



Area  
Plan

City of McMinnville

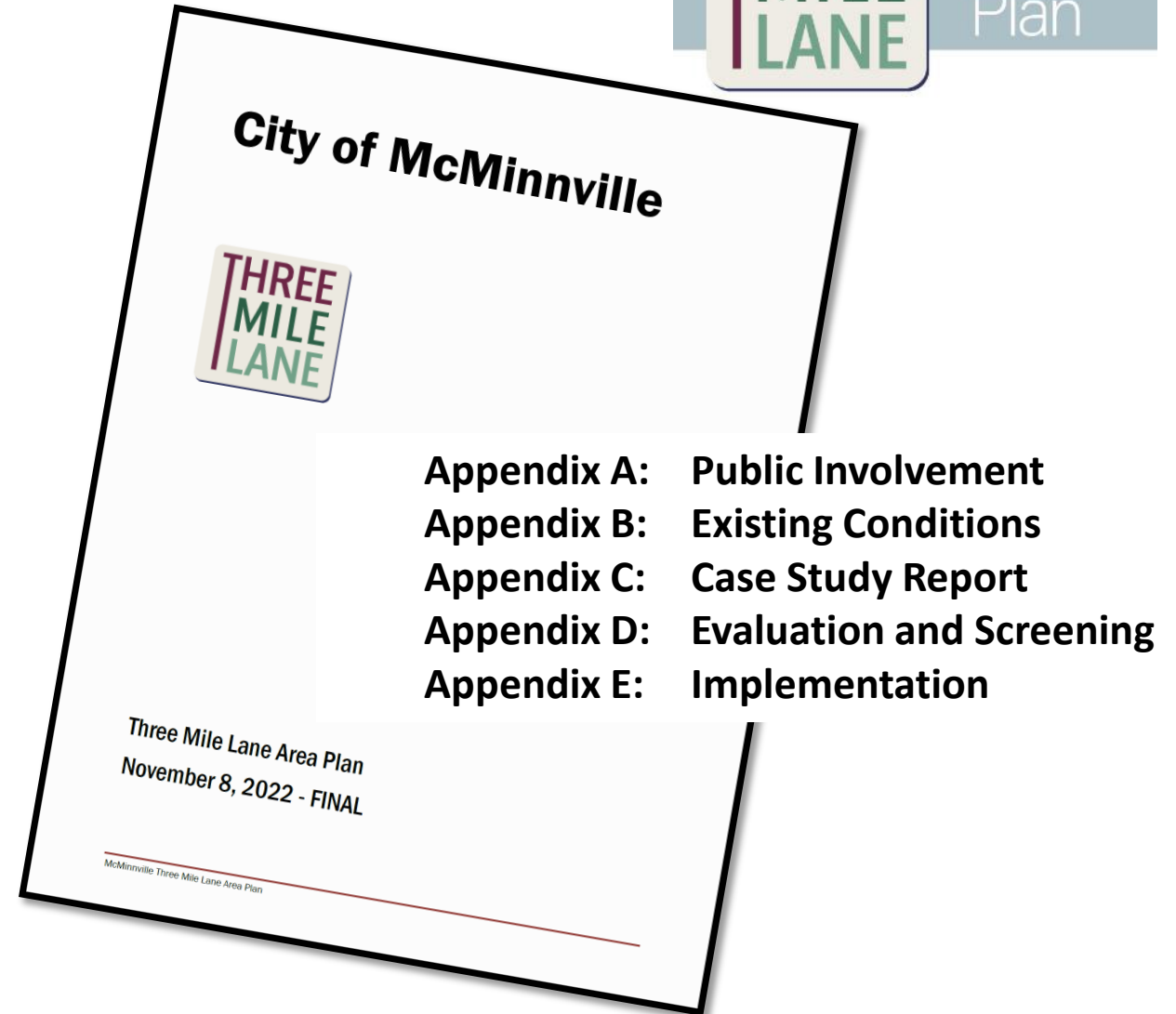
**City Council Consideration  
Ordinance No. 5126**

# CONSIDERATION



## COMPREHENSIVE PLAN AMENDMENTS

- **Supplemental Document:** Adopt the Three Mile Lane Area Plan and Appendices as a supplemental document to the Comprehensive Plan. (November 8, 2022 – FINAL)
- **Text Amendment:** Amend Volume II of the Comprehensive Plan, Goals, Policies and Proposals, Chapter VI (Transportation) by adding proposal 20.05.



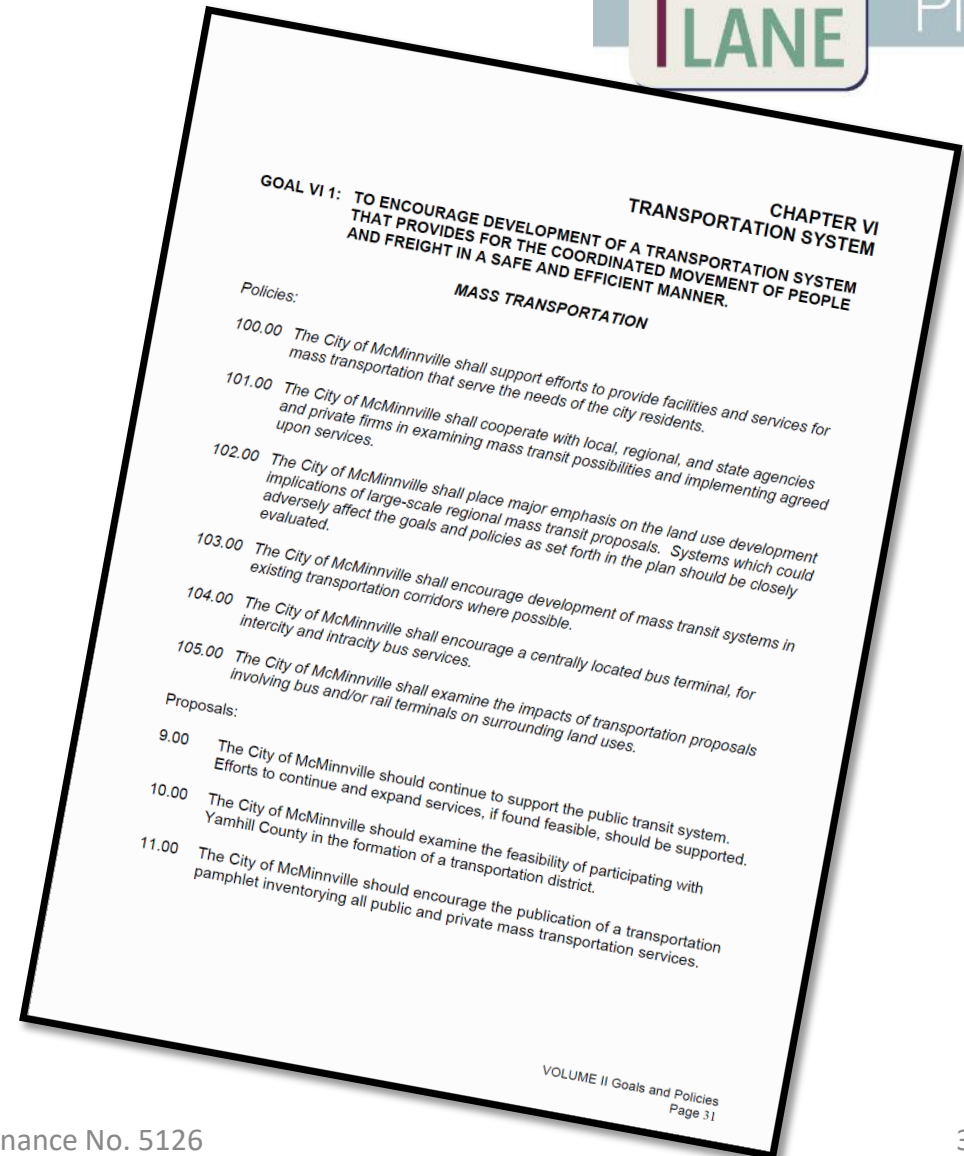
# CONSIDERATION



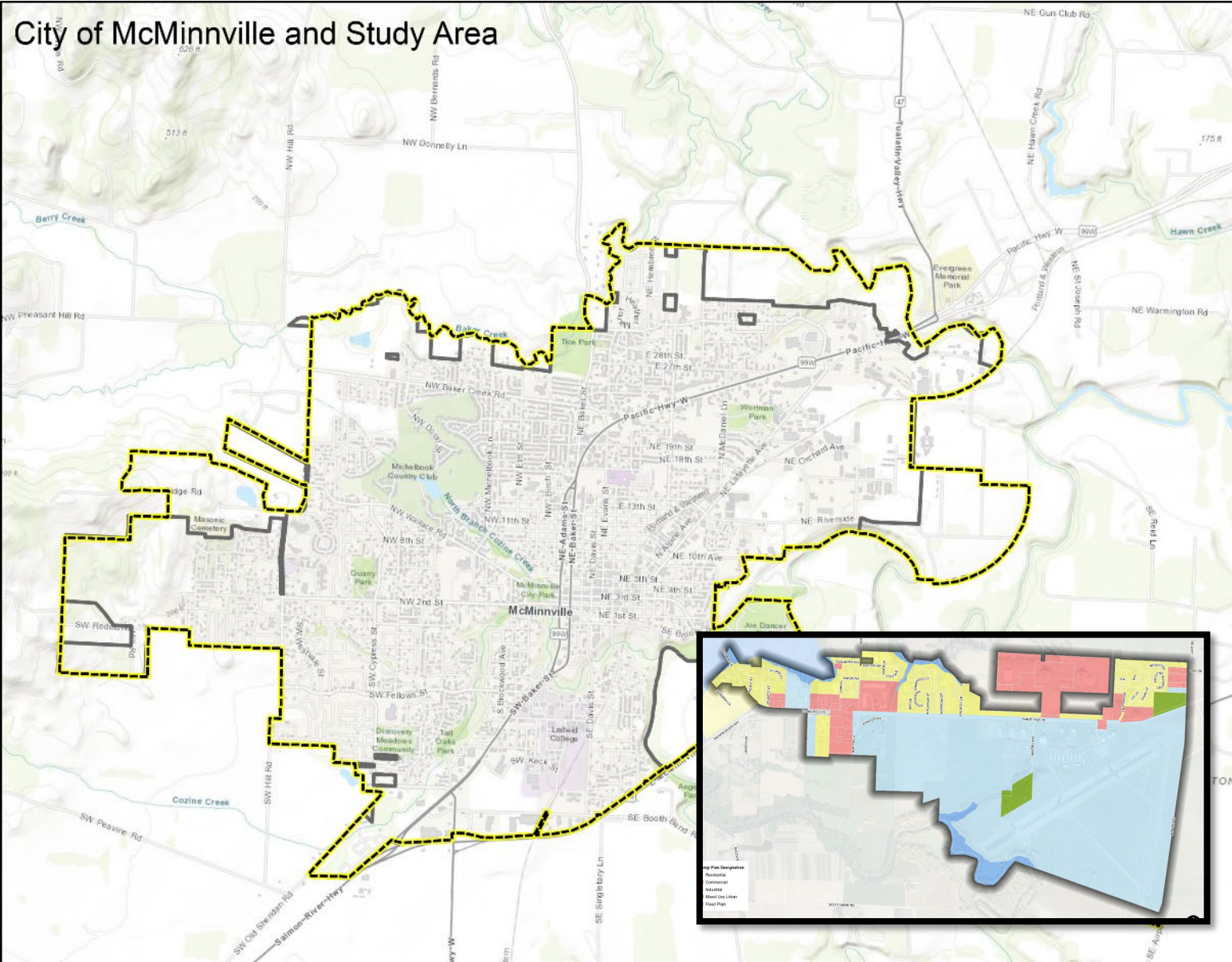
## COMPREHENSIVE PLAN TEXT AMENDMENTS

- Add Proposal 20.05 to Chapter VI, Transportation System

***The comprehensive plan map amendments and any associated rezones consistent with the Three Mile Lane Area Plan can be initiated by the City or property owners through future map amendment applications, at which time any necessary changes to the McMinnville Transportation System Plan would need to be made. Until the comprehensive plan map amendments are adopted for individual properties, the properties would continue to be subject to the use provisions of the current Comprehensive Plan map and zoning map designations and provisions of any property-specific planned development overlay zones.***



