From:	Kirvil Skinnarland
To:	CD STRComment
Subject:	Analysis of Attrition Rate of STRs with no Sunset
Date:	Wednesday, September 2, 2020 10:25:27 AM
Attachments:	STR Attrition Report Prepared by RUN 9.1.2020.pdf

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Dear Commissioners,

Chelan County is considering a sunsetting process for existing non-conforming STRs in order to achieve a goal of getting to, or below, a prescribed percentage of STRs, within each ZIP code. (5%, as recommended in July 9, 2020 STR code) Opponents to sunset provisions have proposed that natural attrition and housing growth could get to this acceptable rate and that all existing STRs should be grandfathered in. This analysis shows that the length of time to achieve a 5% goal through natural attrition and normal housing growth is unacceptably long and would likely be 20 or more years depending on the number of STRs that are sold or converted to long term rentals each year.

We have prepared the attached analysis that looks at the time it will take for the percentage of STRs to reach 5% in the 98826 and 98831 zip codes. We have analysed a 5% per year attrition rate and a 1% per year attrition rate, and assumed new housing increases every year according to the numbers provided by Berk.

The charts in the attached report show that the soonest this 5% target can be achieved in 98826 is the year 2039 at a 5% annual attrition rate. In 98831, it will take until 2032. At a 1% attrition, 98826 will not reach the target until beyond 2060 and in 98831, it will take until 2053.

Clearly, sunsetting provisions are crucial if STRs are to be reduced to 5% percent of the housing stock in a reasonable time frame. RUN believes a 2 year sunset period is needed because of the severe nature of the housing crisis especially in the 98826 zip code and the unacceptable impacts that STRs are having on the residents in rural residential zones of Chelan County.

Thank you for the opportunity to comment.

Residents United for Neighbors Steering Committee