



McMinnville City Limits

ANNEXATIONS:

City Council Work Session

July 21, 2021

The Purpose of Tonight's Work Session

Discuss an annexation process for the City of McMinnville that is:

- **Compliant with state regulations, City Charter and local ordinances.**
- **A navigable path for land to be annexed into the City based upon the framework outlined in the McMinnville Growth Management and Urbanization Plan (MGMUP).**
- **A tool for the City of McMinnville to ensure that future new development is responding to the community needs.**

Discuss the actions that need to take place to implement a new annexation process for the City of McMinnville

- **Amendments to McMinnville Municipal Code (Chapter 16 and 17)**
- **Draft Annexation Agreement**
- **Development of Annexation Fees**

ANNEXATION

The Process by which a municipality, upon meeting certain requirements, expands its corporate limits.

GOVERNED BY:

ORS 222

CITY CHARTER

COMPREHENSIVE PLAN

LOCAL ORDINANCES

Annexation:

A proposal for annexation of territory to a city may be Initiated by the legislative body of the city, on Its own motion, or by a petition to the legislative body of the city by owners of real property in the territory to be annexed. The boundaries of a city may be extended by the annexation of territory that is not within a city and that is contiguous to the city or separated from it only by a public right of way or a stream, bay, lake or other body of water, if the proposal for annexation is approved in the manner provided by the city charter or by ORS 222.111.



History of Local Ordinances

Ordinance	Date of Approval	What it does?
No. 4130	April 7, 1981	<ul style="list-style-type: none"> • Enacted requirements and procedures for annexation of land to the City of McMinnville. • Land must be in the UGB. • Land must be contiguous to the city limits. • Plan for development must meet comprehensive plan policies. • Adequate level of services must be available or made available within three years of annexation. • Public hearing at the Planning Commission level. PC provides a recommendation to City Council. • City Council public hearing and final decision. • City shall attempt to not create islands of non-incorporated territory within the city limits. • If an island is created, it needs be annexed within one year. • Zoning shall be AH or county zoning until it is rezoned into a city zone for development.
No. 4357	February 4, 1986	<ul style="list-style-type: none"> • Repeals Ordinance No. 4130. • In response to state changes to ORS 222, which no longer required two public hearings if all the property owners of the land to be annexed consent to the annexation. • City elected to retain a public hearing for annexations at the Planning Commission level and eliminate the one required at the City Council level.
No. 4535	April 27, 1993	<ul style="list-style-type: none"> • Amends Ordinance No. 4357 due to state amendments to ORS 222 relative to nonunanimous consent of property owners to be annexed.
No. 4624	May 14, 1996	<ul style="list-style-type: none"> • Amends Ordinance No. 4357 to require that Islands created by annexations be annexed into the city within one year.
No. 4636	November 12, 1996	<ul style="list-style-type: none"> • Repeals Ordinance No. 4357 in response to local ballot measure No. 36-32 passed on May 21, 1996, to amend the City Charter to read that all annexations except those otherwise mandated by state law, be referred to a vote of the electorate.
No 4670	June 23, 1998	<ul style="list-style-type: none"> • Amends Ordinance No. 4636 relative to the definition of adequate levels of municipal sanitary sewer and water service required within three years of annexation.

VOTE BY ELECTORATE

Local Ballot Measure (1996)

Measure No. 36-32 was voted on and approved by the McMinnville community on May 21, 1996.

Amended the McMinnville City Charter to read "Unless mandated by State Law, any annexation, delayed or otherwise, to the City of McMinnville may only be approved by a prior majority vote among the electorate."

SB 1573 (2016)

Amends ORS 222.127 to

(1) This section applies to a city whose laws require a petition proposing annexation of territory to be submitted to the electors of the city.

(2) Notwithstanding a contrary provision of the city charter or a city ordinance, upon receipt of a petition proposing annexation of territory submitted by all owners of land in the territory, the legislative body of the city shall annex the territory without submitting the proposal to the electors of the city.

Ordinance No. 4636

- ❖ Within the UGB
- ❖ Contiguous to the city limits
- ❖ Complies with the Comprehensive Plan, Volume II, Goals and Policies
- ❖ Must have an adequate level of urban services available or made available, within three years time of annexation.
- ❖ Findings documenting the availability of police, fire, and school facilities and services shall be made to allow for the proposed annexation.
- ❖ Public hearing with the Planning Commission for recommendation of approval to City Council to go to the ballot or denial.
- ❖ Cities shall strive to not create Islands of unincorporated territory within the corporate limits of the City
- ❖ Land will come into the City based on underlying comprehensive plan designation and be zoned AH if no other zone has been requested or it does not have a county zone.
- ❖ Referred to the electorate for a vote of approval or denial.

Staff Recommendation:

Embed Annexation requirements and procedures in the McMinnville City Code, replacing existing Chapter 16, which is a redundant Land Division Standards Chapter, with a Chapter 16 dedicated to annexations.

Will not need to keep track of ordinances over time. Simplifies process and is more transparent.

Amend Chapter 17 to remove any references to annexation processes and procedures making them administrative and not quasi-judicial.

