

Submitted to San Juan County Council January 25, 2020  
From the Eastsound Planning and Review Committee

#### Context for Recommendations

At the County Council's November 5 discussion of vacation rental policies, Council Members asked for proposed changes to the current regulations. The EPRC has solicited community input over its past several meetings, and propose the following amendments to the existing regulations as they apply to the Eastsound subarea and UGA.

We appreciate the work the County Staff did in updating the Vacation Rental Regulations that were ultimately adopted in 2018, the ongoing crackdown on illegal vacation rentals, the verification of status, removal of 50 permits, the on-line anonymous complaint site, and the addition of full-time staff focused on compliance.

The latest regulations, although helpful, were not designed to address the proliferation of vacation rentals in numbers that we and Eastsound residents view as negatively affecting Eastsound. Residents have complained about loud parties and events where renting guests have invited large numbers of non-renting guests that cause noise and parking problems. EPRC and local residents have witnessed more long-term residences in Village Commercial converted to vacation rentals. We have witnessed how new speculative, multi-unit residential construction in the downtown area has been immediately converted to a high ratio of vacation rentals to long term residences at a time when the availability of much-needed long-term residential units is dwindling and when available built spaces for commercial uses in Eastsound is low.

#### Recommendations for Eastsound Subarea Vacation Rentals

- We suggest two tiers of Vacation Rentals.
- The first tier would be called a "Homestay" or "Homeshare". Homestay or Homeshare rentals would be defined as where the actual property owner (not a representative or relative) lives on site and would be allowed outright on a residential property.
- The second tier is a VR permit where the owner does not live on the property and would be granted only if less than 7% active vacation rentals (of both tiers) are currently permitted in that land use designation. Non-homestay vacation rental permits would be denied in land use designations where the current total vacation rental percentage is higher than the 7% limit. This will prevent vacation rentals from becoming a dominant use and characteristic in any neighborhood/land use designation.
  2. New construction, including houses barged in, should not be made eligible for a vacation rental permit for ten (10) years after the building permit is issued. This will prevent speculative building aimed at the vacation rental market and makes new residential construction serve the year around population for several years before being converted to vacation rentals.
  3. Allow only one vacation rental per residential parcel. For ADUs built before 2007, permit a vacation rental in the main residence or the ADU, but not both. Continue to disallow ADUs built after 2007 to be vacation rentals, allow only the primary residence.
  4. Require VR permits in all land use districts, including Village Commercial and Marina. Require commercial properties with short term rentals to apply for and be regulated by the same vacation rental regulations as non-commercial land

use designations unless they are regulated as resorts, B&Bs or hotels.

5. Disallow non-San Juan County residents from operating more than one vacation rental. This is to accommodate someone who is renting out an island property with the intention of retiring here or to keep it as their vacation home. Two or more properties are obviously being used as investment properties by remote landlords.

6. All vacation rental permits should expire upon the sale of the property. An exception would be for direct family heirs where no money was paid for the transfer of the property or where the property goes into a family trust or an LLC provided the vacation rental permit is in good standing and continued use complies with all applicable Vacation Rental regulations and annual renewal requirements.

7. Reserve ground floor units in Eastsound Village Commercial for commercial or long term residential uses, allowing vacation rental units only on the second floor or above. This promotes mixed-use buildings that continue to serve commercial and long term residential needs year around.

8. Request that Staff develop a system for evaluating whether a permit should be revoked or renewed based on verified infractions of vacation rental regulations such as police reports, failed inspections, etc., not just unverified complaints.

9. Disallow house parties/events (reunions-weddings) at non-commercial properties. Allow only the permitted number of renting guests and the renting guests' cars on residential properties. Allow events with non-staying guests at commercial properties provided that they meet all of the other guidelines applicable to all vacation rentals regarding parking, noise, etc.

10. In the Vacation Rental permit application and regulations, specifically exclude; spaces for open air camping, tents, trailers, camper vans, RVs, sheds, teepees and any other rented sleeping enclosures unless they have been issued an occupancy permit as habitable space from the county. Such facilities not permitted as habitable space should be classified as resort/commercial campground/outdoor recreational facilities if they are allowed in their land use designation and be prohibited where not allowed. Where they are allowed, there must be proof of adequate septic/sewer capacity to meet all guests' and residents' needs on the parcel.