



SAN JUAN COUNTY  
DEPARTMENT OF COMMUNITY DEVELOPMENT

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**MEMO**

**REPORT DATE:** March 1, 2017  
**TO:** San Juan County Council  
**CC:** Mike Thomas, County Manager  
**FROM:** Erika Shook, AICP, Director *Ill for*  
Linda Kuller, AICP Planning Manager/Deputy Director  
**SUBJECT:** Draft Vacation Rental Code Amendments  
First Touch  
**FOR MEETING OF:** March 6, 2017

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The 2016 Department of Community Development Work Program included a project to amend the vacation rental requirements to require annual inspections by the Fire Marshal, make the vacation rental permits renewable, and better address nuisance issues such as traffic, garbage, water use and parking. County Council also requested additional background information including the number of vacation rentals in the County and the number of vacation rental permits issued annually as compared to building permits.

This staff report includes background information on vacation rentals in San Juan County, proposed code amendments for public review, and a public review schedule.

**Background Information:**

All data is from the 2000 and 2010 Census, the 2015 American Community Survey, county reports to the Office of Financial Management and county permit records. All data used is contained in Attachment C. The following is a summary of the information:

- The county has issued approximately 964 permits for vacation rentals countywide since 1990. Prior to 1998, it appears that vacation rentals were regulated differently and records are unreliable.
- Vacation rental permits have remained somewhat stable, while construction of new dwelling units has been declining. See Figure 1.
- Over the last 16 years, an average of 51 vacation rental permits was issued per year. The highest number was 129 permits in the year 2000. The second highest year was 2016 with 71 permits.
- In 2015, vacation rentals were 15.1% of total vacant housing units. As of 2015, there were estimated to be 13,619 housing units, of which 5,911 (43%) were vacant. Vacation rentals are considered "vacant" by the U.S. Census Bureau. See Figure 2.

