



## **Staff Report**

For City Council Meeting - 10/7/2020

### ***Subject - New Business - Buildable Lands Inventory Report***

**Synopsis:** Last year city officials reviewed the 2018 Clatsop County Housing Study. Concern was raised regarding the accuracy of the reports vacant land inventory and projected housing capacity for Gearhart. Staff and local builders reviewed the inventory and determined the data was inaccurate, having been prepared for the county as a whole at a high level overview. Local builders have been frustrated by the lack of vacant land inventory and asked about the option to expand the UGB. Staff decided an accurate inventory Gearhart was needed. Angelo Planning Group, the same planning consultant who prepared the County Housing Study, was hired by the City to complete a Gearhart Residential Buildable Land Inventory (attached). In summary, where the earlier county study indicated the City has enough vacant land for 701 new dwellings, the recently completed Gearhart inventory actually finds capacity for 381 new dwellings. The report provides solid data to update the housing element of the Comprehensive Plan.

**Recommendation:** N/A

**Legal Analysis:** N/A

**Financial Analysis:** N/A

Respectfully Submitted,



Chad



MEMORANDUM

LAND USE PLANNING  
TRANSPORTATION PLANNING  
PROJECT MANAGEMENT

## ~~DRAFT~~ Buildable Lands Inventory City of Gearhart

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DATE September 3, 2020  
TO City of Gearhart, OR  
FROM Andrew Parish and Matt Hastie, APG  
CC File

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### INTRODUCTION

The purpose of this memorandum is to describe the proposed methodology and data sources for the City of Gearhart Residential Buildable Lands Inventory (BLI). A preliminary BLI for the City was prepared in 2018 as part of a county-wide inventory, which was used as the starting point for this work and updated with a more detailed look at local development constraints, the City's development code, and updated tax assessor data from Clatsop County. The BLI addresses land within the Gearhart Urban Growth Boundary (UGB), shown in Figure 1.

The BLI is conducted in several steps, as follows.

- **Step 1: Identify Constraints.** Constraints include floodplains, wetlands, water bodies, steep slopes, and the Gearhart Oceanfront Development Line.<sup>1</sup>
- **Step 2: Classification of Land.** APG has classified every tax lot within the Gearhart UGB as either residential, employment, or "other" based on comprehensive plan and/or zoning designation, assessor's data, and staff input. The BLI for this project is confined to those properties that are zoned for residential or mixed use (residential and commercial) development.
- **Step 3. Assign Development Status.** Each tax lot within the Gearhart UGB is given a "development status" of either developed, vacant, partially vacant, constrained, or committed, based on assessor's data, aerial photography, and staff input.
- **Step 4. Determine Developable Acreage.** Tax lots with a vacant or partially vacant status are given an amount of developable acreage based on their size, existing uses, and any development constraints on the property identified in Step 1.
- **Step 5. Determine Development Capacity.** For land categorized as residential, APG has identified development capacity in number of units based on the developable acreage of a parcel and a review of the City's zoning regulations. A significant number of lots in the Gearhart UGB were platted prior to regulations that established the City's current minimum lot sizes – for

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<sup>1</sup> The Gearhart Oceanfront Development Line restricts development in sensitive dune areas which are prone to erosion and flooding pursuant to Statewide Planning Goal 18.

these “lots of record” one new unit is generally assumed unless there are mitigating circumstances that would further impact capacity for development.

The remainder of this memorandum discusses these steps and initial results in greater detail.

## LEGAL FRAMEWORK

### STATE RULES AND STATUTES

This memorandum draws on rules and statutes related to analyzing buildable lands for Urban Growth Boundary (UGB) expansions in jurisdictions throughout Oregon, including OAR 660-009-0005 (Definitions); 660-007-0005 (Definitions); 660-024-0050 (Land Inventory and Response to Deficiency); 660-038 (Simplified Urban Growth Boundary Method).

These statutes and rules provide the following guidance for assessment of buildable lands:

- Physical constraints on the developability of land include floodways and water bodies; land with greater than 25% slopes; and lands subject to Goal 5, Goal 6, or Goal 7.
- Land should be categorized as vacant, partially vacant, or developed.
- A BLI must consider lands for public facilities such as roads, stormwater facilities, schools, etc. Publicly owned land is not generally considered available for development.
- State law stipulates that land is generally considered suitable and available unless it:
  - a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7
  - b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6 or 15-19
  - c) Has slopes of 25 percent or greater
  - d) Is within the 100-year flood plain, or
  - e) Cannot be provided with public facilities.