# City of McMinnville and Study Area



## Legend

- Study Area (Rough)
- UGB
- City Limits

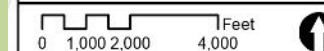


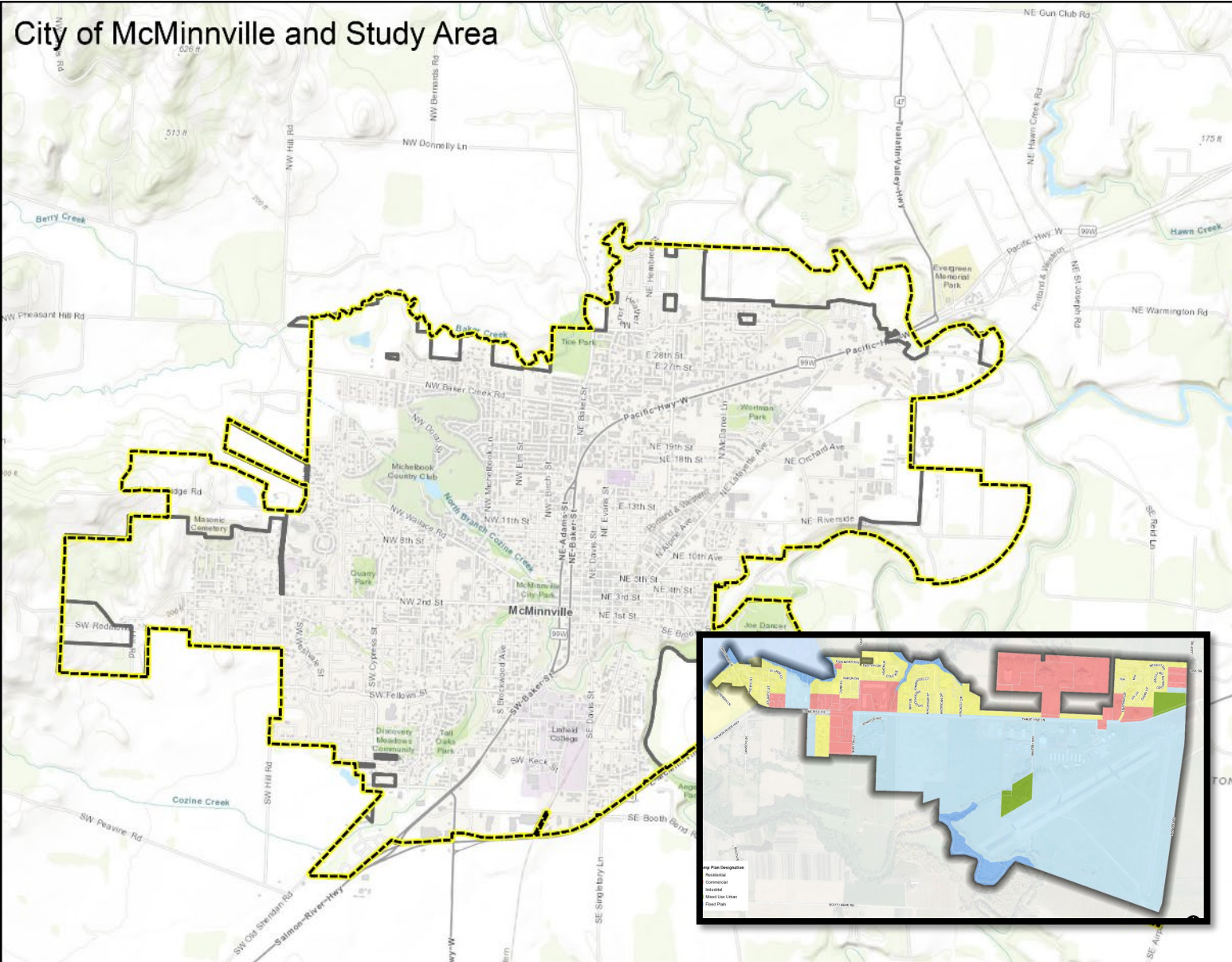
**Study Area = 1340 Acres of Land**

**We asked the questions:**

- How can this area best serve McMinnville now and into the future? (2021-2041)**
- Does the current Comprehensive Plan support that vision?**
- How does that future vision impact the state and local transportation system?**

**The land is within the city limits and zoned for development. It is not a matter of “IF” it will develop, it is a matter of “HOW” it will develop.**





**Legend**

- Study Area (Rough)
- UGB
- City Limits

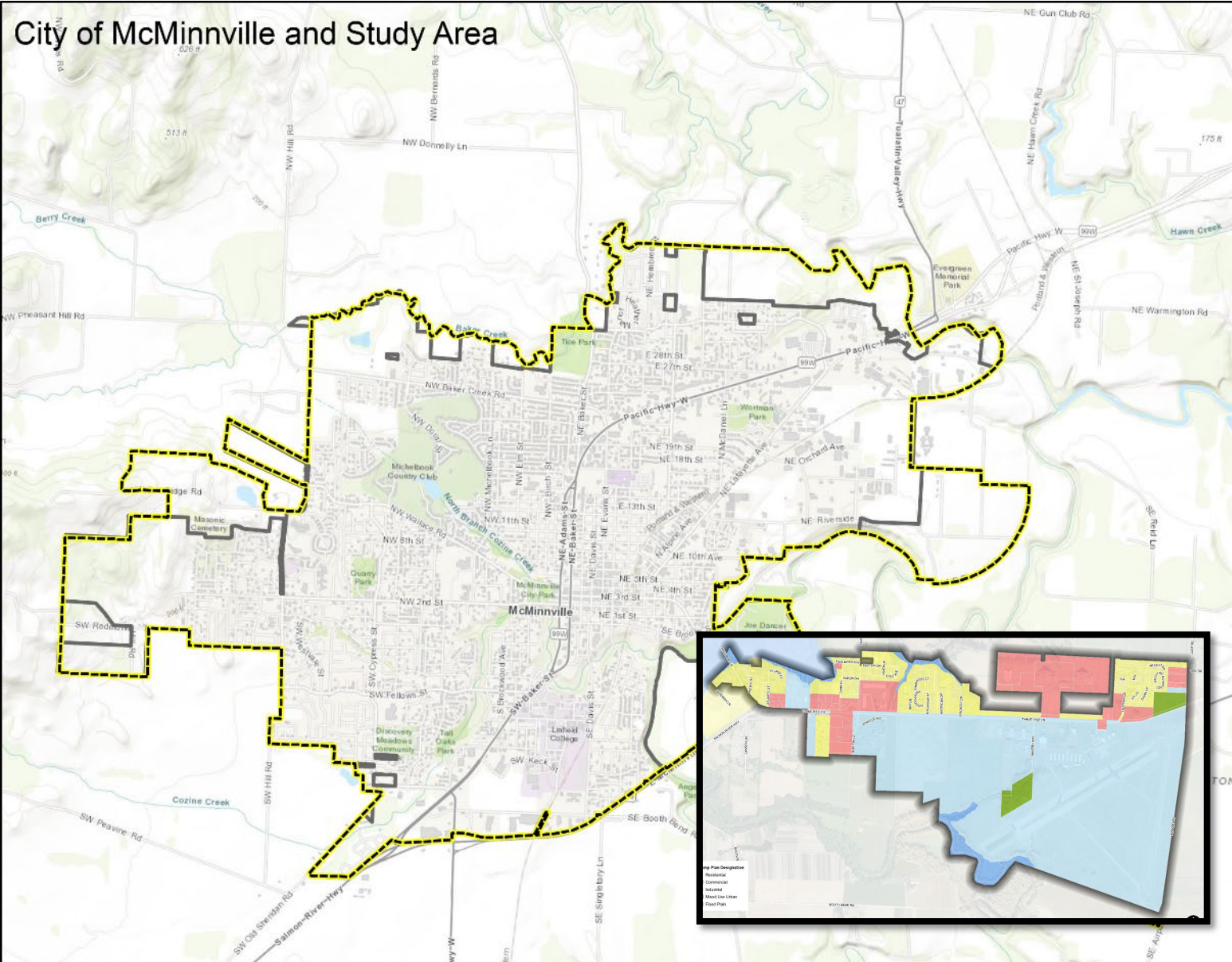


**Study Area = 1340 Acres of Land**

**We asked the questions:**

- How can this area best serve McMinnville **VISION** and into the future? (2021-2041)
- Does the current Comprehensive Plan support that vision?
- How does that future vision impact the state and local transportation system?

**The land is within the city limits and zoned for development. It is not a matter of "IF" it will develop, it is a matter of "HOW" it will develop.**



Legend

- Study Area (Rough)
- UGB
- City Limits

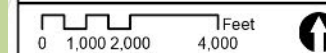


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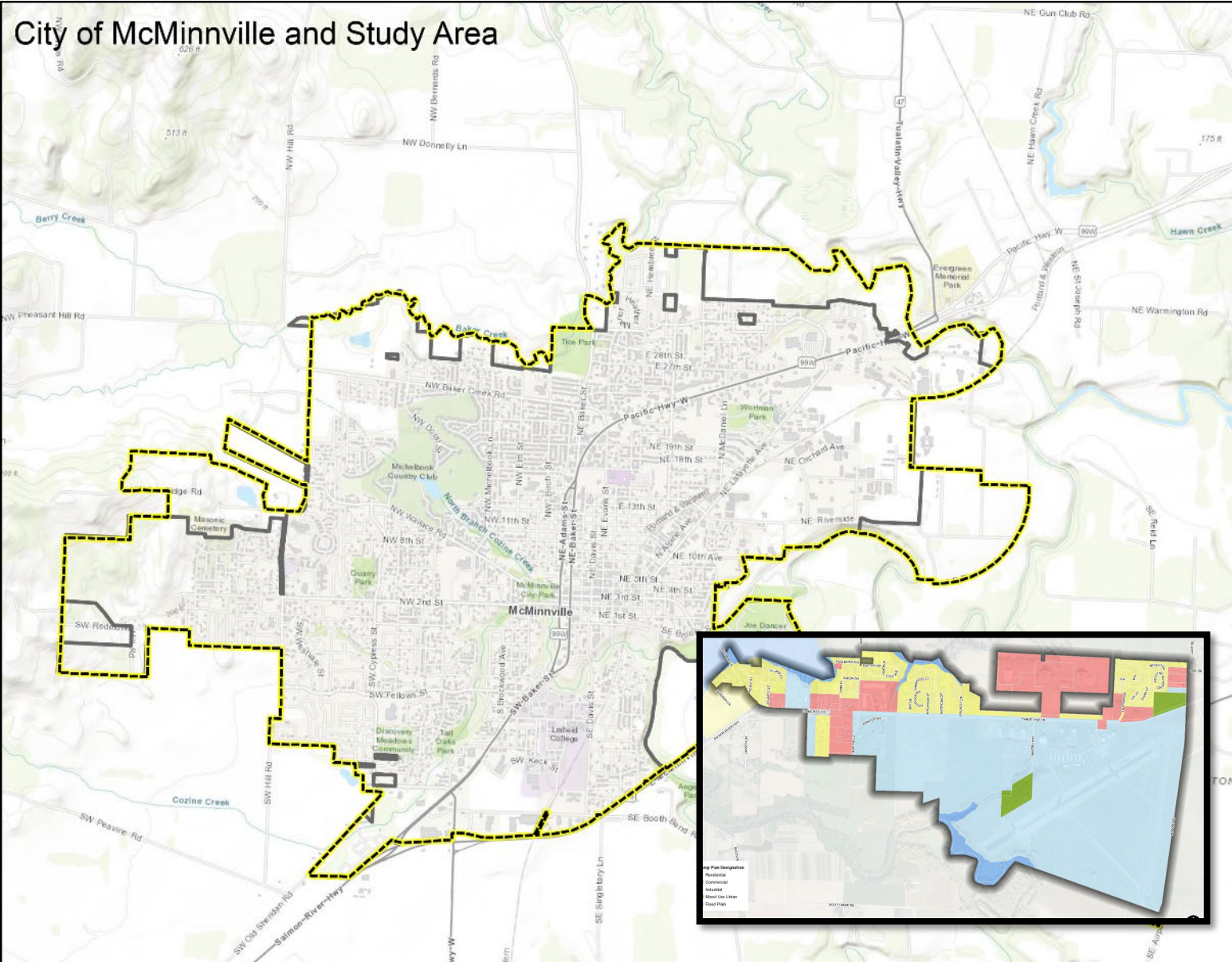
**We asked the questions:**

- How can this area best serve McMinnville and into the future? (2021-2041) **VISION**
- Does the current Comprehensive **LAND-USE PLAN** support that vision?
- How does that future vision impact the state and local transportation system?

