

1 Depoe Bay Planning Commission
2 Regular Meeting
3 Wednesday, September 27, 2017 – 6:00 P.M.
4 Depoe Bay City Hall
5

6 PRESENT: G. Steinke, M. Phillips, J. Speer, R. Hageman, J. Hayes, B. Taunton
7 STAFF: City Planner L. Lewis, Recording Secretary C. Duering
8 VACANCY: One Vacant Seat
9

10 I. CALL MEETING TO ORDER

11 Hageman called the Meeting to order and established a Quorum at 6:00 P.M.
12

13 II. APPROVAL OF MINUTES: Regular Meeting.
14

15 Motion: Speer moved to approve the Minutes of August 9, 2017 Regular Meeting as written. Steinke seconded.
16

17 Vote: Motion passed.

18 Ayes: Steinke, Phillips, Speer, Hageman, Hayes, Taunton
19

20 III. ITEMS FROM THE AUDIENCE

21 There was none.
22

23 IV. PUBLIC HEARING ITEMS
24

25 A. Case File: #2-VAR-PC-17

26 Applicant: River Dog Investments, Inc. – Lori and Sean Rietze

27 Application: Variance to Off-Street Parking Requirements

28 Zone, Map and Tax Lot: C-1 Retail Commercial Zone, 09-11-08-BA #04600

29 Location: 249 S. Hwy. 101
30

31 Hageman said Testimony and evidence given must be directed toward Criteria described by the City Planner, or
32 other Criteria in the Code that the Testifier believes apply to the request. Failure to raise an issue, accompanied
33 by statements or evidence sufficient to afford the Commission and the parties an opportunity to respond to the
34 issue precludes appeal to the State Land Use Board of Appeals on that issue. Application materials or other
35 evidence relied upon by the Applicant had been provided to the City and made available to the Public.
36

37 Hageman explained the Public Hearing procedure: He will call for Planning Commissioner ex-parte contact,
38 conflict of interest or bias to declare. There will be an opportunity to object to any Planning Commissioner
39 hearing the Case. Applicants will have the opportunity to present information relevant to their Application,
40 followed by Testimony in support of the Application, then Testimony in opposition, with the Applicant having the
41 opportunity for rebuttal. Unless there is a request to hold the Record Open, Testimony will be closed and the
42 Commission will enter into Deliberations on the Application.
43

44 Hageman asked if any Commissioner had ex-parte contact, conflict of interest, or bias to declare. Hageman gave
45 a brief synopsis of the Variance to Off-Street Parking Requirements Application for the Subject Property that
46 came before the Planning Commission earlier this year that resulted in a continuation of the Public Hearing. Prior
47 to the next meeting the Applicant withdrew their Application. Hageman declared that he lives approximately a
48 block and a half from the Subject Site/Structure on Coast Avenue.
49

50 Discussion ensued regarding the Staff Report *Relevant Facts 1. The subject property is located at 249 S. Hwy.*
51 *101, at the southwest corner of Hwy. 101 and Ellingson Street.*
52

53 Hageman then asked if anyone had objection to any Planning Commissioner hearing the Case. There was no
54 objection.

1
2 Lewis summarized the Staff Report (copy attached to original of these Minutes). Written Testimony was received
3 from Rich and Val Allen (copy attached to original of these Minutes) in opposition to the Application.
4

5 The Applicant was given an opportunity to testify and answer questions from Commissioners.
6

7 Lori Rietz, 3442 E. Pyrus Court, Meridian, Idaho, stated she and her husband purchased the Old Channel
8 Bookstore about a month ago; currently demolishing interior and are proposing a maximum of four units. She
9 noted, as Mr. Lewis summarized, there is no on-site parking; the building comprises 100% of the lot; at this time
10 there is also no land available within 500 ft. to purchase; providing 19 parking spaces is pretty much impossible at
11 this point. She believes their request is consistent with the other businesses and would not be a detriment to any
12 businesses in the surrounding areas.
13

