

STAFF REPORT

Planning Department File No. 2025-07-010

CONDITIONAL USE APPLICATION FOR A HOME BUSINESS

Planning Commission Meeting Date: August 28, 2025

- 1. APPLICANT:** Thistle Hill Farm, LLC
Randall and Karen Hiatt, members
3717 Lincoln Drive
Ontario, OR 97914
- 2. OWNER OF RECORD:** Randall & Karen Hiatt
3717 Lincoln Drive
Ontario, OR 97914
- 3. PROPOSED ACTION:** Conditional use approval to operate a home business on 3 acres in the EFU Zone consisting of an event venue in two (2) existing barn/outbuilding structures, parking on-site and use of adjacent grass area. The proposed maximum occupancy in the structures is not to exceed 105 people. The first barn measures 26' x 36' with an attached deck 16' x 36' – 80 people; and the second barn/outbuilding measures 20' x 24' with a loft area of 10' x 20' – 25 people.
- 4. PROPERTY IDENTIFICATION:** Tax Lot 1000, T18S, R46E, Sec. 27; Assessor's Map 18S46E27; Malheur County Reference #6726.
- 5. PROPERTY LOCATION AND DIRECTIONS:** from Ontario, travel south for approximately 7.5 miles on Hwy 201. Take a right on Hwy 20/26 for 3 miles. Turn left onto Lincoln Drive. Travel approximately 2 miles, property will be on the right. The property is located at 3717 Lincoln Drive, Ontario, OR 97914
- 6. ZONING:** Exclusive Farm Use (C-A1).
- 7. PARCEL SIZE:** The parcel is 3 acres.
- 8. PARCEL USE:** The parcel is currently being used as a home site with barns, outbuildings, and a large grass area.
- 9. SURROUNDING USE:** The adjacent properties are being farmed or have rural home sites. Farmland to the south and west. 7 acres to the north is under pivot irrigation for row crops. Lincoln Drive is crossed to the east.

- 10. ACCESS:** Access is directly off Lincoln Drive; within the Rural Road Assessment District No. 3 (Exhibit 3).
- 11. SANITATION REQUIREMENTS:** Sanitation is a septic system. Portable restrooms will be used for events.
- 12. FIRE PROTECTION:** The parcel is located within the Ontario Rural Fire Protection District (Exhibit 2).
- 13. NATURAL HAZARDS:** No natural hazards have been identified.
- 14. WATER RIGHTS:** The property currently has 2.2 acres of water rights (Exhibit 4).
- 15. SOIL TYPE:** The entire property is covered in soils of class VI.
- 16. ZONING HISTORY:** There is no known zoning history.

GENERAL CONDITIONAL USE CRITERIA

MCC 6-6-7 - GENERAL CRITERIA TO EVALUATE SUITABILITY: In considering the suitability of proposed conditional uses, the Planning Commission shall base its decision upon the following criteria:

- A. Comprehensive Plan goals and policies, as applicable.

Home businesses are supported in the EFU Zone as conditional uses pursuant to the MCC and other criteria set out in Oregon Revised Statutes – ORS 215.244. Notice, conditions or approval and criteria are imposed on home businesses in order to meet the comprehensive plan goals and policies for: citizen involvement, land use planning and agricultural lands.

- B. Specific plan recommendations.

Proposed Finding: MCC 6-6-7 regulates the general criteria to evaluate suitability of the proposed use and MCC 6-6-8-6 (C) regulates conditional use criteria for a home business.

- C. Existing development and viewpoints of property owners in the surrounding area.

Proposed Finding: Notice was mailed to adjoining landowners on August 7, 2025. Notice was published in the Argus Observer on August 7, 2025. As of the date of this staff report, no written comments were received.

D. Availability of services and utilities.

Proposed Findings:

ROADS: The entrance to the property will be off of Lincoln Drive. Two (2) driveways or access points exist. Road District No. 3 does not require any improvements to Lincoln Drive or the driveway access points. The driveways connect through the property; but only one access will be used for the proposed venue.

