# OVI Team Responses to Substantive Questions from July 12, 2025 OVI Community Outreach Session "Oceanside Village: The Big Picture"

1. Question from Sean Aiken (Maxwell Mtn Road): People have voted already that they are not interested in it. How many times will we vote on this and how long will the vote validity last? Will this be like the height restriction where an old vote is honored or do votes matter at all if they don't go your way? When is a no vote on incorporation honored?

**Response:** The 2022 incorporation initiative proposed incorporating all of currently unincorporated Oceanside. This initiative proposes a different city with half the area, a different boundary, a smaller budget and a different population. It is responsive to the strongly expressed sentiment by those in South Oceanside who sought removal from the proposed boundary during the county hearings on the petition. They objected to the creation of a broad tax base for addressing issues that were viewed as "Village" problems – primarily, deteriorating county roads, impending commercial development (new hotels), and short-term rental livability impacts. Those problems have not gone away, and we disagree that the 2022 election results were a mandate for the Village to give up on addressing them on its own. This is covered in more detail in the OVI website under the "Why now?" at www.oceanside-village.org

2. Questions from Paul Wyntergreen (Alder Street):

Why not have the County bifurcate the community and develop special standards for the Village?

**Response:** That question was posed to Community Development Director Sarah Absher more than once historically and during the Senate Bill 406 zoning meetings over the past year. The County declined to consider it, and has voiced a desire to limit and reduce the number of community special zoning areas overall. We presume this is a cost issue due to declining County revenue and anticipated staff reductions.

Is there a line item in your pro forma budget for contracting with the Sheriff's office for protection?

Response: Not in the hypothetical budget we assembled. (It is important to remember that the actual budget cannot be formulated until incorporation passes and a Village Council is elected to do so.) We did explore this issue with the Tillamook County Sheriff, who confirmed that his office will continue to provide the same level of crime patrol and call response services to an incorporated Village as they do currently. (Oceanside Villagers will continue to pay county property taxes, which are used to fund the Sheriff's office.) We also canvassed other cities in Tillamook County for their practice. Bay City terminated a special contract they had with the Sheriff's office for dedicated service, after finding the contract was not producing a demonstrable benefit to the City. They chose to devote that money to a code enforcement officer to address civil ordinance enforcement. The elected City Council after incorporation could look at options for such services, but the historically low crime rate and law enforcement call volume may not require any additional services beyond what is provided by the Sheriff currently. More data is available on the ONA webpage at <a href="https://www.oceansidefriends.org">www.oceansidefriends.org</a> under the prior incorporation effort supporting documents.

3. Question from Edward Gorzynski (Alder Street): Will you place the \$150,000 from TLT as a line item in your budget for roads only. Your proposal shows costs of 1.7 million dollars. Taking inflation into consideration it would take 18 years to pave our roads. Will you otherwise place the \$150,000 into the general fund?

**Response:** As noted above, our group has no authority to make decisions about specific budget line items at this point. We are not elected officials, just a petition steering committee following the rules for seeking an incorporation election. In accordance with state law, we designed a *hypothetical budget* to provide one example of how the services we envision would comport with available revenue. The elected Village Council will hold public hearings to formulate the actual budget if incorporation passes. That said, we are highly confident of our revenue estimates, which have not been challenged and are based on hard data from the state and county. It is true that road costs will increase over time with inflation, but so will TLT revenue, since it is a percentage of short-term rental prices that also increase over time. In response to your specific question, we think the overall roads issue is most helpfully evaluated by comparing the resources the city <u>could</u> devote to roads to the resources that the county <u>has</u> devoted. Even if paving the Village's roads will take 18 years, we suggest Villagers compare that to the paving the county has provided over the <u>last</u> 18 years to determine whether incorporation is worth considering.

