



PLANNING COMMISSION

MEETING AGENDA

June 17, 2026

Library Community Room
55 Academy Street, Lebanon, Oregon 97355

Chair:

Don Robertson

Vice Chair:

Lory Gerig - Knurowski

Commissioners:

Kristina Breashears

Karisten Baxter

Don Fountain

Michael Miller

Regina Thompson

Shyla Malloy

Vacant – Pending
Appointment 6.10.26

1. **Call to Order / Flag Salute**
2. **Roll Call**
3. **Minutes:** March 18 and April 15, 2026
4. **Citizen Comments** – restricted to items not on the agenda
5. **Commission Review**
 - a. **Public Hearing** – Planning File AR-26-06
Scott Lepman Company
890 S 2nd Street / 12S02W10DA06300 & 06400
6. **Commission Business and Comments**
7. **Adjournment**

Planning Commission meetings are recorded and available on the City's YouTube page at <https://www.youtube.com/user/CityofLebanonOR>. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the Development Services Department at 541.258.4906.



LEBANON PLANNING COMMISSION MEETING MINUTES

March 18, 2026 at 6:00 PM

Library Community Meeting Room
55 Academy Street, Lebanon, Oregon

CALL TO ORDER / FLAG SALUTE

ROLL CALL

PRESENT

Chair Don Robertson
Vice-Chair Lory Gerig-Knurowski
Kristina Breshears
Don Fountain
Alternate Shyla Malloy
Alternate Michael Miller
Alternate Regina Thompson

ABSENT

Karisten Baxter

STAFF

City Manager Ron Whitlatch
Development Services Director Shana Olson
City Attorney Tre Kennedy

MINUTES

The May 21, August 20, and November 19, 2025, and February 18, 2026 meeting minutes were approved as submitted.

CITIZEN COMMENTS – none

COMMISSION REVIEW

City Attorney Kennedy reviewed the public hearing process.

1. Public Hearing – Planning File S-22-03

Request: Three-year extension of approval for a 28-lot subdivision originally expiring April 1, 2026. The property has new ownership; and no changes to the approved plan are proposed.

Chair Robertson opened the public hearing. No conflicts of interest, biases, or ex-parte contacts were disclosed.

Development Services Director Olson delivered the staff report and explained that the request only extends the timeline and does not modify the original approval. Staff determined that the application meets Development Code requirements; approval recommended.

No testimony was received. The public hearing was closed.

Olson confirmed to Chair Robertson that any changes would require submission of a new application.

Decision: Motion to approve by Commissioner Fountain, seconded by Commissioner Malloy. Voting Yea: Chair Robertson, Vice-Chair Gerig-Knurowski, Commissioners Breshears, Fountain, Malloy, Miller and Thompson. The motion passed unanimously.

2. Public Hearing – Planning File S-26-02, VAR-26-01

Request: Approval of a 52-lot subdivision and Class III Variance to increase the maximum building height from 25 to 33 feet for small-lot, single-unit detached dwellings on property at 31707 S. Fifth Street (12S02W22D, tax lot 1001)

City Attorney Kennedy reviewed public hearing procedures.

Vice-Chair Gerig-Knurowski disclosed living near the site, receiving notice, and limited exposure to public comments but stated that she could remain impartial. No other ex-parte contacts, conflicts of interest, or biases were reported.

Olson presented the staff report and recommended approval, subject to conditions. A correction to the notice closure date (March 18, 2026) was noted. Public concerns included traffic, density, building height, neighborhood compatibility, privacy, parking, sidewalks, and fencing.

Staff clarified that the proposal is for detached single-family small-lot homes, not apartments, and any changes would require further review.

Additional clarifications included that fencing along Joy Street must be placed on the north easement line to ensure proper drainage access and allow for ongoing maintenance.

Staff noted that the commission's variance review is limited to the requested building height variance, while street-related considerations are addressed separately through engineering standards and are not part of this decision.

Applicant testimony – Blake Weiler and representative, Andrew Rappe of Udel Engineering and Land Surveying, LLC, stated that the proposal is largely consistent with the 2024 approval, with increased density reflecting recent zoning code changes. The development is planned to include one- and two-story homes ranging from approximately 800 to 1500 square feet.

The height variance is needed to accommodate practical two-story designs compatible with the surrounding neighborhood. Without the variance, design flexibility would be reduced, and lots would likely have less usable yard space. Representatives also confirmed that, if the variance is denied, they would not revert to the previously approved 35-lot layout.

Public Testimony (Favor) – none

Public Testimony (Opposition) – Donna Clark expressed concern that the required fencing may not extend far enough to adequately buffer adjacent properties and suggested extending it to the additional lots. The speaker also asked whether landscaping, such as trees along the fence line, could be required to help screen views and improve privacy. Concerns were raised regarding the compatibility of the proposed building heights with the surrounding neighborhood. Staff provided clarification on building height measurements. The commenter also noted potential traffic impacts and questioned how the increased density might affect circulation and connectivity in the area.

Rebuttal – none

The public hearing was closed. There was discussion regarding fencing requirements and whether the variance criteria were met.

Decision: Motion to approve Subdivision application S-26-02 and to deny the Class III Variance application VAR-26-01, and direct staff to prepare a Final Order consistent with the Commission's decision, was made by Commissioner Malloy, seconded by Commissioner Fountain. Voting Yea: Chair Robertson, Vice-Chair Gerig-Knurowski, Commissioners Breshears, Fountain, Malloy, Miller and Thompson. The motion passed unanimously.

COMMISSION BUSINESS AND COMMENTS

- Commissioner Breshears volunteered for the SDC Committee.
- The next meeting scheduled for April 15, 2026 will include Chair and Vice-Chair elections.

ADJOURNMENT – The meeting adjourned at 6:59 PM.



LEBANON PLANNING COMMISSION MEETING MINUTES

April 15, 2026 at 6:00 PM

Library Community Meeting Room
55 Academy Street, Lebanon, Oregon

CALL TO ORDER / FLAG SALUTE

ROLL CALL

PRESENT

Chair Don Robertson
Vice-Chair Lory Gerig-Knurowski
Karisten Baxter
Kristina Breshears
Alternate Shyla Malloy
Alternate Michael Miller
Alternate Regina Thompson

ABSENT

Don Fountain

STAFF

City Manager Ron Whitlatch
Development Services Director Shana Olson
City Attorney Tre Kennedy

MINUTES – none

CITIZEN COMMENTS – none

ELECTION OF A NEW CHAIR AND VICE-CHAIR

Motion to nominate Lory Gerig-Knurowski as Chair was made by Robertson, seconded by Malloy. The motion passed unanimously.

Motion to nominate Don Robertson as Vice-Chair was made by Malloy, seconded by Breshears. The motion passed unanimously.

COMMISSION REVIEW

1. Public Hearing – Planning File PD-26-01

Request: Approval of a Planned Development for the Western University of Health Sciences Lebanon Campus. The proposal consists of a phased university campus with a total buildout of up to approximately 500,000 square feet of institutional and supporting uses. Phase I includes about 177,000 square feet of building area across three buildings, intended for academic, administrative, and supporting campus functions. The subject site is approximately 110 acres, located along E. Milton Street and E. Grant Street (12S-02W-11, Tax Lot 1000) and is zoned Mixed Use.

Chair Robertson opened the public hearing. City Attorney Kennedy reviewed the public hearing process. Chair Robertson disclosed prior familiarity with the property from its time as a sawmill and stated that this would not influence his decision. There were no other conflicts of interest, biases, or ex-parte contacts were disclosed.

Development Services Director Olson presented the staff report, noting that the planned development establishes a conceptual master plan with development expected to occur in multiple phases over time. The Planning Commission must also determine the level of review for future development phases: (1) ministerial review by the planning official without public notice; (2) administrative review by the planning official with public notice and a higher level of review; or (3) Planning Commission review for each phase through a public hearing.

Staff finds that the proposed planned development meets, or can meet, applicable Development Code requirements, subject to the recommended conditions of approval. Staff also recommends that future phases be processed through administrative review (Option 2) to ensure each phase provides adequate infrastructure, access, and services, and remains consistent with the approved planned development.

No written testimony was received during the public notice period.

Olson confirmed for Chair Robertson that the Commission's review is limited to the overall concept and does not include evaluation of specific development details.

Applicant testimony – Lyle Hutchens, Project Manager Consultant for Western University of Health Sciences, introduced Kim Olson, Mahlum Architects, who provided an overview of the site conditions, the project vision, and proposed community amenities. Hutchens addressed circulation and site access.

Chair Robertson inquired about their plans to direct traffic to the Grant Street entrance. Hutchens responded that construction traffic will be fully controlled in terms of site access and egress. For general traffic, efforts will be made to minimize use of Milton Street through informational measures. He noted that students and faculty will become familiar with the Milton Street access over time, but that it is necessary to provide secondary fire and life safety access.

Vice-Chair Knurowski asked whether the trail system will be open to the public, Hutchens responded that the intent is to make most of the site accessible; however, due to the presence of students, some security concerns will need to be addressed.

In response to Chair Robertson's question regarding the project timeline, Hutchens stated that it will largely depend on financing, including potential grant funding. He indicated that the first project – construction of the public street extension from Grant Street and the railroad undercrossing – is expected to begin in 2027.

Public Testimony (Favor) – none

Public Testimony (Opposition) – John Dupkavich expressed concern about traffic on Milton Street, particularly noting that train activity can cause backups in both directions.

Rebuttal – Hutchens stated that he had nothing further to add but acknowledged their own concerns regarding Milton Street traffic. He noted that every effort will be made to direct users to the main Grant Street entrance. Western administration understands the situation and does not want to negatively impact traffic on Milton beyond what is necessary.

