

CITY OF McMinnville
MINUTES OF CITY COUNCIL MEETING
Held via Zoom Video Conference and at the Kent L. Taylor Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, October 10, 2023 at 7:00 p.m.

Presiding: Adam Garvin, Council President

Councilors:	<u>Present</u>	<u>Absent</u>
	Remy Drabkin, Mayor (via Zoom)	Sal Peralta
	Kellie Menke	
	Zack Geary	
	Chris Chenoweth	
	Jessica Payne	

Also present were City Manager Jeff Towery, City Attorney Walt Gowell, City Recorder Claudia Cisneros, Finance Director Jennifer Cuellar, Information Systems Director Scott Burke, Community Development Director Heather Richards, and *members of the News Media Phil Guzzo, McMinnville Community Media, and Scott Unger, News-Register*

1. CALL TO ORDER: Council President Garvin called the meeting to order at 7:00 p.m. and welcomed all in attendance.
2. PLEDGE OF ALLEGIANCE

Councilor Geary led the pledge of allegiance.
3. PROCLAMATIONS
 - 3.a. Domestic Violence Awareness Month Proclamation

Council President Garvin read the proclamation declaring October 2023 as Domestic Violence Awareness Month.
 - 3.b. Hands & Words Are Not for Hurting Week Proclamation

Councilor Payne read the proclamation declaring October 15-21, 2023, as Hands & Words Are Not for Hurting Week.
4. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT: Council President Garvin invited the public to comment.

Amanda Pewonka, McMinnville resident, discussed making the City more bike friendly through better rider safety, interconnected bike lanes, slower road speeds, and promoting alternate modes of transportation.

5. PRESENTATION

5.b. Murray Paolo's Thank You to the City of McMinnville

Murray Paolo, Yamhill County resident, thanked the City for allowing him to serve as the IT Director for 12 years. He discussed what he and his staff accomplished in that time and shared what he had been doing since leaving the City. He now had a job with the state and was still able to serve some of McMinnville's most vulnerable populations.

6. ADVICE/ INFORMATION ITEMS

6.a. Reports from Councilors on Committee & Board Assignments

Councilor Geary said the DEI Committee would meet on Thursday and the Stormwater Utility Public Advisory Committee would meet on October 16.

Councilor Payne discussed the Friends Fight Fentanyl program to increase awareness of the dangers of fentanyl.

Council President Garvin said the Fire District was in the process of hiring a Fire Chief. The Fire Board would have the Fire District IGA on their agenda on October 19, and then it would come to Council. Visit McMinnville accepted a grant from T-Mobile for the alleyway art project.

Mayor Drabkin said the Finance Department received a certificate of excellence for accounting. She and Council President Garvin joined Representative Elmer to host Speaker Rayfield on a tour of the district. They also attended the McMinnville Economic Development Partnership Awards to receive an award for McMinnville Water & Light for creation of the emergency water treatment trailers. There was movement to address Ballot Measure 110. The School District would be hosting Service Days in two weeks. She thanked everyone who participated in Sweep the Streets.

6.b. Department Head Reports

Community Development Director Richards said they were kicking off the Third Street Improvement Project tomorrow. They had been in discussions with the Governor's Housing Policy Advisor on a Housing Production bill. She would be presenting at the League of Oregon Cities on navigating UGB amendments.

Finance Director Cuellar said the auditors had been working on the audit.

IT Director Burke expressed appreciation to Mr. Paolo for his comments.

7.

CONSENT AGENDA

- a. Consider the Request to Permit a Waiver of the Noise Ordinance from Chris Durig of The Oak for October 28, 2023, for a Halloween Party.
- b. Consider the Minutes of the August 22, 2023, City Council Work Session & Regular Meeting.
- c. Consider the Minutes of the August 29, 2023, Special Called Joint City Council & MW&L Commission Meeting.
- d. Consider the Minutes of the September 12, 2023, Joint City Council & MW&L Commission Work Session Meeting and City Council Regular Meeting.

Councilor Menke MOVED to adopt the consent agenda as presented; SECONDED by Councilor Payne. Motion PASSED unanimously.

8.

RESOLUTIONS

8.a.

Consider **Resolution No. 2023-58**: A Resolution (1) adopting a contingency transfer in the budget for fiscal year 2023-2024 in the Wastewater Capital Fund and an appropriation transfer from the Wastewater Capital Fund to the General Fund and (2) authorizing an interfund loan from the Wastewater Capital Fund to the General Fund for purposes of a capital property acquisition.

