

Erika Shook

From: Brandon Guard <brandon.r.guard@gmail.com>
Sent: Friday, February 12, 2021 8:06 PM
To: Cindy Wolf
Cc: Ingrid Gabriel
Subject: Re: San Juan Vacation Rental Moritorium

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Thank you for your thoughtful response. I do understand these decisions are difficult. The approach you have shared sounds very reasonable and I wish you the best of luck as you navigate a challenging situation. Thanks for taking time for me.

-Brandon



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On Fri, Feb 12, 2021 at 7:01 PM Cindy Wolf <cindyw@sanjuanco.com> wrote:

Dear Mr. Guard,

Thank you for your considered letter. Vacation Rental regulations were the single most talked about issue I encountered during my campaign. The County Council candidates were all repeatedly asked for opinions and action plans which were broadcast in public forums and printed in newspapers. I am acting according to the statements and promises I made. It is my hope that taking a pause will allow us to gather data, look at infrastructure needs, housing impacts, environmental impacts, economic trade-offs and how VRs work into our mix of transient accommodations. We can then have the informed discussions necessary to develop Vacation Rental permit policies and regulations that are fair for everyone and kind to our islands. Please note there will be a Public Hearing on February 23rd to determine whether to keep the moratorium in place and plenty of opportunity for input while we review the Vacation Rentals element of the Comprehensive Plan. I hope you will participate.

To be clear, we are not considering a ban on vacation rentals, nor will the moratorium effect the operation of any vacation rentals currently permitted.

Unfortunately, the kinds of financial incentives you propose are impossible under the Washington State Constitution. Currently we cannot treat primary residences any differently than second, third, etc. homes. There are a few pieces of legislation moving through the State House that could change that situation; HB 1494 which would be made possible by Constitutional Amendment 4204. They are Homestead Property Tax Exemption bills. You might wish to take a look at them as they would make a real difference to our tool kit. This fix would take some time, though, as

they must work their way through the legislature and, in the case of 4204, will require a vote of the people. Meanwhile, we must use the tools at hand.

Kind regards,

Cindy Wolf

From: Brandon Guard <brandon.r.guard@gmail.com>

Sent: Friday, February 12, 2021 11:37 AM

To: Cindy Wolf <cindyw@sanjuanco.com>

Subject: Fwd: San Juan Vacation Rental Moritorium

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Councilmember Wolf,

I wanted to write to you in my opposition to the current SJC Vacation Rental Moratorium. This is not a form letter and I hope you take the time to understand my concerns.

I, like all islanders, love the beauty of the island. Development hurts my heart. I do not like to see houses go up in fields, I do not like to see development on our shorelines, I really don't want any more people to come. I'd actually be happier if people would leave. In spite of this, I cannot understand how we can put a moratorium on vacation rentals given our history and current state.

1) Who are we trying to help with this change?

Local islanders are primarily services and tradespeople. The working locals rely on tourism and growth for the majority of their incomes. If the council thinks that investment in vacation rentals by locals and non-locals creates unaffordable housing, they should consider the impact these limitations will have on the incomes of the very people who have jobs reliant on these investments. Builders, real estate agents, local investors and local dreamers have found ways to take advantage of the popularity of the islands. I think if you look around, few jobs and few incomes of the local community will benefit with a vacation rental moratorium. It doesn't do anyone much good for home prices to fall if they don't have a job or their job is low paying. I personally believe that this change will fail to constrict rising housing costs and simultaneously result in fewer jobs and lower wages. I implore the council to review data that contrasts lower

wages/fewer jobs with cost of living and provide examples where this type of change has produced a positive outcome for the local community.

2) People have adapted to the economy and lifestyle that county leadership created.

