

2019

CLATSOP COUNTY HOUSING STRATEGIES

SUMMARY REPORT



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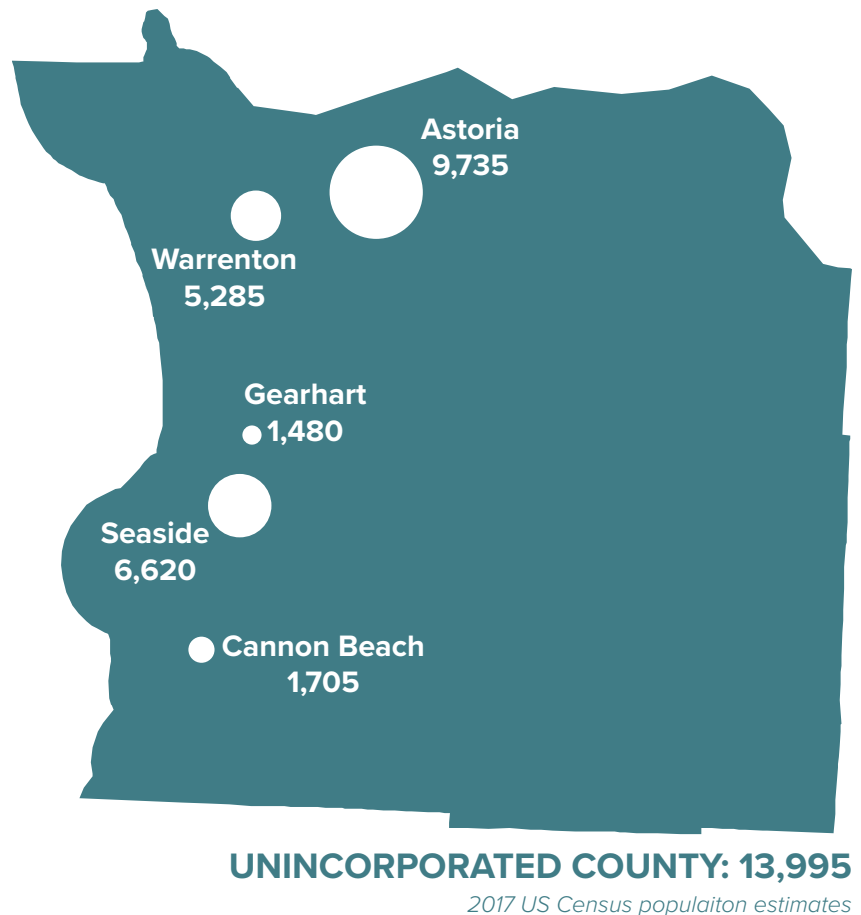
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INTRODUCTION

Nestled in the northwestern corner of Oregon, Clatsop County is bordered by the Pacific Ocean to the west and the Columbia River to the north. Most of the County has retained its historically rural character, yet today roughly half of the countywide population resides in one of the five incorporated cities: Astoria, Cannon Beach, Gearhart, Seaside, and Warrenton. Like much of the rest of Oregon, Clatsop County is experiencing an acute shortage of housing, particularly for lower-income residents.

Clatsop County has historically supported robust timber and fishing industries, and its stunning coastline remains a popular destination for tourists. Today Clatsop County is an economy in transition. While timber and fishing account for smaller but still important contributions to the local economy, tourism, health care, manufacturing, retail sales, brewing, distilling, and the arts are increasingly contributing to the community. The wide range of income levels provided by the jobs in employment sectors underscores the need for more variety in housing types.

The County and its incorporated cities recently undertook an in-depth study of the current and projected housing conditions across the county, as well as recommended strategies to better align the housing supply with local needs, now and into the future. Guided by a local technical advisory committee and stakeholders, the project team has analyzed current housing conditions in the county and developed a set of strategies and tools to help address the identified opportunities and challenges. This Summary Report provides an overview of key findings, strategies, and tools for the County and its cities to consider in addressing housing issues. A series of more detailed, technical reports provide more in-depth information about these topics.



KEY FINDINGS

The strategies in this report respond to the following five overarching findings. These findings apply on a county-wide basis, and apply to the individual cities in Clatsop County to different degrees.

1. Sufficient Supply, but **Not the Right Types of Housing**
2. Focus Strategies on Adding the Right Types of Supply
3. Control Commercial Use of Residential Land
4. Use Available Residential Land Efficiently
5. **Focus on Workforce Housing**

HOUSING TRENDS

There is technically an “oversupply” of housing in Clatsop County...



1.4 housing units
per permanent
resident household



Estimated
vacancy rate
countywide

67% Percent of countywide housing
stock that is made up of single
family detached homes

\$310,000

Median home
sale price
countywide

...yet much of the County’s housing supply is not available to local residents



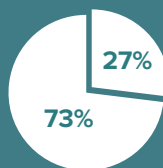
58% of new homes built in the
county since 2010 are used as
short-term rentals

The situation is more acute in the
beachside communities in the
southern part of the county

Modest population growth is projected across the county and in most of the local cities



1,500 new homes will be needed to accommodate growth while allowing for a continued supply of vacation rentals



73% of needed units will likely be ownership units (including vacation homes) and **27%** will be rental units

Short-term rental activity exacerbates the perceived housing shortage and lack of affordability



Investors seeking short-term rental properties likely bid up housing prices for local residents



New technology has made it easier to manage vacation homes for income generation

A full range of housing types will be needed to meet future needs



Adding “missing middle” housing types (duplexes, townhomes, cottages) can help meet the needs of first-time home buyers

There is still a strong demand for single-family homes across the county



70% of the future housing need will be for single family homes

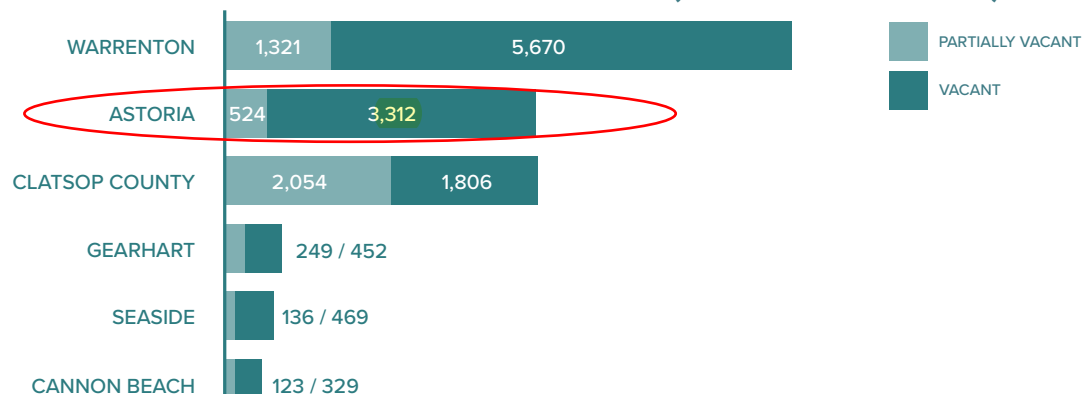
Denser forms of owner-occupied housing such as townhomes and condos may help create a lower-cost housing stock to serve first time and lower income buyers

PART 1: CURRENT CONDITIONS & TRENDS

LAND SUPPLY

- » On a county-wide basis and in most of the individual cities within the County, there is an adequate supply of buildable residential land to meet future projected housing needs. However, the relative ability of individual jurisdictions to meet these needs varies to a large degree.

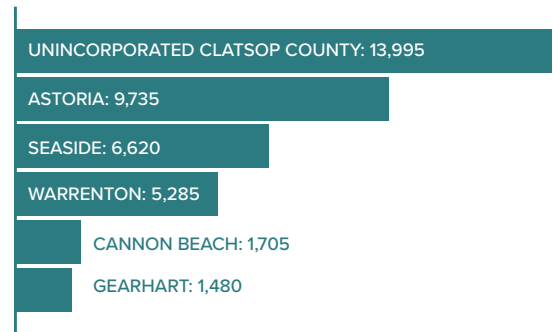
HOUSING UNIT CAPACITY BY JURISDICTION (RESIDENTIAL ZONES)



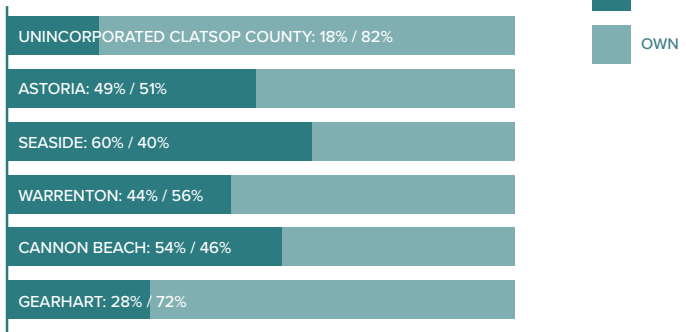
- » Much of the buildable residential land is concentrated in north County (Warrenton and Astoria), and the supply is much lower in Gearhart, Seaside and Cannon Beach. The City of Seaside shows a forecasted deficit of buildable residential land. Constraints on and cost of land in Cannon Beach may make it impractical for the City to actually meet future housing needs, particularly in terms of the ability to construct housing at prices affordable to low and moderate income households.
- » Each city has a supply of land zoned for medium and high density development. However, lower density development is allowed in many of these zones. If a significant amount of lower density development occurs in higher density zones, the supply of needed higher density land could be compromised.
- » There is a substantial supply of buildable residential land in the unincorporated portions of Clatsop County, including within several unincorporated communities where urban-level zoning and community water and sewer systems are in place. However, many of these areas lack a full set of commercial and other supportive services and the ability of local sewer and water systems to serve the amount of development allowed under existing zoning is not completely known. Furthermore, Oregon's statewide land use planning system is focused on directing growth into urban areas where most jobs and services are located.
- » The location of vacant land, natural resource constraints, ownership patterns, and land prices create challenges to the future development of land in a way that meets local housing needs, particularly for lower and moderate income households and workers.

DEMOGRAPHICS

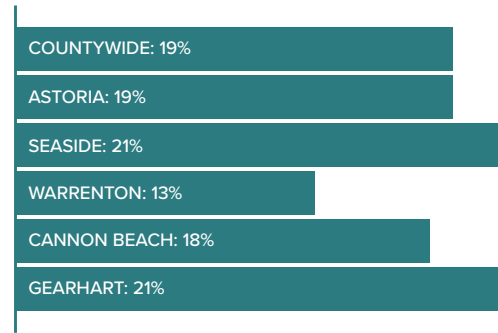
CURRENT POPULATION



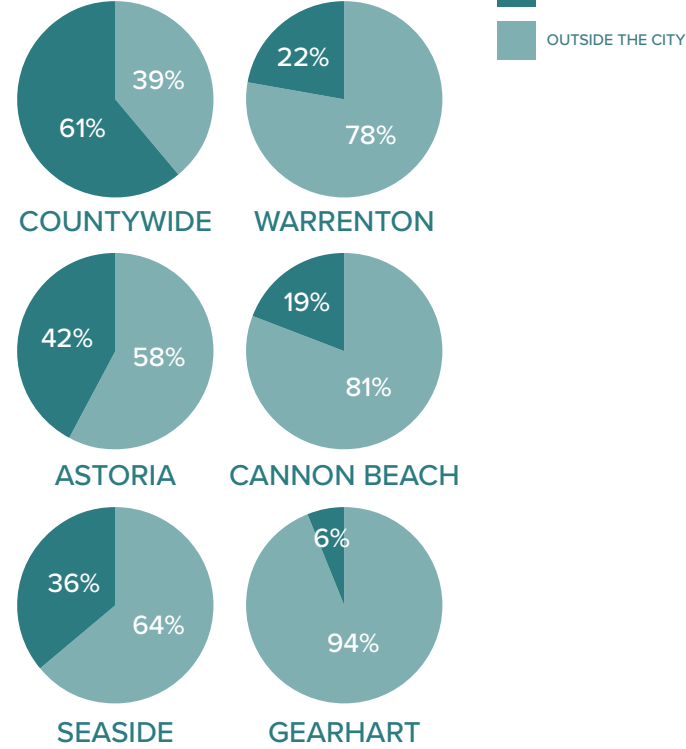
RENTER / OWNER HOUSEHOLDS



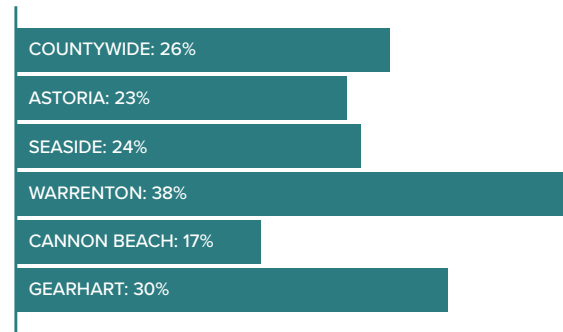
PERCENT OF POPULATION AGES 65+



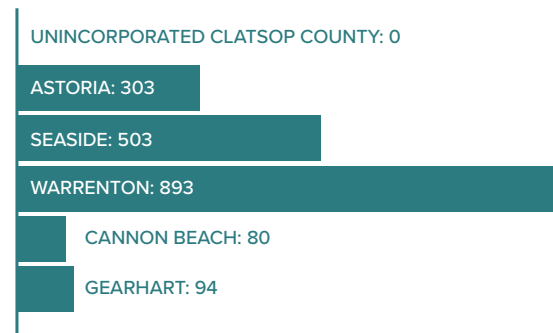
WHERE RESIDENTS WORK



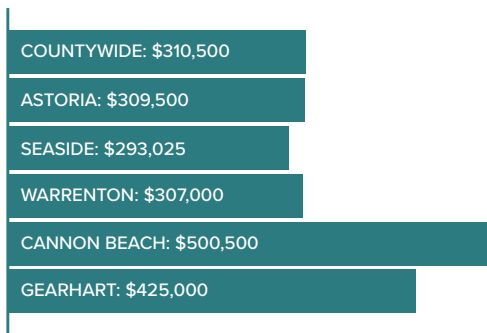
PERCENT OF HOUSEHOLDS WITH CHILDREN



NEW HOUSEHOLDS PROJECTED BY 2038



MEDIAN HOME SALE PRICES





This section presents a set of strategies and tools to address the housing conditions identified in Part 1. The strategies are organized into five categories:

1. LAND SUPPLY
2. POLICY & DEVELOPMENT CODE
3. INCENTIVES FOR DEVELOPMENT
4. FUNDING TOOLS & USES
5. REGIONAL COLLABORATION & CAPACITY BUILDING



LAND SUPPLY

Based on the findings of this study, there is enough land overall within Clatsop County as a whole to meet future population and housing needs on a County-wide basis. However, the relative ability of individual jurisdictions to meet these needs varies to a large degree. In addition, the location of vacant land, natural resource constraints, ownership patterns, and land prices create challenges to the future development of land in a way that meets local housing needs, particularly for lower and moderate income households and workers. Following is a summary of strategies recommended to address issues of land supply.

» **Strategy #1: Ensure Land Zoned for Higher Density Uses is not Developed at Lower Densities**

Applies to: All cities and County

Specific actions to implement this strategy include:

- Establish minimum density standards as described in Policy and Development Code Strategy #2
- Update development codes to prohibit or significantly limit new single-family detached housing in high density zones
- Allow single-family detached homes in medium density zones only if they meet minimum density or maximum lot size requirements

- Allow continued use and repair of single-family homes in these zones and allow conversion of larger single-family homes into multi-unit dwellings

» **Strategy #2: Further Study the Potential Need for a UGB Amendment in Seaside to Help Meet South County Housing Needs**

Applies to: Seaside and Cannon Beach

As noted in Part 1, land supply is most constrained in Seaside, and more residential land may be required to meet projected housing needs. This issue should be evaluated in more detail and should take into account the following additional factors and potential opportunities:

- Demonstrated Goal 10 efficiency measures
- Addressing land needs through a regional approach
- Affordable housing UGB amendment

» **Strategy #3: Refine BLI Data and Results**

Applies to: Warrenton and Astoria

The cities of Warrenton and Astoria identified the need for potential refinements to their Buildable Lands Inventory (BLI) data and findings associated with their communities. Warrenton noted significant potential wetland constraints and has already begun the process of conducting a more detailed BLI and housing needs assessment. Astoria identified land that is shown as potentially buildable in the current BLI but may not in fact be available for development due to federal ownership. The City should work with other government agencies to clarify the status of this land and remove it from the BLI as appropriate.

» **Strategy #4: Further Assess and Address Infrastructure Issues**

Applies to: Unincorporated Clatsop County and Gearhart

There is a substantial supply of potentially buildable land in unincorporated Clatsop County that is zoned for urban development and potentially served by local sewer and water districts. Additional analysis and clear communication about realistic infrastructure capacity in these areas is needed to help inform assessments of residential development capacity.

Because the City of Gearhart does not have a municipal sewer system residential development can only occur on properties large enough to support on-site septic systems. The relatively low population and future growth rates make development of a municipal wastewater treatment system unlikely. However, other wastewater strategies could be explored to meet a broader array of housing needs in the city.



POLICY & DEVELOPMENT CODE

Broad land supply policies and decisions are not the only lever by which Clatsop County jurisdictions can affect the housing market and housing needs. Comprehensive plan policies and development code regulations can directly influence housing development by reducing regulatory complexity, removing unnecessary obstacles, and encouraging specific housing types. The following policy and development code strategies were

identified based on a review of each jurisdiction's existing comprehensive plan and development code. These strategies are grounded in the assessment of local policy and regulatory documents, and are informed by the conditions and needs identified in the housing needs analysis and buildable land inventory. The strategies are conceptual ideas for potential changes that are broadly applicable; however, they should be tailored to address specific needs and concerns within each community.

» **Strategy #1: Adopt Supportive and Inclusive Comprehensive Plan Policies**

Applies to: All cities and County

The Housing Element of local Comprehensive Plans establish the policies that guide residential development in each community. This study evaluated the degree to which each jurisdiction's comprehensive plan addressed 11 key policy issues. Most jurisdictions generally sufficiently addressed four of the policy issues, but the degree to which they address the remaining seven varies, indicating an opportunity to amend local plans to better address important housing goals.

» **Strategy #2: Establish Minimum Density Standards**

Applies to: All cities

Although most jurisdictions in the county have a sufficient supply of residential land to meet the projected 20-year housing needs, land supply conditions vary among the cities. It is imperative that the remaining buildable land be used efficiently by developing at or near the maximum density of the zoning district, particularly in the beach communities where the supply of buildable residential land is more limited, and where more of the existing housing stock is consumed by the short-term rental market. The most direct method to ensure land is used efficiently is to adopt minimum density standards for each residential zone, which would prohibit residential developments that do not meet the intent of the zone.

» **Strategy #3: Revise Maximum Density, Height or Bulk Standards in Higher Density Residential Zones**

Applies to: All cities, particularly Seaside and Cannon Beach

There may be an opportunity to revise the standards that control maximum densities in higher density residential zones. These zones permit higher density multi-family housing outright; however, in many cases they also unnecessarily constrain density in certain situations. Any approach to reducing these density restrictions should be informed by place-specific study and include a public process that engages any affected communities.

» **Strategy #4: Support High Density Housing in Commercial Zones**

Applies to: All cities

There is a substantial supply of vacant and potentially buildable land in commercial zones across the County. For some communities commercial zones can be suitable and desirable locations for higher density housing by providing convenient and potentially walkable access to daily needs and amenities. The following code amendments may be appropriate to remove barriers to the development of higher density housing in commercial zones:

- Allow multi-family housing outright

- Consider allowing single-family attached housing
- Allow vertical mixed-use development outright
- Adopt a minimum density standard
- Tailor development and density standards

» **Strategy #5: Streamline and Right-Size Minimum Off-Street Parking Requirements**

Applies to: All cities

All jurisdictions in Clatsop County require residential developments to provide a minimum number of off-street parking spaces. In some cases, the level of off-street parking required may exceed what the market would otherwise provide and may be unnecessary to effectively accommodating parking needs. A general reduction to this standard is a positive step towards removing a potential obstacle to housing development. In combination with or in lieu of a general reduction, cities should consider several other methods to reduce parking barriers to housing development, including:

- Scale requirements by number of bedrooms
- Provide a credit for on-street parking
- Allow shared parking
- Provide targeted reductions or waivers

» **Strategy #6: Facilitate “Missing Middle” Housing Types in All Residential Zones**

Applies to: All cities and County

Modest sized housing units will continue to be needed in Clatsop County given demographic trends. While some of this need can be met through larger multi-family apartment buildings, the County and its cities should also try to accommodate it through smaller structures that are more compatible with detached single-family neighborhoods and could be permitted outright in these zones. These housing types—termed the “missing middle” housing—include duplexes, triplexes, garden or courtyard apartments, and townhomes.



Source: Opticos Design

There are three key code concepts involved with facilitating more missing middle housing types:

- Tailor the allowance to the location and housing type
- Allow missing middle housing types outright
- Limit building size to be compatible with detached houses, but allow multiple dwelling units

» **Strategy #7: Encourage Cottage Cluster Housing**

Applies to: All cities

Cottage clusters are groups of small detached homes, usually oriented around a common green or courtyard, that can be located on individual lots, a single lot, or structured as condominiums. Cottage clusters are increasingly popular among young families, aging residents, and other smaller households.



A supportive approach to cottage cluster development is to allow this housing type outright, subject to clear and objective standards. Additionally, the following recommendations will help ensure the code is supportive of cottage cluster development:

- Provide a density bonus, but cap the size of each cottage
- Flexible ownership arrangements
- Supportive lot standards
- Balanced design standards that address compatibility but allow flexibility

» **Strategy #8: Promote Accessory Dwelling Units**

Applies to: All cities

An Accessory Dwelling Unit (ADU) is a secondary dwelling unit on the same lot as a single-family house that is smaller than the primary dwelling. ADUs can be a detached structure, an attached addition, or a conversion of internal living space in the primary dwelling. The State recently began requiring cities with a population of over 2,500 and counties with a population over 10,000 to allow ADUs outright on any lot where single-family housing is allowed. Clatsop County and the cities of Astoria, Cannon Beach, and Warrenton currently allow ADUs; however, a conditional use permit is required for ADUs in some locations. To ensure compliance with state law, Clatsop County cities should permit ADUs outright in all residential zones where single-family housing is permitted. The cities of Seaside and Gearhart prohibit ADUs currently but must allow ADUs outright in the future. The State's *Model Development for Small Cities* recommends the following provisions:

- Allow the ADU to be up to 900 square feet or 75% of the primary dwelling, whichever is less
- Do not require an off-street parking space for the ADU in addition to the spaces required for the primary dwelling
- Do not require that the owner of the primary dwelling reside either in the primary dwelling or the ADU

- Minimize special design standards that apply to the ADU
- Consider allowing two ADUs on the same lot if one of the ADUs is internal or an attached addition



» **Strategy #9: Incentivize Affordable and Workforce Housing**

Applies to: All cities

Some for-profit developers will include units affordable to people with lower or moderate incomes if incentives can help offset the cost of providing some or all of the units at a lower rental rate. Local governments can offer concessions on regulatory standards that provide meaningful economic value to a development project in exchange for the dedication of a minimum proportion of the units in the development to be regulated as affordable to people with lower or moderate income. Local governments should consider the following elements in designing a regulatory incentive program:

- Specify an income level and minimum share of affordable units
- Allow flexibility in the type of regulatory concession that is granted
- Ensure units remain affordable over time
- Allow flexibility in how affordable units are provided
- Provide expedited permitting for projects with affordable units

» **Strategy #10: Limit Short-Term Rental Uses in Residential Zones**

Applies to: All cities

The prevalence of short-term or vacation rental uses in Clatsop County is consuming a substantial share of the existing housing stock and is contributing to an overall housing shortage. **Short-term rentals should be classified as a commercial use** when considered as part of a broad analysis of land needs and supply, as required by Oregon's statewide planning goals and land use system. Given that some areas in the County are experiencing shortages of residential land supply, and all communities are facing shortages for some types of housing, the consumption of residential land and housing units by short-term rental uses is an issue that must be addressed as part of a complete housing strategy. Rules that address short-term rentals can include:

- Limit this activity to certain zones or geographies
- Limit the number permitted
- Establish use and occupancy standards that set expectations for how this activity should be conducted

- Adopt an official definition of short-term rentals as distinct from longer rentals, and/or as a commercial activity
- Require business licensing, and track unregistered short-term rentals
- Collect taxes and assess penalty fees



DEVELOPMENT INCENTIVES

The following market-based strategies can provide incentives to encourage developers to build desired housing types by helping to reduce costs of development. While the bulk of development costs are set by private market labor and materials costs, these steps can provide incentives on the margin to facilitate development. Given the housing needs across the county, these steps can be used to encourage attached dwelling types, and can also be applied to accessory dwelling units to encourage infill development. All of these incentives come at some cost to the public through waived revenue from fees and taxes and/or staff costs. Therefore, these programs should be carefully calibrated to balance revenue loss versus public benefit.

» **Incentive #1: Streamline Permitting and Review Process**

Applies to: All cities (Warrenton has implemented)

This incentive can be accomplished by reducing review times, consolidating steps in the process, and reducing or simplifying submittal requirements. Any reduction in process time translates into reduced costs and greater certainty to the developer and their partners. This might involve making all permits available in one location with one main contact, providing clear and accessible information on requirements, and also allowing enough flexibility to consider innovative or new forms of development. Recent statewide legislation also requires that cities with a population over 5,000, and counties with a population over 25,000 allow for 100-day review and decision on qualified affordable housing applications.

» **Incentive #2: System Development Charge (SDC) or Fee Waivers, Exemptions or Deferrals**

Applies to: All cities (Astoria has implemented)

Waiver, exemption, or deferment of SDCs directly reduces the costs of development to applicants. Cities and the county should adopt policies for what types of housing are desirable enough to warrant forgoing these fees. Cities can reduce their portion of SDCs or negotiate with partner agencies for greater reductions. Generally, the reductions should be applied to housing types that demonstrate a similar reduction in demand for services or impacts. Waiving SDCs may require a City to backfill lost revenues or to update its SDC methodology to recapture reduced or waived SDCs from remaining development.

» **Incentive #3: Tax Exemptions and Abatements**

Applies to: All cities; potential for specific abatement programs varies by community

Tax exemptions or abatements offer another financial incentive to developers that can improve the long-term economic performance of a property and improve its viability. This can be a substantial incentive, but the city or county will forego taxes on the property, generally for ten years. Other taxing jurisdictions are not included, unless they agree to participate. There are three primary tax exemption programs authorized by the State: (1) Vertical Housing Tax Exemption, (2) Multiple-Unit

Housing Exemption, and (3) Non-Profit Low-Income Housing. Implementation of tax exemption programs requires adoption by local officials and establishment of program goals and policies.



FUNDING TOOLS & USES

This section discusses potential funding tools available to local jurisdictions to participate in efforts to preserve existing housing and encourage desired housing types, as well as a potential ways to use funding to meet housing goals. While prior sections of this report have discussed policy or regulatory approaches, creating funds dedicated to housing programs would allow the region to exert greater control and leverage over development activity.

» **Funding Source #1: Tax Increment Financing (Urban Renewal)**

Applies to: All cities (Astoria and Seaside have adopted Urban Renewal Areas)

Tax increment financing (TIF) is the mechanism through which urban renewal areas (URAs) grow revenue. At the time of adoption, the tax revenues flowing to each taxing jurisdiction from the URA is frozen at its current level. Any growth in tax revenues in future years, due to annual tax increase plus new development, is the “tax increment” that goes to the URA itself to fund projects in the area. For the most part, these funds must to go to physical improvements in the area itself. Projects can include public/private partnerships with developers to build housing, off-site public improvements that benefit and encourage new development in the area, or acquisition of key sites. The funds can also be used for staff to administer these programs, and to refund waived SDCs.

» **Funding Source #2: Construction Excise Tax**

Applies to: All cities

The construction excise tax (CET) is a tax on construction of new structures or square footage added to an existing structure to pay for housing that is affordable to households earning 80% of Area Median Income (AMI) or less. Cities or counties may levy a CET on residential construction of up to 1% of the permit value, or on commercial and industrial construction with no limit on the rate. The allowable uses for CET revenue are set forth in state statute as follows:

- 4% for administrative costs, and of the remainder:
- 50% must be used for developer incentives (i.e. fee and SDC waivers, tax abatements, etc.) for affordable housing
- 35% for affordable housing programs, flexibly-defined
- 15% to Oregon Housing and Community Services (OHCS) for homeownership programs
- Commercial CET: At least 50% of revenue must go towards housing-related programs; remainder is unrestricted

» **Funding Source #3: Affordable Housing Bond (Regional or Local)**

Applies to: All cities and County

Jurisdictions can propose bonds intended to provide affordable housing and related programs through a public vote. Housing bonds can be sought regionally or can be done as a local option levy. In Clatsop County, a housing bond proposed on the county level would in effect be a regional

approach. This would allow a strategic approach to address some of the geographic disparities identified through this project. A bond dedicated to affordable housing would provide a stable, on-going funding source. However, it does require voter approval and periodic renewal, if desired. The funding can be used for capital improvements, programs, and operating expenses.

» **Funding Uses #1: Public Private Partnerships**

Applies to: All cities and County

Many affordable housing programs and projects fall under the umbrella of public/private partnerships, which include a broad range of projects where the public contributes to private or non-profit development. This usually entails providing some financial incentive or benefit to the development partner in return for the partner's agreement that the development will provide some public benefit for a specified length of time. The benefit of public/private partnerships is that the city or county does not have to build internal expertise in development, property management, or complicated affordable housing programs. Partner agencies with experience in these types of projects benefit from public contributions, making the projects more feasible.

» **Funding Uses #2: Housing Preservation Fund**

Applies to: All cities and County

Housing preservation efforts are often focused on "low cost market rate" housing (LCMR), meaning non-subsidized housing that has lower than average rents due to the age or condition of the property or the neighborhood. These properties are sometimes viewed negatively or seen as targets for "revitalization," but in many communities this housing stock provides a vital source of affordable units. These properties can face pressures to raise their rents due to rising property values, new ownership, or redevelopment. Housing preservation funds can creatively incentivize LCMR properties to maintain their lower rent levels by offering low-cost financing for renovation or acquisition. For most cities or counties, it is best to partner with agencies who offer these competencies, such as the Network for Oregon Affordable Housing (NOAH). NOAH works with for-profit and non-profit property owners and regulated and unregulated properties, generally through offering financing for renovation or purchase in return for long-term rental restrictions. One use for regional housing funds might be to help identify LCMR properties in need of preservation and provide capital to a partner such as NOAH to engage with those specific properties.

» **Funding Uses #3: Land Acquisition/Use Public Lands**

Applies to: All cities and County

Land acquisition by a city or partner agency is the most direct method to ensure that priority land will be preserved to meet public needs. Because public agencies can be more patient than private developers, this tool allows for purchase of properties in down cycles. There are also partner agencies, such as NOAH mentioned above, and the state Land Acquisition Program (LAP), that can assist jurisdictions with contributions and expertise for acquiring land for affordable housing. Cities and counties can also identify any surplus public land they already own that could be used for these purposes. Land acquisition may be used for "land banking" where the public agency maintains the property for an extended period, or it may be used in the short term to take advantage of a specific opportunity or aid a specific partner development. Typically, a development partner is eventually

identified to develop the site, and the value of the property provides a significant incentive that the city can contribute to the project.

» **Funding Uses #4: Community Land Trust**

Applies to: All cities and County

A community land trust (CLT) is a model wherein a community organization owns the land underlying a housing development and provides long-term ground leases to households to purchase homes on that property. The structure allows the land value to largely be removed from the price of the housing, making it more affordable. The agency can also set prices at below-market levels, and can set terms with buyers on the eventual resale of the units. CLTs can also be used in partnership with affordable rental developers to reduce the cost basis of the land and help make the project more feasible. In markets where housing prices outpace local incomes, CLTs can control the rate of price increases and ensure that some properties are permanently available for lower-income buyers.

» **Funding Uses #5: Regional Housing Coordination**

Applies to: All cities and County

The following section discusses regional housing coordination in more detail. One potential use for funding would be for administration of a more formal central agency or Regional Housing Coordinator position to serve as central point-of-contact for community partners and the public. As the county and cities consider a more holistic regional approach to housing challenges, this organizational structure would allow for more strategic planning among the cities in north and south Clatsop County on where and how to use resources, and direct potential development partners.



REGIONAL COLLABORATION & CAPACITY BUILDING

The findings of this study underscore the regional nature of the housing market in Clatsop County. While the County is made up of distinct cities, unincorporated communities, and rural areas, employment opportunities and housing needs do not stop at these jurisdictional boundaries. Achieving a balance of housing and jobs within each community can help to increase the odds that more people can live where they work. At the same time, existing development patterns, geo-physical constraints, and regional economic forces will almost certainly continue to perpetuate significant cross-commuting and economic interdependence between communities in the County. There are several benefits to institutionalizing regional collaboration and coordination on housing-related policies and programs:

- Regulatory consistency
- Funding strategies may be more effective if implemented at the regional level
- Planning and coordination

This study is one step in the direction of regional collaboration and capacity-building. Future steps may include establishing a regional housing coordinator position at the County, formalizing ongoing meetings of staff and/or stakeholders from each jurisdiction, and setting up tools or systems for sharing data and best practices on an ongoing basis.



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JANUARY, 2019

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1. Introduction and Overview

Clatsop County and its five local incorporated cities undertook an in-depth study of the current and projected housing conditions across the county, as well as recommended strategies to better align the housing supply with local needs, now and into the future. To this end, a consultant team, guided by local advisory committees and stakeholders, has helped to prepare a set of findings on the housing conditions in the county, and a resulting set of strategies and tools to help address the identified opportunities and challenges. This work is summarized in this report and the technical appendices that accompany it. The Housing Strategies Report provides an overview of key findings, but its main purpose is to provide a set of specific strategies and tools to consider in addressing housing in Clatsop County moving forward.

The strategies presented in this report reflect the following overarching findings that have come to light during this process. These findings apply *on a county-wide basis*, and apply to the individual cities to different degrees:

1) Sufficient Supply, but Not the Right Types of Housing

- Technically, there seems to be a sufficient supply of land and number of housing units to meet both current and future needs. However, much of this supply serves the second-home and short-term rental market, leaving insufficient supply for year-round residents to both purchase or rent. In addition, some of the supply of future residential land suffers from a variety of constraints related to natural features and hazards, infrastructure challenges, or other issues.

2) Add the Right Types of Supply

- Strategies should focus on adding the right type of supply, meaning home-buying opportunities at affordable price points, and more multi-family rental housing.
- Adding “missing middle” housing types such as townhomes, cottage clusters, and medium-density housing can help to meeting the needs of first-time homebuyers. This housing, if not located in the most sought after beach locations, should be less attractive to second-home buyers.
- Increased multi-family rental housing development should be encouraged to serve the local service, tourism, and other working-class sectors.

3) Control Commercial Use of Residential Land

- Non-residential uses of housing units should be discouraged and/or controlled to the extent possible. This includes housing used purely for short-term rental and investment income. It can be helpful to shift the mindset to thinking of these as commercial uses (like a hotel) taking place in residential zones where they may not be appropriate.
- This does not necessarily include second homes, which may be vacant for much of the year, but are not being used as a commercial venture.

4) Use Available Residential Land Efficiently

- Remaining available residential land should be used efficiently. This means encouraging middle- and high-density residential zones to be used for housing at these densities, and not be built out with low-density housing that don't meet the intention of the zones.
- An added benefit of efficient use is that it encourages housing types that may more naturally serve the local residents, including "missing middle" types and multi-family rental housing.

5) Focus on Workforce Housing

- Strategies should focus on the needs of the county's current and future workforce (at all income levels.) While subsidized housing is very important and should be continually expanded, there are also existing programs and institutions for providing units at these lowest price points.
- If more non-subsidized housing is provided for the general market, this has the beneficial effect of allowing some older housing to become available to lower income residents as well.

2. Housing Trends: Summary of Key Findings

A major impetus to this project is the perception that there is a significant imbalance between the housing needs of local residents and the housing that is currently available within the county. This manifests itself in a shortage of housing to rent or buy, the wrong types of units for many permanent residents, and a lack of affordability for many based on local income levels.

The overall findings of our technical analysis of current housing conditions (Appendix A) include:

- There is technically an "oversupply" of housing in Clatsop County based on a simple comparison of number of households to number of housing units. There are 1.4 housing units in the county for each permanent resident household, with an estimated vacancy rate of over 27%.
- However, much of this housing is not available to local residents, resulting in a much lower effective vacancy rate for homes at affordable prices. The disconnect stems from the fact that much of the housing supply in Clatsop County is used for vacation housing, not permanent residences. This situation is more acute in the beach side communities in the south of the county.
- The PSU Population Forecast Program, which generates official forecasts of population growth across the state, projects modest growth across the county and most of the local cities. The exception is Warrenton, which is projected to grow quickly, and Seaside which is projected to grow near the statewide average. Cannon Beach and Gearhart are projected to

experience low population growth due to increasing land constraints that will prevent growth, despite demand.

- There is a forecasted need for over 1,500 new housing units across the county to accommodate current and future residents, while allowing for a continued supply of vacation properties.
- Seventy-three percent (73%) of needed units are projected to be ownership units, and 27% rental units. The large share of ownership units reflects that second homes/vacation homes are included in the “owner” category. In addition, it is estimated that many local renter households might otherwise own a home, if there were units available in the proper price range.
- The growth of short-term rental activity, made easier by new website and app platforms, is likely exacerbating the perceived housing shortage and lack of affordability. While the Oregon Coast has always had vacation rental activity, these technologies have facilitated the management of vacation housing for income generation.
- Investors seeking short-term rental properties likely bid up housing prices for local residents, and also make it attractive to convert traditional rentals for year-round residents into short-term rentals for vacationers.
- There is a full range of housing needed in the future, from single family homes, to townhomes, to apartments, to subsidized affordable housing and emergency shelters. The county should consider the need to add all types of supply for households at a range of incomes.
- Newly-built housing supply will tend to be more expensive housing, as it is up-to-date and in better condition than older housing. However, adding new supply for higher-income households is necessary to allow the older housing supply to “filter” to those with more modest income.
- Denser forms of housing, such as townhomes and condos rather than single family homes, may help create some smaller and lower-priced housing stock that can serve first-time and lower-income buyers. In addition, housing in areas less attractive to tourists (for instance, further from the beach or the town center) may be less likely to be consumed by second home seekers or investors.
- It is estimated that based on preferences, there will still be a strong demand for single-family homes across the county, making up roughly 70% of the 20-year need. However, land constraints may increasingly necessitate encouraging denser forms of housing to provide sufficient units affordable to people with a range of incomes.

