

SEASIDE PLANNING COMMISSION AGENDA
989 Broadway - City Hall Council Chambers
October 6, 2015
7:00 p.m.

1. **CALL TO ORDER:**
2. **PLEDGE OF ALLEGIANCE:**
3. **OPENING REMARKS:**
4. **DECLARATION OF CONFLICT OF INTEREST OR EXPARTE CONTACTS:**
5. **APPROVAL OF MINUTES:** September 1, 2015
6. **PUBLIC HEARING:**

A.) Continuance:
15-032ACP- Amendments to the Comprehensive Plan associated with the selection of lands for inclusion within the City of Seaside Urban Growth Boundary based on an evaluation under Goal 14 and the land needs previously identified under Goal 9 & 10. The lands under consideration are located south and east of Seaside City Limits and will include just over 200 acres of land suitable for development.
7. **ORDINANCE ADMINISTRATION:**
8. **PUBLIC COMMENTS:** Not related to specific agenda items:
9. **PLANNING COMMISSION & STAFF COMMENTS:**
10. **ADJOURNMENT**

MINUTES SEASIDE PLANNING COMMISSION

September 1, 2015

CALL TO ORDER: Vice Chair Carpenter called the regular meeting of the Seaside Planning Commission to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

ATTENDANCE: Commissioners present: Steve Wright, Chris Hoth, Tom Horning, Bill Carpenter, Robert Perkel, and Dick Ridout, Staff Present: Debbie Kenyon, Administrative Assistant, Kevin Cupples, Planning Director

Absent: Chair Ray Romine

OPENING REMARKS & CONFLICT OF INTEREST/EX PARTE CONTACT: Vice Chair Carpenter asked if there was anyone present who felt the Commission lacked the authority to hear any of the items on the agenda. There was no response. Vice Chair Carpenter then asked if any of the Commissioners wished to declare a conflict of interest or ex parte contact. There was no response.

APPROVAL OF MINUTES: August 4, 2015 Minutes;

Commissioner Wright made a motion to approve the minutes as submitted. Commissioner Perkel seconded. The motion was carried unanimously.

AGENDA:

PUBLIC HEARING REQUIREMENTS:

The following public hearing statements were read by Vice Chair Carpenter:

1. The applicable substantive criteria for the hearing items are listed in the staff report(s) prepared for this hearing.
2. Testimony and evidence shall be directed toward the substantive criteria listed in the staff report(s) or other criteria in the plan or land use regulation, which you believe applies to the decision.
3. Failure to raise an issue accompanied by statements or evidence sufficient to afford the decision maker and the parties an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals on that issue.
4. The applicant will testify first, then any opposition will testify, and then the applicant will be given time for rebuttal.

PUBLIC HEARING:

A.) 15-011VRD is a request by **Anthony & Maureen Colburn** for a **seven (7)** bedroom Vacation Rental Dwelling Permit with a maximum occupancy of no more than **ten (10)** people regardless of age. The property is located at **1221 N Franklin** and it is zoned Medium Density Residential (R-2).

Kevin Cupples, City Planning Director, presented a staff report, reviewing the request, decision criteria findings, conditions and conclusions.

Vice Chair Carpenter asked if there was anyone who would like to offer testimony in favor of the request. Anthony Colburn, 1221 N Franklin, Seaside. Anthony stated the home is a 7 bedroom but only 6 will be used. The house was a vacation rental in the past and a bed and breakfast.

Vice Chair Carpenter asked if there was anyone else who would like to offer testimony in favor of the request. There was no response.

Vice Chair Carpenter asked if there was anyone who would like to offer testimony in opposition. There was no response.

Vice Chair Carpenter indicated the issue was opened for Commission discussion. Commissioner Ridout asked if there were any regulations on how much footage can be used up for entry to the street for parking. Mr. Cupples stated there are provisions, for example if someone is putting in a new residence with new accesses then there are limitation on what you can provide as far as access goes, but in this case all the accesses are existing. Commissioner Ridout asked what the square footage of the home is. Anthony stated about 4000.

At the end of the Commissioners discussion, Vice Chair Carpenter closed the public hearing and Commissioner Horning made a motion to approve the conditional use under the guidelines that staff has presented. Commissioner Wright seconded and the motion was carried unanimously.

B.) Continuance:

15-032ACP- Amendments to the Comprehensive Plan associated with the selection of lands for inclusion within the City of Seaside Urban Growth Boundary based on an evaluation under Goal 14 and the land needs previously identified under Goal 9 & 10. The lands under consideration are located south and east of Seaside City Limits and will include just over 200 acres of land suitable for development.

Kevin Cupples, City Planning Director, stated this agenda item is a continuance of the planning commission's meeting on August 4, 2015. Mr. Cupples also introduced Patrick Wingard with the Department of Land Conservation and Development.

Don Hanson stated that he is going to talk about the goal 14 report and the map. There have been a couple of updates and he would like some input. The report has been reformatted to better meet the state requirements. The report comes with the conclusion that the southeast hills are the best option to put the 200 acres based on the needs analysis. Commissioner Horning stated there is no park space that he can see. Don stated that it is located down in the tsunami zone. Vice Chair Carpenter stated that at the last work session they discussed that certain areas were designated as R1, R2, and R3 etc. Once this is put on the map it remains on the map. If a land owner chooses to change that designation this map would need to be amended. Don stated that in the newly revised map, we have changed the categories to low, medium and high density. That way the map may have more flexibility. Mr. Cupples stated he posed that question to Patrick, can we move land out of the medium and large tsunami zone and justify that. Patrick responded that yes, there is a potential to do that but it is going to have to be documented why you need to do it. The further you move outward the harder it gets. We can move the residential low density to border the tsunami inundation zones and move the higher density residential zone higher up without completely flip flopping things. You can change the zones, they are not cast in stone. They are cast in stone for the plan at this point in time, but you can change them in the future with a comp plan change. So what you have done with the low density, medium density, and high density, as far as the DLCDC is concerned is if you want to make a portion of the High Density to RR or R3 you have the flexibility to do that. You still need to meet the tally sheet at the end, are you fulfilling your requirement when you get ready to apply the zones to it. So if you put the lower density in where you have a greater risk of tsunami inundation you'd effectively be reducing the number of individuals that would be exposed. If you decide you want an R3 in the low density residential area then you will have to do a comp plan change. What you can't do is label this all residential land and mix and match however you want. That doesn't show you are meeting your buildable lands inventory. You do have to put something on there and it's more general than being specific. Commissioner Ridout asked about the sensitivity of resources regarding how much wood certain areas can produce for timber and we cannot encroach on the areas that are high production for timber. Mr. Cupples stated that as he understands it, you want to use your lower site class lands first and then you can move into higher site class lands after that. If you are sticking with the same site class and moving up the hill and you are using the justification to move further out of a classification of the inundation zone then that is something that you need to show in your findings. Commissioner Ridout stated if for some reason we find that the lower land should not be developed for residential uses and we need to go further up the hill or further east, is that possible? Mr. Cupples stated that is possible but you will be constrained by the site class of what you are moving into, because they want you to use the lower site class first. Commissioner Ridout stated he understands that but if you are saying that lower site class land is not buildable because of the potential for a tsunami then you are going to have to go further.