Figure 1. Vacation rentals as compared to permits for new dwellings

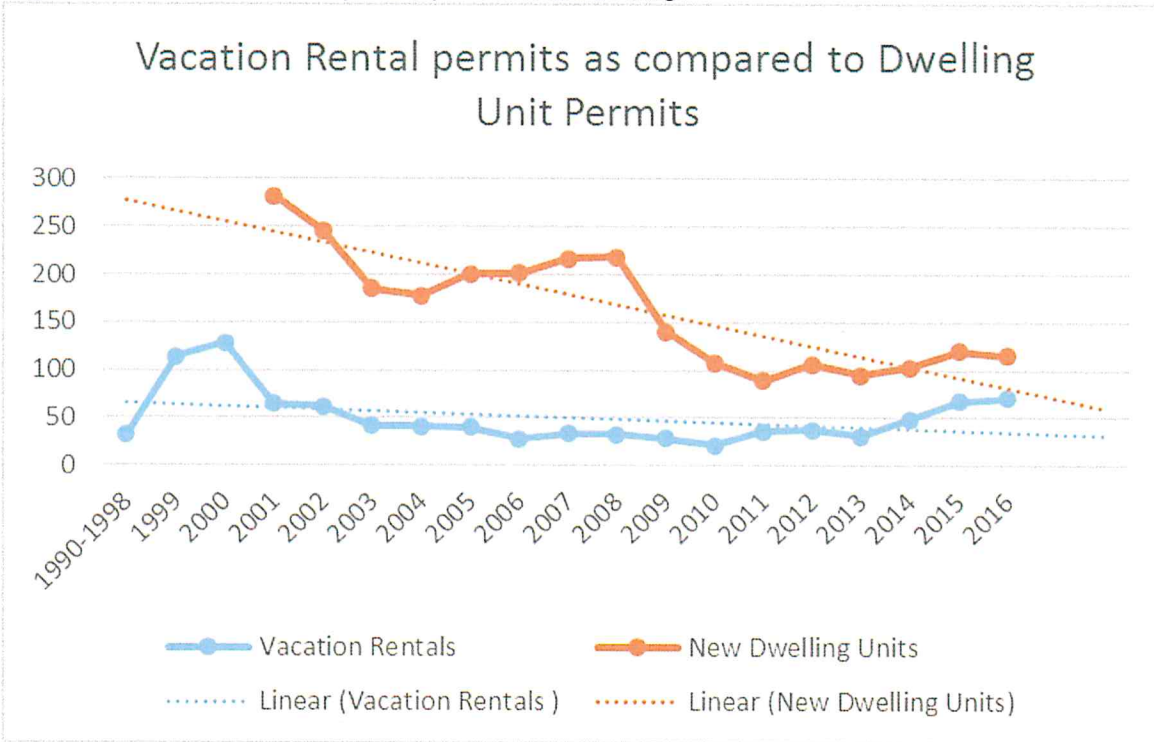
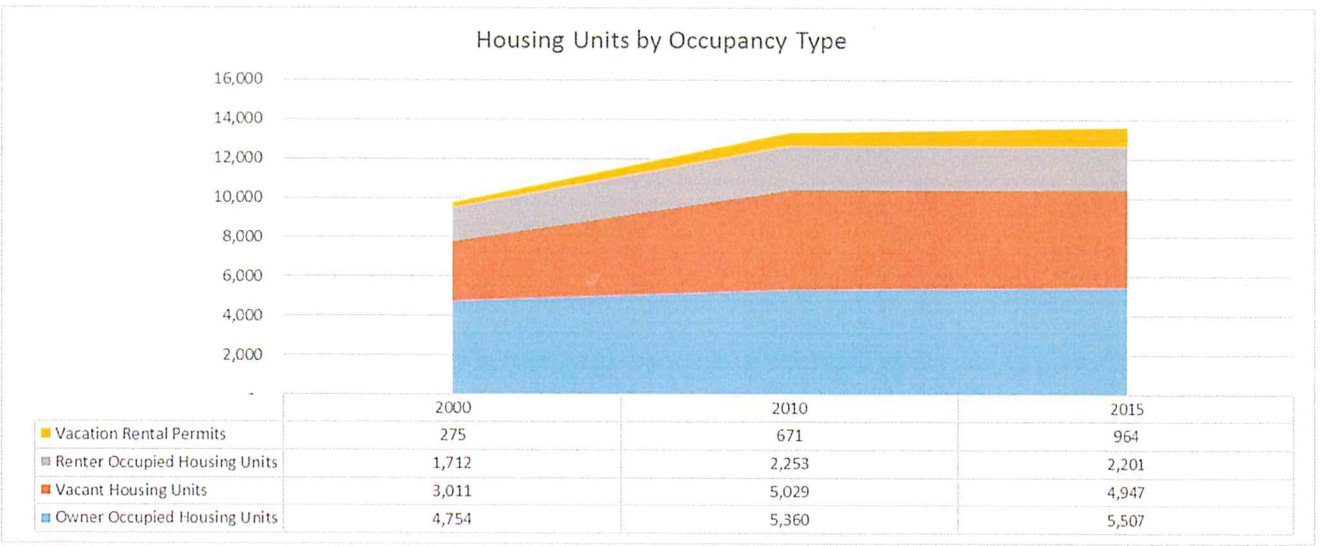


Figure 2. Housing units by Occupancy type



### **Summary of Proposed Code Amendments:**

Attachment A contains the proposed amendments to the vacation rental section of county code found in SJCC 18.40.270 with no changes shown. Attachment B shows the proposed amendments with changes shown. The following is a summary of the changes:

- A new provision clarifies the number of vacation rentals allowed on a property and when an accessory dwelling can be used for vacation rental. This provision replaces three subsections that had the same meaning.
- The term “unreasonable disturbances to area residents” is replaced by a specific list of disturbances that are not allowed. This will increase the enforceability of the requirements and will address many of the complaints often received on vacation rentals.
- A new provision requires solid waste to be removed regularly and screened from view.
- A new provision requires owners to make guests aware of the importance of water conservation and include water conservation measures in the rules of conduct.
- The number of on-site parking spaces is increased to one per bedroom.
- A provision allowing for one small (2 square foot) sign is added.
- A provision for expiration of permits is added. Vacation rental permits would expire five years after approval unless they maintain a current certificate of compliance on file with the county.
- Requirements for a more comprehensive property management plan are added, including a requirement for advertisements to include the county permit number, annual fire and life safety inspections and certification of compliance every five years. These requirements are proposed to be retroactive to existing vacation rental permits.

