



Growing McMinnville **MINDFULLY**

www.growingmcminnvillemindfully.com

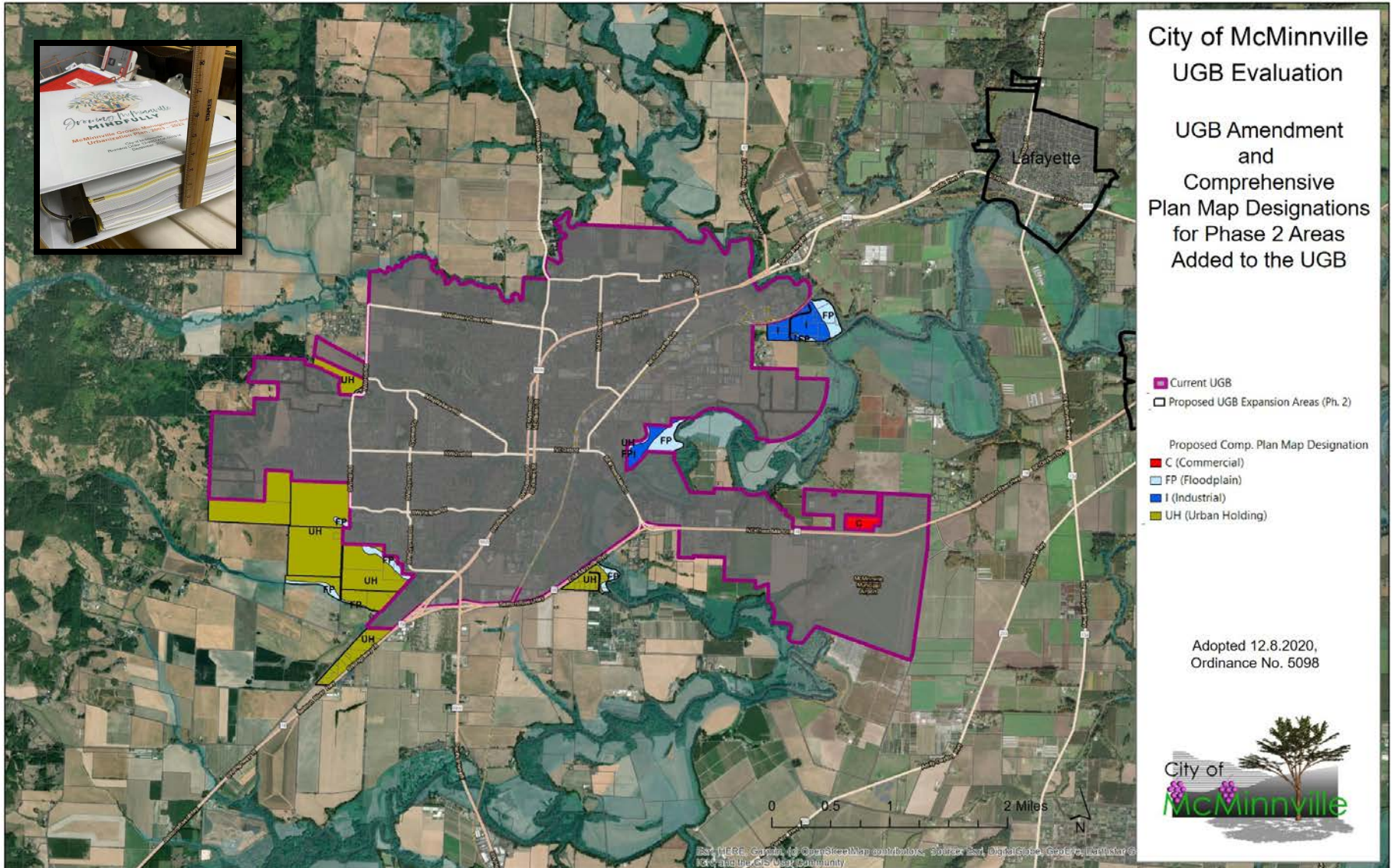
TONIGHT'S WORKSESSION

1. Discuss Growth Planning – Next Steps
2. Planned URA Work
3. HB 2003 and Its Impact on Work Program
4. Suggested Path

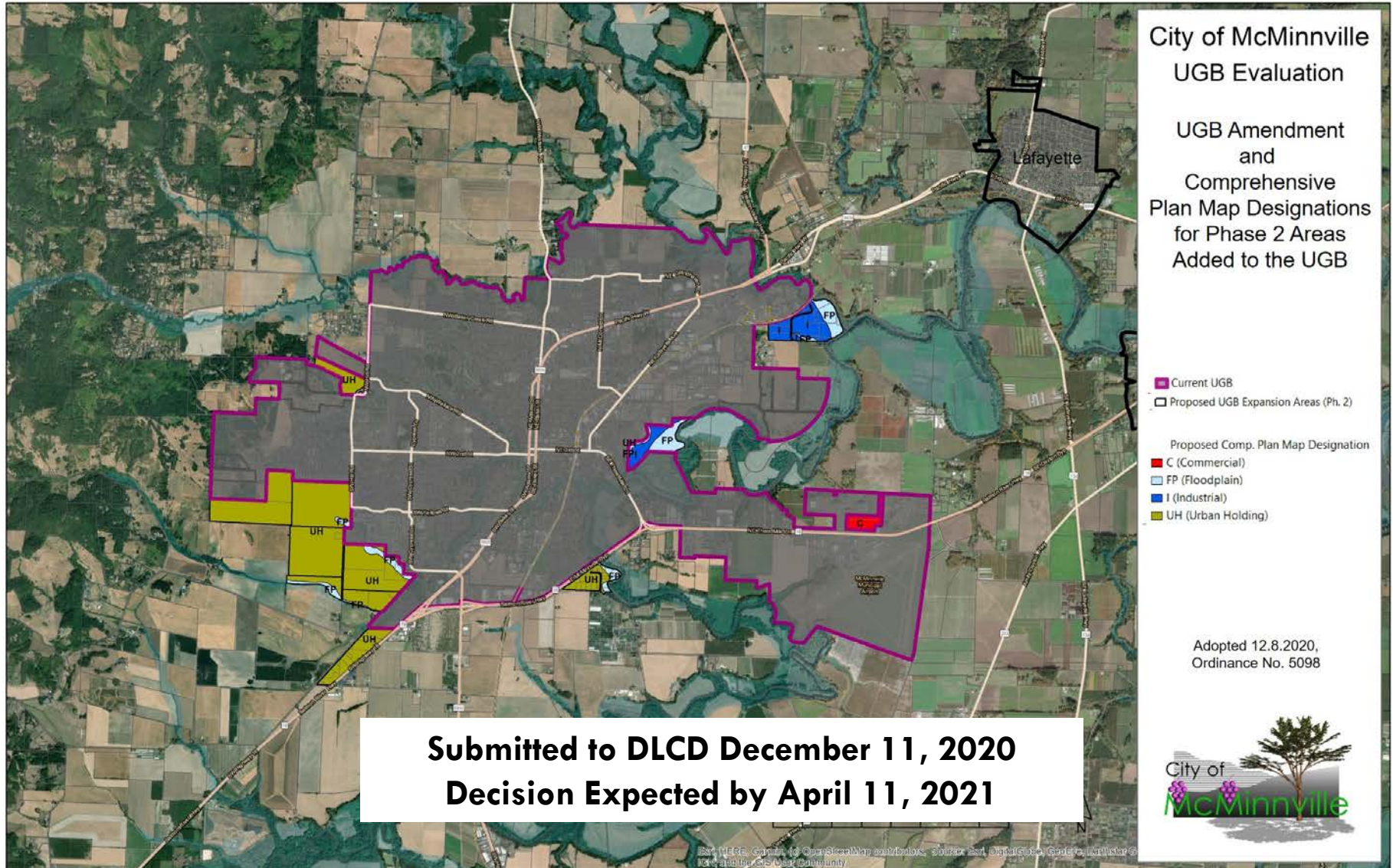
CITY COUNCIL NEXT STEPS WORK SESSION, MARCH 17, 2021



