

City of Hood River
Planning Commission
Public Hearing
June 18, 2018

Hood River City Hall
City Council Chambers
211 Second St
5:30 p.m.

MINUTES

I. CALL TO ORDER: Vice Chair Arthur Babitz called the meeting to order at 5:31, and read the procedural script.

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

ABSENT: Commissioner Megan Ramey

STAFF: Planning Director Dustin Nilsen, Associate Planner Jennifer Kaden

II. PLANNING DIRECTOR'S UPDATE: Postponed to end of meeting.

III. PUBLIC HEARINGS:

A. FILE NO. 2018-13 – Jovanovic PUD Modification and Variance - *continuation of hearing from June 4, 2018 hearing*

PROPOSAL: Modification of an existing Planned Development, Kids Plaza PUD, to: 1) to change the approved use from dance studio (commercial) to multi-family residential for 36 residential apartments; 2) increase the building footprint from 8,000 square feet to approximately 8,472 square feet; 3) increase the building height from one story to three (3) stories with a maximum height of 35 feet; 4) add a driveway from Clearwater Lane; 5) add 25 parking spaces; 6) reduce the common open space by approximately 7,359 square feet; and 7) use Tax Lot 2007 (common open space) as a shared outdoor recreational area for apartment residents. In addition, the applicant requests a Variance to reduce the number of required on-site parking spaces from 54 to 41 spaces.

APPLICANT: Vladan Jovanovic

OWNERS: 230 Clearwater LLC own Tax Lot 2006; Tax Lot 2007 is owned by NSA Property Holdings, LLC, Lowell & Sons, LLC, Howard Family Limited Partnership I, Jean McGuire Coleman, and Warren Limited Partnership II.

LOCATION: 230 Clearwater Lane. Legal Description: 3N 10E 26CD Tax Lots 2006 and 2007

ZONING: The property is zoned General Commercial (C-2)

Chair Babitz opened the public hearing and read the procedural script. He asked the Commissioners for any bias, ex-parte contacts, or conflicts of interest. Commissioner Sue Powers visited site and viewed slope and access road. Commissioner Tina Lassen also visited in past to look at potential trail connection and she walked on the property when she was a potential buyer of property on Sherman Avenue. Commissioner Bill Irving visited site since last meeting. He stated he goes to the Kids Plaza property once a week for a meeting. On a visit, he looked at pedestrian access and noted missing pedestrian links. Commissioner Tim Counihan reiterated his past relationship with the applicant related to the design of his home and made no new disclosure. Babitz has a financial relationship with Key Development who is considering an apartment development, but has no direct conflict.

Chair Babitz asked the audience if there were questions of conflict or bias. There was none. No Commissioners challenged the qualifications of any other commissioner.

STAFF REPORT: Associate Planner Kaden provided a recap of the application and previous public hearing on June 4th. She noted that public testimony was open until 5 pm on June 13th. Additional written testimony was received and shared with the commissioners and public on the city's website.

APPLICANT: Milos Jovanovic, project designer, stated the project goal is to develop a multifamily project that will raise bar for such places in the area. He summarized the 7 elements of the proposed PUD modification: changing the use from a dance studio to multifamily housing, which is permitted in C2 zoning; increasing the footprint and height that meets code standards; adding a driveway and parking spaces will be added on the more flat area in the parcel; reducing the common open space but still meeting the 30% minimum for PUDs; and noted that all owners have an ability to use the common open space on Tax Lot 2007 as provided in the CC&Rs.

Jovanovic spoke about issues raised and proposed conditions of approval. Condition #3 relates to the parking requirement for an adjacent owner that is not relevant to this application. He requested the condition be removed. Condition #25 requires a 15' public easement for a pedestrian trail, that will intersect with sidewalk on Clearwater Ln. Would like to comply, but does not think he has the legal right to provide it without the other PUD owners. He doesn't know the proposed design for the trail. Jovanovic stated he is willing to spearhead an effort to get the trail connection but does not want it to be a condition of his project. Condition #26 asks to extend sidewalk from their property east to Clearwater Lane on Tax Lot 2003. He stated he's happy to help, but some of the project is not on their property, so they need help on how to make that happen. Condition #29 asks to create pedestrian connection north to Cascade, but again it's not on their property. Condition #31 asks for street light on TL 2003, which again they have no authority to install a light on.

