



CITY OF MANZANITA

167 S 5th Street - Manzanita, Oregon 97130
P.O. Box 129, Manzanita, OR 97130-0129
Phone (503) 812-2514 | Fax (503) 812-2514 | TTY Dial 711
ci.manzanita.or.us

STAFF REPORT

TO: Manzanita Planning Commission

FROM: Walt Wendolowski, Contract Planner

SUBJECT: Planning File 25089 – Commercial Design Review

DATE: December 3, 2025

I. BACKGROUND

- A. **APPLICANT:** Adrift Hospitality.
- B. **PROPERTY LOCATION:** The subject site is located on the southeast corner of the intersection of Laneda Avenue and Carmel Avenue. Merton Lane borders the site along the south. The property address is 114 Laneda and the Assessor map places the property within Township 3 North; Range 10 West; Section 29BD; Tax Lot #17900.
- C. **PARCEL SIZE:** The subject site contains 17,280 square feet.
- D. **EXISTING DEVELOPMENT:** The lot contains The Spinn-Manzanita hotel and the El Trio Loco restaurant, fronts along three public streets, and served by public sewer, water, and storm facilities.
- E. **ZONING:** The property is split-zoned, with the north half Commercial (C-1) and the south half High Density Residential/Limited Commercial (R-4).
- F. **ADJACENT ZONING AND LAND USE:** Property to the west, north and east is also zoned C-1 and includes a mix of commercial businesses. Land to the south is zoned R-4 and contains single family homes located along Merton Lane.
- G. **REQUEST:** The applicant is requesting Design Review approval to construct a café within the lodging facility.
- H. **DECISION CRITERIA:** The decision criteria include the following standards: Ordinance 95-4, Sections 4.080, 4.090 and 4.137 through 4.156; and the Commercial (C-1) zone in Ordinance 95-4, Section 3.040.

II. APPLICATION SUMMARY

- A. The subject property contains The Spinn hotel facility and an adjacent restaurant. The applicant wishes to modify the interior of the hotel facility to create a small café. Per the application:
1. The applicant will combine the former manager's apartment and the adjacent office to create a new cafe and lobby area. This area will serve multiple functions: guest check-in, a communal area for guests, and a public-facing cafe.
 2. The cafe will offer counter service, with espresso drinks, cocktails, and food items such as crepes, salads, and boards. This café will accommodate hotel guests and be open to the public.
 3. Seating capacity is 30 seats. Planned hours of operation are minimum of 8 AM to 8 PM, seven days a week, with the potential to extend hours until 10 PM on weekends and during peak tourist season. Health department and liquor license approvals are in place.
 4. The renovation involves minimal physical alterations, primarily focusing on upgrading existing electrical, plumbing systems, and opening non-load-bearing walls. There will be no changes to the building's overall footprint or exterior. Upon completing the renovations, the café will occupy 972 square feet of area.
 5. The site plan shows 13 rooms with 19 parking spaces with a proposed ADA parking space in the northeast corner of the site.
 6. While the building structure contains El Trio Loco restaurant (1,510 square feet), the proposed improvements do not involve El Trio. However, parking calculations must include this restaurant.
- B. City sent notice of this application to area property owners and affected agencies. The applicant submitted comments from Nehalem Bay Wastewater and Nehalem Bay Fire and Rescue. The City did not receive additional comments at the time of this report.
- C. As noted, the site is split-zoned. The C-1 zone allows hotels, including associated drinking establishments [Section 3.040(1)(i)]. The R-4 zone allows hotels, subject to a conditional use application and approval [Section 3.025(2)(e)]. The proposal is limited to the C-1 portion of the hotel.
- D. Comments noted under findings will show the existing building is non-conforming as to setbacks, landscaping, and potentially the floor-area-ratio. Section 7.040 states the following:

“A structure conforming as to use but nonconforming as to height, yard requirements, lot coverage, equipment, its location on the lot or other requirements concerning the structure may be altered or enlarged provided the alteration or enlargement conforms to the current requirements of this Ordinance and the altered or enlarged building or buildings do not result in additional nonconformity.”

The alterations will occur within the interior of the structure; there is no change to the building footprint. Therefore, the above identified non-conforming uses will not increase in non-conformity. However, as the alterations add a new use to the site the project needs to evaluate parking requirements.

III. CRITERIA AND FINDINGS –DESIGN REVIEW

A. Section 3.040(3) of Ordinance 95-4 contains the development requirements for the C-1 zone. The following summarizes items applicable to the request:

1. The existing building does not meet the 10-foot front yard (Laneda Avenue) or 5-foot side yard (Carmel Avenue) setbacks. However, proposal does not alter the building footprint and increase nonconformity.
2. The building does not exceed the maximum 28.5-feet height limit.
3. The C-1 zone requires a minimum of 10% landscaped area. This may include vegetation, walkways, benches, and similar improvements. The site plan does identify any landscaped area. As the modification will not eliminate landscaping, the proposal does not increase the site's non-conformity. Therefore, landscaping improvements are not required for the project. Finally, for the record, the R-4 zone does not have a landscaping requirement.
4. Signs, awnings, marquees, and sidewalk coverings shall extend not more than 10-feet from a building or more than 5 feet over a sidewalk, whichever is less. No part of the building violates these limitations.
5. The site drains toward an existing storm drainage improvement in Laneda Avenue. On-site detention is not required.
6. The Ordinance requires a design review, which is addressed in the following sections of this report.
7. The C-1 Zone Floor Area Ratio is 0.65. Again, the building is pre-existing, and the proposal does not expand the building footprint and the existing floor-area-ratio.
8. Signs must conform to Ordinance requirements. The proposal does not include a change in signage. However, the applicant may address this requirement as a separate permit.