14 The Applicant and Planning Commission discussed/clarified the following: (1) Proposing Retail Use only – No
15 Residential Use; and (2) North wall of the building encroaches on City right-of-way and would be a City Council
16 issue.
17

18 Hageman called for Testimony in support of the Application.
19

20 Deborah Callender, Depoe Bay, testified in favor of Granting the Variance and stated her reasons. (1) Retail use
21 for decades and the Applicants are proposing to continue the same use; (2) No increase to building footprint or
22 height; and (3) Believes having active/viable businesses South of the Bridge will increase pedestrian traffic,
23 encourage growth, and raise property values.
24

25 Hageman asked if there was additional Testimony in favor or mostly in favor with some caveats.
26

27 Sarah Jinks, 30 Hawkins Street, manager of the Channel House, stated she is not completely opposed. The hotel
28 is located at the end of Ellingson and has twelve rooms and six parking spaces. She acknowledged the congested
29 street and explained the benefit to her guests if the retail units were closed at check-in (4 p.m.). She loves the idea
30 of more businesses on the south side of town – Great for her guests and the community.
31

32 Dorinda Goddard, 15 S.W. Ellingson Street, lives right across from the Subject Site, testified: (1) She would truly
33 love to see something done with the vacant building; (2) Confirmed there are no vacant lots within the vicinity
34 that could be purchased for parking; (3) Parking is cramped and tight already; (4) Dilemma with the DBZO
35 Parking Standards; and (5) Has no problem with daytime retail – Won't work if it extends into the early evening
36 or night hours (neighborhood unable to accommodate more vehicles).
37

38 Loren Goddard, 15 S.W. Ellingson Street, wondered if realistically the Planning Commission can dictate the
39 hours that a business can be opened. Personally he would be upset. He noted: (1) Parking is a real issue
40 particularly in the summer months; (2) 700 sq. ft. of their building was used to create off-street parking and they
41 acquired additional off-street parking on a long-term lease; (3) Unable to offer a resolution to the parking issue;
42 and (4) Would like to see something in that building because it would be good for Depoe Bay.
43

44 There was no request to keep the Record Open. The Public Hearing was closed and deliberations began.
45

46 The Planning Commission and City Planner discussed the following: (1) Highway 101 South of the Bridge
47 Improvement Project has conceptually identified approximately 80 additional parallel parking spaces on both
48 sides of the highway (construction in 2020); (2) In order to dictate operating hours it would need to be specifically
49 stated in our code; (3) Hwy. 101 vacant lot in the proximity is for sale with the house that faces Coast Avenue; (3)
50 Desire to see the deteriorating building restored and open for business; (4) Existing businesses throughout town
51 who do not provide off-street parking (grandfathered in); (5) City recently purchased parking lots; and (6) No
52 grandfathered off-street parking spaces (bookstore has not been operational for years).
53

54 At the request of an audience member Hageman re-opened the Public Hearing.

1
2 Loren Goddard requested the Applicant to further explain their concept i.e. entries into the suites, etc. He also
3 stated that prior to the bookstore it was suites of commercial space and described the location of their entries.
4

5 The Applicant was given an opportunity for rebuttal.
6

7 Laurie Rietz, answered they would be utilizing the existing storefront entries (two on Hwy. 101 and two on
8 Ellingson). She appreciates and understands the frustration with the parking situation. They hope to bring more
9 tourists and commerce to the community and hopefully the benefit will off-set the fall-out. In conclusion, she
10 reiterated the retail only use and they have no plans to be open late (hours similar to other retail businesses in
11 town).
12

13 Brief discussion ensued regarding dictating that employees and/or tenants park on Highway 101 and the type of
14 retail sales (one will be recreational cannabis). Hageman clarified that marijuana facilities are regulated by the
15 Business License Ordinance not the Zoning Ordinance.
16