### **Proposed Public Review Schedule:**

- Draft proposed amendments available for public review March 3, 2017
- Public comment period for proposed amendments March 3 – April 14, 2017
- Planning Commission review of proposed amendments March 17 & April 21, 2017

### **Proposed Action:**

Direct Community Development to move forward with public review process and draft ordinance.

### **Attachments:**

- A – Draft code amendments with no changes shown
- B – Draft code amendments with changes shown
- C – Background data



1 **18.40.270 Vacation rental of residences or accessory dwelling units (ADUs).**

2 The following standards apply to all vacation rentals as defined in SJCC 18.20.020:

3 A. Outside of urban growth areas, one vacation rental is allowed on a property, either in the principal  
4 residence or an accessory dwelling. Detached accessory dwelling units permitted on or after June 29,  
5 2007 are not allowed to be vacation rentals.

6 B. No more than two (2) guests per bedroom shall be accommodated at any one time.

7 C. The vacation rental shall be operated according to rules of conduct approved by the County that  
8 prevent the following disturbances to area residents:

9 1. Trespassing;

10 2. Noise or music that can be heard beyond the property boundaries between the hours of 10:00  
11 p.m. and 8:00 a.m.;

12 3. Off-site parking issues; and

13 4. Vehicle speeds of higher than twenty (20) miles per hour (mph) on private paved roads and  
14 fifteen (15) mph on private non-paved roads.

15 D. Weekly solid waste collection service is required when occupied. Solid waste shall be stored  
16 outdoors within a fully screened and secured enclosure or completely indoors.

17 E. Guests shall be made aware of the importance of water conservation. Best practices to conserve  
18 water shall be included in the rules of conduct.

19 F. One off-street parking space shall be provided for each bedroom within the vacation rental.

20 G. If any food service is to be provided, all of the requirements for a bed and breakfast residence  
21 must be met.

22 H. One sign up to two square feet in size is allowed. The sign may not be internally illuminated or  
23 made of reflective materials. It may contain only the name of the business and the hours of  
24 operation.

25 I. Vacation rental accommodations must meet all applicable local and state regulations, including  
26 those pertaining to business licenses and taxes such as Washington State sales, lodging and business  
27 and operation taxes.

28 J. Vacation rental permits shall expire five years after the date of approval unless a current certificate  
29 of compliance meeting the requirements of subsection (K)(5) of this section is maintained on file with  
30 the administrator.

31

1 K. Property owner responsibilities. All owners of property used for vacation rental shall comply with  
2 this subsection. Owners of vacation rentals approved prior to the effective date of this ordinance are  
3 required to comply these requirements by March 31, 2018. All owners shall:

4 1. Maintain an up-to-date property management plan on file with the administrator and property  
5 owners within three hundred (300) feet of the property boundaries. The property management  
6 plan must include the following:

7 a. Rules of conduct approved by the county;

8 b. Unified Business Identifier (UBI) number, and the names and addresses of the property  
9 owner and agents authorized to act on the property owner's behalf;

10 c. Emergency contact information;

11 d. A valid telephone number for emergencies or complaints where the property owner or their  
12 designee can be reached 24 hours per day; and

13 e. A description of how the owner will enforce compliance with the terms and conditions of  
14 approval.

15 2. Prominently post the rules of conduct and a map clearly depicting the property boundaries of  
16 the vacation rental. The map shall indicate if there is an easement that provides access to the  
17 shoreline if so, the easement shall be marked; if there is no access, this shall be indicated together  
18 with a warning not to trespass.

