

**BOARD OF OKANOGAN COUNTY COMMISSIONERS**  
**03/11/2019**

**In Attendance at Meeting:**

Jim DeTro- JD (BOCC)

Andy Hover - AH (BOCC)

Chris Branch – CB (BOCC)

Lanie Johns – LJ (Clerk of the Board)

Rocky King – RK (Planner)

Angie Hubbard – AHu (Planner)

*These notes have been taken by one of several volunteer citizen note takers and published on the website of Represent Okanogan County (ROC.) The notes have been taken as close to verbatim as possible, with any writer's comments or explanations in italics. For officially approved minutes of Board of Commissioner meetings, normally published at a later date, see [www.okanogancounty.org](http://www.okanogancounty.org).*

**Summary of significant discussions**

**Nightly Rentals**

*RK made a presentation on her recent investigation into nightly rentals in Okanogan County, including numbers, locations, tax and license fee collections, effects on housing affordability and availability, and benefits to owners and tourists. Enforcement of the licensing requirement was discussed. AH requested that the Planning Department update this report twice a year.*

**WRIA 49 Watershed Plan Update**

*The Planning Department has conducted a preliminary analysis of existing and potential buildable lots. Within Okanogan County, that total is 205,588. The commissioners discuss how many lots are desirable or needed to accommodate future growth. They seem to agree that over 200,000 lots is too many; to conversation turns to how future subdivision of parcels will be managed. AH suggests first come, first served until infrastructure capacity is reached in a given neighborhood. CB describes a land use planning approach.*

**Planning Department Study Session**

**Nightly Rentals**

RR – Looked into listings for nightly rentals. 711 in county, including inns/B&B's. Tried to make a spreadsheet, using health department and building department info. Found 259 solid listings. Some of them have cabins. Spent a week, but spreadsheet has a lot of holes. So far, have licensed 155. Spoke to towns of Winthrop and Twisp – they are the only towns that regulate. Winthrop has 29; Twisp has 3.

Spoke to Carrie Hall (*Auditor*) and Leah Hall (*Treasurer*). Was told that County received small amount of LTAC (*lodging tax*) funds. (*AH & CB were not aware of that. AH wants to check.*) County charges \$150 licensing fee. County is missing out on about \$50,000 from licensing.

*CB asks whether there is a difference in regulations between Methow rentals and the rest.*

*RR talks about a specific case where a house within the state shorelines is being converted to nightly rental use, leading to extra regulation.*

RR – As I mentioned in paper, a recurring theme in the articles I read was the effect on affordable housing. Losing houses from rental market. Average monthly rental cost for a 3-bedroom house in the county is \$1,050. Expecting it to get worse. Also, taking jobs from hotels and motels. One paper said that they are not paying what they should to cleaners and janitors.

AH – They are probably not paying L&I, payroll taxes.

RR – Taxes are supposed to go to Okanogan County (*from the fees charged by the website*). Air BnB, and other websites are super-easy to set up an account. You can live in Europe and have a home here and just rent it out.

AH – Are people complaining about the requirements we have?

RR – I hear complaints that some people are working hard to meet requirements and then other people do not.

CB – So, it is a question of enforcement. I have rented plenty of them. Thinking of it as a planner – sometimes I arrive late at night, driving through little neighbors. That is something that could be bad. The neighbors don't know who is renting.

*Audience asks whether application requires public notice, letter to neighbors. RR replies that that only happens when there is a CUP (Conditional Use Permit). CB asks whether that is true within planned developments. Audience member asks if HOA (Home Owners' Association) in a PD (Planned Development) can regulate nightly rentals. CB says yes. It depends on the PD conditions. AH notes that some nightly rentals are grandfathered-in.*

AH – This is a licensing update, right? Is it going okay? Are you getting complaints? Last year, the people who were pushing for licensing – we made a commitment to look into the issues of non-licensed rentals. The people said that it is not a question of digging it up, but more of, if there are complaints, will we follow up? If people are going to break the law, they are going to break the law. I think if we go through this a couple of times a year, see what we can find (*on rental websites*) and then follow up.

RR – Last year the (*Commerce?*) department sent me a spreadsheet with 28 unlicensed rentals.

AH – How does the owner not need a business license?

RR – Air BnB collects the taxes and is supposed to send them to government.