MGMUP PROCESS

Components

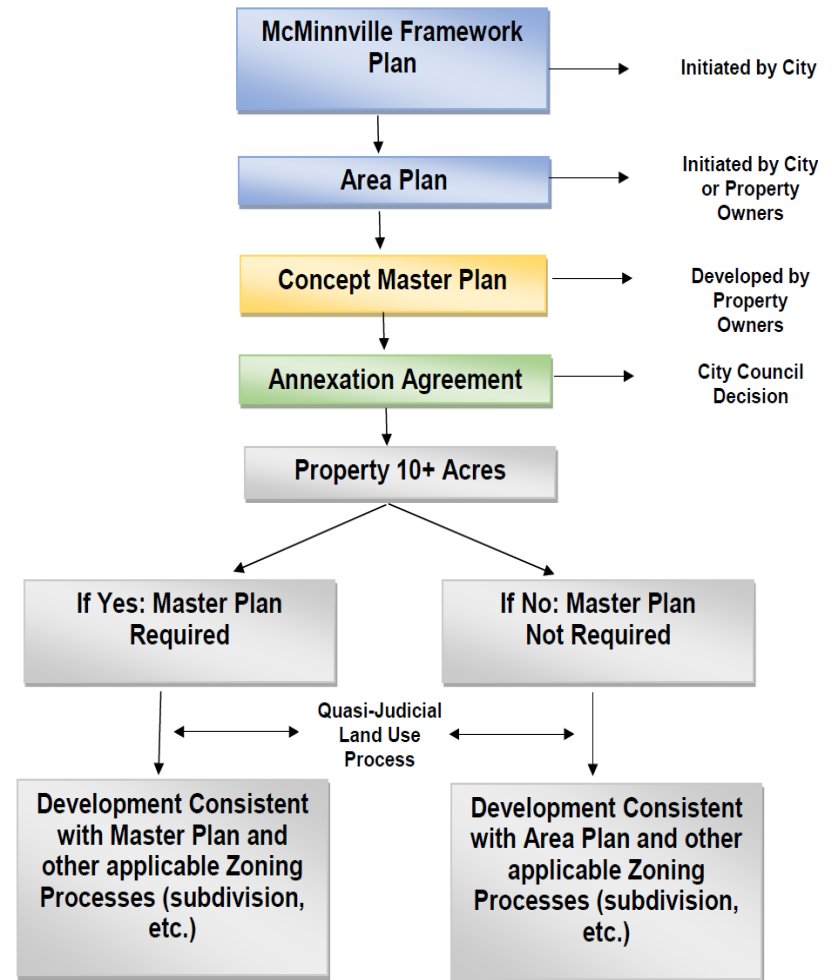
Area Plan

Concept Master Plan

Annexation Agreement

Master Plan

Annexation



What is in an Annexation Agreement?

Comprehensive Plan / Zoning:

- ☐ **At the time of annexation, City will apply comprehensive plan designation in the Area Plan and zoning of the approved Master Plan if the applicant also applied for the zone change.**
- ☐ **Owner shall obtain approval of a Concept Master Plan per Section 17.10 of the MMC concurrent with approval of the Annexation Agreement.**
- ☐ **Owner shall obtain approval of a Final Master Plan per Section 17.10 of the MMC prior to or concurrent with the Annexation Ordinance.**
- ☐ **Owner will comply with the adopted Area Plan and will incorporate the Great Neighborhood Principles.**

What is in an Annexation Agreement?

Public Facilities / Amenities:

- ☐ **Public Right-of-Way:** Owner will dedicate all appropriate public right-of-way and easements for public infrastructure identified in the Area Plan and public facility plans for the property.
- ☐ **Parks:** Owner will dedicate the necessary land and develop any park amenities identified in the Parks and Recreation Master Plan or Area Plan for the property, including
- ☐ Owner agrees to not remonstrate against the formation of a local improvement district or reimbursement district created for the purpose of funding public improvements that serve the Property.

What is in an Annexation Agreement?

Community Needs and Values:

- ❑ **Affordable Housing:** Owner shall be required /encouraged to construct an appropriate mix of housing as demonstrated by the adopted Area Plan. Furthermore, the City will require/encourage Owner to create dedicated affordable housing for low and moderate-income households by:
 - **Allocating X% of all housing units to housing serving households of 80% Area Median Income or less. These housing units shall be deed restricted for ____ years to serve this household demographic and will be monitored by _____ for compliance.**
 - **Donating X% of Property to _____ Community Land Trust for the development of affordable housing serving households of 80% Area Median Income or less.**

What is in an Annexation Agreement?

Community Needs and Values:

- ☐ **School Funding:** Owner agrees to donate funds to the McMinnville School District as specified.
- ☐ **Public Art:** Owner agrees to donate \$____/housing unit and \$____/sf commercial space for a public art installation in the development.
- ☐ **Fees for Annexation:**

Annexation (SDC 5.7-100)		
Annexation to the City of Springfield, UGB Only		
Type IV	Single family dwellings on LDR property of less than 10,000 square feet	\$1,214.00
	<1 acre	\$2,654.00
	1 acre > 5 acres	\$3,393.00
	5 acres > 10 acres	\$4,528.00
	10 acres > 25 acres	\$5,714.00
	25 acres > 50 acres	\$7,092.00
	50 acres > 100 acres	\$8,164.00
	100 acres or more	\$11,252.00
	Postage Fee for all Type IV	\$658.00
	Annexation Special District Boundary Adjustments/Withdrawals	
	10% of the paid annexation fee (exclusive of postage)	
UGB Only	Comprehensive Planning Fee per acre	\$2,328.00/acre
	Concurrent Special District Boundary Adjustments and/or Withdrawals, including but not limited to: Park and Recreation Districts; Water Districts; Fire Districts; Library Districts, etc.	
	10% of applicable annexation fee (regardless of the number of Districts)	
5% Technology Fee (surcharge) will be applied when imposed or collected.		

Next Steps Annexations:

Amend Chapter 16 and Chapter 17 of the McMinnville Municipal Code

- Planning Commission Public Hearing with Notice
- City Council Final Decision

Develop Annexation Fees

- Full Cost Recovery – Planning, City Recorder, City Attorney
- Amend Planning Fee Schedule

Agree on Draft Provisions for Annexation Agreement: