

Sophia Cassam

From: David M Kennedy <dmk@stanford.edu>
Sent: Saturday, February 20, 2021 11:55 AM
To: San Juan County Council; David M Kennedy
Subject: Vacation Rental Permits

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Dear County Council,

I am copying below some recent correspondence with County Assessor John Kulseth, concerning the effect of short-term vacation rentals on my neighborhood in the Smugglers' Cove area of San Juan Island. Please note the highlighted passages in particular. I hope you will have these matters in mind as you consider longer-term policy on this vexed matter. It seems to me that some kind of zoning ordinance that recognizes, protects, and preserves the non-commercial character of residential neighborhoods is the obvious solution. We are not Houston!

Sincerely,

David Kennedy, 98 Fox Wood Lane, Friday Harbor. dmk@stanford.edu

Mr. John Kulseth
San Juan County Assessor
PO Box 1519
Friday Harbor, WA 98250 4 January 2021

Dear Mr. Kulseth:

I recently purchased **Lot 11, First Addition to Smugglers Cove, Tax Parcel Number 450351011000**. Enclosed please find the completed "Buyer's Questionnaire" form that your office recently forwarded regarding that transaction. I appreciate and salute your effort to gather relevant data about real estate valuations.

I write now in response to the request from your Administrative Specialist, Debbie Boyer, for any additional information that influenced the sale price of this parcel.

Some background: my wife and I purchased a raw lot on San Juan Island in 1971, built a house there in 1981, largely raised our kids there, and have lived on the island for 3-4 months every year since, intending eventually to make it our permanent residence –something we are now reconsidering, for reasons explained below. Over time, we also purchased three adjoining lots. Like many islanders, we have especially treasured not only the physical beauty and human warmth of our community, but also its serenity.

This past summer (2020), that serenity was rudely and repeatedly shattered by the licensing of a neighboring property at 111 Spyglass Hill Road for short-term vacation rentals. In a nutshell, that's what drove our decision to purchase the lot now under discussion, which adjoins our current property.

Nearly every weekend last summer, we were blasted with loud music and raucous, intoxicated, offensive profanity blaring up at us from vacationing visitors at 111 Spyglass Hill Road. We had more than once to usher grandchildren indoors to insulate them from those behaviors. Calls to the rental agency and the absentee owners in Oregon were to no

avail. In short, permitting that kind of use for 111 Spyglass Hill Road has seriously and materially *lowered* the value of our property.

Which brings us to the recent purchase: when we learned that a builder was interested in the lot in question as an income property, we bought it for the simple and singular purpose of forestalling more such disturbances. The lot is steep, small, with little or no viewscape, and of use to us only to preserve what's left of the tranquility of our neighborhood.

I hope that you will take that bit of history into consideration.

Further: I am hereby formally requesting that the assessed value of all five of our parcels be reconsidered in light of the value-depressing permit allowing short-term vacation rentals at 111 Spyglass Hill Road.

Sincerely,

Mr. John Kulseth
San Juan County Assessor
P.O. Box 1519
Friday Harbor, WA 98250 20 February 2021

Dear Mr. Kulseth,

Thanks for yours of 8 January, an admirable, near-heroic effort to explain the effect of vacation-rental permits on valuations.

Just to be clear about my own case, concerning the lot I recently purchased on Spyglass Hill Road: I paid far more than what might be called the property's "intrinsic" value precisely to ensure that it would NOT be developed as a commercial (vacation-rental) site. (I had reason to believe that a speculative developer had exactly that purpose in mind.)

So, oddly enough, the presence of a vacation-rental permit in my neighborhood at one and the same time depreciated the value of my existing home even while it drove up the price of a neighboring property *for defensive reasons*. And a further knock-on effect: to avoid the risk of a vacation-rental permit being granted some day in the future, I intend to leave the lot undeveloped for the indefinite future – thus, perversely enough, further constraining the island's already tight housing supply.

I'll leave it to you to come up with the algorithm that can apply those kinds of considerations to the valuation process.

Thanks again, and best regards,

Sent from [Mail](#) for Windows 10