The public testimony portion of the hearing was closed.

Commissioner Thompson asked how traffic impacts would be addressed through an administrative review. Olson explained that a traffic impact analysis would be conducted at each development phase and will include the three primary intersections – Grant Street/main campus access, Grant Street/Williams Street, and Milton Street/Williams Street – to identify any issues and whether improvements are needed. Additional intersections could be included in the analysis if other areas are found to be affected.

Vice-Chair Gerig-Knurowski stated that she appreciated the level of detail in the proposal, particularly as it relates to the site's landscaping, history and ecological health.

Discussion was held regarding the three options for future review. Chair Robertson expressed concern that the Planning Commission is being asked to decide on something that may not be

implemented for 10-15 years and that future commissioners or staff have no connection to the original decision. He suggested that the Planning Commission be briefed when Phase 2 is brought forward and decide then on the appropriate review process. Olson provided additional information on administrative review options. Kennedy noted that administrative decisions include public notice and are subject to appeal to the Planning Commission; this may address some of the concerns raised. Further discussion followed regarding potential triggers for review.

Chair Robertson called for a five-minute recess.

City Manager Whitlatch explained that requiring a return to the Planning Commission at every phase defeats the intent of a planned development. Each phase will trigger a new traffic impact analysis, utility review, and evaluation against the development code. Staff also retains the discretion to bring a phase before the Planning Commission if they determine it would be beneficial to obtain guidance.

Decision: Motion to approve application PD-26-01 and adopt the draft order as presented by staff, with future phases reviewed through the administrative review process by the planning official (Option 2), made by Commissioner Malloy, seconded by Commissioner Baxter. Voting Yea: Chair Robertson, Vice-Chair Gerig-Knurowski, Commissioners Baxter, Breshears, Malloy, Miller and Thompson. The motion passed unanimously.

COMMISSION BUSINESS AND COMMENTS

- The next meeting scheduled for May 20, 2026 will tentatively include a planned development.
- The former Walgreens site will include a gas station, convenience store and two retail spaces.

ADJOURNMENT – The meeting adjourned at 7:02 PM.



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4906
development@lebanonoregon.gov
www.lebanonoregon.gov

MEMORANDUM

Development Services

To: Lebanon Planning Commission
From: Shana Olson, Development Services Director
Subject: Planning File No. AR-26-06

Date: June 9, 2026

I. BACKGROUND

Under consideration is a request for approval of an adaptive reuse project to convert an existing three-story commercial office building into a 26-unit apartment building at 890 S 2nd Street. The property is identified as Linn County Assessor's Map 12S02W10DA, Tax Lot 6300 & 6400, and is zoned Central Business Commercial (Z-CCM).

The subject site contains an existing commercial office building of approximately 29,974 square feet, constructed in 1985, and an adjacent parking lot containing approximately 36 parking spaces that serves the building. According to the applicant, the building has remained largely vacant for an extended period and is no longer being utilized for its original office purpose. The applicant proposes to convert the existing structure into 26 one-bedroom apartment units while continuing to utilize the existing parking facilities.

The subject site is located within Lebanon's downtown commercial area and is surrounded by a mix of commercial, civic, service, and residential uses. The proposal represents the adaptive reuse of an existing structure rather than new construction.



Pursuant to the Lebanon Development Code, the Development Services Director has elected to refer the application to the Planning Commission for review and decision due to the significance of the proposed downtown residential conversion and the public interest associated with implementation of recently adopted housing and commercial district regulations.

II. CURRENT REPORT

The proposal consists of converting an existing commercial office building to residential use.

The application includes:

- Conversion of approximately 29,974 square feet of existing commercial floor area to residential use.
- Creation of 26 one-bedroom apartment units.
- Continued use of the existing parking area containing approximately 36 parking spaces.
- Utilization of existing public water, sewer, transportation, and utility infrastructure.
- Interior renovations are necessary to accommodate residential occupancy.

No expansion of the building footprint or increase in building height is proposed. The applicant's narrative references recent amendments to the Lebanon Development Code adopted through Ordinance No. 3036, as well as the provisions of Oregon House Bill 2984 related to commercial-to-residential conversions. The applicant also discusses building code compliance measures, which will be reviewed separately during the building permit process.

III. STAFF ANALYSIS

Zoning and Land Use Compatibility

The property is located within the Central Business Commercial (Z-CCM) zoning district. In 2025, the City adopted Ordinance No. 3036, amending portions of Chapter 16.08 of the Lebanon Development Code to expand housing opportunities within commercial zoning districts and support implementation of the City's Housing Production Strategy.

Prior to adoption of Ordinance No. 3036, residential development within portions of the downtown commercial area was generally limited to upper-story residential uses. The amendments removed restrictions requiring residential units to be located exclusively above ground-floor commercial space and expanded opportunities for residential occupancy within commercial districts.

Based on staff's review of the adopted code provisions, residential dwelling units are permitted within the Z-CCM district subject to compliance with applicable development standards and building code requirements.

The proposed conversion is therefore consistent with the permitted use framework established for the zoning district.

Oregon House Bill 2984

The applicant references the provisions of House Bill 2984 (2023), which established statewide standards intended to facilitate the conversion of existing commercial buildings to residential use.

HB 2984 was enacted to encourage housing production through the adaptive reuse of existing commercial structures by limiting certain local land use requirements and approval processes. The subject property is located within the Lebanon Urban Growth Boundary and city limits, contains an existing commercial structure, and is not located on land zoned for heavy industrial use.

The applicant asserts that the proposal qualifies for consideration under HB 2984. Based on the information submitted, staff finds that the proposal is generally consistent with the intent of HB 2984 to encourage housing opportunities through the adaptive reuse of existing commercial buildings.

The Planning Commission's review of this application is based upon the applicable provisions of the Lebanon Development Code, including the Central Business Commercial (Z-CCM) zoning district and the Administrative Review criteria contained in LDC 16.20.040(D)(2). Any determination regarding the applicability of specific statutory provisions of HB 2984, including parking requirements, system development charges, building code compliance, or other statutory protections, shall occur through the applicable permit and review processes.

Existing Development Pattern

The proposal utilizes an existing building, associated parking facilities, and a developed site within Lebanon's downtown commercial area.

No increase in building footprint is proposed. The conversion will preserve an existing structure while introducing residential units into an area already served by public infrastructure, transportation facilities, public services, and commercial amenities.

The adaptive reuse of an existing building is generally consistent with Comprehensive Plan goals that encourage the efficient use of existing infrastructure and reinvestment in developed urban areas.

Transportation and Parking

The site currently contains approximately 36 parking spaces. The applicant proposes to retain the existing parking area and utilize it to serve future residents of the building.

The proposal involves the conversion of an existing building on a developed site that is currently served by existing access, parking, and transportation infrastructure. No new vehicular access points or roadway improvements are proposed as part of this application. The draft order included a condition requiring the parking area to remain legally available to serve the development.

Utilities and Public Services

City water, sanitary sewer, storm drainage facilities, emergency services, and transportation infrastructure serve the property.

The applicant indicates that the project will utilize existing utility systems and may require internal modifications to accommodate residential occupancy.

Verification of utility capacity, service requirements, meter sizing, and related infrastructure issues shall occur through the City's engineering and building permit review processes.

BEFORE THE LEBANON PLANNING COMMISSION

In the matter of the
Application of
Scott Lepman Company

)
)
)

Administrative Review
AR-26-06

ORDER OF APPROVAL

I. NATURE OF APPLICATION

The application is for approval of an adaptive reuse project to convert an existing three-story commercial office building into a 26-unit apartment building located at 890 S 2nd Street.

II. FINDINGS OF FACT

A. GENERAL FINDINGS

1. The applicant is Scott Lepman Company.
2. The subject site is located at 890 S 2nd Street, and is identified as Linn County Assessor's Map Number 12S02W10DA Tax Lots 6300 & 6400.
3. The properties are zoned Central Business Commercial (Z-CCM).
4. The properties are located within Lebanon's downtown commercial area and are surrounded by a mix of commercial, civic, service, and residential uses.

B. EXISTING CONDITIONS

The subject site contains an existing commercial office building of approximately 29,974 square feet, constructed in 1985.

The adjacent tax lot within the subject site is developed as a parking lot that serves the existing building and contains approximately 36 parking spaces.

According to the applicant, the office building has remained largely vacant for an extended period and is no longer being utilized for its original office purpose.

The site is served by existing transportation, utility, and public infrastructure.

C. PROPOSAL

The applicant proposes to convert the existing commercial office building into 26 one-bedroom apartment units through adaptive reuse of the existing structure.

The proposal includes continued use of the existing parking area and public infrastructure. No expansion of the building footprint or increase in building height is proposed.

D. PUBLIC NOTIFICATION

The City issued a public notification in compliance with the Lebanon Development Code and State regulations on May 21, 2026. The public comment period remained open until 5:00 pm on Tuesday, June 16, 2026.

E. AGENCY COMMENTS

The following agencies were notified of the proposal: Build Lebanon Trails, Consumers Power, NW Natural, Pacific Power, Peak Internet, Republic Services, Oregon Pilots Association, Oregon Department of Aviation, Santiam-Albany Canal, Grand Prairie Water District, Linn County Assessor, Planning, Road and Surveyor Departments, Oregon Department of Transportation, Lebanon Fire District, Lebanon Building and Engineering, Lebanon Community School District, Lebanon Planning Commission and the Lebanon Chamber of Commerce. No agency comments were received that would preclude approval of the application.

F. ANALYSIS – Administrative Review

The Planning Commission reviewed the application for compliance with:

- Lebanon Development Code Chapter 16.08, Central Business Commercial (Z-CCM) Zone.
- Ordinance No. 3036 amending residential development standards within commercial zoning districts.
- Oregon House Bill 2984 (2023) relating to commercial-to-residential conversions.
- Lebanon Development Code Section 16.20.040(D)(2), Administrative Review.

