

Planning Commission
Public Meeting
May 7, 2018

Hood River City Hall
Council Chambers
211 2nd Street
5:30 p.m.

PRESENT: Vice Chair Arthur Babitz, Bill Irving, Sue Powers, Mark Frost, Tina Lassen

ABSENT: NA

STAFF: Planning Director Dustin Nilsen, Senior Planner Kevin Liburdy, Associate Planner Jennifer Kaden, Planning Department Administrative Assistant Bobbie Van Tassel

I. CALL TO ORDER: Vice Chair Arthur Babitz at 5:30pm

PLANNING DIRECTOR'S UPDATE:

Planning Director Dustin Nilsen informed the Planning Commission that on May 14, 2018 the City Council will be interviewing candidates for two open positions on the planning commission, to replace both Nikki Rohan and Casey Weeks. Nilsen also provided an update on the Morrison Park rezone LUBA appeal, and a decision from the court is anticipated within the month.

II. PUBLIC HEARINGS:

A. File No. 2017-38, Westcliff Lodge: Continuation of hearing from April 2, 2018

Vice Chair Arthur Babitz read the procedural script. Babitz asked the Planning Commissioners if there were any disclosures of bias, conflict of interest, or ex-parte contact. No Commissioners disclosed ex-parte contact, conflict of interest, or bias.

Babitz asked the audience and commissioners if they would like to challenge any commissioners. There were none.

STAFF REPORT:

Senior Planner, Kevin Liburdy, explained this hearing is a continuation of the April 2, 2018 hearing regarding a net increase of 65 new motel units for a total of 122 units, plus a banquet facility. Construction and demolition are proposed to be phased over a five-year period as explained in the staff report. As addressed in the addendum to the staff report, new information was provided for the proposed maintenance building as well as more details about phasing. The applicant is considering installing infrastructure in the first phase to accommodate up to 180 units, and may return to the Planning Commission in the future

with an application to amend the currently proposed master plan and add more motel units. Staff recommends approval of the application as described in the addendum to the staff report, including revisions to the first condition of approval.

Commissioner Bill Irving asked Liburdy to explain the master plan.

Liburdy explained the applicant's original proposal. The staff report suggests that the decision will be valid up to five years. After the initial phase, the remaining phases are to be reviewed by staff as administrative decisions to ensure consistency with the master plan and applicable standards. The applicant would not need to come back to the Planning Commission unless an amendment to the master plan is proposed.

Commissioner Mark Frost asked staff about the administrative review process.

Liburdy responded that notices are mailed to affected property owners as a part of the administrative review.

Commissioner Sue Powers asked staff for more information about utilities.

Liburdy responded that a water line is proposed to be looped through the site to serve the new buildings. The applicant will work with the Fire Marshal and Ice Fountain Water District to ensure there is sufficient water to serve the project at build out.

APPLICANT TESTIMONY:

Grant Polson, 2912 Talon Avenue, Hood River, OR, described using the site to its full potential. The previous plan shows approximately 170 parking spaces but, by adjusting the layout slightly such as by moving stairwells, 180 parking spaces will easily fit. The initial phase will take one year. The intention is to be able to accommodate future potential growth.

Jeff Dellis, 1219 Columbia Street, Hood River, OR stated that taking advantage of maximum building height will allow more motel units in the future. The fire flow requirements, sewer, and traffic analysis will be revised, and the owner may return in the future to modify the Conditional Use Permit for additional rooms. The first phase will include infrastructure and a proposed maintenance building and paved vehicle maneuvering area. There will be a gate for access control and a short fence to dissuade guests from access to the maintenance yard. The siding and roofing materials will match the most recently approved motel building.

Polson described proposed sanitary sewer improvements. The design of the maintenance building and additional proposed buildings will be built similar to the motel building constructed in 2014 with large timber beams and stonework. A future master plan amendment to add more rooms would not impact landscaping or parking. There will be a revised phasing plan and traffic analysis.

QUESTIONS FOR APPLICANT:

Commissioner Sue Powers asked about the traffic analysis.

Polson responded that a revised traffic analysis will be needed.

Vice Chair Babitz asked about the five-year expiration date proposed for the conditional use permit.

Polson explained his satisfaction with this expiration date.

TESTIMONY:

None.

APPLICANT REBUTTAL:

None.

STAFF RECAP:

Liburdy recommended that plans submitted at the hearing for the maintenance building and maintenance yard should be entered into the record as an attachment.

Commissioner Irving asked staff if the applicant will need to amend his original land use application for the maintenance building.

Liburdy stated that the site plan that was submitted with the application depicts the proposed location of the maintenance building. Although details of exterior building materials were not provided until tonight, it should not need to go through a subsequent review process.

Director Nilsen explained the building envelope is depicted on the site plan. This is a refinement, not an amendment or major modification, and therefore is consistent and supportable at this stage.

Vice Chair Babitz asked staff to explain the concept and process of the master plan. Babitz mentioned his concern with vested rights issues and asked if there should be a condition added to address this.

Liburdy suggested providing a better explanation in the findings about the five-year limitation, as well as about expectations for review of structures in future phases through administrative review processes. The timeframe is noted on page 38 of the staff report.

Commissioner Irving asked staff to explain condition no. 1 from the draft conditions of approval.

Liburdy responded that there is an error and a correction is specified in the addendum to the staff report.

Vice Chair Babitz expressed his concern with the 5-year timeframe being mentioned only in the conclusion of the staff report.

Liburdy responded that Condition of Approval #40, on p.42 needs to be amended, as it describes a 2-year time limit.

Vice Chair Babitz closes the hearing at 6:15pm.

DELIBERATIONS:

Frost is comfortable with the five-year master plan but would like to add language clarifying the five-year expiration date.

Commissioners Irving, Lassen, Powers, and Babitz agree with Frost.

Irving reminded the commissioners that the amendment for the proposed maintenance structure will be approved here with the Planning Commission.

MOTION:

Commissioner Irving made a motion to approve the conditional use permit amendment for File 2017-38 with modification of Condition #1 to specify an expansion of 65 motel units, bringing the overall room count to 122, and to amend conditions to clarify the five-year limitation on completion of the master plan.

Commissioner Powers seconds motion.

Motion passes unanimously, 5-0.

- B. File No.: 2018-05 and 2018-06 Amendments to the Hood River Municipal Code – continuation from the April 16th, 2018 hearing (Accessory Dwelling Unit emphasis).

Vice Chair Babitz read the procedural script. Babitz asked the Planning Commissioners if anyone has bias, conflict of interest, or ex-parte contact.

No Commissioners disclosed ex-parte contact, conflict of interest, or bias.

Babitz asked the audience and commissioners if they would like to challenge any disclosures.

No Commissioners were challenged.

STAFF REPORT:

Planning Director Nilsen brought the Commissioners up to speed on discussing code pertaining to Accessory Dwelling Units with City of Bend Planning Department. City of Bend requires a single family dwelling unit with an ADU to provide 3 parking spaces and 24 feet of unobstructed curb. City of Bend code does not allow the creation of a curb-cut to provide parking for ADUs. The Central Business District does not offer a fee in-lieu for off-street.

Frost asked about parking on one side of the street versus parking availability of both sides of the street.

Nilsen stated that Bend's code uses the language "abutting" and "adjacent".

Irving asked for clarification on the proposed exclusions.

Nilsen explained that a deck greater than 18 inches off of the ground, a covered deck, or a front porch with eaves will be counted in the proposal. Nilsen also clarified additional points carried over from the last meeting, including Item D, page 15 – the key components are the elimination of the owner-occupancy requirement, and proof of 12 month lease is no longer recommended. Also, the application fee of an additional one percent to check these annually also is recommended to be eliminated.

