



CITY OF MANZANITA

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STAFF REPORT

TO: Manzanita Planning Commission

FROM: Walt Wendolowski, City Contract Planner

SUBJECT: Staff Report – Planning File# 25030
Heron's Rest Subdivision

DATE: May 16, 2025

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 (79,700 square feet).
- D. **EXISTING DEVELOPMENT:** The vacant subject fronts South 3rd Street with an access to a second street (Hallie Lane). Public water and sanitary sewer services 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 there 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:** To establish a 26-lot single-family residential subdivision within the approved Herron's Rest Planned Unit Development.

- H. DECISION CRITERIA: This application is evaluated against the criteria listed in Ordinance 95-4, Section 4.136 (Planned Unit Development); and Ordinance 95-5, Sections 6 to 23 (Subdivisions).

II. APPLICATION SUMMARY

- A. The applicant received approval of a planned unit development (PUD) for detached single-family residences. Planned improvements included the following:

1. The site includes twenty-six one and two-story homes. The homes will be either one-bedroom or two-bedrooms, each home approximately 650 square feet in area.
2. 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. There will also be sidewalk along the roadway to Hallie Lane with additional improvements along the 3rd Street public right-of-way.
3. 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. An interior walkway system will connect the homes, and the homes to the shared parking spaces and open areas.
4. 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.
5. A homeowner's association will be responsible for maintaining the property, including garbage pick-up, and establishing housing standards.

The applicant selected developing the site as a PUD as this option allowed modifications to the development standards and the creation of a cottage cluster type of development.

- B. As part of the original PUD application, the applicant also stated his intent to potentially divide the property, subsequently submitting the following subdivision proposal:

1. The layout contains 26 lots, corresponding to the previously identified number and location. Lots will range in size from 1,213 to 2,645 square feet.

Of the 26 lots, 13 lots range in size from 1,500 to 2,000 square feet, 12 exceed 2,000 square feet, and one is less than 1,500 square feet. The larger lots are primarily located along the east and west side of the property.

2. The project will occur over three phases. Phase 1 includes the six lots along 3rd Street, the second Phase are the 15 homes fronting the open space areas on either side of the roadway, and the last phase includes the five lots on the west side of the site.
 3. Except for the proposed subdivision creating the individual lots, there are no other changes to the original proposal. The interior roadway connects 3rd Street to Hallie Lane, the 37 approved parking spaces will remain, as will the proposed open space areas, and facility improvements.
 4. Affected agencies reviewed the original request. 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. As there is no change in the number of homes or the basic layout, staff finds the original supporting documents remain valid for this proposal.
- C. As noted in the original report, a PUD requires a plat. In this situation, the boundary lines follow the foundation footprints and identify shared open space. A standard subdivision also requires platting. The only difference is that the current subdivision proposal includes additional private yard areas for each home. The subdivision plat will still identify all shared spaced maintained by the homeowners' association.
- D. This is an unusual application in that a subdivision proposal is being "overlayed" on an approved planned unit development. Ordinance 95-5, Section 2 states the purpose of the Land Division Ordinance is to ". . .enact subdivision and land partitioning regulations for the City. . ." There are no limitations as to zones or types of uses. Provisions in Ordinance 95-4, Section 4.136 do not directly address land divisions in a PUD. However, a PUD permits a "greater freedom of design in land development" than otherwise permitted. This includes development standards such as parking, building height, setbacks, lot area, and so forth.
- E. On balance, neither Ordinance places special limitations nor requirements on subdividing a planned unit development. Further, recognizing the underlying

development is a PUD, the flexibility afforded such development would logically apply its division. Therefore, the subdivision does not require strict adherence to the R-3 zones development standards. *(NOTE: While split-zoned R-2 and R-3, Section 4.136 states the larger zone guides the requirements, in this case, the R-3 Zone.)*

III. SUBDIVISION

- A. Sections 6 to 23 of Ordinance 95-5 address subdivision requirements, each addressed below. Where applicable, findings will address issues related to planned unit developments. Finally, a significant portion of the material addresses submittal requirements and procedures. This report only briefly summarizes these sections, along with supporting findings.
- B. Section 6 - Initial Submission. This Section requires the subdivider to prepare a tentative, submit copies of the plan to the City, and pay the appropriate fees.

FINDINGS: The application and process comply with this Section.

- C. Section 7 - Preliminary Review. After the submittal of the tentative plan, the City sends copies to affected departments and agencies with a request to review the proposal and submit comments. The Commission then conducts a hearing and determines whether the tentative plan conforms to the applicable regulations. The tentative

FINDINGS: Again, the application and process comply with this Section.