17 Hageman closed the Public Hearing and called for additional comments and/or a motion.
18

19 Motion: Hayes moved to approve Case File #2-VAR-PC-17 (Variance to Off-Street Parking Requirements for up
20 to four business suites) and adopt the Conditions of Approval (Items 1. thru 4.) as recommended by the City
21 Planner and as amended by the Planning Commission to include the landlord/property owner instruct/request that
22 the tenants/employees park farther south on Hwy. 101 and not on Ellingson Street or Coast Avenue; and the
23 Applicant recognizes there is an existing building encroachment on Ellingson Street and this approval in no way
24 construes approval of the encroachment. Steinke seconded.
25

26 Vote: Motion passed.

27 Ayes: Phillips, Speer, Hageman, Hayes, Taunton, Steinke
28

29 The Planning Commission directed Lewis to prepare the Findings, Conclusions, and Final Order for review at the
30 next Planning Commission Meeting.
31

32 Recess: 6:40 – 6:50 P.M.
33

34 B. Case File: #1-PD-PC-17

35 Applicant: Hills of Depoe Bay, LP

36 Engineer/Planner: Reece & Associates, L.P.

37 Application: Planned Development Master Plan

38 Zone, Map and Tax Lot: R-2 Residential, 09-11-05 #00100

39 Location: North End of Depoe Bay, Over 1,000 Feet East of Hwy. 101
40

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42 other Criteria in the Code that the Testifier believes apply to the request. Failure to raise an issue, accompanied
43 by statements or evidence sufficient to afford the Commission and the parties an opportunity to respond to the
44 issue precludes appeal to the State Land Use Board of Appeals on that issue. Application materials or other
45 evidence relied upon by the Applicant had been provided to the City and made available to the Public.
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49 hearing the Case. Applicants will have the opportunity to present information relevant to their Application,
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51 opportunity for rebuttal. Unless there is a request to hold the Record Open, Testimony will be closed and the
52 Commission will enter into Deliberations on the Application.
53

54 Hageman noted that prior to the Staff Report there will be a PowerPoint presentation.

1
2 Hageman asked if any Commissioner had ex-parte contact, conflict of interest, or bias to declare. There was
3 none. There was no objection to any Planning Commissioner hearing the Case.
4

5 Chris van der Velde, 61240 Skyline Ranch Road, Bend, presented a PowerPoint Presentation explaining the five
6 phases of the traditional neighborhood development project (copy attached to original of these Minutes).
7

8 Lewis gave a detailed explanation of the DBZO Planned Development Master Plan procedure. Each Phase
9 identified in the Master Plan will be required prior to development to obtain separate Preliminary and Final
10 Approval by the Planning Commission. He noted the PD (Planned Development) suffix Zone Change would
11 occur at the time the preliminary plans come before the Planning Commission and requires approval by both the
12 Planning Commission and City Council; and (2) Applicant is requesting that a little over 8 acres be re-zoned from
13 Residential R-2 to Commercial C-1 leaving approximately 72 acres that would remain Residential R-2.
14

15 Lewis summarized the Staff Report (copy attached to original of these Minutes). Public Agency comments were
16 received from North Lincoln Sanitary and Oregon Department of Transportation (copies attached to original of
17 these Minutes). No Public Written Testimony was received.
18

19 The Planning Commission and Lewis discussed: (1) Request for a Zone Change from Residential R-2 to
20 Commercial C-1 would be approved in concept only now; and (2) Application delineates Phases 1-5 with future
21 phases to be determined, per DBZO Section 3.410 Planned Development the Planning Commission would be
22 considering approval of the entire site.
23

24 Rich Catlin, Land Use Planner, Reece and Associates, Inc., 321 1st Avenue E., Suite 3A, Albany, retained by the
25 owner, Hills of Depoe Bay, L.L.C., to prepare the Master Plan and documentation acknowledged Chris van der
26 Velde, owner, gave a good slide show depicting the overall plan.
27