### CITY OF GEARHART LAND USE REGULATIONS

The following City code provisions are potentially applicable to this BLI effort:

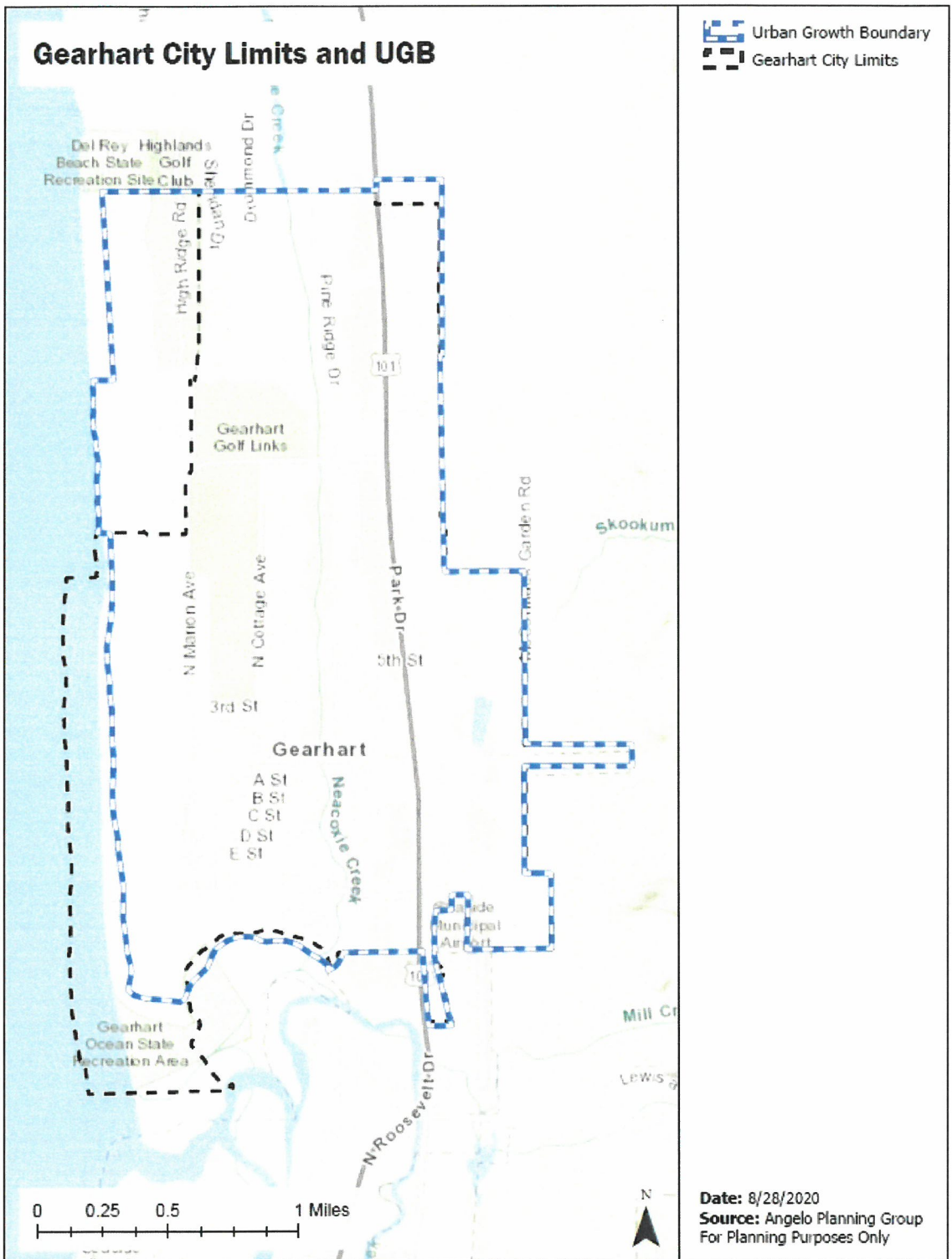
- Section 3.14 Tsunami Hazard Overlay (THO) Zone. The Gearhart Zoning Code has additional limitations and requirements of development within this zone, including a maximum density of 10 dwelling units per acre in areas affected by the “Medium” earthquake event, as shown in DOGAMI maps.
- Section 3.1220 (2) Ocean Front Building Line. The only land uses allowed west of this line are those allowed in the Beaches and Dunes (BAD) overlay zone referred to in Section 3.1230, which do not include residential uses.
- Residential zones in the city have a “General Exceptions to Lot Size Requirements” section that reads as follows:

