

Tonight's Consideration – Needs Analysis Adoption





Per ORS 197.296, we need to submit a Housing Capacity Analysis and Buildable Lands Inventory by December 31, 2023.

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.

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



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We also worked on an updated Economic Opportunity Analysis (which includes a Public Land Needs Analysis), that are also ready to submit.



City Council Strategies

<u>GOAL: HOUSING</u> – Create diverse housing opportunities that support great neighborhoods.

OBJECTIVE: Conduct thorough and timely planning and forecasting to ensure that regulatory frameworks and land supply align with market-driven housing needs.

<u>GOAL: GROWTH AND DEVELOPMENT CHARACTER</u> – Guide growth and development strategically, responsively, and responsibly to enhance our unique character.

OBJECTIVE: Define the unique character through a community process that articulates our core principles.

OBJECTIVE: Strategically plan for short and long-term growth and development that will create enduring value for the community.

Two Ordinances: City Council will be choosing one to approve.

Ordinance No. 5139 and Ordinance No. 5141

Each Ordinance:

- **1. Adopts the following documents:**
 - Urbanization Study, November 2023
 - Housing Needs Analysis, November 2023
 - Economic Opportunities Analysis, November 2023
 - Findings and Decision Document (G 1-20 and G 3-20)
- 2. Amends the Comprehensive Plan, Volume I
- 3. Repeals Ordinances No. 4746 and 4976



Two Ordinances: City Council will be choosing one to approve.

Ordinance No. 5139 and Ordinance No. 5141

Where they are different:

The Urbanization Study, Economic Opportunities Analysis and Findings and Decision Document are different in the following way.

Ordinance	Housing Land Need	Employment Land Need	Public / Institutional Land Need	Total
5139	202 Acres	29 Industrial 98 Commercial 127 Acres	32 Acres	361 Acres
5141	202 Acres	29 Industrial 159 Commercial 188 Acres	32 Acres	422 Acres



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5141	202 Acres	29 Industrial 159 Commercial 188 Acres	32 Acres	422 Acres

Ordinance No. 5139 – Removes commercial acreage land need associated with the *"Retail Leakage"* and *"Other Needed Sites Calculated Separately from Average Employment Densities"* = Commercial Land Need = Reduced by 61 Acres

<u>Ordinance No. 5141</u> – Retains commercial acreage land need associated with the *"Retail Leakage"* and *"Other Needed Sites Calculated Separately from Average Employment Densities"*



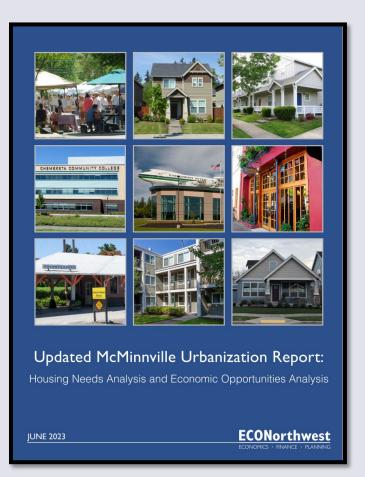
		McMinnville's Comp Plan
City of McMinnville	City of McMinnville	
Housing Needs Analysis	Economic	Vol I = Background
September 2023	Opportunities Analysis	Information
Prepared for:	September 2023	
City of McMinnville	Prepared for: City of McMinnville	Vol II = Goals and
FINAL DRAFT REPORT	FINAL REPORT	Policies
	ECONOMICS - FINANCE - FLANNING	Vol III – Implementing
K0B Gantar 222 SW Columbia Street Sulfe 1000 Portland, R 97201 503.222.6060	KON Conter 222 SW Columbia Street Suite 4600 Portland, 04 9/201 5503 222.6060	Ordinances
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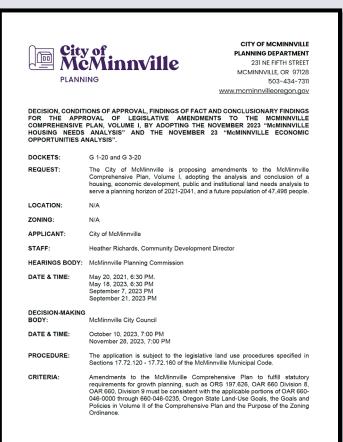
McMinnville Comprehensive Plan, Volume I



