



CITY OF MANZANITA

P.O. Box 129, Manzanita, OR 97130-0129
Phone (503) 368-5343 | Fax (503) 368-4145 | TTY Dial 711
ci.manzanita.or.us

STAFF REPORT

TO: Manzanita Planning Commission
FROM: Walt Wendolowski, Contract Planner
SUBJECT: Floor-Area-Ratio Variance Staff Report
DATE: March 9, 2022

I. BACKGROUND

- A. **APPLICANT:** Steeplejack - Manzanita (for Harder Holdings Coastal, LLC).
- B. **PROPERTY LOCATION:** The property is located on the south side of Laneda Avenue, approximately opposite its intersection with North Second Street. The site address is 220 Laneda Avenue and the County Assessor places the property within Township 3 North; Range 10 West; Section 29BD; Tax Lot 17100.
- C. **PARCEL SIZE:** The entire Tax Lot contains 10,000 square feet. However, the Tax Lot is composed of two separate Lots of Record, each containing 5,000 square feet of area.
- D. **EXISTING DEVELOPMENT:** The subject property contains a residence with accessory building, fronts a public street and is served by public sewer and water.
- E. **ZONING:** Commercial (C-1).
- F. **ADJACENT ZONING AND LAND USE:** Vacant High Density Residential/Limited Commercial (R-4) zoned land is located to the south. All the remaining adjacent land is zoned C-1 and dominated by commercial uses.
- G. **REQUEST:** The applicants are requesting approval of a Variance to modify the Floor Area Ratio requirement.
- H. **DECISION CRITERIA:** This application will be evaluated against the Variance criteria listed in Ordinance 95-4 Section 8.020; and, the Commercial (C-1) Zone standards in Ordinance 95-4 Section 3.040(3)(j).

II. APPLICATION SUMMARY

- A. The subject property is composed of two subdivision lots – Lot 3 and Lot 4 of the Manzanita Beach Subdivision and each Lot contains 5,000 square feet. These are considered separate and distinct lots and may be developed independently. Lot 3 currently contains a single-family home. The applicant intends to remove the dwelling (and accessory building), replacing the structure with a restaurant. The two-story restaurant will contain 3,040 square feet of area and be placed atop an 1,800 square foot daylight basement containing a kitchen and storage.
- B. Restaurants are a permitted in the C-1 zone [Section 3.040 (1)(e)]. Among the various development provisions in Section 3.040(3), structures must comply with the floor-area-ratio provisions in subsection “(j.)” which read as follows:
- j. Building(s) on a lot shall have a floor area ratio of no more than 0.65. The combined floor area of all buildings on a lot shall be used in calculating the floor area ratio. If a development is proposed on a lot divided between the R-4 and C-1 zones, the area in the R-4 zone shall be assumed to be no greater than the area in the C-1 zone for purposes of calculating the floor area ratio.*

The floor area ratio (FAR) is expressed as a ratio between the gross floor area of a building or buildings divided by the lot area. For a 5,000 square foot Lot 3 the maximum allowable floor area is 3,250 square feet ($5,000 \times 0.65 = 3,250$ sq. ft.). The proposed restaurant will have 4,840 square feet of area for a FAR of 0.968. As this exceeds the 0.65 FAR limit, a Variance is required before the applicant can proceed with the project.

- C. A Variance is subject to provisions in Article 8 of Ordinance 95-4, with the Planning Commission authorized to review the application. For the record, this request is limited solely to the proposed Variance to the FAR requirement in the C-1 zone. The application does not include concurrent plans for structures or site development.

III. CRITERIA AND FINDINGS - VARIANCE

- A. Article 8 contains the provisions to address variance applications. Section 8.010 notes the Planning Commission may authorize variances from the requirements of this Ordinance where it can be shown that owing to special and unusual circumstances related to a specific lot, strict application of the Ordinance would cause an undue or unnecessary hardship. No variance shall be granted to allow the use of property for a purpose not authorized within the zone in which the proposed use would be located.

FINDINGS: The proposal would significantly modify a qualitative standard by increasing the allowable FAR. Based on provisions in Ordinance 95-4, a Variance is the only available option to permit the increase.