**4. Question from Marlene Stellato (Terrasea Way – outside the Village)** Regarding the map, is the county going to approve these boundaries or does the county need to do so? Right now, Oceanside is an unincorporated city. If the Oceanside Village does approve incorporation, curious how Oceanside's city listing would appear..... i.e. will the government ... i.e. county, state, etc allow Oceanside to have the village incorporation and the other part of Oceanside (i.e. those outside the proposed Oceanside Village incorporation) as unincorporated? Welcome comments. Thank you

If we pursue a petition for an incorporation election this fall, it must include a proposed boundary. The County Commissioners will then hold public hearings in which they will have authority to adjust the boundary based on areas that will or will not benefit. If incorporation passes, the area within the boundary will fall under the new city's jurisdiction, while the other areas of unincorporated Oceanside remain under County jurisdiction. There are some important land use issues regarding these respective areas that state law will require the city and county to address in public proceedings by the county and the new city after a successful election.

#### 5. Questions from Charles Newcomer (street?):

30% of \$500k is only \$150k annually. That is miniscual. Sounds like we need to get louder with the county as our property taxes already pay for the roads and infrastructure. ... There is no way that every road in village can be paved in next 5 years for \$750k.

Response: There are admittedly limits when trying to predict the future – but we <u>can</u> look to the past by and compare the undisputed revenue the Village will have for roads to that which the county has spent on them over time. (See response to Ed Gorzynski above.) Moreover, many of our community members and ONA officers have been very vocal with the County Commissioners and other county officials about the substandard roads in the Village over many years. Members of our community have also served on the CRAC (County Roads Advisory Committee) and voiced our concerns, but the county's broader needs outpace its resources. We urge you to attend Saturday August 2's meeting on this issue for more information. Not every road would be paved within five years, but certainly more can be accomplished than the County has done or is doing.

Just so it is clear, this entire budget is to be funded by TLT funds. The owners who do not pay TLT will benefit from the taxpayers who do.

Response: The draft Economic Feasibility Statement on our website – <a href="www.oceanside-village.org">www.oceanside-village.org</a> - includes potential funding sources <a href="in-addition-to">in addition to</a> TLT funds, and more could be pursued by the new city upon incorporation. More detail is available in the notes to the EFS and at the September 6 meeting on this issue. Short-term rentals do not pay TLT; they collect it from their customers and forward it to the county for spending countywide. All Villagers experience the impact of those visitors on our community and roads. Incorporation will simply allow the Village to claim 90% of that TLT and allow local control over how it is spent for the benefit of the entire Village.

## 6. Questions from Chris Harrington (Rosenberg Loop):

How was eligibility to vote in the last incorporation vote determined? Registered in Oceanside or owning a residence in Oceanside? ... I am a 16-year resident but I did not have opportunity to vote in the last incorporation vote. I want that opportunity because I believe I would support incorporation as it is being proposed today.

**Response**: If we succeed in petitioning for an Incorporation election, it would appear on the ballot like any other measure presented for voter approval. Residents within the proposed Oceanside Village boundary who are registered to vote in Tillamook County will be able to vote on it.

#### 7. Questions from Elaine Sullivan (Maxwell Mtn Road):

Maxwell Mountain north to Radar ridge. We are 2acre minimum rural Tillamook County and have no affinity for disruptive concepts such as "Ocean Village" or Oceanside Incorporated City. We need to be eliminated from your designed concepts of City Incorporation. Your continued efforts to incorporate are not appreciated and devisive

**Response:** We understand that unincorporated Oceanside currently has only a single residential zone, and that it is subject to the standards in Tillamook County Land Use Ordinance 3.310. Questions about your individual property and its zoning can be directed to the County Community Development office. As to your opinion of the proposal, we appreciate that you are taking the trouble to evaluate the proposal on its merits. The purpose of this initiative is to share our research findings and then explore what most Villagers like you think about the proposal. Discussions are currently underway about whether to include the Radar Road area in the proposal.

# The financial projections [in] your proposal are fundamentally flawed!

**Response:** We would welcome specifics about the flaws you see. More detail is available in the notes to the EFS and will be discussed at the September 6 meeting on this issue. I'm happy to have a personal conversation with you about our projections and what they are based on – Sharon Brown.

8.Question from Craig Child (Terrasea Way – outside the Village): [T]here isn't \$150K/year available [for roads]. The proposal diverts a significant part of that to funding the operations of the city.