**The land is within the city limits and zoned for development. It is not a matter of “IF” it will develop, it is a matter of “HOW” it will develop.**



# City of McMinnville and Study Area



## Legend

- Study Area (Rough)
- UGB
- City Limits

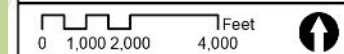


**Study Area = 1340 Acres of Land**

**We asked the questions:**

- How can this area best serve McMinnville and into the future? (2021-2041) **VISION**
- Does the current Comprehensive Land-Use Plan support that vision? **LAND-USE PLAN**
- How does that future vision impact the city's infrastructure and transportation system? **INFRASTRUCTURE**

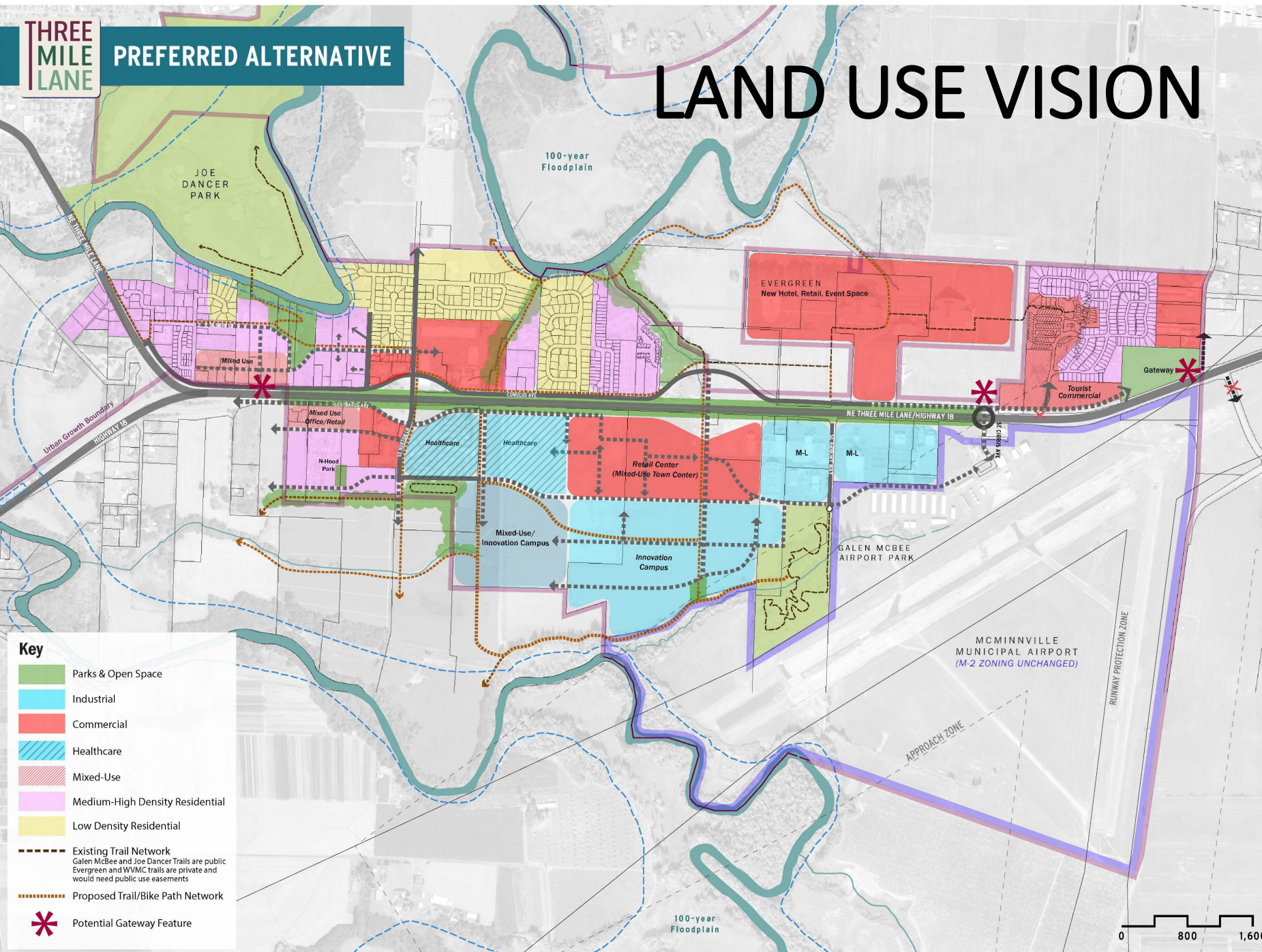
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# LAND USE VISION

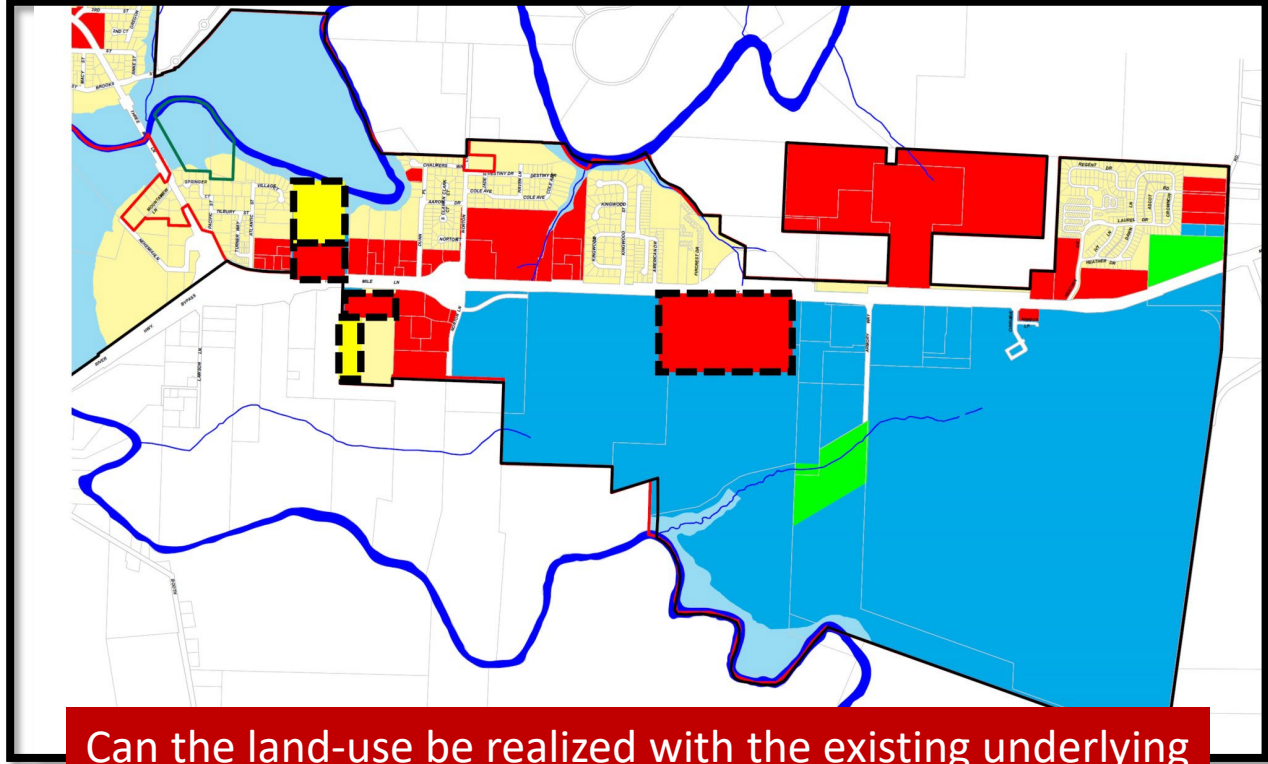
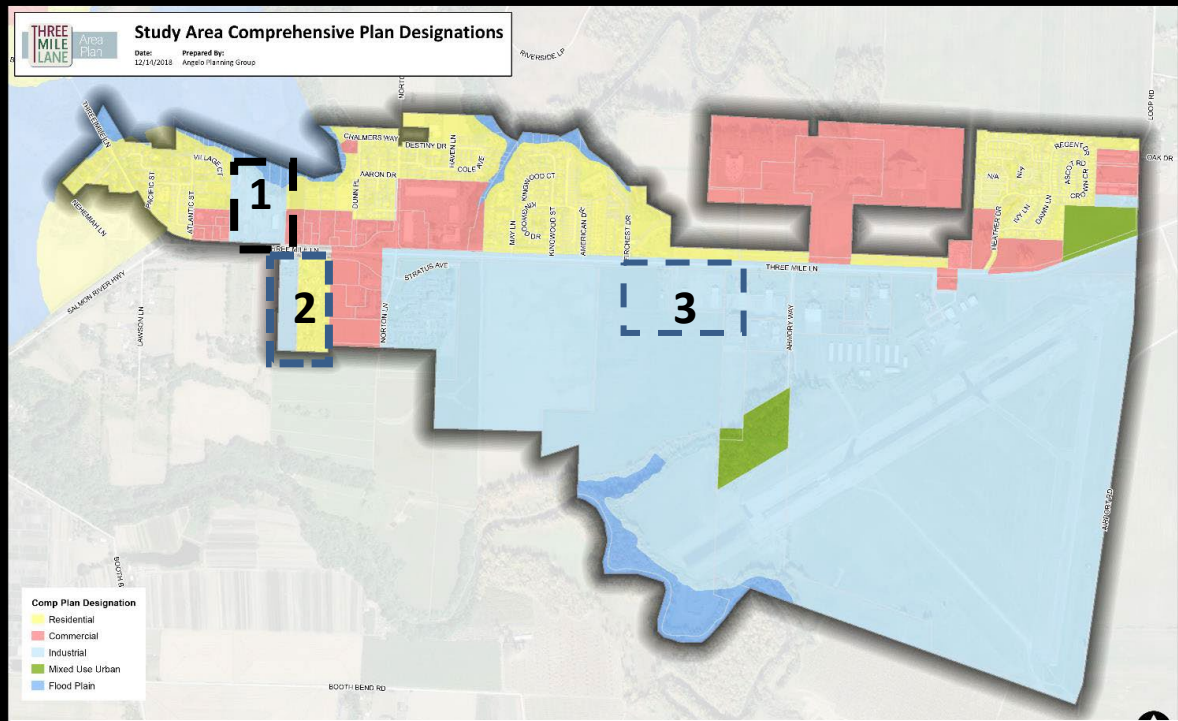
## Meet Some of McMinnville's Future Needs (2021-2041)

- **Affordable Housing:** High Density Housing
- **Good Jobs:** Industrial Innovation Center, adjacent to the airport with access to Highway 18.
- **More Commercial Options:** "Mixed Use Town Center", Walkable Retail Center reflecting McMinnville's unique charm.
- **Health Care Campus:** Expansion around the hospital for medical industry
- **Open Spaces, Trails, Bike/Ped Connectivity to Parks and amenities.**
- **Tourism**





# Community Vision = Comprehensive Plan Map Amendments

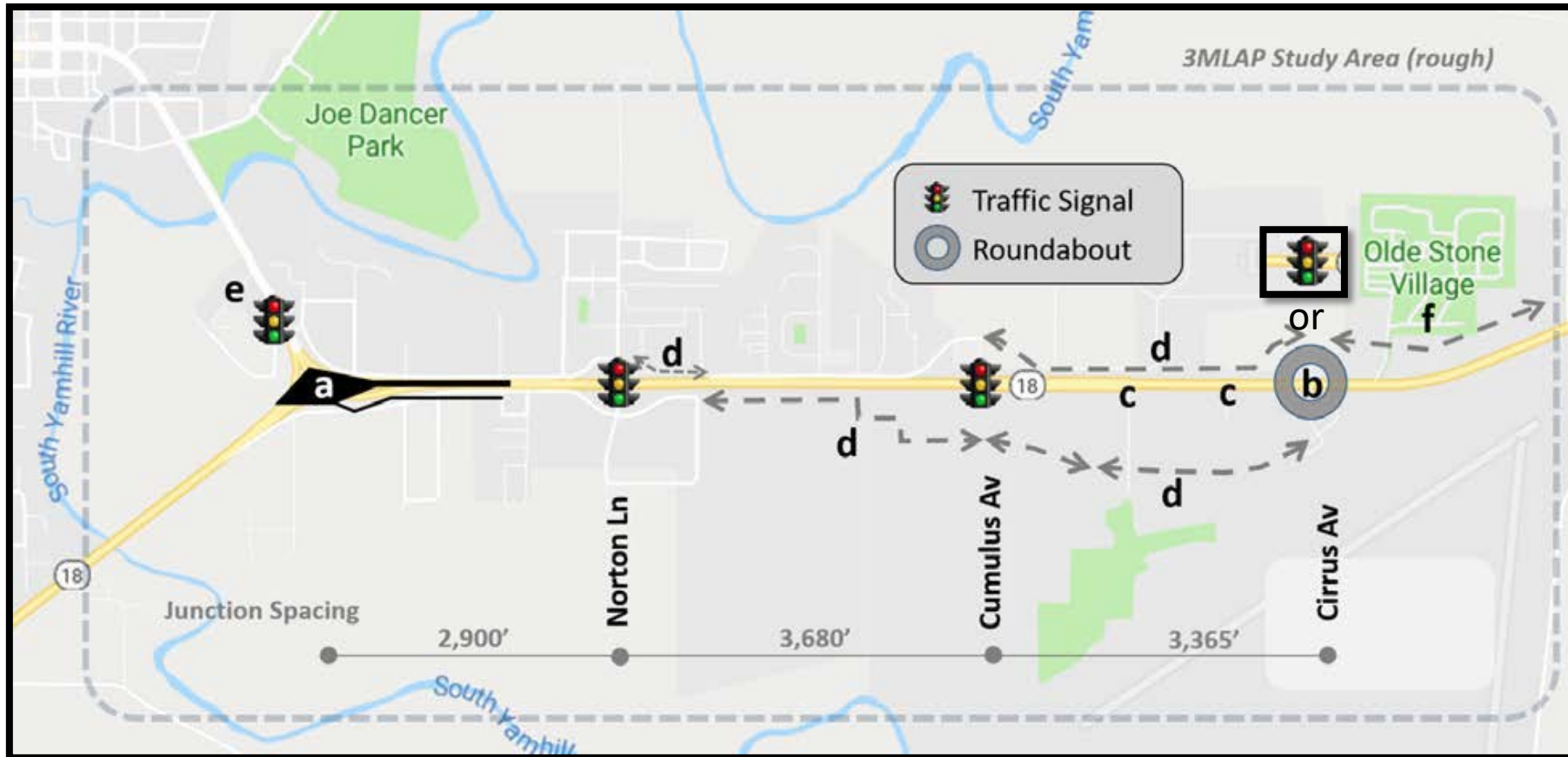


Can the land-use be realized with the existing underlying comprehensive plan map designation?