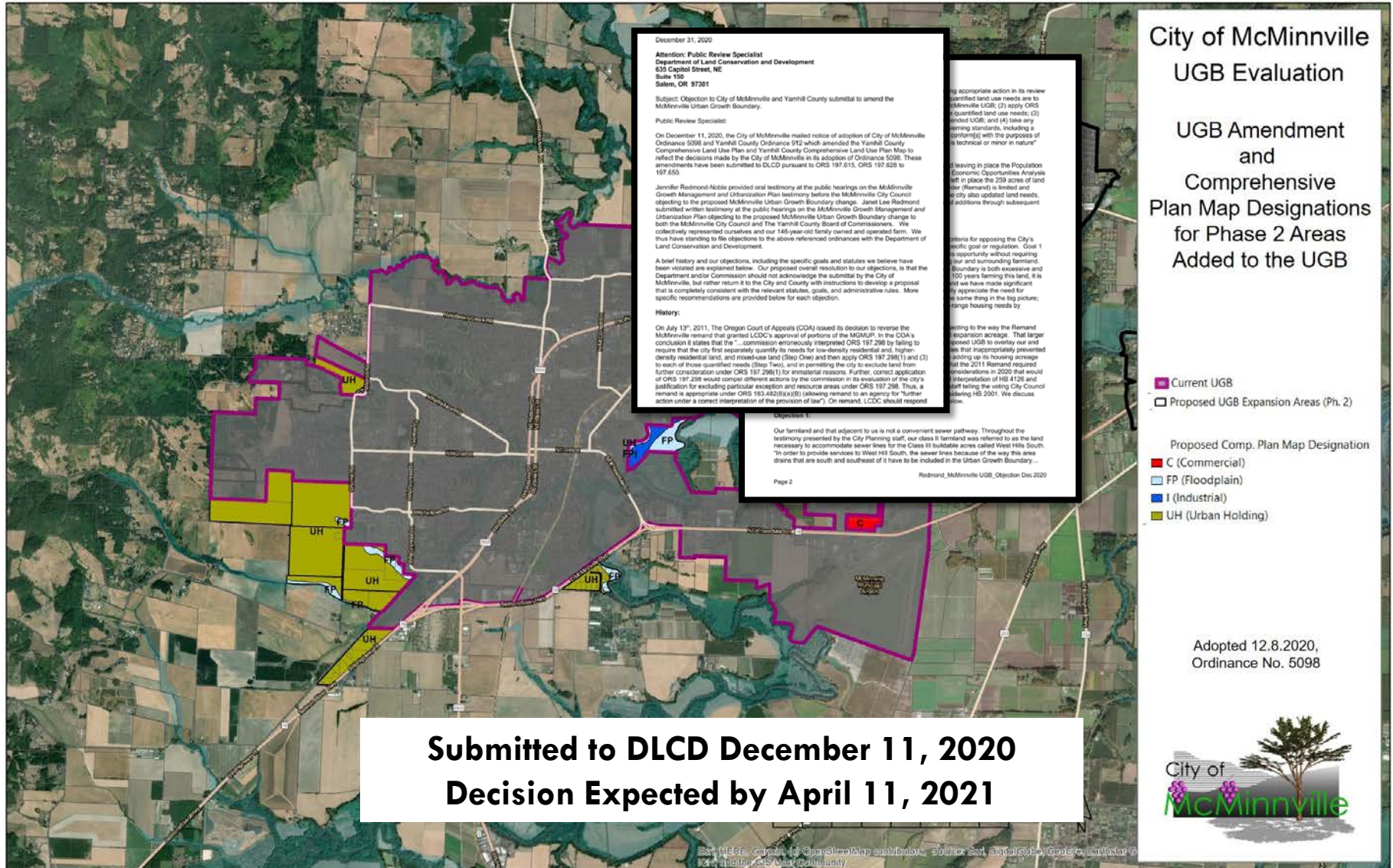
MGMUP 2020 UGB AMENDMENT



MGMUP 2020 UGB AMENDMENT

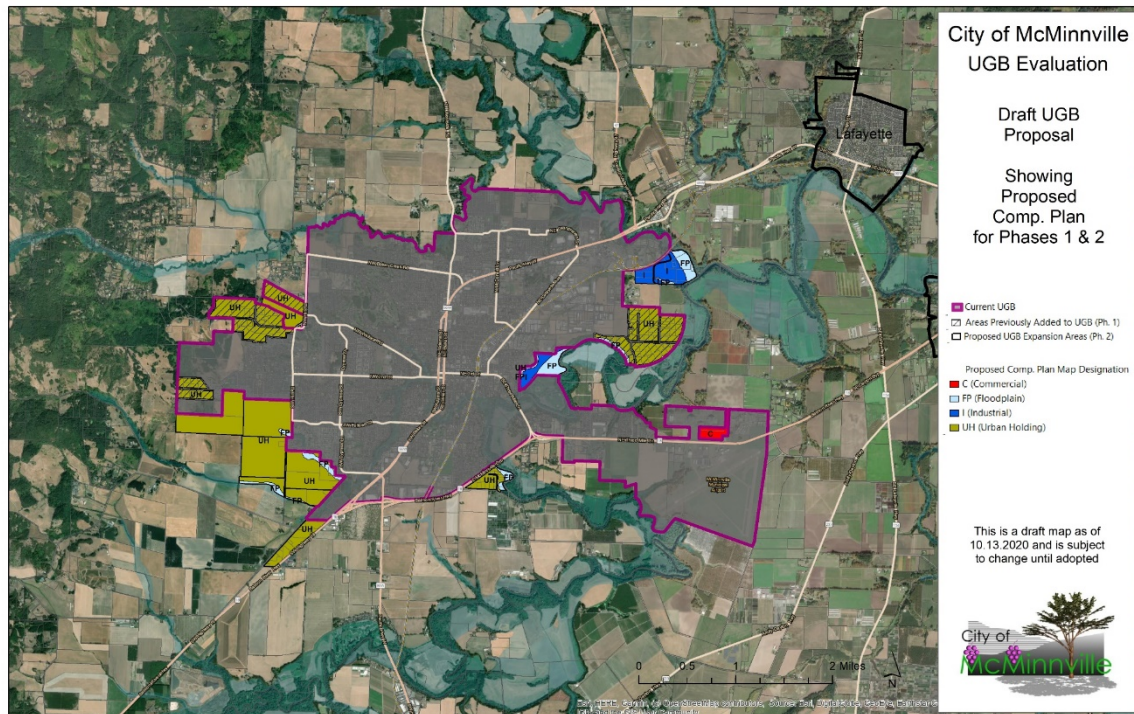


MGMUP 2020 UGB AMENDMENT



MCMINNVILLE UGB AMENDMENT

Comprehensive Plan Designation	Phase I	Phase II	Gross Buildable Acres (to satisfy land need)
Urban Holding	259.00	595.40	854.40
Commercial		26.70	26.70
Industrial ¹		40.30	40.30
Total	259.00	662.40	921.40

