

Municipal Clerk's Office

Amended

Date: March 5, 2024

Mayoral Veto Given

Date: March 22, 2024

(S-1) Submitted by: Assembly Member Sulte and
Assembly Member Zaletel

(S-1) Prepared by: Department of Law

(S-1) Reviewed by: Assembly Counsel's Office

(S-1) For reading: February 27, 2024

ANCHORAGE, ALASKA
AO No. 2023-110(S-1), As Amended

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE TITLE 10 TO ADD A NEW CHAPTER FOR**
3 **THE LICENSING AND REGULATION OF SHORT-TERM RENTAL OPERATIONS**
4 **IN THE MUNICIPALITY AND AMENDING AMC SECTION 14.60.030, THE**
5 **MUNICIPAL FINE SCHEDULE, TO ADD CORRESPONDING FINES.**

6
7 **WHEREAS**, Short-Term Rentals (STR) is a relatively new rental housing market
8 that has grown exponentially in recent years through rental hosting platforms such
9 as AirBnB, VRBO, and others; and

10
11 **WHEREAS**, there is a need to understand this market to ensure the proper
12 operation of the STR for the enjoyment of the renter and the neighborhoods in which
13 they operate; and

14
15 **WHEREAS**, there is a desire to provide additional assurances that STR units meet
16 current applicable provisions of the land use, fire, health and other applicable
17 Anchorage Municipal Codes for the safety of renters and property owners, **and**
18 **provide for appropriate and adequate financial protection, such as insurance**
19 **coverage, for unexpected incidents and resulting damage or injury;** and

20
21 **WHEREAS**, there is a desire to provide additional assurances for the quiet and
22 peaceful enjoyment of residents living near an STR **who do not have input into**
23 **rental platform ratings;** and

24
25 **WHEREAS**, **it is not the intent of this AO to raise funds for other purposes,**
26 **only the administration of the Short Term Rental licensing program,**
27 **enforcement and other related expenses reasonable and necessary for the**
28 **purposes of the program, such as third party verification of STR properties;**
29 **and**

30
31 **WHEREAS**, the Municipality of Anchorage is facing a housing shortage and is
32 working to increase housing supply in the Municipality through a variety of measures
33 **and Short Term Rentals have shown to be a factor in the housing crisis in**
34 **some communities in the United States both for the positive and for the**
35 **negative;** and

36
37 **WHEREAS**, **the Municipality requests that STR hosting platforms registered under**
38 **AMC section 12.20.031 report taxes broken down by location, e.g. zipcode or**
39 **similar, as a crucial part of "data gathering";** and

40
41 **WHEREAS**, there is a need for the Municipality of Anchorage to proactively respond

1 to the impact of Short-Term Rentals by first gathering data, that is currently
 2 considered proprietary information by platform hosts and is not provided to
 3 the level required, to understand the market and whether a problem exist; now,
 4 therefore

5
 6 **THE ANCHORAGE ASSEMBLY ORDAINS:**

7
 8 **Section 1.** Anchorage Municipal Code Title 10 is hereby amended to add a new
 9 chapter 10.90 for Permitting and Regulation of Short-Term Rentals, to read as
 10 follows:

11
 12 **CHAPTER 10.90 LICENSING AND REGULATION OF SHORT-TERM**
 13 **RENTALS**

14
 15 **10.90.005 – Purpose and Definitions.**

- 16
 17 A. Purpose. The purpose of this chapter is to establish the Short-Term
 18 Rental license and to facilitate the permitting of Short-Term Rental
 19 units subject to appropriate restrictions and standards of this Code, to
 20 ensure the safety and enjoyment of the renter, and to allow for
 21 retaining the character of and quiet and peaceful enjoyment of
 22 residential neighborhoods while respecting individual property
 23 owner rights in alignment with this code.
 24
 25 B. Definitions. The following words, terms and phrases, when used in
 26 this chapter, shall have the meanings ascribed to them in this section,
 27 except where the context clearly indicates a different meaning:

28
 29
 30 *Advertisement:* A form of marketing communication that employs a
 31 non-personal message to promote the rental of a Short-Term Rental
 32 unit. This includes, but is not limited to, mailing, brochures, print,
 33 internet listing, e-mail publication, social media, other electronic
 34 means, or other means or methods regardless of the medium used.

35
 36 **[BEDROOM: A BEDROOM MUST MEET THE CRITERIA SET**
 37 **FORTH IN SECTION 9 OF THIS CHAPTER.**

38
 39 **OCCUPANCY LIMIT: THE MAXIMUM NUMBER OF PERSONS**
 40 **PERMITTED TO OCCUPY OVERNIGHT IN A SHORT-TERM**
 41 **RENTAL UNIT.]**

42
 43 *Rent (noun)* is the monetary value of any consideration, whether
 44 money or property, given in exchange for the right to use or occupy an
 45 STR unit.

46
 47 *Rental agent:* A management company, rental agent, or other person
 48 employed or engaged by the license holder to advertise the Short-
 49 Term Rental unit for rent, or to remit any required tax to the
 50 Municipality.

