



CITY OF MANZANITA

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BEFORE THE PLANNING COMMISSION OF THE CITY OF MANZANITA ORDER

APPLICANT: Nate Palmer (City Center Development Partners).
LOCATION: The property is located between the east end of Hallie Lane and South 3rd Street (Township 3 North; Range 10 West; Section 29CA; Tax Lot #200).
ZONING: Medium Density Residential (R-2) and High Density Residential (R-3).
REQUEST: Planned Unit Development to construct twenty-six single-family homes.

The above-named applicant submitted a Planned Unit Development application to the City to establish a 26-unit, single-family home planned development. A public hearing on the above request was held before the Planning Commission on May 13, 2024.

THE PLANNING COMMISSION OF THE CITY OF MANZANITA HEREBY ORDERS that the Planned Unit Development request be APPROVED. It adopts the findings of fact and conditions of approval in the attached Exhibit A in support of the decision.

This ORDER may be appealed to the City Council by an affected party by filing an appeal with the City Manager within 20 days of the date specified below. A request for appeal, either as a de novo review or review on the record, must contain the items listed in City Ordinance 95-4, Section 10.160, and may only be filed concerning criteria addressed at the initial public hearing. The complete case is available for review at the office of the City Recorder, 543 Laneda Avenue, Manzanita, Oregon.

Date: 05/14/24 _____

City of Manzanita Planning Commission

Frank Squillo, Vice-Chairperson

EXHIBIT A

I. BACKGROUND

- A. APPLICANT: Nate Palmer (City Center Development Partners).
- B. PROPERTY LOCATION: The property is located between the east end of Hallie Lane and South 3rd Street. There is no property address, and the County Assessor places the property within Township 3 North; Range 10 West; Section 29CA; Tax Lot #200.
- C. PARCEL SIZE: The site contains approximately 1.83 acres.
- D. EXISTING DEVELOPMENT: The vacant subject fronts on South 3rd Street with an access to a second street (Hallie Lane). Public water and sanitary sewer service are available at the site.
- E. ZONING: The property is split zone between the Medium Density Residential (R-2) zone and the High Density Residential (R-3) zone. The site is not located within the identified Dune Overlay and Floodplain Overlay zones.
- F. ADJACENT ZONING AND LAND USE: High Density Residential/Limited Commercial (R-4) zoned land is located to the northwest, north and northeast. To the west is additional R-3 and R-2 zoned property while land to the south is zoned R-2. Land directly east, and to the southeast is zoned R-3. All adjacent property contains single family homes.
- G. REQUEST: The applicant is requesting approval of a Planned Unit Development to construct twenty-six single-family homes.
- H. DECISION CRITERIA: This application will be evaluated against the following provisions in Ordinance 95-4: Section 4.136 - Planned Unit Development; and Section 3.020 - Medium Density Residential (R-3) Zone.

II. APPLICATION SUMMARY

- A. The applicant wishes to create a detached, single-family residential development. Improvements will feature the following:
1. The site will contain a total of twenty-six one and two-story homes. Fourteen homes will be located on the north side of the center private roadway, and twelve on the south side. The homes will be either one-bedroom or two-bedrooms, each home approximately 650 square feet in area.

2. Of the twenty-six homes, eleven will include garages. The north side will include six such homes with three facing 3rd Street and three located on the west side of the property. Similar development on the south side, except that only two homes with garages will be located on the west side.
 3. The roadway dividing the site is 20-feet in width, enters from 3rd Street and runs west, connecting to Hallie Lane. This roadway is private and one-way.
 4. There are two open space areas, one on each side of the roadway. The one on the north is unimproved while the south site contains a recycling building, picnic shelter, and a playground. The plan did not include area dimensions. The submitted site also identifies potential tree or bush planting locations.
 5. The site includes thirty-seven parking spaces. This total includes fifteen shared spaces on the north side of the private roadway and two spaces for each of the eleven homes containing garages.
 6. An interior walkway system will connect the homes, and the homes to the shared parking spaces. There will also be sidewalk along the roadway to Hallie Lane. The site did not include 3rd Street public right-of-way improvements. Specifics will be addressed during the engineering plan review.
 7. The site plan identifies a wildlife permeable cedar fence on the south side of the property. It is not clear from the site plan whether this will continue along the west and north property lines.
 8. A homeowner's association will be responsible for maintaining the property, including garbage pick-up, and establishing housing standards.
 9. Supporting documents include a traffic study and parking analysis by Mackenzie Engineering, and storm drainage recommendations by HBH Consulting Engineers.
- B. The applicant selected the option of developing the site as a residential planned unit development (PUD). For the record, both the R-2 and R-3 zones

permit single family homes [Section 3.010(1)(a) and Section 3.020(1)(a), respectively]. Using the planned development approach effectively allows the creation of a cottage cluster type of development.