- D. Section 8 - Tentative Plan Scale. The plan must be to a scale of 1"=50' and placed on a 2'x4' sheet. The Commission may accept a modified scale and map size.

FINDINGS: The submitted scale was 1"=20' which by comparison provides greater detail. The application complied with the map size requirement.

- E. Section 9 - Information on Tentative Plan. This Section lists all the tentative plan requirements such as plan date, ownership, location and dimensions of lots, facilities, contours and similar.

FINDINGS: The submitted material complied with provisions in the Section. This conclusion is also based on the information provided in the original application, Planning File #24001. and process comply with this Section.

- F. Section 10 - Partial Development or Phasing. If the subdivision proposal pertains to only part of the tract owned or controlled by a subdivider, the Planning Commission may require a sketch of a tentative layout for streets in the subdivided portion. The subdivider may elect to subdivide the property in phases; in which case the Planning Commission shall review each phase to insure that they are consistent with the original proposal.

FINDINGS: The applicant indicated the project will occur over three phases and submitted a supporting plan. Phase 1 includes the six lots along 3rd Street, the second Phase are the 15 homes fronting the open space areas on either side of the roadway, and the last phase includes the five lots on the west side of the site.

The tentative plan is compact, and the phasing plan is simple. For this reason, it is appropriate to review the layout as a complete 26-lot subdivision but allow the developer to submit final plats as the project develops and not require a separate hearing for each phase.

- G. Section 11 - Information in Statement. The tentative plan must include information regarding utilities, drainage, common areas, restrictive covenants statements, trees, and similar improvements.

FINDINGS: The applicant submitted the supplemental information required by this Section. This included information submitted as part of the original PUD request.

Section 11 allowed the City Manager to review the tentative plan along with affected departments and agencies, effectively by-passing the Commission. However, since this is a subsequent development proposal for a project initially approved by the Commission, this procedure was not an option.

- H. Section 12 - Supplemental Proposals with Tentative Plan. The City Manager may request additional information including center-line profiles, geological hazard reports, and wetland studies.

FINDINGS: Staff concluded additional center-line and geohazard information was unnecessary. A previous review determined there were no wetlands on the site.

- I. Section 13 - Planning Commission Determination. The Planning Commission shall determine whether the tentative plan is in conformity with the provisions of law and of City ordinances and standards. The Planning Commission may approve the tentative plan as submitted or modified. If the Planning Commission does not

approve the plan, it shall deny the plan and its reasons for the denial.

FINDINGS: For the record, Section 3.020(3) contains the residential development standards of the R-3 zone and include the following:

(3) Standards. In an R-3 zone the following standards shall apply:

- (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.
- (b) The minimum lot width shall be 40 feet, except on a corner lot it shall be 60 feet.
- (c) The minimum lot depth shall be 90 feet.
- (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'.
- (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. 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.
- (f) The minimum rear yard setback shall be 10 feet.
- (g) 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.
- (h) 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.

Except for the building height, and potentially a few setbacks and lot dimensions, the proposed lots do not conform with the development standards. But as a planned unit development, the Commission may allow modification to the requirements in Section 3.020(3) to promote “greater freedom of design.”

As noted earlier, planned unit developments require platting. For a PUD, the boundary lines would follow the foundation footprints and identify shared open space. Standard subdivisions also require platting. The only difference between the two is that this current proposal includes additional land for each home to create private yard space.

To allow the modifications to the standards is within the authority of the Commission. Given that the subdivision layout conforms with the original building numbers and location, and location of the roadway, parking, and open space, allowing private yard space for the individual homes is a minimal revision and remains consistent with the project’s approval as a cottage cluster development. The change only increases the area devoted to individual, private ownership without altering the location or availability of the shared facilities.

- J. Section 14 - Submission of Subdivision Plat. This Section requires the submittal of the final plat within one year after approval of the tentative plan, along with the specific submittal requirements. The Commission may grant a one-year extension.

FINDINGS: If approved, the applicant is subject to these provisions.

- K. Section 15 - Form of Plat. The subdivision plat must comply with the applicable provisions in ORS Chapter 92.

FINDINGS: The County surveyor determines compliance with this provision.

- L. Section 16 - Information on Final Plat. This Section lists required information on the final plat.

FINDINGS: As with Section 15 above, information on the plat is subject to provisions in ORS Chapter 92 and reviewed for compliance by the County Surveyor.

- M. Section 17 – Certifications. This Section identifies the certifications required on the final plat.

FINDINGS: Again, as with Section 15 above, information on the plat is subject to provisions in ORS Chapter 92 and reviewed for compliance by the County Surveyor.

- N. Section 18 - Supplemental Data. This Section lists additional information required by the subdivider. This includes title report, technical calculations, copy of the deed restrictions, taxes and assessments, and information on water rights.