1
2 *Responsible Manager:* A management company, rental agent, or
3 individual who is identified in writing to the Municipal Clerk as the
4 person responsible for code complaints made about the Short-Term
5 Rental unit **and shall be capable of responding, or direction**
6 **someone with management authority to respond, within a**
7 **reasonable time and at least daily by person, phone, e-mail or**
8 **other means.**
9

10 *Short-Term Rental (STR) Unit:* A separate and distinct living unit ,
11 which may be a condominium, town home, house, studio unit,
12 condominium unit, bedroom or any such other similar unit which is
13 rented to any person, who, for consideration, uses, possesses or has
14 the right to use or possess such Short-Term Rental Unit for a period
15 of less than thirty (30) consecutive days, regardless of the number of
16 days during a license year such unit is rented.
17

18 ***[STUDIO: A SHORT-TERM RENTAL UNIT WHICH DOES NOT***
19 ***CONTAIN A SEPARATE AND DISTINCT BEDROOM.]***
20

21 *To rent or rent* (in any conjugation of the verb form) an STR means to
22 provide or obtain the right to use or occupy an STR unit in exchange
23 for rent.
24

25 **10.90.010 – Short-Term Rental Unit License required.**

- 26
- 27 A. It shall be unlawful for any person to operate any Short-Term Rental
28 unit without a valid Short-Term Rental unit license, as approved by the
29 Municipality. This license requirement shall be effective beginning on
30 **a date to be determined by the municipal clerk no earlier than 180**
31 **days after [and no less than 180 days and no more than 540 days**
32 **from] [insert date of passage of this AO] [May 1, 2024]. The**
33 **municipal clerk shall publish the effective date of this license**
34 **requirement no later than 120 days after [insert date of passage of this**
35 **AO] both as defined by section 1.05.020 and on the municipal clerk's**
36 **web pages for municipal business licenses.**
37
- 38 B. The Short-Term Rental unit license does not reside with the property
39 but is issued to the specific owner of the property. The license shall
40 expire upon sale or transfer of the property. The license shall not be
41 transferred or assigned to another individual, person, entity, or
42 address but may be managed by a third party on behalf of the owner.
43
- 44 C. The initial Short-Term Rental unit license for a property shall have a
45 term duration no greater than two years. The municipal clerk may
46 **grant the initial license for a term less than two years such that the**
47 **license expiration date falls on the annual date of renewal determined**
48 **by the municipal clerk. [determine the license term for the initial**
49 **license, and renewal date. Other than the initial term, The license**
50 **period for renewed] Licenses may be renewed for one or two years**

~~**[annual or biennial], as determined by the municipal clerk [with an end date of April 30]. The municipal clerk may issue a regulation under this title establishing an annual expiration date applicable to all licenses issued under this chapter.**~~

- D. ~~**Chapter 10.10 shall not apply to Short-Term Rental unit licenses unless specifically made applicable by provisions of this chapter. [A license may be renewed for additional two-year periods with a term that begins May 1 and ends two years later on April 30.]**~~

10.90.015 – License application.

- A. Applications submitted for licenses and license renewals shall be made in writing ~~**[set forth the following information]**~~ on ~~**[the]**~~ forms ~~**prescribed and furnished by [obtained from]**~~ the Municipal Clerk ~~**[’s Office and]**~~. Applicants shall pay all fees required for a license application. ~~**Application content and municipal clerk review shall be in accordance with Section 10.10.015]**~~ ~~**applies to the applicant content and the authority of the municipal clerk to review and verify the information therein]**~~.

- B. The license application or renewal application shall also include:

1. ~~**T**~~[t]he completed application form;
2. Owner Safety self-inspection certification;
3. Owner statement ~~**[Affidavit]**~~: a statement under penalty of unsworn falsification that the owner has read and understands the rules and regulations for a Short-Term Rental unit set forth in this chapter, and ~~**[including]**~~ that the owner and Short-Term Rental unit is in compliance with criteria and requirements of this chapter ~~**[in section 10.90.]**~~;
4. ~~**[A description specifying how each required license review criteria will be met;**~~
- 5.] A copy of the licensee’s room tax certificate of registration , if required to obtain one under chapter 12.20;
- 5[6]. Proof of property liability insurance in the amount of not less than an amount required for a bed and breakfast of comparable size within the municipality or five hundred thousand dollars (\$500,000.00), whichever is less, or ~~**[provide]**~~ proof that property liability coverage in an equal or higher amount is provided by any hosting platforms through which the owner will rent the Short-Term Rental unit. Proof of liability insurance is not required if Short-Term Rental reservations are handled exclusively by hosting platforms (websites) that extend liability coverage of not less than the

1 amount required by this section ~~[five hundred thousand~~
 2 ~~dollars (\$500,000.00)]~~ under terms acceptable to the
 3 Municipal Risk manager;[.]
 4

5 6[7]. The name, address, email address and other contact
 6 information, including a 24-hour contact phone number for the
 7 owner or the owner's Responsible Manager, and an alternate
 8 person in the event of an absence of the owner or
 9 Responsible Manager from the municipality. The owner or
 10 Responsible Manager, and[or] the alternate, shall be
 11 physically available [reside within the municipality,] [who] [can
 12 be contacted] in the event of an emergency or immediate
 13 concern at the property, and shall be capable of [can]
 14 physically responding, or directing someone with
 15 management authority to respond, at the Short-Term Rental
 16 unit to address immediate issues or concerns on a daily
 17 basis[within one hour];
 18

19 7[8]. The name, address, telephone number, and email address of
 20 any current Rental Agent for the Short-Term Rental unit; and
 21