- C. Section 4.136 outlines the PUD procedures. In the case of a split zoned property, “. . . requirements shall be guided by the standards that most nearly portray the character of the zone in which the greatest percentage of the planned development is proposed.” As a majority of the site is zoned R-3, standards of the R-3 zone apply. However, while the “base” zone is the R-3, the planned development process allows greater freedom of design. This flexibility includes a request to modify the parking standards.
- D. The applicant intends to eventually subdivide the property, with lots anticipated to be in the 1,500 to 2,500 square foot range. The lot boundaries will depend on the final layout and may require additional modification to the underlying standards such as setbacks and lot coverage. This request is limited to the review of a conceptual plan for a residential planned development with shared open space and parking. This action will include a second hearing to consider the final plan. At that time, the Commission may consider a potential subdivision, including any modifications to the underlying development standards. For the record, if the applicant does not create individual lots, as a PUD, state law still requires a plat to identify the location of each building.
- E. This application and review are only considering the planned development layout, and not the individual buildings. This application does not include a design review for any structure, nor is one required for permitted uses in the R-3 zone. However, the layout does contain proposed building locations, and if approved, the Commission has the authority to condition their decision on the final layout conforming to the proposal, including the relative size and position of the buildings.
- F. The City forwarded the application to affected agencies and area property owners. The Manzanita Department of Public Works indicated public water serves the site, with water mains available at either Hallie Lane or 3rd Street. Nehalem Bay Wastewater Agency confirmed sanitary sewer is available to serve the site. Nehalem Bay Fire & Rescue noted there is adequate water for fire suppression and the 20-foot roadway complies with access guidelines. Tillamook County Housing Coordinator submitted a letter in support of the request. In addition, as of the date of this report, the City has received five

comments from area property owners in support of the project.

III. PLANNED UNIT DEVELOPMENT PROVISIONS

A. Evaluation of the proposal is based on the planned unit development procedures in Section 4.136. The following subsections review these provisions:

1. Section 4.136.1., reviews the purpose of a planned development. Briefly, a "planned development" permits the application of greater freedom of design in land development than may be possible under a strict interpretation of the provisions of this Ordinance.

FINDINGS: This is directly applicable to the request. Instead of a conventional subdivision, the proposal creates a cottage cluster type of project, with smaller homes, shared parking, and shared open space. This would not be possible under the strict interpretation of the Ordinance.

2. Section 4.136.2., establishes the following standards and requirements:

- (a) A planned development may include any uses and conditional uses permitted in any underlying zone. Standards governing area, density, yards, off-street parking, or other requirements shall be guided by the standards that most nearly portray the character of the zone in which the greatest percentage of the planned development is proposed.

FINDINGS: The proposal establishes single family homes, a use previously identified as permitted in the R-3 zone. Further, the R-3 zone establishes the base requirements, that per Section 4.136.1, an applicant may modify.

- (b) The developer may aggregate the dwellings in this zone in "cluster" or multiple-dwelling structures so long as it does not exceed the density limits of the Comprehensive Plan.

FINDINGS: The plan clusters detached single-family homes, although a future subdivision is possible by applying the same PUD provisions and flexibility to the individual lots.

The R-3 zone density in the Comprehensive Plan is fifteen dwelling units per net acres. Under the “Land Use Categories” provisions of the Plan, a net acre is defined as follows:

For purposes of determining allowable density, the term “net acre” shall mean the gross area of an acre parcel less the amount of land needed for public right-of-way or 86% of the gross area of an acre parcel, whichever is greater.

In the case of this site, the applicant is not required to dedicate public right-of-way. Therefore, since dedication is not required, the net acreage of the 1.83-acre site is 1.83 acres. At 15 units per acre, the Plan allows a maximum of 27.45 units. The layout includes twenty-six units, which is below this limit.

- (c) Assurances such as a bond or work agreement with the City may be required to ensure that a development proposal as submitted is completed within the time limit agreed upon by the developer and the commission.

FINDINGS: Bonding is an option available to the City to ensure development of the site.

