

Testimony to Planning Commission – June 15, 2021

Thanks for the opportunity to comment on this.

I thank Katherine for the complete Staff Report she prepared and I apologize for hitting her with this complex project with all that she is doing for the City right now.

Im sorry for the extended presentation that I have prepared. It was going to be short, but I need to respond to the concerns expressed in the letters written to you about this project.

COVID is a disruptor that continues to hinder our ability to operate fully. In February 2020 we were well staffed and were looking forward to one of our best business years. We paid our staff well above minimum wage and were at the upper end of the local wage range. Then COVID hit. By the time we were able to partially reopen, a significant number of our local workers either left the area or were sidelined because of the deleterious effects of COVID. Some of these workers are still sidelined or have lost their housing over the past 15 months.

Yesterday was the last day of work for two of our valuable team members, one at the front desk and our landscaper. The Yachats house that they were living in was turned back into a vacation rental after being pulled from that use during the COVID year. They could not find other local housing. We provided them housing for about 45 days, but it was not sufficient long term housing for them and they are moving today out of the area.

I want to reiterate my purpose in developing these RV parking spots:

It is to provide much needed workforce for my businesses. The Overleaf Lodge and Fireside Motel provide the following:

- Jobs for community residents
- Return on investment for the owners
- Through the TRT, the hotels and vacation rentals provide about 90% of the City's General Fund
- Our businesses contribute to the thriving Yachats community and support many objectives within the Yachats Comprehensive Plan.

I look to this project to be a temporary creative solution to the workforce housing shortage in Yachats.

The Overleaf Lodge and Fireside Motel and our current staff do not have the luxury to wait for Yachats to work through the workforce housing crisis which will take many years to resolve. I need to find an interim solution to support our workforce.

I diverge momentarily for a bit of recent history: Mr. Layne Morrill and his partners generously and honorably provided low cost housing in Yachats. The first development on Diversity drive, to which the Overleaf Lodge and Fireside Motel contributed \$10,000 towards offsetting the SDC's, provides little or no workforce housing in Yachats. Phase II of Mr. Morrill's development restricted the occupancy to local workforce folks. This has provided a few units of

housing for our staff over the years. We currently have 2 employees living in phase 2 of Fistera. Long before COVID when we had increased starting pay that was significantly higher than minimum wage, our staff that lived in Fistera requested that we reduce their hours because they MADE TOO MUCH MONEY to qualify living there. Our current two employees probably make too much also, but there are restrictions on evicting people right now due to COVID. I am concerned that the two employees we have living there now might face the same eviction problem when the COVID restrictions are removed. (note that Layne corrected this and said that they will not evict anyone who exceeds the maximum income)

What the RV parking spaces will provide is a temporary solution to our workforce needs. These RV spaces will provide temporarily workforce that will:

1. Relieve the pressure and stress on our current workforce, including our managers and me!
 - a. Allow us to rent more rooms which we need to do during the summer so that we have the cash available to subsidize our winter operations and to fill the revenue hole created by our COVID closure for 10 weeks (20%) in 2020.
2. Provide more TRT money to the City's General Fund

Responses to the letters written in by the Cimons, the Marshalls and Jacqueline Danos:

- There is substantial evidence (primarily through workamper.com) where hospitality businesses across the country secure a portion of their workforce through RV travelers. We currently need maintenance, landscaping, front desk and housekeeping staff. Currently our maintenance, landscaping and front desk staff assist in housekeeping when they are available. Everyone chips in. I worked in housekeeping and laundry on numerous occasions over the past 5 years. My wife has worked at the front desk and in the spa to support our operations. We know that RV'ers are ready and eager to work in maintenance, front desk and landscaping as we conducted some market research by preliminarily advertising on Workamper.com that we may have some RV spots available later in the summer. We heard from a number of RV'ers who are interested; one was interested enough to visit our property and wanted to park their RV on our property in advance of the RV spots being developed. There are many testimonials on workamper.com where there are indeed folks who work in housekeeping.
- This is intended to be temporary. I ask for the permit to be allowed for 5 years. During that time RV'ers will generally stay for 2 to 9 months and work with us. We will interview the potential candidates, check references and look at their online reviews prior to hiring them. If an employee does not work out (for whatever reason including 'not being a good neighbor') they leave. This is a contractual relationship.
 - We are not planning to pave anything. All accesses and parking spots will be graveled which will concentrate less storm water and will allow for easier removal of this development at the time that the property is more permanently developed.
 - This is not a dangerous precedent. There are not enough 2+ acre parcels in Yachats where this can be done to 'destroy the character of Yachats' and the development cost is high such that most landowners could not justify such RV

parking. I encourage you to place conditions on this permit to protect the character of Yachats. (limit the approval duration, only allow this for those working in the local area, max occupancy on each unit, vegetative screening from neighbors, roads, etc.)