22 ~~[9. License holder shall designate in writing a Responsible~~
 23 ~~Manager. The person may be the license holder/owner,~~
 24 ~~and the license holder may designate one or more~~
 25 ~~alternate Responsible Manager(s) at the time of~~
 26 ~~application. The Responsible Manager or an alternate shall~~
 27 ~~be able to physically respond to the Short-Term Rental unit~~
 28 ~~in no more than one hour at all times the unit is rented.~~
 29 ~~Responsible Manager and Rental Agent may be one and~~
 30 ~~the same.]~~
 31

32 C. License holder shall notify the Municipal Clerk in writing within thirty
 33 (30) days of any change in the information set forth in the current
 34 application on file with the Clerk. ~~[However, the license holder shall~~
 35 ~~notify the Municipal Clerk within three (3) days in writing of any~~
 36 ~~change in Rental Agent or Responsible Manager by including the~~
 37 ~~name, address, telephone number, and email address of the~~
 38 ~~license's replacement Rental Agent or Responsible Manager.]~~
 39

40 D. The municipal clerk shall review the application to ensure the
 41 information contained therein is complete and otherwise in~~The~~
 42 application shall be reviewed administratively by the Municipal
 43 Clerk for completeness and] compliance with application
 44 requirements in this chapter. The municipal clerk shall circulate
 45 the application only to the Finance Department in accordance with
 46 subsection 10.10.020A.1.a. [chapter 10.10, License
 47 Administration. If any provision of chapter 10.10 is inconsistent
 48 or conflicts with this chapter 10.90, this chapter shall govern.]
 49

50 **10.90.020 – Short-term rental unit license review criteria.**

1
2 A. The Municipal Clerk may approve or approve with conditions an
3 application for, or renewal of, a Short-Term Rental unit license if the
4 following criteria and specific regulations are met:

5
6 1. ~~[Sleeping quarters for Short-Term guests shall not be in
7 non-residential areas within buildings or accessory
8 structures (e.g., shed, garages, closets, etc.) that do not
9 contain finished living space; or in commercial
10 (office/retail) or industrial (warehouse) spaces; or in a
11 recreational vehicle.]~~

12
13 ~~[2. Sleeping quarters for Short-Term Rentals shall meet
14 applicable Municipal Code for a sleeping area.]~~

15
16 3.] The license fee has been paid and the applicant shall not be
17 indebted or obligated in any manner to the Municipality.

18
19 2[4]. The real property used for the STR unit shall not be delinquent
20 in payment of property or other applicable municipal taxes, as
21 certified by the Finance Department.

22
23 ~~[5. The owner shall maintain or provide for regular trash
24 collection services in compliance with this Code.]~~

25
26 3[6]. The owner shall maintain the insurance coverage required by
27 this chapter and provide proof thereof with the application.

28
29 4[7]. Short-Term Rental units must remain compliant with all land
30 use [Planning], z[Z]oning, b[B]uilding and other applicable
31 m[M]unicipal c[C]odes. The owner's certification of self-
32 inspection and statement of compliance shall be sufficient
33 to satisfy this paragraph, except for the status of taxes and
34 obligations owed to the municipality, for application
35 approval.

36
37 5[8]. The owner shall not have had a Short-Term Rental unit license
38 revoked or denied within the preceding twenty-four (24)
39 months.

40
41 ~~[6. Sleeping quarters for Short-Term Rentals shall meet~~
42 ~~applicable municipal code for a sleeping area.]~~

43
44 6[7]. The owner shall maintain or provide for trash and garbage
45 from the Short Term Rental unit shall be stored and
46 disposed in compliance with municipal code.

47
48
49 10.90.025 – License issuance.
50

- 1 A. The Municipal Clerk shall issue a license for a Short-Term Rental unit
 2 under this chapter only if the applicant has complied with the
 3 requirements of this chapter and paid the license fee, in addition to
 4 compliance with all other applicable business license and tax
 5 requirements under federal and[,] state ~~[and municipal]~~ law. The
 6 license term shall be in accordance with subsection 10.90.010C.
 7 ~~[An initial license issued for a property may have a term shorter~~
 8 ~~than two years, as described in section 10.90.035C.]~~
- 9
- 10 B. A Short-Term Rental unit license issued pursuant to this chapter shall
 11 be valid for a single Short-Term Rental unit and for the term of the
 12 license unless [two years or until] abandoned, voluntarily
 13 surrendered, suspended or revoked prior to expiration. The
 14 municipal clerk may extend the license term past the expiration
 15 date in accordance with subsection 10.10.030B. if a renewal
 16 application is pending approval.
- 17
- 18 C. Renewal shall not be unreasonably withheld. If the STR unit was
 19 subjected to any notices of violation or a license suspension in
 20 the license term preceding the renewal application, the municipal
 21 clerk shall circulate it to the department charged with
 22 enforcement of such violation(s) for certification of compliance
 23 in accordance with subsection 10.10.020A. The municipal clerk,
 24 in consultation with such departments, has
- 25
- 26 ~~[D. — Conditions of approval: In the licensing of such use, or in the~~
 27 ~~renewal of a license, the Municipal Manager, Planning Director,~~
 28 ~~or Anchorage Assembly shall have]~~ authority to require such
 29 reasonable conditions as necessary to protect the public health, safety
 30 and general welfare and to ensure that the use, value, and qualities of
 31 the neighborhood surrounding the STR unit's [proposed] location will
 32 not be adversely affected.
- 33

