SHORT-TERM RENTALS

PRELIMINARY METHODOLOGY FOR LIMITATIONS AND OPERATING STANDARDS REVISIONS

AUGUST 3, 2022

PREPARED BY

CLATSOP COUNTY COMMUNITY DEVELOPMENT | GIS | COUNTY COUNSEL | PUBLIC AFFAIRS OFFICE

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SECTION 1: BACKGROUND AND OVERVIEW

Clatsop County has collected transient room taxes since January 1, 1991, following the adoption of Ordinance 90-7. In 2003, the Board adopted Ordinance 03-13, which established operating standards for short-term rental units in Arch Cape. The ordinance also added short-term rentals as a Type I use in the Arch Cape Rural Community Residential (AC-RCR) zone.

In 2018, the Board adopted Ordinance 18-01, which established operating standards for short-term rentals outside of Arch Cape. That ordinance, however, did not amend the zoning code to include short-term rentals in any other zones outside of Arch Cape. This oversight was rectified by your Board on June 22, 2022, with the passage of Ordinance 22-05, which added short-term rentals as a Type I use in 16 different zones. As of May 18, 2022, a total 181 short-term rentals were licensed in all of unincorporated Clatsop County.

At the June 22 meeting, your Board also directed staff to develop a framework, including a process and schedule, for instituting limitations on the number of short-term rentals units within unincorporated Clatsop County. On July 13, 2022, your Board also voted to approve a third extension of the short-term rental moratorium to afford sufficient time for your Board and staff to complete an evaluation of where and at what level limitations should be placed. The moratorium, while currently scheduled to expire on December 24, 2022, could be lifted prior to that date if the Board approves amendments to the Clatsop County Code prior to December 2022.

The purpose of this report is to:

- provide your Board with a synopsis of the methods used by other jurisdictions to control the number of short-term rental units
- detail the foundational assumptions utilized by staff during this review
- identify alternative methodologies that could be utilized to establish geographic locations and levels at which short-term rental units could be limited
- establish criteria to evaluate alternative methodologies
- propose a public input process and estimated timeframe to complete the recommended revisions
- recommend a proposed methodology for Board consideration

While the Board did not provide specific direction to staff regarding preferred geographic locations or limitation levels, staff has attempted to identify and utilize best management practices as identified throughout this report. It is understood by staff from previous Board direction that tourism is an integral component of the economy of Clatsop County and that quality of life issues should be balanced against property rights and the economic impact of visitors to unincorporated areas. Background materials upon which staff relied are included in the appendices.

SECTION 2: JUSTIFICATION FOR LIMITATIONS

Subsequent to the adoption of Ordinances 90-7, 03-13 and 18-01, significant changes have occurred societally and technologically that have affected the tourism industry within Oregon, the nation and the world. The proliferation and prominence of online technology platforms such as Airbnb and VRBO have simplified how vacation lodging is procured and increased the number of options available to both visitors and property owners. These trends were already well-established when the coronavirus pandemic impacted travel beginning in March 2020. While initial lockdowns and travel restrictions severely curtailed vacation lodging options and availability, these measures were soon revised as more information became available regarding the spread of the disease. Additionally, as remote work options became the norm for a large segment of the workforce, people seeking to escape more congested and densely populated areas choose to vacate or temporarily relocate to more rural or sparsely populated communities, including Clatsop County. The Astoria-Warrenton Chamber of Commerce estimates that in 2020, the last year for which data was available, $63.5M of travel spending in 2020 resulted in a $97.5M impact to the local economy. That despite pandemic restrictions that halted and drastically slowed travel in the first half of 2020.

Short-term rentals offer visitors to Clatsop County an alternative lodging choice to a traditional hotel/motel, bed and breakfast or campground. Short-term rentals may also provide tax revenue, allow property owners to earn income by renting out unused or infrequently used non-primary homes and attract visitors to places that might not otherwise be conventionally accessible to tourists.

Conversely, short-term rentals also may also increase traffic on local roads and may, depending upon occupancy and frequency of rental; increase demands on utility infrastructure, including water and sewer; and generate more noise or solid waste than a typical single-family dwelling. Vacationers, who may not be familiar with local standards or choose to ignore such standards, may disrupt the character of an otherwise quiet residential neighborhood. Common complaints received by Code Compliance include short-term renters who violate burn bans, do not practice beach safety, do not monitor pets, trespass onto private property, and utilize the short-term rental for parties.

The implementation of operating standards, including regulations addressing parking, quiet hours, and trash, are intended to protect and preserve quality of life in the residential areas where these homes are located. In April 2022, your Board adopted Ordinance 22-03, which revised the operating standards for short-term rental units outside of Arch Cape. Following additional direction from your Board, staff has also included a further list of potential operating standards amendments that could be adopted in conjunction with limits on the number of short-term rental units. These suggested code revisions are included in **Section 10** of this report.

In 2017, the University of Oregon Department of Planning, Public Policy and Management released a report entitled *Assessing and Responding to Short-Term Rentals in Oregon* (**Appendix A**). The paper identified the following best practices that jurisdiction should utilize when constructing regulations for short-term rentals:

- define short-term rentals and codify regulations into local ordinances
- distinguish between short-term rentals
- restrict use or incentivize moderate use rather than banning STRs
- normalize STRs as a residential activity (with regulatory caveats)
- permit STRs in premium areas with monitoring
- develop appropriate regulatory standards
- require STRs to be permitted or licensed
- require STR operators to pay fees and taxes

As detailed above, Clatsop County is already adhering to many of these recommended best practices.

The report, which was based on data from cities in Oregon with a population of less than 100,000, was primarily directed towards smaller cities that had not yet adopted transient room tax ordinances or operating standards for short term rentals. The report did, however, include several recommendations that are relevant to your Board's request for limitations and more stringent code compliance oversight of short-term rentals. Those recommendations include:

- Utilize restrictions (caps/limits) or incentivize moderate use if short-term rentals account for more than 4% of total housing stock
- Impost a clause that revokes a short-term rental permit for properties that receive more than five nuisance complaints in a calendar year
- Deconcentrate STRs when nuisance complaints exceed 25 complaints in a calendar year. Communities should establish a fair distance (50'-200') between STRs and weigh equity implications
- Buffer standards should be re-evaluated every 2-5 years
- Jurisdictions should increase regulatory standards and evaluated whether nuisance complaints are reduced before imposing buffers between STRs

This report was also utilized by the City of North Bend when it imposed limitations on the number of short-term rentals within its incorporated boundaries.

SECTION 3: FOUNDATIONAL FRAMEWORK AND DATA

Utilizing the University of Oregon report as a base reference, staff then identified additional parameters to frame review of the potential alternative methodologies. Those parameters included:

- Transient room tax projections were not used as a factor. There are many variables in addition to the number of short-term rental units that may affect the collection of room tax, including inflation, the price of gasoline, weather and pandemics
- The potential for litigation, except for clear takings issues, would not be used to eliminate a potential scenario
- Tourism is one of the integral components of the Clatsop County economy. It is assumed that this will continue to be the case and that a variety of visitor accommodations will continue to be needed into the foreseeable future in all areas of unincorporated Clatsop County.

Staff then collected, updated and reviewed data related to the number and location of licensed short-term rentals in unincorporated Clatsop County. Staff also categorized and reviewed all code compliance complaints received from January 1, 2018, though July 18, 2022. The summary of this analysis is provided below.

Short-Term Rental Locations

On May 18, 2022, staff presented information to the Board detailing the impacts of short-term rentals on housing affordability and availability (**Appendix B)**. The report inventoried a total of 181 licensed STRs within unincorporated Clatsop County, including within the Urban Growth Boundary of the City of Gearhart. **Table 1**, below, details the locations of these units.

TABLE 1: SHORT-TERM RENTAL LOCATIONS BY ZONE			
ZONE	**NUMBER OF STRs**	**PERCENTAGE OF TOTAL STRs[1]**	**NUMBER OF STRs WEST OF HIGHWAY 101**
Agriculture Forestry (AF)	1	0.55%	0
Arch Cape Rural Community Residential (AC-RCR)	68	37.57%	57
Coastal Beach Residential (CBR)	25	13.81%	25
Coastal Residential (CR)[2]	23	12.71%	20
Exclusive Farm Use (EFU)	4	2.21%	0
Knappa-Svensen Rural Community Residential (KS-RCR)	1	0.55%	0
Residential-Agriculture 1 (RA-1)	19	10.50%	15
Residential-Agriculture 2 (RA-2)	7	3.87%	0
Residential-Agriculture 5 (RA-5)	9	4.97%	2
Rural Community Residential (RCR)	2	1.10%	0
Rural Service Area – Single-Family Residential (RSA-SFR)	2	1.10%	0
Single-Family Residential 1 (SFR-1)	8	4.42%	7
Tourist Commercial	1	0.55%	1
Urban Growth Boundary (UGB)	11	6.08%	11
TOTAL	**181**	**99.99%**	**138**
PERCENTAGE OF STRs LOCATED WEST OF HIGHWAY 101: 76.24%			

Source: Clatsop County GIS
[1] Percentages may not equal 100% due to rounding

[2] 17 STRs (9.39% of all STRs) are located in Cove Beach, the remainder of STRs in the CR zone are located outside Cove Beach

As shown above, over 76% of all licensed STRs in unincorporated Clatsop County are located west of Highway 101. This is not unexpected as the majority of visitors to the North Coast and Clatsop County visit to be in close proximity to the ocean beach. Within the entire unincorporated area west of Highway 101, there are a total of 1,398 dwelling units. The 138 short-term rental units located west of Highway 101 comprise 9.87% of the total housing units.

Per preliminary information from Clatsop County GIS there are 330 dwellings located within the AC-RCR zone. The 68 short-term rentals currently permitted within that zone represent 20.61% of the total dwellings within that zone. Cove Beach has a total of 58 housing units. Per information from the 2020 Census, 19 of the units were occupied, while 39 were listed as "Non-Occupied". The 17 short-term rental units in Cove Beach comprise 29.31% of the housing stock in this area of the county.

Per the 2020 American Community Survey 5-Year Estimates Detailed Tables the total number of dwellings in unincorporated Clatsop County is 6,541 while the total number of housing units within both incorporated and unincorporated Clatsop County is 22,609. The 181 licensed short-term rentals in unincorporated Clatsop County represent 2.77% of the unincorporated housing stock and 0.80% of the total housing stock.

The above data demonstrates that while the overall total number of short-term rentals within unincorporated Clatsop County is below the 4% threshold recommended by the University of Oregon report, the rental units are clustered in specific zones on the west side of Highway 101. As shown on **Table 2**, below, these clusters exceed the 4% threshold at which the report advises that limitations or incentives to moderate use should be imposed.

TABLE 2: SHORT-TERM RENTAL PERCENTAGE BY ZONE

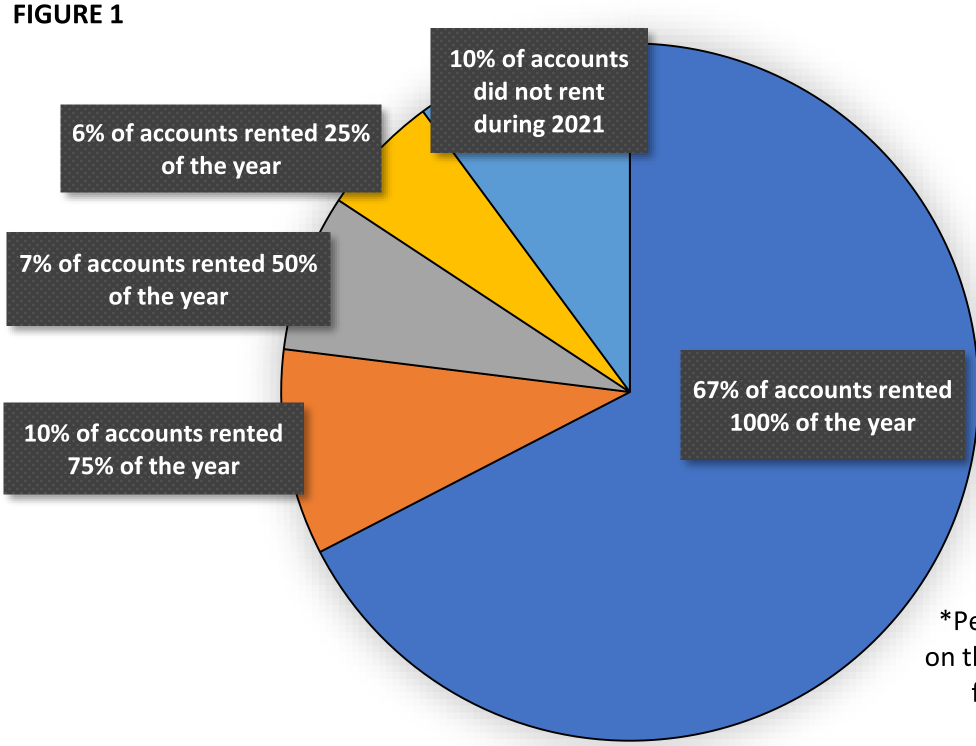
Zone	Number of STRs West of Highway 101	Total # of Dwelling Units West of Highway 101	Percentage of STRs per Zone
Arch Cape Rural Community Residential (AC-RCR)[1]	68	330	20.60%
Coastal Beach Residential (CBR)	25	293	8.53%
Coastal Residential (CR)[2]	20	96	20.83%
Residential-Agriculture 1 (RA-1)	15	254	5.90%
Residential-Agriculture 2 (RA-2)	0	25	N/A
Residential-Agriculture 5 (RA-5)	2	124	1.61%
Single-Family Residential 1 (SFR-1)	7	262	2.67%
Urban Growth Boundary (UGB)	11	123	8.94%
TOTAL	**149**	**1,507**	9.89%

Source: Clatsop County GIS
[1] Includes areas west and east of Highway 101

Actively Rented Units

As shown on **Figure 1**, above, approximately 121 STRs or 67% of 181 total licensed short-term rentals are utilized as vacation rentals for 100% of the year. This determination is based on transient room tax accounts that filed returns for each reporting quarter in 2021. Information regarding the location of those units is confidential and cannot be disclosed to the public per Clatsop County Ordinance 2017-01.

FIGURE 1



*Percentages are based on the TRT accounts that filed returns for each Quarter in 2021

Complaints

Since the adoption of Ordinance 18-01 Code Compliance staff have logged 88 complaints against short-term rentals as of July 18, 2022. Many of the complaints contained reports of multiple violations. The matrix detailing the nature of the complaints and the resolution is included in **Appendix C**. The matrix also demonstrates that the majority of complaints received are lodged against short-term rental units that are west of Highway 101.

The nature of the complaints is shown on **Figure 2**, while **Figure 3** includes information regarding the geographic areas of the complaints. It should be noted that 25% of the 88 complaints received were generated against two specific rental units. Those 22 complaints included a total of 29 possible violations. Of those 29 violations, 15 (51.72%) were either determined not to be violations; were resolved before Code Compliance staff arrived at the site; were outside the scope of Code Compliance; or were unable to be verified by staff. While the Board has directed staff to further review and strengthen code compliance procedures associated with short-term rentals, there are times when complaints are resolved before Code Compliance can visit the site or complaints that staff is unable to verify. This may lead to the perception that Code Compliance staff is not adequately enforcing the regulations. If the direction of the Board is for staff to cite all short-term rental owners for all complaints received, regardless of veracity, resolution or severity, Code Compliance staff can implement that procedure. All citation processes do have an appeal process which can be utilized by STR owners as well as complainants.

FIGURE 2

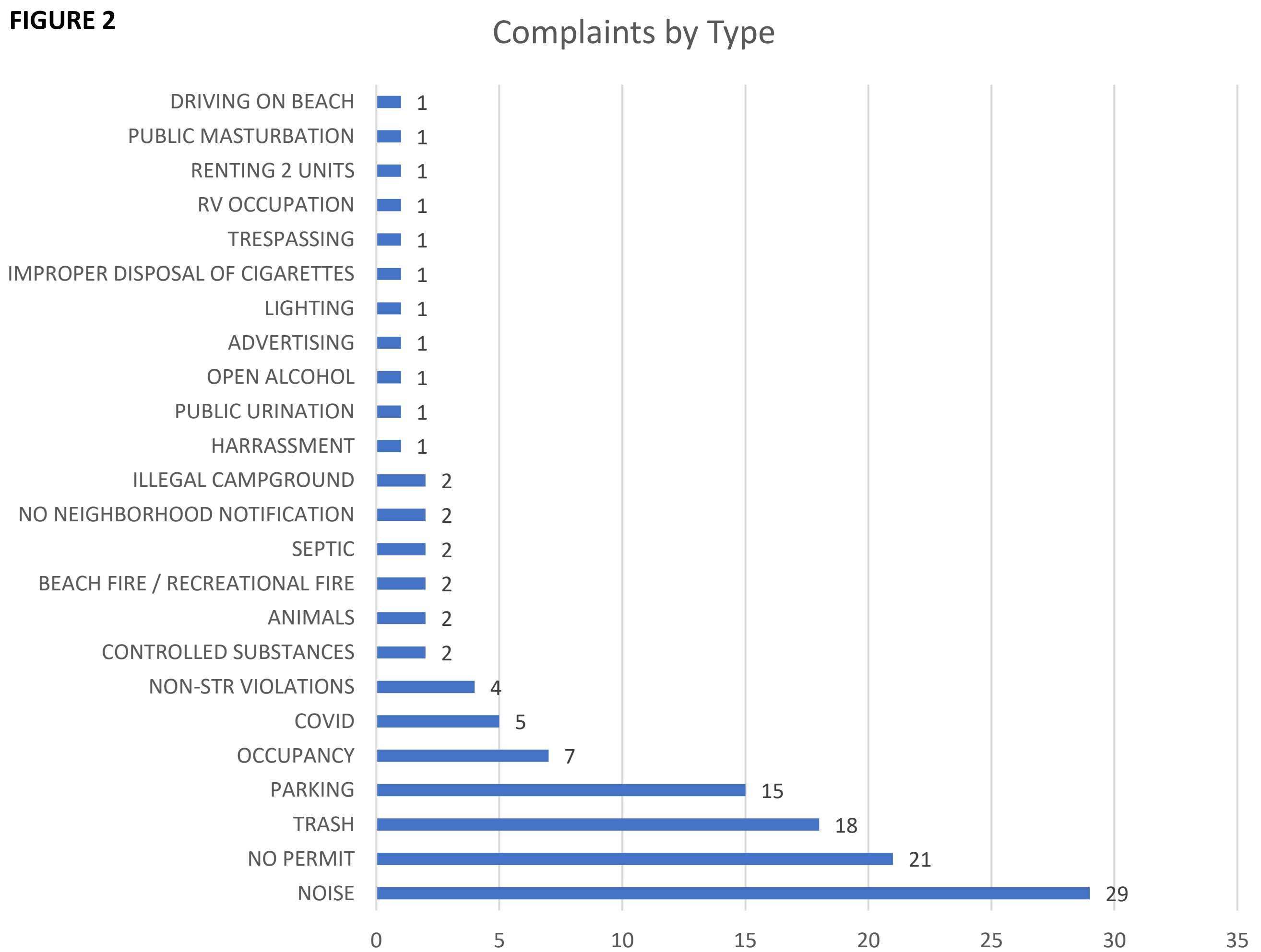
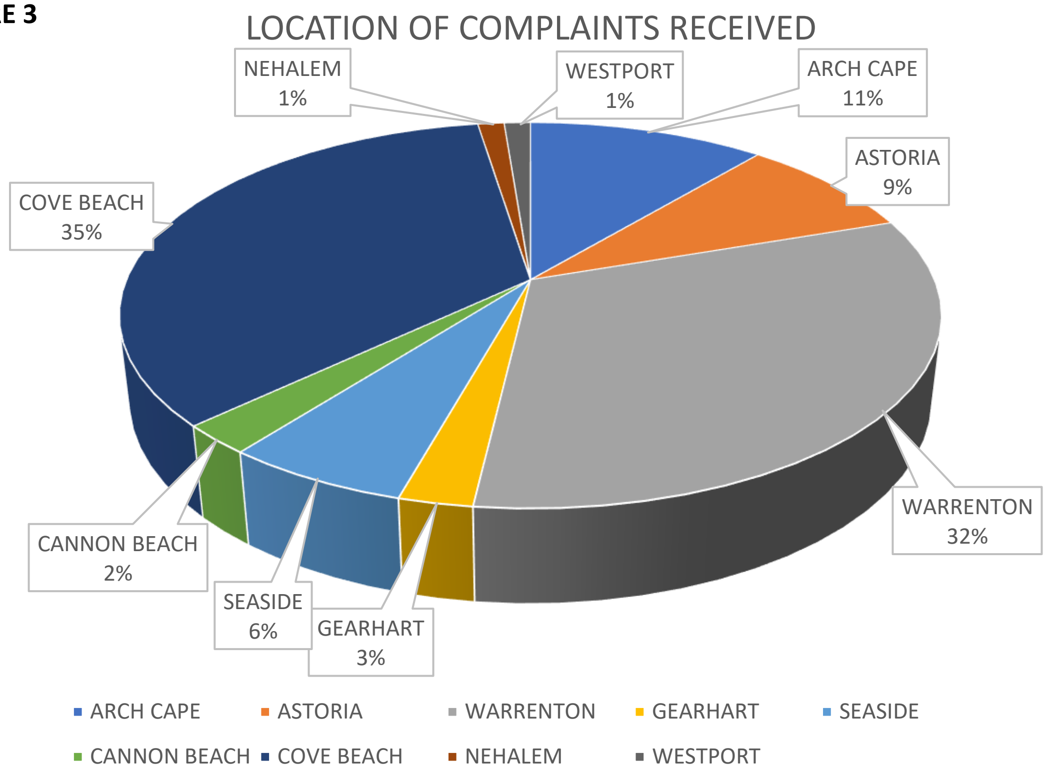


FIGURE 3



Tourism Data

The Astoria-Warrenton Chamber of Commerce released information in 2020 regarding the economic impacts of travel and tourism in Astoria and Warrenton (**Appendix D**). The study noted the following:

- visitors who stayed in paid lodging spent on average $121 per person per day on lodging, food, recreation, transportation and shopping
- $63.5M of travel spending in 2020 resulted in a $97.5M impact to the local economy
- $115.8M of travel spending in 2019 resulted in a $177.7M impact to the local economy
- prior to the onset of the coronavirus pandemic, travel spending in Astoria and Warrenton had been increasing since 2007

In May 2022, Travel Oregon released its preliminary 2021 report detailing the economic impact of travel in Oregon (**Appendix E**). Specifically, the report identified the impacts statewide:

- 64.8% increase in travel spending from 2020 ($6.6B to $10.9B in 2021)
- 6,900 jobs gained (7.3% increase compared to 2020)
- 13.2% ($408M) increase in direct travel-generated earning compared to 2020
- 25.2% increase in tax revenues

The north coast of Oregon, including Clatsop County has long been renowned for its natural and scenic beauty, which has drawn visitors for over a century. This trend continues and will likely increase far into the foreseeable future. Policy questions related to the use of transient room tax and infrastructure carrying capacity to accommodate increasing numbers of visitors are not addressed as part of this report.

SECTION 4: PEER JURISDICTION REVIEW

After reviewing the foundational data specific to Clatsop County, staff then identified several peer jurisdictions to determine how other local governments have addressed this issue. Jurisdictions included in the survey were primarily selected due to the prevalence of tourism within the local economy and proximity to the coast, including the six other coastal counties in Oregon. Hood River County was also included as that government was often referenced as a model for Clatsop County by the public and also by County Land Use Counsel. The cities of Durango, Colorado; Port Townsend, Washington; and South Lake Tahoe, California were selected based on input from other planners within the state.

TABLE 3: SURVEY OF LIMITATIONS IN PEER JURISDICTIONS

Jurisdiction	Caps	Other Limitations
Coos County	None	• only permitted in existing dwellings (Section 4.3.200) • deed restriction required acknowledging that the STR is accessory to the approved residential use
Curry County	None	• administrative conditional use required, no public hearing • ordinance not yet adopted
Douglas County	None	• Not permitted in unincorporated areas • Douglas County does “not police properties that have them unless a code violation is reported”
Hood River County	None	• Permitted as home occupations • New STRs in R-1, RR, or RC zones include an owner residency requirement
Lane County	None	• No regulations identified by staff • No response to email inquiry
Lincoln County	Ballot Measure 21-203 was approved by Lincoln County voters in November 2021, 58%-42%. This measure will phase out short-term rentals in residential zones in unincorporated Lincoln County over the next five years.	
Tillamook County	None	• Moratorium currently in effect
City of Astoria	None	• Home-stay lodging permitted only while homeowner is onsite • Vacation rentals only allowed in commercial zones
City of Cannon Beach	None	• 14-day rental limits

		• Permitted in RVL, RL, R1, R2, R3, MP or RAM zones
City of Durango, CO	Caps in Established Neighborhood Zones 1 and 2. No caps in other neighborhoods. Capped at 3% of total parcels in each zone,	• Only one vacation rental permitted on any street segment. • An application for a second vacation home rental on the same street segment requires planning commission review
City of Gearhart	None	• Only permitted in R-3 zone
City of Manzanita	Limited to 17.5% of dwellings with each of the R-2, R-3, and SR-R zones	• Only one STR permit per person
City of North Bend, OR	Capped at a maximum of 64 STRs (2% of housing stock) within the city	• Requires administrative review by the Planning Director
City of Port Townsend, WA	None	• Short-term rentals limited to bed and breakfast facilities and owner-occupied “tourist homes” that do not rent more than two rooms
City of Seaside	Spatial distribution requirements	• Limitations on the number of vacation rentals that can be permitted within 100’ of an applicant’s property. • Properties zoned Resort Residential and oceanfront properties do not have a density limitation. However, if the density is more than 20% Planning Commission review is still required • Properties zoned Medium Density Residential or High Density Residential are subject to density limits of 30%-50% dependent upon the properties location within the zone.
City of South Lake Tahoe, CA	None	• Measure T, adopting in 2018, phases out of vacation rental permits in residential areas and multi-family properties over a 3-year permit. • Prohibits new vacation home permits in residential areas. • Permanent residents can rent the entire dwelling in a residential zone for up to 30 consecutive or non-consecutive days per year • Hosted rentals are permitted – proposed cap at 200 units

City of Warrenton	None	• Vacation rental and homestay lodging permits are revoked upon transfer or legal ownership of the property • No new vacation rentals or homestay lodging units are permitted residentially-zoned areas • 11 properties grandfathered in

As shown above, few jurisdictions place a numerical limitation on the number of short-term rentals within their boundaries. Many jurisdictions do prohibit new rental units in residential zones or require owner-occupancy.

SECTION 5: METHODOLOGIES CONSIDERED

Geographic Location

As noted in Section 3, above, over 76% of permitted short-term rental units in unincorporated Clatsop County are located west of Highway 101. This is further emphasized by **Figure 4**, which depicts the concentrations of short-term rentals in unincorporated Clatsop County. Based upon the location and concentration of rental units, staff is recommended that caps be considered only for those properties west of Highway 101.

In addition to identifying where short-term rental units should be limited in order to address quality of life issues, staff worked with Clatsop County GIS staff to develop a preliminary recommendation regarding the maximum number of short-term rental units that should be allowed within those areas. There are several possible ways to calculate this number and these methods could be utilized in conjunction with each other. These options are discussed in further detail below.

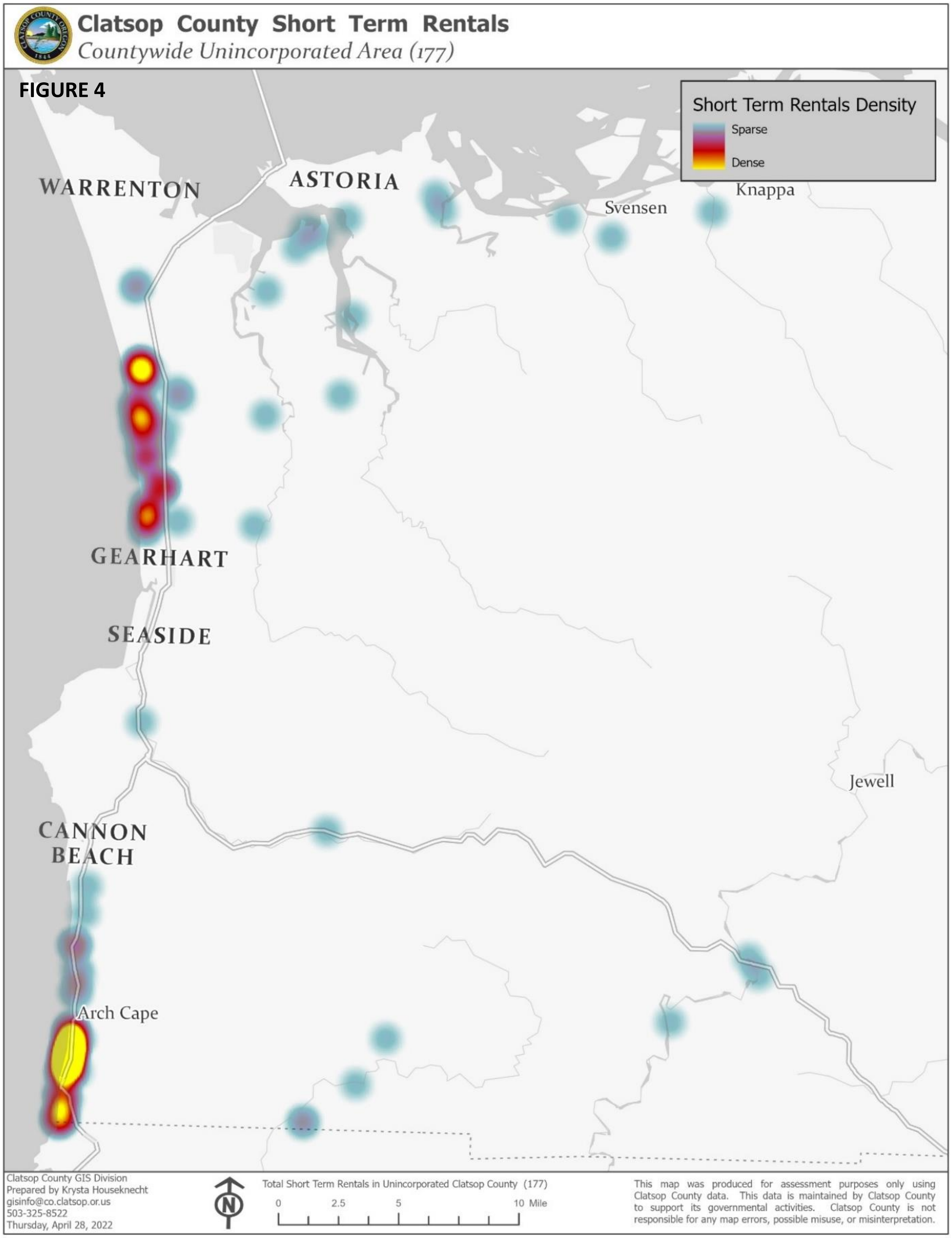
Static Number

This method would establish a fixed quantity of short-term rental units. That number would remain static and would not change even if the number of residential units increased over time. A static number could be used to limit the total number of rentals west of Highway 101, regardless of the number within each individual zone. Alternatively, a static number could be developed for each individual zone west of Highway 101.

Percentage

As noted in the University of Oregon study discussed in Section 2, jurisdictions may wish to consider caps or incentives to moderate short-term rental use once the number of rentals reaches or exceeds 4% of the total housing stock. While the total number of short-term rentals as a percentage of the total housing stock in unincorporated Clatsop County is less than 3%, STRs comprise more than 4% of the housing stock within many of the individual zones west of

Highway 101. Utilization of a percentage, without an overall maximum cap, would allow the number of short-term rentals to increase over time as new housing units were constructed.



By Zone

As discussed in Table 2, all residential zones west of Highway 101 and the AC-RCR zone have short-term rental unit rates that exceed 4% of the existing housing stock within that zone. The only exception is the RA-2 zone, which currently has no licensed short-term rentals west of Highway 101. Imposing a percentage or static number cap for each zone based upon either total housing stock or total parcels in another option available to the Board .

Spatial Distribution

This method is utilized by the City of Seaside. Density is determined by the number of short-term rentals within 100’ of the applicant’s property. If the surrounding density is over 20%, the application is referred to the Planning Commission. If the density is less than 20%, the Planning Director is able to conduct the review and approve the permit. The University of Oregon report also recommends consideration of the use of buffers when the concentration of STRs exceeds 4% of the housing stock or when complaints within an area exceed 25 per calendar year.

SECTION 6: FISCAL IMPACTS AND TAKINGS ISSUES

Fiscal Impacts

As noted in Section 3, staff did not utilize estimated transient room tax loss or gain when analyzing peer jurisdictions, best practices and when drafting a proposed recommendation. Transient room tax can be affected by multiple variables beyond the number of rental units, including inflation, weather and pandemics. Additionally, if the desired outcome of imposing limitations on the number of short-term rental units is to address quality of life issues, loss of revenue should not be a significant influencing factor.

Conversely, the fact cannot be ignored that if the total number of licensed short-term rental units remains at its current level, minimal fiscal impacts are anticipated due to the imposition of caps. If the level of short-term rentals is capped at a total extensively lower than what is currently permitted, however, some units would no longer be eligible to renew their STR permits. Depending upon the number determined to be appropriate by the Board, the potential loss of transient room tax will vary. Assessment and Taxation staff have estimated that if all short-term rental units outside of Arch Cape were to be eliminated, the resulting loss of transient room tax would be approximately $700,000.

Takings Issues

In crafting a recommendation for the Board, staff worked to avoid scenarios where an outright takings claim could occur. A taking occurs when a government, either physically or through the imposition of regulations, denies a property owner of all economically viable use of the property. County Counsel and planning staff have consulted with County Land Use Counsel to determine whether placing a limit on the number of short-term rentals would constitute a taking. County Land Use Counsel has indicated that the imposition of limits on the number of short-term rentals would not constitute a taking as the property owner would still have the ability to rent the house long-term or sell the property.

SECTION 7: COMMUNITY PARTICIPATION PLAN

Following direction provided by the Board on August 3, staff will implement the proposed Community Participation Plan. In order to ensure adequate opportunities for community members to provide input and feedback on the proposed short-term rental cap, staff is proposing the following options:

- Conduct two virtual public listening sessions. Staff is recommending virtual meetings as many of the property owners in the affected areas west of Highway 101 are not full-time residents and may reside outside of the County or even the state.
  Dates: Saturday, August 6, 10AM and Wednesday, August 17, 6PM
- Online public comment period. Staff is proposing to work with the Clatsop County Public Affairs Officer to post the recommended amendments on the Clatsop County website for a period of 30 days. Comments could be submitted online and would then be compiled for Board review on September 21, 2022.
- The Public Affairs Officer has also recommended the following actions:
  - creating a pre-recorded webinar with slides on the STR process and proposed caps
  - creating an easily read infographic for public use
  - posting information on all social media sites, including Next Door
  - placing information in the weekly bulletin
  - creating media press releases
  - preparing a guest column for the Chair of the Board
  - forwarding information to neighborhood and community groups and homeowners associations
- Comments could also be submitted in writing or via email during the same 30-day period as the online public comment

SECTION 8: ADOPTION SCHEDULE

The third extension of the short-term rental moratorium that was approved by the Board on July 13 will expire on December 24, 2022. To complete the evaluation, public input and adoption process prior to that deadline, staff is proposing the following schedule:

- **August 3, 2022:** Evaluation of proposed methodology and additional direction to staff
- **August 4 - September 5, 2022:** Public participation
- **August 24, 2022:** Rescind moratorium for areas east of Highway 101
- **September 21, 2022:** Work session with board to present results of public participation
- **October 12 and 26, 2022:** Public hearings on adoption ordinance

- **October 26, 2022:** Rescind moratorium for areas west of Highway 101

SECTION 9: STAFF-RECOMMENDED APPROACH

Moratorium

- Rescind the short-term rental moratorium for all unincorporated properties east of Highway 101, with the exception of properties within the Arch Cape Rural Community Residential (AC-RCR) zone
- Retain the moratorium on all unincorporated properties west of Highway 101 and all properties within the AC-RCR zone until all code amendments have been adopted and the appeal periods have ended

STR Limitations – Geographic Location

- Do not apply caps at this time on properties that are east of Highway 101 or that are zoned multi-family or commercial
- Continue to monitor these areas for STR creep or increased complaints
- Enact limits on all properties within the AC-RCR zone and on all other properties west of Highway 101 that are zoned primarily for single-family residential development

Levels

- Restrict the total number of short-term rental units west of Highway 101 and within all of the AC-RCR zone to a maximum of 149. This is the number of currently-licensed short-term rentals in these areas.
- Establish a 4% cap on short-term rentals by zone. This would apply to all residentially-zoned properties west of Highway 101 and all of the AC-RCR zone. As permits are no longer transferrable under Ordinance 22-03, the number of STRs would be reduced as properties are sold. Permits would be renewed on a first-come, first-served basis. A waiting list would be maintained by County staff.
- As ownership changes, new permit applications would need to comply with a 100' separation requirement between the proposed STR and any existing STRs

Fees and Permit Length

- Decrease permit length from two years to one year
- Create a two-tiered permit fee. Owner-occupied homes would continue to have a $550 annual application fee. Non-owner occupied homes would have a $1,000 annual application fee.

SECTION 10: CONCURRENT OPERATING STANDARDS REVISIONS

Concurrent with this discussion regarding the timeframe and process for establishing limits on the number of short-term rentals, staff wanted to acknowledge the Board's direction that short-term rental operating standards be reviewed and addition changes considered. The items below note areas where staff would recommend further amendments be considered in order to further address quality of life issues:

- Restrict hot tub and swimming pool during quiet hours (10PM-7AM)
- Require annual inspections when licenses are renewed
- Require Code Compliance sign-off on renewals to verify that the property does not have any outstanding code violations
- Prohibit events such as weddings, corporate retreats, rehearsal dinners at STRs
- Prohibit non-paying day guests of STR renters
- Require all STRs to be operated within the primary dwelling and prohibit the use of an accessory dwelling unit as an STR
- Prohibit unattended or unleashed barking pets
- Allow immediate revocation of an STR permit by the Community Development Direct following three cited violations. An appeal process is already established in Sections 5.12.120 and 5.24.060, Clatsop County Code
- Incorporate additional regulations prohibiting boat; trailer and/or RV parking within public rights-of-way
- Require a 100’ separation between STRs

These revisions would apply to all short-term rentals including those in Arch Cape.

APPENDIX A

ASSESSING AND RESPONDING TO SHORT-TERM RENTALS IN OREGON (2017)

2017

Assessing and Responding to Short-Term Rentals in Oregon

ENABLING THE BENEFITS OF THE SHARING ECONOMY

BY: SADIE DINATALE

COMMITTEE CHAIRS: REBECCA LEWIS, Ph.D. and ROBERT PARKER, AICP

UNIVERSITY OF OREGON | DEPARTMENT OF PLANNING, PUBLIC POLICY, AND MANAGEMENT

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Abstract

Assessing and Responding to Short-Term Rentals in Oregon:
Enabling the Benefits of the Sharing Economy

Local, regional, and state governments across the country struggle to manage the impacts of short-term rentals (STRs), and the sharing economy more generally. Often referred to as vacation rentals, STRs are not new to the housing market yet, in the last decade, technology has greatly influenced their prevalence. Private, web-based businesses such as Airbnb, VRBO, HomeToGo, LUXbnb, CouchSurfing, HomeAway, FlipKey, and VaCasa, have given people access to a user-friendly, global marketplace for home sharing.

As the sharing economy proliferates, STRs have often flown under the radar of government taxation and regulation. Accordingly, many perceived negative impacts of STRs exist including the loss of tax revenue and impacts on traditional lodging businesses, neighborhoods, housing affordability, and housing availability. Still, the widespread use of these platforms show evidence of many localized benefits. Some of these benefits include allowing property owners to earn income by renting out their unused space, offering tourists an experience that is more unique, and among others, driving visitors to places not conventionally accessible for tourists (spurring economic activity in new areas and communities).

Because this economic activity, as it used today, is a relatively new phenomenon, existing research is sparse and tends to focus on large/mega cities. Thus, this research fills an important gap by focusing on small, tourism-oriented towns in Oregon. We address the following research questions in this paper: 1) What is the prevalence and characteristics of short-term rentals in Oregon? 2) What is the revenue potential of short-term rentals in Oregon? 3) What are the existing perceptions around short-term rentals in Oregon? 4) How are short-term rentals currently being regulated in Oregon? 5) To what extent do short-term rentals compete with long-term rentals?

To examine the prevalence of short-term rentals, we rely on city-level data from AirBnB and property-specific data from AirDnA, for cities under 100,000 in population. We also use American Community Survey data to examine the share of total housing units and vacant units with short-term rentals. To understand the positive and negative impacts and the regulatory environment, we rely on a survey administered to city managers and city planners.

This work provides timely and valuable information to small and mid-sized cities regarding a recent trend affecting housing. Planners and city staff need to understand how short-term rentals are affecting their communities and respond with appropriate regulatory controls.

Acknowledgments

A sincere thank you to Rebecca Lewis, PhD and Robert Parker, AICP for providing guidance and direction on this project as committee chairs. In addition, thank you to Beth Goodman for your generous consultation.

Moreover, I would like to thank the University of Oregon's Department of Planning, Public Policy and Management for providing financial support.

Thank you to the many individuals who provided input with survey responses and thank you to AirBnB who has supported this research by proving valuable data.

Questions of More Information?

Oregon communities interested in short-term rental data for their community, county, or region (or who have questions about this report) can contact Sadie DiNatale at Sadie.dinatale@gmail.com.

Executive Summary

This summary briefly outlines the purpose of this project, delineates key findings, and concludes with ways to respond to the impacts of short-term rentals (STRs) in smaller cities.

Introduction

Short-term rentals (STRs) are often defined as housing units that are rented or leased for less than 30 days, although they not officially defined by state or federal authorities. Part of the sharing economy, STRs are representative of a phenomenon in which people are increasingly choosing to share access to goods and services via a lateral or hierarchical exchange (which often includes a monetary exchange as well). This trend has been understood to offer both benefits and costs to communities across the country.

Accordingly, this project uses Airbnb property data for the state of Oregon to understand how this sharing economy activity influences cities with populations fewer than 100,000. Case studies are used to delve deeper into this analysis. A survey sent to Oregon city managers and planning directors complements this research by gauging the existing policy frameworks for STRs in Oregon. This survey provides insight into how cities view STRs and assists in the development of regulatory best practices for responding to STR impacts.

Key Findings

What is the prevalence and characteristics of short-term rentals in Oregon cities with <100,000 people?

- Airbnbs account for more than 5% of total housing in only 16 cities, indicating that short-term rentals are not prevalent in most jurisdictions. Still, we must qualify this statement with the fact that not all short-term rentals are equivalent to one dwelling unit.
- Airbnbs are most prevalent in Central Oregon and the North Coast.
- From 2014 to 2016, the number of new STRs created increased by roughly 180%.
- Short-term rentals tend to be in lower income neighborhoods more commonly.
- Most Airbnb hosts operate a single STR. Of approximately 4,400 hosts, 22% operate more than one STR.
- Approximately 70% of Airbnb hosts rent out their entire home/apartment (either primary or second home) and another 30% of STRs are listed or rented out as a private room (the remaining 1% is listed as a shared room).
- Most STRs are traditional property types. Approximately 60% of all listed properties are houses and another 13% are apartments.

What is the revenue potential of short-term rentals in Oregon cities with <100,000 people?

- Short-term rentals generate substantial revenue in Oregon. Hosts have earned an aggregated $82 million in the last year.
- Nine of the 15 cities with the highest grossing revenue are in the North Coast.
- Eight of the 15 cities with the highest revenue per capita are also located in the North Coast.

- Approximately 70% of Airbnb hosts generate less than $10,000/year in gross revenue for operating their short-term rental(s).
- Transient lodging taxes (TLT) imposed on Airbnbs by the state generate substantial fiscal revenue. The state, imposing a 1.8% TLT on an estimated $82 million, earned approximately $1.5 million from Airbnb STRs in the last year.

To what extent do short-term rentals constrain the supply of housing in Oregon cities with <100,000 people?

- Half of all STRs are reserved for less than 30 days (36% are reserved for 10 or fewer days).
- In more urbanized regions such as Portland Metro and Willamette Valley, STRs are operated as private rooms slightly more than as entire homes.
- Perhaps a more accurate determination of housing supply constraints is the ratio of STRs (entire homes, rented for more than 30 days per year) to total housing units. Using this ratio to measure supply constraints, STRs account for approximately 2% of total housing in the North Coast and approximately 1.8% in Central Oregon.
- For most case study cities, data suggests that STRs are constraining the supply of long-term housing.
    - In case study cities, new STR growth is increasing at a faster rate than newly constructed total housing units.
    - Property owners in resort communities (case studies) can generate more annual revenue off STRs than they can off standard long-term rental units.

What are the existing perceptions around short-term rentals in Oregon?

- In general, survey respondents indicated that while residents shared mixed perceptions about STRs, local elected officials and businesses within the accommodation sector viewed STRs as less problematic.
- STRs provide great benefits including their ability to provide transient lodging tax revenue, to support tourism activities, and to support communities that rely on tourism.
- STRs economically weaken communities by impacting resources such as the availability of housing (especially affordable and rental housing) and police and city staff time who deal with complaints from neighbors/business owners.
- Respondents who agreed or strongly agreed with that statement that STRs evaded policies and regulations in their communities (26%), surprisingly did not all agree that their policies were ineffective.
- Communities who do not see the need to regulate STRs indicated that STRs are either not a problem in their community (e.g. there are no STRs or not enough STRs to regulate) or that STRs fit in with the character of their community and therefore regulation was not necessary.
- Most communities who will potentially develop ordinances to regulate STRs in the next five years will do so primarily to formalize the process and rules associated with it, legitimize existing situations, develop clear and objective standards, and promote fairness.

How are short-term rentals currently being regulated in Oregon?

- STRs are commonly referred to as short-term rentals, transient rentals, or vacation rentals.
- STRs are most commonly defined as units rented for less than 30 days.

- Most regulations for STR require that operators have a license and/or permit (92%) and 81% of respondents also indicated that their community imposes a transient lodging tax (or similar tax) on STRs.
- Respondents also commonly regulate STRs by relying on concentration caps or occupancy requirements.
- Most respondents (60%) find their regulations for STRs, or lack thereof, to be neither effective nor ineffective in managing the economic benefits or negative impacts of short-term rentals.
- STR ordinances were most commonly enforced by issuances of administrative citations (62%) and fines (58%).

Conclusion

We know that the solution to STRs will be different for every city. What is true for Oregon is true for communities across the United States: STRs affect cities dissimilarly and in turn, view STRs diversely. Accordingly, many communities have taken the experimental and incremental approach, not knowing if their policy will truly mitigate the impacts and/or enable the benefits hoped for but needing to trial something.

In the response to short-term rentals, communities should **construct regulations in conjunction with both a local, community conversation and a regional conversation.** This inclusivity aspect is key to construct equitable regulations less likely to be evaded and more likely to mitigate the negative externalities created by STRs and these policies themselves.

Additional best practices are as follows. More information on these practices can be found in Chapter 3.

- Define Short-Term Rentals and Codify Regulations in City Ordinances
- Distinguish Between Short-Term Rentals
- Restrict Use or Incentivize Moderate Use (rather than banning STRs)
- Normalize STRs as a Residential Activity (with Caveats)
- Permit STRs in Premium Areas with Monitoring
- Develop Appropriate Regulatory Standards
- Require STRs to Get a Permit or License
- Require STR Operators to Pay Fees and Taxes

Regarding enforcement, it is difficult for governments to regulate something they do not have complete control over. Initiating community conversations to educate and encourage appropriate use of STRs can, however, induce a culture of self-regulation and compliance.

Recommendations

The following sections break recommendations into minimum requirements and ancillary requirements for cities. Next, I provide recommendations for counties/regions and the State.

Minimum Regulatory Recommendations for All Cities

Whether a city has STRs or not, communities should establish the following regulations, even as a precautionary measure:

1. Legally define STRs as "short-term rentals" and establish a fair frequency of use standard that is complimentary of regional standards.
2. Codify regulations in local ordinance. Impose a guest capacity limit and require inspections.
3. Levy a transient lodging tax (if not imposed at the county level).
4. Require that STR operators register their unit(s) on an annual basis.

Ancillary Regulatory Recommendation with Thresholds for Cities

Variations in number and concentration of STRs should influence policy choices. The following recommendations provide thresholds for ancillary regulations as a starting point. In that, thresholds may vary between communities.

1. Restrict (cap/limit) STRs or incentivize moderate use if STRs account for more than 4% of total housing stock.
2. Impose a clause that revokes a STR permit for properties that receive more than five nuisance complaints in a calendar year.
3. Limit STRs in proximity to other STRs (deconcentrate) when city-wide/area-specific nuisance complaints exceed 25 complaints in a calendar year. Communities should establish a fair distance (e.g. 50 to 200 feet buffer between STRs), weigh equity implications, and re-evaluate buffer distance every two to five years.
    a. Before establishing a buffer distance, cities should increase regulatory standards and evaluate whether nuisance complaints reduce (e.g. establishing minimum parking standards may mitigate parking complaints).

Recommendations for Counties and Regions

Smaller jurisdictions may have difficulties managing STRs. That said, counties/regions should help facilitate proper management of STRs.

1. Levy a transient lodging tax at the county level if barriers exist for cities to impose their own (due to population size, low prevalence of STRs in individual communities, administrative limitations, etc.).
2. Establish a regional representative or liaison to attend Sharing Economy Committee meetings (see first "Recommendation for Oregon"). Regional liaisons should represent multiple counties.

Recommendations for Oregon

Oregon can and should become a leader in the management of STRs. This will require the state to become a leader in sharing economy affairs.

1. Establish a Sharing Economy Committee to facilitate research (including analysis of STR trends) and to assist communities across the state dealing with various issues. The objective of this committee should be one in support of sharing economy activities.

2. Hire a state employee to work directly in sharing economy affairs. Responsibilities should include:
   - Analyze sharing economy trends across the state, country, and globe
   - Communicate initiatives, information, and best practices to governments across the state
   - Provide government assistance in STR management
   - Collaborate with sharing-economy platforms
   - Collect data
   - Participate in global sharing economy networks
   - Coordinate state Sharing Economy Committee meetings, trainings, and workshops
   - Launch policy demonstration studies to pilot regulatory frameworks and options
3. Maintain a neutral Transient Lodging Tax at 1.8% to allow regions and cities to use their tax rates to manage STR growth.
4. Establish a pool of funding to help small communities amend land use ordinances for STRs.

Chapter 1: Introduction

While not officially defined by state or federal authorities, a short-term rental (STR) can be generally characterized as a housing unit that is leased or rented for less than 30 days. It is an arrangement that involves the trade of the temporary, but not future use, of a full or partial housing unit (Flath 1980). Sometimes referred to as vacation rentals, they are not new commodities of the housing market.

In recent years however, technology has greatly influenced the STR and vacation rental market (Varma 2016, Fleetwood 2012). Internet-based businesses such as Airbnb, VRBO, HomeToGo, LUXbnb, CouchSurfing, HomeAway, FlipKey, and VaCasa have given people access to a user-friendly, global marketplace (i.e. Airbnb alone reaches 191 countries). These companies cater to the exchange of short-term rentals under the coordination of a web-interface. Today, with STRs remaining relatively unregulated, just about anyone can rent out a room, their home, or their apartment by following a simple, streamlined process.

Tech-based platforms (i.e. Airbnb; VRBO) that provide a market to short-term rentals are taking advantage of the sharing economy phenomenon. The prevalence of access based services (that employ pay-per-use models rather than ownership of certain goods) has increased in recent years. Technological advances coupled with individuals placing higher value on experiences (rather than possessions) have also aided in this market shift. This phenomenon has allowed businesses and individuals under this access/sharing economy umbrella to cash in on the new opportunities this phenomenon brings. For instance, Airbnb claims approximately 100 million users with 500,000 bookings/night (Smith, 2017) and is expected to earn upwards of $3.5 million/year by 2020 (Gallagher, 2017). With that said, in a survey of Airbnb users, respondents were "nine times more likely to be more satisfied with Airbnb than their hotel stay" (Dillow, 2016).

With the introduction of new, sharing economy, business models came debate about how existing regulations address these new activities. Debate has considered whether the companies that market short-term rentals have also been able to reap greater financial returns by taking advantage of regulatory loop holes (allowing property owners to market their STRs through their site despite not being registered with the appropriate jurisdiction or despite these properties not having permits or paying tax, if applicable).

TERMS

Short-Term Rental (STR): A housing unit, rented or leased for less than 30 days; not officially defined by state or federal authorities

Sharing Economy: An economic and social activity that mutualizes access to goods/services; tech-based and grown out of the open-source community; involves a peer-to-peer exchange (lateral exchange)

"a sharing economy is a blueprint of a future business idea that explains how to link economic, environmental and social issues" (Daunorienè et al. 2015)

Access Economy: Suggested term for sharing economy activities which are market-mediated by a tech-based, intermediary company between suppliers and consumers (hierarchical exchange)

Impact: The measurable effect a specific activity has on a defined area or people

The widespread use of these web-based platforms show evidence of many localized benefits, advertised to include: increasing tourism in local communities, helping property owners earn income by renting out their unused space, offering tourists and visitors the experience of living like a local, and driving visitors to areas tourists did not traditionally flock to.

> "On the one hand, there are those who see the sharing economy as a tool for addressing pressing social justice or environmental issues — such as people establishing time banks, food sharing schemes or those pursing alternative, low carbon lifestyles. At the other end of the spectrum, there are many entrepreneurs who stand to make millions of dollars from their new sharing platforms, mainly by encouraging people to rent out the underutilized goods they own". (Makwana, 2013)

Still, these companies often face criticism for negative impacts (such as nuisance issues or constraining the availability of housing) or for allowing its users to evade local policy. Because of these real and perceived negative impacts, cities have sought to regulate short-term rentals to recoup lodging taxes, prevent impacts on housing affordability, and address neighborhood concerns around noise, traffic, and parking. Accordingly, short-term rentals have gained a reputation of both satisfying a cultural, social, and economic need while not being completely without social and economic consequence.

Purpose

The purpose of the research project is to assess how short-term rentals, as part of the sharing economy, directly impact small and mid-sized cities in Oregon via revenue generation and fiscal revenue potential. This study also looks at ways in which demand for STRs influence the supply of long-term housing. Better understanding these impacts will fill a gap in existing literature, as most studies have focused on how short-term rentals impact large cities or mega-cities. Moreover, the purpose of this project is to gauge existing perceptions and policy frameworks of STRs in Oregon cities as to better understand the political and social climate around this activity. This policy analysis is intended to assist planners and policy makers of small communities respond to and better manage STRs in order to enable the benefits of the sharing economy.

Methodology

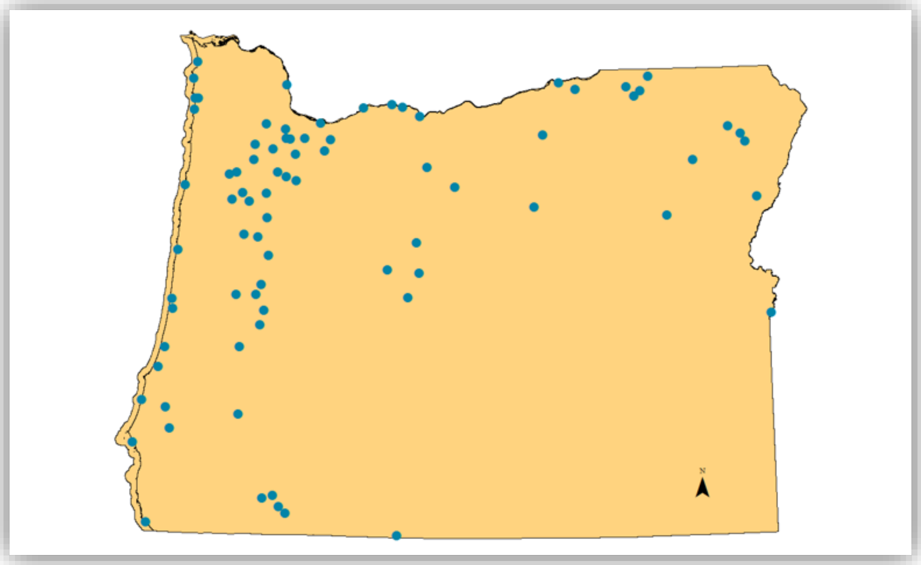
This study uses a mixed-method-approach. Data analysis used secondary sources including:

- **AirDnA:** market summary and property performance reports
- **AirBnB:** aggregated industry data by city
- **American Community Survey:** Housing and Population characteristics

Data analysis is used to answer the questions: What is the prevalence and characteristics of short-term rentals in Oregon? What is the revenue potential of short-term rentals in Oregon? And, to what extent do STRs constrain the supply of housing? This analysis specifically looks at cities with a population of less than 100,000 (communities that have been mostly excluded from existing studies on this topic).

