

Wheeling and Dealing, Property Development on the Clatsop Plains

By Tom Smith, November 4, 2022.

Yesterday November 3, 2022, Richie Schroeder passed away after a short illness. I met Richie back in the late 1997 when my wife Annie and I moved into Surf Pines. However, it was not until fall of 2018 that we happened to be both sitting at the bar at McMenamins that I finally got to know him better. We shared our love of local history, and I explained that I was working on a video piece about the 50th anniversary of Surf Pines becoming an association and the 70th anniversary of it being developed by Barney Lucas in 1949 for our annual association meeting in August 2019. He then told me he literally was the oldest living continuous owner of a home in Surf Pines. He was only 6 years old when his father Dick Schroeder convinced Barney to sell him the first home built in Surf Pines after a well lubricated Christmas Party in 1951.

As a result of that discussion, Richie spent several hours with me recording his memories of the Clatsop Plains in several video interviews. He also shared all the records that Barney's son Jimmy Lucas passed onto Richie after his dad passed away. These recordings and documents have been digitized and will be added to the Internet Archive collections supported by the Clatsop County Historical Society to preserve many of Richie's memories for future generations.

The story below talks about how wild development of the Clatsop Plaines was in the middle to end of the 20th century. It also is a great way to pay homage to one of Clatsop County's leading developers who truly loved the area. I wanted to share some of his memories as a tribute to a good friend and mentor. T

The Clatsop Plains is an interesting area for developers, from pioneer J. W. Gearhart to those of present day. Here are three stories to illustrate how wild development has been on the Clatsop Plains.

Barney Lucas tries to sell Surf Pines to several residents.

In 1957 Barney Lucas, the developer of numerous coastal properties, approached several Surf Pines residents about purchasing the balance of his Surf Pines Properties This was related to some tax issues at the time.

This group declined as relayed in a letter, dated September 5, 1957, from Richard Schroeder (a.k.a. Dick, Secretary/Treasurer for EH Carruthers Co and first resident of Surf Pines), to Barney Lucas.

In another letter to Rolf Klep (one of the founders of the Maritime Museum in Astoria), and his wife Alice, he lines out the reasons why:

- *Don't want anything additional to cause me concern whether of a minor nature or not.*
- *Don't know a damn thing about real estate and not particularly anxious to learn.*
- *Don't think a group of five or more individuals in such a relatively small operation would be able to do an effective job.*
- *Don't like the possibility of becoming involved in the minor problems attendant to roads, watchman, water Systems, etc.*
- *Don't believe that I can convince Laura that it is a good idea. She is very much opposed to it at present.*

He closed his comments with, “Barney showed me a map of the area and virtually all the saleable property will be north of the Hanson property. There is very little property left in the rectangle piece bound by the two East & West or loop roads. However, there’s approximately one mile of ocean front and ridge property left, which in the future will be very valuable and I don’t believe his price of \$85,000 to be out of line when the roads, water system and improvements in process are considered. However, it is for someone else and not for me. Tell me if you want the project pursued on your behalf”.

Barney retained his ownership in Surf Pines for several years then sold his interest to Bill Manion his primary real estate broker for Surf Pines.

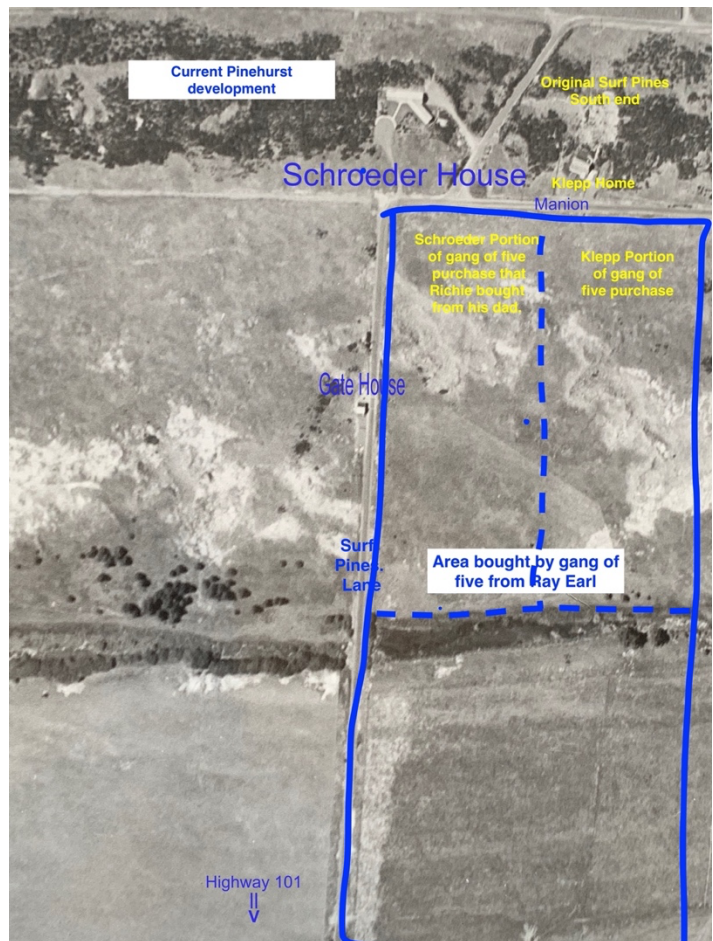
A racetrack in front of our community, no way! Group of Five saves the day.