28 He summarized the Master Plan Report submitted with the Application (copy attached to original of these
29 Minutes) specifically noting: (1) Essentially a small community area/plaza surrounded by increasingly less dense
30 housing activity; (2) Mixed use development entirely open to the public includes residential over retail,
31 townhomes, community center/hotel, event center, detached homes and multi-family mansions with some areas
32 proposed as tourist accommodations; (3) The Master Plan (essentially a Land Use Plan) reflects the conclusions
33 from a design charrette with key stakeholders held approximately 4 years ago; and (4) Plan features open space,
34 pedestrian connectivity, recreational areas, and two lakes.
35

36 He reiterated that they are asking for Master Plan approval for Phases 1 thru 5 as that is as far into the future as
37 the owners would like to request (unknown absorption and demand). He noted the Applicant recognizes the
38 following will require additional applications for Planning Commission review/approval: (1) Revision to the
39 Master Plan for further phases; and 2) Zone Change with detailed plans for the area identified for retail/service
40 shops and townhomes (tourist accommodations) – Land Uses appropriate for a C-1 Zone.
41

42 Hageman noted the following: (1) Geologic Hazards Map shows 2 faults on the site; (2) Major concerns with the
43 switch back roads (as illustrated on the drawing submitted by the Applicant) – Steep, tight turns, 30 ft. right-of-
44 way with 20 ft. driving surface, unsure if bicycle friendly or meet ADA compliance standards.
45

46 David Reece, Civil Engineer, Reece and Associates, Inc., 321 1st Avenue E., Suite 3A, Albany, has been involved
47 in this project since 2007 responded to Hageman's concerns: (1) Geologic Report addresses those faults and
48 provides recommendations (including awareness that additional seismic design specifications may be required);
49 (2) Switchback roads were designed as a secondary controlled construction/emergency two-way alley (may be
50 modified/enhanced or restricted as we move forward i.e. restrict to uphill travel, restrict to downhill travel, or
51 widen lanes; (3) Baleen and Ascent Drive are designed to be pedestrian friendly main streets; and (4) In addition
52 there are a number of pedestrian trails running north and south as well as ADA ramps.
53

1 Chris van der Velde shared, as the developer of the award winning Tetherow Resort Community, in Bend Oregon,
2 he worked with the Bend Parks and Recreation Department to connect with the Alpine Trail and how he hopes to
3 do the same with the Oregon Coast Trail. Using the drawing (on the wall) he demonstrated how the circulation is
4 designed to run through the core center and how they were able to use old logging roads. He further explained
5 why he asked the Engineers to add the secondary construction/emergency access/road stressing he wants it to be
6 safe, and believes the limited access could be clarified in the CC&Rs.
7

8 David Reece emphasized that they know where the cuts are and what the profiles are for each road and have
9 minimized the cuts and fills (living within the topography). As part of the engineering and infrastructure they will
10 be achieving elevations that will drive the water system to new levels – The benefit to Depoe Bay is an additional
11 reservoir system (additional fire flows) at the conclusion of Phase 2.
12

13 Discussion ensued between the Planning Commission, Reece, and Catlin regarding: (1) Capacity of the City’s
14 water and sewer plants; (2) Applicant’s evaluation/review of the City of Depoe Bay Water and Sewer Master
15 Plans; (3) Per discussion with the City Superintendent there is ample capacity for all phases; (4) Water pressure
16 booster pump station; (5) Northwest access will be provided at the end of Phase 2; (6) Applicant’s intention to
17 comply with DBZO Off-Street Parking Requirements for each use; (7) Variance is required to allow the
18 townhomes and multi-family mansions located in the R-2 Zone to be tourist accommodations and the anticipation
19 that there will be public opposition; and (8) Applicant appreciates the ability to have tourist accommodations in
20 the future – the heart of the argument is that by virtue of the site’s remoteness they won’t negatively impact other
21 neighborhoods, residents, etc.
22

23 Susan Wright, Traffic Engineer, Kittelson & Associates, Inc., 610 S.W. Alder St., Portland prepared a Traffic
24 Impact Study (copy attached to original of these Minutes) that addresses both Whale Watch and Hills of Depoe
25 Bay Planned Developments to be useful to both the City and ODOT as they are considering the incremental
26 phasing (make sure that what is being required at each phase is consistent with the needs for build out for both
27 sites).
28

