

# AGENDA ASTORIA PLANNING COMMISSION

# January 9, 2018 6:30 p.m. 2<sup>nd</sup> Floor Council Chambers 1095 Duane Street • Astoria OR 97103

- CALL TO ORDER
- ROLL CALL
- 3. ELECTION OF OFFICERS
  - a. In accordance with Sections 1.110 and 1.115 of the Astoria Development Code, the APC needs to elect officers for 2018. The 2017 officers were: President Kent Easom, Vice President Sean Fitzpatrick and Secretary Anna Stamper.
- 4. MINUTES
  - a. September 6, 2017 Minutes
  - b. September 26, 2017 Minutes
  - c. November 28, 2017 Minutes
- PUBLIC HEARINGS
  - a. Conditional Use CU17-16 by Julie Garver, dba Innovative Housing, Inc., to locate a multi-family dwelling (40 units), located above the first floor, with commercial facilities on the first floor at 1067 Duane in the C-4, Central Commercial zone.
- REPORT OF OFFICERS
- STAFF UPDATES
- 8. MISC
- 9. PUBLIC COMMENTS NON AGENDA ITEMS
- ADJOURNMENT

THIS MEETING IS ACCESSIBLE TO THE DISABLED. AN INTERPRETER FOR THE HEARING IMPAIRED MAY BE REQUESTED UNDER THE TERMS OF ORS 192.630 BY CONTACTING COMMUNITY DEVELOPMENT DEPARTMENT, 503-338-5183.

#### **ASTORIA PLANNING COMMISSION MEETING**

Astoria City Hall September 6, 2017

#### CALL TO ORDER:

President Pearson called the meeting to order at 6:30 pm.

#### ROLL CALL:

Commissioners Present:

President David Pearson, Vice President Kent Easom, Jennifer Cameron-Lattek

(via Skype), Daryl Moore, and Jan Mitchell (via Skype). Brookley Henri arrived

at 6:56 pm.

Commissioners Excused:

Sean Fitzpatrick

Staff Present:

Community Development Director Kevin Cronin, and Planner Nancy Ferber. The meeting is recorded and will be transcribed by ABC Transcription Services,

Inc.

#### APPROVAL OF MINUTES:

Item 3(a): July 25, 2017 Minutes

President Easom asked for approval of the minutes of the July 25, 2017 meeting. Commissioner Cameron-Lattek and Vice President Easom noted the following corrections:

• Page 5, CU17-07 – Commissioner Henri voted aye and Commissioner Cameron-Lattek voted nay.

#### Item 3(a): August 1, 2017 Minutes

Vice President Easom moved that the Astoria Planning Commission approve the minutes of July 25, 2017 and August 1, 2017 as corrected; seconded by Commissioner Moore. Motion passed unanimously.

#### OLD BUSINESS:

#### ITEM 4(a):

CU17-06

Deliberation of Conditional Use CU17-06 by Astoria Warming Center to operate a temporary use of a warming center at 1076 Franklin Ave in the R-3, High Density Residential Zone. *Public hearing was closed on July 25, 2017. No public comments will be taken.* 

Director Cronin presented the updated Staff report, a memorandum, and a good neighbor agreement. He summarized steps taken by the Applicant and Staff since the August 1, 2017 meeting. Staff recommended approval of the request.

President Pearson called for Commission discussion and deliberation.

Commissioner Moore confirmed there was no sign-in sheet at the neighborhood meeting. Director Cronin added that the meeting was packed with people representing a combination of opinions, but it was not Staff's role to get the names of the audience members. Commissioner Moore said he was concerned about the warming center's impact on the neighborhood, the neighborhood's involvement, and what relief the neighborhood could get. There is no evidence that the neighbors now support the warming center. The commitment reads fine, but there is no mention of what happens if problems are not resolved.

Director Cronin explained that the conditions of approval for land use actions must be upheld by the Applicant. If Staff gets word that the conditions are not being met, the City proceeds with enforcement actions.

Commissioner Moore believed conditions of approval ensuring the Applicant lived up to their commitment would be too complicated.

Director Cronin reminded that the permit is a one-year permit and the warming center's operations are limited to 90 days. If the center wants to open back up after the 90 days in any location, the Commission would review their request. There will be a neighborhood meeting prior to the center opening, during the center's operation, and after it is closed to collect feedback. Then the center will make changes accordingly.

Commissioner Moore said the purpose of this meeting is to prevent negative impacts, not test out and make people uncomfortable for a year so the City can decide if they would make people uncomfortable for another year.

Vice President Easom stated he had the same concerns as Commissioner Moore. The neighborhood meetings are not spelled out in the agreement and those meetings are important. The center will be open every night from November 15<sup>th</sup> through December 15<sup>th</sup>, so waiting until January to meet is too long and trying to rectify problems then would have a huge impact on the neighborhood. He could not support the agreement as written.

President Pearson said he was on the opposite end of the spectrum. Creating a document like the good neighbor agreement is difficult work and he was pleased to the see the results. He applauded the community, neighbors, the Astoria Downtown Historic District Association (ADHDA), and the Board of the Astoria Warming Center for coming together and coming up with an agreement. He supported the request with the agreement, but wanted to review the conditions of approval.

Commissioner Cameron-Lattek said at the last meeting, the Commission agreed to accept Staff's impression of how the neighborhood meeting went. It sounded realistic to her to hear that the discussion was lively and she was happy to hear that all of the parties present came to an agreement. She was comfortable taking Staff's input. She believed the Commission had seen many of the changes they were looking for in the agreement. She was relieved to see a commitment to at least three meetings through the season, which she believed would go a long way towards addressing problems. She believed she could support the permit with Staff's recommended conditions.

Commissioner Mitchell stated there was never a perfect way to know in advance how things will actually transpire, but she believed the agreement addressed most of the Commission's concerns. If the warming center does not comply with their commitments, the City has recourse. Therefore, she was comfortable with the agreement. When the Commission asks a group to work on a solution and a process, they have to be willing to allow the group to work that out. Otherwise, the group's effort would be for no reason. She supported 96 percent of the agreement and reminded that there were mechanisms in place to bring issues to Staff and the Commission's attention. She supported the request.

Commissioner Cameron-Lattek asked if the condition of approval regarding landscaping pavers on private property had been removed to address concerns about loitering. She understood that the pavers would provide an area for smoke breaks.

Director Cronin confirmed the condition had been removed based on the Commission's agreement that removing the pavers would eliminate an area where people were likely to congregate. That is the only portion of the landscaping plan that was removed; the rest of the plan would still be implemented.

Commissioner Henri arrived at 6:56 pm.

Director Cronin read aloud the conditions of approval stated in the Staff report and recommended changes based on the Commissioners' comments. He presented options for policies on temperature and weather conditions that dictate the warming center operations.

Commissioners reviewed their August 1<sup>st</sup> discussion on temperature and weather and agreed no changes should be made.

Director Cronin reviewed Staff's recommendations for timing of the warming center's operations and asked for Commission feedback.

President Pearson supported the warming center's request for three days' advance notice of the warming center opening. Commissioner Mitchell said the advance notice should be a minimum of 24 hours. As long as the center will not be open for more than 90 days, maybe the Commission does not need to be concerned about how long it takes them to make a decision. She supported 48 hours advance notice. Commissioner Cameron-Lattek said 48 hours sounded reasonable and would give the center ample time to organize. Commissioner Henri stated she would agree to 48 hours because 36 hours could provide the potential for loitering.

Commissioner Henri added that the good neighbor agreement was important to her and she believed the community generally supported the warming center. The findings in the Staff report indicated the location is appropriate and she was in favor of the request.

Director Cronin noted that the overnight camping issues had been resolved in the good neighbor agreement and asked if the Commission had any other issues they would like Staff to address.

Commissioner Moore asked Staff to clarify Condition of Approval #11 and explain how valid complaints were measured.

Director Cronin explained that the complaints would be submitted to the AWC Board, who would log the complaints and determine what is valid. Complaints like littering and trespassing would have to be investigated.

Commissioner Henri confirmed that the 24-hour contact could be accessed via phone and email.

Commissioner Cameron-Lattek suggested that the word "valid" be changed to "specific" in Condition of Approval #11. President Pearson and Commissioner Mitchell agreed. Commissioner Moore was concerned that the condition could lead to the permit being revoked. The City needs a metric to measure whether the condition is being met. He believed the language in the condition was too vague, but did not have a specific metric to suggest.

Commissioner Henri suggested keeping the word "valid" and added "in relation to the good neighbor agreement." Commissioner Moore suggested the word "valid" be removed, but said he would not care if it were changed to "specific."

President Pearson confirmed the word "valid" would be changed to "specific" based on a majority consensus of the Commission.

President Pearson moved that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Conditional Use CU17-06 by Astoria Warming Center, with the amendments recommended by Staff and the following amendments by the Commission:

- Condition of Approval 11 Change the word "valid" to "specific."
- Condition of Approval 13 Operation threshold of 37 degrees Fahrenheit wind chill and/or at least 1/3 inch of rain with 48 hours advance notice of opening.

Seconded by Commissioner Henri. Motion passed 4 to 2. Ayes: President Pearson, Commissioners Henri, Mitchell, and Cameron-Lattek. Nays: Vice President Easom and Commissioner Moore.

President Pearson read the rules of appeal into the record.

Director Cronin noted the Notice of Decision would be issued after Commissioners Cameron-Lattek and Mitchell had returned to Astoria and signed the order.

#### REPORTS OF OFFICERS/COMMISSIONERS:

Commissioner Moore said he wanted to clarify his vote on the warming center. He was concerned because for over three years, the neighborhood had reported negative impacts. The Commission allowed the warming center time to negotiate with the neighbors. The Commission has hearsay that there were meetings, but did not receive any evidence that could be considered, just hearsay from the author of the application. His concerns that the impacts would be addressed were not alleviated by the commitment. He hoped the neighborhood would fine and

that the warming center helped people. He appreciated the work of the warming center, but his role was to protect the neighborhood from uses that do not belong. He understood that people need help and it is great the warming center exists to provide that help, but the good neighbor commitment was not enough evidence to sway his vote.

President Pearson added that he knew Commissioner Moore put careful thought into his decision. The Commission respects his and Vice President Easoms' opinions and appreciates their dedication and commitment.

Director Cronin explained that land use regulations prevented ex parte contacts, which requires the Commission to have good faith and trust in Staff sometimes. The neighborhood meeting was well attended and included great dialogue. He believed the meeting was very productive.

#### STAFF UPDATES:

Director Cronin updated the Commission on upcoming public hearings and meeting dates.

#### **MISCELLANEOUS:**

#### **PUBLIC COMMENTS:**

There were none.

#### ADJOURNMENT:

There being no further business, the meeting was adjourned at 7:20 pm.

#### APPROVED:

City Manager, Interim Community Development Director

#### ASTORIA PLANNING COMMISSION MEETING

Astoria City Hall September 26, 2017

#### CALL TO ORDER:

President Pearson called the meeting to order at 6:30 pm.

#### **ROLL CALL:**

Commissioners Present:

President David Pearson, Vice President Kent Eason, Jennifer Cameron-

Lattek, Sean Fitzpatrick, Daryl Moore, Jan Mitchell and Brookley Henri.

Staff Present:

Community Development Director Kevin Cronin, and Consultant Hannah

Dankbar. The meeting is recorded and will be transcribed by ABC Transcription

Services, Inc.

#### APPROVAL OF MINUTES:

The minutes of the August 22, 2017 and September 6, 2017 meetings were not available.

#### **PUBLIC HEARINGS:**

President Pearson explained the procedures governing the conduct of public hearings to the audience and advised that handouts of the substantive review criteria were available from Staff.

#### ITEM 4(a):

CU17-08 & ADU17-02 Conditional Use CU17-08 and Accessory Dwelling Unit ADU17-02 by John and Janet Niemi to locate an accessory dwelling unit in an existing basement at 266 W Irving in the R-1, Low Density Residential zone.

President Pearson asked if anyone objected to the jurisdiction of the Planning Commission to hear this matter at this time. There were no objections. He asked if any member of the Planning Commission had any conflicts of interest or ex parte contacts to declare.

Vice President Easom declared that he knew the Applicants, confirmed he had not discussed the project, and stated he did not believe his vote would be impacted.

Commissioner Fitzpatrick declared that he socialized with the Applicants, had not discussed the project, and could be impartial.

President Pearson asked Staff to present the Staff report.

Director Cronin introduced Hannah Dankbar, Columbia River Estuary Study Taskforce (CREST) and explained that she was helping Staff with permits.

Hannah Dankbar reviewed the written Staff report. No correspondence had been received and Staff recommended approval of the request with the conditions listed in the Staff report.

President Pearson opened the public hearing and called for a presentation by the Applicant.

Janet Niemi, 266 W Irving, Astoria, stated Staff prepared an excellent report on all of the parameters involved in the request. The ADU fulfills a need in the City of Astoria. She offered to answer questions.

President Pearson called for any testimony in favor of or impartial to the application. There were none. He called for any testimony opposed to the application.

Eric Anderson, 270 W Irving, Astoria, gave a PowerPoint presentation. He stated all of the properties in the neighborhood were on a hilltop with views to the south of Young's Bay. The parcels are narrow and their views are highly dependent on their neighbors' actions. He displayed an aerial view of the area taken prior to the Applicant's redevelopment in 2009, showing that the neighbor to the east had a clear view of Young's Bay. At that time, he had a view of green space from his front door. After the redevelopment, the east neighbor had a view of the Applicant's garage and he had a view of the office structure. He showed before and after photos of the Applicants' building footprints and said he believed the five-foot setback had been violated after the building was expanded. The Applicant desires rezoning from R-1 Low Density to a higher density multi-family apartment use. He was raising a property line dispute due to the proposed apartment's property line setback issue. His front door now faces a proposed apartment 30 feet ahead. Therefore, he requested the Planning Commission delay or deny the Conditional Use and ADU permits until the current property line setback dispute had been resolved. He thanked the Commission for hearing his testimony and said he would likely appeal the finding if necessary. He planned to survey the property boundary line between his property and the Applicant's to check the setback of the proposed apartment. If the ADU is not denied, he planned to construct a six-foot tall privacy wall or fence as shown in his presentation. His neighbors did a nice job redeveloping the property and expanding their structure. When the Applicants built the garage, it destroyed their neighbor's view, but they had the right. They also added a den or office so that Mr. Niemi could conduct business. He was opposed to converting the den into an apartment.

Mrs. Anderson, 270 W Irving, Astoria, stated her house was zoned R-1 and they pay very high taxes. Once the Niemi's have a rental, their value would increase while hers would decrease. People forget about those who have worked to get their homes in Astoria and spent a lot of money on taxes and a house to live in R-1 zoning. She specifically picked an R-1 zone so that she would not have this issue. Once a rental is allowed, the area turns into a rental area, which decreases the value of the R-1 zoned houses.

Mr. Anderson asked the Commission to review his proposal for a six-foot privacy wall. The wall was not an optimal solution and he did not want to wall off the city. However, the wall would block his view of the apartment, extend to the backyard, and wrap around to the front of the Niemi's property where the apartment entrance and parking would be. The wall would not be as pretty as the existing landscape; but would be the least bad outcome for the new apartment zoning.

President Pearson called for the Applicant's rebuttal.

Mrs. Niemi stated she was surprised by her neighbor's response. She had no idea they had any objections and wondered if they had a dispute about the property line when construction began. The Andersons did not voice any disputes at that time or since. She believed a six-foot privacy fence would impact the Andersons more than her. She confirmed that no changes would be made to the building footprint or exterior. She also confirmed that the lease would be at least a 12-month lease, but nothing had been put in writing yet.

President Pearson called for closing comments of Staff.

Director Cronin stated he did not expect any opposition or a property line dispute. Site plan reviews are typically done when building permit applications are submitted, but not at this stage. Staff was not aware of any setback issues with this application. A setback of less than five feet would be non-conforming and this project would not add to the nonconformance because the footprint of the building would not be changed. Existing basement space will be converted to a long-term rental. He encouraged the Andersons to find out where the property line is located prior to installing a fence. The City does not require a permit for fencing unless it is above six-feet high. The Commission could require a fence as a condition of approval. However, he believed the findings were solid and recommended approval of the request.