Don Hanson stated that the first thing we did was trim the area back on the north, south and west sides. Essentially this is based on the comment that we received from 1000 Friends of Oregon. They are saying why are you bringing in all this extra land into the UGB when it's going to be open space and wetlands. They think it should stay outside the UGB. We made those changes and protected the drainage areas. We had all the higher density area down by Wahanna Rd and the simple observation was why are we putting most of the people in the most dangerous places? We have responded to that basically taken the low density and moved it down the corridor to the medium and large tsunami inundation zone. It has gone down in area from 390 acres to 275 acres and it still accommodates the net development area that we need.

Commissioner Horning asked what is the width of the riparian setback? Don stated that it is 100 ft. 50 feet on each side of the channel and he has exceeded that in all cases because the topography maps show how steep the areas around the drainage areas are. Don stated that they have a park that will be approximately 5 acres and it is next to a very large open space to the west.

Don has had an ongoing dialogue with the state and 1000 Friends of Oregon. One point they wanted to make clear and that is if your population is under 25000 you are not mandated to provide the 20 year supply of land. It is good planning but it is not mandated. Commissioner Ridout asked again if the city can force people to annex into the city. Don stated that he is still waiting to hear back from their legal counsel.

Patrick Wingard-DLCD, 4301 3rd Street, Tillamook. He is here to answer questions and continue to help us through this process.

Mike Pihl- Vernonia, OR. Owns the 40 acres in the north hills area. He cannot help but think that the engineering firm has a biased opinion because they are being paid by Weyerhaeuser. Naturally he is going to choose their site. Mr. Pihl would like to make one thing clear, on the north hills site they talk about single access location potentially compromised by wetlands. He brought up at the last meeting that he has access through the trailer park. As time goes by the owner of the trailer park told Mr. Pihl that he would remove two of the trailers when the people decide to sell over the next few years. That would provide the access to the north hills site. The map still has not been updated with that information. It is out of the tsunami zone which everybody wants and it is no steeper than the Thompson Falls site. It already has a thirty foot wide road that came through the trailer park back in the 70's when it was logged previously. He can see where that was strategically left out, the 'not having access', which he made quite clear at the last meeting.

John Dunzer 2964 Keepsake Dr. Seaside, OR. John has no horse in the race. He has the desire to keep people out of the tsunami zone. He would propose that we take the 40 acres that is already in the urban growth boundary behind the Ocean Cove Estates and add onto that. That will change the whole complexion and character of the City of Seaside. Change is not exactly a powerful word in Seaside. Mr. Dunzer handed out a map of the area behind the Ocean Cove Estates. John stated that he does not believe in work force housing because we don't have any work force. We have something that goes on for two months in the summer. He thinks we should go for the big value stuff. This area is a beautiful place. This site behind the Ocean Cove Estates that is privately owned by the Waterhouse Trust or somebody like that. They wanted to develop it before and it had a lousy traffic study. This area would be the most desirable land for development on the entire coast of Oregon. It looks north, right down the white water line. That ocean view is an unbelievable sales tool. It's a lot different than looking at a streak of blue from a distance. This land is very good. It's a wonderful location for the resort that Betsy Johnson wanted to relocate. We should expand the golf course from 9 to 18 holes. We should develop all the area that is back there. There should be a R3 density up there on the hill primarily for seniors. It would be an Architectural Digest type of development. He would like to see R1 development up there too. Forget about the R2 zone. You couldn't sell the land to anyone who is presently in Seaside because they don't have jobs. You can sell it to people that could bring a lot of money into this community and change the character of the city. This 40 acres is already in the Urban Growth Boundary. Why are we not adding on to that?

Buzz Ottem 86081 Wahanna Rd. Seaside. Why is it that Seaside is taking gratuities from Weyerhaeuser? Why are their pockets being lined? Mr. Hanson is being paid by Weyerhaeuser and he is giving you his services. They want to develop their lands. Commissioner Horning asked Mr. Ottem if he thinks that this is a conflict of interest or an accusation of some kind. Mr. Ottem stated yes, seriously. Why is Seaside not paying the bill for this? Mr. Cupples stated that if you can have a consultant firm, paid by a property owner, to actually provide the same information that we would try to get grant money for and that individual is willing to pay for that consulting then why wouldn't we take advantage of it? There could be a proposal by Weyerhaeuser to say they are only interested in their lands and then put together a justification just for their lands. They opted not to do that. They said rather than try to get centered on one development proposal they were willing to fund the consulting firm to do both the buildable lands analysis and do the evaluation. In the end the city is still the decision maker. We are just using their data to support what the city is already interested in doing and that is upgrading our comp plan and making sure that we had a twenty year land supply. Mr. Ottem stated that with that being said Weyerhaeuser is still the largest land owner no matter where you go. They have 50% or 90% of the land. Mr. Hanson stated it is more like 50%. Mr. Ottem stated that this is going to be funneled right out the south east hills. You say the same thing about the North Hills. This isn't right, we are being railroaded. Mr. Ottem stated that if Mr. Romine were here tonight he would shoot him down and say it's not in the plan. If it's on the map then it's in the plan. There is a bypass to Beerman Creek, it's on the map, it will happen. Mr. Ottem stated in the minutes it stated that the historical growth of Seaside is south. Mr. Ottem wants to know where in Seaside has this southward growth been besides

the cove area. Mr. Ottem stated that the road will go down Wahanna hook up to Beerman Creek and go right through his living room. Commissioner Horning stated that the road will hook up to Avenue S not Beerman Creek Rd. Mr. Ottem stated that the maps show that it will hook up to Beerman Creek. Mr. Ottem stated that there is a can of worms here, it says that the connection to the north hills will have traffic issues but on the south hills it doesn't say that and we know it has issues now.