Commissioner Tina Lassen asked how the open space tract will be used for outdoor recreation. M. Jovanovic responded that it's a wooded area with a significant slope – they would like to clear out brush and work with City and Parks to create path to provide better access to the site. Lassen asked if it's used now. M. Jovanovic and Vladan (VJ) Jovanovic said they aren't sure, the CCRs for the PUD state it will be maintained but it isn't and they'd like to improve it. Lassen asked if the trail is different from the city trail. VJ Jovanovic said the city is asking for it.

Commissioner Mark Frost asked whether some of the proposed conditions on other properties are properties that are also part of the Kids Plaza PUD, correct? M. Jovanovic stated that there is shared parking and they helped figure out the number of spaces allocated to each owner. Kaden clarified that Condition #3 related to the parking requirement for one of the other PUD buildings should be resolved separate from consideration of the parking requirement for the proposed apartment building and supports the removal of Condition #3.

Frost asked for clarification regarding building height. Kaden explained how the city calculates building height on sloped properties. She stated there is not enough detail in the plans to verify the proposed building height. Additional information will be required and the height will be checked in the building plans. For a stepped building, each section has to meet the building height code.

Commissioner Tim Counihan asked whether there was process within the PUD owners to negotiate the trail easement. VJ Jovanovic said the PUD CC&Rs outline how decisions are made. They need more information from Parks and Rec.

Commissioner Bill Irving asked if the trail was in the original PUD. Kaden stated it was included in the City's 2011 Transportation System Plan.

Kaden and Nilsen clarified the city's past action or inaction regarding a pedestrian connection along Clearwater Lane adjacent to the Nunamaker property.

Jovanovic stated he wants City of Hood River to adjust parking requirement in general and that is why he requested a variance. But they are not sure a variance is the correct thing to ask for in terms of this site. Thinks it's more of a global issue. Willing to ask for change in a different way. Believes they have provided ample parking for the units.

Babitz said this is a quasi-judicial hearing and the Planning Commission is obligated to apply the code as it is written currently. He asked the applicants if they're withdrawing the variance request. The applicants responded they were unsure – they want to ask Commission to listen to their variance and see if it works for their parking adjustment request. Without the variance they will lower the unit number to meet the original parking requirement.

Nilsen stated that a change to the project would be considered new evidence, and we would need to continue the public hearing. Staff would also need time to review potential revisions before making any recommendations.

Jovanovic asked if they do lower the number of units to meet the parking requirements, can they get approval today? Kaden responded if they lowered the number it would change from 41 to 25 units. This big of a change would most likely include significant changes to the building. This would require a continuance to review changes.

Frost stated concern about the precedent a variance would set for Clearwater and multifamily use. Is there any appetite for affordable housing in this project? Jovanovic asked what is meant by affordable housing. Jovanovic said the project does comply with the MCEDD loan criteria of not more than 30% of median income. Lassen asked about the parameters for a MCEDD loan. VJ Jovanovic said they will need to demonstrate they meet the criteria to obtain the loan.

Counihan asked the applicants' rationale for not withdrawing the variance request. M. Jovanovic said they want to know if the Planning Commission would approve it.

STAFF RECAP: Kaden recommended removing condition #3. And to add stop sign and stop bar in condition #33. If the variance is approved then we move on, if it's not, then it's different procedurally. Nilsen adds that applicant needs to choose if they want to lower the number of units to comply with parking code, or if they want to go ahead with the variance. Does it satisfy and demonstrate that it follows the parking code?

Babitz closed the public hearing and opened deliberation.