President Pearson closed the public hearing and called for Commission discussion and deliberation.

Vice President Easom clarified that the request was for an allowed conditional use in an R-1 zone, not a zoning change.

Commissioner Moore stated that during the most recent Oregon legislative session, ADUs were approved as outright or conditional uses in all residential zones. Municipalities cannot forbid ADUs, the zoning is not affected, and this would not be considered multi-family. The home would still be a single-family home with an ADU.

Commissioner Mitchell said she did not believe the assumption that an apartment would change the value of housing fit this situation. Astoria's neighborhoods are mixed and this had not caused the value of homes to drop. The City is trying to find housing for people who work in Astoria. She did not believe a home would lose value if someone were staying in a basement next door. State and City ordinances make this a reasonable use.

Commissioner Cameron-Lattek stated she understood the Anderson's plan to build the fence and were not asking the Commission to require a fence as a condition of approval.

Commissioner Henri said she sympathized with the situation and was sorry hear about what was going on. However, the Commission's job was to look at City codes objectively and determine whether the proposed use is compliant and appropriate. She did not see any noncompliance. The house and remodel looked nice and she was sure the Applicant wanted nice and tidy people living on their property. Adding the right terms to the lease can require a certain level of cleanliness. She hoped some type of good neighborly solution could be achieved.

Commissioner Moore stated he believed the application met all of the reviewable criteria. He encouraged the neighbors to resolve their suspected boundary dispute as a separate item.

Commissioner Fitzpatrick said he believed the application met the criteria. The code was changed to allow ADUs in R-1 zones so he planned to vote in favor of the request. He did not believe the fence was within the Commission's jurisdiction.

President Pearson agreed that the application met all of the criteria the Commission had been asked to review. He also agreed with the City's explanation of the R-1 zone.

Commissioner Moore moved that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Conditional Use CU17-08 and Accessory Dwelling Unit ADU17-02 by John and Janet Niemi; seconded by Commissioner Mitchell. Motion passed unanimously.

President Pearson read the rules of appeal into the record

#### ITEM 4(b):

CU17-11

Conditional Use CU17-11 by Camille Holland to locate a psychotherapy office (professional services) at 1044 Marine Drive in the S-2A, Tourist Oriented Shorelands zone.

President Pearson asked if anyone objected to the jurisdiction of the Planning Commission to hear this matter at this time. There were no objections. He asked if any member of the Planning Commission had any conflicts of interest or ex parte contacts to declare. Hearing none, he asked Staff to present the Staff report.

Hannah Dankbar reviewed the written Staff report. No correspondence had been received and Staff recommended approval of the request with the conditions listed in the Staff report.

President Pearson opened the public hearing and called for a presentation by the Applicant.

Camille Holland, 34951 Patterson Ln., Astoria, said when looking at reasons why the space was better than others for starting her practice, she found two amenities that she considered very important to successful therapy. The first amenity is ease of access to the office. Public transportation is directly across the street and she rented parking spaces. The office is centrally located without the need to drive through congested traffic. One can drive to the office from any direction without the stress of parallel parking. The second amenity is noise reduction. A quiet environment is necessary to provide clients with peace of mind necessary to process painful issues. She did her internship in the building across from the Post Office, so was familiar with lack of parking and the abundance of honking horns and Harley Davidsons. Very few of the offices that she looked at would provide clients with a clean public restroom just down the hall from the office. The building is locked after business hours, which provides an additional layer of security for safekeeping of her confidential files. The square footage is perfect for her to successfully launch a private practice. Most of the vacant spaces she looked at are much larger than this one at 350 square feet. The office space is located in a corner building that provides clients with a choice of entry from 10<sup>th</sup> Street or Marine Drive. The care and forethought of the interior is unmatched. Building

maintenance is provided, so there is no need for individual accounts for electricity or garbage services. The terms of her lease are good for the tenant and allow the flexibility of a month-to-month lease after the first six months. The only comparable location for this office would be on the Columbia Memorial Hospital (CMH0 campus, but there are no vacancies in either of the professional buildings behind the hospital or on the CMH pavilion. Those offices are also more expensive than the proposed office space.

President Pearson called for any testimony in favor of, impartial to, or opposed to the application. Hearing none, he called for closing comments of Staff. There were none. He closed the public hearing and called for Commission discussion and deliberation.

Commissioner Mitchell believed it was commendable that the Applicant was starting a practice by providing services to people who might be marginally able to pay for mental health counseling. She also believed this was a great use of the building.

Commissioner Cameron-Lattek agreed and said she believed the business would be great for Astoria. The building is an interesting nook and it will be a nice private space where clients can feel that they are not too exposed as they go in and out.

Vice President Eason said he believed the use fit the building, as there were other professional offices in the building. He had no issues with the application.

President Pearson agreed and supported the application.

Commissioner Moore believed the application met all of the reviewable criteria.

Vice President Easom moved that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Conditional Use CU17-11 by Camille Holland; seconded by Commissioner Fitzpatrick. Motion passed unanimously.

President Pearson read the rules of appeal into the record

#### REPORTS OF OFFICERS/COMMISSIONERS:

There were none.

#### STAFF UPDATES:

Staff updated the Commission on the following:

- Astoria Planning Commission Training Opportunities
- Train station Growth Management Updates Riverfront Vision Plan Urban Core and Uniontown Reborn
- Planning Department Project Updates: Shooting Stars, Holler Investments, the Riviera Building, and Astoria Makers
- Advance Astoria Oregon State University seafood laboratory commercial kitchen upgrade and rental
  opportunities

#### MISCELLANEOUS:

President Pearson thanked Director Cronin for all of his hard work and wished him luck in his next venture. Director Cronin made parting comments and said he hoped to work with the Commission again from the private sector.

#### PUBLIC COMMENTS:

There were none.

#### ADJOURNMENT:

There being no further business, the meeting was adjourned at 7:16 pm.

# APPROVED: Hannah Dankbar CREST Planner City Manager

#### **ASTORIA PLANNING COMMISSION MEETING**

Astoria City Hall November 28, 2017

#### CALL TO ORDER:

President Easom called the meeting to order at 6:30 pm.

#### **ROLL CALL:**

Commissioners Present:

President Kent Easom, Vice President Sean Fitzpatrick, Jennifer Cameron-

Lattek, Daryl Moore, Jan Mitchell, Joan Herman, and Brookley Henri.

Staff Present:

Planner Nancy Ferber. The meeting is recorded and will be transcribed by ABC

Transcription Services, Inc.

New Commissioner Joan Herman introduced herself.

#### APPROVAL OF MINUTES:

President Easom asked for approval of the minutes of the October 24, 2017 meeting.

Commissioner Mitchell requested that the following be included/changed for clarification:

• Page 2, Paragraph 8, – Commissioner Mitchell believed it was appropriate when someone is asking for changes that will give them financial benefit that they should not protest the cost of paying for Staff time.

Commissioner Moore moved that the Astoria Planning Commission approve the minutes as amended; seconded by Vice President Fitzpatrick. Motion passed unanimously.

The minutes of the September 6, 2017 meeting were not available.

#### **PUBLIC HEARINGS:**

President Easom explained the procedures governing the conduct of public hearings to the audience and advised that handouts of the substantive review criteria were available from Staff.

#### ITEM 4(a):

CU17-13

Conditional Use CU17-13 by Chester Trabucco to construct a 7,164.5 square foot Professional Office/Service Establishment at 623 West Marine in the S2-A Tourist-oriented Shorelands zone.

President Easom asked if anyone objected to the jurisdiction of the Planning Commission to hear this matter at this time. There were no objections. He asked if any member of the Planning Commission had any conflicts of interest or ex parte contacts to declare.

Vice President Fitzpatrick declared that he and Mr. Trabucco had been friends for over 14 years. He had a potential conflict because he owned a professional medical office building in Astoria; however, he believed he could be impartial.

Commissioner Mitchell declared that she had known Mr. Trabucco for about 20 years, but she did not believe she had a conflict.

Commissioner Moore declared an ex parte contact as he attended a City Council work session where this application was discussed. The discussion was brief and ended as soon as the City Manager explained to the Council that this application was still open. Once the public hearing opens, he would inform the Applicant of the comments made at the work session and give the Applicant the opportunity to respond.

Vice President Fitzpatrick declared ex parte contact as a few people have talked to him about this application. However, the Applicant had not discussed the application with him.

President Easom declared that he had known Mr. Trabucco for about 25 years, but that would not change his vote.

President Easom asked Staff to present the Staff report.

Planner Ferber reviewed the written Staff report. A new site plan was made available to the Commissioners and the audience. The Staff report contained a typographical error in the location address, which Staff would correct. However, the public notice cited the correct address. No correspondence had been received and Staff recommended approval of the request with the conditions listed in the Staff report.

Commissioner Moore asked Planner Ferber to clarify the text in the Staff report that suggested maneuvering would not be required on the site. Planner Ferber explained that maneuvering was allowed offsite, but loading was required on site. Trucks are allowed to turn around and back up while in public rights-of-ways. This exemption is common in the downtown area, but she would double check the language in Article 7 of the Comprehensive Plan. Public Works has approved the maneuvering plan for this application.

Commissioner Moore noted the following corrections to the Staff report:

- Page 7, IV.A. Section 2.710(7)(5)
- Page 7, IV.B. Section 2.<del>185(1)</del>**715(3)**
- Page 9, C. Section 2.445(8)715(4)
- Page 10, (6), second sentence The Planning Commission may require landscaping, lighting, street future
  of other amenities as part of a new use per 2.470715(8e).

Commissioner Henri stated that the original proposal was for two buildings on the site, but the current proposal is for one building. Planner Ferber confirmed that was one of many changes made as Staff worked with the Applicant on this project.

President Easom opened the public hearing and called for a presentation by the Applicant.

Chester Trabucco, 19823 83rd Place W., Edmonds, WA, said it had been a long time since he last stood in front of the Planning Commission. His last proposal relative to this site was for a 32 unit mixed use building with a 6,000 square foot restaurant and 5,000 square feet of retail over the water. He had 23 of the 32 units presold, but everyone backed out of their reservations when the recession began. This site has been the subject of many iterations of proposed development activity, much of which was already in place. The Cannery Café was part of the Bumblebee Cannery maintenance building in 1883. The M.J. Kenny Cannery, located at 10 6th Street, was the home of Bumblebee Seafoods headquarters that his company acquired in 1983 or 1984. The parking lot came with the building. The purchase price for the property was about \$150,000 for 35,000 square feet of office space, 200 linear space along the shoreline, and half a city block of parking. At that time, his company needed more parking for Clatsop Community Healthcare, one of their tenants. So, they contacted the owner of the gas station that occupied the southern half of the block, Etu Inc., to request the use of 16 parking spots. As an afterthought, their attorney suggested they get a right of first refusal on the gas station. Three months later. Kentucky Fried Chicken made an offer on the gas station site and his company exercised their right of first refusal. Fifty years before his company purchased the site, the property was a fill site made of various types of rock and sand. He has been talking to a number of people over the last two or three years about the use of this site and most of the interest has been from financial services looking for a site that would accommodate a drive through. About six or seven months ago, Fresenius Medical Center approached his company asking they consider this site as a place for them to grow into. The medical center currently has 12 dialysis stations, but their plan calls for 17 stations. He believed this site could accommodate a bank and the dialysis center. Staff has been great to work with as obstacles presented themselves. Parking and the need for an on-site loading zone quickly became an issue. However, they worked through the issues and on Friday, he received the Staff report. His company hustled throughout the weekend and on Monday to make the changes included in the updated site plan. His company has already addressed several of the conditions of approval, as follows:

- He had no issues with the first condition, as it would be very difficult to continue with a condominium project.
- The generator and trash enclosure have been moved, as noted on the new site plan.

- The site plan shows four public parking spaces. The covenants, conditions, and restrictions (CC&Rs) call for eight public parking spaces in exchange for a local improvement district (LID) payment when they did some additional financing years ago. The other four parking spaces are on the northeast corner of the site, which is not owned by his company. Planner Ferber had mentioned two other owners on the northeast corner, but they do not affect this application. The only two owners are the owners of 10 6th Street and the owners of the southern half of the block, Etu. At one time, he attempted to and received approval from Andrew Bornstein and Joe Barnes to have access to a drive aisle if needed. However, he no longer needs the drive aisle since the new configuration will be L-shaped and will not include the northeast corner of the block. The ownership situation is a catch 22. Two owners have signed off on the application. If the project comes together, it is their intent to purchase the property instead of lease it. The current owners are interested in selling the property, not developing a parking plan.
- Representatives from the dialysis center are prepared to talk about the signage plan.
- He attempted to address all of the conditions through design changes; however, he believed the property had enough room for onsite maneuvering in the space where the bank would have been located. This is an opportunity. This site has not had an upgrade for over 50 years relative to the southern half of the block. Since the gas station was removed, no repaving has been done and the gas station pad is still visible. This property is located at the gateway to Astoria's downtown. It will be beautifully landscaped and fair rental terms will ensure the block will always look good after being blighted for quite some time.

Commissioner Moore said during the City Council work session, a Councilor brought up this application during a discussion on developing housing. The Councilor questioned why the City would allow new development that did not include a housing element, considering Astoria's housing situation. Mr. Trabucco said his initial intent was put 32 condominium units on the site. However, it is difficult to make housing work on such a small footprint. He has discussed this with Councilor Price, who expressed the same concern.

Chris King, Regional Construction Manager, Fresenius Medical, 312 SE Stonemill Dr., Vancouver, WA, said life safety, patient care, and comfort issues arise when combining a dialysis clinic with residential units, so it is generally not a practice that his company pursues. During their real estate search, Fresenius considered 27 different locations in this area, three of which were in Warrenton. This is the right location for this clinic.

Commissioner Mitchell stated it seems proximity to existing hospitals would be the best circumstance. She asked if all other possible locations closer to medical facilities had been exhausted. Mr. King said they looked at 2190 Marine Drive, 23rd and Marine Drive, Commercial and Marine Drive, 3250 Leif Erickson, 616 31st Street, Highway 30 and 31st Street, and more. He had a big list.

Commissioner Mitchell asked what the problems were with those sites. Mr. King said they had a tough time siting a dialysis clinic on the old Napa Auto Parts on Commercial and Marine Drive property. His real estate manager took him on a two-day tour of Astoria. Many of the sites are on hillsides, which are extremely difficult for patients. The proposed site is the best for their use.

Mr. Trabucco added that the current site plan for the dialysis center was iteration G, but three other iterations had previously been completed by an architect. Each iteration has been an attempt to accommodate how the dialysis functions on the site in conjunction with the City's requirements. Fitting a dialysis center on a full city block anywhere would be difficult, but this is only three-quarters of a block in a sensitive area. He tried to make sure the facility was sited in the right place and did not conflict with other uses in the area.

Mr. King explained that in a perfect world, a clinic of this size would go on an acre. Trying to fit the clinic in a downtown area is very difficult. This site plan was done by Christopher Kidd and Associates, who have designed hundreds of Fresenius' dialysis clinics. With their input and operations in mind, many aspects of the project are specific to their patient's needs, like the drop off area in the front. The loading area has already been addressed, which is a big deal for the facility. Deliveries come on large pallets and are delivered at grade off a lift gate truck, then are wheeled into the building on pallet jacks. The ability to have the clinic flow and function well is difficult on many sites.