FIRE & POLICE PROTECTION: The property is located in the Ontario Rural Fire Protection District. Applicants will need to meet all access, width, and turnaround improvements, if any, required by the fire district before holding any events. There are two (2) water hydrants within 20 feet of the structures.

SEWER & WATER: Portable restrooms will be available for events. The property has a private well; and water will be made available as needed. The septic system for the dwelling will not be used.

ELECTRICAL & TELEPHONE: No additional power will be required to support the operation of the venue. Idaho Power poles are in the Lincoln Drive right-of-way.

SOLID WASTE DISPOSAL: The property owners have a contract for garbage service provided by Ontario Sanitary.

E. The effect of the proposed use on the stability of the community's social and economic characteristics.

Proposed Finding: The proposal will operate as a tax paying Oregon registered business "Thistle Hill Farm, LLC", registry number 952673-90. The landowners (Randall and Karen Hiatt) are members of the LLC. The venue will be hosting events which will source local restaurants, bakeries, grocery stores, RV parks and hotels.

F. It does not interfere with traditional fish and wildlife use of habitats determined critical or sensitive in the Fish and Wildlife Habitat Protection Plan for Malheur County.

Proposed Finding: The property is not located in an area that contains fish or wildlife deemed critical or sensitive, and will not interfere with traditional fish and wildlife.

G. General Criteria

1. Increasing setbacks of structures to reduce possibilities of overshadowing adjoining property, noise, odor or night lighting nuisances.

Proposed Finding: The venue lawn is 250' from the north boundary and 600-700 ft from the SE boundary. The nearest home to the north and is 300' from the closest barn. The structures exist and their location can not be changed to meet any increased setbacks. Setbacks of the structures currently meet the Malheur County Code 6-3A-6 – 40' from road and 15' from any other property line.

2. Landscaping improvements for the visual benefits of the subject site and for the improved appearance of the neighborhood and County.

Proposed Finding: Landscaping improvements have been made by the landowners since their purchase of the property in 2012. Landscaping is large grassed areas, flower beds, removal of elm trees and replaced with shade trees. The main barn was painted with a new roof. The second barn/structure is fairly new – rebuilt after the 2016 snow disaster. No additional landscaping improvements are proposed.

3. Location and size of driveway access points and right-of-way widening and improvement for present and future traffic circulation consistent with the adopted county road standards or the standards of the appropriate road district and the access management standards of the Malheur County transportation system plan.

Proposed Finding: Two access points/ driveways exist from Lincoln Drive One to the dwelling and one to the venue site. No new access points are being proposed. All parking will be contained within the boundaries of the property. The access point/ driveway to the venue is visible in both directions off of Lincoln Drive and not blocked by buildings or landscape. Lincoln Drive is a hard surface road maintained by Road District No. 3. The road district does not recommend any improvements or widening of Lincoln Drive as it meets district road standards. Access management standards are met (i.e. at grade, rural road outside of UGB, not connected to a highway, visible, not at an intersection, existing). Lincoln Drive can safely accommodate increased traffic circulation from the proposed venue.

4. Visual screening of outdoor waste and storage areas.

Proposed Finding: There will be no outdoor waste areas or outdoor storage. Storage for venue uses such as inventory, materials and supplies will be stored inside a separate structure near the dwelling and will not be accessed by guests.

5. Control and focusing of outdoor lighting to avoid glare being directed beyond property limits.

Proposed Finding: Decorative lighting will be limited to particular events and in the venue area only. All such lighting is temporary and will be removed at the end of each event. Other outdoor lighting and lighting fixtures are needed for security and walk paths only.

6. Special criteria listed below, as applicable:

H. Allowance of Certain Uses: A use allowed under Section 6-3A-3 of this Title shall be approved only where it is found that the use will not:

1. Force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; or
2. Significantly increase cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use. (Ord. 86, 12-7-1993)

Proposed Finding: Adjacent farmland and farm practices will not be impacted by the venue. Access, water rights, pivot irrigation systems, farm machinery and equipment, harvesting, planting and growing crops on adjacent lands will not be impacted by the venue or cause adjacent landowners to undergo significant increase in costs to their farm practices or operations. The property is separated by Lincoln Drive to the east and a lateral to the north and south.