34 **10.90.030 – Licenses non-transferable.**

- 35
- 36 A. Except as otherwise provided in this section, no license granted
 37 pursuant to this chapter shall be transferable from one entity or
 38 person to another or from one location to another. No License shall be
 39 transferred as part of a like-kind exchange under Internal Revenue
 40 Code section 1031 or other federal law.
- 41
- 42 B. Exceptions to the prohibition on transfer of a [non-transferable]
 43 license: **permissible voluntary transfers.**
- 44
- 45 1. If the title to or leasehold interest in real property for which a
 46 valid Short-Term Rental unit license has been issued is
 47 transferred by the licensee as a grantor or lessor pursuant to
 48 a conveyance meeting any of the following conditions, the
 49 Municipal Clerk may re-issue the Short-Term Rental unit
 50 license to the grantee or lessee named in such deed or

leasehold conveyance:

a[1]. The ~~[transfer of title to real property if the]~~ grantee **or lessee** is a member of the grantor's immediate family. For purposes of this section, "immediate family" means the spouse, child (including a stepchild and an adoptive child), parent, sibling, grandparent, aunt, or uncle of the person, and a parent or sibling of the person's spouse.

b[2]. The transfer **is** ~~[of title to real property from a grantor]~~ to a trust established by the grantor, and the grantor is the trustee.

c[3]. The transfer **is** ~~[of title to real property from a grantor]~~ to a limited liability company or another form of business entity recognized by Alaska law so long as the grantor **or lessor** has a controlling interest in such limited liability company or other business entity.

d[4]. Any transfer of the property between the same parties creating or terminating a **[joint]** tenancy in **common or by the entirety in** such property.

e[5]. The transfer of title or change of interest ~~[in real property]~~ by reason of death, pursuant to a will, the law of descent and distribution, **a devise pursuant to these occurrences,** or otherwise.

2. Other exceptions to prohibition on transfer of a license.

a[6]. The transfer ~~[of title]~~ required by order of a court of competent jurisdiction.

b[7]. A transfer of an interest in the property without consideration for the purpose of confirming, correcting, modifying, or supplementing a transfer previously recorded; making minor boundary adjustments; removing clouds of titles.

~~[: or granting rights-of-way, easements, or permits.]~~

10.90.035 – Fees.

- A. Purpose and Use of the License Fees: Funds collected by the Municipality from the Short-Term Rental unit fee established by this section shall be used to defray the costs to the Municipality, including, but not limited to, for staff and personnel required for the administration, **[and] enforcement, and audit** of the program, **and for data collection, analysis and research of the STR market and trends in the Municipality.** License fees ~~[are not a tax, but]~~ are for

1 the privilege of operating an STR unit in the municipality;~~.]~~ **they are**
2 **not a tax.**
3

4 B. Commencing with licenses for Short-Term Rental units issued **for the**
5 **initial** ~~[on or after March 1, 2024,]~~ licensing period there shall be
6 added to each Short-Term Rental unit license issued by the Municipal
7 Clerk pursuant to this chapter, and there shall be paid by the license
8 holder of such license, an annual Short-Term Rental unit license fee.
9 The amount of the **[annual]** Short-Term Rental unit fee **[for 2024]**
10 shall be **the equivalent of** four hundred dollars (\$400.00) **for two**
11 **years** ~~[one year]~~ per Short-Term Rental unit; provided, however,
12

13 1. A portion of the fee is non-refundable to cover the costs of
14 application processing and review, in the amount of \$50.00.
15

16 2. The license fee established in this section shall be waived
17 where the Short-Term Rental unit is the applicant's primary
18 residence, **resides on site or the premises, resides in**
19 **immediately adjacent property,** ~~[or]~~ is rented out to a single
20 guest for an aggregate of more than 180 days of the previous
21 12 months, or is rented as an STR unit to one or more persons
22 for a period of less than 15 days total in a calendar year, ~~none~~
23 ~~of which may be consecutive occupancy of more than 30~~
24 ~~days].~~
25

26 3. The license fee established in this section shall be waived
27 where a Short-Term Rental unit is owned by an active-duty
28 military service member whose permanent duty station is within
29 Municipality of Anchorage and receives orders to report to a
30 temporary duty station outside of the Municipality of Anchorage
31 (i.e. deployment), for the duration of the deployment for the
32 initial application and each annual renewal upon presentation
33 of orders.
34

35 4. ~~[No Short-Term Rental unit license shall be issued until the~~
36 ~~applicable Short-Term Rental unit fee has been received by~~
37 ~~the Municipality.~~
38

39 ~~5.]~~ ~~[Biannual]~~ License Fee Due Date: The Short-Term Rental unit
40 fee shall be due and payable to the Municipality at the time of
41 application. Failure to pay the fee in accordance with this
42 section will result in the non-issuance or nonrenewal of a
43 license.
44

45 ~~[6.— Excess fees collected may be used broadly for affordable~~
46 ~~workforce housing development as long as they do not~~
47 ~~adversely affect the administration of the STR licensing~~
48 ~~program or lead to license fee increase due to a program~~
49 ~~short-fall.]~~
50

1 C. **Before September 1 of each year, the municipal clerk may**
 2 **recommend to the assembly an adjustment to the annual fee and**
 3 **non-refundable application fee amount. The municipal clerk**
 4 **shall evaluate the amount of the fee revenues and costs to**
 5 **administer and enforce this chapter, and determine if the fee**
 6 **should be adjusted to cover the costs of the program.**

7
 8 **D.** License Fees shall not be prorated or refunded if STR License is
 9 revoked or suspended, **or due to a sale of the property.** The
 10 refundable portion of a license fees may be prorated by the Municipal
 11 Clerk if the initial license is for a period of at least a calendar quarter
 12 less than two full years. The proration shall be in units of calendar
 13 quarters.

