

Tillamook County



Land of Cheese, Trees and Ocean Breeze

Board of Commissioners
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Senate Committee on Housing

Re: Senate Bill 595

Dear Senate Committee:

Thank you for allowing me to testify on behalf of Senate Bill 595. In Oregon, and nationally, we have a severe housing crisis. Each county in Oregon has a unique housing crisis and associated causes. In Tillamook County our tourism industry has increased exponentially, and this has resulted in a loss of housing inventory to short-term vacation rentals and second homes. Our 2017 housing study pointed out that 2,400 new units were built over the past ten years, but we converted 2,700 units to second homes and short-term vacation rentals; this has resulted in a net loss of 300 permanent residences. Additionally, the demand for second homes and vacation rentals has driven the price of real estate up to levels many in our community cannot afford.

As our county transitions from higher paying natural resource family wage jobs to minimum wage tourism jobs, many of our citizens are forced to pay substantially more than 30% of their income for rent, forcing them to make difficult choices regarding food, clothing, and utilities—others cannot find housing. Tillamook County School District No. 9 superintendent has estimated there are least 200 children in the district who are homeless and/or couch-surfing and suggested the actual number could be as high as 500. The tourism industry provides many minimum wage jobs for which rural communities have no available housing. This is a portion of the argument in favor of ballot measure 102 by the Restaurant and Lodging Association of Oregon.

“restaurant and lodging employees from Ashland to Portland, Coos Bay to Bend, are finding it more difficult to find housing close to their place of work.”

“Due to rising housing costs, these hard-working Oregonians are finding it more difficult to secure housing options that meet their needs. The result is long distance and congestion-filled commutes that mean less time spent with families and more money spent on transportation. Hard working Oregonians should be able to afford to live near their job, but a lack of affordable housing options across the state is making that more difficult.”

Tillamook and many other rural counties in Oregon lack the capacity to tackle local housing issues. Far too many of our cities and counties simply don't have the staff to apply for Oregon Housing and Community Service grants, much less implement them. Our capacity issues in Tillamook County really struck home when I asked our Human Resource Director to put together a job description for a housing coordinator position. Outreach done by our director in Washington County revealed that county had at least 15 people working in housing. We lack resources to review our zoning and permitting ordinances and processes, we also lack funding to determine a real inventory of land availability. We also do not have the capability to recruit developers and apply for and administer federal and state housing grants.

Tillamook County's permanent tax rate is just under \$1.50 per thousand and we cannot raise that rate. Last year we were forced to cut two full-time positions from our general fund budget, clearly, we do not have the ability to take on the financial commitment to address our housing needs.

Senate Bill 595 would give us the opportunity to address many of the issues brought on by this crisis and it would allow us to fund a housing department which would work to provide housing for those working in our tourism and other industries. This is not a new tax; Senate Bill 595 would basically enable cities and counties to use a portion of the transient lodging tax dollars for housing, it would also allow them to determine if advertising and promotion is a higher need than housing and to allocate the funds appropriately.

When the legislature passed the current law with 30% for local government and 70% for advertising, promotion and tourist related facilities in 2003, it was to increase the tourism industry in our communities. It has been an overwhelming success story but many of our communities are at capacity for tourists and are now finding tourism to be a burden on our housing resources. It has been 15 years since this law was changed and it is now time for tourism to be part of the housing solution, not the problem.



Bill Baertlein
Tillamook County Commissioner