



# **AGENDA**

## **ASTORIA CITY COUNCIL**

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**Tuesday, August 27, 2019**  
**5:30 PM**  
**2<sup>nd</sup> Floor Council Chambers**  
**1095 Duane Street · Astoria OR 97103**

- 1) CALL TO ORDER**
- 2) ROLL CALL**
- 3) CHANGES TO AGENDA**
- 4) REGULAR AGENDA ITEMS**
  - a) APPEAL AP19-02 BY STEWARDSHIP HOMES, LLC OF PLANNING COMMISSION'S DECISION TO DENY CONDITIONAL USE REQUEST CU19-04, FOR CONVERSION OF A 5-UNIT APARTMENT TO SHORT TERM LODGING AT 641 COMMERCIAL ST.
- 5) NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS (NON-AGENDA)**

**THE MEETINGS ARE ACCESSIBLE TO THE DISABLED. AN INTERPRETER FOR THE HEARING IMPAIRED MAY BE REQUESTED UNDER THE TERMS OF ORS 192.630 BY CONTACTING THE CITY MANAGER'S OFFICE AT 503-325-5824.**



CITY OF ASTORIA

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**MEMORANDUM • COMMUNITY DEVELOPMENT**

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**DATE:** AUGUST 23, 2019

**TO:** MAYOR AND CITY COUNCIL

**FROM:**  BRETT ESTES, CITY MANAGER

**SUBJECT:** APPEAL AP19-02 BY STEWARDSHIP HOMES, LLC OF PLANNING COMMISSION'S DECISION TO DENY CONDITIONAL USE REQUEST CU19-04, FOR CONVERSION OF A 5-UNIT APARTMENT TO SHORT TERM LODGING AT 641 COMMERCIAL ST.

**DISCUSSION**

On April 5, 2019, Stewardship Homes, LLC submitted a conditional use application (CU19-04) to locate a 5-room short term lodging facility in an existing apartment building. The proposal would allow use of the five, one-bedroom units as short term (less than 30-day) rentals. The application was deemed complete on May 5, 2019. On May 21, 2019, planning staff issued a staff report recommending denial of the application. On May 28, 2019, the Planning Commission conducted its first hearing on the application, after which they closed the evidentiary record and granted the applicant two weeks to submit final written argument. On June 11, 2019, the applicant submitted final written argument. On June 25, 2019, the Planning Commission deliberated and voted to deny the application. On July 12, 2019, the applicant appealed the decision (before the July 15, 2019 deadline) to the City Council. On August 19, 2019, the City Council heard the appeal de novo and tentatively voted to deny the appeal, pending revised findings of fact. A meeting was scheduled for 5:30 PM, August 27, 2019 to review the revised findings of fact for denial of the appeal. The public hearing was closed at their August 19<sup>th</sup> meeting. The 120-day review period expires on August 28, 2019.

The City Attorney and staff have prepared the attached findings of fact in support of the denial of the appeal by Stewardship Homes, LLC.

**RECOMMENDATION**

Staff recommends that the City Council review and consider the revised findings of fact as attached.



By: Mike Morgan, Interim Planner

**FINDINGS OF FACT and CONCLUSIONS OF LAW**

August 27, 2019

SUBJECT: APPEAL OF PLANNING COMMISSION DENIAL OF CONDITIONAL USE REQUEST (CU19-04) BY STEWARDSHIP HOMES LLC TO LOCATE A 5-ROOM SHORT TERM LODGING FACILITY IN AN EXISTING APARTMENT BUILDING AT 541 COMMERCIAL STREET IN THE C-4 CENTRAL COMMERCIAL ZONE.

