

The Cottages at Agate Point Project Proposal

My wife and I purchased a small retirement home here in 2018. Like most residents of Yachats, I came as a visitor, entranced by the peace and natural beauty of this portion of the Oregon coast. Yachats with its access to broad beaches and rugged coastline has drawn vacationers here for nearly a century. In its Comprehensive Land Use Plan written in 2008 and amended in 2019, Yachats recognized its land use priorities in the introduction of the CLUP when it stated:

Land use policies, procedures and applications shall acknowledge certain economic characteristics of the City, namely, that retirement and tourism are major industries.

We know that Yachats is and has been a tourist destination and that much of the city's fortune derives from year-round visitors. A quick inspection of the lodging options shows that despite continued pressure on the hotel housing stock, there have been no new units built within the city for several decades. In fact, over the past several years, the supply of hotel units has decreased with the loss of the Log Cabins (now Koho development) and the recent conversion of Rock Park Cottages to long term rentals. We believe that most of what is available does not address the needs/desires of a new generation of travelers. Desires have changed, but not the options of hotel lodging.

Within the city limits and its jurisdiction, there are very few opportunities to increase the availability of hotel units. Most R-4 and C-1 property has been built out. Our informal survey indicates that of the 43 R-4 properties within the city limits, the majority have been developed as single-family and multi-family residential leaving only 2 R-4 properties currently undeveloped. As the city becomes more and more popular with travelers, this unfortunately puts more pressure on STR's in neighborhoods not specifically zoned for such use. Add to this the increased pressure on rental units on the horizon due to the passage of Ballot Measure 21-203 and small coastal cities such as Yachats which rely on tourist revenue will have a hard time with economic stability and opportunities.

We realized that our property on Yachats Ocean Road, is quite unique and well suited for a small upscale hotel. It has a stellar location, is within walking distance to shops and restaurants and is appropriately zoned, allowing us to bring travelers out of residential neighborhoods into an area specifically set aside for such uses.

We decided to create a lodging opportunity that enhances Yachats and the coastal Oregon community. We want it to be unique and memorable. To that end:

- We have chosen to use Ideabox from Salem to build our cottages. Long recognized as an innovative leader in pre-fab housing.
- Each cottage will be unique, decorated with art and furnishings from local artists and craftspeople. All art will be available for purchase directly from the artist.

- We will partner with Sparrow Furniture from Salem to manufacture all of the hardwood furniture we will use. Sparrow began as a church outreach program supporting and training refugees for new careers in furniture making in order to facilitate their new lives in Oregon.
- We will make available local Oregon wines and foods.
- All garden landscaping will be native to coastal Oregon.

After extensive research, we have decided to use pre-fabricated units for the Cottages Hotel at Agate Point for several reasons:

- The building practices are much more environmentally friendly and sustainable.
- The construction efficiency creates significantly less waste.
- Building timeframes are shorter and less disrupted by inclement weather since the cottages are built inside and out of the elements.
- They are built to standards that meet and exceed current on-site building standards.
- The final cottages will be of a higher quality and much more durable than stick-built.
- There is an opportunity for far less impact on the property and neighborhood since each cottage is constructed off-site and lifted into place via crane onto a finished foundation.
- The install time is shorter, creating far less local disruption than traditionally stick-built construction.
- Despite popular misconceptions, pre-fab housing is more expensive than on-site construction, but the higher quality and durability leads to cost savings in the long-term. We find this last point especially important due the extreme weather conditions these cottages will endure on Agate Point.

Our cluster of cottages will have a light footprint, taking into consideration the natural beauty of the environment while being respectful of our neighbors.

- Overall lot coverage will be approximately 26% on a lot that allows for 45% coverage.
- Overall height will be approximately 14ft on a lot that has a 30ft height allowance.
- Access will be from Shellmidden rd. rather than Yachats Ocean Rd. in order to keep our visitor impact to a minimum.

We believe that our project is improving the opportunities for tourism by creating a lodging experience that is more in-line with the desires of today's travelers.

Conditional Use Permit Request

We are requesting a Conditional Use Permit for hotel operations of the proposed seven-unit cottage complex.