G. APPROVAL CRITERIA – Administrative Review

Pursuant to LDC 16.20.40(D)(2), the following criteria must be demonstrated as being satisfied by the application:

1. **The proposal shall conform to the use, height limits, setbacks, and similar development requirements of the underlying zone.**

FINDING: The subject site is located within the Central Business Commercial (Z-CCM) zoning district. The proposal consists of the adaptive reuse of an existing approximately 29,974-square-foot commercial building for 26 residential dwelling units. No expansion of the building footprint or increase in building height is proposed. The Planning Commission finds that residential dwelling units are permitted within the Z-CCM district subject to applicable development standards. The proposal utilizes an existing structure and does not alter the site's established setbacks, building height, or other dimensional characteristics. Therefore, the proposal conforms to the applicable use and development requirements of the underlying zoning district.

2. **The proposal shall comply with applicable access and street improvement requirements in Chapters 16.12 and 16.13, respectively.**

FINDING: The site is currently developed and served by existing access from the surrounding public street system. The proposal does not include new access points, modifications to existing access, or street improvements. The existing transportation network serves the site, and no evidence has been presented to demonstrate that the conversion will require additional access improvements. The Planning Commission finds the proposal complies with applicable access and street improvement requirements.

3. **The proposal shall comply with applicable parking requirements in LDC Chapter 16.14.**

FINDING: The property contains an existing parking area with approximately 36 parking spaces. The applicant proposes to retain and utilize the existing parking facilities to serve the proposed 26-unit apartment conversion. The Planning Commission finds that the existing parking facilities adequately serve the proposed development and comply with applicable parking requirements.

The Planning Commission's decision relies upon the parking configuration and site arrangement presented in the approved application materials.

4. The proposal shall comply with applicable screening and landscaping provisions in LDC Chapter 16.15.

FINDING: No expansion of the building footprint, parking area, or site improvements is proposed. Existing site development will remain substantially unchanged. Therefore, the proposal complies with applicable landscaping and screening requirements.

5. Any required public facility improvements shall comply with provisions in LDC Chapter 16.16.

FINDING: The subject property is served by existing public water, sanitary sewer, storm drainage, transportation facilities, emergency services, and other municipal infrastructure. The applicant proposes to utilize existing public facilities serving the site. Verification of utility capacity, service connections, meter sizing, and any necessary infrastructure modifications shall occur during engineering and building permit review. Based on the information submitted, the Planning Commission finds that adequate public facilities are available to serve the proposed development.

6. Where applicable, the proposal shall comply with development requirements within identified hazard areas and/or overlay zones.

FINDING: The record contains no evidence that the property is subject to any applicable hazard area or overlay zone requirements. Therefore, this criterion is satisfied.

7. The proposal shall comply with the supplementary zone regulations contained in LDC Chapter 16.19 or elsewhere in the Development Code.

FINDING: The proposal does not involve any activity requiring additional review under Chapter 16.19. The Planning Commission finds the proposal complies with applicable supplementary regulations of the Lebanon Development Code.

H. ADAPTIVE REUSE FINDINGS - Ordinance 3036

FINDING: Residential dwelling units are permitted within the Z-CCM district. Ordinance 3036 expanded residential opportunities within commercial districts by removing prior restrictions on ground-floor residential occupancy. The proposed conversion is therefore consistent with the district's permitted use framework.

III. CONCLUSION

Based upon the foregoing findings, the Planning Commission finds that the proposed adaptive reuse project complies with the applicable approval criteria of Lebanon Development Code Section 16.20.040(D)(2), the provisions of the Z-CCM zoning district, and other applicable provisions of the Lebanon Development Code. The Planning Commission further finds the proposal is consistent with Ordinance No. 3036 and generally consistent with the intent of House Bill 2984. Therefore, Planning File AR-26-06 is approved.

IV. ORDER

Based upon the findings and conclusions contained herein, the Lebanon Planning Commission hereby APPROVES Planning File AR-26-06 for the adaptive reuse and conversion of the existing commercial office building located at 890 S 2nd Street into a twenty-six-unit apartment building, subject to the conditions of approval contained herein.

This approval authorizes the proposed land use only and does not constitute approval of building, fire, engineering, utility, or other permit requirements, which shall be reviewed through the applicable permit processes.

CONDITIONS OF APPROVAL

Development Services

1. The parking area identified in the approved application materials shall remain legally available to serve the residential development. Prior to issuance of building permits, the applicant shall provide documentation demonstrating compliance with this condition. Compliance may be demonstrated through lot consolidation, reciprocal parking easements, recorded covenants, or another legal mechanism approved by the City. Documentation shall be recorded with Linn County and provided to the City.
2. Utilities, service lines, drainage facilities, parking areas, access improvements, and other site infrastructure crossing between Tax Lots 6300 and 6400 shall be protected by recorded easements or the parcels shall be consolidated into a single legal lot. Documentation demonstrating compliance with this condition shall be provided prior to issuance of building permits. Any required easements shall be recorded with Linn County and copies provided to the City.
3. Development of the site shall comply with all applicable Development Services review requirements, including site plan, utility, and building permit reviews, as well as applicable City engineering standards.

Development Services Review Requirements

1. All elevations shown on plans submitted to the City shall be referenced to the NAVD 88 vertical datum.
2. All private on-site utilities shall be inspected and approved as part of the building permit review process.
3. Sidewalks, curb ramps, and driveways along the property frontage, including lots serving the development, shall be brought into compliance with current City and ADA standards. Damaged sidewalks shall be repaired or replaced as required by Development Services.
4. The applicant shall demonstrate that existing water, sanitary sewer, and storm drainage facilities are adequate to serve the proposed use. Replacement or upgrades may be required where existing infrastructure is determined to be undersized or in poor condition.
5. Shared utility services and laterals shall not be permitted unless otherwise approved by the City.

Lebanon Fire District

1. Plans demonstrating compliance with the Oregon Fire Code and local amendments shall be submitted to the Lebanon Fire Marshal for review and approval prior to issuance of building permits.

Public Testimony

The City provided public notice in accordance with the Lebanon Development Code and applicable state requirements. At the time of preparation of this report, no public comments or testimony had been received regarding the application.

IV. RECOMMENDATION

Based on the information submitted by the applicant and the analysis contained in this report, staff finds that the proposed adaptive reuse project complies with the applicable provisions of the Lebanon Development Code, Ordinance No. 3036, and is generally consistent with the intent of HB 2984.

Staff recommends that the Planning Commission approve Planning File AR-26-06 and adopt the Draft Order as presented.

V. PLANNING COMMISSION ACTION

Staff has provided the Planning Commission with several options, each accompanied by an appropriate motion.

1. Approve the application, adopting the draft order as presented.

I move that the Planning Commission approve application AR-26-06 and adopt the Draft Order as presented by staff.

2. Approve the application, adopting modifications to the draft order.

I move that the Planning Commission approve application AR-26-06 and adopt the Draft Order with the following modifications.

3. Continue the hearing until July 15, 2026.

I move that the Planning Commission continue the public hearing on application AR-26-06 to July 15, 2026.

4. Deny the application, directing staff to modify the draft order.

I move that the Planning Commission deny the application AR-26-06 and direct staff to prepare a Final Order reflecting the Commission's findings.

5. Close the hearing, but keep the record open for submission of written testimony.

I move that the Planning Commission close the public hearing on the application AR-26-06 and leave the written record open for submission of additional testimony until July 8, 2026.

6. Close the hearing and record, and continue deliberation to the next meeting.

I move that the Planning Commission close the public hearing and continue deliberations on application AR-26-06 to the July 17, 2026, meeting.



NOTICE OF PUBLIC HEARING

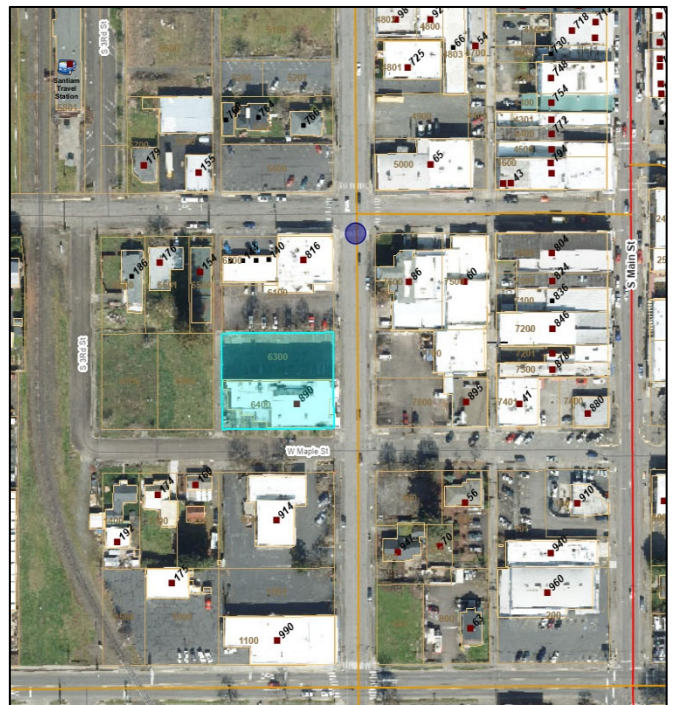
LEBANON PLANNING COMMISSION

NOTICE IS HEREBY GIVEN that a public hearing will be held before the Lebanon Planning Commission on **June 17, 2026, at 6:00 p.m.** in the Library Community Room located at 55 Academy Street, to afford the public an opportunity to be heard and give testimony concerning the following matter:

Planning Case No.:	AR-26-06
Applicant:	Scott Lepman Company
Location:	890 S 2 nd Street
Map & Tax Lot No.:	12S02W10DA06300 & 06400
Request:	Administrative Review
Zoning:	Central Business Commercial
Decision Criteria:	Lebanon Development Code Chapters: 16.08 and 16.20

Request: The applicant is requesting to convert a commercial office building into 26 one-bedroom apartments.

