



**OFFICE OF THE SHERIFF**

**Sheriff Curtis L. Landers**

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Newport, Oregon 97365  
Records (541) 265-4912  
Civil (541) 265-4915  
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**M E M O R A N D U M**

**DATE:** 03/19/2024

**TO:** City Of Depoe Bay

**FROM:** Deputy Elfstrom

**RE: MONTHLY REPORT FOR THE CITY OF DEPOE BAY (02/05/2024 - 03/18/2024)**

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For the month of : February(Partial March)

Traffic Citation----- 28

Traffic Warnings----- 133

Arrests Made----- 1

Complaints/Calls For Service----- 66

Total Calls-----227

Total Hours Spent in Contract: 115 hours 22 minutes

Prepared by: Deputy Casey Elfstrom  
Contract Sergeant: Sgt. Nick Vaille

## FINANCIAL LOSS FROM LOSS OF SIGN AT THE INN AT ARCH ROCK

### INTRODUCTION:

It always helps to have comparison information. I own the Silver Surf Inn in Yachats OR. It, like the Inn at Arch Rock, overlooks the Pacific Ocean. It is a small boutique inn like the Inn at Arch Rock. Our lighted sign at Arch Rock was removed on October 5, 2023.

THOUGH I LIVE IN SEATTLE, I LIVED IN OREGON FOR 17 YEARS UNTIL 2021. I PAY A LOT OF INCOME TAX, MOTEL TAX, PROPERTY TAX, AND CAT TAX TO OREGON.

I PLOW MOST OF MY ARCH ROCK REVENUE BACK IN THE BUSINESS. IN 2022, I TOOK OUT 81K AND IN 2023, I TOOK OUT \$97K. HOWEVER MUCH OF THE MONEY WENT TO PAY OREGON INCOME TAX, CAT TAX, OBAMACARE, AND FEDERAL INCOME TAX.

CHANGE IN REVENUE FROM JANUARY 1 TO SEPTEMBER 30, 2023 AS COMPARED TO 2022:

INN AT ARCH ROCK +8.9%  
SILVER SURF INN. +6.5%

CHANGE IN REVENUE FROM OCTOBER 1, 2023 TO JANUARY 31, 2024 COMPARED TO PRIOR YEAR.

INN AT ARCH ROCK -8.2%  
SILVER SURF INN. +7.5%

THE NET DIFFERENCE IS 15.7%

ASSUMING THIS PATTERN CONTINUED FOR ALL OF 2024, WHICH IS LIKELY, THE REVENUE LOSS OF 15.7%, USING EVEN THE 2023 YEAR END REVENUE WOULD BE \$159,623.

\*\*\*THE LOSS IS ALMOST ENTIRELY LOST PROFITS:

EXAMPLE: SUPPOSE MY ALL-IN AVE. ANNUAL DAILY ROOM COST IS \$100.  
IF MY GUEST PAYS \$150/DAY, I MAKE \$50/DAY  
IF THE GUEST PAYS \$120/DAY, I MAKE \$20/DAY

THE LOSS OF 2024 PROFITS IS EVEN GREATER BECAUSE OF:

\*RISING INFLATION  
\*HUGE INCREASE IN INSURANCE PREMIUMS  
\*AVERAGE ROOM RATES WERE \$23.25/NIGHT LOWER IN OCTOBER TO JANUARY

TO HELP OCCUPANCY, WE HIRED A LOCAL ADVERTISING SPECIALIST IN AUGUST  
COSTING \$8400/YEAR WITH LIMITED EFFECT.

#### SHARPLY DROPPING PROPERTY VALUES AT THE INN AT ARCH ROCK

TO VALUE PROPERTY, APPRAISERS USE A CAPITALIZATION RATE (ALSO CALLED A CAP  
RATE;

FOR OREGON COASTAL MOTELS

THE CAP RATE IS 9% OR .09. THIS CAP RATE IS APPLIED TO NET CASH FLOW  
(REVENUE- EXPENSES) WITHOUT DEDUCTING MORTGAGE PAYMENTS OR  
DEPRECIATION TO DETERMINE MARKET VALUE. THE FORMULA IS

PROPERTY VALUE= NET CASH FLOW/CAP RATE

THE LOSS OF VALUE WITHOUT EVEN FACTORING INFLATION IS  $\$159,623 / .09 = \$1,436,607$ ,  
A STAGGERING LOSS IN VALUE.

I HAVE FOUR MORTGAGES ON THIS PROPERTY; INCLUDING ONE FOR THE EXPANSION  
AND A DISASTER LOAN; THIS LOWER PROPERTY VALUE WILL BE A HUGE PROBLEM  
FOR REFINANCING;

REVOKING THE LICENSE AGREEMENT WITHOUT CAUSE: EVERY SINGLE ARGUMENT PUT  
FORTH IS A "FOR CAUSE." THIS LANGUAGE EXPOSES ME TO THE WHIM OF CITY  
OFFICIALS WHO MAY NOT LIKE ME.

