

City of Hood River
Planning Commission
Public Meeting
Monday, April 1, 2013

City Council Chambers
211 Second Street
Hood River, OR 97031
5:30p.m.

PRESENT: Vice Chair Nathan DeVol, Commissioners Steve Winkle, Jennifer Gulizia, Nikki Hollatz, Bill Irving, Casey Weeks

ABSENT: Chair Laurie Stephens

STAFF: Planning Director Cindy Walbridge, Senior Planner Kevin Liburdy, City Manager Bob Francis

MINUTES

I. CALL TO ORDER: Vice-Chair Nathan DeVol at 5:30p.m.

II. ACTION ON MINUTES:

Motion made by Commissioner Winkle to accept the Feb. 19th, 2013, seconded by Commissioner Gulizia, unanimously passed.

III. PUBLIC HEARING:

A. File No 2012-27. Proposal: A request by NBW Hood River, LLC to vacate a portion of the Port's roadway between I-84 and the old Nichols Boatworks. The City has an easement on a portion of the existing road to the Spit. If the vacation is approved the City would not finalize it until the Spit road is relocated on the Naito property. Legal description is 3N 10E 25 tax lots #100 and 200.

Vice-Chair DeVol explains that this is not a land use hearing. He then asks commissioners about any previous ex-parte contact or conflict of interest. Commissioner Irving recuses himself. All other commissioners have had no previous contact.

Staff Report: Planning Director Walbridge explains that this proposal fits under the guise of a street vacation. It is an easement that the City of Hood River has on top of the Port property. It was designated in 1966 as public way. There are lots of ownerships in this area (ODOT, the Port, the City) that the Naitos and the Port are trying to clean up. The City of Hood River supports the easement as long as it stays within the frontage property of the Nichols Boatworks property. The City Council supports the easement vacation to go through the public hearing process. The main condition, because the Port will be selling this property once the vacation goes through to the Naitos for their parking lot, is if their application gets through, they will relocate the Spit road. The City has no control over the road to the Spit; however, if the City conditions and the applicant have agreed that the City's easement does not get vacated until the road is built the City can insure

there won't be any loss of access to the Spit. The proposal complies with all the requirements of ORS 271 with that condition. The staff recommendation is approval.

Vice-Chair DeVol reads the script for public testimony code of behavior. DeVol invites proponents of the proposal to speak.

Bob Naito, 150 Harrison St, Suite 200, Portland, OR 97201. States that the vacation is a piece of the Site Plan Review and Conditional Use which was previously approved. The basic concept is that they are moving the road closer to the water and providing a new road to the Spit. It is consistent with what has been approved. They have negotiated with the Port to buy the strip of land.

No opponents and no neutral parties wish to speak. Walbridge adds that the parking issue is addressed in the Site Plan Review. City Council wants there to always be a place up front for the public to park and then walk down to the Spit. Asks that that condition will be part of vacation proposal.

Public Testimony is closed at 5:45pm.

Deliberations: clarification on Condition, 3 it should read that until the road is built and the public dedication has been made and the road constructed, the City will not sign off on the easement. Condition 4 was added that regardless of the building phase nine parking spaces will be provided by the applicant to serve the public. Hollatz makes a motion to recommend to City Council approval of Proposal 2012-27 subject to amending Condition 3 and adding Condition 4 which is adding nine public parking spaces. Weeks seconded, unanimously passed.

Vice- Chair DeVol calls for a five minute recess.

Public Hearing reconvenes at 6:10p.m.

B. File No: 2013-03. Proposal: Annexation of the Columbia Gorge Hotel, the Vagabond Lodge and a portion of Westcliff Drive, as well as a conditional use permit for a 15 room expansion of the Vagabond Lodge. The properties are located at 4000 and 4070 Westcliff Drive. Legal description is 3N 10E 27C Tax lot 100, and 3N 10E 27D Tax lots 100 & 101.

The Planning Commission will be making a recommendation to City Council for the annexation but will make a decision on the Conditional Use Permit. After receiving a recommendation from the Planning Commission, the City Council will conduct a public hearing on Monday, April 22, 2013 and the City Council will make a final decision on the annexation.

DeVol noted a quorum is present and asks for disclosure of ex-parte contact, conflicts of interest and challenges of the Planning Commission.

Commissioner Irving explained he had a conversation with Commissioner Gulizia regarding the criteria for annexation.

Commissioner Gulizia explained she had a conversation with Commissioner Irving and that she has a contract to do marketing for a neighboring business.

No other commissioner declares ex-parte contact.

There are no abstentions and no challenges to commissioners.

The applicable criteria are read.