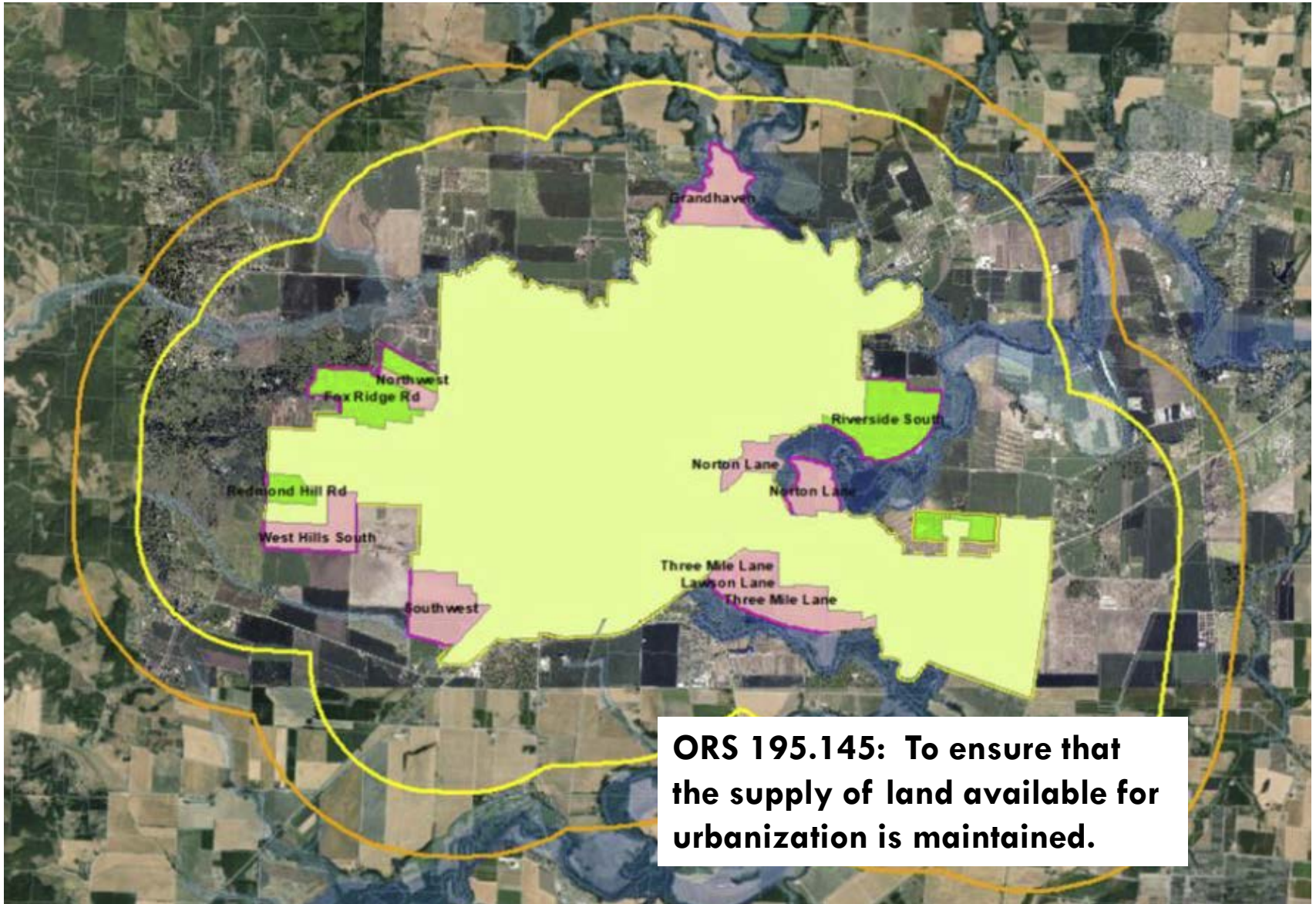


921.40 gross buildable acres

To serve a future population of 44, 055 people.

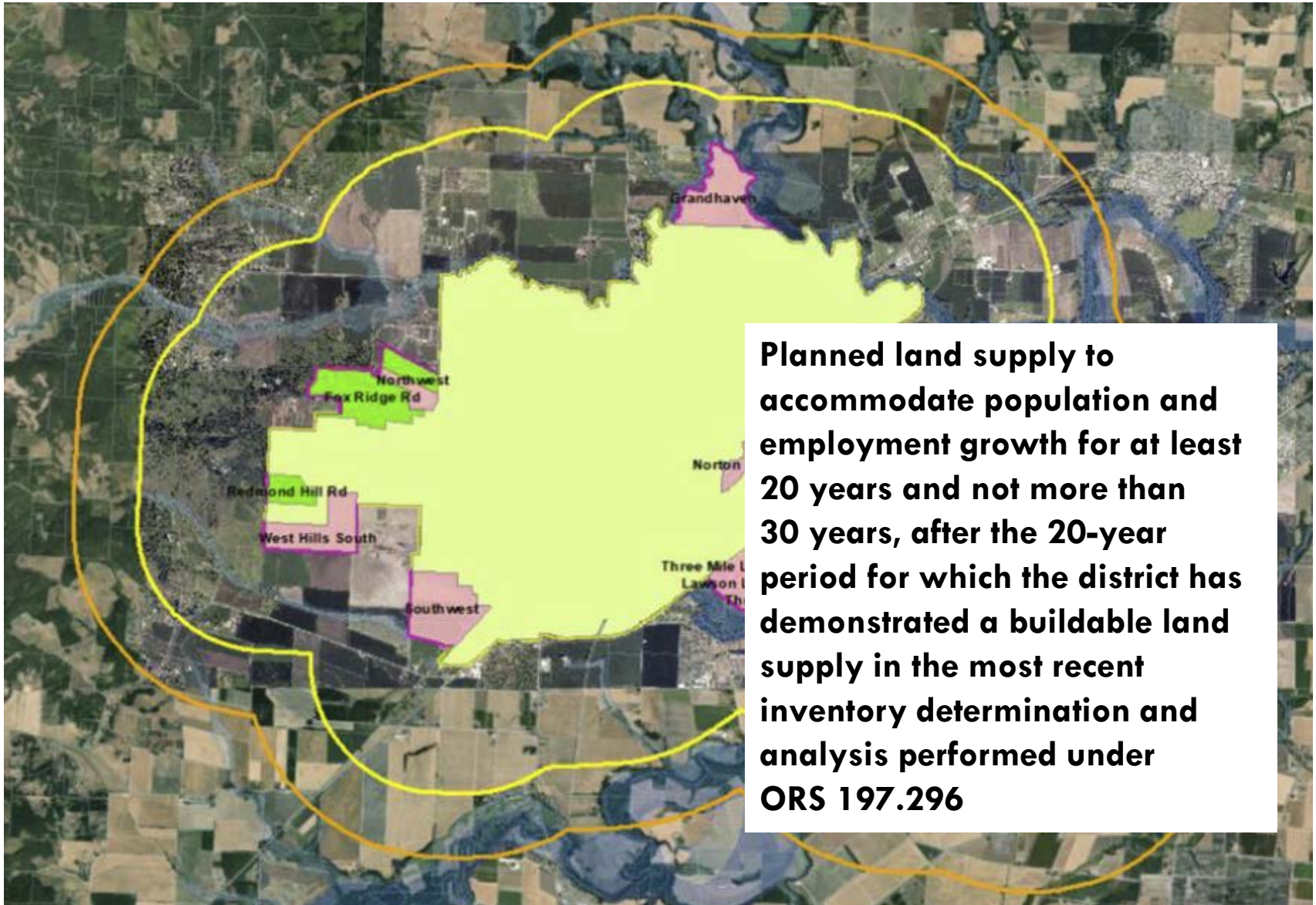
Approximately 2,511 dwelling units, 254 acres of park land, 106 acres of employment land, and 121 acres of other public and semi-public uses.