Mary Kemhus, 86183 S Wahanna, Seaside OR. One thing that came up tonight is using the land with lower resources and cubic feet of forestry. The report shows the second highest resource level is down in the area that is proposed for development. That's counter intuitive as to why you would do that, when maybe you would want to go to the north hills. Why do we need so much land? Commissioner Carpenter stated that there was an analysis done that indicated that over the next 20 years growth would happen and it was formulated by state formulas that dictated how much land and what type of land is required. Mary stated there seems to be enough undeveloped land within the city and in the Urban Growth boundary now. Mary asked if that was at a .8% growth rate. Mr. Cupples stated that he doesn't have the exact number but that growth rate is in the Goal 9 Goal 10, but the projections that were used is what is in the county's comp plan. Currently you coordinate your population growth within the county and project that into the future and that is what was used. When you take that into consideration you boil that down into what does that correlate out to be with your mixture of housing and what does that equal out into acres of land. How much land do you need? How much land is currently vacant in your city? How much is in your UGB that is not in the city? And what is your deficit? So that deficit is what is outlined in this report. Mary asked why are we not using Spruce to access the new development instead of punching through on Avenue S and destroying the environment and homes and historical farms. Under ORS 197.296.6 paragraph 2 it said it must include sufficient land to accommodate the siting of a new public school. There isn't a school site and it needs to be in there. Mary also stated that she has a radio tower on her property, what happens to that and is it still allowed. South Wahanna is the last remnant of the rural agricultural border, the lace, the fringe that used to surround Seaside and supply it with its produce, milk and eggs. It's the last pocket and important that we retain that.

Marie Hofmann. Marie stated that most of Seaside's growth is in the direction of Warrenton. It's the biggest city in all of Oregon, most of it is under water but that is where the development is going. In Seaside a wealthy retirement community is probably the answer because we have no jobs in Seaside. It's either low income or temporary or nepotism is involved. If you want a good job with benefits or good pay people are going to Warrenton or Astoria. There are a lot of other places to develop. Vice Chair Carpenter stated that he agrees with her but that has nothing to do with the UGB. Marie stated she thinks it does in whether or not it is necessary. Marie stated she remembers when a Mayor at a different time had issues and the people of Wahanna Road came and said they had issues with the way the decisions were being made and the Mayor at the time referred to those residents as a bunch of Indians. She stated that they live in the rural area for a reason. When she bought her property on Wahanna Rd she could have bought a house on the Prom for \$18,000. She didn't want to live there, she wants to live where there is some breathing space between her and her neighbors and where her kids can have a horse.

Janet Ottem, 86081 S Wahanna Rd. Seaside. Janet stated that this is the projected growth in Seaside for the next 20 years. She looked up on the internet and in 1990 the population of Seaside was just over 5600 in 2014 it was just under 6500. That is not even 1000 people in 24 years. South Wahanna is a great spot, but you have nothing to lose. This isn't in your yard, it's in our yard. There is a lot of property that can have a bypass without taking out a bunch of homes.

Maria Pincetich 86273 S Wahanna Rd, Seaside OR. Has a question for Don, there has been a lot of conversation about where roads should be, why are none of the concerns of the citizens reflected within the documentation. We are here a lot and nothing is happening. Much has been made about goal 9 and 10 and therefore would like to address those. This report is done by Johnson and Reed and in the summary of the demographics the only segment of the population that is growing the population of people who are 65 and older. The average household size is significantly lower than the state average. The state average is 2.5 and we are 2.1. Which again leads to a retirement community. It also discussed the baby boomers. Experts are split on where baby boomers will go, one study says they will go to mixed use residential semi urban environments so they have access to medical facilities and also they may go out into the country. There is not a good consensus on where this might go. This leads to numbers, Mr. Cupples made an excellent point and that is that these estimates are based on the county. The county does not have a staff of statisticians to be able to do these complex calculations. The population over the last 24 years only grew by 800 people not by 1700 people in the same time period. When she read over all the packets she didn't see any comments on the methodology of how this was calculated. One of the things that was very surprising is that in the calculations is that it assumes a 36% vacancy rate. Now a 36% vacancy rate would assume every 3.1 houses is vacant and