*“If a lot or the aggregate of contiguous lots in residential and commercial zones held in a single ownership are recorded in the office of the County Clerk at the time of the passage of Ordinance 477 (dated January 24, 1978) has an area or dimension which does not meet the respective lot size requirements, the holdings may be occupied by a use*

*permitted in this zone subject to the other requirements of this zone, provided that, if there is an area deficiency, residential use shall be limited to a single-family dwelling. However, no dwelling shall be built on a lot with less area than 4,000 square feet. However, an owner is entitled to an exception only if his property is isolated. If the owner of an undersized holding owns another lot adjacent to it, he is not entitled to an exception. Rather, he must combine the two holdings to form one which will meet, or more closely approximate the area requirements of this ordinance."*

The implication of this code section is that lots smaller than current lot size minimums for their zone can only be developed if the property is not contiguous in ownership with another lot. The reason for this provision is the lack of a city-wide wastewater system in Gearhart, requiring on-site wastewater treatment which uses significant land area and limits achievable density of residential development. Several of the smaller lots in question are in use as septic drainfields for homes on the neighboring property. This inventory accounts for lots in this condition by designating them as "Constrained" – see additional information in Step 3.

FIGURE 1. STUDY AREA



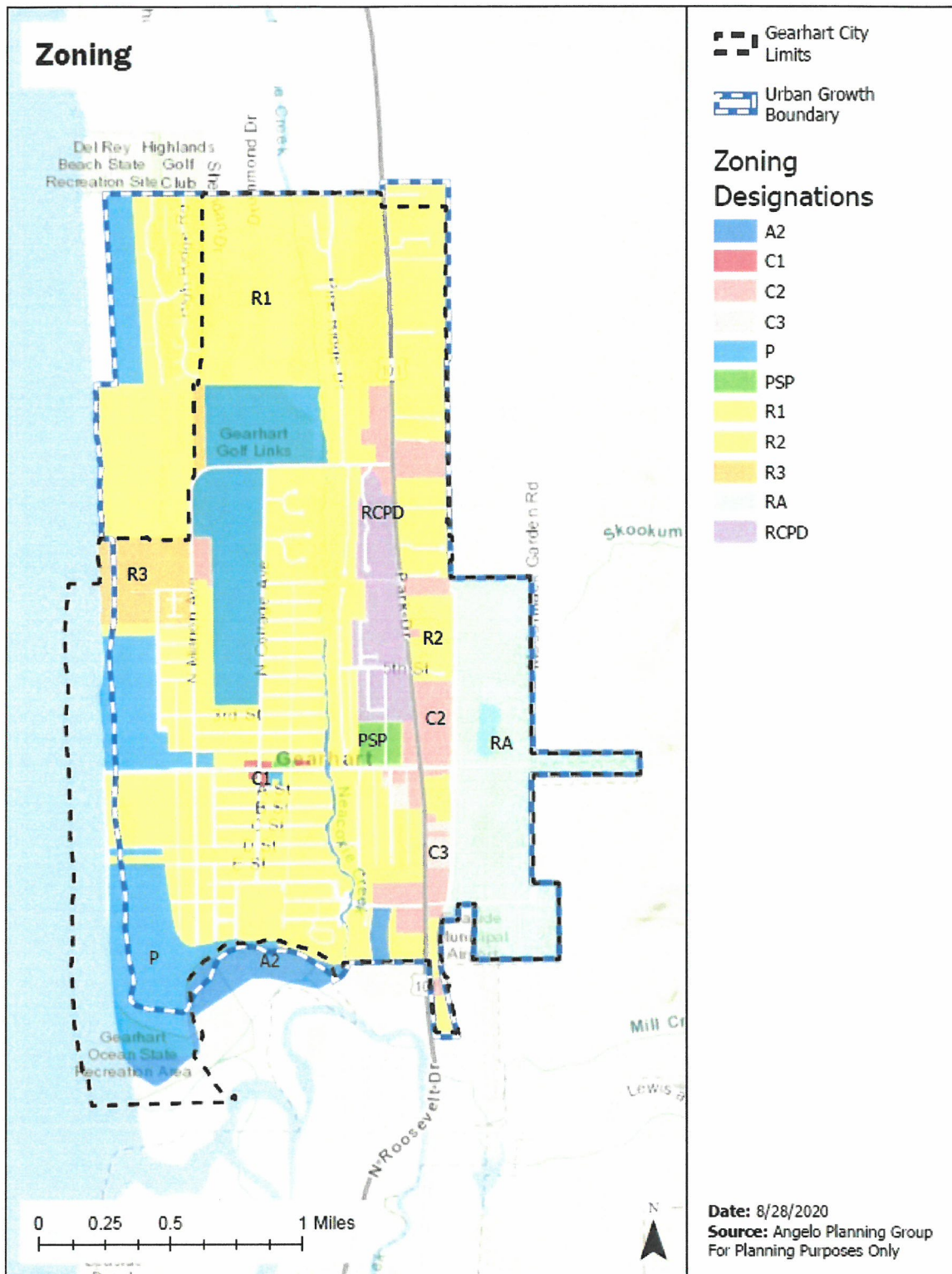