The following sections provide a set of Strategies and Tools to consider to address the housing conditions identified through this project. The final section of this report provides an implementation roadmap to guide next steps.

3. Land Supply

The overall findings of our assessment of land supply and capacity in Clatsop County and its cities (Appendix B) include:

- On a county-wide basis and in most of the individual cities within the County, there is an adequate supply of buildable residential land to meet future projected housing needs.
- The supply of residential buildable land is concentrated in north County (Warrenton and Astoria); the relative supply – both in terms of total acres and in terms of the potential surplus of buildable land – is much lower in the cities of Gearhart, Seaside and Cannon Beach.
- The City of Seaside shows a forecasted deficit of buildable residential land.
- Constraints on and cost of land in Cannon Beach may make it impractical for the City to actually meet future housing needs, particularly in terms of the ability to construct housing at prices affordable to low and moderate income households.
- Each city has a supply of land zoned for medium and high density development. However, lower density development is allowed in many of these zones. If a significant amount of lower density development occurs in higher density zones, the supply of needed higher density land could be compromised.
- There is a substantial supply of buildable residential land in the unincorporated portions of Clatsop County, including within several unincorporated communities where urban-level zoning and community water and sewer systems are in place. However, many of these areas lack a full set of commercial and other supportive services and the ability of local sewer and water systems to serve the amount of development allowed under existing zoning is not completely known. Furthermore, Oregon's statewide land use planning system is focused on directing growth into urban areas.
- Much of the remaining supply of buildable residential land in the cities of Cannon Beach, Seaside, and Gearhart is in the form of infill lots in single-family zones. Reducing obstacles to the development of these areas will be essential to meeting future housing needs in these communities.

Stated simply, there is enough land within the County in total to meet the needs of future population and housing needs on a County-wide basis. However, the relative ability of individual jurisdictions to meet these needs varies and to large degree. In addition, the location of vacant land, natural resource constraints, ownership patterns, and land prices create challenges to the future development of land in a way that meets local housing needs, particularly for lower and moderate income households and workers. Following is a summary of strategies recommended to address land supply issues.

Strategy 1: Ensure Land Zoned for Higher Density Uses is not Developed at Lower Densities

Applicable jurisdictions: All cities and county

Most of the cities in Clatsop County allow for development of new single family detached homes in their medium and high density zones. While having a mix of housing types in these zones is not in and of itself a bad thing, it is important to preserve an adequate supply of land designated for medium and high density for higher density housing forms – townhouses, triplexes, four-plexes and multi-family dwellings. This is important from both a land efficiency perspective and to make sure that each city continues to have an adequate supply of land available for these types of housing.

Specific actions to implement this strategy include:

- Establish minimum density standards as described in *Policy and Development Code Strategy #2 (next section)*.
- Update development codes to not allow (or prohibit) new single-family detached housing in high density zones.
- Allow single-family detached homes in medium density zones only if they meet minimum density or maximum lot size requirements.
- Allow continued use and repair of single-family homes in these zones and allow conversion of larger single-family homes into multi-unit dwellings (e.g., duplexes or triplexes).

This strategy should be coordinated with *Policy and Development Code Strategy #2 (next section)*.

Strategy 2: Further Study the Potential Need for a UGB Amendment in Seaside to Help Meet South County Housing Needs

Applicable jurisdictions: Seaside and Cannon Beach

The results of this project and the recent Housing Needs Analysis indicate a potential deficit of residential land in Seaside. This issue should be evaluated in more detail and should take into account the following additional factors and potential opportunities:

- **Efficiency Measures.** Ultimately, under the Goal 10 process, cities in Oregon must demonstrate that they have considered and/or undertaken measures to use land efficiently prior to expanding their urban growth boundaries. A number of the other strategies outlined in this report, particularly those described in Section 4 would be considered efficiency measures. While the City is not obligated to undertake or implement every possible efficiency measure, it should demonstrate that it has considered whether or not a given efficiency measure can be implemented effectively and to what degree it will impact residential land needs.
- **Regional Land Needs.** Oregon's land use planning framework requires individual cities to provide adequate land to meet 20-year housing and employment needs. Regional approaches to meeting land needs are allowed in the Portland metropolitan area and in the Salem Keizer area where regional UGBs are in place. Eugene and Springfield also took a

regional approach to amending their joint UGB until 2015. Outside of those areas, each city is required to meet its own land needs. While the cities of Cannon Beach and Seaside are not contiguous, it makes some sense to the two cities to coordinate with each other, Clatsop County and the state to consider strategies to meeting their combined housing land needs. This is particularly important given significant constraints on available land in Cannon Beach that can cost-effectively be developed at prices affordable to low and moderate income households. Discussions between all parties about considering future UGB amendments in Seaside that can help meet land needs for both cities are recommended.

- **Affordable Housing UGB Amendment.** In 2016, the Oregon Legislature passed House Bill 4079 (HB 4079) which formed a pilot program to help cities build affordable housing. The program allows two cities to add new housing units on lands currently outside their UGBs without going through the normal UGB expansion process. Applications for pilot communities were due in 2018. While the deadline for use of this program for Seaside or other communities in Clatsop County has passed, this program may offer future opportunities if it is expanded or extended. Seaside and potentially other Clatsop County communities should investigate potential use of this opportunity through communication and coordinate with Oregon Department of Land Conservation and Development (DLCD) staff.

Strategy 3: Refine BLI Data and Results

Applicable jurisdictions: Warrenton and Astoria

During this study, the cities of Warrenton and Astoria in particular identified the need for potential refinements to the BLI data and findings associated with their communities. These issues should be further evaluated and the BLI findings subsequently refined as needed.

The City of Warrenton noted significant potential constraints with wetlands on the feasibility and cost of future development. Given the amount of land in Warrenton subject to these potential constraints, it will be important to further assess them. The City of Warrenton received a housing grant from DLCD to conduct a more detailed BLI and housing needs assessment. That project is underway and these issues are expected to be evaluated as part of that effort.

The City of Astoria noted major constraints associated with federally owned land within the UGB. This land is shown as potentially buildable in the current BLI results but may not in fact be available for development during the planning period, based on constraints associated with federal ownership and management of this area. The City should work with other government agencies to clarify the status of this land and remove it from the BLI as appropriate. This ultimately could be done through one of several alternative actions, including but not limited to the following:

- Draft findings based on further consultation and analysis demonstrating that this land should not be considered as buildable within the 20-year planning period.
- Rezone the property to a resource designation that precludes future development.

- Remove the land from the UGB through a UGB swap which would allow inclusion of other land that could help meet future housing needs. UGB land exchanges of 50 acres or less are subject to less restrictive requirements than UGB expansions of over 50 acres.

Strategy 4: Further Assess and Address Infrastructure Issues

Applicable jurisdictions: Unincorporated Clatsop County and Gearhart

This study indicated a substantial potential supply of buildable land in unincorporated portions of the County, including land in several unincorporated communities that is zoned for urban levels of development and potentially served by local sewer and water districts. However, there are several potential constraints on this land that affect its ability to meet long-term housing needs. In some cases, these areas have limited commercial and institutional services available to meet the needs of future residents. In other cases, land in these areas is only zoned to allow for single-family detached housing and cannot accommodate denser forms of development. Efforts to rezone properties or otherwise allow for denser forms of development have proven challenging in these areas in the past. Finally, the capacity of local sewer and water districts to serve future development is not clearly known. Additional analysis and clear communication about realistic infrastructure capacity in these areas is needed to help inform assessments of residential development capacity in these areas.

The City of Gearhart does not have a municipal sewer system. As a result, residential development can only occur on properties large enough to support on-site septic systems. Given the supply of residentially zoned land in Gearhart and future population growth projections there, the amount potential future development likely will make it cost-effective to develop a municipal wastewater system. However, other strategies such as package wastewater treatment systems or collection and off-site treatment of wastewater could potentially allow for cost-effective higher intensity development in Gearhart and could be explored as a strategy for meeting a broader array of housing needs in the city.

4. Policy and Development Code

Broad land supply policies and decisions are not the only lever by which Clatsop County jurisdictions can affect the housing market and housing needs. Comprehensive plan policies and development code regulations can directly influence housing development by reducing regulatory complexity, removing unnecessary obstacles, and encouraging specific housing types. For this reason, this study included a review of the comprehensive plans and development codes of each jurisdiction.

Conceptual ideas for policy and code changes were identified based on this review. Most of these strategies are generally applicable to most jurisdictions in the County; however, some strategies may be more or less appropriate for different jurisdictions based on land supply conditions, local housing

market factors, or infrastructure availability or capacity. The applicability of each strategy is noted in the description of the strategy.

Policy and Code Assessment

The following policy and development code strategies were identified based on a review of each jurisdiction's existing comprehensive plan and development code. This review assessed the extent to which the plan policies or code regulations addressed 11 policy issues and nine (9) code issues related to housing development. The assessment focused on the Housing Element of local Comprehensive Plans and primarily on the regulations pertaining to the residential zoning districts in each jurisdiction's development code. The strategies identified below are grounded in this assessment and informed by the conditions and needs identified in the housing needs analysis and buildable land inventory. The strategies are conceptual ideas for potential changes that are broadly applicable; however, they should be tailored to address specific needs and concerns within each community.

Strategy 1: Adopt Supportive and Inclusive Comprehensive Plan Policies

Applicable jurisdictions: All cities and county

The Housing Element of local Comprehensive Plans establish the policies that guide residential development in each community. These policies are important because they institute aspirational goals and principles for meeting the housing needs of the community. The policies are also important because they establish formal criteria and guidelines for land use decisions that pertain to housing. Per state land use law, individual development applications, single-parcel zone changes, and broader zoning amendments must all demonstrate consistency with the housing policies of the comprehensive plan.

The policy and code review evaluated the degree to which each comprehensive plan addressed 11 key policy issues. Clatsop County jurisdictions generally addressed the following four housing policy issues sufficiently in the comprehensive plan:

1. Supports Statewide Planning Goal 10
2. Emphasizes affordable housing needs
3. Supports partnerships
4. Encourage a variety of housing types

The degree to which each comprehensive plan addressed the remaining 7 policy issues varied, however, indicating an opportunity to amend the policies to better address important housing needs and goals that have been identified through this study. These policy issues are wide-ranging and inclusive: they may establish support for broad principles, such as Fair Housing or flexible zoning, or identify the need to provide for specific housing types, such as accessory dwelling units or manufactured homes.

These policy issues are identified in Table 1, and an example policy statement is provided to demonstrate one way to articulate the policy idea. Jurisdictions are encouraged to modify and tailor policy language, with input from community members and decision-makers, to best reflect local needs and conditions. Perhaps most importantly, updating the comprehensive plan to address these housing goals presents an opportunity for the community to consider and find how these issues fit within the broader comprehensive plan policy goals, such as transportation, livability, and economic vitality. For more detail on each policy issue and the existing policies of each comprehensive plan, see Appendix C – Policy and Code Review Memorandum.

Table 1. Recommended Comprehensive Plan Policy Updates

Policy Issue	Example Language
1. Affirms Fair Housing goals	<p><i>Foster inclusive communities, overcome disparities in access to community assets, and enhance housing choice for people in protected classes throughout the city by coordinating plans and investments to affirmatively further fair housing (City of Portland).</i></p> <p><i>Continue to work with the Washington County HOME Consortium to identify impediments to fair housing and develop strategies to address them (City of Beaverton).</i></p>
2. Supports mixed use development	<i>Increase opportunities for higher density mixed use development in the Downtown Urban Renewal District, Washington Square Regional Center, Tigard Triangle, and designated Corridors to enable residential uses to be located in close proximity to retail, employment, and public facilities, such as transit and parks (City of Tigard)</i>
3. References accessory dwelling units	<i>The City shall allow accessory dwelling units in appropriate residential districts, but shall require that they are compatible and blend into the overall residential environment. (City of Tigard)</i>
4. Supports flexible zoning	<i>Provide flexible development standards for projects that exceed the minimum requirements for natural resource protection, open space and public gathering places, and energy efficiency (City of Beaverton).</i>
5. Addresses land supply goals	<p><i>Goal 1. Housing Supply and Variety.</i> <i>Provide a sufficient quantity and variety of housing to meet community needs.</i></p> <p><i>Policy 1. Annex where feasible and zone an adequate supply of residential land outside the tsunami inundation zone to accommodate the city's housing needs.</i></p> <p><i>Policy 2. Promote a variety of residential densities and housing types in all price ranges to meet a range of housing needs.</i></p>

Policy Issue	Example Language
6. Supports manufactured homes	<p><i>Policy 3. Revise plan designations, zoning districts and regulations as needed to implement the mix of housing indicated in the adopted Housing Needs Analysis. (City of Lincoln City)</i></p> <p><i>Encourage preservation of mobile home parks as a low/moderate income housing option. Evaluate plans and investments for potential redevelopment pressures on existing mobile home parks and impacts on park residents and protect this low/moderate income housing option. Facilitate replacement and alteration of manufactured homes within an existing mobile home park. (City of Portland)</i></p>

Strategy 2: Establish Minimum Density Standards

Applicable jurisdictions: All cities

As described in the Land Supply section, most Clatsop County jurisdictions, and the county as a whole, have a sufficient supply of residentially zoned land to meet the projected 20-year housing needs in the County. Land supply conditions vary among the cities in Clatsop County, however; the beach communities of Seaside and Cannon Beach have a more limited supply of buildable residential land, and more of the existing housing stock is consumed by the short-term rental market. In these communities, it is imperative that the remaining buildable land be used efficiently by developing at or near the maximum density of the zoning district. In cities where residential land supply is less constrained, it remains critically important the remaining buildable residential lands are developed at or near maximum planned densities, for several reasons:

- The buildable land inventory for this study assumed that development would occur at the maximum density of the zone. If actual built densities were significantly lower, it increases the risk that the community will not be able to meet the projected 20-year housing need.
- The short-term rental market will continue to absorb a portion of the existing housing stock, so it is essential that remaining buildable lands produce enough units to help mitigate or offset the consumption of a portion of the housing stock for this use.
- Every community in Clatsop County faces significant physical and natural constraints on future UGB expansions. Thus, even if there is sufficient land to meet the 20-year housing need, it remains uncertain how communities in the region will meet even longer-term housing needs should current growth trends hold constant.

The most direct method to ensure land is used efficiently is to adopt minimum density standards for each residential zone. A minimum density standard would prohibit residential developments that do not meet the intent of the zone. For example, large lot, detached homes would be prohibited in a higher density residential zone, but the minimum density standard may allow for small lot detached houses or townhomes. The minimum density standard can be tailored to local conditions and needs

but is most effective if it is set at between 50 and 80 percent of the maximum density standard in the zone.

As summarized in the Policy and Code Review (Appendix C), all Clatsop County jurisdictions have residential zones that regulate maximum density, either through a minimum lot size and/or a maximum density standard. Only one zone in the County—the Attached Housing – Mill Pond zone in Astoria—establishes a minimum density standard (18 units per acre). Given land scarcity in some communities, and the critical long-term need for the region to accommodate more housing, all cities in the County should consider establishing minimum density standards in some or all zones.

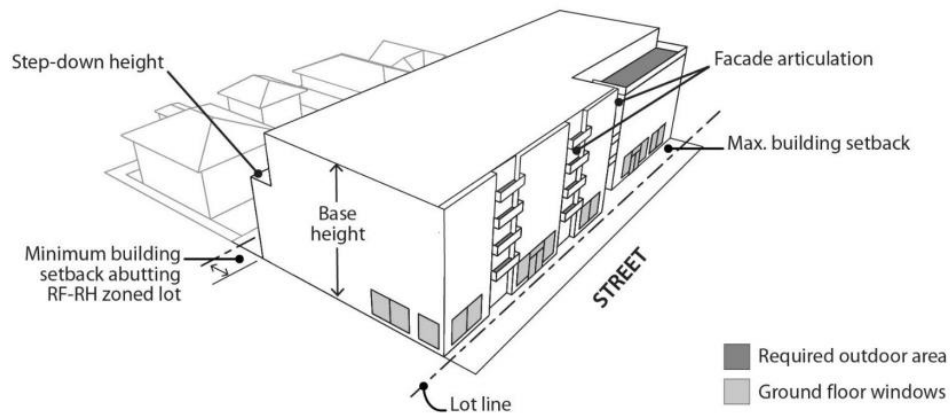
Strategy 3: Revise Maximum Density, Height or Bulk Standards in Higher Density Residential Zones

Applicable jurisdictions: All cities, more important in higher cost, land-constrained cities, such as Seaside and Cannon Beach

The Policy and Code Review conducted for this study found that there may be an opportunity to revise development standards that control maximum density—including both maximum density standards and other controls such as maximum building height or lot coverage—in higher density zones. These districts include the R-3 zones in Astoria, Cannon Beach, and Seaside, and the R-H zone in Warrenton. These zones all permit higher density, multi-family housing outright; however, the set of standards that, taken together, limit residential densities, may unnecessarily constrain density in some situations. Given rising housing prices and an overall shortage of housing stock identified by this study, it may be an opportune time for some jurisdictions to revisit the level of density restrictions that is appropriate in the zone or specific subareas. In some places, due to higher rental rates, it may be feasible to develop higher density housing than what was considered feasible when the density standards of these zones were adopted.

The best approach to reducing these density restrictions, and the broader question of the appropriateness of these changes, depends on several factors. Where these zones include areas of existing detached, lower-density housing, allowances for higher density must be balanced with a consideration for visual compatibility and other potential impacts on these neighborhoods. It is essential for these issues to be addressed through preparation of clear and objective standards, as required by state law and to avoid creating barriers to development associated with discretionary review processes or neighborhood opposition. Where these zones include large areas of vacant land, density limitations should largely be intended to ensure sufficient infrastructure capacity. Where higher density zones interface with lower density zones, or higher density housing is developed adjacent to existing, lower-density housing in the same zone, step-down and setback requirements can be implemented to provide for smooth transitions (see Figure 1). As always, changes to density limitations should be informed by place-specific study and include a public process that engages any affected communities.

Figure 1. Example of height step-down adjacent to lower density housing



Strategy 4: Support High Density Housing in Commercial Zones

Applicable jurisdictions: all cities

As demonstrated by the Buildable Lands Inventory (Appendix B), there is a substantial supply of vacant and potentially buildable lands in commercial zones across the County. For some communities and in some locations, commercial zones can be suitable and desirable locations for higher density housing development. Bringing more residents in close proximity to commercial services benefits the businesses, by potentially expanding the local customer base, and the residents, by providing convenient and potentially walkable access to daily needs and amenities. As residential development in commercial zones will absorb some commercial land supply, it is important that the residential development be of a higher density. Low density residential development would consume commercial land while offering less value in terms of increasing local customer base and accessibility for residents.

Many Clatsop County jurisdictions recognize the benefits of higher density housing in commercial zones, as multi-family housing is allowed as a conditional or permitted use in many commercial zones across the county. However, some regulatory barriers to high density housing in commercial zones may be unnecessary. The following amendments may be appropriate.

- Allow multi-family housing outright.** In some zones, multi-family housing is allowed with a conditional use permit. A conditional use permit can be an additional procedural obstacle to residential development and could discourage it in commercial zones. In lieu of a conditional use permit, which often applies relatively discretionary approval criteria, adopt clear and objective criteria and standards for where and how multi-family housing is permitted. For example, housing may not be permitted on the ground floor of specific streets that are intended for storefront shopping.

- **Consider allowing single-family attached housing.** Townhomes can be developed at densities that would be beneficial to a commercial district and can function well as a transition between a commercial district and detached housing.
- **Allow vertical mixed-use development outright.** Vertical mixed-use development, with residential units above a commercial use, is a traditional and highly valuable form of development as it preserves ground floor commercial space while creating additional housing units. Vertical mixed use is costly and complicated to develop, so its prevalence will be limited, but cities should encourage this form of development in commercial zones.
- **Adopt a minimum density standard.** To ensure that residential development in commercial zones provides the benefits noted above, adopt a minimum density standard that would prohibit detached, lower density housing.
- **Tailor development and density standards.** Many cities in Clatsop County apply the same density and development standards to multi-family housing in commercial zones as apply in higher density residential zones. This may be appropriate; however, commercial zones may include more attached buildings, higher lot coverages, and multi-story development than many residential zones that include detached houses. Therefore, it may be appropriate to allow higher densities, greater lot coverage, and higher building heights in the commercial zone than are allowed in the high-density residential zone.

Prior to expanding allowances for residential development in commercial zones, cities should ensure that there is sufficient buildable commercial land to meet projected needs, based on an Economic Opportunities Analysis (EOA) and Statewide Planning Goal 9 Guidelines.

Strategy 5: Streamline and Right-Size Minimum Off-Street Parking Requirements

Applicable jurisdictions: All cities

All jurisdictions in Clatsop County require residential developments to provide a minimum number of off-street parking spaces. Given that vehicle travel rates are high and the local transit system cannot provide service levels that would effectively allow for lower rates of car ownership, it is reasonable to require residential developments to include off-street parking.

Many developers would include off-street parking as a marketable amenity regardless of the code requirement. However, in some cases, the level of off-street parking required may exceed what the market would otherwise provide and may be unnecessary to effectively accommodating parking needs. This can become an obstacle to housing development because off-street parking lots consume land, reducing developable area on a site and net density, and potentially rendering a project economically infeasible. This condition is more likely on smaller infill lots. Structured or underground parking is only feasible if rental rates are high enough to offset high construction costs. If a development is at the margins of economic feasibility, parking requirements may preclude the development or cause fewer housing units to be built.

Most Clatsop County jurisdictions require two off-street parking spaces for a single-family house and between one and two off-street spaces per unit in a duplex or multi-family development. A requirement of two spaces per unit, regardless of the number of units in building, is likely to present a substantial obstacle to many projects that may otherwise be feasible. The *Oregon Model Development Code for Small Cities* recommends a baseline standard of one space per unit. A general reduction to this standard—or lower, where appropriate—is a positive step towards removing a potential obstacle to housing development.

In combination with or in lieu of a general reduction, cities should consider several other methods to reduce the chance that off-street parking requirements are a barrier to housing development, including:

- **Scale requirements by number of bedrooms.** The number of bedrooms in a dwelling unit is more closely correlated with the number of vehicles owned by the household than simply the number of dwelling units. Jurisdictions may allow the option of calculating minimum parking requirements based on the number of bedrooms in each unit. This can benefit multi-family developments with many one bedroom and studio units, which are more likely to have single-person households.
- **Provide a credit for on-street parking.** This provision allows development to reduce the minimum parking requirements based on the number of spaces that can be accommodated along the street frontage of the development. Lower density developments benefit most from this credit because there is more likely street frontage per unit. This credit recognizes that on-street parking will be used and allows for more efficient utilization of site area.
- **Allow shared parking.** Different uses require parking at different times a day. Where a housing development abuts or is in close proximity to a use that requires most of its parking during the day (such as an office), parking spaces can be shared as peak utilization periods do not overlap. Applicants who request shared parking arrangements are typically required to demonstrate that the hours of peak use do not overlap and that an agreement has been recorded between the two users to allow for joint use of the parking area.
- **Targeted reductions or waivers.** Minimum parking requirements can be reduced for certain geographic areas (such as near transit), for certain uses (such as affordable housing), in exchange for certain amenities (such as bike parking), or when an applicant can demonstrate that parking demand will be lower than the minimum requirement.

Any reduction or streamlining of minimum parking requirements should consider impacts on utilization of on-street parking. Where street widths do not allow for on-street parking or where vacation rental operations in the neighborhood are causing on-street parking to be heavily utilized, the level of reductions should be sensitive to these conditions.

Strategy 6: Facilitate “Missing Middle” Housing Types in All Residential Zones

Applicable jurisdictions: All cities and county

Given the demographic trends identified in this study, and the ongoing challenge of providing enough housing options for people with low or moderate incomes, smaller sized, modest housing units will continue to be an important need in Clatsop County. Some of these units can be provided in larger, multi-family apartment buildings; however, there are two significant limitations to this form of development. First, due to concerns for visual compatibility and character, this type of development is largely only permitted in high density zones, which usually account for a smaller portion of the overall residential land area than low or moderate density zones. Second, this type of development can be more expensive to construct on a per unit basis than lower density development, unless constructed at high densities that exceed what is allowable or financially feasible in many areas in Clatsop County.

For these reasons, it makes sense to try to accommodate these smaller sized housing units in smaller structures that are typically compatible with detached, single-family houses and, therefore, could be permitted outright in these zones. These housing types include duplexes, triplexes, garden or courtyard apartments, and townhomes. They have been termed the “missing middle” – occupying the space between high density apartment buildings and low density, detached housing (Figure 2).

Figure 2. Missing middle housing types conceptual graphic



Source: Opticos Design

“Missing middle” is a useful concept, but it includes a diverse array of housing types, some of which may or may not be compatible with all residential zones. One housing type, cottage cluster housing, is addressed separately in Strategy 7. There are three key code concepts involved with facilitating more missing middle housing types:

- Tailor the allowance to the location and housing type.** As noted above, missing middle housing types vary in form. Similarly, residential zones and neighborhoods vary widely in existing character. To ensure compatibility, study the existing characteristics of residential areas and select housing types that are most likely to be compatible. For example, a

neighborhood that is almost exclusively made up of detached houses may not be a good fit for townhomes, which are usually built in structures that contain 3-8 side-by-side units in a relatively large overall structure. However, duplexes and cottage cluster housing, which have smaller building footprints, may be more compatible.

- **Allow outright.** Some missing middle housing types, such as duplexes and triplexes, are permitted as conditional uses in residential zones in Clatsop County jurisdictions. This can present a procedural barrier and uncertainty for these housing types. A more supportive approach is to allow the housing type outright under clear and objective standards.
- **Limit building size to be compatible with detached houses, but allow multiple dwelling units.** The primary compatibility issue for missing middle housing types is the size of the structure, both height and bulk, compared to detached houses. Many Clatsop County jurisdictions require duplexes or triplexes to have larger lot sizes than single-family, detached houses. This encourages larger structures and units; if other standards are held constant—such as maximum lot coverage and height—then this will result in a structure that is larger than most detached houses in the area, because the builder is likely to maximize the floor area of the structure. Alternatively, if development standards are designed to allow for a structure to be a similar size or just slightly larger than existing detached houses, but multiple units are allowed within that structure, then the code will help to ensure compatibility with detached houses while encouraging smaller sized individual dwelling units.

Strategy 7: Encourage Cottage Cluster Housing

Applicable jurisdictions: All cities

As described in relation to Strategy 7 (“missing middle” housing), there is a current and projected need for modestly sized housing units to accommodate young families, elderly people, and other smaller households. One way to provide these types of units is by encouraging cottage cluster housing: groups of small, detached homes, usually oriented around a common green or courtyard, located on individual lots, a single lot, or structured as condominiums. Cottage clusters are growing more popular. They provide many of the same features of conventional detached houses, but in a smaller footprint, with shared maintenance responsibilities, and arranged in a way that can facilitate a communal environment (see Figure 3).

Figure 3. Example of a cottage cluster development

The development potential for cottage cluster housing is significant. Cottage clusters can be developed on relatively small lots, as access and parking is shared and the units are relatively small, usually between 500 and 1,000 square feet. The visual character of cottage clusters, detached dwellings with substantial shared yard space, is highly compatible with neighborhoods of detached homes. This housing form challenges some cultural norms related to private yards and lot ownership—which may limit its market appeal—but developers are adopting design and ownership strategies to overcome this limitation.

The City of Astoria has adopted a special set of standards to apply to cottage cluster housing. Most other Clatsop County jurisdictions allow clustering of housing, including in planned unit developments or master planned areas; however, most do not allow for “cottage cluster” developments, with smaller dwellings and higher densities than base standards. Additionally, the cost, complexity, uncertainty of a master planned development or planned unit development procedure may deter development. A more supportive approach is to allow cottage cluster housing outright, subject to clear and objective standards. Additionally, the following recommendations will help ensure the code is supportive of this housing type:

- **Density bonus.** Allow for increased densities over the base zone in exchange for a cap on the size of individual dwelling units. This combination allows for more dwelling units while ensuring an efficient use of land.
- **Low minimum unit size.** Given maximum house sizes of 1,000-1,200 square feet, allow a wide range of sizes—even as small as 400 square feet—and consider allowing both attached and detached housing.
- **Flexible ownership arrangements.** Do not require a single ownership structure; allow the site to be divided into individual lots, built as rental units on one lot, or developed as a condominium plat.

- **Supportive lot standards.** Ensure that minimum site size, setbacks and building coverage requirements do not prohibit cottage cluster development on smaller lots.
- **Balanced design standards.** Draft basic design requirements that ensure neighborhood compatibility, and efficient use of land, but are not so specific as to restrict the ability to adapt to varying neighborhood contexts.

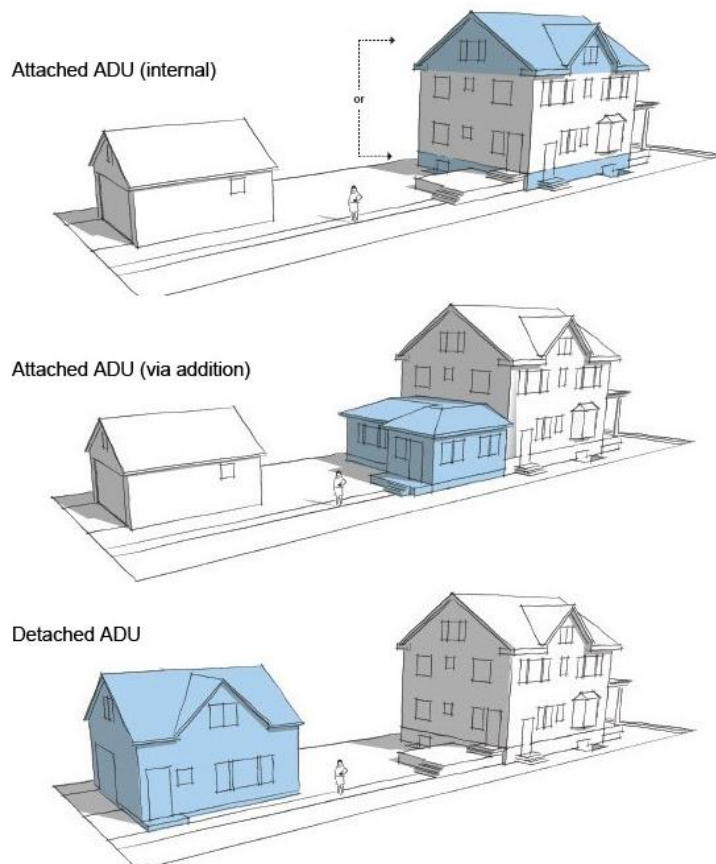
Strategy 8: Promote Accessory Dwelling Units

Applicable jurisdictions: All cities

An Accessory Dwelling Unit (ADU) is a secondary dwelling unit on the same lot as a single-family house that is smaller than the primary dwelling. ADUs can come in three forms: a detached structure, an attached addition, or a conversion of internal living space in the primary dwelling (Figure 4). As ADUs are often invisible from the street, or may be perceived as a part of the primary dwelling, they offer a method of increasing density in low density areas with minimal visual impact on the character of the neighborhood.

Figure 4. Types of ADUs

ADUs in blue; main residence in white



Source: City of St. Paul, MN

The state legislature recently adopted a statute that requires cities with a population of over 2,500 and counties with a population over 10,000 to allow ADUs outright on any lot where single-family housing is allowed.¹ This requirement applies to Seaside, Astoria, Warrenton, and Clatsop County. Clatsop County and the cities of Astoria, Cannon Beach, and Warrenton allow ADUs. However, as detailed in the Policy and Code Review (Appendix C), a conditional use permit is required for ADUs in some locations. To ensure compliance with state law, these cities should permit ADUs outright in all residential zones where single-family housing is permitted. The cities of Seaside and Gearhart prohibit ADUs currently but must allow ADUs outright in the future.

In addition to these use regulations, the statute requires that cities limit the regulations that apply to ADUs to “reasonable siting and design standards”. DLCD has not adopted rules to clarify either what standards are considered reasonable or how they fit the category of “siting and design”.² However, DLCD has issued an update to the *Model Development for Small Cities* to revise the standards that apply to ADUs to be consistent with the general intent of the legislation, i.e., to support ADU development. This model code recommends the following provisions:

- **Maximum Size.** Allow the ADU to be up to 900 square feet or 75% of the primary dwelling, whichever is less.
- **Off-Street Parking.** Do not require an off-street parking space for the ADU in addition to the spaces required for the primary dwelling.
- **Owner Occupancy.** Do not require that the owner of the primary dwelling reside either in the primary dwelling or the ADU, as this limits the marketability of a property with an ADU. This standard may also not be construed as relating to “siting and design”.
- **Design Standards.** Minimize special design standards that apply to the ADU. In particular, requirements for the ADU to be “compatible” with the primary dwelling may be difficult to implement and not always result in a desirable outcome.
- **Number of ADUs.** Consider allowing two ADUs on the same lot if one of the ADUs is internal or an attached addition.

Given there is local policy support for promoting ADU development, the following amendments are recommended for each jurisdiction. These amendments are conceptual in nature and specific standards should be tailored to local needs and conditions.

¹ See ORS 197.312(5)

² The Oregon Land Use Board of Appeals (LUBA) recently issued an opinion in November of 2018, *Home Builders Association v. City of Eugene*, LUBA Nos. 2018-063 and 2018-064, that did not take up the issue of determining if certain standards are reasonable or related to siting and design; therefore, some local discretion is granted in defining the reasonableness of local standards.

Table 2. Recommended Code Amendments to Support ADUs

Jurisdiction	Recommended Amendments
Clatsop County	<ul style="list-style-type: none"> • Reduce or remove minimum off-street parking requirement • Replace provision that requires compatibility with primary dwelling with a clear and objective standard
Astoria	<ul style="list-style-type: none"> • Increase maximum size as a percentage of primary dwelling from 40% to 60-80% • Remove owner occupancy requirement • Reduce or remove minimum off-street parking requirement • Clarify requirements associated with whether the unit must be attached, detached, or internal • Consider allowing two ADUs per lot if one is attached or internal • Consider allowing ADU to be up to the same height as primary dwelling
Cannon Beach	<ul style="list-style-type: none"> • Increase maximum size to 800-900 square feet • Reduce or remove minimum off-street parking requirement • Consider allowing two ADUs per lot if one is attached or internal and/or allow an ADU with a duplex or triplex in zones where multi-family is allowed
Warrenton	<ul style="list-style-type: none"> • Increase maximum size to 800-900 square feet • Increase maximum height to allow for 1.5 or 2 story ADUs • Consider allowing two ADUs per lot if one is attached or internal • Remove owner occupancy requirement • Remove prohibition on long-term rental of the unit. A prohibition on short-term rental (less than 30 days) may still be appropriate – see Cannon Beach Zoning Code, Section 17.54.080(J).
Gearhart and Seaside	<ul style="list-style-type: none"> • Allow ADUs outright in residential zones • Adopt clear and objective standards consistent with DLCD Model Code.

Strategy 9: Incentivize Affordable and Workforce Housing

Applies to all jurisdictions

Some of the development regulations identified above can present obstacles or add costs to housing developments that are intended for regulated or subsidized affordable housing units. These developments are usually built by housing authorities or non-profit developers. However, some for-profit developers may include units affordable to people with lower or moderate incomes if incentives can help offset the cost of providing some or all of the units at a lower rental rate. In addition to or in lieu of financial incentives, which are discussed in the next section, local governments can offer concessions on regulatory standards that provide meaningful economic value to a development project. The concessions should be offered in exchange for the development dedicating a minimum proportion of the units in the development to be regulated as affordable to

people with lower or moderate income. Local governments should consider the following elements in designing a regulatory incentive program:

- **Specify an income level and minimum share of affordable units.** Based on policy goals and local needs, determine the income level at which the units should be affordable. Income levels are usually based on Area Median Income (AMI), which is established by the Department of Housing and Urban Development (HUD). HUD considers earning less than 80% of AMI to be low-income, less than 50% of AMI to very low income, and less than 30% of AMI to be extremely low income. An effective strategy is to provide tiers of income level and share of affordable units. If the development includes units affordable at 80% of MFI, then a higher share of the units would be required to be affordable at this level, such as 20%, to qualify for the incentive. If the development includes units affordable at 60% of MFI or lower, then a lower share of the units would be required to be affordable, such as 10%.
- **Allow flexibility in the type of regulatory concession that is granted.** The relative value of a regulatory concession will depend on the location, size of lot, existing zoning, and many other factors. It is common to provide either a density or height bonus or a reduction in minimum parking requirements as an incentive, as these are usually valuable concessions. However, allowing the applicant to propose a different regulatory concession, such as reduction in minimum setbacks or lot coverage, can help widen the appeal of the program.
- **Ensure units remain affordable over time.** The regulations should ensure that developments using these provisions maintain affordability over time by requiring a restrictive covenant be recorded on the property or management of the property by a non-profit or housing authority.
- **Allow flexibility in how affordable units are provided.** In some cases, it may be advantageous to construct the affordable units on a different site than the primary development that is receiving the concession. It may also make sense for the development to purchase existing market-rate units and convert them to affordable units. Allowing flexibility in how the units are provided can also widen the appeal of the program.
- **Provide expedited permitting.** As a result of recently adopted state statute, many developments that include affordable housing units are required to be processed in under 100 days.³ To ensure compliance with this requirement, and to provide an additional incentive for development of affordable housing, jurisdictions may consider adopting provisions that provide an expedited permitting process for qualifying developments. Expedited permitting can help to reduce soft costs of development, such as holding land and hiring professional services, and reduce uncertainty for prospective developers.