**5.6% of Acreage**

Site #	Gross Acres	Remove ROW/Unbuildable	Net
#1	18.62	10.32 Acres (5.0 Acres Open Space)	3.50 Acres Commercial/Mixed-Use 4.80 Acres Residential
#2	10.4 Acres	3.12 Acres	3.78 Acres Residential 3.50 Acres Commercial/Mixed Use
#3	<b>50 Acres</b> <b>79.02 Acres TOTAL</b>	17 Acres	<b>33.00 Acres Commercial</b> <b>48.58 Acres TOTAL</b>

# TRANSPORTATION PLAN:



- Maintains Highway 18 as a State Expressway and Freight Route (Bypass).
- Meets OHP mobility and access standards.
- Follows the 1996 Oregon Highway 18 Corridor Refinement Plan
- Improvements would be required if the Plan is adopted or not. The Plan changes the outcome marginally in the larger scheme of the system.

# HIGHWAY 18 - FUNCTIONALITY



Here is what we know . . . .

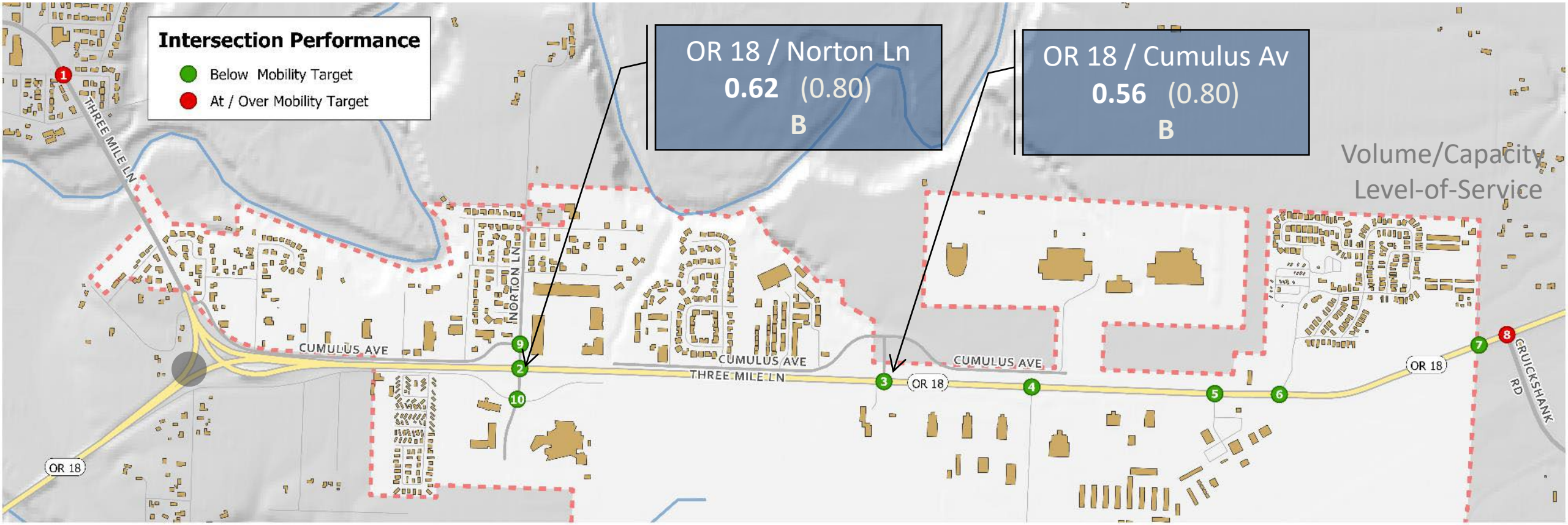
- ❖ **Highway 18 is going to carry more traffic in the future than it does today, whether the Three Mile Lane Area Plan is adopted or not.**
- ❖ **The transportation improvements identified (or similar improvements) will need to be constructed whether the Three Mile Lane Area Plan is adopted or not.**
- ❖ **The Oregon Highway 18 Corridor Refinement Plan is being followed.**
- ❖ **The McMinnville TSP is being followed.**
- ❖ **The state-adopted performance metrics for Highway 18 are maintained.**

# Vehicle System – Existing Conditions (2018)



Area Plan

## Intersection Traffic Operations – P.M. Peak Hour



**Existing Conditions (2018) – PM Peak Hour = 30<sup>th</sup> Busiest Hour of the Year**

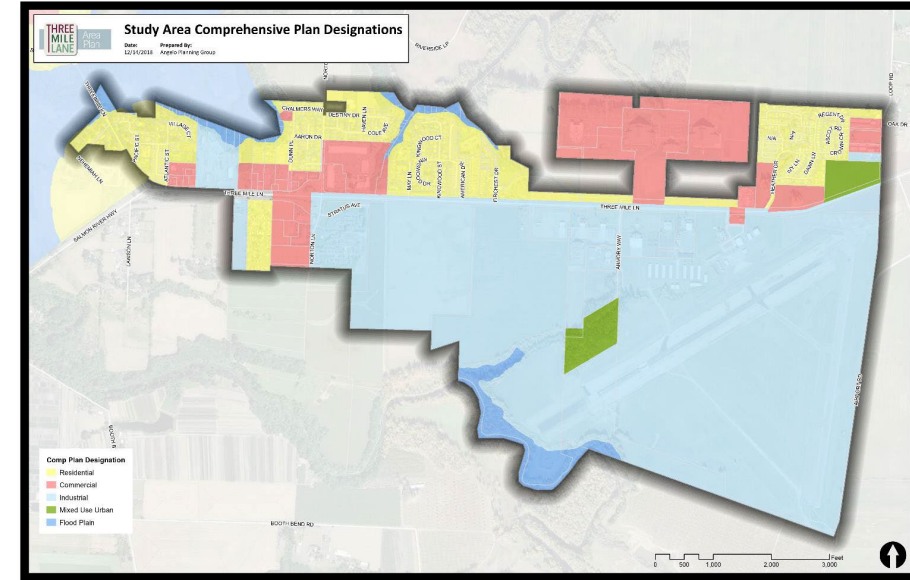
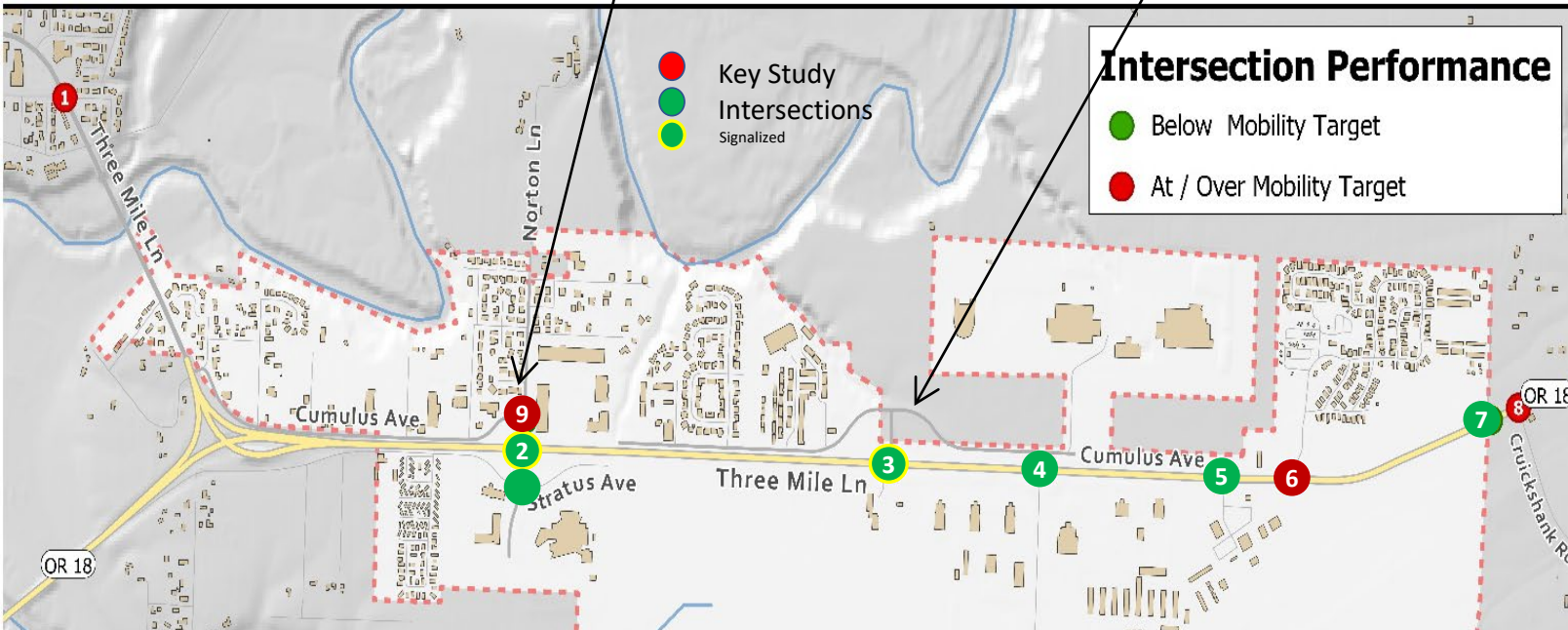
# Vehicle Performance (2041)

2041 P.M. Peak Hour - Base



OR 18 / Norton Ln  
0.74 (0.80)  
C

OR 18 / Cumulus Ave  
0.63 (0.80)  
B

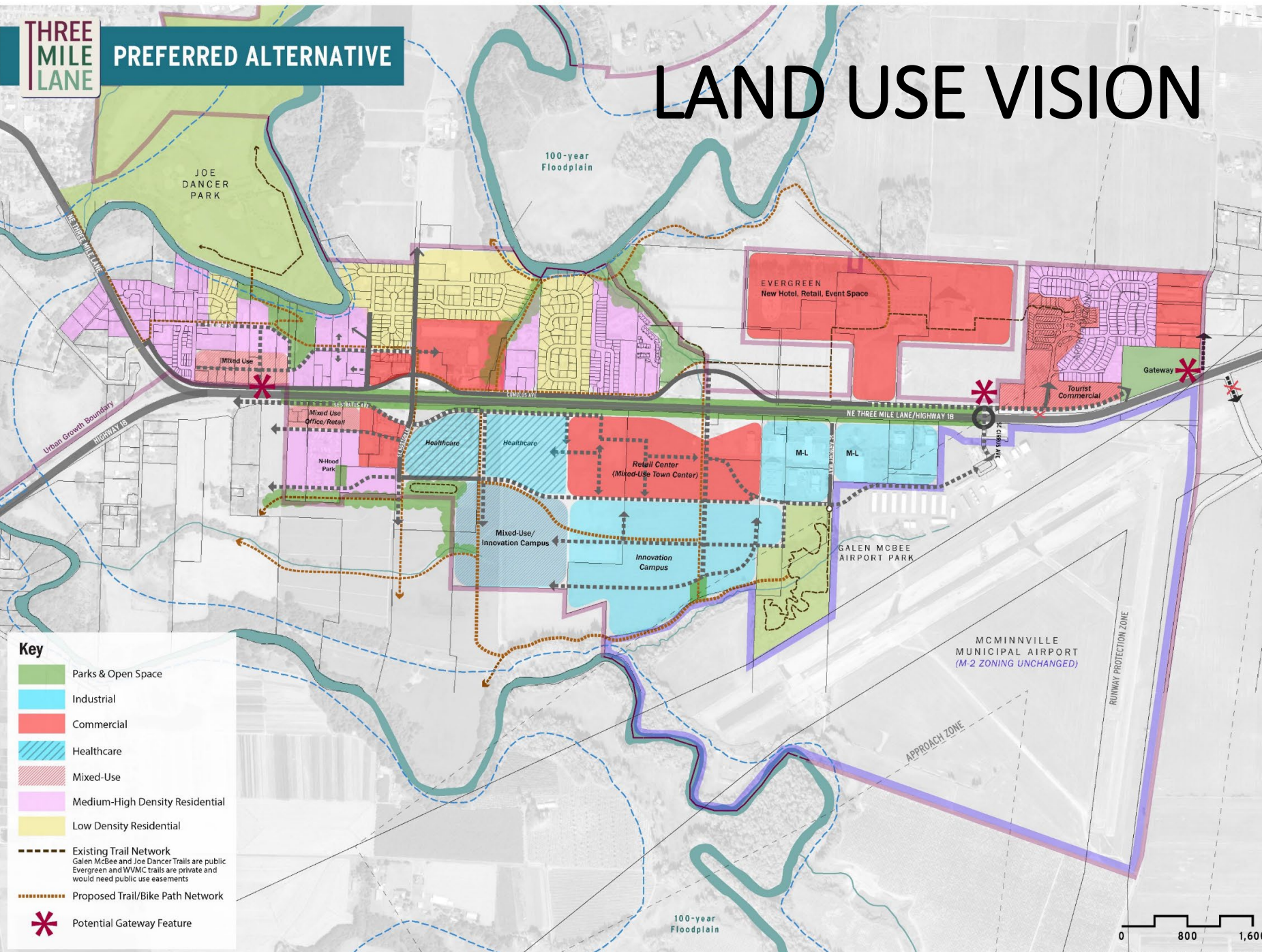


**Current Plans (2041 Buildout) - If the Three Mile Lane Area Plan is not adopted.**

# LAND USE VISION

## Meet Some of McMinnville's Future Needs (2021-2041)

- Affordable Housing: High-Density Housing
- Good Jobs: Industrial Innovation Center, adjacent to the airport with access to Highway 18.
- More Commercial Options: "Mixed Use Town Center", Walkable Retail Center reflecting McMinnville's unique charm.
- Health Care Campus: Expansion around the hospital for medical industry
- Open Spaces, Trails, Bike/Ped Connectivity to Parks and amenities.
- Tourism