**Response:** As noted above, our revenue figures are solid, but specific budget allocations over time will be made by the elected Village Council in public proceedings. While your neighborhood of Terrasea would not be included in the proposed Village, we welcome your thoughts and would urge you to attend

the August 2nd meeting on road issues and the September 6 meeting on the Economic Feasibility Statement for more information. Not every road would be paved within five years, but certainly more can be accomplished than the County has done or is doing. I'd also welcome a conversation about where our income projections came from, so feel free to give me (Sharon Brown) a call or email if you'd like to discuss this further. In response to your specific comment regarding administrative costs and "available" road funds, we did front load the administrative costs in the first three years to reflect our expectation that there will be start-up expenses that lessen over time. Finishing the start-up phase should free more revenue for roads. Again, the elected Village Council will decide the actual pace and extent of road funding based on economic circumstances at the time.

## 8. Questions from Mark Hersh (lower Sunset Avenue):

I'm concerned that zoning regulations enacted by an aggressive city council would drag us into legal fights costing a lot of \$.

Response: That's an important question. Regarding "aggressive" city council members, they haven't been elected yet. (You might consider running!) Any future City (Village) Council would of course be accountable to local voters for their fiscal decisions and liability precautions. On a more concrete level, the League of Oregon Cities (LOC) and other organizations provide training and advice on how to carry out those responsibilities in a way that to avoids or minimizes such liability issues. Some of this training is required to maintain eligibility for LOC's liability insurance program, which the Village (and nearly all small cities) would participate in. We can anticipate that elected officials would be aware of and take examples such as the City of Wheeler's experience into account in making those important decisions. Finally, our hypothetical budget for the first three years envisions outsized line-item allocations for land use consultants and legal services to avoid exactly the kind of liability exposure situation you have described.

Is there a minimum tax that must be enacted? Or can the entire show be funded without a city tax. Our county tax will not be reduced, correct?

**Response:** You are correct. We researched this issue extensively and did not find any minimum city property tax required for incorporation so long as the petitioners can demonstrate a balanced budget for the proposed services to establish "economic feasibility." We seriously considered proposing a hypothetical "no city property tax" budget for our feasibility statement, and if the Oregon legislature had passed the bill adjusting the TLT split to 50/50, that might have been possible. Given the current law, however, we did not deem a "no city tax" option to be responsible or practical. It just made things too tight without sufficient reserve funds for surprises. Importantly, our research also revealed that charging a minimum tax as suggested in our EFS is necessary for the city to be eligible for state revenue-sharing programs, such as Oregon gas tax distributions to small cities. The September 6 meeting will delve into these issues in more depth.

I fear the village is too small. Go big or go home. Merge with Netarts and form a city with enough critical mass to go forward.

**Response:** That is a creative option that we did discuss with county and state land use officials. In the end, it was not politically or practically feasible. That is not to say that other unincorporated areas might not seek to join Oceanside Village in the future if our concept works out well – but that is far beyond the scope of what our group is presenting to the community, which is an economically solvent "micro city" specifically designed to target issues unique to the Village.

9. Karen Allen (Ridgewood Road – outside the Village): I would like to hear more from the county commissioners and county officials on how the separation of Oceanside effects those not in the village.

We have been engaged in repeated discussions of this issue with state and county land use officials. All current services (water, sewer, fire, police, postal) would continue without change. The big question mark is zoning. If incorporation passes, state law would allow Oceanside Village officials up to 4 years to design a land use comprehensive plan and zoning rules. At the same time, county officials would be engaged in considering options for the zoning in South Oceanside outside of the new city boundary. All parties have agreed that there is a path for preserving South Oceanside's current zoning, but the question of who will ultimately administer land use in that area has not been resolved.

10. Nancy Green (street?): This proposal takes away substantial funding for "south Oceanside" ... how will this be managed?

**Response:** We are not sure what funding you are referring to. We are not aware of any funding that would be taken away from the portion of Oceanside that would remain unincorporated. Incorporation of the Village will enable it to capture 90% of the TLT taxes that our local STRs and hotels in the Village are already collecting and sending to the county. This will allow local control over how those funds are spent, but will not remove any funding currently going to South Oceanside.