However, there were more important things that caught the attention of these same Surf Pines resident’s attention. There were two businesspeople named John Osburn of Gearhart and Bill Payne of Portland, (who Dick Schroeder calls the ‘racers’), that wanted to buy 70 acres of Ray Earl’s farm, which lies east of Manion Drive (Surf Pines upper road), and west of Neacoxie Creek, and just north of Surf Pines Lane.

The purpose was to build a racetrack. It is likely they later influenced Bud Chisholm to build his successful go cart track behind his historic restaurant Bud’s Drive-in around 1962. For reference’s sake, this was located where the Great Wall of China restaurant in Gearhart is today.

As a side note on how small our world is, Bud’s Drive In was owned by Bud Chisholm, who was Bob Chisholm’s (who the Bob Chisholm Community Center is named after) father and Rob Chisholm’s grandfather. Rob owns a property management firm, that has recently taken over as the new manager for Surf Pines. Lastly, Bud sold his restaurant and motel to Larry and Mary Weiss in 1963. They sold it to John Osburn’s son (Jim Osburn) in 1974. A few years later, Mary Weis and her son Doug opened their first Doogers Restaurant.

Obviously, the Surf Pines group of five were not happy with this potential racetrack. On February 4, 1958, Dick reported to his four partners that Barney Lucas had been trying to negotiate to buy these 70 acres and had



failed. So, they made Ray Earl (father of former County Commissioner Russ Earl) an offer that matched the racers offer of \$10,500 with a \$500 nonrefundable deposit. Here is a copy of that letter:

Surf Pines
February 4, 1958

To Whome it May Concern:

Here is a report on the Ray Earl option to purchase approx. 70 acres of land. The details of the option proper are covered by an attached copy. For brevity and ease of identification of participants ~~int~~ in the following subject matter Ray and Pauline Earl will be referred to as Ray, the sports car enthusiasts who wanted to purchase the property as the "Racers", W. A. Haseltine, Hobart Mitchell, Rolf Klep, Bill Manion and myself ~~as~~ as the "group". The 70 acres more or less will be referred to as "tract".

Early Tuesday evening, Jan. 27, 1958, Bill Manion called me and said that the racers were planning to offer Ray \$10,500 for the tract and recommended serious consideration of the matter along with prompt action. I realized that there was some merit to Bill's statement as earlier, on my way home, I saw a Gearhart ~~realtor~~ realtor talking with Ray.

Wednesday morning I called Bill Haseltine and told him the story and suggested that the group get busy. He agreed to contact Mitchell and others to see what could be done. He ~~as~~ also said that "by golly" he would participate in the purchase if others of the group would do likewise. That evening I talked to Ray. He said that Barney Lucas and he had discussed the matter most of the day and that if Ray would give him an option to buy additional property, namely, the hill paralleling the tract on the east side of Neacoxie creek, a deal would be made between the two of them. This action would take the group and the racers out of the picture. I requested of Ray that if this deal were not consummated the group should be given a 90 day option for \$500.00 to try and finalize an arrangement to buy the tract. This he agreed to do providing the racers or ~~o~~ others did not give him an offer on his entire farm. Later in the evening Ray called and said that he felt a sale could not be made to Barney as he ~~is~~ did not want to include the hill property. I advised that the group would attempt to raise the option money and set a deadline of 5:00 P. M. Friday, Jan. 31st, to give him the group decision. Directly after Ray's call Barney phoned and advised ~~that he was trying to~~ what he was trying to do and that he would tell me on Thursday of his progress with Ray. I told him of Ray's call and my arrangement with him regarding the option. However Barney still had hopes he could make a deal with Ray.