Kendall Beatty, 41947 NW Bates, said he was grateful for this opportunity to speak to the Commission on behalf of his patients. He has been in dialysis for 20 years, starting as a nurse and moving up to patient advocate. Fresenius is very grateful to its current landlord of 20 years. However, kidney failure is growing due to diabetes and hypertension. The current clinic has 12 stations and each station can accommodate one patient. Dialysis

patients receive treatments three days a week, with each visit lasting four hours. The clinic currently has 44 patients, which limits the time of day they can offer dialysis. Moving and increasing the size of the clinic will allow them to offer patients more shifts. Patients need opportunities to go to work and be more self-sufficient. This site is more centrally located so patients will not have to drive very far. Up to 15 minutes of drive time might be cut from a patient's drive to the clinic, especially in the summer. At this location, it will be easy for patients to get on and off the street. Parking is challenging at their current location, where some patients have to park on the street and walk about 50 yards to the clinic. The facility's equipment is adequate, but old, especially in their water room. The water room contains carbon tank softeners and a reverse osmosis system. Newer dialysis facilities use the CWP reverse osmosis system that continuously runs water throughout the dialysis treatment, plus it uses a heated type of disinfectant that the facility does not currently have on its existing water system. Fresenius needs to start looking at putting this newer system in all of their new clinics because it is superior. Seven of his nine clinics will have the new system and the Astoria clinic will get the new system if it can be relocated. Upgrades are not possible at the existing location because of confined space. He wanted the new facility to be located as close to the hospital as possible because dialysis is still considered a high acuity, like an intensive care unit. If patients and equipment is not monitored closely during dialysis, a person can end up in the hospital very quickly.

Mr. Trabucco added that the proposed location is technically closer to the hospital than any location in Warrenton.

Commissioner Cameron-Lattek asked if the new facility would have substantially more employees than the existing facility. Mr. Beatty said the clinic currently has 10 employees. He predicts about 10 new patients at the new facility, which would require one or two more full time employees.

Commissioner Cameron-Lattek asked where the next nearest dialysis center for Clatsop County residents was located. Mr. Beatty stated Fresenius has a clinic in St. Helens, so this new facility would serve most of Clatsop County. A different company has a clinic across the bridge in Long Beach. Fresenius partners with the clinic in Long Beach if there is a water break or supplies get cut off. They also helped U.S. Renal in Tillamook by taking some of their patients during the flood a few years ago. A larger clinic will allow Fresenius to continue helping neighboring dialysis centers.

President Easom asked how long the current clinic has been in its existing location. Mr. Beatty said almost 20 years.

Commissioner Herman asked if the clinic had the option to increase space at its current location. Mr. Beatty said no, and invited Commissioner to go look at the existing space. The landlord has been gracious enough to give the clinic almost the entire right side of the building.

Commissioner Henri asked what was happening with the property in the northeast corner of the block. Mr. Trabucco stated that property was two separate parcels owned by Starlight and Craft 3. The portion owned by Starlight is used for Buoy Beer's overflow parking and the portion owned by Craft 3 is used for condominium parking. Those properties do not affect this application, but the owners did give him permission to share a drive lane in exchange for access to another parking area during off hours. His lease with Fresenius requires parking be available 24 hours a day, seven days a week. However, based on their current load, there could be some situations that allow them to share parking with other users.

Commissioner Mitchell asked for clarification about parking. She understood the Applicant was required to have eight parking spaces for the viewing tower at 6<sup>th</sup> Street, but she did not see this on the map. Mr. Trabucco showed the location of the eight parking spaces on the map.

Commissioner Mitchell said they were far from the viewing tower and it would not occur to most people that they could park in that area. The current parking was closer. Mr. Trabucco believed the right signage would ensure people understood where to park. He would like to see all eight parking spaces together. Four of the spaces belong to Andrew Bornstein and it is possible that people going to Buoy Beer would park in those spaces, which they are entitled to do because those spaces are for Riverwalk access as well as the tower. Fresenius needs parking as close to the facility as possible.

Commissioner Mitchell stated tourists would not know that parking was available. Mr. Trabucco said he would make sure there was good signage. He gave up 900 square feet to accommodate the bridge end project, so

there is no other way to pull this off while still allowing the 3 by 8 foot parcel for the 6<sup>th</sup> Street bridge end. Because of the construction timetable, an 11 by 25 foot maneuvering space is needed. One piece of the property is locked in and no building can be constructed on it unless they build around it, but that would not accommodate the standard off the shelf floor plan. They could have taken the building to within three feet of the sidewalk and still achieved the required landscaping coverage. Part of the space will likely be used to satisfy the Historic Landmarks Commission's requirements, but there is ample room to beautify the extra space. It is possible to push everything down and create public parking spaces.

Commissioner Mitchell appreciated that the existing trees would remain.

Commissioner Herman asked what guarantees Mr. Trabucco had that the four parking spots owned by Mr. Bornstein would be accessible to the public and that people would not be towed. Mr. Trabucco said Mr. Bornstein's parking was open to the public. The only part of the entire block where cars would be towed is where signs say parking is reserved. All of the parking in the north quadrant is unmarked.

Commissioner Cameron-Lattek stated 18-wheeled trucks are not supposed to cross the railroad tracks. On the drawing, it looks as if the trucks would back over the tracks. Mr. Trabucco explained that he went through several discussions about this, which led to moving the building south. Trucks cannot maneuver backwards over the tracks, but they can nose in, back out, and then go across the tracks. Trucks can cross the tracks, but they cannot maneuver on the tracks. So, trucks will not back in off of the Riverwalk.

President Easom called for any testimony in favor of, impartial to, or opposed to the application. Hearing none, he called for closing comments of Staff.

Planner Ferber clarified that Code number changes were just numerical errors, but the text in the Staff report was from the appropriate Codes. She would send clarification about maneuvering because trucks are allowed to cross the tracks, but not back up over the tracks. She would confirm with the City Attorney that the original agreement for the eight parking spots are split four and four. The parking is not marked well, so it will be nice that in the future they will be clearly delineated for public access to the Riverwalk.

Mr. Trabucco said at the time the parking restriction was added, he owned the entire north half of the block. The sale of the northeast quarter included a signed agreement, which Staff has, indicating four parking spots would be for public use.

Planner Ferber stated Staff needed to confirm that before delineating those parking spots.

Mr. Trabucco added that it would be no problem for the Commission to require as a condition of approval that Fresenius to assign those four spots to public use.

Planner Ferber stated that was one of her recommendations. Also, any tree trimming or removal on City property would have to be approved by City Council.

President Easom closed the public hearing and called for Commission discussion and deliberation.

Vice President Fitzpatrick stated he had several questions in the beginning, but they were all answered by the Applicant. A conditional use permit is allowed when another location cannot be found and the Applicant considered 20+ other available spots. He was concerned about housing, but understood it would not be compatible with a dialysis center. His questions have been answered to his satisfaction.

Commissioner Moore said he was concerned because the S2-A zone is intended to provide mixed-use tourist oriented development. A dialysis center is needed. While the availability of other sites gives the Commission a reason to deny this application, the unavailability of other sites does not guarantee approval. The dialysis center is a destination site, so no matter where it is located, their clients will go to it. Siting a non-tourist establishment in a tourist zone is a problem because there are so few places to develop. This lot is vacant and can be developed. The lot is in a tourist oriented and pedestrian oriented zone and the City might want to have a tourist-oriented development on the lot. He understood that a professional service was a conditional use for the site, but he read the Code as saying a professional service that might have some tourist availability. He was not entirely against the application, but wanted to clearly state that this is a zone intended for tourism and Astoria has very few

places to develop for tourism. He cannot consider whether or not a better location exists in the area as a reason to approve the application. He was leaning towards declining the request because it does not seem like the right use for a tourist zone.

Commissioner Cameron-Lattek said she shared many of Commissioner Moore's concerns. She questioned whether the Commission had a good enough economic reason to approve a conditional use for something that is clearly not tourist oriented. This will not add more jobs, but it could fulfill some important practical functions for populations that need these medical services. The area needs to be active and engaging for pedestrians, but the building would have a loading zone facing the Riverwalk. She had concerns and was not completely convinced.

Commissioner Herman stated she was sensitive to the need for such a facility, but was concerned about siting it in the Shoreland zone for the same reasons Commissioner Moore stated, especially since there are so few sites like this one left in Astoria along the waterfront. The loading zone would front the Riverwalk and this area is intended to be pedestrian friendly. Therefore, she did not believe this site was the best for such a facility.

Commissioner Mitchell said she was struggling with a decision because she acknowledged the lack of available land in Astoria. When the City makes choices that benefit the people who live in here, Astoria becomes more of a place people want to come to. And tourism is great, but residences still need essential services. The Commission needs to balance what the Code says with uses that provide benefits to residents.

Commissioner Henri stated that a vacant lot would be redeveloped and she appreciated what the Applicant said about landscaping. This would definitely improve the look of the area. If the Commission denied the Application, there is no way to know how long it would before another proposal was put in front of them or what it would be. The next proposal could be for a Kentucky Fried Chicken. She was dissatisfied with the loading zone, but did not believe there was another reasonable configuration. She was not satisfied with the public parking. While signage provides benefits, the parking situation would not be intuitive. She doubted the location of the parking spaces would serve tourism. Her main concern was that the use is not tourist oriented, so the City would be giving up a pretty good waterfront parcel with an awesome view for a non-tourism oriented facility.

President Easom said he was leaning towards approving the application. The property has been vacant for 10 years and there's never been a building on the site. The property was a parking lot for Bumblebee Seafood. When 10 6th Street was there, many businesses of this type were housed on the waterfront. The City does not have developers beating down their doors for tourist-oriented areas and this would provide a service that is definitely needed in the community. The public parking has always been on the south side of this property and was marked at one time. So, he had no problems with the location of the public parking.

Vice President Fitzpatrick added that he shared the concern about putting a professional medical office in a tourist-oriented zone. However, he agreed with Commissioner Herman and President Easom. Part of Astoria's appeal is that it is a working town. There are several businesses with loading zones along the water and tourists will stop to watch the trucks as they back in to those loading zones. He did not believe this was a reason to deny the application. Patients appreciate having a dialysis facility in Astoria and he agreed this clinic would benefit Astorians. Therefore, he was in favor of approving the application.

Mr. Trabucco requested that the public hearing be re-opened.

President Easom reopened the public hearing.

Mr. Beatty stated another reason the clinic would like to expand is because they received 66 visitors in the last summer months. If they are unable to expand, the clinic will have to turn some of those visitors away because they just do not have the room. He understood the focus was on tourism, but they believed the clinic helped with tourism a little bit by providing a service for the visitors. They also provide dialysis to cruise ship visitors. Last summer was the clinic's best summer and they predict more visitors in the future. He confirmed visitors were not patients.

Mr. Trabucco added that in the last seven years, he had not received one inquiry relative to the site having to do with any tourist-oriented use. All of the inquiries have been from financial services or medical services. He had some very exciting plans around the corner that would continue to expand tourist oriented uses that would create more parking problems. He feared the Arby's on the south side because he would no longer be able to control it.

He also feared the city would end up with a strip mall with T-mobile and Verizon that speak to the tourist-oriented retail because people can walk to them from the Riverwalk. The proposed building will be handsome. He understood that this Commission was not the Historic Landmarks Commission. The intent is a nod to number 10 with shiplap siding that looked exactly the same as the reveals on number 10. The windows would be wooden and the columns would be a nod to Fisher Brothers, which is a concrete building, and a reflection of the nice job done on the cancer center. The loading truck will be on site once a week and will rarely be a 53-foot truck. He has more 53-foot trucks coming into the site now because they are parking to go to McDonalds. The trucks stay on site over night because there's no place for the 53-foot trucks to park. He has not let the Commission down in terms of addressing old buildings in any construction he's been involved in. He hoped the Commission would give him an opportunity to build another building.

Commissioner Herman asked for clarification about the Commission's ability to require landscaping features. Planner Ferber explained that the Planning Commission has the option to require additional parking and landscaping for all conditional use permits. In this case, because the lot is a hard surface parking lot, a planter box might be a nice addition depending on the final landscaping plan. The Commission is welcome to add additional conditions or recommendations.

Commissioner Herman said she understood the site was still in flux and the layout was not yet final. Some furnishing by the public parking spaces might help with wayfinding. Mr. Trabucco explained that several of the parking spots immediately adjacent to the Riverwalk could be made available to the public in exchange for some of the Buoy Beer employee parking spots that are located elsewhere on the lot.

President Easom closed the public hearing.

Commissioner Moore believed it was important for the Commission to realize they should not consider proposals that do not exist. The Commission only needs to worry about what is currently in front of them. He continued to have reservations about the zoning, which exists for tourism. However, he was intrigued that tourists who come to Astoria may benefit from the proposed use. Weighing the potential economic value this project could provide against any economic value lost by not developing a tourist-oriented section of the city toward tourism is important. He was still on the fence and the Commission seemed all over the place.

Commissioner Herman added that the site is at the very corner of the S2-A zone.

Commissioner Cameron-Lattek said the corner was not the most beautiful area of the S2-A zone and the proposal would result in a visually appealing development. The tourism industry does not really need a lot of help right now in terms of economic development support. As part of Advance Astoria, the City has stated it wants to put more energy behind the healthcare industry and support family wage jobs and services for local Astorians. Those considerations make her feel comfortable with a proposal like this one.

President Easom said the 66 visitors came with other people. And it is possible that they came to Astoria because the city had the clinic.

Commissioner Moore agreed with Vice President Fitzpatrick that a loading zone on the Riverwalk did not turn him off to the plan. However, he was uncomfortable with semis driving across the Riverwalk. He was led to believe by the Staff report that driving across the Riverwalk was not allowed. He wanted to ensure that the loading zone conformed to all of Public Works and Engineering requirements and meets all of the Codes.

Commissioner Cameron-Lattek stated Condition of Approval 12 requires the updated landscaping plan to include a buffer between every 20 parking spaces. She believed the buffer should be between every 10 parking spaces. Planner Ferber explained that a landscaping buffer was required for every 10 parking spaces if the lot contains 20 parking spaces or more. She agreed the condition was poorly worded.

Commissioner Mitchell said making a motion was complicated because there is a list of recommendations that were not complete at the time the Staff report was written. She asked Staff to list which recommendations needed to be included in motion.

Commissioner Henri stated that some of the items would have to be handled.

Planner Ferber explained that things like parking and off-site maneuvering would be reviewed by Public Works when a building permit is submitted, so the findings in this Staff report are just to get through the conditional use permitting process. All access, maneuvering, storm water management, and landscaping issues would have to be addressed before a building permit would be granted. Other aspects of the project might be reviewed by the HLC as well. However, the Commission is welcome to add, delete, or reword the findings for the conditional use permit.

Commissioner Mitchell said she understood.

Vice President Fitzpatrick moved that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Conditional Use CU17-13 by Chester Trabucco; seconded by Commissioner Mitchell. Motion passed 6 to 1. Ayes: President Easom, Vice President Fitzpatrick, Commissioners Moore Henri, Cameron-Lattek, and Mitchell. Nays: Commissioner Herman.

Vice President Fitzpatrick confirmed the roof would be a parapet roof.

Commissioner Moore thanked the Commission for a vibrant discussion. His opinion was swayed by feedback from fellow Commissioners.

President Easom read the rules of appeal into the record.

President Easom called for a recess at 8:01 pm and reconvened the meeting at 8:08 pm.

#### ITEM 4(b):

CU17-14

Conditional Use CU17-14 by Stephan Eiter, WWHJ Holdings, LLC to locate light manufacturing in approximately 1,000 square feet of an existing vacant building at 1010 Duane St. in the C-4 Central Commercial zone.

President Easom asked if anyone objected to the jurisdiction of the Planning Commission to hear this matter at this time. There were no objections. He asked if any member of the Planning Commission had any conflicts of interest or ex parte contacts to declare.

Commissioner Moore declared that he met with some of the principal makers a few months ago to discuss an unrelated business matter. This would not affect his ability to decide the application on its merits.

Vice President Fitzpatrick declared that one of the principals is a tenant at a residential property that he owns. He has spoken with several of the maker space members for quite a while, working to see if the Armory would be a suitable location. He noted he served on the board of the Astoria Armory. He encouraged the members to pursue the business. Several years ago, he and the City Manager went to Portland to see how maker spaces worked in Portland and consider whether something like that would be feasible in Astoria. He believed he could impartial on this application, but would be happy to recuse himself if the Commission preferred.

President Easom confirmed he had no issues with Vice President Fitzpatrick's ex parte contacts. He declared that he had discussed the maker space with the Applicants when they were considering another building. One of the Applicants is a tenant in a building he manages. One of his agents was their representative in purchasing this building. However, he believed he could be impartial to the application.

