

BEFORE THE HEARING EXAMINER
FOR THE CITY OF SEATTLE

In the Matter of the Appeals of:

621 APARTMENTS LLC, ROY STREET
COMMONS LLC, ERIC AND AMY
FRIEDLAND, RAISSA RENEE LYLES,
SEATTLE SHORT TERM RENTAL
ALLIANCE, SEA TO SKY RENTALS, AND
MICHELLE ACQUAVELLA

of the adequacy of the Determination of Non-
Significance (DNS) for Land Use Code and
Licensing Code text amendments relating to short
term rentals issued by the Director, Seattle
Department of Construction & Inspections.

Hearing Examiner Files:

W-17-002
W-17-003

DECLARATION OF ERIC FRIEDLAND

I, Eric Friedland, declare as follows:

1. I am competent to testify and make this declaration based on my personal
knowledge. I am the Governor of Appellant 621 Apartments LLC, the owner of the Roy Street
Commons property in Seattle. I am also the Governor of Appellant Roy Street Commons LLC,
which manages this property. Appellant Amy Friedland is my wife.

2. I am a practicing emergency medicine doctor. In connection with my practice, I
noticed a significant need for short term rental housing for traveling nurses. Traveling nurses are

DECLARATION OF ERIC FRIEDLAND
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nurses who are hired to work in a specific location for a limited amount of time. The use of traveling nurses developed in response to the nursing shortage and they are a vital party of today's healthcare industry. However, it is very hard for them to find housing because of the short duration of their assignments. In about 2012, I decided to develop a multifamily residential building to provide short term rentals to meet the demand for this type of housing.

3. I live in the Capitol Hill area of Seattle and chose to develop a property only six blocks from my home. As a neighbor to the project, it was very important to me to design an attractive and well constructed project. The project, called the Roy Street Commons, is built to exceed Built Green standards. The project has an 8,000 gallon rainwater catchment system that supplies water for use in toilet-flushing and laundry. The building has both heat recovery ventilation and in-slab radiant loop systems which greatly improve indoor air quality and energy efficiency. The exterior of the building was also carefully designed to look classic, appealing and to fit into the neighborhood. The building looks as if it had been there for 100 years. Sometimes, people do not believe me when I tell them it is new construction. The building is a "microhousing" project, with eight private living spaces and a common kitchen on each floor. The interior construction and finishes are superior quality as well, matching the exterior. High quality green building comes at a cost – in this case about \$4 Million. The building "penciled out" only because I could count on the income from short term rental.

4. In addition to designing and constructing the building to be a neighborhood asset, I maintain the building to a high standard. There is a daily cleaning crew of four people that maintains the building exterior. They sweep the walkways and porch in front of the building and the sidewalk along the entire block. They remove leaves and any other debris. They clean the building exterior and windows as needed. They decorate the building seasonally (and for

1 Mariner's games). They water the landscaping daily. In addition, a landscape maintenance
2 company conducts regular landscape maintenance, such as weeding, putting down beauty bark,
3 pruning, and replacing plants as needed. This high level of maintenance is necessary because the
4 building is used for short term rental and possible because of the income from short term rentals.
5 If the building does not get good reviews for its clean, well maintained and inviting appearance,
6 short term tenants will not rent here.
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8 5. Roy Street Commons serves those that need housing for the short term and want a
9 comfortable, quiet residential environment with access to a kitchen rather than a hotel stay. The
10 demand for this housing type is significant. The building has had almost 7,000 tenants in the last
11 two years. These include traveling nurses. The building is within one mile of seven different
12 hospitals, a reasonable walking distance. Traveling nurses are generally on 13 week rotations.
13 This is not technically "short term" under the proposed short term rental legislation. However, I
14 would not be able to rent to traveling nurses if monthly tenants were occupying the units. Other
15 business people, in Seattle for various reasons, find the Roy Street Commons geographically
16 convenient and the residential atmosphere appealing. Two businesses have started at Roy Street
17 Commons. These entrepreneurs needed short term rentals of less than 30 days in a quiet,
18 residential environment while in Seattle to develop their businesses. I have had construction
19 workers stay with us for less than 30 day periods while working in Seattle rather than commute
20 in from their homes in outlying areas such as Tacoma. In addition to these business people, the
21 building has many short term tenants who are patients having medical care at one of the seven
22 close-by hospitals or their families. The building also provides affordable short term rentals. I do
23 not require a damage deposit or credit check. I use "demand pricing," and at some times rents
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1 can fall to as low as \$19 a night. During those times, the building has people who are employed
2 but nevertheless homeless make their home here on a short term basis.

3 6. If I were no longer able to use the building for short term rental due to the
4 proposed legislation, all of these people would lose the short term rental housing that they need.
5 Many of my short term tenants come to the Roy Street Commons for its proximity to hospitals or
6 other workplaces. For example, the traveling nurses who stay at the building are able to walk to
7 work. Patients and their families rent at the Roy Street Commons for the same reason. There is
8 not sufficient alternative short term housing in the local area to accommodate them. They would
9 need to find housing elsewhere (most likely in outlying cities where short term rental is allowed)
10 and drive in to work or for health care. This would cause increased traffic congestion in the area.
11 This would affect me since, as a neighborhood resident, I drive in this neighborhood every day.

14 7. One specific example of this result is our tenant Raissa Renee Lyles. She is a
15 small business owner. Her business is providing personal concierge/ personal assistant services
16 to individuals. She lives in Portland but has many clients in the Seattle area. She travels to
17 Seattle approximately every other week, although the frequency varies, and generally stays for
18 two to three days each time. Many of her Seattle clients are in the Capitol Hill area, so she stays
19 in the Roy Street Commons to be close to them. Because of the location of the building close to
20 many of her clients' homes, she generally takes the train or bus from Portland to Seattle. She is
21 able to walk to many of her clients' homes from the building. If the Roy Street Commons can no
22 longer be used for short term housing, this will impact her. She will no longer be able to take the
23 train or bus from Portland and walk from the building to client appointments. She would not use
24 a hotel, as there are no conveniently located ones, and they do not provide a kitchen or quiet
25 residential environment. She will need to find replacement short term housing outside of Seattle
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1 and drive to her appointments. She will most likely stay with relatives in Everett, and drive into
2 Seattle for her appointments. In addition to being a significant inconvenience for her, this would
3 add even more traffic to I-5 and the congested Seattle streets.

4 8. In addition, if I were no longer able to use the building for short term rental, I
5 would not be able to maintain the building or its surroundings to the same high standard I do
6 today. One only has to observe a typical long term rental apartment building to know that it is
7 not maintained daily by a crew of four people. I would regret the decline in maintenance, but it
8 would be unavoidable. The building and surrounding areas would decline. As a neighbor, this
9 aesthetic impact would affect me.
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11 I declare under penalty of perjury that the foregoing is true and correct. Executed this
12 14 day of July, 2017, at Seattle, Washington.
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Eric Friedland