Providing Comments: The city will be accepting public comments on this item in several ways to afford the public an opportunity to give testimony on the subject matter. Written and verbal testimony will be accepted upon issuance of this notice, **until 5:00 p.m. on Tuesday, June 16, 2026.** Written testimony may be emailed to development@lebanonoregon.gov or mailed to the City of Lebanon at 925 S. Main Street, Lebanon, OR 97355, or delivered and dropped in the white mailbox in front of City Hall. Persons who desire to access the Zoom meeting to give oral testimony regarding a Public Hearing can contact the development@lebanonoregon.gov by noon prior to the meeting so that staff can provide instructions.



The public is invited to either participate in person at the Library Community Room or watch the meeting virtually on **June 17, 2026**, at <https://www.youtube.com/user/CityofLebanonOR/videos>.

The agenda and application materials will be available for review on the City's website at <https://www.lebanonoregon.gov/meetings> seven days prior to the hearing.

CITIZENS ARE INVITED TO PARTICIPATE in the public hearing and give written or oral testimony as described above that address applicable decision criteria during that part of the hearing process designated for testimony in favor of, or opposition to, the proposal. If additional documents or evidence are provided in support of the application subsequent to notice being sent, a party may, prior to the closing of the hearing, request that the record remain open for at least seven days so such material may be reviewed.

Appeals: Failure to raise an issue in the hearings, in person or by letter, or failure to provide sufficient specificity to afford the decision makers an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals based on that issue. Decisions of the Planning Commission may be appealed to the Lebanon City Council within 15 days following the date the Commission's final written decision is mailed. Only the applicant, a party providing testimony, and/or a person who requests a copy of the decision has rights to appeal a land use decision. The appeal must be submitted on the appeals form as prescribed by City Council with appropriate fee paid and must set forth the criteria issues that were raised which the applicant or party deems itself aggrieved. Please contact our office should you have any questions about our appeals process.

Obtain Information: A copy of the application, all documents and evidence relied upon by the applicant, and applicable criteria are available for inspection at no cost and will be provided at the cost of 25 cents per single-sided page. If you have questions or would like additional information, please contact City of Lebanon Community Development Department, 925 Main Street; phone 541-258-4906; email development@lebanonoregon.gov

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to 541-258-4906.

**Scott Lepman Company
100 Ferry Street NW
Albany, Oregon 97321
(541) 928-9390 Phone
(541) 928-4456 Fax**

DATE: April 30, 2026

TO: City of Lebanon Building Official
ATTN: Development Services Department
ADDRESS: 925 S Main Street, Lebanon, OR 97355

Adaptive Reuse and Commercial-to-Residential Conversion:

890 S 2nd Street, Lebanon, Oregon

To: The City of Lebanon Building Department, Planning Department, and Planning Commission

Regarding: Adaptive Reuse and Code Determination Application for 890 S 2nd Street, Lebanon, OR

This report is respectfully submitted to the City of Lebanon Development Services Department, alongside the members of the Planning Commission, to formally present the strategic vision, legal framework, and engineering feasibility for the adaptive reuse of the property located at 890 S 2nd Street. The project sponsor has recently acquired this 29,974-square-foot commercial asset—a structure that has languished in a state of vacancy for more than a decade—with the explicit intent of converting the obsolete office space into 26 high-quality, one-bedroom residential apartments.

The ensuing analysis is designed to foster a collaborative, transparent, and highly productive partnership between the project sponsor and municipal officials. By leveraging recent modernizations in the Lebanon Development Code, specifically Ordinance No. 3036, alongside the powerful statutory protections afforded by Oregon House Bill (HB) 2984, this project represents a generational opportunity to align private capital with the City of Lebanon's urgent housing production goals.

Summary

This report evaluates the proposed commercial-to-residential conversion of the 29,974-square-foot office building located at 890 S 2nd Street in Lebanon, Oregon. The structure, originally constructed in 1985, represents a prime candidate for adaptive reuse. By converting this asset into 26 one-bedroom apartments, the project resolves a decade-long vacancy, injects vital consumer density into the downtown commercial core, and preserves the embodied carbon of the existing structural envelope.

The analysis provides a rigorous examination of the project's architectural feasibility, infrastructure engineering, and strict alignment with state and municipal regulatory frameworks. It extensively details the preemption of local zoning barriers, the prohibition of new parking mandates, and the strict limitation on System Development Charges (SDCs) under Oregon House Bill 2984. Furthermore, the report highlights the critical municipal alignment achieved through the City of Lebanon's recent Ordinance No. 3036, which legally permits the integration of ground-floor residential units in commercial zones. Finally, the report outlines the precise building code compliance strategies required to secure an Emergency Escape and Rescue Openings (EERO) waiver and optimize the

building's water delivery infrastructure. The compiled evidence forms a definitive argument for municipal support for this revitalization effort.

Project Overview and Site Dynamics

Architectural Profile of 890 S 2nd Street

The subject property, located at 890 S 2nd Street, is a three-story commercial office building comprising 29,974 square feet of gross floor area. Constructed in 1985, the building was originally designed to accommodate high-density commercial tenants, historically serving as a regional call center characterized by open-plan floorplates, substantial mechanical infrastructure, and an integrated central elevator core serving all levels.

The physical asset sits on a 0.48-acre parcel situated in the heart of Lebanon's Central Business District, located just one block off Highway 20, the primary north-south arterial corridor connecting the municipality. Despite its central location and robust structural integrity, the building represents a classic example of a Class C commercial asset that has been rendered functionally obsolete by shifting macroeconomic trends. Consequently, the property has remained vacant for more than ten years, failing to generate meaningful economic activity or contribute to the vitality of the downtown streetscape.

Building Shifting to Residential Use

The project sponsor's intent to repurpose this vacant structure into 26 one-bedroom apartments provides an immediate architectural and economic remedy to this localized blight. By transitioning the asset from commercial to residential use, the project establishes a permanent, 24-hour population directly adjacent to the downtown commercial core.

One-bedroom apartments specifically target a critical demographic in the current housing market: single professionals, young couples, and downsizing seniors who require affordable, accessible housing near municipal amenities. The introduction of 26 new households will predictably generate sustained, localized consumer spending. Residents of 890 S 2nd Street will require groceries, dining, entertainment, and services, fundamentally acting as an economic catalyst for the surrounding commercial zoning district.

Moreover, adaptive reuse is inherently superior to new construction from an environmental sustainability perspective. The preservation of the 1985 concrete and steel structural frame avoids the massive expenditure of embodied energy and greenhouse gas emissions associated with demolition and ground-up construction. By reusing the foundation, exterior walls, and elevator shafts, the project drastically reduces material waste and diverts thousands of tons of construction debris from local landfills, perfectly aligning the development with contemporary climate adaptation and environmental stewardship goals.

Municipal Zoning Alignment: Ordinance No. 3036

The success of any adaptive reuse project is fundamentally contingent upon the regulatory environment established by the local municipality. Historically, local zoning codes presented insurmountable barriers to commercial-to-residential conversions. The City of Lebanon, however, has recently demonstrated exceptional foresight and legislative agility by modernizing its Development Code to actively facilitate this type of urban revitalization.

The Fallacy of Ground-Floor Commercial Mandates

In traditional urban planning doctrine, municipalities strictly enforced "vertical mixed-use" mandates in central business districts. These regulations legally required that the ground floor of any building in a commercial zone be reserved exclusively for retail, dining, or public-facing commercial uses, restricting residential units strictly to the upper floors.

While aesthetically appealing in theory, ground-floor commercial mandates have become a primary driver of urban blight in the modern economic era. As e-commerce has decimated traditional brick-and-mortar retail, the demand for ground-floor commercial space has evaporated, particularly in secondary markets. When developers are forced to preserve unviable commercial space on the first floor of a residential project, the financial pro forma collapses. The commercial space remains permanently vacant, generating zero revenue, which forces the developer to subsidize the empty space by raising rents on the residential units above, or abandoning the project entirely.

Ordinance No. 3036: Unlocking Vertical Residential Density

Recognizing the economic reality that housing is more valuable to the community than empty retail bays, the Lebanon City Council took decisive action. On June 11, 2025, the City of Lebanon formally adopted Ordinance No. 3036. This landmark legislation was explicitly drafted to amend the Lebanon Development Code regarding the implementation of new housing opportunities, serving as the legislative mechanism to enact the city's broader Housing Production Strategy (HPS).

The central pillar of Ordinance No. 3036 was the comprehensive revision of Chapter 16.08: Commercial Land Use Zones. Prior to this ordinance, Table 16.08-2 dictated that in the Central Business Commercial Zone (Z-CCM), "New Residential Use is allowed above ground floor Commercial only". Ordinance No. 3036 systematically dismantled these archaic restrictions, altering the municipal code to allow residential uses on the ground floor of commercial buildings within the downtown core.

By adopting this ordinance, the City of Lebanon legally permitted the first floor of 890 S 2nd Street to be utilized entirely for residential apartments, despite the property's location in the Z-CCM zone. This regulatory alignment is the linchpin of the project's feasibility. By allowing the project sponsor to utilize the entirety of the 29,974-square-foot structure—including the expansive 7,413-square-foot first floor—for residential units, the project achieves the necessary economies of scale. The ability to program 26 units across all three floors, rather than leaving the ground floor as dead commercial space, ensures the financial stabilization of the asset and maximizes the delivery of critically needed housing to the Lebanon market.