DELIBERATION: Babitz reminded Commissioners of the 4 variance criteria. Commissioners discussed Criteria #1 regarding unique and unusual circumstances of the site. Irving said because of slope this property is unique and different from the other PUD properties. Commissioners discussed criterion #3. Lassen stated she thinks the variance poses more negatives than positives (Criterion #2). Powers noted the unusual circumstance of the private street. Frost supports multi-family development if some of the units are affordable but is concerned about the realistic expectation of the number of cars per unit. Counihan likes the intention of affordable housing but there is no long-term guarantee of affordability. Babitz said there was no evidence submitted regarding affordability.

MOTION: Powers moved to DENY the Variance request in File No. 2018-13 because it does not meet the 4 criteria. Lassen seconded the motion. The motion passed on a vote of 6 – 0.

Commissioners discussed whether any progress could be made on the PUD modification request. Irving said if the applicant reduced the number of units, he could be more comfortable with the request. Lassen said she'd like to see revised plans. Commissioners discussed the challenges of some of the conditions of approval, including off-site improvements. Irving said the property is part of a PUD burdened by the CC&Rs of the PUD and it is the applicant's burden to get the other PUD owners to agree. Irving said he's comfortable with the requested change of use but the intensity poses some issues that need to be resolved – the impacts will be different than those of a dance studio as originally approved.

RECESS - Babitz announced a quick recess for the applicant to confer with staff.

Kaden reported that the applicant is interested in making modifications to the project and continuing the public hearing. The applicant agreed to waive 120 day clock. Staff suggested 8/20/18 to reopen hearing.

MOTION: Powers moved to continue the public hearing on File No. 2018-13 to August 20, 2018 no earlier than 5:30 p.m. Frost seconded the motion. The motion passed on a vote of 4-2 with Irving and Babitz opposed.

B. FILE NO. 2018-12 Wildwood Community Center Conditional Use

PROPOSAL: Redevelop the Springhouse Winery and tasting room into a community center and independent school.

APPLICANT: Carrington Barrs

OWNER: James Matthisen, 13 RR LLC and Ron Kaufman for Mt. Hood Railroad Company

LOCATION: 13 Railroad Avenue. Legal Description: 3N10E25DC Tax Lots #7800 and 7100.

ZONING: The property is zoned General Commercial (C-2), the existing park lot is zone (LI) and within the Exit 64 Interchange Area Management Plan (IAMP) overlay.

Babitz opened the public hearing on File No. 2018-12. Babitz asked the Commissioners for any bias, ex-parte contacts, or conflicts of interest. Babitz disclosed that he met with the owners of Springhouse Cellars regarding the history of the building. He was not paid for the meeting. There were no other disclosures, questions of conflict from the audience, or challenges of conflict or bias from other commissioners.

STAFF REPORT: Nilsen presented the staff report and overview of the proposal. A school in the C-2 zone is a conditional use. No comments were received from the neighborhood.

Babitz disclosed that in December he witnessed a traffic backup during an event at the railroad. Traffic backed up from the site onto 2nd and Cascade intersection which caused further backups. He remarked it was a failure of event coordinators, and was bad enough that he took a picture. He drew no direct conclusion related to this application.

Commissioner Frost asked about any concerns regarding the quantity of parking spaces. Nilsen said the Planning Commission either could uphold the previous decision that included an easement for Springhouse Cellars to use 53 parking spaces on the railroad property, or they could make adjustments.

APPLICANT: Carrington Barrs, the applicant, provided an overview of the application and the proposed transition to expand the uses from winery/event space to also include a school and how that would affect parking. They have an easement that was purchased with the property, and they have an on-going agreement with the railroad to pay for parking. The railroad would like to eventually privately meter the entire parking lot. There are 86 paved parking spots, 2.5 acres of overflow gravel lot parking. Currently, Springhouse Cellars has exclusive use of 35 railroad spaces, plus 6 of their own on-site, and the rest is theirs to use as overflow so long as it doesn't conflict with 20 days of holiday trains and other railroad events. Springhouse Cellars events don't typically conflict with RR events.

Wildwood Academy would like to build a trail up to State St from the back of the building and they already have approval from ODOT to put a sidewalk in. Barrs noted there are 76 on-street parking spaces within a 250-foot radius of the site, which are free after 6pm and could be used for evening events.

