

Erika Shook

From: Bill Watson
Sent: Friday, March 24, 2017 10:41 AM
To: Mike Thomas; Erika Shook
Subject: FW: Resident Input on Proposed Vacation Rental Policy Changes

FYI - Bill

From: Chris Reed [mailto:cvreed2306@gmail.com]
Sent: Friday, March 24, 2017 8:07 AM
To: DL - Council <Council@sanjuanco.com>
Subject: Resident Input on Proposed Vacation Rental Policy Changes

I appreciate the opportunity to comment on the proposed changes to the county's vacation rental policy. After meeting with Bill Watson he suggested I share this perspective with the entire council.

A summary of my input on the regulation is:

- a) Seeking to consistently capture occupancy tax on vacation rentals is appropriate
- b) Periodic safety inspections are a reasonable requirement but an operational challenge
- c) Reducing the allowed guest capacity from 3 to 2 per bedroom will have a major negative impact on owner, county business and tax revenue and has the effect of punishing hundreds of owners to inefficiently address the stated objective (nuisance issues)

We are full time island residents who count upon income from summer rental of our only residence to cover a majority of our annual living expenses. Reducing the allowed rental capacity will limit our ability to rent to wedding parties and family reunions – reviewing last year's rentals we estimate it could reduce our income by \$12-15,000 per year, county taxes by \$1,200-1,500 and local business revenue by \$5,000-8,000 for our property alone.

I have heard no data provided on the number of properties causing "nuisance issues" under the current rules but my property manager tells me it is a rare event, at least among managed properties. Septic capacity is not a valid argument because rentals average only 1.2-1.5 guests per bedroom due to the fact they are rented, on average, less than 70% of the days in the peak summer months.

It seems poor policy to cause potentially \$1,000,000 or more of income losses to island residents, businesses and county coffers to address bad behavior by a few. Fine the violators, don't deprive all owners of revenue they depend on.

I strongly urge you to leave the rental room capacity element of the policy as it currently stands.

Chris & Alexis Reed
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