NEXT STEPS – URBAN RESERVE AREA



ORS 195.145: To ensure that the supply of land available for urbanization is maintained.

NEXT STEPS – URBAN RESERVE AREA



Planned land supply to accommodate population and employment growth for at least 20 years and not more than 30 years, after the 20-year period for which the district has demonstrated a buildable land supply in the most recent inventory determination and analysis performed under ORS 197.296

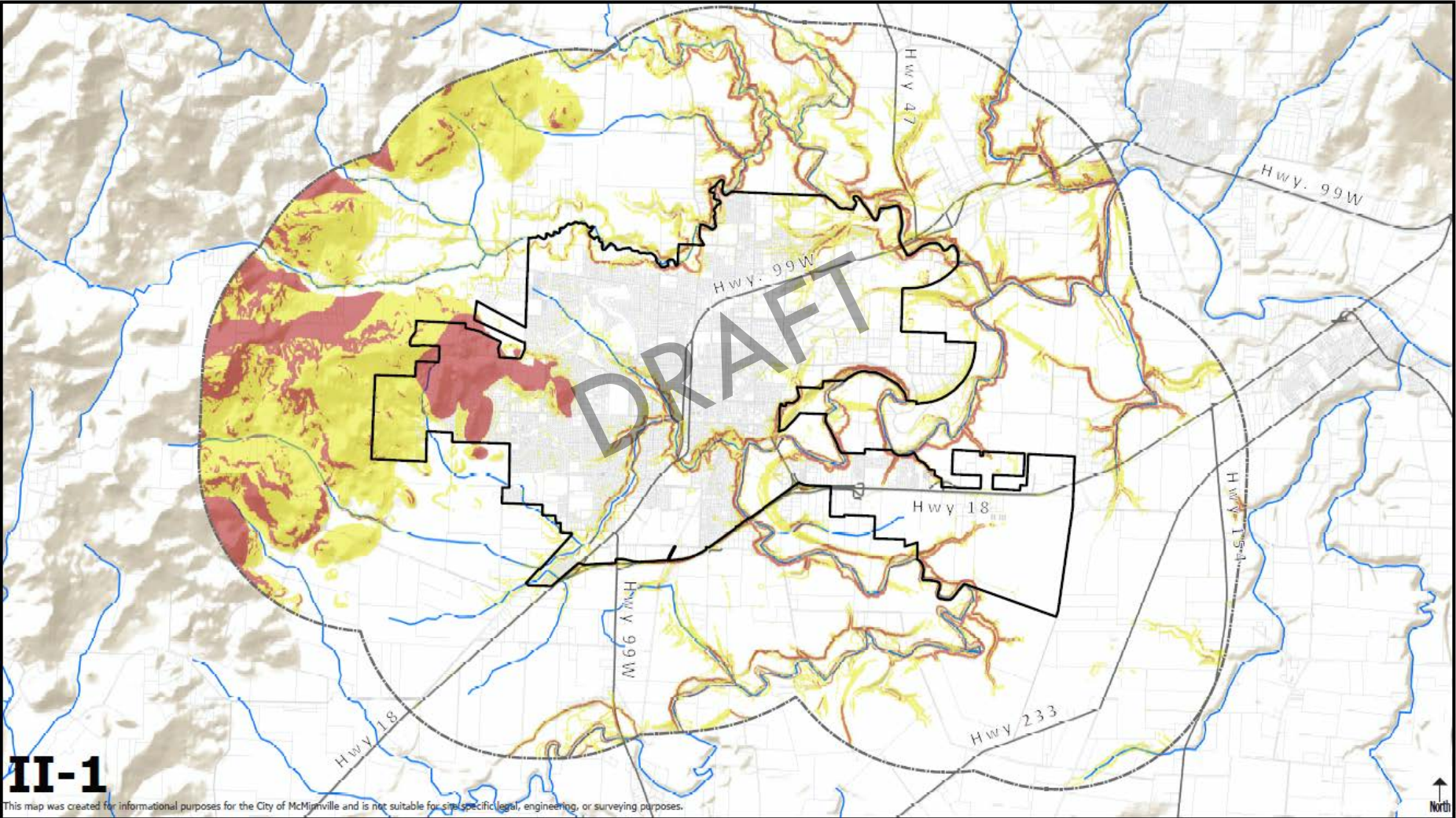
NEXT STEPS – URBAN RESERVE AREA



We have been talking about this in McMinnville for the past three years.

- Long-term infrastructure planning
- Sufficient development capacity to support a healthy urban economy
- Plan for schools and other public facilities efficiently and cost-effectively
- Can be designed to preserve and enhance natural ecological systems
- Can plan walkable/bikable neighborhoods
- Includes sufficient land suitable for a range of housing types

GEOLOGIC - LANDSLIDES



McMinnville Geologic Hazards: Landslides

- | | | |
|-----------------------|-----------------------------------|------------------|
| Landslide Risk | McMinnville Urban Growth Boundary | Major Roads |
| Moderate Risk | Study Area (1.5 Miles) | Rivers & Streams |
| High Risk | Tax Lots | |