Staff Report: Senior Planner Kevin Liburdy explains the application has two components, annexation and a conditional use permit, and describes the location of the affected property. The total annexation area is about sixteen and half acres subject to a property line adjustment affecting the Vagabond Lodge property that is pending before Hood River County. Annexation is typically required prior to connection to City utilities. However, when the property is not contiguous to the City limits, annexation is not permissible, and "Consent to Annexation Agreement" is required to be recorded prior to connection to City utilities. A Consent to Annexation Agreement was signed by the Columbia Gorge Hotel in 1979, and the property immediately east of the Columbia Gorge Hotel was annexed in 2008. In association with the annexation the parcels will be withdrawn from the Westside Rural Fire Protection District but will continue to be served by the Ice Fountain Waster District and Farmer's Irrigation District until City water becomes available. Grant Polson of the Vagabond Lodge wrote a letter responding to some of the findings that are in the staff report. Polson contends that the Vagabond Lodge is not the petitioner in this annexation. From the perspective of city staff, a request to connect to a City service such as sanitary sewer goes hand in hand with a request to be in the City.

In addition there is a Conditional Use Permit for the expansion of the Vagabond Lodge with one new building for fifteen motel units and a parking area with 21 spaces. The property is in the General Commercial Zone. The Conditional Use Permit will be valid only if the annexation is completed.

Staff recommends that the Planning Commission forward a recommendation of approval of the annexation to the City Council subject to the draft conditions of approval. Also staff recommends that the Planning Commission approves the Conditional Use Permit for the expansion of the Vagabond Lodge subject to the draft conditions of approval.

DeVol reads the rules of conduct. DeVol clarifies that the hearing is about annexation and a conditional use permit, not transient room tax.

Applicant: Grant Polson, 4070 Westcliff Dr, Hood River, Or 97031. Passes out an updated letter responding to findings in the staff report with recommendations. Clarifies that he submitted a proposal for a CUP and that the annexation is City-driven. The proposed new building has been planned for ten years.

Gulizia asks about the process.

Polson says that he went to the county for the permit and they sent him to the City. Polson says that the expansion will put more effluent in the city sewage system but that there will be a large holding tank that will have a timer to avoid peak times. There will be more effluent, but optimization will be better. He is not against annexation but wants to know what the city will provide and what kind of development will occur in that area. He believes eventually the Westcliff Lift Station will have to be upgraded to accommodate additional growth in that area. Utility lines to the new building will be underground. There will have to be a sidewalk or path that will go through the Lodge's property. There will be more landscaping and trees. Because of the asphalt in front of the White Buffalo there will have to be some deconstruction of the parking lot to put in any green space or a path. Long term they would like to all the properties including the Vagabond Lodge, White Buffalo, Columbia Gorge Hotel and Columbia Cliff Villas be all connected as far as design and aesthetics but at this point it would be difficult to do it all. Frontage improvements will happen when development occurs. Polson says that one of the points of Goal 9 is to facilitate additional commercial development on properties in the future he is wondering how annexation will help that happen. We would like answers about the infrastructure costs as far as who will be paying for sidewalks and sewers. Wants to know if he can get a conditional use permit without annexation.

Commissioners Weeks ask what the pedestrian path looks like.

Polson says there will be a contiguous path that will look like the path in front of the Vagabond with shrubs, trees and flowers.

Commissioner Irving expresses concern that there is no specific plan for frontage improvements, and notes the path will impact parking for the White Buffalo.

Commissioner Winkle asks how annexation affects the conditional use permit.

Polson says that if the Lodge has to meet all the conditions including installing the path, street improvements and utility upgrades, the cost would be prohibitive but they could handle it in phases.

DeVol invites proponents to testify.

Arthur Larsen, 1767 12th St, Hood River, OR 97031. Architect for the project. States that the natural aspects of that land have always been preserved on this site and the new building design will also do that. He believes that the conditions are the same for the County and the City as far as the sidewalk is concerned.

Mary Gumm, 4020 Aubert Dr, Mt Hood, OR, 97041. Owner of the White Buffalo Wine Bar & Bistro. Says that the Vagabond Lodge has been a solid community partner and reiterates that if the costs of annexation could be phased in then it would be feasible.

DeVol invites opponents to testify.

Paul Robinson, 4000 Westcliff Dr, Hood River, OR 97031. Manager of the Columbia Gorge Hotel. The hotel was purchased out of foreclosure and the owner wanted the hotel to be a more viable community partner and they have done that. They purchase locally and partner with local businesses. The hotel's payroll for 2012 was one million dollars. He believes that the staff report does not look at the economic burden that the hotel will incur. Says that the hotel is not yet breaking even and the added costs will force the ownership to look at some hard decisions. He has a question about the island of land that will be county owned and be without service east of Columbia Cliff Villas. Cites ORS 195.295 that annexation shall be consistent with the cohesive plan and Goal 9. The increased property tax will make it harder to get loans and Robinson feels that the annexation is outside of Goal 9. They would like to see the City develop an economic plan for the Westcliff area and for the City to provide all services including water to this development. They would also like to see a Citizen Advisory Report on the annexation. Asks the Planning Commission to table a proposal until a report can be issued about Goal 1 and Goal 9.