14
 15 **E[D].** Administration of the Fund:

- 16 1. All sums of money collected by the Municipality per this section
 17 are intended exclusively for use as outlined in this section.
- 18 2. The fees collected in accordance with this section shall be
 19 accounted for in such a manner that the collection and
 20 expenditure of such fees can be separately tracked by the
 21 municipality.
- 22 3. The fees collected in accordance with this section shall not be
 23 used for general municipal or governmental purposes or
 24 spending. Nor shall the fund ever be transferred to or become
 25 part of the Municipality's General Fund.
- 26 4. The amount of the fee shall bear a reasonable relationship to
 27 the direct and indirect costs of implementing the municipality's
 28 regulatory program established by this chapter, including
 29 enforcement. The Municipal Clerk shall review the fee amount
 30 every two years and recommend adjustment to the chair of the
 31 assembly.

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 37 **10.90.040. – Rules and regulations.**

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 39 A. In addition to the rules set forth in this section, the Municipal clerk is
 40 authorized to issue ~~adopt~~ reasonable and necessary policies~~rules~~
 41 and regulations under this chapter to implement the requirements of
 42 this Short-Term Rental unit license code.

43
 44 B. It shall be a violation of this part for the owner or Short-Term Rental
 45 guests to fail to comply with the following rules and regulations under
 46 Municipal Code:

- 47 1. All Short-Term Rental guests shall abide by all applicable
 48 noise, housing and public health ordinances of the Municipality
 49 and with all other municipal fire and safety ordinances. Notices
 50

of violation for these may be issued to a guest under the relevant code provisions.

~~2. No regular meals shall be prepared for or served to the Short-Term guests by the owner or the owner's agents. However, a welcome snack or a sharing of cultural or local cuisine is permitted.~~

2[3]. The license with all local contact information and emergency safety information shall be prominently displayed within the Short-Term Rental unit. Care should be taken to not be viewable from outside of the STR.

3[4]. The municipally issued license number shall be used in all rental marketing materials.

4[5]. During the term that a Short-Term Rental unit is occupied by a Short-Term guest, the owner and/or the **Responsible Manager or alternate** ~~[local contact person designated by the owner]~~ shall be available twenty four (24) hours per day, seven (7) days per week, for the purpose of responding within one hour to complaints **by person, phone, email or other means** regarding the condition or operation of the Short-Term Rental unit or the conduct of Short-Term guests. If the local **Responsible Manager or alternate** ~~[contact person designated by the owner]~~ changes, then the owner shall update the license on file within **thirty (30)** ~~[three (3)]~~ days.

~~6. Maximum overnight occupancy of a Short-Term Rental unit, except studios shall be limited to two (2) adults per bedroom, plus an additional two (2) adults per dwelling unit.~~

~~a. Studios shall be limited to two (2) adults.~~

~~b. Minors, <18 years of age, will not be counted as long as under the care and supervision of an adult on the premises.~~

~~10.90.045 – Criteria for a bedroom under the Short-Term Rental regulations.~~

~~A. The number of bedrooms that exist in a Short-Term Rental unit shall be presumed to be as established by the municipal property tax information database; or~~

~~B. In order to establish a different number of bedrooms than in the municipal property tax information database, the licensee may request and pay for an inspection conducted by the municipality, and determine the number of bedrooms that meet the criteria in~~

~~section 15.10.130.~~

~~C. Advertising of the STR unit may not indicate a number of bedrooms greater than established by this section.]~~

10.90.050. – Advertising requirements.

A. An advertisement offering to rent a Short-Term Rental unit must prominently display:

1. The municipality's business license number in the advertisement as, "Municipality of Anchorage Short-Term Rental Unit License No. [insert number]"; and
2. The adult occupancy limit for the Short-Term Rental unit as, "Maximum overnight occupancy [insert number] adults."

B. The license holder and/or owner of a unit shall be given written notice of an advertising violation of this section and **thirty (30)** ~~fifteen (15)~~ days within which to comply with the requirements of this section.

10.90.055 - Mitigation of health, safety and secondary impacts.

~~A. [Accommodation unit licensees shall be responsible for the safety of the occupants and welfare of the surrounding areas and residential habitants. In so doing, the licensee or the Responsible Manger shall:~~

~~B.]~~ Short-Term Rental unit license holders shall be responsible for the safety of the occupants and shall ensure compliance with Municipal Code ~~[and welfare of the surrounding areas and residential habitants]~~. In so doing, the license holder or the Responsible Manager shall ensure that:

1. Short-Term Rental units shall at all times be equipped with a functioning smoke detector, carbon monoxide detector, and fire extinguisher.

2. ~~[Motor vehicles used by occupants shall be parked only on the site of the Short-Term Rental unit or in a public Municipality designated parking area located off of the site of the Short-Term Rental unit.~~

- 3.] Motor vehicles shall be parked in accordance with Municipal Code.