- It would be sad if this project were denied because of what some other less respectful landowner might do on their property because in theory this sets a precedent.
- Also, this project may cost in excess of \$80,000. I can justify this by demonstrating that I can offset that investment for two reasons:
 - It will alleviate the stress off my current workforce and they can be more satisfied/happy workers, and:
 - Because the workers brought in will allow me to operate at a level substantially above where I can operate with my current workforce. Also, some of the infrastructure that serve these RV spots will be used eventually in future 'best use' property development (electrical, water and sewer infrastructure). Other properties in Yachats will have much higher development costs because water, sewer and electrical are all readily available and close to the parking spots. Plus the land had already been surveyed and was ready for design.
- At the end of the 5 years, the City and/or we will have resolved the workforce housing problem and we can remove the RV spaces. I have started researching building multifamily housing east of the proposed RV parking spaces.
- This is no more a 'special privilege' or a 'favor' for our businesses any more than being allowed to build a hotel on the oceanfront is a 'special privilege' or 'favor' for us. We have the land and it is zoned R4 which conditionally allows for this, or out-rightly allows for a hotel, multifamily housing, etc.
- The Overleaf Lodge and Fireside Motel will administer this. We are the most impacted by this project as it is on our property. We will administer this to support and protect our businesses and to keep with our long term community stewardship. If there are any problems, I have two front desks that are open most of the day and either I or my management staff are available 24/7. Once, about 20 years ago, I was contacted by a neighbor about a conflict with our staff. I dealt with it immediately and the problem ceased.
 - This will never be rented out as transient rentals. I encourage you to place that restriction as a condition of approval.
 - After initial occupancy of these 5 spaces, I anticipate up to 2 RV departures and arrivals per month.
- Workampers cannot stay at local campgrounds as they have restrictions on length of stay.
- Concerning a comment on the protection of Natural Resources:
 - For over 40 years we have demonstrated tremendous responsibility in developing our land as guided by the comprehensive plan and zoning ordinance.

We designed the Overleaf Village to retain most of the spruce and pine trees. We have retained many spruce trees in the vicinity of our event center and maintenance garage. We have planted many trees and feel that the landscaping of our overall hotel campus complements and enhances Yachats.

- This property is zoned R4. It is intended for the highest density residential development in Yachats. Zoning code supports this and the comprehensive plan mandates eventual dense development. The City includes the maximum density possible for all properties, including this property, in their management of future growth of Yachats. This property will be fully developed someday.
- I have designed the RV spaces in a manner to protect spruce trees. Of the well over 200 spruce trees in this area, I anticipate removing about 13% and most are in the range of 12" to 16", DBH.
- All site drainage is designed to remain on Overleaf and Fireside property and will drain to an existing large drain pipe that runs on Overleaf property on the north side of the proposed RV parking spaces. This pipe directs current site water through the Overleaf/Fireside property and then through an existing pipe west to the ocean. All drainage will run through the swale (or small creek) on Fireside property that is designed to remove any sediments before entering the ocean. It will not erode the 804 Trail, will not flow to any neighboring properties and there will not be erosion on any adjacent properties. Again, we have demonstrated for 40 years that we intend to enhance our properties and not to degrade any of the neighboring properties.
- I concur with the well thought out discussion provided by Jacqueline Danos in her letter. She provides sound concepts for Yachats to consider, but again, those concepts will take time to develop and then implementation will be somewhat glacial in nature. It will take many years before we see substantial impact from these concepts.
- This is not the only temporary solution that we have initiated. Among the other solutions include:
 - Converting Fireside rooms to more long term housing where we could house staff. This use can create conflict between staff and guests so is not ideal. And will reduce TRT payments to the city.
 - Later this month we will provide housing for staff in a rental house on property.
 - We are considering housing staff in the Overleaf event center (which has not been used in a year due to COVID restrictions), but this is not set up for housing and once it is, it will be difficult to turn back into an event center which supports our business operations and provides work for our staff during the offseason.

RV parking is a temporary solution until we and/or Yachats create more permanent solutions to the workforce housing problem. I and the other business owners cannot wait for 5-10 years for this problem to be ameliorated or solved by the City or County. RV parking is NOT highest and best use of this property. The owners, including me, do not accept this as a permanent fixture on the property. There is ultimately going to be much higher density on this property. I have commenced research into multifamily workforce housing on this property, but we would

be lucky to have that in place by 2023. That is an outright permitted use on this property. This RV parking is a temporary low density, low impact temporary use of the property.

In summary, I ask for your approval of this request. My family and my business partners have had a vested presence in Yachats for 40 years. We have contributed mightily to the community through our businesses and efforts supporting local residents and other businesses. We purchased the Fireside Motel in 1981, built the Overleaf Lodge in 1996, developed the Overleaf Village in 1999 and added on to the Lodge in 2006. Other developers with only a profit motivation would have developed and run. I think we have demonstrated our commitment and support of Yachats for 4 decades.

I have discussed this project at length with property owners in the Overleaf Village PUD. I offer my email and phone number out to neighbors to the south of this project to contact me for discussion of the concerns brought up in the two letters or other concerns. I have proposed this concept with a very high degree of deference to our existing businesses, surrounding neighbors and to the city in general. This will help relieve the burden on our hard working staff and help maximize the TRT revenue from our properties until a more permanent solution is implemented.

Finally, I concur with the Conclusions on page 7 of the Staff report.