# Vehicle Performance (2041)

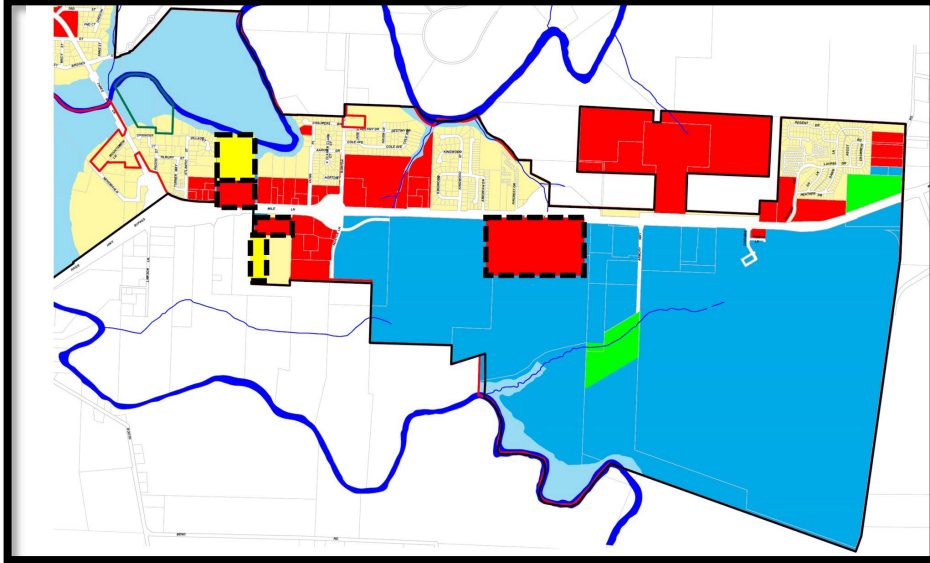
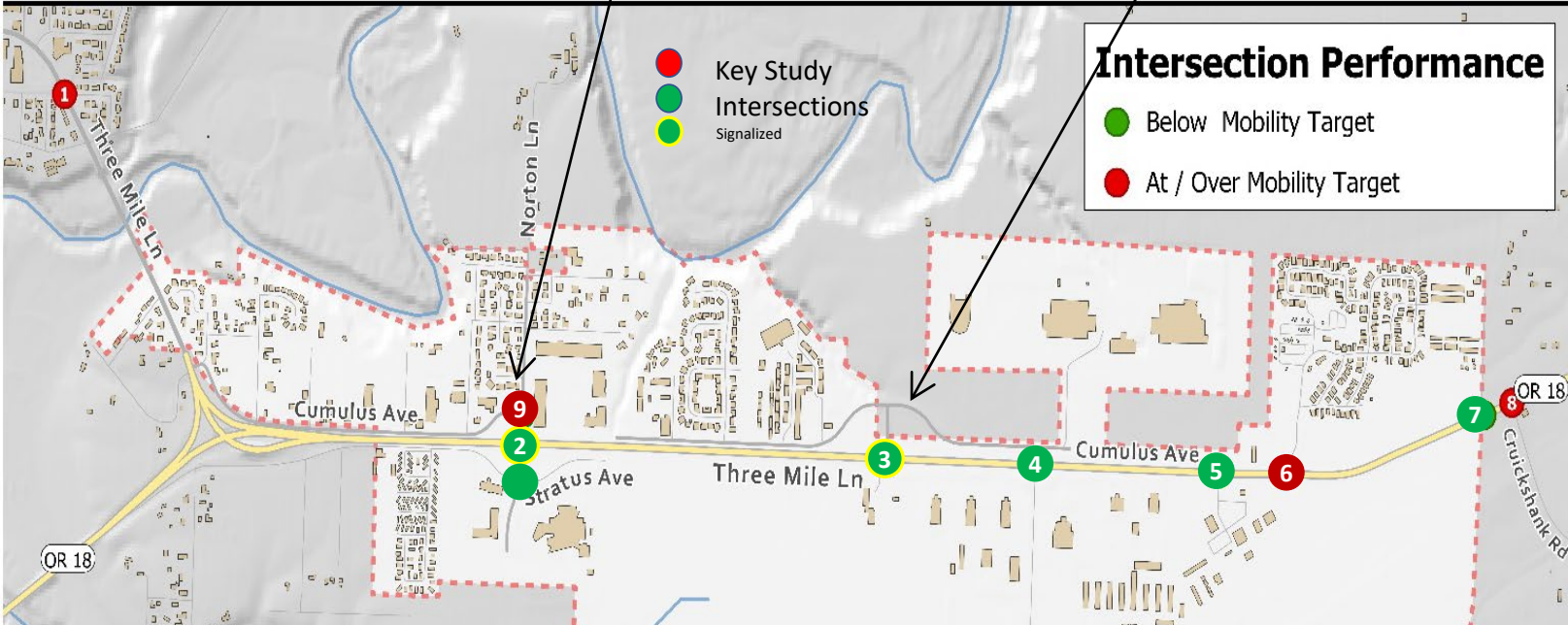


The proposed amendments increase the v/c ratio by .02 and .01 respectively.

OR 18 / Norton Ln  
0.76 (0.80)  
C

OR 18 / Cumulus Ave  
0.64 (0.80)  
B

2041 P.M. Peak Hour – Preferred Land Use Alternative



## Three Mile Lane Area Plan (2041 Buildout)

## The Most Controversial Element of the Plan

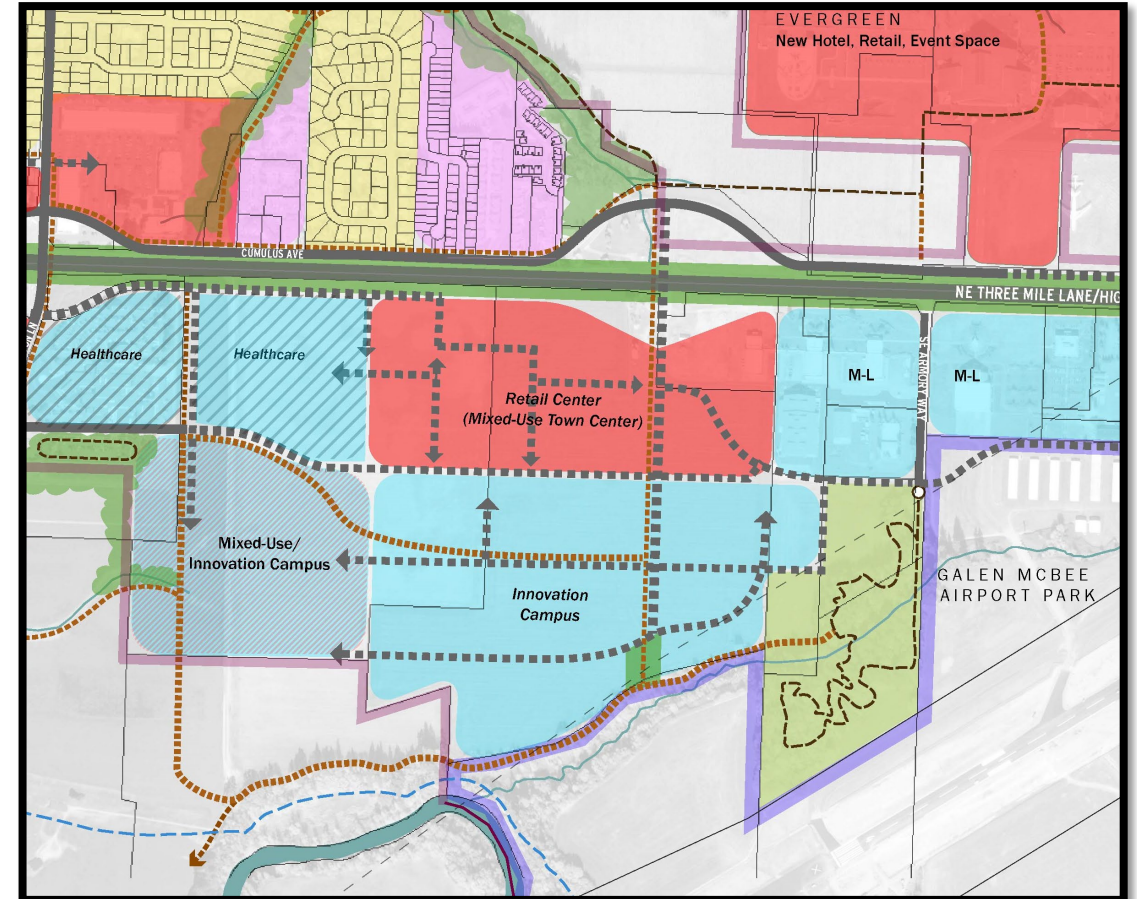
The recommendation is for 40 – 60 acres.

33 net acres with acreage set aside for public right-of-way needs including future interchange.

It was supported when it was presented to the Planning Commission and City Council in work sessions, and again supported when it was a land-use efficiency in the recent UGB amendment work.

However, it became a lightning rod for this Plan's public hearing process.

