

Keene notes from meeting with Sara Absher of the Tillamook County Community Development Office October 5, 2021

Community Development (Building/Planning/Code Enforcement/Short Term Rentals)

Sarah Absher, Tillamook County Director of Community Development, met with the Budget Team for several hours on October 5, 2021, to discuss staff allocations and costs a new city of Oceanside would need to budget for services now rendered by her Department.

1. Building Permits and Inspections

Absher confirmed that all Tillamook County cities except Manzanita are parties to intergovernmental agreements under which the county handles their building permit and related inspection functions for no cost, but with the county retaining all fees. She said her department would be willing to enter such an arrangement with the new city, obviating the need to budget city funds. [Note: The Team needed clarification on the extent to which recent turnaround issues at the county included building permit services independent of functions controversially being contracted out to a Eugene firm.] This arrangement also included permits and inspections for geotechnical, electrical, plumbing, mechanical and sanitation/sewer building components. Absher indicated this also included “code enforcement” for “life, health and safety” issues, but that they overlapped with “life, health and safety” inspections conducted by local fire districts. She recommended “code enforcement” responsibilities be carefully delineated and staffed by a new city. She also recommended combining such responsibilities with those staff assigned to conduct short term rental inspections.

2. Short Term Rental Regulation and Funding

Absher indicated that the county regulates, inspects and collects fees/taxes from approximately 1000 licensed short term rentals, approximately 120 of which (12%) are in Oceanside. She estimates these functions consume 3.5 to 4.0 FTEs. She has the same personnel conduct STR inspections who conduct other building inspections because the certifications and qualifications are similar. The county funds its operations from an initial STR licensing fee of \$350, with \$250 for annual renewals. In addition, the county recently initiated an STR “operations” fee of approximately 1% of gross revenue dedicated to county Housing Commission operations, regarding which the county is on alert for court challenges. These are separate from and in addition to the Transient Lodging Tax of 10% of gross revenues, which would be reduced to 1% should a new city of Oceanside elect to exercise its right to a 9% tax. Absher said she needed to investigate whether the county would be willing to continue collecting the tax on behalf of Oceanside in exchange for a commission. The Team will need to determine whether assuming that responsibility would give it more regulatory leverage – especially with the rental networks like Air B&B that are unresponsive to the county’s oversight efforts.

3. Planning Services

Absher cautioned that we consider two categories of planning services. The first category would be formal planning services involved in screening building permits for land use compliance, processing variances and staffing any appeals to the city Planning Commission and/or City Council. These could be procured from a third-party contractor like Scott Fregonese and Associates, who currently service Bay City and Rockaway (and are in negotiations with Garibaldi). [Note: Jerry Keene met separately with Fregonese, who estimated such contract services could satisfactorily be handled under an hourly service agreement with an annual “not-to-exceed” limit of roughly \$30,000.]

Absher counseled that a second category of service could be provided by a “planning tech” who would handle the administrative functions attendant upon the contractor’s work (public notices, etc.) and also service inquiries by phone or over-the-counter by those interested in building or remodeling in Oceanside. She indicated Oceanside was a “heavy user” of such services in her office because of its popularity. Absher estimated that such functions would support a .5 of .75 FTE.