In addition, we created an innovative survey, developed on Qualtrics, to get information about policies and perceptions of city administrators and planners across Oregon. The survey had 32 questions and asked City managers and planners to comment on the ways in which STRs impact their community. Questions also asked City staff to comment on the ways in which various actors perceive STRs in their community. Finally, the survey asked City staff to comment on their existing or potential policy framework for STRs. The survey received 103 responses out of a possible 294 yielding a response rate of 35%.

Map 1.1. Location of Survey Respondents



Source: Responding to Short Term Rentals in Oregon Survey, Q27, 2017.

Further, using a series of selected case studies, I dig deeper into the connection between regulatory frameworks, perceptions of STRs, and the actual impact they create in small to mid-sized cities. Criteria for selection was that the city possess elevated levels of Airbnb rentals as compared to other Oregon cities and/or possess a high percentage of Airbnb rentals as compared to the community's total housing units. Additionally, I ensure that case studies represented a range of city sizes (with populations of under 100,000) and that selected cities came from a range of geographic regions in Oregon. Predominantly, these cities are tourist destinations. A description of the case studies and applicable data is in Appendix B. Case studies are: Ashland, Bend, Depoe Bay, Hood River, Joseph, Lincoln City, Manzanita, Rockaway Beach, Seaside, and Sisters.

Limitations

As in most analyses, several limitations exist. To enable transparency, this study presents the following limitations:

- AirDnA data was heavily relied on for this analysis. While the data set was very useful in explaining both the nature of short-term rentals and their impact in Oregon, margins of error are unknown and thus, its accuracy is questionable. I did compare AirDnA data (presented at the property level) with Airbnb data (limited to the city level) as a sensitivity test in Appendix D and found similarities. AirDnA data was also slightly manipulated by the researcher to remove fake and test listings.

- All STRs are not advertised or listed through the Airbnb platform. For instance, some property owners may use VRBO, HomeAway, and other platforms to market their STRs. Thus, communities may have more STRs than what was documented in this study.

- A limitation to the 'Responding to Short-Term Rentals in Oregon' survey is that not all cities in Oregon participated, meaning these results are not entirely comprehensive. Some communities indicated that they did not take the survey because they do not have any STRs (real and perceived) which may have limited learning about the perspectives of communities who are not currently concerned about this component of contemporary housing discussions.

- A final limitation was time. The researcher was unable to conduct interviews with city administrators or staff planners in each of the case studies cities (or with regional/state housing experts). This restricted the ability to fully compare findings with perceptions and to discuss potential future actions. As a result, full reliance was placed on the applicable city's survey responses (apart from Depoe Bay which was not received) and code review.

Chapter 2: Key Findings

The organization of this chapter[1] is as follows:

1) What is the prevalence and characteristics of STRs in Oregon?
2) What is the revenue potential of STRs in Oregon?
3) What are the existing perceptions around STRs in Oregon?
4) How are STRs currently being regulated in Oregon?
5) To what extent do STRs constrain the supply of housing in Oregon?

Overarchingly, this chapter conveys findings only for cities in Oregon with populations less than 100,000 (unless otherwise specified). ***In that, Portland, Eugene, Salem, and Gresham were excluded from analysis as to focus in on how STRs affect smaller cities in Oregon. Also, excluded from analysis are STRs in census-designated places or towns (as of 2015).***

What is the prevalence and characteristics of short-term rentals in Oregon?

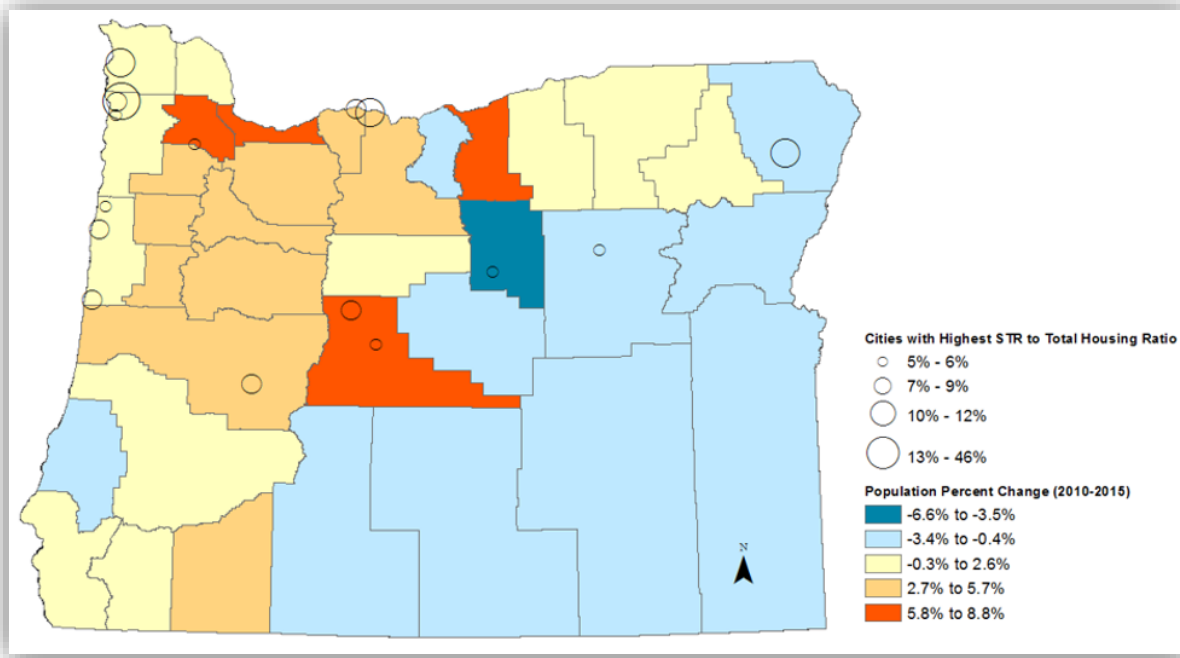
Oregon's four largest cities (Portland, Eugene, Salem, and Gresham) encompass approximately 10,000 AirBnBs (56% of the state's AirBnB short-term rental stock). Cites with less than 100,000 people (from this point further: cities) encompass approximately 8,000 Airbnb STRs; roughly 44% of total Airbnbs for the state. As a note, Airbnb are located within every county and in 75% of the state's total cities.

Assessing the approximate number of STRs (as well as their location and property characteristics) enables conceptualization of the industry. Use of existing studies provides additional context for findings.

- **Airbnbs account for more than 5% of total housing in only 16 cities, indicating that short-term rentals are not prevalent in most jurisdictions (see Map 2.1).** Still, we must qualify this statement with the fact that not all short-term rentals are equivalent to one dwelling unit. Nevertheless, for these 15 jurisdictions (Bend, Depoe Bay, Gaston, Hood River, Joseph, Lincoln City, Long Creek, Manzanita, Mitchell, Mosier, Nehalem, Rockaway Beach, Seaside, Sisters, Westfir, and Yachats), the ratio of AirBnBs to housing units could suggest a potential housing supply constraint. This concern will be further addressed later in this report.

[1] This chapter uses AirDnA data as well as information from the American Community Survey to paint a picture of the nature of STRs in Oregon as well as their impact. The Responding to Short-Term Rentals in Oregon Survey was also used to understand existing policy frameworks and perceptions of STRs.

Map 2.1. Indication of Potential Housing Supply Constraint for Cities with Higher Portion of STRs



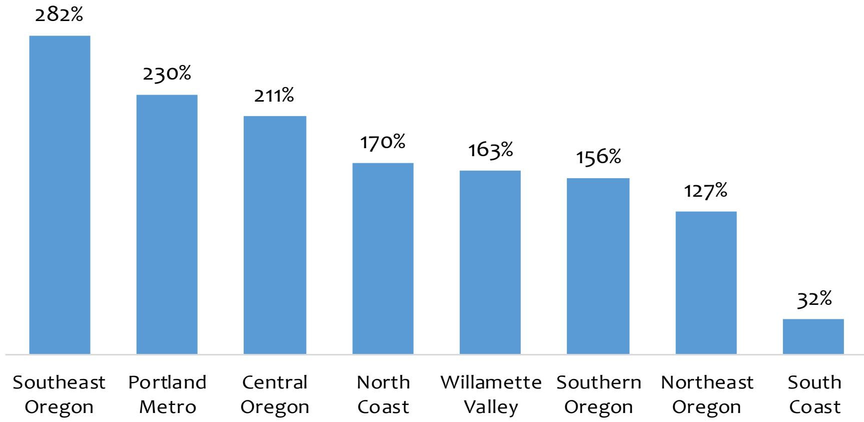
Source: AirDnA Property Data, Retrieved 2017. United States Census, American Community Survey, Population Data, 2011-2015. Excludes Portland, Eugene, Salem, and Gresham.

- **Airbnbs are most prevalent in Central Oregon and the North Coast**. In Central Oregon, AirBnBs account for approximately 4% of the region's total housing stock. In the North Coast, Airbnbs account for 5% of the region's total housing stock. Again, this is not a precise equivalency; rather it is an opportunity for conceptualization. For cities in the remaining six regions, Airbnbs account for approximately 1% of the total housing stock. As "the top five activities engaged in by travelers on overnight trips to Oregon were shopping, visiting a beach/waterfront, visiting a national/state park, visiting a landmark/historic site, and hiking/backing," it is understandable why these two regions attract so many tourists and visitors and further explains why there is such a demand for STRs.[2]

- **From 2014 to 2016, the number of new STRs created increased by roughly 180%.** In this same time, but by region, the number of new STRs created increased most drastically for Southeast Oregon (282%), Portland Metro (230%), and Central Oregon (211%), see Figure 2.2.

[2] Longwoods, International, USA. (2015). Oregon 2015 Visitor Report. http://industry.traveloregon.com/content/uploads/2016/11/Oregon-2015-Visitor-Final-Report.pdf

Figure 2.2. Growth of Newly Created Short-Term Rentals by Region, 2014 to 2016



Source: AirDnA Property Data, Retrieved 2017. Excludes Portland, Eugene, Salem, and Gresham.

- **Short-term rentals tend to be in lower income neighborhoods more commonly.** To measure, neighborhood is defined as the properties' census tract and lower income as median household income of census tract divided by the county's median household income. In areas like the South Coast, North Coast, and Central Oregon, I find more than half of the regions' properties are geographically located in lower income neighborhoods, see Table 2.9.

Table 2.9. Properties in Tracts with Higher/Lower Median Household Incomes than County, 2015

Region	Less Than County	Equal to/More Than County	Total
South Coast Oregon	66%	34%	309
Central Oregon	65%	35%	2,887
North Coast Oregon	64%	36%	1,720
Southern Oregon	42%	58%	769
Willamette Valley	40%	60%	961
Northeast Oregon	37%	63%	177
Portland Metro	35%	65%	1,052
Southeast Oregon	27%	73%	142
Total	**54%**	**46%**	**8,017**

Source: AirDnA Property Data, Retrieved 2017. ACS 2011-2015, Median Household Income. Excludes Portland, Eugene, Salem, and Gresham.

- **Most Airbnb hosts operate a single STR listed as the entire home.** Approximately, 4,400 hosts operate an Airbnb in small to mid-sized Oregon cities. Of these, 970 hosts (22%), operate more than one STR. Approximately 70% of Airbnb hosts rent out their entire home/apartment (either primary or vacation home) and another 30% are listed or rented out as a private room (the remaining 1% is listed as a shared room). This data reveals a bit about STR hosts. For instance, while most hosts are renting out their entire housing unit, a substantial portion of hosts (approximately 1/3) appear to be interested in making supplementary income solely off some of their extra space. This is an important distinction about the use of short-term rentals. To explain, as of 2015, the average household size for owner/renter-occupied housing units was approximately 2.5 people while almost 60% of housing units had 3 or more bedrooms.[3] Accordingly, despite actual motives, many short-term rental operators are capitalizing on the efficient use of space, driving sustainable practices.

- **Most STRs are traditional property types.** Approximately 60% of all listed properties are houses and another 13% are apartments. Other common STR property types also remain more traditional, to include: condominiums, bed and breakfasts, cabins, and townhouses (see Table 2.3). Larger cities tend to encompass a larger percentage of apartment buildings, indicative of more urbanized areas.

Table 2.3. Airbnb Property Types (using all cities for added context)

Property Types	Cities with Pop. < 100,000		All Cities		Property Types	Cities with Pop. < 100,000		All Cities	
House	4,877	60.0%	10,927	59.4%	Timeshare	10	0.1%	10	0.1%
Apartment	1,068	13.1%	4,000	21.7%	Hostel	8	0.1%	12	0.1%
Other	470	5.8%	639	3.5%	Castle	6	0.1%	13	0.1%
Condominium	426	5.2%	638	3.5%	Boat	5	0.1%	27	0.1%
Bed & Breakfast	316	3.9%	465	2.5%	Dorm	5	0.1%	16	0.1%
Cabin	244	3.0%	322	1.8%	Nature Lodge	5	0.1%	5	0.0%
Townhouse	181	2.2%	321	1.7%	Treehouse	5	0.1%	8	0.0%
Camper/RV	116	1.4%	201	1.1%	Train	3	0.0%	3	0.0%
Guesthouse	76	0.9%	195	1.1%	Hut	1	0.0%	6	0.0%
Villa	69	0.8%	104	0.6%	Island	1	0.0%	1	0.0%
Bungalow	61	0.8%	124	0.7%	Lighthouse	1	0.0%	1	0.0%
Loft	57	0.7%	162	0.9%	Entire Floor	-	-	7	0.0%
Boutique Hotel	38	0.5%	43	0.2%	Earth House	-	-	5	0.0%
Tent	37	0.5%	73	0.4%	Igloo	-	-	2	0.0%
Chalet	20	0.2%	24	0.1%	Cave	-	-	1	0.0%
Yurt	14	0.2%	23	0.1%	Van	-	-	1	0.0%
Tipi	12	0.1%	13	0.1%	**Total**	**8,132**	**100%**	**18,392**	**100%**

Source: AirDnA property data, 2017. Excludes Portland, Eugene, Salem, and Gresham.

What is the revenue potential of short-term rentals in Oregon?

Analysis of the financial details of STRs allows one to understand the profitability of these units (for hosts and municipalities) as well as the potential economic development opportunity they can bring.

- **Short-term rentals generate substantial revenue in Oregon.** Hosts have earned an aggregated $82 million in the last year. This indicates potential positive gains to local economies assuming hosts reinvest locally. After discounting larger cities, Central Oregon and the North Coast far out earn other regions. These two regions also charge a higher daily rate/Airbnb on average and receive more annual bookings (Table 2.4).

[3] United States Census. American Community Survey, 2011-2015, Selected Housing Characteristics for Oregon (DP04).

Table 2.4. Annual Revenue Earned by Hosts and State Tax Revenue Earned (estimate)

Regions	Average Daily Rate per Property	Total Bookings Annual	Annual Revenue	State Levy (1.8%) Annual Earnings
Central Oregon	$ 209	46,391	$ 37,539,776	$ 675,716
North Coast	$ 206	38,927	$ 24,875,499	$ 447,759
Willamette Valley	$ 97	14,026	$ 5,315,475	$ 95,679
Portland Metro	$ 72	11,172	$ 4,937,697	$ 88,879
Southern Oregon	$ 98	13,209	$ 4,886,800	$ 87,962
South Coast	$ 132	5,710	$ 2,335,541	$ 42,040
Northeast Oregon	$ 129	3,307	$ 1,738,663	$ 31,296
Southeast Oregon	$ 125	2,977	$ 1,143,628	$ 20,585
Total	**$ 134**	**135,719**	**$ 82,773,079**	**$ 1,489,915**

Source: AirDnA. Airbnb property level data. Retrieved 2017. Excludes Portland, Eugene, Salem, and Gresham.

- **Nine of the 15 cities with the highest grossing revenue are in the North Coast.** Still, Table 2.5 shows that Bend receives a far more substantial amount of revenue (accounting for approximately 86% of all revenue from Central Oregon). Additionally, of these highest grossing cities, nine have Airbnbs that account for at least 5% of its housing stock (Bend, Depoe Bay, Hood River, Joseph, Lincoln City, Manzanita, Rockaway Beach, Seaside, and Yachats).

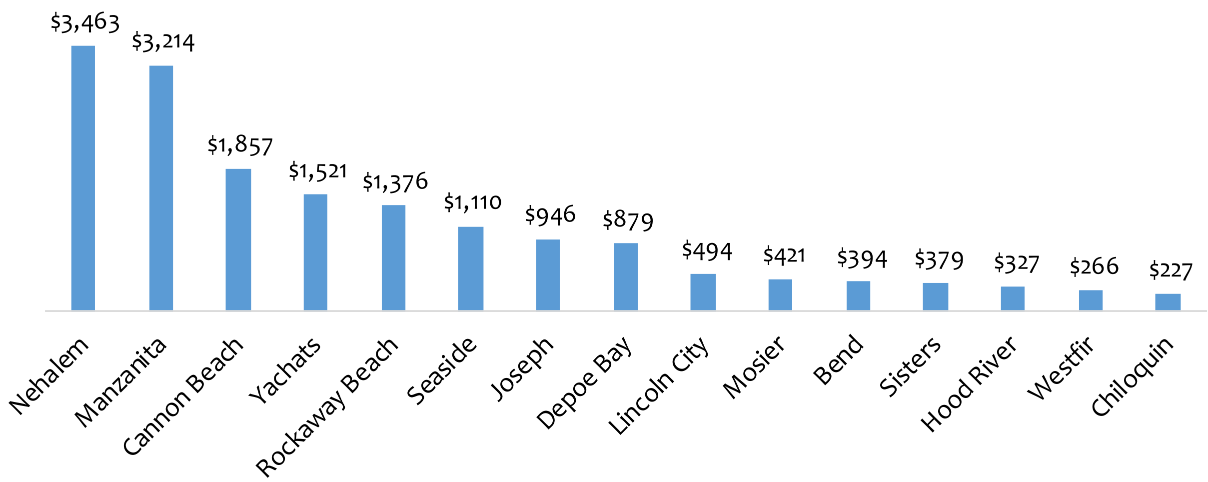
Table 2.5. Annual Revenue Generated with Frequency Data for Highest Grossing Cities

Cities	Region	Annual Revenue	Annual Revenue per Property (Max)	Annual Revenue per Property (Mean)	Annual Revenue Per Property (Std Dev)
Bend	Central Oregon	$32,207,439	$157,773	$14,801	$18,642
Seaside	North Coast	$7,198,080	$198,425	$16,285	$27,235
Lincoln City	North Coast	$4,145,729	$117,250	$12,265	$14,601
Cannon Beach	North Coast	$2,876,320	$203,617	$35,077	$39,131
Hood River	Central Oregon	$2,426,970	$81,215	$7,537	$10,428
Ashland	Southern Oregon	$2,160,243	$59,876	$8,309	$10,923
Rockaway Beach	North Coast	$1,688,036	$98,481	$15,925	$16,170
Depoe Bay	North Coast	$1,650,062	$59,288	$13,866	$16,207
Beaverton	Portland Metro	$1,620,761	$64,717	$4,739	$7,833
Manzanita	North Coast	$1,368,957	$90,051	$16,105	$16,773
Newport	North Coast	$1,322,513	$63,141	$9,380	$11,142
Redmond	Central Oregon	$1,036,179	$42,518	$6,642	$8,796
Tillamook	North Coast	$1,014,970	$69,780	$11,941	$13,862
Yachats	North Coast	$1,000,579	$62,675	$14,714	$11,232
Joseph	Northeast Oregon	$996,192	$64,836	$17,176	$13,523

Source: AirDnA Property Data, 2017. Excludes Portland, Eugene, Salem, and Gresham.

- **Eight of the 15 cities with the highest revenue per capita are also located in the North Coast (see Figure 2.6).** Revenue per capita for the state, excluding cities over 100,000 and using ACS population data for 2015, is approximately $54 dollars per person in the last year.

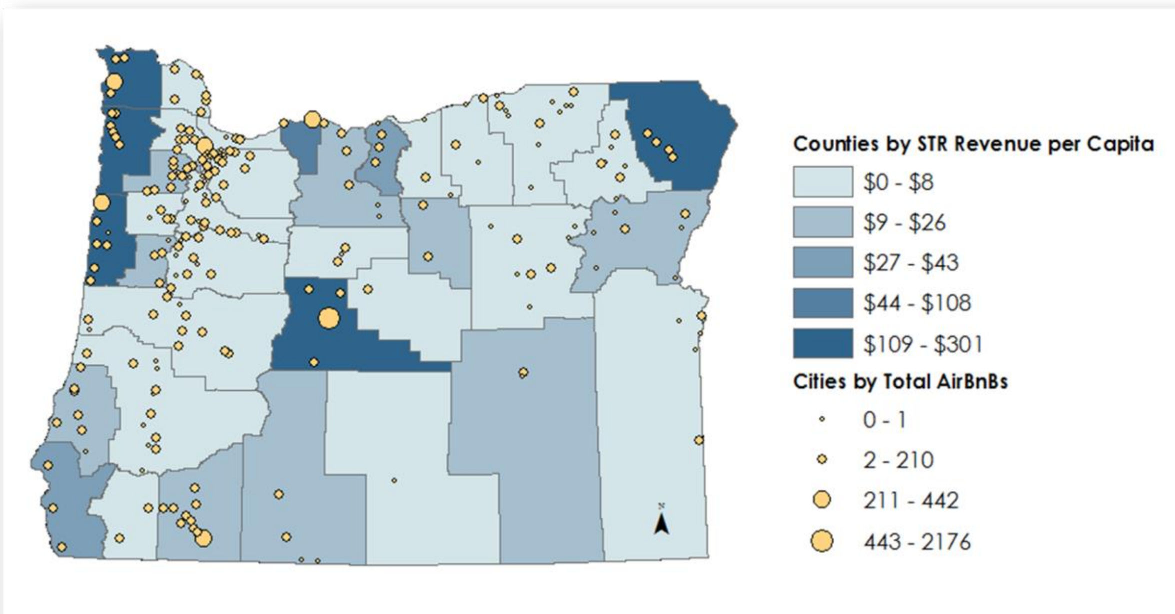
Figure 2.6. Cities with highest revenue generated per capita, 2015 population



Source: AirDnA Property Data, 2017. U.S. American Community Survey, 2011-2015 Population. Excludes Portland, Eugene, Salem, and Gresham.

Displayed in another way, Figure 2.7 shows STR revenue per capita by county with an Airbnb property dot density layer.

Figure 2.7. Counties with STR Revenue per Capita

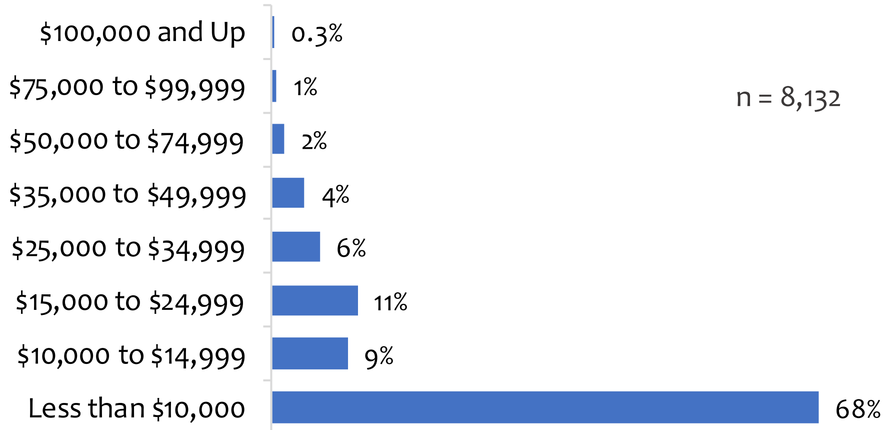


Source: AirDnA Property Data, 2017. Excludes Portland, Eugene, Salem, and Gresham.

- **Approximately 70% of Airbnb hosts generate less than $10,000/year in gross revenue for operating their short-term rental(s), see Figure 2.8.** Of those hosts, 30% generate less than $600/year. As independent contracts are expected to report income earned to the IRS after

$600 (via a 1099-MISC form), a large majority of hosts may be outside the law. In that, Airbnb only issues 1099-K tax forms to hosts who "earn over $20,000 and have 200+ transactions in the calendar year".[4] Outside of submitting 1099-K form to select operators, Airbnb passes on responsibility to hosts to report any income earned suggesting they consult a tax professional for income reporting assistance.

Figure 2.8. Percent of Hosts by Annual Revenue Earned



Source: AirDnA, Property Data, Retrieved 2017. Excludes Portland, Eugene, Salem, and Gresham.

- **Transient lodging taxes (TLT) imposed on Airbnbs by the state generate substantial fiscal revenue.** The state, imposing a 1.8% TLT on an estimated $82 million, earned approximately $1.5 million from Airbnb STRs in the last year. Still, Oregon's TLT rate is much lower as compared to other state levied taxes on this same lodging type. Of the states which levy one or more state taxes on Airbnbs, rates range from 1.8% to 14.5% and average about 8%.[5]

- **Many cities do not levy TLTs on STRs.** Airbnb indicates that nine cities[6] levy a tax on STRs marketed through their site, averaging 8.5% and ranging from 4% to 10.4%.[7] If all remaining cities levied just a 5% local option levy/TLT on STRs, an additional, aggregated $2 million could be earned (estimate). This would be in addition to the $4 million already being earned by cities who do charge a TLT or similar tax on STRs. I note the discrepancy that while Airbnb indicates that nine cities levy a tax on STRs, the Responding to Short Term Rentals in Oregon Survey found that 21 communities levy a tax on STRs. This suggests that many communities

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[4] AirBnB. Should I expect to receive a tax form from Airbnb? Retrieved May 2017. https://www.airbnb.com/help/article/414/should-i-expect-to-receive-a-tax-form-from-airbnb

[5] AirBnB. In what areas is occupancy tax collection and remittance by Airbnb available? Retrieved May 5, 2017. https://www.airbnb.com/help/article/653/in-what-areas-is-occupancy-tax-collection-and-remittance-by-airbnb-available

[6] Cities are: Beaverton, Bend, Cottage Grove, Eugene, Florence, Lincoln City, Newport, Portland, Springfield. Counties were Lane, Multnomah, Tillamook, and Washington.

[7] AirBnB. In what areas is occupancy tax collection and remittance by Airbnb available? Retrieved May 5, 2017. https://www.airbnb.com/help/article/653/in-what-areas-is-occupancy-tax-collection-and-remittance-by-airbnb-available

imposing a STR/TLT tax have not communicated this information to STR web-based platforms like Airbnb.

To what extent do short-term rentals constrain the supply of housing?

Communities across Oregon are concerns whether STRs constrain the supply of housing (long-term rentals, owner-occupied units, workforce or affordable housing, etc.). This section provides some evidence to get us closer to understanding this impact.

- **Half of all STRs are reserved for less than 30 days (36% are reserved for 10 or fewer days).** As Table 2.12 on the following page shows, 28% of STRs are reserved for 30 to 90 days, 17% are reserved for 91 to 180 days, and 5% are reserved for 180 days or more. The average reservation day across the state is 52 days in a calendar year.

- **In more urbanized regions such as Portland Metro and Willamette Valley, STRs are operated as private rooms slightly more than as entire homes.** In Central Oregon and the North Coast, STRs are being operated more commonly as entire homes, providing some indication of the type of space available (e.g. more second homes, vacation houses, etc.), see Table 2.12.

Table 2.12. Airbnbs Organized by Listing Type, Days Reserved, and Region

Reservation Days	Entire Home/Apt.	Private Room	Shared Room	Total
Central Oregon	**2,264**	**624**	**17**	**2,905**
Less than 30 Days	35%	11%	1%	46%
30 to 90 Days	26%	5%	0%	32%
91 to 180 Days	13%	4%	0%	17%
181 Days or More	4%	1%	0%	5%
North Coast Oregon	**1,483**	**228**	**9**	**1,720**
Less than 30 Days	38%	6%	0%	44%
30 to 90 Days	24%	3%	0%	27%
91 to 180 Days	18%	3%	0%	21%
181 Days or More	6%	1%	0%	7%
Northeast Oregon	**150**	**80**	**3**	**233**
Less than 30 Days	29%	25%	1%	55%
30 to 90 Days	21%	6%	0%	27%
91 to 180 Days	12%	3%	0%	16%
181 Days or More	3%	0%	0%	3%
Portland Metro	**434**	**591**	**27**	**1,052**
Less than 30 Days	21%	34%	2%	57%
30 to 90 Days	9%	15%	1%	25%
91 to 180 Days	8%	5%	0%	13%
181 Days or More	3%	2%	0%	5%
South Coast Oregon	**232**	**76**	**1**	**309**
Less than 30 Days	36%	12%	0%	48%
30 to 90 Days	23%	8%	0%	31%
91 to 180 Days	13%	4%	0%	16%
181 Days or More	4%	1%	0%	5%
Southeast Oregon	**135**	**34**	**1**	**170**
Less than 30 Days	41%	11%	1%	52%
30 to 90 Days	25%	3%	0%	28%
91 to 180 Days	12%	6%	0%	19%
181 Days or More	1%	0%	0%	1%
Southern Oregon	**441**	**318**	**10**	**769**
Less than 30 Days	28%	24%	1%	52%
30 to 90 Days	14%	9%	0%	23%
91 to 180 Days	12%	7%	0%	19%
181 Days or More	4%	2%	0%	6%
Willamette Valley	**476**	**484**	**14**	**974**
Less than 30 Days	23%	28%	1%	53%
30 to 90 Days	14%	13%	0%	27%
91 to 180 Days	9%	7%	0%	17%
181 Days or More	2%	1%	0%	3%
Total	**69%**	**30%**	**1%**	**8,132**
Less than 30 Days	32%	17%	1%	49%
30 to 90 Days	21%	7%	0%	28%
91 to 180 Days	13%	5%	0%	17%
181 Days or More	4%	1%	0%	5%

Source: AirDnA. Airbnb property level data. Retrieved 2017. Excludes Portland, Eugene, Salem, and Gresham.

- **Perhaps a more accurate determination of housing supply constraints is the ratio of STRs (entire homes, rented for more than 30 days per year) to total housing units. Using this ratio to measure supply constraints, STRs account for approximately 2% of total housing in the North Coast and approximately 1.8% in Central Oregon.** Remaining regions attribute to less than 1%.

- **For most case study cities, data suggests that STRs are constraining the supply of long-term housing.** Hood River, Joseph, and Seaside's housing stock are particularly influenced by STRs (see Table 2.13 or Appendix A, Table B.7).

Table 2.13. Indication of STRs Potentially Constraining Housing Supply

Case Studies	Airbnbs (Entire Home, Rented for 30+ Days)	% of Total Housing Units	Airbnbs (Entire Home, Rented for 91+ Days)	% of Total Housing Units
Ashland	92	1%	59	1%
Bend	997	3%	370	1%
Depoe Bay	56	4%	28	2%
Hood River	108	34%	47	15%
Joseph	41	7%	21	4%
Lincoln City	154	2%	65	1%
Manzanita	45	4%	20	2%
Rockaway Beach	63	3%	38	2%
Seaside	215	5%	18	0%
Sisters	43	3%	43	3%
Total	**1,814**	**3%**	**709**	**1%**

Source: AirDnA Property Data, Retrieved 2017.

- **In case study cities, STR growth is increasing at a faster rate than total housing units are (see Appendix B, Table B.5).** In some of these communities, household formation is also increasing at a faster rate than the construction of new housing units, indicating housing supply constraints (Bend, Depoe Bay, Joseph, and Manzanita).

- **Property owners in resort communities (see Appendix B, Table B.6) can generate more annual revenue off STRs than they can off standard long-term rental units.** Therefore, in these communities, there may be more of a motive for property owners to operate STRs (although the differential in time and cost of maintenance for long-term vs short-term rentals is unknown).

What are the existing perceptions around short-term rentals in Oregon?

Using the Responding to Short-Term Rental Survey, analysis can delve into the existing perceptions that communities hold over STRs.

- **In general, survey respondents indicated that while residents shared mixed perceptions about STRs, local elected officials and businesses within the accommodation sector viewed**

STRs as less problematic. Still, respondents who indicated that STRs may be more problematic in their own community than in other Oregon communities or comparable communities across the U.S., tended to agree or strongly agree that STRs impacted the availability of affordable and workforce housing (78%), long-term rental housing (78%), and owner-occupied housing (56%).

- **STRs provide great benefits including their ability to provide transient lodging tax revenue, to support tourism activities, and to support communities that rely on tourism.** For instance, they serve a market need by providing additional lodging options (especially for communities without any traditional accommodation types) and thus, they bring in tourists that might not have otherwise visited. Furthermore, they provide income and employment opportunities, allowing homeowners to get extra use out of their properties (thereby making homes more affordable).

- **STRs economically weaken communities by impacting resources such as the availability of housing (especially affordable and rental housing) and police and city staff time who deal with complaints from neighbors/business owner**s. On the latter point, slightly over half of survey respondents indicated that residents have raised nuisance issues within the last five years. Among the cited nuisance complaints include: parking concerns (78%), noise concerns (67%), garbage and outdoor clutter concerns (56%), high occupancy levels (485), and excessive parking (45%). Furthermore, respondents indicated concern over the possibility that hosts could be individuals or companies from out of the state that take their revenue with them. Finally, respondents indicated that STRs can economically weaken communities in that they tend to be operated seasonally creating periods of no economic stimulation followed by a community that falters in the off-season.

- **Respondents who agreed or strongly agreed with that statement that STRs evaded policies and regulations in their communities (26%) still did not all agree that their policies were ineffective.** In that, of that 26%, approximately 20% indicated their policy was somewhat effective, 44% indicated their policy was neither effective nor ineffective, and 36% indicated their policy was somewhat (16%) or very ineffective (20%).

- **Communities who do not see the need to regulate indicated that STRs are either not a problem in their community (e.g. there are no STRs or not enough STRs to regulate) or that STRs fit in with the character of their community and therefore regulation is not necessary.** Other reasons why communities have not pursued regulation was the issue has not been raised by community members or that staff resources and time was preventing them from adopting policies.

- **Most communities who will potentially develop ordinances to regulate STRs in the next five years will do so primarily to formalize the process and rules associated with it, legitimize existing situations, develop clear and objective standards, and promote fairness.** Still, some respondents indicated wanting regulations as the STR trend is increasing and they want to mitigate impact before STRs become a burden, or because they do not want to be overrun by STRs. The desire to reap transient tax revenue was also a common motivation for regulation.

How are short-term rentals currently being regulated in Oregon?

The Responding to Short-Term Rentals in Oregon Survey also provided information about existing ways STRs are being regulated in the state. The following provides some information about prevailing policy frameworks.

- **STRs are commonly referred to as transient rental or vacation rentals**. Less commonly, some refer to STRs as traveler/accessory traveler accommodations, bed and breakfasts, motels, or RV parks. Some of these less common terms (e.g. RV parks) are used in lieu of a term specific to STRs as policies have not caught up to this housing trend.

- **STRs are most commonly defined as units rented for less than 30 days.** Some policies indicate that they must be rented for a certain number of days before qualifying as a STR (e.g. at least 10 days in a calendar year). Lease type (e.g. less than a month-to-month basis) was also found to be used.

- **Most regulations for STR require that operators have a license and/or permit (92%) and 81% of respondents also indicated that their community imposes a transient lodging tax (or similar tax).** While fees vary widely, by cost and by type (e.g. conditional use permit, short-term rental licenses, business license, etc.) tax rates tend to remain more consistent (see Table 2.10). The following table provides some data on fees and tax rates.

Table 2.10. Frequency for Fee and Tax Rates

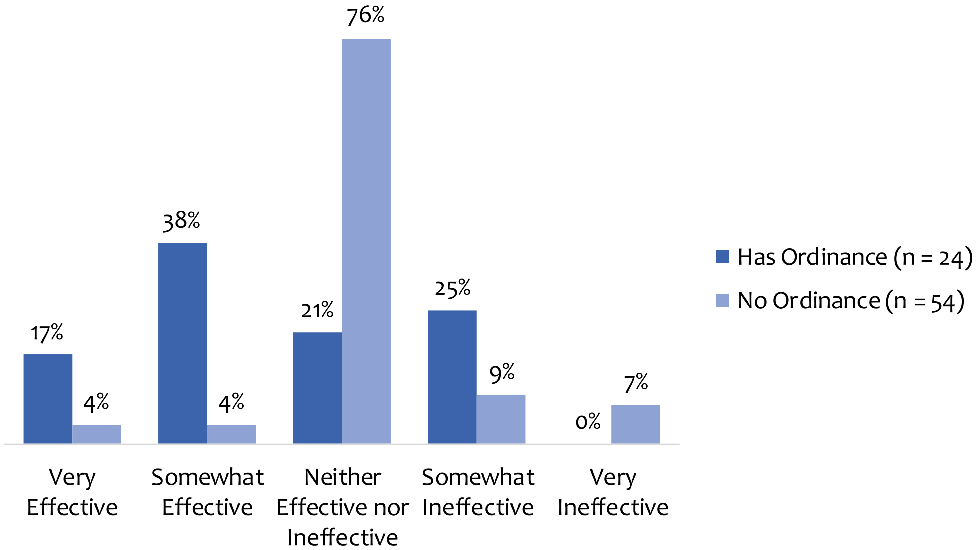
Fee Rate Frequency			Tax Rate Frequency	
Mean	$	498	Mean	7.4%
Median	$	358	Median	7.5%
Standard Deviation	$	554	Standard Deviation	2.3%
Range	$	2,150	Range	8.6%
Min	$	50	Min	1.8%
Max	$	2,200	Max	10.4%

Source: Responding to Short-Term Rentals in Oregon Survey, y-Q20 and y- Q21, 2017.

- **Respondents also commonly regulate STRs by relying on concentration caps/limits or occupancy requirements.** Restricting STRs to certain zones, adopting guest behavior standards, or making properties subject to review and inspection (making determinations on case-by-case basis) have also been put into place to mitigate nuisance and promote health, safety, and wellbeing.

- **Most respondents (60%) find their regulations for STRs, or lack thereof, to be neither effective nor ineffective in managing the economic benefits or negative impacts of short-term rentals.** Approximately 21% found their regulations, or lack thereof, to be very or somewhat effective and 18% found them very or somewhat ineffective. Still, we note that a generous portion of those that found their policies/lack of policies to be neither effective or ineffective did not actually have any regulatory framework. This can be explained in that many smaller communities in Oregon still do not have many STRS (if any) and thus, do not have many of the same concerns as other communities (e.g. around nuisance issues or housing supply concerns), see Figure 2.11. Noting that STRs are uncharted territory for many cities, it may take time to adopt the appropriate regulatory framework that works best for each community.

Figure 2.11. Effectiveness of Short-Term Rental Ordinance or Lack of Ordinance



Source: Responding to Short-Term Rentals in Oregon Survey, Q25, 2017.

- **STR ordinances were most commonly enforced by issuances of administrative citations (62%) and fines (58%).** In addition, many respondents commented on the fact that enforcement was a challenge.

Chapter 3: Conclusions

This chapter deliberates the findings discussed in chapter 2 and uses the literature review in Appendix A to provide some theoretical underpinnings. Primarily, this chapter discusses best ways Oregon planners and policy makers can respond to STRs, should they want to. Examples are provided throughout to enhance understanding or to provide those interested with more information. However, explicit recommendations are laid out in the following chapter. Smaller jurisdictions outside of Oregon and across the United States may also find use out of these best practices. Finally, this chapter outlines possible, future steps for continued research on this topic to ensure more accurate policy responses.

How should policy makers and planners in Oregon respond to short-term rentals?

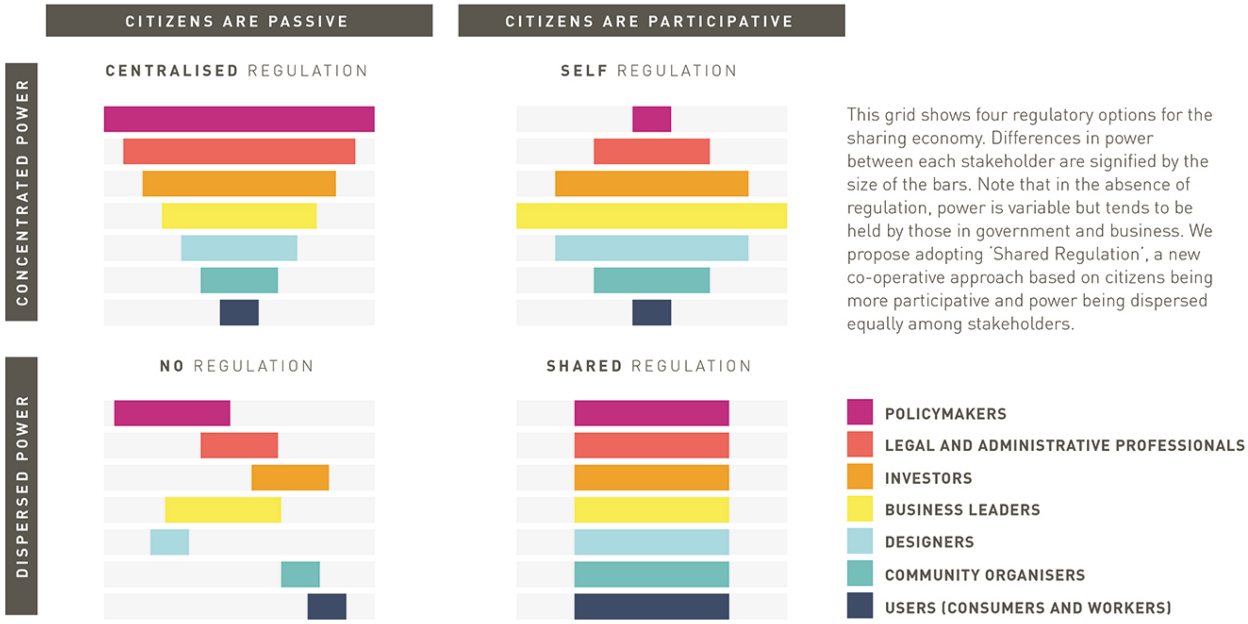
We know that the solution to STRs will be different for every city. What is true for Oregon is true for communities across the United States: STRs affect cities dissimilarly and, in turn, they view STRs diversely. Accordingly, many communities have taken the experimental and incremental approach, not knowing if their policy will truly mitigate the impacts and/or enable the benefits hoped for but needing to trial something. Performance of STR policies are still unknown. We need more data and rigorous statistical research to measure the impacts and policy treatments given. In the meantime, and while much is still unknown, following some general best practices to manage STRs may prove fruitful.

In Oregon, I find that when linking existing policy to perceptions, in general, policy reactions have met community reactions. In that, communities unchallenged by STRs (or where STRs are not a community concern) tend to be undaunted by the need to regulate, as an existing practice or as a future precaution. Communities, who are challenged by STRs (at any extreme) and/or where community members (residents, local elected officials, etc.) have raised the issue, have generally adopted or amended their regulations recently (since 2000) or are planning to in the next five years.

> "Users in particular should be at the centre [sic] of the regulatory process because they could play a greater role in compliance" (Balaram, 2016).

Inclusivity is the key to construct equitable regulations that are less likely to be evaded and more likely to mitigate the negative externalities created by these policies. Research has already posited four broad approaches to regulation: centralized regulation, self-regulation, no regulation, and shared regulation (see Figure 3.1 on the following page). Shared regulation, deemed the most effective approach, is intuitive to regulatory best practices generally, in which policies for STRs should be no different. Including local community members and business stakeholders in discussions about regulation is valuable. Not only will this approach generate stronger regulations but policy makers can also learn the ways in which people in their community want take part in this sharing economy activity.

Table 3.1. Broad Approaches to Regulate Short-Term Rentals



Source: Balaram, Brhmie (2016). https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2016/07/how-do-we-collaboratively-regulate-the-sharing-economy

Accordingly, regulation should be a part of a community conversation as it is necessary to understand the true impacts that STRs have on hosts, accommodation sector businesses, and residents. Regulation should be a part of a regional conversation as most areas in Oregon receive regional tourism, and therefore regulatory frameworks in one community (e.g. the option of banning outright) can have unintended consequences on nearby jurisdictions (e.g. increasing STRs usage potentially affecting their housing availability more than otherwise). Ideally, sharing economy platforms should be involved too. For instance, policy makers and policy monitors need big data to construct useful regulatory frameworks and these platforms have this missing piece. Jurisdictions having access to audited, databases or summary data will help improve the way local governments manage STRs (Sundararajan, 2016).[8]

Thus, while community and regional conversations should be a given, additional approaches are more variable. Compiled below are several, general, best practices. Jurisdictions should consider these practices by reviewing them in context of their community.

Define Short-Term Rentals Codify Regulations in City Ordinances

The first step in attempting to respond to STRs is to have it defined in an ordinance. Many communities have no framework in place to address STRs which has presented challenges in mitigating issues that arise. Some communities, lacking an appropriate definition have relied on similar lodging terminology, such as temporary living accommodations (e.g. hotels, motels, extended-stay hotels, etc.), to address issues that arise but this is not an adequate practice for the

[8] STRs data is becoming increasingly easy to access free of charge or for predetermined prices. Collaborating with academic institutions can help reduce the cost of data, and if purchased on a state or regional level, can reduce the price on a per capita basis.

long term. STRs are different than traditional lodging and should be regulated accordingly. The best approach is to define the use as "short-term rentals." Terminology such as vacation rental should also be reconsidered as it implies that these units are only used for tourism or recreational purposes. In actuality, STRs are used by those on prolonged business trips or by existing or potential residents who are in the process of looking for housing in a particular community and therefore uninterested in a long-term lease.

In addition to terminology, a frequency of use standard should be determined. The common standard is less than 30 days in a calendar year or less than 30 consecutive days but this can vary and allow for more flexibility. As best practice, generate official designation in conjunction with a local, community conversation and a regional conversation. Communities where STRs are not highly prevalent may fair well with a looser standard (e.g. less than 120 days in a calendar year) while other communities may enforce a stricter standard (e.g. less than 15 days in a calendar year).

Once defined, this activity will become easier to classify and regulate usage. It also legitimizes STRs so residents who want to operate a STR can do so legally. Equally important, this becomes the only way for communities to collect taxes on STRs. Despite commentary of communities that lack any STRs (in reality or as perceived) indicating there is no need to regulate, any community with residencies can, at any time—be affected by STRs. Therefore, the growing trend of STRs requires communities to take precaution and be proactive.

The following are examples of definitions for local, Oregon ordinances:

- City of Gearhart: "Vacation Rental Dwelling. Any structure, or any portion of any structure, which is occupied or offered or designed for transient occupancy for less than 30 days for dwelling, lodging or sleeping purposes; and includes houses, cabins, condominiums, apartment units or other dwelling units, or portions of any of these dwelling units, that are used for temporary human occupancy, provided such occupancy is less than a 30-day period."

- City of McMinnville: "Vacation Home Rental. The Use of a dwelling unit by any person or group of persons entitled to occupy for rent for a period of less than 21 (twenty-one) consecutive days."

- City of Manzanita: "Short Term Rental. A dwelling unit that is rented to any person on a day to day basis or for a period of less than thirty (30) consecutive nights."

Distinguish Between Short-Term Rentals

While all STRs function similarly, they are not all the same. STRs can be an entire home, or a shared/private room. They can be located in the main house/apartment or be located in a secondary dwelling on the property. Further, some STRs are used for a single night or a weekend while others can be reserved for several weeks to a month at a time. In addition to duration, frequency also distinguishes STRs in that a neighbor may not notice a single tourist or family who have rented out a house for a weekend but may notice when there are new visitors every week or more than 30 visitors/new families in a single year.

Thus, policies that differentiate between types of STRs will promote fairness and equitability. Tiered restrictions can be used to make it less financially burdensome on property owners who are interested in renting out their home for less than 10 days in a calendar year compared to high volume owners (someone who rents their home out two to three times for 30 consecutive days in a calendar year). Per example, "raising the cost for high volume listings of short-term apartments to the point where long-term residential leases become more profitable" can be considered a useful strategy to discourage "hotelization" (Katz, 2015). With that, more lenient requirement for those renting out a single room can encourage property efficiency. For communities with affordable housing issues, higher fees for STRs in accessory/secondary dwelling units may incentivize property owners to use that valuable space for full-time residents as opposed to visitors. There should also be a distinction between certain STRs and second homes[9].

For an example, visit the City of Ashland's Development code which differentiates between "Travelers' Accommodations" and "Accessory Travelers' Accommodations."

- http://www.ashland.or.us/SIB/files/AMC_Chpt_18_current.pdf (18.2.3.200)

Restrict Use or Incentivize Moderate Use

Literature attests that the 'banning STR outright' policy response will not likely fix housing availability or affordability issues due the amount of STRs there are in most cities (small portion, comparatively). Further, literature hypothesizes that banning outright can have more unintended, negative repercussions by preventing the positive aspects that the sharing economy brings to residents and local economies via this tourism niche (Short Term Rental Advocacy Center). This is not to say that banning is not a legitimate policy approach particularly in areas in a housing crisis. However, in smaller jurisdictions, where neighborhoods are less dense and where housing tends to have larger footprints, banning outright can also disallow efficient uses of individual properties. Accordingly, I provide two alternative options that may better enable the benefits of STRs while still allowing proper management of STRs (see Figure 3.2). Regulatory paths for each option are laid out in the following chapter.

[9] Hood River, Oregon makes this distinction in their 2015 Housing Needs Assessment. This STR/second home distinction is valuable as their uses have different sets of implications. With that said, a second home has more impact on the availability of housing than does a STR in a room of somebody's primary dwelling.

Figure 3.2. Alternatives to the Policy Option of Banning Short-Term Rentals

Restrict Use	Incentivize Moderate Use
Purpose: to limit the number of short-term rentals in a community or in particular areas of a community	***Purpose:*** to encourage property owners to responsibily limit how they use their properties as short-term rentals
Advantages: systematically controls the prevalence and influence of short-term rentals	***Advantages:*** preserves property rights; permits efficient use of participating properties
Disadvantages: potential for policy evasion; concerns over fairness (who is allowed to participate)	***Disadvantages:*** potential for property owners to choose not to moderate use (especially those with higher-incomes)
Example: In Manzanita, Oregon short-term rentals are allowed outright with a percentage cap on the number of short-term rentals permitted in some areas. A waiting list is used for eligible homeowners who would otherwise be eligible for a license to operate. ***More information:*** Manzanita, Oregon. Ordinance No. 10-03 (As amended by Ord. No. 16-05 12/7/16), "An Ordinance Establishing Rules and Regulations Relating to Short Term Rentals"	***Example:*** In Portland, Maine, annual registration fees for non-owner occupied short-term rentals are twice as expensive than those for owner occupied units. In addition, fees increase for each unit (e.g. ranging from $100 for the first unit to $2,000 for the fifth unit for owner-occupied units and $200 for the first unit to $4,000 for the fifth unit for non-owner occupied units). ***More information:*** Portland, Maine. Amendment to Portland City Code Chapter 6 and Chapter 14, Re: Short Term Rentals. http://portlandmaine.gov/Document-Center/Home/View/15848

Source: DiNatale, Sadie (2017). Assessing and Responding to Short-Term Rentals: Enabling the Benefits of the Sharing Economy.

These progressive options help to "ensure that people only occasionally rent out their house whilst away (sharing economy), rather than run a permanent, unregulated hotel (not sharing economy)" by regulating "the rental of homes in such a way that it becomes part of the sharing economy as previously defined" (Frenken, et al. 2015). Determination about what route local government should take is contingent upon the way in which property owners operate STRs in that community as well as the perceptions community members have for STRs. Either option, will require evaluation to ensure that the intended outcome has been achieved.

It may be that STRs are not an existing problem, or that STRs receive praise for providing lodging opportunities where no traditional lodging options were available (etc.). In community situations like these, there may be no need to restrict use or incentive moderate use.

Normalize STRs as a Residential Activity (with Caveats)

Another point of controversy and debate is whether to classify STRs as a residential or commercial use. This determination will have huge implications in how STRs are used, and who can use them. On one end, STRs provides a property owner with employment while technically using their home as a small, business venture (though not to the degree of a hotel or motel). On the other hand, STRs are located in residencies, function residentially (e.g. used for eating, sleeping, hanging out), and the rental units maintain their residential character. Normalizing STRs as a residential activity, with regulatory caveats that ensures property owners maintain the properties' residential character (see subsection, "Develop Appropriate Regulatory Standards") can ensure that those who use STRs moderately and within legal parameters can continue to do so.

The following outlines some court cases in which STRs were determined a residential activity:

- "*Short-term rentals of lakefront house are not commercial use in violation of residential zoning laws*, for the purpose that residential referred to activities on the property and not the owners' intent to make a profit, there was never more than on family occupying the house, and the renters engaged in residential activities."
    - Siwinski v. Town of Ogden Dunes, Court of Appeals of Indiana [intermediate court], Decided March 16, 2010, 922 N.E.2d 751. (Judicial Decision: 62 PEL 210, Indiana.)

- *Short-term rental determined predominately residential* for the reasons that "the property was designed for use predominately as a residence, the site was purchased and the home was built for personal use, the intent was to use the property as a second home, the decision to allow short-term rentals was made to offset expenses and to share the outdoor experience with visitors, most of the rental activity occurred during the summer months, [the property owners] used the property when possible." Further, "the receipt of income does not transform residential use of property into commercial use" (Farny v. Board of Equalization). Finally, the intent was not to generate profit (as is the case of hotels, motels, and bed and breakfasts) but to assist with the cost of maintenance.
    - O'Neil v. Conejos County Board of Commissions, Court of Appeals of Colorado, Decided March 9, 2017.

- Piece of a condominium declaration "affirming that no business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the property was not intended to restrict the right of any condominium unit owner to rent or lease his condominium unit from time to time." In addition to restrictive covenants not being favored in Missouri, "the covenant was interpreted narrowly in favor of the free use of the property and that nightly rentals did not violate the R-3 multiple-family dwellings statute."
    - Mullin v. Silvercreek Condominium Owner's, 195 S.W.3d 484 (Mo. Ct. App. 2006):

Still, depending on the political climate and level of controversy in a given community, limiting STRs to specific zones (e.g. mixed-use, neighborhood commercial, higher or lower density residential areas) may prove to be a useful compromise or solution (also see next subsection "Permit STRs in Premium Areas with Monitoring"). Further, in some situations restrictive covenants (in Home Owners Associations, for example) may view STRs as a breach of rules and landlords may still prohibit their tenants from operating short-term rentals in the same way they may prohibit sub-leasing. Accordingly, some management of STRs can occur outside of municipal control.

Permit STRs in Premium Areas with Monitoring

If community conversations come to the conclusion that STRs are to be limited to certain areas of a community, consider permitting the use of STRs in premium areas. In this sense, premium areas can be considered areas of city with abundant natural resources: places tourists and visitors flock to where STRs tend to be most prevalent. Allowing STRs in these areas are in line with sharing economy values. In that, more people are given access to homes in superior locations.

Still, as communities with these premium areas (e.g. resort communities) are facing greater challenges than non-resort communities, paying attention to the number and use of STRs in these areas is important as allowing them without management may disrupt the character of those neighborhoods (see next subsection, "Develop Appropriate Regulatory Standards").

Develop Appropriate Regulatory Standards

In considering STRs as a residential use, it is important to set specific standards on these units to ensure they are not overly burdensome to the neighborhood. For instance, limiting guest capacity to the family/household capacity, quantifying the frequency and duration of visitor stays, and fining property owners for created nuisances are some options for maintaining the character of neighborhoods. In respects to the quantification of frequency and duration of visitors, one can equate the number of days the property is rented to the number of days the property is owner-occupied. In areas with constrained housing availability, requiring that property owners live in their dwelling unit for six to nine months out of the year, for example, can disincentive the hotelization of neighborhoods.

Finally, requiring that STR units receive inspections should also be a minimum to promote the health, safety, and wellbeing of both residents and visitors. Inspections could include a general home inspection or a fire inspection.