## Commercial Rezone

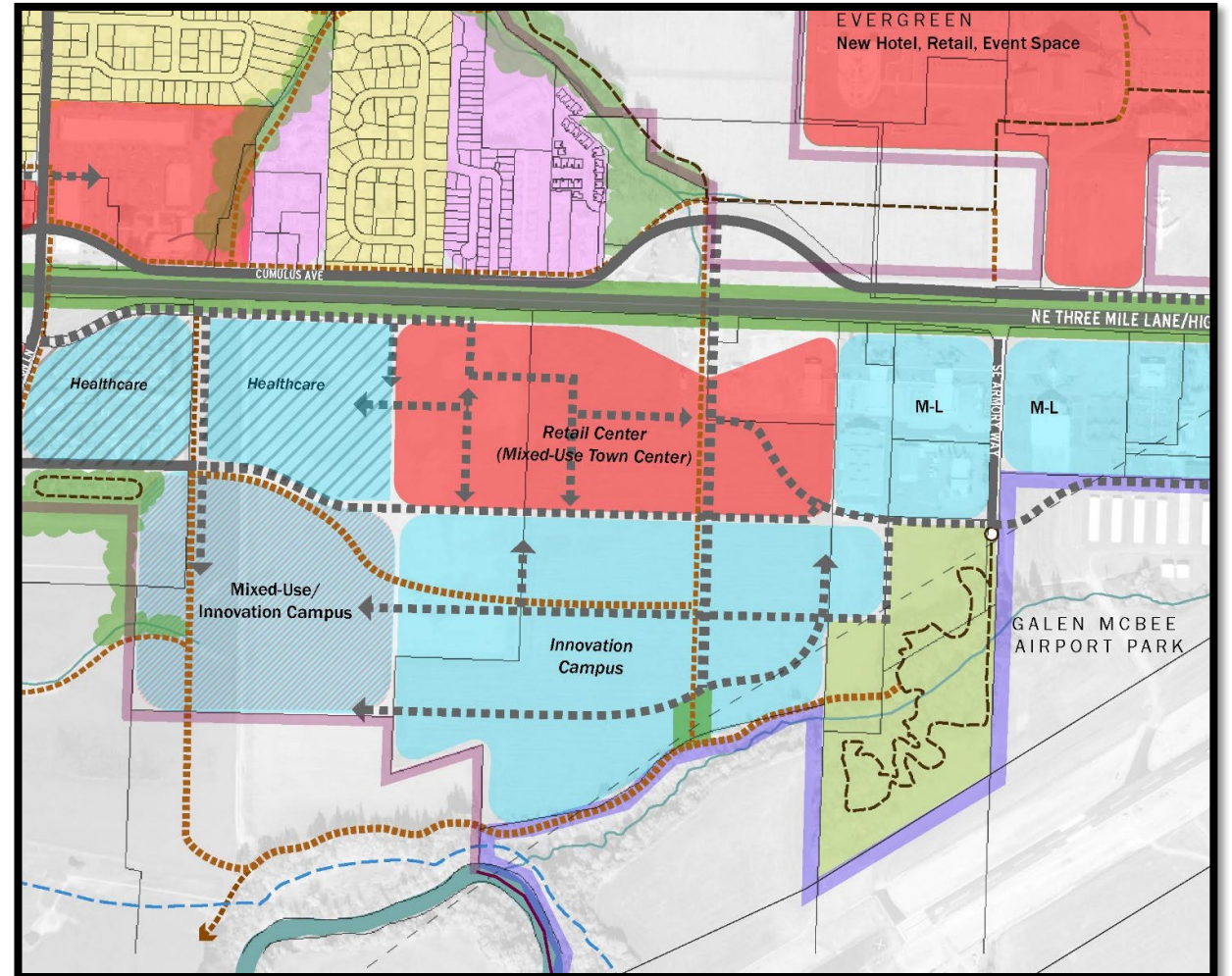




# Commercial Site

## Why that Recommendation?

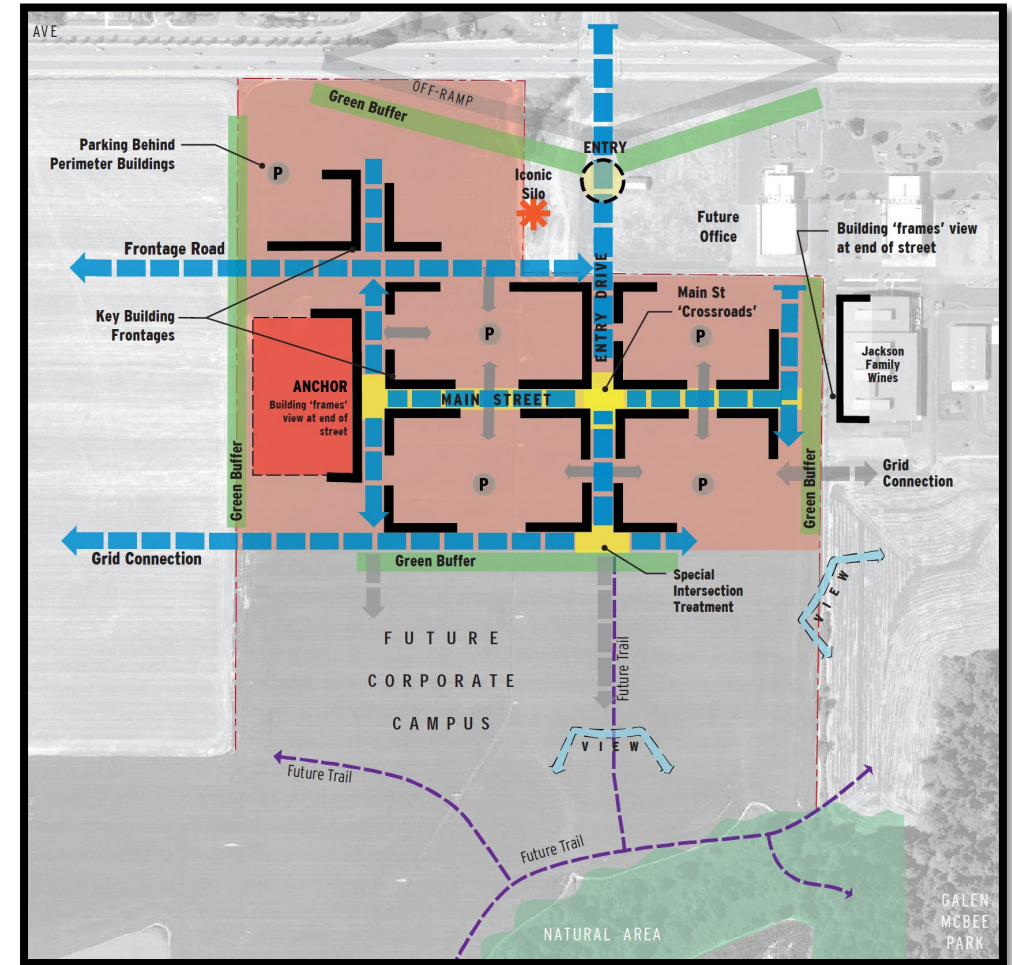
- ❑ In the public process more commercial amenities was identified as a priority
- ❑ Community Need – retail leakage
  - People are shopping elsewhere
  - Greenhouse Gas Emissions
- ❑ Food Desert for Residential Neighborhoods
- ❑ Industrial Development
  - Support Innovation Center
  - Fund Needed Public Improvements



It has been described as a large regional mall, a big box shopping retail center akin to Keizer Station, etc.

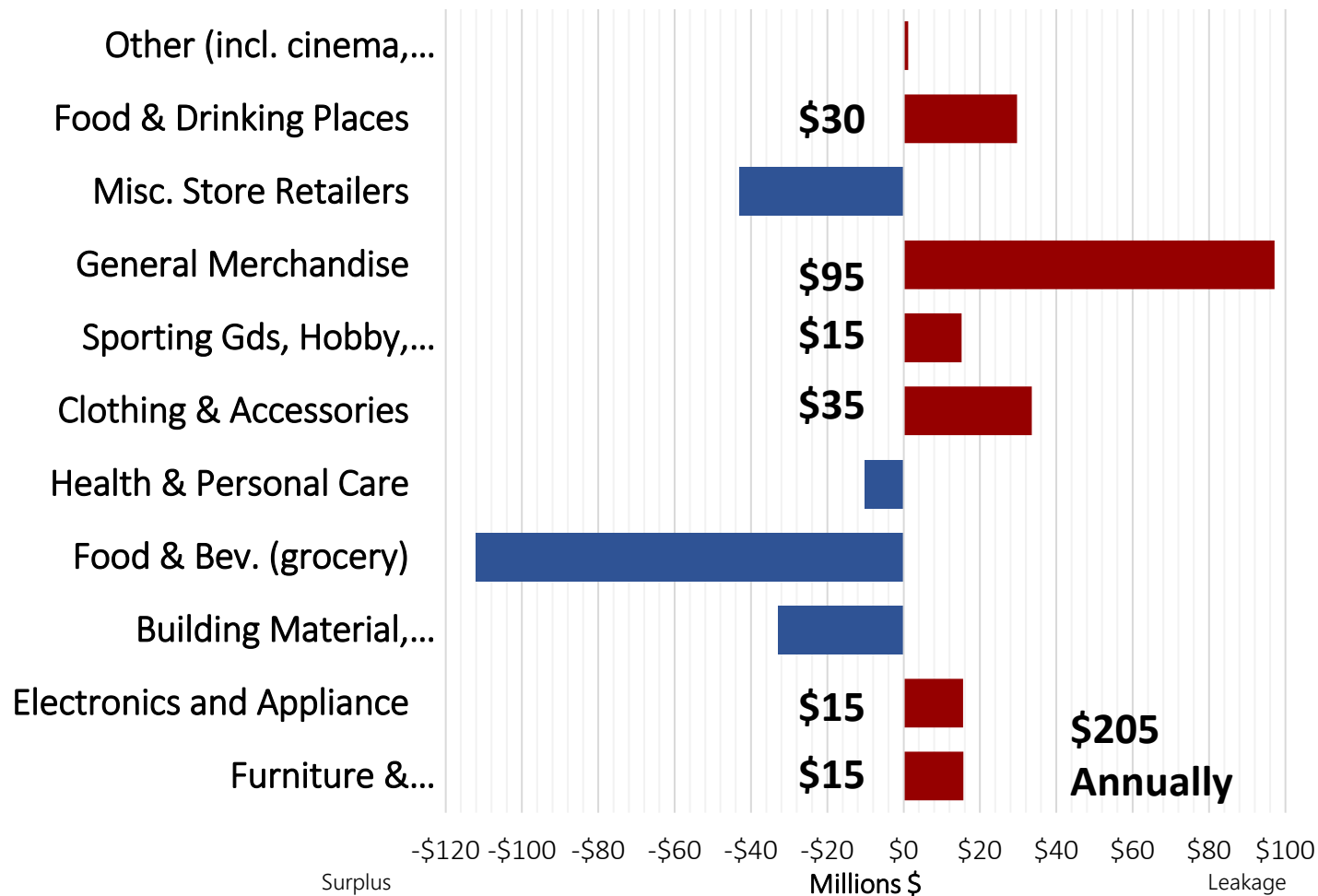
The PAC and the Plan describe it as a Mixed-Use Town Center, utilizing the design principles of nationally award winning mixed-use developments such as the Old Mill District and Orenco Station.

***“mixed-use “town centers” that offer gathering spaces, walkable streets and more dining options than typical strip suburban developments or enclosed shopping centers. Mixed-use town centers offer a greater diversity of uses that typical retail developments, particularly as it pertains to entertainment and some office uses, with the latter providing critical daytime population for retailers.”***



# RETAIL LEAKAGE

- Significant opportunities in Gen. Merch. and dining/drinking based on leakage
- Large *existing* surplus in grocery supply, but this area is a food desert
- Demand from tourist and other visitor spending would inflate demand but is not captured in the data



# How Much is Online?



**Industry Standards:**

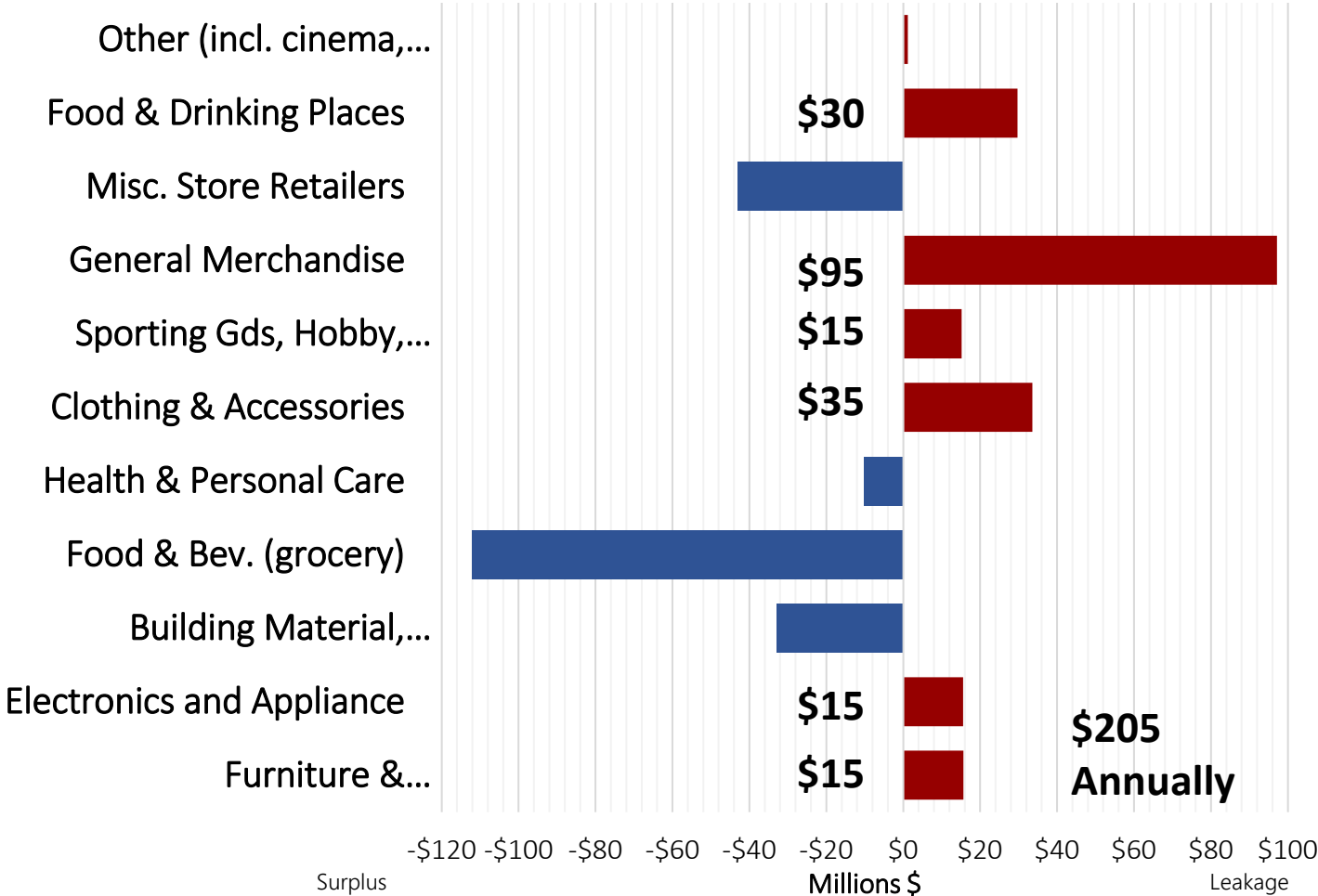
11% at time of analysis.