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McMinnville Compre	hensive Plan, Volume I	-









Per Section 17.72.130(B) of the McMinnville Municipal Code:

Legislative hearings: Within 45 days following the public hearing on a comprehensive plan text amendment or other legislative matter, unless a continuance is announced, *the Planning* <u>*Commission shall render a decision*</u> which shall recommend either that the amendment be <u>approved, denied, or modified</u>:

- 1. Upon reaching a decision the Planning Commission shall transmit to the City Council a copy of the proposed amendment, the minutes of the public hearing, the decision of the Planning Commission, and any other materials deemed necessary for a decision by the City Council:
- 2. Upon receipt of the decision of the Planning Commission, the City Council shall:
 - *a. <u>Adopt an ordinance</u>* effecting the proposed change as <u>submitted by the</u> <u>*Planning Commission*</u>, or
 - b. <u>Adopt an ordinance</u> effecting the proposed change <u>in an amended form</u>, or
 - c. <u>Refuse to adopt the amendment</u> through a vote to deny, or
 - *d.* <u>*Call for a public hearing on the proposal*</u>, subject to the notice requirements stated in Section 17.72.120(D).



Planning Commission Recommendation

Recommended approval of both documents with the following amendment(s) in the Economic Opportunity Analysis:

- 1) Reduce parkland need by 62 acres in Appendix E of the Economic Opportunity Analysis
- 2) Consider the removal of approximately 49 acres of commercial land need associated with the site-specific needs identified in the MAC Town 2032 Economic Development Strategic Plan
- 3) Consider the removal of approximately 12 acres of commercial land need associated with the retail leakage analysis of the Economic Opportunity Analysis.



The Details



Population Forecast Used:

McMinnville's 5-, 10-, 20-, and 46-Year Population Forecast, McMinnville UGB, 2021, 2026, 2031, and 2067

Source: Population Research Center, Portland State University, June 30, 2017.

36,238	38,985	41,813	47,498	62,803
2021	2026	2031	2041	2067
	(5-year)	(10-year)	(20-year)	(46-year)



DOCUMENT REVIEW

- Housing Needs Analysis
- Economic Opportunities Analysis
- Public Lands Need Analysis

Updates of 2019/2020 Drafts

Update Buildable Lands Inventory:

- Include new UGB amendment (662.40 acres)
- Include development through 12/31/21

Update Housing Capacity:

- HB 2001 Missing Middle (Increase density assumptions)
- Rural Residential (Decrease density assumptions)



Buildable Lands

Inventory

Identifies buildable residential and employment land within existing urban growth boundary

Three Steps:

Identification of Need Land-use Efficiencies UGB Alternatives Analysis Housing Needs Analysis

Identifies future housing needs and types to accommodate projected growth per community values in twenty and fifty years.

Growth Analysis

Analysis of where and how future housing and employment growth will be accommodated in twenty and fifty years.

Economic Opportunities Analysis

Identifies future employment needs and types to accommodate strategic economic development goals and resulting growth in twenty and fifty





Identifies buildable residential and employment land within existing urban growth boundary

Sequential UGB:

Land Use Efficiencies (2024)

Alternatives Analysis (2025)

Land Use Efficiencies UGB Alternatives Analysis

Housing Needs Analysis

Identifies future housing needs and types to accommodate projected growth per community values in twenty and fifty years.



Growth Analysis

Analysis of where and how future housing and employment growth will be accommodated in twenty and fifty years. Economic Opportunities <u>Analysis</u>

Identifies future employment needs and types to accommodate strategic economic development goals and resulting growth in twenty and fifty

> City of McMinnville

DECISION – MAKING PROCESS

Hired a Consultant – ECONorthwest

- **Data Review and Development**
- Scenario Analysis •

Appointed a Project Advisory Committee

- Housing Needs Analysis
- **- Economic Opportunity Analysis**
- Public Land Need
- 2023 Update

Reviewed Data (Census and Permit) Evaluated Scenarios Engaged Public Voted on Recommendations

PROJECT ADVISORY COMMITTEE MEMBERS (54)