³ ORS 197.311

Strategy 10: Limit Short-Term Rental Uses in Residential Zones

Applicable jurisdictions: All cities

As identified in the Section 2, Key Findings, the prevalence of short-term or vacation rental uses in Clatsop County is consuming a substantial share of the existing housing stock. This may be affecting the costs of both long-term rental and for-sale housing by contributing to an overall housing shortage. Additionally, a separate concern with short-term rental uses is that they may modify the residential character of neighborhoods, particularly if the rental is used for large gatherings. For these reasons, many Clatsop County jurisdictions have elected to regulate short-term rental uses, which may involve requiring specific permits and/or placing limits or conditions on the number of rentals that can be permitted.

It was not within the scope of this study to assess the effectiveness of each jurisdiction's short-term rental regulations and make recommendations about permitting programs or enforcement. Short-term rentals should be classified as a commercial use when considered as part of a broad analysis of land needs and supply, as required by Oregon's statewide planning goals and land use system. Given that some areas in the County are experiencing shortages of residential land supply, and all communities are facing shortages for some types of housing, the consumption of residential land and housing units by short-term rental uses is an issue that must be addressed as part of a complete housing strategy.

Rules that address short-term rentals can include:

- Limit this activity to certain zones or geographies
- Limit the number permitted
- Establish use and occupancy standards that set expectations for how this activity should be conducted
- Adopt an official definition of short-term rentals as distinct from longer rentals, and/or as a commercial activity
- Require business licensing, and track unregistered short-term rentals
- Collect taxes and assess penalty fees

5. Incentives for Development

The following are market-based strategies which can provide incentives to encourage developers to build desired housing types in the cities and county. In general, these incentives help to reduce some of the costs of development that the public sector can impact. While the bulk of development costs

are set by private market labor and materials costs, these steps can provide incentives on the margin to facilitate development.

Given the housing needs across the county, these steps can be used to encourage attached dwelling types, ranging from townhomes for homebuyers to multi-family rental apartments, to affordable housing. Also, these incentives can be applied to accessory dwelling units to encourage infill development.

All of these incentives come at some cost to the public through waived revenue from fees and taxes and/or staff costs. Therefore, these programs should be carefully calibrated to balance revenue loss vs. public benefit. Policies should reflect what housing types are most important to incentivize in each location.

Incentive 1: Streamline Permitting and Review Process

Applicable jurisdictions: All cities (Warrenton has implemented)

Jurisdictions can search for ways to reduce time and costs of the review and permitting process to developers building desired housing types. This incentive can be accomplished by reducing review times, consolidating steps in the process, and reducing or simplifying submittal requirements. In few industries is the old adage that “time is money” more true than in the development industry. The developer is often tying up capital and/or paying interest on loans during the pre-development process. Any reduction in process time translates into reduced costs and greater certainty to the developer and their partners.

Streamlining the process can also involve an internal audit of the process to ensure it is efficient for both staff and applicants. This might involve making all permits available in one location with one main contact, providing clear and accessible information on requirements, and also allowing enough flexibility to consider innovative or new forms of development.

Streamlining the review and permitting process is usually administratively feasible, though the greatest obstacle is often staff resources to expedite some projects when staff is already busy and/or limited in size. Cities could consider some of the funding mechanisms described below to help support staff in expediting application review. The City of Warrenton has recently reduced its review period by three weeks.

Recent statewide legislation also requires that cities with a population over 5,000, and counties with a population over 25,000 allow for 100-day review and decision on qualified affordable housing applications. This applies to Clatsop County, Astoria, Seaside and Warrenton.

Incentive 2: System Development Charge (SDC) or Fee Waivers, Exemptions or Deferrals

Applicable jurisdictions: All cities (Astoria has implemented)

Waiver, exemption or deferment of SDC's or development fees directly reduces the soft costs of development to applicants for desired housing types.

Development fees are not regulated by state law and cities have significant leeway to waive, reduce, or defer these fees. These fees may typically be applied by planning, building or engineering departments. Cities and the county should adopt policies for what types of housing are desirable enough for public goals to warrant forgoing these fees. Some cities specify that waivers can be claimed only by non-profit organizations proposing affordable housing that meets certain criteria for number of units and affordability level. Also, fee waivers can be limited to a certain ceiling. In most cases, fees amount to a smaller cost to the developer than SDCs and therefore are a more modest incentive.

SDC's face more statutory limitations and other hurdles to implementation. Most notably, the city typically only assesses a portion of SDC's, which are also assessed by a range of overlapping jurisdictions such as the county, school districts, fire district, and other special districts. Cities can reduce their portion of SDC's or negotiate with partner agencies for greater reductions.

Generally, the reductions should be applied to housing types that demonstrate a similar reduction in demand for services or impacts (e.g. smaller units, multi-family vs. single family, ADU's, housing types that generate less traffic, etc.) However, state law does not directly address reductions that are not justified on these bases. Recently, state law has alluded to SDC reductions for affordable housing that do not directly address an accompanying reduction in services, and many cities exempt certain development from SDC's including ADU's and affordable housing. Waiving SDCs may require a City to backfill lost revenues or to update its SDC methodology to recapture reduced or waived SDCs from remaining development.

SDC's and fees can add significant cost to a development project and reducing them can reduce development costs by 3% or more. In some cities where SDC's have been waived for ADU's the reduction may be 10% of costs or more. These reductions can be a significant factor in the cost of development and financing.

Incentive 3: Tax Exemptions and Abatements

Applicable jurisdictions: All cities; potential for specific abatement programs vary by community

Tax exemptions or abatements offer another financial incentive to developers that can improve the long-term economic performance of a property and improve its viability. This can be a substantial incentive, but the city or county will forego taxes on the property, generally for ten years. Other taxing jurisdictions are not included, unless they agree to participate.

Tax exemption programs are authorized by the state for specific purposes:

- **Vertical Housing Tax Exemption:** This program is meant to encourage vertical mixed-use buildings in areas where they might be viable, typically downtowns or town centers. The

program allows for a partial tax exemption for the built space, above the ground floor. Affordable housing is not required, but inclusion of affordable units can increase the tax benefits. The city must adopt a defined Vertical Housing Development Zone in which the exemption will apply.

- **Multiple-Unit Housing Exemption:** This program is aimed at preserving, rehabilitating or constructing multi-unit housing within a transit-oriented to town core area. As with the Vertical Housing program, an area must be designated for the program to apply. This program may apply to market-rate housing, with additional benefits for workforce or low-income units.
- **Non-Profit Low-Income Housing:** This program is aimed at encouraging subsidized affordable housing development and can be more broadly applied geographically. Units must be affordable at 60% of Area Median Income to be eligible. This program applies to non-profit agencies that are often one of the few sources of subsidized housing in many communities.

Implementation of tax exemption programs requires adoption by local officials and establishment of program goals and policies. They can be a good incentive to focus housing development in key areas and encourage more density and mixed uses in town centers.

6. Funding Tools & Uses

This section discusses potential funding tools available to local jurisdictions to participate in efforts to preserve existing housing and encourage desired housing types. While prior sections of this report have discussed policy or regulatory approaches, creating funds dedicated to housing programs would allow the region to exert greater control and leverage over development activity.

Funding Source 1: Tax Increment Financing (Urban Renewal)

Applicable jurisdictions: All cities (Astoria and Seaside have adopted Urban Renewal Areas)

Tax increment financing (TIF) is the mechanism through which urban renewal areas (URA) grow revenue. At the time of adoption, the tax revenues flowing to each taxing jurisdiction from the URA is frozen at its current level. Any growth in tax revenues in future years, due to annual tax increase plus new development, is the “tax increment” that goes to the URA itself to fund projects in the area.

For the most part, these funds must go to physical improvements in the area itself. These projects can include participating in public/private partnerships with developers to build housing, or can be used to complete off-site public improvements that benefit and encourage new development in the area, or to acquire key sites. The funds can also be used for staff to administer these programs, and to refund waived SDCs.

Urban renewal projects must be specified in the adopted Urban Renewal Plan, or can be added by amendment at a later date. This process encourages planning ahead for how revenues will be equitably used for a variety of means, including housing. The tax increment can grow at very different rates among URA's depending on how much new development occurs there to grow the tax base. However, this program can be a very effective way to build revenue to focus on key areas of the community.

Funding Source 2: Construction Excise Tax

Applicable jurisdictions: All cities (Cannon Beach has implemented)

The construction excise tax (CET) is a tax on construction activity of new structures or additional square footage to an existing structure to pay for housing affordable at 80% of AMI or less. Cities or counties may levy a CET on residential construction of up to 1% of the permit value, or on commercial and industrial construction with no limit on the rate.

The allowable uses for CET revenue are set forth in state statute as follows:

- 4% for administrative costs, and of the remainder:
- 50% must be used for developer incentives (i.e. fee and SDC waivers, tax abatements, etc.) for affordable housing
- 35% for affordable housing programs, flexibly-defined
- 15% to Oregon Housing and Community Services (OHCS) for homeownership programs
- Commercial CET: At least 50% of revenue must go towards housing-related programs; remainder is unrestricted

The CET is a fairly straightforward to administer, with 4% of funds to cover the added administration costs. This administrative set-aside can also help pay the administration costs for related policies adopted for use with this program, such as fee and SDC waivers or tax abatements.

The required use of funds ensures that the funding is used to incentivize development and housing and can't be diverted or diluted with competing uses. While this funding is most typically used to benefit households with incomes at 80% AMI or less, the funds from a commercial CET allow for more flexibility to apply to middle-income housing.

The CET does raise costs for housing developers, but it can be offset by providing other development-based incentives described in the prior section. This source also requires time to build substantial funds in low-development environments.

Funding Source 3: Affordable Housing Bond (Regional or Local)

Applicable jurisdictions: All cities and county

Localities can propose bonds meant to provide affordable housing and related programs through a public vote. Most recently, the City of Portland and the (Portland) Metro Region have each passed large bonds for affordable housing and 2018 changes to state law allow for these funds to be used more flexibly to work with non-profits and other non-governmental agencies which provide much of the affordable housing in many communities (i.e. with tax credits.) This change means that cities and counties do not need to become directly involved in developing affordable housing and build the many new competencies that involves.

Housing bonds can be sought regionally (as with Metro, and under consideration in the Eugene/Springfield metro area) or can be done as a local option level. In Clatsop County, a housing bond proposed on the county level would in effect be a regional approach. This would allow a strategic approach to address some of the geographic disparities identified through this project.

A bond dedicated to affordable housing would provide a stable, on-going funding source. However, it does require voter approval and periodic renewal, if desired. The funding can be used for capital, programs and operating expenses. The implementation and affordability levels are flexible. While this project has identified the need for many types of market-rate (i.e. non-subsidized) housing, affordable housing programs can help fill an important niche for lower- and working-class income families, particularly for multi-family rental housing. Affordable programs set at 80% AMI can serve many in the service industry and other working-class renter households. Serving these households can take pressure off of other segments of the housing market and dedicated affordable housing properties will house permanent county residents, rather than be used for vacation rentals.

* * *

The following is a list of potential applications for funding towards housing goals:

Funding Uses 1: Public Private Partnerships

Applicable jurisdictions: All cities and county

Most of the strategies discussed below fall under the umbrella of public/private partnerships which include a broad range of projects where the public contributes to private or non-profit development. The public involvement usually entails providing some financial incentive or benefit to the development partner in return for the partner's agreement that the development will provide some public benefit for a specified length of time. These partnerships can be used to encourage a wide range of public goals, including certain development forms, affordability levels, public space (plazas, parks), environmental features, mixed uses, etc.

The benefit of public/private partnerships is that the city or county does not have to build internal expertise in development, property management, or complicated affordable housing programs. Partner agencies with experience in these types of projects benefit from public contributions, making the projects more feasible.

The role of public agencies, be it the county or cities or a regional housing coordinator, is to identify potential community partners for different types of projects and be broadly familiar with available housing programs, to know how best to contribute. If the public would like to pursue some of these strategies, it must also identify funding sources and build a fund that is ready to deploy.

The following are some examples of specific public/private partnership models.

Funding Uses 2: Housing Preservation Fund

Applicable jurisdictions: All cities and county

Housing preservation efforts are often focused on “low cost market rate” housing (LCMR), meaning non-subsidized housing that nonetheless has lower than average rents for the area due to the age or condition of the property or the neighborhood. Often in the form of older apartment properties or mobile home parks, these properties are sometimes viewed negatively, or seen as potential targets for “revitalization”. But in truth, in many communities, this housing stock actually provides a vital source of more affordable units for working class households. LCMR units commonly outnumber subsidized affordable housing projects in a community by a large measure. Depending on the location and local market, these properties can face pressure to raise their rents from rising property values, new ownership, or redevelopment.

Another key focus of housing preservation efforts are subsidized properties that will soon lose their regulated status at the end of their original tenure.

Housing preservation funds can creatively incentivize LCMR properties to maintain their lower rent levels by offering low-cost financing for renovation or acquisition. These funds can help owners of older properties in need of reinvestment to maintain their properties and avoid selling, while the renovations improve the property for the renter households living there. This tool can also be used to directly acquire LCMR properties or work with partner agencies to do so.

For most cities or counties, it is likely best to partner with agencies who offer these competencies. The Network for Oregon Affordable Housing (NOAH) is a Portland-based agency that operates a housing preservation fund with experience in using these tools to preserve housing statewide. NOAH works with for-profit and non-profit property owners and regulated and unregulated properties, generally through offering financing for renovation or purchase in return for long-term rental restrictions.

One use for regional housing funds might be to help identify LCMR properties in need of preservation and provide capital to a partner such as NOAH to engage with those specific properties.

Funding Uses 3: Land Acquisition/Use Public Lands

Applicable jurisdictions: All cities and county

Land acquisition by a city or city partner is the most direct method to ensure that a key parcel or location will be preserved to meet public goals, and not (re)developed for other uses. Examples of priority sites may be a key corner or large development opportunity in a town center or urban renewal area that is seen as a lynchpin for other future revitalization in the area. Another target may be large parcels zoned to allow multi-family development but which under current market forces are more likely to be developed as low-density housing, or expensive housing, etc. Public contribution to land acquisition can also be a powerful tool to help partner agencies achieve public goals (for instance, temporary public control of a historical building to facilitate a partner developer to renovate it for a beneficial use.)

As land acquisition is expensive, this tool is generally used for key opportunities that arise. Because public agencies can be more patient than private developers, this tool does allow for purchase of properties in down cycles. There are also partner agencies, such as NOAH mentioned above, and the state Land Acquisition Program (LAP) that can assist localities with contributions and expertise for acquiring land for affordable housing. Cities and counties can also identify any surplus public land they already own that could be used for these purposes.

Control of a key site gives a public agency ultimate say in what happens in that location. Typically, a development partner is eventually identified to develop the site, and the value of the property provides a significant incentive that the city can contribute to the project. Through reduced property transfer, the city can ensure that the development meets public goals such as affordable housing, multi-family housing, mixed uses, etc. The discounted land may also allow development forms that would typically be economically infeasible to become viable.

Land acquisition may be used for “land banking” where the public agency maintains the property for an extended period, or it may be used in the short term to take advantage of a specific opportunity or aid a specific partner development. Land banking can be used to secure land in areas where gentrification or rising property values are expected. Early public land acquisition ensures that some properties in the rapidly appreciating neighborhood are preserved for affordable housing or other public benefit.

Funding Uses 4: Community Land Trust

Applicable jurisdictions: All cities and county

A community land trust (CLT) is a model wherein a community organization owns the land underlying a housing development and provides long-term ground leases to households to purchase homes on that property. The structure allows the land value to largely be removed from the price of the housing, making it more affordable. The non-profit agency can also set prices at below-market levels, and can set terms with buyers on the eventual resale of the units, sharing price appreciation,

and other terms that allow the property to remain affordable for future owners as well. This is an approach for providing affordable homeownership opportunities whereas most regulated affordable housing is for rental units. That said, CLTs can also be used in partnership with affordable rental developers to reduce the cost basis of the land and help make the project more feasible. In markets where housing prices outpace local incomes, CLTs can control the rate of price increases and ensure that some properties are available for lower-income buyers.

This model can be used in conjunction with most of the other funding strategies discussed here (i.e. housing preservation or land acquisition). Given the distinctive legal structure of CLT's it is likely best for Clatsop County and its cities to consider partnering with a non-profit community organization to administer this program. The cities can help identify key opportunities for this model and help to capitalize the efforts of its partner.

Funding Uses 5: Regional Housing Coordination

Applicable jurisdictions: All cities and county

The following section discusses regional housing coordination in more detail. One potential use of funding would be for administration of a more formal central agency or Regional Housing Coordinator position, to serve as central point-of-contact for community partners and the public. As the county and cities consider a more holistic regional approach to housing challenges, this organizational structure would allow for more strategic planning among the cities in north and south Clatsop County on where and how to use resources, and direct potential development partners. (See more discussion below.)

7. Regional Collaboration and Capacity Building

The findings of this study underscore the regional nature of the housing market in Clatsop County. While the County is made up of a series of separate cities, unincorporated communities, and rural areas, employment opportunities and housing needs do not stop at these jurisdictional boundaries. Whether due to economic necessity, personal preferences, or household commuting challenges, many people will live in one area of the County and work in another.

Achieving a balance of housing and jobs within each community can help to increase the odds that more people can live where they work; however, existing development patterns, geo-physical constraints, and regional economic forces will almost certainly continue to perpetuate significant cross-commuting and economic interdependence between the communities in the County.

Given the regional nature of the housing market and the economic interdependence of the communities in the County, it makes sense to institutionalize regional collaboration and coordination on housing-related policies and programs. There are several benefits to this regional approach:

- **Regulatory consistency.** The housing market is strongly influenced by the regulatory environment, including the development code and related regulation of short-term rental uses. When that regulatory environment differs across cities, it can result in divergent housing outcomes and conditions, which can affect commuting patterns and access to employment opportunities. Further, differences in regulations or incentives can disadvantage some jurisdictions relative to others in attracting housing development. Regulatory consistency can help ensure a wide range of housing types is available in all communities, at all income levels, to improve jobs-housing balance. Some variation in regulations will continue to be necessary to reflect local needs and conditions; however, the region should consider if consistency and coordination is worthwhile goal when adopting new policies and revising existing policies.
- **Funding strategies.** The funding sources and tools identified in Section 6 may be more effective if implemented at the regional level, as the pool of funds will be larger to draw, potentially allowing for projects that have a greater impact. Additionally, the pool of candidate projects to invest in will be wider. This lessens the chance that an individual City has an excellent project, which would benefit regional housing needs, but cannot generate enough funding alone to invest in the project.
- **Planning and coordination.** As demonstrated by this study, regional planning efforts can better identify both shared challenges and shared opportunities to address housing needs. Additionally, regional planning and analysis can benefit from efficiencies of scale. For some types of planning work, it is more efficient to study the County as a whole than to engage in multiple, separate projects.

This study is one step in the direction of regional collaboration and capacity-building. Future steps may include establishing a regional housing coordinator position at the County, formalizing ongoing meetings of staff and/or stakeholders from each jurisdiction, and setting up tools or systems for sharing data and best practices on an ongoing basis.

8. Implementation Roadmap

<i>Strategy</i>	<i>Applicable Jurisdictions</i>	<i>Level of Effort</i>	<i>Timing*</i>	<i>Notes</i>
Land Supply Strategies				
Strategy #1. Ensure land zoned for higher density is not developed at lower densities	All Cities & County	Low-Medium	Short-term	Requires relatively modest set of code updates to either revise list of allowed uses in specific zones and/or establish minimum densities; likely to require some public outreach.
Strategy #2. Further study the potential need for a UGB amendment in South County to meet needs	Seaside, Cannon Beach	Medium	Short-term	Requires potential refinement and further analysis of BLI data and evaluation of alternative UGB expansion areas.
Strategy #3. Refine BLI data and results	Astoria, Warrenton	Low-Medium	Short-term	Warrenton undertaking as part of DLCD grant project; completion there by June, 2019. Astoria should conduct targeted assessment of selected large parcels.
Strategy #4. Further asses infrastructure issues	County & Gearhart	Medium-High	Medium-term	Requires additional research and coordination with local service providers in unincorporated Clatsop County and assessment of alternative wastewater treatments strategies in Gearhart.
Policy and Code Strategies				
Strategy #1. Adopt supportive and inclusive comprehensive plan policies	All Cities & County	Medium	Short-term	Can be completed as part of a future Comprehensive Plan updated process or separately as an implementation action associated with any motion to approve or adopt this Countywide strategy.

Strategy	Applicable Jurisdictions	Level of Effort	Timing*	Notes
Strategy #2. Emphasize minimum density standards	All Cities	Medium	Short-term	May be completed in conjunction with other development code updates related to residential development or as a standalone project. Additional public involvement process (beyond an adoption hearing) may be necessary.
Strategy #3. Revise maximum density, height or bulk standards in higher density residential zones	All Cities	Medium	Short-term	May be appropriate to combine with Strategy #2 (minimum density standards). Additional public involvement process (beyond an adoption hearing) may be necessary.
Strategy #4. Support high density housing in commercial zones	All Cities	Medium	Short-term	Level of effort depends on the degree of change. Any changes to commercial zones should ensure sufficient land remains to meet commercial land need.
Strategy #5. Streamline and right-size off-street parking requirements	All Cities	High	Short- or medium-term	Additional public involvement necessary. Changes should consider availability of on-street parking and varying conditions in different neighborhoods.
Strategy #6. Facilitate “missing middle” housing types in all residential zones	All Cities & County	High	Short- or medium-term	Additional public involvement necessary. The range of housing types permitted will need to consider existing development patterns. New design or development standards likely necessary to ensure higher density housing types can fit into lower density neighborhoods.
Strategy #7. Encourage cottage cluster housing	All Cities	Medium	Short-term	Additional public involvement necessary. Model code provisions are available. This project may also consider engaging with potential developers of this specific housing types.

Strategy	Applicable Jurisdictions	Level of Effort	Timing*	Notes
Strategy #8. Promote accessory dwelling units	All Cities	Low-Medium	Short-term	Additional public involvement necessary. May be appropriate to combine with Strategy #6 (missing middle). Need to consider relationship to short-term rental/vacation rental regulations.
Strategy #9. Incentivize affordable and workforce housing	All Cities & County	Low-Medium	Short-term	Engage with affordable housing providers to ensure incentives are useful and valuable. Consider pairing incentives with other code changes, such as allowing higher density/height in exchange for affordability standards.
Strategy #10. Limit short-term rental uses in residential zones	All Cities & County	Varies	Varies	Level of effort and timing depends on existing regulations and goals in each community.
Incentives for Developers				
Incentive #1. Stream-lining permitting and review process	Cities	Medium	Short-term	For most cities, will likely require a review of procedures, timelines and fees to understand how and if they can be streamlined.
Incentive #2. System development charge (SDC) or fee waiver	Cities	Medium-High	Short- or medium-term	SDC reductions are likely to provide greater financial incentive to the developer than fee reductions. Engage with other overlapping jurisdictions to maximize the share of total charges that might be included. Explore methods to backfill lost revenue from SDCs through funds such as a CET.

Strategy	Applicable Jurisdictions	Level of Effort	Timing*	Notes
Incentive #3. Tax exemptions and abatements	All Cities	Medium-High	Short- or medium-term	Can provide a sizable developer incentive over time. Most programs must be established in local policy, and in some cases a specific district must be designated. The local housing priorities should drive which exemption program is adopted (i.e. Multi-Unit, Vertical Housing and/or Affordable Housing). Cities should be cautious over creating competing programs, if one outcome is truly prioritized over the others.
Funding Sources and Uses				
Funding Source #1. Tax increment financing (Urban Renewal)	Cities	High	Medium- or long-term	Requires a planning process to assess the feasibility of the proposed urban renewal area and formal adoption of an urban renewal plan. The plan describes the URA boundaries, planned projects and projected funding levels. In key districts of a community, can be a good tool to build revenue and ensure that it is invested in that area. Can be a source to help pay for developer incentives. (Astoria and Seaside have implemented.)
Funding Source #2. Construction excise tax	Cities	Low-Medium	Short-term	A good source of funding for developer incentives and affordable housing programs. This source will fluctuate with development market cycles, but can build revenue quickly if applied to both residential and commercial construction. Raises development costs somewhat, but can be off-set with incentives.

Strategy	Applicable Jurisdictions	Level of Effort	Timing*	Notes
Funding Source #3. Affordable housing bond (regional or local)	All Cities & County	Medium-High	Medium-term	Requires public approval of a bond measure, including a public engagement campaign explaining the reasons for the bond. Timing may hinge on public sentiment about how acute housing pressures have grown in the county. A countywide bond would allow for the county and cities to pool resources and address some of the geographical disparities identified in this study.
Funding Uses #1. Public/private partnerships	All Cities & County	Low-Medium	Short- or medium-term	Public/private partnerships can become more systematized once specific incentive and funding programs are established. The county should inventory and engage with potential partner agencies in affordable housing, financing, community land trusts, etc.
Funding Uses #2. Housing preservation fund	All Cities & County	Medium	Medium-term	Entails the design and adoption of a program, identifying spending priorities. It is likely best to partner with agencies with experience in administering and managing these programs. The fund can be used to finance these efforts and direct them to specific areas or sites.
Funding Uses #3. Land acquisition/ use public lands	All Cities & County	Medium	Medium-term	Cities and perhaps a regional coordinator should inventory existing “surplus” public lands that might be repurposed for housing projects in partnership with development partners. Similarly, key parcels and sites for acquisition should be confidentially identified but will likely be contingent on building of funding from TIF, CET or other sources.
Funding Uses #4. Community land trust (CLT)	All Cities & County	Medium	Short-term	A CLT program can be accomplished by providing incentives, financing or grants to partner agencies that specialize in this model. This is one of the few models for providing lower-cost homes for sale rather than rent.

Strategy	Applicable Jurisdictions	Level of Effort	Timing*	Notes
Regional Collaboration				
Regional collaboration and capacity building	All Cities & County	Medium	Short-term	Requires inter-agency engagement among county and cities to decide the purview of this office or position in housing issues across the county. Can serve as first point-of-contact for partners and community and direct a more coordinated response to housing issues among the communities of the county which face different housing needs, opportunities and constraints.

* Short-term = 1-3 years; Medium-term = 4-5 years; Long-term = 6-10 or more years

Appendix A: Housing Needs Analysis Memo

Appendix B: Buildable Land Inventory Memo

Appendix C: Policy and Code Review Memo



APPENDIX A:

CLATSOP COUNTY
HOUSING TRENDS AND NEEDS

JANUARY, 2019

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Introduction

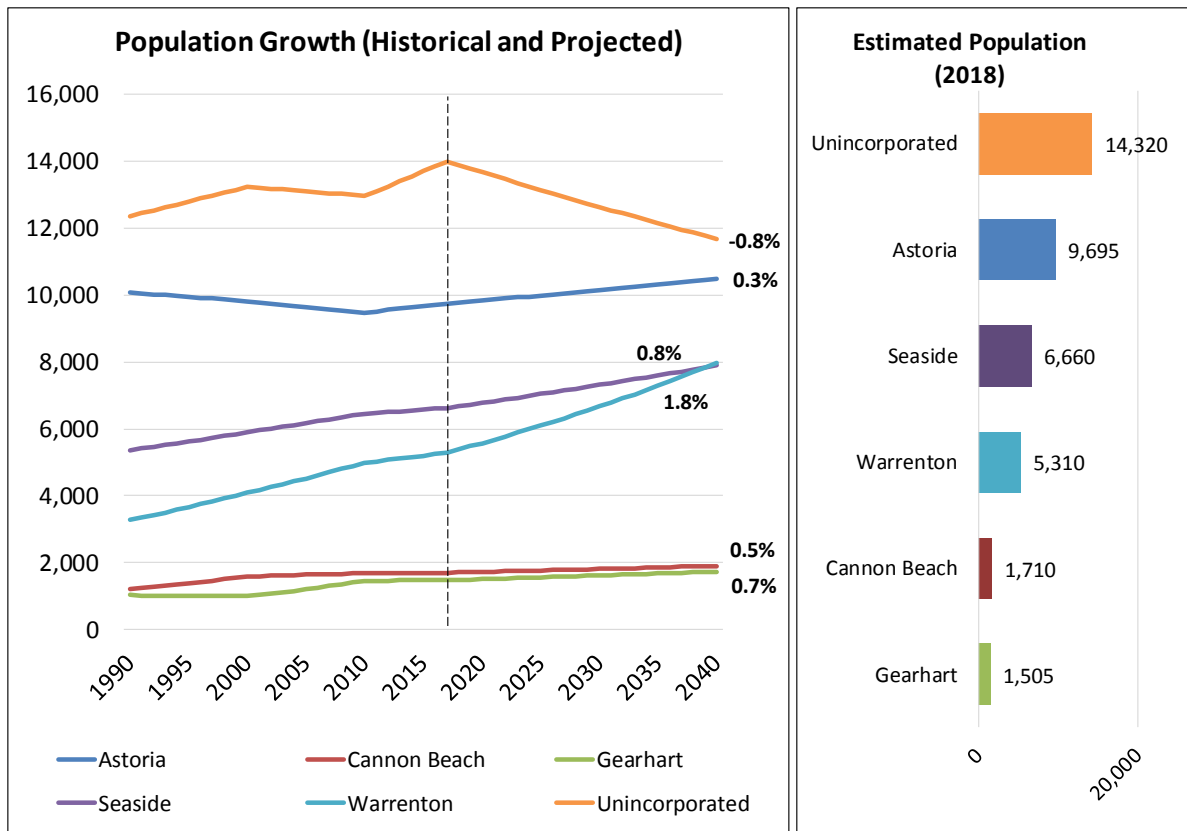
This report presents Housing Trends and Projected Housing Need for Clatsop County as a whole and for the five incorporated cities within. The first four sections present findings and data mostly for the County as a whole with some categories of information presented for the cities as well. Profiles of the individual cities are presented at the end of this report.

1. Population and Household Demographics

Figure 1.1 presents the estimated current population in Clatsop County cities, and the projected growth rate over the next 20 years according to the PSU Population Forecasting program. This program works with cities to agree upon projected growth rates for use in official housing forecasts, on a roughly four-year cycle. The Clatsop County forecast was finalized in 2017.

Annual growth is projected to be strongest in Warrenton (1.8%) and Seaside (0.8%) and more modest in other communities. For comparison the statewide growth rate has averaged near 1% in recent decades.

FIGURE 1.1: CURRENT POPULATION AND PROJECTED GROWTH (CLATSOP COUNTY CITIES)



Source: PSU Population Research Center & Forecast Program

The statewide program for which PSU completes its forecasts assumes that future growth happens within Urban Growth Boundaries (UGB) of incorporated cities. Therefore, it assumes that unincorporated areas will lose population over time as unincorporated areas are annexed into adjacent cities. As this is the official forecast, it is reflected in Figure 1.1. But it is likely more realistic to assume that population in unincorporated areas will remain stable or experience slow growth.

Figure 1.2 presents a summary of demographic trends in the County since 2000. As of 2018, the County had an estimated 39,000 people, living in nearly 16,500 households. Since 2000, the County's population has grown by roughly 3,570 or 10%. This is annual growth of 0.5%. The number of households increased by roughly 1,750 or 12%.

FIGURE 1.2: DEMOGRAPHIC PROFILE AND TRENDS (CLATSOP COUNTY)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(PSU)	10-18
Population ¹	35,630	37,039	4.0%	39,200	5.8%
Households ²	14,703	15,742	7.1%	16,460	4.6%
Families ³	9,450	9,579	1%	10,015	5%
Housing Units ⁴	19,685	21,546	9%	22,673	5%
Group Quarters Population ⁵	1,121	956	-15%	1,012	6%
Household Size (non-group)	2.35	2.29	-3%	2.32	1%
Avg. Family Size	2.88	2.85	-1%	2.90	2%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(Proj.)	10-18
Per Capita (\$)	\$19,515	\$26,221	34%	\$27,895	6%
Median HH (\$)	\$36,301	\$44,330	22%	\$49,828	12%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Clatsop Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

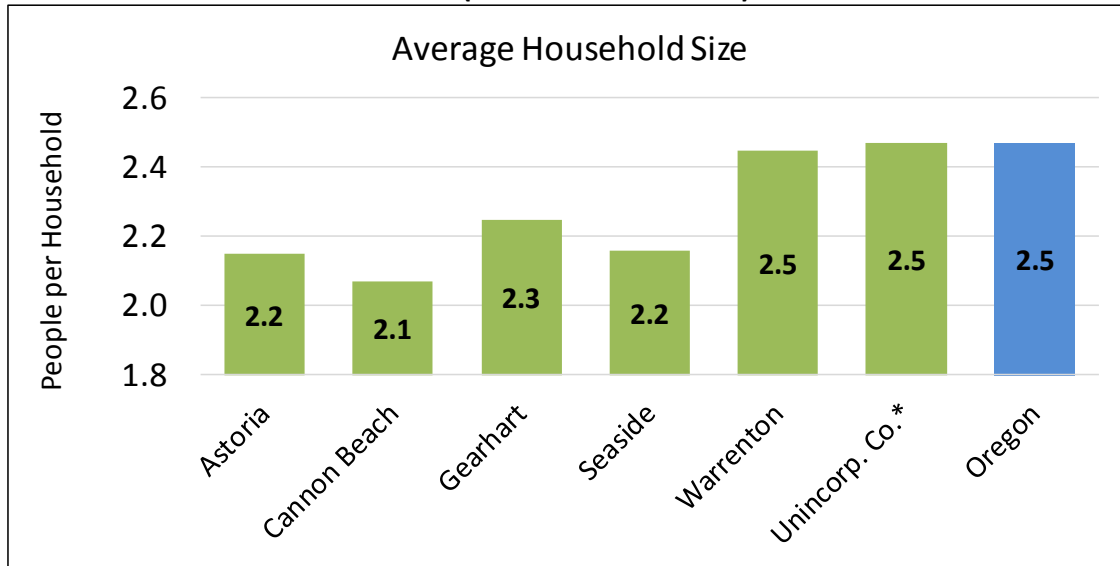
⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

Household Size: Estimated household size has fallen since 2000 in keeping with nationwide trends. Households and families have gradually fallen in size in a decades-long trend. However, the Census estimates that the average household and family size have actually grown in Clatsop County since 2010. Growing household size may reflect the need for more households to consolidate since the recession 10 years ago due to financial circumstances, as well as the increased housing shortage perceived in the county over that period.

Warrenton and unincorporated Clatsop county have average household size similar to the statewide average. The other cities have a relatively smaller household size.

FIGURE 1.3: AVERAGE HOUSEHOLD SIZE (CLATSOP COUNTY CITIES)



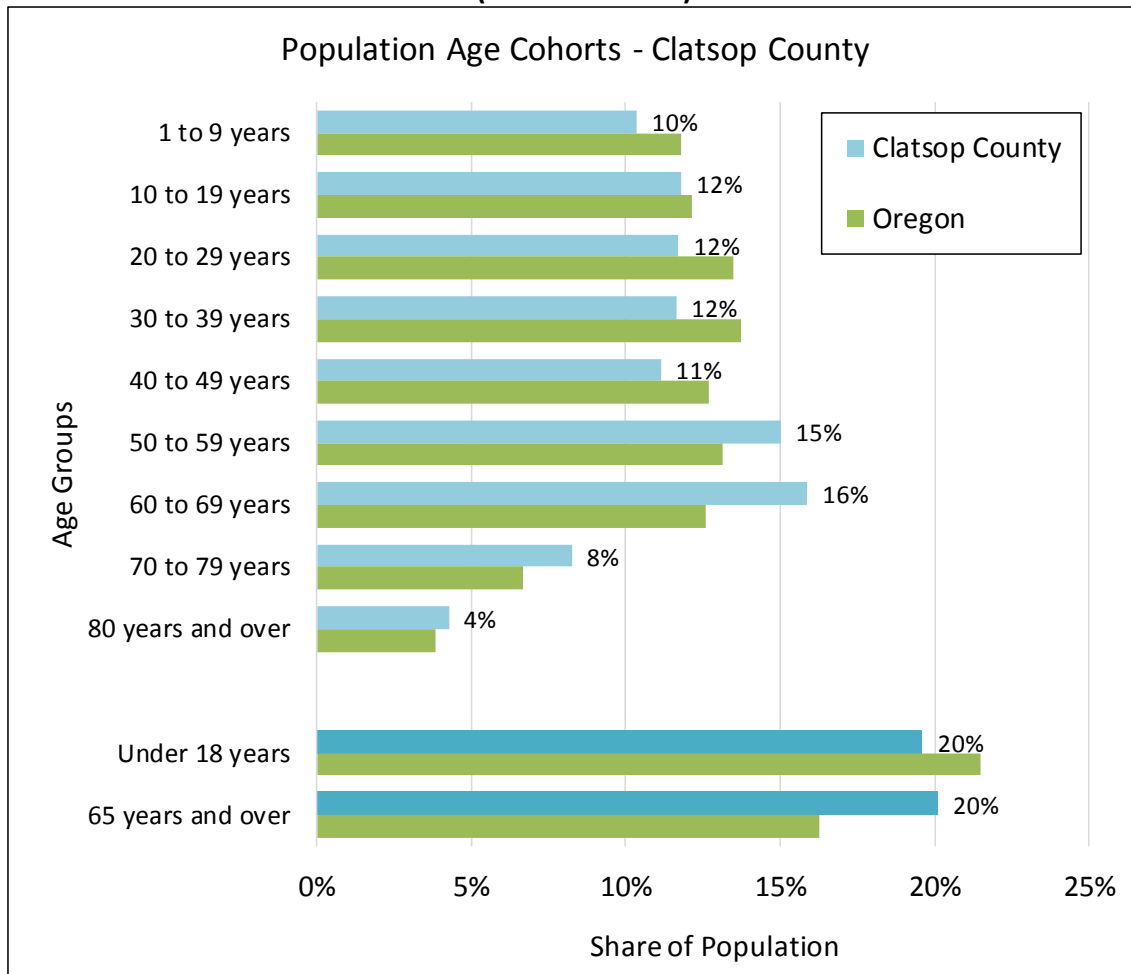
Source: American Community Survey, 2017 5-Year, B11005

* Unincorporated statistic is estimated; geography not available from Census

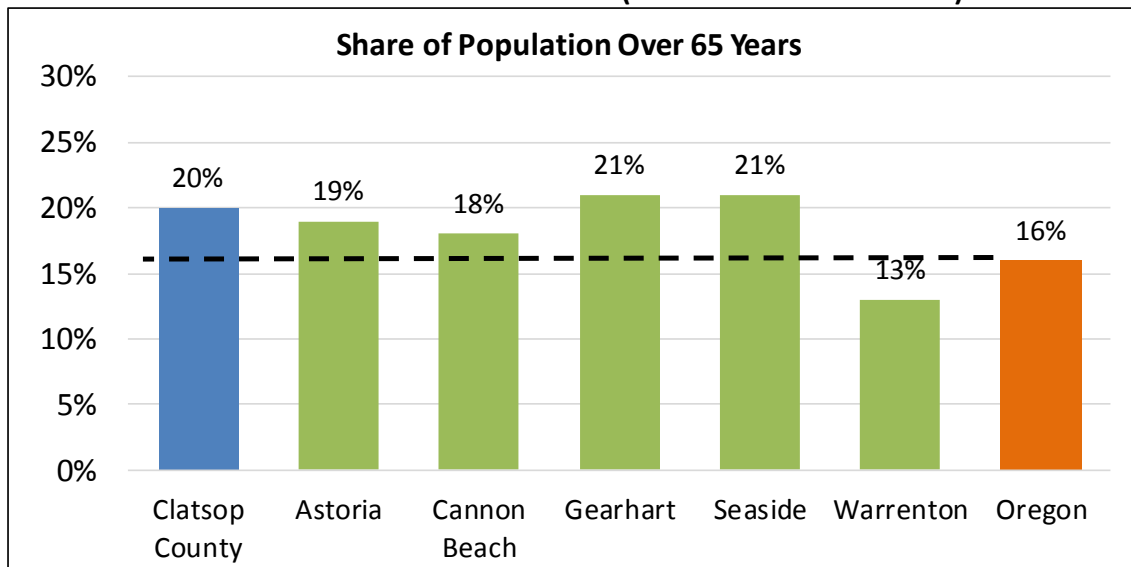
Age of Population: Clatsop County has an older average population in comparison to the state, in keeping with the role of the coast as a popular retirement destination. The county has a greater share of population aged 50 and above, and fewer children. 20% of the population is aged 65 and over, compared to 16% statewide. (Figures 1.4 and 1.5 following page)

Figure 1.6 presents *households* with children, which differs from the share of *population* with children presented above.