4. ~~Occupants shall not sleep in motor vehicles and further, shall cause motor vehicles parked at a Short-Term Rental unit to comply with the requirements and be subject to the limitations of this Code.]~~

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1 **3[5]**. Trash and garbage from a Short-Term Rental unit shall be
 2 stored and disposed of in compliance with Municipal Code.

3
 4 **4[6]**. Noise emanating from the Short-Term Rental shall be in
 5 accordance with Municipal Code.

6
 7 **10.90.060. – Right of entry for inspections or investigations;
 8 complaints.**

9
 10 A. Inspections are authorized under section 10.10.050. In addition to the
 11 municipal clerk or law enforcement officials, code enforcement officers
 12 as directed by the municipal clerk may enter and inspect the premises
 13 of the Short-Term Rental unit as reasonable and necessary to ensure
 14 and enforce compliance with this chapter and applicable provisions of
 15 this code.

16
 17 B. Complaints.

18
 19 1. The Responsible Manager shall be available twenty-four (24)
 20 hours per day, seven (7) days per week, to respond to any
 21 complaint filed with or through the Municipality, or a website
 22 provided by the Municipality for such purpose, about the
 23 operation or condition of the license holder's Short-Term Rental
 24 unit.

25
 26 2. The Responsible Manager shall be able to **reasonably**
 27 respond to a complaint within sixty (60) minutes of receiving
 28 notice of such complaint **in person, phone, email or other**
 29 **means**.

30
 31 **10.90.065. – Fines, penalties, and denial of license.**

32
 33 A. Penalties and remedies for violations of this chapter shall be as
 34 provided in the general provisions for this title. Fine amounts for
 35 specific violations may be set forth in section 14.60.030 of this code.

36
 37 B. If a license application is denied, the municipal clerk shall return the
 38 refundable portion of the fee to the applicant. An appeal from a
 39 decision of the Municipal Clerk to deny an application for a license or
 40 deny renewal shall be within the jurisdiction of the administrative
 41 hearings officer as provided in Title 14, whom is hereby designated to
 42 hear and decide such appeals. Hearing procedures shall be
 43 conducted in accordance with chapter 3.60. A notice of appeal shall
 44 be submitted on a form provided by and filed with the municipal clerk,
 45 whom shall forward the notice to the administrative hearings office. A
 46 notice of appeal must be filed with the municipal clerk within **thirty (30)**
 47 **[fifteen (15)]** after the decision. ~~**[The final decision of the**~~
 48 ~~**administrative hearing officer shall be made to the Superior**~~
 49 ~~**Court, Third Judicial District, Anchorage, Alaska, no later than 30**~~
 50 ~~**days following service of that decision. Review by the court shall**~~

~~be limited to determining whether the decision of the hearing officer is supported by substantial evidence.]~~

10.90.070 – License suspension or revocation.

- A. The Municipal Clerk may recommend suspension or revocation of [suspend or revoke] a license if it finds, by a preponderance of the evidence, that:
 - 1. The operation of the Short-Term Rental unit no longer conforms with the review criteria of this part; or
 - 2. The owner has violated a condition of approval without taking reasonable measures to respond and correct violations; or
 - 3. The owner has violated the rules and regulations provided for in this part without taking reasonable measures to respond and correct violations.
- B. License suspension or revocation proceedings shall be in accordance with section 10.10.040 and require Assembly action.
- C. A license suspension shall not exceed thirty (30) days, and for so long thereafter until reinstated by the Municipality upon proof that the cause of the suspension has been remedied. A shorter suspension period may be imposed considering a totality of the circumstances and the grounds for suspension.
- D. Suspension or revocation of a license may be in addition to any other penalty or remedy provided for in this title.
- E. The STR License Fee is forfeited in case of revocation and no credit shall be offered for time where the license is suspended.

Section 2. Anchorage Municipal Code section 14.60.030 is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

14.60.030 Fine schedule.

The fine schedule under this chapter is as follows:

Code Section	Offense	Penalty/Fine
***	***	***
10.90	Violation of provisions of 10.90 not listed below	1st Offense: warning 2nd Offense: \$100 3rd and subsequent offenses: \$300
10.90.010	Operating STR unit without license	\$300.00 per overnight occupancy rented