## STEP 1 - CONSTRAINTS

This BLI is a refinement of a county-wide inventory conducted in 2018-2019. The following table provides a brief comparison of the assumptions made for the previous effort and the proposed assumptions for the current Gearhart Residential BLI.

TABLE 1. BLI ASSUMPTIONS FOR CLATSOP COUNTY RESIDENTIAL BLI AND GEARHART RESIDENTIAL BLI

	Clatsop County Residential BLI	Gearhart Residential BLI
<b>Geographic Scope</b>	Clatsop County, including land within and outside of UGBs	City of Gearhart City Limits and UGB
<b>Natural Resource Constraints</b>	FEMA Floodplain Areas Locally Significant Wetlands Active Dune Overlay Steep Slopes (greater than 25%)	Added Ocean Front Building line (Section 3.1220 (2)).
<b>Land Inventoried</b>	Residential Land	Residential Land
<b>Zoning Assumptions</b>	R1 - 4.35 du/ac R2 - 4.35 du/ac R3 - 4.35 du/ac RA - 1.0 du/ac RCPD - 4.35 du/ac	R1 – 4 du/ac R2 – 6 du/ac R3 – 10 du/ac RCPD – 10 du/ac RA – 1 du/ac  Tsunami Hazard Overlay (THO) – 10 du/ac  * Additional examination of lot requirements related to sewer infrastructure and "General Lot Size Exemptions" within the code make 16 du/ac unachievable with County septic requirements. Based on soil drainage characteristics and associated septic system requirements, the maximum achievable density in these zones is estimated to be 10 du/ac as described further elsewhere in this memo.
<b>Development Classification</b>	Assumptions for the City of Gearhart differed from other communities in lot size. Vacant parcels required 10,000 sf of unconstrained land, and partially-vacant parcels required at least one acre with an existing single-family dwelling.	Additional examination of lot requirements related to sewer infrastructure and "General Lot Size Exemptions" within the code. Additional review of assessor data, aerial photography, and staff review to identify developed and constrained parcels.