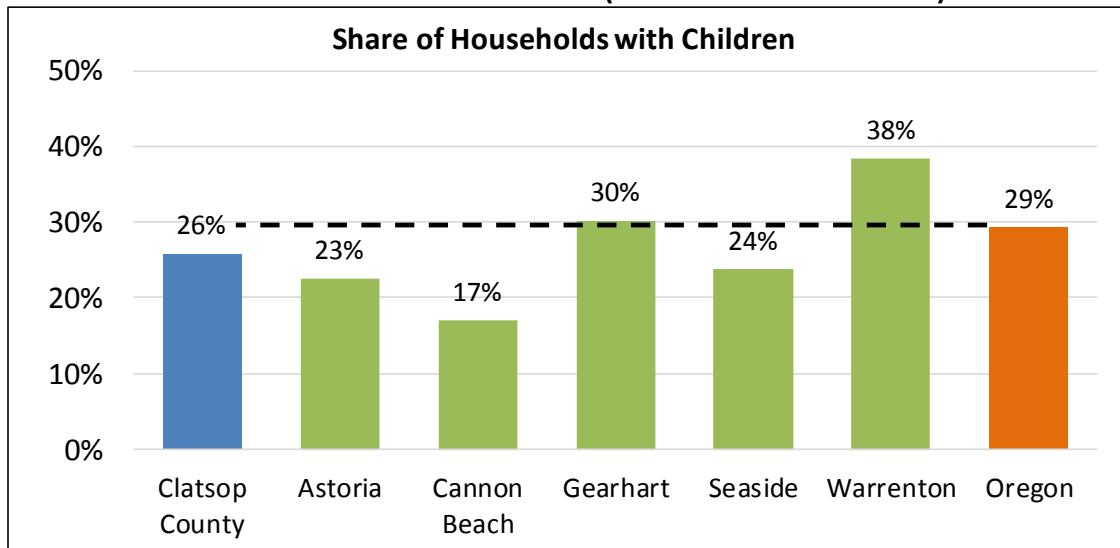
All of the cities except Warrenton have a higher relative share of older residents, and fewer families with children. Gearhart has a share of households with children similar to the statewide average.

FIGURE 1.4 POPULATION BY AGE COHORT (CLATSOP COUNTY)

Source: American Community Survey, 2017 5-Year, S0101

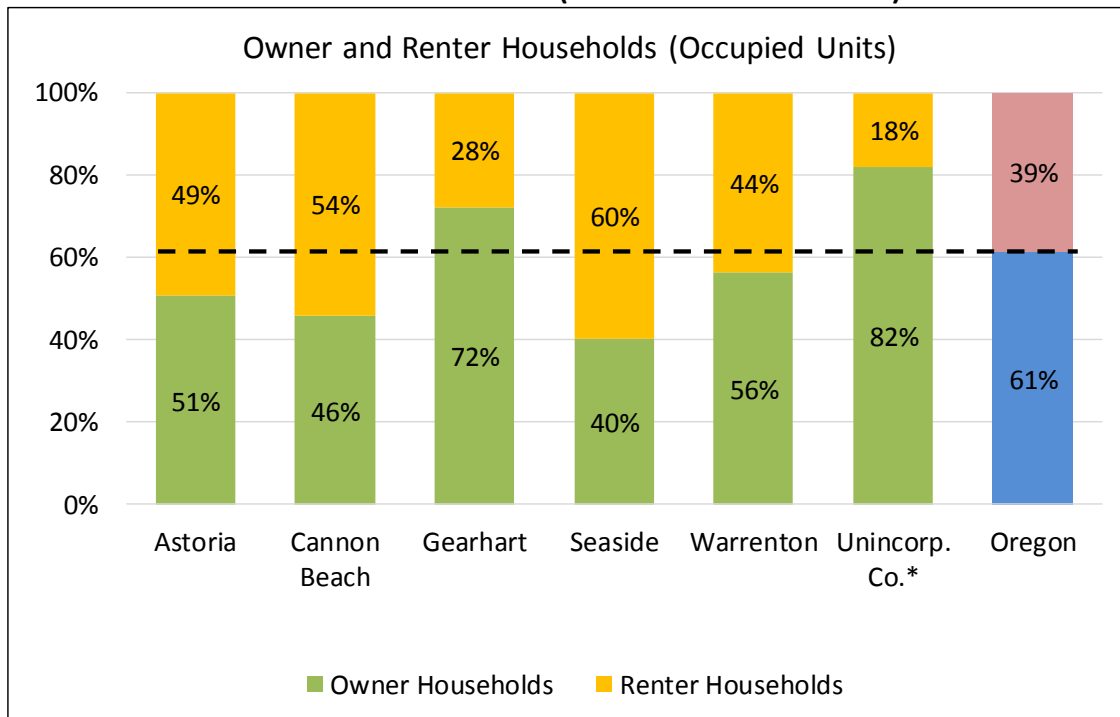
FIGURE 1.5: SHARE OF RETIREMENT-AGE POPULATION (CLATSOP COUNTY AND CITIES)

Source: American Community Survey, 2017 5-Year, S0101

FIGURE 1.6: SHARE OF HOUSEHOLDS WITH CHILDREN (CLATSOP COUNTY AND CITIES)

Source: American Community Survey, 2017 5-Year, B11005

Tenure (Owners and Renters): At 60% ownership, Clatsop County has an ownership rate similar to the statewide level. However among the cities, many have a relatively higher share of renters among their permanent residents. Gearhart and unincorporated areas have a higher ownership rate.

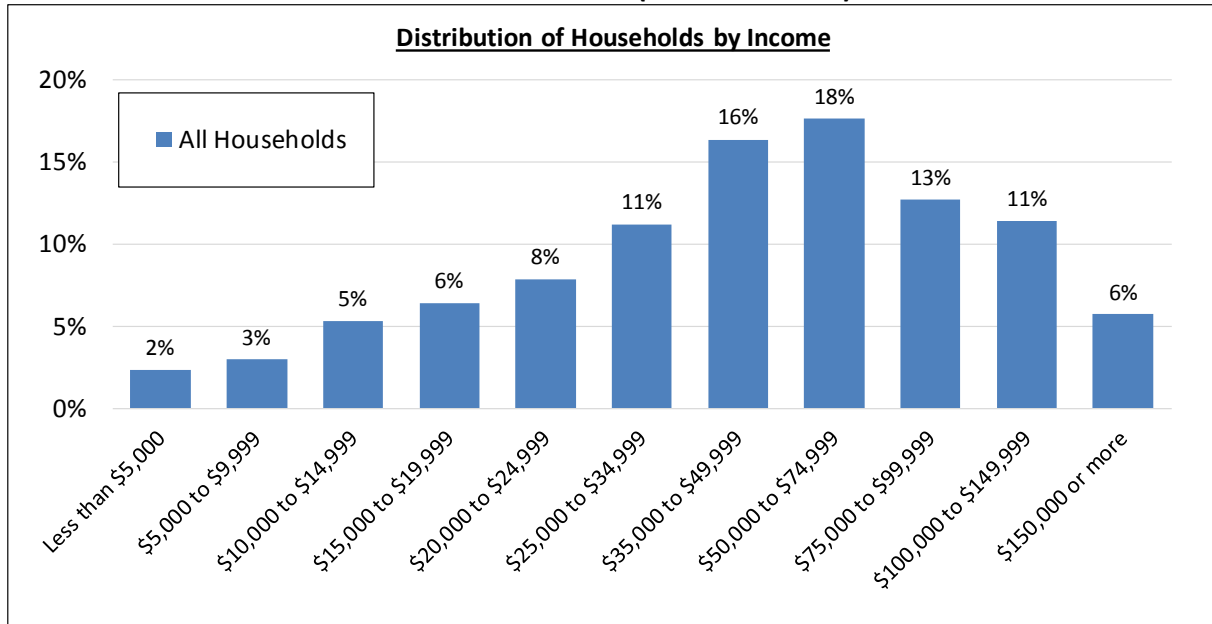
FIGURE 1.7: TENURE OF OCCUPIED HOUSEHOLDS (CLATSOP COUNTY AND CITIES)

Source: American Community Survey, 2017 5-Year, B25007

* Unincorporated statistic is estimated; geography not available from Census

Median Household Income: The Clatsop County median income has grown since 2000, at nearly 2% per year. This has slightly lagged inflation over this period. However, since 2010, the median income has outpaced inflation (2.4% to 1.7%) meaning that income rebounded relatively strongly during this economic recovery period. The greatest share of households earn between \$35,000 to \$99,000.

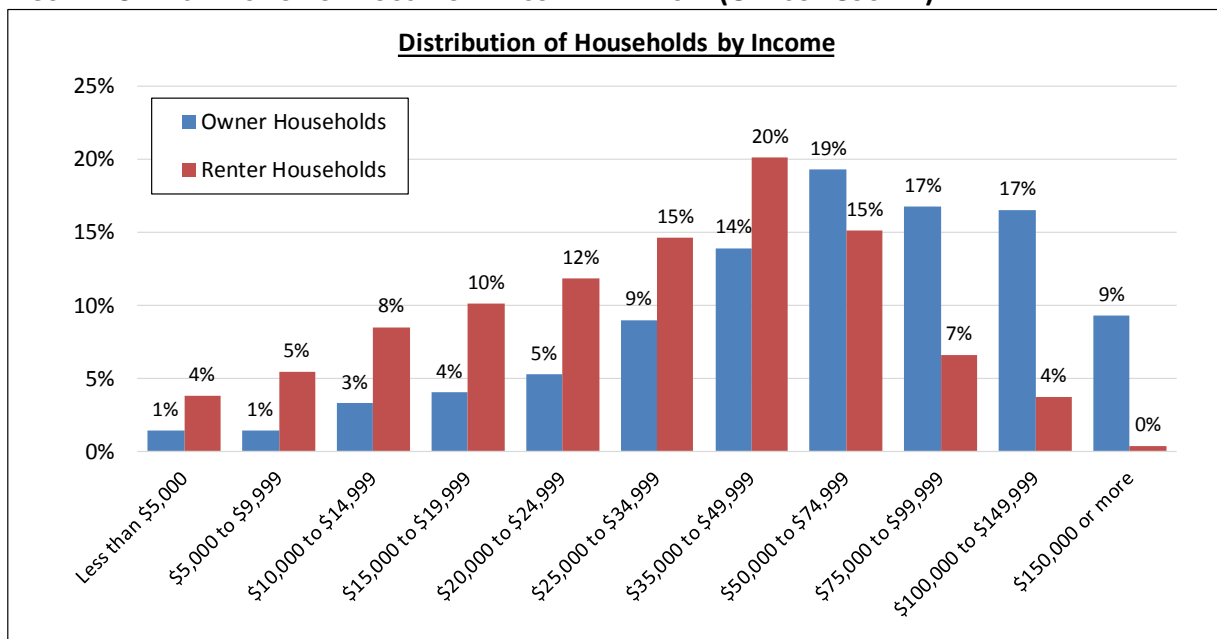
FIGURE 1.8: DISTRIBUTION OF HOUSEHOLDS BY INCOME (CLATSOP COUNTY)



Source: American Community Survey, 2017 5-Year, B25118

Owner households have a higher median income (\$65,500) than renter households (\$34,500).

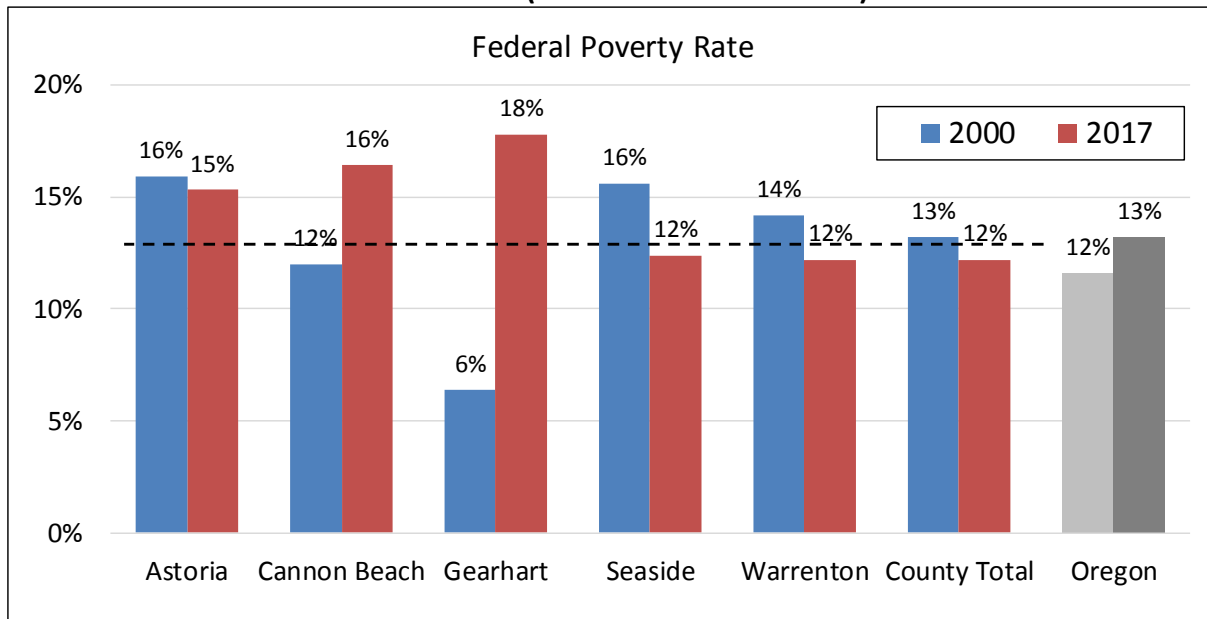
FIGURE 1.9: DISTRIBUTION OF HOUSEHOLD INCOME BY TENURE (CLATSOP COUNTY)



Source: American Community Survey, 2017 5-Year, B25118

Poverty Rate: As of 2017, the Census estimates the poverty rate in Clatsop County at 12%, close to the Oregon rate of 13%. The cities of Astoria, Cannon Beach and Gearhart have a higher estimated poverty rate. The Census estimates a large jump in the poverty rate in Gearhart between 2000 and 2017, but the reason for such a large increase is unknown. Cannon Beach also has an estimated increase, though to a lesser degree. Other cities have seen a decrease in the estimated poverty rate since 2000.

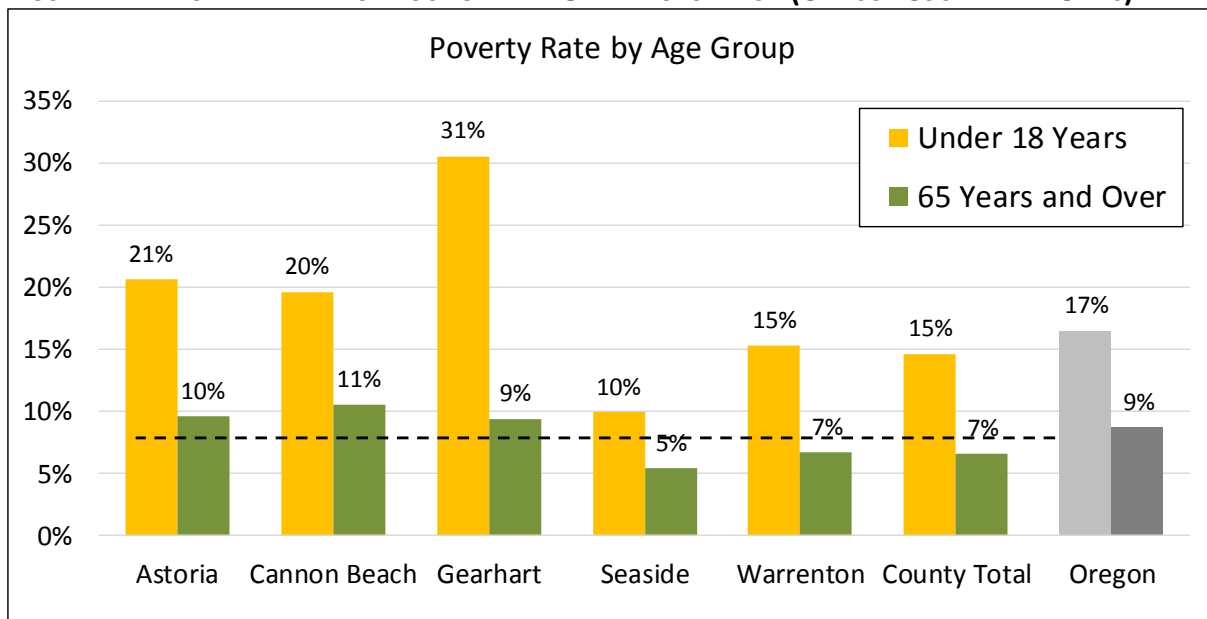
FIGURE 1.10 POVERTY RATE FOR POPULATION (CLATSOP COUNTY AND CITIES)



Source: American Community Survey, 2017 5-Year, S1701

As seen statewide, the poverty rate among children is higher than that among older residents.

FIGURE 1.11: POVERTY RATE FOR YOUNGER AND OLDER POPULATION (CLATSOP COUNTY AND CITIES)



Source: American Community Survey, 2017 5-Year, S1701

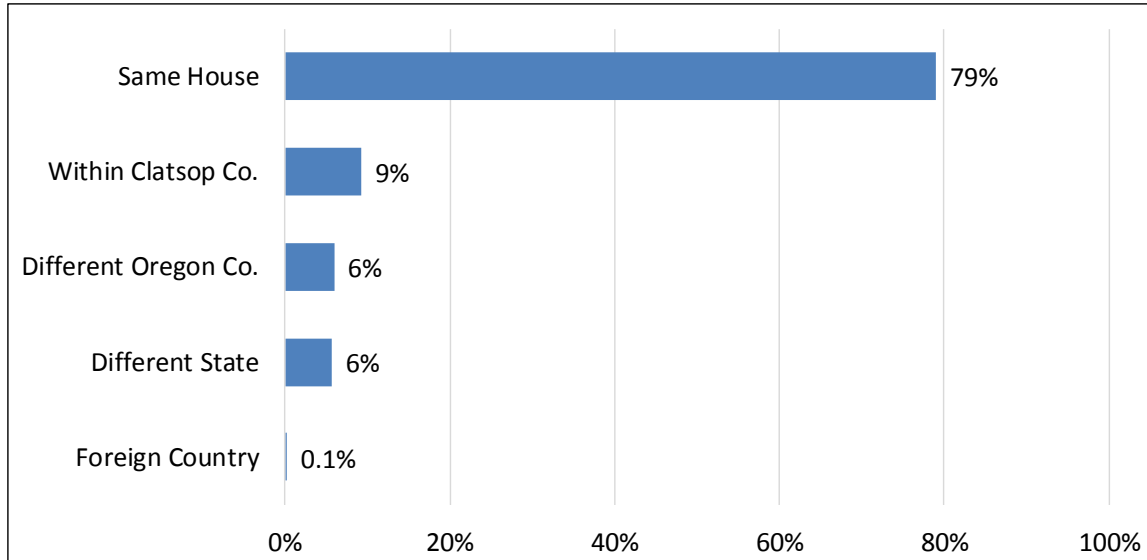
Homelessness: The one-night homeless count conducted in 2017 found 680 sheltered and unsheltered homeless individuals, essentially unchanged from the prior 2015 count. However, the non-profit agency Clatsop Community Action, estimates that the number of homeless individuals is likely more than 1,000. In particular, those staying temporarily in the homes of friends and family are in a precarious housing situation, but unlikely to be counted in the one-night count.

Even if the official count is low, it still places Clatsop County behind much larger counties (Multnomah, Lane, Marion, and Deschutes) in the total count of homeless individuals. More starkly, Clatsop County features the highest rate of homelessness per 1,000 residents than any other county in the state. With a rate of 17.4 homeless people per 1,000 in population, Clatsop County is double the next highest rate of 8.7 in Tillamook County.

Many of the counties with the highest rates of homelessness are coastal states, including Coos and Curry county in the south. Other counties with high rates are rural counties and the urban Multnomah County. The rate of homelessness speaks to the need for continuing to build a full spectrum of services and housing types to shelter this population, from temporary shelter to subsidized affordable housing.

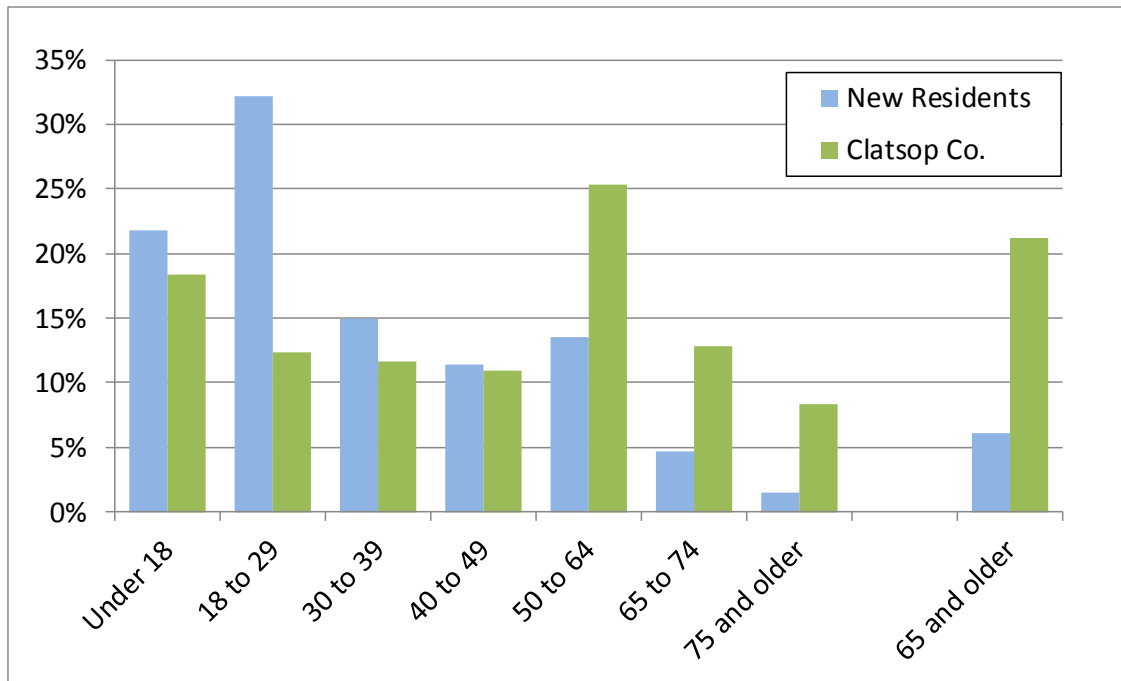
Migration: The Census estimates that 21% of county residents moved within the prior year, according to the most recent data available (Figure 1.12). Somewhat less than half of movers, moved within the county itself. Of the remainder, roughly half moved from within Oregon, and half from outside of Oregon. Those moving from outside the county in the previous year represented 12% of all households.

FIGURE 1.12: PLACE OF RESIDENCE IN THE PRIOR YEAR



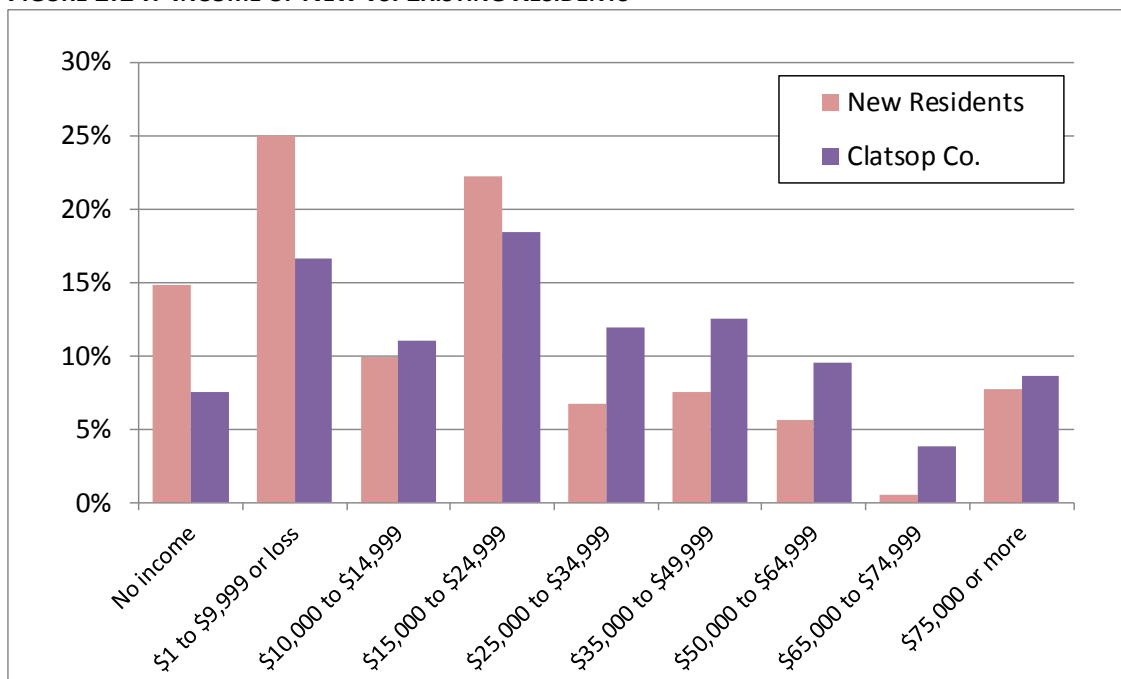
Source: American Community Survey, 2017, B07001

Figure 1.13 shows a comparison of the age groups of existing county residents (including those who moved within the county), and the age groups of new residents moving into the county. New residents to the county are more likely to be younger, including children and those in their 20's than existing residents who are much more likely to be 50 years or older. This implies that the county is attracting younger movers, and more family households, while existing residents are more likely to be retired or "aging in place" within the county.

FIGURE 1.13: AGE OF NEW VS. EXISTING RESIDENTS

Source: American Community Survey, 2017 5-Year, B07001

Figure 1.14 shows a comparison of the income groups of existing county residents vs. new residents. New residents to the county are likely to have lower household incomes than existing residents. This is in keeping with the younger nature of the new households. (Note that this is *individual* income, not household income.)

FIGURE 1.14: INCOME OF NEW VS. EXISTING RESIDENTS

Source: American Community Survey, 2017 5-Year, B07001

Net Migration: The IRS provides data on migration patterns on the county level by tracking the location claimed on tax returns of individual households from one year to the next. The most recent data is from migration between the 2015 and 2016 tax years. These data track tax returns, which is not necessarily synonymous to individual households, as some households may have multiple returns, or in some cases no return. However, the data does provide a proxy measure that gives some idea of migration patterns.

Measured by returns, there was an inflow of 1,488 “households” and an outflow of 1,126 “households” moving out of the county (Figure 1.15). This amounts to a net inflow of 362. A bit less than 30% of the new “households” were from Oregon, while an estimated two thirds were from a different state. (The number of new returns from abroad was too small to be reported by the IRS). The largest share of new residents from out of state comes from Washington, followed by California. Of those leaving the county, the largest share move to other Oregon counties, followed by Washington.

FIGURE 1.15: MIGRATION PATTERNS MEASURED BY TAX RETURNS (CLATSOP COUNTY)

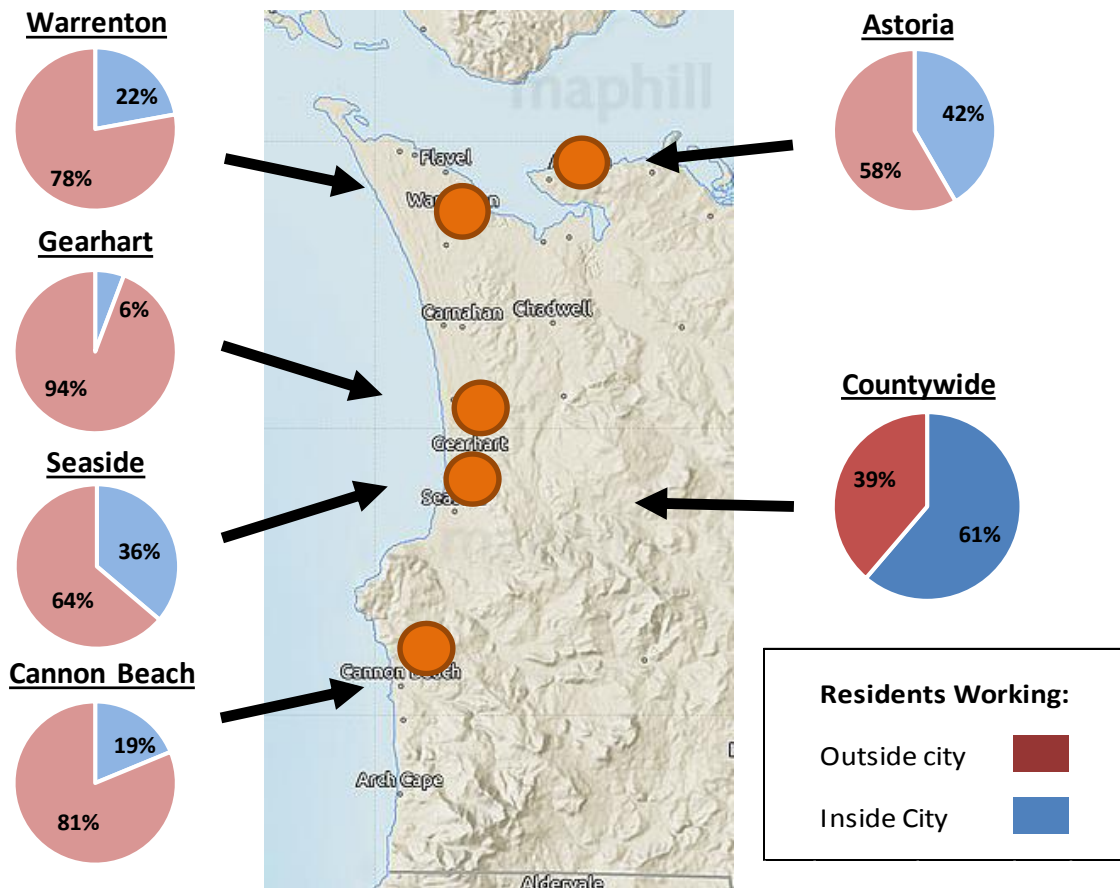
<u>Category</u>	<u>Inflow</u>		<u>Outflow</u>		<u>Net Inflow</u>
Total Migrants	1,488		1,126		362
Migrants - Within Oregon	604	41%	501	44%	103
Migrants - Different State	884	59%	625	56%	259
Non-Migrants	13,329		13,329		

Source: IRS Migration Data, 2015-16

2. Employment and Income

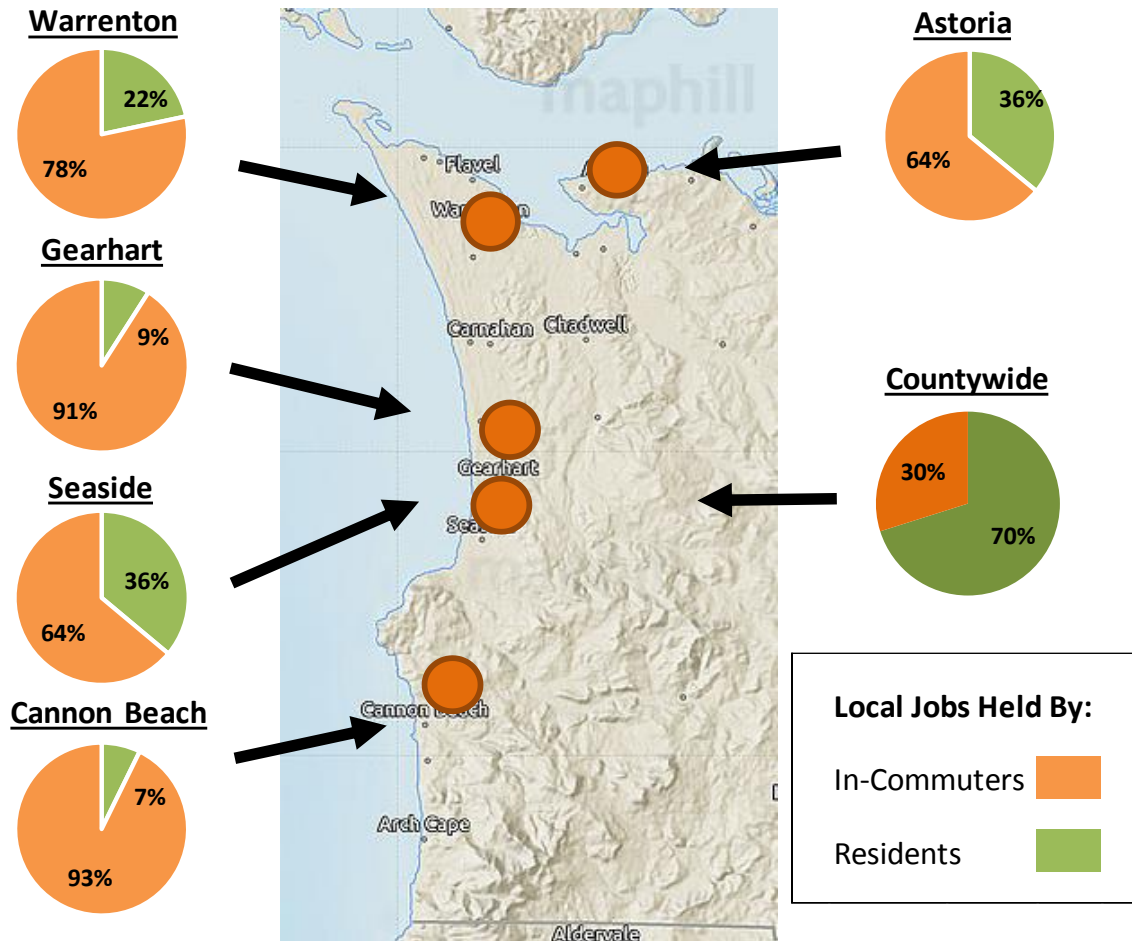
Commuting: According to the Census Employment Dynamics database, there is a lot of cross-commuting among residents in Clatsop County. An estimated 39% of working residents work somewhere outside of county. Within the cities, it is very common for local working residents to work outside of their local community. Astoria and Seaside have the most local residents working inside the city and roughly 40%. The other Clatsop County cities have a much smaller share of residents working locally.

FIGURE 2.1: WHERE LOCAL RESIDENTS WORK (CLATSOP COUNTY AND CITIES)



Source: US Census Employment Dynamics

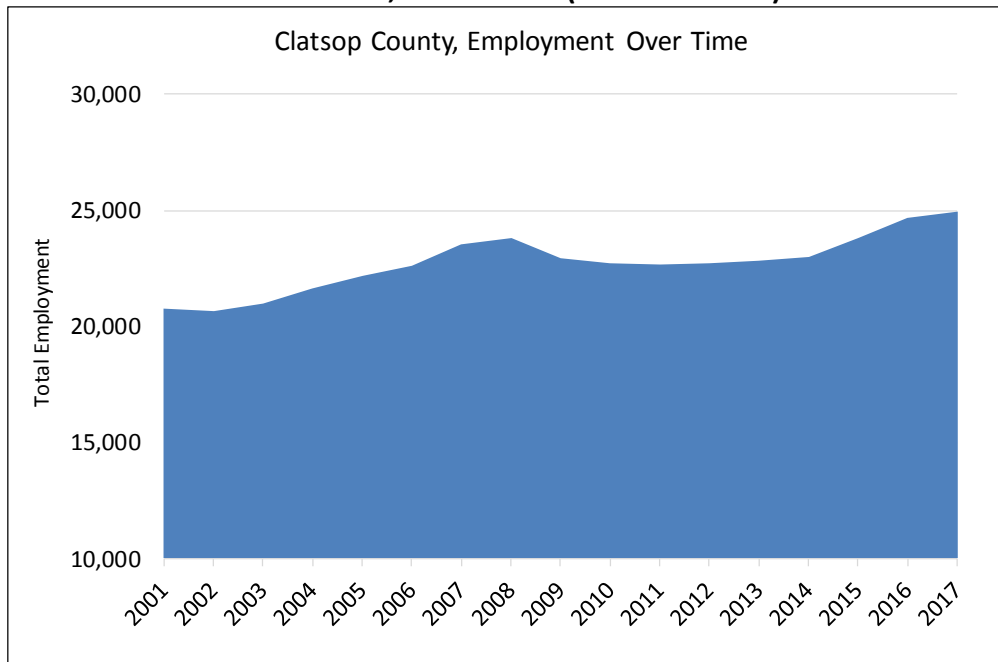
While 70% of jobs in the county are held by county residents, among the local cities, most local jobs are not held by residents of the city (Figure 2.2). In all the cities, a majority of the jobs are held by non-residents. This pattern indicates that it is very common for residents to live in one Clatsop County city or unincorporated area and commute to a different Clatsop County area for employment.

