



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2524

Phone: (503) 373-0050

First Floor/Coastal Fax: (503) 378-6033

Second Floor/Director's Office Fax: (503) 378-5518

Third Floor/Measure 37 Fax: (503) 378-5318

Web Address: <http://www.oregon.gov/LCD>

NOTICE OF ADOPTED AMENDMENT

November 9, 2006

TO: Subscribers to Notice of Adopted Plan
or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Dunes City Plan Amendment
DLCD File Number 002-06



The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Copies of the adopted plan amendment are available for review at DLCD offices in Salem, the applicable field office, and at the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT OR DEADLINE TO APPEAL: November 24, 2006

This amendment was not submitted to DLCD for review prior to adoption. Pursuant to OAR 660-18-060, the Director or any person is eligible to appeal this action to LUBA under ORS 197.830 to 197.845.

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE DATE SPECIFIED ABOVE.**

Cc: Doug White, DLCD Community Services Specialist
Dave Perry, DLCD Regional Representative
Teri Tinker, City of Dunes City

<paa>



FORM 2

DEPT OF

NOV 06 2005

D L C D NOTICE OF ADOPTION

This form **must be mailed** to DLCD **within 5 working days after the final decision** per ORS 197.610, OAR Chapter 660 - Division 18

LAND CONSERVATION AND DEVELOPMENT

(See reverse side for submittal requirements)

Jurisdiction: Dunes City Local File No.: Resolution 6-9-05(A)

(If no number, use none)

Date of Adoption: 6/9/05 Date Mailed: 11/3/06
(Must be filled in) (Date mailed or sent to DLCD)

Date the Notice of Proposed Amendment was mailed to DLCD: None sent

- Comprehensive Plan Text Amendment
 - Comprehensive Plan Map Amendment
 - Land Use Regulation Amendment
 - Zoning Map Amendment
 - New Land Use Regulation
 - Other: Buildable Land Inventory
- (Please Specify Type of Action)

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached."

Buildable lands inventory has been developed with the oversight of the Dunes
City Citizens Involvement Committee (CAC) and on May 19, 2005 was
forwarded by the Dunes City Planning Commission to the City Council for
adoption.

Describe how the adopted amendment differs from the proposed amendment. If it is the same, write "Same." If you did not give notice for the proposed amendment, write "N/A."

N/A

Plan Map Changed from : _____ to _____

Zone Map Changed from: _____ to _____

Location: _____ Acres Involved: _____

Specify Density: Previous: _____ New: _____

Applicable Statewide Planning Goals: _____

Was an Exception Adopted? Yes: _____ No: X

DLCD File No.: 002-06 (NOA)

**CITY OF DUNES CITY
LANE COUNTY, OREGON**

RESOLUTION NO. 6-9-05 (A)

**RESOLUTION ACCEPTING AND ADOPTING AN UPDATE TO THE DUNES CITY
BUILDABLE LANDS INVENTORY**

WHEREAS, Dunes City's current buildable lands inventory, as defined by ORS197.296, is over 7 years old; and

WHEREAS, a recent update of the inventory of wetlands and riparian areas in Dunes City has identified additional properties that have buildable constraints; and

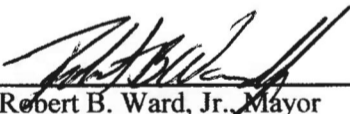
WHEREAS, the City has received a grant from the Department of Land Conservation and Development to update its buildable lands inventory; and

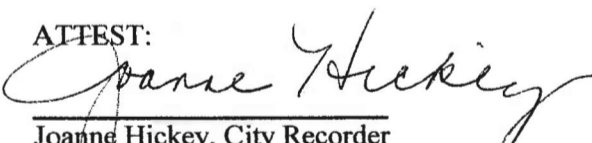
WHEREAS, a draft buildable lands inventory has been developed with the oversight of the Dunes City Citizens Involvement Committee (CAC) and on May 19, 2005 was forwarded by the Dunes City Planning Commission to the City Council for adoption.

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF DUNES CITY, OREGON, DOES HEREBY ACCEPT AND ADOPT AN UPDATE TO ITS BUILDABLE LANDS INVENTORY, ATTACHED TO THIS RESOLUTION AS EXHIBIT A.

ADOPTED: JUNE 9, 2005.

Ayes: 6 Nays: 0 Abstain: Absent:


Robert B. Ward, Jr., Mayor

ATTEST:

Joanne Hickey, City Recorder

Dunes City Buildable Land Analysis

I. Introduction

This document summarizes the Residential and Commercial Buildable Land Inventory analysis for Dunes City Urban Growth Boundary. It addresses State Planning Goal 10, "To provide for the housing needs of citizens of the state." Goal 10 and its administrative rules set out a process to estimate future housing needs and to analyze the supply and demand for residential land needed to accommodate future growth. Cities are required to provide a 20 year supply of residential land within their UGB at periodic review and legislative review, based on housing needs assessment.

This document contains a housing needs analysis, an analysis of existing buildable land and a comparison of the supply of buildable residential land with forecasted housing demand. The housing need analysis forecasts housing demand to 2025. The supply analysis is based on buildable land as of 2005. This document addresses commercial land as far as updating the existing inventory.

In reviewing the future needs for land and the current supply within the urban growth boundary, it has been determined that there is not a 20-year supply of buildable residential land. Based on the projected demand and need for housing by type, and the expected net densities by type, approximately 519 acres of residential land would be needed to meet the demand for housing over the next 20 years. Approximately 428 net buildable residential acres are available within the Dunes City UGB. This results in a deficit of approximately 91 acres.

II. BUILDABLE LANDS INVENTORY

The future land needs of a community are determined by comparing the existing supply of land with the expected demand. This chapter summarizes the methodology, assumptions, and results of Dunes City's Buildable Land Analysis. The inventory of buildable lands includes residential and commercial land inside the city's urban growth boundary (UGB). Buildable land includes both vacant land and developed land that is likely to be redeveloped, and excludes land that is determined unbuildable by federal, state or local regulations. The inventory is important for several reasons:

- It helps determine the quantity and quality of vacant lands,
- It helps identify how actual development patterns have been occurring, and
- It helps determine the capacity of the UGB to accommodate residential and job growth.

The City of Dunes City has four plan designations. The plan designations and associated zoning includes:

- Commercial: Intended to provide convenience goods, personal services, and commercial goods to support the local economy and provide tourist commercial services. Accessible to Dunes City residents; Located on major street; should not be scattered, Not located on land with several development constraints; and avoid strip commercial development on Highway 101.
- Residential: Intended to provide a variety of housing opportunities to meet housing needs. Single family units on 1 acre lots or larger; PUDS, including a variety of housing types and neighborhood commercial; Land already subdivided with lots smaller than one acre; Two-to-four family units, mobile homes and manufactured housing.
- Open Space Lands: Those lands not suited for development because of natural development constraints or publicly owned lands designated as open space.
- Public: Public and quasi public land, including part of the Boy Scout camp, state and county parks, and city facilities.