Commissioner Mitchell declared that she served on the board of the Harbor.

President Easom asked Staff to present the Staff report.

Planner Ferber reviewed the written Staff report. She noted the Staff report would be corrected to state the space was 10,000 square feet, not 1,000 square feet. Last week, the HLC approved the Applicants exterior alteration request to install a garage door. No correspondence had been received and Staff recommended approval of the request with the conditions listed in the Staff report.

President Easom opened the public hearing and called for a presentation by the Applicant.

Steff Eiter, 1684 Franklin Ave., Astoria, said the main use of the building would be for a maker's space, which is a creative place for artists, technicians, or whoever to come to a facility that houses machines, offers classes, and collaborative working spaces. The maker's space allows members to create things they could not make in their home or garage. The building will have a variety of machines that would be cost prohibitive for most people, like laser cutters, three-dimensional makers, and routers. Half of the first floor contains Frank's Barber Shop, which will be a tenant for life. The other half of the first floor and the basement will be the maker space. The second floor will have a community room and studio art spaces that will be rented out. Artists who rent studio space will be able to use the maker space. He wanted the building to be a hub of activity and creativity. That section of Duane Street is quiet. He had considered spaces near the Reach Break triangle, but they were all cost prohibitive. So he was happy to learn of the Harbor building before it went on sale. He has purchased the building and is now trying to move forward with the maker space. The classes will be educational and the second floor will be used for public events. A retail space will allow people who create stuff in the maker space to sell items during the Second Saturday Art Walk. A gallery space will allow people to put their items on exhibit.

Glen Herman, 1432 Franklin Ave., Number 5, Astoria, said the business has enormous opportunities to partner with the public library, Clatsop Community College, high schools, and many other organizations in the area.

Mr. Eiter understood parking was always a concern and the Staff report indicated there were a couple of other issues. So, he was happy to answer any questions.

Commissioner Henri asked if the Applicants were still doing tiny houses and if they were part of this Application.

Mr. Eiter said small houses were part of the umbrella company. Small houses would not be built in the maker space. The company helps developers come up with plans and designs. Maker's spaces allow people to create things that were traditionally built behind closed doors and help people help themselves. Instead of having a factory in town that does all of these products and everyone works at, the maker space allows many people in many towns to create all parts of things and bring them together to get processed or sent out. The business will help people learn how to make stuff and work with business models.

Commissioner Moore asked how many full time equivalent staff would be on site and how many members were expected on the property.

Mr. Eiter said currently, the business currently has five full time employees who all live within blocks of the building and would likely walk to work. They are planning for 60 members and expect 10 to 12 people in the shop at any one time. He has already discussed parking with the City. The business would rent parking space by the Charter building. Planner Ferber has pointed out a couple other lots. The private lot directly across the street and the lot with the food carts could be considered for parking. Theoretically, he would have no more than five businesses in the same building. He would like to find five to eight parking spots and increase the parking as needed. When the residences are complete in the Merwyn, more parking will be needed in the area. As his company grows, parking could be added. He has already located seven parking spots that the City says are vacant. So, if the maker space needs those spaces, they can get them.

Commissioner Herman asked what products the Applicants were making for the Cannery Pier Hotel and other businesses. Mr. Eiter said they made all of the bed frames for the Cannery Pier Hotel. They are also working on projects for Fort George, Buoy Beer, and Cider Works.

Commissioner Herman said she believed cyclists would ride bikes to the business. She asked what size the bike racks would be. Mr. Eiter said he was not sure if the green poles were considered bike racks or bike locks. Planner Ferber explained that the City had a couple of bike lockers, which are all currently being utilized. The standard is a circular green rack like the one outside City Hall. The City recommends these racks because maintain consistency in town. However, if the Applicant wanted to manufacture a unique bike rack they could, but, it might count as signage or advertising. The main requirements for bike racks is that they must be permanently bolted to the ground. The bike lockers each hold two bikes.

Mr. Eiter said the property had 94 feet of lineal footage on the front of the building and 45 feet on the barber shop side of the building. He would be happy to install some of the green posts. He would rather have people bike to the building regardless of the rain. He is part of the historic preservation program at the college and would be

willing to create something if the HLC would allow it. Keeping things consistent and in line with the look and feel is important. He has been striving to make the building look better.

Commissioner Mitchell asked if the maker's space would have a kiln. Mr. Eiter said yes, the basement will include a full ceramic studio. They have received a lot of input from the community and have tried to incorporate what people want as much as possible.

Planner Ferber asked if the garbage enclosure would be within the existing footprint. Mr. Eiter explained that for now, the garbage would be kept inside. The barber shop takes care of their own garbage, which is very little. About 40 trash cans came with the building when it was purchased and he needed to talk to Recology about how they pick up trash. Most of their waste would be small scraps of wood, which can be maintained inside.

Mr. Herman added that the building's footprint covers the entire property. Therefore, a lot of reuse and recycling would be done. The garbage would be kept inside the building until trash day.

Mr. Eiter said they could also take the trash to Recology instead of waiting for it to be picked up. They might also consider leasing lot space.

President Easom called for any testimony in favor of, impartial to, or opposed to the application. Hearing none, he called for closing comments of Staff. There were none. He closed the public hearing and called for Commission discussion and deliberation.

Vice President Fitzpatrick said he liked the application and the idea of having a maker space downtown. Downtown seemed to be a more favorable location than at the Astoria Armory. One of the recommendations was that the Planning Commission determine the number of parking spaces required to protect the interests of the surrounding properties and city as a whole. He was not sure what that number should be. Most of the people who use the maker space in Portland ride bicycles or walk. He believed that once the Waldorf was restored there would be many pedestrians walking back and forth across the street. He was in favor of the application.

Commissioner Cameron-Lattek stated she was in favor of the application and believed four to eight parking spaces would be fine. Parking needs would increase with housing right across the street and people would come to Astoria from out of town to attend events at the maker space.

Commissioner Herman said she was excited about the proposal and the creative energy being put into the building. She was glad the Applicants were renovating an existing building that has not looked great for a number of years. Her only concern was parking because the Merwyn would be developed in a couple of years. She was in favor of requiring some parking spaces.

Commissioner Moore stated he was strongly in favor of this application and definitely believed the Commission should require some parking. The Merwyn will utilize all of the parking in the area, so the Applicant and the downtown area are better off with the maker space having parking from the start. He recommended at least four parking spaces.

Commissioner Mitchell said her only concern was parking as well. She was delighted about the project, but wanted to know if there were any available parking spots in the below grade parking lot. Parking probably would not be an issue for the first year, but possibly by the third year. She preferred to allow the Applicants to add parking as the business grows but was not sure if that would be possible.

Commissioner Henri stated she was in favor of the application. The maker space would be an incredible asset to the community. She believed parking would only be an issue during the tourist season because tourism relies on people who drive to Astoria.

President Easom said he was in favor of the application without parking requirements.

Commissioner Moore moved that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Conditional Use CU17-14 by Stephan Eiter, WWHJ Holdings, LLC, with the following additional condition of approval:

Four parking spaces are required.

Seconded by Commissioner Cameron-Lattek.

Vice President Fitzpatrick asked if the parking could be reviewed by the City annually. Planner Ferber said she would ask the City Attorney. Only temporary conditional use permits are reviewed annually. She recommended if requiring parking, the Commission stipulate that a certain number of parking spaces were required within the next five years.

Commissioner Cameron-Lattek believed four spaces in the first year was more than necessary.

Commissioner Herman stated four spaces sounded good, but she would also support a first year review to make sure there was enough parking space. The Merwyn would be renovated in two or three years and hopefully the maker's space would have a better sense of how much parking they would need.

Planner Ferber suggested the option of amending the permit after it is approved. If the Commission approved this permit without parking requirements or with a specific number of parking spaces required, an amendment could require a one-year review.

Commissioner Mitchell asked if requiring eight parking spaces within two or three years would be more appropriate, considering the Merwyn's timeframe. Planner Ferber said that would be up to the Commission, but it is an option. The City cannot project what will or will not happen with the Merwyn, but Article 11 requires the Commission to consider this project's overall impact to the area as a whole, which is in an area being revitalized. Vice President Fitzpatrick stated he would be in favor of four spaces initially, but was concerned about the parking situation three to five years from now.

Commissioner Herman asked if the City required Fort George to have parking. Planner Ferber explained the City does not require parking for Fort George because they are in a C-4 zone. However, they do have a small private parking lot on the north side of Duane Street, and parking at the back of their building, by Fernhill Glass.

Commissioner Mitchell added that Fort George has 90 employees. Planner Ferber noted that Fort George also has a unique bike program that incentivizes their employees to bike to work.

President Easom reopened the public hearing.

Mr. Eiter said he would be happy to keep the City informed about how their membership increases over time. The maker's space will not be open for another six months, so four parking spaces are not an immediate need. He suggested X number of parking spaces per X number of members.

President Easom closed the public hearing.

Commissioner Moore amended his motion that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Conditional Use CU17-14 by Stephan Eiter, WWHJ Holdings, LLC, with the following additional condition of approval:

Four parking spaces shall be acquired within two years
 Seconded by Commissioner Cameron-Lattek. Motion passed unanimously.

President Easom read the rules of appeal into the record.

#### ITEM 4(c):

V17-02

Sign Variance V17-02 by Stephan Eiter, WWHJ Holdings, LLC from a maximum of 15 square feet projecting sign to install a 36 square foot sign on the SW corner of the building, and from the maximum of 64 feet allowed at the site to 74.5 feet for wall signage at 1010 Duane St. in the C-4 Central Commercial zone.

President Easom asked if anyone objected to the jurisdiction of the Planning Commission to hear this matter at this time. There were no objections. He asked if any member of the Planning Commission had any conflicts of interest or ex parte contacts to declare.

Commissioner Moore declared that he met with the principles of the maker's space earlier in the year on an unrelated business matter, but this would not affect his ability to be objective.

Vice President Fitzpatrick declared that one of the principles is a tenant in a residential building he owns. He believed he could be impartial

President Easom declared he had dealt with the Applicant on various business matters and with regard to a maker space, but this would affect his vote.

President Easom asked Staff to present the Staff report.

Planner Ferber reviewed the written Staff report. No correspondence had been received and Staff recommended approval of the request with the conditions listed in the Staff report.

President Easom opened the public hearing and called for a presentation by the Applicant.

Mr. Eiter, 1684 Franklin Ave., Astoria, stated he wanted to replicate what the original Van Dusen building had on it. Historically, the building had signs on the Duane Street side and above what is now the parking lot for the Hildebrand building. Two of his signs would look similar to the sign on the Elliott Hotel. The projection sign would be reminiscent of the sign on the old drug store that was located in the corner of the building when it was first built. The sign would similar to but of a smaller scale than the sign on the Liberty. He was happy to work with Planner Ferber on the designs. He was still trying to figure out how to illuminate the signs and the City has stipulations about down lighting and blinking lights. The signs would not be neon, but would have bulbs like the Liberty. He would build the signs and his contractor would build the frames and wall attachments, which would be made of steel. He shared a photograph of a sign and made copies available to Staff.

President Easom called for any testimony in favor of, impartial to, or opposed to the application. Hearing none, he called for closing comments of Staff.

Planner Ferber stated photographic evidence of a historic projecting sign at the site confirms that this proposal meets the criteria. Projecting signs are common downtown on the corners. She was confident about recommending approval.

President Easom closed the public hearing and called for Commission discussion and deliberation.

Vice President Fitzpatrick said he did not disclose ex parte contact with the Applicant because he did not have any. However, he did have ex parte contact when his wife looked over his shoulder at a photograph and said, "Oooh, that's cool." From his front windows, he has a direct line of vision of the upper half of the building and will be able to see the sign from his home. He liked that the signs would be similar to the historic signs. He appreciated what the Applicants had done with the front of the building and it is great to see the building cleaned up. He would love to see the signs and was in favor of the request.

Commissioner Mitchells and Henri agreed with Vice President Fitzpatrick.

Commissioner Cameron-Lattek believed the signs were consistent with the size and style of the building.

Commissioner Herman said she loved the signs.

Commissioner Moore stated he had no objections.

President Easom said he was in favor of the request.

Commissioner Mitchell moved that the Astoria Planning Commission adopt the Findings and Conclusions contained in the Staff report and approve Sign Variance V17-02 by Stephan Eiter, WWHJ Holdings, LLC; seconded by Commissioner Henri. Motion passed unanimously.

President Easom read the rules of appeal into the record.

Vice President Fitzpatrick asked if the Applicant had repaired the roof leaks.

Mr. Eiter said the roof was patched on the Tuesday before it started to pour.

#### REPORTS OF OFFICERS/COMMISSIONERS:

Commissioner Moore explained that during discussions on the Astoria Warming Center he was troubled that the Development Code did not contain any language regarding the types of services provided by the warming center. He made hand outs available at the dais of draft Code language that he wrote defining an emergency warming center, sets specific conditional uses for an emergency warming center, and specifies zones he believed were appropriate for such a facility. He recommended the Commission discuss this in a work session and have Staff ensure that any of the Commission's recommendations are legal. He suggested the Commission make a recommendation that City Council adopt something similar to his draft. The new Code language would give the Commission direction on where it would be appropriate to locate a shelter and codify any commitment that a shelter presented to the Commission. Holding the warming center accountable to its commitment to the City would make the center operate better and make it more appropriate in its location.

President Easom said he believed Astoria needed Code language regarding warming centers.

<u>Commission Action:</u> Commissioner Moore moved that the Astoria Planning Commission direct Staff to review the draft Code language on emergency warming centers and schedule a work session to discuss Code amendments.

Commissioner Mitchell asked if the draft was equivalent to the commitment made by the existing warming center.

Commissioner Moore said every part of his draft could be rewritten at the work session. He used language from the existing commitment and other emergency shelter agreements:

Commissioner Mitchell stated she attended a training session at the warming center, which now has paid staff paired with volunteers at the facility every night they are open. They are taking the commitment seriously and reinforce their rules with the guests.

Motion seconded by Commissioner Henri.

Planner Ferber confirmed she was unable to guarantee a timeline for this project because of Staff's current work load and efforts to hire a new Director.

Motion passed unanimously.

Commissioner Mitchell recommended 20 minutes educational sessions be added to the agenda of future meetings for the Commissioners who are new and have not lived in Astoria all their lives. She made handouts available listing some suggested topics.

Commissioners and Staff shared their support and discussed the best way to schedule and conduct the sessions. They also discussed which topics would be best. All agreed that the Commission should wait for a new Director to be hired, given Staff's current work load.

STAFF UPDATES: There were none.

**MISCELLANEOUS:** 

Item 7(a): Welcome Joan Herman to the Astoria Planning Commission

No discussion.

Item 7(b): Review Meeting Schedule Changes for December and January

Planner Ferber updated the Commission on the following:

- The December meeting has been canceled, as there was nothing on the agenda.
- Special Planning Commission Meeting second week of January
- Regular Planning Commission Meeting January 23, 2018
- New Commissioner Training January 20, 2018
- Boards and Commission Reception December 18, 2017

#### PUBLIC COMMENTS:

Rick Culver, 3506 Harrison, Astoria, said his first issue was that the Astoria Planning Commission allowed the rezoning of a lot across the street from his house. Several years ago, the same person tried to readjust his lot lines to divide his property, but the Planning Commission denied his request. He and his neighbors received a letter and addressed the lack of off-street parking during the public hearing. Some of the properties were sold over the summer. The rezoning and lot line adjustments separated the garage from the house and the house no longer has off-street parking. Parking will be in front of his and a neighbor's house. The intersection of 35th and Harrison is dangerous and serves as a main route to Irving. There is a lot of traffic and tourism in the neighborhood now because of the movie houses, vacation homes, and short-term rentals. He did not know what the process was, but he never received another letter prior to the Commission approving the adjustment. He planned to go to Planner Ferber's office the next day to see exactly how the lot was divided and where the division was located. He asked if the City only sent one letter and if he was expected to attend every Planning Commission meeting to see if the issue was brought up again.