I. SUMMARY

- A. Applicant: Stewardship Homes LLC  
11650 SW 67<sup>th</sup> Ave #210  
Tigard, Or 97223
- B. Owner: Stewardship Homes LLC  
11650 SW 67<sup>th</sup> Ave #210  
Tigard, Or 97223
- C. Location: 641 Commercial Street; Map T8N R9W Section 8CB, Tax Lot 7300; Lot 2, 29, McClure’s, Astoria.
- D. Zone: C-4, Central Commercial
- E. Lot Size: 50 ‘ by 100’ (5,000 square feet)
- F. Proposal: To convert a five-unit residential apartment building into a five-unit tourist lodging facility.

II. BACKGROUND INFORMATION

- A. Site:  
The two-story building is currently occupied by four long term tenants. One unit appears to be vacant. The 5,000 square foot lot contains a small yard in the rear adjacent to the Clatsop County Jail, and a covered parking area with two off street spaces. The building faces the City Park at 6<sup>th</sup> and Commercial.





B. Neighborhood:

The building is adjacent to the Clatsop County Jail to the south, the Baptist Church to the east, an apartment building to the west and the park/playground across Commercial Street. The general area is mixed use State Court facilities, several County buildings and parking lots, single family dwellings and offices.

Commercial Street is a two-lane, two-way street with parking on both sides, and sidewalks.

C. Proposal:

The applicant is proposing to locate an AirBnB style, short term lodging facility with five units. It would not have an on-site manager or resident manager; reservations would be taken on the web. Cleaning and maintenance would be done on a contract basis.

III. PUBLIC REVIEW AND COMMENT

On April 5, 2019, Stewardship Homes, LLC submitted a conditional use application (CU19-04) to locate a 5-room short term lodging facility in an existing apartment building. The proposal would allow use of the five, one-bedroom units as short term (less than 30-day) rentals. On May 21, 2019, Planning staff issued a staff report recommending denial of the application. On May 28, 2019, the Planning Commission conducted its first hearing on the application, after which they closed the evidentiary record and granted the applicant two weeks to submit final written argument. On June 11, 2019, the applicant submitted final written argument. On June 25, 2019, the Planning Commission deliberated and voted to deny the application. On July 12, 2019, the applicant appealed the decision to the Astoria City Council. A de novo hearing was held before the City Council on August 19, 2019. A tentative denial was approved pending the development of appropriate findings.

IV. APPLICABLE CRITERIA AND FINDINGS OF FACT

A. The use proposed requires a Conditional Uses Permit.

Finding: The applicant intends to locate an AirBnB style, short term tourist lodging facility in the C-4 zone. Such a use is defined as a hotel by Section 1.400<sup>1</sup>. This proposal requires review as a conditional use. Section 2.435(4)

B. The City's is required to control the number and location of conditional uses.

Finding: Conditional uses are not appropriate throughout a zoning district and should be allowed only with restrictions relating to its relation to the surrounding property. The City has adopted its conditional use process in order to ensure that any allowed conditional use provides a benefit to the City. Section 11.010 *et. seq.* The City's need for additional housing is well documented. There is no evidence of a need for additional transient lodging. On its face the plan to replace housing units with transient lodging suggests no benefit to the City.

C. The applicant bears the burden to demonstrate that a proposed conditional use is appropriate at the proposed location.

Finding: The applicant has not established that an AirBnB style, short term lodging facility is appropriate at the proposed location. Section 11.030(1) provides mandatory approval criteria that require consideration of several factors before approving a location for a conditional use.

- a. Accessibility for Users. Approval of this conditional use would exacerbate an existing parking problem resulting in accessibility problems for guests of the facility. Although the applicant testified that parking is not a problem at this location, observations by staff and testimony before the planning commission from long time city residents who are familiar with the area convinces us that the demand for on street parking in this neighborhood is at a premium. The demand for off street parking is exacerbated by nearby commercial, County, State Court

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<sup>1</sup> All citations to "Sections" in these findings refer to the City of Astoria Development Code.

and residential uses. The lack of parking for three of the proposed units will mean guests must compete with local residents, Court employees and patrons and County employees for on street parking, so accessibility will be difficult. Staff concerns and testimony before the planning commission convince us that this building and two adjacent multi-family dwelling units have largely been occupied by single persons and residents who do not have cars. We find that the parking impact of the use proposed will higher than the existing multifamily housing.

