

# Apartments in progress

*BY GLORIA TUCKER Of News-Times*

SOUTH BEACH With housing, especially rentals, in short supply, Oksenholt Companies is looking to relieve some of the demand in the coastal community.

As a result, the company plans to build 28 boutique apartments for rent in the Wilder development in South Beach.

"Boutique apartments are smaller than traditional complexes," said Oksenholt Companies CEO Jon Oksenholt. "They are broken down into four-plexes with only one common wall. They feel more like townhouses than apartments. The finishes are similar to those in higher-end homes."

The company broke ground two weeks ago on the apartments, and plans to have the first units ready for renters in April or May of 2017.

As far as price, Oksenholt said he expects to offer the apartment rentals from the high three-digits to low four digits. The price will depend in part on how expensive the furnishings will be.

"Sometimes new apartments are not affordable to the workforce," he said, "but those who do move will be leaving older apartments that are more affordable for others. Any new unit helps the area and workforce."

Bonnie Serkin, chief operating officer of Landwaves Inc., said the project fits Wilder nicely. Formed by Serkin and her husband, Landwaves Inc. is the development company that oversees Wilder.

"We started the development at Wilder back in 2008," she said. "We did it because the city had run out of land for new development of residences and commercial buildings."

Initially the community's single-family homes began as a village for Oregon Coast Community College.

"We never contemplated Oregon State University bringing housing here," she said. "But the need arose for housing the hundreds of students from Corvallis that study at Hatfield. It's good for the community too, since the students aren't flooding Newport's rental market, which already has short supply."

In addition to the OSU housing, which should begin construction in 2017, Samaritan House plans to bring low-income housing in the form of two and three bedroom duplexes.

"Oksenholt meets another very pressing need in housing," Serkin said. "The rental need is huge. Most of Newport's rentals are so old they have a lot of deferred maintenance."

"At first (Oksenholt) talked about building high-density apartments near the village center. But they decided to cut back on that and want to build seven separate buildings that are two-stories tall. They are modifying their layout to fit the village."

She said Wilder works with developers with sustainable practices in mind.

"Our builders take into account the natural environment," she said. "It's designed to be a very walkable area. We ask builders to follow green building principles. We have permeable pavement, rain gardens and bio-swales. The bio-swales allow stormwater to infiltrate slowly the ground below. We're trying to be gentle on the land."

She said in addition to respect for nature, neighborliness also attracts developers, renters and homeowners to the area.

"The streets and homes are set up to create a place where people can come together. Every house has a front porch. We have a dog park and a park for disc golf. Samaritan House's buildings will form a U with a central gathering place," she said.

"OSU is not going to build a huge, monolithic dorm. They are going to stay in the scale of Wilder with several smaller buildings. Everyone is making their buildings compatible with the area."

Oksenholt's new apartments mark the start of a phase that will eventually include 20 cottage homes and six single-family homes.

Oksenholt has already built 12 single-family homes and six rental cottages in the area.

"The majority were for-sale homes and those sold very quickly," Oksenholt said. "We had a few test rental units and they all filled quickly. Even when some people moved, there was a large list of people ready to take them."

He said the company plans to build more housing because of Newport's economic growth.

"There's certainty in Newport," he said. "They are business-friendly and have an accommodating planning director. You know what you can do and what you can't. We are confident that Newport has enough moderate wage jobs to support enough renters with stable incomes for these quality apartments."

Serkin said the purpose of Wilder is to create such housing for working families in Newport.

"There are not a lot of homes available in Newport and those few out there are mostly out of the price range of working families," she said.

"We want to make housing attainable for families who live and work in Newport. We want to help address the housing needs of Lincoln County."

Headquartered in Lincoln City, Oksenholt also has its eye on Lincoln City and Depoe Bay for additional housing development projects.

"There's uncertainty in Depoe Bay because of views on vacation rentals. Depoe Bay has very severe restrictions on vacation rentals and where they can be built," Oksenholt said.

"Certain groups blame vacation rentals for taking up housing, but the truth is vacation houses are never going to be affordable houses. The \$600,000 vacation house with ocean views will only go down to \$500,000 if it goes on the market."

He said the situation is less severe in Lincoln City.

"We are closely watching the outcome of upcoming Lincoln City regulations on VRDs (Vacation Rental Dwellings). We want to see how any new restriction or de-regulation impacts tourism in general and the workforce, particularly those earning above minimum wages," he said.

"We need to see stable, continuous demand for the kind of quality housing we hope to build before we commit to development."

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