PUBLIC INVOLVEMENT

The methodology and assumptions for the Buildable Lands Inventory were reviewed by the Citizen Advisory Committee (CAC). A few adjustments were made to the original assumptions based on development trends. The report was presented to the Planning Commission. The Planning Commission reviewed the document, approved the findings of the report and made a recommendation to the City Council to accept the Buildable Lands Analysis. The City Council **(Will update after review)**.

DESCRIPTION OF METHODOLOGY AND INVENTORY RESULTS

There are some differences in the way residential and commercial lands were handled in the inventory process. These differences are described in the methodology. There are five general steps in the process that were used to estimate the amount of buildable land in Dunes City's UGB:

- Update the land use and zoning in the computer geographic information system (GIS)
- Determine gross vacant acres, including whole or partial tax lots
- Determine constrained and unbuildable land
- Determine percentage of acres needed for public facilities
- Determine residential infill potential
- Determine redevelopment potential

STEP 1: Update Land Use and Zoning in the GIS.

To update Dunes City's geographic data, the most recent land use data were plotted out and checked by staff, and field-checked by members of the CAC. The field checking helped verify the actual use of the property. The geographic data for the city's land use, zoning and plan designations were also updated at this time.

STEP 2: Determine Gross Vacant Acreage.

Gross vacant acres include all fully vacant tax lots, and the vacant portions of some partially developed lots. Vacant lands include land uses that are coded as agricultural, timber, or vacant. They do not contain any structures. Partially vacant tax lots have improvements but also have enough undeveloped land to accommodate additional development.

- **Residential Land:** In some cases partially vacant lots were field-checked to determine the extent and location of the residential improvements. The undeveloped portion of the lot was then added to the gross vacant acreage. When field checking was not practical, parcels over an acre in size were assigned one acre of residential use and the remainder assigned as vacant.

In some cases the remaining acreage was less than one acre and was therefore removed from the gross vacant acreage since Dunes City requires a one acre minimum lot size for new development. This represents less than one percent about .3% (25 acres) of the gross vacant acres.

Commercial: Partially vacant lots were field-checked to determine what, if any, portion of the tax lot should be assigned a vacant use code. All improvements such as landscaped and paved areas were considered developed.

Gross Vacant Acres by Plan Designation

Plan Designation	Vacant Acres	% of Total Vacant
Commercial	5.2	0.6%
Open Space	141.6	15.9%
Residential	719.1	83.5%
TOTAL	865.8	100.0%

***Gross vacant acres represent 59% of all land within Dunes City UGB.
Over 83% of Dunes City's vacant land is planned for residential uses.***

STEP 3: Determine Unbuildable and Constrained Lands.

Some lands are unbuildable outright, whereas others are constrained and potentially could be developed if the constraints were addressed. The lands that are determined to be unbuildable are subtracted from the inventory. The constrained lands are dealt with on a case by case basis.

Unbuildable Lands

Size: There are some parcels in the data file that are too small to be developed. In most cases, these are “slivers” of land that result from data layers that do not match exactly. For example, some plan designations may overlap onto a tiny portion of an adjacent tax lot of a different plan designation. That overlapping piece will show up as a tiny parcel.

About 3.5 vacant acres are parcels that are too small to be developed. These lands are considered unbuildable and were subtracted from the inventory – this represents less than 1% of the total vacant land.

It should be noted that small lots does not include existing parcels less than 1 acre that are considered buildable.

Floodways: The Flood Insurance Rate Map designates regulated floodways. There were no areas identified within a floodway within Dunes City.

The following table summarizes the impact of the unbuildable lands on the inventory:

**Unbuildable Vacant Acres
by Plan Designation**

Plan Designation	Too Small Acres	% of Total Vacant
Commercial	.20	>.01%
Residential	3.20	.3%
TOTAL	3.50	

Constrained Lands

Development of constrained land could affect the building cost, density, or other site-specific development factors. State policy gives jurisdictions the right to decide what is unbuildable based on local development policies. Dunes City’s current policies allow development throughout the city. However, there are several areas with development constraints. Each constraint was discussed with the Citizen Advisory Committee. The results of those discussions, and the resultant impact on the inventory, are included in this final draft.

The following describes how constraints were handled in the Buildable Lands Inventory. The constraints identified for this study were:

- Flood Hazards
- Riparian Areas (shoreline)
- Delineated Wetlands from Local Wetland Inventory
- Slopes over 16%

Acres of constrained land include the total acres of all land containing any of the constraints identified above. An area can include a single constraint or a combination of many constraints overlapping. Therefore, individual constrained land will not equal the sum of each individual constraint and its acres. Total acres where only one constraint was identified and the constraint’s impact on the supply is discussed below.

Gross Vacant Acres of Constrained land totals 410.7 acres. This represents 47% of the vacant land in Dunes City.

Flood Hazards: The Flood Insurance Rate Map designates areas subject to a 1% or 100-year flood. Dunes City’s Code of Ordinances regulates development in the floodplain through adoption by reference the most recent Flood Insurance Rate Maps. Development in the flood hazard areas identified on FEMA maps must meet the requirements of floor elevation, anchoring, construction materials and methods, and utilities. Of the total 410 total acres identified as constrained (includes all constraints), 79 acres included floodplain with one or more constraints and 22 acres included only flood hazard for a total of 101 acres. Vacant land with floodplain only represents 2.5% of the gross vacant acres. The 22 acres where flood

plain exits alone were not subtracted from gross vacant acres but added back into the supply since the City allows development in the floodplain.

This constraint had a slight impact on the buildable lands inventory since land in the flood plain can be developed at the same density as land outside the floodplain.

- ***Wetlands:*** The Local Wetland Inventory completed in 2004 was used to determine the vacant land in the Dunes City UGB that falls within **delineated** wetlands. Wetlands overlap with several of the constraints identified such as riparian area and 100 year flood zone –this accounted for 99 acres and wetlands on their own totaled 13 acres. In total there are 112 vacant acres with delineated wetlands.

It is assumed that land in delineated wetlands will not be developed. All land containing delineated wetlands was removed from the inventory. This accounted for 13 acres.

- ***Riparian Area:*** The riparian area acres consist mainly of the 50 foot setback around the lake. Some of the land with riparian areas overlapped with identified wetlands and flood hazard areas. Land with riparian areas accounted for 52 acres of constrained land.

Riparian areas are considered unbuildable therefore all land identified with a riparian area was removed from the inventory. This accounted for 52 acres.

- ***Slope:*** Vacant land with slopes over 16% was identified as a constraint to development. Development on slopes greater than 16% is permitted in Dunes City with documentation from a licensed Oregon Engineer which shows such development to be safe. Based on past development trends, the Citizen Advisory Committee estimated 60% of vacant sloped land can be expected to be developed. Of the 234 acres containing slopes and other constraints, 186 acres was identified as having slopes only. Therefore, 40 percent (75 acres) of the 186 acres was subtracted from the inventory and the remaining 121.5 acres was added back into the supply.

