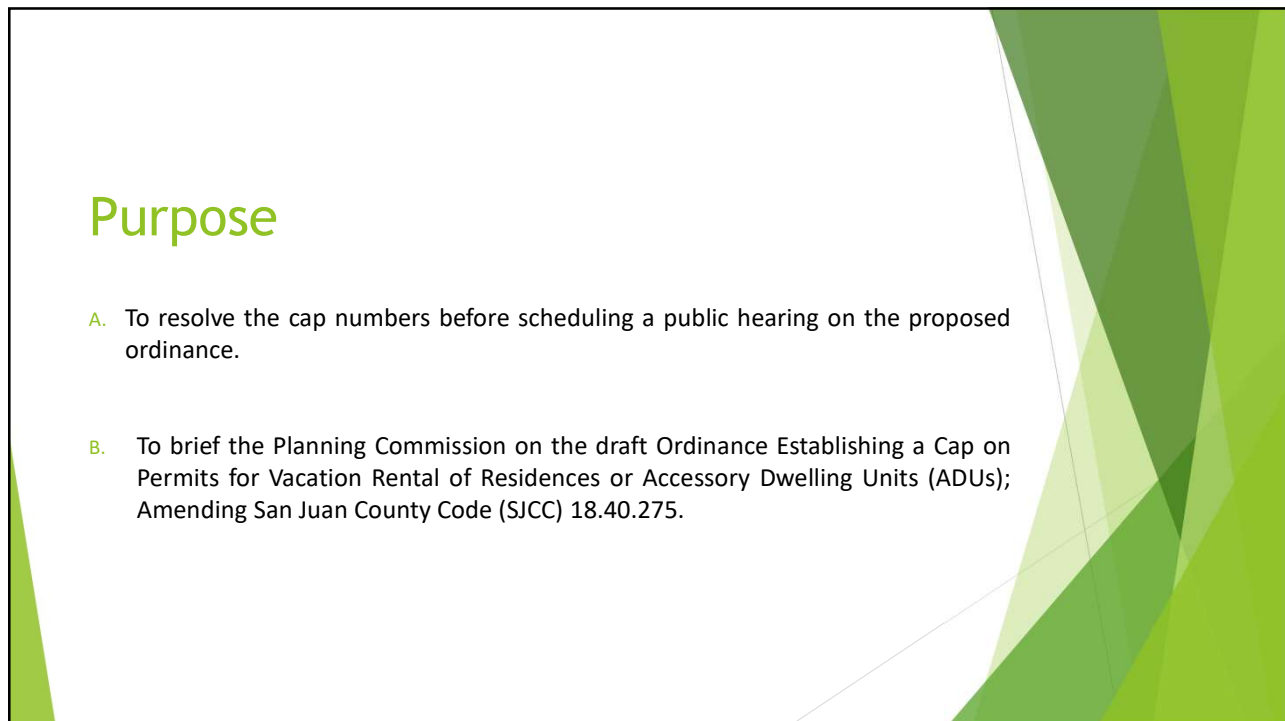


San Juan County Code (SJCC) 18.40.275

Vacation Rental Regulations

San Juan County Planning Commission
September 17, 2021
Adam Zack, Planner III
Department of Community Development

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Purpose

- A. To resolve the cap numbers before scheduling a public hearing on the proposed ordinance.
- B. To brief the Planning Commission on the draft Ordinance Establishing a Cap on Permits for Vacation Rental of Residences or Accessory Dwelling Units (ADUs); Amending San Juan County Code (SJCC) 18.40.275.

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Background

- ▶ County Council provided guidance in June for the Planning Commission regarding a possible cap:
 - The caps should be county-wide and by island.
 - They should be fixed number rather than floating.
 - The cap on Orcas Island should be 500 permits, which is about the total number that exist today.
 - Consider a cap on San Juan Island closer to 500 (similar to Orcas).
 - Consider a cap on Lopez Island that is more than current number (130) but not as many as San Juan and Orcas Island.
 - Move forward to consider vacation rental permit caps before considering other regulations that may take more time to complete.

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Background

- ▶ The Planning Commission considered the cap at their meetings on July 16, and August 20, 2021
- ▶ They made the following motion on August 20, 2021:

The Planning Commission ask County Council to set a cap on all short-term rentals in the county at a total of 405, which is the number of active and compliant permits as of July 31, 2021, and to allocate these permits by island as follows:

207 for Orcas

136 for San Juan Island

56 for Lopez

6 for non-ferry served outer islands

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Background

- ▶ The Planning Commission will hold a public hearing on the proposed ordinance
- ▶ At the hearing, the Planning Commission will make “**findings and recommendations**”
- ▶ **Recommendation:** i.e., adoption of the ordinance as amended by the Planning Commission
- ▶ **Findings:** Explanation of the reasoning behind the recommendation.