FIGURE 2. GEARHART ZONING DESIGNATIONS



NATURAL RESOURCE CONSTRAINTS

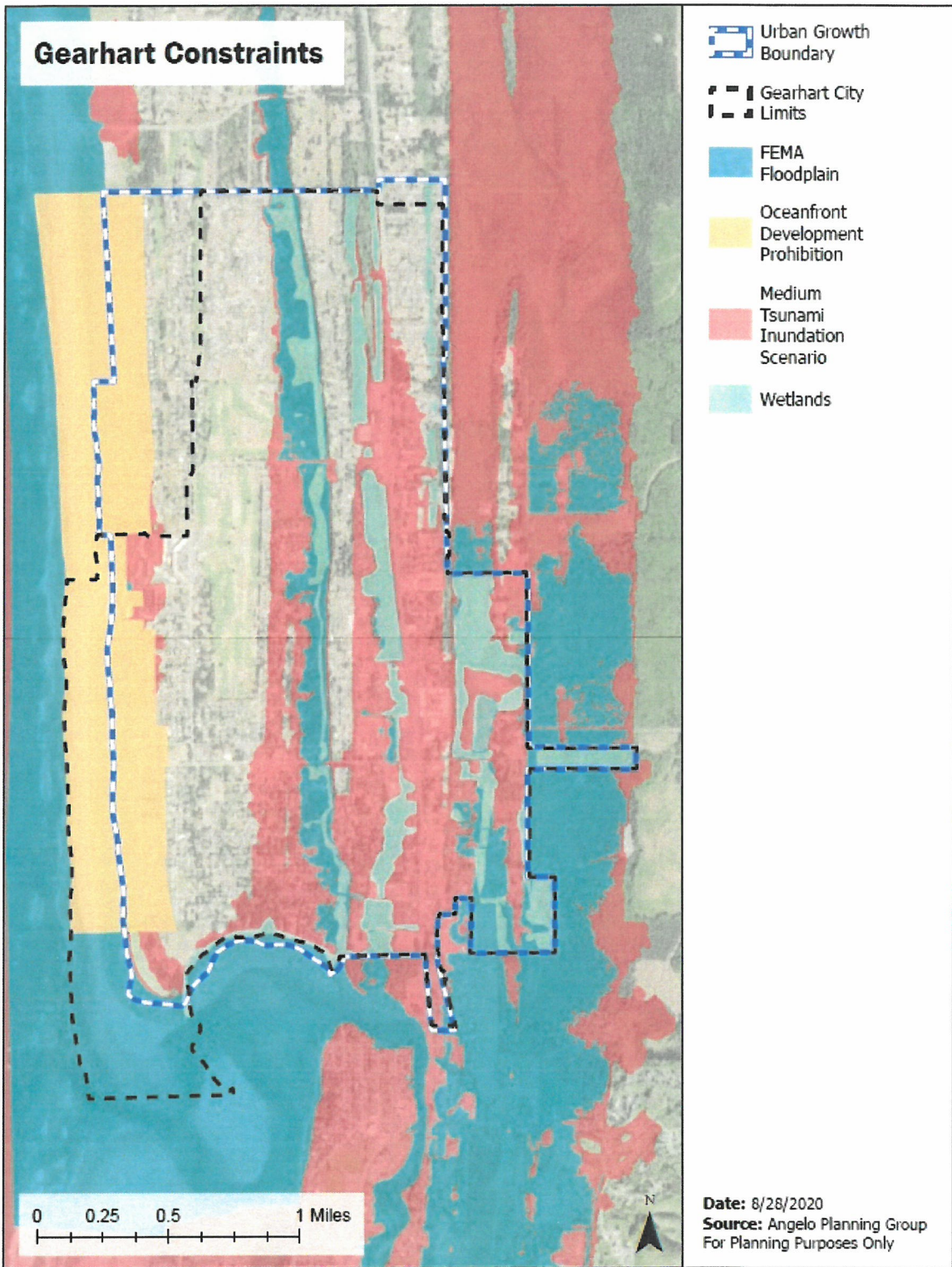
The first step of the BLI process addresses land constrained by natural resources, removing constrained acreage from the total area within each tax lot. The following natural resource constraints are assumed to be entirely unbuildable and removed fully. Note that a given piece of land can have multiple, overlapping constraints.

- Steep Slopes > 25% (Data source: National Elevation Dataset)
- Floodways and water bodies
- FEMA Special Flood Hazard Areas ("floodplains")
- Wetlands - Locally significant wetlands identified as unbuildable
- Ocean Front Building Line (Section 3.1220) – land to the west of the Ocean Front Building Line is considered undevelopable.

Constraints are shown on Figure 2.