Sloped land has the largest impact on the vacant land inventory. Approximately 27% of all vacant land contains slopes over 16%. Of the sloped only land, 40% or 75 acres was subtracted from the inventory.

Availability of Services: Dunes City is not connected to city sewer or water and septic is dependant on lot size. Therefore, this constraint does not apply. Lot size has more impact on the inventory than availability of services. The city requires a one acre minimum lot size to accommodate new septic systems and existing lots under an acre are permitted to be developed with septic. The impact of partially vacant acres on the inventory is discussed under infill.

Constrained Vacant Acres by Plan Designation

Plan Designation	Gross Vacant Acres	Constrained: Slope >16%, Riparian Area, Wetlands and Flood Hazard				TOTAL Constrained Acres	Percent of Vacant Land w/in Plan Designation
		Constrained Acres	Flood Hazard Only	** ADD 60 % of Sloped Only Land to Inventory			
Commercial	5.2	1.7	1	0.0	1.7	33%	
Open Space	141.6	132.6	12	9.8	122.9	87%	
Residential	743.6	276.3	9	111.8	164.6	22%	
TOTAL	890.4	410.7	22	121.5	289.1		

NOTES: The percentages represent the percent of constrained vacant land within that plan designation. For example, 22% of the vacant Residential land is constrained.

The following table summarizes the gross vacant buildable acres. In total, approximately 289 acres were subtracted from the inventory to account for unbuildable lands and to address development constraint assumptions.

Gross Vacant Buildable Acres by Plan Designation

Plan Designation	Gross Vacant Acres	Constrained Land			TOTAL Net Constrained Acres	Gross Buildable Acres
		Gross Constrained Acres	** ADD 60 % of Sloped Land back into Inventory	Add Flood Hazard Only Back into Inventory		
Commercial	5.0	1.7	0.0	1.0	0.7	4.3
Residential	715.9	276.3	111.8	9.0	155.6	428.3
TOTAL	720.9	278.0	111.8	10.0	156.3	432.6

STEP 4: Determine Percentage of Acres Needed for Public Facilities

This step is relevant for larger undeveloped parcels. When development occurs, a portion of the undeveloped parcel will be needed for roads, rights-of-way, and other public facilities. Smaller parcels generally have access to existing roadways. For this step, we estimated the percentage of land that will be needed for public facilities and subtracted this from the larger parcels throughout Dunes City. This process of subtraction converts gross acres to net acres, as described below.

- **Residential Land:** In general, there are more public facilities, such as churches, parks, and other public land, associated with residential land than commercial land. Vacant or partially vacant parcels greater than 1 acre had 20% of the vacant land removed from the inventory to account for streets and non-residential uses. For example, a ten-acre property with two acres of existing development would yield eight gross vacant acres. Subtracting 20% would yield 6.4 net vacant acres.

Approximately 132 acres were removed from the gross vacant buildable acreages to account for public facilities and non-residential uses on residential land.

- **Commercial Land:** There are fewer public facilities associated with commercial land compared with residential land. In Dunes City all commercial vacant parcels are less than 3 acres in size. The available commercial land has access from Highway 101 and other improved roads. Since Dunes City does not have large commercial parcels available for development and access already exists no acres were removed from the commercial land inventory to accommodate public facilities.

➤

No acres were removed from gross vacant buildable acreages for public facilities on commercial land. 10% of 5 acres is negligible and has no impact on the inventory.

In total, 132 acres were subtracted from the inventory to account for public facilities and non-residential uses. The following table summarizes the differences between gross and net acres for each plan designation.

Net Buildable Acres by Plan Designation								
Plan Designation	Gross Acres	Constrained Land				Gross Buildable Acres	Acres for Public Facilities	Net Buildable Acres
		Gross Constrained Acres	** ADD 60 % of Sloped Land back into Inventory	Add Flood Hazard Only Back into Inventory	TOTAL Net Constrained Acres			
Commercial	5.0	1.7	0.0	1.0	0.7	4.3	0	4.3
Open Space	141.4	132.6	9.8	12.0	110.9	30.6		30.6
Residential	715.9	276.3	111.8	9.0	155.6	560.3	132	428.3
TOTAL	862.4	410.7	121.5	22.0	267.1	595.2	132	463.2

STEP 5: Determine Infill Potential

Residential infill can occur when a lot with a single-family residence may be large enough to divide, creating one or more new lots. This process is called a partition if three or fewer lots are created out of the original lot; a subdivision if four or more lots are created. This analysis focuses on infill occurring through the land division process.

To determine the potential for infill, the number of lots on which partitioning or subdividing could occur were identified from the 2005 Dunes City parcel file. The minimum lot size for single-family residences in Dunes City is 1-acre. Tax lots greater than or equal to 2-acres with one existing single-family, or manufactured dwelling were identified. There were 11 lots that were considered developed in the buildable land analysis but have potential for partitioning.

To develop an assumption as to how many infill lots will be created in the 20 year period, partition activity was reviewed between 1998 and 2000. During that period, there were seventeen approved partitions on residential tax lots an acre or more in size. These partitions created 24 new lots. There was an average of 4 new lots created per year. If this historical trend

were projected into the future, there would be approximately 60 additional buildable lots created through the infill process in the coming 20 years. However, only 11 lots exist with the potential to create 12 new 1-acre lots through the partition process. The CAC felt it was unlikely all of the potential lots will be partitioned. Some lots may contain houses on lots greater than 2 acres where the house is in the middle of the lot which would prohibit a partition since the minimum 1-acre lot size could not be met. The CAC estimated the larger lots would most likely be partitioned. The expected number of infill lots determined by the CAC was five.

Residential Infill Potential			
Number of Lots with Potential	Total Acres	Potential Number of New Lots	Expected Number
11	26.7	12	5

For this buildable land analysis, it is assumed that 5 additional lots will be created in the coming 20 years, which will meet the housing demand for 5 single-family detached dwellings.

STEP 6: Determine Redevelopment Potential

Redevelopable land is land on which development has already occurred but due to market forces or city policies, there is a strong likelihood that the existing development will be converted to, or replaced by, a new or more intensive use. Redevelopment can occur if improvements, renovation, infill, or development of a more intensive use are feasible options. For example, a dilapidated house on a corner lot that is torn down and replaced by a duplex. Through redevelopment, an additional dwelling unit is added without requiring additional vacant land.

Property that is identified as having redevelopment potential, and is likely to be redeveloped, can be added to the inventory as buildable land. The methodology identifies the quantity of redevelopment potential. It does not identify any specific properties, nor *require* redevelopment on any particular property.

In Dunes City redevelopment of existing residential lots would result in zero gain of a housing unit. This is because there is only one residential plan designation and a 1 dwelling unit per acre minimum lot size for new development. Dunes City is unlike larger cities in Lane County where there is potential for higher density development on existing developed lots. For example, if a single family home exists on a .5 acre Medium Density Residential lot that allows 10-20 dwelling units per parcel, this lot has a redevelopment potential of 5 to 10 dwelling units. In Dunes City if a single family home exists on a 1-acre or smaller residential lot it can only be replaced by a single family detached unit. If the lot is larger than 1 acre then there is potential for an additional dwelling unit however this land was already added to the inventory under the infill assumptions discussed earlier.