- B. Section 4.136.3 addresses the Planned Unit Development Procedure. The following procedures shall be observed in applying for and acting on a planned development:

- (a) An applicant shall submit 10 copies of a preliminary development plan to the Planning Commission and notify all property owners within 250 feet of the proposed development by mail.

FINDINGS: The material submitted as part of the application complies with the provisions in this Section. The City provided notice to affected agencies and area property owners per provisions in this Section.

- (b) Prior to discussion of the plan at a public hearing, the City Manager shall distribute copies of the proposal to appropriate City agencies or staff for study and comment.

FINDINGS: Per this item, the City distributed the submitted plans to the Commission prior to the meeting.

- (c) The Planning Commission shall consider the preliminary development plan at a meeting, at which time the comments of persons receiving the plan for study shall be reviewed. In considering the plan, the Planning Commission shall seek to determine that:

- (1) There are special physical conditions of objectives of development which the proposal will satisfy to warrant a departure from the standard ordinance requirements.

FINDINGS: The site's topography does not create any special limitations on development. However, the type of proposed housing - small cottages with shared open space – can only develop through the planned unit development process. Item "D." below, reviews compliance or changes to the standard ordinance requirements.

- (2) Resulting development will not be inconsistent with the Comprehensive Plan provisions or zoning objectives of the area, particularly with regard to dune stabilization, geologic hazards and storm drainage.

FINDINGS: Ordinance 95-4 implements the City's Plan and appropriately zoned the site for residential uses. This project establishes single-family detached homes at a density permitted by the Plan and is therefore consistent with the intended use.

- (3) The area around the development can be planned to be in substantial harmony with the proposed plan.

FINDINGS: All adjacent parcels contain single family homes. The proposed project is consistent with this pattern of development, with the only difference being the style of homes.

- (4) The plan can be completed within a reasonable period of time.

FINDINGS: It is the City's understanding that the applicant intends to develop the project in a single phase. The Commission retains the authority to place reasonable

constraints on the timing of activities.

- (5) The streets are adequate to support the anticipated traffic and the development will not overload the streets outside the planned area.

FINDINGS: The applicant submitted a traffic study addressing this issue. The report provides the following summary:

All study area intersections are expected to operate at acceptable levels per ODOT and City standards with the addition of site trips, and vehicle queues will not exceed available storage. Pedestrian and bicycle facilities in the project area will encourage use of these alternate travel modes and help to reduce the slight impact that peak hour vehicle travel will have on 3rd Street or Hallie Lane. The paved conditions of 3rd Street should be capable of handling the additional vehicular traffic from the proposed development. Hallie Lane is currently unpaved, and if the site was in a normal urban/suburban area, it would be expected to experience 60 daily trips. This would be approximately five (5) trips an hour, if it is assumed they occur during half (12 hours) of the day. However, considering that most residents of the proposed development will predominantly travel using alternative modes, the undeveloped conditions of Hallie Lane should be able to withstand the minor increase in daily trips. Therefore, we are not recommending improvements to 3rd Street or Hallie Lane. Sight distances from the driveways and parking spaces on 3rd Street are available in excess of 250 feet. At the intersection of Hallie Lane with Carmel, vegetation at the northeast corner could be trimmed to improve sight distance to the north.

Effectively, the analysis concluded the limited traffic generated by the development, and in conjunction with available bicycling and walking alternatives, does not significantly impact the local street system to where improvements are required. Finally, as previously noted, any improvements along 3rd Street will be determined by the City as part of any civil engineering plan

submittals.

- (6) Proposed utility and drainage facilities are adequate for the population densities and type of development proposed.

FINDINGS: The applicant submitted a storm water routing plan for the development. Compliance with this provision will be determined when engineering plans are submitted, and for the record, development cannot proceed unless the submitted engineering plans comply with City, and affected agency, engineering standards.

- (d) The Planning Commission shall notify the applicant whether, in its opinion, the foregoing provisions have been satisfied and, if not, whether they can be satisfied with further plan revision.

FINDINGS: This is a procedural requirement, whereby the decision and any conditions of approval are determined at the Commission hearing and the applicant is formally notified by the City.

- (e) Following this preliminary meeting, the applicant may proceed with his request for approval of the planned development by filing an application for an amendment to this Ordinance.

FINDINGS: The purpose of this provision is to identify the site as a planned development on the City's zoning map (see item "(g)" below). In effect, this requires an approved tentative plan to be submitted, reviewed, and eventually recorded.