Nilsen believes no one has come in to renew their ADU permits within the last 10 years.

Commissioner Frost asked staff to clarify the review fees for ADU applications.

Nilsen responded that the one percent of the building fee is collected by the Building Department.

Commissioner Irving asked staff how the ADU land use is defined and how the process works.

Liburdy responded that ADUs are subject to Chapter 17.23 of the code.

Vice Chair Babitz would like for staff to clarify the difference between an accessory dwelling and renting a room out of a house.

Vice Chair Babitz provided a list of discussion items:

1. Owner/Occupancy requirement
2. Employment requirement
3. Townhouse/Duplex/Triplex eligibility
4. Parking Requirement
5. SDC Charges
6. STR code redundancy/repetition – ADUs are not permitted to be used as STRs

Commissioner Irving asked staff about the owner/occupancy requirement and if living in ADU for the summer and renting out the primary dwelling is permissible under current code.

Nilsen responded that would aid to the elimination of the 12- month lease.

Vice Chair Babitz opened the floor to testimony pertaining to ADUs only.

TESTIMONY:

Kate Hoffman of 801 Oak Street in Hood River, OR stated her concern with the parking requirement. Hoffman outlined the email that she sent, which was added to the record. Hoffman stated her approval of eliminating the parking requirement, as there are alternative modes of transportation. The parking requirement increases the cost of housing and the cost of parking goes to the developer, which trickles down to the buyer.

Susan Crowley of 411 12th Street in Hood River, OR added that non-conforming structures and proper setbacks were her main concerns. Crowley is satisfied with staff's findings to not allow non-conforming structures in setbacks, but is concerned about the idea that the

primary residency requirement being eliminated if it encourages the main property as an investment property financed by the ADU. Crowley also expressed her concerns with non-residents owning houses and letting them sit vacant. The occupancy requirement seems unlawful because it discriminates against the elderly and disabled who are not employed. An ADU should be year-around, not seasonal, allowing the owner to kick the occupant out during the summer to take advantage of renting out the main house during the higher demand months. Parking tandem should be considered before allowing more pavement. Portland has done a lot to push ADUs and make them seem “cool”. Susan is in favor of maintaining SDCs.

Larry Ksionzyk of 1111 7th Street in Hood River, OR agrees with Kate Hoffman and Susan Crowley. Ksionzyk does not agree with the parking requirement, SDC requirement, or the employment requirement. The landowner should pay for utilities, and utilities for the ADU should be able to be shared with the primary dwelling.

Zan Moore of 825 Carroll Road in Mosier, Oregon stated that allowing ADUs is a good idea. Studies and public opinion show that we need more housing, and more affordable housing. Moore is in favor of removing the residency requirement. Moore suggested making the code simple and clear, and increasing the minimum density requirement in the R-3 Zone. If purchasing a lot with an existing ADU, you should be precluded from building a duplex. Parking seems like the biggest issue. Eliminating the requirement should not be part of the conversation. The fee in-lieu idea could be useful, if used in a beneficial way towards alternative transportation. Moore recommended additional information be provided on the neighborhood parking permits conversation. The workforce requirement is problematic, and suggested changing the language from “shall provide” to “will possibly need to provide”.

Babitz suggested the idea of creating parking districts where residents can obtain permits. This idea steam from a 10-12 year old proposal.

DISCUSSION:

Babitz suggests that the Commission discuss the list mentioned earlier. Then, the Commission will pass the items back to staff to give a recommendation to send it to City Council.

Nilsen stated that he is looking for consensus.

Irving stated that he is in favor of the revised language.

Commissioner Lassen is not in favor of the revised language and expressed her concern with the financial incentive to 2nd homeowners. Doubling density of a lot makes that lot an income generator for a single-family home with no additional housing for locals.

Commissioner Frost does not mind the idea of an investor renting both units to locals. Building an ADU for a vacation home is a net zero gain.

Commissioner Irving stated that any dwellings added to our housing inventory are a net positive.