Babitz asked about the nature of the previous approval of Springhouse Cellars and its relationship with this request for a school (Wildwood Academy). Nilsen explained that the previous Site Plan Review (File No. 2012-08) included approval for events (in addition to previously approved winery & tasting room) at what is known as The Ruins and the conditions of approval remain valid. Nilsen said this is an opportunity to evaluate whether the use is operating as permitted.

Babitz asked how the school would affect surrounding uses. Nilsen suggested this decision could memorialize the existing uses and the new proposed school use. The impacts were primarily parking, also whether the school is compatible with surrounding uses.

Commissioner Lassen asked the applicant about safety concerns due to the proximity of kids to the railroad. Barrs explained the fence on the north side between the tracks and the parking lots. There is nothing once it hits the gravel parking lot. Barrs would like to extend the existing fence another 300 ft at his own expense. Railroad said they would allow it and they are negotiating details.

Commissioner Powers asked if the future trail will be lit. Barrs stated they haven't thought of that yet, but it's a good concern. There is power and lighting in the trees at the Ruins. It is possible.

Babitz asks if the trail is necessary to meet connectivity requirements. Nilsen stated no. For building code it might not meet accessibility requirement, but it could be a nice amenity.

Commissioner Irving said the parking concern seems mostly related to the events business that is not part of this application or hearing and asked whether private paid parking can be used to meet parking requirements. Nilsen said the city hasn't allowed private paid parking to meet the code. If the event

business loses its lease with the railroad for parking spaces, it's a concern. Irving stated that it appears the 6 on-site spaces are sufficient to meet the parking requirement for the school use.

PUBLIC TESTIMONY: The applicant opted not to provide a rebuttal. There was no public testimony.

STAFF RECAP: Nilsen recommended approval of the Conditional Use request for the Wildwood Academy, subject to conditions of approval.

Babitz closed the public hearing.

DELIBERATION: The Commission briefly deliberated the proposal. Nilsen stated typically schools are in open space/public facilities zone.

MOTION: Commissioner Frost moved to approve File No. 2018-12 as submitted with the recommended findings and conditions of approval in the staff report. Commissioner Powers seconded the motion. The motion passed on a 6-0 vote.

RECESS: 7:55 p.m. The Commission took a 5-minute recess.

C. FILE NO. 2018-10 Paris Fair Building Conditional Use

PROPOSAL: Convert existing office and commercial space on the second and third floors of the historic IOOF-Paris Fair Building into 11 residential units, including parking lot and associated site modifications.

APPLICANT: Key Development

OWNER: Paris Fair Building, LLC

LOCATION: 315 Oak Street, at the southeast corner of 4th and Oak Streets; Legal Description: 3N10E25CD Tax Lot #11900.

ZONING: The property is zoned General Commercial (C-2) and within the Downtown Historic District and the Exit 63/64 Interchange Area Management Plan.

Babitz opened the public hearing for File No. 2018-10 and asked the Commissioners for any bias, ex-parte contacts, or conflicts of interest. Irving disclosed he has done previous leasing of the building and has been inside but has not conflict or bias. Babitz disclosed that has in the past and currently works for the the applicant. He recused himself. There were no questions or challenges from the audience. Commissioner Powers asked Commissioner Irving to explain his relationship with the applicant further. Irving explained he has a financial interest in a lease for a client in another building owned by the applicant but has no direct conflict with this property.

Commissioner Powers made a motion to appoint Commissioner Irving as Chair for this public hearing; Commissioner Coughlin seconded the motion. The motion passed on a 4-0 vote with Commissioners Babitz and Irving abstaining.

STAFF REPORT: Kaden provided an overview of the application. The proposal to rehabilitate ground level storefront was reviewed by Landmarks Board because of exterior alternations of historic buildings. It was approved and notice of decision was sent out. Focus of tonight is change of use of 2nd and 3rd floors to residential – making it a mixed use building. The proposal meets the minimum density requirement of the C-2 zone. Building is taller than the height allowed today. The proposal includes additional mechanical equipment on the roof and there are standards for screening. Kaden explained

the parking requirement and said the in-lieu calculation will be reassessed at building department stage with final plans.