that is the justification to be able to grow. We need to maintain the 36% vacancy and now we are trying to justify why we need 1700 more houses. That is ridiculous. The Oregon ORS states that you can use any vacancy rate you like. There is no penalty. The only reason you would use such a high vacancy rate is to get more land. She did a little research on vacancy rates. Seaside is way higher at 37.76% vacancy rate, Coos Bay 11%, Astoria and Cannon Beach 13.8%, Newport 20% and the interesting thing is that we don't have to do this, there is no penalty and there are some cities that have decided not to do this. There are some cities that have decided not to expand their UGB. Newport did expand their UGB but only to include their watershed and the reservoir. Because they were concerned about their vacancy rate. Maria Googled vacancy rates in Oregon and came across an article that headlined the 10 worst places to live in Oregon. The criteria was based on population density, high unemployment rates, adjusted medium income, high housing vacancy rates, education, commuter times, high crimes and worst weather. Seaside did not make the top ten but came in 12th. She just feels like this UGB expansion is not justified especially when 1 in 4 homes is vacant, when we open this up is the vacancy going to be 1 and 1. Goal 9 on page 14 figure 13 population trend says that the population growth is 1.1% and yet in goal 10 you have this massive need based upon the county's figures. The UGB is very entwined with the TSP and it's very confusing. The goal 9 and 10 documents were completed in 2013 and the TSP uses an old buildable lands inventory back in 2006 and then it talks about how this document was never adopted or completed. Vice Chair Carpenter stated that is correct and we adopted the TSP before the buildable lands inventory was adopted. Maria stated then the most current one was not completed. Vice Chair Carpenter stated that at the time we did the TSP that was the best information that we had available. Maria stated that in May of 2015 Harry Henke got approved for a 26 unit apartment building and 26 units is a statistically significant number that will impact these numbers. Can we reconsider all these numbers with all the new information? Buzz Ottem, Buzz maintains that this is about a bypass to Beerman Creek. You cannot convince him otherwise. This is not about the Wahanna residents. It's about Seaside. With a 35% vacancy rate if you put all the other land on the market then all the property values will go soft. They are already soft. Vice Chair Carpenter stated that he would like to have Mr. Hanson answer the questions. Don Hanson, OTAK - Regarding Mike Pihl's comments, Mr. Pihl can call him biased, Don has always made it clear that Weyerhaeuser is funding this process. Don has been working under the supervision of Mr. Cupples the planning director with the City of Seaside. Mr. Cupples told Mr. Hanson that if he only brought up Weyerhaeuser lands he would have trouble. Mr. Hanson has looked at the land objectively and has never concealed anything. Mr. Pihl brought up some very useful information that Mr. Hanson was unaware of and that was that the owner of the mobile home park would remove two trailers for access to that land. That could influence the thinking on that land. When Mr. Cupples and Mr. Hanson walked that land they noted it has very severe slopes and wetlands at the bottom. Commissioner Hoth asked if there was a possibility that the PC members could go up there and check it out. Mr. Cupples stated yes that can be done and also Mr. Pihl needs to bring in something that states he has talked to the property owner and where will these trailers be moved too and where the existing access is. If Mr. Phil wants to have the PC members to take a look at that then he needs to get approval from the neighboring property owner to allow the PC members access. That site is relatively steep. Mr. Pihl has stated that it is no steeper than Thompson Falls, but that doesn't mean it is prime development land or mean that it meets the standard slope for preferred development land. Mr. Pihl needs to provide additional information for Mr. Hanson and the planning commission members. Comparing his land to Thompson Falls doesn't mean that it is more suitable than the south east hills property. Mr. Hanson stated that the key is, can we get a road to meet public standards up there, would the impact to the wetlands be acceptable, does it physically work and once we get up there is there enough development land to make it work. Mr. Hanson stated that he will look at the lands that Mr. Dunzer brought up about the area in the cove. Mr. Hanson does not have any history on the property. He knows that doing the inventory of available lands there were a lot of physical constraints, wetlands and drainages. Mr. Cupples stated that we could look closer at that. The question is access. In the past the property was slated for UGB expansion and the county denied it. We still have remnants of that in our zoning ordinance where the sensitive development overlay zone was created. There are slope issues with that property too. We have not looked at that from a question of how that stacks up against the other properties. Maria Pincetich asked if that would have been included in the buildable lands inventory, if the buildable lands inventory was accurate. Mr. Cupples stated that right now there is a piece of property that is in the UGB that has development constraints right now. That property didn't get full acreage potential when it was looked at under buildable lands because of the constraints. Just like the land on North Wahanna road, there is a lot of land there but there is also a lot of wetlands. It is unsuitable for development. It may be zoned with a development zone which it is counted but then you have to look at from a standpoint of is it developable or can you develop it. Mr. Hanson stated he would go back and review the information.

Mary on Wahanna Rd brought up the school and Spruce Drive. Mr. Hanson stated that we show a future school expansion on the north end and it has been determined that it shouldn't be a part of this request. Rather it should be requested independently by the school district. Mr. Hanson has talked with 1000 Friends of Oregon and they said if the school made a request on their own there probably wouldn't be any resistance. They would have to have a facility plan that was compliant with the state's criteria for school expansions. We decided not to put it in the study because they looked at the growth mathematically and mathematically came up with a much smaller school site. The district intends to do one large facility up on the hill and that is their future dream. Spruce Road, to extend Spruce up onto the hillside we would have to go through the school grounds which would be very disruptive and the road becomes private once it hits the elementary school site. To access property to the south it would have to cross two pretty significant drainage areas. Where Spruce dead ends there was a new culvert installed for fish passage. If we came up the hill and turned south to access property we would impact these drainage ways and also the elementary school down below. So that kind of took it off the table. Marie Hofmann stated that the housing should be in Warrenton or Astoria near job markets. Mr. Hanson stated that they purposely tried to propose mixed housing on this property by going low medium and high and we think that the workforce housing will be in the medium category so we have kept that closer to Wahanna. Mr. Hanson doesn't think that all the statistics came from the county, he thinks some of the information came from Portland State University. Maria Pincetich stated that only the county's information was used. Maria asked Mr. Hanson why none of the comments are put on the map? She has asked him to update that information. Mr. Cupples stated that it says conceptual street locations. Maria asked if they could just not show the roads on the map. Patrick Wingard, Department of Land Conservation and Development. Mr. Wingard stated that he would like for all the parties to continue to talk and work through this. The state is currently going through a UGB rule making process now. It's called the streamlining process and is very challenging from the perspective of the stakeholders and the interested parties. This is not easy work. You have very prescriptive rules that you have to abide by. You also have in some instances highly subjective competing interests based upon some community's values. What's more important to preserve and protect, the issue of the Cascadia subduction zone or earthquake or tsunami inundation zone? These are significant issues to deal with on the coast. Patrick mentioned that at the Holiday Inn Express in Astoria they will have a presentation on 9/24-25/15 from 1pm to 4pm. Public comments starts at 8am Thursday. Mr. Cupples had one thing to add. Mr. Hanson has said that we don't have a gun to our head saying that we must have a 20 year land supply, it is just good planning. Patrick's response in summary was, No you are not bound by the law, because you have a population under 25,000, but if you crack open the UGB area and you want to expand under goal 14 you are supposed to address the 20 year land supply. The DLCDC is looking for you to do that. Mr. Cupples also stated that part of the comments regarding the vacancy rate based on the study that was done regarding the vacant land, yes we have a high vacancy rate because we have a high rate of second homes. It's not because we have a high vacancy in rental homes. Right now our rental housing vacancy rate which is the one that provides for work force housing is not very high. We have a lot of second homeowners. If you don't plan for that expansion what you wind up with is a higher vacancy rate, because you haven't provided sufficient homes for the second home owners. Marie Pincetich stated that there is no other city in Oregon that has the vacancy rate that we do. We are way above the others. Marie Hofmann stated that Cooper St. has vacant lots up there, the city could purchase some of those and punch the road through. While we don't have a right of way through the school she can't believe that if we are going to provide the school with something that they have dreamed of and that is being above the tsunami zone then they will sell that property for right of way up the hill. The goal is to move everyone out of the tsunami zone, but that area up there is an ancient slide. Commissioner Horning stated that the area above the school is not an ancient slide. John Dunzer stated that area will never be developed. We need to connect it through the hospital property and then run it through Avenue F and Avenue G.