President Easom stated he could not recall this hearing, noting that he had been on the Commission for two years. Mr. Culver said the hearing occurred within the last five years.

President Easom asked if the hearing was on a lot line adjustment. Mr. Culver stated he was not sure, but the property owner had to get a variance to readjust the lot lines and separate the garage from the house. He had been working out of town and this was the first opportunity he had to come to a meeting and ask about the process. His neighbor, John Jensen, recently came to the City and was told that nothing could be done about this. The Planning Commission created this mess by granting a variance or a lot line adjustment.

Planner Ferber said she was not familiar with the property. A zone change would be unusual. Mr. Culver stated the address was 822 and 824 35<sup>th</sup> Street. Planner Ferber said she would be happy to research and discuss the situation with Mr. Culver and suggested he set up an appointment.

Mr. Culver added that a new water meter was recently installed on the property directly across from his driveway. His side of the street would be affected by parking. An excavator was just moved on to the vacant lot. He needs to see how this situation was set up. His sidewalk is part of the landslide issues in east Astoria and is in poor shape. Construction equipment will be parking on the sidewalk and it will deteriorate more and more. He is responsible for the sidewalk in front of his house. He anticipates future parking issues coming up quick. He looked at the grading permits and no erosion controls have been set up yet. He did not know if that would be done before the excavating starts. He has already had to go over and clean out the storm sewer. There will be a lot of sediment going into the sewer from this construction, which he would address with the City as well.

Commissioner Henri said Mr. Culver could also call the Department of Environmental Quality (DEQ) if erosion control measures are not set up prior to breaking ground.

Mr. Culver said multiple lines in the area had been broken from land movement over the last several years. Some of the homes recently sold needed the sewer lines to the houses replaced. His house has slight land movement as well. He added that the flyers available in the kiosk at City Hall state that vacation rentals are only allowed in commercial zones. He has spoken at meetings about his residential neighborhood, which has several vacation homes. He knew the Planning Commission made the rules, but wanted to know who enforced the rules.

President Easom explained that Staff has been working on enforcement.

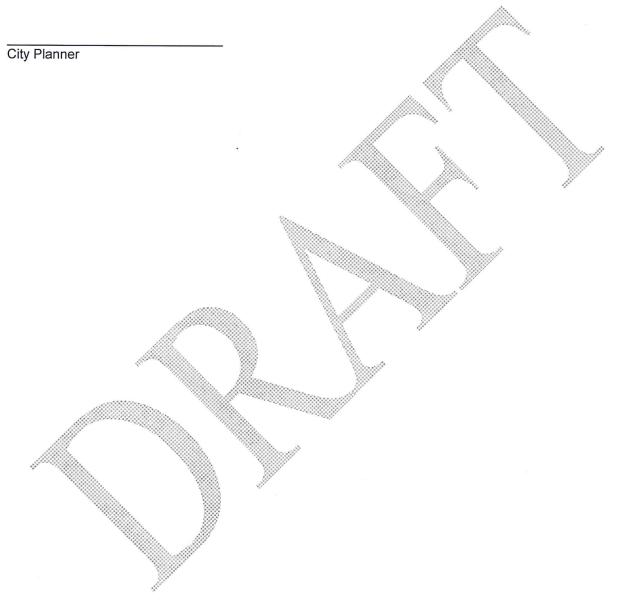
Planner Ferber reiterated that she was happy to talk with Mr. Culver about the difference between vacation rentals and short-term rentals, as well as code enforcement on specific properties.

Mr. Culver said the properties were not occupied all the time. People come and go and different people are there quite often. Astoria does not have enough volunteers because people do not live here anymore. He confirmed he would talk to the Planning Office in the morning.

#### **ADJOURNMENT:**

There being no further business, the meeting was adjourned at 9:21 pm.

#### APPROVED:



December 27, 2017

TO:

ASTORIA PLANNING COMMISSION

FROM:

MIKE MORGAN, INTERIM PLANNER

SUBJECT:

CONDITIONAL USE REQUEST (CU17-16) BY INNOVATIVE HOUSING, INC. TO REDEVELOP A VACANT BUILDING AT 1067 DUANE STREET (THE MERWYN HOTEL) INTO A MULTIFAMILY DWELLING OF 40 UNITS WITH COMMERCIAL FACILITIES ON THE FIRST FLOOR. THE BUILDING IS

LOCATED IN THE C-4 ZONE.

#### I. <u>Background Summary</u>

A. Applicant:

Julie Garver for Innovative Housing, Inc.

219 NW 2<sup>nd</sup> Avenue, Portland, Oregon 97209

B. Owner:

Dennis Groat/Groat Brothers, Inc.

PO Box 1630

Woodland, Washington 98674

C. Location:

1067 Duane Street, Map T8N-R10 Section 8CC, Tax Lot 1800:

Lot 3, Block 44, McClures.

D. Zone:

C-4, Central Commercial Zone

E. Lot Size:

95' x 50', or 4750 SF (.10 acres): Building square footage: 23,386

s.f., 22,643 residential and 743 s.f. commercial.

F. Request:

To renovate an existing vacant historic building into 40 affordable

housing units and add a small commercial space.

G. Previous

Applications: A demolition request was submitted to the HLC in 2012 and was

denied. A pre-application conference was held on November 3.

2017.

#### II. <u>BACKGROUND</u>

#### A. <u>Subject Property</u>

The property is identified on the National Register inventory as the Wenckebach Building, also known as the former Merwyn Hotel or the Waldorf Hotel, constructed in 1926. It was last used as a residential property and has

been unoccupied since 1987. The inventory states: "This building is significant for its level of intactness and careful attention to detailing. It is one of the best examples of Late Commercial with Renaissance detailing in the downtown area." The first floor of the building contains the lobby of the old hotel on the east side, and a vacant commercial space on the west side. The building originally consisted of 51 rooms on the 2nd, 3rd and 4th floors, with a large 30' x 40' lobby on the first floor. The name of the building was changed to the Waldorf Hotel in 1980. A small commercial space was added in front, in the northwest corner of the building. It ceased operations as a hotel sometime in the 1950s, when it became single room occupancy permanent housing. The site was used as the Astoria Senior Center for a few years in the 1980's. The hotel, which converted to low income housing, closed in December of 1989 when the City Building Department took enforcement action due to various fire

safety, plumbing, electrical, and sanitation

violations.

A nonprofit organization briefly took control of the building in the 1990s with the intention of renovating it into low income housing, but it was transferred to the Clatsop County Housing Authority. CCHA considered renovation, but then traded the building to a developer in exchange for other property. It eventually was

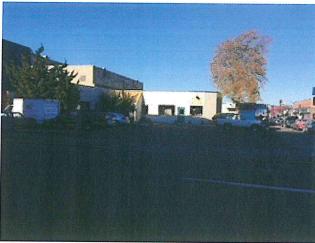
deeded to the current owner, Groat Brothers of Woodland, Washington, who intended to demolish it. The Historic Landmarks Commission denied the demolition permit in 2012 (DM12-01). The current applicant, Innovative Housing, Inc. (IHI), has a sales agreement with Groat Brothers, which is attached.

#### B. Adjacent Neighborhood

The building occupies the entire site between the City Hall and the Astor Library. The rear of the building is attached to the Elks Club. Across Duane Street to the north is the Astoria Makers Space in the Van Dusen building and Flourine's Apothecary Shop. The site is within the C-4 Central Commercial zone.







#### III. PUBLIC REVIEW AND COMMENT

A public notice was mailed to all property owners within 200 feet pursuant to Section 9.020 on Dec. 20, 2017. A notice of public hearing was published in the *Daily Astorian* on Jan. 2, 2018. An onsite public notice, which is a new requirement, was posted on Dec. 20, 2017. Comments received at the time of this report are attached. Other comments will be made available at the Planning Commission meeting.

#### IV. APPLICABLE REVIEW CRITERIA AND FINDINGS OF FACT

A. Sec. 2.435 of the Astoria Development Code lists as a conditional use #5, "Multifamily dwelling, located above the first floor, with commercial facilities on the first floor."

<u>Finding</u>: The proposed use is for a 40 unit apartment building with a retail use at the street level. It should be noted that this building once was a multi-family building. However, since the use ceased, a Conditional Use permit is required to reinstate this building for multi-family use. As a result, the application is being reviewed as a Conditional Use.

B. Sec. 2.440 Height of Structures: No structure will exceed a height of 45 feet above grade.

<u>Finding</u>: The building is currently in excess of 45 feet, and is considered a preexisting, nonconforming structure since it predates the development code. The City has allowed other structures such as the Astor Hotel to be renovated in excess of the 45 foot height limitation.

C Sec.2.445 Other Applicable Use Standards

<u>Finding:</u> The proposal does not involve drive-in facilities, or outdoor sales. It has not been determined what type of commercial use will be located in the northwest

corner of the first floor, but outdoor sales will only be allowed if it is a restaurant. There will be no outdoor storage areas. Indoor storage will not be the principal use of the property. Access, parking and loading is discussed below. Conditional uses and signs are discussed below. Storm drainage, as well as other infrastructure issues, will be approved by the City Engineer. The building is not near a known landslide hazard.

Section 11.020(B.)(1) states: "the Planning Commission shall base their decision on whether the use complies with the applicable policies of the Comprehensive Plan."

1. CP.215.4 Low and Moderate Income Housing: "Because of the large number of older buildings in Astoria, there is a great potential for reuse of existing structures for housing...The City could encourage this trend by working with developers, applying for grant funds, and looking for ways of fostering both historic reservation and provision of low cost housing."

Finding: The applicant has had extensive experience developing affordable rental properties in the Portland metro area, as shown in the attached materials. The Merwyn would be their first project in Astoria or on the North Oregon Coast. The developer will utilize a variety of housing subsidies to keep rents affordable, including historic tax credits, low income housing tax credits, grants and other sources. The rents will be largely aimed at persons with incomes between \$19,750 and \$27,060, with those individuals or couples paying \$425-\$550, although four of the apartments will be market rate (unrestricted income) and will rent for \$825 to \$875 per month. Although there have been some development of rental housing in Astoria and the region, all of it has been market rate housing. No subsidized rental housing has been built in Astoria in recent years. The Northwest Oregon Housing Authority (NWHA) has applied for tax credits recently in Warrenton, but none in Astoria. There has been some discussion of rehabilitation of the Uniontown Apartments but no funding is on the horizon at this time.

The Advance Astoria Economic Development Strategy has as Housing Strategy 1 "Expand the supply of affordable and market rate housing in Astoria."

The Astoria Affordable Housing Study, July, 2015, states in part:

"The City should continue to work with housing providers such as NOHA, CCA, USCG, CAT and Shelter Resources to explore ways to provide more affordable housing, including identification of publicly owned land that could be developed."

"Locations for workforce housing in the downtown area should be identified for possible public-private partnerships, including higher density projects that could possibly serve workers, community college students and others."

"The City should continue to seek and provide funding for rehabilitation of affordable rental housing through urban renewal district funding, State/Federal funding, local lending community, or other sources. The City needs to identify community partners that can develop and/or operate the housing in a cost effective way."

Finding: The request is in compliance with the Comprehensive Plan.

- D. Section 11.030(A) requires that "before a conditional use is approved, findings will be made that the use will comply with the following standards:"
  - 1. Section 11.030(A)(1) requires that "the use is appropriate at the proposed location. Several factors which should be considered in determining whether or not the use is appropriate include: accessibility for users (such as customers and employees); availability of similar existing uses; availability of other appropriately zoned sites; and the desirability of other suitably zoned sites for the use."

<u>Finding</u>: The proposed use is an adaptive reuse of a formerly residential, long-vacant historic building. There is a well-documented need for affordable housing in Astoria as stated above. Accessibility is excellent for workers that are employed downtown and do not need cars. The building is one of the last long-vacant structures in the downtown that has not been renovated or is in the process of being renovated.

Section 11.030(A)(2) requires that "an adequate site layout will be used for transportation activities. Consideration should be given to the suitability of any access points, on-site drives, parking, loading and unloading areas, refuse collection and disposal points, sidewalks, bike paths, or other transportation facilities. Suitability, in part, should be determined by the potential impact of these facilities on safety, traffic flow and control, and emergency vehicle movements."

<u>Finding</u>: The building has been in place for over 90 years, and fills out the entire 9750 square foot lot, so a site layout is not included. There is no parking on site. Although the C-4 Zone does not require the building to provide parking, the applicant has proposed a strategy to address this issue:

 Utilize the existing loading space (or 15 minute space) near the front of the building so that tenants can drop off groceries or large items.

- Work with the owners of downtown leased parking to reserve several offstreet parking spaces via deposit so that spaces will be available for tenants to lease, at their choice and cost, when the building opens.
- Include a lease requirement that tenant cannot violate downtown parking regulations. If a tenant does violate parking requirements, this is a violation that could lead to eviction. Other downtown apartment owners have placed parking restrictions such as this in leases.
- Market the apartments exclusively with downtown businesses for their employees for a certain amount of time. IHI usually starts pre-leasing apartments about 3 months prior to project completion, and start a waiting list 6 months prior to completion. Marketing to the downtown businesses and their employees will enhance the live/work nature of the Merwyn in its location in the downtown.

There are several other apartment buildings in the downtown area that do not provide parking, including the Siddall building at 1263 Commercial (19 units) and the Walter Apartments at 1005 Exchange (19 units) as well as other buildings with residential uses on upper floors. Both apartment buildings are owned by KD Properties. In the case of the Siddall, the owners impose lease restrictions similar to those proposed above. Both buildings contain predominantly studio and one bedroom units, as will the Merwyn. The owners do not keep track of the number of vehicles owned by residents, but they estimate that a small number own them and they generally abide by City parking restrictions. The building is served by the Sunset Empire Transportation District bus, and the regional transit center is two blocks away. Bicycle parking will be available in the basement. Recycling and refuse will be located in the basement as well. The 15' wide sidewalk is in good condition, and there is an existing 15 minute parking space at the curb for loading and unloading.

3. Section 11.030(A)(3) requires that the use will not overburden water and sewer facilities, storm drainage, fire and police protection, or other utilities.

<u>Finding</u>: All utilities and public services are at the site and are capable of serving the use. As with all new or increased businesses and development, there would be incremental impacts to police and fire protection but it would not overburden these services. In terms of available parks and open space or recreational areas, the building is approximately 100 feet west of the Garden of Surging Waves, two blocks east of the Flavel House and two blocks south of the Riverwalk. The closest playgrounds are McClure Park and Children's Park.

- 4. Section 11.030(A)(4) requires that "the topography, soils and other physical characteristics of the site are adequate for the use. Where determined by the City Engineer, an engineering or geologic study by a qualified individual may be required prior to construction.
  - <u>Finding:</u> The building has been in place without major structural problems for 90 years. However, some seismic upgrades are proposed along the perimeter of the building with the use of micro-pile technology.
- 5. Section 11.030(A)(5) requires that "the use contain an appropriate amount of landscaping, buffers, setbacks, berms or other separation from adjacent uses."

<u>Finding</u>: No landscaping, buffers or setback are proposed since the building occupies all of the 9750 square foot lot. A site plan has been submitted which shows the layout of the uses on each floor.

#### V. <u>CONCLUSIONS AND RECOMMENDATIONS</u>

The request meets all applicable review criteria. Staff recommends approval of the request based on the findings of fact above with the following conditions:

- The applicant shall implement the parking strategy outlined above and provide an update to the Community Development Department after six months of occupancy to confirm the strategy has been put into place. IHI staff or the building manager will attend the Downtown Association meetings regularly into the future to facilitate communication about building operations, parking, upcoming vacancies and the commercial space.
- 2. A bike storage facility/rack and refuse facility as proposed shall be installed.
- 3. The applicant shall obtain all necessary permits.
- 4. The applicant shall submit all proposed signage at the site to the Community Development Department for review and approval prior to installation.
- 5. Any major modifications of the building shall be reviewed by the Historic Landmarks Commission. Minor modifications and normal restoration activities may be reviewed by the Historic Preservation Officer.
- 6. The applicant shall submit an occupational tax application (business license) with the city. Fees may be waived with proof of 501c3 status.