FIGURE 2.2: WHO HOLDS LOCAL JOBS (CLATSOP COUNTY AND CITIES)

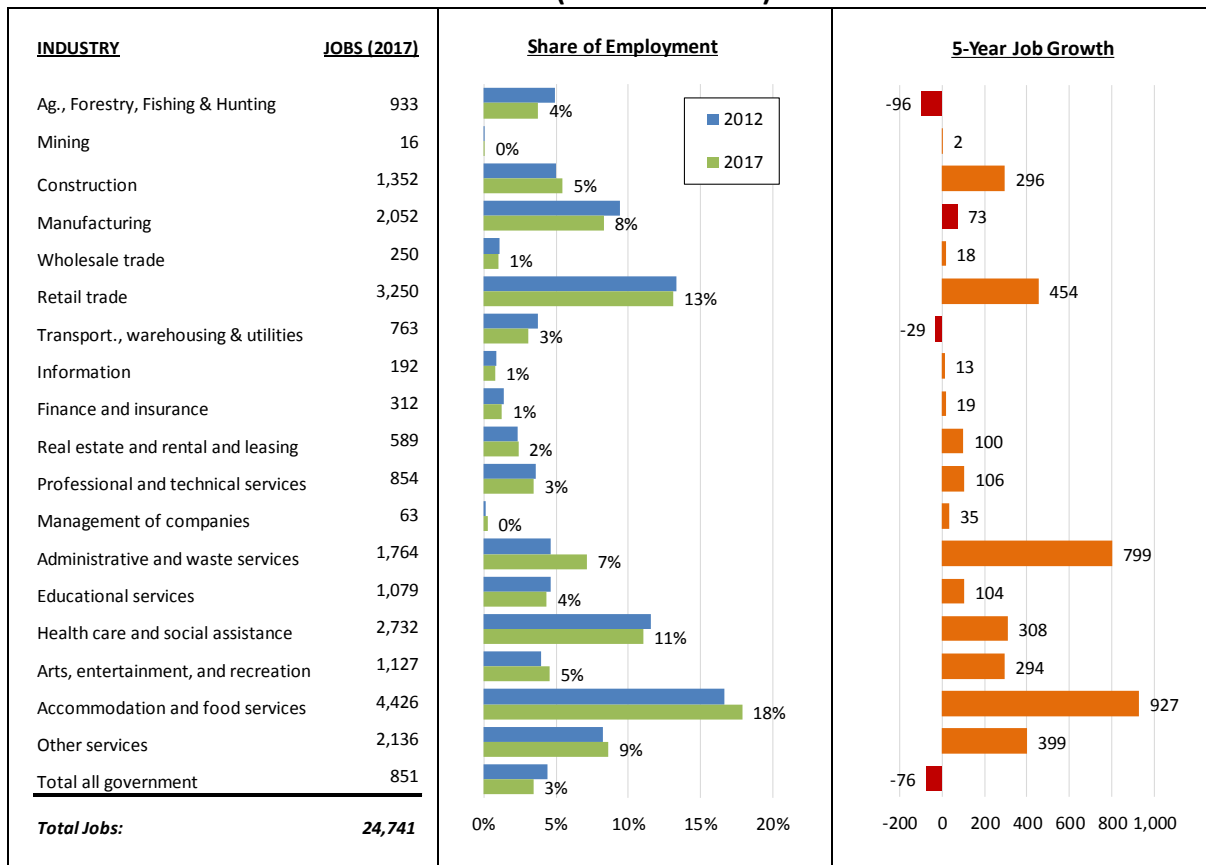
Source: US Census Employment Dynamics

Employment Levels: There are an estimated total of 24,975 jobs in Clatsop County (Figures 2.3). This is nearly 1,200 more jobs than the prior peak in 2008. During the following recession, the county lost nearly 5% of employment by 2011, but has regained 10% since the recovery took hold.

The industries representing the greatest share of employment (Figure 2.4) are tourism related (Retail and Food Service and Accommodation). Other industries with the greatest employment are Health and Social Services, and Manufacturing (which includes wood and fish processing facilities).

FIGURE 2.3: TOTAL EMPLOYMENT, 2001 – 2017 (CLATSOP COUNTY)

Source: US Bureau of Economic Analysis

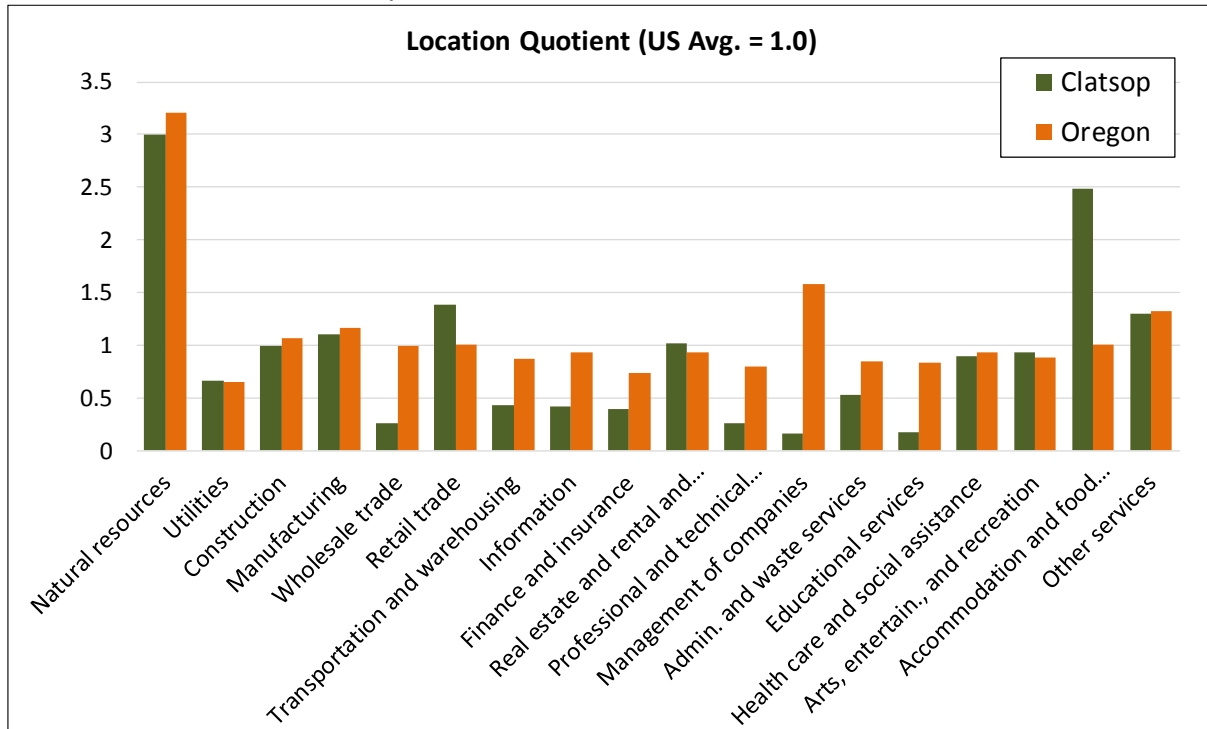
FIGURE 2.4: EMPLOYMENT BY INDUSTRY SECTOR (CLATSOP COUNTY)

Source: US Bureau of Economic Analysis

Figure 2.5 presents a measure of how industries are represented in Clatsop County and Oregon vs. the representation nationwide. In each industry, a Location Quotient (LQ) of 1.0 represents the national average representation for that industry as a share of employment. Where a local industry has an LQ higher than 1.0, that industry has a greater representation. An LQ lower than 1.0 means that industry has a smaller representation than the national average.

In Clatsop County, the natural resources sector, which includes forestry and fishing, has a strong representation, as does the accommodation and food service industry. Retail trade also has an LQ greater than 1.0.

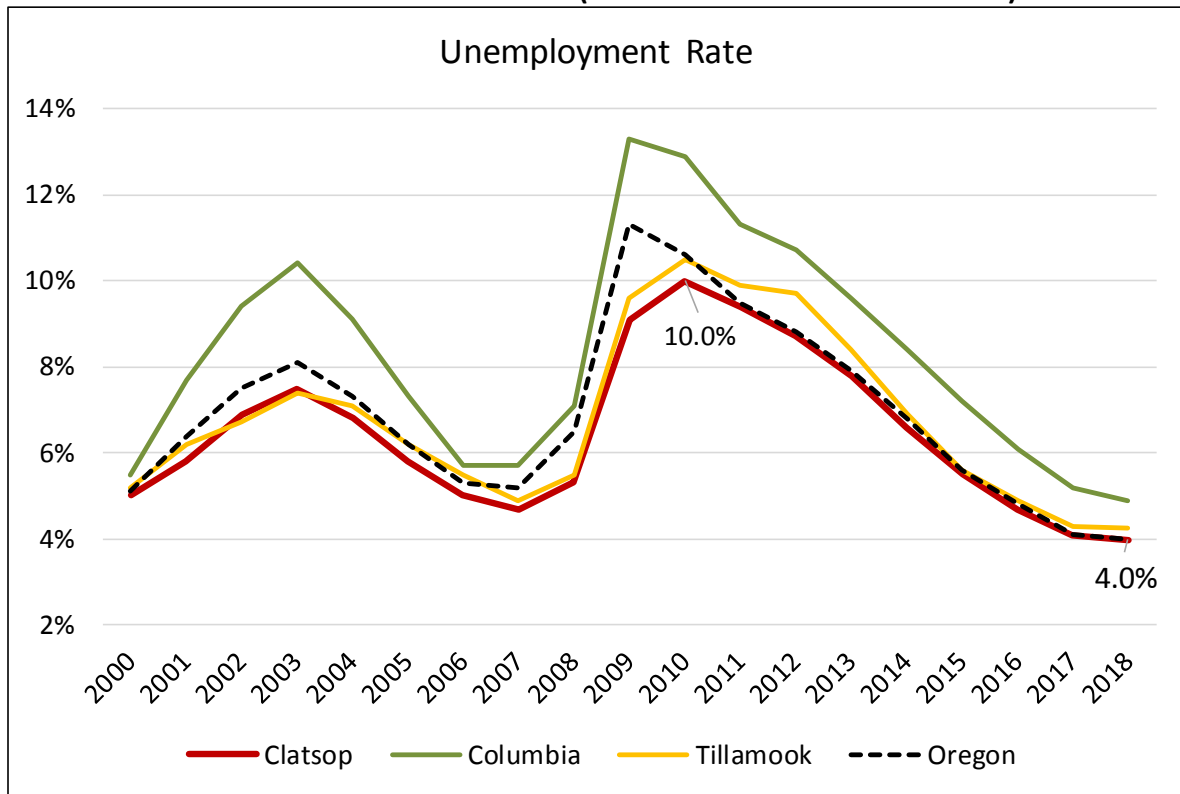
FIGURE 2.5: LOCATION QUOTIENT, CLATSOP COUNTY AND OREGON



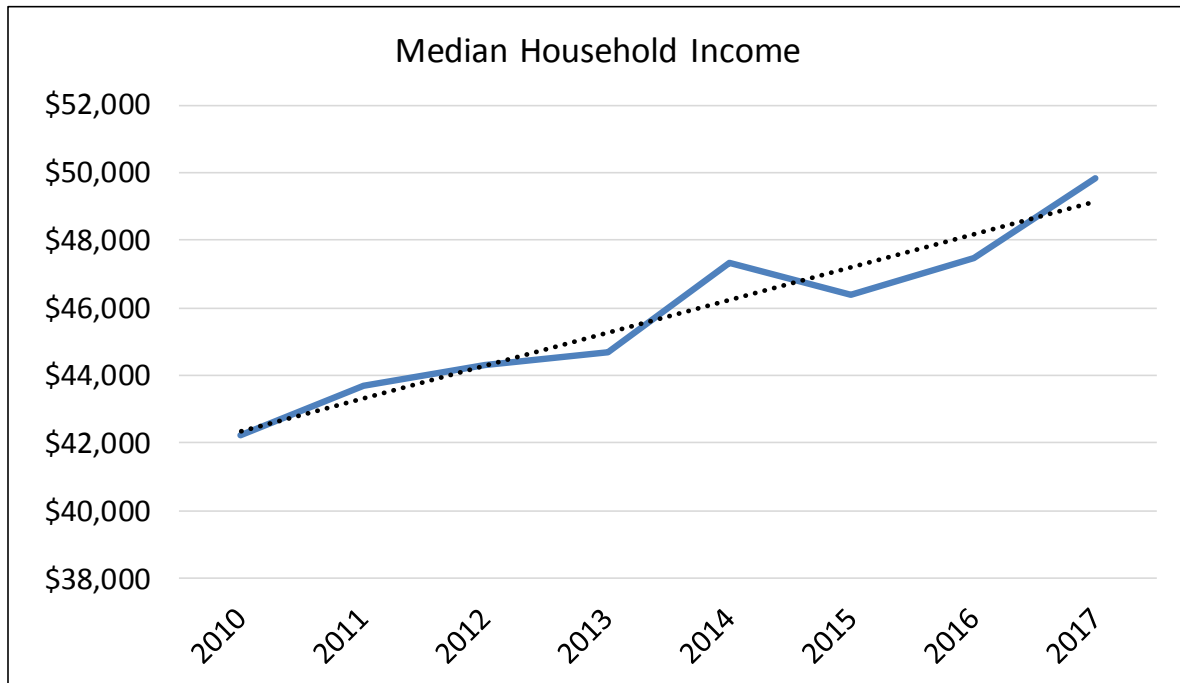
Source: US Bureau of Economic Analysis

Unemployment Rate: The unemployment rate in Clatsop County tracks the statewide rate fairly closely. The current rate of 4% is near historic lows and reflects the strong job growth seen statewide during this now decade long expansion coming out of the recession. Clatsop County has generally fared somewhat better than neighboring counties of Tillamook and Columbia (Figure 2.6).

During the recovery period, Clatsop County has experienced healthy income growth (Figure 2.7). The median household income has grown 18% since 2010. This is an annual growth rate of 2.4% in comparison to the annual inflation rate of 1.7% during that period.

FIGURE 2.6: UNEMPLOYMENT RATE 2000 – 2018 (CLATSOP COUNTY AND COMPARISONS)

Source: US Bureau of Economic Analysis

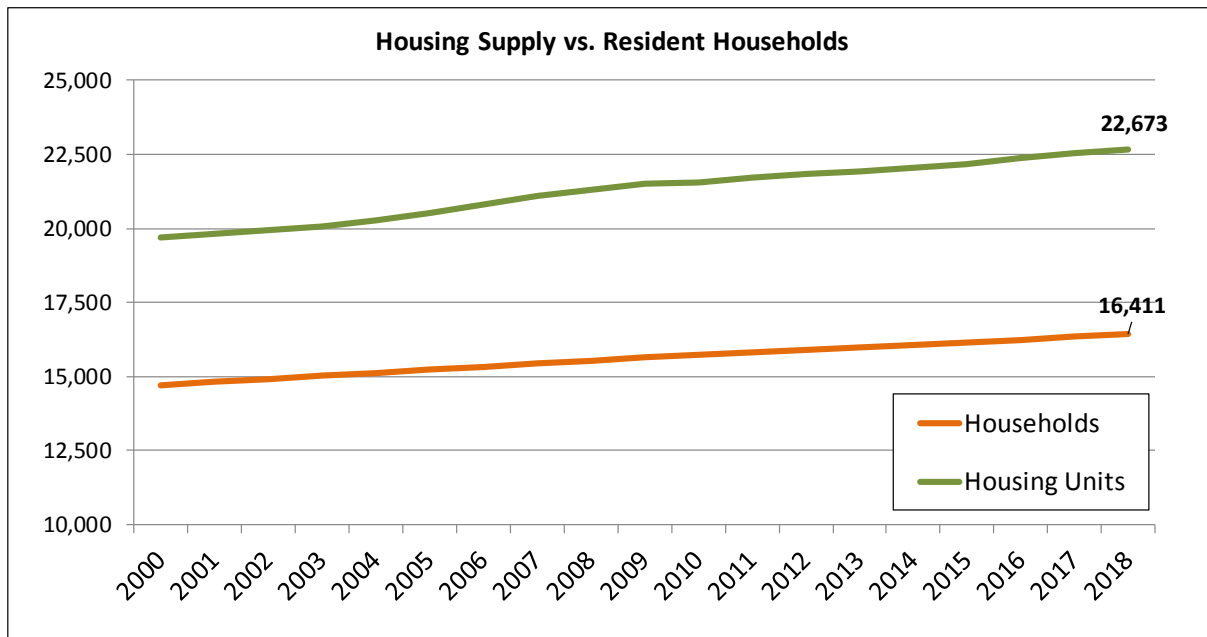
FIGURE 2.7: MEDIAN HOUSEHOLD INCOME 2010 - 2017

Source: American Community Survey, 2017 5-Year, B19013

3. Housing Inventory & Conditions

There are an estimated 22,700 housing units in Clatsop County for the roughly 16,400 permanent resident households (Figure 3.1). This amounts to an estimated overall “vacancy” rate of over 27%. At the same time, there is a perception of low housing availability, rising costs and low vacancies typically associated with a tight housing supply.

FIGURE 3.1: NUMBER OF HOUSING UNITS VS. NUMBER OF HOUSEHOLDS



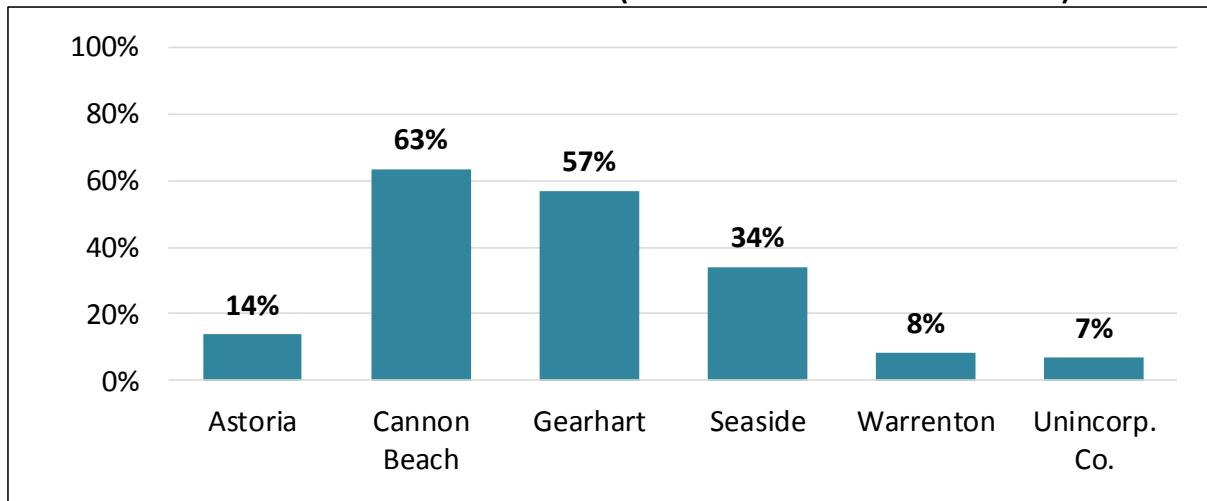
Source: PSU Population Research Center, US Census

How is Local Housing Being Used? The discrepancy between the seemingly large supply and low availability has to do with how the local housing stock is owned and used. While the housing inventory is technically large enough to house all local residents and then some, much of the local stock is owned as second homes, vacation rentals, and related types of income or investment properties.

Because of this, a large share of homes are not available for local residents. As the needs of vacationers and year-round residents are different, much of this housing may also be of types and price points that are inappropriate to meet residents’ needs.

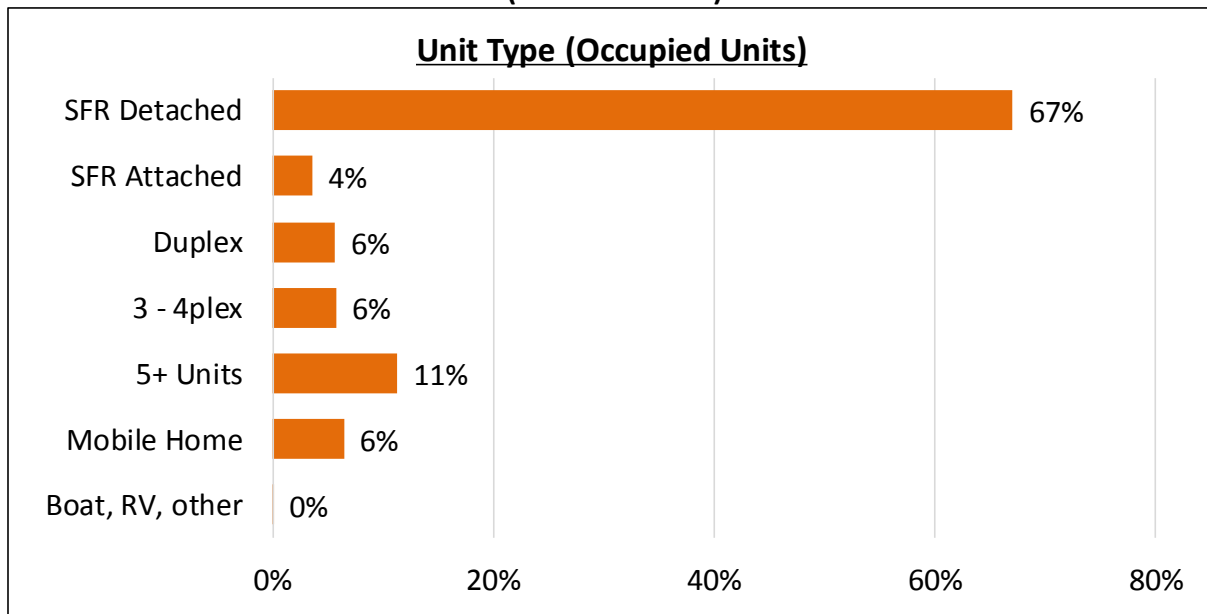
Figure 3.2 shows the estimated vacancy rate in the Clatsop County cities and unincorporated areas. The estimated vacancy rate of ownership housing is very high, especially in the beachside communities. In Cannon Beach and Gearhart, the Census estimates a vacancy rate of roughly 60%, an indicator of how much of this housing does not serve as the primary address of the owner.

This issue is discussed more through this section.

FIGURE 3.2: VACANCY RATE OF OWNERSHIP HOUSING (CITIES AND UNINCORPORATED COUNTY)

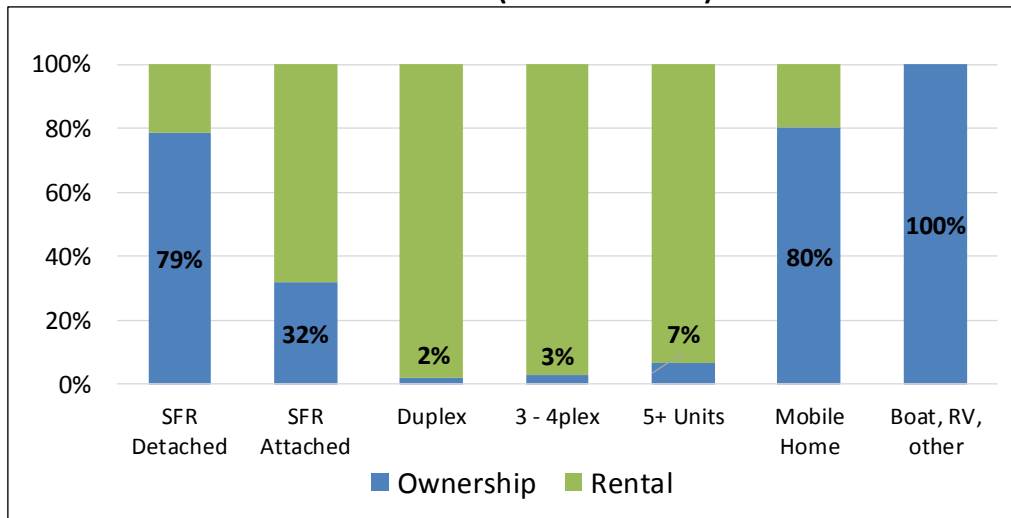
Source: American Community Survey, 2017 5-Year, B25004

Resident-Occupied Housing: Across the county, 67% of the *occupied* housing stock is single family homes, while another 6% are mobile homes. The remainder of occupied housing is found in some sort of attached structure (Figure 3.3).

FIGURE 3.3: UNIT TYPE OF OCCUPIED UNITS (CLATSOP COUNTY)

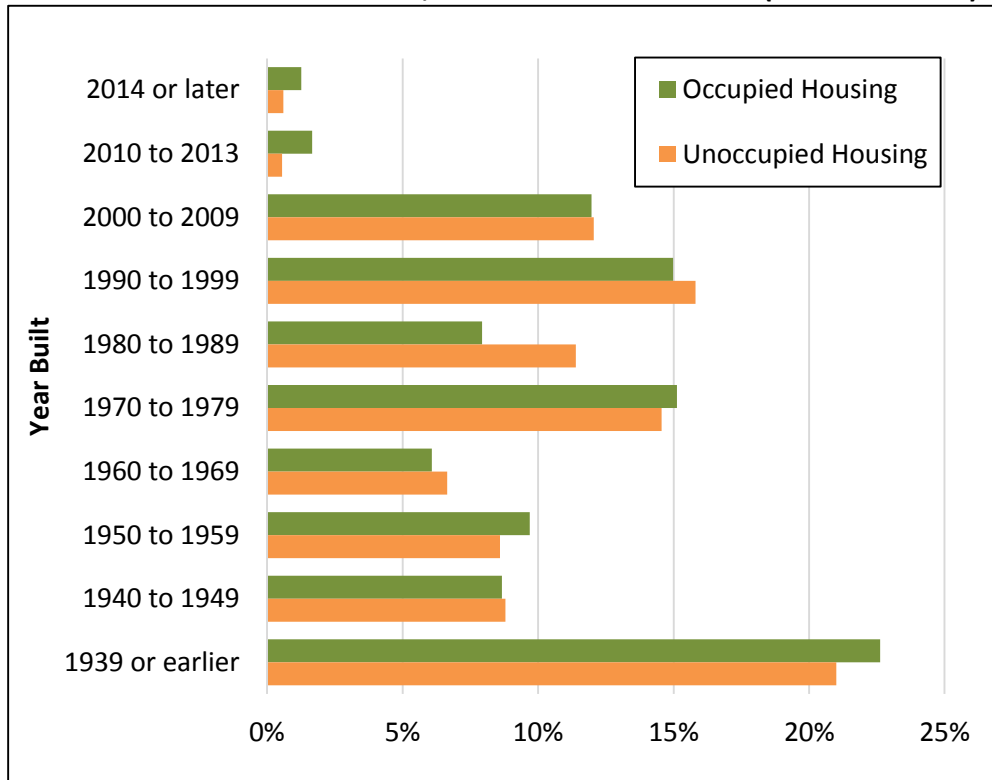
Source: American Community Survey, 2017 5-Year, B25032

Most single-family homes and mobile homes are owner-occupied, while most attached types of housing are renter-occupied (Figure 3.4).

FIGURE 3.4: TENURE SHARE OF UNIT TYPES (CLATSOP COUNTY)

Source: American Community Survey, 2017 5-Year, B25032

Age of Housing Units: Figure 3.5 shows the estimated age of housing units in Clatsop County, including occupied and unoccupied units. There is not a great difference in the share of housing found in the two categories, except that a greater share of unoccupied units were built in the 1980's compared to occupied units. This may correspond to the development of a number of condominium projects in that decade.

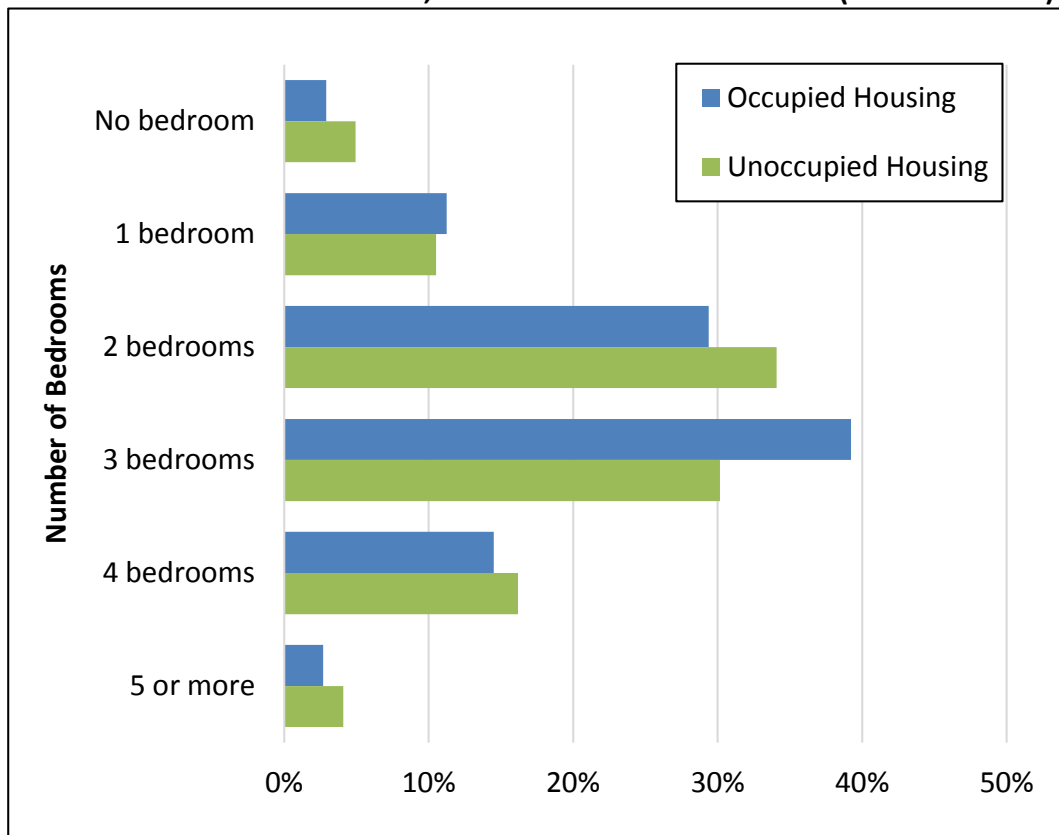
FIGURE 3.5: AGE OF HOUSING UNITS, OCCUPIED AND UNOCCUPIED (CLATSOP COUNTY)

Source: American Community Survey, 2017 5-Year, B25034; B25036

Roughly 15% of the housing stock has been built since 2000, with another 15% being built in the 1990's. Over 60% of housing was built prior to 1980, and over 40% built prior to 1950. Older housing is more likely to be in disrepair and substandard condition, especially given the rough coastal climate.

Number of Bedrooms: Figure 3.6 shows the breakdown by number of bedrooms of housing units in Clatsop County, including occupied and unoccupied units. Most units are either two-bedroom or three-bedroom units. The share is similar between occupied and unoccupied units, though a greater share of three bedroom units are occupied, rather than vacant. This may indicate that vacation units may be somewhat more likely to be small (condo units) or larger second homes of four or more bedrooms.

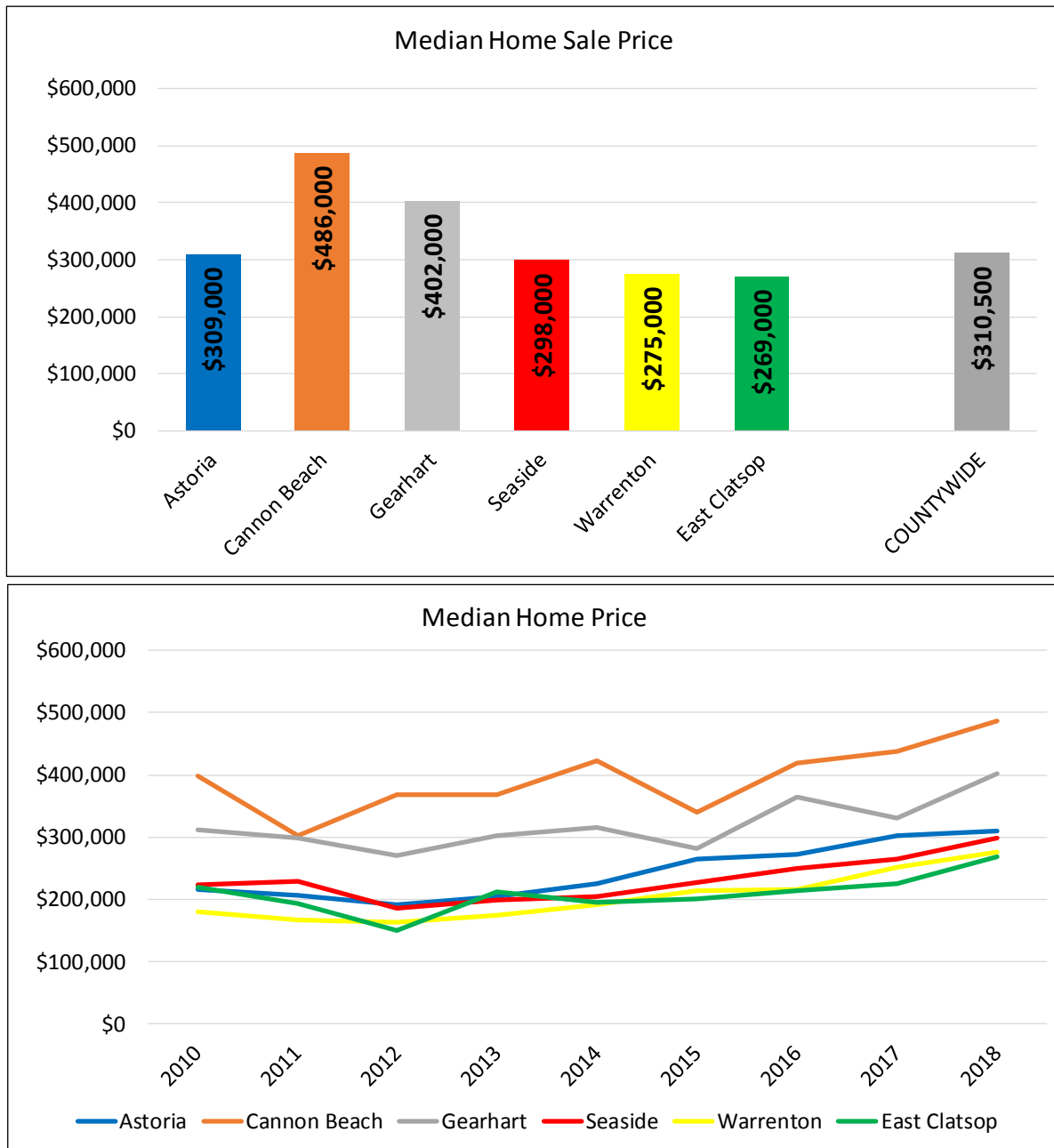
FIGURE 3.6: NUMBER OF BEDROOMS, OCCUPIED AND UNOCCUPIED UNITS (CLATSOP COUNTY)



Source: American Community Survey, 2017 5-Year, B25041; B25042

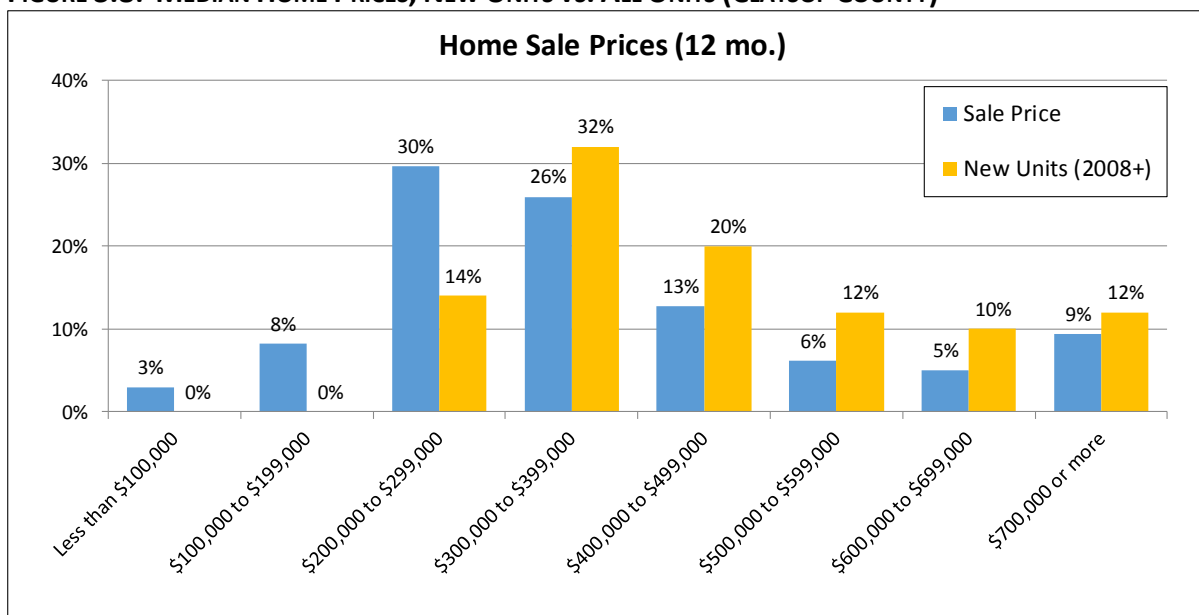
Home Pricing: Home prices have been climbing in Clatsop County for some time after dipping in the wake of the housing bust. Across the county and local cities, prices began to climb again in 2012 (Figure 3.7). Cannon Beach experienced its lows the prior year in 2011.