At the end of the Commissioners discussion, Commissioner Perkel made a motion to continue this to the next schedule planning commission meeting on October 6th, 2015 at 7pm at City Hall. Commissioner Horning seconded and the motion was carried unanimously.

ORDINANCE ADMINISTRATION: None

COMMENTS FROM THE PUBLIC: None

COMMENTS FROM COMMISSION/STAFF: Commissioner Wright just wanted to let Maria Pincetich know that there was no way we could ignore her and we appreciate her comments. He can hear Buzz Ottem back there

too and there is no way we are going to put a road through her barn or through Buzz's house. These roads are conceptual.

Commissioner Perkel stated that he is very happy that we are getting feedback.

Commissioner Horning stated that he thinks the process is working and he loves that neighborhood.

Commissioner Ridout stated that he would like to discuss the vacancy factor at the next work session.

Commissioner Hoth stated that there is no conspiracy with Weyerhaeuser. Weyerhaeuser does have a vested interest in this process and is willing to fund it for that reason not to gain a specific agenda. Accusing the planning commission of being duped by information presented in that fashion is really not conducive to settling this issue. He would like to have those comments dismissed from the discussions. He also feels the same way about Maria's comments regarding the work session and felt like it was a discussion on how to do it rather than should we do it. He recommends that she should be more clear, are you feeling that the UGB process is completely unnecessary or are you more concerned with the fact that the UGB solution is not a good one and that the process itself needs to be done. Is it that the UGB is a good one but not in my back yard. Data is very confusing and we will try to sort this out the best that we can. People have brought up using Spruce instead of Avenue S, either way they both need to get to the highway. We are trying to be objective as possible and make the best decision as possible. We will continue to work on it and are listening to both sides.

Vice Chair Carpenter would like to thank everyone for their comments.

ADJOURNMENT: Adjourned at 9:03 pm.

Vice Chair Carpenter

Debbie Kenyon, Admin. Assistant



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September 13, 2015

Seaside Planning Commission
City of Seaside
989 Broadway
Seaside, OR 97138

Re: Proposed UGB expansion 15-032ACP

Dear Commissioners and staff:

We write to share information we hope will be helpful, as you consider how to proceed with Seaside's UGB evaluation. Please place these comments in the record for 15-032ACP. 1000 Friends of Oregon is a nonprofit, charitable organization. We work with Oregonians to enhance our quality of life by building livable urban and rural communities, protecting family farms and forests, and conserving natural and scenic areas.

Over the last several months, we have received many calls and emails from concerned citizens regarding Seaside's proposed UGB expansion. In particular, we have been asked:

- 1) Why doesn't 1000 Friends oppose the land need determination of 200 acres?
- 2) Is Seaside obligated to continue with this expansion?
- 3) Does Seaside have to use this population forecast, which seems too high?
- 4) Are there other ways the city could choose to calculate its land need?
- 5) What are Seaside's options under the new HB 2254 process?

Because there appears to be significant public interest, we decided to provide these replies to you as well. Seaside has many options for how to proceed at this point in the process.

1) Why doesn't 1000 Friends oppose the land need determination of 200 acres?

Last year, we reviewed the final versions of Seaside's EOA and RLNA. Although we were disappointed with some of the assumptions, we nevertheless concluded they were legally defensible. We still believe that to be the case. So long as assumptions are reasonable and based on substantial evidence, cities have a great deal of latitude.

In addition, certain "safe harbor" provisions in administrative law shield some of Seaside's current assumptions from challenge. For example, even though we think it's unwise to use Seaside's current 36% vacancy rate as a basis for long-range planning, this is permissible.

However, just because a proposal passes legal muster does not necessarily mean it meets the community's needs. This is especially true when there are, as here, several different potential outcomes that would be equally acceptable from a technical standpoint. The Planning Commission can and should consider the "on the ground" impacts of these outcomes when charting the city's course forward.

2) Is Seaside obligated to continue with this expansion?

No. The city is free to change course at any time. The city could wait for a new population forecast in 2017 (see question 3). Alternatively, the assumptions in the EOA and/or RLNA could be amended right now to reduce or eliminate the land need (see question 4). Or, the city could re-do its analysis using the new HB 2254 process (see question 5).

3) Does Seaside have to use this population forecast, which seems too high?

Yes, unless Seaside chooses to wait until June, 2017, when Portland State University's Population Research Center (PRC) will issue a new forecast.¹ Under HB 2253, passed in 2013, all forecasts must now be done by PRC; previously, counties had forecasting authority. PRC will issue new city forecasts on a rotating basis, at least every four years. The first round of forecasts was issued this year; Seaside's new forecast is scheduled for 2017.

HB 2253 came about because although population forecasts are the cornerstone of all urban planning, counties were not keeping their forecasts up to date. In addition, methodologies were not standardized, and some were controversial. Accurate forecasts are critical to good decision making. Seaside should consider whether its existing forecast is the right choice to inform its important long-range planning efforts.

It appears that Seaside's existing forecast was originally done as a 2000-2020 forecast, based on 2000 Census data. It was then extended to 2030 as an interim measure in 2007, with the express understanding that the forecast would be revised every 3-5 years. Not only has the expected updating failed to occur, the Great Recession happened. Not surprisingly, Seaside's recent annual growth rate has been lower than predicted (0.7% vs. 1.0%).

In other areas of the state where PRC issued forecasts this year, there were dramatic reductions in previous forecasts. This was true even in areas where PRC itself had performed the previous forecast using similar methodology. In Lane County, PRC's new forecast predicted less than half as much 2015-2035 growth for cities under 20,000 people, compared to PRC's 2008 forecast.

4) Are there other ways the city could choose to calculate its land need?