- (f) In addition to the requirements of this section, the Planning Commission may attach conditions it finds are necessary to carry out the purposes of this Ordinance.

FINDINGS: If approved, this staff report includes a list of recommended conditions for the Commission to consider.

- (g) An approved planned development shall be identified on the zoning map with the letters PD in addition to the abbreviated designation of the existing zoning.

FINDINGS: The City assumes this responsibility for an approved

decision and recording of the plat.

- (h) Building permits in a planned development shall be issued only on a basis of the approved plan. Any changes in the approved plan shall be submitted to the Planning Commission for processing as an amendment to this Ordinance.

FINDINGS: The request does not include specific design standards that would apply to any building permit requirements. However, the layout identifies the location of the various cottages, parking, and open space. The project must conform to this layout unless otherwise modified by this decision.

- D. Section 3.020(3) contains the applicable development standards of the R-3 zone. Now, the Commission is reviewing the site as a single project without individual lots. The final plan may subdivide the lots; however, the subdivision lots must conform to the following standards or be modified as part of the planned development process. The following reviews each standard:

- 1. (3)(a) - The minimum lot size shall be 5,000 square feet for single family or duplexes, plus 2,500 square feet for each additional dwelling unit.

FINDINGS: The current 1.83-acre layout exceeds this requirement. And as previously noted, the layout complies with the underlying density requirement.

- 2. (3)(b) - The minimum lot width shall be 40 feet, except on a corner lot it shall be 60 feet.

FINDINGS: The parcel maintains approximately 280-feet of frontage on 3rd Street, thereby exceeding the minimum 40-foot requirement. As an interior lot, corner lot provisions do not apply.

- 3. (3)(c) - The minimum lot depth shall be 90 feet.

FINDINGS: The subject parcel depth is 285 feet, exceeding the minimum standard.

- 4. (3)(d) - The minimum front yard shall be 20 feet, or the average

setback of buildings within 100 feet of both sides of the proposed building on the same side of the street, whichever is less. For purposes of determining the average setback of buildings, vacant lots within 100 feet of both sides of the proposed building on the same side of the street shall be included and shall be assumed to have a building placed 20 feet from the front lot line to the nearest part of the building. In no case shall the front yard setbacks be less than 12 feet.

FINDINGS: The front yard is located along the 3rd Street, and based on the layout, complies with the 20-foot setback requirement.

5. (3)(e) - The minimum side yard setback shall be 5 feet for the portion of the building at the setback line up to 10 feet in height as measured vertically from average finished grade to the highest point of that portion of the building and shall be 8 feet for any portion of the building where this height is exceeded; except that a roof with a pitch of less than or equal to 8 in 12 may extend upward from the 5-foot setback line to the 8-foot setback line. The street side yard setback of a corner lot shall be 12 feet.

FINDINGS: The side yards are located along the north and south property lines. In both cases, the layout complies with the minimum requirement. However, this may need to increase based on the adjacent building height.

6. (3)(f) - The maximum building or structure height shall be 28 feet, 6 inches. However, if more than one-half of the roof area has a roof pitch of less than 3 in 12, the building or structure height shall not exceed 24 feet. The height of a stepped or terraced building shall be the maximum height of any segment of the building or structure.

FINDINGS: Compliance with this provision will be determined during the review of the building permits for individual structures.

7. (3)(g) - The minimum rear yard setback shall be 10 feet.

FINDINGS: The rear yard is located along the west property line and the structures exceed the minimum requirement.

8. (3)(h) - The maximum lot coverage in the R-3 zone shall not exceed 55%. Less lot coverage may be required in steeply sloping areas or

areas with drainage problems. In all cases, the property owner must provide the City with a storm drainage plan which conducts storm runoff into adequately sized storm drains or approved natural drainage as approved by the Public Works Director.

FINDINGS: Based on the applicant's calculations, the lot coverage is approximately 22%.

9. (3)(i) - In areas of the City without a high-water table, a dry well capable of absorbing the storm runoff of the impervious surfaces of the property shall be provided in accordance with City standards.

FINDINGS: As noted, the applicant submitted a potential storm water plan. Regardless, compliance with this requirement can be addressed when engineering plans are submitted.