Significant changes or modifications to the proposed plans as submitted and described in this Staff Report shall be reviewed by the Astoria Planning Commission.

The applicant shall obtain all necessary City public works and building permits prior to the start of construction.

#### **Exhibits**

CU 17-16 Application and supporting materials Correspondence



## CITY OF ASTORIA Founded 1811 • Incorporated 1856

## AIROTRA HO YTIO NOV 28 2017

BUILDING CODES

#### COMMUNITY DEVELOPMENT

D/	Visa 11-28-17 Bynf
Pree Paid Date	VISO Bynf
	Fee: \$500.00

### No. CU 17-16 CONDITIONAL USE APPLICATION Property Address: \_\_\_\_1067 Duane Street Lot \_\_\_\_\_\_3 Block \_\_\_\_\_44 Subdivision \_\_\_\_McClures Zone Applicant Name: <u>Innovative Housing, Inc.</u> Mailing Address: 219 NW 2<sup>nd</sup> Avenue, Portland, OR 97209 Phone: 503-226-4368 Business Phone: <u>same</u> Email: jgarver@innovativehousinginc.com Property Owner's Name: <u>Dennis Groat</u> Mailing Address: PO Box 1630, Woodland, WA 98674 Business Name (if applicable): Groat Brothers, Inc. Date: 11-28-17 Signature of Property Owner: See Purchase Agreement Date: \_\_\_\_\_ Existing Use: Vacant Proposed Use: Mult-family dwelling (40 units), with commercial facilities on the first floor Square Footage of Building/Site: 23,386 sf (Commercial space = 743 sf, Residential = 22, 643 sf) Proposed Off-Street Parking Spaces: None, historic building extends to the lot lines SITE PLAN: A Site Plan depicting property lines and the location of all existing and proposed structures, parking, landscaping, and/or signs is required. The Plan must include distances to all property lines and dimensions of all structures, parking areas, and/or signs. Scaled free-hand drawings are acceptable.

For office use only:			**************************************
Application Complete:	Permit Info Into D-Base:		
Labels Prepared:	Tentative APC Meeting Date:	1/9118	PN Due 17/15
120 Days:	,	7 7110	110000121.5

FILING INFORMATION: Planning Commission meets on the fourth Tuesday of each month. Completed applications must be received by the 20th of the month to be on the next month's agenda. A Pre-Application meeting with the Planner is required prior to acceptance of the application as complete. Only complete applications will be scheduled on the agenda. Your attendance at the Planning Commission meeting is recommended.

Briefly address each of the following criteria: Use additional sheets if necessary.

n meeting with the Planner is required by complete applications will be scheduled on the agenda. Your attendance mission meeting is recommended.

seach of the following criteria: Use additional sheets if necessary.

The use is appropriate at the proposed location. Several factors which should be considered in determining whether or not the use is appropriate include: accessibility for users (such as customers and employees); availability of similar existing uses; 11.030(A)(1) The use is appropriate at the proposed location. Several factors which should be zoned sites for the use.

For the adaptive reuse of historic hotel buildings, apartment conversions are a very good fit. This is because the room configuration can be feasibly changed to living units without completely gutting the building. This is important at the Merwyn because of its construction style – the upper three floors are stick framed, which means that all interior walls are bearing walls. Our proposed rehabilitation will preserve the majority of the interior walls. The Merwyn is well placed in Downtown Astoria for use as apartments and retail. Many services and employers are within walking distance of the building, which is a major focus of our approach. The key accomplishments of this project will be placing the building back into productive service through major repairs, greatly improving its seismic stability, restoring historic elements, providing a retail space to enliven the streetscape and contribute to the downtown, and providing living units affordable to downtown workers. The Merwyn is one of several historic apartment buildings with retail on the ground floor in the downtown area.

11.030(A)(2) An adequate site layout will be used for transportation activities. Consideration should be given to the suitability of any access points, on-site drives, parking, loading and unloading areas, refuse collection and disposal points, sidewalks, bike paths, or other transportation facilities. Suitability, in part, should be determined by the potential impact of these facilities on safety, traffic flow and control, and emergency vehicle movements.

Currently the old hotel has two entries: one for the lobby, and one for the retail space. The lobby will be the main access point for all uses related to the apartments. The retail entry will provide access for the commercial tenant and customers. We are proposing a new third entry, leading to an egress stair/corridor in the basement. This entry point provides an egress path for the new full height stair at the back of the building. This egress path and stair serves all uses in the building. If feasible, we would suggest the addition of a 15 minute parking space or loading space directly in front of the Merwyn. This would help facilitate deliveries to the building, residents unloading groceries, etc. We anticipate some residents will have cars that they will need to park off site. We propose three strategies for both accommodating residents, and reducing the impact of additional parked cars within the community. These strategies include apartment lease requirements, making off-site parking lot spaces available for residents to lease, and a priority marketing of the new apartments for employees of downtown businesses. Please see additional information attached.

11.030(A)(3) The use will not overburden water and sewer facilities, storm drainage, fire and police protection, or other utilities.

The historic hotel use, although long abandoned, accommodated at least 51 hotel rooms on the top three floors, plus a number of ground floor uses which may have included several businesses and/or additional hotel rooms or staff quarters. Although apartments are a different use, the existing

CITY OF ASTORIA

BUILDING CODE

NOV 28 2017

infrastructure appears to be sized to accommodate a building with fairly intensive use — both historically and today. Innovative Housing works with professional property management firms to make sure that apartments are managed well, and that there is a staff presence on site on a regular basis. In addition, security cameras are utilized to enhance safety both inside the building and at the storefront.

11.030(A)(4) The topography, soils, and other physical characteristics of the site are appropriate for the use. Where determined by the City Engineer, an engineering or geologic study by a qualified individual may be required prior to construction.

The Merwyn was built in 1926, and for its age, the foundations and concrete building walls are in good condition. There has not been any major settling or sinking of foundation or footing elements, as evidenced by lack of major cracking. The initial test borings by our geotechnical professional found that the footings and columns are most likely sitting on wood pilings, and since the water table is very high (within 12" of the basement floor), this has preserved the wood pilings. Any new foundation and footing elements (stair tower, seismic posts, elevator footing, etc.) will be installed on new micropiles that will extend down to appropriate soils under the building.

11.030(A)(5) The use contains an appropriate amount of landscaping, buffers, setbacks, berms or other separation from adjacent uses.

This historic building was built in a zero lot line configuration, meaning the building extends to the property lines in all directions. Appropriate party wall agreements are recorded on the title.

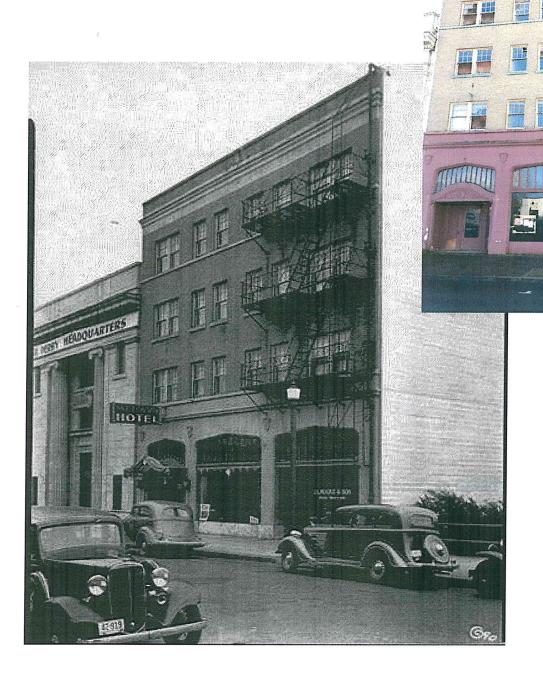
11.030(B) Housing developments will comply only with standards 2, 3, and 4 above.

Innovative Housing is a private non-profit that has been in business since 1984. We have a long history preserving and rehabilitating historic buildings for use as affordable, mixed income, mixed use housing. Our first historic building project was completed in 1991, with 95 units and seven storefront commercial spaces. Over the years, IHI has completed five other historic building projects, and we have just acquired another historic building in Portland, for a total of seven historic buildings with 339 apartment units and several commercial spaces. The scope of the rehabilitations have ranged from finishes and ADA work, to gut rehabs, major seismic work and Historic Tax Credit projects.

The Mewyn Apartments Project at a glance:

- 40 new apartment units on five floors, including 29 studios and 11 one bedrooms. The size of the units will range from 250 sf to 400 sf, and all units will include kitchenettes and bathrooms.
- This is a mixed income project, with the majority of the unit rents at \$425 \$550 per month for individuals and couples with incomes between \$19,750 and \$27,060. We will have four market rate units that are not income restricted, with a rent range of \$825 \$875 per month.
- Light and air for the ground floor and basement units will be provided by extending the existing lightwells that exist on either side of the building down to the ground floor and basement levels.
- Egress is an important feature of this project, and a new egress stair will be created at the back of the building, extending to the basement. At the basement level, a rated corridor will extend from the back stair to the front of the building, where a one-flight stair will provide exiting to the sidewalk.
- The scope of the project is major rehabilitation and adaptive reuse, including replacement of all
  systems, new footings and shear walls, voluntary seismic upgrade of several major components,
  all finishes, new elevator, new egress stair, extension of lightwells to main floor and basement,
  commercial space, trash room, laundry room, bike storage space, and maintenance area.
- Historic restoration elements include wood flooring, historic stairwell, lobby, upper floor corridors, storefront transom windows, brick building façade, and front windows.
   Reconstruction of the historic glass entry canopy will also be included. The project will meet the Secretary of the Interior Standards for Rehabilitation, and will be reviewed by both the Oregon State Historic Preservation Office and the National Park Service.
- Project timing is dependent on funding from the State of Oregon Oregon Housing and Community Services. We need to apply for Low Income Housing Tax Credit funding in January, 2018 (zoning approval required in order to apply). If funded, the project could begin in the Fall of 2018.

The Merwyn, Astoria, Oregon – historic photo and current photo

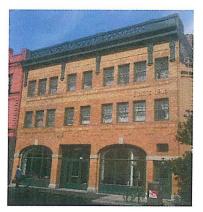


# Innovative Housing Some of our properties



Woodwind Apartments 1415 Salem Road SE, Albany Built 2015 (54 units)





The Erickson Saloon and the Fritz Hotel 5 NW 2<sup>nd</sup> Ave & 10 NW 3<sup>rd</sup> Ave, Portland (62 units) Built 1912, Rehab in 2014-15



The Magnolia 3250 NE Martin Luther King Jr. Blvd, Portland Built 2013 (50 units)



The Modern Rich 205 NW Couch, Portland (34 units) Built 1905, Rehabbed 2012



Hewitt Place Townhomes 826 SW 29<sup>th</sup> Way, Troutdale (44 units) Built 1991, Rehabbed 2009



Morrison Park Apartments 623 SW Morrison Built 1905, Rehabbed 1997



Musolf Manor 216 NW Third Avenue, Portland (95 units) Built 1910, Rehabbed 2009



Broadway Vantage Apartments 8340 NE Broadway, Portland (58 units) Built 2008



Cornerstone Condominiums SW Jefferson, Portland (46 units) Built 1999



The Clifford Apartments 527 SE Morrison, Portland (88 units) Built 1911, Rehabbed 2011

Merwyn Apartment Project Innovative Housing, Inc. Project feasibility discussion for Conditional Use Application 12/8/2017

This discussion paper covers four topics:

Project Benefits
Project Limitations
Budget
Parking

IHI is requesting Conditional Use approval, without conditions being placed on the project, especially conditions related to parking. The project will be delivering some key benefits to the community, but is limited in how many budget-impacting items can be delivered. Some benefits are easier for a historic building and affordable housing project like the Merwyn to achieve, while some are extremely difficult to add. Parking is one of the extremely difficult items. There are many project benefits that are not only advantageous for the community, but also requirements. A project like this has many required and expensive items in a variety of critical areas, ranging from fire/life/safety to restoration of historic elements.

### Community benefits to be delivered by the project:

- Structural replacement of the entire deteriorated west wall
- New internal egress stair at the back of the building, with new egress pathway
- New seismic reinforcement elements throughout the building
- New foundation elements to support new loads, with required micropiles under the building
- Remediation of contaminated soil
- New fire sprinkler system for the full building
- New elevator
- All new systems, including heating, plumbing and electrical
- All new finishes
- A commercial space on the ground floor
- Historic restoration of original items including front building façade, original wood windows, storefront transom windows, lobby, stairwell, corridors and wood flooring
- Recreation of historic entry canopy
- Historic rehab project meeting the Secretary of the Interior's Standards for Rehabilitation of a Contributing Building in a Historic District
- 40 new housing units in the downtown
- Affordable rents for downtown workers
- 36 units at \$425 \$550 per month; these units will come with income limitations, and are reserved for individuals and couples with incomes between \$19,750 and \$27,060 per year
- These 36 units will have rents restricted by the State for 30 years via a deed restriction

- 4 units at \$825 \$875 per month; these units will not have income limitations and will provide a beneficial mixed income approach for the building
- Innovative Housing is a long-term, not for profit owner, and is invested in the community
- The building will pay increased property taxes, compared to its current status
- Commitment to utilize as many local subcontractors as possible, to be encouraged and facilitated by two subcontractor introduction events
- Total construction budget of \$4.7 Million, with much of those dollars coming to the local community through subcontractor work and supply purchases. Total project cost is \$7 Million, which includes soft costs, financing cost, legal, permits, fees, etc.
- We have already been awarded the first grant the Main Street Historic Preservation Grant, in partnership with the Astoria Downtown Historic District Association

### **Project limitations:**

- High project cost, due to the condition of the building, its long vacancy, code requirements, and level of rehab
- Technically difficult construction project, due to the west wall failure, podium/stick frame structure, environmental contamination and new micropile installation to support structural additions
- Technically difficult financing project, due to the Historic Tax Credits and the Low Income Housing Tax Credits
- Very limited cash flow during the operating period, due to the relatively low number of units and lower income due to affordable rents.
- Time and expertise requirements for the on-site property management staff, to manage the Low Income Housing Tax Credit compliance requirements
- Timing is important: we need to apply for the Low Income Housing Tax Credit funding through the State in January, 2018, and we must have zoning approval in order to be competitive
- The building is built to the lot lines, with no on-site parking possible
- The building cannot afford to lease parking spaces for residents, since the operating budget is very constrained. Also we cannot require tenants to lease parking at their own cost. And we cannot provide it through the project because our overall rent amount is restricted through the State, and we cannot add costs to the rents that tenants pay.

### **Operating Budget:**

### Income

Total Gross Income	\$250,000
Vacancy Allowance 7%	(17,484)
Commercial rent	\$ 7,776
Adjusted Gross Income	\$240,060

### **Expenses**

Property Management	\$36,614
Admin, legal, accounting, office	\$10,000

Repairs & Maintenance	\$49,500
Utilities	\$39,400
Real Estate Taxes	\$6,000
Insurance	\$12,500
Asset Management Fee	\$5,000
Resident Services	\$17,000
Replacement Reserve Deposit	\$18,000
Total Expenses	\$200,714
NOI	\$39,346
Debt Service	(\$30,000)
Cash Flow	\$ 9,346

### Capital Budget:

### Sources

Mortgage:	\$350,000
Developer Loan:	\$100,000
Historic Tax Credits	\$1.28 Million
Low Income Housing Tax Credits	\$4.78 Million
Federal Home Loan Bank Grant	\$450,000
Main Street Historic Grant	\$100,000
Other TBD	\$50,000
Total Sources	\$7.1 Million

### Uses

Construction Hard Costs	\$4.78 Million
Soft Costs	\$2.23 Million
Total Uses	\$7.1 Million

### <u>Parking</u>

When Innovative Housing first started investigating the possibility of the Merwyn project, we understood from discussions with staff at that time (one year ago) that no parking was required in the downtown, and that no parking would be required for the Merwyn project. This was a major consideration in the decision to move forward with the project. However we have since learned that there is some ambiguity in the zoning code, and although no parking is technically required in the downtown, the Conditional Use Process may require parking as part of the Conditional Use Approval. This was difficult news for us, since the project, as proposed, has a challenging budget, and does not have room for additional costs and

requirements. As we have described above, the project has many requirements that we must meet, and is delivering significant community benefits. We are hopeful that the benefits the project is delivering and the limitations inherent in the project will be compelling enough to outweigh the need for any parking requirements.