Countywide, the median home sale price has climbed to \$310,500. The median price is now 15% higher than its previous 2018 peak, and 50% higher than its 2012 low. Median price has risen at an average annual rate of 7% since then, well exceeding income growth or inflation. This pattern is in keeping with housing prices in most Oregon markets during this recovery.

FIGURE 3.7: MEDIAN HOME SALE PRICE, 2018 (CLATSOP COUNTY AND CITIES)

Source: RMLS, Johnson Economics

As one might expect, newer units (those built in the last 10 years) sell for higher prices than all units. This is because new units are generally in better condition and more up-to-date than more aged units. Figure 3.8 shows that 85% newer units sold in the past year sold for more than \$300,000. None of the newer units sold for less than \$200,000. When looking at all sales, a much larger share of sales were clustered in the \$200,000 to \$300,000 range (30%). And a small share (11%) were sold for less than \$200,000.

FIGURE 3.8: MEDIAN HOME PRICES, NEW UNITS VS. ALL UNITS (CLATSOP COUNTY)

Source: RMLS, Johnson Economics

This indicates the importance of older housing “filtering” over time to first-time homebuyers and those of more modest income. Those with higher incomes or looking for “move-up” housing can purchase newer housing, leaving other units available. New supply must be continuously built to even at higher price points to free up other housing.

Average Rents: Figure 3.9 shows estimated average rents in the county and local cities. Rent levels are estimated to be similar across the county, but being somewhat higher in Astoria, Cannon Beach and Gearhart. Average rents are lowest in unincorporated areas, Seaside and Warrenton.

FIGURE 3.9: AVERAGE RENT LEVELS (CLATSOP COUNTY AND CITIES)

Unit Size	Astoria	Cannon Beach	Gearhart	Seaside	Warrenton	County (Unincorp.)
One bedroom:	\$925	\$900	\$850	\$825	\$800	\$700
Two bedroom:	\$1,250	\$1,200	\$1,200	\$1,200	\$1,150	\$1,100
Three bedroom	\$1,600	\$1,600	\$1,500	\$1,500	\$1,400	\$1,350
Est. Average:	\$1,239	\$1,241	\$1,289	\$1,155	\$1,189	\$1,144

Source: Property management, Online listings, US Census, Johnson Economics

Average rents are estimated based on discussions with property management and online listings. There is no data source that reliably tracks apartment rents over time. Property managers and the US Census do not indicate that rental rates have grown particularly quickly, averaging roughly 3% annually in recent years. However, the greater issue is availability, as renters and employers find it difficult to find vacant units to rent. Vacancy has been very low throughout the recent recovery, for at least the past eight years.

Housing Affordability: Figure 3.10 shows a comparison of average and median income levels in the county compared to current average rent and home price level. The affordable level of rent and home prices is based on the standard of spending 30% of gross income on rent or mortgage payments. It is estimated that roughly 69% of rental units are affordable to those earning average income. However, only 21% of recent home sales are occurring at a level that would be affordable to a household of average income. When median income, or average wage, are considered the share of units affordable at these levels is even lower.

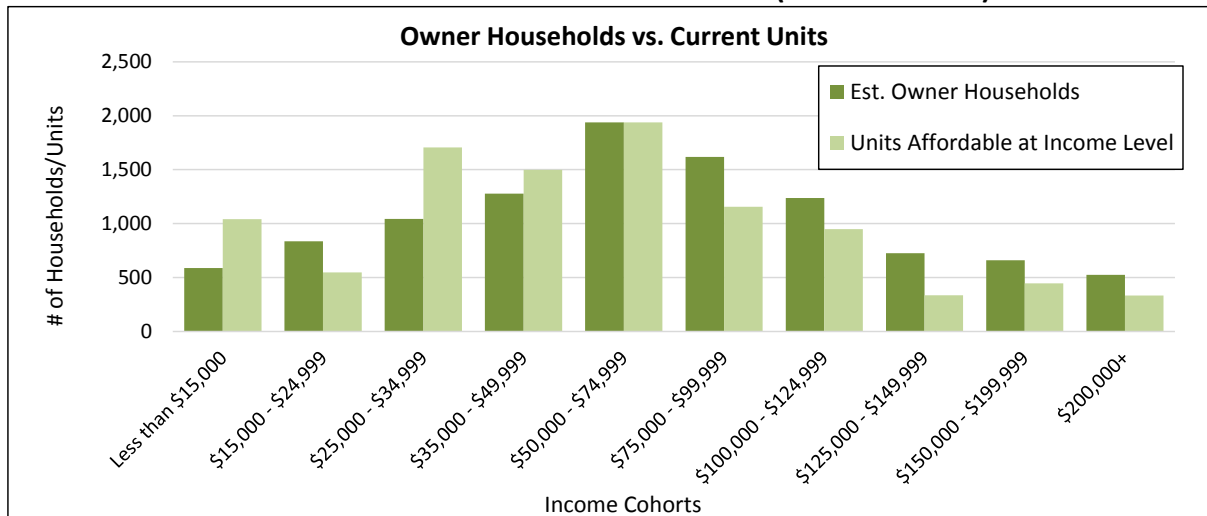
FIGURE 3.10: AFFORDABILITY OF CURRENT RENTS AND HOME PRICES (CLATSOP COUNTY)

Income Measure		Estimated Affordable Rent	% of Units at This Level	Estimated Affordable Home	% of Sales at This Level	% of Newer Units at this Level
Average Income:	\$65,000	\$1,400	69%	\$240,000	21%	4%
Median Income:	\$50,000	\$1,100	55%	\$190,000	11%	0%
Average Wage:	\$37,000	\$900	26%	\$150,000	5%	0%

Source: RMLS, Property management, Online listings, US Census, Johnson Economics

Figure 3.11 presents a comparison of current county households by income level, and an estimate of the number of housing units in the county at that home value. *These numbers are best estimates of current housing need and housing supply (minus seasonal units).*

FIGURE 3.11 OWNER HOUSEHOLDS VS. NON-SEASONAL UNIT VALUE (CLATSOP COUNTY)



Source: US Census, EnviroNics Market Data, Johnson Economics

Note that this is an estimate of current value of homes, NOT the sale price of homes currently changing hands. Therefore it is estimated that there are some lower-value homes available for low-income owners, which may be counterintuitive. These may be mobile homes, or old or substandard homes. They may be owned by those who bought them long ago or inherited them, and are now on low fixed

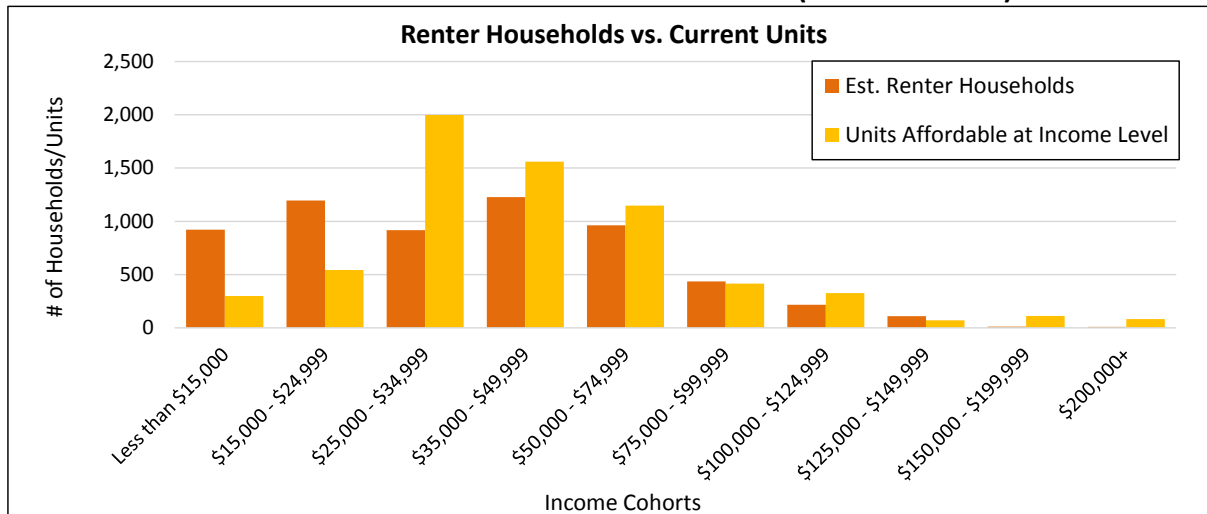
incomes, such as retirees. The ongoing costs of these homes are affordable to those who own them now and meet the *current* needs of those households.

For middle- and higher-income home owners the carrying costs of a home also fall over time relative to income level. Therefore, many long-term owners end up in homes with lower carrying costs (mortgage) than they can technically “afford.” However, when they change ownership, they are likely to sell for more than these values, perhaps even for the land alone.

Figure 3.12 presents a similar comparison of renter households with current unit rent levels. Because rental units change hands much more frequently and market rent levels tend to congregate near certain levels defined by the market, there are many fewer renter households in units cheaper than they can afford (as described for owners above).

There is an estimated unit surplus at the \$600 to \$1,400 range. This reflects the current range of most market rents, and therefore this is where most units are found. There is an acute estimated shortage of lower-priced rental units. This pattern is common across communities and regions, because so many renters spend more than 30% of their income on rent. As in most markets there is a continuous need for units at the lowest levels, which usually requires subsidized rents.

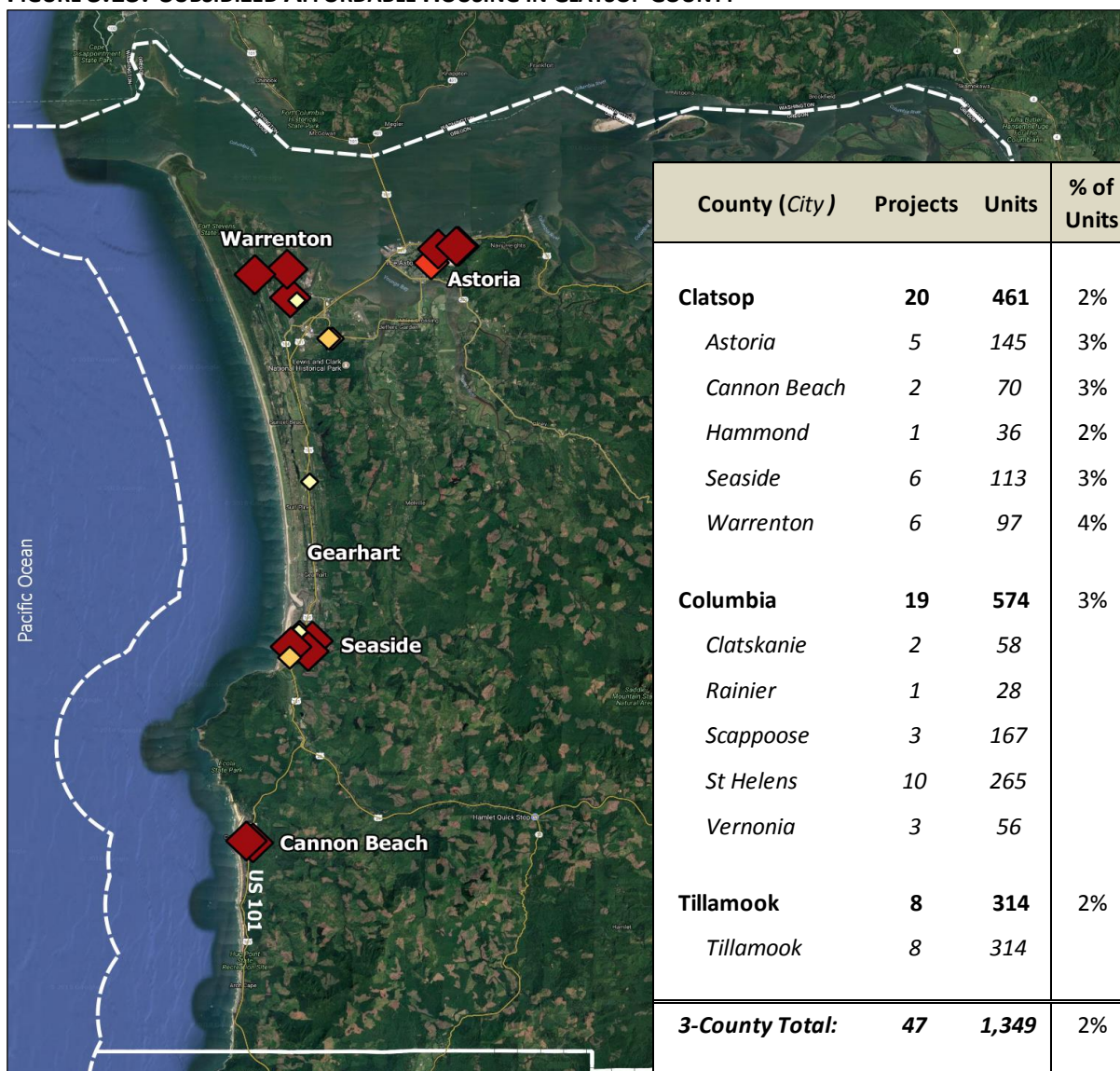
FIGURE 3.12 RENTER HOUSEHOLDS VS. NON-SEASONAL RENTAL UNITS (CLATSOP COUNTY)



Source: US Census, EnviroNics Market Data, Johnson Economics

Subsidized Affordable Housing: Figure 3.13 presents a map and summary of currently available subsidized affordable housing in Clatsop County. This includes housing owned by the Housing Authority and other agencies, as well as tax-credit projects which are obligated to offer units at subsidized rents for a contractual period of time.

There are nearly 1,350 subsidized affordable units in the county in nearly 50 projects. The subsidized units make up from 2% to 4% of all housing units across the local cities and county, and is similar to the share in neighboring Columbia and Tillamook counties. This indicates that the spread of these projects is fairly equitable across the communities.

FIGURE 3.13: SUBSIDIZED AFFORDABLE HOUSING IN CLATSOP COUNTY

Source: OHCS, Northwest Oregon Housing Authority, Johnson Economics

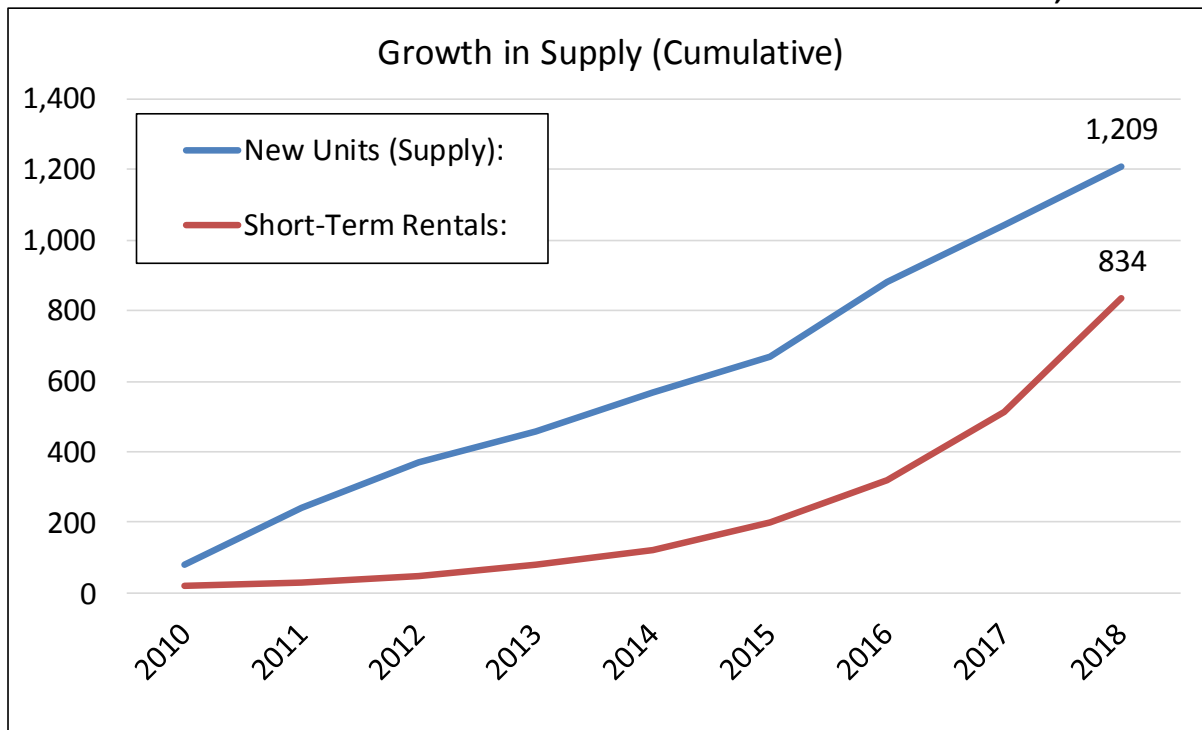
Vacation and Short-Term Rentals: Like other popular vacation and tourist destinations, Clatsop County has many homes that are used either as second homes or vacation rentals rather than as year-round homes for residents. As mentioned above, the estimated on-going vacancy rate in the county is 27% and is much higher in some of the individual cities.

In recent years, a combination of forces has added to the proliferation of “short-term rentals” in attractive destinations such as the Oregon Coast. The largest factor is the advent of new websites and apps such as Airbnb and Vacasa. While there have always been vacation rentals on the Oregon Coast, these technologies have made it much easier for property owners to rent out and manage their units remotely. These services can be used for a range of scenarios, including a permanent resident renting out a room, to distant investors who own the property purely for income and rarely if ever visit.

At the same time these services have been growing in popularity, two factors have probably contributed to the growth of this industry. First, after the “housing bust” of 2008-9, housing fell in value and was relatively inexpensive for investors who retained money to spend. Second, the prices that short-term rentals can charge has climbed since the introduction of these services as users have tested out what prices the market will pay. The combination of relatively affordable investment homes (for a few years) and rising income prospects have added to the growth in short-term rental activity.

Figure 3.14 shows estimated growth in new short-term rentals on major booking websites, compared to the estimated number of new housing units built in the County since 2010. The red line shows the growth in short-term rentals in this period, which has greatly accelerated starting roughly five years ago. (This measure is also a low estimate of short-term rental activity as the source used is not exhaustive.)

FIGURE 3.14: GROWTH IN SHORT-TERM RENTAL LISTINGS COMPARED TO NEW UNIT GROWTH, COUNTY



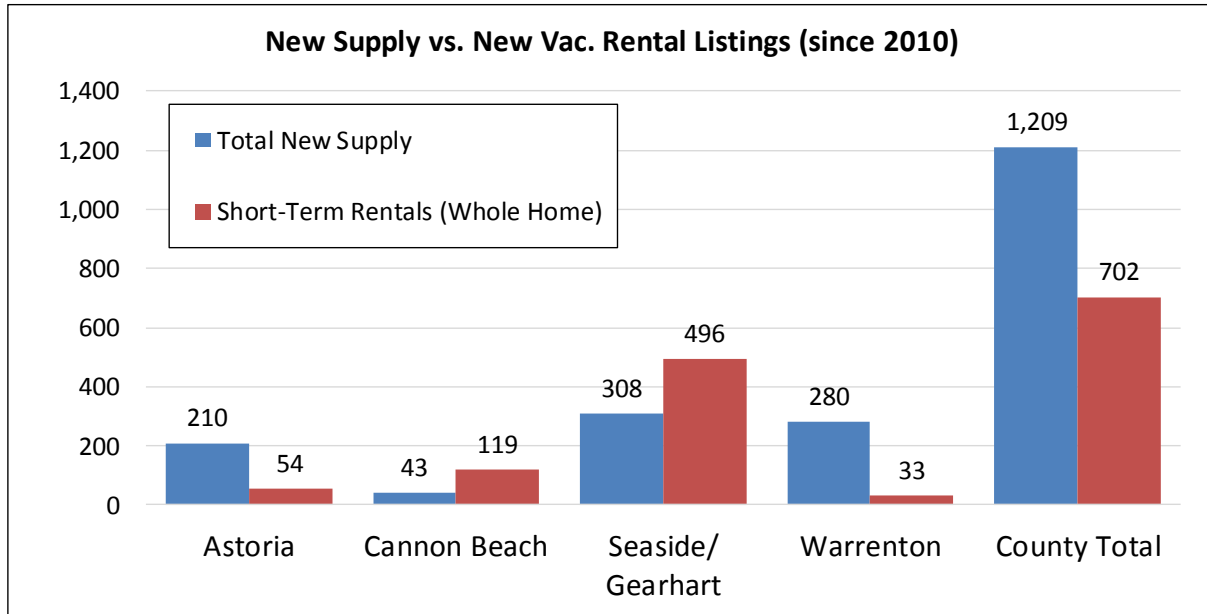
Source: US Census, AirDNA, Johnson Economics

This figure is not a direct comparison, as short-term rentals can take various forms, but it is included here as an indicator that the rapid growth of this activity can eat into the impact of adding new housing supply to the market. If the use of housing units for short-term rental activity also grows at the same time new supply is added, that impact will have a more muted impact on alleviating the housing crunch for local households.

The following figure shows a similar comparison for the local cities. It is estimated that the growth in short-term rental activity in the beachside communities of Cannon Beach, Seaside and Gearhart outpaced the addition of new units in recent years. This chart shows just rental listings described as

“whole home” indicating that this is not a permanent resident renting out a room or portion of their home. Of the total short-term rental units tracked by AirDNA, 84% were “whole home” rentals.

FIGURE 3.15: GROWTH IN SHORT-TERM RENTAL LISTINGS COMPARED TO NEW UNIT GROWTH, CITIES



Source: US Census, AirDNA, Johnson Economics

Short-term rentals can have some significant impacts on housing supply:

- Homes that are owned purely as investment properties to generate income from short-term rentals are homes that are not available for permanent county residents.
- To the extent that owning short-term rentals is profitable, local homes may be more “valuable” for that use than as a residence. (This means only *economic* value, as opposed to social value, equity, or other measures of value). In other words, an investor may bid up the prices on available homes because as an income property they can support a higher price and still make money. Homebuyers must compete for these homes at rising prices.
- Some owners of rental properties which have traditionally been rented to permanent local households, may find that it is more profitable to rent it for short-term stays to vacationers, thus removing one permanent rental unit from the inventory.
- Short-term rentals can be disruptive to established residential neighborhoods because they are not traditional residential activity. Short-term rentals are more closely related to commercial hotel activity. While a hotel would not be permitted to open in the middle of residentially-zoned land, short-term rentals often can.

4. Future Housing Needs (20-Year) – Clatsop County Total

This section discusses the projection of future housing needs and explains the methodology used. This is provided here *at the County-wide level*. (Findings for the individual cities are presented at the end of this report, with less explanation of methodology and interim steps.)

* * *

The projected future (20-year) housing profile (Figure 4.1) in the study area is based on the current housing profile, multiplied by an assumed projected future household growth rate. The projected future growth is the official forecasted growth rate for Clatsop County generated by the PSU Oregon Forecast Program.

FIGURE 4.1: FUTURE HOUSING PROFILE, COUNTY (2038)

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2038)			SOURCE
2018 Population (Minus Group Pop.)	38,188		2010 Census, PSU
Projected Annual Growth Rate	0.32%	OR Population Forecast Program	PSU
2038 Population (Minus Group Pop.)	40,727	(Total 2038 Population - Group Housing Pop.)	
Estimated group housing population:	1,079	Share of total pop (3.0%) from 2010 Census	US Census
Total Estimated 2037 Population:	41,806		
Estimated Non-Group 2038 Households:	17,555	(2038 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2038	1,094		
Avg. Household Size:	2.32	Projected household size	US Census
Total Housing Units:	23,683	Occupied Units plus Vacant	
Occupied Housing Units:	17,555	(= Number of Non-Group Households)	
Vacant Housing Units:	1,118		
Vacation Home, 2nd Home, Seasonal:	5,010		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	
Projected Vacation Rate, 2nd Home:	22.4%	(US Census Est.)	

Sources: PSU Population Research Center Oregon Population Forecast Program, Census, JOHNSON ECONOMICS LLC

*Projections are applied to estimates of 2018 population.

The model projects growth in the number of non-group households over 20 years of roughly 1,100 new households, with accompanying population growth of 3,620 new residents. (The number of households differs from the number of housing units, because the total number of housing units includes a percentage of vacancy, including an assumption for a continuing large share of second homes and vacation properties. Projected housing unit needs are discussed below.)

PROJECTION OF FUTURE HOUSING UNIT DEMAND (2038)

The profile of future housing demand includes current and future households *but does not include a vacancy assumption* (occupied housing only). *The vacancy assumption is added in the subsequent step.* Therefore, the need identified below is the total need for actual households in occupied units (17,555).

The analysis considered the propensity of households at specific age and income levels to either rent or own their home, in order to derive the future need for ownership and rental housing units, and the affordable cost level of each. The projected need is for *all* 2038 households and therefore includes the needs of current households.

FIGURE 4.2: PROJECTED OCCUPIED FUTURE HOUSING DEMAND, COUNTY (2038)

Ownership				
Price Range	# of Households	Income Range	% of Total	Cumulative
\$0k - \$90k	614	Less than \$15,000	5.6%	5.6%
\$90k - \$130k	876	\$15,000 - \$24,999	8.0%	13.5%
\$130k - \$190k	1,098	\$25,000 - \$34,999	10.0%	23.5%
\$190k - \$240k	1,343	\$35,000 - \$49,999	12.2%	35.7%
\$240k - \$300k	2,045	\$50,000 - \$74,999	18.6%	54.2%
\$300k - \$370k	1,711	\$75,000 - \$99,999	15.5%	69.8%
\$370k - \$470k	1,309	\$100,000 - \$124,999	11.9%	81.7%
\$470k - \$560k	768	\$125,000 - \$149,999	7.0%	88.6%
\$560k - \$750k	698	\$150,000 - \$199,999	6.3%	95.0%
\$750k +	556	\$200,000+	5.0%	100.0%
Totals:	11,020		% of All:	62.8%

Rental				
Rent Level	# of Households	Income Range	% of Total	Cumulative
\$0 - \$400	995	Less than \$15,000	15.2%	15.2%
\$400 - \$600	1,290	\$15,000 - \$24,999	19.7%	35.0%
\$600 - \$900	993	\$25,000 - \$34,999	15.2%	50.2%
\$900 - \$1100	1,329	\$35,000 - \$49,999	20.3%	70.5%
\$1100 - \$1400	1,048	\$50,000 - \$74,999	16.0%	86.5%
\$1400 - \$1700	481	\$75,000 - \$99,999	7.4%	93.9%
\$1700 - \$2200	243	\$100,000 - \$124,999	3.7%	97.6%
\$2200 - \$2600	123	\$125,000 - \$149,999	1.9%	99.5%
\$2600 - \$3500	19	\$150,000 - \$199,999	0.3%	99.8%
\$3500 +	15	\$200,000+	0.2%	100.0%
Totals:	6,535		% of All:	37.2%

All Units
17,555

Sources: PSU Pop. Research Center, US Census, Environics, JOHNSON ECONOMICS

It is projected that the homeownership rate in the county will increase slightly over the next 20 years from 60.5% to 63%, which is in keeping with the current statewide average (62%).

FUTURE HOUSING DEMAND PROFILE

The following figure shows the total estimated future need for housing types, *including a vacancy assumption*. The estimated price ranges reflect an projection of the affordable range of what residents will need (in current dollars), not necessarily what will actually be available.

FIGURE 4.3: TOTAL (OCCUPIED AND VACANT) FUTURE HOUSING DEMAND, COUNTY (2038)

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	0	0	0	0	0	886	27	913	5.6%	5.6%
\$90k - \$130k	475	116	0	48	137	526	0	1,302	8.0%	13.5%
\$130k - \$190k	1,410	121	31	0	70	0	0	1,632	10.0%	23.5%
\$190k - \$240k	1,916	80	0	0	0	0	0	1,996	12.2%	35.7%
\$240k - \$300k	3,040	0	0	0	0	0	0	3,040	18.6%	54.2%
\$300k - \$370k	2,543	0	0	0	0	0	0	2,543	15.5%	69.8%
\$370k - \$470k	1,946	0	0	0	0	0	0	1,946	11.9%	81.7%
\$470k - \$560k	1,141	0	0	0	0	0	0	1,141	7.0%	88.6%
\$560k - \$750k	1,037	0	0	0	0	0	0	1,037	6.3%	95.0%
\$750k +	826	0	0	0	0	0	0	826	5.0%	100.0%
Totals:	14,335	317	31	48	207	1,412	27	16,377	% of All Units:	67.7%
Percentage:	87.5%	1.9%	0.2%	0.3%	1.3%	8.6%	0.2%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	0	0	87	143	831	126	0	1,188	15.2%	15.2%
\$400 - \$600	0	139	277	231	770	122	0	1,540	19.7%	35.0%
\$600 - \$900	190	100	294	485	117	0	0	1,186	15.2%	50.2%
\$900 - \$1100	774	80	336	237	159	0	0	1,586	20.3%	70.5%
\$1100 - \$1400	792	165	100	0	194	0	0	1,251	16.0%	86.5%
\$1400 - \$1700	574	0	0	0	0	0	0	574	7.4%	93.9%
\$1700 - \$2200	290	0	0	0	0	0	0	290	3.7%	97.6%
\$2200 - \$2600	147	0	0	0	0	0	0	147	1.9%	99.5%
\$2600 - \$3500	23	0	0	0	0	0	0	23	0.3%	99.8%
\$3500 +	18	0	0	0	0	0	0	18	0.2%	100.0%
Totals:	2,808	485	1,095	1,096	2,072	249	0	7,803	% of All Units:	32.3%
Percentage:	36.0%	6.2%	14.0%	14.0%	26.5%	3.2%	0.0%	100.0%		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	17,143	802	1,125	1,144	2,279	1,661	27	24,180	100%
Percentage:	70.9%	3.3%	4.7%	4.7%	9.4%	6.9%	0.1%	100.0%	

Sources: PSU Pop. Research Center, US Census, EnviroNics, Johnson Economics

* Uses Census definition, including townhomes/rowhouses and duplexes attached side-by-side, separately metered

The vacancy assumption used here assumes a healthy 5% vacancy rate for normal “on the market” housing units for current residents. This is generally considered a balanced rate at which renters and buyers have some availability of units to choose from, while remaining manageable for property

managers. The vacancy assumption used here also assumes an estimated 22.4%. This is an estimate based on the total estimated vacancy rate in the County, minus the 5% discussed above.

This analysis assumes that the share of housing dedicated to second homes/vacation homes/income properties, etc. will hold constant in the future. Therefore, the projection of all new units that must be built in the next 20 years, *includes* the development of more second homes/vacation homes.

COMPARISON OF FUTURE HOUSING DEMAND TO CURRENT HOUSING INVENTORY

The profile of future housing demand presented above (Figure 4.3) was compared to the current housing inventory presented in the previous section to determine the total future need for *new* housing units by type and price range (Figure 4.4). *This estimate includes a vacancy assumption.*

FIGURE 4.4: PROJECTED FUTURE NEED FOR NEW HOUSING UNITS (2038), CLATSOP COUNTY

OWNERSHIP HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	891	20	2	3	13	89	0	1,018	67.5%
Percentage:	87.5%	1.9%	0.2%	0.3%	1.3%	8.8%	0.0%	100%	

RENTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	176	30	69	69	130	16	0	489	32.5%
Percentage:	36.0%	6.2%	14.0%	14.1%	26.6%	3.2%	0.0%	100%	

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	1,067	50	71	72	143	105	0	1,507	100%
Percentage:	70.8%	3.3%	4.7%	4.8%	9.5%	7.0%	0.0%	100%	

Sources: PSU Pop. Research Center, US Census, Environics, JOHNSON ECONOMICS

Needed Unit Types

- The results show a need for just over 1,500 new housing units by 2038.
- Of the new units needed, roughly 67.5% are projected to be ownership units, while 32.5% are projected to be rental units. The reason that the need for ownership units is significantly higher, higher even than the ownership rate, is that this includes estimated need for second home inventory as well. (Second homes/vacation homes are included in the ownership, rather than rental category.)

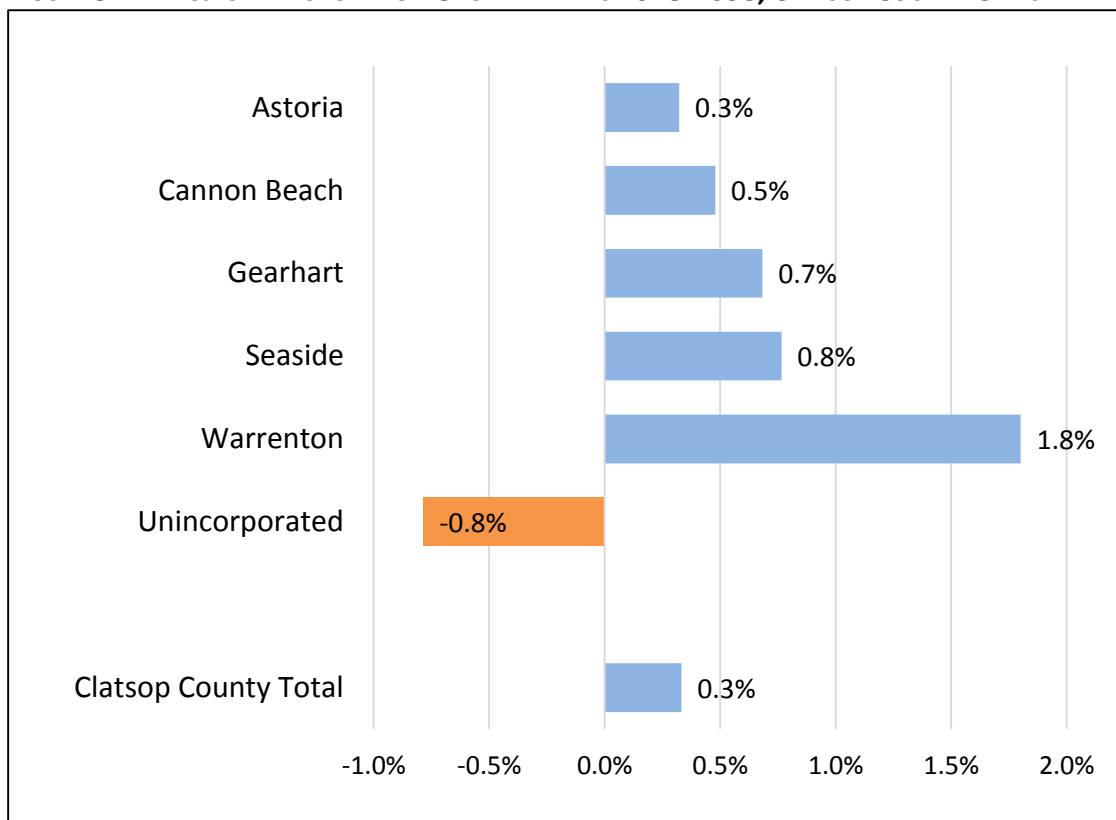
- For the same reason, 70% of the new units are projected to be single family detached homes, while 23% is projected to be some form of attached housing, and 7% are projected to be mobile homes.
- Of ownership units, 87% are projected to be single-family homes, and 9% mobile homes.
- Roughly 60% of new rental units are projected to be found in new attached buildings, with 26% projected in rental properties of 5 or more units. Single family homes and mobile homes will remain an important part of the rental needs for family households and other larger households.

5. Future Housing Needs (20-Year) – City Profiles

This section presents some preliminary housing forecasts for the five local Clatsop County cities. The methodology used for this analysis parallels that presented in the previous sections regarding the countywide analysis.

Figure 5.1 shows the local projected growth rate for the Clatsop County communities from the PSU Population Forecast Program. Warrenton has a projected growth rate higher than the statewide growth rate (roughly 1.0%), while the other cities have somewhat slower projected rates.

FIGURE 5.1: PROJECTED POPULATION GROWTH RATES 2018-2038, CLATSOP COUNTY CITIES



Source: PSU Population Research Center, Forecast Program

Figure 5.2 summarizes the projected future growth in population, households and housing units in 2038 in the cities and county. All of the communities are projected to need some new housing.

Unincorporated parts of the county are projected by the PSU program to have negative growth, as the cities absorb future growth and annex some unincorporated areas. The assumption of no future growth outside of city UGB's is in keeping with the state's Goal 10 housing goals.

For comparison, the following table also includes a scenario where unincorporated areas maintain the current population and housing. Therefore those areas see no new growth, but because it is no longer a negative figure, the county overall sees more growth.

FIGURE 5.2: PROJECTED GROWTH & NEW HOUSING NEED (2038), CLATSOP COUNTY CITIES

Geography	Population			Households			Housing Units		
	2018	2038	Growth	2018	2038	Growth	2018	2038	Growth
Astoria	9,918	10,578	660	4,553	4,855	302	5,187	5,532	345
Cannon Beach	1,707	1,878	171	796	876	80	1,847	2,032	185
Gearhart	1,483	1,699	216	645	739	94	1,606	1,840	234
Seaside	6,644	7,739	1,095	3,053	3,557	504	4,772	5,559	787
Warrenton	5,329	7,616	2,287	2,081	2,974	893	2,456	3,510	1,054
Unincorp. County	14,120	12,296	-1,824	5,332	4,554	-778	6,805	5,707	-1,098
Clatsop County Total:	39,200	41,806	2,606	16,460	17,555	1,095	22,673	24,180	1,507
Assuming No Loss in Unincorporated County:									
Unincorp. County	14,120	14,120	0	5,332	5,332	0	6,805	6,805	0
Clatsop County Total:	39,200	43,630	4,430	16,460	18,333	1,873	22,673	25,278	2,605

Source: PSU Population Research Center, US Census, Johnson Economics

The most new housing need is anticipated in Warrenton and Seaside, as these communities are anticipated to grow the fastest.

The following figures present the estimated need for new units in each city over the next 20 years, and a total for the county. These tables exclude the negative forecast from the unincorporated area, therefore assuming that those areas remain stable in population and housing.

These tables break down the new unit need into projections of needed unit types for owner households (Figures 5.3), renter households (Figures 5.4), and total households (Figures 5.5).

These tables present *net new* need for housing units by 2038.