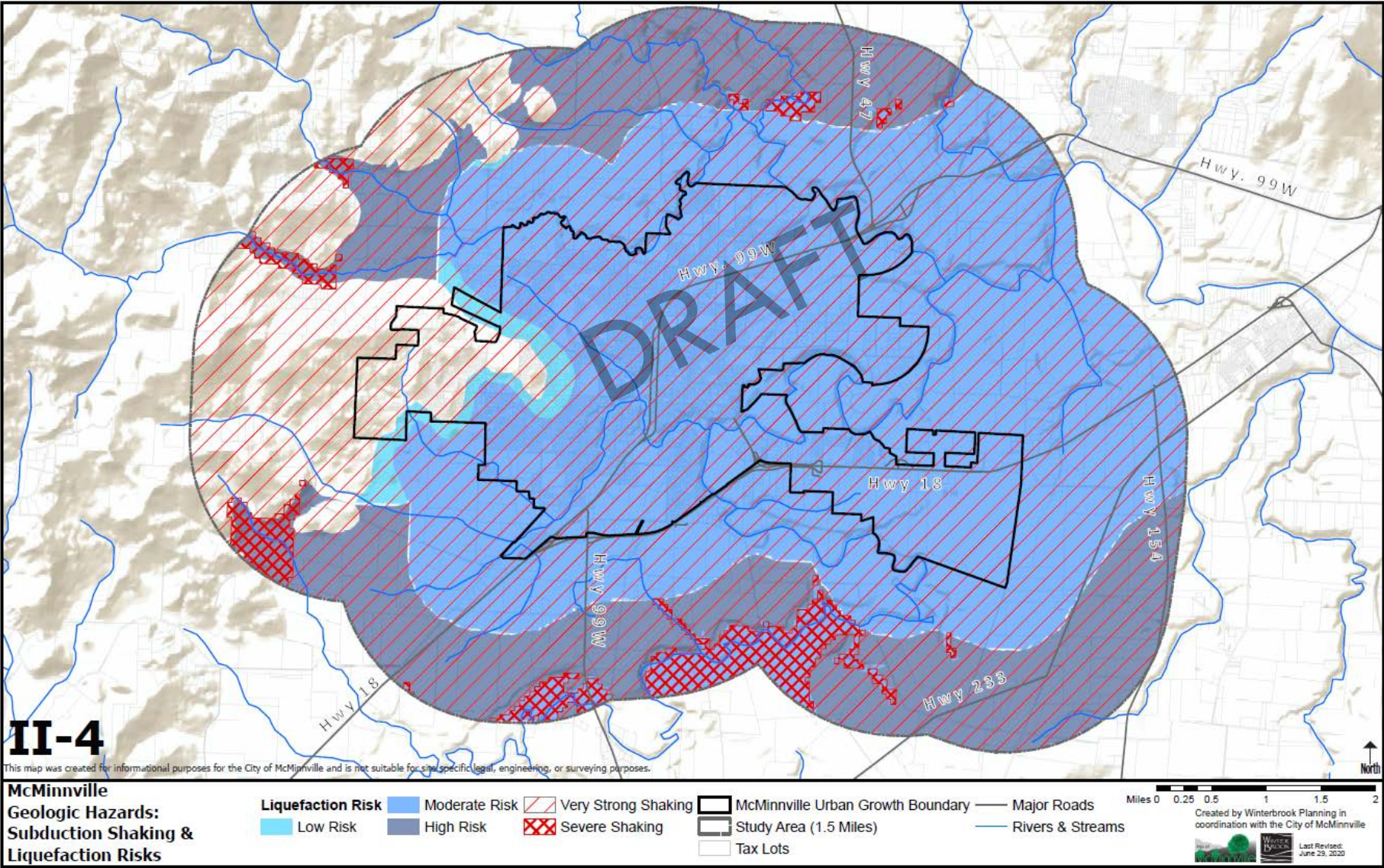
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Created by Winterbrook Planning in coordination with the City of McMinnville

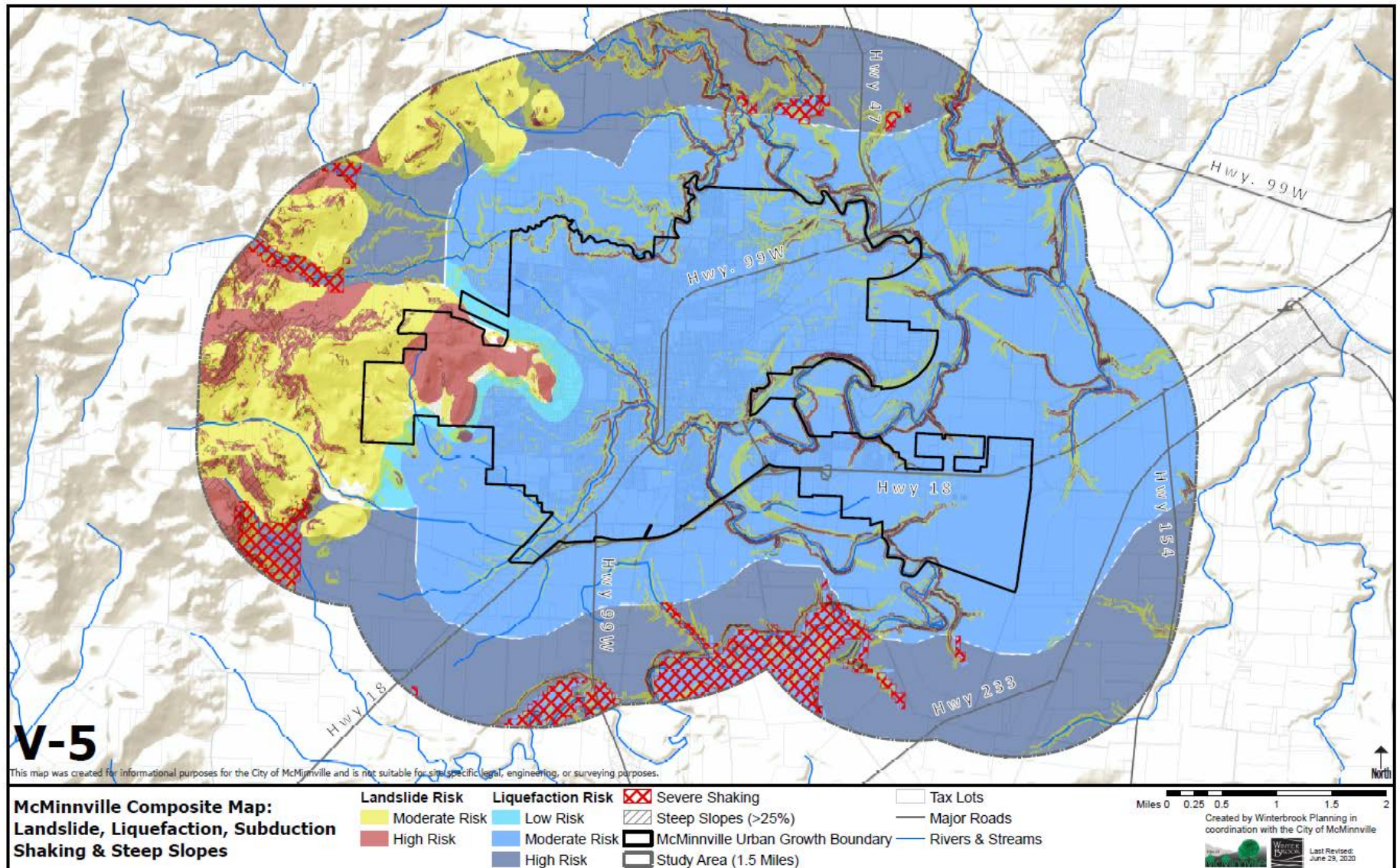


Last Revised: June 29, 2020

GEOLOGIC – LIQUEFACTION RISK



COMPOSITE HAZARD MAP – URA STUDY BOUNDARY



DRAFT



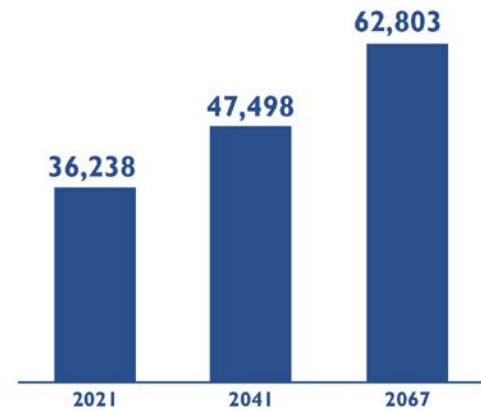
McMinnville Urbanization Report:

Housing Needs Analysis and Economic Opportunities Analysis

JUNE 2020

ECONorthwest
ECONOMICS • FINANCE • PLANNING

FORECASTED TOTAL POPULATION, MCMINNVILLE UGB



Population Increase 11,260 (2021-2041) and 15,305 (2041-2067)



**SINGLE-FAMILY
DETACHED**



**SINGLE-FAMILY
ATTACHED**



MULTIFAMILY

	SINGLE-FAMILY DETACHED	SINGLE-FAMILY ATTACHED	MULTIFAMILY
2021-2041	2,561 new dwelling units	559 new dwelling units	1,537 new dwelling units
2021-2067	6,042 new dwelling units	1,318 new dwelling units	3,626 new dwelling units

DRAFT



McMinnville Urbanization Report:

Housing Needs Analysis and Economic Opportunities Analysis

JUNE 2020

ECONnorthwest
ECONOMICS • FINANCE • PLANNING

We were working on the final draft of this analysis in January, 2020, when the City pivoted to finish the UGB Remand.