The CAC thought redevelopment would most likely occur on existing mobile home lots. All mobile home lots in Dunes City are zoned commercial so have the potential to be redeveloped with residential or commercial uses. The largest mobile home park in Dunes City is approximately 3.5 acres. Based on the 1-acre lot size requirement the mobile home park would only accommodate 3 single family units or one duplex at the most.

Because there is only one residential plan designation and a 1-acre lot size requirement no land was identified as having potential for more intensive or higher density residential uses.

- ***Commercial Land:*** In Dunes City, commercial redevelopment may have the most potential. Given the small supply of commercial land to begin with and the fact that there has been very little commercial development except for home occupations, redevelopment will have a very small impact on the supply of commercial land. The criteria used to identify commercial redevelopment potential include:

- **Improvement value less than land value.** If the improvement value (value of buildings and other improvements) is less than the land value, this would indicate a potential for redevelopment.

Redevelopment potential was discussed with the CAC. There were 9 acres identified where the value of the land was at least two times greater than the improvement value of the property or where the improvement to land value ratio was .49 or less.

For the purposes of this analysis, up to 25% of the redevelopment potential on commercial land is expected to be realized in the 20-year timeframe. This equals approximately 2.25 acres.

III. Projected Housing Needs

To project future housing demand, it is necessary to project the demand for a forecasted population. Housing demand was projected by reviewing and making assumptions about the trends in population, average household size, group quarter population, structure type mix, vacancy, tenure and household income.

POPULATION PROJECTIONS

2000-2025 POPULATION PROJECTIONS

Since 1990 Dunes City has been growing at a slightly higher rate than Lane County. Between 1990 and 2000 Dunes City has experienced an average annual growth rate of 1.39 percent while the County experienced a 1.3 percent annual average growth rate. As with most cities in Lane County growth was very fast in the 1970 and non-existent during the 1980s. The coordinated population projections for Lane County show Dunes City is likely to experience an even higher growth rate at 1.5 percent from 2000 to 2025 while Lane County is likely to experience a lower growth rate at .97 percent.

Dunes City Historical and Forecasted Population

Year	Population
1965	629
1970	976
1980	1124
1990	1081
2000	1241
2004*	1300
2025**	1800

Source: US Census & Population Research
Center at PSU

* Estimated Population

** Forecasted Population

RECENT HOUSING CONSTRUCTION BY TYPE AND DENSITY

The Citizen Advisory Committee followed the steps outlined in the workbook, "Planning for Residential Growth," to determine recent housing construction by type and density. This section compares these data to data on needed housing and density to see if housing measures are required. The following steps were taken to determine actual type and density of recent housing construction in order to use these data in subsequent planning for residential growth.

Step 1 Determine Time Period

Dunes City entered into its last periodic review in 1996/1997 and the revised Comprehensive Plan was adopted in September of 1997. For purposes of this analysis data was gathered from January 1998 to January 2005.

Step 2 Identify Types of Housing to Address

The Citizen Advisory Committee addressed the existing housing types in Dunes City. Currently, Dunes City does not have any existing multi-family housing units and therefore this unit type was not included in the analysis.

- Single-Family Detached
- Single-Family attached (Duplex)
- Manufactured Home on individual lots
- Manufactured Home in Parks

Step 3 Collect Data

LCOG worked with Dunes City staff to collect historical building permit data for the last 7 years. City staff verified that no new mobile home parks or spaces were constructed since 1998. Building permit data indicate there were a total of 84 housing units constructed between 1998 and 2004. Of these units constructed, 68 units were single family homes and 17 units were manufactured homes on individual lots. City records and city staff verified there was no multi-family, duplex or mobile home park spaces constructed during the same time period. According to the CAC the only duplex in Dunes City was constructed in 1963 and the last mobile home park was built in 1970.

Step 4 Calculate the Mix of Housing Types

The predominant housing type recently constructed in Dunes City is the single family detached house and then the manufactured home on individual lots. Eighty percent of all housing constructed has been single family detached dwellings and twenty percent manufactured dwellings on individual lots.

**New Residential Construction
1998-2004**

Housing Type	Units	Percent of Units
Single Family Detached	68	80%
Mfd Home on Lot	17	20%
Mfd Home in Park	0	0%
Duplex	0	0%
Total	85	100%

Source: Dunes City Building Permits

Step 5 Calculate the average density of each housing unit type and the average actual net density of all housing units.

The single family homes that were added to the housing stock were built at an average of .48 homes per acre or one home for every 2 acres. Manufactured homes on lots were built at a higher density at .61 dwelling units per acre.

**Net Density of Residential Units Built
1998-2004**

Housing Type	# Units	Number of Acres	Density (units per acre)
Single Family Detached			
Stick Built	68	148.26	0.46
Manufactured Dwellings	17	28.09	0.61
TOTAL	85	176.35	0.48

Source: Dunes City Building Permits

HOUSING NEED PROJECTIONS

This section analyzes Dunes City's housing needs by type and density to provide the information needed to determine the amount of land needed for each housing type for the next 20 years. The housing needs analysis is a relatively complex task. The complexity of determining housing needs comes from consideration of past trends, projecting these trends into the future, and then trying to predict housing needs for Dunes City's future population. The following four steps outline the process:

- Project the number of new housing units needed in the next 20 years
- Project the housing mix needed in the next twenty years
- Estimate the number of additional housing units needed by type
- Estimate the expected net density

STEP 1: Project the number of new housing units needed in the next 20 years.

The population projections for 2025 were described earlier in this chapter. The methodology for converting population to housing units is described below.

Number of Households

To determine the number of households requiring individual housing in 2025, the number of persons in group quarter facilities and a projected average person per household must be determined.

Group Quarters

Group quarters include facilities such as assisted living facilities, dormitories, correctional institutions, group homes, boarding houses, military facilities, juvenile institutions, and psychiatric hospitals. The 2000 Census indicates that there are no group quarter facilities in Dunes City. For future years, the CAC assumed there would be no group quarter facilities constructed in Dunes City since the adjacent city of Florence would accommodate the need for this type of housing.

Average Household Size

Average household size has been declining both nationally and locally over the past 30 years and is expected to continue to decline. The cause of the decline in household size is due to a variety of factors including lower fertility rates, increased divorce rate, delayed marriages and an aging population. During the 1990s, the baby boom generation, which constitutes a large proportion of the population, is at the highest household formation ages. As the baby boom generation ages, they will move into ages that typically have smaller household size.