Since learning about the possible parking requirements a few months ago, we started thinking about the issue in more depth. During this past year during our due diligence work for the building and project, we were not worried about parking for residents, for a few reasons. One, our primary target market for the apartments is downtown workers. With this live/work focus, there is less need for a car. Two, although parking in the downtown is constrained, especially during peak hours, we have found that our tenants typically do not mind parking further away from the property. And three, paid monthly parking is available for tenants who wish to purchase it. As we have done more research in the last few months and talked with other downtown apartment owners, we have found that 20% to 50% of tenants do not own cars (depending on the building – the higher percentage is from the Astor). With this information, and after talking about the issue with the Downtown Association and downtown businesses, we began thinking about creative ways to help with the potential challenge without negatively impacting our budget:

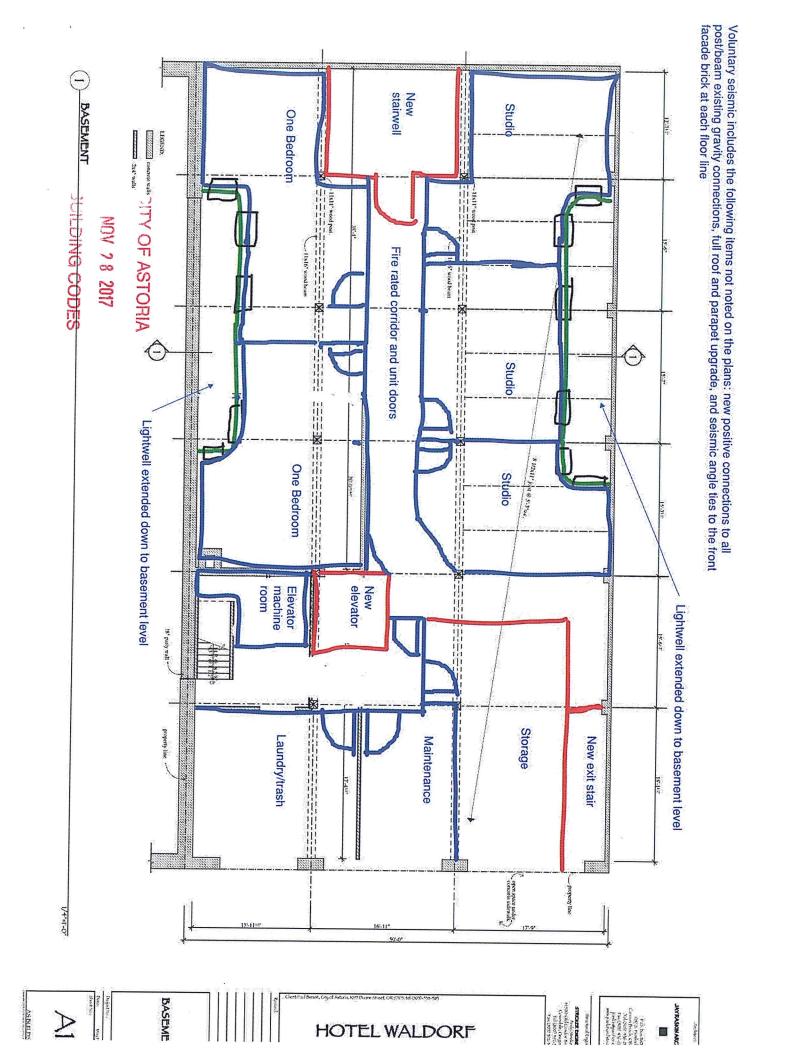
- Work with the City to create a loading space (or 15 minute space) near the front of the building so that tenants can drop off groceries or large items.
- Work with the owners of downtown leased parking to reserve several spaces via deposit so that spaces will be available for tenants to lease, at their choice and cost, when the building opens.
- Include a lease requirement that tenant cannot violate downtown parking regulations. If a tenant
  does violate parking requirements, this is a violation that could lead to eviction. Other downtown
  apartment owners have placed parking restrictions such as this in leases.
- Market the apartments exclusively with downtown businesses for their employees for a certain amount of time. We usually start preleasing apartments about 3 months prior to project completion, and start a waiting list 6 months prior to completion. Marketing to the downtown businesses and their employees will enhance the live/work nature of the Merwyn in its location in the downtown.

With the implementation of these ideas, we hope that you will find that additional parking requirements at the Merwyn are not necessary, and we respectfully request Conditional Use Approval without other parking requirements or restrictions.

In closing, we are very excited about the potential for a big win for everyone with the Merwyn project: the community, who gets a newly renovated historic building in the downtown with a commercial space; the downtown employers, who get 40 units of new housing to attract employees; and the residents, who get beautiful, character filled apartment homes that will provide an affordable way to make a life in Astoria.

Additional information about combined historic preservation/affordable housing projects:

Historic rehabilitation and adaptive reuse is, by nature, expensive and difficult. As the list on the first page illustrates, much work on the building is needed, and the costs add up. In addition, with lower restricted rents, the building can only carry a small mortgage. Total project costs of \$7.1 Million will likely far exceed the building's finished appraised value, estimated at \$5 Million. This situation is only possible due to special funding sources including Low Income Housing Tax Credits and Historic Tax Credits. With these funding sources, an appraiser is able to adjust the value for "beneficial financing", making the whole funding and loan package work. This is very good news for historic buildings, because redevelopment costs often exceed future appraised value. It is hard to make that situation work for a market rate developer who is more limited by conventional lending. In that situation, it is likely that a very large private capital investment would be needed – which is sometimes very difficult because there is not a good way for investors to ever get a return on their investment. This is because the operating cash from the building would go to pay expenses and the mortgage, and there would not be a lot left over to pay back investors. And the sale of the building would not pay investors back either, because the cost of redevelopment exceeds the building's market value. That is one reason why the preservation and adaptive reuse of historic buildings is so difficult, and why a combined historic preservation and affordable housing project is so beneficial.



MERWYN PROPOSED NEW LAYOUT ground floor, 3 one bedroom apartments & 1 studio on this floor, 11-27-17

VSENTE

1/4":1'-0"

SECOND FLOOR PLAN (3RD & 4TH FLOOR PLAN SIMILAR)

SECON FLOOR P

HOTEL WALDORF

JAY KASKIN AKO

TY OF ASTORIA

### **United States Department of the Interior National Park Service**

# **National Register of Historic Places Continuation Sheet**

Section number 187

**DWNTWN NR - R-89** 

HIST. NAME: Wenkebach Building

COMMON NAME: Hotel Merwyn/Waldorf Hotel

ADDRESS: 1053, 1067 Duane Street

DATE OF CONSTRUCTION: 1926

ORIGINAL USE: hotel PRESENT USE: vacant

CITY:

Astoria, 97103

ARCHITECT: BUILDER:

OWNER:

Randy Lynn Edwards

%KEMI, Inc. 7959 SE Foster Rd Portland, OR 97206

THEME: commerce & urban dev STYLE: Late Commercial w/ Rennaisance detailing

T/R/S: T8N/R9W/S8

MAP NO.: 80908CC TAX LOT: 1800

ADDITION: McClure's Astoria

xBLDG STRUC DIST SITE OBJ

BLOCK: 44 LOT: 3, EXC ST QUAD: Astoria

CLASSIFICATION: secondary

PLAN TYPE/SHAPE: rectangular

NO. OF STORIES: four

BASEMENT: yes

FOUNDATION MATERIAL: conc/pier

ROOF FORM & MATERIALS: flat/built-up

WALL CONSTRUCTION: reinforced concrete

STRUCTURAL FRAME: reinf conc

PRIMARY WINDOW TYPE: fixed storefront in alumunim; fixed transom in wood; 6/1

double-hung in wood; multi-pane steel casement

EXTERIOR SURFACING MATERIALS: brick veneer, stucco, unfinished concrete

STRUCTURAL STATUS: xGOOD FAIR **POOR** MOVED (DATE)

DECORATIVE FEATURES: flat arched, multi-paned transoms; street level finished in

stucco which gives the appearance of stone

OTHER: plaster crests or shields used above enrty, near street level pilasters, below cornice

# **United States Department of the Interior National Park Service**

## National Register of Historic Places Continuation Sheet

Section number 7 Page 188

HISTORICAL INTEGRITY: slightly altered

**EXTERIOR ALTERATIONS/ADDITIONS**: this building is virtually intact; entry doors and arched canopy removed, north

NOTEWORTHY LANDSCAPE FEATURES: none ASSOCIATED STRUCTURES: none

KNOWN ARCHAEOLOGICAL FEATURES: none

**SETTING**: south side of Duane Street, in centr of block between 10th & 11th Streets; one full and one half elevation exposed, light well to the east

SIGNIFICANCE: architecture, commerce

STATEMENT OF SIGNIFICANCE: Wenkebach announced plans for the construction of a hotel structure on his property on Duane Street west of the Astoria Savings Bank building, November 9, 1923. An ancient and honorable Astoria hotel name was perpetuated in the naming of the hotel, which was located in the Wenkebach building and operated by A.R. Thompson. The new hostelry was named "Hotel Merwyn" after the institution destroyed in the Astoria fire disaster, and of which Mr. Thompson was manager at the time. The fifty-one room hotel was ready for business in June of 1926, and an open house was held June 8th. The Hotel Merwyn was closed October 5, 1929, for remodeling and refurbishing. At this time the lobby was enlarged to its present size of 30' x 40'. The hotel re-opened on November 24, 1929, and an open house was held by the manager, A.R. Thompson. In February, 1980, the building was renamed the Waldorf Hotel. The building is currently vacant.

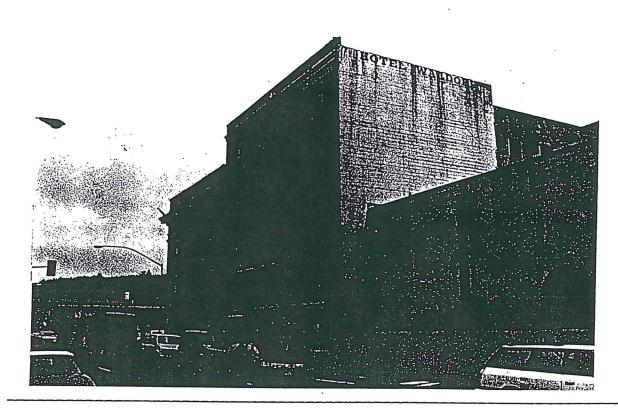
This building is significant for its level of intactness and careful attention to detailing. It is one of the best examples of Late Commercial with Rennaisance detailing in the downtown area. It is also significant for its use as a hotel, a prevalent trend during the historic period of the downtown.

SOURCES: Sanborn Fire Insurance Maps; Astoria Evening Budget, November 9, 1923, May 19, 1926, June 4, 1926, June 7, 1926, June 8, 1926; Morning Astorian, October 6, 1929, November 23, 1929; The Daily Astorian, February 19, 1980; Astoria and Clatsop County Telephone Directory; Polk's Astoria and Clatsop County Directory

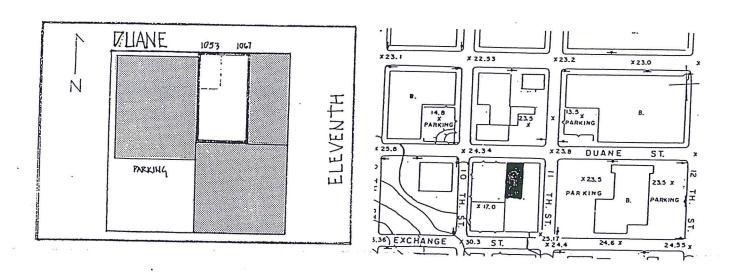
# OREGON INVENTORY OF HISTORIC PROPERTIES HISTORIC RESOURCE SURVEY FORM COUNTY: CLATSOP

PROPERTY: Waldorf Hotel ADDRESS: 1053 Duane TAX I.D.: 51185

T/R/S: T8N/R9W/S8 MAP NO.: 80908 CC QUAD.: Astoria



NEGATIVE NO.: R3 N.3



TOPOG. DATE: 1967

GRAPHIC & PHOTO SOURCES: N.C.L.C.; CITY OF ASTORIA, ENGINEERING DEPT. S.H.P.O. INVENTORY NO.:

### **Nancy Ferber**

From:

Nathan Crater

Sent:

Wednesday, November 29, 2017 10:29 AM

To:

Nancy Ferber

Subject:

Waldorf Apartment Development - Storm Drain Question

Nancy,

As part of the renovation work, the Public Works Department will require that the SS and SD are separated to the property line. The owner will not be required to extend the public SD main.

Regards,

Nathan Crater, PE Assistant City Engineer City of Astoria 1095 Duane Street Astoria, OR 97103 Office: 503-338-5173

Cell: 503-338-5173
Cell: 503-791-2932
Fax: 503-338-6538
www.astoria.or.us

BUILDING CODES

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

Dated February 24, 2017

BETWEEN:

Groat Brothers, Inc. ("Seller")

Address:

PO Box 1630

Woodland, WA 98674

AND:

Innovative Housing, Inc. ("Buyer")

Address: 219 NW 2nd Avenue, Portland, OR 97209

Buyer offers to buy and acquire from Seller (i) the real property and all improvements thereon commonly known as The Merwyn Hotel Building located at 1053 and 1067 Duane Street, in the City of <u>Astoria</u>, County of <u>Clatsop</u>, Oregon legally described on <u>Exhibit A</u>, attached hereto and incorporated herein by reference (the "Property") and [check box if applicable x, (ii) Seller represents that there are no Leases in place for the Property.

- 1. <u>Purchase Price</u>. The total purchase price is <u>Eighty Thousand</u> dollars (\$80,000) (the "Purchase Price") payable as follows:
  - 1.1. Earnest Money Deposit. Upon execution of this Agreement, Buyer shall deliver to the Escrow Holder as defined in herein, for the account of Buyer \$10,000 as earnest money (the "Earnest Money") in the form of funds to be deposited into Escrow at the Title Company. The funds shall be due and payable no later than 5 PM Pacific Time three (3) business days after satisfaction or waiver by Buyer of the Due Diligence Contingency set forth in this Agreement but, in all respects subject to the hotice requirements of Section 2 hereof. The purchase and sale of the Property shall be accomplished through an escrow (the "Escrow") which Seller has established or will establish with WFG National Title Insurance Company. Attn: Trevor Cheyne, Escrow Officer (the 'Title Company) and the Earnest Money shall be deposited with Title Company. The Earnest Money shall be applied to the payment of the purchase price for the Property at Closing. Any interest earned on the Earnest Money shall be considered to be part of the Earnest Money. The Earnest Money shall be returned to Buyer in the event any condition to Buyer's obligation to purchase the Property shall fail to be satisfied or waived through no fault of Buyer; provided, however, if Buyer shall have waived or satisfied the Due Diligence Contingency and shall have converted the Note to cash and thereafter, without fault of Seller, the purchase of the Property shall not occur, Seller shall retain the Earnest Money as the sole and liquidated damages for Buyer's
  - 1.2. Payment of Balance of Purchase Price. Buyer shall deposit the balance of the Purchase Price (\$70,000) in cash into Escrow at the Title Company on or before the Closing Date. All Escrow deposits (\$10,000 and \$70,000) shall be applied to the Purchase Price and the net proceeds paid to Buyer.



