

Erika Shook

From: Jayson Schmidt <jayson@peterschmidtconstruction.com>
Sent: Friday, January 15, 2021 10:37 AM
To: Christine Minney; Cindy Wolf; Jamie Stephens; San Juan County Council; Ingrid Gabriel
Subject: RE: Impacted Local Islander

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Christine and Cindy,

I really appreciate you both taking the time to respond to my email. I figured I would just respond all here and avoid multiple emails. First and foremost congratulations on your elections. I probably should have shared that in my last email. It takes a lot of work, dedication and patience to deal with the public so thank you for doing it so I don't have to!

Onto my response. As I mentioned in my email I agree there has always been the discussions of a moratorium on vacation rentals in our county. I expected something someday, but not overnight. Usually emergencies are used in situations where there is a clear emergency that is determined by clear facts. However in this instance, it appears the county declared an emergency prior to finding the facts that would dictate that an emergency truly exists. It's not a good business practice, especially when it's bad for the business of your constituents. Deals were in motion the day you enacted this without warning and now people are being forced to make very difficult decisions because of this action. Doesn't matter that the moratorium is just 60 days long, the banks and investors continue to operate on their own timelines, they have hard deadlines and people have no choice but to proceed at additional risk or abandon ship. Does the county have any plans to offer compensation or reparations for those that are economically impacted as a direct result of this decision and the lack of notice those injured parties were given?

Some observations I would like to point out. In the council meeting, those who spoke in support of the moratorium didn't seem surprised by the motion happening overnight. They were actually prepared! At least one was obviously reading from a transcript during her comment. That's someone that seems to have received plenty of notice this was going to occur yet you have someone in opposition like Johannes who owns a vacation and property management company where a lot of his livelihood is driven by vacation rental and yet he was completely surprised by this emergency ruling and unprepared. That's the type of person that needs to know this stuff is coming and he didn't have a clue. It seems the emergency process was simply a way to quickly avoid lots of public comment in opposition. This observation, along with the way some council members positive body language to those of who were in favor of this moratorium suggests a strong motivation that is very one sided. It was also surprising to me the lack of facts that were presented at the council meeting to support the need for an "emergency" moratorium. Typically moratoriums are intended to relieve financial hardship to allow time to resolve related issues. Again, I am unsure why there is a sudden emergency that did not exist a month ago, 3 months ago etc. Where is the fire that so suddenly caused the need for this action? As you mention, this is a topic that has been discussed and debated about for years in the community. If that is the case, then the county and planning commission should have had plenty of time to come up with ways to resolve this issue without taking such drastic measures. Moratoriums like this should be reserved for REAL emergencies such as pandemics, natural disasters, etc. This to me appears as a reckless and maybe even lazy use of power.

Please review this article that ironically came out the day you passed the emergency moratorium. Given your emergency actions one would expect the Ferry ridership level to be increasing but it actually has decreased to its lowest level in 50 years. Yes this is due to Covid however I still struggle to understand your emergency when things are trending in the complete opposite direction currently. [Ferry ridership at lowest level in nearly 50 years | WSDOT \(wa.gov\)](#)

As it relates to low income housing, in many ways vacation rentals are a way that helps individuals purchase a home here and fund their mortgage payments and achieve a life in this beautiful place we are lucky to call home. My employee I mentioned in my previous email is a perfect example. Yet without the opportunity to do vacation rental they cannot afford the life they work hard for and desire. It's not just off island folks that own vacation rentals. Me and my family own one, many friends do, and we all live and contribute to our economy more because of it and it also helps us own pay the mortgage on my home. In addition, I can't help but think about the fact that low income housing is commonly for the working class individual. Many of the homes purchased by off-island homeowners that are applying for vacation rentals are homes that are appealing to tourists i.e. waterfront/Waterview homes. Quite frankly homes that would not be considered affordable whether they were vacation rentals or not. Furthermore, those people purchasing those homes are contributing GREATLY to affordable housing through the real estate excise taxes. I believe a heavy handed ruling against vacation rentals will have a negative impact on real-estate, construction, tourism, and all the shops and restaurants in between and lastly the counties year end budget with reduced tax opportunities. If your actions slow our economy and reduce the need for workers then what good will the additional low income housing be that you seem to be working towards? I have heard the argument that vacation rental platforms are hurting our local hotel owners. I believe that has less to do with the rental permits and more to do with public demand. People traveling now want more space, a full kitchen, their own bedrooms. Business is adapting to demand and in my opinion hotels should work towards doing the same if they want to compete in the way Amazon had to decide selling books was becoming antiquated so they expanded their business model to the mega retailer they are today. The idea that these vacation renters are these reckless party-goers just isn't true. In our experience with our own rental, the majority (and there are always a few bad apples) are families that need extra space for the kids to run around and the use of a kitchen.

