



Department of Land Conservation and Development

2015-17 TECHNICAL ASSISTANCE GRANT APPLICATION

Please complete each section in the form below. Type or write requested information in the spaces provided. Submit completed applications **by September 30, 2015**.

Application Date: September 30, 2015

Applicant: City of Lincoln City

(If council of governments, please also include the recipient jurisdiction name if applicable)

Address: 801 SW Hwy 101

City: Lincoln City

Zip: 97367

Phone: 541-364-1033

Contact name and title: Debra Nicholson, Senior Planner

Contact e-mail address: dnicholson@lincolncity.org

Grant request amount (in whole dollars): \$50,000.00

Local Contribution (recommended but not required): \$12,500.00

Project Title:

Economic Opportunities Analysis and Buildable Lands Assessment for Lincoln City

Project summary: (Summarize the project and products in 50 words or less)

Lincoln City requests funding to assist with a new economic opportunities analysis and buildable lands assessment. The city is undertaking an overhaul of its comprehensive plan, and wishes to employ consultants with the expertise to complete these important components.

Project Description & Work Program

Please describe the proposed project, addressing each of the following in an attachment.

A. Goals and Objectives. State the goals or overall purpose of the project. Describe particular objective(s) the community hopes to accomplish. Please indicate whether this is a one-biennium, stand-alone project or is part of a longer multi-biennium program. If it is the latter, describe subsequent phases and expected results, any previous work completed, and how work beyond this project will be funded.

B. Products and Outcomes. Clearly describe the product(s) and outcome(s) expected from the proposed project. Briefly describe any anticipated significant effect the project would have on

development, livability, regulatory streamlining, and compliance with federal requirements, socioeconomic gains, and other relevant factors.

C. Work Program, Timeline & Payment.

1. **Task(s) and Product(s):** List and describe the major tasks and subtasks, with:

- The title of the task
- Steps to complete task
- The interim and final product(s) for each task

2. **Timeline:** List all dates for the project including tentative start date after the contract is signed, task completion dates, progress milestone(s), and project completion date. If the project is part of a multi-year program, provide an overview of the expected timeline(s) in sequence of expected start dates and completion date for each and describe subsequent phases to be completed.

3. **Payment Schedule:** Develop a requested payment schedule showing amount of interim and final payments. Include the products that will be provided with each payment request. The payment schedule should generally include no more than two payments – an interim and final payment.

D. **Evaluation Criteria.** Include a statement in the narrative that addresses the program priorities and evaluation criteria presented in the application instructions (“Eligible Projects and Evaluation Criteria”).

E. **Project Partners.** List any of the following that will participate in the project: federal agencies, state agencies, council of governments, city and county governments, special districts, and other entities. Briefly describe the role of each (*e.g.*, will perform work under the grant; will advise; will contribute information or services, etc.).

F. **Advisory Committees.** List any advisory committee or other committees that will participate in the project to satisfy the local citizen involvement program, if any.

G. **Cost-Sharing and Local Contribution.** DLCD funds are only a part of overall project costs; please identify sources and amounts of other funds or services that will contribute to the project’s success. Cost-sharing (match) is not required, but could be a contributing factor to the success of the application.

Will a consultant be retained to assist in completing grant products? Yes No

Local Official Support

The application ***must include*** a resolution or letter from the governing body of the city, county, district, or tribe demonstrating support for the project. If the applicant is a council of governments on behalf of a city, a letter or resolution from the city council supporting the application must be included. *The application will not be complete if it does not include this item.*

Product Request Summary

Product	Grant Request	Local Contribution	Total Budget
1	\$ <u>50,000</u>	\$ <u>12,500</u>	\$ <u>62,500</u>
2	\$ _____	\$ _____	\$ _____
3	\$ _____	\$ _____	\$ _____
4	\$ _____	\$ _____	\$ _____
5	\$ _____	\$ _____	\$ _____
6	\$ _____	\$ _____	\$ _____
7	\$ _____	\$ _____	\$ _____
8	\$ _____	\$ _____	\$ _____
TOTAL	\$ <u>50,000</u>	\$ <u>12,500</u>	\$ <u>62,500</u>

