accuracy)
  • Currently 35% of renters in Juneau are cost burdened

<u>Vacancy Rate & Cost Burden Data Source</u>
  •   I suggest CBJ use an impartial & easy to access source for data, like the state of AK annual housing survey, which provides both the annual vacancy rate & cost burden. The state publishes the housing survey annually for each community.
  •   The link I received from from Robert Barr to the Ak housing survey:
     •   https://live.laborstats.alaska.gov/data-pages/rental-information
         • There is a link to the methodology used for the survey on the state website. It says that it does not count dwelling units that are used for short term rentals but, if I'm understanding the methodology correctly, it would count empty units that are used for seasonal summer employees as vacant even though the unit is not intended to be rented until summer staff arrive.
         • This survey is done annually in March. This is not Juneau's busiest real estate season so it is reasonable to assume that the summer vacancy rate is smaller than the March vacancy rate.

<u>Suggested STR Regulation Levels in relation to Rental Vacancy Rate & Cost Burden</u>

LEVELS	Rental Vacancy Rate & Rental Cost Burden	Regulations
Level 1	> 8% RVR , < 15% RCB	A, B, C, E, F(3)*
Level 2	> 8% RVR , < 20% RCB	A, B, C, E, F(2)*
Level 3	> 6% RVR , < 25% RCB	D, B, C, E, F(1)*
Level 4	> 4% RVR , < 30% RCB	D, B, C, E, F(1)*, G
Level 5	< 4% RVR , > 30% RCB	D, B, C, E, F(1)*, G…

* The number in parentheses represents the number of STR Dwelling units allowed per person.
> greater than
< less than