SPECIFIC CONDITIONAL USE CRITERIA

6-6-8-6: HOME BUSINESS: A home business shall comply with the following standards:

1. Location: Any zone, not excluded below, in which a home business is a conditional use.

Proposed Finding: The subject property in zoned C-A1 (Exclusive Farm Use). A home business is not excluded in this zone (MCC 6-3A-3) and is subject to the conditional use criteria of MCC 6-6-6-8 and ORS 215.448.

2. Scale: A home business must fit within the dwelling and must be incidental to the use of the dwelling as a residence. If there is no existing accessory building, one may be built, provided the side walls are no higher than ten feet (10') from the elevation of the floor and the building covers no more than two thousand five hundred (2,500) square feet in area.

Proposed Finding: There are no proposed new structures. The business office will be inside the dwelling. Events will be held inside two existing barns and in the grass yard area.

3. Participants: Family members living on the property and a combination of no more than ten (10) full time employees are the only persons that may be employed in a home business.

Proposed Finding: There will be no employees. The sole operators will be Randy and Karen Hiatt – owners of record and members of the business. They live on the property. Their daughter and son-in-law will be available to assist during events.

4. Character: The property upon which a home business exists shall be and kept in a clean, neat, orderly fashion.

Proposed Finding: The home business will be clean, neat, orderly and free of trash and debris. Clean up will be conducted after each event.

5. Storage: All materials associated with home business shall be screened from view or contained within the allowed dwelling or accessory structures of the home business.

Proposed Finding: All materials associated with the home business will be contained inside a secure storage structure. The storage area is not accessible by visitors or guests.

6. Display: There shall be no display of products visible from outside the allowed dwelling or accessory structures of the home business.

Proposed Finding: The proposed use does involve the sale of goods, materials or products that will be displayed.

7. Signs: A home business must comply with chapter 7 of this title entitled “ Signs” .

Proposed Finding: Signage is limited to three (3) Type 4 signs located on the property indicating entrance, exit, and parking. No signs are permitted on the property advertising the business.

8. Traffic: Customer, client and/or business traffic shall not exceed fifteen (15) trips per day. Business delivery vehicles shall not exceed gross vehicle weight of eleven thousand (11,000) pounds. U.S. postal service deliveries are exempt from this requirement.

Proposed Finding: Maximum occupancy at the venue is limited to no more than 105 people; and also subject to a lesser occupancy limit if established by the Malheur County Building Official. Events are largely seasonal and will not be held daily. Due to the venue's seasonal nature, scheduling of events (not every day or every weekend) and maximum occupancy, the vehicle traffic will not exceed 15 trips per day based on 365 business days a year. 15 trips per day will be exceeded only on event days.

9. Parking: Vehicles owned, leased or operated by the participants of a home business shall not be parked or stored on the street or in the public right of way.

Proposed Finding: No vehicles will be parked or stored on Lincoln. There will be dedicated parking spaces on the property. They are designated on the site plan as parking in front, and to the right and left of the barn structures. All parking will be directed by an on-site parking attendant.

10. Noise And Other Nuisance Factors:

- a. Noise: Noise shall be kept to a minimum at all times, especially between the hours of ten o'clock (10:00) P.M. and eight o'clock (8:00) A.M. Equipment that creates a shrill or penetrating sound shall, at all times, be operated only within an enclosure that effectively prevents noise measured at the nearest dwelling exceeding the otherwise ambient noise level of the neighborhood. Where a question arises regarding noise levels, the planning director's determination shall be final.

Proposed Finding: The proposal is to operate and hold events from 8:00 a.m. to 10:30 p.m. However, as noted above and consistent with other rural venues in Malheur County, events may not be held on the property after 10:00 p.m. The proposal includes music and instruments, which not be amplified away from the property. No noise producing equipment will be used.

- b. Odors: Odors shall not be detectable from any boundary of a home business property at any time.