Submit your application with all supplemental information to:

Larry French, Grants Administrative Specialist

E-mail (preferred): DLCD.GFGrant@state.or.us

Mail: Department of Land Conservation and Development
635 Capitol Street N.E., Suite 150
Salem, OR 97301

Phone: 503-934-0054

APPLICATION DEADLINE: September 30, 2015

Attachment for Lincoln City's 2015 Technical Assistance Grant Application

Goals and Objectives:

Goal: The city's goal for this project is an economic opportunities analysis, a housing analysis, and an inventory and assessment of available buildable land that will inform the preparation of the city's new comprehensive plan and land use map, and guide the city over the next 20 years in its approach to business retention and development, affordable housing, and provision of public spaces. This is a one-biennium, standalone project.

Objectives are to:

- 1) update the city's buildable lands inventory, recognizing sustainability and resiliency, as well as needs and opportunities;
- 2) update the City's economic data;
- 3) develop realistic expectations and a cohesive strategy and vision for economic development;
- 4) assess adequacy of available residential lands and land use regulations to meet the city's housing needs;
- 5) define specific policies and implementation measures that will achieve the community's development aspirations;
- 6) provide an economic component for the city's new comprehensive plan update that meets Statewide Goal 9;
- 7) provide a housing component for the city's new comprehensive plan update that meets Statewide Goal 10;
- 8) inform the assignment of land uses in the comprehensive plan map; and
- 9) prepare the city for participation in economic development programs.

Products and Outcomes:

The City proposes to contract with consultants who have the expertise to prepare a new economic opportunities analysis, a housing needs analysis, and a buildable land inventory and assessment. By combining the studies, the city hopes to attract more proposals, get more for the money, and produce a superior product.

The City of Lincoln City last evaluated buildable lands and economic trends in a comprehensive manner with the preparation of the 2006 Economic Opportunities and Buildable Lands Assessment. The 2006 document utilizes data from the 1990's and early 2000's, which predate the housing boom and the recession. The study pre-dates newer studies and plans for the city's utilities and transportation, and predates new sewer technology that increases development potential for land within the UGB that before was not economically viable. It also predates the city's capability for accurately analyzing slopes and soils, and new information from state agencies regarding hazards, current flood maps, and recent changes in the NFIP (National Flood Insurance Program), all of which affect the cost of development. The 2006 plan does not address the importance of good, reliable communications systems (e.g., fiber optics), which are increasingly critical for all businesses, and especially potential cyber businesses. A new study would reflect these new technologies and realities.

The city has implemented some of the regulatory measures recommended in the 2006 plan to increase affordable housing, but the lack of affordable housing continues to frustrate the city's employers in attracting and maintaining a quality workforce. A new study would provide direction in addressing the city's affordable housing needs and in meeting aspirations for more jobs with living wages and benefits.

Lincoln City's economy is predominantly tourist-based. Its natural amenities and funky tourist town character attract tens of thousands of tourists daily during the summer and holidays. The strong tourist economy and careful budgeting have kept the city government in good shape financially. Some of our businesses and tourist industry workers, however, struggle to survive the off-season months. Due in part to the demand for second homes and vacation rentals, the city does not have sufficient affordable housing for the relatively low paid employees of tourist-related businesses, or for teachers and city employees. The city has a growing number of retirees, who generate additional demand for affordable housing, as well as business for service providers and retailers. The city's physical constraints (e.g., topography and wetlands) and hazard potential (e.g., flood and tsunami inundation areas) limit options for location of new industry, large scale service and retail buildings, and critical facilities, and add cost to development.