NOV 28 2017 BUILDING CODES

### AMENDMENT#2

TO THE PURCHASE & SALE AGREEMENT DATED FEBRUARY 24, 2017

BY AND BETWEEN
GROAT BROTHERS, INC. (Seiler)

AND

INNOVATIVE HOUSING, INC. (Buyer)

FOR THE PROPERTY LOCATED AT AND KNOWN AS The Merwyn Hotel Building located at 1053 and 1067 Duane Street, in the City of Astoria, County of Clatson

Buyer and Seller mutually agree to extend the due diligence period for an additional 60 days until October 16, 2017, with a hard earnest money deposit payment to Seller of \$5,000 to be paid within five (5) business days. This payment will be non-refundable and applied toward the purchase price at closing. On October 16, 2017, if conditions are waived, Buyer shall pay an additional hard earnest money deposit to Seller of \$25,000. This payment will be non-refundable and applied towards the purchase price at closing. Closing shall be extended until the DEQ completes a Prospective Purchaser Agreement (PPA) with Innovative Housing for the property. If the PPA has not been completed by May 31, 2018, either party may withdraw from the agreement.

Buyer:

Sarah Stevenson, Executive Director Innovative Housing, Inc.

219 NW 2<sup>nd</sup> Avenue Portland, OR 97209

Date: 8/17/17

Seller

Dennis Groat Groat Brothers, Inc.

PO Box 1630

Woodland, WA 98674

Date: 8/18/17

December 29, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, Oregon 97103

Re: Merwyn Hotel Apartments Parking Variance

Dear Commissioners:

Please grant a Conditional Use permit for the former Merwyn Hotel.

The structure has been empty since the early 1980s. Housing developers, with the best of intentions, have come and gone without being able to reconcile—let alone adequately finance—seismic and structural reinforcement, egress, and ADA. Now, however, there is a developer with a track record of working with similar structures in Portland.

Innovative Housing, Inc., understands the challenges surrounding the Merwyn Hotel and has developed solutions for them on a razor-thin budget. I've been involved with potential developers of the building since at least 2005. I've never felt more optimistic about this building's future than I do today.

Innovative Housing, Inc. is proposing 40 housing units within downtown. The positive aspects of this project are significant. The rehabilitation of this hotel eliminates a derelict structure, provides affordable housing and creates a larger customer base for downtown. The additional housing will encourage businesses to expand in Astoria; currently, the housing shortage is chasing away potential employees.

The positive aspects of renovating the Merwyn Hotel outweigh any potential conflict with the City's zoning ordinance.

Thank you for your consideration.

Yours truly,

John Goodenberger 856 Harrison Ave. #2 Astoria, Oregon 97103





AIROTOR SOLVIOLING CODES

December 20, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, Oregon

RE: Support letter for Conditional Use Permit for the Merwyn Apartment Project

**Dear Commission Members:** 

Please accept this letter as one of strong support from the Astoria-Warrenton Chamber of Commerce for the Innovative Housing's Affordable Workforce Housing project, The Merwyn Apartments.

Housing of all types, especially affordable workforce housing, continues to remain a substantial barrier to any positive economic growth in the Astoria-Warrenton area and the whole of Clatsop County. The Chamber has been heavily involved with this issue, partnering with CEDR, the County and all the Cities to try to find answers to the many challenges to providing housing of all types.

It is our understanding that before moving ahead with the Merwyn project, Innovative Housing must first be granted a conditional use permit by the Astoria Planning Commission, the receipt of which would allow IHI to submit the major funding application to the State of Oregon. If providing affordable workforce housing is a goal we are all reaching for, then reaching that goal by utilizing a historic building, which has been vacant for the last 30 years, makes achieving that goal even more important. While understanding the many challenges the Commission could face on this project, the Astoria-Warrenton Chamber requests your strong consideration for a conditional use permit for the Merwyn Apartment Project.

Sincerely,

Skip Hauke, Executive Director

Astoria-Warrenton Chamber of Commerce



## Astoria Downtown Historic District Association

Encouraging community involvement and investment in preserving the character of historic downtown Astoria while promoting its health and future.

P.O. Box 261 · 486-12th Street, Suite H · Astoria, OR 97103

Phone: (503) 791 -7940 · Email: office@astoriadowntown.com · Web: www.astoriadowntown.com

December 29, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103



RE: Support of Conditional Use Request for The Merwyn Apartment Project

Dear Members of the Commission:

The Astoria Downtown Historic District Association would like to express our full support of Innovative Housing's Affordable Workforce Housing project, The Merwyn Apartments. When ADHDA looks to attack issues such as workforce availability, business recruitment, and business expansion, the number one problem we face is a lack of affordable housing.

Astoria needs more housing for downtown workers. Our business growth depends on workers, and there is a serious housing shortage. The new affordable apartments at the Merwyn will provide housing close to where people work, dine out, and shop.

For over 30 years, the landmark Merwyn Building has sat fallow, deteriorating before our eyes. Not only is saving and reusing this historic building a priority for ADHDA, we believe Innovative Housing, Inc is the only developer capable of seeing this project through. Their history of success financing housing developments in historic buildings using both Historic and Affordable Housing credits is the only way a project of this magnitude will happen. We cannot afford to miss this opportunity.

Further, we encourage the Commission not to place any parking requirements on the Merwyn. The many benefits of this project far outweigh any parking concerns that may exist. The remarkable benefits of adding 36 affordable and 4 market rates apartments in this area of Astoria, along with an estimated \$7 million being invested locally during the project are worthy of not only our permission, but our praise.

Thank you for your thoughtful consideration.

Sincerely,

Sarah Lu Heath

Executive Director, ADHDA





December 27, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103

RE: Support of Conditional Use Request for The Merwyn Apartment Project

Dear Members of the Commission:

I am writing to express my support for Innovative Housing's Affordable Workforce Housing project. The projects purpose is to refurbish the Merwyn Apartments. Our community's business and economic growth depends on attracting qualified workers to the area; the current housing shortage is well known to all. The Merwyn Apartments will provide affordable housing for employees critical to downtown businesses.

Further, reclaiming a historic building that has been vacant for 30 years is an important additional benefit to the community. Because Astoria is a city that has a deep appreciation for its history, the chance to preserve this historic building will garner wide community support. In addition, the new retail space at the Merwyn will help revitalize Duane Street.

We would like to urge the Commission to approve the Conditional Use for the Merwyn Apartments, which will, in turn, enable Innovative Housing to submit a major funding application to the State of Oregon in January. Most importantly, I encourage the Commission not to place burdensome parking requirements on the Merwyn. Please consider seriously the goals of this project: rehabilitation of an historic building, creation of affordable workforce housing, and fresh, new retail space. Given the deteriorated condition of the building, these goals will be difficult and will require a large amount of work and money to achieve. But the anticipated public benefit is worth the effort that will be required.

Sincerely,

Jim Knight

Executive Director Port of Astoria December 28, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103



RE: Support of Conditional Use Request for The Merwyn Apartment Project

Dear Members of the Commission:

My name is Christine Lolich, and I am the President of the Board of Directors for The Liberty Theater in downtown Astoria. I have lived in Astoria for twelve and have seen a great renaissance in our community. However, one issue casts a dark cloud of greater economic development, and that is housing.

Therefore, I would like to express mysupport for Innovative Housing's Affordable Workforce Housing project, The Merwyn Apartments. It is clear that Astoria needs more housing for downtown workers. Our business growth depends on workers, and there is a serious housing shortage. The new affordable apartments at the Merwyn will provide housing close to where people work, dine out, and shop.

In addition, saving and reusing a historic building that has been vacant for 30 years is a priority for me. Astoria is a city that has a deep appreciation for our history, and the chance to preserve this historic asset is truly something to embrace and support. I am also in favor of the new retail space that will be created at the Merwyn, which will help enliven Duane Street.

After decades of neglect and failed attempts at development, we are out wits end to save this building and provide housing. Innovative Housing Inc. is a specialist in this type of work, with a long history of success. We need to provide the leeway that this organization needs to successfully fund and complete the project. Moreover, I'm thrilled to see that this project will bring approximately \$7 million dollars into our local economy during the construction process.

I would like to urge the Commission to approve the Conditional Use for the Merwyn, so that Innovative Housing will then be able to submit a major funding application to the State of Oregon in January for the project. In addition, I encourage the Commission not to place any parking requirements on the Merwyn.

Sincerely,

Christine Lolich

Board President, The Liberty Theater Retired Registered Nurse Astorian since 2005 Oregonian since 1952



December 8, 2017

Kent Easom, chair Astoria Planning Commission 1095 Duane Street Astoria, OR 97103 DEC 11 2017

### RE: Conditional Use Approval for the Merwyn Apartment Project

Restore Oregon is a statewide non-profit organization whose mission is to preserve, reuse, and pass forward the historic places that make our communities livable and sustainable. One of our primary goals is to shine light on properties at risk of loss, and connect them to individuals or organizations who could potentially save those buildings. You may recall that Tourist No. 2 is on our list of Oregon's Most Endangered Places this year and we are beginning work to support its restoration.

We've been watching the Merwyn for a number of years. Restore Oregon is pleased to have introduced Innovative Housing (IHI) to the Merwyn property and the City of Astoria. IHI has done several extremely successful historic rehabilitation and adaptive reuse projects providing affordable housing in the Portland area, including buildings that were in deteriorated condition and challenging to complete. One such project, the Erickson Fritz Hotel, received our DeMuro Award for excellence in preservation, reuse, and community revitalization in 2015. When IHI mentioned they were looking to expand their reach to other communities in Oregon, especially those in need of affordable workforce housing, we hoped they could tackle the Merwyn. When proposals were being considered to demolish the Merwyn, Restore Oregon had testified in opposition, so we were pleased to refer an organization who might offer a positive alternative.

I am writing because I understand that parking requirements have become a major obstacle preventing the project from moving forward because there is no space for it on the site. We urge you to make an exception to the parking requirement, as many other cities are doing to make the rehabilitation of the historic property financially viable. It would be a tragic loss to the community to let this one issue stop such a needed project.

Thank you for considering this request for the Merwyn Apartment Project. We look forward to celebrating the completion of its revival. We often hold Astoria up as an economic development success story that recognized and leveraged its historic assets.

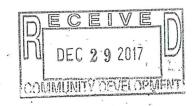
Sincerely,

Peggy Moretti Executive Director

14 Morette



Lending to people, Investing for resilience December 28, 2017



Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103

RE: Support of Conditional Use Request for The Merwyn Apartment Project

Dear Members of the Commission:

Craft3 supports Innovative Housing's affordable workforce housing project, The Merwyn Apartments. We have long-desired to see the Merwyn property return to productive use, and Innovative Housing's proposal represents a significant opportunity to help work towards the goal of increased affordable housing for workers in downtown Astoria.

A restored Merwyn will improve the ability of local businesses, many of which we have financed over the years, to find workers and thereby improve their viability and prospects for success. We are especially pleased that the Innovative Housing proposal focuses on providing housing for Astoria residents making at or close to minimum wage. Further, we believe that the project, along with the renovation of the Library and the Maker's Space building, will spur the growth of downtown.

We urge the Planning Commission to approve the Conditional Use for the Merwyn, which would allow Innovative Housing to submit a major funding application to the State of Oregon in January for the project. Thank you for taking the time to carefully weigh the many benefits that this project would bring to our city.

Sincerely,

David/Oser

Chief Financial Officer

Craft3

42 7th Street

Astoria OR 97103

#### Miriam Rose

### Hobson Building

December 21, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103 CITY OF ASTORIA

SUILDING CODES

RE: Support of Conditional Use Request for The Merwyn Apartment Project

Dear Members of the Commission:

I would like to express my support for Innovative Housing's Affordable Workforce Housing project, The Merwyn Apartments. Astoria needs more housing for downtown workers. Our business growth depends on workers, and there is a serious housing shortage. The new affordable apartments at the Merwyn will provide housing close to where people work, dine out, and shop.

In addition, saving and reusing a historic building that has been vacant for 30 years is a priority for me. Astoria is a city that has a deep appreciation for our history, and the chance to preserve this historic asset is truly something to embrace and support. I am also in favor of the new retail space that will be created at the Merwyn, which will help enliven Duane Street.

We would like to urge the Commission to approve the Conditional Use for the Merwyn, so that Innovative Housing will then be able to submit a major funding application to the State of Oregon in January for the project. In addition, I encourage the Commission not to place any parking requirements on the Merwyn. The goals of historic rehabilitation, creation of affordable workforce housing and a new retail space are difficult goals for the Merwyn building to reach due to its deteriorated condition, and will require a large amount of work and money to achieve. But the public benefit of these goals will serve the community extremely well.

Sincerely,

Miriam Rose



725 Summer Street NE, Suite C Salem, Oregon 97301

December 19, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103 Y OF ASTORIA

DEC 13 ZUIT

RE: Support of Conditional Use Request for The Merwyn Apartment Project

Dear Members of the Commission:

I would like to express my support for Innovative Housing's Affordable Workforce Housing project, The Merwyn Apartments. The need for workforce housing has been raised by the community at least as long as we have been working with the Astoria Downtown Historic District Association in 2010. That is one of the reasons we were so pleased to receive an application for the project for our new Oregon Main Street Revitalization Grant program. We approved a \$100,000 grant – one of 26 that were allocated statewide this year — which will help leverage the estimated \$7 million in total project costs. The new affordable apartments at the Merwyn will provide housing close to where people work, dine out, and shop.

In addition, saving and reusing a historic building that has been vacant for 30 years will bring significant money into the community and will bring back some of the architectural character of the building by reconstructing the entry canopy based on historic photos. The project will also include the creation of new retail space which will help activate this part of Duane Street.

The goals of historic rehabilitation, creation of affordable workforce housing, and a new retail space are important to the vitality of downtown Astoria. These are difficult goals for the Merwyn building to reach due to its deteriorated condition, and will require a large amount of work and money to achieve. But the public benefit of these goals will serve the community extremely well. We encourage all parties to work towards an agreement on issues that might prevent this terrific project from moving forward.

Respectfully,

Sheri Stuart, Coordinator

Oregon Main Street

Heritage Programs, Oregon Parks and Recreation Department

CITY OF ASTORIA
DEC 20 2017
BUILDING CODES

www.astoriaartsandmovement.com

December 19, 2017

Astoria Planning Commission City of Astoria 1095 Duane Street Astoria, OR 97103

### Support of Conditional Use Request for The Merwyn Apartment Project

#### Dear Members of the Commission:

I had the opportunity to walk through what is locally and often lovingly referred to as 'The Merwyn' years ago. As I looked around at its solid but dilapidated structure I could not help but wish for a better future for what was once a remarkable building. Over the past year I have heard many educated opinions regarding the building's fate and, after listening to many of them, I wish to come forward in support of Innovative Housing's Affordable Workforce Housing project, The Merwyn Apartments.

Affordable housing seems to be on many people's radar for a variety of reasons- either as a catch phrase backed by emotional urgency to allow for fast-tracked development, for adu permits which (as Portland has shown) do not address core housing or affordable rent issues in the long term, or as an incentive to change building codes and zoning laws which alter the landscape of our town and cannot be reversed. As a renter who is currently in the process of moving because the tri-plex I lived in for 13 years just sold to investors, needless to say affordable housing is on my radar as well. And as afraid as I am regarding the livability of the town I love for myself and fellow locals in a similar socioeconomic bracket, I do believe there are informed ways to address the issue. I believe that using The Merwyn for affordable housing is one of these ways.

First and foremost, it offers restoration in place of demolition in the downtown core. As the Executive Direct of a downtown non-profit organization, the Astoria Arts and Movement Center, I also have first-hand experience with the necessity of addressing downtown buildings in need of historic preservation and restoration in order to be used instead of neglected and/or left vacant. Such buildings potentially pose great environmental and structural risk to other downtown businesses, tenants, organizations and the local community and often become unsafe drug exchange sites and places for people to squat. Astoria has numerous structures that have been and remain neglected- both commercial and residential- and, because of my reverence for Astoria's history, it makes much more sense to me to rehabilitate and revive them.

With the affordable housing and historic preservation at the core of my advocacy, I would like to urge the Commission to approve the Conditional Use for the Merwyn, so that Innovative Housing will then be able to submit a major funding application to the State of Oregon in January for the project. I believe this will strengthen Astoria's infrastructure while creating affordable housing, as well as honor a building that has been neglected for far too long.

### www.astoriaartsandmovement.com

### Jessamyn Grace West

Jessamyn Grace West Executive Director, Astoria Arts and Movement Center 503.791.5657 info@astoriaartsandmovement.com