Require a Permit or License

Requiring STR operates to register their units or get a permit/license can help communities stay on top of where these rentals are located and can help manage how many there are. It will also allow communities to collect data (aiding in the chance to measure the benefits/costs that STRs could have on neighborhoods, hosts, and/or residents). Collecting fees from these permits/licenses can be low (solely used to cover the administrative cost of processing permits/licenses) or higher if excess revenue is needed for other initiatives (STR education, outreach, inspection services or complaint follow-up, etc.). Requiring STR operators to register for a business permit (as opposed to getting a permit specially designated for STRs) may also prove to be less administratively burdensome.

An example of language for requiring a short-term rental license is as follows:

- City of Bend (7.16.030): "Annual Short-Term Rental Operating License Required. No owner of property within the Bend City limits may advertise, offer, operate, rent, or otherwise make available or allow any other person to make available for occupancy or use a short-term rental without a short-term rental operating license. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise. [Ord. NS-2239, 2015]"

Require STR Operators to Pay Fees and Taxes

Tourism often puts a strain on services. Collecting fees and taxes should be used to mitigate negative externalities of this activity. Fees, as mentioned briefly above, should cover the cost of administrator time and resources needed to regulate and enforce STRs as well as cover outreach activities. Transient lodging taxes should be levied in all communities using a rate that makes sense for the community (e.g. higher if there are too many STRs or lower if the community does not have sufficient lodging opportunities/wants to encourage STRs). There are also precedents for alleviating costs for lower-income households that may be impacted by these rates dissimilarly; for instance, a fee exemption or reduced fee rate. Higher fee rates for property owners with more than one STR in a single community may also help to disincentive "hotelization."[10]

How should planners and policy makers enforce short-term rentals?

While not all jurisdictions in Oregon have to deal with enforcement issues, those that do understand that enforcement of STR policies is difficult at best and traditional methods such as administrative citations, fines, revoking permits, or court mandates have only been slightly effective overall in curbing code evasion.

Still, opportunities for enforcement exist, however, they may not be in line with traditional best practices. For instance, while more time intensive, providing outreach to community members is one opportunity to ensure that residents and possible hosts understand their rights when it comes to STRs. Reaching out to community members about what existing regulatory frameworks are and what they are intended to accomplish can help inform residents and potential hosts of the standard operating procedures for the area. Teaching them of the negative externalities (specific to the community) may help with compliance. Additionally, with "community" and "trust" as cornerstones of the sharing economy, using these values to frame community discussions may also prove to be more effective than addressing this activity from a strictly legal and economic agenda. Outreach to educate operators about the hazards of being an absentee property owner and the danger of allowing visitors to stay longer than 30 consecutive days (e.g. risks visitors gaining tenant's rights) should also occur.

> "What's striking about the shared economy is not the technology that has made it possible, but the vast changes it has triggered in society."
> (Stan, 2016).

Using regional outreach methods may help ease administrative burden, especially in areas with smaller populations. Alternatively, local governments can offset some of this outreach onto property owners by requiring them to reach out to their neighbors before registering their STRs (e.g. potentially requesting neighbor approval or confirmation that hosts at least speak to their neighbors about their new venture). This option can give property owners and neighbors a chance to talk

[10] Recently, Paris triples its vacant home tax to 60% to mitigate artificial shortages in their housing stock. http://www.zerohedge.com/news/2017-03-07/vacant-homes-are-global-epidemic-and-paris-fighting-it-60-tax

about concerns before the opportunity for nuisances to occur arises. This will enable trust and transparency.

Along the lines of trust and transparency, the sharing economy has become effective at self-regulation. In general, web-based platforms that utilize customer review and rating systems can allow property owners to be more selective of who they let into their homes and neighborhoods. Again, educating hosts in some of the dangers that could occur through home-sharing may make the hosts more perceptive to these review/rating systems. Further, if these hosts have previously talked to their neighbors about their primary concerns, hosts will be able to read through potential visitor's reviews to better select individuals less likely to create the nuisances sure to annoy neighbors.

In summation, it is difficult for governments to regulate something they do not have complete control over. Using community members to encourage and expect appropriate use of STRs as well as educating STR operators on what is suitable can induce a culture of self-regulated compliance.

The Need for Continuous Evaluation

Not just a best practice but a necessity, jurisdictions should continue to monitor STRs in their community so that appropriate evaluation of their policies can occur. Particularly, many cities have found their regulations, or lack thereof, to be neither effective nor ineffective, which makes continued evaluation that much more important.

Potential opportunities to inaugurate monitoring and evaluation into existing administrative and planning activities includes: inventorying STRs when participating in buildable lands inventories or conducting housing needs assessments, considering STRs when developing regional plans or new master plans (particularly for downtowns and tourism-based districts), and incorporating STRs into relevant strategic plans (e.g. Travel Oregon) and state-wide tourism research. Further, using town halls, neighborhood association meetings, existing community newsletters, polls on governmental Facebook pages, and the like can streamline outreach activities just as easily as it can assist in gauging community perspectives about STRs. Longitudinal studies will be essential to truly gauge the effectiveness of STR policies.

Future Research

As other studies on the topic conclude, there is still much research needed regarding the topics of STRs and the sharing economy to understand their impact on communities and local economies. The following questions were unable to be addressed in this report but should be considered moving forward (see Table 3.3):

Table 3.3. Opportunities for Continued Study

Research Questions	Potential Method(s)	Potential Data Sources
Do short-term rentals affect the availability of long-term rentals, owner-occupied housing, or affordable housing? If so, to what extent?	Regression Analysis	American Community Survey and Housing Survey Data
Do short-term rentals affect property values or inflate rental costs?	Regression Analysis	American Community Survey and Housing Survey Data
What is the land use efficiency of short-term rentals vs. hotel/motel accomodations?	Geographic Information Systems; Static and Dynamic Analysis	Historical rates of land consumption, Residential and accomodation sector employment growth rates/trends of land utilization, Characteristics of land and tax lot information
In allowing STRs to support additional tourism, do the benefits derived from an increase in tourism outweigh the costs of increased tourism?	Cost-Benefit Analysis	Government spending and tax revenue; Economic, social, and environmental indicators
How can web-based, sharing economy businesses, governments, and community members collaborate in the response to short-term rentals?	Surveys, Interviews, Focus Groups	Residents, Businesses within the accomodation sector, Elected officials, Government representatives, Sharing economy platforms
How do community members perceive short-term rentals in their community?	Surveys (e.g. chi-square), Interviews, Focus Groups	Residents, Businesses within the accomodation sector, Elected officials
To what extent do community members value home-sharing? In what ways do values differ amongst various groups?	Surveys (e.g. chi-square), Interviews, Focus Groups	Residents and Community members
What are the motives of property owners who operate a short-term rental(s)? How do motives rank amongst each other?	Surveys, Interviews, Focus Groups	Short-term rental operators

Source: DiNatale, Sadie. (2017). Assessing and Responding to Short-Term Rentals in Oregon: Enabling the Benefits of the Sharing Economy.

Additionally, many survey responded indicated the following summarized tools would be helpful for them to better respond to STRs[11]:

- Construction of a model code or sample ordinance[12]
- Easier access to Transient Lodging Tax rolls to establish whether STRs exist in certain locations or are contributing taxes
- Access to housing data (e.g. spatial data of housing stock)
- Funding to amend land use codes

[11] Responding to Short-Term Rentals in Oregon Survey, n-Q24, 2017.
[12] Two potential sample codes are located here: http://stradvocacy.org/category/sample-ordinances/. Many cities in Oregon have also adopted codes that could be used as a resource. When developing code language, looking at samples from a range of comparable jurisdictions is important.

Chapter 4: Policy Recommendations

The purpose of this chapter is not to recommend a precise recipe for how various communities should manage STRs; this would be inefficient given all the nuances between cities. Rather, this chapter presents general recommendations for cities (with populations less than 100,000), regions, and Oregon. Lastly, delineated in a typology (based-off previously cited best practice) are specific regulatory options that communities can consider.

Regulatory Recommendations

The following sections break recommendations into minimum requirements and ancillary requirements for cities. Next, I provide recommendations for regions and the State.

Minimum Regulatory Recommendations for All Cities

Whether a city has STRs or not, communities should establish the following regulations, even as a precautionary measure:

1. Legally define STRs as "short-term rentals" and establish a fair frequency of use standard that is complimentary of regional standards.

2. Codify regulations in local ordinance. Impose a guest capacity limit and require inspections.

3. Levy a transient lodging tax (if not imposed at the county level).

4. Require that STR operators register their unit(s) on an annual basis.

Ancillary Regulatory Recommendation with Thresholds for Cities

Variations in number and concentration of STRs should influence policy choices. The following recommendations provide thresholds for ancillary regulations as a starting point. In that, thresholds may vary between communities.

1. Restrict (cap/limit) STRs or incentivize moderate use if STRs account for more than 4% of total housing stock.

2. Impose a clause that revokes a STR permit for properties that receive more than five nuisance complaints in a calendar year.

3. Limit STRs in proximity to other STRs (deconcentrate) when city-wide/area-specific nuisance complaints exceed 25 complaints in a calendar year. Communities should establish a fair distance (e.g. 50 to 200 feet buffer between STRs), weigh equity implications, and re-evaluate buffer distance every two to five years.

    a. Before establishing a buffer distance, cities should increase regulatory standards and evaluate whether nuisance complaints reduce (e.g. establishing minimum parking standards may mitigate parking complaints).

Recommendations for Counties and Regions

Smaller jurisdictions may have difficulties managing STRs. That said, counties/regions should help facilitate proper management of STRs.

1. Levy a transient lodging tax at the county level if barriers exist for cities to impose their own (due to population size, low prevalence of STRs in individual communities, administrative limitations, etc.).

2. Establish a regional representative or liaison to attend Sharing Economy Committee meetings (see first "Recommendation for Oregon"). Regional liaisons should represent multiple counties.

Recommendations for Oregon

Oregon can and should become a leader in the management of STRs. This will require the state to become a leader in sharing economy affairs.

1. Establish a Sharing Economy Committee to facilitate research on the sharing economy generally (to include analysis of STR trends) and to assist communities across the state deal with new issues. The objective of this committee should be one in support of sharing economy activities.

2. Hire a state employee to work directly in sharing economy affairs. Responsibilities should include:
    - Analyze sharing economy trends across the state, country, and globe
    - Communicate initiatives, information, and best practices to governments across the state
    - Provide government assistance in STR management
    - Collaborate with sharing-economy platforms
    - Collect data
    - Participate in global sharing economy networks
    - Coordinate state Sharing Economy Committee meetings, trainings, and workshops
    - Launch policy demonstration studies to pilot regulatory frameworks and options

3. Maintain a neutral Transient Lodging Tax at 1.8% to allow regions and cities to use their tax rates to manage STR growth.

4. Establish a pool of funding to help small communities amend land use ordinances for STRs.

Legislative Approaches: A Typology for Smaller Jurisdictions

The following policy options represent common legislative approaches for smaller jurisdictions. Communities must consider the viability of each approach/regulatory option within context of their community. A community may adopt some or none of these options. "Grade," intends to provide a starting point for a community conversation around equitability of regulatory frameworks. Communities are encouraged to develop their own metrics or expand the following.

Table 4.1. Legislation Approaches and Regulatory Options

Legislative Approaches	Regulatory Options	Equity Consideration	Grade
Definitions	**Terms**	-	-
	Vacation Rental	Not an all-encompassing term; assumes use is tourism-based only.	Poor
	Transient Rental	Inclusive term.	Good
	Short-Term Rental	More inclusive term and observed globally.	Best
	Frequency of Use	-	-
	Unspecified	Not specifying the number of days STRs can be reserved for could create hotelization.	Poor to Adequate
	Less than 183 days in a calendar year; Less than 30 consecutive days	For communities unchallenged by housing availability, the use of second homes as STRs may be acceptable, for others, this could create artificial housing supply constraints.	Adequate
	Less than 90 days in a calendar year; Less than 30 consecutive days	Allowing STRs to be reserved for a total of 3 months in a calendar year enables property owners who may travel (or function with a more nomadic lifestyle) to get better use out of their primary properties while away.	Good
	Less than 30 days in a calendar year	More commonly used by local governments as a way to balance the benefits and negative externalities of STRs while continuing to learn from and evolve with the sharing economy.	Good
	Listing Types	-	-
	Accessory/Secondary Dwelling	Allowing STRs in ADUs can allow property owners to use their lots more efficiently. However, for communities with housing supply constraints, this may inhibit long-term housing options.	Adequate
	Entire House/Apartment	STRs as entire homes and apartments are efficient but frequent use could generate artificial housing shortages in some communities.	Good
	Shared/Private Room	Enabling STRs as shared/private rooms can make it easier for property owners to use their excess space.	Best

Legislative Approaches	Regulatory Options	Equity Consideration	Grade
Restrictive Zoning	**Cap/Limit**	-	-
	STRs in Proximity to Another	Mitigate nuisance issues and ensures certain areas of a community does not become overrun by STRs.	Good
	the Number of STRs in a City	Limiting STRs allows benefits to be reaped and greater flexibility. Using a lottery system or waiting list can promote fairness.	Good
	the Number of STRs in a Neighborhood or District	Allows for more accurate and fair management of STRs in areas that are more heavily influenced by STRs than others. Using a lottery system or waiting list can promote fairness.	Good
	Rentals per Property Owner	Reduces threat of hotelization in neighborhoods and better ensures an adequate supply of housing for residents.	Best
	Land Use Classes	-	-
	Banning Outright	Banning outright will likely lead to policy evasion and missing out on the many benefits the sharing economy brings.	Poor
	Permit Outright	Many communities may find it acceptable to allow STRs outright as long as appropriate regulatory standards mitigate concerns and promote fairness.	Good
	Permit in Some Districts/Zones	Being selective of where STRs are able to locate is important for most communities where STRs are creating issues. A cost-benefit analysis weighing the benefits/drawbacks of sharing economy activities in various areas is necessary to make informed decisions on behalf of the entire community.	Best
Incentive-Based Provisions	**Higher Fee Rate**	-	-
	for Second Permit or More	Making STR operators pay higher rates for STR permits, after their initial permit, can discourage property owners from operating more than one STR in a given community.	Good
	Reduced Fee Rate	-	-
	Property Owner's Primary Residence	Allowing reduced fares for STRs in operator's primary home can discourage people from purchasing residential units solely for the purpose of operating STRs.	Best
	Fee Exemptions	-	-
	for Hardship	Exempting residents experiencing financial hardship from fee requirements can ensure that lower-income residents can still operate a STR legally to earn extra income, if they want.	Best
	Use for less than 10 days in calendar year	Exempting operators from permit fees who operate STRs infrequently can ensure residents are not financially discouraged from use their properties more efficiently.	Best

Legislative Approaches	Regulatory Options	Equity Consideration	Grade
Permitting	Conditional Use Permit	High rates of standard conditional use permits may reduce STRs financial viability discouraging use, which may or may not be the intention. For moderate users this may induce concerns over fairness.	Adequate to Good
	Business License	Requiring STR operators to get a business license can streamline administrative efforts.	Good
	Short-Term Rental License	A separate license, specifically for short-term rentals, may allow more flexibility in treating this activity and in setting fee rates at more appropriate levels.	Best
Taxation	No Transient Lodging Tax	For some communities, levying a TLT may discourage STRs in areas where STRs' other benefits of STRs may outweigh the additional fiscal revenue.	Poor to Adequate
	Transient Lodging Tax Imposed by County	Counties where aggregated STRs in each city are too low to be administratively efficient to levy at a city level, may benefit from a tax levied at a regional level. Imposing a transient tax maintains fairness across the accommodation sector.	Good
	Transient Lodging Tax Imposed by City	Tourists put a strain on city services and cities should levy a tax to offset financial burden on residents. Imposing a transient tax maintains fairness across the accommodation sector.	Good
Registration	No Registration	Not requiring STRs to register may have long-term effects on the character of neighborhoods, on housing availability or affordability, and may make enforcement more difficult.	Poor
	Renewal Every 3 to 5 Years	Ensures process is not overly burdensome but less frequent monitoring may create opportunities for policy evasion and neighborhood nuisances.	Adequate
	Annual Renewal	Most appropriate way to track STRs on a regular basis.	Good
Review Processes	No Review Process	Not having any kind of review process may negatively influence the health, safety, or wellbeing of residents or the character of neighborhoods.	Poor
	Site/Design Review	While necessary depending on other regulatory options selected (e.g. conditional use permit) for other communities, a site/design review process may be overly burdensome to both staff and potential STR operators.	Adequate to Good
	Neighbor Consent	Some form of consent process with neighbors (not official hearing) can improve neighborhood relationships and increase transparency. Some nuisance issues may be mitigated with open dialogue.	Good
	Performance/Behavior Measures	Policies that revoke STR privileges for nuisance issues or complaints is a useful clause to ensure neighbors are not negatively impacted by STRs in nearby properties.	Good
	Health, Fire, Building Inspections	More of a necessity, there should be some checks and balances to ensure that STR properties are up to code, ensuring the safety of visitors.	Best

Legislative Approaches	Regulatory Options	Equity Consideration	Grade
Standards	Minimum Parking Requirements	Requiring that STR operators adhere to parking requirements may mitigate nuisance issues in some areas or be unnecessary and overly burdensome in others.	Poor to Adequate
	Vehicle Limits	Limiting guest vehicles can mitigate neighborhood concerns and nuisance issues.	Good
	Minimum Aesthetic Code Requirements	Some aesthetic requirements (e.g. limiting signage) can mitigate degradation of neighborhood character in primarily residential areas.	Good
	Proof of Owner-Occupancy	Requiring a property owner to use their property for a certain number of days out of a calendar year can discourage absentee property owners and hotelization.	Best
	Guest Capacity	Maintaining a guest capacity at level of family/household can mitigate nuisance issues and ensure that STRs in traditionally, residential areas are not overly disruptive to the existing character of neighborhoods.	Best

Source: Information was derived from Appendix A and B of this report as well as from the Responding to Short-Term Rentals in Oregon Survey.

Appendix A: Literature Review

This chapter organizes findings of existing studies and current literature on the topic of short-term rentals.

Impact of Short-Term Rentals

STRs are understood to impact, or potentially impact the cost and availability of housing, local economies, and the sharing economy generally.

Impact on Housing

A scan of applicable literature quickly returns results of short-term rentals (STRs) impact on housing. First however, most reports comment on the fact that there are very clear limitations in the availability of data to fully understand the impact STRs have on housing markets or housing stock (ECONorthwest 2016, Rees Consulting 2016, and accessorydwellings.org 2016). Speculation and inherent assumptions are widespread, though, academics and practitioners are eager to learn about the true effects. Being that there is no standard or agreed upon definition for STRs, the ability to draw clear conclusions on causality across space becomes especially difficult (ECONorthwest, 2016).

In a study that analyzed the impact that HomeAway rentals had in Seattle, it was found that STRs did not have a significant impact on home values, that properties were generally not on the STR market for long, and that STRs were generally located in traditionally higher income areas (ECONorthwest 2016). Yet, in a study of STRs in New York City and New Orleans, STRs were associated with increased property values (Sheppard, et al. 2016 and Kindel, et al. 2016).Thus, we can conclude that STRs' impact on housing will differ between geographic regions and local economy types.

Some reports looked at the impact STRs had on specific housing types. In a white paper looking at four cities in Colorado, with populations under 7,000, it was found that STRs did lead to the reduction of homes and bedrooms previously used by employees increasing the demand for workforce housing and reducing its supply (Rees Consulting 2016). Another analysis showed that in Portland, banning short-term accessory dwelling unit rentals did not increase long-term accessory dwelling rentals (accessorydwellings.org 2016).

Economic Impacts

Impacts to the Government and Local Economies: Short-term rentals have the potentially to positively affect municipalities through production of fiscal revenue. In a report assessing the impact of STRs in San Diego, Los Angeles, Monterey County, Santa Barbara, and St. Joseph (Michigan) it was found that taxing the STR industry generates substantial revenue for the municipality and it does support job growth (NUSI 2015; TXP, Inc. 2014; and TXP, Inc. 2015). In addition, literature attests that "with proper regulation and enforcement, citizens and communities can benefit from the increased tourism" that short-term rentals bring (Binzer, 2017).

Impacts to Short-Term Rental Hosts: A primary reason property owners operate STRs is the income operators' can earn. Still, in a study of HomeAway rentals in Seattle, ECONorthwest found that STRs did not generate significant incomes for owners (2016) —potentially unveiling other value-drivers for operating STRs beside purely economic gains. For instance, social and sustainability benefits may also motivate property owners to continue operating these rentals. Nevertheless, in an assessment of Airbnb hosts, it was found that the annual expected profit is approximately $20,000, but "'hands-off' Airbnb hosts can expect occupancy rates (and revenue) at least 15% lower" than more involved hosts (Wallace, 2016).

Impacts to Businesses within the Accommodation Sector: Despite localized economic benefits, the STR industry can disrupt formal industries in the accommodation sector by attracting visitors away from conventional lodging and accommodation companies (Guttentag 2013, Fang 2015). This disruption becomes exacerbated in that many STRs marketed through web-based platforms are often illegal (e.g. being operated without a license/permit, without paying proper taxes/fees, or without having proper inspections). This gives traditional, regulated lodging businesses an economic disadvantage (Guttentag 2013). Continued studies evaluating occupancy rates, revenues per available room, rates of use and rental price, estimated non-lodging spending from short-term renters, and estimates on potential revenue earnings for municipalities will assist in the development of knowledge in this area (NUSI 2015).

Impact on Sharing Economy

STRs often operate by property owners leasing their unused space to tourists and visitors. We characterize activities as sharing economy activities when they use a distribution process to balance the availability of resources and needs of consumers (Daunoriene, et al. 2015). The ways in which STRs influence the sharing economy is still open to interpretation however. I speculate that growth of STRs offered through web-based platforms indicates that there is at least additional capacity in existing housing stock and that these property owners are willing to share their excess space in exchange for monetary compensation (Ellen 2015). Outside of this reality, debate about whether home sharing, through web-based platforms, negatively or positively influences the sharing economy finds a range of perspectives.

In theoretical debates, policy makers have considered adapting the Airbnb home-sharing model to house lower income individuals as a new form of housing assistance (Ellen 2015). The idea that people are interested in providing access to their space to strangers, initiates the conversation that sharing economy activities can be operated in many capacities (outside of corporate co-options), providing different social and economic benefits therein (Martin 2015). STR hosts can also reap economic benefits by participating in the sharing economy, reinforcing their desire to participate in that economy. Specifically, hosts can distribute their assets to supplement their income which has the added benefit of materializing the collaborative use of resources (Lazarouiu 2014, Daunoriene, et al. 2015). Social impacts are realized from public relations perspectives in which, the incremental shift towards home-sharing "has engendered visions of renewed forms of collective urban life" involving sustainability, symbolic interaction, and communication that empowers trust (Gregory et al. 2016).

Other perspectives debate how STRs and home-sharing through web-based platforms bring detrimental impacts on the sharing economy, or at least diminish its reputation. For instance, intermediary businesses that "provide the infrastructure necessary to sustain the sharing community" (Gregory et al. 2016) often enables, or intensifies, the evasion of local laws and regulations (Interian 2016). These businesses can also displace companies that are regulated, and often, do not hold themselves accountable to the negative externalities their business models can create (Interian 2016).

Summary of Impacts of Short-Term Rentals

There is limited data on the impact that short-term rentals have on governments and local economies, hosts and residents, and accommodation sector businesses. Certainly, however, positive and negative impacts will vary across space and time (particularly in regards to housing supply and affordability). Additionally, STRs have and will likely continue to disrupt traditional, lodging options but likely will not replace these businesses altogether. In general, there are also mixed perceptions about how home sharing will affect the sharing economy at large which has created a dichotomy around the topic (expected to remain until more research can occur).

Short-Term Rental Policy

This section first discusses STR policy frameworks and the impact they can have.

Policy Approaches

Integrating STRs into the formal sector through regulations and enforcement has been cited as an important next step to correct some of the negative impacts of STRs (Guttentag 2013). However, policy makers continue to grapple with the rationales, process, and practices of how to best regulate STRs. In a time of economic recession, many wonder if it is beneficial to regulate the STR market at all—in the chance it inhibits homeowners from making ends meet on their mortgages or housing payments (Gottlieb 2013). In general, however, the literature seems to agree on the fact that STRs should be regulated in some fashion, the extent to which is unclear and controversial (Gottlieb 2013, Goodman 2016, and Hood River County 2016).

There appears to be no best way to regulate the STR market that fits the needs of all communities across space. One report suggested a three-part solution:

1. Launch a standard of safety and accountability (strengthening nuisance laws, ensuring hosts have appropriate insurance, etc.);
2. Move past a yes or no debate on short-term rentals (consider the nuances of individual communities and tailor regulations to those nuances); and
3. Enforce what is on the ground and online (to cut down on opportunities to evade laws) (Goodman 2016). Another report articulated several alternatives: develop public nuisance abatement ordinances, ban short-term rentals outright, enact time restrictions (i.e. allowing short-term rentals for a period of 30 days or less), or enact performance based standards (Gottlieb 2013).

The American Planning Association suggests that jurisdictions require licenses, fees and taxes, and insurance; they also suggest consistency with their land use controls and to determine whether inspections are necessary (Sullivan, 2017). In a guidebook on the equitable regulation of short-term rentals, suggestions include clear definitions, active record keeping, protections for housing (supply and affordability), protections for guests, procedures for oversight, protections for neighborhood preservation, and imposition of taxes (Sustainable Economies Law Center 2016). Others argue that STRs, as part of the sharing economy, need special or "innovative" regulatory treatments "precisely because the business model is so new" (Katz 2015).

Transient Lodging Tax

Transient lodging taxes (TLT) are a local option tax levied on lodging facilities (hotels, motels, bed and breakfasts, etc.). While all jurisdictions do not levy a tax of this kind, “taxing tourism is an appealing option for governments facing budgetary constraints and pressures to decrease reliance on a variety of taxes” (Gooroochurn and Sinclair 2005). For instance, taxes levied to hotels offset burden onto tourists, which is especially advantageous in areas with “superior or unique natural resources” as to “capture the ‘rent’ of these resources through taxation” (Oakland and Testa n.d.).

TLTs, and other tourism taxes, are further considered efficient relative to taxing other sectors (Gooroochurn and Sinclair 2005). TLTs are useful to discourage certain businesses, curb negative impacts of certain businesses, or improve fairness (recover service costs from those who benefit from those services) (Oakland and Testa n.d.).

Policy Impacts

Pros and cons exist for all routes and systems of regulation. Overarchingly, we are not fully aware of the impacts alternate policies will have on residents, the local economy, or housing in the long-term. In jurisdictions where STR policies are already established, we still lack a complete awareness on the affect short-term rentals have on residents (Hood River County 2016). Accordingly, because the regulation of STR could affects community members differently, developing policies becomes a challenge and a discussion of equitability. Thus, communities “should arrive at an appropriate and equitable policy through open dialogue with the diversity of stakeholders involved” (Sustainable Economies Law Center 2016).

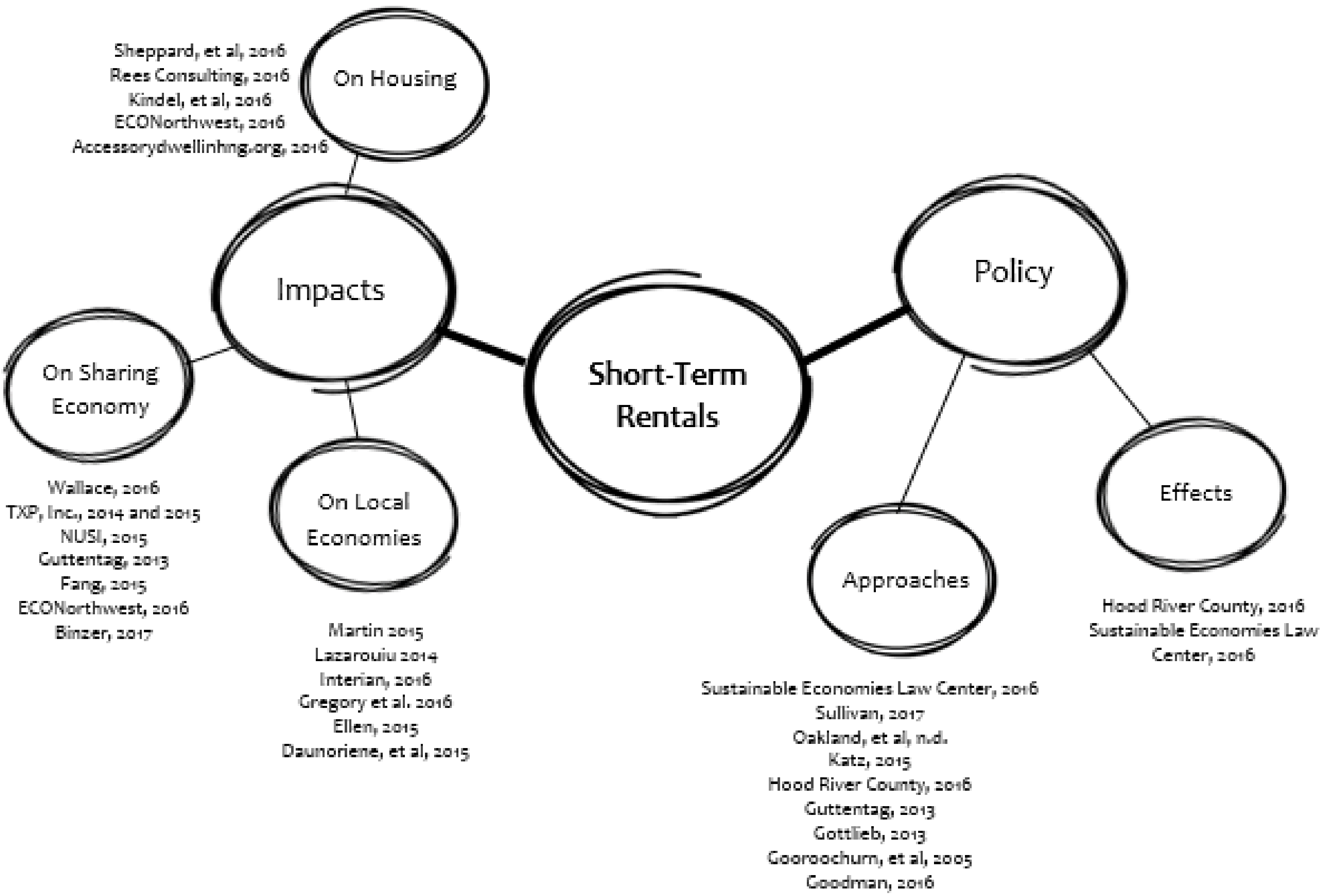
Summary of Impacts of Policy and Regulation

The establishment of policies for STRs in communities across the country is relatively new. Policies imposed can and likely will disproportionally affect residents. Thus, it is important to establish rules in accordance with best practices and community conversations. As a follow-up to regulations imposed, communities should evaluation the impact their policies have had on residents, neighborhoods, the economy, and housing. Communities should modify policies when deemed necessary.

Summary

Short-term rentals refer to housing units leased or rented for less than 30 days. It is an arrangement that involves the trade of the temporary, but not future use, of a full or partial housing unit (Flath 1980). STRs can provide benefits and/or costs to communities (which will vary across time and space), but appropriate regulations can manage these impacts. The concept map on the following page visually displays the connection between STR subtopics.

Concept Map


Sheppard, et al, 2016
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On Housing
Impacts
On Sharing Economy
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Approaches
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Gooroochurn, et al, 2005
Goodman, 2016
Effects
Hood River County, 2016
Sustainable Economies Law Center, 2016

Appendix B: Case Studies

This appendix conveys key findings on 10 Oregon cities, selected as case studies (see Table C.1). Case studies are used to delve into the details of STRS in smaller cities (cities with <100,000 people).

Table B.1. Selected Case Studies with Descriptors, 2015

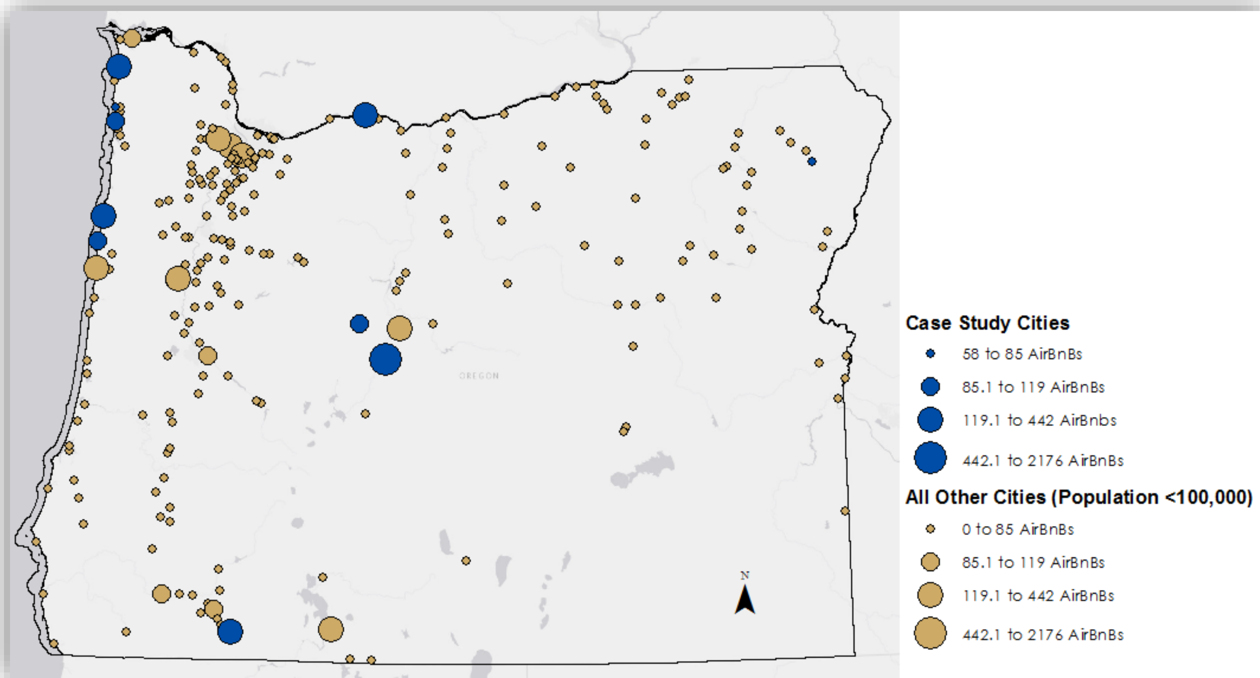
Case Studies	Total Population	City Size Class	City Size Class Legend	Region	Coastal City
Manzanita	426	1	Less than 1,000	North Coast	Yes
Joseph	1,053	2	1,000 to 5,000	Northeast Oregon	No
Rockaway Beach	1,227	2	1,000 to 5,000	North Coast	Yes
Depoe Bay	1,877	2	1,000 to 5,000	North Coast	Yes
Sisters	2,596	2	1,000 to 5,000	Central Oregon	No
Seaside	6,483	3	5,001 to 20,000	North Coast	Yes
Hood River	7,412	3	5,001 to 20,000	Central Oregon	No
Lincoln City	8,386	3	5,001 to 20,000	North Coast	Yes
Ashland	29,556	4	20,0001 to 50,000	Southern Oregon	No
Bend	81,780	5	50,001 to 100,000	Central Oregon	No
Total	**140,796**	-	-	-	-

Source: Population was derived from the American Community Survey, 5-year estimates 2011-2015.

Case studies were chosen as they possess 1) higher levels of Airbnbs (total number) as compared to other Oregon cities and/or 2) they possess a high percentage of Airbnbs as compared to the community's total housing units. All case studies rank within the top 25 cities in either of those two categories; most case studies (except Ashland and Joseph) rank within the top 25 cities of both categories.

The case studies chosen represent 49% of the Airbnbs in cities under 100,000 and 22% of the Airbnbs in all Oregon cities. These 10 cities generate approximately $54.8 million annually which is 66% of all revenue generated from Airbnbs in cities under 100,000 and 35% of the revenue generated from Airbnbs in all Oregon cities.

Map B.2. Number of Airbnb's by City using Proportional Symbols



Source: AirDnA. Property Data, Retrieved 2017. Oregon Spatial Data. *This map excludes cities with populations greater than 100,000 (Portland, Eugene, Salem, and Gresham). Cities are only showcased in this map that have at least one Airbnb short-term rental.*

Summary Facts

Our case study cities are highly influenced by STRs.

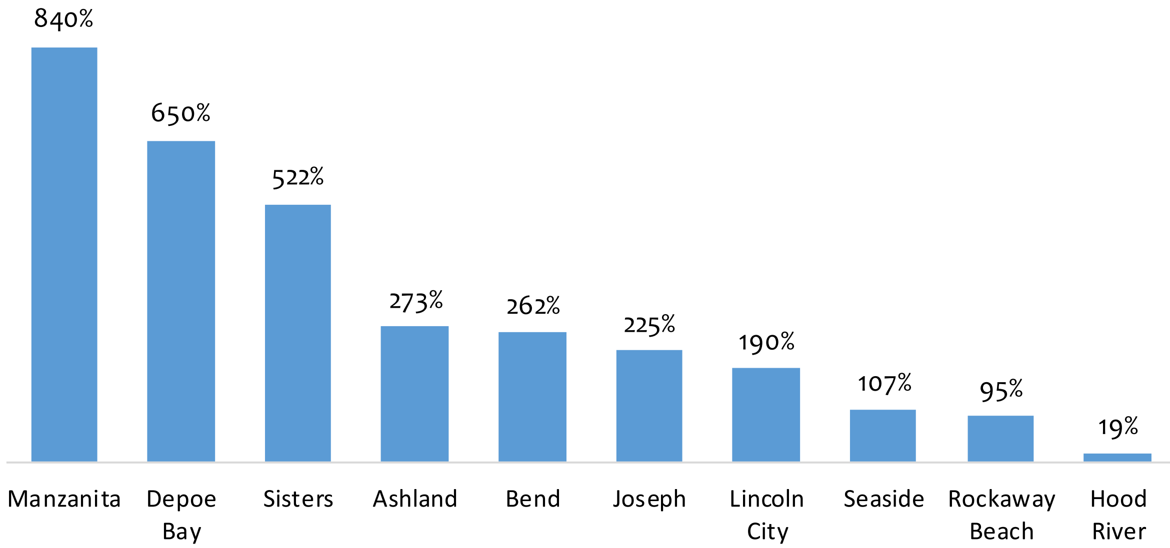
Table B.3. Quick Facts, 2011-2015 Estimates

Case Studies	Population (2015)	Total Housing Units (2015)	Median Household Income (2015)	AirBnBs as % of Total Housing
Ashland	20,556	10,372	$ 45,704	3%
Bend	81,780	36,579	$ 52,989	6%
Depoe Bay	1,877	1,469	$ 46,853	8%
Hood River	7,412	3,504	$ 47,310	9%
Joseph	1,053	595	$ 37,216	10%
Lincoln City	8,386	6,439	$ 37,894	5%
Manzanita	426	1,263	$ 51,429	7%
Rockaway Beach	1,227	2,105	$ 37,227	5%
Seaside	6,483	4,602	$ 37,887	10%
Sisters	2,596	1,331	$ 50,324	8%

Source: American Community Survey, 2011-2015. AirDnA Property Data, 2017.

Newly created STRs in our case study cities continues to grow. Future, longitudinal studies will helpful to understand how recent policies effect the amount of STRs entering the market in these communities.

Figure B.4. Percent Change of Newly Created Short-Term Rentals, 2014 to 2016



Source: AirDnA Property Data, Retrieved 2017.

In the following case study cities, STR growth is increasing at a faster rate than total housing units are. In some of these communities, household formation is also increasing at a faster rate than the construction of new housing units, indicating housing supply constraints (Bend, Depoe Bay, Joseph, and Manzanita).

Table B.5. Indication of Possible Housing Supply Constraints

Cities in Oregon	Household Formations			Vacation/Seasonal/ Occasional Use Housing Vacancy			Housing Units			Short-Term Rentals		
	2010	2015	Change	2010	2015	Change	2010	2015	Change	2014	2015	Change
Ashland	9,339	9,446	1%	291	317	9%	10,230	10,372	1%	76	127	67%
Bend	31,596	33,396	6%	1,224	1,414	16%	35,610	36,579	3%	434	1,066	146%
Depoe Bay	618	870	41%	431	446	3%	1,125	1,469	31%	22	66	200%
Hood River	2,764	3,005	9%	247	313	27%	3,214	3,504	9%	127	232	83%
Joseph	435	533	23%	70	40	-43%	556	595	7%	6	45	650%
Lincoln City	3,831	3,876	1%	1,432	2,138	49%	5,731	6,439	12%	125	191	53%
Manzanita	207	200	-3%	1,062	993	-6%	1,320	1,263	-4%	15	36	140%
Rockaway Beach	670	565	-16%	1,026	1,387	35%	1,750	2,105	20%	39	65	67%
Seaside	2,839	2,897	2%	1,221	920	-25%	4,428	4,602	4%	134	255	90%
Sisters	765	949	24%	46	187	307%	956	1,331	39%	17	48	182%
Total	**53,064**	**55,737**	**5%**	**9,060**	**10,170**	**12%**	**64,920**	**68,259**	**5%**	**995**	**2,131**	**114%**

Source: AirDnA Property Data. Retrieved 2017. U.S. Census, American Community Survey, 2010 and 2015.

The following table shows that in some situations, property owners can generate more annual revenue off STRs than they could off standard long-term rental units. This suggests that in resort communities, there may be more of a motive for property owners to operate STRs.

Table B.6. Indication of Competition between Short and Long-Term Housing

Cities in Oregon	Average Annual Revenue (STRs)	Max of Annnual Revenue (STRs)	Average Annualized Rent (ACS)	Average Annualized Mortgage (ACS)
Ashland	$8,309	$59,876	$12,456	$20,208
Bend	$14,801	$157,773	$12,972	$18,648
Depoe Bay	$13,866	$59,288	$12,264	$18,636
Hood River	$7,537	$81,215	$13,488	$20,016
Joseph	$17,176	$64,836	$7,980	$14,232
Lincoln City	$12,265	$117,250	$10,080	$18,804
Manzanita	$16,105	$90,051	$10,548	$24,432
Rockaway Beach	$15,925	$98,481	$8,316	$14,556
Seaside	$16,285	$198,425	$10,704	$19,356
Sisters	$9,196	$48,000	$12,312	$19,068
Total	**$13,662**	**$198,425**	**$11,112**	**$18,796**

Source: AirDnA Property Data, Retrieved 2017. U.S. Census, American Community Survey, 2010 and 2015.

Table B.7. Airbnbs Organized by Listing Type and Days Reserved

	Entire home/apt	Private room	Shared room	Total
Ashland	**180**	**79**	**1**	**260**
Less than 30 Days	34%	21%	0.4%	55%
30 to 90 Days	13%	4%	-	17%
91 to 180 Days	17%	5%	-	22%
181 Days or More	6%	1%	-	7%
Bend	**1,765**	**407**	**4**	**2,176**
Less than 30 Days	35%	9%	0.1%	45%
30 to 90 Days	29%	5%	0.0%	34%
91 to 180 Days	13%	3%	0.0%	16%
181 Days or More	4%	2%	-	6%
Depoe Bay	**113**	**6**	**-**	**119**
Less than 30 Days	48%	4%	-	52%
30 to 90 Days	24%	-	-	24%
91 to 180 Days	20%	1%	-	21%
181 Days or More	3%	-	-	3%
Hood River	**211**	**99**	**12**	**322**
Less than 30 Days	32%	17%	4%	52%
30 to 90 Days	19%	6%	-	25%
91 to 180 Days	11%	7%	-	17%
181 Days or More	4%	1%	-	5%
Joseph	**51**	**6**	**1**	**58**
Less than 30 Days	17%	3%	-	21%
30 to 90 Days	34%	3%	-	38%
91 to 180 Days	29%	3%	2%	34%
181 Days or More	7%	-	-	7%
Lincoln City	**319**	**19**	**-**	**338**
Less than 30 Days	49%	2%	-	51%
30 to 90 Days	26%	1%	-	27%
91 to 180 Days	17%	2%	-	19%
181 Days or More	2%	1%	-	3%
Manzanita	**77**	**8**	**-**	**85**
Less than 30 Days	38%	5%	-	42%
30 to 90 Days	29%	5%	-	34%
91 to 180 Days	20%	-	-	20%
181 Days or More	4%	-	-	4%
Rockaway Beach	**99**	**6**	**1**	**106**
Less than 30 Days	34%	2%	1%	37%
30 to 90 Days	24%	1%	-	25%
91 to 180 Days	28%	2%	-	30%
181 Days or More	8%	1%	-	8%
Seaside	**393**	**46**	**3**	**442**
Less than 30 Days	40%	6%	-	46%
30 to 90 Days	26%	3%	0.2%	29%
91 to 180 Days	16%	1%	0.5%	18%
181 Days or More	7%	0%	-	7%
Sisters	**78**	**29**	**-**	**107**
Less than 30 Days	33%	15%	-	48%
30 to 90 Days	23%	8%	-	32%
91 to 180 Days	15%	3%	-	18%
181 Days or More	2%	1%	-	3%
Total	**3,286**	**705**	**22**	**4,013**

Legislative Approaches

Table c.4. Case Study City Legislative Approaches

Case Study	Defined	Adopted	Requirements & Standards	Indication of Effectiveness	Ordinance Link
Ashland	Travelers' Accommodations (TA) or Accessory Travelers' Accommodations (ATA), for one or more occasions for a period less than 30 consecutive days	2015	TA and ATA Requirements: Conditional Use Permit; Subject to Site Design Review; Subject to inspection by fire department and Jackson County Health Department; City business license; Register for and pay transient occupancy tax TA Standards: Located within 200 feet of boulevard, avenue, or neighborhood collector; Property must be primary residence of the business-owner or person entered into a lease agreement with the property owner permitting use of property for the accommodation; Primary resident on site must be 20 years old; Minimum lot and GSF standards; Parking standard (one off-street parking space per accommodation and business-owner's unit must have two parking spaces) ATA Standards: Limit to one accommodation unit per property (no more than two bedrooms with two people per room); No signs; Property must have two off-street parking spaces; Guest vehicles must not exceed one; Meals and kitchen cooking facilities are not permitted	Somewhat Effective	http://www.ashland.or.us/SIB/files/AMC_Chpt_18_current.pdf (Section 18.2.3.220)
Bend	Use of a dwelling unit by any person or group of persons entitled to occupy for rent for a period of less than 30 consecutive days	2006, Updated 2015	Short term rental permit, Subject to review dependent on location and days available; Annual operation license; Concentration limits (250 feet between properties); Less than 30 days and owner-occupied allows exemption from concentration limits; Occupancy limited to two persons per bedroom plus two additional people; One parking space per bedroom; Subject to inspection	Very Effective to Somewhat Effective	http://www.codepublishing.com/OR/Bend/ (Section 3.6.500)
Depoe Bay	Less than 30 successive calendar days	-	Prohibited except as permitted under the zoning code; 8% Transient Room Tax, City business license; Registration; Four year amortized period	-	http://www.cityofdepoebay.org/pdf/ordinances/zoning24codifiedNov2011.pdf (Section 4.650)

Case Study	Defined	Adopted	Requirements & Standards	Indication of Effectiveness	Ordinance Link
Hood River	Transient Rental: a dwelling unit or room(s) rented for compensation on less than a month-to-month basis	2016	3% transient room tax; Short-term rental operating license; Maximum occupancy two persons per bedroom plus two additional persons; One off-street parking space for every two bedrooms; Dwelling must be primary residence of the property owner	Too Soon to Tell	http://ci.hood-river.or.us/pageview.aspx?id=20524 (Section 17.04.115)
Joseph	Travelers accomodation: any primary resdience, which is not a hotel or motel, having rooms, apartments or sleeping facilities rented or kept for rent on a daily or weekly basis to travelers or transients for a fee; Occupancy for less than 30 days	2016	3% transient lodging tax; Licence and/or permit; Facility is subject to review during first three years of operation after which time a permanent permit for the facility as accredited travelers' accomodation will be issued; One off-street parking space with owner's unit having two spaces; One sign of six sf maximum with no more than 150 watts of illumination; Annual inspection by the County Health Department	Somewhat Ineffective	https://drive.google.com/file/d/0B6NISJIjv4gad3NoR3BHTjlZODg/edit
Lincoln City	Vacation rental dwelling: a dwelling unit that is used, rented or occupied on a daily or weekly basis, or is available for use, rent, or occupancy on a daily or weekly basis, or is advertised, or listed by an agent, as available for use, rent, or occupancy on a daily or weekly basis.	Initially in 1996, updated 2016	$350 land use approval application fee, plus $100 license fee, plus $150 occupational tax permit; Transient lodging tax at 9.5% of rental charge	Somewhat Effective	http://www.codepublishing.com/OR/LincolnCity/ (section 17.80.050, and at Chapter 5.1), amendments are found at http://www.lincolncity.org/index.asp?SEC=55A859F7-5E25-4659-B7BE-B0445F128F08&Type=B_BASIC in Ordinances 2016-14, 2016-20, and 2016-26
Manzanita	Short Term Rental: A dwelling unit that is rented for a period not to exceed 29 days.	1994; current policies adopted 2010, amended 2016	$250 permit (annual), 9% transient room tax; Advertisement must contain licensing number; Subject to inspection and periodic reinspection; Some areas subject to cap; Off-street parking for two vehicles; Signage no larger than 90 square inches; Occupancy capacity of two persons per sleeping room plus an additional four persons	Somewhat Ineffective	http://www.ci.manzanita.or.us/_docs/ordinances/STR/Ordinance%2010%2003%20STR%20regulations%20amend%2016%2005%20120716.pdf

Case Study	Defined	Adopted	Requirements & Standards	Indication of Effectiveness	Ordinance Link
Rockaway Beach	Under 30 nights stay	Prior to 2003	Business license; 9% transient room tax	Somewhat Effective	http://library.amlegal.com/nxt/gateway.dll/Oregon/rockawaybeach_or/thecityofrockawaybeachoregoncodeofordina?f=templates$fn=default.htm$3.0$vid=amlegal:rockawaybeach_or
Seaside	Less than 30 day		Conditional Use Permit subject to public hearing; Subject to inspection; Transient room tax provisions; Permit will be reviewed if two complaints are received by different residencies claiming adverse impact; Minimum of two off street parking spaces plus one addtional for each bedroom over two	-	http://www.cityofseaside.us/sites/default/files/vrd_checklist2016.pdf; http://www.cityofseaside.us/sites/default/files/vrd_checklist2016.pdf
Sisters	Vacation rental: The use of a residential dwelling unit by any person or group of persons entitled to occupy for rent for a period of less than 30 consecutive days per month and that is rented in such a manner for more than 10 days in a calendar year	2010	Business license, Transient room tax, Subject to inspection, Compalints can revoke permit, Subject to type 1 review process	Somewhat Effective	http://sistersoregon.gelfuzion.net/pdf/development-code/Chapter%202.15%20Special%20Provisions%2011.23.14.pdf

Source: Responding to Short-Term Rentals Survey, 2017 and code review (see links in table).

Appendix C: Industry Summary for Cities with Airbnbs

The following table provides industry data for all cities in Oregon with Airbnb.