Census data indicates the average household size in Dunes City has been declined which follows national and local trends. The average household size in Dunes City has consistently been lower than Lane County. 2000 Census shows Dunes City has a much higher percentage of household where the head of household is over 50 years of age. In Dunes City 60 percent of households are headed by someone over 50 years old while this percentage is 34 for Lane County. The

percentage of households where the head of household is over 65 years of age is twice as high in Dunes City compared to Lane County. The age distribution of Dunes City population as well as the City's desire to remain a retirement community indicates household size will continue to decrease. The household size in Dunes City will most likely remain much lower than Lane County as a whole.

For this analysis, it is assumed that average household size will continue to decline. If the average household size continued to decline at a rate of 3.5% in 2005 the average household size is 2.14 persons per household. However, the CAC felt this number was not accurate. Based on available data, the CAC calculated the average household size for 2005 to be 1.89 persons per household. This figure was arrived at by taking the coordinated population estimate for 2004 of 1300 people divided by the total number of housing units of 859 as of December 31, 2004 times an occupancy rate of 80%. If a 3.5% change were applied until the year 2025, the average household size would be 1.64 in the year 2025.

1300 (PSU estimated population) / 681 (occupied housing units) = 1.89 average household size

It is likely the average household size would be significantly lower in Dunes City than Lane County since Dunes City is comprised of a much older population.

Household size is inversely proportional to housing unit demand – the smaller the household size, the higher the number of housing units will be needed to house a given population.

**Dunes City
Average Household Size
1980 - 2025**

Year	Average Household Size	Percent Change	Average Household Size (New Calculation)	Percent Change
1980	2.44			
1990	2.30	-5.7		
2000	2.22	-3.5		
2005	2.14	-3.5	1.89	
2010			1.82	-3.5
2015			1.76	-3.5
2020			1.70	-3.5
2025			1.64	-3.5

Number and Types of Housing Units

To estimate the occupied housing units for 2025, population in households is divided by the average household size. Determining the number of housing units needed in 2020, requires assumptions about vacancy rates. Based on 2000 Census data, the vacancy rate for occupied units was 20 percent (or an 80 percent occupancy rate). The year round vacancy rate was 8%.

The historical vacancy rate has fluctuated drastically so no pattern could be determined. In order to calculate needed housing units a standard vacancy rate of 10% was assumed. This rate accounts for year round housing units and seasonal units.

**Dunes City
Vacancy Rate**

Year	Total Housing Units	Seasonal Housing Units	Year Round Housing Units	Vacant Housing Units	Occupied Housing Units	Overall Vacancy Rate including seasonal	Vacancy Rate of Year Round Housing
1980	554	28	526	66	460	17.0%	12.5%
1990	559	73	486	20	466	16.6%	4.1%
2000	705	98	607	49	558	20.9%	8.1%

As of January 2005, there were 859 dwelling units in Dunes City. To calculate the number of housing units demanded in the year 2025 the projected total occupied housing units is divided by the occupancy rate. The existing number of units in 2005 is then subtracted from this figure for the number of future needed housing units.

Calculating Needed Housing Units

2025 Coordinated Population Projection	1,800
Group Quarter Population	0
Population in Households	1,800
Total Occupied Housing Units 2025 Population of households divided by Average Household Size of 1.64	1105
Total Housing unit 2025 Total Occupied Housing Units divided by Occupancy Rate (90%)	1227
Number of Units as of January, 2005	859
2005-2025 Future Needed Housing Units	368

STEP 2 Project the housing mix needed in the twenty years.

The best indicators of housing needs are household characteristics such as income, household size, age of head of household and household types. These factors are important because certain household types tend to choose certain housing types. The changing composition of households will affect the demand for the quantity, type, and cost of housing. For example, households with young heads of household tend to be apartment renters. Households with older heads of household and higher incomes tend to own single-family houses. Compared to Lane County, Dunes City's population is older and has fewer families with children resulting in a smaller household size and predominantly single family dwellings.

Current Housing Mix

The current housing mix in Dunes City is predominantly single family detached. These include manufactured homes on individual lots. Only one duplex and no multi-family units have been constructed since 1963.

**Dunes City
Existing Housing Type Mix
January 2005**

Housing Type	Number of Units	2004 Percent of All Units
Single Family Detached	771	89.0%
Duplex	2	1.0%
Manufactured Dwelling in Park	86	10.0%
Total	859	100%

Household Size

As shown earlier, the average household size in Dunes City has been declining since 1970. The trend follows local and national trends. For this analysis the projected household size for 2025 is projected to decrease to 1.63 persons per household. Smaller household size means that more housing would be needed to accommodate a given population size.

Traditionally, a declining household size suggests a need for some smaller sized housing. The expected decrease in household size along with the increase in the age of the head of household would indicate a need for smaller home ownership opportunities, such as smaller sized homes and lots, manufactured homes, and condominiums. In Dunes City this could be accomplished by the development of PUD subdivisions, allowing smaller lot sizes within a larger development meeting the 1-dwelling unit per acre lot size requirement.

Household Types

2000 Census shows Dunes City has a higher percentage of married couple family households than Lane County but a lower percentage of these households are with children 18 and under. The percentage of households with a householder 65 years or older is twice as high as Lane County.

**Dunes City
Number of Households by Household Types**

Household Type	Dunes City	Lane County
Family Households	74.2 %	63.0 %
<i>with related children under 18</i>	18.3	28.5
Married Couple Family	67.6	48.9
<i>with related children</i>	15.4	19.6
Non-Family Household	25.8	37.0
Household with individuals under 18	20.3	31.0
Household with individuals 65 and over	41.2	22.9

Source: 2000 U.S. Census

Age of Head of Household

In Dunes City the percent of households where the head of household is 55 years of age or older is almost twice as high as Lane County. Of these households Dunes City has almost two times as many 65 year and older headed households.

**Dunes City
Household by Age of the Head of Household**

Age	Dunes City		Lane County	
	Number	Percent	Number	Percent
15-24	5	0.9	11,722	9.0
25-34	25	4.5	20,690	15.9
35-44	71	12.7	25,009	19.2
45-54	122	21.9	28,477	21.8
55-64	130	23.3	17,050	13.1
65-74	118	21.1	13,289	10.2
75-84	78	14.0	10,844	8.3
85+	9	1.6	3,372	2.6
TOTAL	558	100.0	130,453	100.0

