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CANNON BEACH

NO GOOD DEED GOES UNPUNISHED

In 1931, Portland architect John Yeon borrowed \$4,500 against his life insurance to buy 26 acres surrounding Chapman Point; a coastal outcropping north of Cannon Beach, so a planned dance hall could not be built there. Over the next 63 years, as Yeon's architectural reputation and fortune grew, he left Chapman Point untouched. He paid the property taxes and allowed public access, creating a de facto park. But in the early 1990s, dying and aware his heirs would owe millions in estate taxes, Yeon reluctantly agreed to let Chapman Point be developed. And he asked **Robert Scanlan** to do it.

So Scanlan, principal of the Portland real estate merchant bank **ScanlanKemperBard (SKB)**, conceived a plan that comes as close to preserving and developing the land as one could imagine. And when the last lot sold by sealed bid last September,

Chapman Point became the most expensive real estate development in state history.

Quite a feat, considering that the appraiser told Scanlan the land was worthless from a development standpoint. "Good luck getting it entitled," he said, implying that Cannon Beach's residents would never allow it. But once Scanlan convinced neighbors that the development would be sensitive to the environment—"Created by God, developed with the notion it was done right the first time," read the marketing materials—they dropped their opposition.

The property's 19 lots (originally zoned in 1926 for 92 lots) fetched an average of \$700,000, an Oregon record. Buyers agreed to build at the eastern edge of the long, narrow lots, thereby preserving the coastline. The covenants and restrictions **SKB** wrote forced buyers to meet unusually stringent housing design specifications; Scanlan and his partner, **Tom Bard**, turned down one buyer's plans three times, finally asking him to sell property back to them.

Bud Kramer, a Cannon Beach councilman and former planning commission member, says the low-density plan Scanlan created accommodated many of the community's concerns. "Another developer could have built a lot more than 19 houses," he says. Although Kramer wishes Yeon wouldn't have allowed the development—"I rather resented him for that"—he feels the results are "not bad."

In the end, the Yeon Trustees received more than \$4.25 million from the development to satisfy estate taxes, and the new owners enjoy what the Oregonian called "the beach-front address in the state." But the developer sounds less triumphant than resigned.

"It was never Yeon's desire or intent to develop this property," says Scanlan. "He wanted more rather than fewer people to enjoy it. But considering all the [competing interests], we're pretty proud of how it turned out."—G.N. ■

SKB