Proposed Finding: Generally, odors will be not be generated by the business. IF there are any odors, they will be investigated by the property landowners and resolved immediately.

- c. Electrical Interference: A home business shall not create visual or audible electrical interference in any radio, television, or other electrical device off the subject property or cause fluctuations in line voltage off the subject property.

Proposed Finding: There is no anticipated visual or audible electrical interference.

OREGON REVISED STATUTE 215.448: Home occupations; parking; where allowed; conditions.

- 1. The governing body of a county or its designate may allow, subject to the approval of the governing body or its designate, the establishment of a home occupation and the parking of vehicles in any zone. However, in an exclusive farm use zone, forest zone or mixed farm and forest zone that allows residential uses, the following standards apply to the home occupation.

- a. It shall be operated by a resident or employee of a resident of the property on which the business is located;

Finding: The event venue will be operated by the owners of the property who reside full-time on the property.

- b. It shall employ on the site no more than five full-time or part-time persons;

Finding: The employees will be the 2 owners. There are no other employees proposed at this time.

- c. It shall be operated substantially in:

- A. The dwelling; or

- B. Other buildings normally associated with uses permitted in the zone in which the property is located; and

Finding: Administrative business operations including the accounting, booking, and any other office related business will be conducted within the dwelling. Storage of any materials associated with the home business will occur inside a storage area near the dwelling. Barns and outbuildings are normally associated with uses permitted in the EFU zone. Events will be held in the barns and outbuildings. No temporary buildings or structures are proposed. Large tents and canopies will not be used.

- d. It shall not unreasonably interfere with other uses permitted in the zone in which the property is located; and

Finding: Based upon the above findings, this use will not unreasonably interfere with other uses permitted in this zone.

2. The governing body of the county or its designate may establish additional reasonable conditions of approval for the establishment of a home occupation under subsection (1) of this section. **Conditions of approval are set out below.**
3. Nothing in this section authorizes the governing body or its designate to permit construction of any structure that would not otherwise be allowed in the zone in which the home occupation is to be established. **Barns and outbuildings are permitted structures in the EFU Zone. New construction on the barns for appropriate signage and exit doors may be required by the Building Official.**
4. The existence of home occupations shall not be used as justification for a zone change. **The application is for a new home business.**

OTHER PROPOSED FINDINGS OF FACT

The applicants submitted other findings of fact in their conditional use application, site plan and exhibits.

PROPOSED CONDITIONS OF APPROVAL

1. All aspects of the proposed home business, an event venue, must stay confined within the physical boundaries of the subject property.
2. Applicants must construct driveway and turnaround requirements, widths and improvements determined by the Ontario Rural Fire Department prior to holding any

events.

3. Any deviation from this proposal and site plan, including but not limited to additions of new structures, shall void this permit and a new permit must be obtained. This permit is not transferable – it is personal to applicants and shall not run with the land. New owners of the property will need to obtain a permit.
4. The home business must be operated substantially in the dwelling and 2 existing barn buildings. The use of any temporary structure (large tent or canopy) is prohibited.
5. No event shall take place outside the hours of 8:00 a.m. through 10:00 p.m.
6. Lighting shall not project off the property. Use of glaring lighting is prohibited.
7. Events shall comply with all requirements of the Oregon Liquor Control Commission (OLCC) and caterers must be licensed through the Malheur County Environmental Health Department.
8. Noise levels must not be unreasonable – ORS 166.025.
9. Off-site parking is not allowed. All parking must be on the property.
10. Occupancy limits shall be determined by the Malheur County Building Official. However, occupancy shall not exceed 105 people under any circumstances – even if permitted by the Building Official. Applicant must construct all improvements to barn buildings as required by the Malheur County Building Official prior to holding any events.
11. Signs must comply with Malheur County Code Title 7.

EXHIBITS

1. Application
2. Letter from Ontario Rural Fire Protection
3. Letter from Rural Road Assessment District No 3
4. Email from Jerod Hoshaw – Oregon Water Master
5. Letter from Malheur County Building Official