Statutory Preemption and Protections: Oregon HB 2984

While the City of Lebanon's Ordinance 3036 successfully removed local ground-floor restrictions, the overarching feasibility of the 890 S 2nd Street conversion relies heavily on the powerful statutory protections enacted by the Oregon State Legislature. Signed into law on August 15, 2023, and effective as of January 1, 2024, Oregon House Bill 2984 (codified in Chapter 521 of the 2023 Laws) represents a paradigm shift in state land-use policy.

HB 2984 was explicitly designed to cut through bureaucratic friction, streamline permitting timelines, and shield developers from the prohibitive costs traditionally associated with adaptive reuse. The legislation establishes four primary pillars of protection that directly apply to and benefit the proposed 26-unit apartment conversion in Lebanon.

1. Prohibition of Discretionary Re-Zoning and Conditional Use Permits

Historically, developers attempting to place residential apartments in a commercially zoned property were subjected to excruciatingly long, highly discretionary entitlement processes. Municipalities typically require the developer to apply for a formal zone change or a Conditional Use Permit (CUP). These mechanisms require extensive public hearings, environmental impact studies, and political maneuvering. The inherent uncertainty of a CUP process—where a project can be denied after hundreds of thousands of dollars have been spent on architecture and engineering—frequently deters institutional capital from investing in adaptive reuse.

HB 2984 legally strips this discretionary power from local municipalities under specific conditions. The statute dictates that local governments must allow the conversion of a building from commercial use to residential use without requiring a zone change or a conditional use permit, provided the property is located within an urban growth boundary of a city with a population greater than 10,000, and is not located on land zoned for heavy industrial use.³

Because the City of Lebanon possesses a population exceeding the 10,000 threshold, and 890 S 2nd Street is located squarely within the urban growth boundary in a Central Business Commercial zone (Z-CCM), the project sponsor possesses a statutory right to execute this conversion. The elimination of the CUP requirement guarantees a predictable, administrative permitting pathway, dramatically reducing holding costs and timeline risks.

2. Statutory Parking Minimum Protections

In urban planning, mandatory parking minimums act as a severe financial penalty on high-density housing. Requiring developers to pave vast tracts of land for vehicle storage limits the buildable area for actual housing units and artificially inflates the cost of development. For adaptive reuse projects, parking minimums are often fatal; a building designed for office use may not have the physical acreage to support the parking ratios traditionally demanded for multi-family residential zoning.

To neutralize this barrier, HB 2984 explicitly prohibits local jurisdictions from enforcing parking minimums on commercial-to-residential conversions that are greater than the amount already required for the existing commercial use.

The subject property at 890 S 2nd Street features an existing surface parking lot containing 36 dedicated parking spaces. Under the protections of HB 2984, the City of Lebanon cannot demand that the project sponsor acquire adjacent land or build structured parking to satisfy elevated residential parking ratios.

Fortunately, the existing allocation of 36 spaces yields a ratio of approximately 1.38 spaces per unit. For a complex consisting entirely of one-bedroom apartments located in a walkable downtown corridor with immediate access to municipal transit, a 1.38 parking ratio is highly efficient and entirely adequate to absorb tenant demand without burdening the public right-of-way.

Parking Metric	Project Data	Statutory Implications under HB 2984
Total Residential Units	26 One-Bedroom Units	Requires highly efficient parking solutions.
Existing Parking Spaces	36 Surface Spaces	Grandfathered into the new residential use.
Effective Parking Ratio	1.38 Spaces per Unit	Exceeds a 1:1 ratio, providing excellent tenant utility.
Municipal Authority	Preempted	City cannot mandate additional parking beyond the existing 36 spaces.

3. Strict Limitations on System Development Charges (SDCs)

System Development Charges (SDCs) represent one of the most substantial upfront capital expenditures in real estate development. SDCs are one-time fees imposed by municipalities on new development to recover a fair share of the costs associated with expanding municipal infrastructure, including parks, transportation networks, water distribution, and wastewater treatment.

While SDCs are logically sound for greenfield development—where a new subdivision requires the city to build new roads and lay new utility mains—they are punitive and mathematically flawed when applied to adaptive reuse. Repurposing an existing 30,000-square-foot office building does not create "new" growth; it simply reallocates the existing structural capacity that has been integrated into the municipal grid since 1985.

Recognizing this economic mismatch, HB 2984 places limitations on a municipality's ability to levy SDCs on commercial-to-residential conversions. Under the statute, cities cannot charge SDCs for the conversion unless the charge is strictly for water or wastewater infrastructure. Furthermore, any water or wastewater SDCs that are assessed must be offset by an explicit credit representing at least 100 percent of the water or wastewater SDCs (or capacity equivalent) paid when the building was originally constructed. The building was built with a 3" heavy-duty water line and the 26-apartment conversion only needs a 2" water line now, and HB 2984 mandates that the project receive 100% credit for the water and wastewater.

Consequently, the project at 890 S 2nd Street is legally immune from Parks SDCs, Transportation SDCs, Water SDC's, Sewer SDC's and Stormwater SDCs.

4. The December 31, 2023 Policy Deadline Preemption

HB 2984 did provide municipalities with a singular mechanism to bypass these SDC limitations and retain the authority to charge full fees on conversion projects. The legislation allowed cities to assess standard SDCs if, and only if, the local government had adopted a specific, targeted policy governing commercial-to-residential conversions on or before December 31, 2023.

In the final months of 2023, numerous municipalities across Oregon scrambled to draft and pass emergency resolutions prior to the statutory deadline to preserve their SDC revenues. For example, the City of St. Helens adopted Resolution No. 1999, and the City of Albany passed Resolution No. 7288 in December 2023, expressly to maintain their SDC assessment authority over adaptive reuse projects.

An exhaustive review of the City of Lebanon's legislative archives, City Council minutes, and adopted resolutions from the third and fourth quarters of 2023 confirms that the City of Lebanon did not adopt a specific commercial-to-residential SDC conversion policy prior to the December 31, 2023 deadline.

Because the City of Lebanon failed to enact this highly specific policy framework before the statutory cutoff, the municipality is legally bound by the default protections of HB 2984. Therefore, any attempt by the municipal engineering or building departments to levy new Water, Sewer, Parks, Transportation, or Stormwater System Development Charges on the 890 S 2nd Street conversion would be a direct violation of state law. This statutory preemption ensures that the project sponsor is not financially penalized for revitalizing a derelict structure, preserving hundreds of thousands of dollars in capital that can be directly allocated toward high-quality architectural finishes and life-safety enhancements.

Life-Safety and Building Code Compliance: EERO Waiver

Perhaps the most formidable obstacle in converting a commercial office building into a residential apartment complex is reconciling the existing structural envelope with the stringent life-safety requirements mandated by the Oregon Structural Specialty Code (OSSC) for Group R-2 (residential) occupancies. The central architectural challenge at 890 S 2nd Street involves the existing exterior fenestration.

Evaluating the Existing Window Configuration

The building, constructed in 1985, features a continuous ribbon of large exterior windows designed for commercial daylighting. However, these windows were engineered with restricted opening mechanisms, physically limiting the operable sash to a maximum opening of exactly 8 inches.

Under standard OSSC requirements for Group R-2 residential occupancies, every sleeping room must be equipped with an Emergency Escape and Rescue Opening (EERO). The code dictates strict minimum clear-opening dimensions (typically requiring a minimum net clear opening of 5.7 square feet, with specific height and width minimums) to ensure that occupants can escape during a fire, and to allow fully equipped firefighters to enter the structure. An 8-inch restricted opening mathematically fails to meet these EERO dimensional requirements. Furthermore, the 8-inch restriction fails to provide the 4 percent net free area standard dictated by the code for natural indoor ventilation.

Physically removing and replacing the entire exterior glazing system of a three-story, 30,000-square-foot structure to install compliant egress windows is exceptionally cost-prohibitive, often destroying the financial pro forma of adaptive reuse projects. To overcome this, the project sponsor is requesting a robust, code-compliant alternative strategy to guarantee occupant safety and secure a formal waiver

from the standard EERO mandate.

Justification for EERO Waiver under OSSC Section 1031.1

Modern building codes are designed around the concept of redundant life safety. The 2025 Oregon Structural Specialty Code provides explicit, engineered exceptions to the EERO requirement when a building possesses superior, alternative life-safety mechanisms that negate the need for window egress.

The project sponsor is requesting a formal waiver under **OSSC Section 1031.1 (Exception 1)**. This specific statutory exception states that Emergency Escape and Rescue Openings are strictly **not required** in Group R-2 occupancies if two specific, highly rigorous conditions are met:

1. The building is served by two or more independent exits providing redundant paths of egress from every floor.
2. The building is equipped throughout with a compliant automatic sprinkler system.

The existing architectural and mechanical configuration of 890 S 2nd Street exceeds these baseline waiver requirements:

Redundant Egress Paths: The building is structurally designed with two remote, geometrically independent stairwells situated at opposite ends of the structure, as well as a full central elevator core. This ensures that occupants on any floor, regardless of the location of a fire event, have multiple, unobstructed paths to the public way without ever needing to rely on a window to escape.

Superior Fire Suppression: The standard baseline requirement for multi-family residential (Group R-2) structures is the installation of an NFPA 13R sprinkler system. The 13R standard is primarily a "life-safety" system designed to suppress a fire just long enough for occupants to escape. However, 890 S 2nd Street is currently protected by a full **NFPA 13 automatic sprinkler system**. The NFPA 13 standard is a heavy-duty, commercial-grade property protection system that delivers a significantly higher water density and greater suppression coverage than the residential 13R standard. The developer intends to maintain, modify, and fully recertify this robust NFPA 13 system throughout the residential conversion, providing an unparalleled level of fire suppression that significantly exceeds the baseline residential safety requirements.