We were asked to finish this product and use it for the URA work right after the remand was concluded.

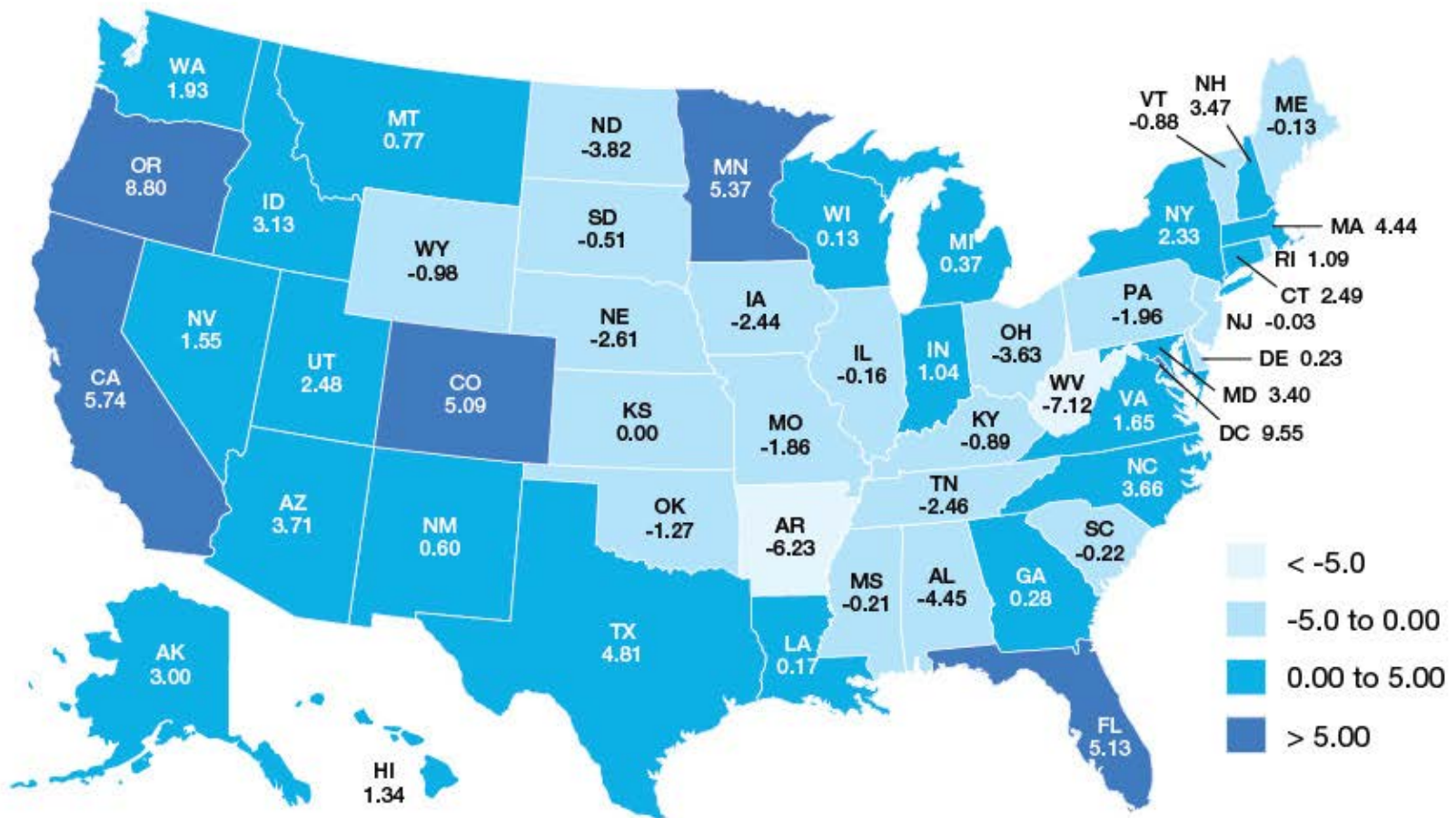
So, we finished the draft in June, 2020, and submitted a PAPA to DLCD for a first evidentiary hearing in May, 2021.

Based on a study put out by Freddie Mac in February, 2020, Oregon has the highest deficit of housing in the United States (nearly 9%) followed by California (nearly 6%).

Exhibit 3

Housing stock deficit as proportion of a state's housing stock (static estimate not considering interstate migration flows)

A static view suggests that 29 states have a housing undersupply.



Across Oregon, housing has emerged as a paramount concern. The lack of available housing, high rents and high home prices are driving rapid increases in housing instability and homelessness. The data is clear: too many Oregonians are without a safe, stable and affordable place to call home.

**STATEWIDE HOUSING
DEFICIT OF 155,156
HOUSING UNITS FROM
2000 TO 2015 TO HOUSE
OREGON RESIDENTS**



**Breaking
New Ground**
OREGON'S STATEWIDE HOUSING PLAN
SUMMARY

2019-2023

Across Oregon, housing has emerged as a paramount concern. The lack of available housing, high rents and high home prices are driving rapid increases in housing instability and homelessness. The data is clear: too many Oregonians are without a safe, stable and affordable place to call home.

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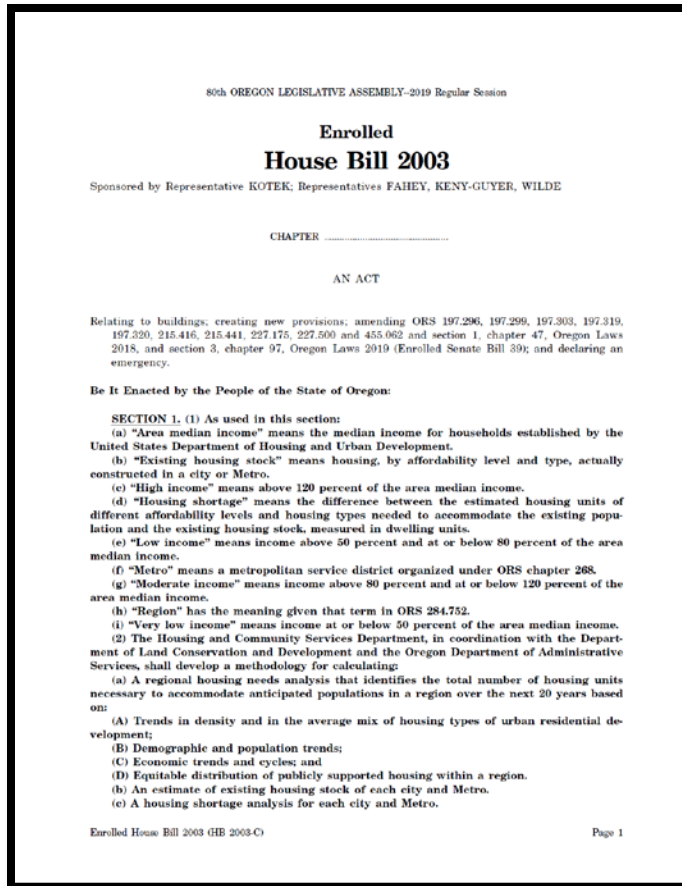
New studies show that if we continue on the same trend that deficit will rise to 500,000 housing units statewide.