15%+ during COVID

12 – 13%, 2022

**Leland Consulting Group:**

15 – 20% Online (Conservative)



# Current Businesses Attracting Dollars



McMinnville has a *net inflow* of retail dollars

<u>Geographic Area</u>	<u>Annual Retail Sales Per Capita</u>
McMinnville	\$19,459
Newberg	15,254
Yamhill County	10,656
Oregon	14,877
United States	15,254

Source: <https://www.census.gov/quickfacts>

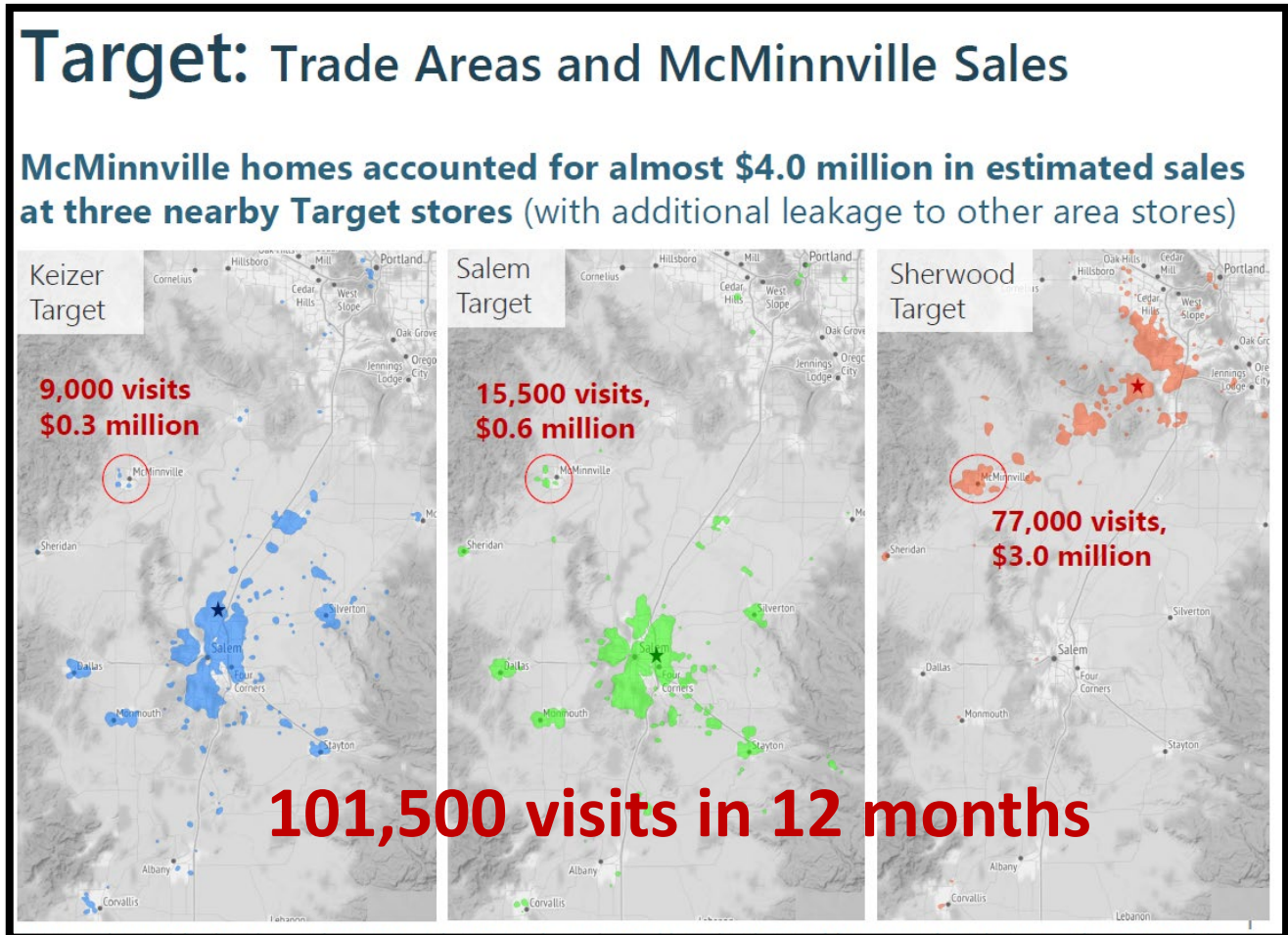
Friends of Yamhill  
County Testimony,  
07.26.22, slide 21

# Bricks and Mortar Leakage - Target



**McMinnville market area homes accounted for almost \$9.4 million in estimated sales at three nearby Target stores alone.**

- including 164,000 visits from market area households to the Target location in Sherwood, totaling \$6.4 million in leaked sales.
- The Salem Target attracted another \$1.9 million in leaked sales, with \$1.0 million going to the Keizer location.
- **McMinnville proper accounted for \$3.9M of the \$9.4M market area total leaked sales**



Source: Placer visitation data, July 2021 to July 2022; sales estimated by Leland Consulting Group based on est. sales/Target visit.

# Bricks and Mortar Leakage – Fred Meyer



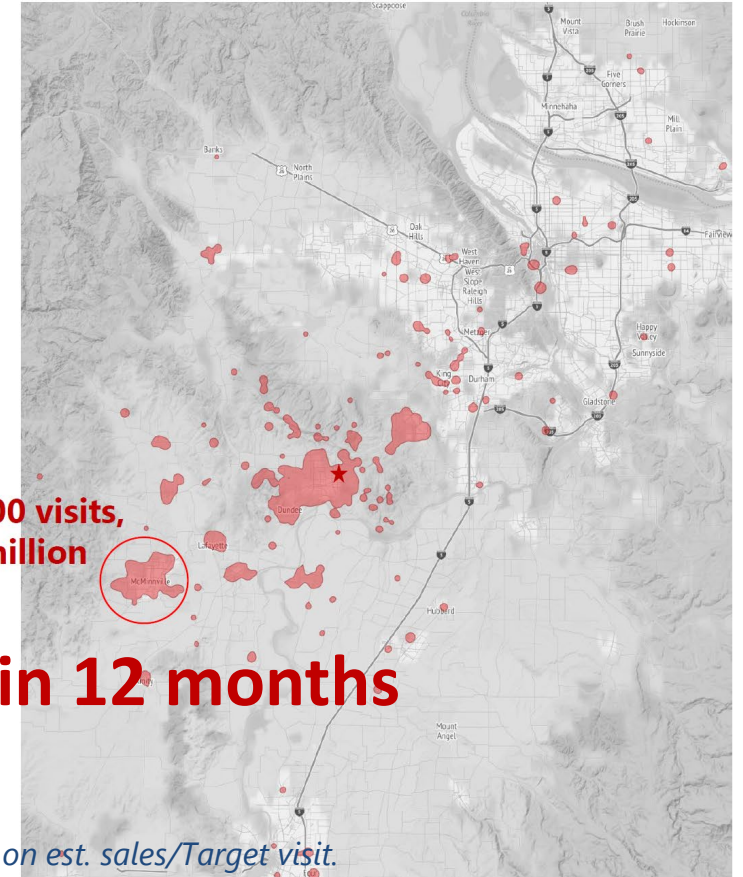
- McMinnville market area homes spent approximately \$8.8 million at the Newberg Fred Meyer store alone over the past year, on nearly 245,000 visits.

**Households within the city of McMinnville accounted for approximately 106,000 of those visits – leaking about \$3.8M in sales.**

## Fred Meyer: Trade Area and McMinnville Sales

**McMinnville homes spent approximately \$3.8 million at the Newberg Fred Meyer store alone over the past year,**

- along with additional leakage to the Salem store and other Portland area locations.



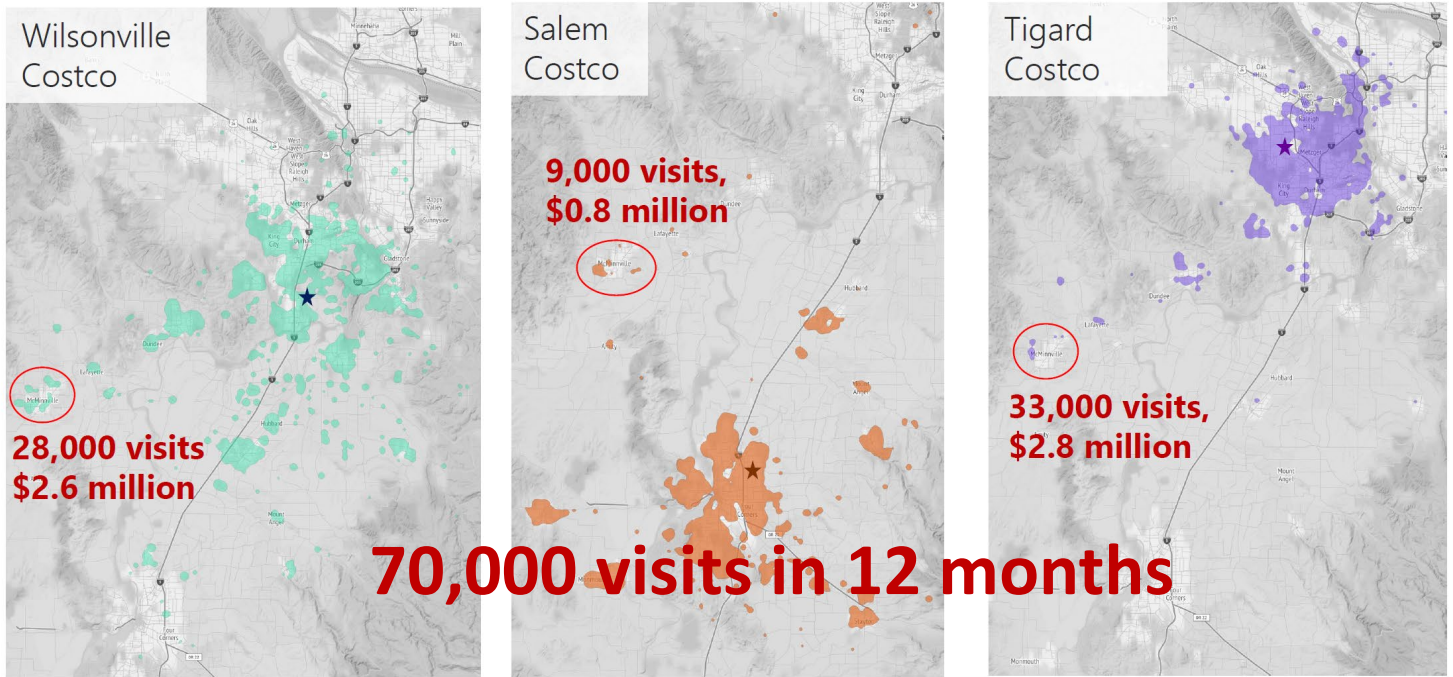
**106,000 visits in 12 months**

# Bricks and Mortar Leakage – Costco

- McMinnville market area homes accounted for almost \$20.5 million in estimated sales at four nearby Costco stores alone.
  - including 86,000 visits from market area households to the Target location in Wilsonville, totaling \$8.0 million in leaked sales.
  - The Tigard Costco attracted another \$6.4 million in leaked sales, with \$3.6M going to the Hillsboro location and \$2.4M to the Salem store.
- **McMinnville proper accounted for \$7.7M of the \$20.5M market area total leaked sales**

## Costco: Trade Areas and McMinnville Sales

**McMinnville homes accounted for almost \$6.3 million in estimated sales at three nearby stores** (plus another \$1.5 million to Hillsboro alone)



Source: Placer visitation data, July 2021 to July 2022; sales estimated by Leland Consulting Group based on est. sales/Target visit.