FIGURE 5.3: NET NEW OWNERSHIP HOUSING NEED BY UNIT TYPE (2038), CLATSOP COUNTY CITIES

OWNERSHIP HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4- plex	5+ Units MFR				
Astoria:	147 94%	2 1%	0 0%	2 1%	5 3%	1 1%	0 0%	157	8.2%
Cannon Beach:	114 97%	2 2%	0 0%	0 0%	0 0%	1 1%	0 0%	117	6.1%
Gearhart:	157 96%	5 3%	0 0%	0 0%	0 0%	1 1%	0 0%	163	8.5%
Seaside:	541 85%	21 3%	0 0%	0 0%	27 4%	48 8%	0 0%	637	33.3%
Warrenton:	677 81%	38 5%	13 2%	5 1%	0 0%	106 13%	0 0%	839	43.8%
TOTALS:	1,636	68	13	7	32	157	0	1,913	100.0%
Percentage:	85.5%	3.6%	0.7%	0.4%	1.7%	8.2%	0.0%	100.0%	

Source: PSU Population Research Center, US Census, Johnson Economics

Future Ownership Housing Need (2038): Figure 5.3 presents projected housing need by unit type in each of the Clatsop County cities. Most new ownership housing is projected to be needed in Seaside and Warrenton. Ownership housing is traditionally dominated by single family detached housing. Land constraints may force some of this need to be accommodated in other types of housing, such as attached townhomes or condominiums.

Ownership housing is traditionally dominated by single family detached housing. This forecast reflects anticipated preferences based on demographics, and does not yet integrate land inventory as a constraint. Land constraints may force some of this need to be accommodated in other types of housing, such as attached townhomes or condominiums.

Future Rental Housing Need (2038): Figure 5.4 presents projected housing need by unit type for rental housing. Astoria, Seaside and Warrenton are projected to need similar shares of future rental housing in the future, with lesser amount being accommodated in Cannon Beach and Gearhart. In total, an projected 695 rental units will be needed over the 20-year period. Roughly two thirds are projected to be some sort of attached housing unit.

One third are projected to be single family homes for rent or mobile homes. This forecast reflects anticipated preferences based on demographics, and does not yet integrate land inventory as a

constraint. As with ownership units, constraints on buildable land may determine that most of these units are built at higher density.

FIGURE 5.4: NET NEW RENTAL HOUSING NEED BY UNIT TYPE (2038), CLATSOP COUNTY CITIES

RENTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Boat, RV, other temp	Total Units	% of Units	
			2-unit	3- or 4- plex	5+ Units MFR				
Astoria:	43 23%	10 5%	28 15%	42 22%	65 35%	0 0%	0 0%	188	27.1%
Cannon Beach:	26 39%	9 13%	18 26%	8 12%	6 9%	1 1%	0 0%	68	9.8%
Gearhart:	34 48%	2 3%	10 14%	7 10%	16 22%	2 3%	0 0%	71	10.3%
Seaside:	52 34%	10 7%	21 14%	13 9%	52 34%	3 2%	0 0%	151	21.8%
Warrenton:	66 31%	22 10%	37 17%	29 13%	50 23%	11 5%	0 0%	215	31.0%
TOTALS:	222	53	114	99	189	18	0	695	100.0%
Percentage:	31.9%	7.6%	16.4%	14.3%	27.2%	2.6%	0.0%	100.0%	

Source: PSU Population Research Center, US Census, Johnson Economics

Future Total Housing Need (2038): Figure 5.5 presents total projected housing need by unit type in each of the Clatsop County cities. There are a total of just over 2,600 combined new units needed in the cities over the next 20 years.

73% of these housing units are anticipated to be ownership units and 27% rental units. The need for second homes and vacation units are included under the “ownership” category, which elevates this need somewhat.

Among cities, Warrenton and Seaside are forecast to see the most future need, followed by Astoria, Cannon Beach and Seaside.

FIGURE 5.5: NET NEW TOTAL HOUSING NEED BY UNIT TYPE (2038), CLATSOP COUNTY CITIES

TOTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4- plex	5+ Units MFR				
Astoria:	190	12	28	44	70	1	0	345	13.2%
	55%	3%	8%	13%	20%	0%	0%		
Cannon Beach:	140	11	18	8	6	2	0	185	7.1%
	76%	6%	10%	4%	3%	1%	0%		
Gearhart:	191	7	10	7	16	3	0	234	9.0%
	82%	3%	4%	3%	7%	1%	0%		
Seaside:	593	31	21	13	79	51	0	788	30.2%
	75%	4%	3%	2%	10%	7%	0%		
Warrenton:	743	60	50	34	50	117	0	1,054	40.4%
	71%	6%	5%	3%	5%	11%	0%		
TOTALS:	1,858	121	127	106	221	174	0	2,608	100.0%
Percentage:	71.3%	4.6%	4.9%	4.1%	8.5%	6.7%	0.0%	100.0%	

Source: PSU Population Research Center, US Census, Johnson Economics

6. City Profiles

The following pages present additional summary tables for each of the five Clatsop County cities.



CLATSOP COUNTY HOUSING TRENDS CITY PROFILES

JANUARY, 2019

A. Astoria Housing Profile

FIGURE A.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF ASTORIA)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 10-18
Population ¹	9,813	9,477	-3.4%	9,918	4.7%
Households ²	4,235	4,288	1.3%	4,553	6.2%
Families ³	2,467	2,274	-8%	2,416	6%
Housing Units ⁴	4,858	4,980	3%	5,187	4%
Group Quarters Population ⁵	223	255	14%	267	5%
Household Size (non-group)	2.26	2.15	-5%	2.12	-1%
Avg. Family Size	2.93	2.86	-2%	2.81	-2%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 10-18
Per Capita (\$)	\$18,759	\$24,838	32%	\$31,092	25%
Median HH (\$)	\$32,879	\$40,603	23%	\$50,446	24%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Clatsop Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

FIGURE A.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF ASTORIA)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$90k	105	125	20	\$0 - \$400	444	145	(299)
\$15,000 - \$24,999	\$90k - \$130k	207	140	(66)	\$400 - \$600	294	135	(159)
\$25,000 - \$34,999	\$130k - \$190k	209	567	359	\$600 - \$900	293	859	566
\$35,000 - \$49,999	\$190k - \$210k	262	260	(3)	\$900 - \$1000	443	306	(137)
\$50,000 - \$74,999	\$210k - \$300k	484	1,045	561	\$1000 - \$1400	415	572	157
\$75,000 - \$99,999	\$300k - \$360k	366	272	(94)	\$1400 - \$1700	174	68	(106)
\$100,000 - \$124,999	\$360k - \$450k	296	280	(16)	\$1700 - \$2100	43	102	59
\$125,000 - \$149,999	\$450k - \$540k	182	119	(63)	\$2100 - \$2500	18	0	(18)
\$150,000 - \$199,999	\$540k - \$730k	176	30	(146)	\$2500 - \$3400	5	50	45
\$200,000+	\$730k +	132	50	(82)	\$3400 +	4	62	59
Totals:		2,420	2,888	468	Totals:	2,132	2,299	166

Source: Environics, Census, Johnson Economics

FIGURE A.3: FUTURE DEMOGRAPHIC PROFILE, 2038 (CITY OF ASTORIA)

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2038)			SOURCE
2018 Population (Minus Group Pop.)	9,651		PSU
Projected Annual Growth Rate	0.32%	OR Population Forecast Program	PSU
2038 Population (Minus Group Pop.)	10,293	(Total 2038 Population - Group Housing Pop.)	
Estimated group housing population:	285	Share of total pop from 2010 Census	US Census
Total Estimated 2038 Population:	10,578		
Estimated Non-Group 2038 Households:	4,855	(2038 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2038	303		
Avg. Household Size:	2.12	Projected household size	US Census
Total Housing Units:	5,532	Occupied Units plus Vacant	
Occupied Housing Units:	4,855	(= Number of Non-Group Households)	
Vacant Housing Units:	277		
Vacation Home, 2nd Home, Seasonal:	400		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	
Projected Vacation Rate, 2nd Home:	7.2%	(US Census Est.)	US Census

Source: PSU Population Research Center, Census, Johnson Economics

FIGURE A.4: NET NEW HOUSING DEMAND, 2038 (CITY OF ASTORIA)

OWNERSHIP HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	148	2	0	2	5	1	0	157	45.5%
Percentage:	94.3%	1.2%	0.0%	1.0%	3.2%	0.4%	0.0%	100.0%	

RENTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	43	10	28	42	65	0	0	188	54.5%
Percentage:	23.2%	5.1%	14.8%	22.2%	34.7%	0.0%	0.0%	100.0%	

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	191	11	28	43	70	1	0	345	100%
Percentage:	55.5%	3.3%	8.1%	12.6%	20.4%	0.2%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

FIGURE A.5: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2038 (CITY OF ASTORIA)

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	117	0	0	0	0	12	0	129	4.2%	4.2%
\$90k - \$130k	181	0	0	0	78	0	0	259	8.5%	12.7%
\$130k - \$190k	183	30	0	29	19	0	0	261	8.6%	21.3%
\$190k - \$210k	320	8	0	0	0	0	0	328	10.8%	32.1%
\$210k - \$300k	610	0	0	0	0	0	0	610	20.0%	52.1%
\$300k - \$360k	462	0	0	0	0	0	0	462	15.2%	67.3%
\$360k - \$450k	375	0	0	0	0	0	0	375	12.3%	79.6%
\$450k - \$540k	231	0	0	0	0	0	0	231	7.6%	87.2%
\$540k - \$730k	223	0	0	0	0	0	0	223	7.3%	94.5%
\$730k +	167	0	0	0	0	0	0	167	5.5%	100.0%
Totals:	2,869	38	0	29	97	12	0	3,045	% of All Units:	55.0%
Percentage:	94.2%	1.3%	0.0%	0.9%	3.2%	0.4%	0.0%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	0	0	0	117	398	0	0	515	20.7%	20.7%
\$400 - \$600	0	0	0	171	171	0	0	342	13.8%	34.5%
\$600 - \$900	0	0	139	134	68	0	0	341	13.7%	48.2%
\$900 - \$1000	93	32	133	129	129	0	0	514	20.7%	68.9%
\$1000 - \$1400	194	97	97	0	97	0	0	484	19.5%	88.3%
\$1400 - \$1700	204	0	0	0	0	0	0	204	8.2%	96.5%
\$1700 - \$2100	52	0	0	0	0	0	0	52	2.1%	98.6%
\$2100 - \$2500	22	0	0	0	0	0	0	22	0.9%	99.5%
\$2500 - \$3400	7	0	0	0	0	0	0	7	0.3%	99.8%
\$3400 +	5	0	0	0	0	0	0	5	0.2%	100.0%
Totals:	577	129	369	550	863	0	0	2,487	% of All Units:	45.0%
Percentage:	23.2%	5.2%	14.8%	22.1%	34.7%	0.0%	0.0%	100.0%		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	3,445	167	369	579	960	12	0	5,532	100%
Percentage:	62.3%	3.0%	6.7%	10.5%	17.3%	0.2%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

B. Cannon Beach Housing Profile

FIGURE B.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF CANNON BEACH)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 10-18
Population ¹	1,588	1,690	6.4%	1,707	1.0%
Households ²	710	759	6.9%	796	4.9%
Families ³	419	415	-1%	424	2%
Housing Units ⁴	1,641	1,812	10%	1,847	2%
Group Quarters Population ⁵	87	121	39%	122	1%
Household Size (non-group)	2.11	2.07	-2%	1.99	-4%
Avg. Family Size	2.70	2.70	0%	2.70	0%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 10-18
Per Capita (\$)	\$24,465	\$25,490	4%	\$30,481	20%
Median HH (\$)	\$39,271	\$40,917	4%	\$49,565	21%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Clatsop Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

FIGURE B.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF CANNON BEACH)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$90k	37	0	(37)	\$0 - \$400	29	15	(13)
\$15,000 - \$24,999	\$90k - \$130k	33	2	(31)	\$400 - \$600	44	33	(11)
\$25,000 - \$34,999	\$130k - \$190k	35	40	4	\$600 - \$900	61	95	34
\$35,000 - \$49,999	\$190k - \$260k	36	134	98	\$900 - \$1200	82	99	17
\$50,000 - \$74,999	\$260k - \$320k	87	101	13	\$1200 - \$1500	67	106	39
\$75,000 - \$99,999	\$320k - \$370k	86	87	1	\$1500 - \$1700	34	9	(25)
\$100,000 - \$124,999	\$370k - \$450k	60	216	156	\$1700 - \$2100	6	6	(0)
\$125,000 - \$149,999	\$450k - \$540k	27	235	208	\$2100 - \$2500	5	8	3
\$150,000 - \$199,999	\$540k - \$710k	28	246	218	\$2500 - \$3300	2	13	11
\$200,000+	\$710k +	36	404	368	\$3300 +	2	0	(2)
Totals:		465	1,464	999	Totals:	332	383	52

Source: Environics, Census, Johnson Economics

FIGURE B.3: FUTURE DEMOGRAPHIC PROFILE, 2038 (CITY OF CANNON BEACH)

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2038)				SOURCE
2018 Population (Minus Group Pop.)	1,585			PSU
Projected Annual Growth Rate	0.48%	OR Population Forecast Program		PSU
2038 Population (Minus Group Pop.)	1,744	(Total 2038 Population - Group Housing Pop.)		
Estimated group housing population:	134	Share of total pop from 2010 Census		US Census
Total Estimated 2038 Population:	1,878			
Estimated Non-Group 2038 Households:	876	(2038 Non-Group Pop./Avg. Household Size)		
New Households 2018 to 2038	80			
Avg. Household Size:	1.99	Projected household size		US Census
Total Housing Units:	2,032	Occupied Units plus Vacant		
Occupied Housing Units:	876	(= Number of Non-Group Households)		
Vacant Housing Units:	102			
Vacation Home, 2nd Home, Seasonal:	1,054			
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)		
Projected Vacation Rate, 2nd Home:	51.9%	(US Census Est.)		US Census

Source: PSU Population Research Center, Census, Johnson Economics

FIGURE B.4: NET NEW HOUSING DEMAND, 2038 (CITY OF CANNON BEACH)

OWNERSHIP HOUSING									
Unit Type:	Multi-Family							Total Units	% of Units
	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	114	2	0	0	0	1	0	117	63.2%
Percentage:	97.3%	2.1%	0.0%	0.0%	0.0%	0.6%	0.0%	100.0%	

RENTAL HOUSING									
Unit Type:	Multi-Family							Total Units	% of Units
	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	27	9	18	8	6	1	0	68	36.8%
Percentage:	39.5%	13.0%	26.3%	11.5%	8.3%	1.5%	0.0%	100.0%	

TOTAL HOUSING UNITS									
Unit Type:	Multi-Family							Total Units	% of Units
	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	141	11	18	8	6	2	0	185	100%
Percentage:	76.0%	6.1%	9.7%	4.2%	3.1%	0.9%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

FIGURE B.5: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2038 (CITY OF CANNON BEACH)

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	85	33	0	0	0	9	0	127	8.0%	8.0%
\$90k - \$130k	112	0	0	0	0	0	0	112	7.1%	15.1%
\$130k - \$190k	119	0	0	0	0	0	0	119	7.5%	22.6%
\$190k - \$260k	120	0	0	0	0	0	0	120	7.6%	30.2%
\$260k - \$320k	296	0	0	0	0	0	0	296	18.7%	48.9%
\$320k - \$370k	295	0	0	0	0	0	0	295	18.6%	67.6%
\$370k - \$450k	204	0	0	0	0	0	0	204	12.9%	80.4%
\$450k - \$540k	91	0	0	0	0	0	0	91	5.7%	86.2%
\$540k - \$710k	95	0	0	0	0	0	0	95	6.0%	92.2%
\$710k +	124	0	0	0	0	0	0	124	7.8%	100.0%
Totals:	1,539	33	0	0	0	9	0	1,581	% of All Units:	77.8%
Percentage:	97.3%	2.1%	0.0%	0.0%	0.0%	0.6%	0.0%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	0	0	17	0	16	7	0	39	8.7%	8.7%
\$400 - \$600	0	15	24	18	3	0	0	59	13.1%	21.7%
\$600 - \$900	16	21	21	16	8	0	0	82	18.2%	39.9%
\$900 - \$1200	32	17	33	18	10	0	0	110	24.4%	64.3%
\$1200 - \$1500	60	7	25	0	0	0	0	92	20.3%	84.6%
\$1500 - \$1700	47	0	0	0	0	0	0	47	10.3%	94.9%
\$1700 - \$2100	9	0	0	0	0	0	0	9	2.0%	96.9%
\$2100 - \$2500	7	0	0	0	0	0	0	7	1.6%	98.6%
\$2500 - \$3300	3	0	0	0	0	0	0	3	0.7%	99.3%
\$3300 +	3	0	0	0	0	0	0	3	0.7%	100.0%
Totals:	178	59	119	52	37	7	0	452	% of All Units:	22.2%
Percentage:	39.5%	13.0%	26.3%	11.5%	8.3%	1.5%	0.0%	100.0%		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	1,717	91	119	52	37	16	0	2,032	100%
Percentage:	84.5%	4.5%	5.8%	2.6%	1.8%	0.8%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

C. Gearhart Housing Profile

FIGURE C.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF GEARHART)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(PSU)	10-18
Population ¹	995	1,462	46.9%	1,483	1.4%
Households ²	450	649	44.2%	645	-0.7%
Families ³	282	429	52%	425	-1%
Housing Units ⁴	1,055	1,450	37%	1,606	11%
Group Quarters Population ⁵	0	0	0%	0	0%
Household Size (non-group)	2.21	2.25	2%	2.30	2%
Avg. Family Size	2.76	2.69	-3%	2.64	-2%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(Proj.)	10-18
Per Capita (\$)	\$25,224	\$28,199	12%	\$27,863	-1%
Median HH (\$)	\$43,047	\$49,063	14%	\$48,906	0%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Clatsop Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

FIGURE C.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF GEARHART)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$90k	24	27	3	\$0 - \$400	22	4	(18)
\$15,000 - \$24,999	\$90k - \$130k	38	2	(36)	\$400 - \$600	35	16	(19)
\$25,000 - \$34,999	\$130k - \$190k	49	158	109	\$600 - \$900	42	25	(17)
\$35,000 - \$49,999	\$190k - \$260k	68	53	(15)	\$900 - \$1200	20	57	37
\$50,000 - \$74,999	\$260k - \$320k	74	419	345	\$1200 - \$1500	23	60	37
\$75,000 - \$99,999	\$320k - \$370k	48	150	102	\$1500 - \$1700	5	13	8
\$100,000 - \$124,999	\$370k - \$470k	48	204	156	\$1700 - \$2200	16	38	23
\$125,000 - \$149,999	\$470k - \$560k	49	139	91	\$2200 - \$2600	10	7	(3)
\$150,000 - \$199,999	\$560k - \$750k	46	135	89	\$2600 - \$3500	0	0	0
\$200,000+	\$750k +	28	93	65	\$3500 +	0	4	4
Totals:		472	1,382	910	Totals:	173	224	51

Source: Environics, Census, Johnson Economics

FIGURE C.3: FUTURE DEMOGRAPHIC PROFILE, 2038 (CITY OF GEARHART)

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2038)			SOURCE
2018 Population (Minus Group Pop.)	1,483		PSU
Projected Annual Growth Rate	0.68%	OR Population Forecast Program	PSU
2038 Population (Minus Group Pop.)	1,699	(Total 2038 Population - Group Housing Pop.)	
Estimated group housing population:	0	Share of total pop from 2010 Census	US Census
Total Estimated 2038 Population:	1,699		
Estimated Non-Group 2038 Households:	739	(2038 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2038	94		
Avg. Household Size:	2.30	Projected household size	US Census
Total Housing Units:	1,840	Occupied Units plus Vacant	
Occupied Housing Units:	739	(= Number of Non-Group Households)	
Vacant Housing Units:	92		
Vacation Home, 2nd Home, Seasonal:	1,010		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	
Projected Vacation Rate, 2nd Home:	54.9%	(US Census Est.)	US Census

Source: PSU Population Research Center, Census, Johnson Economics

FIGURE C.4: NET NEW HOUSING DEMAND, 2038 (CITY OF GEARHART)

OWNERSHIP HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	157	5	0	0	0	1	0	163	69.7%
Percentage:	95.9%	3.3%	0.0%	0.0%	0.0%	0.8%	0.0%	100.0%	

RENTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	35	2	10	7	16	2	0	71	30.3%
Percentage:	49.5%	2.3%	14.2%	9.6%	22.2%	2.3%	0.0%	100.0%	

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	192	7	10	7	16	3	0	234	100%
Percentage:	81.9%	3.0%	4.3%	2.9%	6.7%	1.3%	0.0%	100.0%	

Source: PSU, US Census, Envirionics market data, Johnson Economics

FIGURE C.5: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2038 (CITY OF GEARHART)

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	15	51	0	0	0	13	0	79	5.1%	5.1%
\$90k - \$130k	123	0	0	0	0	0	0	123	8.0%	13.1%
\$130k - \$190k	159	0	0	0	0	0	0	159	10.3%	23.4%
\$190k - \$260k	224	0	0	0	0	0	0	224	14.5%	37.9%
\$260k - \$320k	242	0	0	0	0	0	0	242	15.7%	53.5%
\$320k - \$370k	157	0	0	0	0	0	0	157	10.2%	63.7%
\$370k - \$470k	157	0	0	0	0	0	0	157	10.2%	73.8%
\$470k - \$560k	160	0	0	0	0	0	0	160	10.3%	84.2%
\$560k - \$750k	151	0	0	0	0	0	0	151	9.8%	94.0%
\$750k +	93	0	0	0	0	0	0	93	6.0%	100.0%
Totals:	1,481	51	0	0	0	13	0	1,545	% of All Units:	84.0%
Percentage:	95.9%	3.3%	0.0%	0.0%	0.0%	0.9%	0.0%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	0	0	8	11	11	7	0	37	12.5%	12.5%
\$400 - \$600	0	3	18	12	26	0	0	59	19.9%	32.4%
\$600 - \$900	26	4	14	6	22	0	0	72	24.3%	56.7%
\$900 - \$1200	26	0	2	0	6	0	0	34	11.5%	68.2%
\$1200 - \$1500	40	0	0	0	0	0	0	40	13.4%	81.7%
\$1500 - \$1700	9	0	0	0	0	0	0	9	3.0%	84.6%
\$1700 - \$2200	27	0	0	0	0	0	0	27	9.2%	93.8%
\$2200 - \$2600	17	0	0	0	0	0	0	17	5.9%	99.7%
\$2600 - \$3500	1	0	0	0	0	0	0	1	0.2%	99.9%
\$3500 +	0	0	0	0	0	0	0	0	0.1%	100.0%
Totals:	146	7	42	29	65	7	0	295	% of All Units:	16.0%
Percentage:	49.4%	2.3%	14.2%	9.7%	22.2%	2.3%	0.0%	100.0%		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	1,627	57	42	29	65	20	0	1,840	100%
Percentage:	88.4%	3.1%	2.3%	1.5%	3.6%	1.1%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

D. Seaside Housing Profile

FIGURE D.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF SEASIDE)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(PSU)	10-18
Population ¹	5,900	6,457	9.4%	6,644	2.9%
Households ²	2,656	2,969	11.8%	3,053	2.8%
Families ³	1,510	1,565	4%	1,647	5%
Housing Units ⁴	4,078	4,638	14%	4,772	3%
Group Quarters Population ⁵	134	47	-65%	48	3%
Household Size (non-group)	2.17	2.16	0%	2.16	0%
Avg. Family Size	2.76	2.83	3%	2.88	2%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(Proj.)	10-18
Per Capita (\$)	\$17,893	\$24,201	35%	\$26,031	8%
Median HH (\$)	\$31,074	\$36,670	18%	\$37,887	3%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Clatsop Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

FIGURE D.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF SEASIDE)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$90k	44	338	295	\$0 - \$400	211	77	(134)
\$15,000 - \$24,999	\$90k - \$130k	108	94	(13)	\$400 - \$600	432	19	(414)
\$25,000 - \$34,999	\$130k - \$190k	259	259	1	\$600 - \$900	222	430	208
\$35,000 - \$49,999	\$190k - \$240k	163	484	321	\$900 - \$1100	303	522	218
\$50,000 - \$74,999	\$240k - \$320k	296	606	309	\$1100 - \$1500	199	846	647
\$75,000 - \$99,999	\$320k - \$390k	223	419	196	\$1500 - \$1800	83	72	(11)
\$100,000 - \$124,999	\$390k - \$490k	120	351	231	\$1800 - \$2300	72	55	(17)
\$125,000 - \$149,999	\$490k - \$580k	67	81	14	\$2300 - \$2700	51	0	(51)
\$150,000 - \$199,999	\$580k - \$770k	81	89	8	\$2700 - \$3600	12	0	(12)
\$200,000+	\$770k +	96	31	(65)	\$3600 +	14	0	(14)
Totals:		1,455	2,752	1,297	Totals:	1,598	2,020	422

Source: EnviroNics, Census, Johnson Economics

FIGURE D.3: FUTURE DEMOGRAPHIC PROFILE, 2038 (CITY OF SEASIDE)

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2038)			SOURCE
2018 Population (Minus Group Pop.)	6,595		PSU
Projected Annual Growth Rate	0.77%	OR Population Forecast Program	PSU
2038 Population (Minus Group Pop.)	7,683	(Total 2038 Population - Group Housing Pop.)	
Estimated group housing population:	56	Share of total pop from 2010 Census	US Census
Total Estimated 2038 Population:	7,739		
Estimated Non-Group 2038 Households:	3,557	(2038 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2038	503		
Avg. Household Size:	2.16	Projected household size	US Census
Total Housing Units:	5,559	Occupied Units plus Vacant	
Occupied Housing Units:	3,557	(= Number of Non-Group Households)	
Vacant Housing Units:	278		
Vacation Home, 2nd Home, Seasonal:	1,724		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	
Projected Vacation Rate, 2nd Home:	31.0%	(US Census Est.)	US Census

Source: PSU Population Research Center, Census, Johnson Economics

FIGURE D.4: NET NEW HOUSING DEMAND, 2038 (CITY OF SEASIDE)

OWNERSHIP HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	541	21	0	0	27	48	0	637	80.9%
Percentage:	84.9%	3.3%	0.0%	0.0%	4.2%	7.6%	0.0%	100.0%	

RENTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	52	10	21	13	52	4	0	151	19.1%
Percentage:	34.5%	6.5%	13.7%	8.3%	34.3%	2.6%	0.0%	100.0%	

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	593	31	21	13	78	52	0	787	100%
Percentage:	75.3%	3.9%	2.6%	1.6%	10.0%	6.7%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

FIGURE D.5: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2038 (CITY OF SEASIDE)

OWNERSHIP HOUSING											
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %	
			2-unit	3- or 4-plex	5+ Units MFR						
\$0k - \$90k	0	0	0	0	0	88	10	98	2.9%	2.9%	
\$90k - \$130k	0	0	0	0	86	159	0	245	7.2%	10.1%	
\$130k - \$190k	487	60	0	0	56	0	0	604	17.8%	28.0%	
\$190k - \$240k	326	50	0	0	0	0	0	376	11.1%	39.1%	
\$240k - \$320k	692	0	0	0	0	0	0	692	20.4%	59.5%	
\$320k - \$390k	523	0	0	0	0	0	0	523	15.4%	74.9%	
\$390k - \$490k	279	0	0	0	0	0	0	279	8.2%	83.2%	
\$490k - \$580k	156	0	0	0	0	0	0	156	4.6%	87.8%	
\$580k - \$770k	190	0	0	0	0	0	0	190	5.6%	93.4%	
\$770k +	224	0	0	0	0	0	0	224	6.6%	100.0%	
Totals:	2,878	110	0	0	142	246	12	3,388	% of All Units:		61.0%
Percentage:	84.9%	3.3%	0.0%	0.0%	4.2%	7.3%	0.3%	100.0%			

RENTAL HOUSING											
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %	
			2-unit	3- or 4-plex	5+ Units MFR						
\$0 - \$400	0	0	0	43	185	56	0	284	13.1%	13.1%	
\$400 - \$600	0	58	146	87	292	0	0	583	26.9%	40.0%	
\$600 - \$900	121	30	45	15	91	0	0	302	13.9%	53.9%	
\$900 - \$1100	205	41	41	21	103	0	0	411	18.9%	72.8%	
\$1100 - \$1500	106	12	65	14	74	0	0	271	12.5%	85.3%	
\$1500 - \$1800	114	0	0	0	0	0	0	114	5.3%	90.6%	
\$1800 - \$2300	98	0	0	0	0	0	0	98	4.5%	95.1%	
\$2300 - \$2700	69	0	0	0	0	0	0	69	3.2%	98.3%	
\$2700 - \$3600	17	0	0	0	0	0	0	17	0.8%	99.1%	
\$3600 +	20	0	0	0	0	0	0	20	0.9%	100.0%	
Totals:	750	141	297	181	745	57	0	2,170	% of All Units:		39.0%
Percentage:	34.5%	6.5%	13.7%	8.3%	34.3%	2.6%	0.0%	100.0%			

TOTAL HOUSING UNITS										
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	
			2-unit	3- or 4-plex	5+ Units MFR					
Totals:	3,628	252	297	181	886	303	12	5,559	100%	
Percentage:	65.3%	4.5%	5.4%	3.3%	15.9%	5.4%	0.2%	100.0%		

Source: PSU, US Census, Environics market data, Johnson Economics

E. Warrenton Housing Profile

FIGURE E.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF WARRENTON)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 10-18
Population ¹	4,096	4,989	21.8%	5,329	6.8%
Households ²	1,621	1,948	20.2%	2,081	6.8%
Families ³	1,088	1,287	18%	1,378	7%
Housing Units ⁴	1,799	2,196	22%	2,456	12%
Group Quarters Population ⁵	66	216	227%	231	7%
Household Size (non-group)	2.49	2.45	-2%	2.45	0%
Avg. Family Size	3.00	2.95	-2%	2.92	-1%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 10-18
Per Capita (\$)	\$16,874	\$19,606	16%	\$24,722	26%
Median HH (\$)	\$33,472	\$39,839	19%	\$51,056	28%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Clatsop Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

FIGURE E.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF WARRENTON)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$90k	79	179	99	\$0 - \$400	79	38	(41)
\$15,000 - \$24,999	\$90k - \$130k	155	81	(74)	\$400 - \$600	144	89	(55)
\$25,000 - \$34,999	\$130k - \$190k	169	312	143	\$600 - \$900	130	102	(28)
\$35,000 - \$49,999	\$190k - \$260k	107	142	35	\$900 - \$1200	184	191	7
\$50,000 - \$74,999	\$260k - \$300k	137	435	297	\$1200 - \$1400	121	446	325
\$75,000 - \$99,999	\$300k - \$390k	214	119	(95)	\$1400 - \$1800	58	68	10
\$100,000 - \$124,999	\$390k - \$470k	206	84	(122)	\$1800 - \$2200	38	62	24
\$125,000 - \$149,999	\$470k - \$580k	110	18	(92)	\$2200 - \$2700	22	11	(11)
\$150,000 - \$199,999	\$580k - \$770k	78	63	(15)	\$2700 - \$3600	0	0	0
\$200,000+	\$770k +	49	17	(32)	\$3600 +	0	0	0
Totals:		1,305	1,449	144	Totals:	776	1,007	232

Source: EnviroNics, Census, Johnson Economics

FIGURE E.3: FUTURE DEMOGRAPHIC PROFILE, 2038 (CITY OF WARRENTON)

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2038)			SOURCE
2018 Population (Minus Group Pop.)	5,098		PSU
Projected Annual Growth Rate	1.80%	OR Population Forecast Program	PSU
2038 Population (Minus Group Pop.)	7,286	(Total 2038 Population - Group Housing Pop.)	
Estimated group housing population:	330	Share of total pop from 2010 Census	US Census
Total Estimated 2038 Population:	7,616		
Estimated Non-Group 2038 Households:	2,974	(2038 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2038	893		
Avg. Household Size:	2.45	Projected household size	US Census
Total Housing Units:	3,510	Occupied Units plus Vacant	
Occupied Housing Units:	2,974	(= Number of Non-Group Households)	
Vacant Housing Units:	176		
Vacation Home, 2nd Home, Seasonal:	361		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	
Projected Vacation Rate, 2nd Home:	10.3%	(US Census Est.)	US Census

Source: PSU Population Research Center, Census, Johnson Economics

FIGURE E.4: NET NEW HOUSING DEMAND, 2038 (CITY OF WARRENTON)

OWNERSHIP HOUSING									
Unit Type:	Multi-Family							Total Units	% of Units
	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	677	38	13	5	0	105	0	839	79.6%
Percentage:	80.7%	4.5%	1.6%	0.6%	0.0%	12.5%	0.0%	100.0%	

RENTAL HOUSING									
Unit Type:	Multi-Family							Total Units	% of Units
	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	66	22	37	29	50	12	0	215	20.4%
Percentage:	30.7%	10.0%	17.0%	13.5%	23.2%	5.5%	0.0%	100.0%	

TOTAL HOUSING UNITS									
Unit Type:	Multi-Family							Total Units	% of Units
	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp		
Totals:	743	60	50	34	50	117	0	1,054	100%
Percentage:	70.5%	5.7%	4.8%	3.3%	4.7%	11.1%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

FIGURE E.5: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2038 (CITY OF WARRENTON)

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	0	0	0	0	0	139	0	139	6.1%	6.1%
\$90k - \$130k	27	44	37	14	0	148	0	270	11.8%	17.9%
\$130k - \$190k	240	55	0	0	0	0	0	295	12.9%	30.8%
\$190k - \$260k	182	4	0	0	0	0	0	187	8.2%	39.0%
\$260k - \$300k	240	0	0	0	0	0	0	240	10.5%	49.5%
\$300k - \$390k	377	0	0	0	0	0	0	377	16.5%	65.9%
\$390k - \$470k	363	0	0	0	0	0	0	363	15.9%	81.8%
\$470k - \$580k	194	0	0	0	0	0	0	194	8.5%	90.3%
\$580k - \$770k	137	0	0	0	0	0	0	137	6.0%	96.3%
\$770k +	86	0	0	0	0	0	0	86	3.7%	100.0%
Totals:	1,846	104	37	14	0	287	0	2,287	% of All Units:	65.2%
Percentage:	80.7%	4.5%	1.6%	0.6%	0.0%	12.5%	0.0%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	0	0	0	0	74	50	0	124	10.1%	10.1%
\$400 - \$600	0	71	51	18	68	18	0	226	18.5%	28.6%
\$600 - \$900	0	0	83	80	41	0	0	204	16.7%	45.3%
\$900 - \$1200	52	23	74	67	72	0	0	287	23.5%	68.9%
\$1200 - \$1400	132	29	0	0	28	0	0	190	15.5%	84.4%
\$1400 - \$1800	93	0	0	0	0	0	0	93	7.6%	92.0%
\$1800 - \$2200	62	0	0	0	0	0	0	62	5.0%	97.0%
\$2200 - \$2700	35	0	0	0	0	0	0	35	2.9%	99.9%
\$2700 - \$3600	1	0	0	0	0	0	0	1	0.1%	100.0%
\$3600 +	1	0	0	0	0	0	0	1	0.0%	100.0%
Totals:	375	123	208	165	284	67	0	1,223	% of All Units:	34.8%
Percentage:	30.7%	10.1%	17.0%	13.5%	23.2%	5.5%	0.0%	100.0%		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	2,221	227	245	179	284	354	0	3,510	100%
Percentage:	63.3%	6.5%	7.0%	5.1%	8.1%	10.1%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics



MEMORANDUM

Preliminary Residential Buildable Land Inventory

Clatsop County Comprehensive Housing Study

DATE January 23, 2019
TO Clatsop County Housing TAC
FROM Matt Hastie and Jamin Kimmell, Angelo Planning Group
CC File

The purpose of this memo is to summarize the methodology and initial results of a Geographic Information Systems (GIS)-based analysis of residential lands in Clatsop County. The analysis is part of the Clatsop County Housing Study. The results may inform the strategies and approaches that may be effective and appropriate for increasing the supply or configuration of buildable residential land, which can lead to greater overall housing supply. The memo summarizes the methodology of the analysis, then presents the results in a series of tables and maps.

METHODOLOGY

Step 1 – Identify Environmental Constraints

In order to estimate lands that may be buildable for residential uses, it is necessary to remove any lands where development is constrained by environmental resources or hazards. The following environmental constraints were identified based on City and County zoning regulations. GIS data on location of these constraints was obtained from Clatsop County GIS and other local sources.

- FEMA Floodplain Areas: All areas designated in the floodplain or floodway, based on the most recent version of FEMA floodplain maps released in July of 2018.
- National Wetland Inventory: All wetlands mapped by the U.S. Department of Fish and Wildlife, except where a jurisdiction has adopted a local wetland inventory.
- Local Wetland Inventory: The local wetland inventories of the cities of Warrenton, Cannon Beach, and Gearhart. Only wetlands deemed locally significant were identified as not buildable areas.
- Active Dune Overlay: The portion of the Beach and Dune Overlay where development is restricted on active dune areas in order to conserve and protect these areas.
- Steep Slopes: Data from the National Elevation Dataset (NED) was used to estimate the amount of land that is unavailable for development due to slopes of over 25 percent. The amount of buildable land in each parcel was adjusted if it contains steep slopes. This

adjustment was not applied to Astoria or Seaside, as these cities had previously completed a BLI that included slope data.

These lands were combined and then overlaid with County taxlots to estimate the amount of land in each parcel where development is limited by these environmental constraints. These constrained areas were deducted from the total area of the parcel to estimate the portion of the parcel that is potentially buildable.

Step 2 – Classify Parcels by Development Status

Each parcel in the county was classified based on the potential for new development on the parcel. This classification is intended to separate parcels that have capacity for development from those that do not. The classification is based on the amount of potentially buildable area on the parcel and the valuation of improvements (buildings, other structures). Improvement values are sources from Clatsop County Assessor data. The following four categories were used to classify parcels:

- **Developed:** Parcels that have an improvement value of more than \$10,000, but do not meet the definition of Partially Vacant or Constrained.
- **Constrained:** Parcels with less than 5,000 square feet unconstrained land. These parcels are assumed to not be developable due to the small area on the lot that is potentially buildable.
- **Partially Vacant:** Parcels that meet the state definition as partially vacant under the “safe harbor” provisions for residential buildable land inventories.¹ These parcels are at least a half-acre in size and have an existing single-family dwelling. Due to the lack of a sewer system and existing development patterns, parcels in the City of Gearhart were classified as Partially Vacant if they were at least one acre in size and had an existing single-family dwelling. A quarter-acre was removed from the buildable area of these parcels to account for the existing dwelling. Parcels with an existing multi-family residential use or other non-residential use were all classified as Developed.
- **Vacant:** Parcels with more than 5,000 square feet of unconstrained land and improvement value less than \$10,000. These parcels have sufficient area for development and little to no improvements. In the City of Gearhart, parcels must have at least 10,000 square feet of unconstrained land to be classified as Vacant.

