

Adam Zack

From: Sandi Friel <sandi@rockisland.com>
Sent: Tuesday, August 17, 2021 1:10 PM
To: Vacation Rental Comments
Subject: FW: A Resident Realtor's Thoughts on Transient Rentals

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From: Sandi Friel [mailto:sandi@rockisland.com]
Sent: Tuesday, August 17, 2021 1:37 AM
To: lyndag@sanjuanco.com; council@sanjuanco.com
Subject: A Resident Realtor's Thoughts on Transient Rentals

Dear Planning Commissioners and Council Members,

Thank you for considering my input as you ponder whether/how to limit transient rentals in San Juan County. I've been a full-time resident and Realtor on Orcas Island for 15 years, having moved from my over-crowded home state of Florida. Several years ago, I began passing on buyers who were interested in purchasing properties for transient rental income, choosing instead to focus on helping those who would become contributing members of our community. Until now, publicly I've remained neutral on the transient rental issue but I can no longer be silent.

The vast majority of people who have chosen to call the islands home were once visitors here. Residents invite visitors. Visitors invite visitors. Some visitors in turn become 2nd homeowners and/or full-time residents. And so on. If the goal is to accelerate growth, then increased visitation is one way to get there. However according to surveys of residents, businesses and visitors, growing the islands is not the goal. From the January 2020 report: *Tourism and Visitor Management in the San Juan Islands; Part I: A survey of residents and businesses*:

- "Most residents indicate the San Juan Islands are at (52%) or over (42%) capacity during peak summer season. Only 6% of residents (vs. 20% of businesses) report the San Juans are "under capacity, we can handle more tourists..." and "Residents and businesses are similar in their support for limiting vacation rentals."

There are also important findings in the *San Juan Islands Visitor Survey* which was completed in 2017:

- "87% oppose the current default management strategy: allow congestion and crowding to increase."
- "59% oppose more development to accommodate increased use"
- Parking in the villages
 - Orcas: Greatly over capacity
 - San Juan: Over capacity
 - Lopez: Low normal
- Parking at attractions
 - Orcas: Over capacity
 - San Juan: High normal
 - Lopez: Low normal

Note that both the resident/business and visitor surveys were pre-Covid, and we've experienced substantial growth since the surveys were completed. Growth is exponential and has wide-reaching impacts, including financial (growth costs us more than it generates in revenue), ecological degradation and diminishing quality of life.

Prior to the pandemic, the pump had already been primed with population increases in the pacific northwest region, the rise of Airbnb combined with pass-through tax incentives, availability of reliable high speed internet in the islands, and, in my opinion, over-promotion of the islands and lack of foresight and accountability of past county leadership. Fast-forward to pandemic times: Visitation is high, the percentage of 2nd homeowners residing in their former vacation homes is high, building permit applications have increased substantially. And there is no indication that these trends will reverse once the pandemic has run its course.

So, there are too many people here – and many more to come - for our finite island which is eroding both resident and visitor experience. Our public lands are stressed, water supply stretched during the summer months, as well as emergency services and increases in fire risk. And climate change which is happening even faster than expected will continue to exacerbate all of those conditions. We certainly can't prevent people from visiting their own vacation home or building on their land (though I have some ideas on how to reduce impacts), but we certainly can – and should – and must - limit the amount of visitation to the islands by intense regulation of transient rentals. Especially since building permits have increased substantially which foretells a future increase in impacts to the islands, I propose we try to decrease visitation here, at least for Orcas Island, which the surveys indicate is experiencing the most negative impacts and also already has a significant increase of new development approved in the Rosario Resort master plan expansion and therefore should be factored into visitation planning.:

- Transient rental permits **end** when the property is sold; an existing permit is a temporary business license for the owner, not running with the land.
- Close the loophole that currently exists for those transient rental permit holders who did not complete their compliance certification in time. (In 2019, I was told by a county planner that some 500 owners missed the deadline to bring their properties into compliance. He said that though a permit is not in compliance, the permit is still 'active' and has not been revoked, and property owners may continue to rent their home on a short-term basis.)
- No transient rental permits for new development.
- Where zoning permits, allow transient rental permits for those owners who live on site, i.e. renting a room in their house or renting a yurt or guesthouse on site. This helps local residents afford to live here, and the money stays here.
- For absentee/2nd homeowners, no new transient rental permits.

For those who say that transient rentals do not impact affordable housing because they are two different rental markets, they are missing the bigger picture. Which is, transient rentals increase visitation, which increases residency and second homeownership, which increases visitation, all of which increases demand for living on and vacationing in the islands. Increased demand drives up prices. The increased demand which had been primed and building before Covid hit got a turbo boost with the pandemic, further jacking up prices. Limiting transient rentals isn't going to reverse that trend, but to say it didn't play a part in decreasing affordability when it contributed to increased visitation and demand is naïve.

Thank you for considering my comments.

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