10.90.050	Advertising violation	\$300.00
10.90.040	Failure of Responsible Manager to respond to complaints or concerns [1 hour]	\$75.00
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(AO No. 93-167(S-1), § 1, 4-13-94; AO No. 94-108, § 1, 10-5-94; AO No. 94-134, § 2, 9-8-94; AO No. 95-42, § 2, 3-23-95; AO No. 95-67(S), § 9, 7-1-95; AO No. 95-102, § 1, 4-26-95; AO No. 95-118, § 3, 9-1-95; AO No. 95-163(S), § 21, 8-8-95; AO No. 95-195(S-1), 1-1-96; AO No. 96-51(S-1), § 2, 8-1-96; AO No. 96-96(S-1), § 2, 2-1-97; AO No. 96-126(S), § 3, 10-1-96; AO No. 96-137(S), § 9, 1-2-97; AO No. 97-88, § 3, 6-3-97; AO No. 97-107, § 3, 11-17-97; AO No. 97-133(S), § 1, 11-11-97; AO No. 98-27(S-1), § 2, 11-11-97; AO No. 98-160, § 2, 12-8-98; AO No. 99-13(S), 2-9-99; AO No. 99-91(S), § 4, 7-13-99; AO No. 2000-64, § 1, 4-18-00; AO No. 2000-116(S), § 4, 7-18-00; AO No. 2000-127(S), § 2, 10-14-00; AO No. 2000-129(S), § 26, 11-21-00; AO No. 2001-48, § 1, 3-13-01; AO No. 2001-74(S), § 2, 4-17-01; AO No. 2001-4, § 2, 2-6-01; AO No. 2001-145(S-1), § 11, 12-11-01; AO No. 2003-68, § 1, 9-30-03; AO No. 2003-97, § 4, 9-30-03; AO No. 2003-117, § 2, 1-28-03; AO No. 2003-130, § 8, 10-7-03; AO No. 2003-152S, § 10, 1-1-04; AO No. 2004-1, § 2, 1-1-03; AO No. 2004-99, § 2, 6-22-04; AO No. 2004-100(S-1), § 6, 1-1-05; AO No. 2004-171, § 1, 1-11-05; AO No. 2005-160, § 9, 11-1-05; AO No. 2005-84(S), § 3, 1-1-06; AO No. 2005-185(S), § 35, 2-28-06; AO No. 2005-124(S-1A), § 33, 4-18-06; AO No. 2006-39, § 6, 4-11-06; AO No. 2006-54, § 1, 5-2-06; AO No. 2006-80, § 1, 6-6-06; AO No. 2007-50, § 4, 4-10-07; AO No. 2007-60, § 4, 11-1-07; AO No. 2007-70, § 3, 5-15-07; AO No. 2008-84(S), § 5, 7-15-08; AO No. 2009-61, § 3, 7-7-09; AO No. 2009-82, § 5, 7-7-09; AO No. 2009-40(S), § 3, 7-21-09; AO No. 2009-112, § 4, 10-13-09; AO No. 2009-122, § 2, 12-17-09; AO-2010-35(S), § 7, 5-11-10; AO No. 2010-39, § 2, 5-11-10; AO No. 2010-87(S), § 3, 12-7-10; AO No. 2011-46, § 4, 4-12-11; AO No. 2011-59, § 10, 5-24-11; AO No. 2011-106(S), § 3, 11-8-11; AO No. 2011-112, § 4, 11-22-11, eff. 12-22-11; AO No. 2012-10, § 1, 1-31-12; AO No. 2012-77, § 29, 8-7-12; AO No. 2013-109(S-1), § 5, 12-3-13; AO No. 2013-130(S-1), § 1, 1-14-14; AO No. 2014-42, § 31, 6-21-14; AO No. 2014-85, § 4, 8-5-14; AO No. 2014-110(S), § 2, 9-9-14; AO No. 2014-137(S), § 3, 11-18-14; AO No. 2015-23(S), § 20, 3-24-15; AO No. 2015-48, § 16, 5-14-15; AO No. 2015-54, § 1, 5-26-15; AO No. 2015-65, § 4, 6-9-15; AO No. 2015-111(S-1), § 2, 1-1-16; AO No. 2016-16(S), § 4, 2-9-16; AO No. 2016-76(S), § 7, 7-12-16; AO No. 2016-81(S), § 4, 8-25-16; AO No. 2016-83(S), § 9, 7-26-16; AO No. 2016-82, § 3, 8-9-16; AO No. 2016-116, § 2, 10-18-16; AO No. 2016-115(S), § 2, 11-15-16; AO No. 2016-124(S), § 11, 12-20-16; AO No. 2017-26, § 2, 5-1-17; AO No. 2017-29(S), § 61, 6-1-17; AO No. 2017-30, § 3, 3-21-17; AO No. 2017-31(S), § 5, 5-26-17; AO No. 2017-119(S), § 4, 11-9-17; AO No. 2017-101, § 2, 2-5-18; AO No. 2017-161(S), § 3, 2-27-18; AO No. 2017-16, § 3, 2-14-17; AO No. 2017-129, § 2, 1-23-18; AO No. 2018-63(S), § 2, 8-28-18; AO No. 2018-100(S), § 2, 1-1-19; AO No. 2018-110, § 2, 12-18-18; AO No. 2019-9(S), § 2, 2-12-19; AO No. 2019-12, § 2, 3-5-19; AO No. 2019-15(S), § 2, 3-19-19; AO No. 2019-34, § 5, 4-18-19; AO No. 2019-50(S), § 2, 6-6-19; AO No. 2019-66, § 26, 6-18-19; AO

No. 2019-74(S) , § 2, 6-18-19; AO No. 2019-79(S) , § 2, 7-9-19; AO No. 2019-90(S) , § 7, 8-20-19; Ord. No. 2020-4(S) , § 3, 6-24-20; AO No. 2020-65 , § 2, 9-25-20; AO No. 2020-103 , § 2, 11-4-20; AO No. 2022-97 , § 1, 11-9-22; AO No. 2023-27 , § 2, 3-21-23)

Section 3. The Municipality Assembly hereby finds, determines and declares that this ordinance is necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the order, comfort and convenience of the Municipality of Anchorage and the inhabitants thereof.