Source: 2000 U.S. Census

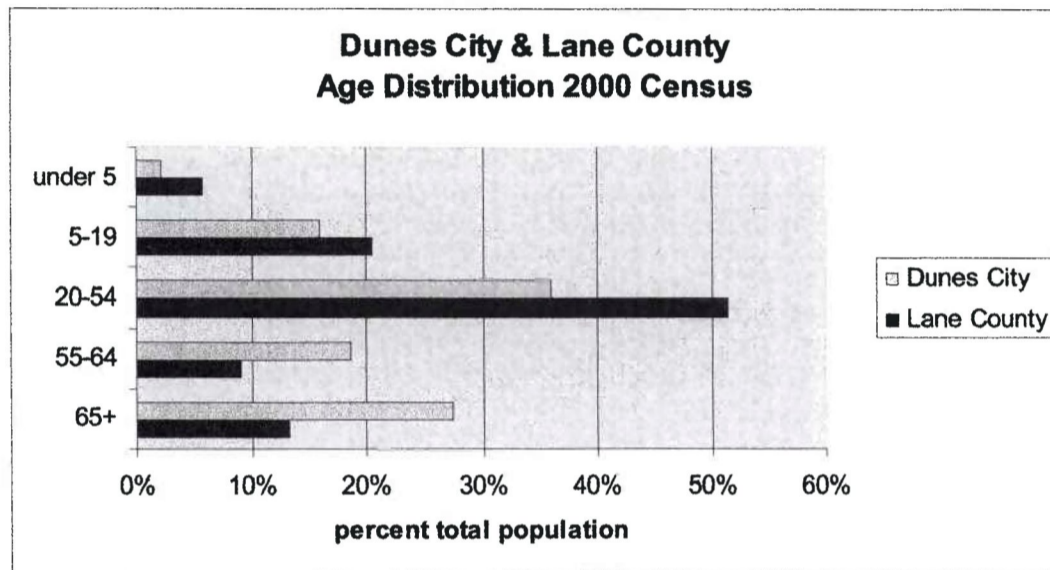
The demand for traditional single-family housing should remain relatively strong.

Age Distribution

According to the 2000 Census Dunes City has a larger percentage of older people and a lower percentage of younger people than Lane County as a whole. Almost half of the population in

Dunes City is 55 years of age or older. In Lane County this number is 22 percent. The median age in Dunes City is much older than Lane County's as a whole. The median age of Dunes City population is 53.1 while Lane County's is 36.6, a sixteen year difference.

The 2020 projections for Lane County's age distribution indicate an increase in people 55 and older. Since the County is projected to have an older population in the future and Dunes City trends indicate the population is even older than Lane County's it is likely that Dunes City's percentage of population 55 and older will continue to increase.



Source: 2000 U.S. Census

Income

Median Household Income

Dunes City is generally a higher income community than Lane County as a whole. The 2000 Census indicates Dunes City's median household income was 105 percent of Lane County's, and 95 percent of the State's.

**Median Household Income
(in 1999 dollars)**

Area	Median Household Income
U.S.	\$41,994
Oregon	\$40,916
Lane County	\$36,942
Dunes City	\$39,100

Source: U.S. Census

Poverty

Dunes City also had a lower percentage of persons in poverty than Lane County, Oregon and the U.S. About 11% of Dunes City residents lived in poverty in 2000.

Percent of Persons Below Poverty Level

Area	Percent of Persons Below Poverty
U.S.	12.4
Oregon	11.6
Lane County	14.4
Dunes City	10.6

Source: 2000 U.S. Census

Percent of Income Paid for Housing

The table below shows how much of a household's income was needed to pay for housing expenses in 2000. According to the U.S. Department of Housing and Urban Development (HUD), if a household is paying more than 30 percent of its income for housing, housing is a cost burden.

In 2000, these figures indicated that Dunes City renters were relatively better off than county renters as a whole and Dunes City homeowners were as well off as homeowners in all of Lane County. When a monthly budget is already stretched to meet rent or mortgage payments, the household members are not likely to be able to accumulate adequate savings to tide them over during times of crisis. There are two potential solutions. One is to increase household income; the other solution is to provide more low-cost housing.

**Dunes City
Percent of Income Paid for Housing
Number of Households**

	Dunes City		Lane County	
	Number of HHs	Percent of HHs	Number of HHs	Percent of HHs
Owners Paying				
Less than 30%	281	74.8	45,650	74.9
More than 30%	95	24.8	14,976	25.1
TOTAL	376	100.0%		
Renters Paying				
Less than 30%	36	52.1%	23,262	47.9
More than 30%	24	34.7%	22,670	46.7
TOTAL	60	86.8%		

Source: 2000 U.S. Census. Some percentages were not computed for renters

In 2000, about 35% of Dunes City renters were paying more than 30% of their income for rent. This compares to about 47% for the county as a whole. While better off than the county as a whole, there was still a significant portion of the community paying too much of their income for housing.

In 2000, about 25% of Dunes City's homeowners were paying more than 30% of their income on housing costs, the same as Lane County as a whole. Although not as big a problem as that faced by renters, there still seems to be a need for more affordable home ownership opportunities. Affordable ownership options are typically met by manufactured homes in parks or lots, duplexes or row houses, and small single-family homes. Multi-family units can be sold as condominiums, although this option has not yet been made available in Dunes City.

Housing Costs

Housing costs have generally increased more than incomes over the past two decades. This trend may continue, although at a slower pace.

All housing types are attainable to higher income households (greater than \$50,000). Below that level of household income, the choices become more limited. An upper middle income household (\$30-50,000) can generally afford to purchase a new small lot with cluster housing, or zero-lot line house, or manufactured homes. Households with incomes lower than \$30,000 have difficulty purchasing a new home and must find affordable rentals. Households with incomes less than \$15,000 are often in need of subsidized housing. Almost 40 percent of households in Dunes City have a household income \$50,000 or more and 24 percent households are considered upper middle class but there still is a significant portion of households (23 percent) whose income would reflect the need for subsidized housing. However, since the population in Dunes City is significantly older than Lane County as a whole, it is difficult to say what portion of households with lower incomes are headed by a person 65 years of age or older where housing costs, such as a mortgage, are no longer an issue since older householders most likely have paid off their homes.

**Dunes City
Household Income (1999 dollars)**

Income Category	Number of Households	Percent of Households
Less than \$10,000	36	6.5%
\$10,000 to \$14,999	60	10.8%
\$15,000 to \$19,999	32	5.7%
\$20,000 to \$24,999	42	7.5%
\$25,000 to \$29,999	32	5.7%
\$30,000 to \$34,999	41	7.3%
\$35,000 to \$39,999	45	8.1%
\$40,000 to \$44,999	11	2.0%
\$45,000 to \$49,999	35	6.3%
\$50,000 to \$59,999	67	12.0%
\$60,000 to \$74,999	41	7.3%
\$75,000 to \$99,999	55	9.9%
\$100,000 to \$124,999	14	2.5%
\$125,000 to \$149,999	10	1.8%
\$150,000 to \$199,999	17	3.0%
\$200,000 or more	20	3.6%
Total	558	100.0%

Source: 2000 U.S. Census

Housing Costs have generally increased more than incomes over the past two decades. According to the National Association of Realtors this trends may continue in Lane County, although at a slower pace.

In a report completed by Pacific Valuation Group in 2004 the median sales price had increased 26% in the Florence MLS Area. This trend was a continuation of rising sales prices which began in 2001. In addition to rising sales prices average property values also increased about 12%. The report states that older homes are appreciating much higher because there is not enough supply to meet demand. A significant number of newer homes are not being constructed to meet demand and the underlying increase in land values has caused older home prices to increase. The analysis expects prices will continue to increase until 2007 when there is expected to be an adequate supply of developable land to meet demand.