*Audience member mentions his wife's Air BnB nightly rental property in Idaho. She is required to have a business license.*

CB – I have been looking a little bit into the affordable housing part. Seattle diverts a little bit of their (*tourism?*) dollars to affordable housing. It has become a problem in Chelan. Leavenworth is similar. One thing I thought about is the lodging tax.

AH – I think it would be very detrimental to use the LTAC funds. When I look at all the asks – we can't fund them all.

CB – If we are going to try to address the impacts of overnight rentals – just a thought. I see this issue as evolving, and we need to pay attention to it.

*Audience member suggests using license fee revenues. CB notes that license fee doesn't cover the costs. Would need to raise the fee. RR says that that is all she has for the commissioners. AH checks to see if she will continue to monitor nightly rental websites twice a year. Yes, she will.*

### **WRIA 49 Watershed Plan Update**

*AHu brings up a map showing building permits from 2010 to 2018. Then shows a table illustrating the number of fire-destroyed structures, number replaced and other building permits in the Methow, by reach.*

AH – Looks like 67 structures per year... (*does more figuring*).

AHu shows a table with information broken out by year.

AHu – I have also done that for WRIA 49, by the HUC. The total is 555.

AH – So, in Okanogan county, there are about 155 dwellings per year.

AHu brings up a map of WRIA 49, with parcels.

AHu – He didn't back out steep slopes, critical areas, etc.

AH – So this is the worst case scenario?

AHu – Yes. (*Brings up an example table, by neighborhood*). Maximum of 205,588 potential lots.

*AH calculates how long it will take to reach maximum build-out, with current rates. (over 2,000)*

AHu – This is very raw data.

CB – This is such raw data that you can't really draw any conclusions...

*Discussion of how many lots are needed or desired. CB notes that population growth estimates may not be very useful for rural counties.*

AH – So, when you are thinking about planning – Comp Plan, Zone Code. Break it down to a piece of property with certain attributes...

CB – For me it is about what are our values for this county? Have to ask whether we identify a growth rate – is it something we 'need'? Do we have to do that?

AH – We as a county, what do we want our county to look like? There are totally different answers to that. How you decide which ideas to take?

CB – Need to do it by neighborhood. Look for common themes in those neighborhoods.

AH – What if the group is composed of 8 – 10 people. Do they get to decide what happens?

CB – Try hard to get input. Communications, public meetings. Try your best. (Gives an example). Did they do one at Wolf Creek?

AH – No. That was incorporated into the Upper Methow reach. 5's and 20's (acre lot sizes).

AH gives an example of a group who decided that they wanted no industry in the Methow Valley, and the economic restrictions that would impose. Others who don't want better broadband because of fear that more people will move there.

AH – Reads from the Methow Review District regulations relating to density.

AH – There are a bunch of factors to be consider: water, fire safety, utilities, services. Then, we need to decide what aspects to utilize. Numbers, or what people there want?

CB – I give a lot of weight to what the neighborhood want.

AH – So we have the buildable lots analysis for WRIA 48, broken down by reach. And we have that now for 49. My thought is that 200,000 lots is a lot. Right now, all these peoples' perception is that they can subdivide. I think maybe first-come first-serve basis for subdivision. Say, this is how many we can support (*by neighborhood*).

*AHu notes that existing water supply is not accounted for.*

CB – What drives the demand for all those lots

JD – Homestead Act broke everything up. Forty years later, it was all big ranches. Now they are breaking up again. (*Refers to food production going down, population going up; one world government, communists, socialists.*) They are trying to control the food supply.

AH – Right now, the government controls the food supply. Just look at farm subsidies. What would people have to pay for food without those?

CB – So, how do we tie that to zoning?

AH – Make the lots big enough to have gardens.

*Apocalyptic discussion all around.*

CB – Talk about the number of lots. From an economic standpoint, you have to ask what comes with those. (*Discusses subdivision around Lake Osoyoos*).

AH – this is the thing I want to protect. There are people who bought tracts of land before (?) They wanted to live that (*ranching*) lifestyle. It is just getting harder and harder to make a living. Now, what do those people have left? They don't have a good retirement fund. Want to make sure we are looking at everything from that to the person who wants to move over from Seattle.

*General discussion of cluelessness on the part of recent immigrants (i.e., city folk) to Okanogan County.*

*3:10 AHu leaves. Commissioners begin to review meeting minutes.*