Section 4. The Municipal Clerk shall not accept applications for an STR unit license under this ordinance sooner than **120 days from the passage of this ordinance [March 1, 2024].**

Section 5. This ordinance shall be effective immediately after passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this ___ day of _____, **2024 [2023].**

ATTEST:

Chair

Municipal Clerk

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MUNICIPALITY OF ANCHORAGE ASSEMBLY MEMORANDUM

No. AM 224-2024

Meeting Date: February 27, 2024

1 **From:** Assembly Member Sulte and Vice Chair Zaletel

2
3 **Subject:** AO 2023-110(S-1): AN ORDINANCE OF THE ANCHORAGE
4 MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL
5 CODE TITLE 10 TO ADD A NEW CHAPTER FOR THE LICENSING
6 AND REGULATION OF SHORT-TERM RENTAL OPERATIONS IN
7 THE MUNICIPALITY AND AMENDING AMC SECTION 14.60.030,
8 THE MUNICIPAL FINE SCHEDULE, TO ADD CORRESPONDING
9 FINES.

10
11 This supplemental memorandum is provided with the (S-1) version of the ordinance
12 pursuant to AMC 2.30.050E. The Department of Law reviewed the (S) version and
13 suggested changes included in this (S-1) version after review by the Assembly
14 Counsel's Office. The substitute AO 2023-110(S) is modified by the (S-1) version in
15 several ways, as follows:

- 16
- 17 • P. 2, line 43: inserts "(noun)" to clarify the definition in context when "rent" is
- 18 used as a noun as opposed to a verb as defined on p. 3 line 17.
- 19 • P. 3 line 26: semantic clarification for the 180 days before the license
- 20 requirement can become effective, removes the outer limitation on the
- 21 Municipal Clerk to be set up for the license requirement "no more than 540
- 22 days" after the Ordinance passes, and adds a requirement for the Municipal
- 23 Clerk to publish the actual date when determined.
- 24 • P. 3 line 46: Grammatical clarification to the flexibility provided the Municipal
- 25 Clerk to determine the renewal date/period for licenses and whether each
- 26 license is for a 1-year or 2-year period. A sentence is added at the end of
- 27 Section 10.90.010C. to authorize the Municipal Clerk to establish an annual
- 28 expiration date for all licenses.
- 29 • P. 4 line 13: changes to Section 10.90.015A. to be similar to the license
- 30 application language in the Title 10 general provisions.
- 31 • P. 4 line 45: deletion of the word "provide."
- 32 • P. 5 line 13: deletion of "/or" from "and/or" for the alternate to the Responsible
- 33 Manager.
- 34 • P. 5 line 41: changes to Section 10.90.015D. to be similar to the license
- 35 application language in the Title 10 general provisions.
- 36 • P. 6 line 42: edits for more appropriate terminology for a room for sleeping
- 37 purposes, Subsection 10.90.020A.6.
- 38 • P. 9 line 5: changes a comma to a semi-colon.
- 39 • P. 10 line 42: edits for clarity to the authority to issue policies and regulations.
- 40 • P. 12 line 26: deletion of Subsection 10.90.055A. as too broad and redundant
- 41 of Subsection .055B., and clearer language for the new Subsection .055A.
- 42

43 In addition, some other changes in the (S-1) the Assembly Member sponsors

1 included after receiving public comments are:

- 2 • P. 1 line 38: insert a Whereas paragraph asking for geographical breakdowns
3 of taxes remitted by STR registered hosting platforms when reporting to the
4 Treasury Division.
- 5 • P. 9 line 14 and 43: the license fee of \$400 is intended to be for the equivalent
6 of two years, not one year. This was a drafter's error in the (S) version and
7 the language changed to reflect the sponsors' intent. (If a license is issued
8 for a 1-year duration as determined by the clerk, it's fee is \$200.)
- 9 • P. 9 line 25: an additional circumstance for waiving the STR license fee is
10 added, where an STR unit is rented for less than 14 days in the previous 12
11 months. This change is consistent with the federal IRS rules that do not
12 require reporting rental income if a person rents property also used as their
13 home and its rented less than 15 days during the tax year. (See IRS
14 *Publication 527, Residential Rental Property (Including Rental of Vacation*
15 *Homes)*, p. 29, (2023)).

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18 Prepared by: Assembly Counsel's Office and
19 Department of Law


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21 Respectfully submitted: Randy Sulte, Assembly Member
22 District 6 – South Anchorage, Girdwood, and Turnagain
23 Arm

24
25 Meg Zaletel, Assembly Vice Chair
26 District 4 – Midtown Anchorage



Municipality of Anchorage
Mayor Dave Bronson

Office of the Mayor

Date: March 20, 2024
To: Anchorage Assembly
From: Mayor Dave Bronson 
Subject: Veto of Ordinance No. 2023-110(S-1)



Today, in accordance with Section 2.30.100 of the Anchorage Municipal Code (AMC) and Section 5.02 of the Municipal Charter, I am issuing a veto for AO 2023-110(S-1), an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Title 10 to add a new chapter for the licensing and regulation of short-term rental operations in the municipality and amending AMC section 14.60.030, the Municipal Fine Schedule, to add corresponding fines. This ordinance was approved during the Assembly's regular meeting of March 19, 2024.

The Anchorage Assembly should not be meddling in an individual property owner's ability to make a living for themselves and their families. Private property owners deserve to continue to be able to provide valuable housing offerings within the municipality on AirBnB, VRBO, and other outlets. Regulating, licensing, notification requirements, taxation and fining of private property owners will further minimize options in the Anchorage housing market.

Homeowners have worked hard to sustain their investments over the course of many years and should be provided any opportunity to earn further income because of their hard work and home ownership.

For the above reasons, I hereby veto AO No. 2023-110(S-1).