“The continuing trend of higher prices being paid alongside higher sales volume simply means purchasers of Florence real estate are more affluent than ever.” The increase in prices over the past 3 years has had a negative effect on renters. Landlords now have more financial incentive to sell their rental property than continue to rent property. This greatly affects lower income residents (mostly low wage service jobs or tourism related jobs) in Florence where wages have not increased in proportion to home prices.

A local Real Estate agent in Dunes City, John Scott, indicated land prices in Dunes City have increased dramatically in 2005. Land prices have increased 26% and he expects prices to increase by the same percentage next year. The increase in property values indicates more expensive single family homes are likely to be constructed rather than less expensive rental properties.

There may be a demand for more affordable housing (e.g., duplexes, mobile homes, small-lot single family). However it is more likely the single-family detached home will still predominate the housing market as the preferred option.

STEP 3 Estimate the number of additional needed units by housing type.

The following housing types have been selected as a basis for this study:

- *Single-family detached:* The conventional house on a lot surrounded by a yard.
 - Manufactured homes on lots are included in this category.
- *Single-family attached:* Duplex units.
- *Multi-Family:* 3 or more attached units.
- *Manufactured homes in parks:* Each home does not have an individual tax lot but rents a space in the park. The manufactured home itself may be owned or rented.

Dunes City Residential Units by Housing Type

Structure Type	Existing Units* (2005)		Future Units (2025)		Total Units (2005-2025)	
	#	%	#	%	#	%
SF-Detached	771	89	368	100%	1139	93
Duplex	2	1	0	0%	2	<1%
Multi-Family	0	0	0	0%	0	0%
Mfd. Homes in Park	86	10	0	0%	86	7%
TOTAL	859	100	368	100	1227	100

*Source: LCOG's land use data for Dunes City

All housing units constructed in Dunes City are expected to be single family detached. These include manufactured homes on lots—most likely on existing smaller lots within the city.

No other housing type is expected to be constructed. The last duplex unit was constructed in 1963 and no multi-family units have ever been constructed. The last mobile home park was constructed in 1970 and no new parks are expected to be developed or expanded.

STEP 4 Estimate the expected net density for each plan designation and the average needed net density for all designations.

There is only one plan designation for residential use in Dunes City. The following table shows the existing and projected housing unit densities by structure type. Multi-family and manufactured homes in parks were not included in the calculation since no units are projected for 2025.

Net Density of Residential Units Built 1998-2004			
	# Units	Number of Acres	Density (units per acre)
Housing Type			
Single Family Detached			
Stick Built	68	148.26	0.46
Mfd. Home on Lot	17	28.09	0.61
Overall Density	85	176.35	0.48

Source: Dunes City Building Permit Data

The CAC discussed projected density for residential development and felt it would increase. The factors in Dunes City that would cause density to increase are: sharp increase in land prices and the community's desire to maintain rural character. However, the amount of land required to accommodate septic systems and water source setbacks will force density to stay low. The CAC felt density would remain lower than 1 dwelling unit per acre but slightly higher than the average density of .48 dwelling units per acre. The committee agreed on a density of .70 dwelling units per acre or 1 dwelling unit for every 1.4 acres.

Projected Density of Residential Units

Housing Type	# of Needed Units	Density (units per acre)	Needed Acres
Single Family Detached	363	0.48	756
Single Family Detached	363	0.70	519

In order to project total acres needed to accommodate future housing units density is applied to the number of needed housing units. When the projected density is applied a total of 519 acres is needed to meet demand. When the average density of .48 is applied a total of 756 acres is needed to meet housing units demanded.

Assumptions about future development:

As land and housing prices increase, average lot size will decrease (without going below the 1-acre minimum lot size) as a way of keeping single-family homes affordable.

Densities will remain low since Dunes City has developed in a rural pattern and wishes to continue this development type.

Septic system and domestic water system requirements will increase land needed to develop a lot therefore keeping densities lower.

Parcels 5 acres or more will continue to be developed since the cost per acre is less than one acre lots, keeping overall density lower.

IV. EMPLOYMENT NEEDS

Introduction

According to OAR 66-009 employment forecasts are optional for all cities. All of the Oregon Administrative Rules pertaining to Goal 9 do not apply to Dunes City for this analysis since the population is less than 2,500 persons. However this section accomplishes many of the Goal 9 requirements. This section updates the existing commercial land inventory, summarizes local employment trends and economic development objectives for Dunes City.

Community Economic Development Objectives/Policies

Comprehensive Plan Policies and Guidelines

The first Dunes City Comprehensive Plan was adopted by the City Council on September 9, 1976. The Comprehensive Plan was reviewed by the Land Conservation and Development Commission. To ensure that the Plan continued to meet Statewide Planning Goals, it was reviewed and updated in 1978, 1985 and in 1996.

According to the Comprehensive Plan, all commercial properties in Dunes City have existed since before the City was incorporated in 1963. Some are 40 years older than the City. The City wishes to maintain the commercial areas as they are and when expansion is desired the city will consider expansion through zone change requests for the creation of new commercial properties.

The generally rural atmosphere of the City has attracted many senior citizens. The figures below indicate that persons aged 60 or over account for 33 percent of the population and is approximately 16 percentage points above Lane County's average, suggesting a large percentage of retirees in Dunes City.

According to the 2000 Census, Dunes City's prime labor market population (age 20-54) accounts for 36 percent of the population, a decrease from the 40 percent reported in 1990, while the 0-19 school-age population represents 18 percent of the population, a slight decrease from 19.6 percent in 1990. The large percentage of senior citizens has had a stabilizing effect in that their demands for schools, police, and other public services are low, while their income is steady.

Dunes City desires to maintain its rural character and as a place to live not work, "Economic development is unwanted by the populace." Rather than demand for services, there is a widespread desire to be left alone. According to one survey conducted by the City about 60 percent of the people surveyed were against encouraging growth, 12 percent wanted limited growth, and 20 percent favored growth. However, a large majority believe that the city will grow.

Following are policies from the adopted Comprehensive Plan:

“Policy G1. Dunes City and its residents should take an active interest in maintaining and improving the economic health of the region, including continued participation with the Lane Economic Committee.

Policy G2. The City discourages strip development.

Policy G3. The retirement industry shall be encouraged as the prime economic base of the city.

Policy G4. Minor economic activities, such as home occupations, will be permitted if they are not harmful to air, water, or land quality, and if they are not potential nuisances to neighboring uses. Dunes City does not seek industries to locate in the city.”

The following are economic factors from the Comprehensive Plan which are used as a policy guide for regulating growth and change in Dunes City with updated 2000 Census information.

“Economic Base: Dunes City is a community to live in, not to work in. According to 1990 Census data, a substantial majority of the labor force work in Florence, Gardiner, and Reedsport. According to the 1990 Census, senior citizens (persons 60 or over) comprised 33 percent of the population. There are no industries in Dunes City. Several resorts and other tourist commercial businesses provide some jobs.