Supplemental Life Safety: In addition to the statutory code exceptions, the overall life-safety profile of the structure is vastly augmented by external factors. A high-flow municipal fire hydrant is located directly across 2nd Street, granting first responders immediate, high-volume water access. Furthermore, the complex will be fully outfitted with a hardwired, centrally monitored fire alarm system featuring interconnected smoke detection spanning all individual sleeping rooms and communal corridors, ensuring instantaneous early warning.

Life-Safety Parameter	Standard R-2 Code Requirement	890 S 2nd St Implemented Strategy	Compliance Effect
Sprinkler System	NFPA 13R (Life Safety Focus)	NFPA 13 (Commercial Grade Property Protection)	Massively exceeds baseline suppression standard.
Egress Architecture	Standard Egress Routing	Two Independent, Remote Stairwells + Elevator Core	Meets OSSC 1031.1 redundant egress criteria.
Fire Detection	Localized Unit Alarms	Hardwired, Interconnected & Centrally Monitored	Enhances early warning and rapid evacuation metrics.
EERO Mandate	Compliant Window Openings	8-Inch Restricted Windows	Statutorily Eligible for Full Waiver via Exception 1.

Given the presence of two independent exits and a robust NFPA 13 sprinkler system, the Building Official is fully authorized and highly encouraged to confirm that the existing 8-inch window openings are legally acceptable for the proposed Group R-2 occupancy.

Mechanical Ventilation Compliance under OSSC Section 1202.1

While the EERO egress issue is solved via OSSC 1031.1, the 8-inch window restriction still naturally limits passive airflow, meaning the building fails to meet standard natural ventilation parameters. To resolve this airflow deficit without physically modifying the building envelope, the developer will utilize the explicit allowances detailed in **OSSC Section 1202.1**.

This specific code section permits the integration of engineered mechanical ventilation in lieu of natural fenestration airflow. Consequently, the project sponsor uses the existing, whole-house mechanical ventilation system—specifically utilizing Energy Recovery Ventilators (ERV) or Heat Recovery Ventilators (HRV)—in every single residential unit.

These advanced mechanical systems provide continuous, filtered, and mechanically balanced air exchanges that vastly outperform the unpredictable and unfiltered airflow of an open window. By deploying individual ERV/HRV systems, the building entirely satisfies the intent and strict letter of OSSC ventilation requirements, ensuring superior indoor air quality for the tenants while legally retaining the existing, restricted window configuration.

Strategic Conclusion and Next Steps

The detailed engineering, legal, and economic analysis of the 890 S 2nd Street adaptive reuse project reveals a highly optimized, legally supported, and architecturally sound development strategy. The integration of 26 residential units into a massive commercial structure that has languished in the urban core for over a decade represents an unambiguous, generational victory for the City of Lebanon.

The project sponsor has aligned this development with both macroeconomic housing needs and micro-level engineering constraints. By utilizing a downsized 2-inch water meter to lower utility burdens, maintaining a high-capacity NFPA 13 sprinkler system to guarantee life safety, and engineering whole-house mechanical ventilation to preserve the building envelope, the project delivers modern, high-quality housing while minimizing impacts on municipal infrastructure grids.

Furthermore, the legal frameworks governing this project—specifically the zoning preemption, parking minimum protections, and the strict SDC limitations embedded in Oregon HB 2984—are clear, unavoidable directives from the state legislature meant to facilitate exactly this type of urban revitalization. The City of Lebanon has already shown immense foresight through the passage of Ordinance No. 3036, signaling a municipal willingness to embrace vertical residential integration and correct the failures of ground-floor commercial mandates.

It is formally recommended that the City of Lebanon Building Official swiftly grant the requested EERO waiver under OSSC 1031.1 (Exception 1) and approve the mechanical ventilation strategy under OSSC 1202.1. Approving these code determinations without requiring arbitrary, cost-prohibitive structural modifications to the building's exterior glazing will ensure the project remains economically viable.

By formally recognizing the protective statutes of HB 2984, acknowledging the lack of a pre-2024 municipal SDC conversion policy, and granting technically sound building code waivers, the City of Lebanon will successfully partner with private capital to eliminate downtown blight, drastically expand the residential tax base, and provide 26 critically needed housing units to the local community.

The information in this application is intended to provide an outline of the project and your assistance in this process is appreciated.

Respectfully,

Scott Lepman



LAND USE APPLICATION

PROPERTY INFORMATION

Site Address(es): 890 S. 2nd St. Lebanon, OR 97355

Assessor's Map & Tax Lot No.(s): 12S02W10DA06400

Comprehensive Plan Designation / Zoning Designation: Z-CCM : Central Business Commercial

Current Property Use: Vacant Commercial Office Building

Project Description:

Adaptive reuse and Commercial to Residential Conversion for the purpose of utilizing the Building for 26 one-bedroom Apartments.

APPLICANT / PRIMARY CONTACT INFORMATION

Applicant: Josh Bacher

Phone: 541-809-0433

Address: 100 Ferry St NW

Email: procurement@slcompany.com

City/State/Zip: Albany, OR 97321

I hereby certify that the statements, attachments, exhibits, plot plan and other information submitted as a part of this application are true; that the proposed land use activity does not violate State and/or Federal Law, or any covenants, conditions and restrictions associated with the subject property; and, any approval granted based on this information may be revoked if it is found that such statements are false.

APPLICANT SIGNATURE

Date:

5/01/26

PROPERTY OWNER INFORMATION (IF DIFFERENT THAN ABOVE)

Owner: Scott Lepman

Phone: 541-928-9390

Address: 100 Ferry St NW

Email: scott@slcompany.com

City/State/Zip: Albany, OR 97321

OWNER SIGNATURE

Date:

5-1-26

ADDITIONAL CONTACT INFORMATION

Engineer / Surveyor: Brian Vandetta / Udell Engineering

Phone: 541-451-5125

Address: 63 E Ash St

Email: brian@udelleng.com

City/State/Zip: Lebanon, OR 97355

Architect: Don Johnson

Phone: 541-990-8390

Address: 132 E Westcott Overlook

Email: donjohnn@msn.com

City/State/Zip: Oak Ridge, TN 37830

Other: Candace Ribera

Phone: 541-704-0364

Address: 100 Ferry St NW

Email: candace@slcompany.com

City/State/Zip Albany, OR 97321

THE CITY THAT FRIENDLINESS BUILT

REQUIRED SUBMITTALS

- ☒ Application and Filing Fee ✓
- ☒ Narrative Describing the Proposed Development and addressing the Decision Criteria ✓
 - LDC Article Two Land Uses and Land Use Zones
 - LDC Article Three Development Standards
 - LDC Article Four Review & Decision Requirements
 - LDC Article Five Exceptions to Standards (eg Variance, Non-Conforming Uses)
- ☒ Site Plan(s) drawn to scale with dimensions, Include other drawings if applicable ✓
- ☒ Copy of current Property Deed showing Ownership, Easements, Property Restrictions ✓

FOR OFFICE USE

*If more than one review process is required, applicant pays highest priced fee, then subsequent applications charged at half-price.