Vice Chair Babitz stated that he would like to see the residency language removed.

Commissioner Frost is in favor of removing the residency requirement.

Commissioners Powers, Babitz, and Irving agree with Frost.

Commissioner Lassen would like to keep the residency requirement.

Commissioner Frost stated that one of the dwellings should be required to be rented long-term to a local. The tenant does not have to be locally employed, but primary residency needs to be established.

Commissioner Lassen does not think that proof of employment should be kept in the code, as it excludes seasonal workers from ADUs.

Commissioner Frost asked staff if language can say “or” instead of “and” for the employment requirement.

Commissioner Lassen expressed her concern with the legality of having a residency requirement.

Commissioner Irving would like to get rid of all of “E”.

Vice Chair Babitz was undecided on the residency requirement for ADUs. Babitz stated his concern with permitting and policing, and proposed that this be an issue to be presented to City Council to make a decision.

Commissioner Irving questioned the code that will be proposed for this section. No one wants to keep “E” as it is.

Vice Chair Babitz asked staff to propose example code for this section, or to omit it altogether.

Nilsen added workforce housing, whose code has been in place for 10 years and has yet to be challenged. At what point would you see staff administering this in the process; prior to construction or at the point of sale? How will this be licensed and policed?

Commissioner Irving asked staff how Bend dealt with inclusionary zoning.

Nilsen stated that only triggered after 20 units. 60-70% AMI – Recommends not policing rental agreements or tenants. Disclosed Planning Department does not have the means to enforce and check.

Vice Chair Babitz mentioned townhouses, duplexes, and triplexes.

Commissioner Irving suggested that ADUs should be allowing in the R-3 C-1 C-2 zone, not in the R-2 and R-1 zone that have less density.

Commissioner Lassen discussed townhomes and is in favor of ADUs if they offer additional housing.

Vice Chair Babitz stated that he would rather do this at a higher level, allowing more doors where things are smaller. Babitz would rather not allow ADUs right now, but would like code and language pointed at the bigger picture of density.

Commissioner Irving suggested that townhouses be treated as an administrative decision for less than 4 units. Proposal is R-3 C-1 C-2 – duplexes townhomes, triplexes, single family dwellings, allow ADUs.

Commissioner Lassen suggested simplifying the ADU code and saving the rest for cottage housing code, the Westside Area Concept Plan, and density discussion.

Commissioner Frost agreed with saving the triplex, duplex, and townhomes for later.

Vice Chair Babitz obtained consensus from the Commissioners to save the triplex, duplex, and townhomes for later.

Frost mentioned the in-lieu and SDCs should be used by the City, but also liked the Bend idea described earlier by Director Nilsen.

Commissioner Powers does not want to diminish parking. Powers liked the idea of raising the in-lieu fee to dissuade people from paying out of parking.

Commissioner Lassen stated her concern with mandating pavement when it may not be necessary. Lassen is in favor of eliminating the parking requirements completely.

Commissioner Frost pointed out that the cities that Hood River is being compared to have a lot more public transportation.

Babitz mentioned more enforcement or removing the requirement?

Commissioner Irving added that the current parking problem is people who live downtown don't have a place to park, so they are infiltrating neighborhood street parking. Irving proposed that staff look at the "or" language and provide an option A and an option B.

Vice Chair Babitz obtained consensus from the Commissioners to table the parking discussion and recommended that staff come up with a Hood River version of the Bend ADU parking requirements. Babitz mentioned SDC charges because it is a topic that City Council plans to make updates to. ADUs provide less demand and have less impact.

Commissioner Irving stated that ADUs should not pay the same SDC fees as a single-family dwelling due to a lesser impact on systems and should have a lower SDC.

Frost thinks ADU dwellers use the same amount of utilities and public streets, and would like City Council to look at SDC structure.

Lassen agrees with Frost.

Babitz proposed to be done within three hours and continuing if necessary.