- F. The planned unit development provisions do not specifically address parking requirements. Per Section 4.090(3)(a) the parking standard is two spaces per single family home, requiring fifty-two parking spaces for the entire development. The applicant requested a modification of this standard to require only thirty-seven spaces, or 1.42 spaces per unit and submitted an analysis by Mackenzie Engineering, along with additional information, to support this request. A summary of the applicant's responses follows:
 - a. The 15 parking spaces located at the center of the development corresponds to the 15 homes without garages. Assuming the units are owner occupied as either primary or second home, it is unlikely that all units will be occupied at the same time, allowing the available parking to be shared.
 - b. At one or two bedrooms and 650 square foot area, it is likely there are fewer residents, and in turn, fewer automobiles.
 - c. The location is highly walkable to both downtown and the beach, thereby further reducing the need for additional vehicles.
 - d. Mackenzie Engineering conducted car counts during holiday weekends (Memorial Day and July 4) at similar type of developments. The ratio of parked cars to dwelling units was 1.09 vehicles per unit. The study indicated the ratio may be lower as the study assumed a car was parked in every garage space that was closed and not visible.
 - e. Eleven homes contain a garage and an additional parking space which address some of the demand.

- f. The ITE Parking Generation Manual includes data for attached single family homes, which is like a cottage cluster development. The Manual noted this type of housing reduces parking demand and suggested the appropriate ratio is 0.74 parking spaces per bedroom. With this measurement, and with one and two-bedroom units, the parking needs for the entire project would range between 19.24 spaces to 38.48 spaces.
- g. The parking analysis also noted less parking allows for more green space and reduces the amount of pervious surfaces which impacts storm drainage.

On balance, and especially noting items “d.” and “f.” above, the creation of thirty-seven spaces for the entire development appears reasonable.

IV. SUMMARY COMMENTS

- A. Under consideration is a basic layout that establishes the framework for future development of the site. Based on the submitted material and layout, the proposed residential use is allowed, and the buildings meet or exceed setback requirements, although the building height may require an increased side yard setback. Further, the request to modify the parking space requirements appears appropriate.
- B. As actual development details are not finalized, the location and level of public facility improvements cannot be determined to any degree, other than services can be extended to the site. The final location of the homes and number of bedroom units has not been determined, and the applicant is considering subdividing the property to create lots in the 1,500 to 2,500 square foot range. Regardless of whether this site is subdivided, a plat is still required to show the final location of the dwellings and the land area that will be maintained by the homeowner’s association.
- C. Consistent with the requirements in Section 4.316, the applicant will be required to return to the Commission with final plans detailing dwelling location, final facility improvements, and open space improvements to ensure consistency with the approved decision. Further, if a request is made to subdivide the site into individual lots, that plan will need to be submitted. The lots remain subject to the development standards of the R-3 zone, unless otherwise modified as part of the planned development process.

- D. The planned development provisions in Section 4.136 do not establish any time limits for the project, just that the project will be completed within a reasonable amount of time. Staff suggests the Commission limit the approval to two years from the date of the final decision. Within that time, the applicant must submit final design plans, including any request to subdivide the property. This second step requires a new application and processed as a planned development to allow modifications to any development requirements.
- E. During their discussions, the Commission recognized the proposed internal roadway effectively links 3rd Street with Hallie Lane. For this reason, the Commission determined the project should include an easement granting public use of the roadway, limiting access to pedestrian and bicycle use only, no vehicles. The applicant agreed to this provision.

V. RECOMMENDATION AND CONDITIONS OF APPROVAL

City staff finds the proposal complies with the applicable Planned Development criteria and recommends the Planning Commission approve the application subject to the following Conditions:

- A. The preliminary approval shall be limited to the layout submitted, and approved, as part of this application.
- B. The applicant shall return with a final design plan for the Planning Commission to review. The plan shall substantially conform to the approved plan, including location of the roadway and shared parking, and include the following information:
 - 1. The location of each dwelling, including building area, number of bedrooms and number of stories.
 - 2. The location of open space, with specific renderings or plans of any improvements, such as the picnic area and children's playground.
 - 3. Landscaping plan for the site.
 - 4. Preliminary engineering plans for the entire development with sufficient detail to the satisfaction of the City Department of Public Works that the required improvements are feasible.
 - 5. The location and design of any fencing.
 - 6. A copy of the proposed homeowner's association, including provisions establishing a public easement on the proposed roadway for limited to pedestrians and bicycles.
- C. If the applicant intends to subdivide the site into individual lots, the final design

plan shall include the subdivision request and preliminary plat. The lots shall comply with the development standards of the R-3 zone, unless otherwise modified as part of the planned development process.

- D. Compliance with the Conditions of Approval shall be the sole responsibility of the applicant.