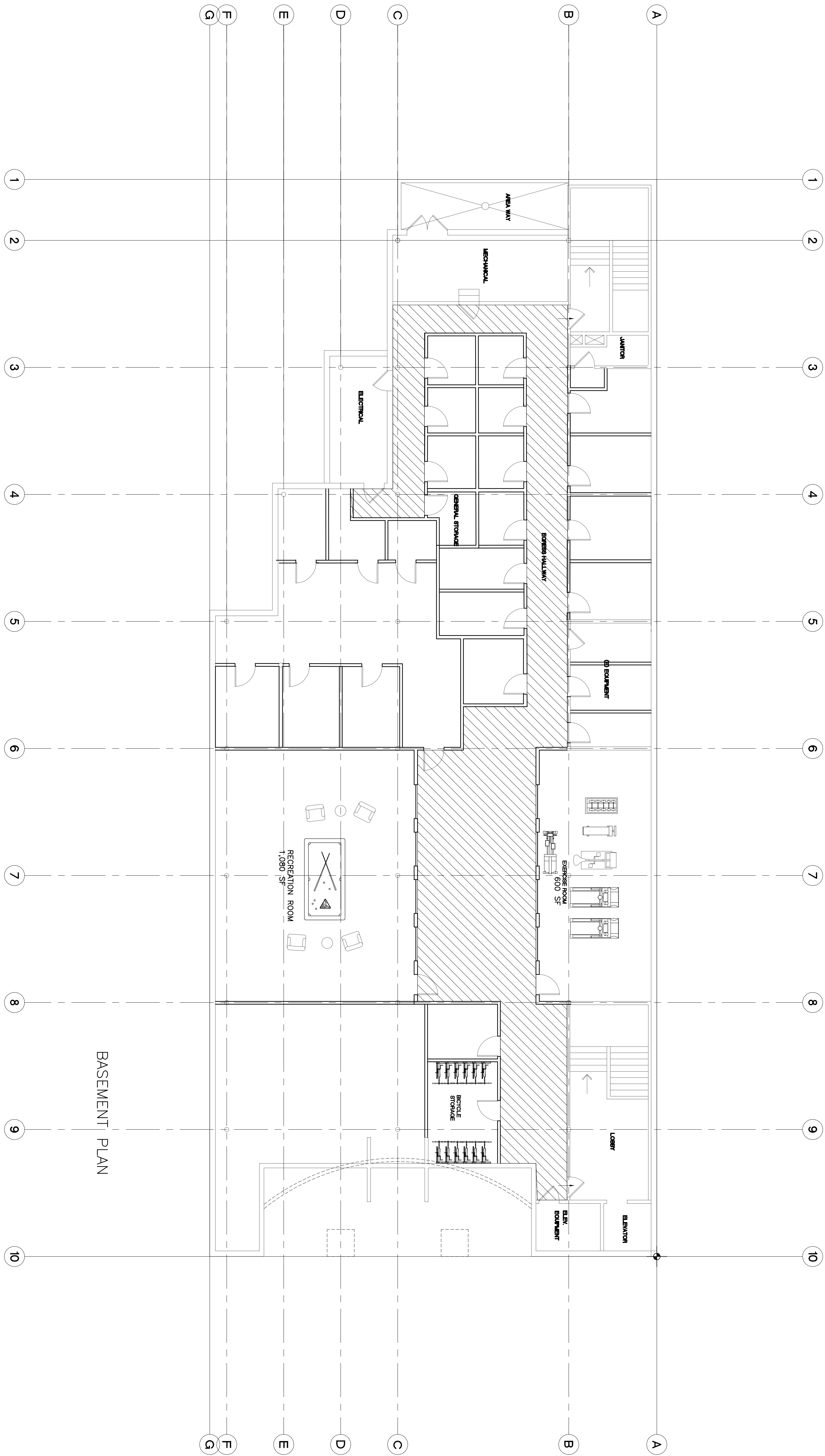
Land Use Review Process		Fee	Land Use Review Process		Fee
	Administrative Review	\$750		Property (Lot) Line Adjustment	\$250
X	Administrative Review (Planning Commission)	\$1,500		Planned Development – Preliminary	\$2,500
	Annexation	\$2,500		Planned Development – Final (Ministerial)	\$250
	Appeal [min \$250 or 50% of original fee (whichever is greater)]	\$250		Planned Development – Final (Administrative)	\$750
	Code Interpretation	\$750		Planned Development – Final (Quasi-Judicial)	\$1,500
	Code Interpretation (Planning Commission)	\$1,500		Subdivision Tentative	\$1,500
	Comprehensive Plan Map/Text Amendment	\$2,500		Subdivision Final	\$750
	Conditional Use	\$1,500		Tree Felling Permit (Steep Slopes only)	\$150 + \$5/tree
✓	Fire District Plan Review	\$125		UGB Amendment	Actual Cost
	Historic Preservation Review or Register	Varies		Variance (Class 1 – Minor Adjustment)	\$250
	Land Partition	\$750		Variance (Class 2 – Adjustment)	\$750
	Ministerial Review	\$250		Variance (Class 3)	\$1,500
	Non-Conforming Use/Development	\$750	DS	Zoning Map Amendment	\$2,500

APPLICATION RECEIPT & PAYMENT

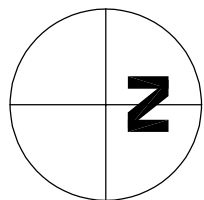
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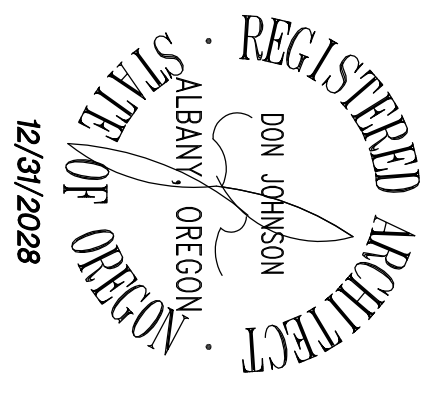
BASEMENT PLAN



BASEMENT FLOOR PLAN 4-24-2026
SCALE: 1/8" = 1' - 0"

These documents were prepared by:
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Address: 2806 45th Ct SE, Albany, Or 97322
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DATE ISSUED:
MARCH 18, 2024
PROJECT NUMBER:
03-2024



BASEMENT FLOOR PLAN

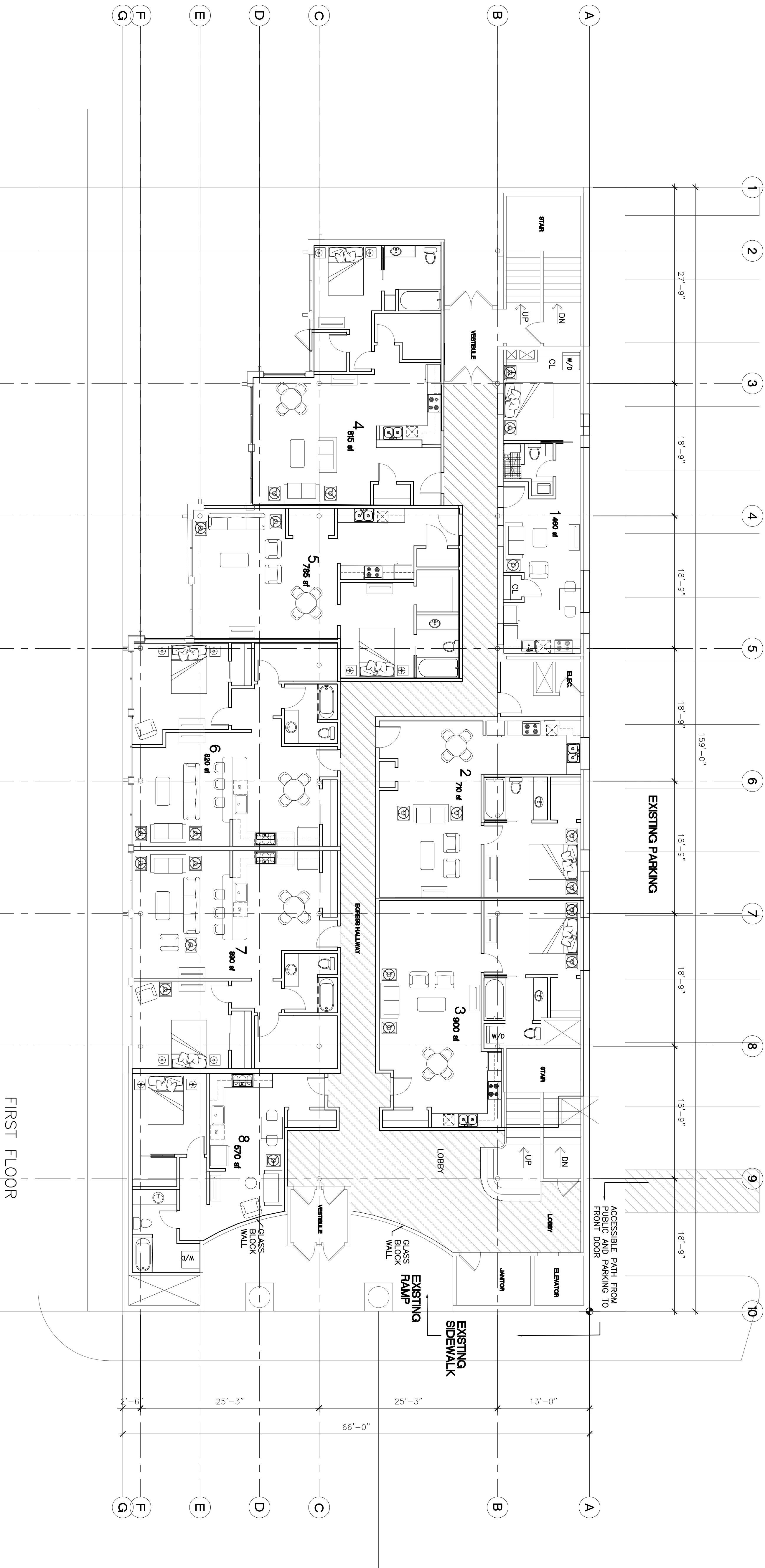
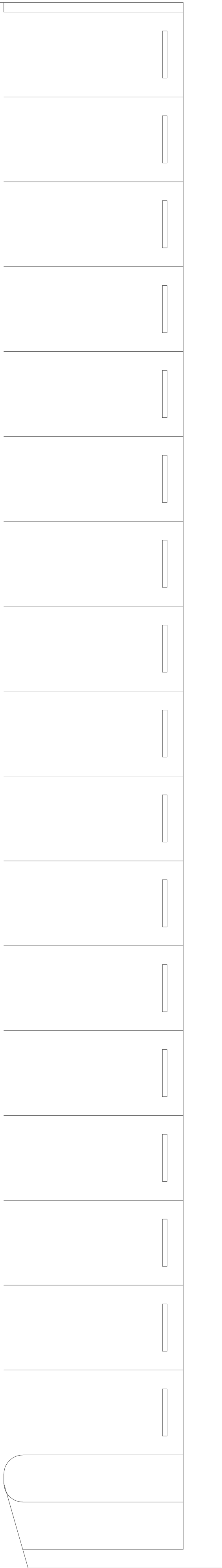
Change of Use Office to Apartment

Telephone Headquarters Building

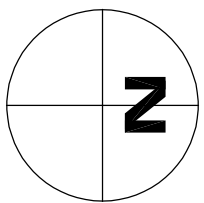
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REVISION

NO.	DATE/DESCRIPTION



FIRST FLOOR



FIRST FLOOR PLAN 4-24-2026

SCALE: 1/8" = 1' - 0"