The applicant modifies the interior of the existing building. While a pre-existing non-conforming structure, the proposal will not increase the nonconformity of the previously identified items. Therefore, the application conforms to the C-1 zone requirements.

- B. Section 4.080 establishes the City's parking requirements. It specifically notes that "(A)t the time a new structure is erected, or the use of an existing structure is changed or enlarged, off-street parking spaces, loading areas and access thereto shall be provided as set forth in this section unless greater requirements are otherwise established."

FINDINGS: The proposal changes the building's use by adding a café. With this addition, parking must now accommodate both the existing hotel, and restaurant, and the new café. For a hotel, Section 4.090.3.(a) requires one space for each unit of 400 square feet or less, and 2 spaces for a manager's unit. For the café and restaurant, Section 4.090.3(c) requires one space per 400 for each 400 square feet of gross area.

The hotel contains 13 units – all less than 400 square feet in area - and a manager's office, thereby requiring 15 spaces. The 972 square foot café and 1,510 square foot restaurant require 6.205 spaces or 6 spaces rounded to nearest whole number. Therefore, a total of 19 parking spaces are required. The site contains 20 spaces plus one tentatively identified ADA space. Per the Building Code, one ADA van space is required for developments requiring 1 to 25 vehicle parking spaces. The applicants will therefore be required to install an ADA van space.

- C. Provisions in Sections 4.137 to 4.142 address site plan reviews (4.137), the use of fill for structural elevation (4.138), parking structures in the front yard (4.141) and matters regarding trees (4.142).

FINDINGS: This application and process are consistent with provisions in Section 4.137 which describe the submittal requirements. Fill is not required for the internal modification (Section 4.138). Parking spaces are in the side yard (Section 4.141). There are no existing trees on site, but as a pre-existing nonconforming development, none are required (Section 4.142).

- D. Section 4.150 identifies the purpose of the design review process:

"The purpose of Sections 4.150 through 4.158 is to provide design standards for commercial and mixed-use development in Manzanita's commercial zones and in the High Density Residential/Limited Commercial zone. Design review provides aesthetic judgment over development projects in order to maintain the unique character of the community by keeping buildings to human scale and reflecting the natural beauty of the city's setting, to encourage the traditional style of the Pacific Northwest, and to protect the viability of the commercial zones. The standards provide for originality, flexibility and innovation in site planning and development and encourage development where structures, use areas, artistic expression and site elements are integrated in a manner that is harmonious within the site and with adjacent properties. Design review criteria shall be applicable to all new construction, alteration of site improvements, or exterior alteration of commercial and mixed-use development in the C-1, LC, and R-4 zones."

FINDINGS: Section 4.150 seeks to determine whether the proposal maintains the unique characteristics of the community. In this case, the building is pre-existing and the proposal will not modify or alter the building's exterior.

- E. Section 4.151 lists applicable definitions while Section 4.152 identifies when a design review is required. The definitions are applicable to the design review process but do not by themselves establish design criteria (Section 4.151). Finally, as noted, a design review is required as the proposal involves the establishment of a new use (Section 4.152).
- G. Section 4.153 outlines the review procedures. The City held a pre-application conference, and the applicant submitted the required material. Further, the City mailed notice of the hearing to area property owners in compliance with applicable provisions.
- H. Section 4.154 outlines the purpose behind the design review criteria. This Section states *“(T)he design review criteria are intended to provide a frame of reference for the applicant in the development of site, building and landscape plans and to provide the city with a means of reviewing proposed plans. These criteria are not intended to be inflexible requirements nor are they intended to discourage creativity or innovation. The criteria do not intend to specify a particular architectural style.”* Further: *“(T)he Design Review Board is not authorized to approve projects which do not adhere to specific development standards provided by this ordinance (e.g., building height or setbacks.)”*
- I. Section 4.155 contains the specific decision criteria; the following items review each requirement:

- 1. In terms of setback from street or sidewalk, the design creates a visually interesting and compatible relationship between the proposed structure and the surrounding area.

FINDINGS: The proposal does not alter the building's existing setbacks.

- 2. The design incorporates existing features such as rocks, slopes, and vegetation.

FINDINGS: The site does not contain any existing natural features.

- 3. Where appropriate, the design relates or integrates the proposed landscaping/open space to the adjoining space in order to create pedestrian pathways and/or open system that connects other properties.

FINDINGS: This factor does not apply as the proposal involves only interior modifications.