Materials and Energy: Dunes City has no special advantage in regard to raw materials or supply of energy. Timber is the only raw material in the city. No intermediate goods used in the production of other goods are produced in the city. Electricity is supplied by Central Lincoln Peoples' Utility District.

Labor Market: Since Dunes City had only about 1,220 people in 1995, with a large percentage of retired persons, the labor market is too small to draw any kind of industry. On the other hand, Dunes City is only five miles from Florence where half of Dunes City's work force is employed.

According to the 1990 Census data, there were 430 persons in the labor force (46.6% of the population 16 and over), of which 25 were unemployed, indicating an unemployment rate of 5.8 percent. The unemployment rate for all of Lane County for 1990 was 7.1 percent. In more recent data, the Census Shared Disaggregation method, a method based on county trends, indicated a 1995 unemployment rate of 4.0 percent in Dunes City.

Transportation: Dunes City, though located on Highway 101, is by no means a transportation hub. Both Florence to the north and Reedsport to the south have trucking, rail, and port facilities. Both of these larger cities are located on Highway 101 with connections to Interstate 5.

Market Forces: Because of Dunes City's small population and remote location, there is no reason to expect that industry would desire to locate here.

The tourist source of income is mostly in dollars from out of the subarea and out of state. According to the Oregon Tourism Commission¹, West Lane County received over \$82 million in travel expenditures in 1994. Travel expenditures in West Lane County increased steadily from 1991 to 1994, at an average annual rate of 4.1 percent.”

Source: Dunes City Comprehensive Plan 1997

State Employment Outlook

Oregon's employment growth is expected to slow, but not decline. The fastest growing manufacturing sectors are expected to be transportation equipment manufacturing, and electronic and other equipment manufacturing. Projections call for declines in food processing and lumber and wood products. The fastest growing non-manufacturing sectors will continue to be found within services, especially business services, social services, and private education.

The forecast indicates about 93% of Oregon's net employment increase will be in the non-manufacturing industries. Forty-four percent of this gain is projected to be in services, while another 25% will originate in wholesale and retail trade.

Sources: 2000 Regional Economic Profile (Oregon); Oregon Economic and Revenue Forecast, Oregon Department of Administrative Services, June 2001

Lane County Employment Outlook

After a history of ups and downs related to lumber and wood products, Lane County's industry mix diversified in the 1990s. After the recession of the early '90s, Lane County attracted such high-tech companies as PSC Scanning and Hynix, formerly Hyundai Electronics. In addition, a homegrown recreational vehicle manufacturing industry expanded toward the end of the decade. With growth in high-paying jobs came population increases and income growth. This caused employment in the services and retail sectors to grow.

Lane County is expected to add 17,500 jobs for a 12.4 percent increase in nonfarm payroll employment between 2002 and 2012. This compares with statewide growth of 13.7 percent.

The State's employment projections for 2002-2012 indicate much less growth than that experienced in the 1992 to 2002 period. The primary reason for this is a restricted manufacturing sector combined with slowing in-migration compared with the 1990s when Oregon's economy was strong relative to California's.

Sources: Oregon Employment Department 2000 Regional Economic Profile (Lane County)

Historical Trends in Employment

Dunes City has a very small number of businesses and employees. Between 1996 and 2002, the last two releases of covered employment figures, Dunes City lost a total of seven employees even though there was an increase in the total number of small businesses. In 1996 fourteen

businesses existed and in 2002 there were a total of seventeen businesses. Of the fourteen businesses from 1996, five of those still exist today; they include Dunes City, US Postal Service, Darlings Resort, and Woahink Lake Resorts. Based on a windshield survey conducted by the CAC, five of seventeen businesses existing in 2002 have since closed.

Dunes City 2002 Employment

Sectors (NAICS Codes)	Employees	Percent of Total
Accommodation Food Service	3	9%
Administrative Support	8	24%
Arts, Entertainment, Recreation	1	3%
Construction	2	6%
Manufacturing	1	3%
Other Services	8	24%
Postal Service	2	6%
Professional, Scientific, Tech Svcs	2	6%
Public Administration	3	9%
Real Estate	2	6%
Wholesale Trade	2	6%
TOTAL	34	100%

Source: Oregon Employment Department

Dunes City 1996 Employment

Sectors (SIC Codes)	Employees	Percent of Total
Construction	5	12%
Finance, Insurance, Real Estate	7	17%
Postal Service	2	5%
Public Administration	4	10%
Services	23	56%
	41	100%

Source: Oregon Employment Department

Thirteen of the seventeen firms identified in the 2002 employment data are located on residential designated land in Dunes City. These businesses are generally self-employed individuals working from home or are mobile homes parks. A Resident working from home is considered a home occupation and can locate on residential property through a permit process.

Based on the City's desire to remain a place to live, not work and the proportion of retirement population in the city, employment is most likely not going to increase significantly or at all. Many of the goods and services are provided by the nearby City of Florence further reducing the demand to locate new businesses in Dunes City.

Commercial Land Supply

Currently in Dunes city there are 16.6 acres of Commercial designated land and of these sixteen acres, 5 acres are vacant. The largest percent of commercial land is either developed as General Commercial or Vacant. A large percentage of commercial land is developed with residential uses.

**Commercial Designated Land and Land Use
Dunes City UGB**

Land Use	Acres	Percent of Total
Mobile Home Park	2.2	13.2
Recreation	.5	3.0
Mfd. Home on Lot	.3	1.8
General	5.4	32.5
Retail	.1	0.6
Single Family Dwelling	2.7	16.3
Vacant	5.2	32.5
TOTAL	16.2	100%

Based on the supply analysis there is a total supply of 4.3 acres of commercial land after subtracting constrained land from gross vacant acres.

Redevelopment Potential

Since most of the employees in Dunes City are located on residential land it appears there will be sufficient commercial land to accommodate commercial growth in Dunes City. Approximately 9 commercial acres were identified with redevelopment potential and 25% of that land (2.25 acres) was expected to be redeveloped over the 20 year time period.

V. Comparison of Supply and Demand

Is the existing supply of buildable land in Dunes City sufficient to meet the expected demand? To determine if there is enough land within the UGB, buildable and infill land must be compared with the future needed housing units forecasted for 2025.

Based on the projected demand and need for housing by type, and the expected net densities by type, approximately 519 acres of residential land would be needed to meet the demand for housing over the next 20 years. Approximately 428 net buildable residential acres are available within the Dunes City UGB. This results in a deficit of approximately 91 acres. If 5 units, which were identified as potential infill, are subtracted from the units needed, there is an expected need of 358 housing units. This translates into 83 additional needed acres rather than 91.

Housing Types	New Units Needed*	Expected Net Density	Net Acres Needed	Net Buildable Residential Acres	Additional Acres Needed
Single-Family Detached	363	.70	519	428	91
Minus 5 infill lots (5 housing units)	358*	.70	511	428	83

* After subtracting 5 units that are expected to be supplied through the infill process.