Section 9.24.020 Permitted Uses allows for a motel, hotel or resort of 1.0 acre with direct access provided from U.S. Highway 101 and only with accessory commercial uses.

- We are requesting a Conditional Use Permit because the project does not meet the 1.0 acre minimum and does not directly access U.S. Highway 101.

Section 9.72.050 (A) requires hotels and resorts to have a minimum of one thousand five hundred (1,500) square feet of open space per guest unit.

- The project provides 18,356 square feet of open space or 2,623 square feet per unit.

Section 9.64.020 Private Streets.

- The project proposes to use existing public streets to access the parking lot at the east side of the property.

Section 9.48.010 (L3). Requires one space for each guest accommodation.

- The project provides 1.7 guest parking spaces for each accommodation or a total of twelve (12) spaces.

Plot Plan

Existing and Proposed structures: There are no existing structures on the property. We propose to install Seven (7) high quality prefabricated modular units.

Total Floor Area: 6,400 sf

Height: Fourteen (14') ft

Proposed use for these structures: Hotel cottage rentals

Operating Characteristics: The operation of these cottages will be managed by a local professional management firm on a 24/7 basis. The project will have an on-site office for use by the manager to ensure compliance to all rules including restrictions on over renting, overparking, noise, behavior and litter.

Location, extent, arrangements for proposed improvements and loading facilities: All of this is provided on site.

State or County Road Approach Permit: Both permits may be required for the sewer, water connection.

R-4 Ordinance Standards.

1. Minimum Lot Size: 20,000 sf minimum. Requirement met. The Lot is 24,698.97 sf
2. Maximum Density: 12 DU per acre. This site is 0.57 acres which allows 6.84 buildings. We propose seven (7) buildings
3. Minimum lot width and depth all comply with the Zoning Code
4. Front Yard setback is twenty (20').
5. Side Yard setback: Five (5').
6. Street Side yard Setback N/A
7. Rear Yard Setback: ten (10').
8. Maximum Building Height: thirty (30'). The proposed buildings have a maximum height of fourteen (14').
9. Lot Coverage maximum 45%. The proposed project has a lot of coverage of twenty-six (26%).

Zoning Comparison.

The proposed project is significantly smaller in both lot coverage and building height than the code allows.

Lot coverage allowed is 45% or 11,114sf.

- *Proposed coverage 26% or 6,400sf. (+-).*

Building Height Allowed is 30'.

- *Proposed fourteen (14') feet.*

Community Meeting

A community meeting was conducted on July 15, 2021. Twenty-Four notices were sent to the adjoining neighbors. Thirteen attended the meeting. A presentation of the project was given followed by a question-and-answer session. It was explained to the attendees, we are seeking a CUP approval for hotel operations.

The attendees had a few items that need clarification / guidance from the city.

1. Will Shellmidden be paved or gravel? *Gravel*
2. Who will maintain the street? *The City since it is in the public Right of Way.*
3. What are the limits of the improvements? *Within the existing 30' Right of Way*
4. What is the lighting requirements for the parking lot? *Bollards will be used within the cottages and along the parking lot edge*
5. How will overrenting be managed. *An onsite manager's office has been added. The manager will check in the renting party to verify there is no overrenting. They also perform daily checks of the cottages. The manager is available 24/7.*
6. What are the construction hours? *7:00 am to 4:00 pm. Monday through Saturday.*

Response to Public Comments and letters

1. The property is a wetland.

No, the entire property is not a wetland. Portions are defined as wetland due to make up of the underlying soils.

On August 17, 2021, The Department of the Army issued its Jurisdictional Determination. A copy is attached.

On April 28, 2022, The Department of State Lands issued its Jurisdictional Determination. A copy is attached.

These determinations calculated a total of 5,662 sf to be wetlands. 4,356 sf in the western area and 1,306.80 sf in the eastern area. A copy of the Wetland Delineation Map is available.

The Applicant proposes to offset the environmental impacts with the payment of mitigation fees to the Wilbur Island Mitigation Bank. This is a common practice and acceptable development practice when small areas of wetlands are disturbed.

2. Access

Shellmidden is a thirty (30) foot recorded public right of way that provides access to the property. Access to the project from Shellmidden creates less of an impact than if access were from Yachats Ocean Road. If the Commission prefers, access can come from Yachats Ocean Road as the adjacent neighbors have.