4. The design gives attention to the placement of storage or mechanical equipment so as to screen it from view.

FINDINGS: The proposal does not place additional electrical and mechanical equipment on the building which requires screening.

5. All functions, uses and improvements are arranged to reflect and harmonize with the natural characteristics and limitations of the site and adjacent properties.

FINDINGS: This factor does not apply as the proposal is limited to interior modifications.

J. Section 4.156 contains the decision criteria evaluating architectural and landscaping design; the following reviews each item:

1. The design integrates and harmonizes the existing and proposed development with the existing surroundings and future allowed uses. This standard shall be applied in a manner that encourages village design and visual diversity within development projects and the surrounding area. Corrugated siding is prohibited as it does not harmonize with siding used on most existing buildings.

FINDINGS: This factor does not apply as the proposal does not alter the exterior of the building.

2. The landscape design acknowledges the growing conditions for the climatic zone, and provisions are made for the survival and continuous maintenance. The landscape design shall include the use of local native species of trees and shrubs.

FINDINGS: Based on prior findings, as a pre-existing nonconforming use, additional landscaping is not required.

3. The minimum lot area required to be landscaped under Section 3.040(3)(d) for commercial, mixed use, or non-residential uses shall be located in the front and side yards and the portion of the lot adjacent to the front or street side yards and not within the foundation footprint or rear yard. Living plant material shall cover at least 50% of this required minimum landscape area. For corner lots, at least 25% of the living plant material required by this section shall face each street frontage.

FINDINGS: As above, landscaping improvements are not required for the pre-existing building site.

4. [Reserved]

5. The grading and contouring of the site, and on-site drainage facilities, shall be designed so there is no adverse effect on neighboring properties or public rights-of-way.

FINDINGS: Grading or contouring is not required to create a detention basin or otherwise accommodate storm drainage.

6. The design avoids monotony and provides visual interest by giving sufficient attention to architectural details and to design elements.

FINDINGS: There proposal will not alter the building's exterior.

7. The design adequately addresses the pedestrian nature of the commercial area and places structures in relation to sidewalks and open areas to foster human interaction.

FINDINGS: There is an existing 165 square foot building entrance adjacent to the street. Otherwise, additional improvements are not planned, nor required.

8. Lighting is non-industrial and non-invasive in character and contributes to the village character.

FINDINGS: The project does not include additional exterior lighting.

9. Compatibility. All new commercial and mixed-use buildings and exterior alterations shall be designed consistent with the architectural context in which they are located. This standard is met when the Design Review Board finds that all of the criteria in a.- c., below, are met.

- a. There is compatibility in building sizes between new and existing commercial and mixed use buildings;
- b. The size, shape and scale of the structures are architecturally compatible with the site and with the village character of the surrounding neighborhood. Particular attention will be paid to addressing the visual impact of the structures on residential uses that are adjacent or on the opposite side of the same street.
- c. All buildings and developments shall provide human scale design. The design avoids a monolithic expanse of frontages and roof lines, diminishes the massing of buildings by breaking up building sections, and/or by use of such elements as visual planes, projections, bays, dormers, second floor setbacks or changes in the roof line, and/or similar features generally shown in the following figure (see Ordinance). Changes in paint color and features that are not designed as permanent architectural elements, such as display

cabinets, window boxes, retractable and similar mounted awnings or canopies, and other similar features will not independently satisfy this criterion.

FINDINGS: Compatibility is not at issue as the proposed improvement occurs within an existing structure and does not alter the exterior.

- K. Section 4.158 includes provisions on performance assurance, including building permit requirements and time limitations.

FINDINGS: These are administrative requirements applicable to both the City and applicant.

- L. As the above findings indicate, most design standards do not apply as all the improvements to accommodate the new café will occur within an existing structure. The modifications will not expand the building's footprint, nor will they require changes to the building's exterior. The primary issue is one of parking to accommodate a new cafe. As the findings indicate, there is sufficient parking on site, provided the applicants include an ADA van space.

IV. RECOMMENDATION AND CONDITIONS OF APPROVAL

City staff finds the proposal can comply with the applicable Design Review criteria and recommends Planning Commission approval subject to the following Conditions:

- A. The developer shall submit a building permit for construction of the interior improvements, conforming to the applicable building code requirements. The submitted site plan shall substantially conform to the approved proposal. The submitted plans shall include a site plan identifying one ADA van space complying with Code requirements.
- B. Prior to receiving occupancy approval, the developer shall install the required ADA parking improvement complying with the approved building plans.
- C. The interior modifications shall comply with the building permit requirements and conform to the submitted site plan. The applicant is advised that modifications to this approval may require a new application and decision.
- D. Compliance with these conditions, the requirements of the Manzanita Zoning Ordinance, Nehalem Bay Wastewater Agency, Nehalem Bay Fire & Rescue, Tillamook County Health, and applicable liquor licensing regulations shall be the sole responsibility of the developer.

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; or
 4. Continue the matter to a date and time certain to obtain additional testimony.
- B. Staff will prepare the appropriate document for the Chair's signature.