Table D.1. Industry Summary by Region

City by Region	AirBnBs as % of Total Housing	Avg. Daily Rate per Property	% of Properties Reserved >30 Days	% of Properties (Entire Home)	% of Properties (Private/Shared Room)	Annual Revenue
Central Oregon	**4%**	**$209**	**53%**	**78%**	**22%**	**$37,539,776**
Bend	6%	$238	55%	81%	19%	$32,207,439
Cascade Locks	1%	$75	57%	57%	43%	$20,557
Culver	0%	$0	0%	100%	0%	$0
Dufur	1%	$150	75%	50%	50%	$19,189
Hood River	9%	$129	47%	66%	34%	$2,426,970
La Pine	3%	$95	65%	81%	19%	$214,018
Madras	0%	$49	0%	73%	27%	$4,635
Maupin	1%	$216	100%	100%	0%	$57,672
Mosier	12%	$100	42%	81%	19%	$200,261
Prineville	1%	$93	54%	50%	50%	$171,475
Redmond	1%	$115	49%	74%	26%	$1,036,179
Sisters	8%	$153	51%	73%	27%	$983,947
The Dalles	0%	$108	53%	43%	57%	$197,434
North Coastal Oregon	**5%**	**$206**	**53%**	**86%**	**14%**	**$24,875,499**
Astoria	2%	$101	61%	52%	48%	$890,097
Bay City	2%	$133	57%	93%	7%	$111,417
Cannon Beach	4%	$322	71%	95%	5%	$2,876,320
Depoe Bay	8%	$207	47%	95%	5%	$1,650,062
Garibaldi	0%	$199	0%	100%	0%	$4,575
Lincoln City	5%	$237	48%	94%	6%	$4,145,729
Manzanita	7%	$271	56%	91%	9%	$1,368,957
Nehalem	46%	$168	58%	60%	40%	$879,648
Newport	2%	$185	46%	79%	21%	$1,322,513
Rockaway Beach	5%	$192	63%	93%	7%	$1,688,036
Seaside	10%	$216	49%	89%	11%	$7,198,080
Tillamook	4%	$156	55%	89%	11%	$1,014,970
Toledo	0%	$25	50%	0%	100%	$6,134
Waldport	4%	$145	57%	76%	24%	$435,804
Warrenton	1%	$168	55%	95%	5%	$282,578
Wheeler	0%	$0	0%	100%	0%	$0
Yachats	8%	$158	78%	78%	22%	$1,000,579
Northeast Oregon	**1%**	**$129**	**45%**	**64%**	**36%**	**$1,738,663**
Baker City	0%	$115	55%	60%	40%	$158,813
Condon	1%	$89	0%	50%	50%	$1,091
Elgin	1%	$86	43%	43%	57%	$22,840
Enterprise	3%	$127	48%	52%	48%	$217,418
Fossil	4%	$134	30%	30%	70%	$24,072
Grass Valley	3%	$127	50%	100%	0%	$7,355
Haines	0%	$85	0%	0%	100%	$1,615
Halfway	2%	$75	25%	75%	25%	$8,595

City by Region	AirBnBs as % of Total Housing	Avg. Daily Rate per Property	% of Properties Reserved >30 Days	% of Properties (Entire Home)	% of Properties (Private/Shared Room)	Annual Revenue
Northeast Oregon Continued…						
Heppner	0%	$0	0%	100%	0%	$0
Hermiston	0%	$15	0%	75%	25%	$120
Ione	4%	$67	0%	50%	50%	$1,200
Irrigon	0%	$0	0%	0%	100%	$0
John Day	1%	$85	14%	100%	0%	$13,905
Joseph	10%	$205	79%	88%	12%	$996,192
La Grande	0%	$86	25%	55%	45%	$44,465
Long Creek	5%	$86	0%	0%	100%	$344
Lostine	4%	$89	60%	100%	0%	$45,525
Milton Freewater	0%	$95	20%	60%	40%	$23,925
Mitchell	6%	$147	0%	83%	17%	$11,222
Moro	3%	$76	0%	0%	100%	$2,490
Pendleton	0%	$140	27%	67%	33%	$49,041
Prairie City	1%	$120	60%	100%	0%	$31,464
Richland	1%	$72	100%	100%	0%	$5,495
Umatilla	0%	$198	0%	100%	0%	$792
Union	0%	$133	0%	100%	0%	$5,319
Unity	2%	$105	0%	100%	0%	$2,200
Wallowa	0%	$48	50%	50%	50%	$9,690
Wasco	4%	$91	88%	13%	88%	$53,475
Portland Metro	**2%**	**$82**	**48%**	**57%**	**43%**	**$69,880,529**
Beaverton	1%	$61	49%	37%	63%	$1,620,761
Cornelius	0%	$146	100%	50%	50%	$15,402
Damascus	0%	$48	44%	33%	67%	$35,011
Fairview	0%	$75	61%	61%	39%	$86,018
Forest Grove	0%	$65	42%	33%	67%	$90,651
Gladstone	0%	$62	33%	56%	44%	$30,761
Gresham	0%	$78	35%	39%	61%	$196,700
Happy Valley	1%	$79	26%	46%	54%	$197,404
Hillsboro	1%	$75	37%	37%	63%	$757,834
Lake Oswego	1%	$98	41%	55%	45%	$993,534
Oregon City	1%	$57	36%	38%	62%	$373,295
Portland	3%	$83	49%	60%	40%	$64,746,132
Sherwood	0%	$104	48%	52%	48%	$197,885
Troutdale	0%	$50	33%	43%	57%	$71,959
West Linn	1%	$71	38%	45%	55%	$383,343
Wilsonville	0%	$49	28%	24%	76%	$83,839
South Coastal Oregon	**1%**	**$132**	**52%**	**75%**	**25%**	**$2,335,541**
Bandon	2%	$227	52%	63%	38%	$423,053
Brookings	2%	$124	40%	65%	35%	$447,365

City by Region	AirBnBs as % of Total Housing	Avg. Daily Rate per Property	% of Properties Reserved >30 Days	% of Properties (Entire Home)	% of Properties (Private/Shared Room)	Annual Revenue
South Coastal Oregon Continued...						
Coos Bay	1%	$109	74%	74%	26%	$393,664
Coquille	0%	$67	67%	0%	100%	$9,600
Florence	1%	$103	58%	80%	20%	$342,405
Gold Beach	3%	$136	51%	88%	12%	$310,273
Lakeside	0%	$58	33%	100%	0%	$12,625
North Bend	0%	$93	72%	89%	11%	$122,735
Port Orford	4%	$137	32%	97%	3%	$208,399
Reedsport	1%	$73	35%	53%	47%	$65,422
Southeast Oregon	**1%**	**$125**	**48%**	**79%**	**21%**	**$1,143,628**
Burns	1%	$42	30%	40%	60%	$60,935
Chiloquin	1%	$130	74%	89%	11%	$185,222
Jordan Valley	1%	$2	50%	50%	50%	$161
Klamath Falls	1%	$135	46%	82%	18%	$880,611
Ontario	0%	$53	50%	50%	50%	$7,709
Paisley	1%	$145	100%	100%	0%	$8,990
Southern Oregon	**1%**	**$98**	**47%**	**57%**	**43%**	**$4,886,800**
Ashland	3%	$119	45%	69%	31%	$2,160,243
Canyonville	0%	$180	0%	20%	80%	$1,052
Cave Junction	2%	$69	50%	36%	64%	$57,470
Central Point	0%	$91	63%	43%	57%	$180,830
Eagle Point	0%	$98	50%	40%	60%	$49,303
Elkton	3%	$44	33%	100%	0%	$26,213
Gold Hill	1%	$141	63%	100%	0%	$57,729
Grants Pass	1%	$76	41%	52%	48%	$449,096
Jacksonville	4%	$97	45%	52%	48%	$318,241
Medford	0%	$85	53%	59%	41%	$728,615
Myrtle Creek	1%	$55	25%	63%	38%	$15,248
Myrtle Point	0%	$63	100%	0%	100%	$25,257
Oakland	1%	$123	50%	25%	75%	$41,461
Phoenix	1%	$59	33%	33%	67%	$50,563
Riddle	0%	$0	0%	100%	0%	$0
Rogue River	0%	$122	100%	100%	0%	$33,902
Roseburg	0%	$88	37%	44%	56%	$180,605
Sandy	0%	$182	85%	77%	23%	$140,041
Shady Cove	0%	$179	0%	100%	0%	$4,015
Talent	3%	$69	53%	39%	61%	$366,916
Winston	0%	$0	0%	100%	0%	$0
Yoncalla	0%	$0	0%	100%	0%	$0
Willamette Valley	**1%**	**$109**	**45%**	**53%**	**47%**	**$14,333,540**
Albany	0%	$42	50%	33%	67%	$142,465

City by Region	AirBnBs as % of Total Housing	Avg. Daily Rate per Property	% of Properties Reserved >30 Days	% of Properties (Entire Home)	% of Properties (Private/Shared Room)	Annual Revenue
Willamette Valley Continued…						
Amity	1%	$147	86%	86%	14%	$98,095
Aumsville	0%	$80	0%	100%	0%	$80
Aurora	2%	$99	71%	71%	29%	$63,928
Banks	1%	$114	43%	29%	71%	$43,118
Brownsville	1%	$107	80%	70%	30%	$59,008
Canby	0%	$50	52%	24%	76%	$67,515
Carlton	3%	$158	28%	83%	17%	$155,952
Clatskanie	0%	$53	33%	33%	67%	$12,001
Columbia City	0%	$0	0%	50%	50%	$0
Corvallis	1%	$78	46%	32%	68%	$994,099
Cottage Grove	1%	$40	26%	43%	57%	$81,810
Creswell	1%	$68	55%	55%	45%	$36,876
Dallas	0%	$78	40%	60%	40%	$26,238
Dayton	4%	$138	45%	79%	21%	$199,324
Detroit	0%	$187	0%	100%	0%	$5,050
Dundee	3%	$216	57%	67%	33%	$341,089
Estacada	0%	$32	50%	50%	50%	$11,879
Eugene	2%	$124	43%	59%	41%	$8,284,555
Falls City	0%	$0	0%	100%	0%	$0
Gaston	5%	$126	55%	82%	18%	$112,446
Gates	2%	$113	25%	100%	0%	$18,485
Harrisburg	0%	$180	0%	100%	0%	$6,030
Hubbard	0%	$51	0%	0%	100%	$760
Idanha	4%	$219	40%	40%	60%	$32,812
Independence	1%	$82	41%	59%	41%	$71,170
Jefferson	0%	$46	40%	60%	40%	$11,738
Junction City	1%	$97	50%	56%	44%	$68,555
Lafayette	0%	$0	0%	100%	0%	$0
Lebanon	0%	$51	50%	50%	50%	$15,787
Lowell	1%	$153	67%	100%	0%	$49,060
Lyons	1%	$115	67%	50%	50%	$67,071
Mcminnville	1%	$133	62%	58%	42%	$647,527
Mill City	0%	$118	50%	0%	100%	$2,490
Molalla	0%	$68	0%	40%	60%	$5,161
Monmouth	0%	$54	29%	29%	71%	$33,461
Monroe	1%	$112	50%	0%	100%	$8,536
Newberg	1%	$151	47%	64%	36%	$594,929
North Plains	0%	$35	0%	50%	50%	$1,341
Oakridge	0%	$46	22%	78%	22%	$24,837
Philomath	1%	$71	53%	67%	33%	$78,164

City by Region	AirBnBs as % of Total Housing	Avg. Daily Rate per Property	% of Properties Reserved >30 Days	% of Properties (Entire Home)	% of Properties (Private/Shared Room)	Annual Revenue
Willamette Valley Continued...						
Rainier	0%	$0	0%	50%	50%	$0
Saint Helens	0%	$45	25%	25%	75%	$12,493
Saint Paul	1%	$0	0%	100%	0%	$0
Salem	0%	$60	46%	32%	68%	$733,510
Scappoose	0%	$53	50%	25%	75%	$55,434
Scio	2%	$93	67%	50%	50%	$55,987
Scotts Mills	2%	$157	67%	100%	0%	$19,789
Sheridan	1%	$101	50%	60%	40%	$38,935
Silverton	1%	$98	59%	41%	59%	$179,167
Springfield	0%	$98	45%	46%	54%	$454,422
Stayton	0%	$85	67%	67%	33%	$50,039
Sublimity	0%	$77	67%	0%	100%	$10,425
Sweet Home	0%	$24	0%	67%	33%	$648
Tangent	0%	$124	100%	100%	0%	$4,451
Turner	0%	$49	50%	50%	50%	$1,472
Veneta	1%	$92	20%	45%	55%	$54,950
Vernonia	1%	$79	29%	14%	86%	$15,236
Westfir	8%	$96	33%	50%	50%	$74,176
Willamina	0%	$108	100%	100%	0%	$14,133
Woodburn	0%	$61	56%	11%	89%	$21,562
Yamhill	3%	$104	42%	58%	42%	$63,269
Total	**2%**	**$120**	**49%**	**63%**	**37%**	**$156,733,976**

Source: AirDnA. Property Data. *Airbnbs as % of* total housing units uses American Community Survey data (2011-2015).

Appendix D: Sensitivity Test, AirDnA vs Airbnb Data

Sensitivity testing suggests similarities between both datasets. Note, AirBnB data was pulled in January of 2017, while AirDnA data was pulled in March of 2017. This may have created slight discrepancies for indicators. Still, proportion of entire homes and private/shared rooms are within +/- 3% on average. Host incomes were within +/- $5,000 (removing Cannon Beach as the outlier). Average nights hosted/reserved days were within +68/-42 days and the average difference between monthly rates was $72.

Table E.1. Sensitivity Testing of AirDnA and Airbnb Data using Various Indicators

City	Proportion of Entire Home Listings		Propotion of Private/ Shared Room Listings		Typical Host Income		Typical Nights Hosted/ Reservation Days		Average Nightly Rate	
	AirBnB	AirDnA	AirBnB	AirDnA	AirBnB (Groomed)	AirDnA	AirBnB (Groomed)	AirDnA	AirBnb (2016)	AirDnA
Ashland	77%	69%	23%	31%	$10,550	$8,309	71	53	$131	$189
Astoria	55%	52%	45%	48%	$8,080	$9,176	67	75	$132	$136
Bandon	67%	63%	33%	38%	-	$8,814	-		$162	$294
Beaverton	44%	37%	56%	63%	$6,290	$4,739	94	52	$92	$120
Bend	75%	81%	25%	19%	$10,280	$14,801	46	56	$154	$354
Brookings	78%	65%	22%	35%	-	$7,849	-	49	$145	$197
Cannon Beach	97%	95%	3%	5%	$9,930	$35,077	28	96	$255	$426
Corvallis	43%	32%	57%	68%	$5,760	$5,178	40	50	$98	$109
Cottage Grove	42%	43%	58%	57%	-	$2,337	-	32	$67	$85
Depoe Bay	99%	95%	1%	5%	-	$13,866	-	50	$311	$347
Florence	81%	80%	19%	20%	-	$8,560	-	69	$119	$153
Gearhart	97%	-	3%	-	-	-	-	-	$294	-
Gold Beach	90%	88%	10%	12%	-	$7,216	-	42	$183	$290
Grants Pass	68%	52%	32%	48%	$7,560	$4,491	69	38	$111	$141
Hillsboro	41%	37%	59%	63%	$5,240	$3,609	49	35	$80	$115
Hood River	66%	66%	34%	34%	$7,400	$7,537	36	50	$150	$186
Jacksonville	58%	52%	42%	48%	$6,170	$4,750	45	39	$118	$141
Jordan Valley	68%	50%	32%	50%	-	$81	12	17	-	$75

City	Proportion of Entire Home Listings		Propotion of Private/ Shared Room Listings		Typical Host Income		Typical Nights Hosted/ Reservation Days		Average Nightly Rate	
	AirBnB	AirDnA	AirBnB	AirDnA	AirBnB (Groomed)	AirDnA	AirBnB (Groomed)	AirDnA	AirBnb (2016)	AirDnA
Joseph	87%	88%	13%	12%	-	$17,176	-	78	$181	$240
Klamath Falls	85%	82%	15%	18%	$3,220	$6,572	21	43	$142	$178
La Pine	83%	81%	17%	19%	-	$6,904	-	59	$139	$438
Lake Oswego	63%	55%	37%	45%	$8,930	$6,759	57	42	$136	$211
Lincoln City	94%	94%	6%	6%	$14,170	$12,265	32	51	$182	$386
Manzanita	95%	91%	5%	9%	$16,160	$16,105	57	60	$269	$362
McMinnville	55%	58%	45%	42%	$8,850	$8,750	58	61	$149	$190
Medford	63%	59%	37%	41%	$10,410	$6,809	60	65	$109	$159
Milwaukie	49%	-	51%	-	$9,790	-	170	-	$71	-
Nehalem	45%	60%	55%	40%	-	$12,217	-	76	$153	$214
Newberg	62%	64%	38%	36%	$4,980	$7,345	59	44	$152	$234
Newport	82%	79%	18%	21%	$10,730	$9,380	60	47	$167	$343
Oregon City	53%	38%	47%	62%	-	$4,912	-	48	$87	$104
Redmond	76%	74%	24%	26%	$9,090	$6,642	49	50	$107	$171
Rockaway Beach	94%	93%	6%	7%	$18,800	$15,925	94	76	$225	$314
Seaside	85%	89%	15%	11%	$11,170	$16,285	24	56	$203	$309
Sisters	71%	73%	29%	27%	$8,010	$9,196	58	47	$185	$246
Springfield	51%	46%	49%	54%	$3,720	$4,057	61	44	$79	$137
Talent	34%	39%	66%	61%	$5,850	$4,892	100	64	$77	$98
The Dalles	41%	43%	59%	57%	-	$6,581	-	63	$108	$146
Tigard	35%	-	65%	-	$3,140	-	55	-	$91	-
Tillamook	92%	89%	8%	11%	-	$11,941	-	64	$189	$243
Waldport	83%	76%	17%	24%	$15,290	$9,474	51	55	$189	$258
West Linn	50%	45%	50%	55%	$4,670	$4,675	62	42	$106	$115
Yachats	76%	78%	24%	22%	$13,520	$14,714	122	115	$130	$200

Source: AirDnA, Property Data, Retrieved March 2017. Airbnb Property Data, as of January 1, 2017.

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APPENDIX B

CLATSOP COUNTY SHORT-TERM RENTAL DATA REPORT (MAY 18, 2022)

Short-Term Rental Data Report

MAY 18, 2022

PREPARED BY:

County Manager's Office | Legal Counsel | Assessment and Taxation | GIS | Community Development

SECTION 1: BACKGROUND

On April 13, 2022, your Board directed staff to collect and analyze additional data documenting the impact of short-term rental units on housing prices and availability within Clatsop County.

County Management, County Counsel, and staff from Assessment and Taxation, GIS and Community Development met on April 21 to identify what data was required and what data was accessible by staff. On April 28, staff again met to review the data that had been compiled. This information consists of documentation regarding:

- Number, location and zoning of permitted short-term rental units
- 2018 Certified Values Countywide
- Single-Family Residential Sales Countywide
- Single-Family Residential Median Values for STR and non-STR properties
- Summary of Residential Market Appreciation 2021-2022
- Clatsop County Median Income

This information is documented and discussed in further detail below.

SECTION 2: DATA

The data provided below demonstrates that there is not a correlation between the issuance of short-term rental permits and housing prices. The data illustrates that the increased housing prices have occurred and continue to occur for both short-term rental properties and non-short-term rental properties. Communities such as Cannon Beach, which has severely curtailed short-term rentals, saw the largest real market value increase between 2018 and 2021 for properties holding an STR permit. This is likely due to the value placed on what is perceived as a limited and scarce ownership opportunity, thus commanding a higher price.

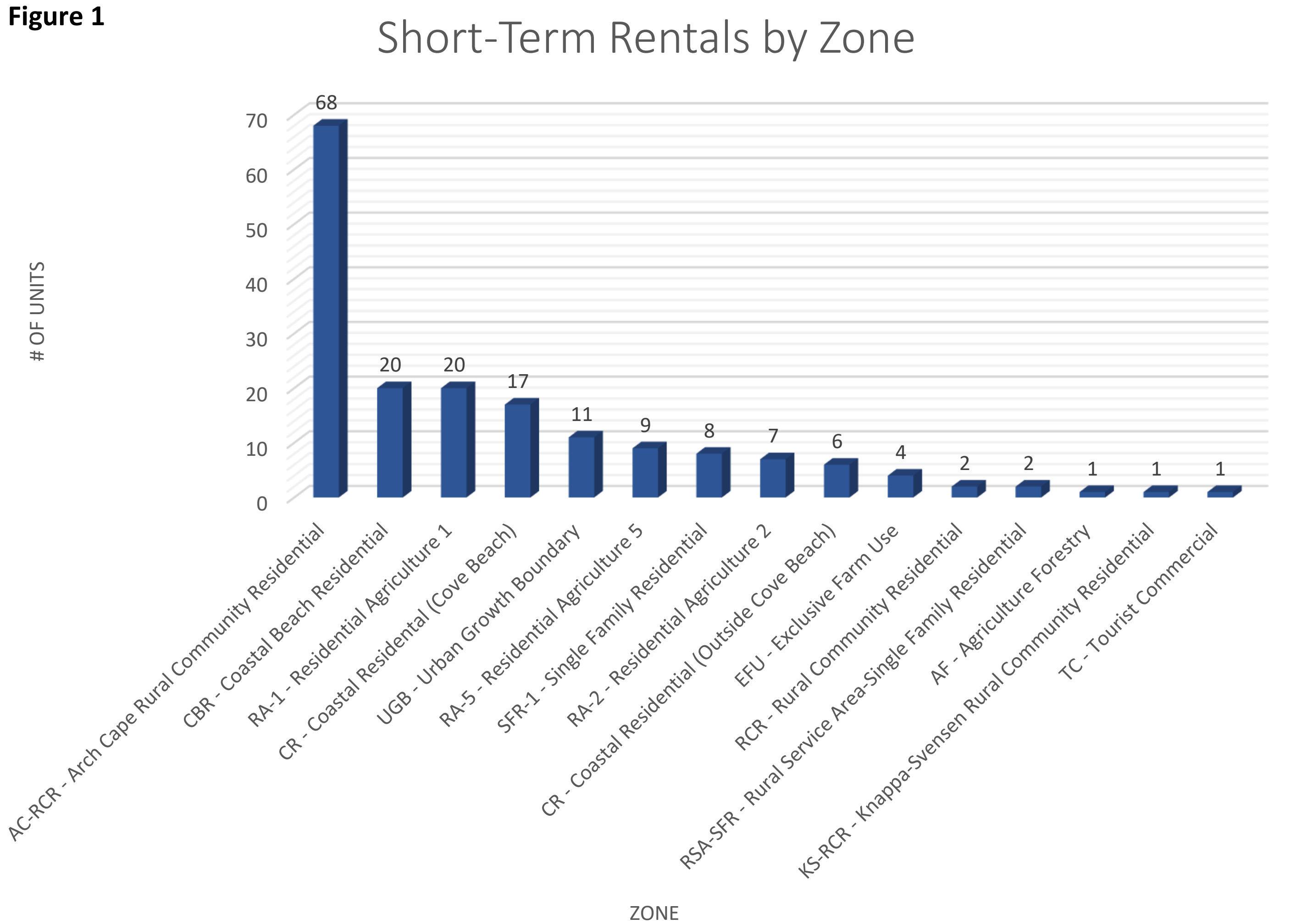
SECTION 2A: NUMBER OF PERMITTED STRs

Per information from Clatsop County Assessment and Taxation, there are 177 permitted short-term rental units in unincorporated Clatsop County. This area also includes properties within the unincorporated Urban Growth Boundary (UGB) of the City of Gearhart.

Figure 1 provides information regarding the zones where short-term rentals are located. **Figure 2** documents the annual rental activity for short-term rentals during 2021. This data shows that 67% of transient room tax accounts rented 100% of the year. Ten percent of the transient room tax account did not rent during 2021. **Figures 3-15**, below, detail the general location and numbers of short-term rental units. Sixty-eight (38.4%) of short-term rental units are located within the Arch Cape – Rural Community Residential (AC-RCR) zone. Per Assessment and Taxation, in 2004 there were 55 transient room tax accounts with a situs city of Arch Cape. Those accounts included properties within the Arcadia Beach/Arch Cape/Cove Beach area. Per information shown on **Figures 4-6** there are currently 95 licensed short-term rentals in this same approximate area. Twenty-seven of those rental units have been continuously permitted since 2004, although they may not have been continually rented during that time.

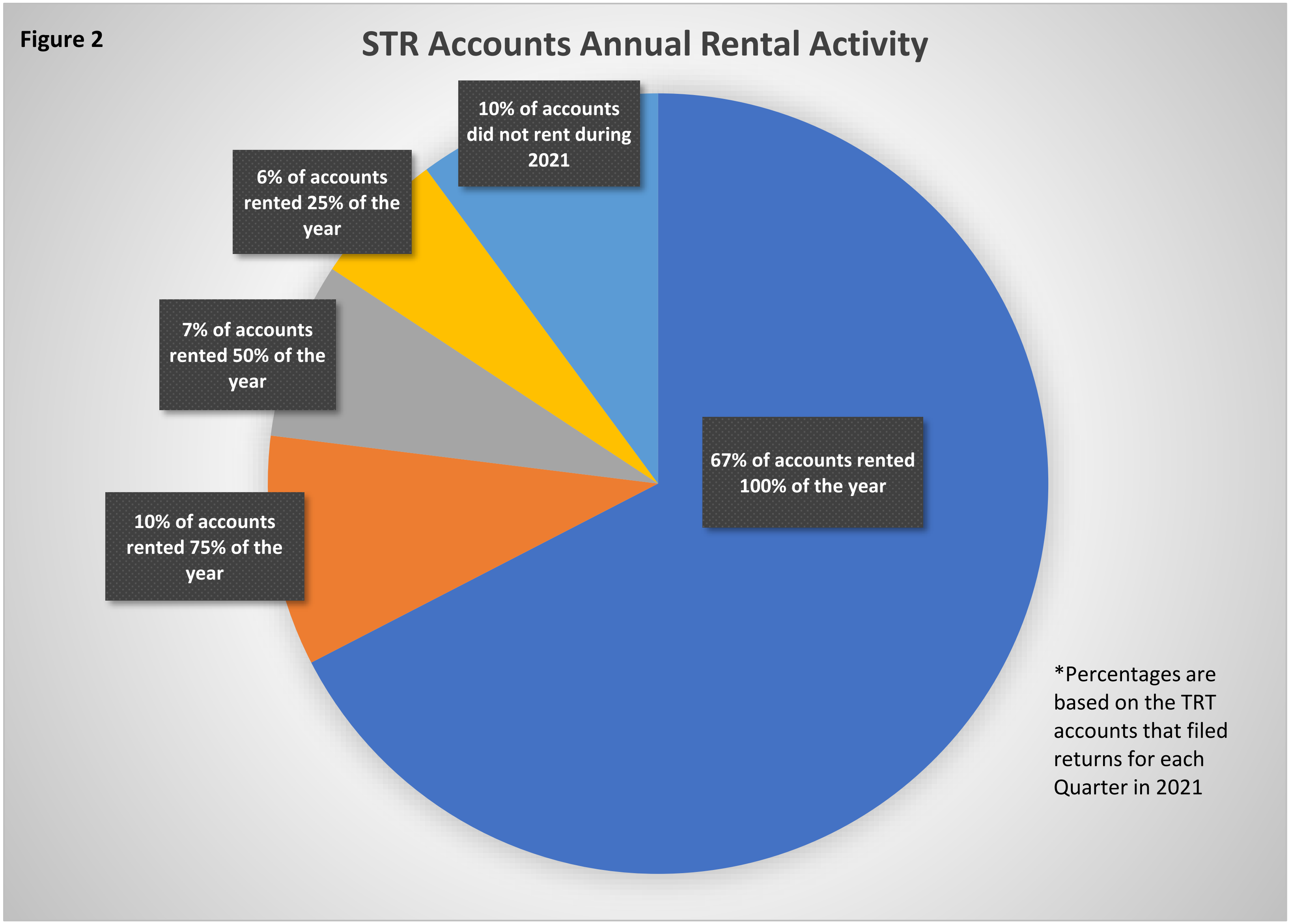
There are 17 licensed STRs in Cove Beach, constituting 9.6% of the total number of short-term rentals within unincorporated Clatsop County. The remaining 92 short-term rental units are dispersed throughout the county, with 53 (29.9%) units located in the Clatsop Plains and 11 (6.2%) within the Gearhart UGB. It should not be surprising that the majority of STRs are located in close proximity to the Pacific Ocean, as the state's beaches are highly desirable vacation areas.

Figure 1



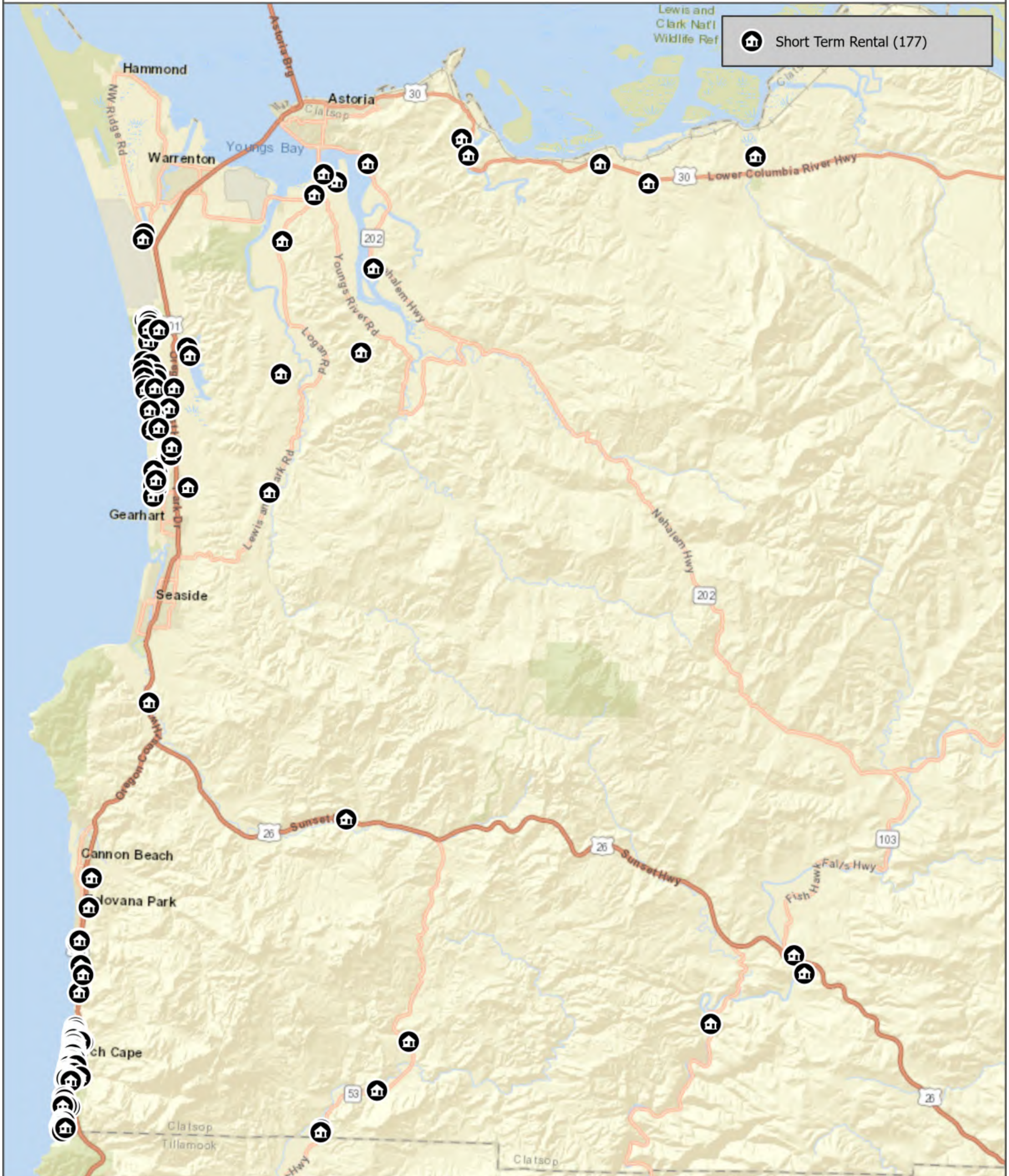
Source: Clatsop County GIS

Figure 2


STR Accounts Annual Rental Activity
10% of accounts did not rent during 2021
6% of accounts rented 25% of the year
7% of accounts rented 50% of the year
10% of accounts rented 75% of the year
67% of accounts rented 100% of the year
*Percentages are based on the TRT accounts that filed returns for each Quarter in 2021

Clatsop County Short Term Rentals

Figure 3



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Prepared by Krysta Houseknecht
gisinfo@co.clatsop.or.us
503-325-8522
Wednesday, April 27, 2022

0 2.5 5 10 Mile

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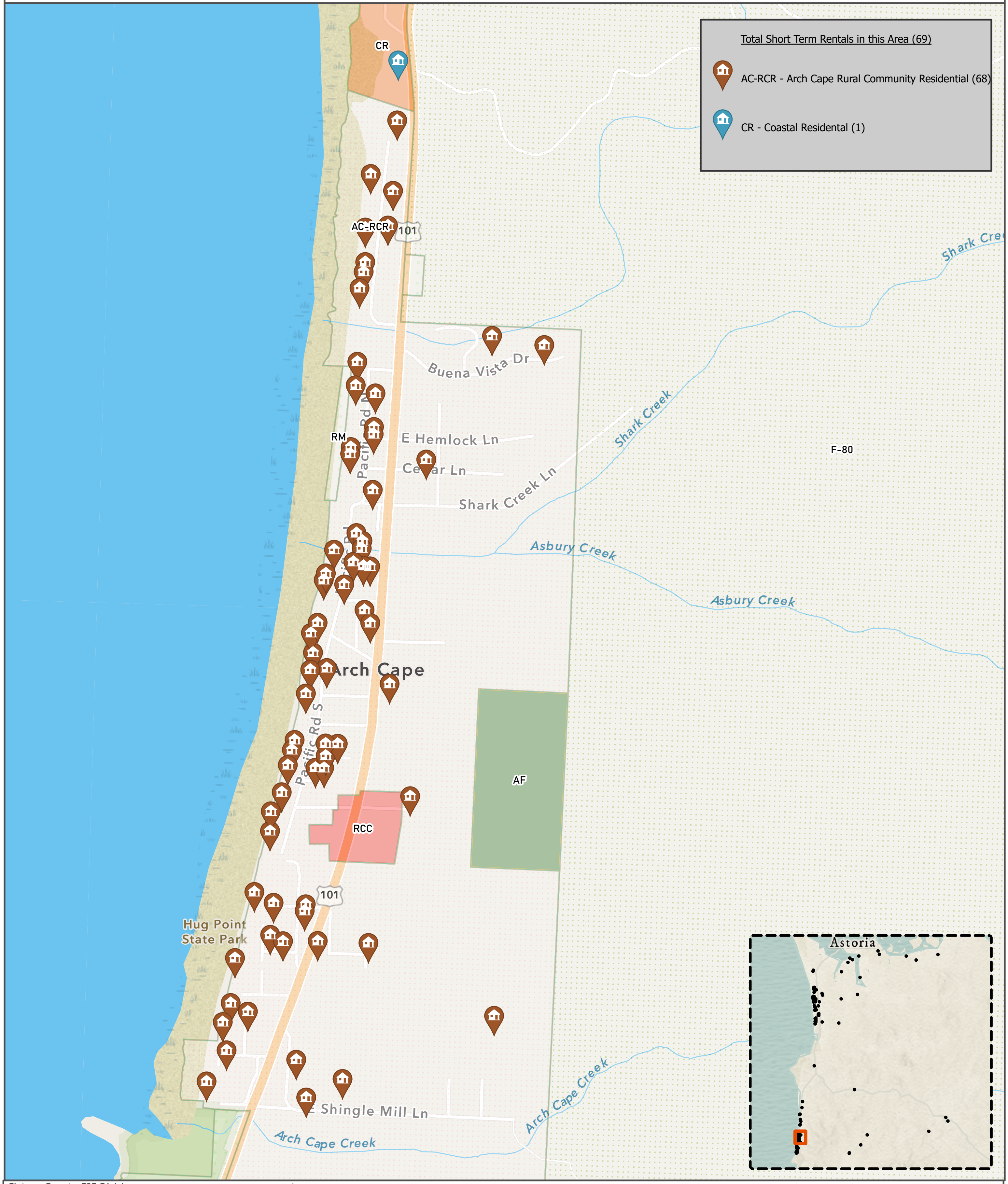
Clatsop County Short Term Rentals with Zoning Designation

Arch Cape

Figure 4



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.13 0.25 0.5 Mile

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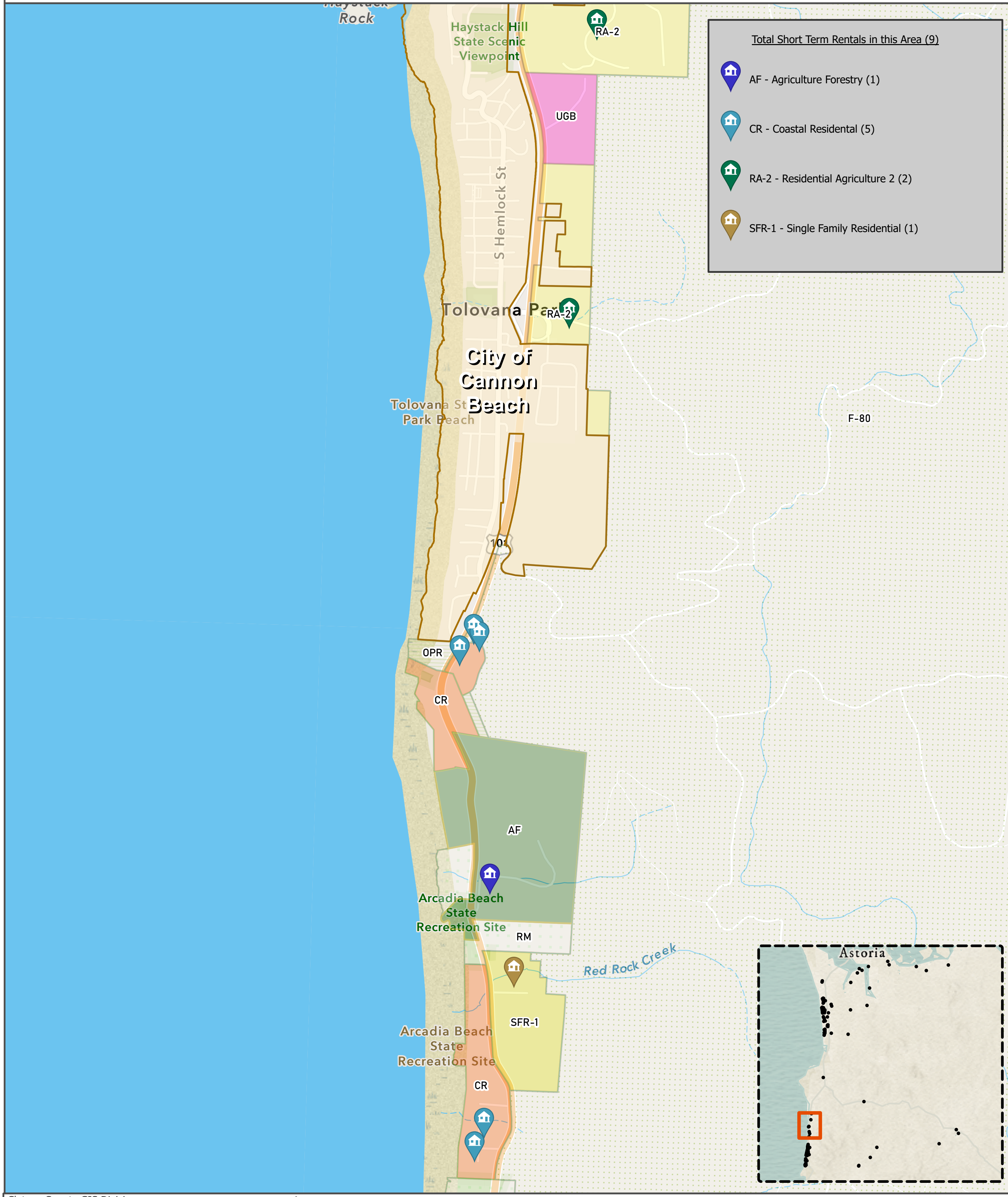
Clatsop County Short Term Rentals with Zoning Designation

Cannon Beach Unincorporated

Figure 5



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N

Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.25 0.5 1 Mile

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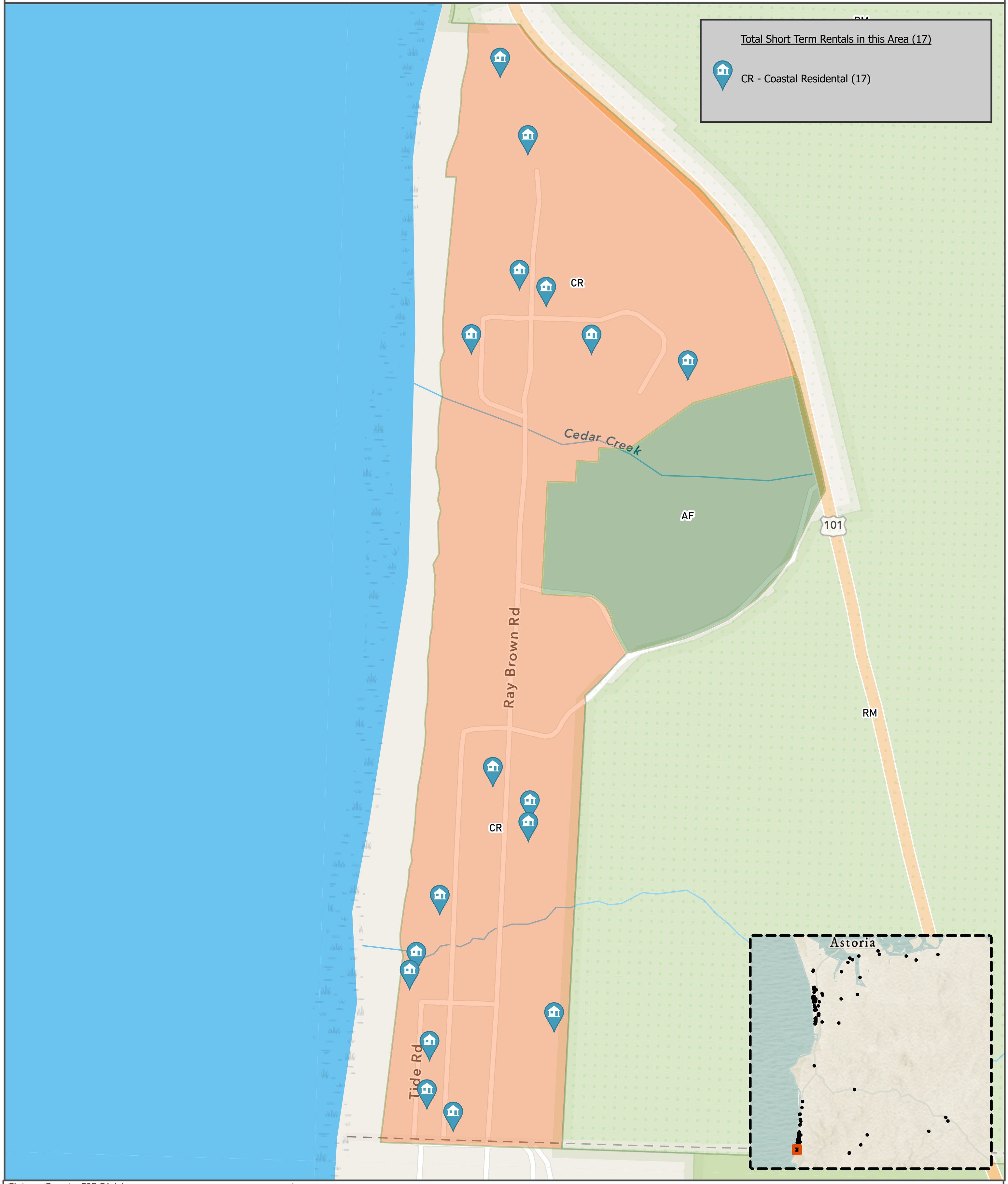
Clatsop County Short Term Rentals with Zoning Designation

Cove Beach

Figure 6



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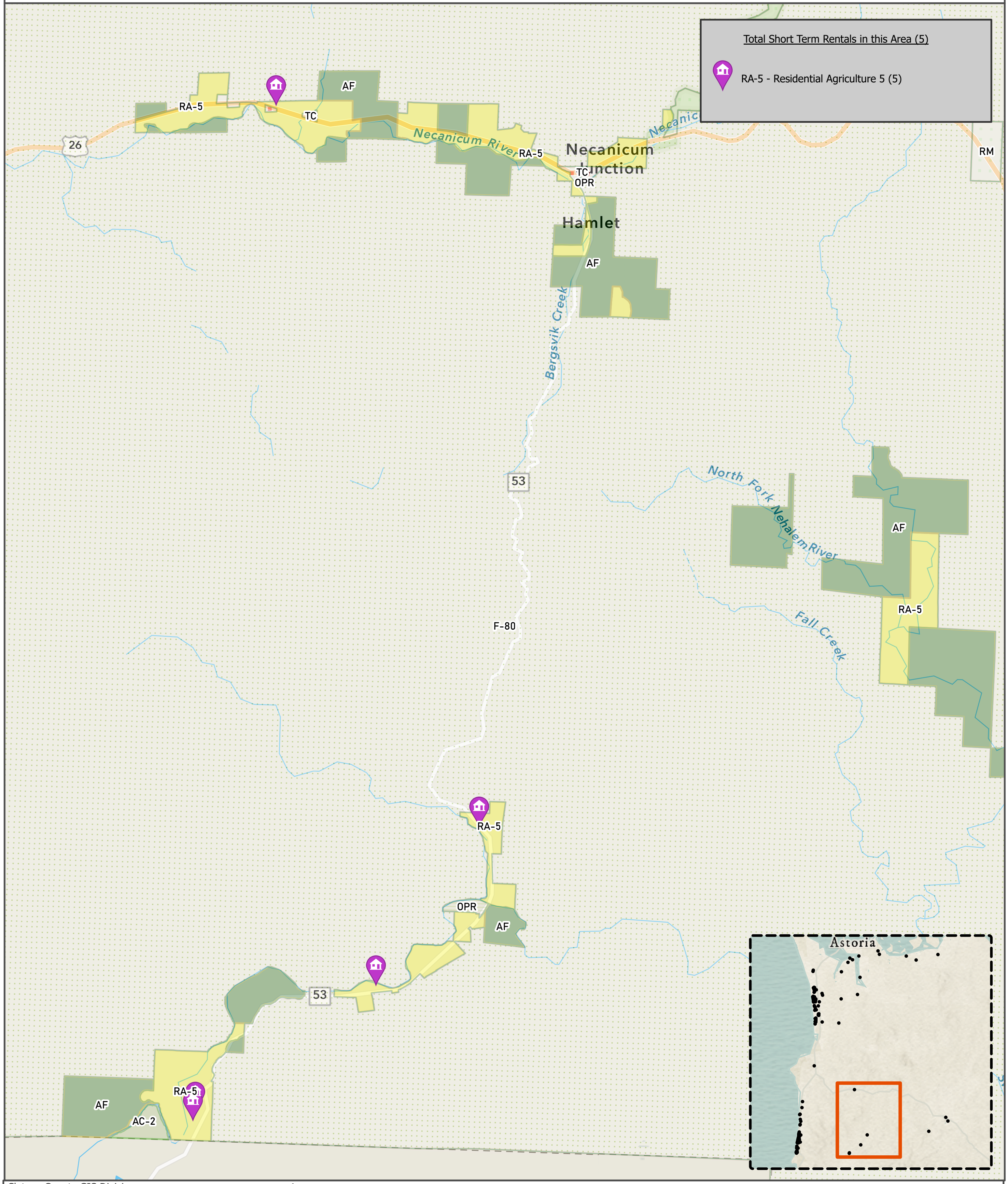
Total Short Term Rentals in Unincorporated Clatsop County (177)

Clatsop County Short Term Rentals with Zoning Designation

Hamlet

Figure 7



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.75 1.5 3 Mile

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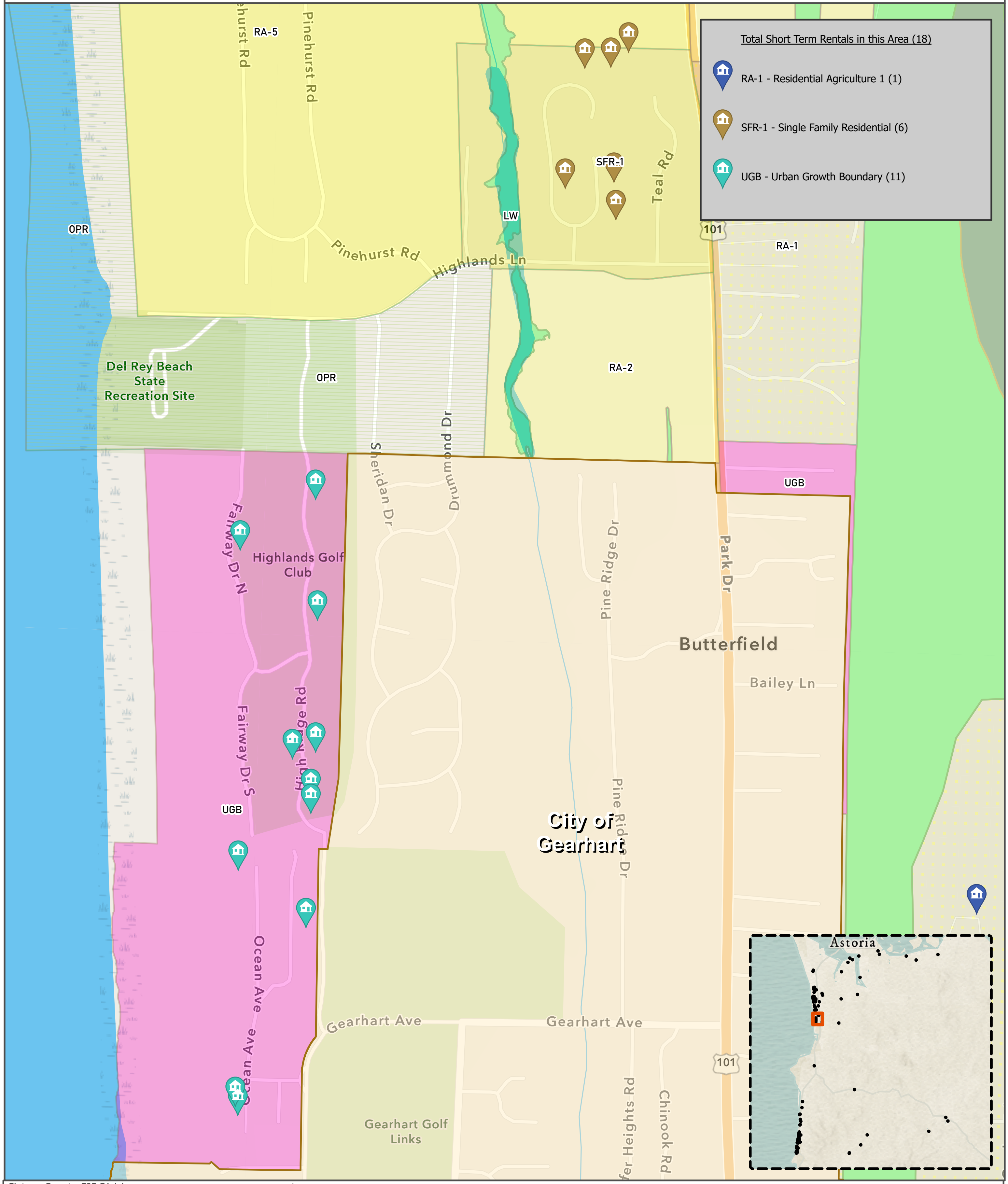
Clatsop County Short Term Rentals with Zoning Designation

Highlands

Figure 8



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.1 0.2 0.4 Mile

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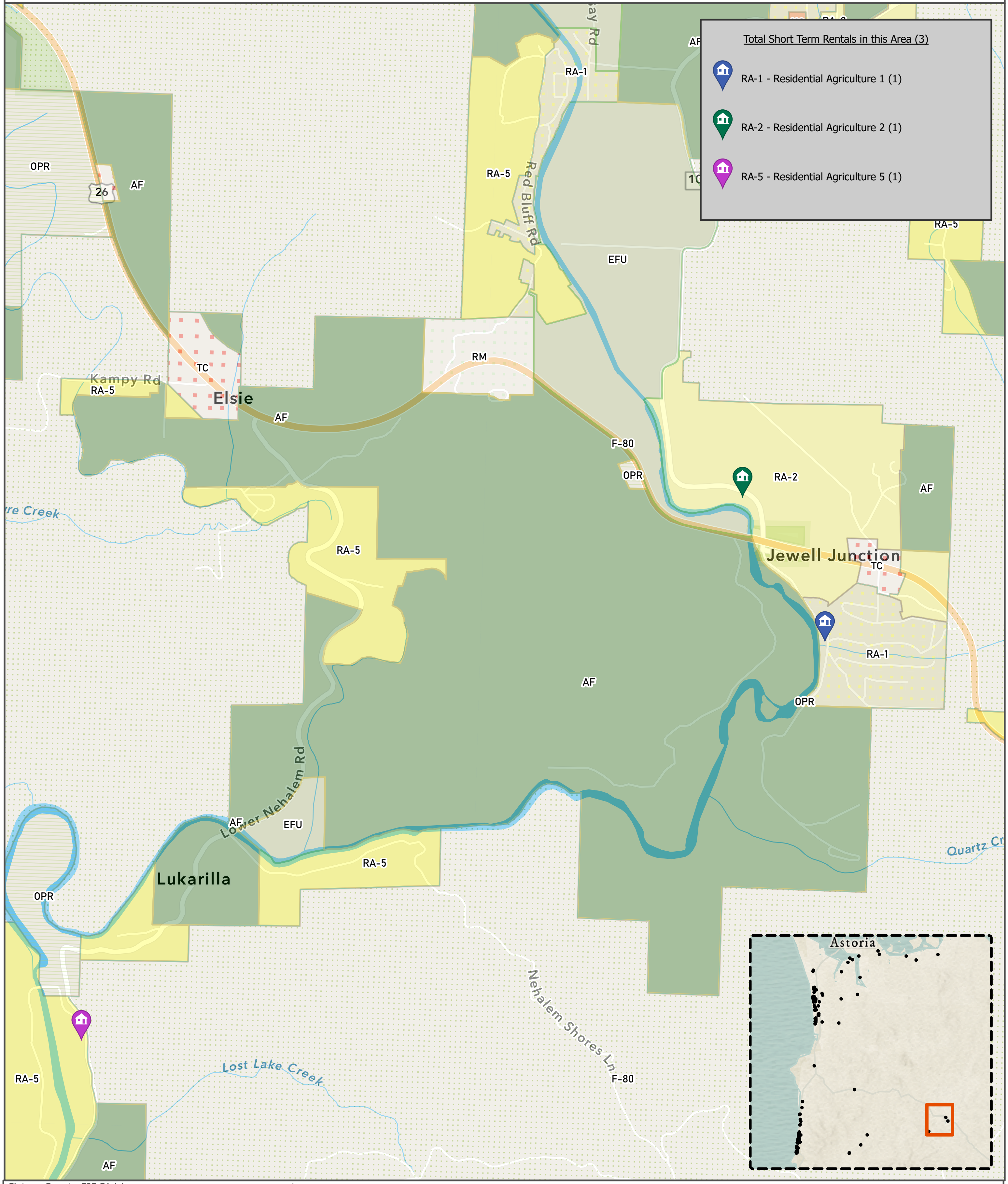
Clatsop County Short Term Rentals with Zoning Designation

Elsie & Jewell

Figure 9



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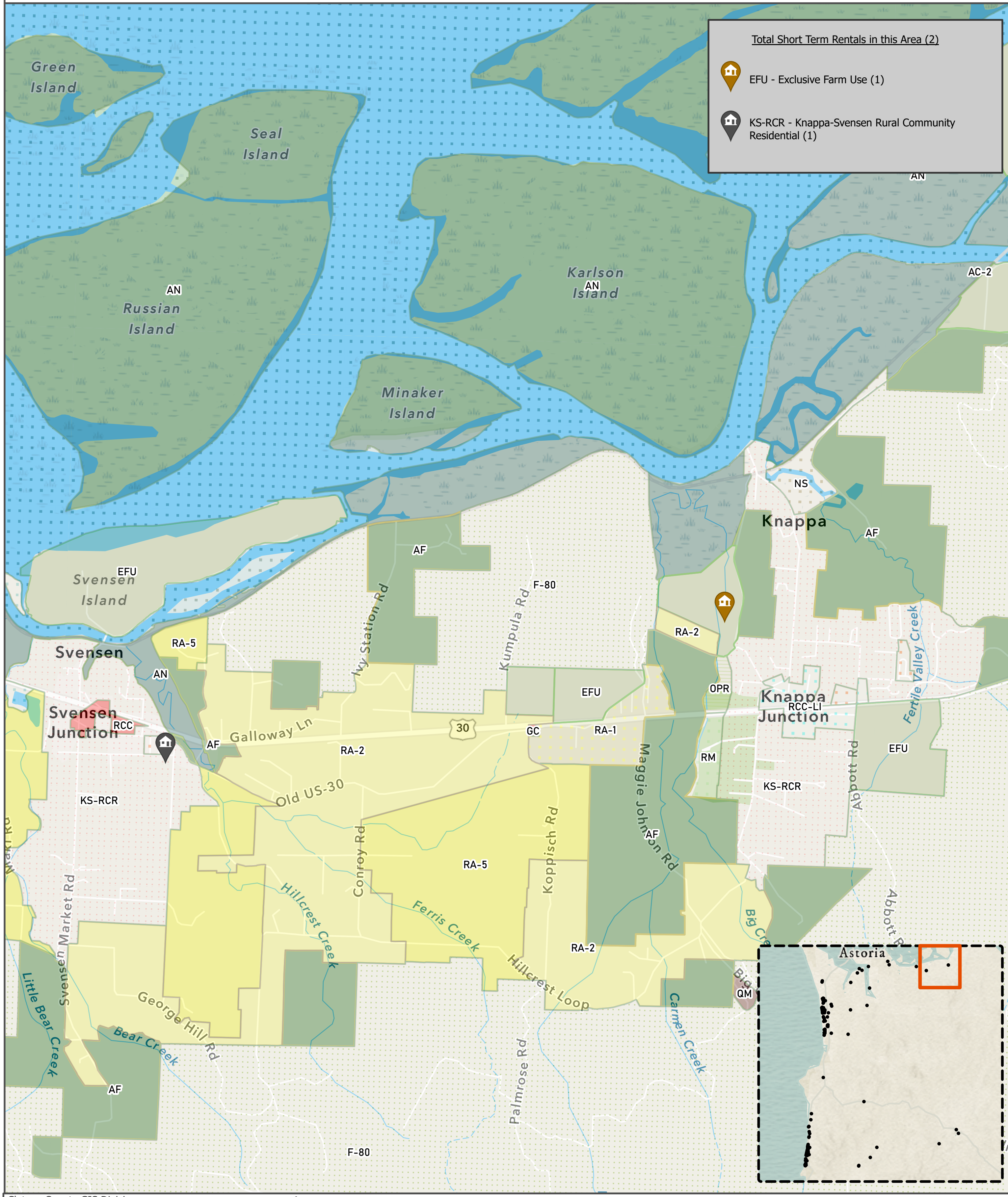
Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.3 0.6 1.2 Mile

Clatsop County Short Term Rentals with Zoning Designation

Knappa & Svensen

Figure 10



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.47 0.95 1.9 Mile

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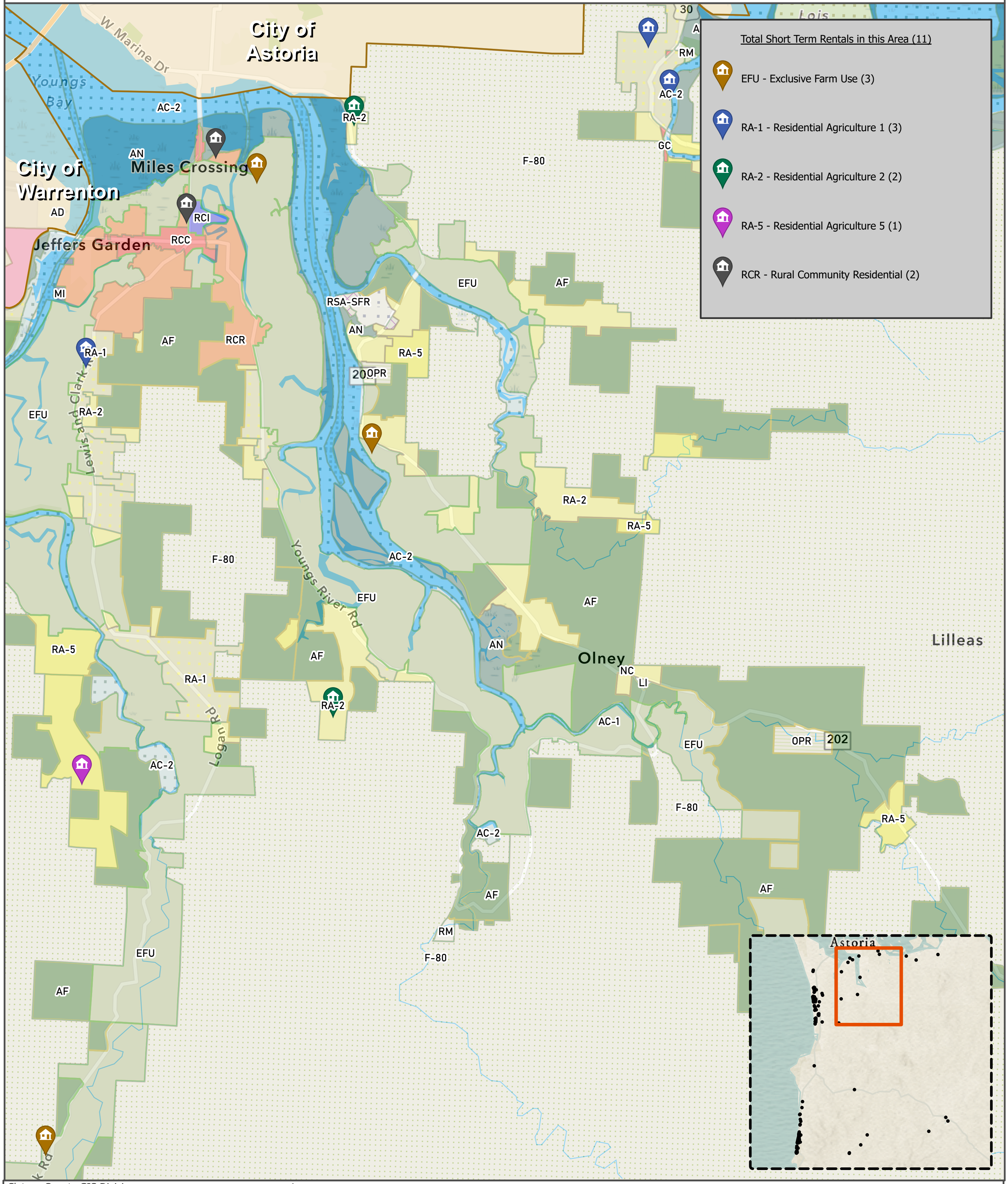
Clatsop County Short Term Rentals with Zoning Designation