29 She specifically noted (1) Full build out is anticipated prior to the City’s Transportation System Plan’s horizon of
30 2035; (2) Both sites will be served by three access points – Ascent Drive, Baleen Drive, and a far north access; (3)
31 Ascent Drive and Baleen Drive will warrant Hwy. 101 intersection traffic signals and turn lanes; (4) A bus pull-
32 out and sidewalks are recommended along Hwy. 101 frontage; (5) Provide an interim striped crosswalk location
33 and long-term pedestrian crossing at both signalized site access locations; and (6) Letters of ODOT concurrence.
34 She offered to entertain any questions.
35

36 Lengthy discussion followed between the City Planner, Planning Commission, Wright, Catlin, Reece, and Van
37 der Velde regarding: (1) Trip thresholds that will warrant signals and whether increased Hwy. 101 traffic is
38 considered in the calculations; (2) Build-out (not by phase) trip generation analysis/report is provided for each
39 type of use; (3) Analysis of the water and sewer plant’s capacity to serve both developments; (4) In most cases
40 parking will be allowed on one side of the street; (5) Fire truck turning radius analysis has been applied to all the
41 intersections; and (6) Incorporating the concept of central garbage/recycling collection (Phase 1, 2, and 3) and
42 postal kiosk locations similar to Little Whale Cove and Tetherow.
43

44 Lon French, North Lincoln Sanitary, 1726 S.E. Hwy. 101, Lincoln City, noted that he provided written comments
45 (copy attached to original of these Minutes) and stated he is excited about the development. He explained the
46 reason for his early involvement is to ensure adequate access is provided for garbage service. He noted: (1) Little
47 Whale Cove is a gated community (public can’t contribute) and the proposed development is not (could be
48 resolved with locking enclosures); (2) Keep in mind that HOA could decide in the future that they want individual
49 roll cart service; (3) Pick-up service is required by the City’s Ordinance every 14 days; (4) Biggest concern is
50 accessing the houses at the end of Street F. Hageman interjected that DBZO requires carry out service for tourist
51 accommodations.
52

53 Rich Catlin stated that is why this is a Master Plan. We want to get your agreement on the concept and then send
54 us away to do the hard work.

1
2 Hageman clarified the following items have not been addressed as per the DBZO: (1) Pedestrian and bicycle
3 facilities, hiking trails, etc; (2) Tourist accommodation management; (3) Tourist accommodations are to be
4 buffered; (4) Overflow parking areas/lots for tourist accommodations; (5) If a dwelling is a residence and a tourist
5 accommodation two additional on-site parking spaces are required; (6) Public Access – Will any of the areas be
6 gated; (7) Use of the Maintenance fees i.e. maintain streets, landscaping, sidewalks, etc.; (8) Roads and utilities
7 beyond Phase 4; and (9) Detailed description of the potential commercial uses and tourist accommodations in the
8 proposed Zone Change to C-1.
9

10 Catlin responded at this point they do not have specific building plans nor do they know how many bedrooms will
11 be in each unit to determine the number of parking spaces. He expressed their intention to demonstrate
12 compliance to the Off-Street Parking Requirements (be specific at the time the Preliminary Plan is submitted). He
13 questioned at what time is that required. Discussion followed.
14

15 Van der Velde spoke to Hageman’s concerns regarding the management of tourist accommodations and explained
16 it would be handled in the same manner as Tetherow – An on-site management company will handle complaints
17 and maintenance issues and one centralized management company will be responsible for reporting TRT and
18 TOT on a quarterly basis (adherence to strict CC&Rs). He also spoke to Hageman’s concerns regarding the C-1
19 Zone Uses and shared how Tetherow has morphed over the years (2004-2017) from the original plan i.e. 250
20 room hotel to two 25 room lodges. He is asking for the ability to be flexible – See what happens in Phase 1 to
21 determine how to move forward. Anticipates the Commercial Zone will include a centralized postal area,
22 convenience store, café, and live/work units. He mentioned various areas/developments that influenced his
23 vision: Nye Beach in Newport, Seabrook off the Washington Coast, and Amsterdam of the Netherlands. He
24 emphasized this is a 20-30 year project.
25