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Cap Numbers

- ▶ The numbers the Planning Commission proposed in the August 20 motion are not the number of active and compliant VR permits Countywide or per-island
- ▶ Two options for resolving the discrepancy between the motion and the actual number of active and compliant VR permits:
 - A. Set the cap at the number of permits that are active and compliant at the time the ordinance is adopted, or
 - B. The Countywide and per-island numbers should be updated to match the number of active and compliant permits as of July 31, 2021.

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Option A: Number of Active and Compliant when the Ordinance is Adopted

- ▶ The number will be determined and codified once the Ordinance is adopted
- ▶ Establishes a date for the cap to be established that has a clear reason for being chosen
- ▶ The Planning Commission should include a finding explaining why the cap is set at the number of active and compliant permits

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Option B: Number of Active and Compliant as of July 31, 2021

- ▶ The Countywide and per-island cap numbers should be consistent with the number of active and compliant as of the selected date:

Total: 413

San Juan: 140

Orcas: 211

Lopez: 60

Other Islands: 2

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Option B: Number of Active and Compliant on July 31, 2021

- ▶ The Planning Commission should make findings to answer these two questions:

“Why is July 31, 2021, the point at which the Planning Commission is setting the cap?”

“Why is the Planning Commission recommendation to set the cap at the number of active and compliant?”

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Active and Compliant Permits

- ▶ Setting the cap at active permits is much lower than the total number of compliant permits
- ▶ This leaves out inactive and compliant permits:

Table 1. Active and Inactive Compliant Vacation Rental Permits Per

Island	Active	Inactive	Total
San Juan	140	89	229
Orcas	211	123	334
Lopez	60	25	85
All Other Islands	2	0	2
Countywide	413	237	650

Adopt a finding to explain why these compliant permits are not counted in the Planning Commission proposed cap

SJC VR Permit Compliance Tracking, Attachment B.

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Clarification Needed

Options:

- A. Set the cap at the number of permits that are active and compliant at the time the ordinance is adopted, or
- B. The Countywide and per-island numbers should be updated to match the number of active and compliant permits as of July 31, 2021.

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Draft Ordinance

- ▶ Draft ordinance shows the changes in SJCC 18.40.275 that would implement the Planning Commission proposed cap
- ▶ Creates new subsections SJCC 18.40.275(N) and (O)
- ▶ Amends SJCC 18.40.275(L) to be consistent with the proposed amendments

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Ordinance Section 1: Establish a new SJCC 18.40.275(N) and (O)

N. The number of vacation rental permits countywide outside of the Master Planned Resort (MPR) designation shall not exceed a total of **[Countywide Cap #]**. Vacation rental permits shall be issued by lottery procedures established by the administrator and approved by the County Council.

O. The number of vacation rental permits shall not exceed the following caps:

1. **[Orcas Cap #]** on Orcas Island;
2. **[San Juan Cap #]** on San Juan Island;
3. **[Lopez Cap #]** on Lopez Island;
4. Vacation rentals are prohibited on Shaw Island by SJCC 16.45.180(C);
5. Vacation rentals are prohibited on Waldron Island by SJCC 16.36.060(G); and
6. **[Other Island Cap #]** on all other islands.

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Ordinance Section 1: Amend SJCC 18.40.275(L)

Amend SJCC 18.40.275(L):

L. The owners of vacation rental permits vested or approved prior to the effective date of the Ordinance ~~02-2018~~ ~~codified in this section~~ are required to comply with all subsections of this section except subsections (B), (F) and (J) of this section by December 31, 2018, in addition to the conditions of their permit.

Sets the requirements for certifying compliance. Permits that existed prior to Ord. 02-2018 are vested to previous regulations related to parking, number of guests allowed, and permit expiration.

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Next Steps

- ▶ Planning Commission public hearing tentatively scheduled for October 15, 2021
- ▶ Planning Commission findings and recommendations will be provided to the County Council
- ▶ County Council has at least three touches on the draft ordinance
- ▶ County Council holds a public hearing on the proposed ordinance prior to adoption

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Public Comments

EMAIL:

VRComments@sanjuanco.com

MAIL:

Department of Community Development

PO Box 947

Friday Harbor WA 98250

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Questions?

Adam Zack, Planner III

adamz@sanjuanco.com

360-370-7580