Finance Director Cuellar said this was a budget amendment to purchase property by a transfer of \$4,350,000 in wastewater funds to the General Fund. It would also authorize the interfund loan debt the General Fund would owe the wastewater fund. It would be a five-year loan at 5% interest and 5 basis points. The loan could be paid back earlier if needed and at any time pre-payment of the loan could be made without penalty.

City Attorney Gowell said the sale agreement the City entered into with NW Rubber provided that the sale was contingent on the Council approving the Phase 1 and 2 environmental reports. He suggested amending Section 3 of the resolution to say the City acknowledged “and approved” the reports.

Councilor Chenoweth MOVED to approve Resolution No. 2023-58 as amended; SECONDED by Councilor Menke. Motion PASSED 5-0.

8.b.

Consider **Resolution No. 2023-59**: A approving an intergovernmental agreement between the City of McMinnville and the McMinnville Urban Renewal Agency for the financing to purchase tax lots R4421BA03800 and R4421BA03805 (904 NE 10TH Street and 835 NE Alpine Avenue respectively to advance the goals and objectives of the McMinnville Urban Renewal Plan.

Finance Director Cuellar said this was an Intergovernmental Agreement between the City and Urban Renewal Agency to purchase property. This met Urban Renewal goals 3, 6, and 8. The Urban Renewal Agency agreed to use its tax increment financing to pay for the annual interest on the loan, which would be about \$220,000 per year. It was the intention that the property would be sold to a developer in the future.

Councilor Geary MOVED to approve Resolution No. 2023-59; SECONDED by Councilor Menke. Motion PASSED 5-0.

City Attorney Gowell said since the Council approved the resolutions, they needed a motion to authorize the City Manager to sign the closing transaction documents.

Councilor Menke MOVED to authorize the City Manager to proceed with the closing of the real property purchase from NW Rubber pursuant to the purchase and sale agreement authorized by Resolution No 2023-43 and further authorize the City Manager to sign, execute, and deliver to the escrow agent all closing settlement escrow license, escrow holdback, and other documents, assigns, bills of sale, and other transfer documents, and agreements contemplated by the sale agreement that were required to complete the closing of the purchase and sale agreement; SECONDED by Councilor Chenoweth. Motion PASSED 5-0.

9. ORDINANCES

- 9.a. Consider the first reading with a possible second reading of **Ordinance No. 5140**: An Ordinance Amending Ordinance No. 5086 and Approving a Master Plan for Tax Lot R4418 00100 at the Northeast Quadrant of the Intersection of NW Hill Road and New Baker Creek Road.

Council President Garvin asked if any Councilor needed to declare any actual or potential conflicts of interest or recuse themselves regarding this ordinance. There was none.

Community Development Director Richards presented the Planned Development amendment for the Baker Creek North mixed-use development. She explained the project of four mixed-use buildings with two stories of residential above commercial, Planned Development amendment criteria, and applicant actions. The Council would consider the Planning Commission recommendation for approval with conditions and decide to either adopt the ordinance or call for a public hearing. She reviewed the written public testimony submitted to the Planning Commission and showed maps of the subject site and master plan. She then discussed the criteria, requested amendments, how there was a provision in Ordinance 5086 for alternative design components, proposed concept and site plan, pedestrian connectivity, neighborhood compatibility, and images of what the project would look like when built. The neighboring farmer was concerned about the development conflicting with his hazelnut farm. Friends of Yamhill County were

supportive of the project. She explained the trees and berm that would be a buffer between the development and farm.

There was discussion regarding adding a condition for the type of trees to be planted to protect the agricultural use, shared parking elements and if there was enough parking, parking for buildings 5, 6, and 7, overflow parking in the neighborhood, crosswalk at Meadows, assumptions in the traffic impact analysis and levels of service, how the Michelbook and Baker Creek signal was not required to be done at this time, design and Great Neighborhood Principles, density decreasing near the City limits and a buffer from the boundary, and medical office space which was allowed in this zone.

City Attorney Gowell suggested a condition of approval that indicated the approval was subject to the Landscape Review Committee considering mitigation of insect and disease impacts to minimize harm to adjacent agricultural uses.

The Council did not think there was a need for a public hearing.

No Councilor present requested that the Ordinance be read in full.

City Attorney Gowell read by title only Ordinance No. 5140.

Councilor Payne MOVED to pass Ordinance No. 5140 to a second reading with conditions as amended; SECONDED by Councilor Menke. Motion PASSED 5-0 by the following vote:

*Aye – Councilors Garvin, Geary, Payne, Menke, and Chenoweth
Nay – None*

City Attorney Gowell read by title only for a second time Ordinance No. 5140.