Yes. Following is a list of several different choices that could be made. The combined effect of these choices would substantially reduce the need for a UGB expansion. Following the list, a spreadsheet chart shows the combined effects of these choices.

a) Different method of population growth computation – 129 unit reduction

The current methodology computes a 1.1% average annual growth rate (AAGR) from the estimated 2012 population and the adopted 2030 forecast for Seaside (8,037 people). It then extends out that 1.1% growth rate another 2 years, for a 2032 population of 8,155.

¹ However, there is another way to use the current forecast to compute Seaside's expected growth that is likely more accurate and more defensible. See the following question 4a.

This approach introduces avoidable error, because the forecasted 2012 population (interpolated to 6,696) is higher than Seaside’s actual 2012 population (6,550). In addition, this approach may be vulnerable to challenge because it is inconsistent with the adopted start-year population.²

TABLE 8-1: Clatsop County Population Projections 2000 – 2020-2030

JURISDICTION	2000 (actual)	2005	2010	2015	2020	2025	2030
Clatsop County ¹	35,830	36,919	38,376	40,018	41,788	43,727	45,771
Incorporated Cities: ⁴							
Astoria	9,813	10,152	10,649	11,205	11,826	12,375	12,963
Cannon Beach	1,588	1,642	1,707	1,780	1,859	1,946	2,037
Gearhart	995	1,107	1,151	1,200	1,254	1,312	1,373
Seaside	5,900	6,206	6,546	6,927	7,337	7,878	8,037
Warrenton	4,098	4,426	4,813	5,278	5,741	6,008	6,289
Unincorporated	13,238	13,386	13,510	13,628	13,771	14,408	16,082

1. County projection from the Office of Economic Analysis, Department of Administrative Services, State of Oregon.
2. City totals projected based on previous percentages of county population (see above), growth and county projection.

In our experience, most cities address this problem by using *both* the start-year and end-year numbers found in the forecast (not just the end-year) to compute population growth quantity and rate. Here, the result would be a 1.0% AAGR from 2012-2030, not 1.1%.³

Also, when extrapolating the county forecast from 2030 to 2032, the most accurate approach would be to compute the 2025-2030 AAGR, then apply that to the 2030 forecast. Here, the result is 0.9% AAGR, which yields a 2032 population of 8,182.⁴

Switching to this approach would reduce the unmet housing need by about 129 units.

b) Maintain current household size – additional 235 unit reduction

Seaside’s current proposal assumes household size (HHS) will reduce from the current 2.16 to 2.08 persons per household by 2032. The city does not have to do this. In fact, it is safer to assume the current 2.16 HHS will be maintained, because there is a state administrative rule “safe harbor” that protects the city from challenge if it does so:

OAR 660-024-0040(8)(a): “A local government may estimate persons per household for the 20-year planning period using the persons per household for the urban area indicated in the most current data for the urban area published by the U.S. Census Bureau.”

² To our knowledge, Seaside’s current approach has never been challenged, but others have made the point that when an adopted county forecast contains projections for the start-year, those must be used or the city’s work will not be consistent with the county’s forecast. That perspective is now stronger, because this approach is *mandatory* under new administrative rules adopted this year, for the new Population Research Center (PRC) forecasts issued under HB 2253. OAR 660-032-0020(4): “When applying a PRC forecast for a particular planning period, the local government shall use the annual increments provided in the applicable forecast, and shall not adjust the forecast for the start-year or for other years of the planning period except as provided in PRC’s interpolation template described in OAR 577-050-0040.”

³ Calculation: $(8037/6696)^{(1/18)} - 1 = .010 = 1.0\%$

⁴ Calculation: $(8037/7678)^{(1/5)} - 1 = .009 = 0.9\%$

Last year, we submitted written information to city staff explaining why we thought it was unlikely that Seaside's already-low HHS was likely to continue dropping, and urged use of the safe harbor approach. We still think this is the best option. Oregon's current household size is 2.49; the US average is 2.63. Seaside's assumption that its HHS will fall at the same rate as the much-higher national HHS may not be warranted.

The city's current proposal assumes that Seaside's HHS will fall at 0.2% per year, but Seaside's actual HHS has declined at only 0.02% over the last 20 years, from 2.17 to 2.16 persons per household. Give this history, we do not understand why it would be reasonable to assume that over the next 20 years, Seaside's HHS will decline to 2.08 persons per household.

Switching to this approach would reduce the unmet housing need by about 235 units.

c) Separate vacancy rate calculations – additional 265 unit reduction, or more

The current proposal assumes that Seaside's current 36% vacancy rate will continue until 2032. As previously mentioned, this is permissible. However, there are other options. Seaside has a significant number of "seasonal, recreational, or occasional use" (SRO) units. These SRO units include second homes and vacation rentals. While the current methodology lumps these in with other housing, SRO units could be considered separately.

As the RLNA notes, the "normal" vacancy rate in Oregon is only 5%; however, most cities do not have a significant SRO component. Seaside has a 36% vacancy rate, but only some of this is due to SRO units. Of the city's 1,655 existing vacant units, 1,264 are SRO and 391 are "normal" vacancies. When those 391 vacancies are contrasted with the city's 3,010 occupied homes, we can see that the vacancy rate for non-SRO homes is 11.5%, much higher than the typical 5%.

This apparent surplus of non-SRO homes could be due to continued sluggishness in the housing and rental markets. Alternatively, it could be due to an oddity in Seaside's local conditions, or error in the Census classification methods. If there is a genuine surplus, these units represent unused capacity that could meet some of Seaside's future housing need.

The city's current methodology does not consider this potential for additional capacity, because it assumes that Seaside will continue to experience the same vacancy rate it now has. In other words, the assumption is that not only will these surplus units never be rented or sold, *more* surplus units will need to be built, in order to maintain the same percentage of surplus housing.

The city's methodology could be tuned to treat SRO and non-SRO units differently. For example, the "normal" Oregon vacancy rate of 5% (or some other percentage determined by the city to be reasonable) could be applied to the number of occupied homes Seaside expects in 2032. Then, the current number of SRO homes (1,264 per the 2010 Census) could be grown at a fixed rate, for example, the 1% AAGR predicted for Seaside's resident population.

We think Seaside could defend a much lower AAGR for SRO units, possibly even a 0% rate. Goal 10 does not require the city to provide *any* land for second homes and vacation rentals. Furthermore, if the city chooses to adopt policies that discourage vacation rentals, as some other communities have done, it would be reasonable to assume a lower growth rate for these uses.