From the arrival of white settlers until the 1970s, the islands were largely producers of natural resources. Agriculture, fishing and logging were the majority of the local economy. Recognizing a limited future in these industries, the island switched to a tourism economy. I would say we can all look back and recognize that this as a beneficial move for the majority of local residents. If we look at examples of towns who lacked the natural beauty and allure of the islands and who faced similar circumstances (towns like Aberdeen and Darrington come to mind), its easy to argue that we've come out well ahead. As a result, the local economy has shifted and virtually everyone who is not retired, relies on that tourism to survive. We hear advertisements on Seattle radio stations pitching the San Juans as the next great place for exploration and adventure. My home appears in travel magazines around the world and always seems to be on some list of the "world's greatest island destinations". I HATE this, but realize how critical it is for the local community and the people who's jobs it has come to support. Putting limitations on vacation rentals is like talking from both sides of one's mouth. In one hand we're inviting tourism and in the other we're actively trying to stop it, while inadvertently punishing those who rely on it. Please consider the very locals who have made this transformation possible. Their livelihoods and continued island lifestyle depend on the tourism structure that has been carefully curated over the last 50 years.

3) What are the expected outcomes of this change? What examples do we have where this is positive for locals? How does this support the continued growth, change and development of the local economy?

In certain places in California (SF), they have placed strict regulations on building and expansion with the intent on maintaining the status quos in certain communities. The demand for the area in recent years has been high. The legally restricted growth did not translate to lower demand, and drove prices up significantly, pricing people out and mostly benefiting existing homeowners. What makes the council believe the islands would experience a different outcome? Capping vacation rentals will drive prices up for those rentals that have existing permits, benefiting those owners. It will make travel to the island less affordable for tourists, and effectively cap the number of tourists the island can support. Taxes and wages collected from tourists may decrease and it is easy to argue that most residents will be worse off without continued growth. Forced limitations on scarce resources typically benefit only a select few, and penalize newcomers and future generations. Why would we make a decision to do that to our community? Please consider how this may limit opportunities for younger generations who want to call the island home. Growth is inevitable, trying to force it to stop will result in unequal distribution of benefits and is likely to create unforeseen consequences. It is difficult understand how this benefits the local community in a holistic way.

4) When do we stop growth and who has the power to do it?

Does the council think that now is a tipping point? From who's perspective? Ask old island residents who have spent their entire lives here, they'd have liked to have seen the whole island paused 50 years ago. Everyone wants their specific world to remain unchanged. Someone who retires on the island wants it to look the same until their final days. Anyone who has moved to the island has wanted it to remain as it was when they arrived, no matter when that time was. I certainly want it the same way it was when I was a child. The challenge is, we all want to remain on the island, we want our families to remain on the island, and we want those who we love to enjoy it, prosper, and have opportunities beyond the island if they desire. Why has now become a tipping point? What does the current council believe gives it the power in this year to make this choice? Likely if one of the old islanders had made this choice, many

of the council would not be here. Whether the conversation has been about land designations, environmental regulations or now vacation rentals, the focus has been on smart growth, as it should be. Nothing should give the council the confidence to suggest that the time is now and that this extreme answer is the solution. The global markets may crash tomorrow and interest in the islands may fade for a decade. An overreaction to a once-in-a-century global event is unlikely to age well.

5) What do I suggest? Moderation in all things.

There are many ways to achieve the goals and best interests of all members of a community by acting in moderation. Suggestions would be to increase taxes on those who do not make island homes their permanent residence and who also refuse to seek long-term rentals. Perhaps additional taxes on those who choose to participate in the short term rental market. Financial incentives are a great tool to gradually promote the desired behavior without creating extreme artificial markets. Business and interest in the island will always ebb and flow with market conditions, for this reason I do not support a quota and lottery system. Local businesses and jobs rely on the free market to take advantage of favorable times to offset their slow times. For the many locals who are reliant on continued construction jobs, a quota system has an opportunity to limit their opportunity in boom periods, that create an inability to offset the slow times. Please consider a moderated approach, with smart financial incentives, to push behavior in a direction that benefits islanders as equally as possible.

I hope you take the same time and consideration of these points as I put into them. We all love the San Juans and want what is best for the islands and people. Please ensure you use data, examples and a moderated approach to all decisions.

Thank you,

Brandon Guard



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