Lewis and Clark & Olney

Figure 11



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.75 1.5 3 Mile

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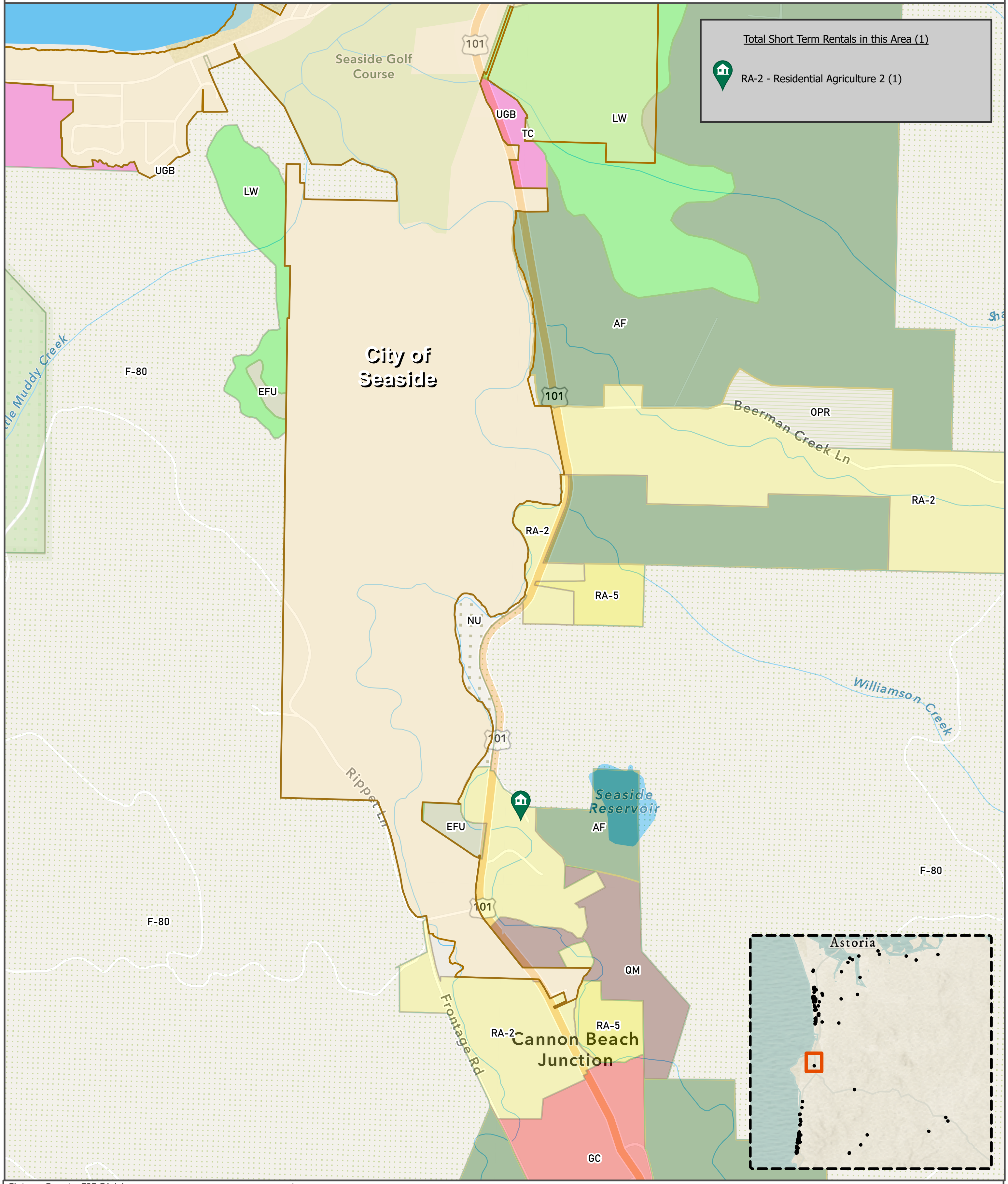
Clatsop County Short Term Rentals with Zoning Designation

Seaside Unincorporated

Figure 12



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.17 0.35 0.7 Mile

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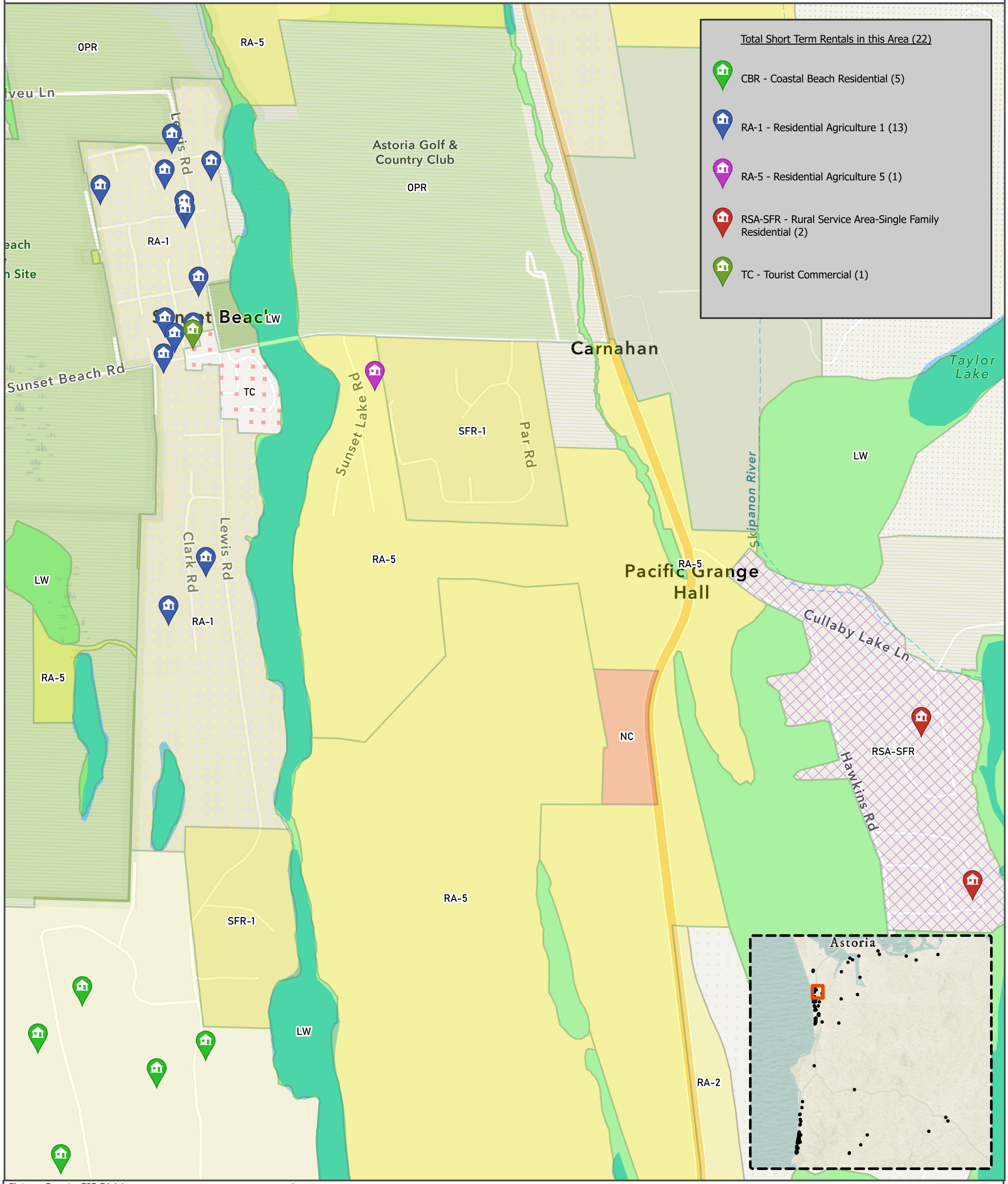
Clatsop County Short Term Rentals with Zoning Designation

Sunset Beach

Figure 13



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.13 0.25 0.5 Mile

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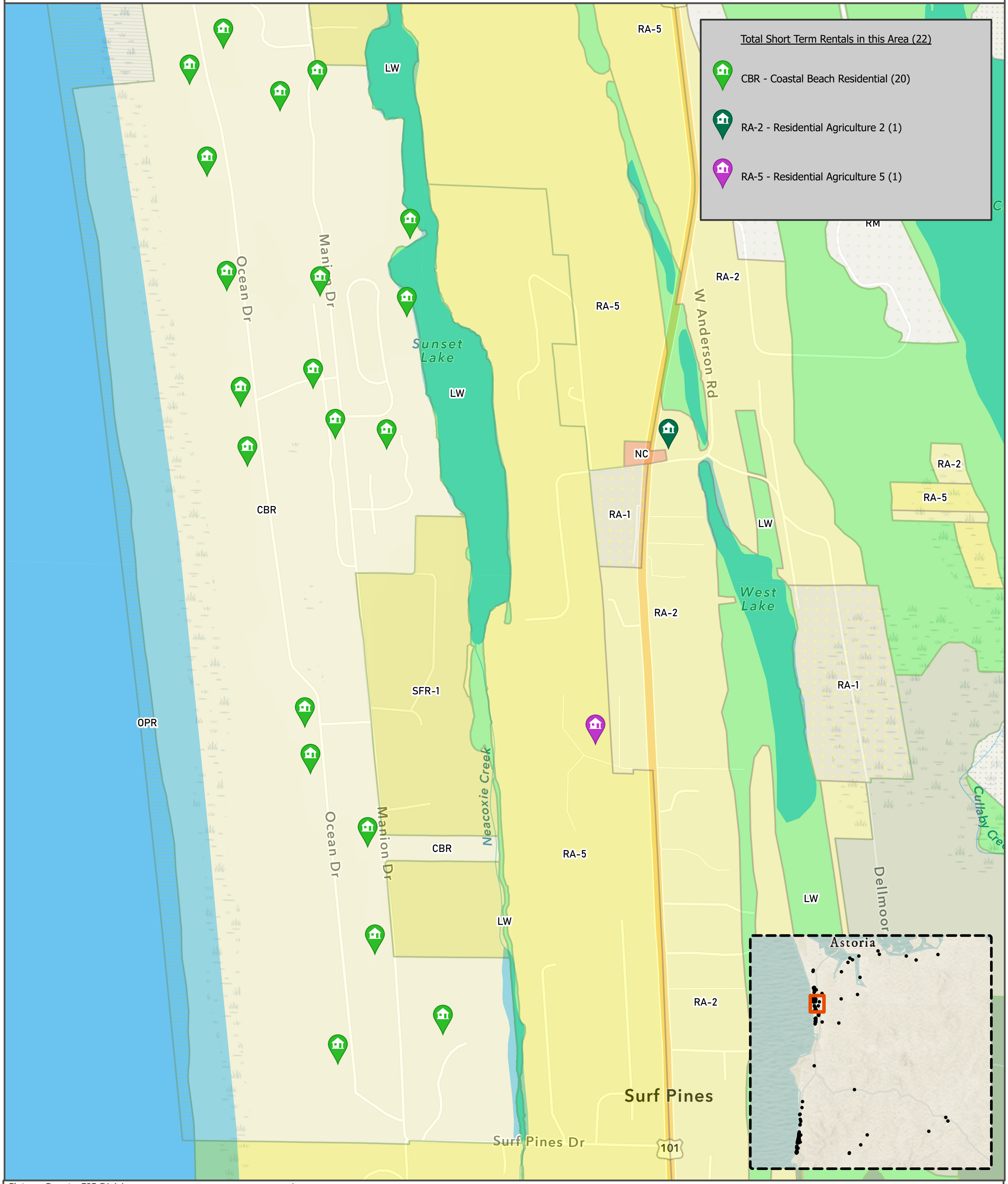
Clatsop County Short Term Rentals with Zoning Designation

Surf Pines

Figure 14



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.15 0.3 0.6 Mile

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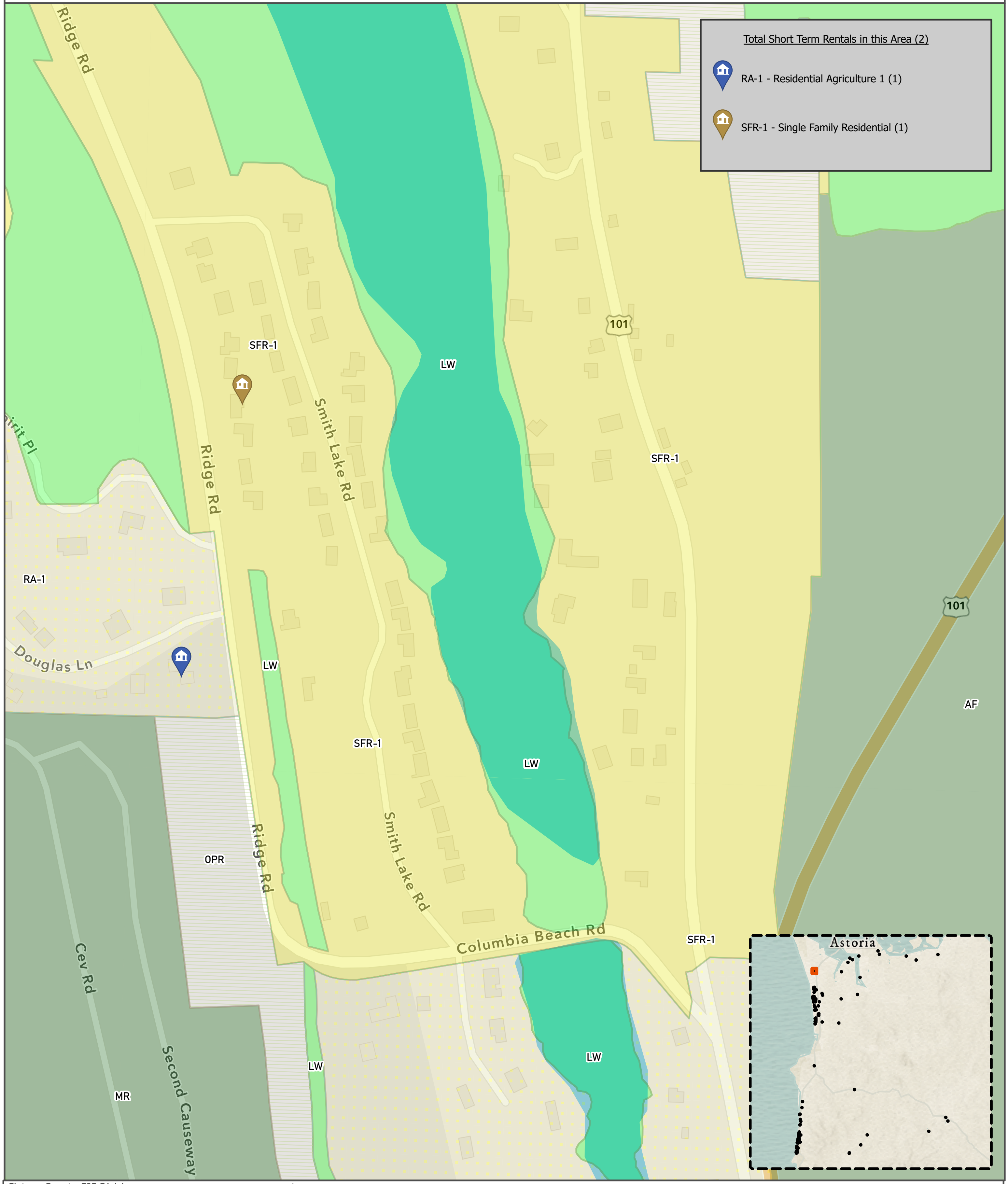
Clatsop County Short Term Rentals with Zoning Designation

Warrenton Unincorporated

Figure 15



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Total Short Term Rentals in Unincorporated Clatsop County (177)

0 0.05 0.1 0.2 Mile

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SECTION 2B: PROPERTY VALUES

Figure 16 details sales information on properties located in the Arch Cape and Cove Beach areas between January 2018 and March 2022. Overall, 12 properties with STR permits were sold during that period. Eight of those properties sold for a higher price than the Real Market Value (RMV). Conversely, 31 non-STR-permitted properties sold during that same time period. Twenty-one of those properties had a sales price higher than RMV. Sixty-seven percent of properties with STR permits were sold above RMV, while 68% of the properties without STR permits were purchased at a sale price above RMV.

Figure 17 details the sale prices of properties in unincorporated areas of Astoria, Warrenton, Gearhart, Seaside and Cannon Beach. The majority of properties sold in these areas ***were not*** licensed as a short-term rental (19 STR-permitted properties vs. 711 non-STR-permitted properties). Of the 730 total properties in these unincorporated areas that were sold between January 2018 and March 2022, 600 (82.2%) sold above RMV.

The average sale price of STR-permitted properties was $765,000 with an average RMV of $707,679. The average sale price of non-STR-permitted properties was $647,210 with an average RMV of $565,737. Assuming a 20% down payment on a $647,210 home with a 30-year mortgage at a fixed rate of 3.633%, the monthly mortgage payment would be $2,364. That total does not include insurance or taxes. To be considered "affordable" housing costs should not exceed 30% of household income. As noted in Section 2E, below, the median household income in Clatsop County is $57,466. Based upon this median income, an "affordable" monthly rental payment, including utilities, would be $1,436.65.

The data in Figures 16 and 17 would appear to indicate that the overall level of demand far exceeds the level of housing supply. This trend, which is occurring nationwide, has been fueled by a combination of factors including low interest rates and increased opportunities for remote work during the pandemic. The data does not demonstrate that short-term rentals have driven up housing prices or that houses are being purchased to be converted to short-term rentals.

The information provided on **Figures 18 and 19** show that single-family housing prices for properties ***not*** holding an STR permit have risen across the county 22-33% between 2018 and 2021. Single-family residences ***with*** an STR permit have risen in real market value 5-42% over that same timeframe.

Arch Cape/Cove Beach/Falcon Cove Single Family Residence Sales: Permitted STR vs. Not Permitted
01/01/2018 through 03/21/2022

Figure 16

Acct ID	Year Permitted	**STR**	Sale Date	Ocean-Front	Year Built	Acres	Mult. Accts Sold	Situs Address	Situs City	Total RMV	Sale Price	Sale Price % above RMV	
2899	2020	**Yes**	08/28/19	No	1999	0.11	No	79929 W Beach Rd	Arch Cape	522,907	445,000	-15%	
3255	2019	**Yes**	11/16/18	No	1995	0.57	No	79209 Ray Brown Rd	Arch Cape	646,642	565,000	-13%	4 *33%* sold below RMV
3108	2019	**Yes**	08/21/20	Yes	1941	0.46	Yes	79815 Ocean Point Rd	Arch Cape	893,122	850,000	-5%	
2585	2019	**Yes**	08/28/18	Yes	1951	0.44	No	80416 Carnahan Rd	Arch Cape	1,024,010	985,000	-4%	
3175	2018	**Yes**	08/06/18	No	1997	0.79	No	31912 Clatsop Ln	Arch Cape	451,140	455,000	1%	
2728	2020	**Yes**	05/30/19	Yes	1956	0.20	No	80192 Pacific Rd	Arch Cape	1,185,052	1,200,000	1%	
51983	2018	**Yes**	05/10/18	No	2008	1.01	No	31971 Clatsop Ln	Arch Cape	710,796	735,000	3%	
55259	2018	**Yes**	01/09/18	No	2015	0.22	No	79799 E Beach Rd	Arch Cape	358,780	390,000	9%	8 *67%* sold above RMV
3294	2018	**Yes**	07/15/20	No	1981	0.22	No	78986 Cove Beach Rd	Arch Cape	571,674	655,000	15%	
3251	2020	**Yes**	06/05/20	No	1994	0.46	Yes	79238 Ray Brown Rd	Arch Cape	663,892	775,000	17%	
3136	2019	**Yes**	09/28/18	No	1940	0.21	No	31912 E Shingle Mill Ln	Arch Cape	343,708	475,000	38%	
2511	2018	**Yes**	08/25/21	Yes	1961	1.22	No	79878 Hwy 101	Arch Cape	1,120,426	1,650,000	47%	
												2%	*Median*

Acct ID	Year Permitted	**STR**	Sale Date	Ocean-Front	Year Built	Acres	Mult. Accts Sold	Situs Address	Situs City	Total RMV	Sale Price	Sale Price % above RMV	
54572	N/A	**No**	07/26/19	No	2007	0.30	No	32073 Cedar Ln	Arch Cape	666,152	585,000	-12%	
3212	N/A	**No**	03/03/21	Yes	1973	0.63	Yes	79364 Ray Brown Rd	Arch Cape	1,082,730	955,000	-12%	
2792	N/A	**No**	08/27/19	No	1962	0.32	No	31972 Donlon Ln	Arch Cape	423,346	375,000	-11%	
2658	N/A	**No**	09/18/20	No	2002	0.60	Yes	32105 Hemlock Ln	Arch Cape	691,703	649,000	-6%	
2636	N/A	**No**	08/22/19	No	2016	0.11	No	31983 Cedar Ln	Arch Cape	419,769	396,000	-6%	10 *32%* sold below RMV
3022	N/A	**No**	06/08/18	No	1962	0.23	No	79804 Fire Rock Rd	Arch Cape	346,756	328,000	-5%	
3242	N/A	**No**	08/19/19	Yes	1965	0.72	Yes	79084 Cove Beach Rd	Arch Cape	832,286	801,200	-4%	
2837	N/A	**No**	05/18/20	No	1997	0.18	No	31948 Star Mooring Ln	Arch Cape	597,125	575,000	-4%	
3271	N/A	**No**	01/15/21	Yes	1972	0.41	Yes	79070 Cove Beach Rd	Arch Cape	1,207,842	1,170,000	-3%	
2649	N/A	**No**	10/15/19	No	2007	0.22	No	32067 Hemlock Ln	Arch Cape	340,940	339,000	-1%	
2912	N/A	**No**	01/15/19	No	1990	0.11	No	79924 W Beach Rd	Arch Cape	473,526	489,000	3%	
2767	N/A	**No**	08/23/18	Yes	1957	0.16	No	80166 PACIFIC RD	Arch Cape	863,482	910,000	5%	
2696	N/A	**No**	11/20/18	No	1993	0.22	No	32103 Buena Vista Dr	Arch Cape	443,768	475,000	7%	
2901	N/A	**No**	03/29/18	No	1981	0.09	No	79917 W Beach Rd	Arch Cape	310,529	336,800	8%	
2851	N/A	**No**	09/25/19	Yes	1990	0.13	No	80090 Pacific Rd	Arch Cape	1,433,533	1,563,000	9%	
3023	N/A	**No**	05/30/18	No	1986	0.20	No	32001 E Shingle Mill Ln	Arch Cape	319,693	355,000	11%	
53450	N/A	**No**	03/22/19	No	1950	0.41	No	79435 E Hwy 101	Arch Cape	339,936	385,000	13%	
59438	N/A	**No**	07/05/18	No	2016	0.23	No	31973 Oceanview Ln	Arch Cape	524,798	595,000	13%	
2833	N/A	**No**	07/26/18	No	2003	0.15	No	31922 Star Mooring Ln	Arch Cape	686,425	780,000	14%	
2748	N/A	**No**	11/14/18	No	2006	0.09	No	80105 PACIFIC RD	Arch Cape	527,699	600,000	14%	21 *68%* sold above RMV
2740	N/A	**No**	02/22/19	No	1955	0.17	No	31960 Montbrecia Ln	Arch Cape	351,957	421,000	20%	
2787	N/A	**No**	09/06/19	No	1957	0.13	No	80149 Pacific Rd	Arch Cape	473,074	574,000	21%	
2683	N/A	**No**	12/28/20	No	2003	0.22	No	32088 Buena Vista Dr	Arch Cape	622,903	855,000	37%	
2814	N/A	**No**	06/22/21	No	1990	0.12	No	79979 Pacific Rd	Arch Cape	471,123	650,000	38%	
2577	N/A	**No**	12/14/20	Yes	1976	0.28	No	80424 Carnahan Rd	Arch Cape	1,086,384	1,500,000	38%	
2649	N/A	**No**	05/27/21	No	2007	0.22	No	32067 Hemlock Ln	Arch Cape	333,609	470,000	41%	
2643	N/A	**No**	09/07/21	No	1978	0.12	No	80331 Pacific Rd	Arch Cape	297,827	500,000	68%	
3039	N/A	**No**	07/21/21	No	1920	1.35	No	32079 E Shingle Mill Ln	Arch Cape	435,146	750,000	72%	
3118	N/A	**No**	04/22/21	No	1952	0.13	No	79784 East Beach Rd	Arch Cape	354,542	625,000	76%	
2665	N/A	**No**	05/26/21	No	1999	0.24	No	32100 Hemlock Ln	Arch Cape	331,749	605,000	82%	
3094	N/A	**No**	09/28/21	No	1940	0.13	No	79812 Cannon Rd	Arch Cape	247,487	451,500	82%	
												11%	*Median*

Clatsop County Single Family Residence Sales: Permitted STR vs. Not Permitted
01/01/2018 through 03/21/2022

Figure 17

			Sold Below RMV		Sold Above RMV	
Unincorporated Area	Permitted STR	Total Sales	# of Sales	%	# of Sales	%
Astoria	**Yes**	2	0	0%	2	100%
Astoria	**No**	318	61	19%	257	81%

			Sold Below RMV		Sold Above RMV	
Unincorporated Area	Permitted STR	Total Sales	# of Sales	%	# of Sales	%
Warrenton	**Yes**	8	1	13%	7	88%
Warrenton	**No**	250	43	17%	207	83%

			Sold Below RMV		Sold Above RMV	
Unincorporated Area	Permitted STR	Total Sales	# of Sales	%	# of Sales	%
Gearhart	**Yes**	8	0	0%	8	100%
Gearhart	**No**	78	13	17%	65	83%

			Sold Below RMV		Sold Above RMV	
Unincorporated Area	Permitted STR	Total Sales	# of Sales	%	# of Sales	%
Seaside	**Yes**	1	1	100%	0	0%
Seaside	**No**	44	6	14%	38	86%

			Sold Below RMV		Sold Above RMV	
Unincorporated Area	Permitted STR	Total Sales	# of Sales	%	# of Sales	%
Cannon Beach	**Yes**	0	0	0%	0	0%
Cannon Beach	**No**	21	5	24%	16	76%

Clatsop County Median Real Market Values (RMVs) and Assessed Values (AVs), 2018 and 2021

Figure 18

** PROPERTY TAXES ARE CALCULATED BASED ON THE ASSESSED VALUE (AV) **

	Single Family Residence Properties - **NOT STR Permitted** *79% of SFR Homes in the Area (325 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Arch Cape, Cove Beach, Falcon Cove	**489,500**	364,014	**597,666**	22%	407,473	12%

	Single Family Residence Properties - **STR Permitted** *21% of SFR Homes in the Area (87 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Arch Cape, Cove Beach, Falcon Cove	**612,124**	404,870	**644,150**	5%	439,601	9%

	Single Family Residence Properties - **NOT STR Permitted** *93% of SFR Homes in the Area (114 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Cannon Beach	**365,101**	270,759	**460,622**	26%	303,897	12%

	Single Family Residence Properties - **STR Permitted** *7% of SFR Homes in the Area (8 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Cannon Beach	**557,720**	348,663	**791,929**	42%	396,267	14%

	Single Family Residence Properties - Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Incorporated Cannon Beach	**526,533**	367,111	**654,932**	24%	406,077	11%

Clatsop County Median Real Market Values (RMVs) and Assessed Values (AVs), 2018 and 2021
** PROPERTY TAXES ARE CALCULATED BASED ON THE ASSESSED VALUE (AV) **

Figure 19

	Single Family Residence Properties - **NOT STR Permitted** *99.6% of SFR Homes in the Area (2,306 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Astoria	**258,951**	173,315	**340,626**	32%	194,830	12%

	Single Family Residence Properties - **STR Permitted** *0.4% of SFR Homes in the Area (10 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Astoria	**240,357**	158,489	**303,433**	26%	173,182	9%

	Single Family Residence Properties - **NOT STR Permitted** *95% of SFR Homes in the Area (308 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Gearhart	**354,459**	275,914	**463,240**	31%	285,103	3%

	Single Family Residence Properties - **STR Permitted** *5% of SFR Homes in the Area (16 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Gearhart	**531,356**	523,183	**720,772**	36%	573,939	10%

	Single Family Residence Properties - **NOT STR Permitted** *97% of SFR Homes in the Area (1,158 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Warrenton	**299,623**	219,613	**398,020**	33%	253,286	15%

	Single Family Residence Properties - **STR Permitted** *3% of SFR Homes in the Area (42 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Warrenton	**340,263**	237,559	**441,556**	30%	274,915	16%

	Single Family Residence Properties - **NOT STR Permitted** *99% of SFR Homes in the Area (415 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Seaside	**232,554**	183,020	**284,394**	22%	200,910	10%

	Single Family Residence Properties - **STR Permitted** *1% of SFR Homes in the Area (6 Homes)* Median Home Values					
	2018		2021			
Area	**RMV**	AV	**RMV**	% change	AV	% change
Unincorporated Seaside	**281,385**	160,318	**351,545**	25%	175,180	9%

SECTION 2C: RENTAL UNIT CHARACTERISTICS (CLATSOP COUNTY AND CITIES)

The 2020 American Community Survey 5-Year Estimates for all of Clatsop County estimates an average monthly rent of $957. **Table 1** details the number of housing units within all of Clatsop County (incorporated and unincorporated areas) and includes information regarding unit age, size and monthly rental payments. Overall, the county's housing stock is largely owner-occupied (60.7%). The majority of the housing units is comprised of single-family detached dwellings (15,606; 69%). Over fifty-eight percent of the housing stock (13,250 units) is more than 50 years old. Twenty-three percent of the housing stock is over 80 years old.

TABLE 1: RENTAL RATES AND UNIT CHARACTERISTICS		
Clatsop County, Oregon (Incorporated and Unincorporated Areas)		
Description	**Estimate**	**Percent**
HOUSING OCCUPANCY		
Total housing units	**22,609**	**22,609**
Occupied housing units	16,019	70.9%
Vacant housing units	6,590	29.1%
Homeowner vacancy rate	1.4%	(X)
Rental vacancy rate	3.5%	(X)
UNITS IN STRUCTURE		
Total housing units	**22,609**	**22,609**
1-unit, detached	15,606	69.0%
1-unit, attached	613	2.7%
2 units	1,218	5.4%
3 or 4 units	1,438	6.4%
5 to 9 units	655	2.9%
10 to 19 units	379	1.7%
20 or more units	1,325	5.9%
Mobile home	1,331	5.9%
Boat, RV, van, etc.	44	0.2%
YEAR STRUCTURE BUILT		
Total housing units	**22,609**	**22,609**
Built 2014 or later	690	3.1%
Built 2010 to 2013	387	1.7%
Built 2000 to 2009	2,446	10.8%
Built 1990 to 1999	3,400	15.0%
Built 1980 to 1989	2,436	10.8%
Built 1970 to 1979	3,179	14.1%
Built 1960 to 1969	1,345	5.9%
Built 1950 to 1959	1,680	7.4%
Built 1940 to 1949	1,842	8.1%

TABLE 1: RENTAL RATES AND UNIT CHARACTERISTICS		
Clatsop County, Oregon (Incorporated and Unincorporated Areas)		
Description	**Estimate**	**Percent**
Built 1939 or earlier	5,204	23.0%
ROOMS		
Total housing units	**22,609**	**22,609**
1 room	541	2.4%
2 rooms	730	3.2%
3 rooms	2,274	10.1%
4 rooms	4,027	17.8%
5 rooms	4,335	19.2%
6 rooms	4,123	18.2%
7 rooms	2,988	13.2%
8 rooms	1,714	7.6%
9 rooms or more	1,877	8.3%
Median rooms	5.4	(X)
BEDROOMS		
Total housing units	**22,609**	**22,609**
No bedroom	789	3.5%
1 bedroom	2,146	9.5%
2 bedrooms	6,751	29.9%
3 bedrooms	9,147	40.5%
4 bedrooms	3,026	13.4%
5 or more bedrooms	750	3.3%
HOUSING TENURE		
Occupied housing units	**16,019**	**16,019**
Owner-occupied	9,727	60.7%
Renter-occupied	6,292	39.3%
Average household size of owner-occupied unit	2.57	(X)
Average household size of renter-occupied unit	2.21	(X)
YEAR HOUSEHOLDER MOVED INTO UNIT		
Occupied housing units	**16,019**	**16,019**
Moved in 2019 or later	1,139	7.1%
Moved in 2015 to 2018	4,836	30.2%
Moved in 2010 to 2014	3,347	20.9%
Moved in 2000 to 2009	3,124	19.5%
Moved in 1990 to 1999	1,736	10.8%
Moved in 1989 and earlier	1,837	11.5%
VEHICLES AVAILABLE		

TABLE 1: RENTAL RATES AND UNIT CHARACTERISTICS		
Clatsop County, Oregon (Incorporated and Unincorporated Areas)		
Description	**Estimate**	**Percent**
Occupied housing units	**16,019**	**16,019**
No vehicles available	1,427	8.9%
1 vehicle available	5,836	36.4%
2 vehicles available	5,388	33.6%
3 or more vehicles available	3,368	21.0%
SELECTED CHARACTERISTICS		
Occupied housing units	**16,019**	**16,019**
Lacking complete plumbing facilities	27	0.2%
Lacking complete kitchen facilities	338	2.1%
No telephone service available	212	1.3%
GROSS RENT		
Occupied units paying rent	**5,868**	**5,868**
Less than $500	313	5.3%
$500 to $999	2,909	49.6%
$1,000 to $1,499	1,957	33.4%
$1,500 to $1,999	483	8.2%
$2,000 to $2,499	157	2.7%
$2,500 to $2,999	13	0.2%
$3,000 or more	36	0.6%
Median (dollars)	**957**	**(X)**
No rent paid	424	(X)
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)		
Occupied units paying rent (excluding units where GRAPI cannot be computed)	**5,816**	**5,816**
Less than 15.0 percent	1,022	17.6%
15.0 to 19.9 percent	823	14.2%
20.0 to 24.9 percent	677	11.6%
25.0 to 29.9 percent	714	12.3%
30.0 to 34.9 percent	448	7.7%
35.0 percent or more	2,132	36.7%
Not computed	476	(X)

Source: 2020 ACS 5-Year Estimates

SECTION 2D: VACANT STRUCTURES

Per the 2020 Decennial Census there are 23,017 housing units within incorporated and unincorporated Clatsop County. The 177 licensed STRs in unincorporated Clatsop County represent 0.07% of those residential units.

The 2020 Decennial Census identified 17,533 of all housing units (76.2%) as occupied, while 5,484 units (23.8%) were categorized as vacant. The 2020 American Community Survey (ACS) 5-Year Estimates estimated that 16,019 housing units in Clatsop County were occupied. The margin of error for that estimate is ±399 units.

The Current Population Survey and Housing Vacancies and Homeownerhsip data (CPS/HVS) compiled by the U.S. Census Bureau classifies residential dwellings as "Vacant Housing Units" if:

> no one is living in it at the time of the interview, unless its occupants are only temporarily absent. In addition, a vacant unit may be one which is entirely occupied by persons who have a usual residence elsewhere. New units that are not yet occupied are classified as vacant housing units if construction has reached a point where all exterior windows and doors are installed and final usable floors are in place. Vacant units are excluded if they are exposed to the elements, that is, if the roof, walls, windows, or doors no longer protect the interior from the elements, or if there is positive evidence (such as a sign on the house or block) that the unit is to be demolished or is condemned. Also excluded are quarters being used entirely for nonresidential purposes, such as a store or an office, or quarters used for the storage of business supplies or inventory, machinery, or agricultural products. Vacant sleeping rooms in lodging houses, transient accommodations, barracks, and other quarters not defined as housing units are not included in the statistics.

Since 1990, the CPS/HVS also included your-round vacant mobiles homes as part of the year-round vacant count of housing units. "Year-round units" are those intended for occupancy at any time of the year, even though they may not be in use the year round. In resort areas, a housing unit which is usually occupied on a year-round basis is considered a year-round unit. Year-round units temporarily occupied by persons with usual residence elsewhere are included with year-round vacant units.

The CPS/HVS classifies vacant units into the following categories:

- Vacant units for rent
- Vacant units for sale only
- Vacant units rented or sold (but owner/renter has not yet moved in)
- Vacant units held off the market

- Units held for occasional use:
- Units temporarily occupied by persons with usual residences elsewhere:
- Other vacant:
    - in need of or under repair/renovation
    - in probate
    - foreclosure
    - preparing to rent/sell)
    - abandoned
    - extended absence

Seasonal Vacant Units, as defined by CPS/HVS are "those intended for occupancy only during certain seasons of the year and found primarily in resort areas. Housing units held for occupancy by migratory labor employed in farm work during the crop season are tabulated as seasonable."

SECTION 2E: CLATSOP COUNTY INCOME LEVELS AND HOUSING COSTS

Table 2 documents income levels, housing costs and percentage of housing costs for households in Clatsop County (Source: 2020 American Community Survey (ACS) 5-Year Estimates). This data includes both incorporated and unincorporated areas.
The 2020 ACS 5-Year Estimates estimate the median owner-occupied housing income as $71,644. The median renter-occupied household income, however, is $41,225.

As defined by the U.S. Department of Housing and Urban Development, affordable housing is "housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities."

As shown on the information on Table 1, households earning less than $35,000 are more likely to pay more than 30% of their income for housing. A household earning $35,000 per year would be able to pay up to $875 per month (including utilities) for an "affordable" housing unit. As also shown on Table 2, 7,649 of the estimated housing units within the County are below the $1,000 per month price range. The remaining 8,370 units are above $1,000 in monthly costs.

TABLE 2: HOUSING UNITS AND HOUSING COSTS						
Clatsop County, Oregon						
	Occupied housing units	**Percent occupied housing units**	**Owner-occupied housing units**	**Percent owner-occupied housing units**	**Renter-occupied housing units**	**Percent renter-occupied housing units**
Label	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
Occupied housing units	**16,019**	**100%**	**9,727**	**60.7%**	**6,292**	**39.3%**
HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2020 INFLATION-ADJUSTED DOLLARS)						
Less than $5,000	414	2.6%	227	2.3%	187	3.0%
$5,000 to $9,999	396	2.5%	100	1.0%	296	4.7%
$10,000 to $14,999	575	3.6%	210	2.2%	365	5.8%
$15,000 to $19,999	906	5.7%	320	3.3%	586	9.3%
$20,000 to $24,999	621	3.9%	288	3.0%	333	5.3%
$25,000 to $34,999	1,875	11.7%	933	9.6%	942	15.0%
$35,000 to $49,999	2,180	13.6%	1,119	11.5%	1,061	16.9%
$50,000 to $74,999	2,922	18.2%	1,891	19.4%	1,031	16.4%
$75,000 to $99,999	2,281	14.2%	1,472	15.1%	809	12.9%
$100,000 to $149,999	2,564	16.0%	1,960	20.2%	604	9.6%
$150,000 or more	1,285	8.0%	1,207	12.4%	78	1.2%
Median household income (dollars)	**57,466**	**57,466**	**71,644**	**71,644**	**41,225**	**41,225**
MONTHLY HOUSING COSTS						
Less than $300	675	4.2%	522	5.4%	153	2.4%
$300 to $499	1,551	9.7%	1,391	14.3%	160	2.5%
$500 to $799	3,372	21.1%	1,907	19.6%	1,465	23.3%
$800 to $999	2,051	12.8%	607	6.2%	1,444	22.9%
$1,000 to $1,499	3,962	24.7%	2,005	20.6%	1,957	31.1%
$1,500 to $1,999	2,256	14.1%	1,773	18.2%	483	7.7%
$2,000 to $2,499	931	5.8%	774	8.0%	157	2.5%

TABLE 2: HOUSING UNITS AND HOUSING COSTS						
Clatsop County, Oregon						
	Occupied housing units	**Percent occupied housing units**	**Owner-occupied housing units**	**Percent owner-occupied housing units**	**Renter-occupied housing units**	**Percent renter-occupied housing units**
Label	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
$2,500 to $2,999	445	2.8%	432	4.4%	13	0.2%
$3,000 or more	352	2.2%	316	3.2%	36	0.6%
No cash rent	424	2.6%	(X)	(X)	424	6.7%
Median (dollars)	**1,017**	**1,017**	**1,139**	**1,139**	**957**	**957**
MONTHLY HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS						
Less than $20,000	2,078	13.0%	791	8.1%	1,287	20.5%
Less than 20 percent	126	0.8%	83	0.9%	43	0.7%
20 to 29 percent	148	0.9%	106	1.1%	42	0.7%
30 percent or more	1,804	11.3%	602	6.2%	1,202	19.1%
$20,000 to $34,999	2,440	15.2%	1,221	12.6%	1,219	19.4%
Less than 20 percent	394	2.5%	368	3.8%	26	0.4%
20 to 29 percent	695	4.3%	369	3.8%	326	5.2%
30 percent or more	1,351	8.4%	484	5.0%	867	13.8%
$35,000 to $49,999	2,065	12.9%	1,119	11.5%	946	15.0%
Less than 20 percent	736	4.6%	568	5.8%	168	2.7%
20 to 29 percent	622	3.9%	161	1.7%	461	7.3%
30 percent or more	707	4.4%	390	4.0%	317	5.0%
$50,000 to $74,999	2,866	17.9%	1,891	19.4%	975	15.5%
Less than 20 percent	1,254	7.8%	870	8.9%	384	6.1%
20 to 29 percent	930	5.8%	495	5.1%	435	6.9%
30 percent or more	682	4.3%	526	5.4%	156	2.5%
$75,000 or more	6,028	37.6%	4,639	47.7%	1,389	22.1%
Less than 20 percent	4,441	27.7%	3,217	33.1%	1,224	19.5%

TABLE 2: HOUSING UNITS AND HOUSING COSTS						
Clatsop County, Oregon						
	Occupied housing units	**Percent occupied housing units**	**Owner-occupied housing units**	**Percent owner-occupied housing units**	**Renter-occupied housing units**	**Percent renter-occupied housing units**
Label	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**	**Estimate**
20 to 29 percent	1,242	7.8%	1,115	11.5%	127	2.0%
30 percent or more	345	2.2%	307	3.2%	38	0.6%
Zero or negative income	118	0.7%	66	0.7%	52	0.8%
No cash rent	424	2.6%	(X)	(X)	424	6.7%

Source: 2020 ACS 5-Year Estimates

SECTION 2F: HOUSING NEED

The 2019 *Housing Strategies Report* identified a deficit of 1,500 housing units would be required in order to accommodate growth while allowing for a continued supply of vacation rentals.

The recently-completed Regional Housing Needs Analysis, produced by Oregon Housing and Community Services, estimates that 3,020 residential units are needed between the five incorporated cities within Clatsop County over the next 20 years.

TABLE 3: CLATSOP COUNTY INCORPORATED AREAS - NEEDED UNITS

	New Units for Each of the Following:					
Median Family Income	**Single-Family Detached**	**Single-Family Attached**	**Manufactured and Other**	**Multifamily**	**Total Units**	**% of Units**
+120%	977	0	0	0	977	32.4%
80-120%	466	0	0	0	466	15.4%
50-80%	557	0	0	0	557	18.4%
30-50%	191	0	0	181	372	12.3%
0-30%	36	0	299	313	648	21.5%
Total Units	**2,227**	**0**	**299**	**494**	**1,609**	**100%**

Sources: ECONorthwest analysis; PSU, 2020-2070 Coordinated Population Forecasts; HUD, FY 2018 Income Limits; U.S. Census Bureau, 2018 ACS 1-year PUMS estimates; HUD, 2019 PIT count

SECTION 2G: 2019 HOUSING STUDY

In 2018, Clatsop County partnered with the cities of Astoria, Warrenton, Gearhart, Seaside and Cannon Beach to undertake a housing study. The stated purpose of the study was to find potential solutions to the region's housing crisis.

The study analyzed the existing housing supply, housing and demographic trends, existing plans and data, including an analysis of the local governments housing goals, policies and codes. The completed document included proposals for initiatives to encourage more production of needed housing types, as well as recommendations on building partnerships and capacity-building strategies.

The final report was issued in January 2019. The 10 recommended strategies included in the report focused on five overarching findings:

- Sufficient supply, but not the right types of housing
- Focus strategies on adding the right types of supply
- Control commercial use of residential land
- Use available residential land efficiently
- Focus on workforce housing

The study has never been formally accepted by the Board of Clatsop County Commissioners and no action has been taken by the Board on recommendations forwarded by the Planning Commission.

APPENDIX A

WORK COMPLETED

MORATORIUM WORK PLAN AND SCHEDULE

WORK COMPLETED

STR MEETING LIST

Below is a list of links to meetings that have occurred related to the issue of short-term rentals.

BOARD OF COMMISSIONERS WORK SESSIONS

- May 18, 2022
- February 16, 2022
- January 26, 2022
- August 3, 2021
- June 1, 2021
- April 20, 2021
- February 24, 2021

BOARD OF COMMISSIONERS MEETINGS

- April 27, 2022
- April 13, 2022
- December 8, 2021
- August 25, 2021
- August 11, 2021

PLANNING COMMISSION WORK SESSIONS

- November 12, 2019

PLANNING COMMISSION MEETINGS

- March 8, 2022

PUBLIC TOWN HALL MEETINGS

- January 22, 2022
- November 12, 2021
- September 24, 2021
- July 16, 2021
- July 9, 2021
- January 28, 2021
- January 27, 2021
- January 26, 2021
- November 13, 2020
- October 30, 2020
- October 14, 2020
- July 28, 2020

Moratorium Work Plan and Schedule

	2021							2022							
	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
DLCD 45-Day Notice for Moratorium	✓	✓													
Prepare Draft Moratorium Ordinance	✓	✓													
Public Town Hall Meetings – Moratorium Ordinance		✓													
14-Day Public Comment Period – Moratorium Ordinance		✓													
1st Public Hearing – Moratorium Ordinance (August 11)			✓												
2nd Public Hearing – Moratorium Ordinance (August 25)			✓												
Moratorium in Effect until December 29, 2021				✓	✓	✓	✓								
Prepare Draft #1 - Combined Ordinance and Revisions	✓	✓	✓												
Public Town Hall Meeting – Draft #1				✓											
14-Day Written Public Comment Period – Draft #1				✓											
Prepare Draft #2 – Combined Ordinance and Revisions					✓										
Public Town Hall Meeting – Draft #2						✓									
14-Day Written Public Comment Period – Draft #2						✓									
Moratorium Extended Until April 28, 2022								✓	✓	✓	✓				
Prepare Draft #3 – Combined Ordinance and Revisions							✓								
Public Town Hall Meeting – Draft #3								✓							
14-Day Written Public Comment Period – Draft #3								✓							
BOC Work Session								✓							
1st Public Hearing – Combined Ordinance (February 9, 2022) **ITEM REMOVED FROM AGENDA**									✓						
BOC Work Session									✓						
Planning Commission Review of Proposed Amendments										✓					
1st Public Hearing – Zoning Amendments **BOARD DIRECTS STAFF TO COLLECT DATA**											✓				
1st Public Hearing – Operating Standards Amendments											✓				
2nd Public Hearing – Operating Standards Amendments											✓				
Moratorium Extended Until August 26, 2022												✓	✓	✓	✓
BOC Work Session – STR Data												✓			

Public Meeting   Staff   Moratorium

FRAMEWORK

During work session held on February 24 and April 20, your Board provided the following direction to staff:

- Combine the STR operating standards for Arch Cape with the operating standards for the remainder of unincorporated Clatsop County
- Discontinue transferability of STR permits
- Maintain the $550 STR application fee
- Reduce permit length from 5 years to 2 years
- Revise language to clarify how violations are prioritized and penalties are assessed

During the June 1, 2021, work session, your Board also provided the following direction to staff:

- Bring forward an ordinance declaring a temporary moratorium on the issuance of new short-term rental permits

Your Board did not express an interest in:

- Forming a task force to review the operating standards for short-term rentals
- Developing a cap on the overall number of short-term rentals that would be permitted
- Prohibiting new short-term rentals
- Eliminating existing short-term rentals

Based upon your direction, staff developed the following parameters that were utilized during the three short-term rental town hall meetings that were conducted on September 24 and November 12, 2021, and January 22, 2022:

- No blanket STR prohibition
- No “grandfathering out” of STR units
- One ordinance for entire unincorporated county
- Some complaints and violations not under jurisdiction of County Code Compliance
    - Burn-ban and open fire violations
    - Animals
    - Trespassing
    - Drug/Alcohol Violations
    - Public Urination/Masturbation
- Some complaints are not inherent to STRs – these rules apply to all properties in unincorporated County
    - Lighting (not addressed in STR ordinance, Chapter 8.20, CCC)
    - Noise (quiet hours 10PM-7AM, Chapter 8.12, CCC)
    - Solid Waste Accumulation (Chapter 1.12, CCC)
    - Nuclear Weapons (Chapter 8.08, CCC)
- Common Sense!

On February 16, 2022, the Clatsop Board of County Commissioners directed staff to prepare an ordinance that would add short-term rentals as a permitted use in unincorporated residential zones. Staff prepared the requested revisions as directed by the Board and presented the item to the Planning Commission on March 8, 2022. More detailed background information is included as **Appendix C**.

APPENDIX B

MARCH 8, 2022 PLANNING COMMISSION RECOMMENDATION

PLANNING COMMISSION RECOMMENDATIONS

At its March 8 meeting, the Planning Commission approved the following recommendations to the Board of Commissioners:

- Allow STRs in the AC-RCR, TC, GC, NC, RCC, RSA-MFR, and RC-MFR zones as a Type IIA use (Approved 5-2, with Planning Commissioners Kraushaar and Johnson dissenting)
- Support staff recommendations, but establish a limit on the number of future STRs at a level to be determined (Motion failed 3-4, with Planning Commissioners Orr, Farrar, Powers, and Gardner dissenting)
- Repeal Sections 5.4900-5.4970 and revise Section 4.2620(12), LAWDUC (Approved 7-0)

The table below details the difference between the proposed amendments presented by staff as directed by the Board and the recommendation of the Planning Commission. The table also includes estimated costs to enact the Planning Commission's recommendations.

APPENDIX B TABLE 1: RECOMMENDATION COMPARISON MATRIX

	STAFF RECOMMENDATION	PLANNING COMMISSION RECOMMENDATION
PROPOSED AMENDMENT	Allow STRs in the following zones: • AC-RCR • TC • GC • NC • RCC • RSA-MFR • RC-MFR • RCR • KS-RCR • RSA-SFR • CBR • CR • SFR-1 • RA-1 • RA-2 • RA-5 • RA-10	Allow STRs in the following zones: • AC-RCR • TC • GC • NC • RCC • RSA-MFR • RC-MFR
POTENTIAL FISCAL IMPACT	**$0**	**SEE APPENDIX B TABLE 2 BELOW**

APPENDIX B TABLE 1: RECOMMENDATION COMPARISON MATRIX		
	STAFF RECOMMENDATION	**PLANNING COMMISSION RECOMMENDATION**
PROPOSED AMENDMENT	Allow STRs as a Type I use: • no public notice; • no public hearing • included in $550 STR permit application fee	Allow as a Type IIA use: • mandatory public hearing • $1,500 non-refundable application fee in addition to $550 STR permit fee; • published notice; • mailed public notice; • sign posted on property; • applicant-neighborhood meeting (optional)
POTENTIAL FISCAL IMPACT	$0	• Additional staff time per STR application: 5 HR • Total Staff Time for 77 STR cases: 385 HR • **Total Staff Time Cost: $22,330** • Hearings Officer Cost: $207/HR • **Total Hearings Officer Cost for 77 1-hour hearings: $15,939** • Cost per sign: $55 • **77 Additional signs: $4,235** • Postage: $13.75/ hearing average • **Total postage for 77 hearings: $1,059** • Newspaper Ads: $155-250 per legal ad • **Total cost 77 newspaper ads: $11,935-$19,250**
PROPOSED AMENDMENT	Repeal Sections 5.4900-5.4970	Repeal Sections 5.4900-5.4970
POTENTIAL FISCAL IMPACT	$0	$0
PROPOSED AMENDMENT	Revise Section 4.0620(12) to indicate that the operating standards have been transferred to the Clatsop County Code	Revise Section 4.0620(12) to indicate that the operating standards have been transferred to the Clatsop County Code
POTENTIAL FISCAL IMPACT	$0	$0
TOTAL POTENTIAL FISCAL IMPACT	$0	$55,498 - $62,813
COST PER CASE	**$0**	**$720.75 - $815.75**

If the Board chooses to implement the Planning Commission's recommendations, staff would recommend that the additional costs be transferred to the short-term rental applicant.

In addition to the immediate costs under the Planning Commission's recommendations that would be incurred by Community Development, there would be transient room tax that would also be potentially be lost as permits expired and were not able to be renewed. These estimated costs are detailed in **Appendix B Table 2**, below.

APPENDIX B TABLE 2: TRANSIENT ROOM TAX ESTIMATES	
Current # of Licensed STRs:	177
FY 2020/21 Transient Room Tax (TRT) [1]**:**	$937,223
# STR Permits That Could Renew Under Staff Recommendation[2]**:**	172
# STR Permits That Could Renew Under PC Recommendation:	69
Potential TRT Generated Under PC Recommendation:	$434,956
Potential TRT Loss Under PC Recommendation:	**$502,267**

[1] FY 20/21 reported transient room tax

[2] STRs in resource zones would not be eligible to renew

Source: Clatsop County Assessment Taxation

NOTE: This table does not assume any new applications for dwellings that are not currently licensed as an STR.

APPENDIX C

2019 HOUSING STRATEGIES REPORT

CLATSOP COUNTY
HOUSING STRATEGIES REPORT

JANUARY, 2019

APG and Johnson Economics

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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) **<u>Use Available Residential Land Efficiently</u>**

- 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) **<u>Focus on Workforce Housing</u>**

- 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	*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).* *Continue to work with the Washington County HOME Consortium to identify impediments to fair housing and develop strategies to address them (City of Beaverton).*
2. Supports mixed use development	*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)*
3. References accessory dwelling units	*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)*
4. Supports flexible zoning	*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).*
5. Addresses land supply goals	*Goal 1. Housing Supply and Variety.* *Provide a sufficient quantity and variety of housing to meet community needs.* *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.* *Policy 2. Promote a variety of residential densities and housing types in all price ranges to meet a range of housing needs.*

Policy Issue	Example Language
	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)
6. Supports manufactured homes	*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)*

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.

