

Adam Zack

From: Jan Scilipoti <hostingontherock@gmail.com>
Sent: Tuesday, August 17, 2021 9:02 PM
To: Lynda Guernsey
Cc: San Juan County Council; Erika Shook; Adam Zack
Subject: VR Caps

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Hosting on the Rock, Vacation Rental Owner/Host Group

Jan Scilipoti, Representative
214 Military Road
Lopez Island, WA 98261

August 17, 2021

San Juan Planning Commission

Cc: San Juan County County Council, Erika Shook, Adam Zack

RE: Vacation Rental (VR) Moratorium, CAPS discussion

Dear Planning Commission Members,

Our perception is that instead of increasing empathy and cooperation, the ongoing discussions about VRs have been polarizing for island residents. Therefore instead of focusing on what we don't like about specific opinions, we are choosing to outline potential solutions.

We'll use the document presented by Planning Commissioner Steve Smith, "Proposed Vacation Rental Motion" dated 7-19-21 as a guide. Although we don't agree with all that he outlines, it was refreshing to read the Motion he developed, which evolved from the data presented at the beginning of the document. We applaud him for taking this step of focusing on data and solutions. We recommend verifying his data and following his lead to make policy based on data gathered in sound research practices.

First, a general comment on caps: regardless of the exact numbers, they must be accompanied by systems:

1. **Enforcement that is effective and timely** (strict caps will increase 'piracy').
2. **A method of determining the number of permits available each year**, which puts abandoned permits back in the 'pool'. How will inactive permits be handled?
3. **A fair method of re-distributing the available permits.**
 1. **Homestays (VRs on the same parcel as the owner's primary residence) should not be limited in number.** Residents need this option to supplement their income for unexpected life circumstances in this high-cost county.

A. Table 1

Of the 13,607 housing units in the county, 5,485 are seasonal ('vacant'), and 399 are in compliance and active VRs. Even if all VRs were to start renting year-round tomorrow, there would still not be enough workforce housing. SJC has two choices: convince seasonal and VR owners to rent their homes year-round at affordable rents, or build new rental housing.

Potential solutions:

1. Persuade owners to turn their properties into rentals with subsidies, possibly funded with an additional small tax on VRs. Provide education about screening tenants, WA landlord/tenant laws and management of year-round rentals.
2. Enact a luxury tax on homes above a certain value, which is then used to subsidize rentals.
3. Adjust building regulations to allow for the required housing. Allow guest houses and ADU's to be used for long term rentals, both existing and new construction.
4. Partner with local contractors to produce a build-to-rent model.
5. Partner with business owners to provide housing for seasonal workers. Tiny-home villages would be attractive, desirable and relatively cost effective to build.

B. Table 7

The 2018 VR regulations were working. Note the annual drop in permit applications from 76 to 53 to 20 when the new fees and requirements were initiated. Making permits more expensive and more difficult to apply for and maintain showed immediate results.

Continue to enforce the regulations and monitor the results.

C. Table 11d

Friday Harbor increased the number of rental units significantly more than anywhere else on the islands. Steve Smith suggests it could be because of governance.

How did Friday Harbor do it, and can it be mirrored island-wide?

D. Page 16, # 20 states: "A prohibition on new permits may slow but will not stop the loss of long-term rentals, as people buying rentals and converting them to owner-occupied homes is likely to continue. Any limit on new VRs will not fix the existing issues."

We agree. Workforce housing must come from another source, not the limitation of VRs.

E. Page 20, regarding "Things I have learned in doing the research and compiling the data":

The Moratorium has taught us that the DCD has some work to do. Enforcement is challenging, and the data base is not fully useful. Lift the Moratorium, and give the DCD a chance to do the work.

F. Regarding Recommendation 5.a.iii under the VR Motion:

The most effective way to monitor the number of guests/cars at a property and the amount of noise is to install devices that notify the owner in real time. These include exterior cameras showing the entry and parking area, smart locks that detect excessive opening and closing, and sound monitors.

With the enforcement of any specific complaints, make a distinction between owner/owner's guests and actual VR guests. If the complaint occurs while the owner or the owner's guests are staying in the home, this is not a VR event, and should not be considered for enforcement.

G. Regarding Recommendation 6.b.i. under the VR Motion:

Each VR permit holder currently pays a yearly fee of \$160. This amounts to over \$100,000 per year. Instead of increasing fees as this document suggests, show accountability for the fees we are already paying. Show us how this is being used, and why more funds are needed.

H. Regarding a paragraph from "Post motion thoughts" on page 25:

"Any action on Vacation Rentals needs to be accompanied by action on the other housing issues or the Council and Commission will have failed their responsibility to the community."

We agree.

In conclusion:

We find ourselves asking, why are we defending Vacation Rentals? The answer is that we love staying in them and we love being hosts. The model is unusual in that it allows communication between the host and the guest, during which hosts can build an understanding of the host community.

This means that when traveling and staying in a vacation rental, we can have a sense that we are "living there" for a short time. It is the way that tourists currently prefer to travel throughout the world.

People delight in coming to the San Juan Islands to hike, kayak, and slow down. Tourism is a massive part of our local economy. Those of us who live here full time have limited ways to support ourselves. We protest that VR permits are being controlled when no other lodging type or tourism venue faces potential caps.

Sincerely,
The Hosting on the Rock Steering Committee

Jan Scilipoti
Vicki Leimback
Linda Bannerman
Karen Speck