Oregon Housing Economic Summit, January 14, 2021

When asked the question, what is the one thing that cities can do to help with the housing supply shortage, the answer was to invest in land supply planning, most specifically Urban Reserve Areas, so that when it is necessary, a urban growth boundary amendment can be undertaken seamlessly.

**So, we met with DLCD staff to start talking
about next steps**

Then, we met with DLCD staff to start talking about next steps



- **Regional Housing Needs Analysis**
- **Housing Production Strategy**
- **By December 31, 2019, DLCD shall adopt a schedule by which cities shall demonstrate sufficient buildable lands for housing.**
- **Cities shall update and adopt a new Housing Capacity Analysis every eight years.**

OAR 660-008-0045

Housing Capacity Analysis Update Schedule for Oregon Cities with a population above 10,000 (Required by ORS 197.296)

OAR 660, Division 8 – Exhibit A

Adopted by the Land Conservation and Development Commission November 12, 2020.

Updated November 23, 2020.

Cities to adopt updated Housing Capacity Analyses (HNA) by December 31st of the listed year.

	2022	2023	2024	2025	2026	2027
1	Grants Pass	Ashland	Bend	Springfield	Eugene	Central Point
2	Newport	Beaverton	Hermiston	The Dalles	Troutdale	Corvallis
3		Forest Grove	Sandy			Cottage Grove
4		Gresham				St. Helens
5		Happy Valley				
6		Hillsboro				
7		Lake Oswego				
8		McMinnville				
9		Medford				
10		Milwaukie				
11		Portland				
12		Tigard				
13		West Linn				
14		Wilsonville				

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14		Wilsonville				

**Adopt a new HNA and BLI by
December, 2023**

DRAFT



McMinnville Urbanization Report:

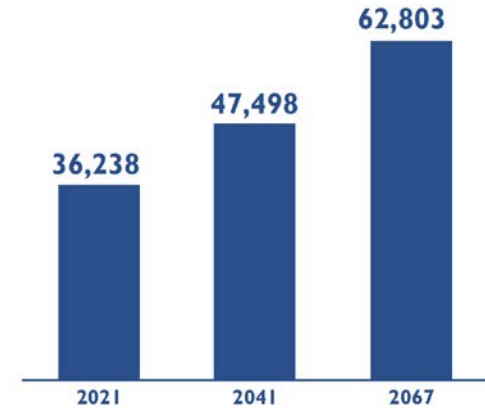
Housing Needs Analysis and Economic Opportunities Analysis

JUNE 2020

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The Good News We have it!

FORECASTED TOTAL POPULATION, MCMINNVILLE UGB



Population Increase 11,260 (2021-2041) and 15,305 (2041-2067)



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2021-2041

2,561
new dwelling units

559
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1,537
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2021-2067

6,042
new dwelling units

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new dwelling units

The Bad News It shows the need for land

MCMINNVILLE NEEDS 1,399 ACRES TO ACCOMMODATE GROWTH THROUGH 2041

The land needs analysis indicates the City will need an additional **576** acres for housing in the 2021 to 2041 period. The City also needs about 280 acres for commercial employment and 70 acres for industrial employment during the 2021 to 2041 period.

LAND USE TYPE	SURPLUS (DEFICIT)	
	20-YEAR (2021-2041)	46-YEAR (2021-2067)
Residential	(576)	(1,481)
Public or Institutional	(473)	(780)
Industrial	(70)	(70)
Commercial	(280)	(494)
Total	(1,399)	(2,825)

Source: ECONorthwest

Even with the recent MGMUP UGB Remand

Comprehensive Plan Designation	Phase I	Phase II	Gross Buildable Acres (to satisfy land need)
Urban Holding	259.00	595.40	854.40
Commercial		26.70	26.70
Industrial ¹		40.30	40.30
Total	259.00	662.40	921.40

	UGB Remand 2003 – 2023 Population Target = 44,055	2020 Needs Analysis 2021 – 2041 Population Target = 47,498	Deficit that still exists	2020 URA Analysis 2041 – 2067 Population Target = 62,803
Residential	(559)	(576)	(490)	(905)
Public Lands / Institutional	Included in residential	(473)	Included in residential	(307)
Commercial	(106)	(280)	(174)	(214)
Industrial		(70)	(70)	0
TOTAL	(665)	(1399)	(734)	(1426)

This includes the reduction of capacity on the exception lands per recent legislation, and HB 2001 calculations.

What it does not include:

- **A true reconciliation of the UGB Remand into the new BLI**
- **Efficiency Measures**

What does this mean?

Housing Capacity Analysis Update Schedule for Oregon

Cities with a population above 10,000 (Required by ORS 197.296)

OAR 660, Division 8 – Exhibit A

Adopted by the Land Conservation and Development Commission November 12, 2020.

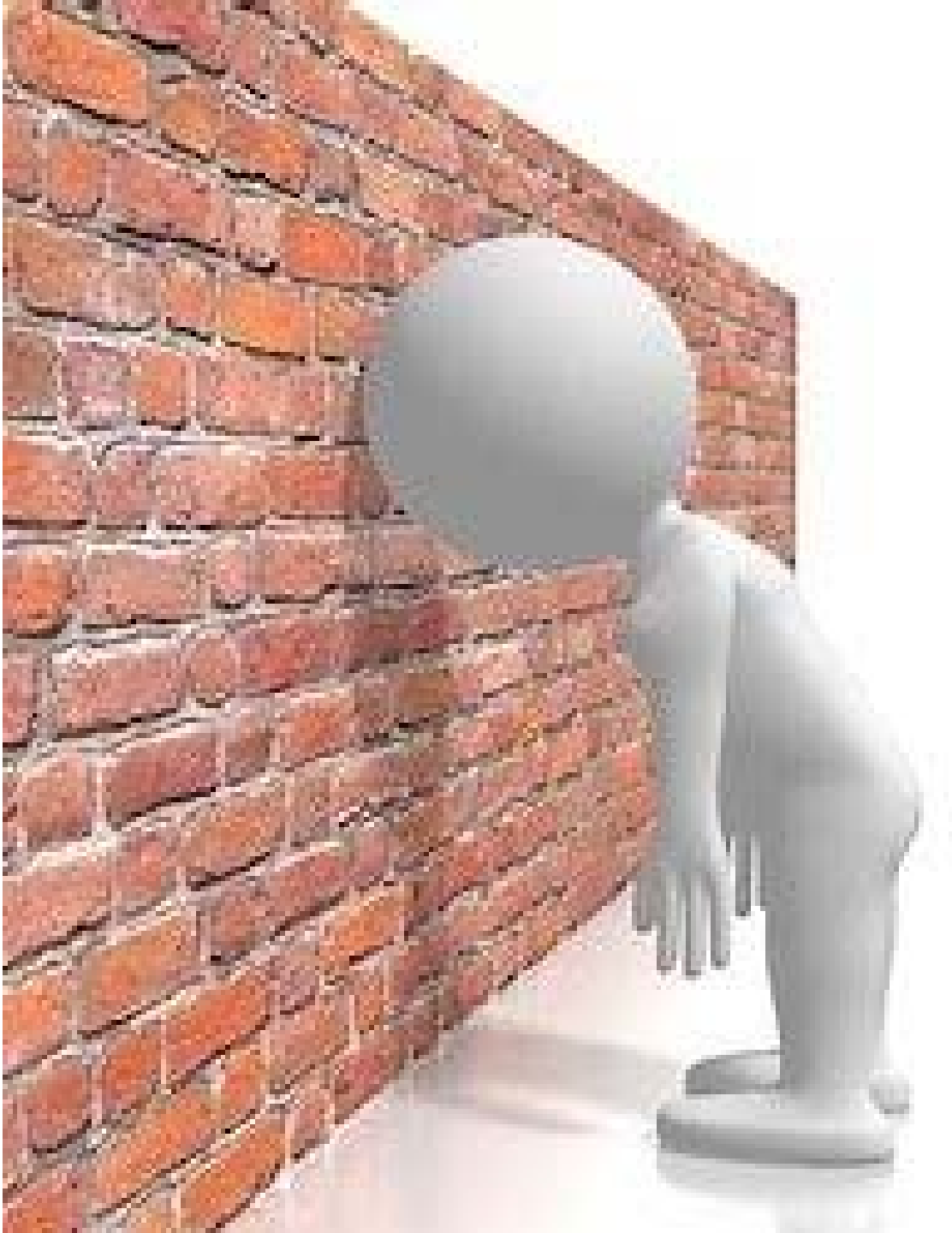
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When we adopt the new HNA and BLI, we need to show how we are going to address the need – either by absorbing it through density within the existing UGB, expanding the UGB to accommodate it or both.