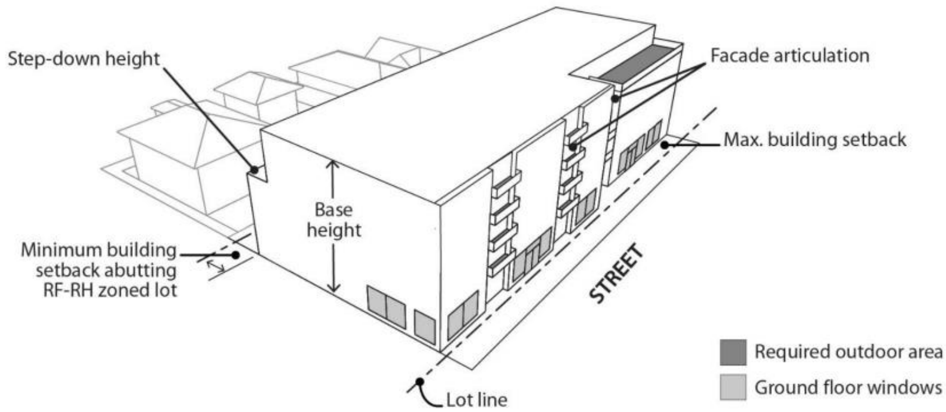
Strategy 3: Revise Maximum Density, Height or Bulk Standards in Higher Density Residential Zones

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.

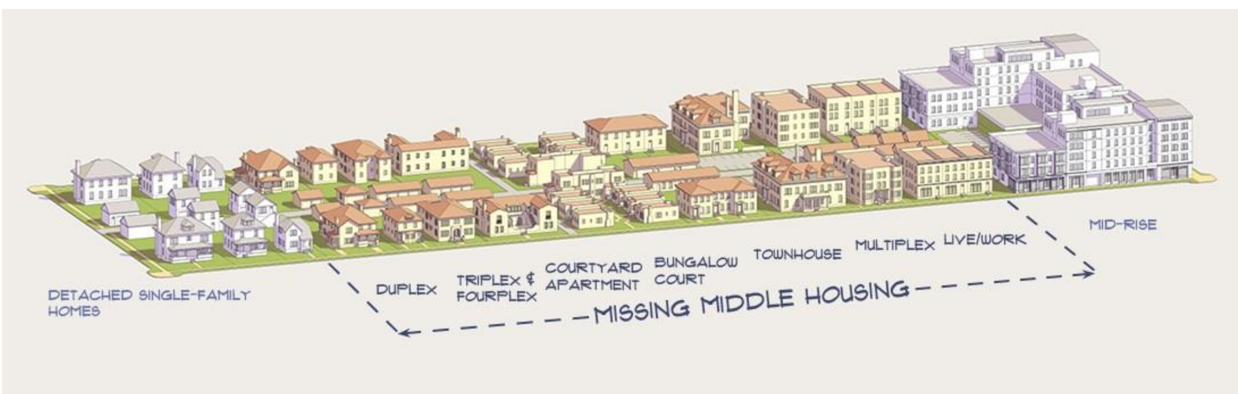
Strategy 6: Facilitate "Missing Middle" Housing Types in All Residential Zones

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.

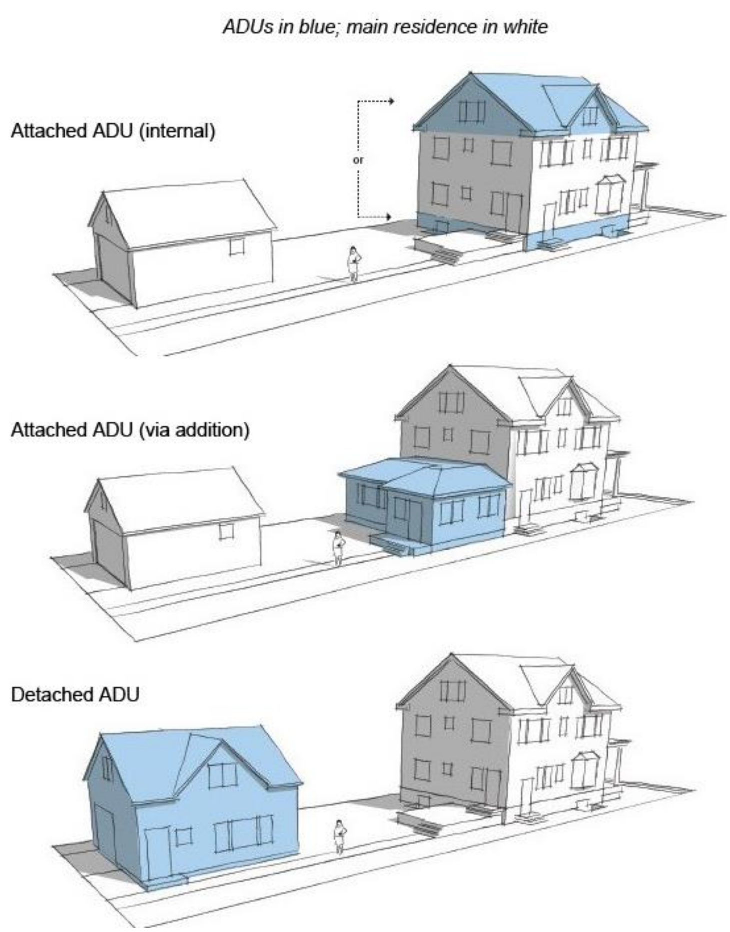
- **Supportive lot standards.** Ensure that minimum site size, setbacks and building coverage requirements do not prohibit cottage cluster development on smaller lots.
- **Balanced design standards.** Draft basic design requirements that ensure neighborhood compatibility, and efficient use of land, but 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



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	• Reduce or remove minimum off-street parking requirement • Replace provision that requires compatibility with primary dwelling with a clear and objective standard
Astoria	• 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	• 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	• 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	• 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 are 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 the 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 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 to 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 then 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

Strategy	***Applicable Jurisdictions***	***Level of Effort***	***Timing****	***Notes***
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

TABLE OF CONTENTS

Introduction

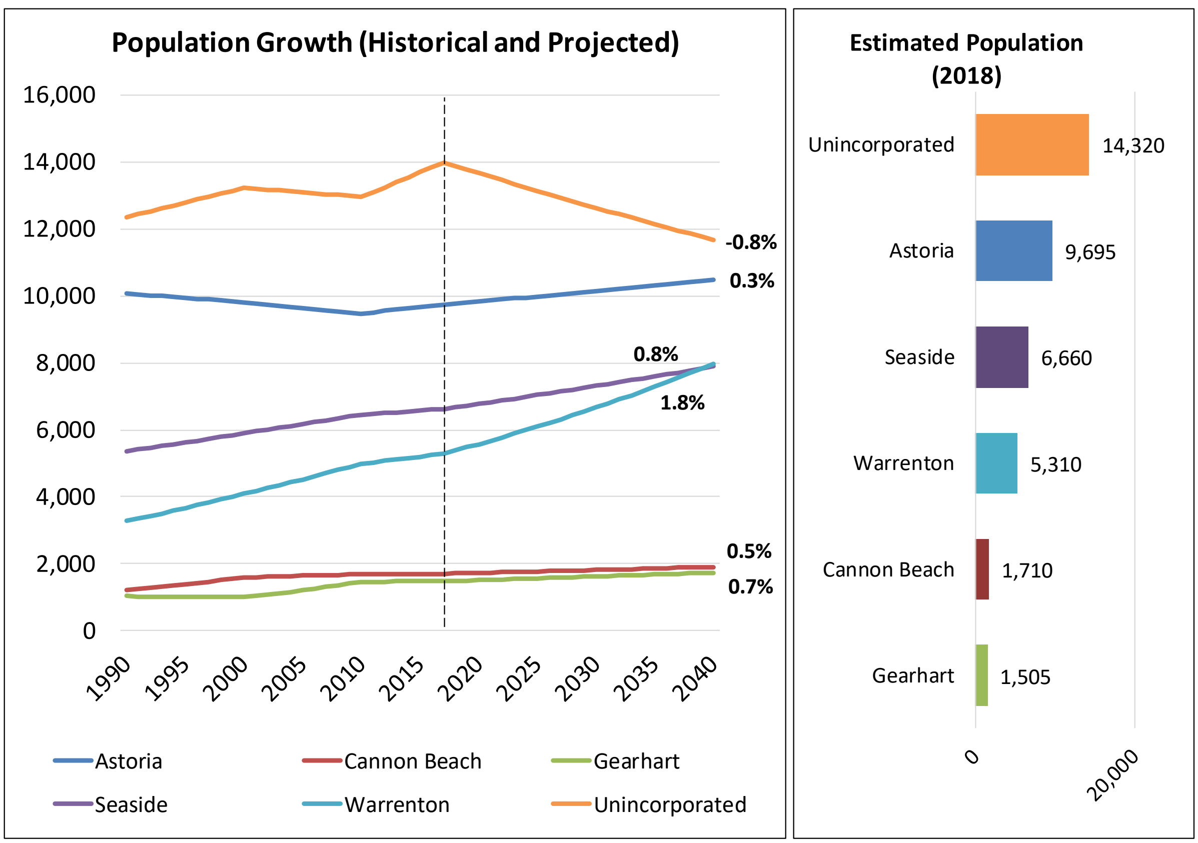
This report presents Housing Trends and Projected Housing Need for Clatsop County as a whole and for the five incorporated cities within. The first four sections present findings and data mostly for the County as a whole with some categories of information presented for the cities as well. Profiles of 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 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 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 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 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

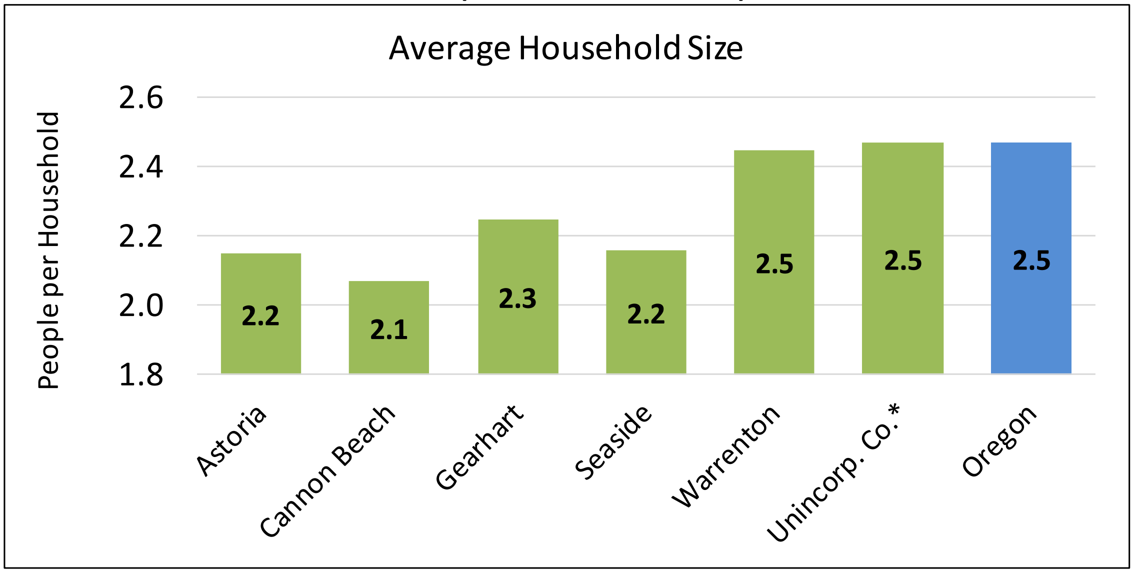
[4] 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

[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)



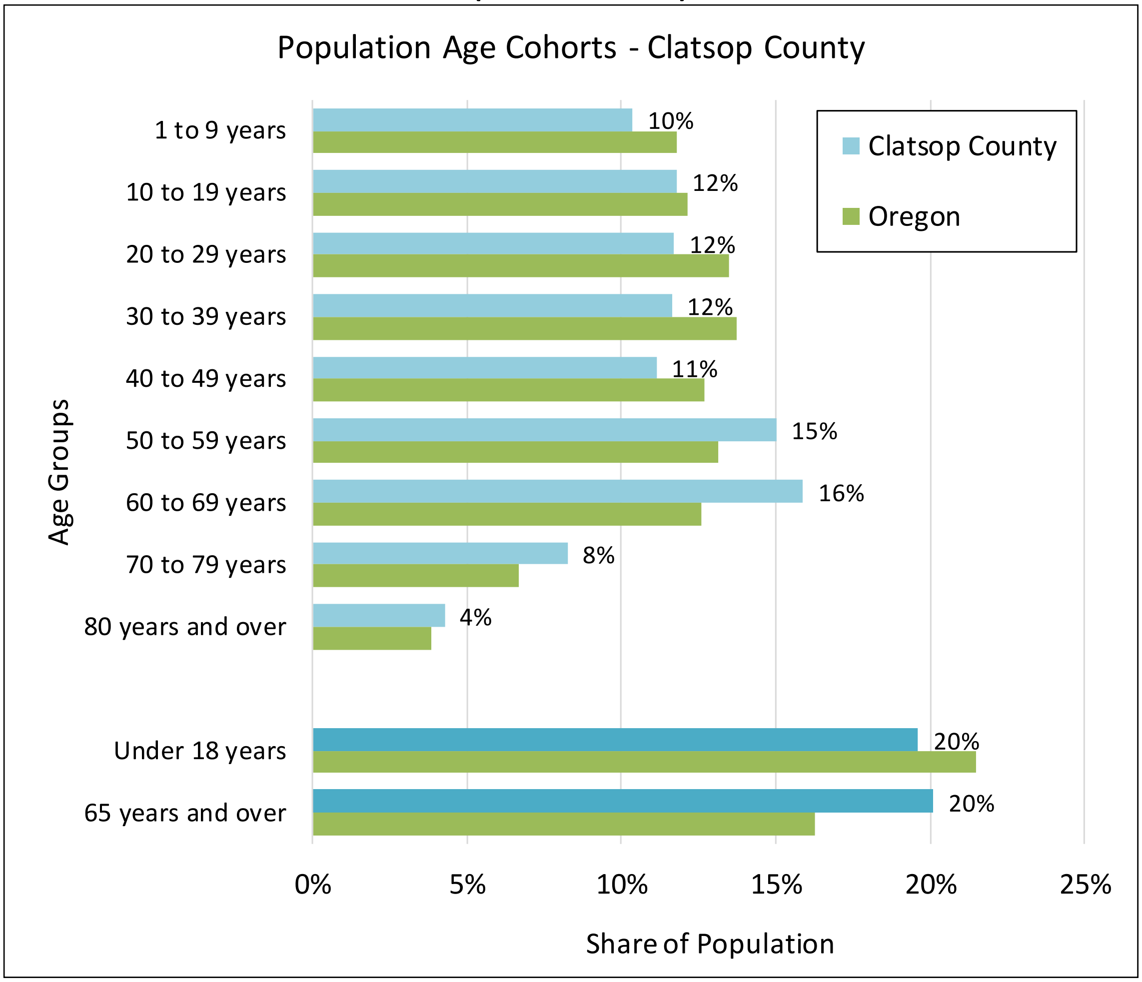
Source: American Community Survey, 2017 5-Year, B11005
* Unincorporated statistic is estimated; geography not available from Census

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.

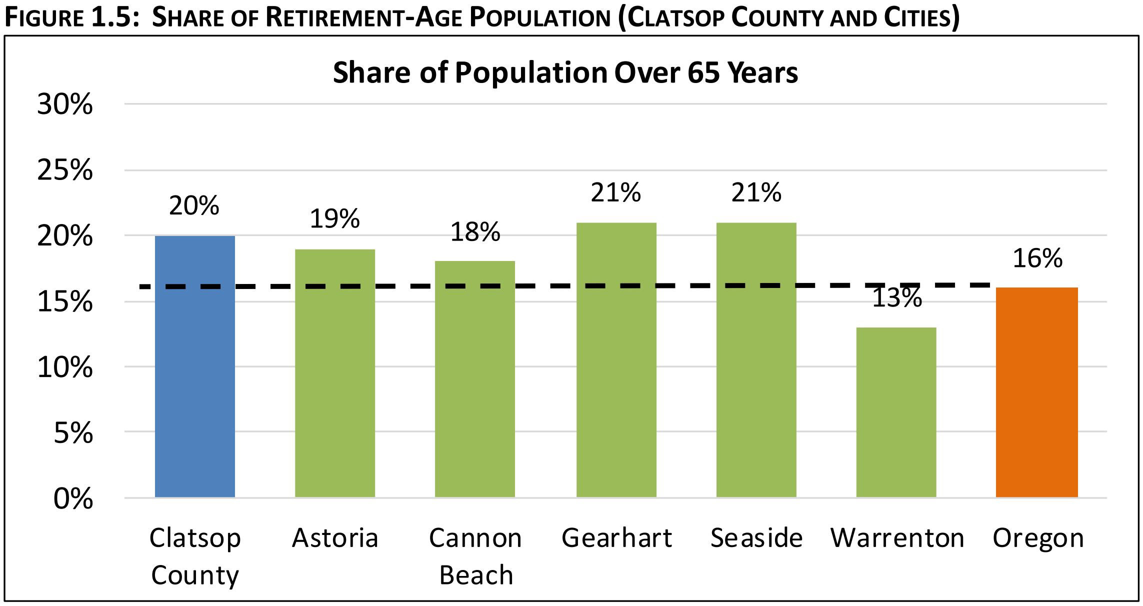
All of the cities except Warrenton have a higher relative share of older residents, and fewer families with children. Gearhart has a share of households with children similar to the statewide average.

FIGURE 1.4 POPULATION BY AGE COHORT (CLATSOP COUNTY)



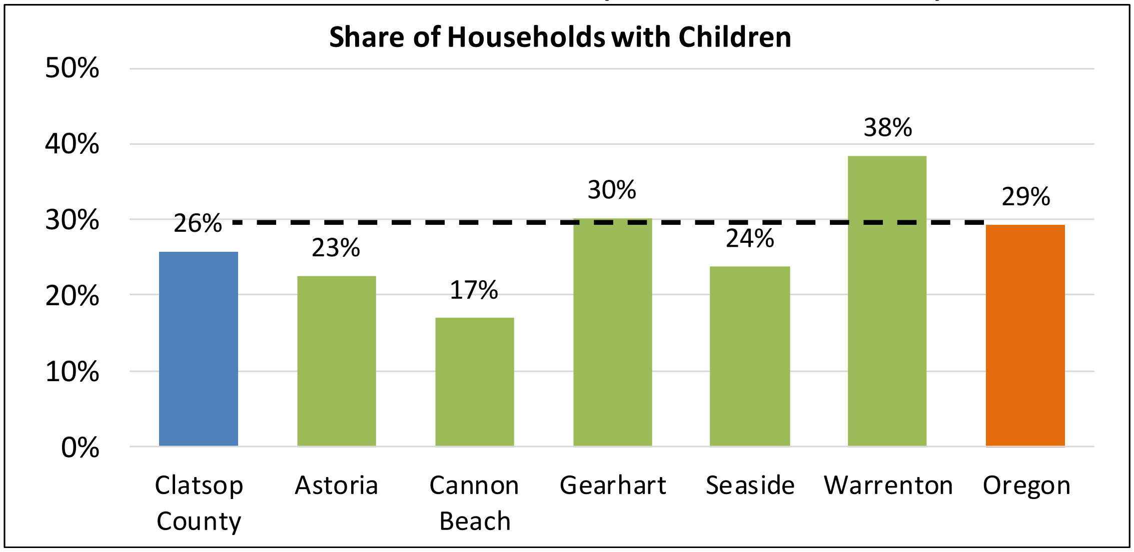
Source: American Community Survey, 2017 5-Year, S0101

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



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

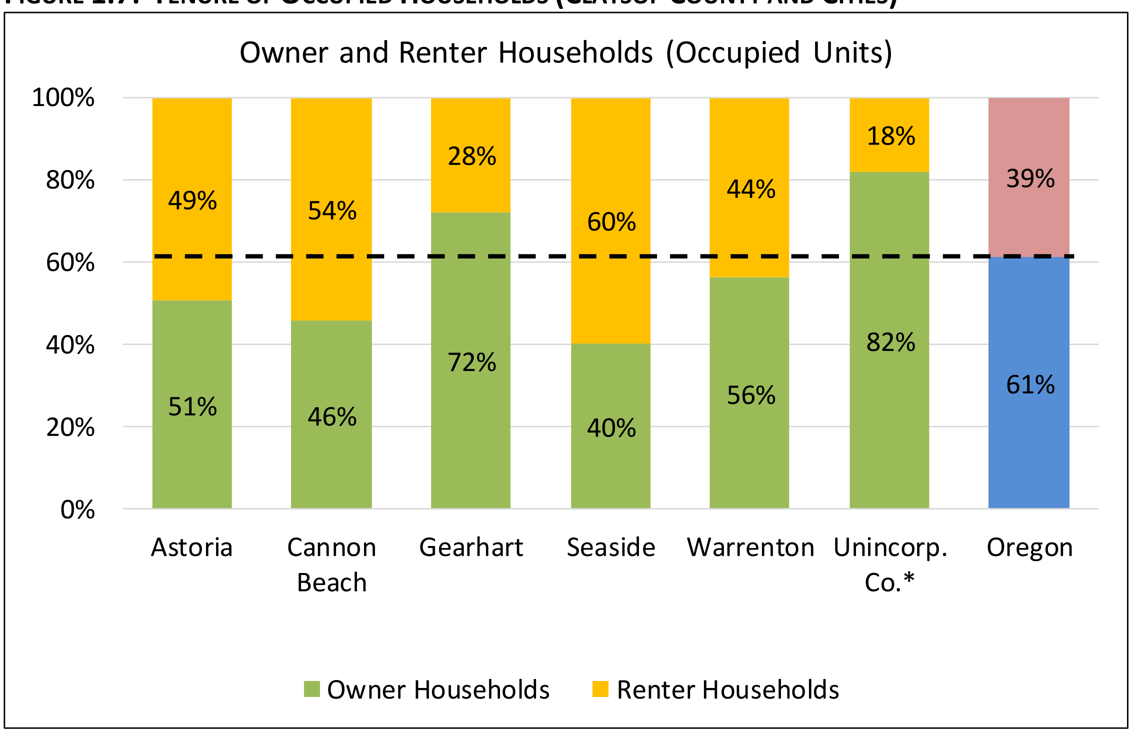
FIGURE 1.6: SHARE OF HOUSEHOLDS WITH CHILDREN (CLATSOP COUNTY AND CITIES)



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)

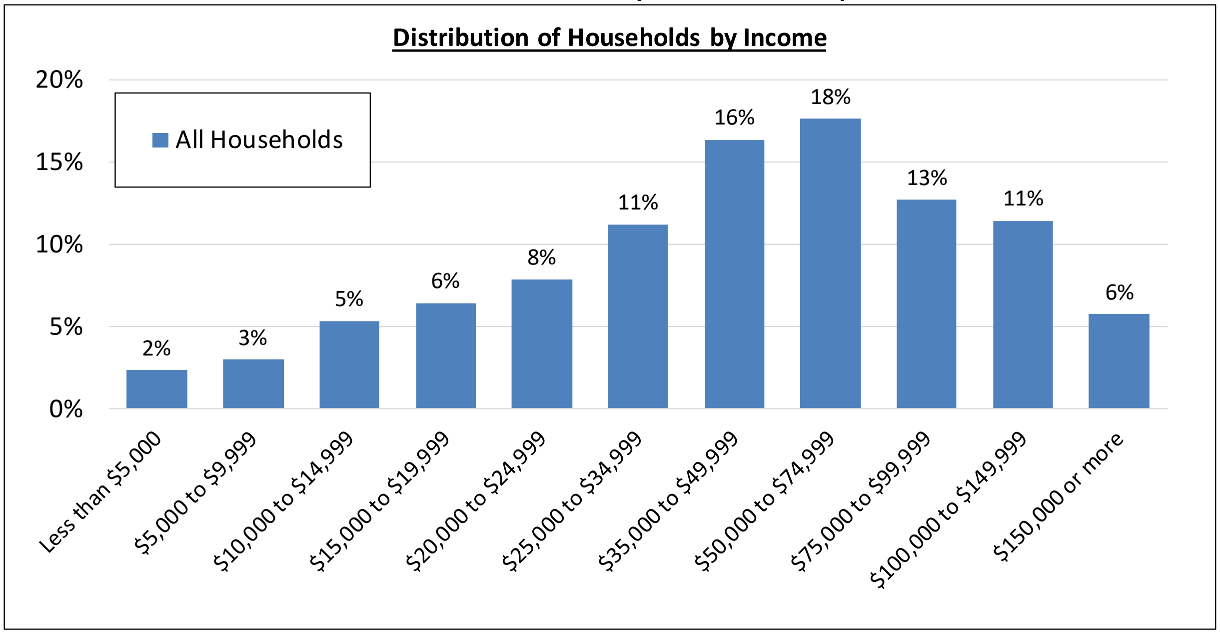


Source: American Community Survey, 2017 5-Year, B25007

* 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.

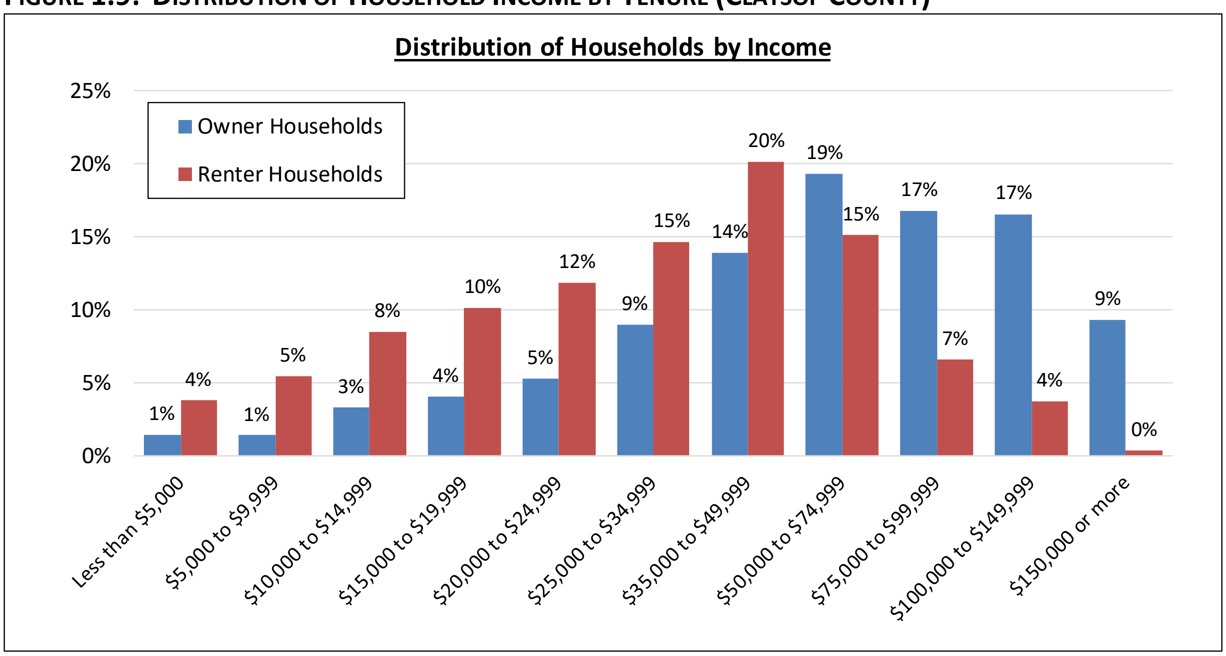
FIGURE 1.8: DISTRIBUTION OF HOUSEHOLDS BY INCOME (CLATSOP COUNTY)



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

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

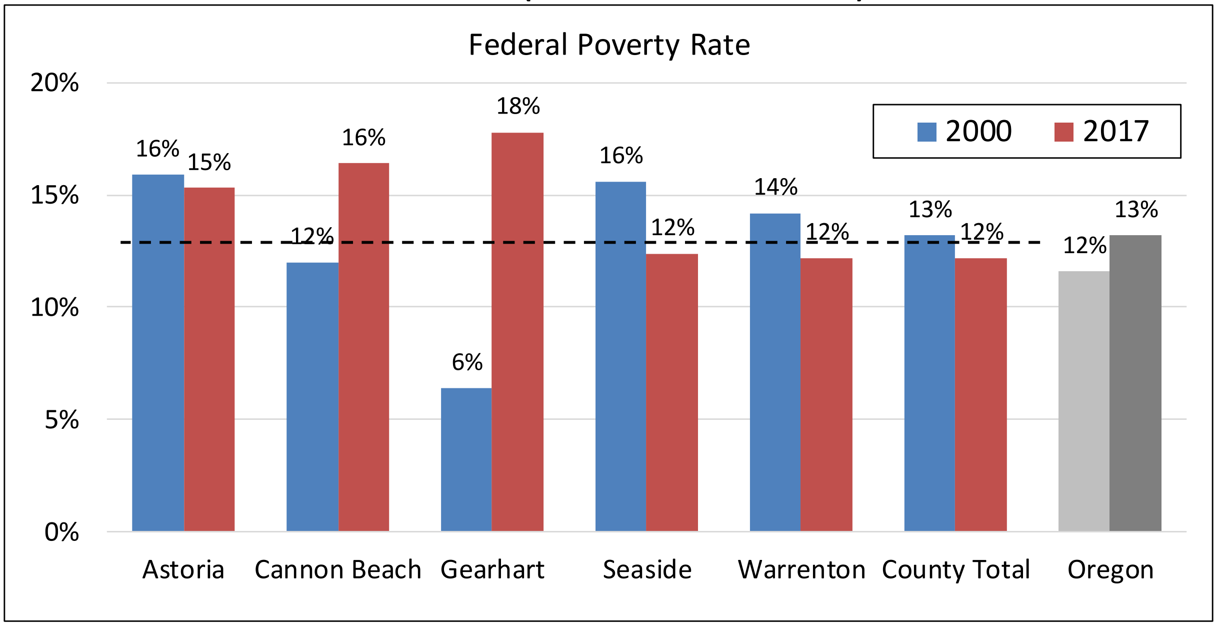
FIGURE 1.9: DISTRIBUTION OF HOUSEHOLD INCOME BY TENURE (CLATSOP COUNTY)



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.

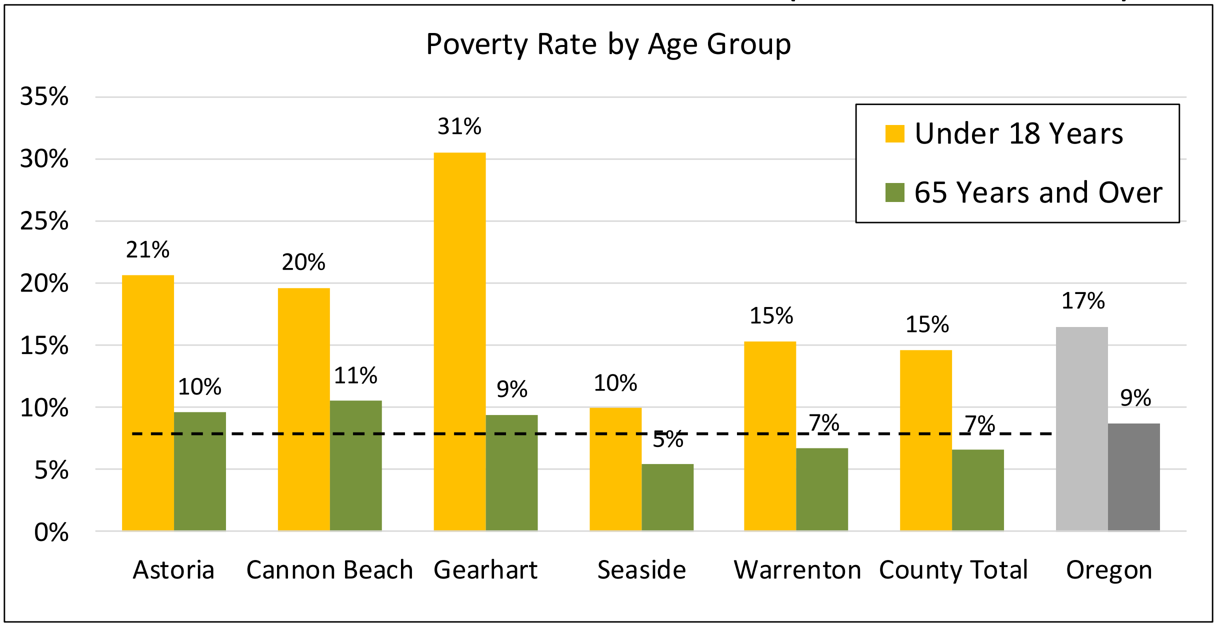
FIGURE 1.10 POVERTY RATE FOR POPULATION (CLATSOP COUNTY AND CITIES)



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

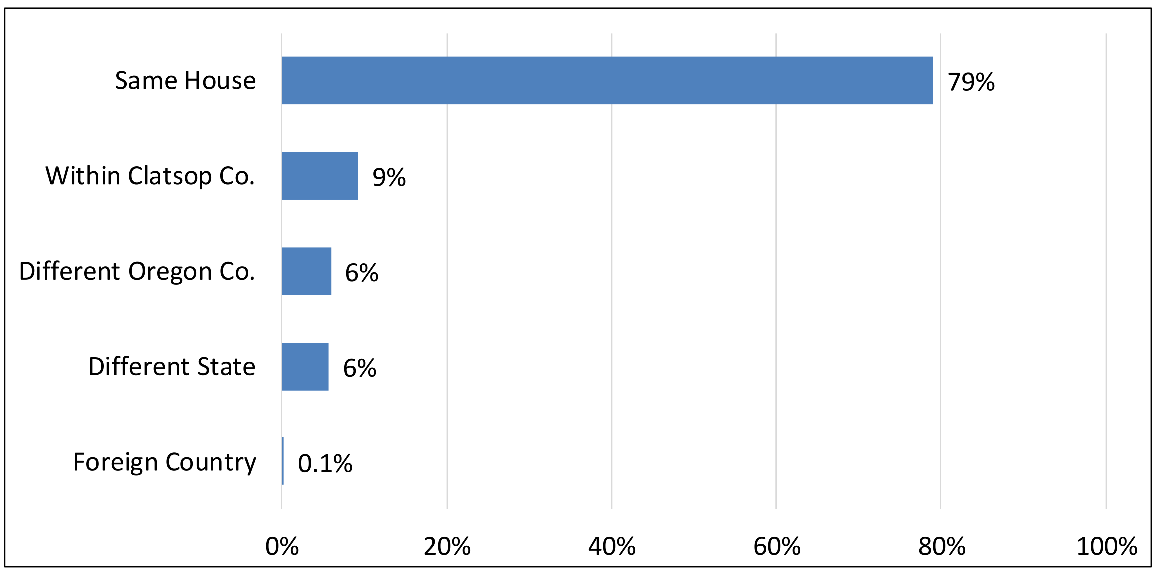
Homelessness: The one-night homeless count conducted in 2017 found 680 sheltered and unsheltered homeless individuals, essentially unchanged from the prior 2015 count. However, the non-profit agency Clatsop Community Action, estimates that the number of homeless individuals is likely more than 1,000. 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.

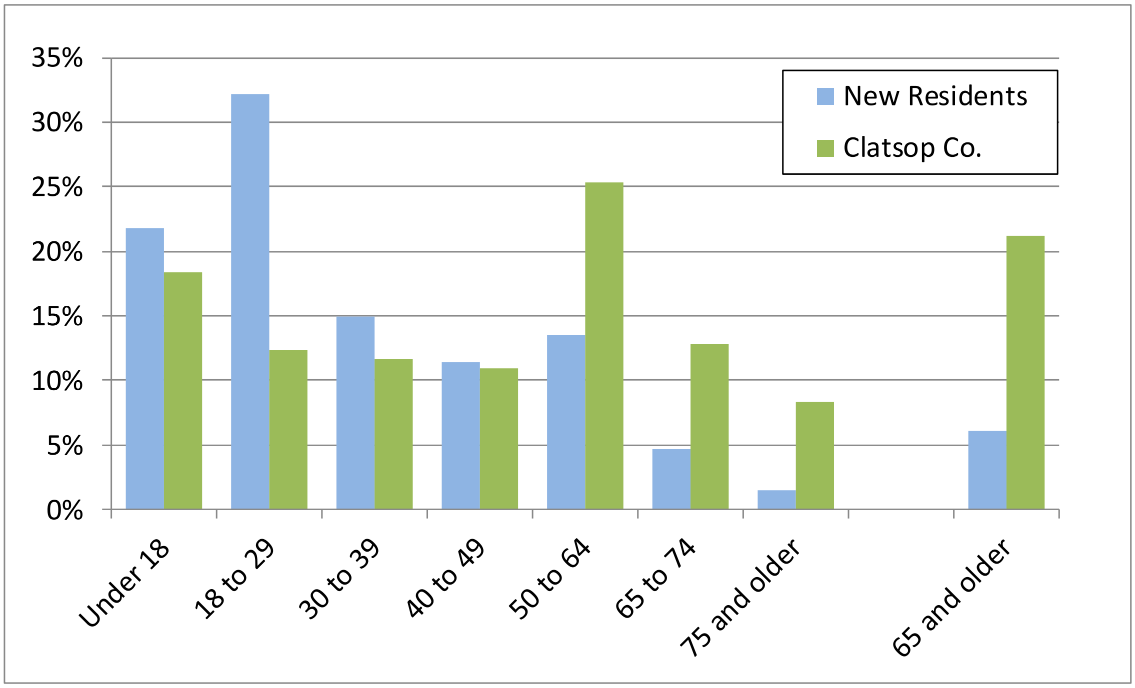
FIGURE 1.12: PLACE OF RESIDENCE IN THE PRIOR YEAR



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.

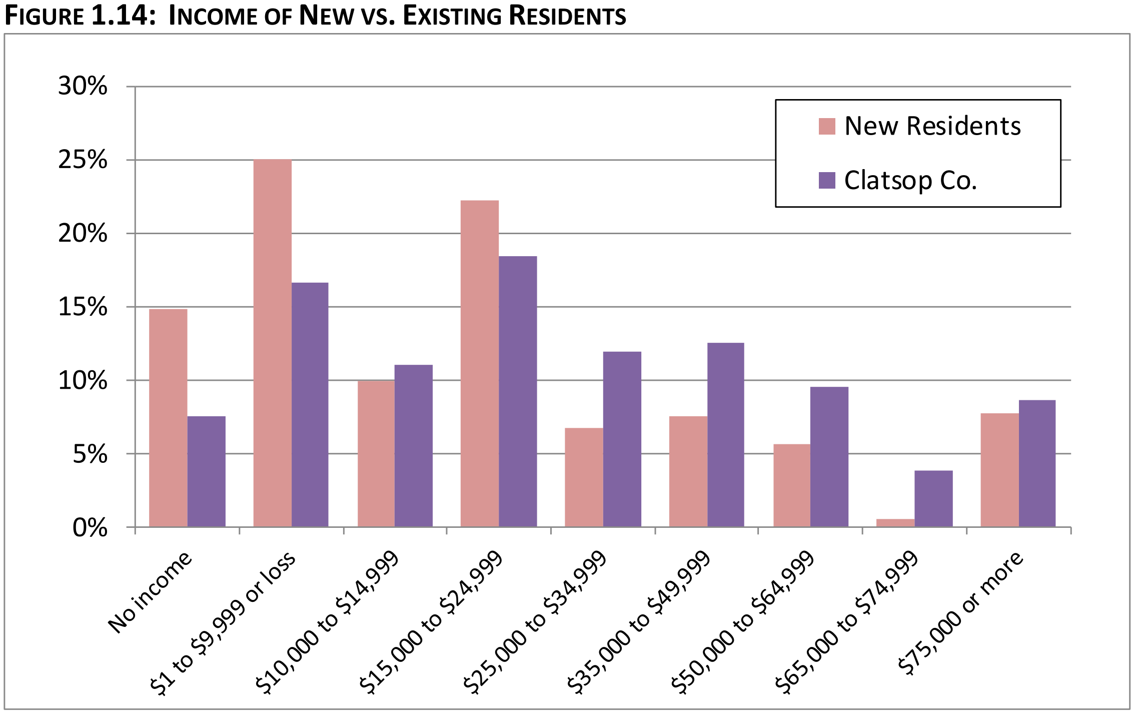
FIGURE 1.13: AGE OF NEW VS. EXISTING RESIDENTS



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)

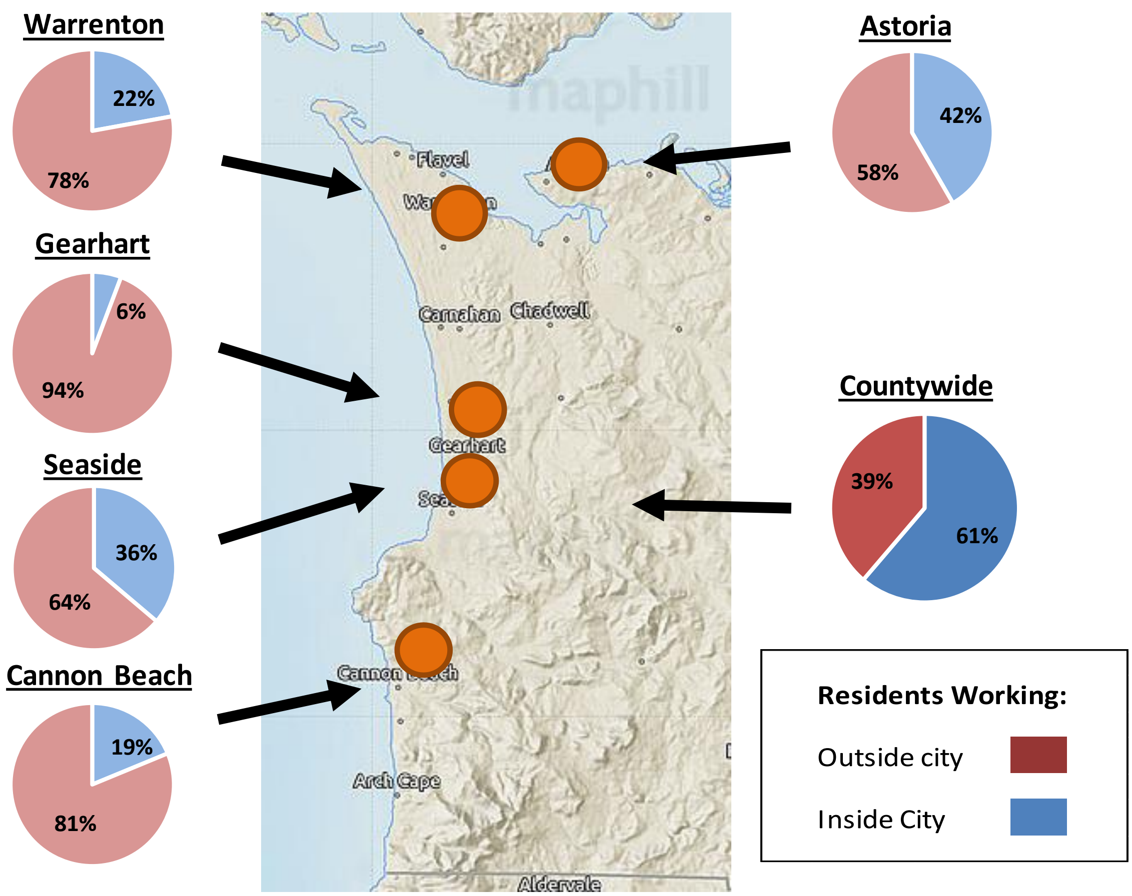
Category	Inflow		Outflow		Net Inflow
Total Migrants	1,488		1,126		362
Migrants - Within Oregon	604	41%	501	44%	103
Migrants - Different State	884	59%	625	56%	259
Non-Migrants	13,329		13,329		

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.

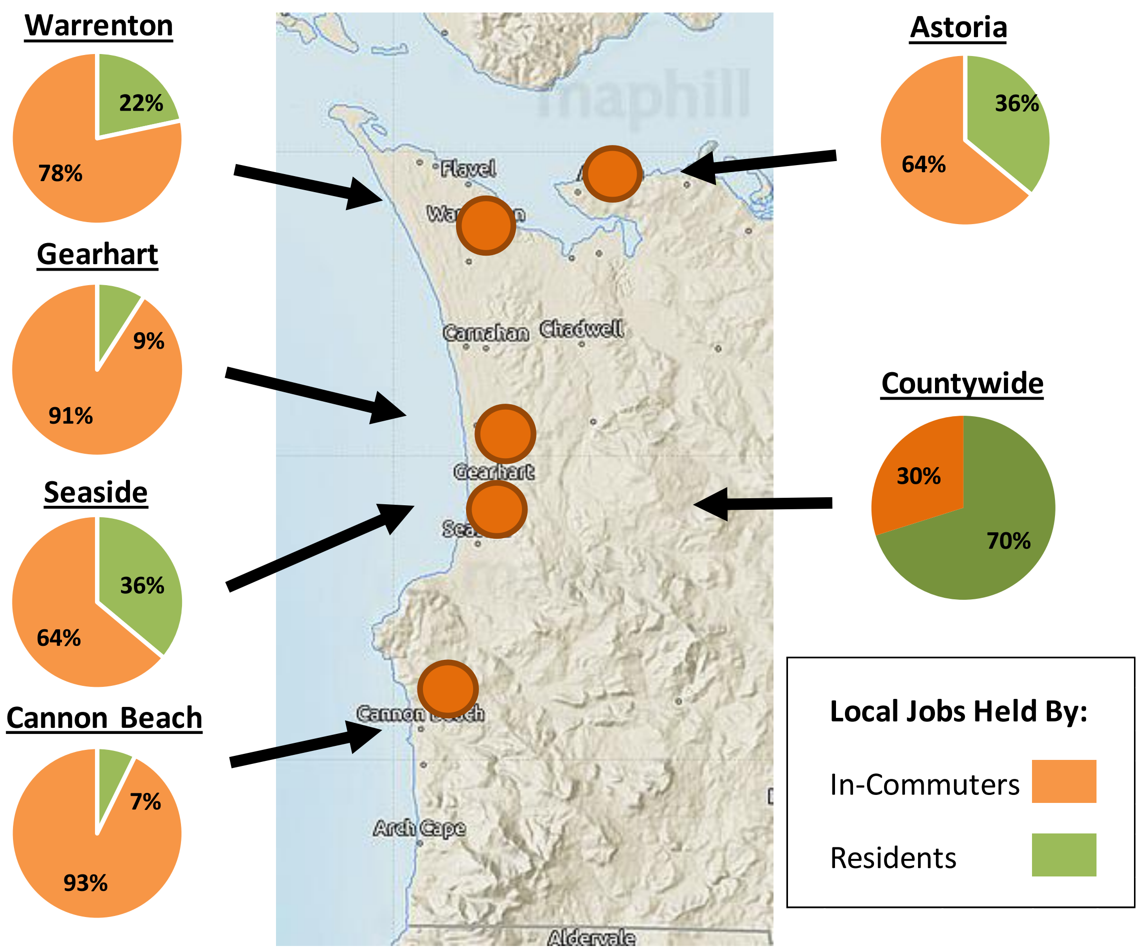
FIGURE 2.1: WHERE LOCAL RESIDENTS WORK (CLATSOP COUNTY AND CITIES)



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)

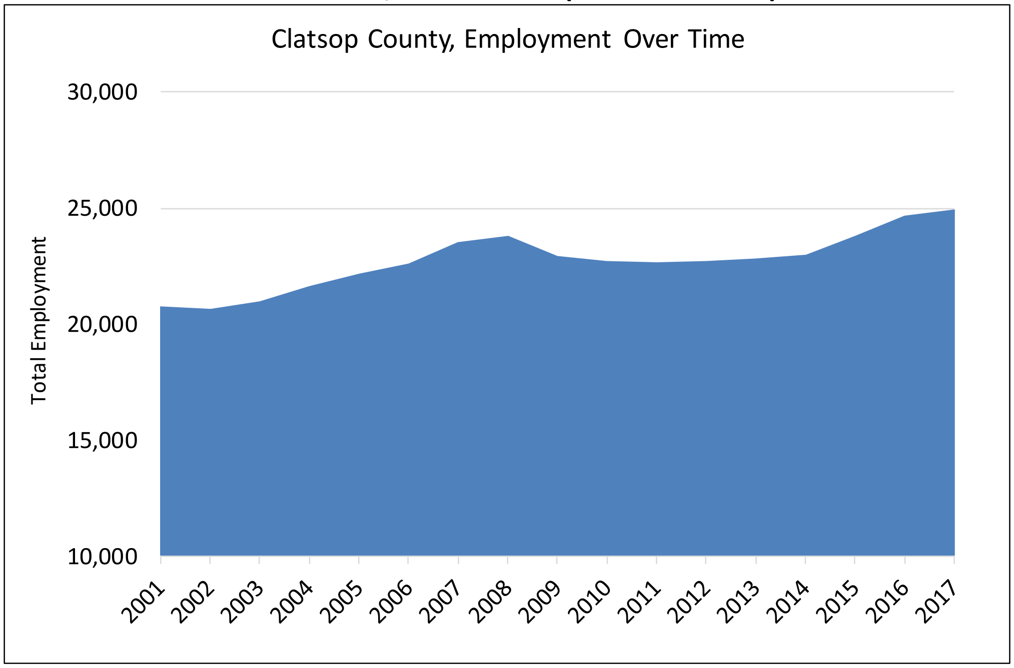


Source: US Census Employment Dynamics

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).

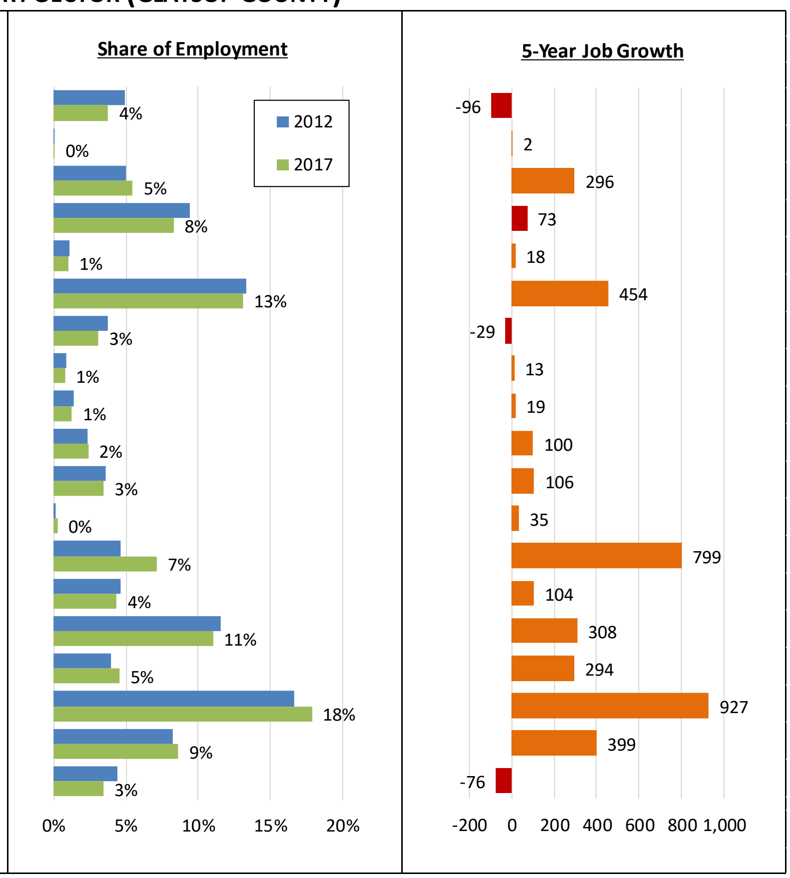
FIGURE 2.3: TOTAL EMPLOYMENT, 2001 – 2017 (CLATSOP COUNTY)



Source: US Bureau of Economic Analysis

FIGURE 2.4: EMPLOYMENT BY INDUSTRY SECTOR (CLATSOP COUNTY)

INDUSTRY	JOBS (2017)	Share of Employment	5-Year Job Growth
Ag., Forestry, Fishing & Hunting	933	4%	-96
Mining	16	0%	2
Construction	1,352	5%	296
Manufacturing	2,052	8%	73
Wholesale trade	250	1%	18
Retail trade	3,250	13%	454
Transport., warehousing & utilities	763	3%	-29
Information	192	1%	13
Finance and insurance	312	1%	19
Real estate and rental and leasing	589	2%	100
Professional and technical services	854	3%	106
Management of companies	63	0%	35
Administrative and waste services	1,764	7%	799
Educational services	1,079	4%	104
Health care and social assistance	2,732	11%	308
Arts, entertainment, and recreation	1,127	5%	294
Accommodation and food services	4,426	18%	927
Other services	2,136	9%	399
Total all government	851	3%	-76
Total Jobs:	***24,741***		

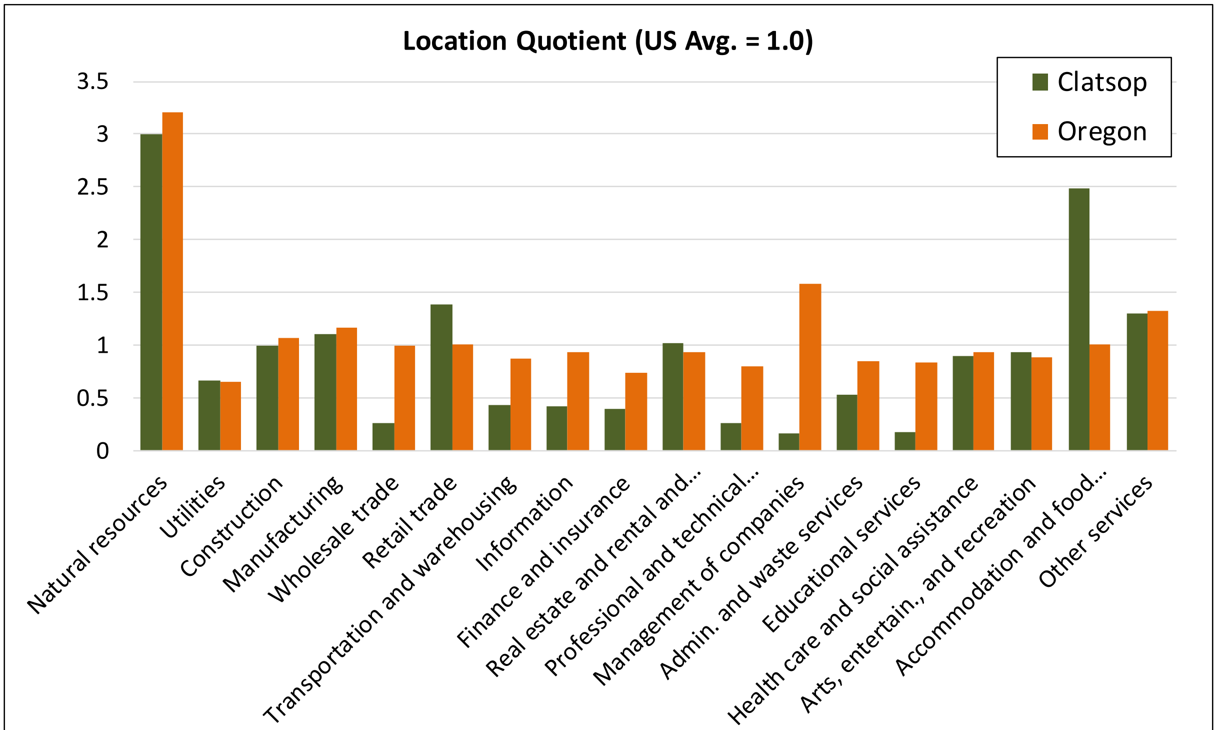


Source: US Bureau of Economic Analysis

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 that 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

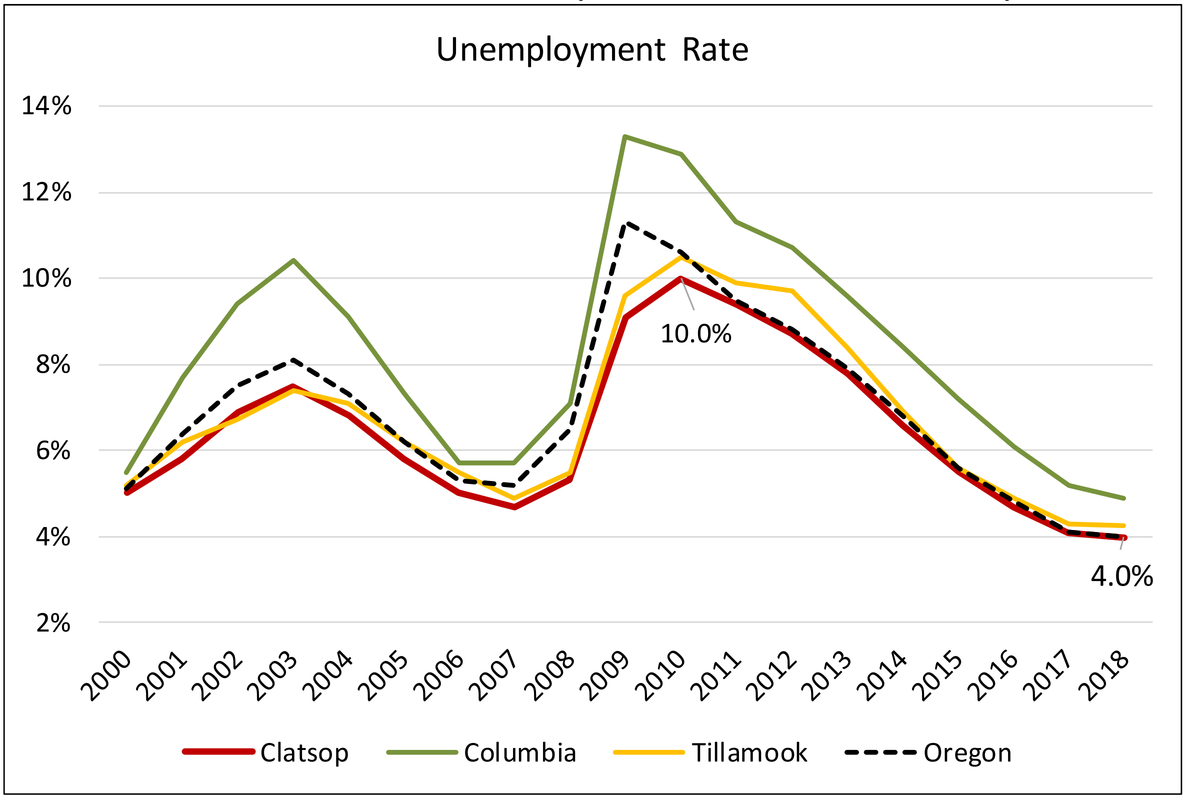


Source: US Bureau of Economic Analysis

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 faired somewhat better than neighboring counties of Tillamook and Columbia (Figure 2.6).