“Leadership is more than listening. It's then doing what's in the public interest.” While there is some truth to this, sometimes it takes more than listening. Probably the most difficult part of your job is going to be doing what's in the best interest for those of who aren't speaking. You may not hear them but they exist. I'm clearly the working class and in the trenches. At my age I'm building a career and also raising a family with a toddler and infant at home. This is true of much of the working class. I have to focus on the things that are most important to me in life right now and that's family and business. While it would be good for me to pay more attention to the politics and be involved, its simply comes down to time that I don't have. Take a look at those who spoke in support of the moratorium during the video conference. They are in a different age class than I am. At least each and every one of them that I could see. They are most likely retired folks, people who have worked hard to get there but clearly affected much differently as a result of this potential change. They are oftentimes empty nesters, who are not dependent on tourism in order to afford living on this island. So when you say you have heard from hundreds about this issue, there are thousands in this community and many that are the working class and backbone of this community that may not be saying anything to you right now because they just don't have the time. So please consider more than just what you hear around you because there's many you won't hear from that will be impacted significantly by your actions related to vacation rentals. Again, I realize you are not banning rentals forever but working towards a solution that will work best for the community, but given the one-sided appearance of the most recent decision, I just want to get this viewpoint at the forefront as well.

Hopefully I offer a new perspective from an age and working class that you may not normally hear from. Thanks again for all that you do and I will be following this closely.

Jayson Schmidt

From: Jayson Schmidt

Sent: Tuesday, January 12, 2021 8:50 PM

To: christinem@sanjuanco.com; cindyw@sanjuanco.com; jamies@sanjuanco.com; council@sanjuanco.com; IngridG@sanjuanco.com

Subject: Impacted Local Islander

Importance: High

Dear Councilmembers,

I'm a third generation resident that has roots in our community and current work with my family running a construction company. I never have been one for politics or speaking out to my politicians however today I'm writing you in response to your Emergency measure to place a moratorium on vacation rentals in the county. The decision to make this an emergency measure and pass it within 24 hours of proposing it has myself and many more in complete shock. Due to your decision, a multimillion dollar new home project set to break ground this year is in jeopardy of being canceled leaving an enormous hole in our schedule for a 16 man construction crew. This is a large problem. In addition, one of our top employees is set to close on a property of his own and in order to make life work for him and his wife on the island, vacation renting legal portions of the property was critical to their success and being able to afford living on the island. They are now considering the possibility of losing their earnest money and leaving the island and our company losing a top critical employee in an industry that is already suffering to find qualified trade employees. We work so hard to get good employees on this island and this could be devastating. In addition, I am working on an investment and similarly this same type of personal situation has also led to the possibility of an investor bailing on our project leaving the project in jeopardy even though the investment we have been working on is not negatively affected by your order. Lastly my wife is a real estate agent with properties in escrow that are now in jeopardy of falling through due to owners backing out with the uncertainty of the vacation rental permit future which was a critical path item to them owning and affording an existing already built home in the San Juan islands. This was not an emergency situation, but now has become a real emergency situation for myself, my wife and our family business.

We have been working tirelessly on all these above mentioned opportunities that are now in complete jeopardy. Same goes for our employee and their current real estate issues. I know so many other constituents within the county now have to deal with these similar situations. All our hard work over a miserable 2020 COVID crisis year was supposed to pay off this year and in one hasty decision without a fair due process you have stripped that hard work from us with absolute uncertainty. It takes months and sometimes years to put things into motion that relied on vacation rental permits in some way or another. Even after following all proper protocols to approach this in a professional and risk adverse manner you have managed to put a significant amount of hard work at risk that is related to construction, real estate, employees and life. I don't even have a vacation rental in jeopardy yet look how you have affected me as a local business individual. You are not only affecting vacation rental owners! There was no warning of such immediate uncertainty with vacation rental permits so how could anyone properly plan a life investment relying on vacation permits? How is anyone supposed to plan long term for life, family and business investments in your county when they cannot trust their elected officials to make reasonable long term decisions that would allow individuals to properly plan for their future and investments. This emergency measure came without warning and was unacceptable. There was a better way to accomplish your end goals. Please find a way that provides more certainty for those in the middle of their current investments. I am not against creating better definition of the vacation rental rules, I'm against the manner which you have without warning placed this moratorium on an industry that trickles down to so many important facets

of our community. I ask that you remove the moratorium at your earliest convenience before all these opportunities are lost!

I know you are all busy and I don't expect you to respond to my email in length and provide me with reasons why you thought this course of action was acceptable. I just ask that you each acknowledge you have read and received my email so that I know my elected officials are taking the time to review what we have to say in response to your actions. I appreciate your time reviewing my serious concerns and how you have impacted my life over the past 24 hours in a very negative way.

Jayson Schmidt