- B. Section 8.020 establishes the specific review criteria. Each criterion, and associated finding, is noted below:

1. Exceptional or extraordinary circumstances apply to the property and result from lot size or shape, topography, or other circumstances over which the owners of the property have no control.

FINDINGS: The applicant noted exceptional circumstances arise from the existing topography of the site which has a 10-foot grade change from the northeast corner of the site to the south. The applicant noted the Manzanita Code does not provide clarity as how basements are factored into the FAR, and based on experience, other jurisdictions exempt basement areas from the calculations. Further, with the slope, only 14% of the basement would be visible from the street, leaving a FAR of 0.608 for the remainder of the visible structure.

Increasing the FAR from 0.65 to 0.968 simply results in a larger building and does not address any specific issue associated with the site. While the slope may not permit the type of building envisioned, the slope does not prevent constructing a building that complies with the FAR.

2. The variance is necessary for the preservation of a property right of applicant substantially the same as owners of other property in the same zone or vicinity possess.

FINDINGS: The applicant notes the request allows the use of the basement space for back of house functions including storage, utility service and food preparation. If denied, the property owner would need to construct a foundation with 10'-0" stem walls in order to develop the restaurant at grade level along Laneda Ave. Alternatively, the owner could elect to infill the lot to match street grade level with perimeter retaining walls as allowed per Ordinance 95-4, Section 4.138. However, according to the applicant, this creates an undefined hardship where working with the existing topography is expeditious. The applicant finally notes a FAR variance was granted for the Pine Grove Community Center located across the street at 225 Laneda Avenue.

The issue is whether the variance is necessary for the preservation of a property right. It must be noted the property contains a single-family home which may be continued. The proposed restaurant is also allowed in the zone, and based on the applicant's comments, can be constructed with a suitable stem-wall improvement or placement of fill. While these improvements may not meet the economic projections of the owner, the variance is not required to preserve the owner's property rights. Finally, it must be noted the approved FAR variance for the Pine Grove Center was relatively minor compared to the current request. The two are not comparable nor does the prior decision set precedence to the current application.

3. The variance would not be materially detrimental to the purposes of the Ordinance, the Comprehensive Plan, or to property in the same zone or vicinity in which the property is located, or otherwise conflict with the objectives of any City policy.

FINDINGS: The applicant notes that as designed, the basement would barely be seen from Laneda Avenue and will ensure the remainder of the structure would be compatible with other commercial improvements in the vicinity. Further, the site topography and proposed improvement would help conceal a proposed parking area to be located on the south side of the site.

Nothing in this request requires the construction of this particular design. There are likely a number of designs, along with the identified construction methods, that could create a compatible structure with other commercial uses in the vicinity. The Variance request simply adds square footage to the proposed structure and is not essential as a design element.

4. Variance request is the minimum variance which would alleviate the hardship.

FINDINGS: The applicant noted “the design intent is to provide an accessible entrance to the restaurant along Laneda and to work with the existing site without imposing intense site development measures as described in more detail in item #2.”

The applicant did not identify a particular hardship associated with the property that requires an increase in the building size. The applicant identified alternative methods of construction to meet Code requirements. There is simply no evidence as to why a compliance with the FAR could not be possible.

- C. There is no evidence this FAR increase request is the result of an extraordinary condition or circumstance that is beyond the control of the property owner. Removal of the residence leaves a blank slate on which a structure could be built - and in compliance with the C-1 zone standards. The applicant even identified alternative construction methods to ensure such a structure is possible. Further, denial of the variance does not eliminate the owner’s right to construct a commercial structure on the property.

IV. RECOMMENDATION

City staff finds the proposal does not comply the applicable Variance criteria and recommends the Planning Commission deny the request.

V. PLANNING COMMISSION ACTION

- A. The Planning Commission has the following options:
 1. Deny the application, adopting findings contained in the staff report;
 2. Deny the application, adopting modified findings; or,
 3. Approve the application, establishing findings, and conditions of approval, as to why the application complies with the decision criteria.
- B. Staff will prepare the appropriate Order for the Chair’s signature.