

# Housing and San Juan County's Comprehensive Plan Update<sup>1</sup>

## Why does Friends of the San Juans care about housing?

*The patterns of how and where housing gets built are deeply connected to the health of both our human and natural communities. Housing affordability plays a central role in the livability and inclusiveness of our communities. Sprawling development diminishes our rural character, fragments native habitats, and increases carbon emissions. In accordance with Washington State's Growth Management Act, Friends believes that increased density in our villages and other Urban Growth Areas can, when planned thoughtfully, increase affordability, decrease sprawl, and protect the Islands' remaining natural habitats.*

## How many people live in San Juan County?

- As of April 1, 2020, the US Census Bureau counted 17,788 people in San Juan County.
- By 2036 (which is the Comp Plan's planning horizon), the population is projected to increase to 19,423.

## How much housing exists in the county, and what's it used for?

- As of 2019, the US Census Bureau counted 14,381 housing units in the county.
- In 2015, 43% of the housing stock qualified as "vacant," with 81% of that being for "seasonal, recreational, or occasional use." SJC forecasts that by 2036, 47.3% of housing will be "vacant."
- With an average household size of 2.04 people, the County had enough housing units in 2016 to accommodate the projected 2036 population, but the vacancy rates have led the County to estimate that it will need 1,524 more housing units by 2036.
- As of 2016, 82.9% of housing units were single-unit dwellings, 10.3% were mobile homes, and 6.7% were structures with two or more units.
- As of 2015, 84% of SJC's housing was owner-occupied or vacant, and just 16% was renter-occupied.
- As of July 2021, there were 650 units with compliant vacation rental permits. If current trends continue and no caps are put in place, 1,500-2,000 vacation rentals may be permitted by 2036, representing about 12% of total housing.



*The Sun Rise I neighborhood on San Juan Island is a good example of a higher-density development that strives to be environmentally friendly.*

## How (un)affordable is housing in San Juan County?

- According to County data, 46% of households earn \$50,000 or less. There is only 1 affordable rental unit for every 2.7 such households, and only 18% of the County's existing houses are considered affordable to buy for these households.
- As of 2017, median home prices here were 30% higher than the statewide average, and only 22% of owner-occupied houses were valued at \$100,000-\$300,000, compared to a statewide average of 50%. (Note that prices have risen considerably since 2017, while most people's wages have increased little.)
- By 2036, the County projects that 3,728 of the 9,521 households here will be considered low income or below by HUD standards.

<sup>1</sup> The source for much of the data in this information sheet is the County's Housing Needs Assessment, which can be accessed at [https://www.sanjuanco.com/DocumentCenter/View/21667/2021-01-08\\_Appendix\\_5\\_HNA\\_Draft](https://www.sanjuanco.com/DocumentCenter/View/21667/2021-01-08_Appendix_5_HNA_Draft).

### **Why won't guest houses in rural areas help with the affordable housing crisis?**

Although current data are unavailable, the state's Growth Board found in 2002 that only 3% of residentially-developed parcels rented guest houses on a long-term basis.<sup>2</sup> County rules already allow unlimited internal or attached guest houses countywide, detached guest houses in towns and villages, and detached guest houses on 12% of developed parcels greater than 5 acres on rural and resource lands. Plenty of guest houses already exist, and the vast majority are not being used for long-term or affordable rentals.

### **Would it help to limit the number of vacation rentals?**

Probably so. Studies of AirBnB rentals elsewhere have found that an increase in a community's number of vacation rentals increases the long-term rents and sales prices for properties, and that these increases are due to the conversion of housing stock from long-term to short-term rentals.<sup>3</sup> If our County limits vacation rentals, the County could establish a low countywide cap, density limits on how many can exist per neighborhood, an annual maximum number of days for rent, or a provision that allows vacation rentals only at owner-occupied properties.

### **What about increasing density in our towns?**

To increase affordability and protect the habitats in our rural areas, Friends supports additional incentives and the reduction of barriers for increasing density where density already exists. This includes encouraging tiny home communities; increasing allowed densities in our Urban Growth Areas (UGAs); and allowing new parcels to promote duplexes, townhouses, and apartments. Smaller housing options in our UGAs and hamlets can help provide a range of options, and it would also be consistent with Growth Management Act's goals and policies to reduce sprawl and help control our state's and our County's carbon footprint.

### **What can I do?**

Let the County Council know that you support affordable housing! Encourage them to transform "vacant" housing into housing for all members of our community, including reasonable restrictions on vacation rentals. Let the Council know that you support increased incentives and fewer barriers for multi-family housing options in our towns and villages.

### **San Juan County Council contact info:**

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**To learn more about San Juan County's Comp Plan Update, including how to get involved, visit:**

[https://sanjuans.org/sjc\\_comp\\_plan/](https://sanjuans.org/sjc_comp_plan/)

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<sup>2</sup> The Growth Board also held that unrestricted detached guesthouse development in rural and resource lands violated the mapped densities by doubling development and created urban sprawl inconsistent with the Growth Management Act. For a summary of the decision, visit: [insert link].

<sup>3</sup> K. Barron, E. Kung, & D. Proserpio, *Research: When Airbnb Listings in a City Increase, So Do Rent Prices* (April 17, 2019), available at <https://hbr.org/2019/04/research-when-airbnb-listings-in-a-city-increase-so-do-rent-prices> (last visited September 13, 2021).