In fact, such policies may also cause existing SRO units to be converted to full-time owner occupied or rental use. Adverse changes in the second home market could also cause this to happen. If conversion of SRO units occurs, that would represent even *more* potential existing capacity in Seaside's existing housing stock. Again, the current methodology does not acknowledge this possibility.

Switching to this approach using a 5% vacancy rate for non-SRO units, combined with a 1% AAGR for SRO units, would reduce the unmet housing need by about 265 units. Applying a 0.5% AAGR for SRO units would reduce the unmet need by about 428 units.

Below is a chart showing the effects of the above-described choices. The current unmet housing need of 833 units can be readily reduced to 469 units using just options a) and b), both of which are more defensible than the current proposal. If the city chooses to separate out SRO and "normal" vacancy per option c), the unmet housing need could be reduced even further to 204 units with a 5% vacancy rate for non-SRO units and 1% AAGR for SRO units. The unmet need could be nearly eliminated with a 0.5% SRO growth rate.

	Current Proposal	Use Forecast Start-Year Population (per Div. 32)	Keep 2010 Household Size (per Safe Harbor)	Separate vacancy calculations, 1% SRO	Separated vacancy calculation, 0.5% SRO
2012 population	6550	6696	6696	6696	6696
2030 population	8037	8037	8037	8037	8037
2032 population	8215	8182	8182	8182	8182
2012-2032 total pop. growth	1665	1486	1486	1486	1486
less group quarters (GQ)	(12)	(10)	(10)	(10)	(10)
2012-2032 pop growth less GQ	1653	1476	1476	1476	1476
plus 2012 actual pop less GQ	6502	6502	6502	6502	6502
equals 2032 pop to accomodate	8155	7978	7978	7978	7978
2032 household size	2.08	2.08	2.16	2.16	2.16
2032 occupied units	3930	3845	3693	3693	3693
2032 vacant units	2160	2116	2033	1768	1605
2032 total units needed	6090	5961	5726	5461	5298
2012 existing units	4665	4665	4665	4665	4665
New unit need 2012-2032	1425	1296	1061	796	633
Current UGB capacity (units)	592	592	592	592	592
UNMET HOUSING NEED (units)	833	704	469	204	41

	Long-term vacancy rate	Occupied units	Vacant units	Vacant units
2032 occupied units (from above)	5%	3693	194	194
2010 census seasonal, recr, occ units (SRO)	n/a		1264	1264
Assumed 2010-2032 growth rate for SRO			1.0%	0.5%
2032 total SRO units			1573	1411
2032 total vacant units (plug in above)			1768	1605

5) What are Seaside's options under the new HB 2254 process?

HB 2254 was a companion bill to HB 2253. It established authority for a streamlined UGB evaluation process that allows cities to compute land need using readily available data and simple formulas. So long as a city follows the prescribed approach, its decision is deemed to comply with state requirements. An additional benefit is that the planning period is reduced from 20 years to 14 years. This allows cities to plan for growth in a step-wise manner, instead of the current "all or nothing" approach, which can lead to significant, and often unwelcome, boundary changes.

If Seaside chooses to use the HB 2254 process, it would likely result in a finding of no expansion necessary, primarily due to the much shorter 14-year planning period, and secondarily to controls on the assumed vacancy rate, household size and densities. Since a justified finding of no expansion could not be successfully challenged, the HB 2254 option would provide legal protection for Seaside, if it ultimately decides that a UGB expansion would have too many negative impacts on the community.

HB 2254 takes effect on January 1, 2016. However, the Land Conservation and Development Commission has not yet adopted the enabling administrative rules. This is scheduled to occur in December.

Thank you for taking the time to read these comments. If you have any questions, or if you would like supporting information, please feel free to call me at 541-520-3763 or email mia@friends.org.

Sincerely,



Mia Nelson
Urban Specialist
1000 Friends of Oregon
P.O. Box 51252
Eugene, OR 97452

cc: Patrick Wingard, DLCD

Meeting Agenda



808 SW Third Avenue, Suite 300.

Portland, OR 97204

Phone (503) 287-6825

Fax (503) 415-2304

Meeting: Seaside PC Meeting

Project No.: 15012A

Meeting Date: September 15, 2015

Meeting Time: 7 p.m.