Nanette Rogers, 1802 Montello Ave, Hood River, OR 97031. Employee of Columbia Gorge Hotel. Wants the annexation to be fair and reasonable and is concerned that there is no input from businesses or citizens.

DeVol invites testimony from those who are neither for or against the proposal.

Kerry Cobb, PO Box 286, Mosier, OR. 97030. Director of Marketing, Chamber of Commerce. She encourages the Planning Commission and the City Council to look at the financial impact to the Chamber of Commerce with the decrease in TRT funds. The difference between City and County amount will be \$90,000.

Chuck Hinman 1108 E Marina Way, Hood River, Or 97031. Representing DM Stevenson Ranch. Is not opposed to the annexation. Feels it is a targeted annexation and should not be adversarial. The City should consider annexation of more lands on Westcliff Drive.

Steve Tessmer, PO Box 887, Hood River, OR 97031. Representing Columbia Cliff Villas. Encourages the commission to complete a more intensive study of annexation. Does not oppose the annexation and supports the conditional use permit..

Liburdy provides rebuttal to testimony. The applicant raises concerns about the pedestrian path and frontage improvements. The City is requesting that the frontage of the site to be improved to City standards and conform to the City's Transportation System Plan (TSP). The Vagabond and White Buffalo are on one parcel of land so the City's standards say all the frontage area should be improved. It doesn't have to be a curb-tight sidewalk and the applicant could work with the City Engineer to come up with an acceptable alternative consistent with the TSP. The reference to Local Option A under Condition 15 could be removed in order to allow the applicant to work with the City

Engineer. The City is asking that the new power lines going to the new building at the Vagabond Lodge be underground and that should be specified in the conditions. As far as obtaining a conditional use permit now, condition number four specifies that the conditional use permit is contingent on the completion of the annexation process. The City Council has this scheduled and the County is processing the property line adjustment.

Gulizia asks if the applicant can take the proposal to the County and have the City develop a local improvement district.

Planning Director Walbridge explains that the Vagabond is in the Urban Growth Area and there would be subject to the Urban Growth Management Agreement so all the standards would still apply. We are annexing because the Vagabond wants to expand and increase their sewer.

Irving asks for clarification of requirements for underground utilities.

Liburdy responds that condition number 20 could be amended to specify underground lines serving the new motel building and parking area.

Discussion about local improvement districts.

City Manager Bob Francis explains that even if the city had money to establish a local improvement district, the property owners would be responsible assessments. It may be possible for the timing of some improvements to be delayed.

Irving asks about the costs of annexation, specifically to property taxes to the Columbia Gorge Hotel. Walbridge explains that the Hotel was given sewer in 1979 and were not annexed at the time, and have not been paying property tax for the City police and fire response.

Question about fire and police service.

Francis explains there is a mutual aid agreement for those services. Also, the City will be responsible for road maintenance. It was reiterated that since the Vagabond Lodge is not contiguous with the City limits, and it must be annexed to receive services and the CUP, the Columbia Gorge Hotel has to also be annexed because they are continuous to the city limits. The City will pay the annexation costs including West Side Fire District. The City will not pay Ice Fountain Water because the City is allowing them to service the hotel. The Hotel's sewer bill will decrease by 25% as will the Vagabond's.

Gulizia asks if the fiscal impact outlined on Page 6 of the Staff Report is broken down between properties. It is not.

Discussion about the base rate and commodity for water.

Liburdy explains condition 5 addresses parking lot improvements. As part of the CUP the Planning Commission could say that the Staff should simply look at the site that operates as the Vagabond Lodge and not the White Buffalo and then requirements for improvements could be changed.

Liburdy explains that the City is picking up a significant cost of the annexation by paying the Westside Fire District. If annexation does not occur all those costs will be paid by the property owners in the future (i.e. if they expand and need expanded city services).

Liburdy says there is no island in this area. This is a sequential annexation.

8:05 p.m. - Walbridge asks for a recess so the staff can look at next steps.

8:15 p.m. – Hearing reconvenes.

Walbridge says that the Staff Report should have included the financial impact on the Columbia Gorge Hotel. Staff wants to provide the Commission with enough information to make a strong recommendation to the City Council. Requests that the hearing be continued to April 29th at 5:30pm. There is consensus from the Planning Commission.

Meeting adjourned at 8:20 p.m.

