

STR Regulation Methods

CBJ STR Task Force

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Permit/License Requirements

Requires an STR owner to obtain a permit or license before operating; details and processes vary by jurisdiction

- 2024: 436 registered STRs
- 2025 YTD: 310 registered STRs
- Permit fee: none
- Appx 40-45 known out of compliance. Potential more, but unknown.

Benefits & Positive Impacts	Challenges & Negative Impacts
Creates accurate STR data for local governments; generates revenue for enforcement; creates accountability for operators	Time-intensive to implement and enforce; may deter some current or potential operators

Zoning Restrictions

Adding STR definitions and specifying allowed zoning districts to control where STRs can operate (NB: in their discussions, the Assembly was generally less interested in regulating via land use & zoning versus regulating via standalone policy)

Benefits & Positive Impacts	Challenges & Negative Impacts
Preserves neighborhood character; focuses STR concentration in areas suited for tourism minimizing neighborhood disruption	Restricts property use; could impact property values in restricted zones; implementation may be delayed due to ongoing T49 & Comp Plan rewrites

Neighborhood and/or Building Restrictions

Regulating STRs at the neighborhood or building level to address localized impacts

- This option is likely not tenable without additional staffing due to the enforcement complexity and the amount of regular/changing communication with many entities that would be required.

Benefits & Positive Impacts	Challenges & Negative Impacts
Allows for neighborhoods or buildings to allow or opt-out from STR use	Creates complexity in enforcement and confusion for operators; could create arbitrary winners and losers

Density Limits

Setting limits on the number of STRs within a geographic area or requiring minimum distances between STRs

Benefits & Positive Impacts	Challenges & Negative Impacts
Prevents oversaturation in neighborhoods; helps to preserve long-term housing stock	Reduces opportunities for new STRs; potentially favors early or wealthier adopters of STR business model

STR Bans

Prohibiting STRs entirely

Benefits & Positive Impacts	Challenges & Negative Impacts
Simple to understand and communicate; only allows for housing units to be used as long-term rentals (30 days or more)	May harm tourism economy; encourages illegal STRs and unregulated activity

Cap on STR Units

Limiting the total number of STRs allowed within the community

- Enforcement points of view:
 - Easier & quicker to determine if any given STR is permitted to operate
 - May incentivize more illegal operation if prospective operators view it as unfair
 - Annual lottery or first-come-first-serve options exist, may require additional staffing

Benefits & Positive Impacts	Challenges & Negative Impacts
Controls STR market size; ensures long-term housing availability for residents	Reduces income opportunities for new operators; potentially favors early or wealthier adopters

Cap on STR Days of Operation

Restricting the number of days an STR can be rented annually to preserve residential use

Benefits & Positive Impacts	Challenges & Negative Impacts
Encourages longer stays which reduces transient rental impacts; supports residential neighborhood character	Limits flexibility for travelers and operators; may effectively ban STRs with overly strict thresholds; <i>extremely</i> difficult to enforce

Minimum Rental Periods

Setting a minimum number of nights per stay to discourage STRs or certain property uses

- This option is generally more attractive to communities struggling with social/neighborhood impact issues more than housing access/affordability.

Benefits & Positive Impacts	Challenges & Negative Impacts
Reduces the amount of turnover between short term tenants which is assumed to minimize disruption to the neighborhood	Could create “dark houses” that sit empty instead of hosting visitors while the owner is not using the home

Maximum Number of STR Permits per Person

Capping the number of permits per owner to limit market professionalization and favor small operators

- While not impossible, addressing and dealing with loopholes would take significant staff time and Assembly policy calls and legal analysis.

Benefits & Positive Impacts	Challenges & Negative Impacts
Limits market domination by large entities; keeps STR opportunities accessible to smaller operators	Reduces economy of scale for professional operators; may encourage workarounds like proxy ownership

Owner Occupancy Requirements

Requiring owners to live on-site part-time, full-time, or within a certain distance to manage the property

- Decision point: does live on-site mean in the rented dwelling unit, or on the parcel? Communities do both. In the dwelling unit favors housing availability. On the parcel favors individual business opportunity.
- It is probably not legal (commerce clause) to require *owners* live on-site, but is probably is legal to require primary residents (e.g. owners or long-term renters) to live in either the dwelling unit or on the parcel as an occupancy requirement to permit STR activity.

Benefits & Positive Impacts	Challenges & Negative Impacts
Ensures responsible management and on-site accountability; preserves neighborhood character	Excludes remote property owners; may reduce STR availability and investment in local properties

Residency Requirements

Mandating that STR operators be city or state residents

- While not fully litigated, this regulatory option would face significant legal hurdles on its own.

Benefits & Positive Impacts	Challenges & Negative Impacts
Retains STR income within the community; aligns STR use with local needs and enforcement capacity	Disqualifies property owners who would otherwise be responsible STR operators; Could create “dark houses” that sit empty instead of hosting visitors while the owner is not using the home

Platform Data Sharing

Requiring platforms to share STR data with local governments and remove non-compliant listings

Benefits & Positive Impacts	Challenges & Negative Impacts
Improves regulatory compliance; aids code enforcement; provides ability to have noncompliant listing removed from platform; Smoother STR tax collection	Negotiating a data sharing agreement can be time consuming and difficult; the data provided may be incomplete and/or difficult to use