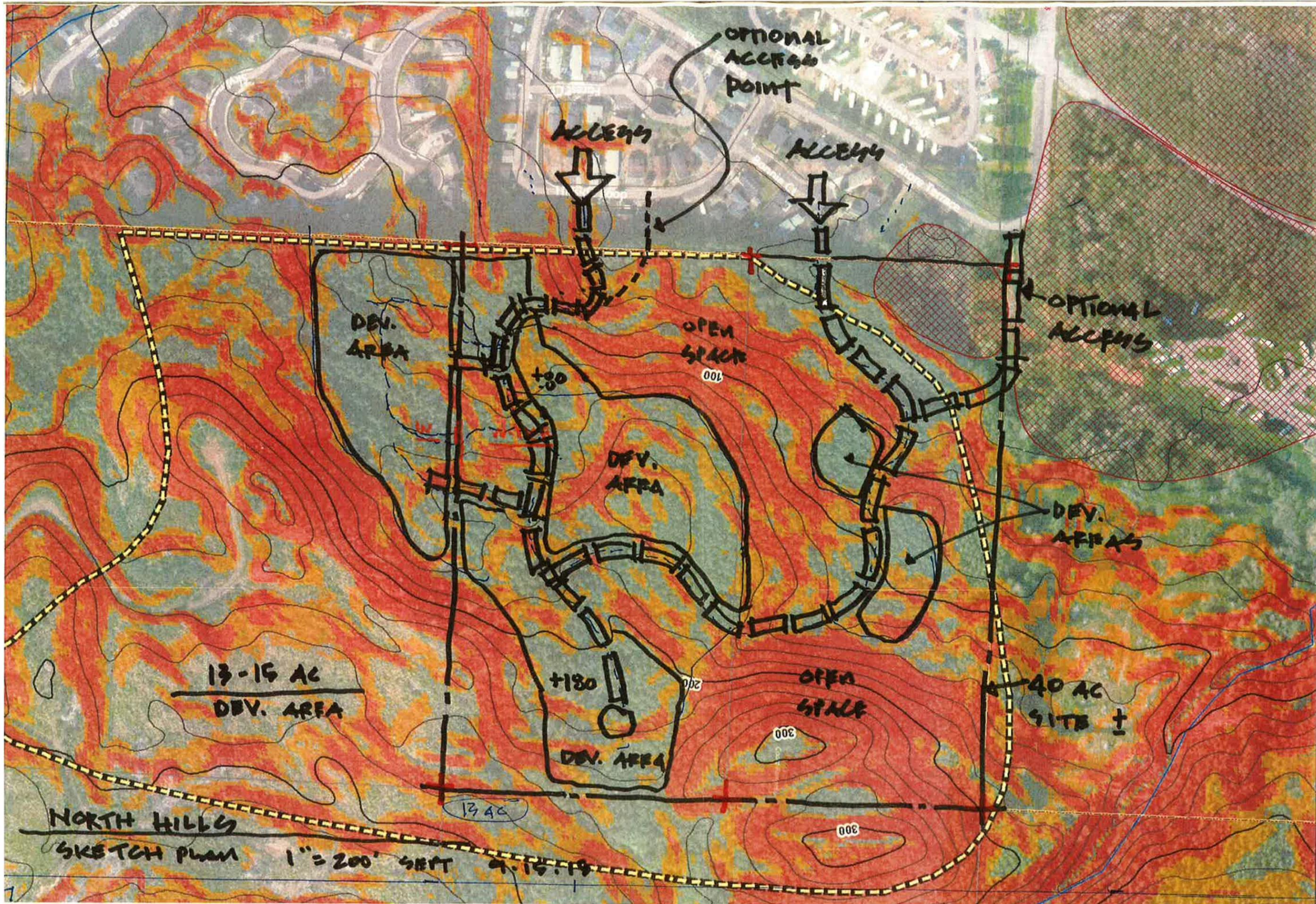
Location: Seaside City Hall

Expected Attendees: Seaside Planning Commission; Don Hanson

Seaside UGB Goal 14

Discussion Items:

1. North Hills
2. Spruce Street Access Study
3. Southeast Hills Map Refinements
4. Adopted Needs Analysis, Vacancy Item
5. Next Steps
 - Direction for October 2015 PC Hearing



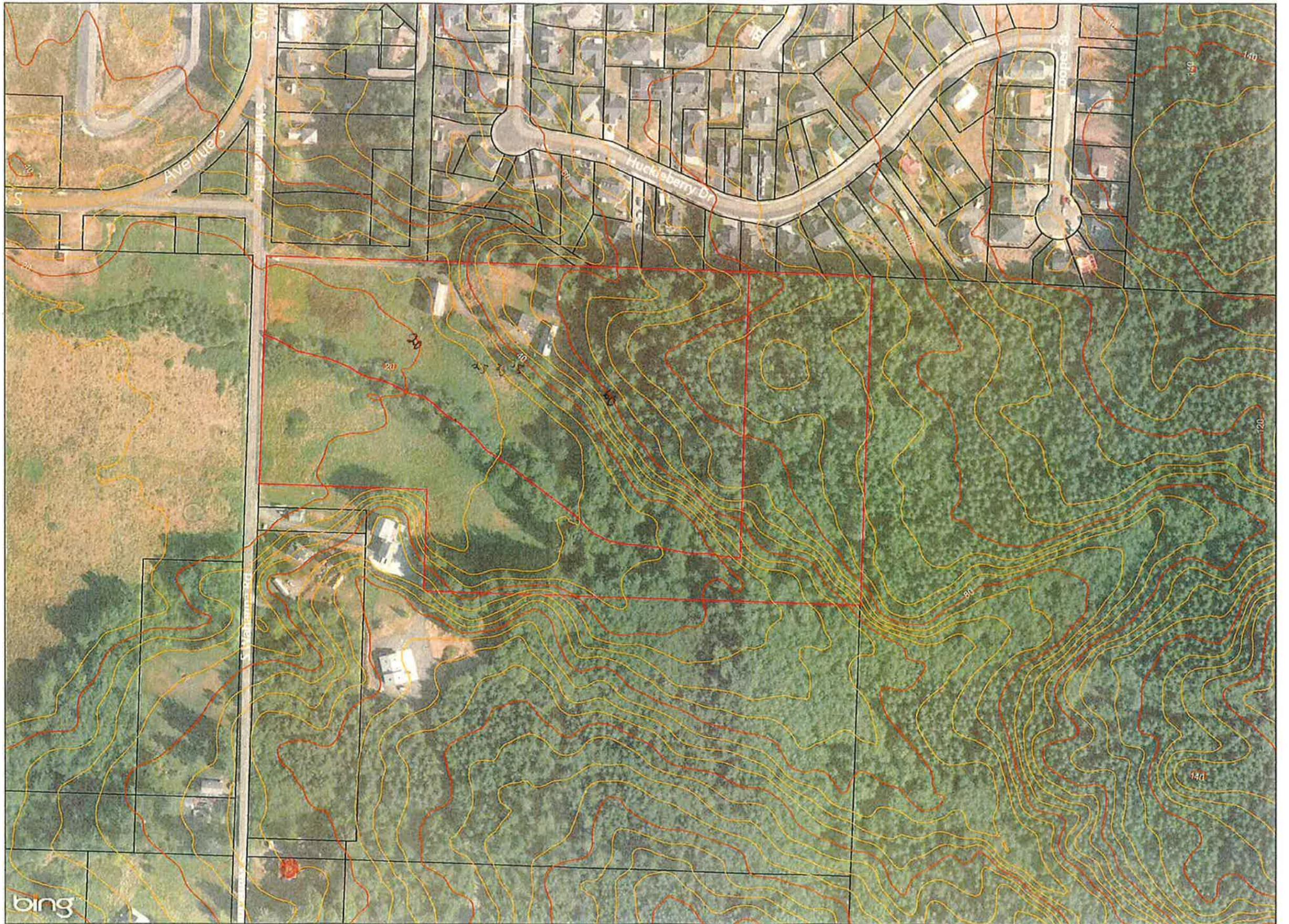
NORTH HILLS
SKETCH PLAN 1" = 200' SEPT 9.19.19

Pincetich Property

-  Contour 5ft
-  Pincetich Tax Lot
-  Tax Lot



0 100 200 Feet



5