FIGURE 3. CONSTRAINTS MAP





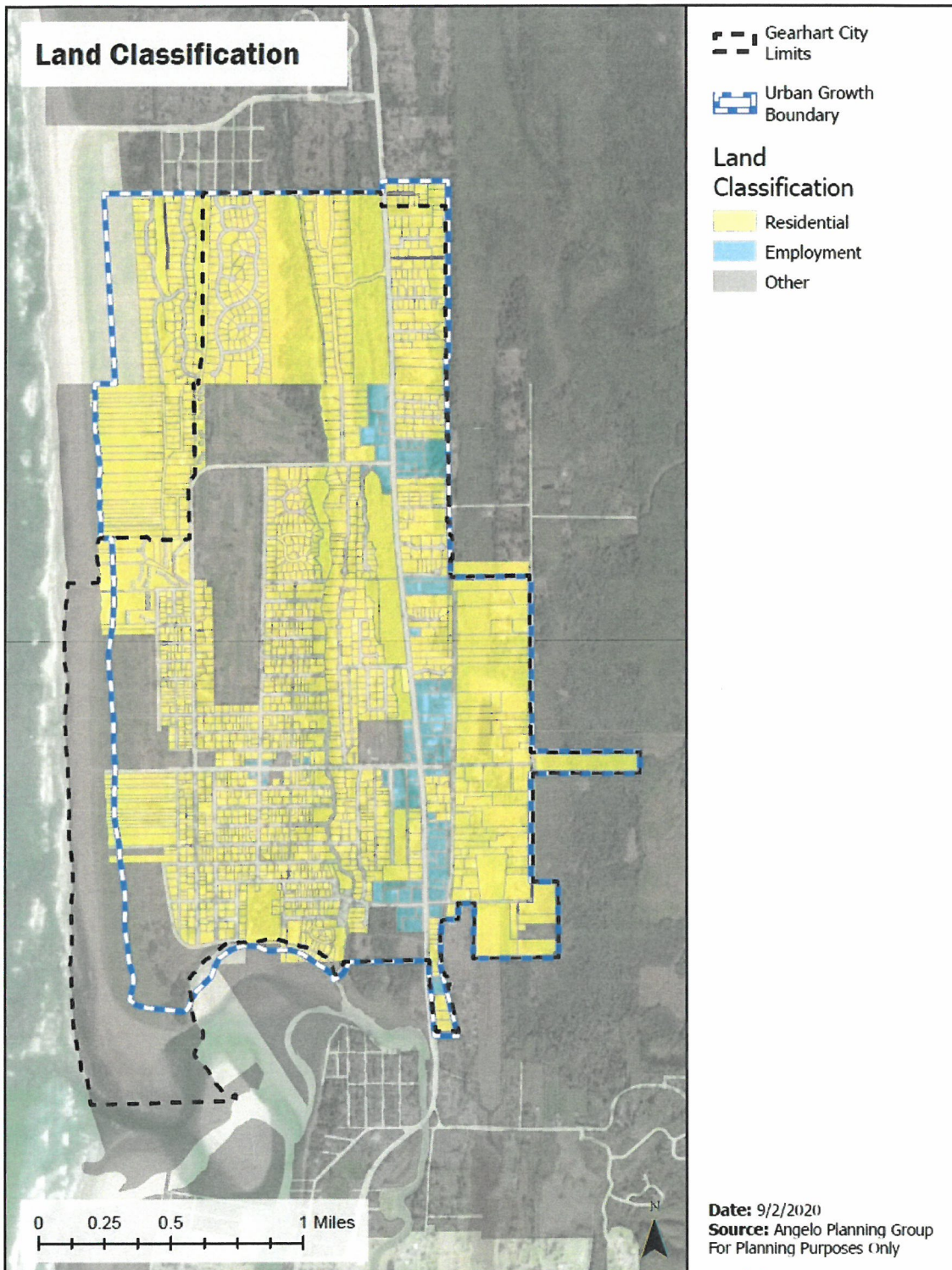
## STEP 2 - CLASSIFICATION OF LAND

Land within the Gearhart UGB is categorized as one of the following:

- **Residential** – Land with a zoning designation of Rural Agricultural (RA), Low Density Residential (R-1), Medium Density Residential (R-2), High Density Residential (R-3), and Residential Commercial Planned Development (RCPD).
- **Employment** – Land with a zoning designation of Neighborhood Commercial (C-1), General Commercial (C-2), Higher Intensity Commercial (C-3).
- **Other** – Land with a zoning designation of Public/Semi Public (PSP), Parks and Open Space (P), Aquatic Conservation (A-2).

Land classification is shown on Figure 3. The focus of this BLI analysis is residential land; tax lots with other classifications are not addressed further in this report.