3. Parking

Parking was reduced to twelve (12) spaces. Code requires one space per building.

4. Open Space

Section 9.72.050 (A) requires hotels and resorts to have a minimum of one thousand five hundred (1,500) square feet of open space per guest unit. The project open space totals approx 18,000sf or 2,600sf square feet per guest unit.

5. Building Codes

The code allows for a 45% lot coverage or a footprint of 11,114 sf. Maximum height is 30'. A Three (3) story home of over 20,000 square feet can be built on this site without any conditional approval.

6. Shellmidden Improvements

Allowable within the existing 30' Right of Way

7. Lighting requirements for parking

Bollards will be used within the cottages and along the parking lot edge

8. Rental Abuse and Management

An onsite manager office has been added. The manager will check in the renting party to verify there is no overrenting. They also perform daily checks of the cottages. Oversight is available 24/7

9. Accessory Structure

A managers' office and a Meeting Room have been added to the project. The Meeting Room is a separate building available for guests and or the general public to rent for events such as birthdays, weddings. This space can be used for ping pong or other communal recreation activity. Good for rainy days. Useful for meetings or other group activities if several units are rented by the same group of

people. Storage for communal items such as beach chairs, cornhole game, firewood etc. Helps to create a communal focus point.

10. Fire Access

A Fire access plan has been prepared and submitted to the Yachats RFPD. The Access plan has been designed to meet the requirements of Lincoln County Fire Agency. Primary Fire access is located off Yachats Ocean Road. This is consistent with the adjoining neighbors.

Short-Term Rental in Disguise?

We are not trying to skirt the Short-Term Rental issue, we are meeting it head on. We are taking what would be STR's and moving them into an area actually zoned for such a use. Kitchens and complete compact units are simply what people now want. Over the past several years Yachats has lost hotel rentals. This has pushed visitors into Airbnb units in residential neighborhoods. We are trying to alleviate that pressure by creating units in a low-density property zoned for hotels.

Changing Demographics

The hospitality industry has evolved dramatically over the past several years, driven by technology and shifting consumer demands, and the recent pandemic. The Cottages Hotel at Agate Point is trying to create a hotel experience that addresses these changing demands.

1. Leisure travelers require environments that accommodate their flexible work schedules and habits.
 - All cottages will include comfortable work spaces
 - All cottages will have free WiFi.
2. The new traveling demographic are digitally savvy and manage their own travel needs.
 - Travel apps and improved on-line marketing provide for easy search, booking and payments on-line.
 - New keyless entry systems allow for more convenient and contact-less check-in and check-out
 - Digital communications provide for enhanced 24/7 guest communication.
3. Travelers require personalized, adventurous, and yet minimalist experiences instead of lavish services.
 - The Cottages will provide the perfect location facing the beautiful and roaring Oregon Coast
 - Comfortable and informal interiors will rely on local craftspeople and artists to provide a custom and relaxed appeal. No two Cottages will be alike.
4. Travelers are demanding more sustainable and eco-friendly surroundings and services.
 - Best practices for construction of high quality and efficient prefabricated construction from local builders.
 - Elimination of plastic disposables and unnecessary paper products
 - Replacement of miniature toiletries with locally sourced dispenser.

- Utilization of organic bedding materials
- Deployment of energy-wise appliances.
- 5. Travelers are more focused on local “stay-cations” over traveling abroad.
 - The Cottages will provide the ideal setting, comfortable interiors and advanced technology to satisfy these needs.
 - Kitchens allow families to prepare coffee, light breakfasts, quick meals for younger travelers and meals for those with special dietary needs.
 - Flexible sleeping arrangements are more family friendly than hotel rooms, especially for those traveling with children.

We believe that The Cottages at Agate Point are positioned in the right place at the right time to attract this new demographic of traveler, whether it be solo travelers, couples or small families. This high-quality community will fill a growing need in this community. Strong management, combined with the low-profile, low-density layout, will help make this high-quality collection of cottages as respectful as possible to our neighbors and larger community. The Cottages Hotel at Agate Point will be unique hotel experience that will benefit the unique character and charm of Yachats.