FIRST FLOOR PLAN

Change of Use

Office to Apartment

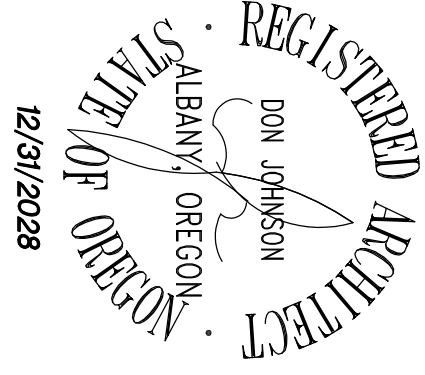
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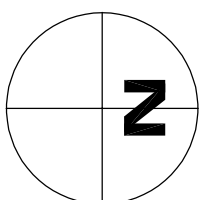
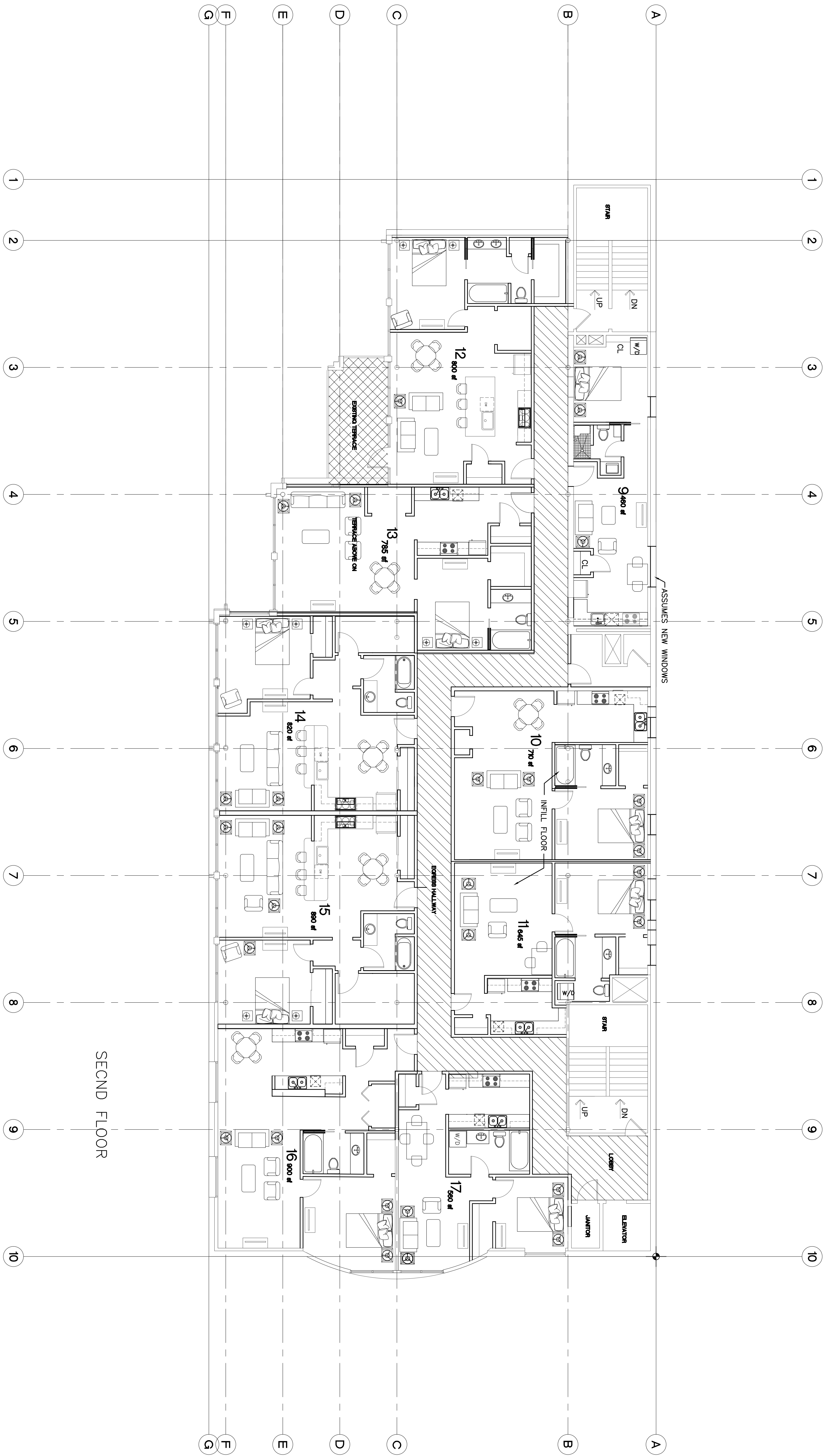
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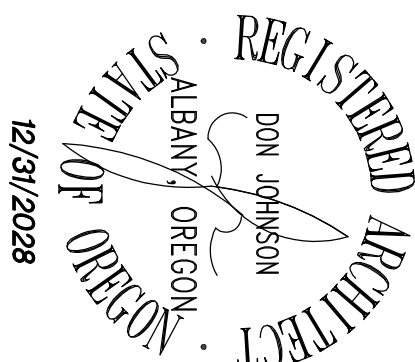
SECOND FLOOR PLAN 4-24-2026

SCALE: 1/8" = 1' - 0"

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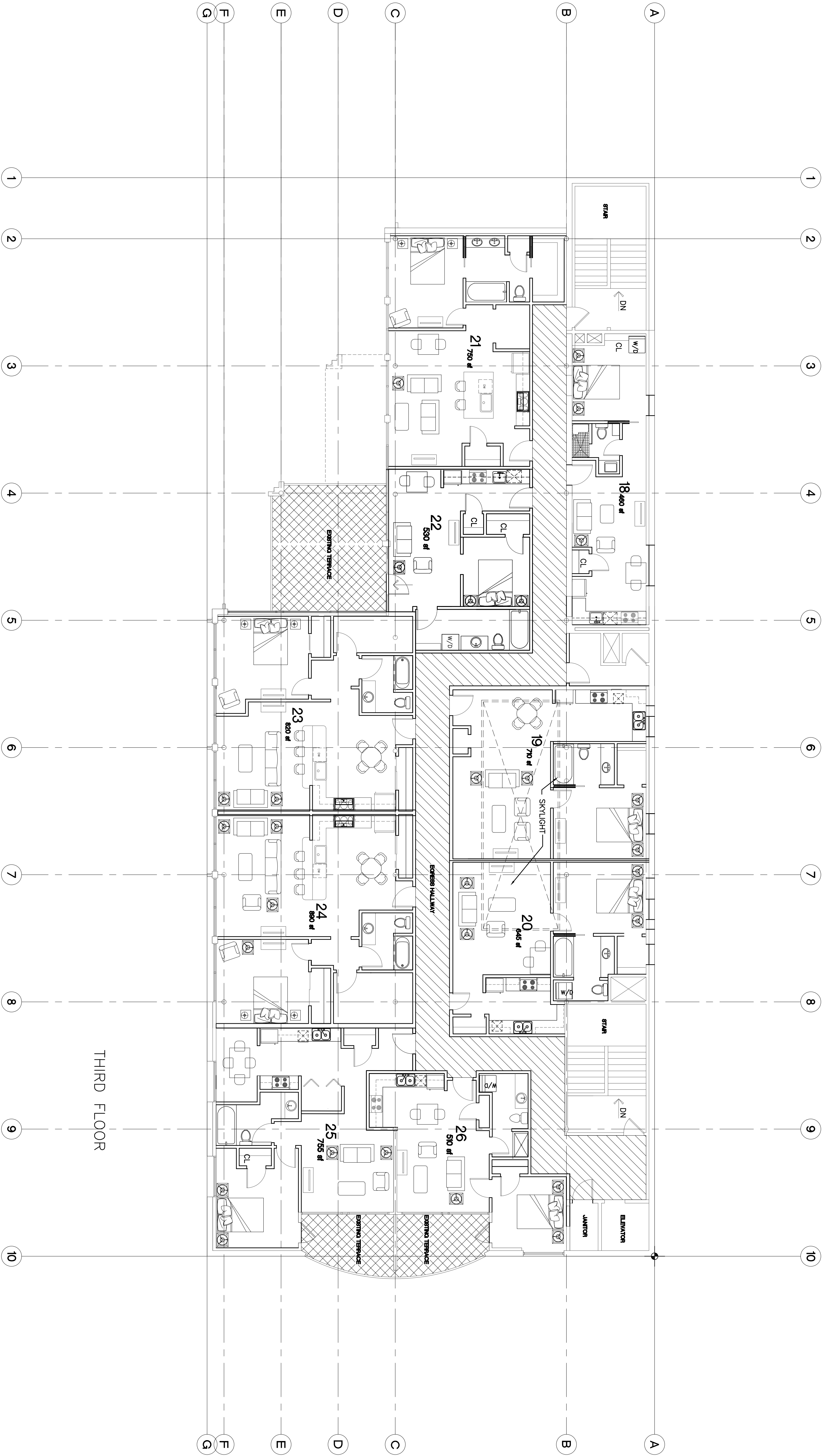
SECOND FLOOR PLAN

Change of Use Office to Apartment

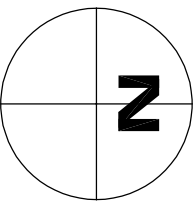
Telephone Headquarters Building

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THIRD FLOOR



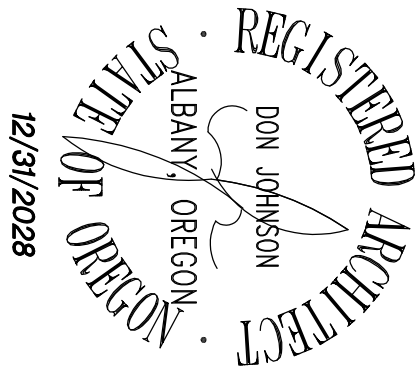
THIRD FLOOR PLAN 4-24-2026

SCALE: 1/8" = 1' - 0"

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THIRD FLOOR PLAN

Change of Use

Office to Apartment

Telephone Headquarters Building

Lebanon, Or

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