# CONSIDERATIONS:



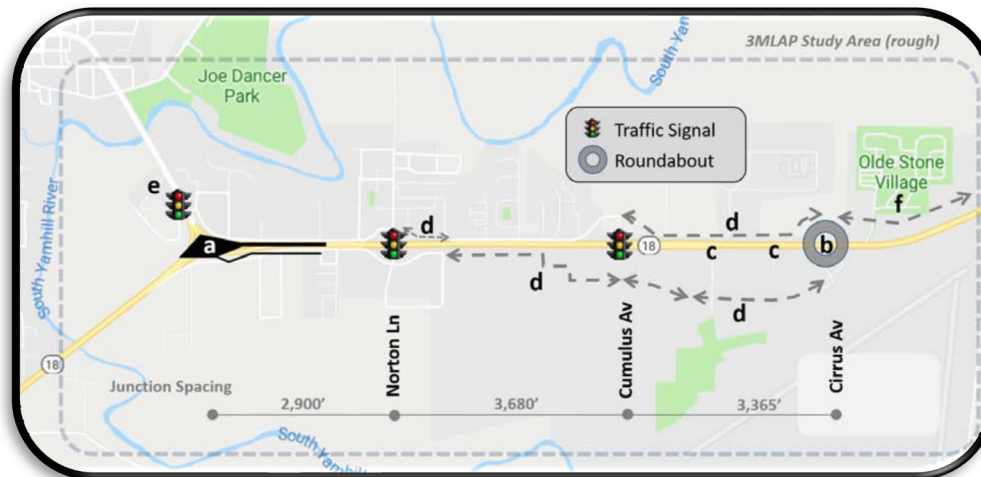
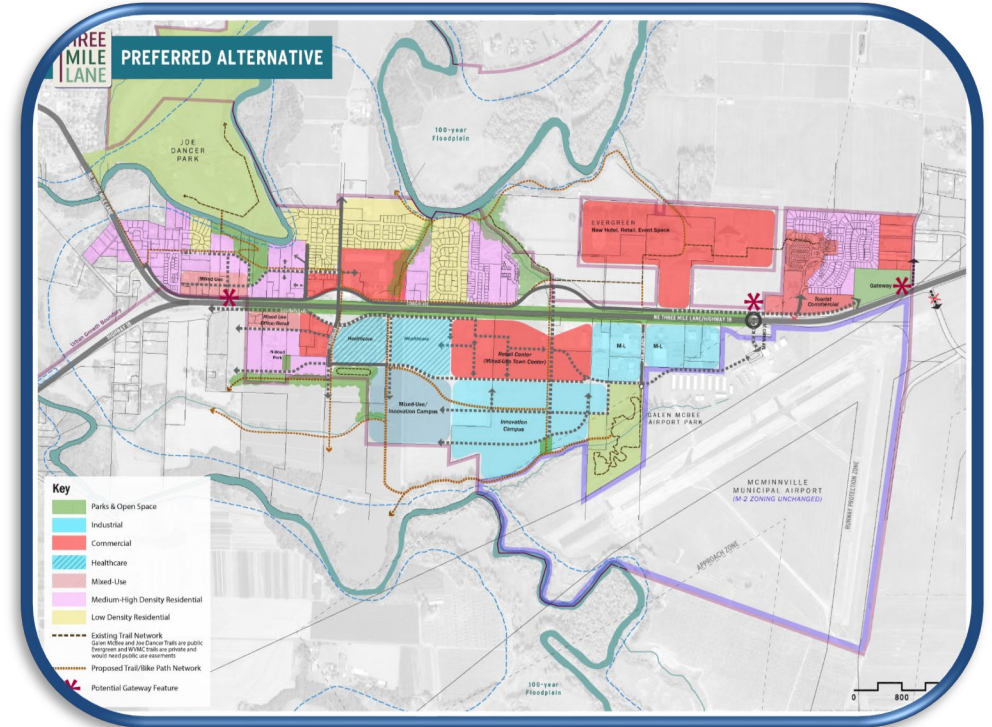
- ***This is a plan meant to accommodate growth through 2041*** when McMinnville is forecasted to be a community of **45,000 people**. It plans for needed housing, expanded commercial options, living wage jobs, an expanded health campus for future community medical needs, expanded parks, trails, bicycle/pedestrian connectivity, and continued tourism development.
- ***The transportation improvements identified in the Three Mile Lane Area Plan will be needed whether the Three Mile Lane Area Plan is adopted or not adopted*** as they are the needed improvements for the development of the study area as currently planned and envisioned.
- ***Highway 18 is predicted to get more congested whether the Three Mile Lane Area Plan is adopted or not adopted*** as the transportation modeling shows a v/c ratio of 0.74 and 0.63 at the intersections of Norton Lane and Highway 18 and Cumulus Avenue and Highway 18 with development of the study area through 2041 as currently planned and envisioned.
- The Plan was developed by a **Project Advisory Committee** and recommended to the city for adoption. The Plan was reviewed and recommended to the City Council for adoption by the **Planning Commission**. The Plan has been endorsed by the **Oregon Department of Transportation, the McMinnville Chamber of Commerce and McMinnville Economic Development Partnership. Friends of Yamhill County and 1000 Friends** have expressed their opposition to the “Mixed-Use Town Center” and have encouraged their membership to do the same. **Residents** not affiliated with these groups **appear to be divided** in their support and opposition to the plan especially in regards to the proposed “Mixed-Use Town Center”.
- The Plan is **compliant** with state land-use goals, state and local transportation standards, and the McMinnville Comprehensive Plan.
- Adopting the Plan is a **policy decision** for the City Council.

# 1. VISION

Meet McMinnville Needs,  
2021 – 2041 (45,000)

Higher Density Housing,  
More Commercial Options,  
Healthcare Campus,  
Good Jobs = Innovation Center,  
Parks and Connectivity and Tourism

# 2. VISION = LAND-USE PLAN



# 3. INFRASTRUCTURE TO SUPPORT VISION

# CONSIDERATIONS: It is down to policy choices.



<b>1</b>	Vision for the Area	Vision for the Area	Vision for the Area	Vision for the Area - <b>NO</b>
<b>2</b>	Land-Use Alternative Represents the Vision	Land-Use Alternative Represents the Vision – <b>Not Quite</b>	Land-Use Alternative Represents the Vision	Land-Use Alternative Represents the Vision
<b>3</b>	Infrastructure Supports the Vision	Infrastructure Supports the Vision	Infrastructure Supports the Vision – <b>More Work Needed</b>	Infrastructure Supports the Vision
	Support the Plan	Support the Plan But with a Few Tweaks	Do Not Trust the Data	Do Not Support the Vision
	<b>Adopt the Plan</b>	<b>Adopt the Plan with Amendments</b>	<b>Identify what needs more analysis and provide the resources to do it.</b>	<b>Don't adopt the Plan, send back to PAC and fund more work or shelf the effort</b>

# CONSIDERATIONS: It is down to policy choices.



<b>1</b>	Vision for the Area	Vision for the Area	Vision for the Area	Vision for the Area - <b>NO</b>
<b>2</b>	Land-Use Alternative Represents the Vision	Land-Use Alternative Represents the Vision – <b>Not Quite</b>	Land-Use Alternative Represents the Vision	Land-Use Alternative Represents the Vision
<b>3</b>	Infrastructure Supports the Vision	Infrastructure Supports the Vision	Infrastructure Supports the Vision – <b>More Work Needed</b>	Infrastructure Supports the Vision
	Support the Plan	Support the Plan But with a Few Tweaks	Do Not Trust the Data	Do Not Support the Vision
	<b>Adopt the Plan</b>	<b>Adopt the Plan with Amendments</b>	<b>Identify what needs more analysis and provide the resources to do it.</b>	<b>Don't adopt the Plan, send back to PAC and fund more work or shelf the effort</b>

# SEPTEMBER 13, 2022: City Council Direction



Plan Amendment Intention		How Provided in the Plan.
1	Clarify 33 net buildable acres for the commercial site as modeled in the transportation scenario.	Added “(not to exceed 33 net buildable acres, net being all acreage that is buildable and not encumbered in the public domain) to pages 19, 20, 40 of the plan document.
2	Reduce the size of mixed-use and commercial developments that are subject to a planned development overlay from ten acres to five acres.	Amended Policy #1 in Table 4, Implementation Recommendations (Page 46)
3	Add a policy to consider public safety services when master planning in the study area.	Added Policy #22, <i>“Public safety services shall be considered as part of master planning, including access, response times and opportunity for substations if needed”</i> . (Pages 38 and 50)
4	Add a policy that proposes rezoning M2 industrial land to associated with the Innovation Campus to M1 industrial land.	Added Policy #23, <i>“Ensure that no incompatible heavy industrial uses are allowed along Highway 18 in the Three Mile Lane Area as part of the Innovation Campus”</i> . (Pages 38 and 50)
5	Add a policy to inventory and protect significant natural features as much as possible in the study area.	Added Policy #24, <i>“Natural features shall be inventoried and protected as much as possible within new development plans.”</i> (Pages 38 and 50)

# SEPTEMBER 13, 2022: City Council Direction



Policy	Overlay Amendment	Recommended Future Action
<p><b>22. Public safety services shall be considered as part of master planning, including access, response times and opportunity for substations if needed.</b></p>		<p>Meet with public safety partners to assess needs in the Three Mile Lane Area and ensure that future master planning addresses needs.</p>
<p><b>23. Ensure that no incompatible heavy industrial uses are allowed along Highway 18 or as part of the Innovation Campus.</b></p>		<p>Rezone M2 land to M1 land.</p>
<p><b>24. Significant natural features shall be inventoried and protected as much as possible in development plans.</b></p>	<p>Require all planned developments to provide an inventory of natural features that must be approved prior to any removal or demolition.</p>	<p>Define natural features that need to be inventoried.</p>

# Documents for the Record:



Three Mile Lane Area Plan – Redline Document, November 8, 2022

## Ordinance No. 5126

- Three Mile Lane Area Plan – November 8, 2022, FINAL (Exhibit A to Ordinance No. 5126)
  - Appendices
- Comprehensive Plan Proposal (Exhibit B to Ordinance No. 5126)
- Three Mile Lane Area Plan – Findings (Exhibit C to Ordinance No. 5126)

Memorandum, November 7, 2022 (Explaining minor amendments made to the Plan document and Findings document.)

*Amendments to Three Mile Lane Area Plan Documents, November 7, 2022*

Amendment	Impacted Document
Added, "Housing development should be consistent with the clear and objective design standards of Chapter 17.11 of the McMinnville Municipal Code" to Table 4, "Implementation Recommendations, Overlay Amendment, Policy #1 (page 46 of the Three Mile Lane Area Plan) and to Table 3, "Implementation Recommendations, Overlay Amendment, Policy #1 (page 19 of the Three Mile Lane Area Plan – Findings).	<ul style="list-style-type: none"> <li>• Three Mile Lane Area Plan – Final, November 8, 2022</li> <li>• Three Mile Lane Area Plan – Redline Version</li> <li>• Three Mile Lane Area Plan - Findings</li> </ul>
Revised 1.1.6, "Three Mile Lane Area Plan Transportation Facility Plan" on page 16 of the <i>Three Mile Lane Area Plan Findings</i> document.	<ul style="list-style-type: none"> <li>• Three Mile Lane Area Plan – Findings</li> </ul>
Amended 4.3, "Written Testimony Received", to add three additional testimonies (Dave Haugeberg representing Chehalem Valley Chamber of Commerce, Arthur Van Uchelen, and Patricia Traboltd) on page 34 of the <i>Three Mile Lane Area Plan Findings</i> document.	<ul style="list-style-type: none"> <li>• Three Mile Lane Area Plan – Findings</li> </ul>
Revised 5.2.10, "Oregon Statewide Planning Goal #10, Housing (OAR 660-015-0000(10)", to include language about housing development needing to comply with Chapter 17.11 of the McMinnville Municipal Code, page 66 of the <i>Three Mile Lane Area Plan Findings</i> document.	<ul style="list-style-type: none"> <li>• Three Mile Lane Area Plan - Findings</li> </ul>
Revised 5.2.12, "Oregon Statewide Planning Goal #12, Transportation (OAR 660-015-0000(12)", pages 67 - 75 of the <i>Three Mile Lane Area Plan Findings</i> document.	<ul style="list-style-type: none"> <li>• Three Mile Lane Area Plan - Findings</li> </ul>

# Grammatical Correction to Ordinance No. 5126:



Attachment B to  
Staff Report

## ORDINANCE NO. 5126

AN ORDINANCE ADOPTING THE THREE MILE LANE AREA PLAN AND ITS APPENDICES AS A SUPPLEMENTAL DOCUMENT TO THE MCMINNVILLE COMPREHENSIVE PLAN AND AMENDING THE MCMINNVILLE COMPREHENSIVE PLAN, VOLUME II, CHAPTER VI, TRANSPORTATION SYSTEM, TO ADD A PROPOSAL.

### RECITALS:

**WHEREAS**, on June 8, 2017, the City of McMinnville applied for a Transportation and Growth Management grant for a Three Mile Lane Area Plan; and

**WHEREAS**, on August 17, 2017, the City of McMinnville received a letter from the Transportation and Growth Management Program indicating that the grant had been awarded for the Three Mile Lane Area Plan; and

**WHEREAS**, from 2018 – 2021, a Three Mile Lane Area Plan project advisory committee worked with a consultant, the Oregon Department of Transportation and city staff on the development of a Three Mile Lane Area Plan for the city to consider; and

**WHEREAS**, after several public open houses, focus groups, design charrettes and surveys, the citizens of McMinnville developed a Three Mile Lane Area Plan that addresses McMinnville's future needs for affordable housing, high density jobs, and additional commercial amenities in a 1,340 acre area of McMinnville commonly known as the Three Mile Lane Area; and

**WHEREAS**, on March 17, 2022, after hosting a public hearing the Planning Commission voted to recommend the adoption of the Three Mile Lane Area Plan as a supplemental document to the McMinnville Comprehensive Plan; and

**WHEREAS**, the McMinnville City Council after hosting three evenings of public testimony elected to close the City Council on July 26, 2022, and deliberated about the merits of the Three Mile Lane Area Plan on September 13, 2022;

**NOW, THEREFORE, THE COMMON COUNCIL FOR THE CITY OF MCMINNVILLE ORDAINS AS FOLLOWS:**

1. That the Three Mile Lane Area Plan and Appendices are adopted as a supplemental document to the McMinnville Comprehensive Plan as provided in Exhibit A; and
2. That the McMinnville Comprehensive Plan, Chapter VI, "Transportation System" is amended per Exhibit B; and
3. That the Council adopts the Findings of Fact and Conlusive Findings as documented in Exhibit C; and
3. This Ordinance will take effect 30 days after passage by the City Council.

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## Fourth Whereas Statement:

**WHEREAS**, after several public open houses, focus groups, design charrettes and surveys, the citizens of McMinnville developed a Three Mile Lane Area Plan that addresses McMinnville's future needs for affordable housing, high density jobs, and additional commercial amenities in a **1,340-acre** area of McMinnville commonly known as the Three Mile Lane Area; and





Area  
Plan

City of McMinnville

**City Council Consideration  
Ordinance No. 5126**