FINDINGS: The subdivider is responsible for submitting this information which the County reviews.

- O. Section 19 - Technical Review. City staff must review the final plat for compliance with the Commission decision and conformance to technical requirements.

FINDINGS: City staff is responsible for administering this requirement. If the plat fully complies with all the requirements, staff forwards the plat to the Commission for acceptance.

- P. Section 20 - Final Approval of Planning Commission. The Commission reviews the plat to determine conformance with the tentative plat and applicable conditions of approval.

FINDINGS: This is part of the final review process. Effectively, City staff reviews the final plat for conformance with the tentative plat and compliance with conditions. Final approval requires Commission concurrence with the recording is subject to agreement and bonding provisions found in Sections 21 and 22, respectively. Afterwards, the only Commission requirement is a final signature by the Commission Chair.

- Q. Section 21 - Agreement for Improvements. Improvements must be installed prior to approval of final plat or an agreement executed to complete such improvements within a specified time. If the work is not completed within the specified period, the City may complete the work and recover the full cost and expense,

FINDINGS: This is a technical requirement administered by the City.

- R. Section 22 – Bond. All public improvements require the submittal of a bond. This Section outlines the bonding requirements and penalty provisions for failure to perform.

FINDINGS: As with Section 21, this is a technical requirement administered by the City. Bonding ensures the installation of required improvements and in compliance with the approved decision and technical requirements.

- S. Section 23 - Filing of Final Plat. After all required parties sign the final plat, the subdivider may record the document with the County and a copy forwarded to the City.

FINDINGS: This is a technical requirement administered by the City. It is the subdivider's responsibility to obtain the necessary signatures and record the document in a timely manner.

IV. SUMMARY COMMENTS

- A. As noted earlier, this is unusual application. Complicating matters somewhat, is neither Ordinance 95-4 nor Ordinance 95-5 specifically address this situation. However, PUD provisions clearly allow, if not encourage, a "greater freedom of design" which this small lot subdivision proposal follows.
- B. There is only one significant change between the original PUD proposal and the current subdivision request. The boundaries of private ownership extend to include private yard space. Otherwise, no changes occur. The number of homes and their location remain, as does the roadway, open space, and associated improvements. This is the same layout previously approved by the Commission with only a change in the area devoted to private ownership.

V. RECOMMENDATION AND CONDITIONS OF APPROVAL

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

- A. Unless modified, the subdivision approval shall be limited to the layout submitted as part of this application, including provisions the private roadway, open space, facility improvements, and parking as part of PUD File #240001.

- B. The developer shall have the option of recording the project in three phases as identified in the application.
- C. Prior to construction, the applicant shall:
 - 1. Submit an engineering plan for the entire development to the Manzanita Department of Public Works for review and approval. The engineering plan shall include information concerning water, storm water, street improvements, easements, and other information necessary to indicate conformance with City standards.
 - 2. Submit sanitary sewer engineering plans to the Nehalem Bay Wastewater Agency for review and approval.
 - 3. Construction shall not proceed until respective agencies approve all engineering plans.
- D. After receiving approved engineering plans, and prior to recording of the final plat, the developer shall complete the following:
 - 1. Install public and private services within the subdivision as well as any required off-site improvements. All improvements shall comply with the standards and requirements of the City of Manzanita and the Nehalem Bay Wastewater Agency.
 - 2. The applicant shall have the option of installing facility improvements in phases provided the City approves engineering plans for the entire project. Facility improvements shall be in place, and functioning, for each phase and so located or improved as to allow continuation into the subsequent phase(s).
 - 3. Enter into agreement and/or bonding measures with the City of Manzanita per Ordinance 95-5, Section 21, and Section 22.
- E. Upon completion of public facility improvements, a final plat, complying with provisions in ORS Chapter 92, shall be completed by a registered land surveyor and recorded within one year of the final decision. The final plat shall conform to the proposed layout. City review and recording of the final plat shall be subject to applicable provisions in Manzanita Ordinance 95-5.

- F. Unless specifically amended by this decision, compliance with provisions in PUD File #24001 shall remain.
- G. Compliance with the Conditions of Approval, applicable provisions of Ordinances 95-4 and 95-5, and applicable agency engineering design and construction requirements, shall be the sole responsibility of the applicant.

V. PLANNING COMMISSION ACTION

- A. The Planning Commission has the following options:
 - 1. Approve the application, adopting findings and conditions contained in the staff report;
 - 2. Approve the application, adopting modified findings and/or conditions;
 - 3. Deny the application, establishing findings as to why the application fails to comply with the decision criteria.
 - 4. Continue the hearing to a date and time certain.
- B. Staff will prepare the appropriate document for the Chair's signature.