19 3. Include the San Juan County permit number for the vacation rental in all advertisements and  
20 marketing materials such as brochures and websites.

21 4. Schedule an annual fire and life safety inspection with the county fire marshal. Operation of  
22 the vacation rental is contingent upon maintaining a current fire and life safety certificate of  
23 inspection. The certificate of inspection shall be prominently posted on-site.

24 5. Certify compliance with subsections (A) through (K) of this section every five years from the  
25 date of approval and at the time of sale of the property. Written certification must be submitted  
26 to the department on forms specified by the administrator.

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Attachment B - Draft Code Amendment with changes shown

**18.40.270 Vacation (short-term) rentals of residences or accessory dwelling units (ADUs).**

The following standards apply to all vacation (short-term; less than 30 days) rentals as defined in SJCC 18.20.020 of single family residential units and accessory dwelling units or portions thereof:

A. Outside of urban growth areas, one vacation rental is allowed on a property, either in the principal residence or an accessory dwelling. Detached accessory dwelling units permitted on or after June 29, 2007 are not allowed to be vacation rentals.

AB. No more than ~~three~~ two (2) guests per bedroom shall be accommodated at any one time.

BC. The **vacation rental** of a principal residence or accessory dwelling unit shall be operated according to rules of conduct approved by the County in a way that will prevent the following unreasonable disturbances to area residents:-

1. Trespassing;

2. Noise or music that can be heard beyond the property boundaries between the hours of 10:00 p.m. and 8:00 a.m.;

3. Off-site parking issues; and

4. Vehicle speeds of higher than twenty (20) miles per hour (mph) on private paved roads and fifteen (15) mph on private non-paved roads.

D. Weekly solid waste collection service is required when occupied. Solid waste shall be stored outdoors within a fully screened and secured enclosure or completely indoors.

E. Guests shall be made aware of the importance of water conservation. Best practices to conserve water shall be included in the rules of conduct.

CF. At least One additional off-street parking space shall be provided for each bedroom within the **vacation rental**, use in addition to the parking required for the residence or accessory dwelling unit.

CG. If any food service is to be provided, all of the requirements for a bed and breakfast residence must be met.

EH. One sign up to two square feet in size is allowed. The sign may not be internally illuminated or made of reflective materials. It may contain only the name of the business and the hours of operation. No outdoor advertising signs are allowed.

F. The owner or a long-term lessee may rent either the principal residence or the accessory dwelling unit on a short term basis (**vacation rental**), but not both.

G. Where there are both a principal residence and an accessory dwelling unit, the owner or long-term lessee must reside on the premises, or one of the living units must remain unrented.

H. In all activity center land use districts, rural residential, and conservancy land use districts, the **vacation rental** of a residence or accessory dwelling unit may be allowed by provisional ("Prov") permit only if the owner or lessee demonstrates that the residence or accessory dwelling unit in question was used for **vacation rental** on or before June 1, 1997. When internal land use district boundaries are adopted for an activity center, this provision will apply to VR and HR districts but not to the activity center in general.

I. Vacation rental accommodations must meet all applicable local and state regulations, including those pertaining to business licenses and taxes such as Washington State sales, lodging and business and operation taxes.

J. Vacation rental permits shall expire five years after the date of approval unless a current certificate of compliance meeting the requirements of subsection (K)(5) of this section is maintained on file with the administrator.

KJ.- Property owner responsibilities. All owners of property used for Owners-of-vacation rentals shall comply with this subsection. Owners of vacation rentals approved prior to the effective date of this ordinance are required to comply these requirements by March 31, 2018. All owners shall:

1. must-Maintain an up-to-date property management plan on file with the administrator-a 24-hour contact phone number, and property owners within three hundred (300) feet of the property boundaries. The property management plan must include the following:

a. Rules of conduct approved by the county;

b. Unified Business Identifier (UBI) number, and the names and addresses of the property owner and agents authorized to act on the property owner's behalf;

c. Emergency contact information;

d. A valid telephone number for emergencies or complaints where the property owner or their designee can be reached 24 hours per day; and

e. A description of how the owner will enforce compliance with the terms and conditions of approval.