FIGURE 4. LAND CLASSIFICATION MAP



## STEP 3 - DEVELOPMENT STATUS

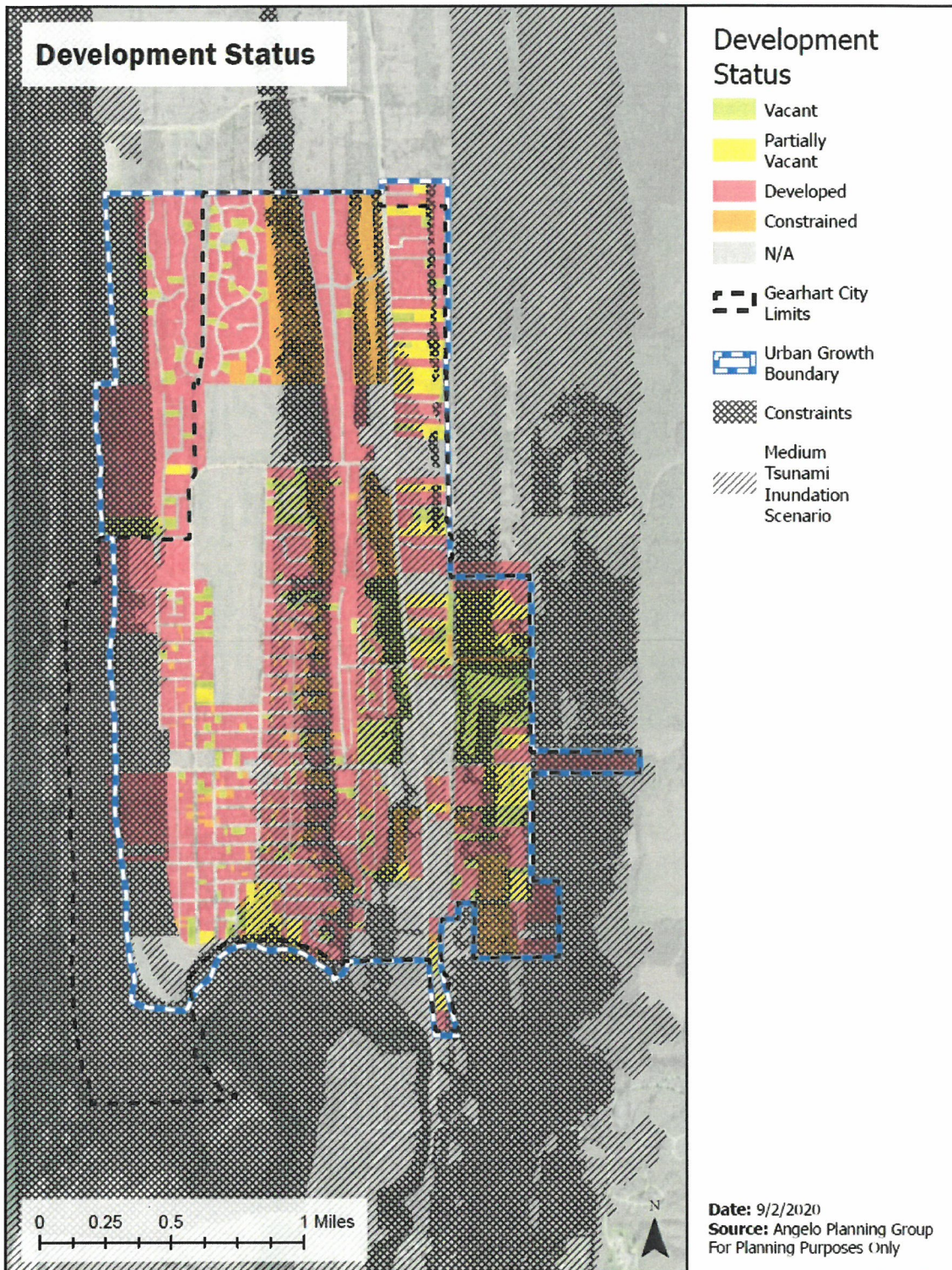
Each residential tax lot within the Gearhart UGB was given a “development status” of either developed, vacant, partially vacant, constrained, or committed. This designation is based on assessor’s data, aerial photography, and staff input. Criteria for these categories are described below.

## DEVELOPMENT STATUS FOR RESIDENTIAL TAX LOTS

- **Vacant** – Vacant tax lots have no existing development, as identified by assessor data or aerial photography. The acreage of these tax lots is that is not impacted by one or more of the constraints categories identified in Step 1 is assumed to be fully developable.
- **Developed** – These tax lots are assumed to be fully developed and unavailable for additional uses.
- **Partially Vacant properties** – These tax lots are greater than 1/2 acre in size contain both developed area (generally an existing home) and vacant area. One quarter-acre is deducted from the unconstrained acreage of the tax lot to account for the existing home and any remaining unconstrained acreage is considered available for future development.
- **Committed properties** – These properties include parcels in common ownership (i.e., a homeowners’ association), are in private and public rights-of-way, and/or are designated or planned for other public facilities (e.g., schools, parks, water treatment facilities, etc.), and are assumed to be unavailable for additional residential uses.
- **Constrained** – These properties do not not have capacity for additional development under current zoning regulations (even if the site is currently undeveloped). Large parcels impacted by wetlands and owned by the North Coast Land Conservancy, an organization dedicated to protecting sensitive areas from development in perpetuity, are included in this category. In some cases, several lots adjacent to one another have the potential to be aggregated and produce new units – these have been addressed on a case-by-case basis.

Development status is shown in Figure 5.