Thursday A. M. Bill Haseltine called and I gave him the latest developments. Hobart was in Bill's office and I also talked to him. I advised that the ~~ip~~ option money checks (\$125.00 ea.) should be mailed to me as I doubted that Barney and Ray would get together. That evening Ray came to my house and said that Barney and he could not make a deal and that if the racers did not want the entire farm, the group could have the 90 day option. Barney did not call on Thursday.

Friday Barney called and verified that Ray and he could not consummate a purchase. I then asked Bill Manion to draw ~~up~~ up the necessary option papers and made an appointment with him to see Ray at 5:00 P. M. to take up the group's option. The meeting was held with Ray and option negotiations finalized.

It is now the problem of the group to raise \$10,000 to exercise the option on or before May 1st, the approx. option expiration date. If this is not done, the option deposit will be forfeited to Ray if he chooses to stand on his rights.

During the option interim the group will have to get together to decide on a course of action. This probably will not be possible until the mid^d of March as Haseltine and Mitchell are planning to be out of town for about a month commencing as of the middle of February. Klep is ~~is~~ curren^t traveling and will not return until the latter part of February.

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It is my thought that the group should purchase the tract under a joint venture agreement and hold it for future activity. In this connection Barney, for an exchange to use his roads for access to the tract free and clear of any encumbrances after a 10 year period, would like to have a two year option to purchase it from the group for \$10,500 plus 7% annual interest. Another thought would be to try and interest all property owners of Surf Pines in contributing to the purchase and then deed the property to the State for park purposes. The amount of the respective contributions under this plan might be tax deductible.

When Bill and I were talking to Ray we told him that we thought the group would be amenable to have him continue ~~his grazing~~ grazing privileges, until further notice, on presently fenced in areas of the tract. In ~~an~~ exchange for this Ray agreed to remove fence posts on the ~~perimeter~~ perimeter of the tract on which wire has not already been strung.

This report has been lengthy but it is my purpose to log the various initial ~~x~~ events attendant to the tract purchase in order to modify likelihood of future misunderstandings. If I have erred as to substance an addendum to this report will be made. It should not be necessary to make minor corrections as to form.

Respectfully submitted,

Richard Schroeder

Surf Pines
February 4, 1958

The partnership comprised of Dick Schroeder, Bill Hazeltine, Rolf Klep, Hobart Mitchell, and Bill Manion. They created a partnership in April 1958. As a result, these 70 acres stayed dormant for more than fifty years.

How the group of five helped start the career of a local developer.

However, the result of this transaction was the start of a long-storied career for Dick's son Richie, as one of Clatsop County's major developers.

Richie inherited \$10,000 from his grandmother and his father asked him what he wanted to do with his windfall. Richie, a blossoming future land developer at 16, asked to buy the 15 acres, which was Dick's portion of the partnership, as investment in 1961.

Moving forward almost 20 years in the early 80's while trying to develop what is now the Pinehurst community, Richie traded his 15 acres that he bought from his dad with the county for comparable land on the north side of the Del Ray Beach plat, which is about where the entrance to Pinehurst is today.



1958 picture with Mike Manion's wife and friend showing east end of Richie Schroders first land purchase.

Then in the mid 90's, when Richie and his partners were finalizing the Pinehurst properties, they realized that some of the property was unbuildable. The reason is a bit complicated but lies in the building zone requirements. Most of the area that Pinehurst and Surf Pines are located on require a minimum of one acre per lot. However, the county allows developers to trade buildable lots on one plat for non-buildable lots from another plat. In this case,

about 27 lots in Pinehurst had been traded in past years and were unbuildable.

As a result, the Pinehurst partners offered to buy back the original 15 acres that Richie had traded. They also bought an additional 15 acres that the Rolf Klep (one of the original five) estate owned. Which they then traded some of the land to the Pinehurst development for the additional buildable lots that they needed. As a result, Pinehurst now has 51 buildable lots.



Same shot taken in 2019.

The Schroeder/Klepp properties have now been parceled out, so the North Coast Land Conservancy has most of the land by Neacoxie creek, part was deeded over to Surf Pines for additional storage, and lastly the land below Manion Drive was platted into new building lots where

the homes on Steller Road (Manion Estates) are located and were assimilated into Surf Pines. The rest of the 70 Acres now encompasses what is now called Easy Street.

Surf Pines now includes over 406 buildable lots with 359 homes. Other development areas that were added to Surf Pines over the last 50 years include the Shady Pines Development, Surf Pines Landing, the Malarkey Strawberry Hill addition, Neacoxie Estates, and Silver Spot Development.

There are a million stories in Clatsop County's development; these are just three of them. It is truly amazing to see how our growth has been spurred on by stories like these.