NO!!!!!!!!!!!!



NO!!!!!!!!!!!!!!

**We might have to
do another UGB?!!?**



NO!!!!!!!!!!!!!!

**We might have to
do another UGB?!!?**

**In the next two
years?!!?**



NO!!!!!!!!!!!!!!

**We might have to
do another UGB?!!?**

**In the next two
years?!!?**

In McMinnville?!!?



OPTIONS TO CONSIDER

Option #1 – HB2003 COMPLIANCE

Adopt draft June 2020, HNA/EOA and BLI, efficiency measures and submit UGB amendment by December 31, 2023.

Option #2 – AMEND OAR TO EXTEND DEADLINE TO 2027

Apply to LCDC to amend the OAR to extend deadline for McMinnville to 2027

Option #3 – SEQUENTIAL UGB PROCESS

Adopt draft June 2020, HNA/EOA and BLI and adopt efficiency measures by December 31, 2023

Enter into work program with DLCD to submit UGB amendment if needed through sequential UGB process by June 30, 2025.

Option #4 – DO NOTHING

**Seek an injunction in the court against McMinnville
Could lose all discretionary funding from the state.**



DECISION MAKING FILTER

- **How do we get caught up on growth planning with limited resources?**
- **How do we put a system in place that future growth planning efforts are not so contentious, so that they are not delayed in the system for years with remands and appeals?**
- **How do we prevent the circumstance that we are in now from occurring in the future – land supply constraints leading to affordable housing issues and gentrification?**

OPTION #1 – HB 2003 COMPLIANCE

OPTION	TIMEFRAME	COSTS	NOTES
1. Adopt draft HNA/EOA and BLI, and submit UGB Amendment by December, 2023 2 – 3 Years \$440,000	TOTAL = 2 – 3 Years 18 Months for 660-008-0045 compliance 12 months for URA	\$15,000 FY 20/21 HNA Refresh \$175,000 FY 21/22 Efficiency Measures and UGB Analysis \$175,000 FY 22/23 UGB Development FY 23/24 \$75,000 URA	Gets it done. Can use data from most recent UGB. Likely to be contested in appeals. However probably resolved by the time that the current UGB runs out of land. URA – can start on URA immediately afterwards using the same data and documents. Will need to invest in consultants due to timeframe and other workload issues associated with the UGB Remand entitlement work.

OPTION #2 – AMEND OAR TO EXTEND DEADLINE TO 2027

OPTION	TIMEFRAME	COSTS	NOTES
<p>2. Request that the LCDC amend the Exhibit in 660-008-0045 to put McMinnville in 2027</p> <p>7 Years \$825,000</p>	<p>TOTAL = 7 Years</p> <p>Would need to start the work in 2023.</p>	<p>\$200,000 in FY 23/24 HNA/EOA</p> <p>\$300,000 in FY 25/26 Efficiency Measures and UGB Data</p> <p>\$250,000 in FY 26/27 UGB Development</p> <p>FY 27/28 \$75,000 URA</p>	<p>Defers the work but the city loses all of the work that it has done to this point and will need to reinvest.</p> <p>Can use new population forecast and new census data.</p> <p>Likely contested in court. Land supply would become constrained again as City fights the proposal in court, creating a similar scenario to today.</p> <p>URA – can start on URA immediately afterwards using the same data and documents.</p>

OPTION #3 – SEQUENTIAL UGB

OPTION	TIMEFRAME	COSTS	NOTES
<p>3. Adopt existing draft HNA/EOA and BLI in 2021, but ask to participate in the sequential UGB program (OAR 660-025-0040).</p> <p>Work with DLCD to put together a work program that would allow for two years to do efficiency measures and two years to UGB amendment.</p> <p>5-6 Years \$390,000</p>	<p>6 months for first step.</p> <p>Seq UGB – try to negotiate for five years for two additional steps – efficiency measures and UGB amendment</p> <p>TOTAL = 5 – 6 Years</p>	<p>FY 20/21 \$15,000 to refresh the document – in current budget.</p> <p>FY 22/23 \$50,000 for efficiency measures</p> <p>FY 23/24 \$150,000 UGB Amendment</p> <p>FY 24/25 \$100,000 UGB Amendment</p> <p>FY 25/26 \$75,000 URA</p> <p>TOTAL = \$390,000</p>	<p>Allows City to use existing investment in data for HNA/EOA and BLI, conduct the efficiency measures and then defer work for a UGB amendment if necessitated over the following 2 - 3 years, spreading out costs and workload.</p> <p>Would satisfy HB 2003 requirement.</p> <p>UGB submittal prior to absorption of current buildable land.</p> <p>8 year sequence in HB 2003 would start from 2023.</p> <p>Likely contested in court.</p> <p>URA – can start on URA immediately afterwards using the same data and documents that we have in existing draft information.</p>

SEQUENTIAL UGB

PROJECT COMPONENT	TIMEFRAME	COSTS
HNA/EOA/BLI – DRAFT Urbanization Study	May, 2021 First Evidentiary Hearing – Open and Continue	\$162,000 FY 2019/20
Reconcile MGMUP UGB Remand with Urbanization Study	Draft December, 2021	\$15,000 FY 20/21
Efficiency Measures	Adopt December, 2023	\$50,000 FY 21/22
Housing Production Strategy	Adopt December, 2023	Draft Form
UGB Amendment (if needed)	Adopt June 30, 2025	\$250,000 FY 23/24, 24/25
URBAN RESERVE AREA	Adopt June 30, 2027	\$75,000
Start work for HB 2003 requirements for HNA and Concurrency	July 1, 2027	???
HB 2003 Compliance	December 31, 2031	???

DIRECTION FROM CITY COUNCIL

Do you want to move forward with Option #3, the sequential UGB?

If so, we will start working with DLCD on a work program, and start the effort to refresh the draft Urbanization Study, reconciling it with the recent UGB Remand effort.

Put together a public involvement plan for the efficiency measures discussion and evaluation.

GROWTH PLANNING – MCMINNVILLE, Moving Forward Mindfully



CITY COUNCIL NEXT STEPS WORK SESSION, MARCH 17, 2021





Growing McMinnville
MINDFULLY