Kellie Menke Roaer Lizut Susan Dirks Sid Friedman Mark Davis Andrew Burton Beth Cater Michael Jester Robert J. Banadav Amanda Perron Matt Deppe Patty O'Leary Doug Hurl Scott Cooper Alan Amerson Kelly McDonald Mike Morris Jeff Knapp Gioia Goodrum Ed Gormlev

Paul Davis Susan Muir Mike Bisset John Dietz Mary Ann Rodriguez Matt Johnson Laura Sevring Peter Keenan Rvan McIrvin Steve Ganzer Justin Hoque Abigail Neilan Christopher Anderson Melissa Ahrens Ellen Hoaa Judith Pasch Katie Russ Katie Wennerstrom **Rob Hallyburton** Scott Green Kvle Faulk

Marilyn Worrix Zack Geary Roger Hall Sal Peralta Alan Ruden Danielle Hoffman Brad Bassitt Angela Carnahan Kevin Young Chuck Darnell Heather Richards Tom Schauer Jody Christensen



DECISION – MAKING PROCESS

Hired a Consultant – ECONorthwest

- **Data Review and Development**
- Scenario Analysis

Appointed a Project Advisory Committee

Reviewed data and scenarios developed

Decisions made by the PAC based on three factors

- Legal Framework •
- **Local Adopted Policies** •
- **Discretion of what is Best for** \bullet **McMinnville (data informed)**

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PUBLIC ENGAGEMENT

- * 13 PAC Meetings (7 HNA, 6 EOA)
- 2 PAC Meetings (Update)
- * 2 City Council Work Sessions
- * 1 Joint City Council / BOC Work Session
- I Focus Group
- 3 Open Houses
- 4 Events
- Poster Display Library and Community Center

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Planning Commission Public Hearing and Decision



PUBLIC HEARING

Public Hearing: September 7, and September 21, 2023

- Written testimony received from Mark Davis, Friends of Yamhill County and Thousand Friends.
- Oral testimony received from Mark Davis, and Sid Friedman and Rob Hallyburton representing Friends of Yamhill County.

After hearing testimony, considering the public record and deliberation, the Planning Commission voted unanimously to recommend adoption of the HNA and the EOA with the following amendments:

• Remove 62 acres of park land need.



PUBLIC HEARING

Public Hearing: September 7, and September 21, 2023

- Written testimony received from Mark Davis, Friends of Yamhill County and Thousand Friends.
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After hearing testimony, considering the public record and deliberation, the Planning Commission voted unanimously to recommend adoption of the HNA and the EOA with the following amendments:

• Remove 62 acres of park land need.

Reduces current overall land need to 422 acres.



TWO ADDITIONAL ITEMS FOR CONSIDERATION

- 1) Consider the removal of approximately 49 acres of commercial land need associated with the site-specific needs identified in the MAC Town 2032 Economic Development Strategic Plan
- 2) Consider the removal of approximately 12 acres of commercial land need associated with the retail leakage analysis of the Economic Opportunity Analysis.

This was based on testimony received from Friends of Yamhill County and Thousand Friends of Oregon outlining 13 issues that they had with the recommended documents:

Product	Friends # of Issues Raised
Housing Needs Analysis	7 Issues
Economic Opportunity Analysis	3 Issues
Buildable Lands Inventory	3 Issues



RESPONSE TO TESTIMONY

FRIENDS alleged that some of the components of the documents are not compliant with state law, and for other components they urged the Planning Commission to reject the Project Advisory Committee's recommendations and use the state "Safe Harbors" instead.

- Bill Kabeiseman, contracted legal counsel from Bateman Seidel, provided a memorandum with his legal evaluation of the public testimony's allegations relative to legal compliance
- Beth Goodman with ECONorthwest, provided a memorandum detailing the background data that they used for the local attributes and their experience with developing dozens of HNAs and EOAs throughout the state.
- Staff then synthesized those comments, provided options for the Planning Commission to consider, the costs associated with any new directions to pursue and the staff recommendation.