FIGURE 5. DEVELOPMENT STATUS MAP



## STEP 4 - DETERMINE DEVELOPMENT CAPACITY

The capacity of developable residential land is estimated based on zoning designations and provisions of the Gearhart development code.

### 3.140: R-1 ZONE STANDARDS

- Minimum lot size is 10,000 square feet
- Overall density on any parcel is limited to 4 DU/AC

### 3.240: R-2 ZONE STANDARDS

- Lot size is 7,500 square feet (10,000-15,000 for duplex through triplex).
- Purpose statement in 3.210 states maximum density is 6 DU/AC.

### 3.340 R-3 ZONE STANDARDS

- Lot size minimum of 5,000 sf and 7,500 sf for a duplex. Multifamily requirements are 5,000 sf for the first unit and 2,500 sf thereafter.
- Overall density shall not exceed 16 du/ac

### 3.740 RCPD ZONE STANDARDS

- Residential density is 16 du/ac maximum.

### 3.14 TSUNAMI HAZARD OVERLAY (THO) ZONE

- Residential uses with a density greater than 10 du/ac are prohibited within the area affected by the "M" tsunami scenario.

In addition to these zoning standards, development capacity in Gearhart is highly dependent on existing lots of record and County requirements for septic systems and these conditions and requirements have been factored into the assumed densities and capacity in the following table.

TABLE 1. GEARHART HOUSING UNIT CAPACITY

Zone	Maximum Density	Potentially Developable Tax lots	Unconstrained Acres*	Housing Unit Capacity
R1	4	179	66.8	277
R2	6	20	10.8	58
R3	10**	2	0.3	2
RA	1	26	18.5	10
RCPD	10*	16	4.0	34
<b>Total</b>	-	<b>243</b>	<b>100.5</b>	<b>381</b>

Notes

Taxlots with various base zones are within the THO overlay – these taxlots are assumed to have a density no greater than 10 du/ac

\* For properties with existing homes (in the “Partially Vacant” category), an additional ¼ acre is considered constrained to account for an existing home. For properties greater than 3 acres in size, an additional 25% of the acreage is deducted to account for future ROW.

\*\* Conversations with Clatsop County officials regarding achievable densities with septic systems suggest that 16 units/acre allowed in the development code is not an achievable density. As a substitute we have used 10 units/acre.

## TAKEAWAYS

These initial results show:

- The capacity for new housing in Gearhart is impacted by a number of constraints, including natural resource and hazard areas, conservation areas, and lack of a community wastewater treatment system.
- About two-thirds of the capacity for future residential development is on land within the R1 zoning designation.
- About three-quarters of the capacity for future residential development is on vacant lots, while one quarter is on lots with some existing development.
- This inventory indicates a lower capacity than the 2018 county-wide inventory did for the City of Gearhart (381 units in this effort compared to a total of 701 units in the 2018 study). (Table 3 of the inventory included below)



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	268	524	3,312
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
<b>Grand Total</b>	<b>3,496</b>	<b>5,136</b>	<b>4,407</b>	<b>12,038</b>

- The density of future development and relative ability to develop some lots is limited by the absence of a community wastewater treatment system. Previous cost estimates for construction of a system indicate it would cost approximately \$150 million or more. This is equivalent to about \$283,000 per remaining potential housing unit or about \$127,000/housing unit for all existing and potential new units in the city.
- This inventory addresses supply of residential land within the UGB. Cities in Oregon are required to maintain a 20-year supply of residential land within the UGB. Residential land need must be based on population forecasts created by the Population Research Center at Portland State University (PSU), which are updated every few years for each city in the state.<sup>2</sup>
- The 2019 Clatsop County Housing Strategies Summary estimated a growth of 94 new households by 2038. That study was based on the most recent PSU population forecasts available at that time, which assumed an annual average growth rate of 0.7%. However, those forecasts were updated in 2020 and the new forecast estimate an average annual growth rate of 0.3% between 2020 and 2045, which would result in an even lower estimate of needed new housing units. Under either the previous or current forecast, the capacity indicated in the inventory is greater than the projected needed new housing units in the 20-year planning horizon.
- Projected future growth is based in large part on historical trends over the previous 20 years. To the extent the demand for additional housing in Gearhart increases and those long-term trends change, the City of Gearhart could see a higher demand for housing in the future, in comparison to the PSU forecasts. The City of Gearhart should continue to coordinate with PSU in future forecast updates and ensure that changing development trends are factored into the forecasts.

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<sup>2</sup> <https://www.pdx.edu/population-research/population-forecasts>