- b. Availability of Similar Uses. The applicant has not provided evidence concerning the availability of similar existing uses. Astoria has a number of hotels, motels, and bed and breakfast establishments. The proliferation and documentation of the number of AirBnB style, short term lodging facilities has been an issue within the City for some time. Without evidence concerning the number of available similar uses the City Council cannot find that it is appropriate to approve the proposed conditional use.
- c. Availability of other appropriately zoned sites. The applicant has not provided evidence concerning the availability of other appropriately zoned sites. Hotels are allowed outright in the C-2 Tourist Commercial and C-3 General Commercial zones. The applicant has not shown that appropriate sites are not available for an AirBnB style short term lodging facility in those zones.
- d. Desirability of other suitably zoned sites. This criterion requires a comparison of the proposed location with other suitably zoned sites. The council finds that the purpose of this provision is to ensure that the location of a conditional use is superior to other suitably zoned locations. The applicant has not addressed this criterion. This property comprises part of a unique neighborhood at the edge of the downtown commercial area which includes areas zoned for medium density (R-2) and high density (R-3) residential uses. The applicant's building is one of three multi-family residential buildings in the neighborhood that provide low cost housing within easy walking distance of the downtown area. Conversion of this residential use does not comply with City goals to maintain existing housing stocks, maintain livable residential neighborhoods and to encourage low and moderate income housing throughout the City. CP 220<sup>2</sup>. The City Council finds no evidence that there are not more desirable suitably zoned locations for this use.

D. The lack of parking must be considered in deciding to grant or deny this conditional use permit.

Finding. CP 055.2. provides that parking is not required in the C-4 zone. Section 7.062(c) reflects this directive. These provisions are designed to ensure that the downtown commercial area of Astoria will maintain its historic appearance. The downtown was largely rebuilt after catastrophic fires in 1883 and 1922. When rebuilt, automobiles were not the dominant mode of transportation, residences were constructed above many buildings and in close proximity to the downtown. Off street parking was not generally provided. This resulted in a downtown unique by standards of the present day. There are few parking lots and most parking in the area is provided on the street. This often results in a parking shortage. Any development standard that requires off street parking would cause changes to our historic downtown. The

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<sup>2</sup> Citations to "CP" refer to the Astoria Comprehensive Plan.

applicant appears to misconstrue the fact that parking is not required in arguing that problems associated with the City's lack of parking should not be considered in this application. On the contrary, our code directs that consideration of available parking must be considered in any conditional use application. Section 11.030 A.2.

- E. The unique historic character of this residential neighborhood should be protected.

Finding: The conditional use proposed would convert a residential use to a vacation rental and would eliminate five residential units close to the downtown business area. Such a conversion would have a negative effect on the neighborhood. The City's residential planning goals include maintaining the city's existing housing stock, CP 218.2., encouraging low and moderate income housing throughout the City CP220.5 and protecting neighborhoods from incompatible uses. CP 220.6. Converting this residential structure to a tourist rental promotes none of these policies. Astoria is becoming the cultural center of the region with its numerous historic properties and districts, and with the increase of breweries and distilleries, the downtown is becoming a destination for tourists. However, there is a severe shortage of affordable housing to support the tourism industry and other businesses. The loss of five affordable housing units provides no benefit to the City.

#### VI. CONCLUSION

Based upon these finding the City Council concludes that the applicant has failed to demonstrate that the use is appropriate at the proposed location in compliance with Section 11.030(A)(1) and the parking is suitable in compliance with Section 11.030(A)(2). Allowing this conversion would not comply with our Comprehensive Plans direction to preserve existing housing stocks, encourage low and moderate income housing and to protect neighborhoods from incompatible uses

The City Council therefore denies the appeal of Stewardship Homes LLC and affirms the Planning Commission's denial of Conditional Use request CU19-04.