2.K.-Prominently post the The owner or lessee of the ~~vacation rental~~ shall provide notice to the tenants regarding rules of conduct and their responsibility not to trespass on private property or to create disturbances and a map clearly depicting the property boundaries of the vacation rental. The map If there shall indicate if there is an easement that provides access to the shoreline, this shall be indicated on a map or if so, the easement shall be marked; if there is no access, this shall be indicated together with a warning not to trespass.

3. Include the San Juan County permit number for the vacation rental in all advertisements and marketing materials such as brochures and websites.

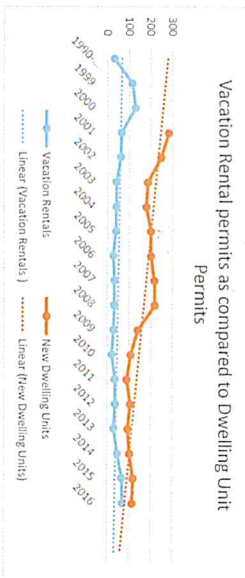
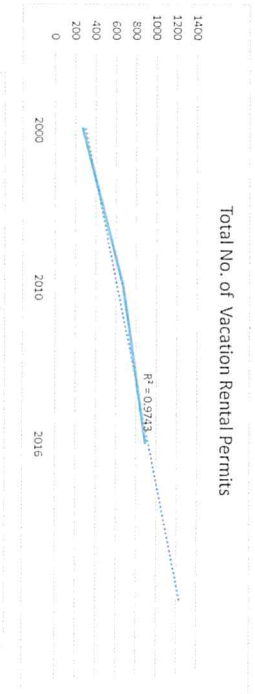
4. Schedule an annual fire and life safety inspection with the county fire marshal. Operation of the vacation rental is contingent upon maintaining a current fire and life safety certificate of inspection. The certificate of inspection shall be prominently posted on-site.

5. Certify compliance with subsections (A) through (K) of this section every five years from the date of approval and at the time of sale of the property. Written certification must be submitted to the department on forms specified by the administrator.

L. Detached accessory dwelling units established under SJCC ~~18.40.240~~ cannot be separately leased or rented for less than 30 days. (Ord. 7-2006 § 8; Ord. 21-2002 § 5; Res. 145-1998; Ord. 2-1998 Exh. B § 4.19.3)



	1990-1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Vacation Rentals		114	129	65	62	42	41	40	28	34	33	29	22	36	38	31	43	68	71
New Dwelling Units	32	114	129	282	246	185	178	200	201	217	218	140	108	89	106	95	103	120	115
VR as percent of new SFR Permits							23%	20%	14%	16%	15%	21%	20%	40%	36%	33%	48%	57%	



	2000	2010	2015
Population	14,077	15,769	15,956
Households	6,466	7,613	7,708
Total Housing Units	9,752	13,313	13,619

	2000	2010	2015
Total Occupied Housing Units	6466	7613	7708
Owner Occupied	4754	5360	5507
Renter Occupied	1712	2253	2201
Rental vacancy rate (2000, 2010 Census & 2015 ACS)	7.01%	12%	8.7%*

	2000	2010	2015
Total Vacant Housing Units	3286	5700	5911
Vacant for Rent	129	311	191*
Vacant for Sale	82	187	N/A
For Seasonal, recreational or occasional use	2776	4748	N/A

	2000	2010	2016
Total No. of Vacation Rental Permits	275	671	893
VR as % of Total Housing Units	2.8%	5.0%	6.6%
VR as % of Total Vacant Housing Units	8.4%	11.8%	15.1%

VR Annual Increase 2000-2016

Total listed on VRBO for the San Juan Islands

Air BNB listed for San Juan Islands

286

%

Per Yr.

51.1

478