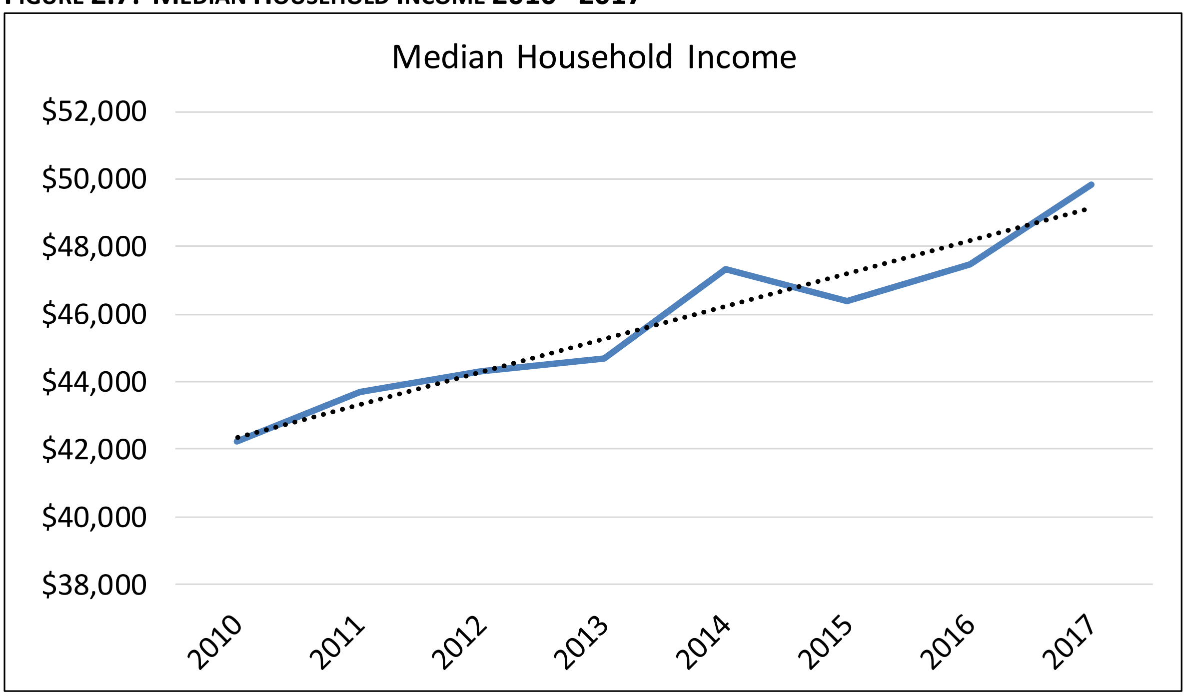
During the recovery period, Clatsop County has experienced healthy income growth (Figure 2.7). The median household income has grown 18% since 2010. This is an annual growth rate of 2.4% in comparison to the annual inflation rate of 1.7% during that period.

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

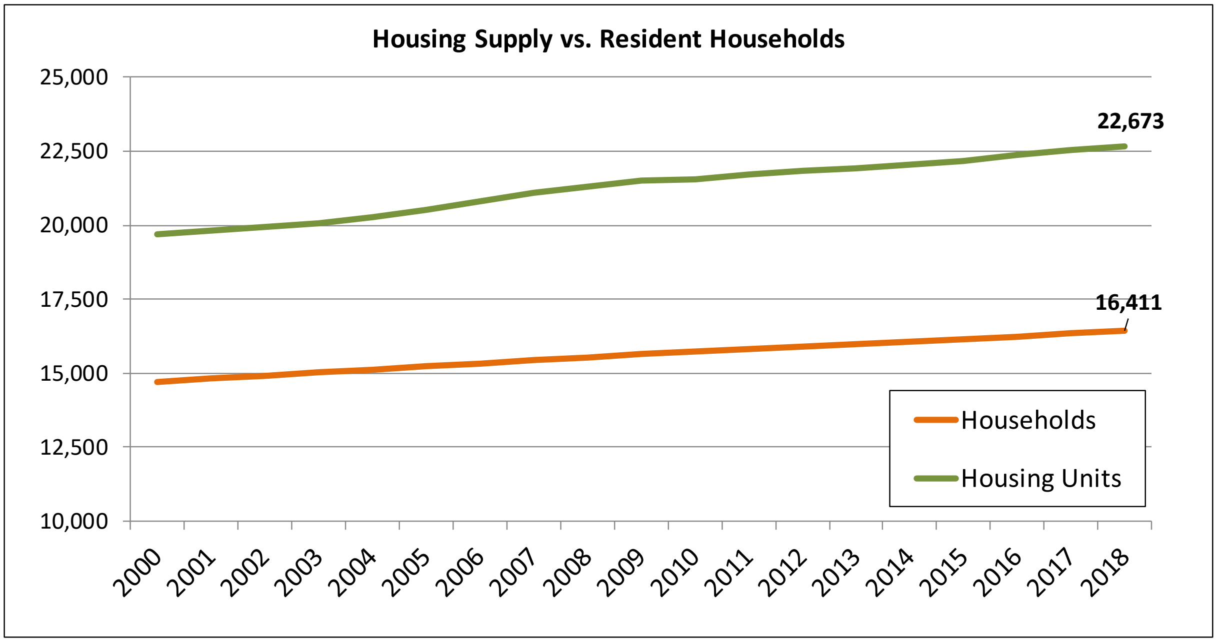


Source: American Community Survey, 2017 5-Year, B19013

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

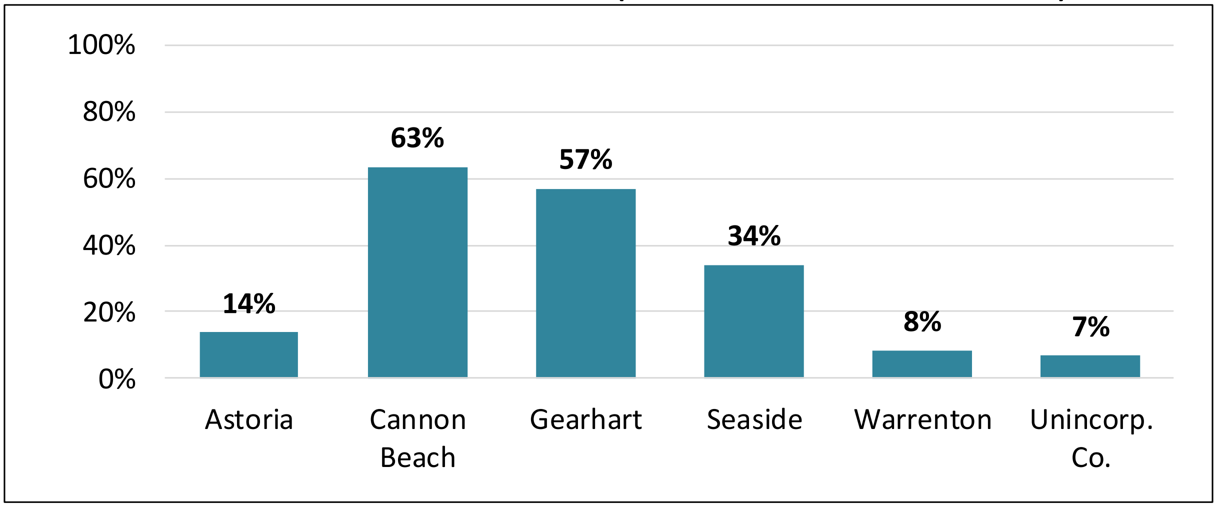
How is Local Housing Being Used? The discrepancy between the seemingly large supply and low availability has to do with how the local housing stock is owned and used. While the housing inventory is technically large enough to house all local residents and then some, much of the local stock is owned as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

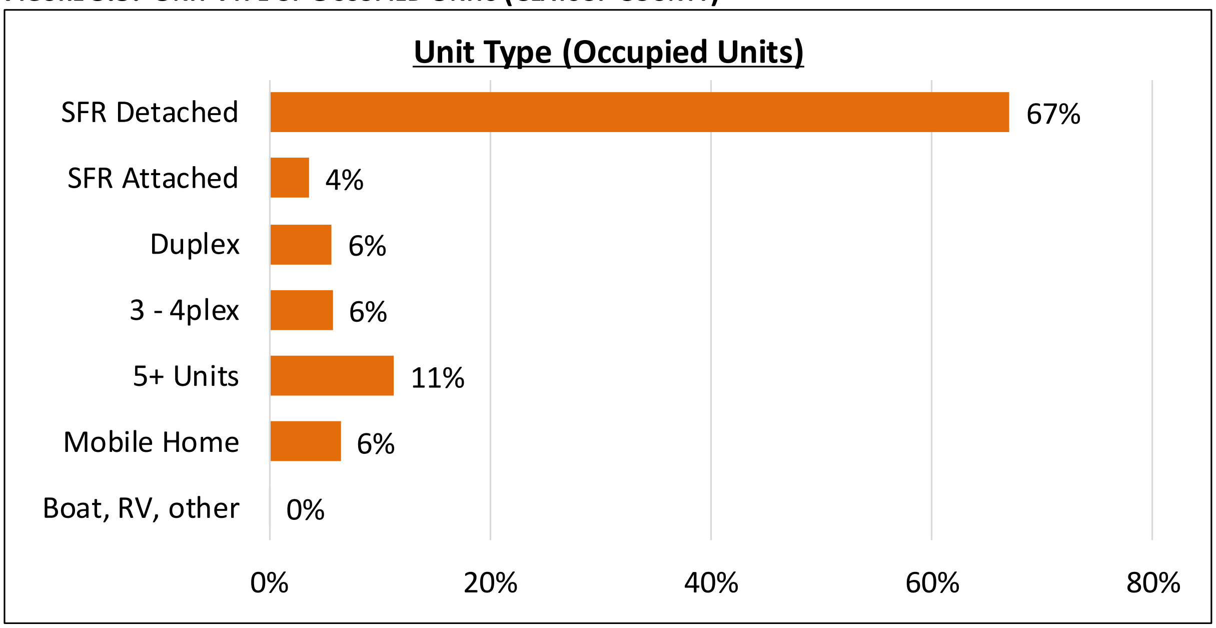
FIGURE 3.2: VACANCY RATE OF OWNERSHIP HOUSING (CITIES AND UNINCORPORATED COUNTY)



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).

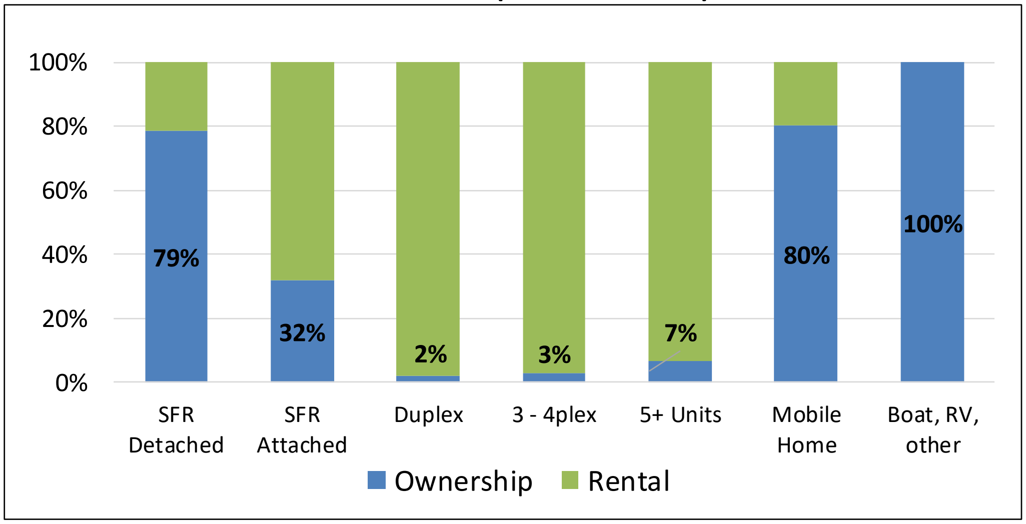
FIGURE 3.3: UNIT TYPE OF OCCUPIED UNITS (CLATSOP COUNTY)



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).

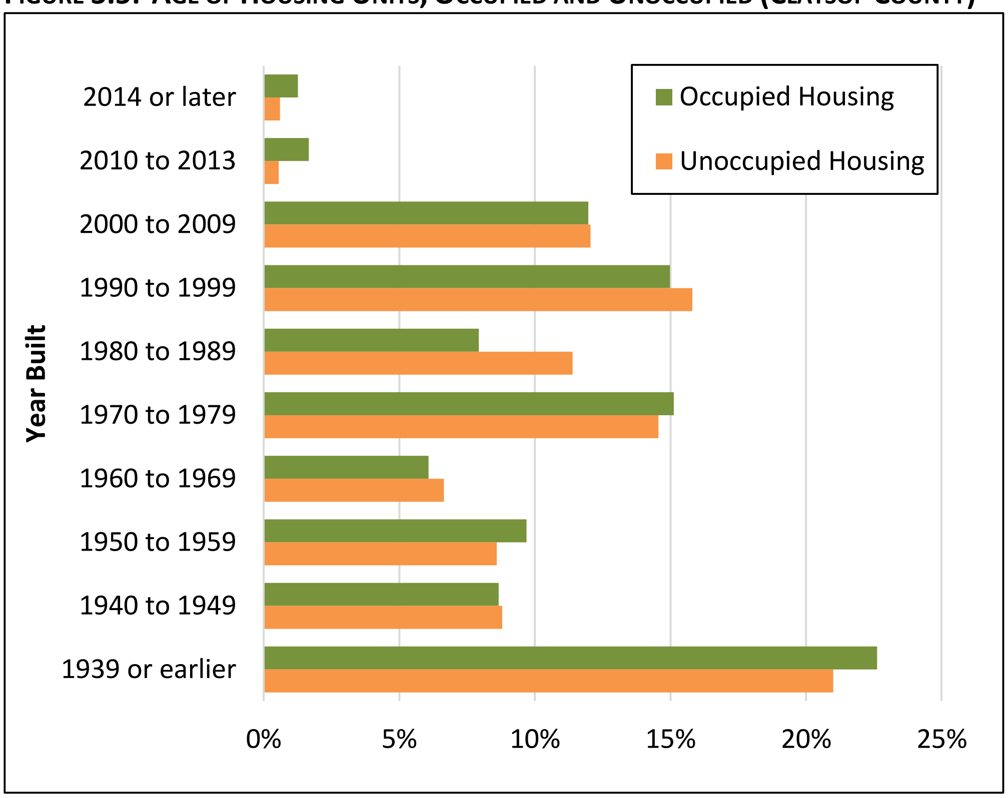
FIGURE 3.4: TENURE SHARE OF UNIT TYPES (CLATSOP COUNTY)



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)

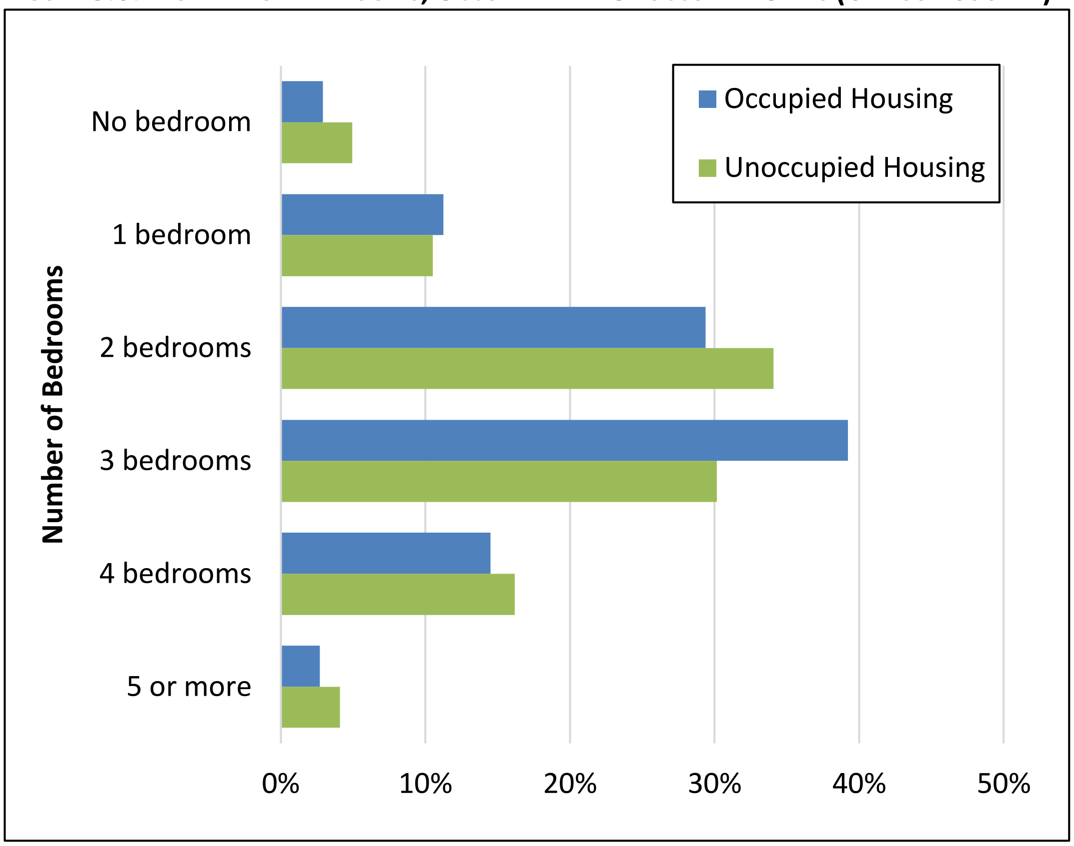


Source: American Community Survey, 2017 5-Year, B25034; B25036

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)

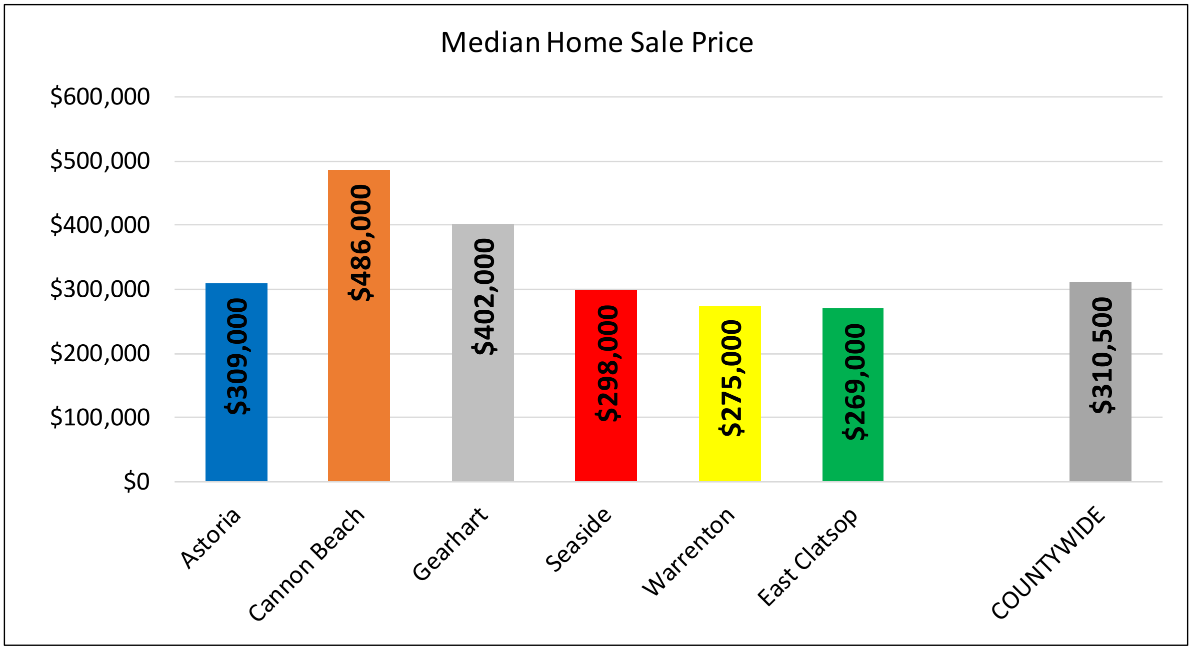


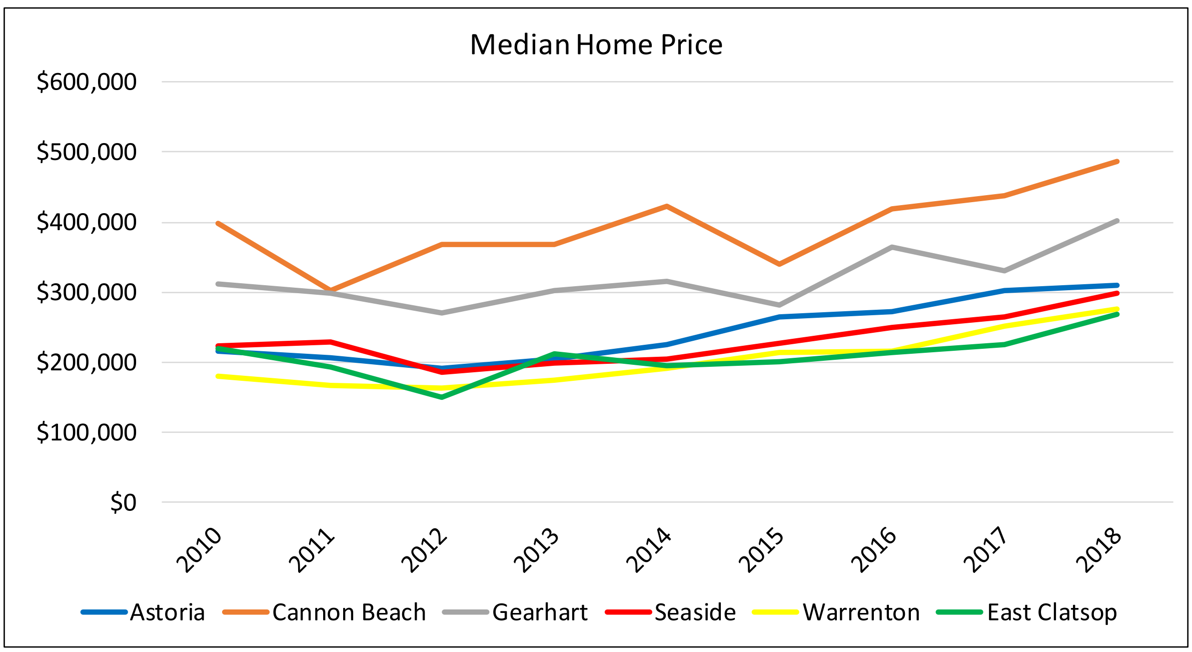
Source: American Community Survey, 2017 5-Year, B25041; B25042

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)

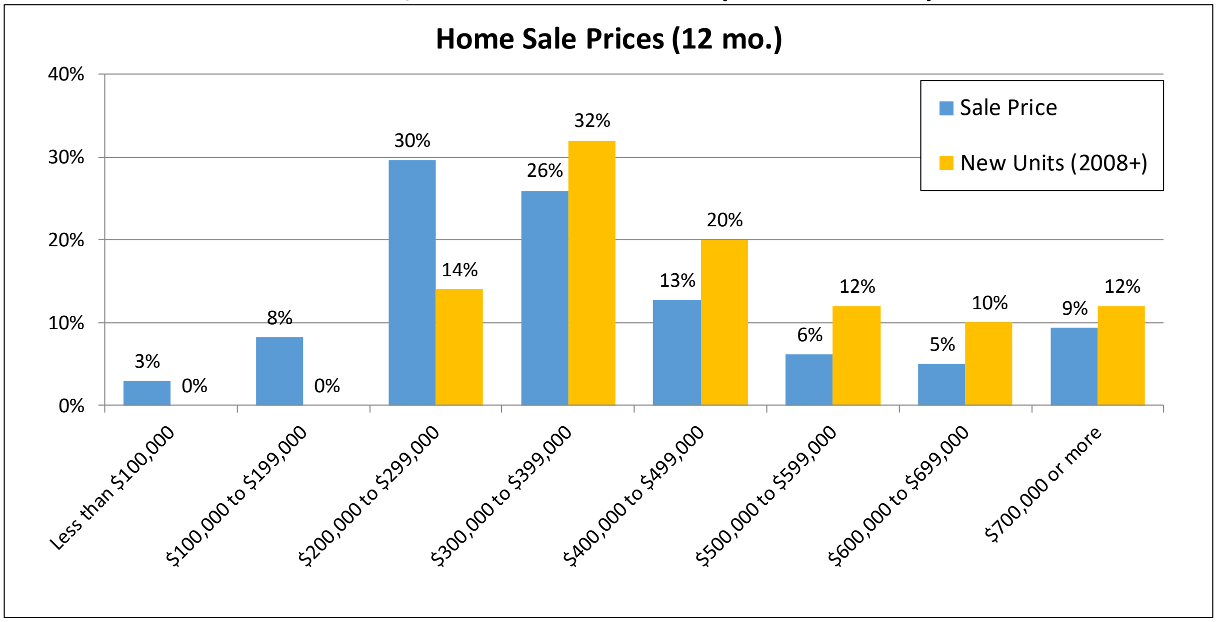




Source: RMLS, Johnson Economics

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 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.

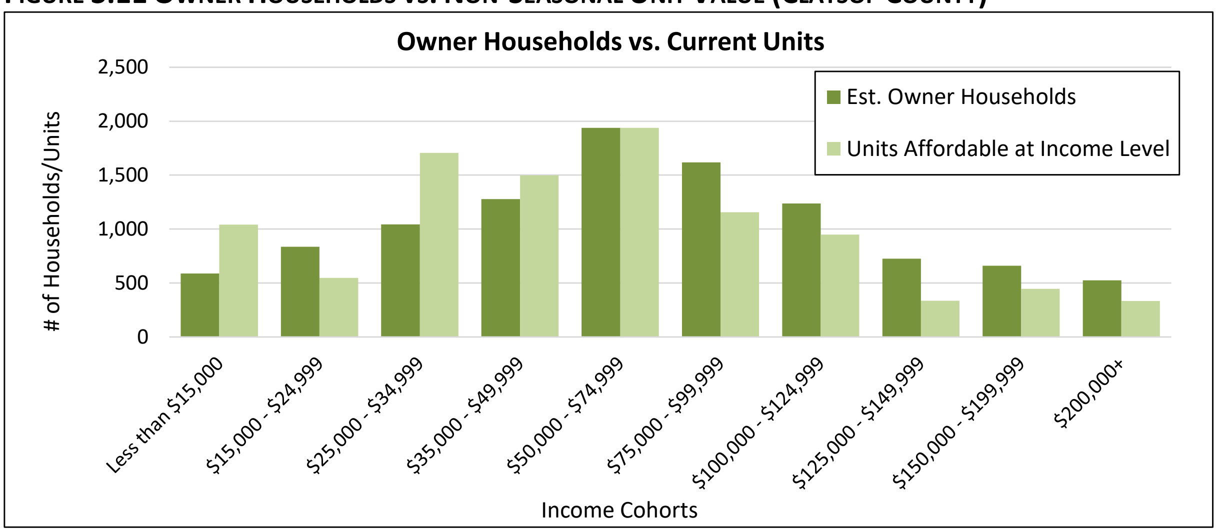
FIGURE 3.10: AFFORDABILITY OF CURRENT RENTS AND HOME PRICES (CLATSOP COUNTY)

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

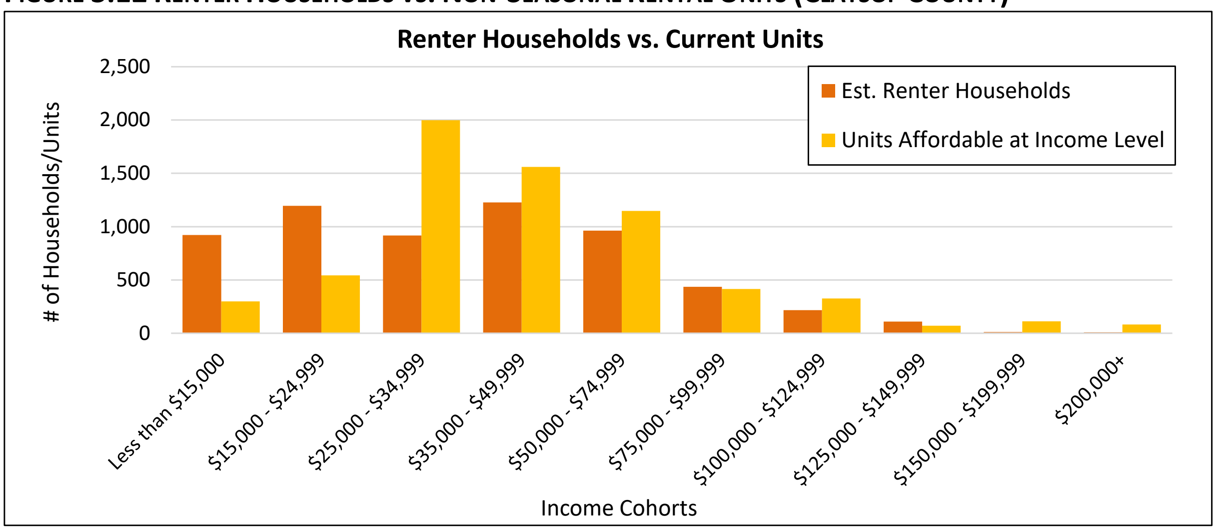
Note that this is an estimate of current value of homes, NOT the sale price of homes currently changing hands. Therefore it is estimated that there are some lower-value homes available for low-income owners, which may be counterintuitive. These may be mobile homes, or old or substandard homes. They may 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

The image part with relationship ID rId43 was not found in the file.

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 ne 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)

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.

FIGURE4.2: PROJECTED OCCUPIED FUTURE HOUSING DEMAND, COUNTY (2038)

The image part with relationship ID rId43 was not found in the file.

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.

FIGURE4.3: TOTAL (OCCUPIED AND VACANT) FUTURE HOUSING DEMAND, COUNTY (2038)

The image part with relationship ID rId43 was not found in the file.

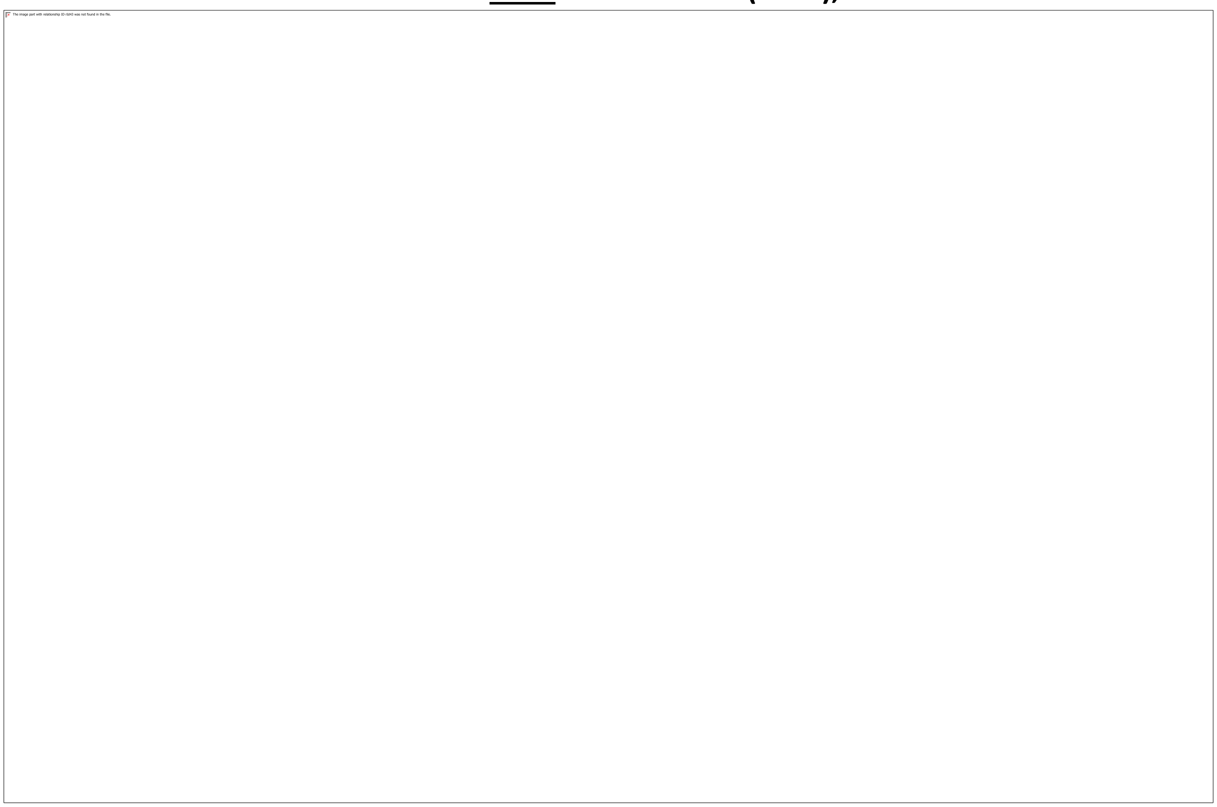
The vacancy assumption used here assumes a healthy 5% vacancy rate for normal "on the market" housing units for current residents. This is generally considered a balanced rate at which renters and buyers have some availability of units to choose from, while remaining manageable for property managers.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



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

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

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									
			Multi-Family						
Unit Type:	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
Astoria:	43	10	28	42	65	0	0	188	27.1%
	23%	*5%*	*15%*	*22%*	*35%*	*0%*	*0%*		
Cannon Beach:	26	9	18	8	6	1	0	68	9.8%
	39%	*13%*	*26%*	*12%*	*9%*	*1%*	*0%*		
Gearhart:	34	2	10	7	16	2	0	71	10.3%
	48%	*3%*	*14%*	*10%*	*22%*	*3%*	*0%*		
Seaside:	52	10	21	13	52	3	0	151	21.8%
	34%	*7%*	*14%*	*9%*	*34%*	*2%*	*0%*		
Warrenton:	66	22	37	29	50	11	0	215	31.0%
	31%	*10%*	*17%*	*13%*	*23%*	*5%*	*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)

	Ownership				Rental			
Income Level	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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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									
			Multi-Family						
	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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)

	Ownership				Rental			
Income Level	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:	Single Family Detached	Single Family Attached	Multi-Family: 2-unit	Multi-Family: 3- or 4-plex	Multi-Family: 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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:	Single Family Detached	Single Family Attached	Multi-Family: 2-unit	Multi-Family: 3- or 4-plex	Multi-Family: 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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:	Single Family Detached	Single Family Attached*	Multi-Family: 2-unit	Multi-Family: 3- or 4-plex	Multi-Family: 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 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 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 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)

	Ownership				Rental			
Income Level	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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 2-unit	Multi-Family 3- or 4-plex	Multi-Family 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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, Environics market data, Johnson Economics

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

OWNERSHIP HOUSING										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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									
			Multi-Family						
	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 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 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 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)

	Ownership				Rental			
Income Level	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**	**1297**	**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: 2-unit	Multi-Family: 3- or 4-plex	Multi-Family: 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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: 2-unit	Multi-Family: 3- or 4-plex	Multi-Family: 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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: 2-unit	Multi-Family: 3- or 4-plex	Multi-Family: 5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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									
			Multi-Family						
	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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)

	Ownership				Rental			
Income Level	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									
			Multi-Family						
Unit Type:	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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									
			Multi-Family						
Unit Type:	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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									
			Multi-Family						
Unit Type:	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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										
			Multi-Family							
Price Range	Single Family Detached	Single Family Attached	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units	Cummulative %
$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									
			Multi-Family						
	Single Family Detached	Single Family Attached*	2-unit	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other temp	Total Units	% of Units
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

LAND USE PLANNING
TRANSPORTATION PLANNING
PROJECT MANAGEMENT

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 were 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 in 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.

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[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 acre 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	-	-
Total Not Buildable	*17,522*	*10,688*	*3,348*	-	-
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	-	
Total Not Buildable	*2,298*	*821*	*357*		
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

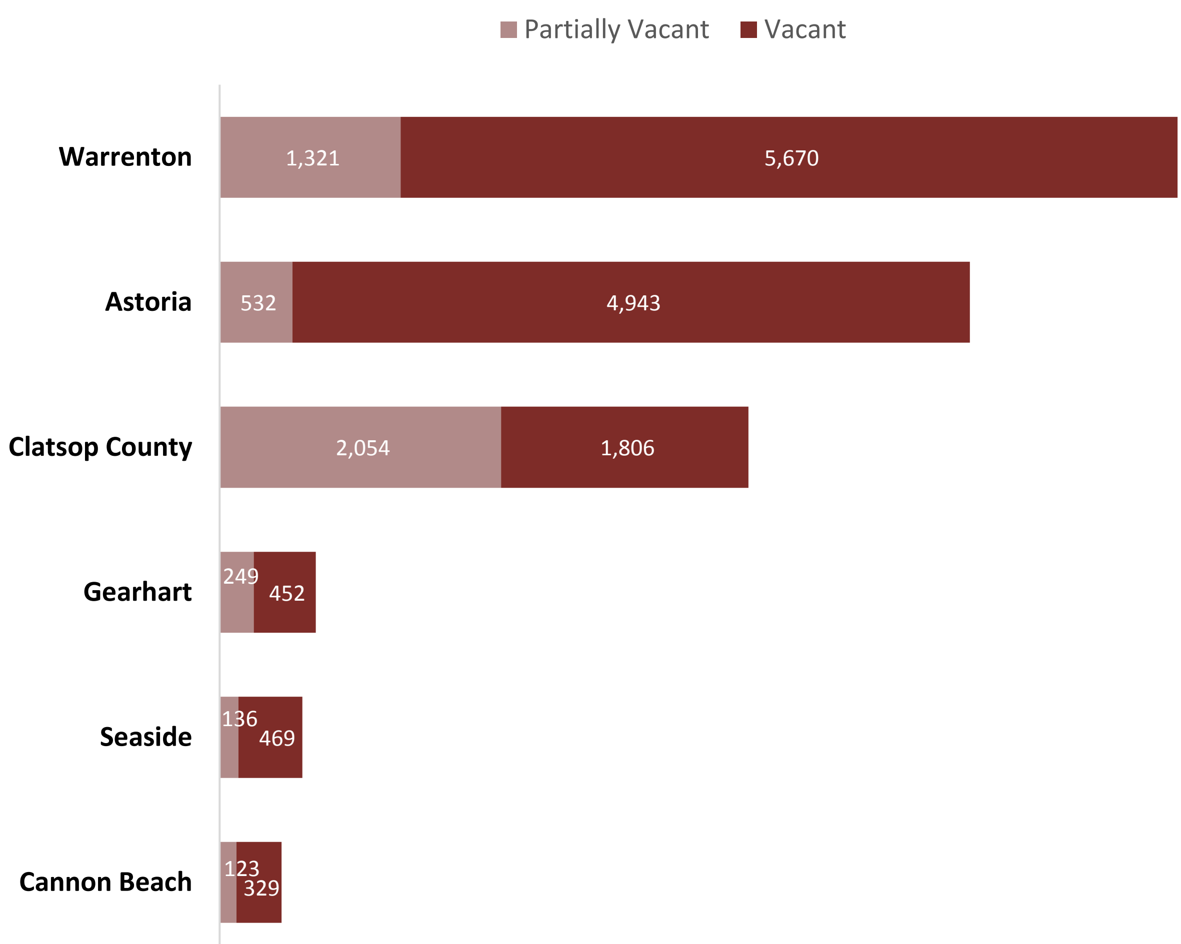


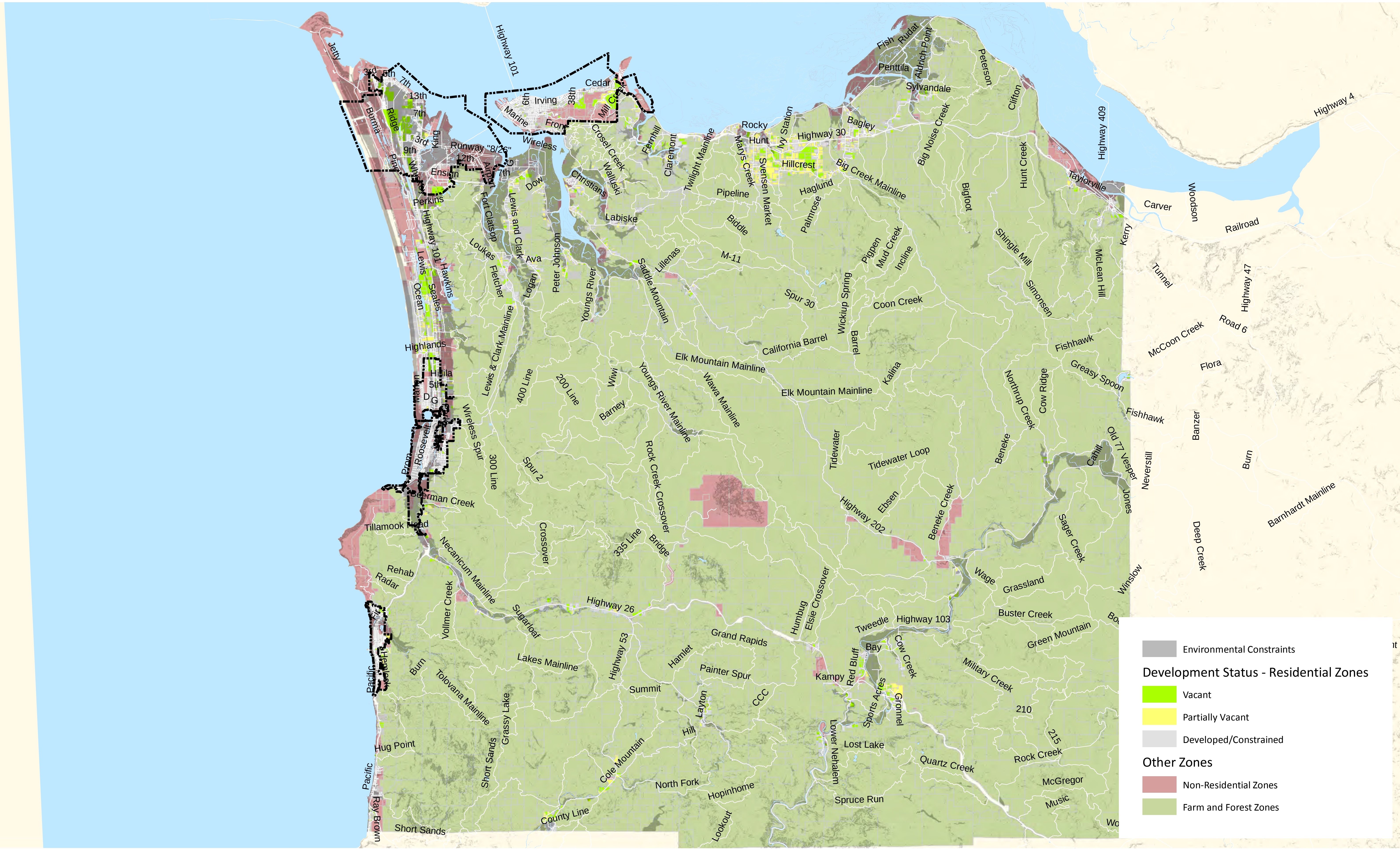
Table 4. Potentially Buildable Lands and Housing Unit Capacity by Zone, Residential Zones

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**

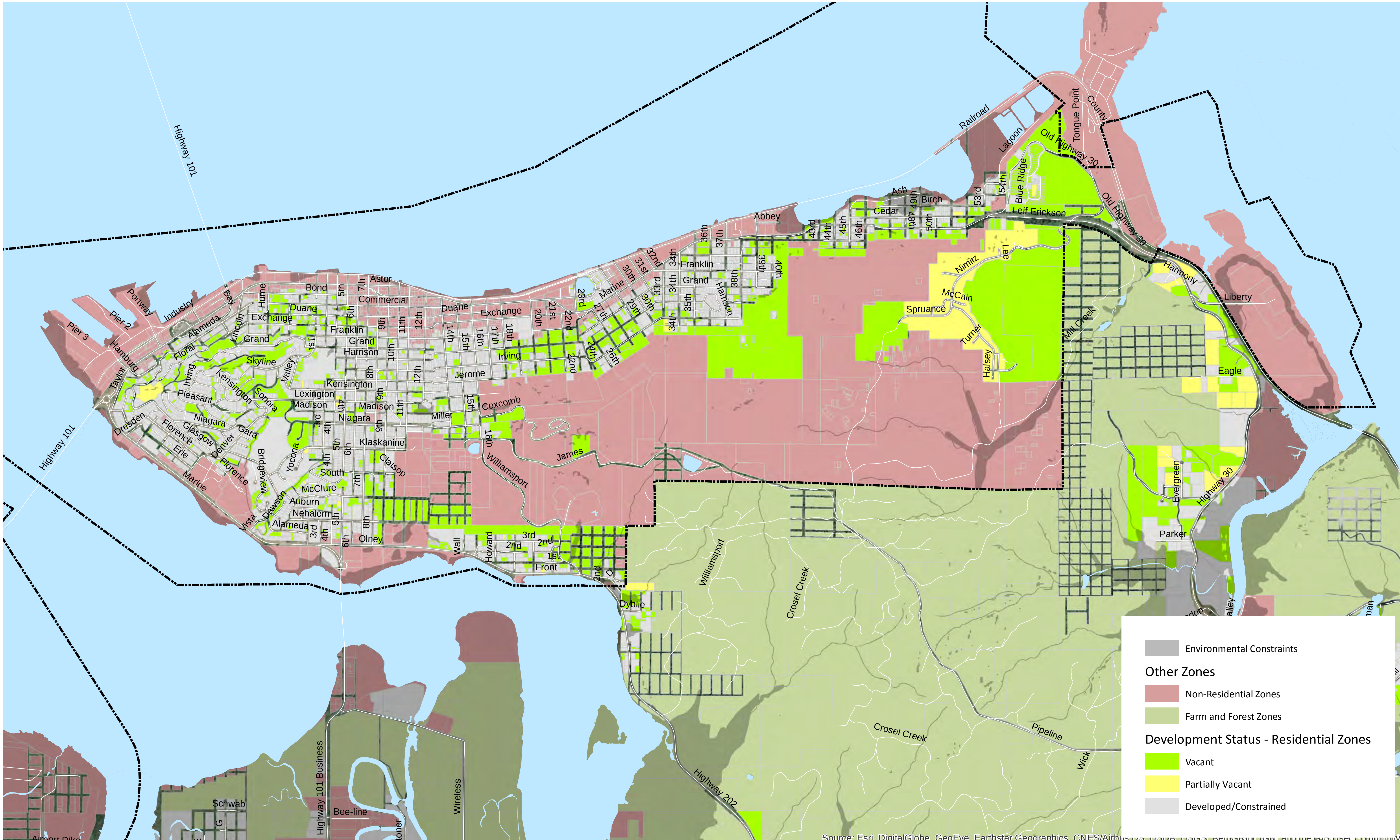
Clatsop County - Preliminary Residential Buildable Lands Inventory

1/23/19



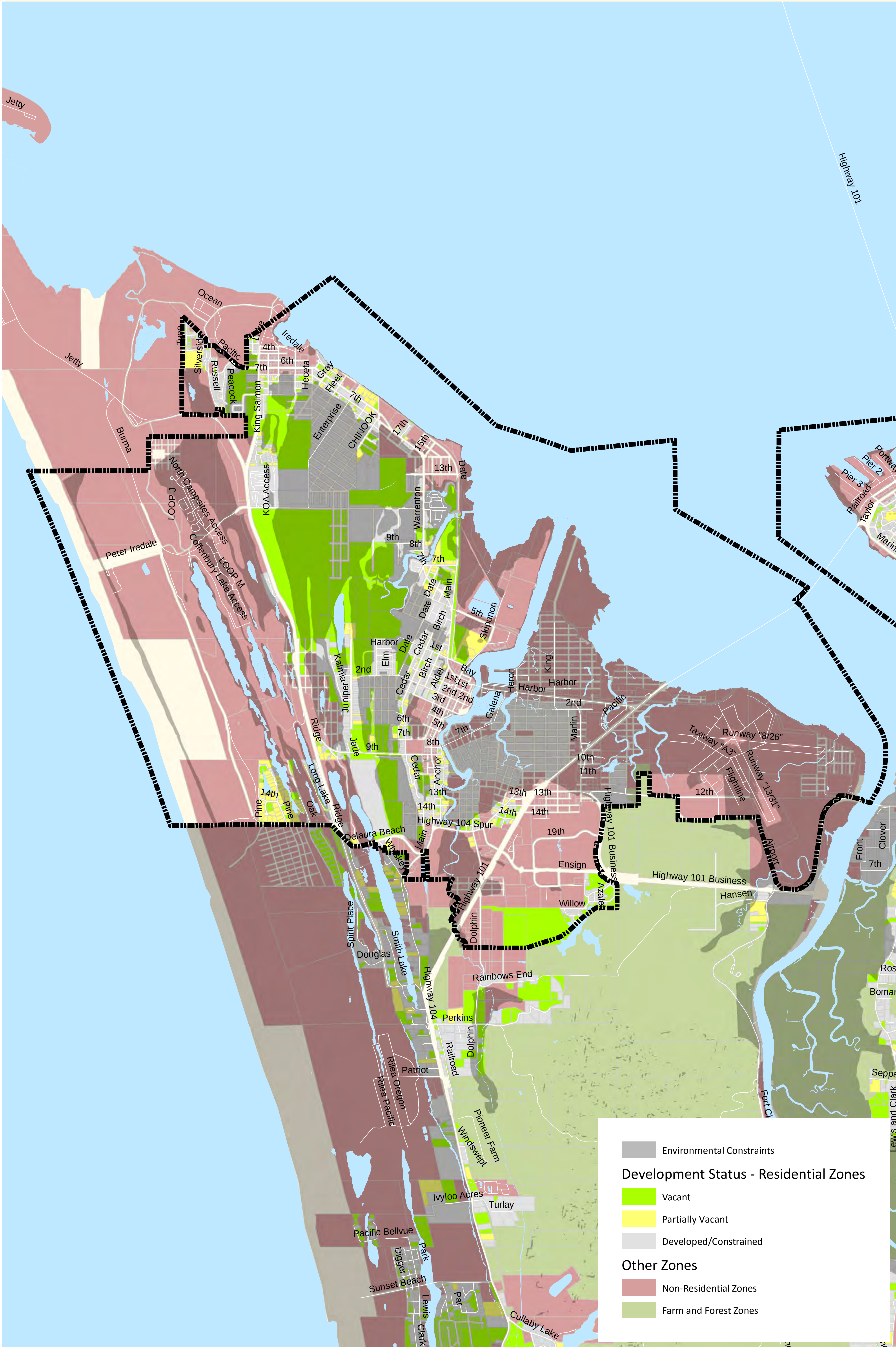
Astoria - Preliminary Residential Buildable Land Inventory

1/23/19



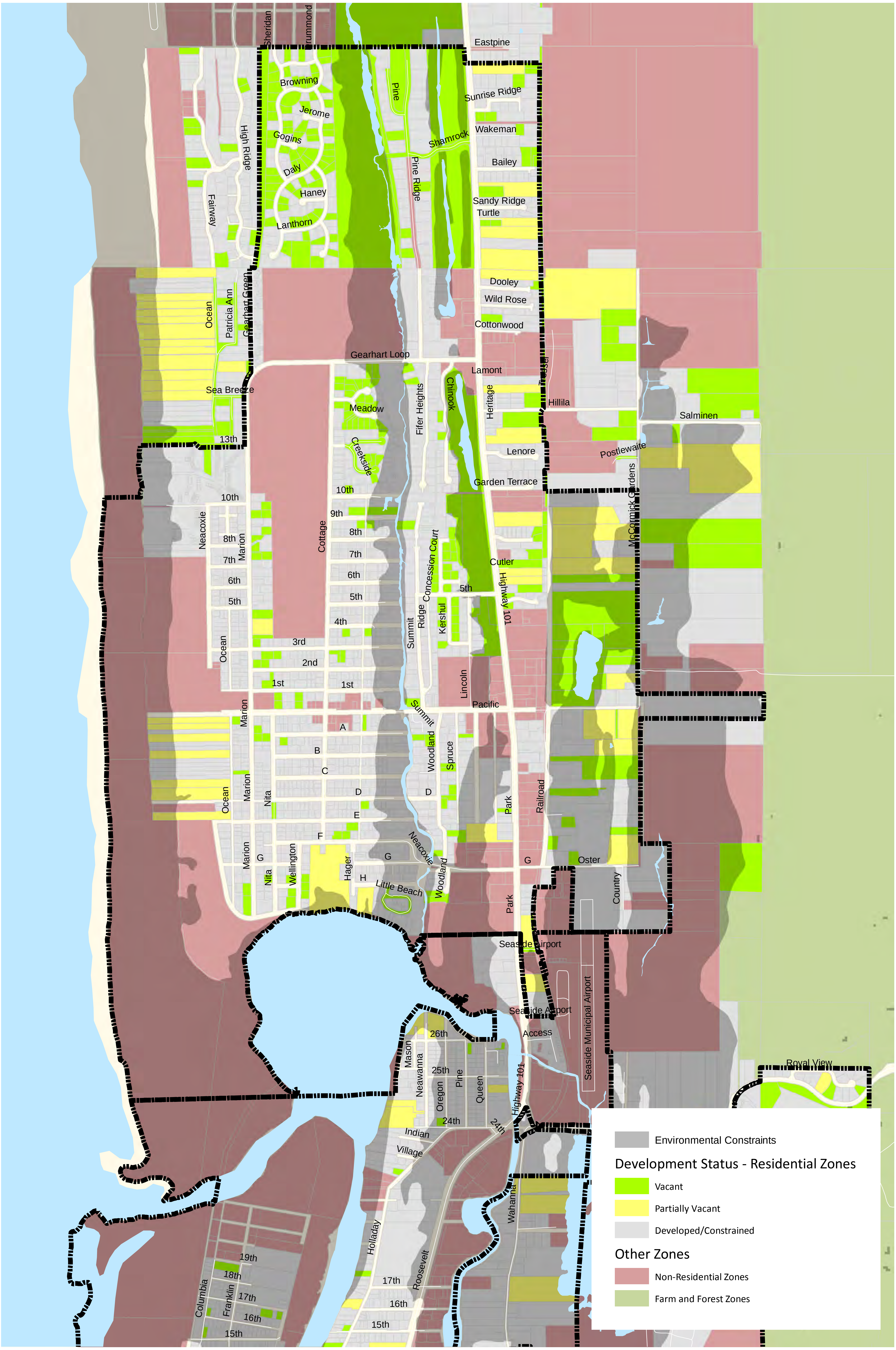
Warrenton - Preliminary Residential Buildable Lands Inventory