I AM AGAIN ASKING WHO MAKES THE DECISION TO REMOVE WITHOUT CAUSE. IS THIS  
THE PLANNER? CITY COUNCIL?

YOU ARE HERE TO APPROVE THE 8' MONUMENT SIGN, BUT IT WON'T ENTIRELY REPLACE  
WHAT WAS LOST. I HAVE OVER \$4 MILLION INVESTED HERE.

*Submitted by: Glenn Petry  
City Council Regular Meeting  
March 19, 2024*

## planner

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**From:** planner  
**Sent:** Tuesday, March 12, 2024 3:01 PM  
**To:** Kathy Short; Recorder  
**Subject:** RE: Transcribed Voice Message from 3609041500 - DAVID GREGERSON  
**Attachments:** Tax lots, aerial photo & zoning.pdf

Dear Kathy & Kim:

Attached are diagrams depicting the Gregerson Enterprises properties. There are 5 tax lots encompassing 9.79 acres. A portion of one of the tax lots (TL 600) includes water area just downstream from the check dam on South Depoe Bay Creek. This area appears to be zoned Marine Waterway (M-W), while the narrow strip of trail connecting the City docks to the City park may be zoned Planned Marine and Recreation (M-P) - it's hard to tell for sure.

For the most part, the tax lots between the harbor and SE Bayview Ave. (TLs, 600, 700 & 800) are zoned Retail Commercial (C-1), as is a 220-foot-long vacated portion of SE Bayview Ave. (TL 699).

The remainder of the property is an irregularly-shaped, 8.06 acre parcel (TL 944), located southeasterly of the end of SE Bayview Ave. and including portions of South Depoe Bay Creek. This property is zone Residential R-4. Based upon the gross acreage of this lot, a maximum of 140 multi-family dwelling units might be possible. However, given the riparian setbacks likely to be imposed due to South Depoe Bay Creek, the maximum number of possible dwellings may be less than 140.

The Comprehensive Plan identifies the harbor area as an exceptional aesthetic resource, where development is subject to the provisions of the Coastal Shorelands Overlay zone (C-S) and DBZO Section 152.074(B)(1).

TL 944 is one of the few, large residentially-zone properties that allows higher residential densities (5,000 SF minimum lot, 2,500 SF minimum lot area/dwelling unit). It is likely that more affordable future residential development in the City may occur in zones that allow higher densities. The commercially-zoned area between the harbor and SE Bayview Ave. encompasses about 1.5 acres. It is the only C-1 zoned district not located along Hwy. 101.

A planned development (Timothy's Wharf, Case File #2-PD-PC-08) was proposed for this property in 2008 but was never approved. It would have included a mix of single-family and multi-family dwellings (111 units), and 20,000 SF of commercial development overlooking the harbor and South Depoe Bay Creek.

Sincerely,

Kit Fox, AICP (he/him/his)  
City Planner  
City of Depoe Bay  
(541) 765-2361 x15  
planner@cityofdepoebay.org  
Tuesdays and Wednesdays only

-----Original Message-----

From: Kathy Short <Mayor@CityofDepoebay.org>  
Sent: Tuesday, March 12, 2024 8:56 AM

To: Recorder <Recorder@CityofDepoebay.org>; planner <planner@CityofDepoebay.org>

Subject: FW: Transcribed Voice Message from 3609041500 - DAVID GREGERSON

Kim and Kit,

I know Joyce has talked with David already - but this is a great opportunity and I would like to further a discussion with him. This is the land with the abandoned car parked on it at the end of Bay Street and it is the access road to the City Park. Please research and let me know your thoughts.

Thank you!

Kathy

-----Original Message-----

From: voicemail@kmvoice.com <voicemail@kmvoice.com>

Sent: Thursday, March 7, 2024 10:45 AM

To: Kathy Short <Mayor@CityofDepoebay.org>

Subject: Transcribed Voice Message from 3609041500 - DAVID GREGERSON

Time: Mar 7, 2024 10:44:29 AM

VoiceMail Text:

Good morning. This message is for Kathy Short. Kathy, my name is David Gregorson. I'm up here in Vancouver, WA and the reason I'm calling is we own some for my family and I own some property that's there near the the little municipal park there at the South end of Depot Bay, about 9.79 acres. I may have talked with you previously about some dredging work that had to be done and getting permission for that. I think that was the last time we spoke. But anyway, I'm just curious to talk and find out if there's any plans to develop. My parents are getting a lot older and you know, I don't know if we'd be in a position to develop or look at selling that 9.79 acres there. That's just to the South and east of the Bay itself. But my number is 360-904-1500. I would appreciate the chance to talk to you. Thanks, bye.