Councilor Menke MOVED to approve Ordinance No. 5140, amending Ordinance No. 5086 and approving a Master Plan for Tax Lot R4418 00100 at the northeast quadrant of the intersection of NW Hill Road and new Baker Creek Road with conditions as amended; SECONDED by Councilor Chenoweth. Motion PASSED 5-0 by the following vote:

*Aye – Councilors Garvin, Geary, Payne, Menke, and Chenoweth
Nay – None*

There was discussion regarding the presumed full build out in 2026 and when the signal at Baker Creek and Michelbook would be installed. There was concern about the date when the traffic study was conducted, to be a day when school was in session.

- 9.b. Consider **Ordinance No. 5139**: An Ordinance Adopting a Housing Needs Analysis and Economic Opportunity Analysis for the Planning Horizon of 2021 – 2041, Population 47,498 People (Dockets G 1-20 and G 3-20).

Community Development Director Richards presented on the Housing Needs Analysis and Economic Opportunity Analysis. She explained tonight's consideration was the data for housing and economic development in a planning horizon of 20 years in McMinnville. The City needed to submit a Housing Capacity Analysis and Buildable Lands Inventory by December 31, 2023. This met the City Council's strategies for housing and guiding growth. The Planning Commission recommended approval with amendments to the Economic Opportunity Analysis. The Council could adopt an ordinance effecting the proposed change as submitted by the Planning Commission, adopt an ordinance in an amended form, refuse to adopt the amendment, or call for a public hearing on the proposal.

She reviewed the population forecast and planning horizon, developed draft documents, 2020 conclusion that McMinnville had need for additional land supply, Council direction to pick up the 2013 UGB remand and finish it in the near term, preserving the work on the draft documents, updates to the drafts, steps to growth planning and sequential UGB process, decision making process, public engagement, Buildable Lands Inventory update map, total land need of 484 acres for the planning horizon 2021-2041, total land need of 1,638 acres for the Urban Reserve area 2041-2067, and Planning Commission public hearings. After hearing testimony and deliberation, the Planning Commission recommended approval with the amendments to remove 62 acres of park land need and reduce the current overall land need to 422 acres. There were two additional items for consideration: removal of 49 acres of commercial land need associated with the site-specific needs identified in the MAC Town 2032 Economic Development Strategic Plan and removal of 12 acres of commercial land need associated with the retail leakage analysis of the Economic Opportunity Analysis. She explained the public testimony and response to the testimony for these amendments as well as the Planning Commission's deliberation. Legal counsel said nothing was legally non-compliant. The Commission decided to maintain the PAC recommendations based on local data and scenarios as it was representative of what the community wanted for its future build-out. The safe harbors did not reflect the built environment of McMinnville and were substantially different, 8 units/acre versus the current 5.05 units/acre and 25% of land dedicated to parks, streets, and schools versus 25% of land dedicated just to public right-of-way. This was not the time to make decisions about land use efficiencies. A forecast was not an exact science and there were consequences of too much versus too little. Moving the goal posts was costly in terms of time and money and did not get them to an end product in an efficient manner and prevented them from doing the planning that needed to get done.

The result of the Planning Commission recommendation was a land need of 202 acres for the planning horizon 2021-2041 and 1,066 acres for the Urban Reserve area 2041-2067. This number would most likely be reduced during

the land use efficiency analysis. 422 acres was less than 0.1% of the total land acreage in Yamhill County. If the 422 acres was all EFU land, then it would be slightly more than 0.2%, which was smaller than many farm tracts in Yamhill County.

There was discussion regarding which action to take on the proposal and the Planning Commission's recommendations. There was further discussion regarding removing the park land and commercial land as proposed by the Planning Commission, and number of acres for the Urban Reserve area.

There was consensus that a public hearing was not needed.

Councilor Chenoweth did not want to remove the commercial acres as there was not enough commercial land in the City.

Councilor Menke thought there would be opportunities down the road under the efficiencies analysis to possibly get the commercial acres back.

There was discussion regarding the number of acres for commercial vs. industrial and the risk associated with keeping the commercial acres in the plan.

Councilor Menke MOVED to direct staff to bring back an ordinance and findings approving G 1-20 and G 3-20 as amended, to not include the commercial acres in the Economic Opportunity Analysis; SECONDED by Councilor Geary. Motion PASSED 3-2 with Councilors Chenoweth and Garvin opposed.

10. ADJOURNMENT: Council President Garvin adjourned the meeting at 9:51 p.m.

Claudia Cisneros

Claudia Cisneros, City Recorder