A well-researched current economic opportunities analysis would help the city assess the need to diversify by identifying new businesses and industries that could thrive here in the Lincoln City UGB on the central Oregon Coast. A current buildable lands analysis would show how the city's physical environment could accommodate new business and adequate affordable housing in a resilient and sustainable manner without compromising our tourist town character.

A fresh look at our economy and buildable lands is particularly timely, given the city's involvement in these projects: 1) Two years ago, the city purchased over 300 acres of a minimally developed PUD (planned unit development) after it went bankrupt to preserve its availability for future urban land use. The city is working on a strategy for use and ultimate sale of this land; 2) The city is engaged currently in a neighborhood refinement plan for over 200 acres in the Nelscott area surrounding a recently completed \$18 million highway improvement. The study area includes land within our UGB, both inside and outside the city limits; and 3) The city is in the initial stages of preparing a new comprehensive plan and update to its parks master plan.

Work Program, Timeline and Payment:

Project Team Kick-off Months 1-2

The City will hire a consultant through a competitive selection process to assist in conducting the inventory, analysis, and assessment. Staff will provide the consultant with relevant background information and lead an orientation meeting and tour of the community.

The City will form an ad-hoc advisory committee (PAC) comprised of interested citizens and persons with housing and/or economic/business expertise to provide guidance and direction throughout the process.

PAC Meeting#1 Month 2

At the initial meeting, staff and the consultant will discuss with the PAC the following:

- PAC membership and involvement of public
- Clarification of study's purpose and area
- City policies and background information that could inform the analysis
- Clarifications to the project scope and schedule
- A statement of community economic development and housing goals and objectives

Memo #1 Project purpose, the city's economic and housing goals and objectives Month 3
Following the kick-off and meeting, the consultants will prepare a memo documenting the decisions and any refinements to the scope and schedule, and initial input from the PAC.

Product: Memo #1 documenting meeting outcomes

PAC Meeting#2 Month 3

PAC will review Memo #1 and consultant's assumptions for the residential needs analysis and employment forecast.

Residential Needs Analysis Months 3 to 5

Consultants will collect, review, and evaluate relevant population and employment data and projections from city, county and other data sources (e.g. Census), analyzing the following:

- Residential demographics (e.g. age, family type, income), including information relevant for determining affordable housing needs
- Employment data
- Housing stock data:
 - Existing housing types (e.g. single family residential, multi-family, government assisted) and physical characteristics (e.g. owned vs. rental, mental health, number of bedrooms)
 - Existing densities
 - Financial information necessary for conducting affordability analysis (e.g. mortgage costs, rent levels, utility costs)
 - Recent building permit data
 - Vacant lots and anticipated new developments

Consultants will prepare a housing needs forecast in five-year increments, extending out 20 years that will reflect expected population growth, projected demographic characteristics and trends (including income levels), and affordable housing needs in accordance with HUD guidelines. The forecast will describe a mix of housing types (with images and text) and tabulate require numbers to serve the projected employment base, commensurate with expected income levels and housing costs.

Product: Memo #2 Draft Housing Needs Report for the City of Lincoln City

Update Economic Data and Prepare Employment Forecast Months 3 to 5

Consultants will prepare an economic opportunities analysis that satisfies DLCDDs requirements, according to OAR 660-009-0015. Consultants will review the area's economic history and

available data from the city, county, region, and state. Consultants will evaluate local economic conditions and relevant national, state, regional, county and local economic development trends. Consultants will review with staff, and subsequently with the advisory committee, proposed methodology, based on the trend data, local conditions, and community goals Consultant will prepare an employment forecast. Consultants and staff will interview targeted stakeholders and discuss with federal, state and regional agency staff ways to cooperate, participate in economic initiatives, and funding for implementation.

Product: Memo #3 Draft Economic Trends and Employment Forecast for the City of Lincoln City

PAC Meeting#3 Month 5

PAC will review Memos #2 and #3.