¹ OAR 660-024-0050, Land Inventory and Response to Deficiency

(2) As safe harbors, a local government, except a city with a population over 25,000 or a metropolitan service district described in ORS 197.015(13), may use the following assumptions to inventory the capacity of buildable lands to accommodate housing needs:

(a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;

(b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.

Step 3 – Incorporate Local Buildable Land Inventories for Seaside and Astoria

Two Clatsop County jurisdictions had completed a BLI recently, and these inventories were incorporated into this analysis. The City of Seaside completed a BLI in 2013 that identified vacant and redevelopable parcels. Parcels classified redevelopable were classified as Partially Vacant for this analysis. The City of Astoria completed a BLI in 2011 that included detailed assessment of all parcels that were vacant or partially vacant. For partially vacant parcels, the BLI estimated the amount of the parcel that was buildable, given a range of constraints. For this analysis, both the classification of parcel and the amount of buildable land in each parcel was updated to align with this 2011 BLI. However, parcels that were developed between 2011 and 2018, and no longer had capacity for additional development, were classified as Developed.

Step 4 – Estimate Potentially Buildable Lands and Housing Unit Capacity

Lands were classified by zone type (residential, commercial, etc.) to estimate the amount of land that is potentially developable that is zoned for residential uses. To do this, all City and County zoning designations were classified into generalized zone types, and each parcel was assigned a zone and zone type. Where parcels span multiple zones, the parcel was assigned the zone that covers the centroid (center point) of the parcel.

To estimate the capacity for development of new housing units on each parcel, the acres of potentially buildable land on each parcel was multiplied by the maximum density (housing units per acre) of the parcel based on its current zoning designation. The assumed maximum density of each zone is shown in Table 4. Due to the lack of a sewer system, the maximum density of any parcel in the City of Gearhart was limited to 4.35 units per acre (10,000 square foot per unit), except if the maximum density of the zone is less than 4.35 units per acre.

Housing unit capacity on each lot was rounded down to whole number of units. For example, if the maximum density standard would permit 1.8 units on the lot, then the capacity was rounded down to 1.0 units based on the assumption that a variance or adjustment would be necessary to build 2.0 units on that lot. Thus, the housing unit capacity represents the capacity that is permitted outright in the zone without any variances or adjustments.

RESULTS

The results of the analysis are presented in Tables 1-4 below. In total, the County has 8,690 acres of land zoned for residential uses that is potentially buildable. The zoned capacity of new housing units on that land totals 18,076 units. As shown in Table 2, there is also capacity for new housing units to be developed on land in commercial zones that allow multifamily development. There is capacity for 1,033 housing units in these commercial zones.

Table 1. Summary of Potentially Buildable Lands and Housing Unit Capacity, Residential Zones

Parcel Status	Total Parcels	Total Acres	Constrained Acres	Potentially Buildable Acres	Housing Unit Capacity
Constrained	2,463	1,344	1,238	-	-
Developed	15,059	9,344	2,110	-	-
<i>Total Not Buildable</i>	<i>17,522</i>	<i>10,688</i>	<i>3,348</i>	-	-
Partially Vacant	1,055	4,169	349	3,496	4,407
Vacant	3,992	7,260	1,707	5,202	13,669
Total Potentially Buildable	5,047	11,429	2,056	8,698	18,076

Table 2. Summary of Potentially Buildable Lands and Housing Unit Capacity, Commercial Zones that Permit Multifamily Development

Parcel Status	Total Parcels	Total Acres	Constrained Acres	Potentially Buildable Acres	Housing Unit Capacity
Constrained	577	180	162	-	
Developed	1,721	642	195	-	
<i>Total Not Buildable</i>	<i>2,298</i>	<i>821</i>	<i>357</i>		
Partially Vacant	40	39	2	30	146
Vacant	311	262	36	226	887
Total Potentially Buildable	351	301	38	257	1,033

Table 3. Potentially Buildable Lands and Housing Unit Capacity by Jurisdiction, Residential Zones

Jurisdiction	Potentially Buildable Acres		Housing Unit Capacity	
	Partially Vacant	Vacant	Partially Vacant	Vacant
Astoria	22	331	524	4,943
Cannon Beach	37	86	123	329
Clatsop County	3,239	4,175	2,054	1,806
Gearhart	71	146	249	452
Seaside	15	69	136	469
Warrenton	113	392	1,321	5,670
Grand Total	3,496	5,200	4,407	13,669

Figure 1. Housing Unit Capacity by Jurisdiction, Residential Zones

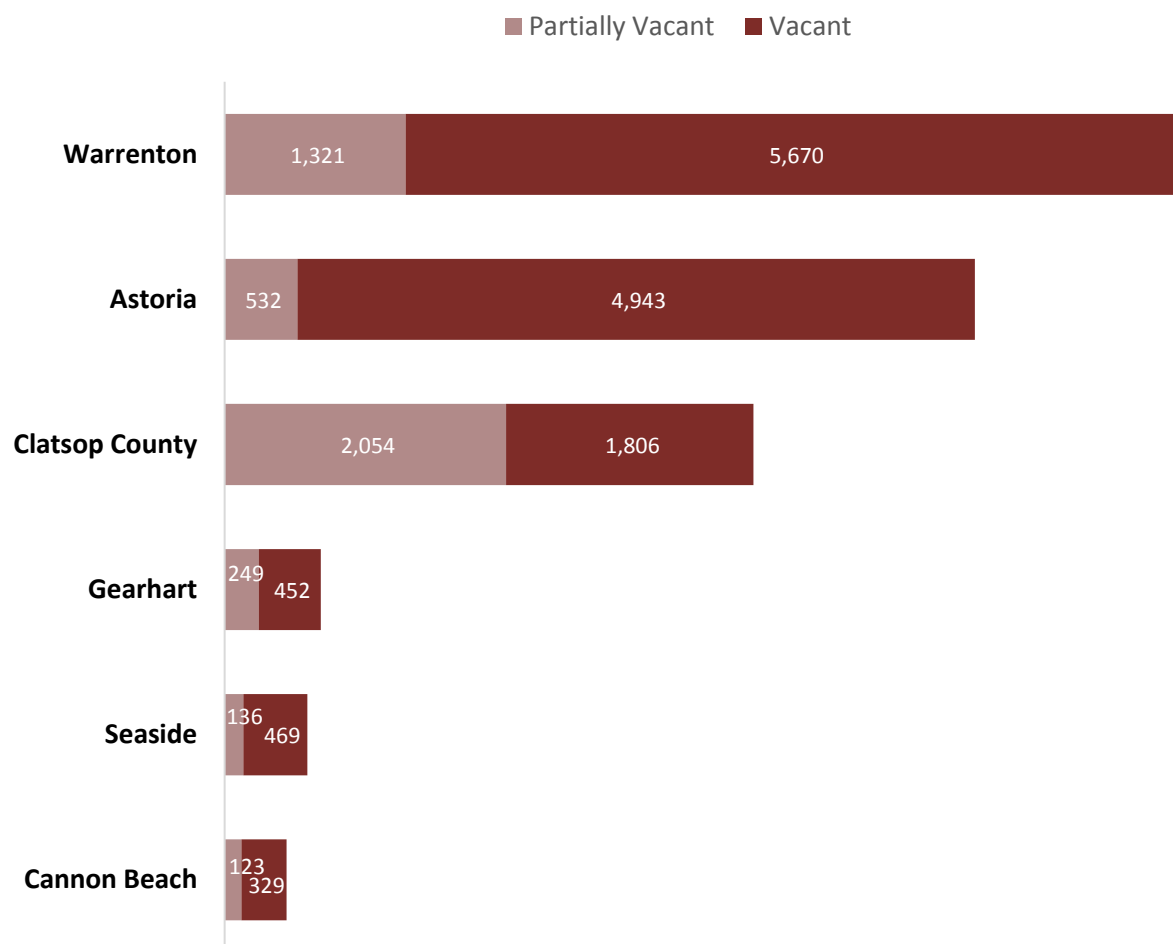
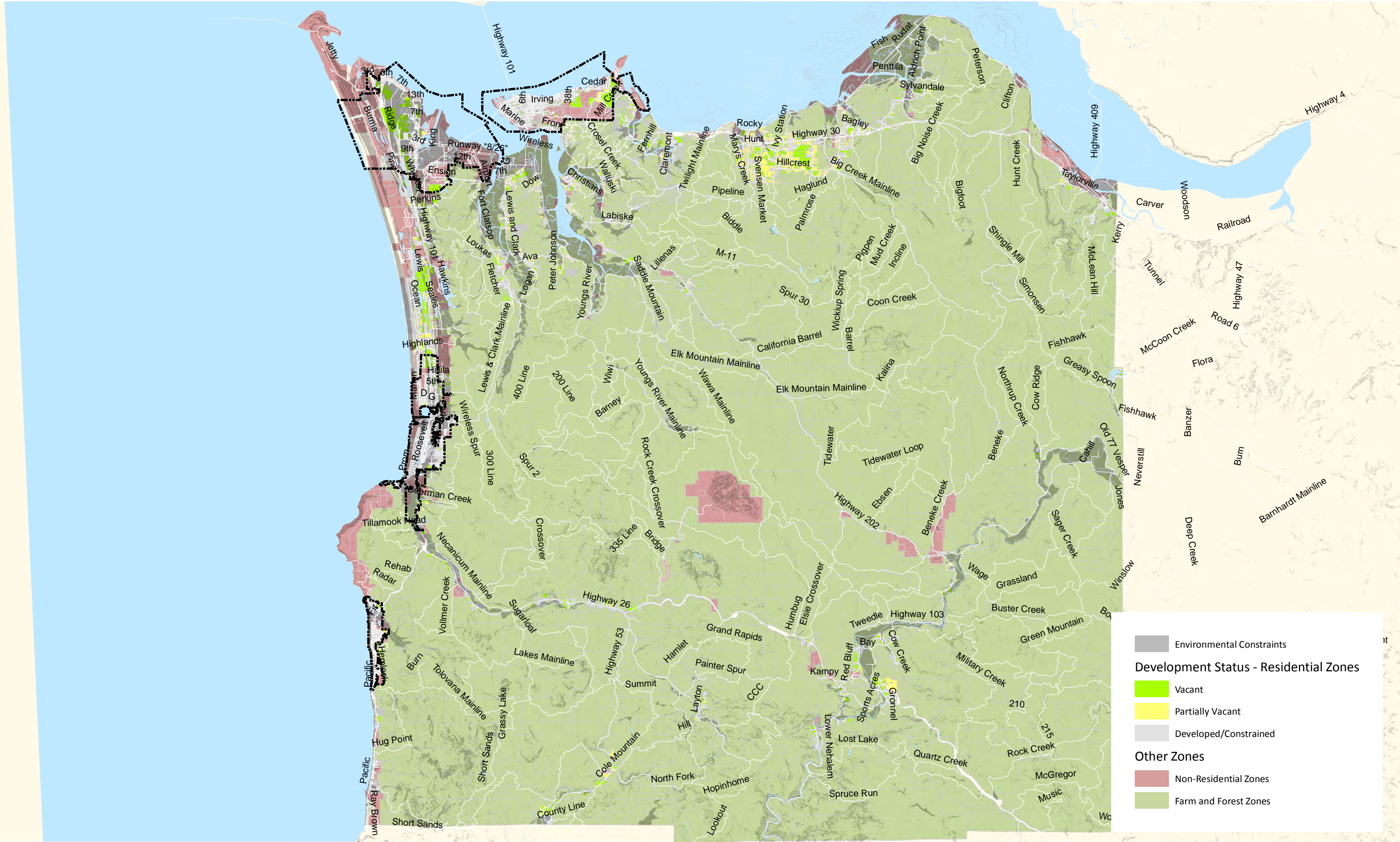
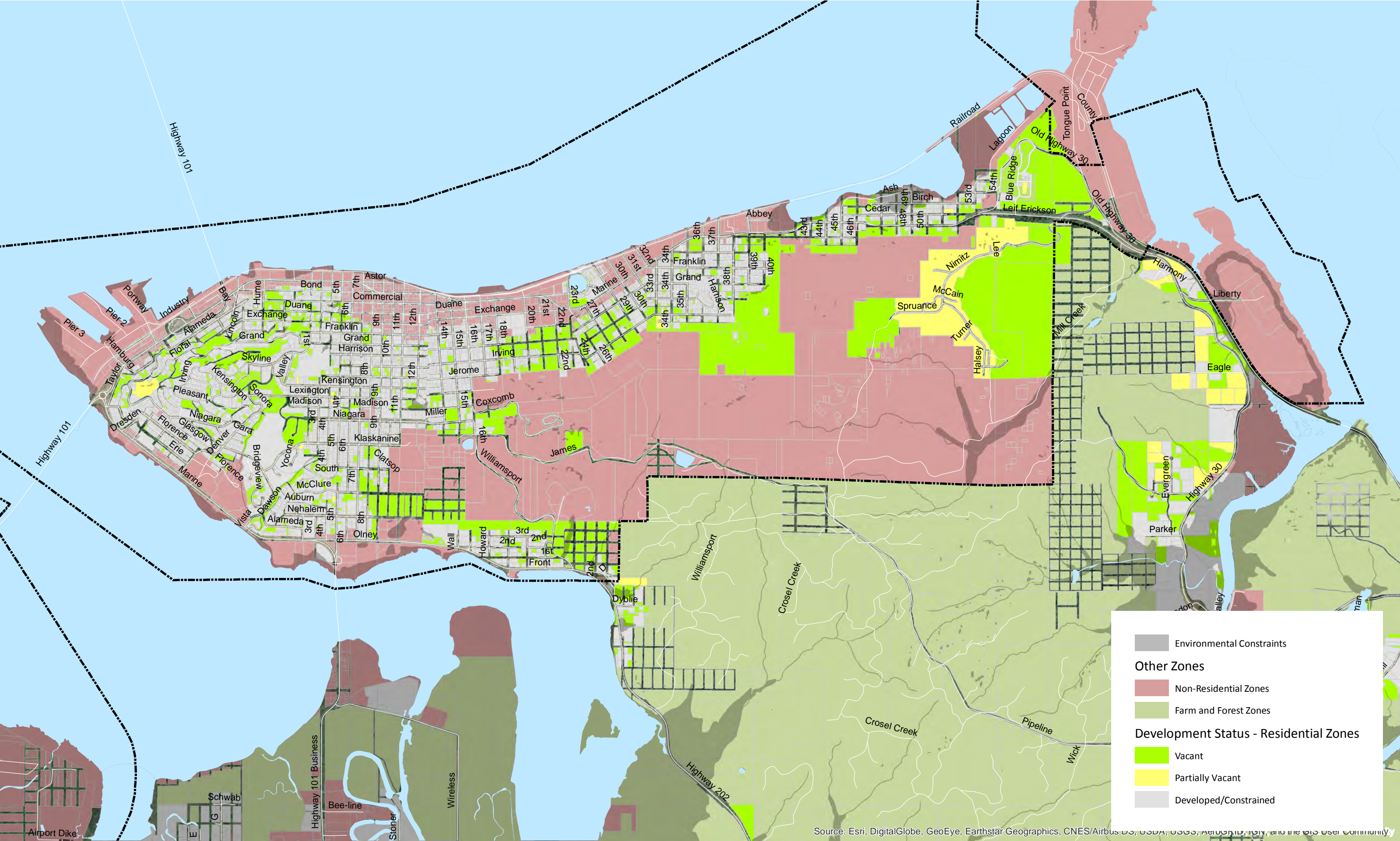


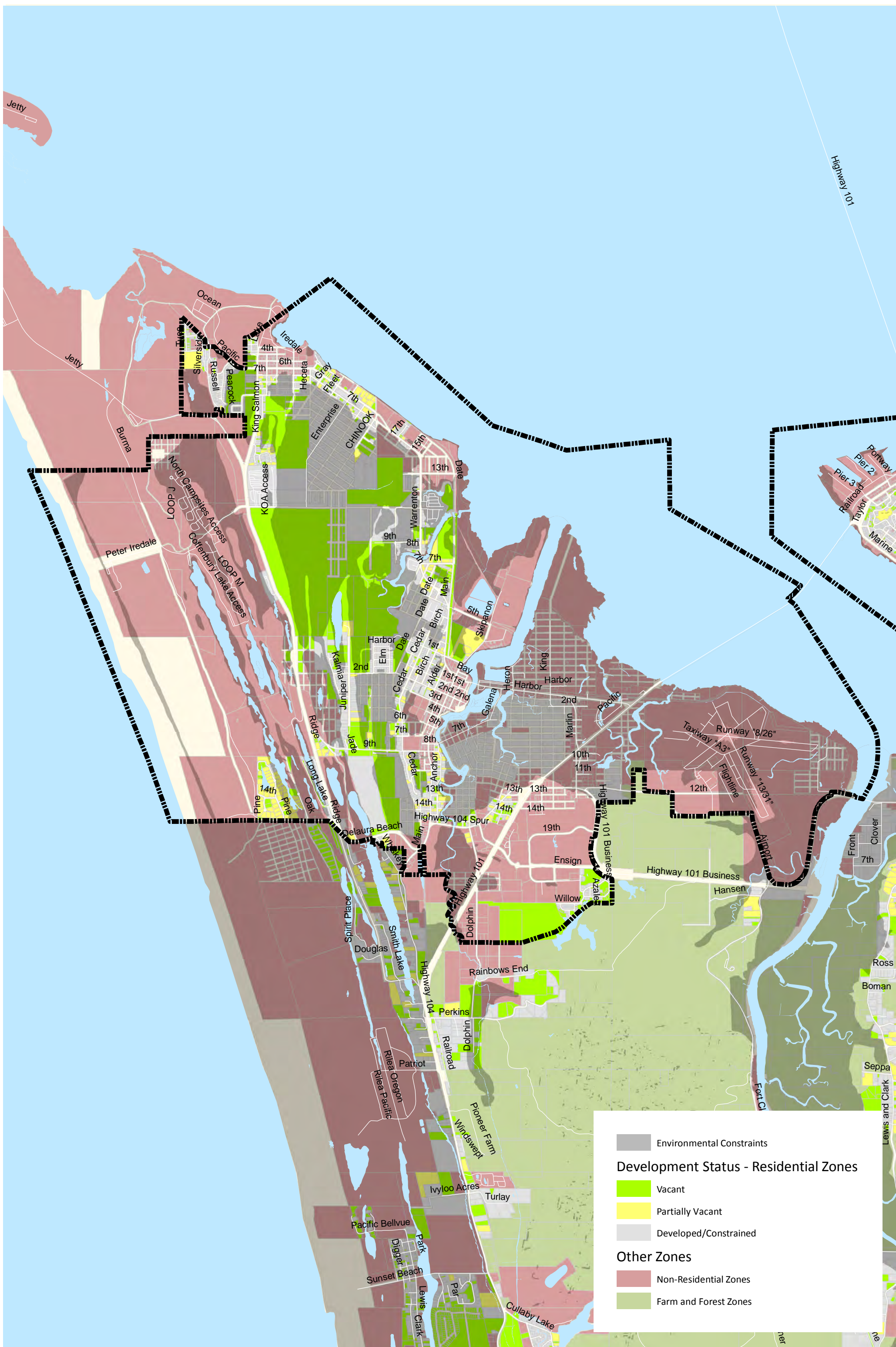
Table 4. Potentially Buildable Lands and Housing Unit Capacity by Zone, Residential Zones

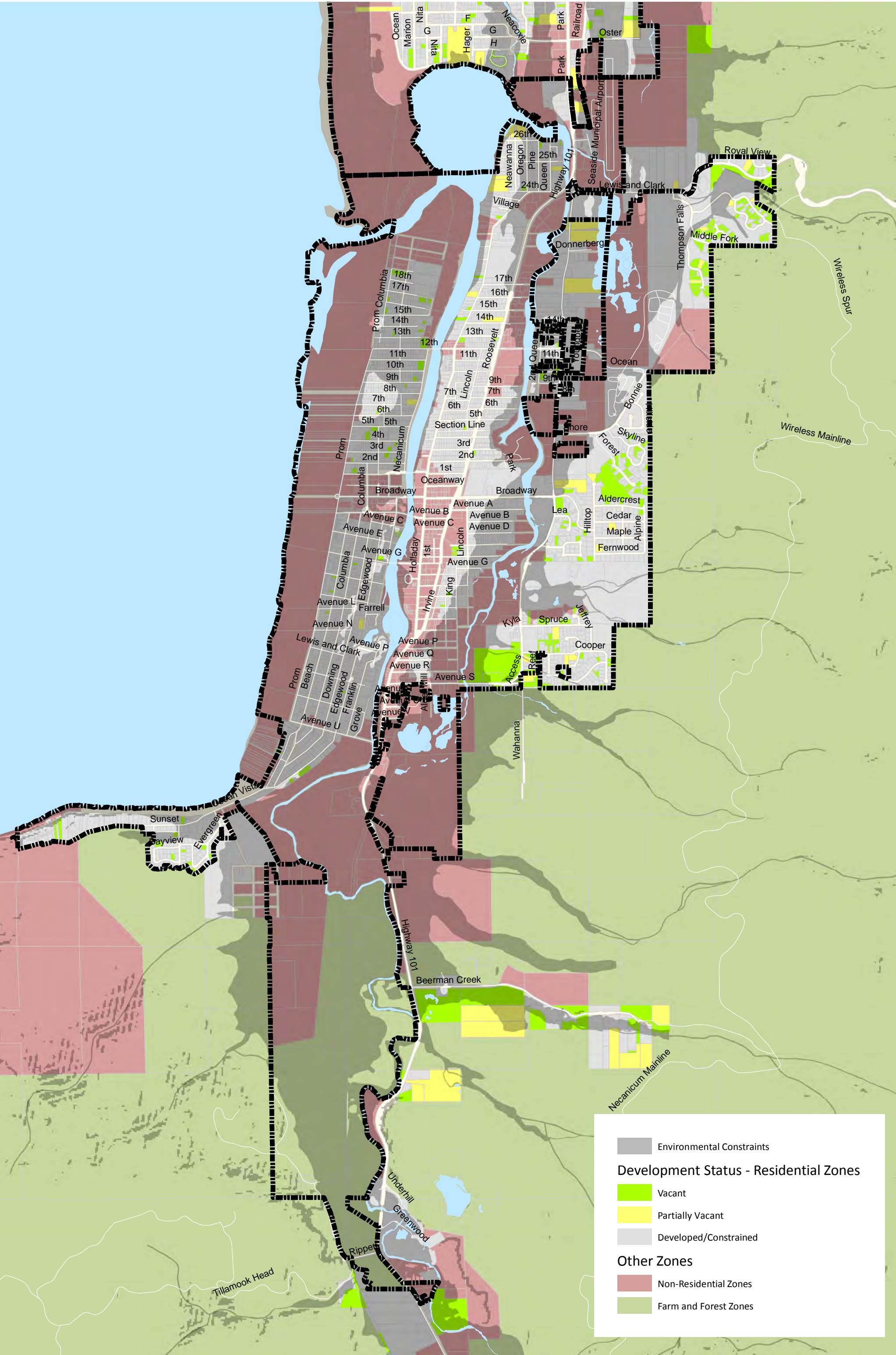
Zone	Potentially Buildable Acres		Maximum Density (units/acre)	Housing Unit Capacity	
	Partially Vacant	Vacant		Partially Vacant	Vacant
Astoria					
AH-MP		1	25.0		74
R1	1	48	8.7	2	183
R2	2	128	15.4	20	1,147
R3	20	153	25.7	502	3,539
Subtotal	22	331	--	524	4,943
Cannon Beach					
MP	1		8.7	4	
R1	1	8	8.7	8	50
R2	1	9	8.7	6	48
R3		2	15.4		21
RAM		4	15.4		52
RL	24	39	4.4	96	133
RM		1	15.4		6
RVL	10	24	1.0	9	19
Subtotal	37	86	--	123	329
Clatsop County					
CBR	52	56	1.0	43	33
CR	13	60	2.2	21	77
KS-RCR	454	305	1.0	390	241
RA-1	314	548	0.5	122	116
RA-2	1,272	1,011	0.5	532	358
RA-5	945	1,971	0.2	161	236
RC-MFR	3	4	8.7	25	30
RCR	120	78	5.8	658	427
RSA-SFR	11	45	5.8	57	229
SFR-1	55	96	1.0	45	59
Subtotal	3,239	4,175	--	2,054	1,806
Gearhart					
R1	54	110	4.35	221	390
R2	5	6	4.35	19	18
R3		1	4.35		5
RA	12	19	1.0	9	9

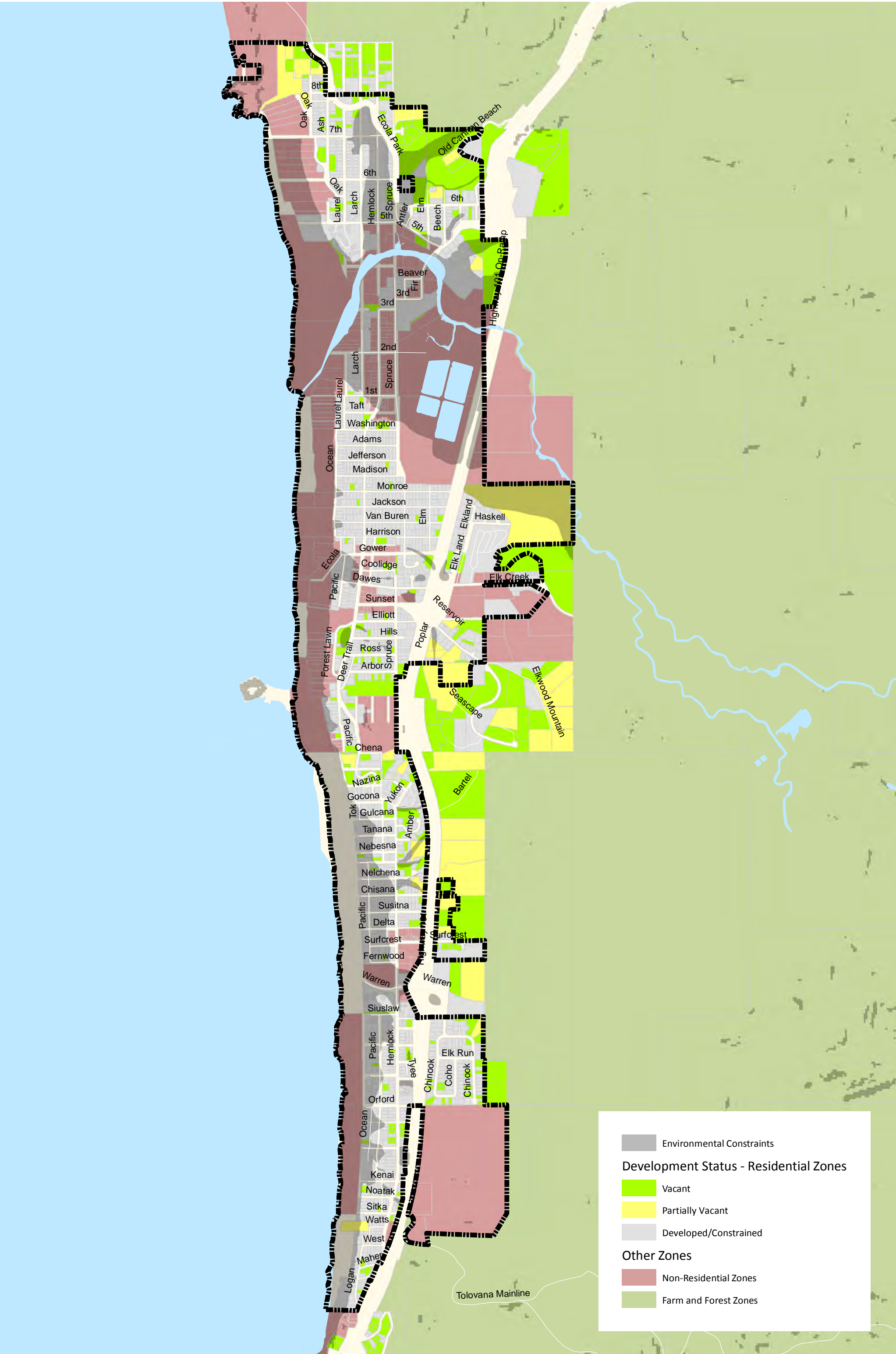
Zone	Potentially Buildable Acres		Maximum Density (units/acre)	Housing Unit Capacity	
	Partially Vacant	Vacant		Partially Vacant	Vacant
RCPD		10	4.35		30
Subtotal	71	146	--	249	452
Seaside					
R1	3	34	4.4	10	92
R2	7	27	10.0	61	235
R3	3	6	20.0	61	105
RR		1	10.0		36
SR	1	1	30.0	4	1
Subtotal	15	69	--	136	469
Warrenton					
R10	23	66	4.4	92	229
R40	41	40	4.4	151	147
RGM		106	8.7		906
RH	27	134	27.3	729	3,611
RM	21	46	17.4	349	777
Subtotal	113	392	--	1,321	5,670
Grand Total	3,496	5,195	--	4,407	13,350













APPENDIX C:

CLATSOP COUNTY
PLAN AND POLICY REVISION
RECOMMENDATIONS

JANUARY, 2019



MEMORANDUM

Draft Policy and Code Strategies – Preliminary Recommendations Clatsop County Comprehensive Housing Study

DATE January 22, 2019 (Revised)
TO Clatsop County Comprehensive Housing Study Technical Advisory Committee
FROM Matt Hastie, and Jamin Kimmel, Angelo Planning Group
CC Brendan Buckley and Jerry Johnson, Johnson Economics

OVERVIEW

Angelo Planning Group (APG), in partnership with Johnson Economics, is assisting Clatsop County with a Comprehensive Housing Study for Clatsop County and five of its cities – Astoria, Cannon Beach, Gearhart, Seaside and Warrenton. The goal of the study is to obtain information about the type, size, location and price of housing required to meet the current and future needs of county residents and to understand the market forces, planning and zoning regulations and local barriers that impact housing development in Clatsop County.

As one of the first steps in the study, APG reviewed the housing policies and zoning or development code standards associated with housing and residential development in the County and cities, including a review of each jurisdiction's Comprehensive Plan and development code. As a follow-up step, APG has identified potential changes to local policies and code requirements to address local housing needs and barriers. These recommendations have been reviewed with the project Technical Advisory Committee and other community members and further refined based on results of that review.

COMPREHENSIVE PLAN POLICIES

APG reviewed each jurisdiction's Comprehensive Plan to assess whether it includes the following types of supportive policies:

- **Supports Statewide Planning Goal 10.** Comprehensive Plans typically do and should include a general policy that mirrors Statewide Planning Goal 10 (Housing), stating that the overall goal of the jurisdiction is to *“encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial*

capabilities of Oregon households and allow for flexibility of housing location, type and density.”

- **Emphasizes affordable housing needs.** Given that meeting the needs of low and moderate income households often requires public intervention or subsidy, it is important to include policies emphasizing the needs of these households.
- **Supports partnerships.** Most Comprehensive Plan housing elements include policies aimed at supporting other public agencies, non-profits and market rate developers who focus on meeting the needs of low and moderate income households and community members with special housing needs.
- **Encourage a variety of housing types.** In addition to a broad goal or policy about meeting a full range of housing needs, Plans often include policies noting the need for a variety of housing types, including single family attached housing, duplexes, triplexes, multi-family housing and townhomes, as well as less traditional forms of housing such as cottage cluster housing and accessory dwelling units.
- **Affirms Fair Housing goals.** Local governments are required to ensure that their housing policies and standards do not discriminate against or have adverse effects on the ability of “protected classes” to obtain housing, consistent with the federal Fair Housing Act.
- **Support for mixed use development.** Some Plans explicitly support the development of mixed use projects, which typically include upper story housing located above retail or commercial uses.
- **Support for accessory dwelling units.** Comprehensive Plans may include policies specifically referencing support for this form of housing. Recent Oregon legislation requires all cities below a certain size to allow for this form of housing outright in all zones where single-family detached housing is allowed.
- **Support flexible zoning.** Some Plans include policies which emphasize the need for zoning to be flexible enough to meet a variety of housing needs and keep costs for such housing down, particularly for housing affordable to low and moderate income households.
- **Address land supply goals.** Many Comprehensive Plans include policies which reference the need to ensure that adequate land is zoned to meet identified housing needs, and to periodically update the jurisdiction’s inventory of such lands.
- **Support development of manufactured homes.** Oregon law requires that all zones that allow for “stick built” single family detached homes also allow for manufactured homes on individual lots. Each jurisdiction must also allow for manufactured home parks in at least one residential zone.
- **Regulate short term rentals.** Many communities, particularly those with high levels of tourism, regulate short-term rental housing to reduce its impact on the supply and affordability of long-term rental housing.

As noted in the previous Policy Review Memo, a majority of the jurisdictions’ Plans include policies that address these issues, although some gaps are present. Table 1 summarizes recommended police amendments for selected jurisdictions to address these gaps.

Table 1. Comprehensive Plan Policy Update Summary

<i>Policy Amendment</i>	<i>Clatsop County</i>	<i>Astoria</i>	<i>Cannon Beach</i>	<i>Gearhart</i>	<i>Seaside</i>	<i>Warrenton</i>
Affirms Fair Housing goals	x	x			x	
Supports mixed use development					x	
References ADUs	x		x	x	x	x
Supports flexible zoning	x			x	x	
Addresses land supply goals	x			x		
Supports manufactured homes	x		x			

ZONING AND DEVELOPMENT CODE STANDARDS

In addition to reviewing Comprehensive Plan policies, APG reviewed the zoning ordinance or development code for each jurisdiction and summarized information about the following type of standards in the earlier policy review memo. Summary observations include:

- **Residential zones.** All jurisdictions include a range of zones, with most providing for low, medium and high-density zones, and others providing a greater variety of zones. Most of the County's residential zones are applied to areas within unincorporated communities. No changes to the range of zones is recommended.
- **Housing types allowed.** All jurisdictions allow for a range of housing types. The mix of housing types allowed within the range of zones varies, as does the application of conditional use requirements to specific types of housing. Several changes are recommended, in part to ensure that land in higher density zones remains available for moderate and higher density housing forms (e.g., more compact single family homes and lots, duplexes, tri-plexes, rowhouses and apartments).
- **Manufactured homes.** This type of housing is generally allowed on individual lots as required by state law although it is subject to conditional use standards in Seaside. Modest changes are recommended in selected jurisdictions to address the letter and intent of statewide requirements and to ensure that these types of homes remain a viable option to meet housing needs of low and moderate income residents.
- **Accessory dwelling units.** These are allowed in each jurisdiction, except Gearhart and Seaside. Modest changes are recommended to increase the potential for these types of units, while ensuring that they provide more potential for long-term rental units, rather than short-term rentals.
- **Cottage Cluster Housing.** This form of housing is explicitly defined and allowed only in Astoria. It is recommended to be allowed in most other jurisdictions.
- **Densities and minimum lot sizes.** These vary somewhat significantly across the communities, with Astoria and Seaside allowing for the highest densities. Some changes are recommended to these standards.
- **Height standards.** These vary across the jurisdictions. On average allowed heights are lowest in Cannon Beach and highest in Seaside. Changes are recommended to standards in Cannon Beach.
- **Off-street parking requirements.** Most communities require two spaces for single-family detached dwellings. Some cities require fewer spaces for other housing types. Modest changes are recommended to help reduce costs associated with off-street parking.
- **Residential design standards.** Most communities do not apply specific architectural design standards to most housing types. No changes are recommended at this time.

Table 2 summarizes potential changes for selected jurisdictions.

Table 2. Potential Development Code Changes

Code Provision	Astoria	Cannon Beach	Gearhart	Seaside	Warrenton	County
Housing Types Allowed	Allow duplexes on corner lots in R-1 Allow ADUs outright in R-1 Do not allow SFD in R-3	Allow duplexes on corner lots in R-1 Allow triplexes in R-2 Do not allow new SFD homes in R-3	Allow ADUs in all zones, assuming septic can accommodate	Allow ADUs in all zones; restrict use as short-term rentals Allow triplexes in R-2 Do not allow SFD in R-3 All MH on SFD lots outright in all zones	Allow ADUs outright in all zones where currently allowed Allow triplexes in R-M Do not allow SFD in R-H	No changes suggested
Densities/ Minimum lot sizes allowed	Reduce minimum lot sizes for SFD, duplexes in R-2 and R-3 zones Consider minimum density in R-3 zone	Reduce minimum lot sizes for SFD, duplexes in R-2 and R-3 zones, if demonstrated to enhance land use efficiency	Consider reducing minimum lot sizes in all zones if packaged wastewater treatment can be implemented	Reduce minimum lot sizes for SFD in all zones Reduce minimum lot sizes for duplexes in R-2 Reduce minimum lot size for attached housing in R-3 Consider minimum density in R-3	Reduce minimum lot sizes for SFD in R-10 and R-M Reduce minimum lot sizes for duplexes in R-M Reduce minimum lot sizes for triplexes in R-H, C-MU	Consider reduced lot sizes in selected RCR zones if service available

Code Provision	Astoria	Cannon Beach	Gearhart	Seaside	Warrenton	County
ADU requirements	Consider changing owner occupancy requirement	Increase maximum allowed size	Establish standards	Allow and establish standards using DLCD guidelines	Increase minimum allowed size Consider changing owner occupancy requirement Ensure clear, objective standards	Consider eliminating additional off-street parking requirement
Cottage cluster housing	Allow in additional zones	Allow and create specific standards	Allow and create specific standards	Allow and create specific standards	Allow and create specific standards	
Off-street parking requirements	No changes suggested	No changes suggested	Reduce for SF attached, MF	Reduce for SF attached, MF	No changes suggested	No changes suggested
Building Heights		Increase to 35' in R-3, RAM	Increase to 35' in R3, RCPD	PD: None? SR: 35'	No changes suggested	No changes suggested