1/23/19



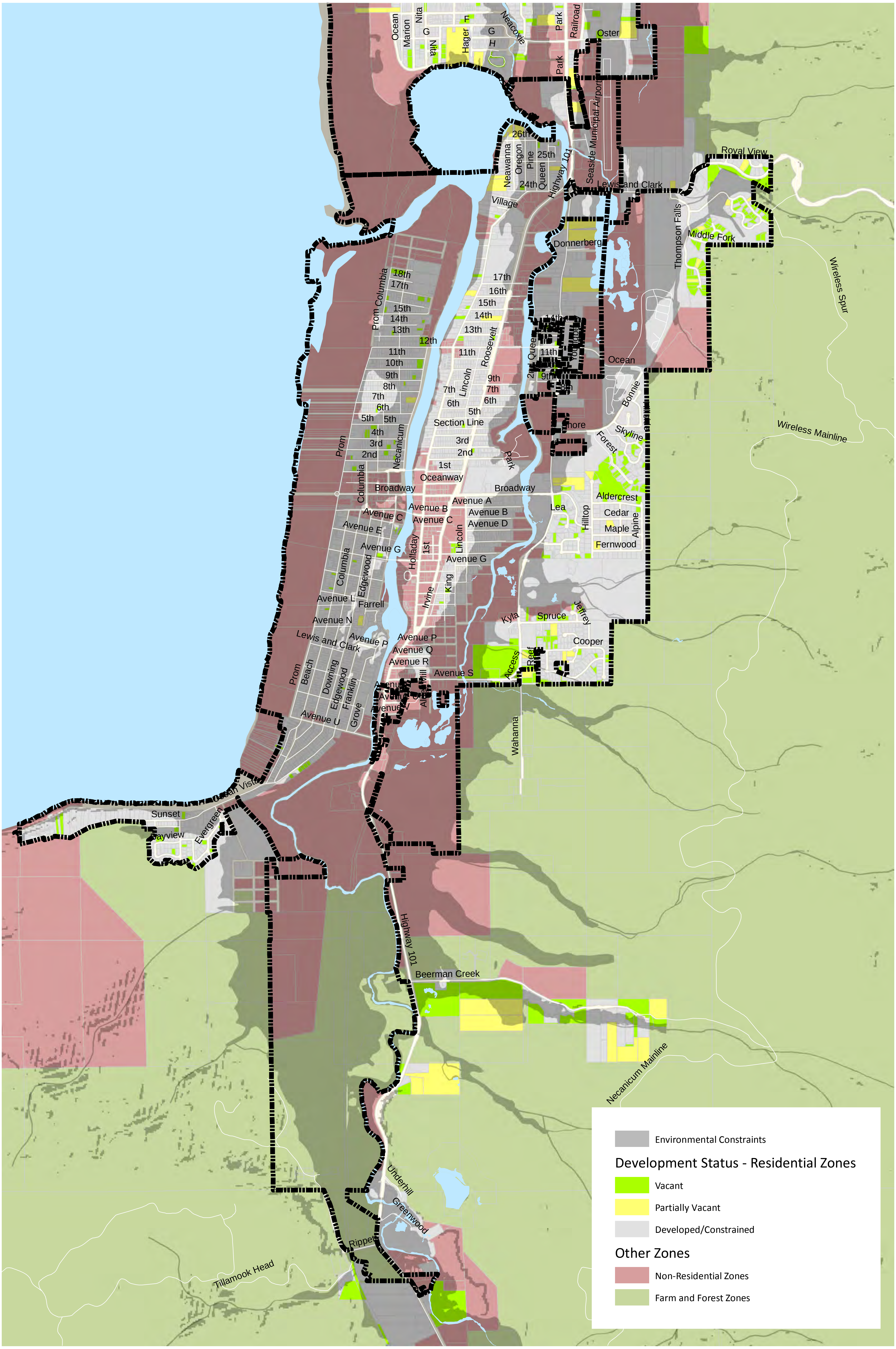
Gearhart - Preliminary Residential Buildable Lands Inventory

1/23/19



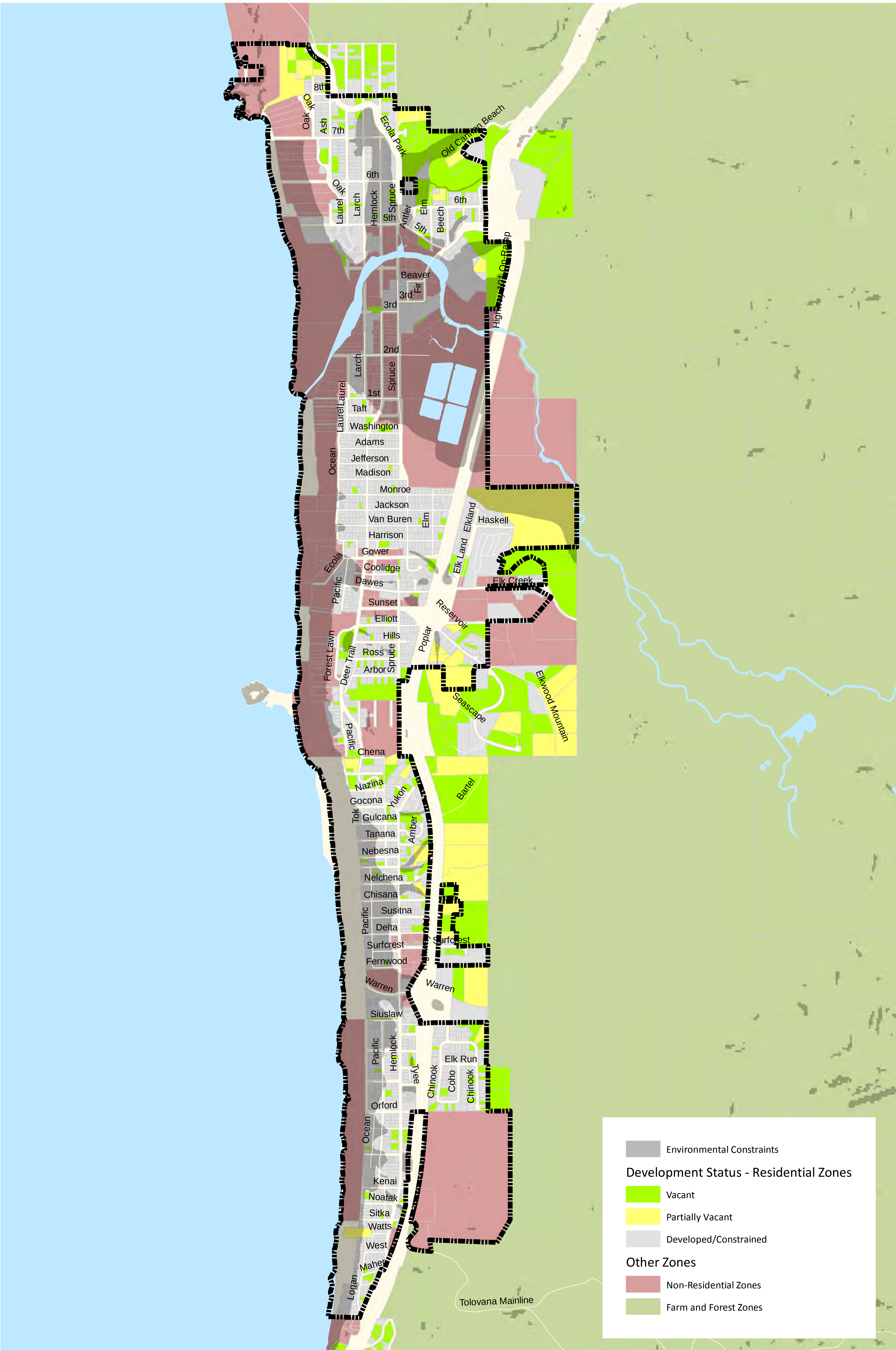
Seaside - Preliminary Residential Buildable Lands Inventory

1/23/19



Cannon Beach - Preliminary Residential Buildable Lands Inventory

1/23/19



APPENDIX C:

CLATSOP COUNTY
PLAN AND POLICY REVISION
RECOMMENDATIONS

JANUARY, 2019

Johnson Economics ▪ Angelo Planning Group

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

Policy Amendment	*Clatsop County*	*Astoria*	*Cannon Beach*	*Gearhart*	*Seaside*	*Warrenton*
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 trilexes 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

APPENDIX C

SHORT-TERM RENTAL COMPLAINT MATRIX

Short Term Rental investigation files.

	A	B	C	E	F	G	H	I	J	K	L
1	LR Complaint #	Record #	Start Date	Owner	Situs	City/Area	Complaint(s)	Outcome	Close Date	Duration (Days)	Staff Time (hours)
2		2302	7/30/2018	Adams	91566 Lewis and Clark	Astoria	1. Hip Camp	1. Stopped operating campground	10/16/2019	443	2.5
3		20-000684	8/14/2019	Michael Long	33791 Lake Front Drive	Warrenton	1. Noise	Staff issued Notice of Warning which was returned as undeliverable. File closed	11/5/2020	449	1
4		20-000136	8/22/2019	Lee	39636 Hwy 30	Astoria	1. RV Occupation 2. No STR Permit	Staff issued notice of Infraction for RV occupation and unpermited STR. Staff have subsequently issued a Code Compliance Order 1. Resolved 2. expired permit application. Stopped renting.	11/19/2021	820	5.35
5		19-000052	11/21/2019	Mays	79138 Tide Road	Falcon Cove	1. No STR Permit 2. Parking	Staff Issued Notice of Infraction 1. STR Permit obtained 2. Permit delineated available parking.	1/10/2020	50	6.5
6		19-000051	11/26/2019	Mills	78986 Cove Beach Road	Falcon Cove	1. Occupancy 2. Trespassing	1. Unable to Verify occupancy 2. Outside scope	4/13/2020	139	2.75
7		19-000061	12/10/2019	Arcadia Retreat LLC	32138 Ruby Lane	Cannon Beach	1. No STR Permit	Staff Issued Notice of Warning 1. STR Permit Obtained	8/18/2020	252	2.35
8		20-000033	1/17/2020	HCRE Vacation Rentals LLC	80521 Carnahan Road	Arch Cape	1. Parking	Discovered Permitprovided more than max occupancy allowed by code. Staff issued revised permit. 1. Unable to verify parking issue.	2/13/2020	27	2.9
9		20-000045	1/28/2020	Mays	79138 Tide Road	Falcon Cove	1. Occupancy	1. Staff Issued Notice of Infraction for advertising in violation of STR Permit. Advertising was revised to be in compliance with permit. Mays trespassed Viviane Simone Brown.	3/5/2020	37	2.35
10		20-000073	2/12/2020	Smith	79976 Pacific Road	Arch Cape	1. No STR Permit	Staff Issued Notice of Warning 1. STR Permit Obtained	3/4/2020	21	1.9
11		20-000074	2/13/2020	Brubaker	90583 Clark Road	Warrenton	1. No STR Permit	1. Staff issued Notice of Warning for unpermitted STR. STR permit obtained	3/16/2020	32	1.9
12		20-000076	2/13/2020	Fracasso	80193 Pacific Road	Arch Cape	1. No STR Permit	Staff issued Notice of Warning. STR permit process held up in BC due to emergency exit concerns. 1. STR Permit Obtained	7/24/2020	162	4.25
13		20-000079	2/13/2020	Jeskey	91420 Connelle Drive	Westport	1. No STR Permit	1. Staff issued Notice of Warning for unpermitted STR. STR permit obtained	3/13/2020	29	2
14		20-000083	2/18/2020	Steszyn	90002 Manion Drive	Warrenton	1. No STR Permit	1. Staff issued Notice of Warning for unpermitted STR. STR permit obtained	12/3/2020	289	2.5

Short Term Rental investigation files.

	A	B	C	E	F	G	H	I	J	K	L
1	LR Complaint #	Record #	Start Date	Owner	Situs	City/Area	Complaint(s)	Outcome	Close Date	Duration (Days)	Staff Time (hours)
15		20-000085	2/18/2020	Lindgren	89556 Lewis and Clark	Astoria	1. No STR Permit	1. Staff issued Notice of Warning for unpermitted STR. STR permit obtained	3/19/2020	30	1.75
16		20-000087	2/18/2020	Abouelela	39704 Grove Lane	Astoria	1. No STR Permit	1. Staff issued Notice of Warning for unpermitted STR. STR permit obtained	4/14/2020	56	1.8
17		20-000089	2/19/2020	Ekstrom	82453 Hazel Road	Seaside	1. No STR Permit/Hipcamp operation	1. Staff issued Notice of Warning for unpermitted STR. Owners have stopped operating hipcamp operation	3/5/2021	380	4.75
18		20-000095	2/21/2020	Tuell	79921 Beach Road	Arch Cape	1. No STR Permit	Staff issued letter 1. STR Permit Obtained	6/7/2021	472	2.5
19		20-000096	2/21/2020	Covert	33196 Sunset Beach Lane	Warrenton	1. No STR Permit	1. Staff issued Notice of Warning and Notice of Infraction for unpermitted STR. STR permit obtained	5/4/2020	73	3
20		20-000107	2/26/2020	Dimeo	90587 Lake View road	Warrenton	1. No STR Permit	1. Staff issued Notice of Warning for unpermitted STR. STR permit obtained	11/25/2020	273	1.5
21		20-000490	2/27/2020	Butler	79058 Cove Beach Road	Falcon Cove	1. Renting two units on 1 parcel	1. under review		Ongoing	0.5
22		20-000186	3/30/2020	Salazar	4545 High Ridge Road	Gearhart	1. Operating STR in violation of Emergency order (COVID)	Confirmed unit was not being rented during Emergency order.	5/8/2020	39	2.25
23		20-000323	5/29/2020	Vilkin	80004 Pacific Road	Arch Cape	1. Operating STR in violation of Emergency order (COVID)	Staff issued Notice of Warning	6/10/2020	12	2.5
24		20-000324	5/29/2020	Starfish LLC	79988 Pacific Road	Arch Cape	1. Operating STR in violation of Emergency order (COVID)	Staff issued Notice of Warning	6/10/2020	12	2.65
25		20-000326	5/29/2020	Vilkin	80444 Carnahan Road	Arch Cape	1. Operating STR in violation of Emergency order (COVID)	Staff issued Notice of Warning	6/10/2020	12	2.75
26		20-000496	6/10/2020	Mills	78986 Cove Beach Road	Falcon Cove	1. Noise	1. Unable to verify.	8/7/2020	58	1.5
27		20-000478	7/7/2020	Mills	78986 Cove Beach Road	Falcon Cove	1. Garbage	1. No Violation occurred	8/4/2020	28	1.25
28		20-000481	7/8/2020	Mills	78986 Cove Beach Road	Falcon Cove	1. Noise	1. Noise verified at fire pit. Prompt response provided by mgmt/owners. Fire pit removed.	8/4/2020	27	2
29		20-000495	7/13/2020	Mills	78986 Cove Beach Road	Falcon Cove	1. Occupancy 2. Noise	1. Owner requested occupants be evicted. Mgmt declined request as they were departing the following day. 2. unable to verify	8/7/2020	25	1.75
30		20-000497	7/14/2020	Bingham	79209 Ray Brown Road	Falcon Cove	1. Occupancy 2. Noise 3. Trash 4. Beach Fire	Booking agent have banned tenants from future bookings worldwide. 1. verified 2. verified 3. verified 4. Outside Scope	8/7/2020	24	2.5
31		20-000479	7/21/2020	Mills/Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Garbage 2. Debris Dump on Vacant Lot to east	1. No violation 2. Removed by owner. No violation.	8/4/2020	14	1.5
32		20-000464	7/29/2020	Joines	79490 Hwy 103	Seaside	1. No STR Permit	Staff issued Notice of Warning for unpermitted STR. STR permit obtained	5/26/2021	301	10.15
33		20-000475	8/4/2020	HCRE Vacation Rentals LLC	80521 Carnahan Road	Arch Cape	1. Parking	1. No Violation occurred	8/4/2020	0	1.5

Updated: 7/18/2022

Short Term Rental investigation files.

	A	B	C	E	F	G	H	I	J	K	L
1	**LR Complaint #**	**Record #**	**Start Date**	**Owner**	**Situs**	**City/Area**	**Complaint(s)**	**Outcome**	**Close Date**	**Duration (Days)**	**Staff Time (hours)**
34		20-000476	8/4/2020	Mays	79138 Tide Road	Falcon Cove	1. Parking	1. No Violation occurred	8/6/2020	2	1.75
35		20-000500	8/10/2020	Duyck	90683 Digger Road	Warrenton	1. Noise 2. Recreational Fires	Staff issued Notice of Violation. 1. Noise monitoring software installed by management. 2. Fire pit removed from property.	8/14/2020	4	5.25
36		20-000537	8/21/2020	Brummel	79364 Ray Brown Road	Falcon Cove	1. Noise 2. Open Alcohol Containers 3. Parking	1. Unable to verify 2. Outside scope 3. No violation	8/25/2020	4	1.75
37		20-000561	9/1/2020	Boyer	89128 Stellar Road	Warrenton	1. Noise	Staff connected management companies to find solution. Noise monitoring device installed.	2/4/2021	156	2.75
38		20-000574	9/6/2020	Caldwell	31971 Clatsop Lane	Falcon Cove	1. Noise	Staff issued Notice of Warning for complaint response and for noise. Permit revised with updated POC.	9/22/2020	16	4
39		20-000688	10/26/2020	HCRE Vacation Rentals LLC	80521 Carnahan Road	Arch Cape	1. Parking	1. Owners adjusted on-site parking.	11/9/2020	14	3.25
40	1824	20-000778	12/7/2020	Toews	89846 Ocean Drive	Warrenton	1. Noise	1. resolved 2. STR permit contact information updated	6/9/2021	184	3.25
41	1952, 1954, 1968	20-000829	12/30/2020	Mays	79138 Tide Road	Falcon Cove	1. Advertising	1. Staff confirmed advertising and considers this an attempt to circumvent conditions of permit. Owner revised advertising	12/30/2020	0	3
42	1978	n/a	1/2/2021	unknown	unknown	Astoria	Complaint received by hotline. 1. Controlled substances	No file created. 1. Outside jurisdiction. Referred to Astoria Police Department	1/2/2021	0	0
43	2180	21-000152	1/31/2021	Brummel	79364 Ray Brown Road	Falcon Cove	1. Renters leaving exterior lights on	1. Lighting is a Dark Sky Ordinance related issue. Property has been sold the week after complaint recieved. No longer being rented. Lights have been removed.	4/6/2021	65	1.5
44		21-000133	2/19/2021	Gonzales	36613 Hwy 26	Seaside	1. No STR Permit	1. STR Permit obtained	5/12/2021	82	3
45	2464	n/a	2/22/2021	Natasha Ackerman	78619 Hwy 53	Nehalem	1. Drug dealers 2. Mult Code Violations	1. Referred to Law Enforcement 2. Ongoing code violation file	2/22/2021	0	0.1
46	2584	n/a	3/1/2021	Edward Kropp	89426 Ocean Drive	Warrenton	1. Harassment 2.Unpermitted STR	No file created 1. Referred to Law Enforcement (Oregon State Police responded to initial complaint). 2. Letter sent. Not renting, family using property	3/23/2021	22	1.5
47	2702	21-000191	3/12/2021	Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Noise	1. Noise occurred during the day and was owner occupied. No violation occurred.	3/17/2021	5	1.75
48	2714	n/a	3/14/2021	Duyck	90683 Digger Road	Warrenton	1. Over Occupancy 2. Septic Failure 3. Parking 4. COVID imposed gathering restrictions	1. Owner occupied 2. Owners have no indication septic has failed but will contact maintenance company. 3. Maximum parking at property not regulated by CCC 5.12 4. 6 adults at property. Not a violation of STR permit or COVID indoor gathering guidelines	3/17/2021	3	

Short Term Rental investigation files.

	A	B	C	E	F	G	H	I	J	K	L
1	LR Complaint #	Record #	Start Date	Owner	Situs	City/Area	Complaint(s)	Outcome	Close Date	Duration (Days)	Staff Time (hours)
49	3006, 3016	21-000235	4/2/2021	Solares	79560 Ray Brown Road	Falcon Cove	1. Parking 2. Occupancy 3. Complaint Response	1. Parking occurred along public road. Staff issued letter advising future parking of this nature could be referred to law enforcement. 2. Determined no violation 3. No violation	5/19/2021	47	4.25
50	3150	n/a	4/18/2021		4990 High Ridge Road	Gearhart	1. Unpermitted STR	1. Staff unable to verify STR.	7/12/2021	85	
51	2730, 2736, 2946, 3086, 3160, 3184, 3470, 3552	21-000286	4/22/2021	Lok	89360 Ocean Drive	Warrenton	1. Trash (4 complaints) 2. Noise (3 complaints) 3. Masturbation (1 complaint)	staff issued Notice of Warning for public nuisance (garbage) 1. Resolved. Second Garbage Can added. 2. Noise Monitoring software installed 3. Law Enforcement	6/9/2021	48	6.5
52	3172	n/a	4/22/2021	Raleigh LLC	79121 Ray Brown Road	Falcon Cove	1. Garbage	1. Agent responded to address garbage. Agent believes owner may stop renting STR.	4/22/2021	0	
53	3678	n/a	6/8/2021	Lok	89360 Ocean Drive	Warrenton	1. Urination	1. Advised Property Management.	6/9/2021	1	
54	3700, 3728	21-000433	6/11/2021	Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Noise 2. Garbage 3. Neighbor Notification 4. Septic	1. Noise occurred. Mgmt provided prompt response and resolved 2. Garbage present. Promptly removed. Second container provided and both relocated off street. 3. Neighbor Notify was provided 4. Septic. No violation	6/15/2021	4	5.5
55	3726	21-000431	6/13/2021	Cove Beach Cottage	31865 Clatsop Lane	Falcon Cove	1. Parking	1. Agent had parked vehicle move. Parking enforcement on public road is outside scope.	6/14/2021	1	5.25
56	3816, 3818, 3822	21-000441	6/18/2021	Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Parking	1. No Violation occurred	6/23/2021	5	4
57	3868	n/a	6/20/2021	Lok	89360 Ocean Drive	Warrenton	1. Driving motorized vehicle on public beach	1. hotline referred caller to law enforcement	6/21/2021	1	0
58	3800	21-000440	6/21/2021	Lok	89360 Ocean Drive	Warrenton	1. Noise	1. Unable to determine	6/29/2021	8	2
59	4048	21-000475	7/3/2021	Chase	79089 Tide Road	Falcon Cove	1. Occupancy 2. Parking 3. Neighbor Notification	1. No Violation occurred 2. No Violation occurred 3. No violation occurred	7/14/2021	11	6.25
60	4304	21-000487	7/20/2021	Gould	79464 Ray Brown Road	Falcon Cove	1. Parking	Staff issued Notice of Warning for not being able to reach POC after hours. Management updated after-hours message providing their on-call phone.	7/29/2021	9	2.5
61		21-000505	7/28/2021	John Morris	90700 Park Road	Warrenton	1. Noise	1. No Violation 2. unpermitted fill. Obtained permit. Resolved	8/26/2021	29	2.5
62	4220	21-000506	7/28/2021	Lok	89360 Ocean Drive	Warrenton	1. Noise	1. No Violation	7/28/2021	0	1.5

	A	B	C	E	F	G	H	I	J	K	L
1	LR Complaint #	Record #	Start Date	Owner	Situs	City/Area	Complaint(s)	Outcome	Close Date	Duration (Days)	Staff Time (hours)
63	4472	n/a	7/30/2021	Mark Petersen	90640 Lake View Road	Warrenton	1. Trash bags left which animals have spread throughout neighborhood.	1. not a STR. Staff responded that afternoon to find owner cleaning up garbage. Owner states property is not a STR, family and friends using.	8/10/2021	11	
64	4482	n/a	7/30/2021	Lok	89360 Ocean Drive	Warrenton	1. Talking in hot tub	1. Hotline spoke to designated agent and advised them of complaint.	8/10/2021	11	
65		21-000519	8/5/2021	Reed	91118 Youngs River Rd	Astoria	1. No STR Permit	1. Ceased Operation. Ad taken down. 2. Septage on ground surface. Remediated. Stopped Use.	8/30/2021	25	2.3
66	4580	n/a	8/6/2021	Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Dogs barking during quiet hours	1. hotline contacted designated agent	8/6/2021	0	
67	n/a	21-000534	8/12/2021	Elstrom	92257 Whiskey	Warrenton	1. No STR Permit	1. STR permit issued	5/20/2022	281	2.35
68	4682	21-000535	8/12/2021	Duyck	90683 Digger Road	Warrenton	1. Dogs of Leash - trespassing. 2. Flicking cigarettes	Staff contacted management and ownership. Advised them of complaints and of out of date contact info. Info was updated. 1. outside scope 2. outside scope 3. POC info out of date. Updated.	8/16/2021	4	2
69	4702	n/a	8/12/2021	Lok	89360 Ocean Drive	Warrenton	1. Tenants talking loudly	1. hotline contacted designated agent	8/12/2021	0	
70	n/a	21-000595	9/7/2021	Mike Morgan & Beth Holland	215 E. Warren Way	Cannon Beach	1. Parking 2. Home Occupation	1. Required parking is being provided on property. Parking enforcement is outside scope of code compliance. 2. Home Occupation permit obtained in 2012.	9/10/2021	3	2.9
71	5072	n/a	9/9/2021	unknown	321 W Niagara Ave	Astoria	Complaint received by hotline. 1. building code violations	No file created. 1. Outside jurisdiction. Referred to City of Astoria	9/13/2021	4	0.1
72	n/a	21-000532	8/12/2021	Adamson	41322 Kampy Lane	Seaside	1. No STR permit	1. Activity is Land Use, not STR 2. Unpermitted Developments		Ongoing	
73	5294	21-000663	10/1/2021	Toews	89846 Ocean Drive	Warrenton	1. Noise	1. Mgmt company prompty responded and advised guests to be quiet.	10/8/2021	7	1.75
74	5882	n/a	12/17/2021		1021 S Downing Street	Seaside	1. Bad Wiring 2. Bad water	No file created. Outside jurisdiction. Referred to City of Seaside and Clatsop County Building Department	12/17/2021	0	0.1
75	5900	n/a	12/18/2021	Lok	89360 Ocean Drive	Warrenton	1. Unsecured Garbage Can	No file created. STR hotline contacted designated agent who removed the trash can from RP's front yard.	12/18/2021	0	0
76	6008	n/a	12/30/2021	Lok	89360 Ocean Drive	Warrenton	1. Noise	No file created. STR hotline attempted contact with designated agent. Unable to reach. Staff contacted designated agent who was not aware of issue. Agent would contact tenants and advise them of noise policy.	12/31/2021	1	0.1

	A	B	C	E	F	G	H	I	J	K	L
1	LR Complaint #	Record #	Start Date	Owner	Situs	City/Area	Complaint(s)	Outcome	Close Date	Duration (Days)	Staff Time (hours)
77	6922	n/a	3/20/2022	Lok	89360 Ocean Drive	Warrenton	1. Noise	no file created. STR hotline attempted contact with designated agent and unable to reach. Staff contacted Turnkey who advised property was migrated to Vacasa. Contacted Vacasa and advised them to update POC on permit.	3/22/2022	2	0.15
78	7004/7006	n/a	3/26/2022	Timothy Bingham and Daido Takako	79209 Ray Brown Road	Falcon Cove	1. Noise	1. Vacasa updating point of contact	3/29/2022	3	0
79	7012	n/a	3/26/2022	Lok	89360 Ocean Drive	Warrenton	1. Noise	1. Property is owner managed now. POC updated and provided to hotline	3/29/2022	3	0.15
80	7210	22-0000215	4/14/2022	Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Garbage	1. No garbage present.	4/14/2022	0	3.25
81	email, 7216	22-000216	4/14/2022	Leslie Ann Butler	79058 Cove Beach Road	Falcon Cove	1. Garbage	1. Garbage was present in the driveway. Management responded and removed the garbage within 3 hours.	4/15/2022	1	1.5
82	email	22-000217	4/14/2022	Timothy Bingham and Daido Takako	79209 Ray Brown Road	Falcon Cove	1. Nine vehicles on property	1. maximum number of cars is not regulated. Staff found no derelict vehicles on property.	4/18/2022	4	3
83	7432, 7434	n/a	5/1/2022	Lok	89360 Ocean Drive	Warrenton	1. noise	1. designated agent promptly responded. Issue resolved	5/2/2022	1	0
84	7456	22-000268	5/5/2022	Lok	89360 Ocean Drive	Warrenton	1. Noise	1. Inspection of property performed. Three standards were found to be missing: STR permit was posted upstairs in a bedroom, Missing map of property, Tsunami evac missing. These items were corrected promptly. A fourth item, a noise monitoring device was installed outside near the hot tub.	5/27/2022	22	2
85	email	22-000307	5/26/2022	Felix-Lund	78986 Cove Beach Road	Falcon Cove	1. Trash	1. Trash hauler removed trash. Letter issued	5/27/2022	1	0
86	email	22-000309	5/26/2022	Mays	79138 Tide Road	Falcon Cove	1. Trash	1. Trash hauler removed trash. Letter issued	5/27/2022	1	0
87	7956, 7996	22-000341	6/5/2022	Lok	89360 Ocean Drive	Warrenton	1. noise 2. trash	1. Notice of Warning issued for noise. 2. unable to verify	6/10/2022	5	2.35
88	8098	22-000348	6/11/2022	Timothy Bingham	79209 Ray Brown Road	Falcon Cove	1. noise	1. CCC 8.12 (noise) enforced by CCSO. Issued letter advising owner of complaint.	6/13/2022	2	0.75
89	email	22-000348	6/8/2022	Sidartha Achary	89956 Ocean Drive	Warrenton	1. Trash 2. Parking	1. Trash was removed prior to staff arrival. Issued letter advising owner of complaint of garbage on ground. 2. Required parking is being provided. Letter issued advising of owner of designated parking on property.	6/13/2022	5	1.45

APPENDIX D

ASTORIA-WARRENTON CHAMBER OF COMMERCE ECONOMIC IMPACT REPORT

2020

Economic Impacts of
Travel and Tourism in

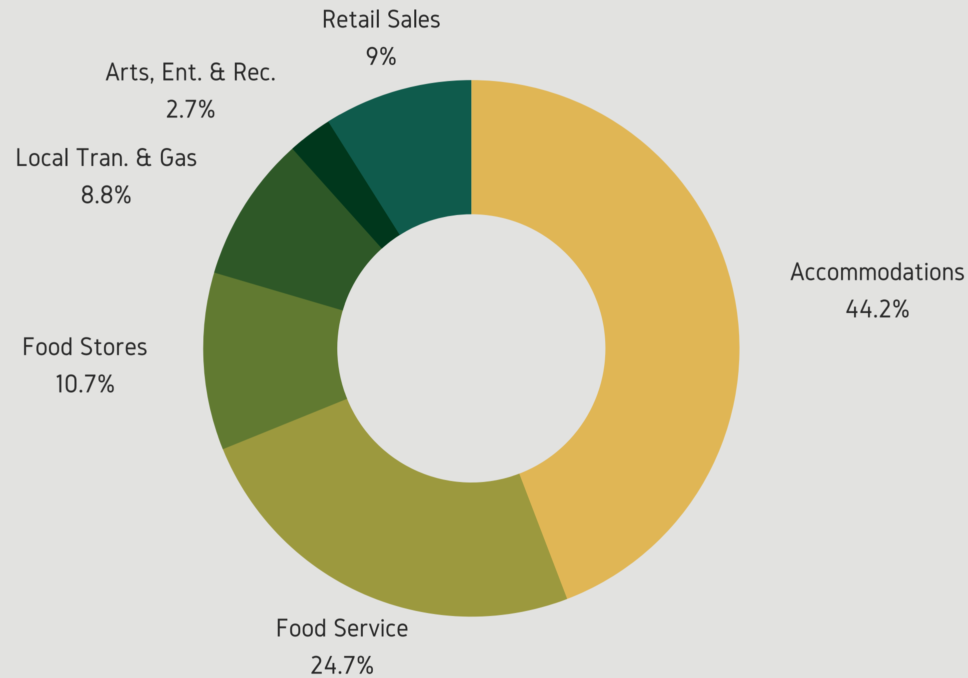
ASTORIA AND WARRENTON

Report Prepared March 2022

2020 TRAVEL SPENDING

THOUSANDS OF PEOPLE TRAVEL TO AND WITHIN ASTORIA AND WARRENTON EACH YEAR. VISITORS WHO STAY IN PAID LODGING SPENT ON AVERAGE $121 PER DAY ON LODGING, FOOD, RECREATION, TRANSPORTATION AND SHOPPING..

Direct impacts of travel spending by sector in 2020.



IMPACT (millions)

In 2020, $63.5 in travel spending resulted in a $97.5 economic impact to the local economy (direct, indirect, and induced.)

In 2019, $115.8 in travel spending resulted in a $177.7 economic impact to the local economy.

390,000 OVERNIGHT PERSON TRIPS

$57 PER DAY AVERAGE SPEND BY AN OVERNIGHT VISITOR

2.5 DAYS AVERAGE LENGTH OF STAY BY OVERNIGHT VISITOR

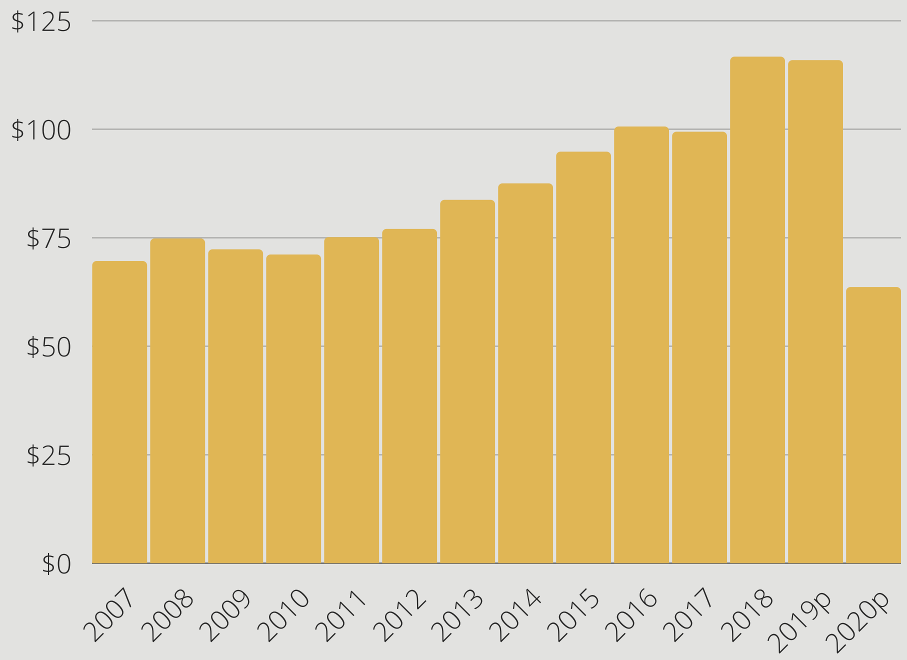
54% OF OVERNIGHT VISITORS STAY WITH FAMILY, FRIENDS OR IN SECOND HOMES

TRAVEL SPENDING 2007 TO 2020

VISITOR SPENDING AT OUR DESTINATION BRINGS NEW MONEY INTO COMMUNITIES, SPURRING JOB CREATION AND ECONOMIC DEVELOPMENT.

TRAVEL SPENDING IN 2020 BY REGION -
ASTORIA & WARRENTON: $63.5 MILLION
CLATSOP COUNTY: $347.6 MILLION
OREGON STATE: $6.5 BILLION

Direct Travel Spending in Astoria & Warrenton ($Millions)



IMPACT

Lodging sales trended positively 2007-2019.

The second quarter has rapidly grown in magnitude.

The substantial decline in 2020's quarter two is most reflective of major disruption of travel activity due to the COVID-19 pandemic.

18% OF ALL CLATSOP COUNTY TRAVEL IMPACTS OCCUR HERE

-8.6% AVERAGE ANNUAL PERCENT CHANGE IN DIRECT SPENDING 2007 TO 2020.

PERCENTAGE OF LODGING SALES BY QUARTER

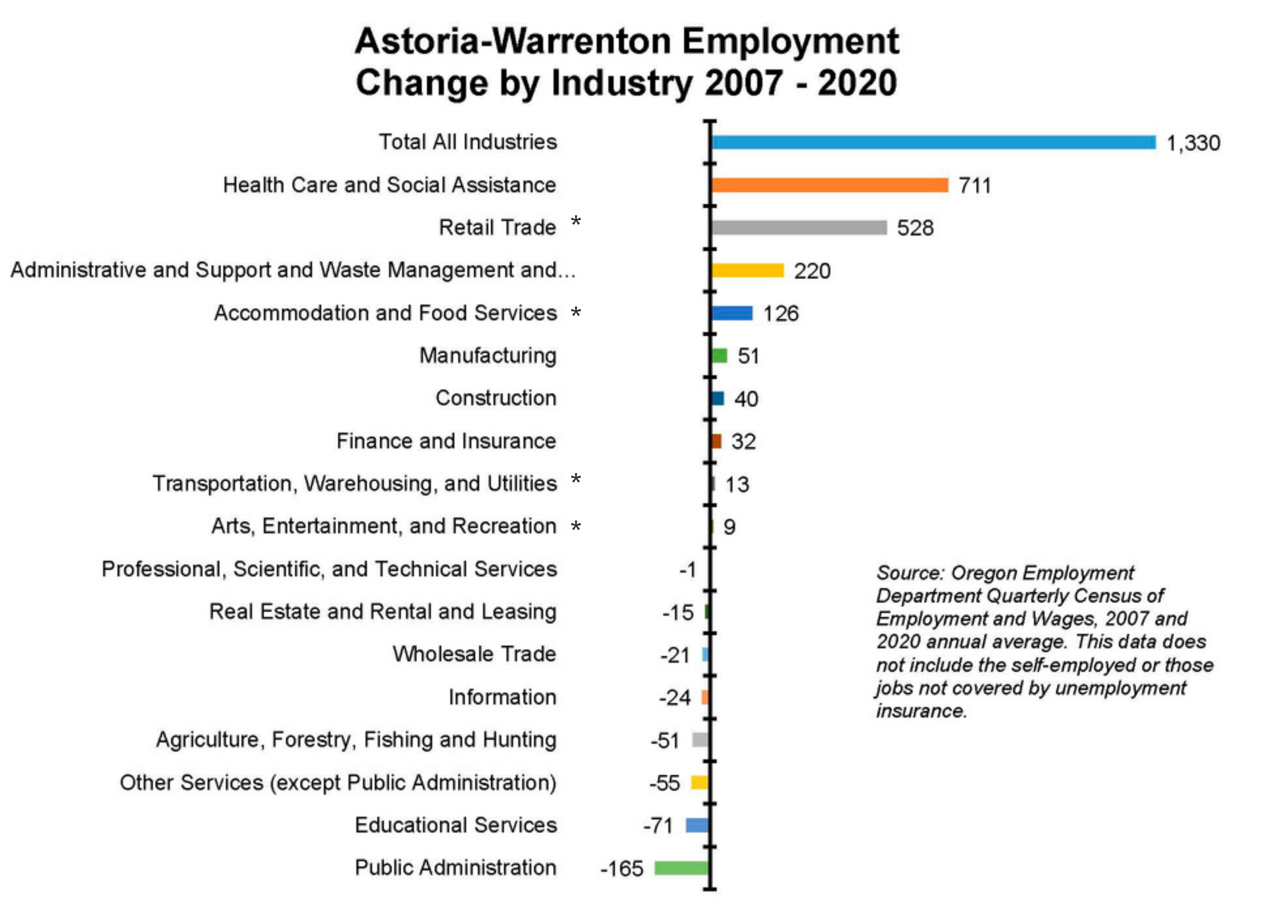
2019: Q1 14% Q2 23% Q3 43% Q4 20%

2020: Q1 18% Q2 7% Q3 45% Q4 29%

TOURISM ENCOURAGES GROWTH

TRAVEL AND TOURISM IS A CRITICAL COMPONENT OF ASTORIA AND WARRENTON'S ECONOMY AND AN ECONOMIC DEVELOPMENT DRIVER. THE ECONOMY OF ASTORIA AND WARRENTON IS RELATIVELY DIVERSE FOR A NON MAJOR-URBAN REGIONAL AREA.

IN CLATSOP COUNTY, $48 IN EMPLOYEE EARNINGS IS GENERATED BY $100 VISITOR SPENDING.



ASTORIA & WARRENTON COMBINED AVERAGE ANNUAL EMPLOYMENT
2007: 8,199 2019: 10,103 2020:9,529

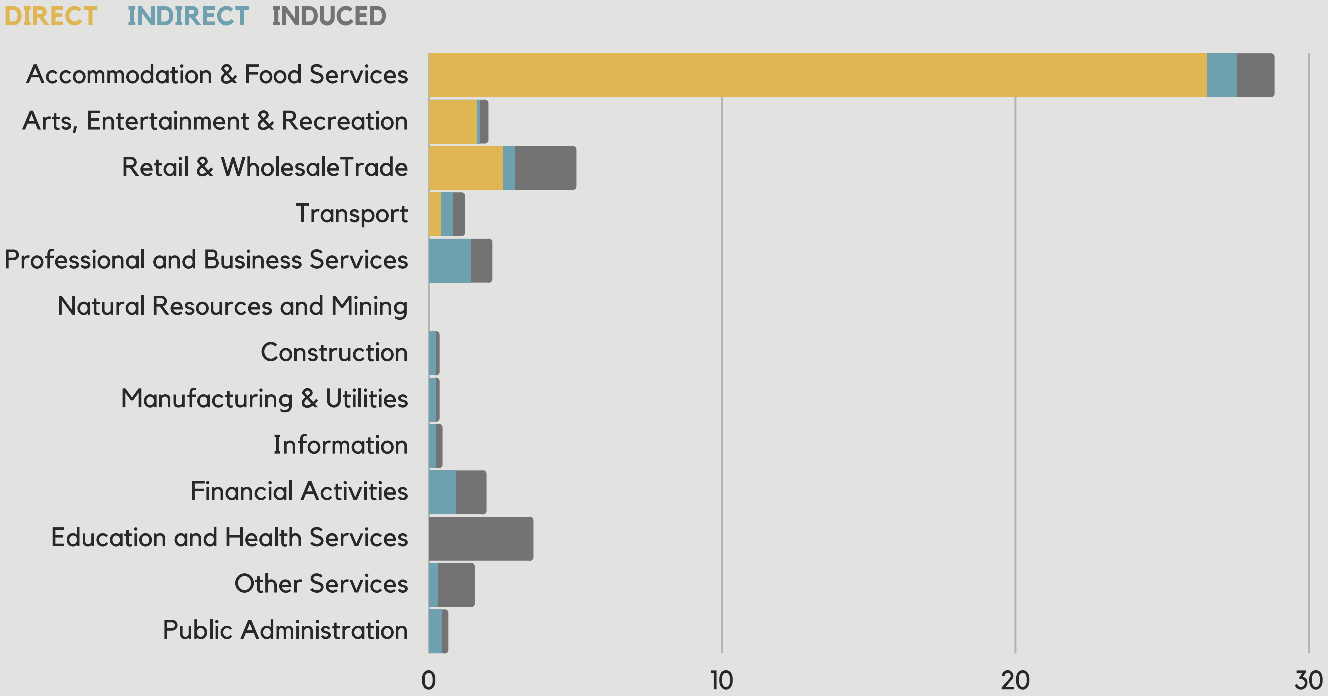
3,640 JOBS CREATED BY TRAVEL

* **TRAVEL-GENERATED EMPLOYMENT REPRESENTS 38% OF ALL EMPLOYMENT**

TRAVEL & TOURISM PROVIDES JOBS

AVERAGE WAGES IN DIRECT IMPACT INDUSTRIES HAVE INCREASED BY 19% SINCE 2007.
THE AVERAGE WAGE IN THESE INDUSTRIES IS $36K COMPARED TO $43K ACROSS ALL INDUSTRIES.

Earnings Generated by Travel Spending in 2020 ($Millions)

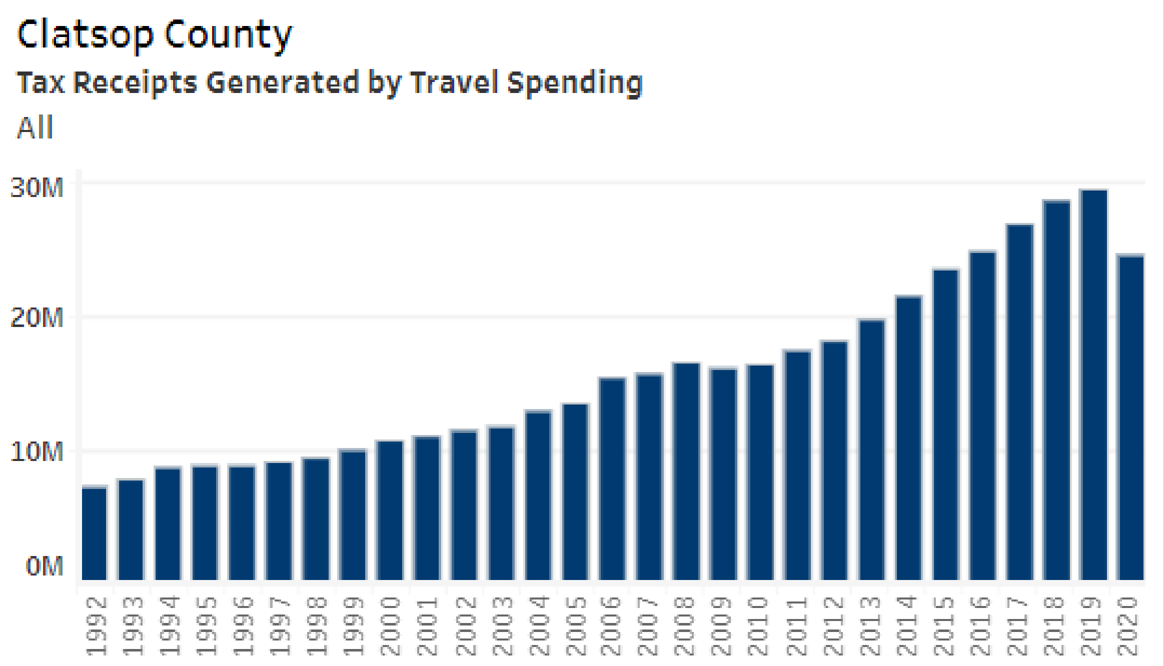


TRAVEL & TOURISM DIRECT IMPACT INDUSTRIES
Accommodation & Food Services
Arts, Entertainment & Recreation
Retail & Wholesale Trade; and Transportation

$31 MILLION IN DIRECT TRAVEL GENERATED EARNINGS
$47.6 MILLION IN TOTAL TRAVEL GENERATED EARNINGS

TRAVEL SUPPORTS LOCAL GOVERNMENT

TRAVELER SPENDING CONTRIBUTES SIGNIFICANT TAX REVENUE TO BOTH STATE AND LOCAL GOVERNMENTS. TAXES GENERATED BY TRAVEL SUPPORT PUBLIC SECTOR JOBS LIKE FIREFIGHTERS, POLICE OFFICERS, OR TEACHERS.



IMPACT
$2.94 million in local taxes and an additional **$2.43 million** in state taxes. Which is the equivalent of **$836** per household in Astoria and Warrenton.

$5.4 MILLION STATE AND LOCAL TAXES GENERATED BY TRAVEL **IN ASTORIA & WARRENTON**

FOR CLATSOP COUNTY:

18% SHARE OF STATE REVENUE IN FY2020

27% SHARE OF LOCAL REVENUE IN FY2020

TOURISM AND ECONOMIC DEVELOPMENT

TOURISM AS AN ECONOMIC DEVELOPMENT STRATEGY CAN RESULT IN SIGNIFICANT ECONOMIC RETURNS, WHILE ALSO PROVIDING AMENITIES THAT IMPROVE BOTH TRAVEL EXPERIENCES AND QUALITY OF LIFE FOR RESIDENTS.

Both visitors and residents enjoy tourism-oriented developments like parks, trails, and historic sites, as well as restaurants, events, galleries, & boutique shops.

TOURISM CAN CONTRIBUTE MANY BENEFITS BEYOND ECONOMIC IMPACTS:

- more attractive communities
- sense of pride among residents
- assists with crisis management
- community branding important to attract investment

IMPACT

In 2020, visitors put $3,858 per resident back into our economy through direct travel spending.

ECONOMIC DEVELOPMENT STARTS WITH A VISIT

The majority of employed Americans (76%) agree that visiting a community is essential when assessing new job opportunities. First-hand experience was instrumental in forming impressions that influence relocation decisions.

LOWER COLUMBIA TOURISM COMMITTEE

TOURISM INVESTMENT

The Lower Columbia Tourism Committee is funded through a portion of the transient lodging tax collected by the Cities of Astoria and Warrenton.

A state law passed in 2003 requires that a portion of local TLT revenues be used to fund tourism promotion or tourism-related facilities. Through 2019, there's been an 84% increase statewide in local taxes from visitor activity.

THE PURPOSE OF THE LCTC IS TO:

Promote, develop and coordinate tourism-related economic activity in the Astoria and Warrenton region, with emphasis on spreading visitation outside of the heavily-trafficked summer season. This mission will be accomplished utilizing a variety of marketing and promotion strategies and in collaboration with other organizations and stakeholders. The committee will also seek to foster resident and visitor awareness of tourism's effect on our environment, as well as the enhancement of our local economy and quality of life, in line with statewide and regional efforts.

The LCTC consists of 15 members, who serve 3-year terms and represent a variety of tourism-related industries in Astoria and Warrenton.

Marketing generally occurs outside of the summer season to generate travel when it is most needed.

Our integrated marketing plan includes a multi-pronged approach to reach people in all phases of the visitor planning cycle.

NOT JUST MARKETING, BUT MANAGEMENT AND EDUCATION, TOO.

WITH A VISION TO INSPIRE TO LEAVE A PLACE BETTER THAN WE FOUND IT.
TOURISM AGENCIES IN THE LOWER COLUMBIA REGION, & ACROSS THE STATE OF OREGON, WORK COLLABORATIVELY TO ENCOURAGE SUSTAINABLE AND REGENERATIVE TRAVEL HABITS THAT ENCOURAGE GUESTS TO BECOME EXCELLENT STEWARDS OF OUR REGION.

THE ECONOMIC IMPACT OF TRAVEL IN OREGON, 2020

PRIOR TO THE COVID-19 PANDEMIC, Oregon's travel and tourism economy was booming. 2019 marked the state's 10th consecutive year of growth in total travel spending and visitation. Total travel spending decreased by 49.5% and overnight visitor volume decreased by 20.2% in 2020, compared to 2019 Employment directly related to travel declined by 22.1% from 2019 to 2020.

TRAVEL OREGON'S STRATEGIC PLAN FOR 2021-2023 IS BASED ON OREGON TOURISM INDUSTRY STAKEHOLDER SURVEY FEEDBACK GATHERED IN THE FALL OF 2020. The plan includes KPIs (and means to measure) regional and statewide resident sentiment (level of welcome) and visitor sentiment (satisfaction) as well as rate of recovery (% change) of visitor spending in each region and statewide.

Travel Oregon continues to evolve as a destination management organization. This means that a focus on driving demand for travel and optimizing the economic impact of tourism to the state's economy, is strategically aligned with initiatives to improve the visitor experience in smart and sustainable ways—enhancing and protecting our state's assets.

Statewide, in 2021 we saw a 30% increase in lodging occupancy and 63% increase in room revenue compared to 2020.

"JOIN US IN CREATING A BETTER LIFE FOR ALL OREGONIANS THROUGH STRONG, SUSTAINABLE LOCAL COMMUNITIES THAT WELCOME A DIVERSITY OF EXPLORERS."

TRAVEL OREGON

industry.traveloregon.com

QUESTIONS OR COMMENTS?

REPORT PREPARED BY:
LOWER COLUMBIA TOURISM COMMITTEE

ASTORIA-WARRENTON AREA CHAMBER OF COMMERCE

REVISED 3.17.2022

SOURCES:

- Dean Runyan Associates Astoria-Warrenton, Oregon Visitor Impacts, 2007-2020P
- Dean Runyan Associates, Oregon Travel Impacts: 2020p
- Census.gov Quickfacts Population Estimates (V2020)
- Oregon Employment Department Employment by Industry 2007-2020 for Astoria and Warrenton, Feb2022
- US Travel Association, DCI 2017 Q Report: Talent Wars-What people look for in jobs and locations
- Research and Reports provided by Travel Oregon at industry.traveloregon.com

APPENDIX E

TRAVEL OREGON 2021 PRELIMINARY ECONOMIC IMPACT SUMMARY

THE ECONOMIC IMPACT OF TRAVEL IN OREGON, 2021 (preliminary)

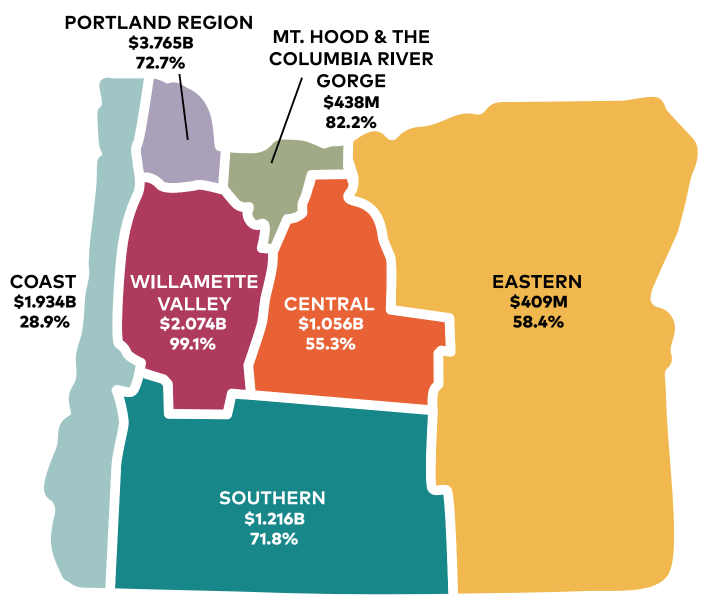
In 2021, the Oregon travel economy recovered much of what was lost in 2020. Strong demand for overnight accommodations and increased commodity prices led to large gains in visitor spending. Based on the U.S. Travel estimated impacts, Oregon is faring better than the U.S. recovering to 85% of 2019 travel spend compared to 78% for the U.S. (U.S. Travel).

Key Takeaways

- **64.8% Increase in Travel Spending**
  Travel spending in Oregon increased 64.8% from $6.6 billion in 2020 to $10.9 billion in 2021.
- **6,900 Jobs Gained**
  Direct travel-generated employment experienced a gain of approximately 6,900 jobs, a 7.3% increase in travel-generated employment compared to 2020.
- **13.2% Growth in Travel Earnings**
  Direct travel-generated earnings experienced a gain of $408 million, a 13.2% increase compared to 2020.
- **25.2% Increase in Tax Revenue**
  Tax receipts generated by travel spending are up 25.2% compared to 2020. State and local taxes both experienced a strong recovery in 2021, growing 41.2% and 26.5% respectively.
- **Residents of Oregon accounted for 38% of visitor spending in Oregon in 2021.**
  U.S. residents of states other than Oregon accounted for approximately 60% while international visitors accounted for 2% of travel spending in the state.

  Out-of-State visitors were approximately 64% of travel spending prior to the COVID-19 pandemic. In 2020 this share dropped to 42%.
- **The largest region in terms of travel impacts is the Portland Region.**
  In 2021 travel spending was $3.8 billion, contributing 35% of the state total. Prior to 2020 the Portland Region accounted for 44% of travel spending in the state.

Tourism Regions Direct Spending in 2021 and % Change Compared to 2020



Access the executive summary and full report at:
industry.traveloregon.com/2021EcImpactReport

TRAVEL OREGON

DRA
Dean Runyan Associates

These preliminary estimates for Oregon are subject to revision as more complete source data become available.