Commissioner Powers asked for clarification about the parking requirement. Kaden explained. Powers asked a question about utilities and the water line. Kaden provided clarification.

Commissioner Frost asked about other mechanical equipment in the downtown area. Kaden noted most buildings have some – question is about adequate screening.

Commissioner Lassen noted that parking space #9 looks inadequate. Commissioner Coughlin asked about the estimate of 2 employees and 4 spaces for clientele. Kaden suggested the applicant respond.

Commissioner Irving asked whether the wording of Condition #9 will accomplish what we want with regard to ingress to the parking lot.

APPLICANT: Carrie Strickland of Works Progress Architecture represented the applicant. She provided an overview of the building history with a slide/power point presentation. Strickland shared a sample floor plan for a proposed unit on the 3rd floor – a loft unit. The residential units are intended for long-term rental. Strickland explained the proposed parking arrangement of 11 on-site spaces in a reconfigured lot with 2 for employees, 4 for customers and the rest shared. The real estate office and residential units have parking needs at different times of day and could share. Regarding parking space #9, she suggested the garbage enclosure could be modified to make the layout of the space work. Strickland said the applicant is open to discussing the ingress/egress concerns for the parking lot. She is comfortable with the rooftop mechanical equipment as proposed because it will not be visible from Oak Street. The residential units will use an entry on the south side of the building as the primary entrance. She agrees with the calculation provided for a proportionate share of the proposed signal at 2nd & Oak.

Powers asked for clarification about long-term occupancy. Kaden said long-term is more than 30 days and Nilsen explained the City is considering a code update to clarify that.

Frost asked the applicant to confirm the new rooftop mechanical equipment would not be taller than the existing equipment. Strickland confirmed.

Powers asked about the parking lot configuration. Strickland said they could shift all the spaces north to allow improved maneuverability. Frost asked whether the proximity of parking space #1 to the entrance and ADA accessibility. Strickland responded that there are ADA exemptions for historic buildings. Nilsen added that accessibility requirements would be reviewed by the building department at the time of building permits. Strickland added that one unit will be built to ADA standards.

Coughlin asked the applicant to clarify the number of employees and clients for the purposes of the parking calculation. Strickland said they made assumptions based on current tenants in the ground floor.

PUBLIC TESTIMONY: Irving asked for testimony in favor, neutral, and opposed. There was no public testimony.

REBUTTAL: The applicant opted not to provide any rebuttal.

STAFF RECAP: Additional clarification about the parking in-lieu fee calculation was provided

DELIBERATION: Commissioners discussed potential parking issues with a revised parking lot layout. Irving said it was not realistic to assume only 2 employee parking spaces and that more information is needed from the applicant. He favors dedicating the on-site spaces to the new residential use and calculating the in-lieu fee for the commercial uses to provide a nexus between how the spaces are used and how the in-lieu fee is calculated.

MOTION: Commissioner Powers made a motion to approve the application in File No. 2018-10 with modifications to Conditions of Approval # 2, 4, 9, 12, and 14. Commissioner Frost seconded the motion.

Kaden clarified the wording of the modified Conditions of Approval. Condition #2 is modified to require the revised parking lot layout to be reviewed by the City Engineer and to use the resulting number of spaces for the parking requirement and in-lieu calculation. Condition #4 is modified to ensure the new rooftop mechanical equipment is not taller than existing equipment. Condition #9 is modified to broaden it to require the parking lot ingress and egress meets the requirements of the City Engineer. Condition #12 is modified to require the applicant to provide a parking plan for allocating on-site parking spaces for specific uses and that the parking in-lieu fee will be calculated accordingly.

The motion passed on a 5-0 vote.

II. PLANNING DIRECTOR'S UPDATE: Nilsen outlined the tentative agendas for upcoming meetings and said there is no meeting scheduled July 2nd. Commissioners asked for additional clarification about the roadmap for the draft Westside Concept Plan.

IV. ADJOURN

Babitz adjourned the meeting at **9:49 p.m.**

Arthur Babitz, Vice Chair

Date

Dustin Nilsen, Planning Director

Date (Approved)