Buildable Lands Inventory Months 4-6

Consultants will prepare a catalog of site types suitable for businesses and for workforce housing, and an inventory of buildable land within the Lincoln City UGB, describing:

- Existing zoning designations, and relevant zoning text
- Detailed tax lot/assessor data
- Environment constraints (e.g., limitations due to topography, transportation system, sensitive or hazardous lands
- For housing, any areas that include incentives, such as accessory units, density bonuses
- Assumptions regarding area for infrastructure and public structures.

The result will be an inventory of suitable land for business and housing that includes (1) vacant land ready for development by land use category, (2) and inventory of built lots with high redevelopment potential, in accordance with Oregon Administrative Rules, and (3) and inventory of built lots with “additional capacity” (e.g., with excess square footage or permitted incentive bonuses). The consultants shall document all assumptions and steps used in these calculations, which staff shall approval before consultants finalize the inventory. Maps shall be in and Arc GIS-compatible format.

Product: Memo #4 Draft Buildable Lands Inventory, Documentation, and Supporting Maps
Payment: \$25,000 (due from DLCD upon receipt of Memos 1-4 accepted by the city)

PAC Meeting #4 Month 6

PAC will review Memo #4.

Conclusions, Recommendations, and Implementing Policies and Measures Month 5 to 7

Consultants will compare the needs assessment and forecasts to the buildable lands inventory to determine whether sufficient buildable lands exist to serve projected housing needs. Based upon that analysis, consultants will prepare recommendations for future action, as needed, to meet projected needs. The recommendations should include changes to the Comprehensive Plan, zoning ordinance, and, if necessary, to Lincoln City’s UGB. For recommended plan policies or code changes, consultants will draft language for the city’s consideration. Staff will review the draft Memo #5 and consultants will make any necessary changes prior to distribution to the PAC.

Product: Memo #5 Draft Report Describing Projected Housing Deficiencies/Surpluses, and Recommended Future Actions

Final Report Months 7 and 8

The consultants will draft a final report and submit it to city staff for review. Consultants will make changes and corrections as requested, and distribute the revised draft to the PAC and to the regional Business Development officer for Oregon's Economic Community Development Department for review. The PAC will forward the draft final report with recommendation to the Lincoln City Planning Commission and City Council.

Product: Final Reports and Accompanying Maps
PAC meeting #5
Joint Planning Commission/City Council workshop

Payment: \$25,000 (due from DLCD upon receipt of final report); \$12,500 from city

Evaluation Criteria:

At the completion of the studies:

- local planners will have needed direction for preparing a new comprehensive plan map that includes adequate area zoned for existing and future land uses
- the city will have direction regarding economic retention, development, and diversification
- over time, the city will realize new businesses and housing types, through actions recommended in the final report

Project Partners:

The city has invited the Confederated Tribe of the Siletz to partner with us on this project. The Tribe is a large employer, recently has built affordable housing and plans to build more, and has substantial land holdings within the UGB. We are waiting for the Tribe's response. We expect that the organizations invited to participate on the advisory committee will contribute information and assist in outreach.

Advisory Committee:

Interested citizens and persons with housing and/or economic/business expertise will comprise the advisory committee. The city will ask local organizations to select representatives to serve. Organizations will include the Chamber of Commerce, Bay Area Merchants Association, Nelscott Neighborhood Association, Roads End Improvement Association, Nelscott Neighborhood Association, Economic Development Alliance of Lincoln County, Confederated Tribe of the Siletz Indians, the Small Business Development Center, Lincoln County Land Trust, Lincoln County Department of Health and Human Services, North Lincoln Samaritan Hospital, and Lincoln County Planning Department, and any others identified by the PAC in its first meeting.

Cost-sharing and Local Contribution:

The city estimates the project will cost \$50,000. The city will provide \$12,500 (25%) in cash match and a minimum of \$8,000 in in-kind staff and volunteer time and supplies.