26 There was further discussion regarding: (1) Size of the C-1 Zone Change; (2) Planning Commission’s
27 apprehension to approve the Master Plan without more detailed information; (3) Concerns regarding the
28 underlying motivation for the Zone Change (avoid the more restrictive Planned Development Residential Tourist
29 Accommodation Standards); (4) Each Phase of the development requires Preliminary Plan approval; (5) Master
30 Plan is a roadmap to the future illustrating the intent – Any major change requires an amendment approval; (6)
31 Factors that led to the request for 8 acres to be rezoned C-1 Retail Commercial i.e. market analysis, topography
32 and views (lends to a wedding venue, hotel, etc.); mixture of row houses (tourist accommodations) and small
33 retail/restaurants, etc.
34

35 Recess: 8:45 – 8:50 P.M.
36

37 The Planning Commission agreed to continue the Public Hearing to allow the Applicant to provide additional
38 application materials and testimony (opportunity to submit items that were not addressed and to respond to the
39 Planning Commission’s concerns/objections).
40

41 Hageman identified the following items to be addressed: (1) Re-Zone to Commercial – More detail, i.e. parking
42 type of Uses; (2) Provide pedestrian and bicycle facilities, hiking trails, etc.; (3) Management of Tourist
43 Accommodations; (4) Residential area being buffered from Tourist Accommodations; (5) Acknowledge request a
44 Variance for any row houses in addition to the mansions; (6) Off-Street Parking for Tourist Accommodations; (7)
45 Airbnb houses and the overflow parking lots; (8) Lot sizes i.e. exceptions to width, depth, and setback standards;
46 (9) Parking Requirements of Section 4.030; (10) Public Access; (11) Street and Utility Plans beyond Phase 4; (12)
47 Widen the switchbacks; (13) Maintenance Fees; (13) Access that meets the TSP (road with a multi-use bike and
48 pedestrian path); and (14) Conceptual Drawings/Renderings depicting themed buildings and structures.
49

50 There was brief discussion regarding the value of the development – Planned and designed to enhance the
51 experience/future of Depoe Bay. The Applicant reiterated his vision for a hillside town and encouraged the
52 Planning Commission to visit Tetherow.
53

54 The Public Hearing was continued to Wednesday, October 18th, at 7:00 P.M.

1
2 Recess: 9:10– 9:15 P.M.
3
4 NEW BUSINESS
5 There was none.
6
7 VI. UNFINISHED BUSINESS
8 There was none.
9
10 VII. CITY COUNCIL LIAISON SCHEDULE AND REPORT
11 Hageman reported on the following: (1) Proposed Ordinance No. 314 – An Ordinance Amending Ordinance No.
12 24 (Zoning Ordinance) As Amended; Adding New Section 4.910 Signs, Enacting Provisions Requested As A
13 Result Of Review Of The Depoe Bay Zoning Ordinance By The City of Depoe Bay; And Declaring An
14 Emergency; (2) Commercial Design Guidelines
15
16 VIII. PLANNER'S REPORT
17 Lewis reviewed the Planner's Report – Land Use and Building Permit Activity August 3, 2017 thru September
18 21, 2017 (copy attached to the original of these Minutes).
19
20 IX. PLANNING COMMISSION CONCERNS
21 There was brief discussion regarding reinstalling the one-way signage on Ellingson with the completion of the
22 Coast Avenue Infrastructure Improvements Project.
23
24 X. ADJOURN
25 There being no further business, the Meeting was adjourned at 9:25 p.m.
26
27
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35

Carla Duering, Recording Secretary

Roy Hageman, President