FRIENDS TESTIMONY

Issue	Argument	PC Recommendation
HNA – Park Land	Use the Safe Harbor (25% for streets, parks, and schools)	Keep PAC Recommendation: LOS in Comp Plan for Parks, use local data for streets and schools
HNA – Residential Density	Use the Safe Harbor (8 units/acre)	Keep PAC Recommendation: Use local permit data with HB 2003 escalator
HNA – Housing Needs for All Residents	Use the Safe Harbor (8 units/acre)	Keep PAC Recommendation: Housing Production Strategy
HNA – C3 Land Allocation to MF	Use density calculations in C3 for housing.	Keep PAC Recommendation: Loss of C3 land for housing adds need for C3 land for employment.
HNA – Group Quarters	Use updated data (2020 Census Data)	Keep PAC Recommendation: PSU Forecast and local data showed little growth
HNA – Right of Way	Use the Safe Harbor (25% for streets, parks, and schools)	Keep PAC Recommendation: Based on local data showing 25% for public right-of-way
HNA – Safe Harbors	Use the Safe Harbors	Keep PAC Recommendation based on local data

FRIENDS TESTIMONY

Issue	Argument	PC Recommendation
EOA – Refill, Redevelopment and Employment on non- employment lands	5% is considerably less than the 17% of the 2013 EOA	Keep PAC Recommendation: 2013 was aspirational and has not been achieved.
EOA – Other Needed Employment Sites (Table 58)	This is adding to the safe harbor of utilizing population forecast for employment forecast. Demonstrated deficit does not equate to need.	CC Should Consider Risk: Legal consultation – it appears legal under the law but there is no precedent, equates to some risk.
EOA – Retail Leakage	This is adding to the safe harbor of utilizing population forecast for employment forecast. Demonstrated deficit does not equate to need.	CC Should Consider Risk: Legal consultation – it appears legal under the law but there is no precedent, equates to some risk.
BLI – Removal of vacant and partially vacant land based on ownership (Churches and Linfield University)	Partially vacant land owned by churches and Linfield University should be accounted for in HNA and EOA for uses other than institutional use.	Keep PAC Recommendation: Letter in the record from Linfield. Staff provided additional information into the record re churches.
BLI – EOA fails to meet legal standards	Inventory all industrial sites	Not demonstrated to be legally needed beyond what was done.
BLI – Population Forecast	Need to use new population forecast issued June 30, 2020.	Current effort is considered legal. Not work the \$200,000 and six months of staff time to update.



FRIENDS TESTIMONY

Issue	Argument	PC Recommendation
EOA – Refill, Redevelopment and Employment on non-employment lands	5% is considerably less than the 17% of the 2013 EOA	Keep PAC Recommendation: 2013 was aspirational and has not been achieved.
EOA – Other Needed Employment Sites (Table 58) (Approx 49 Acres)	This is adding to the safe harbor of utilizing population forecast for employment forecast. Demonstrated deficit does not equate to need.	CC Should Consider Risk: Legal consultation – it appears legal under the law but there is no precedent, equates to some risk.
EOA – Retail Leakage (Approx 12 Acres)	This is adding to the safe harbor of utilizing population forecast for employment forecast. Demonstrated deficit does not equate to need.	CC Should Consider Risk: Legal consultation – it appears legal under the law but there is no precedent, equates to some risk.
BLI – Removal of vacant and partially vacant land based on ownership (Churches and Linfield University)	Partially vacant land owned by churches and Linfield University should be accounted for in HNA and EOA for uses other than institutional use.	Keep PAC Recommendation: Letter in the record from Linfield. Staff provided additional information into the record re churches.
BLI – EOA fails to meet legal standards	Inventory all industrial sites	Not demonstrated to be legally needed beyond what was done.
BLI – Population Forecast	Need to use new population forecast issued June 30, 2020.	Current effort is considered legal. Not work the \$200,000 and six months of staff time to update.



PC DELIBERATION

- ✤ Based on legal consultation, nothing is legally non-compliant.
- Maintain 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. 25% of land dedicated to parks, streets, and schools versus 25% of land dedicated just to public right-of-way.
- ✤ This is not the time to make decisions about land-use efficiencies.
- A forecast is not an exact science. Consequences of too much versus too little. OAR 660-024-0040(1), "the 20-year need determinations are estimates which, although based on the best available information and methodologies, <u>should not be</u> <u>held to an unreasonably high level of precision</u>."
- Moving the goal posts is costly in terms of \$ and time (updating the draft documents to reflect the most recent data) It does not get us to an end product in an efficient manner. And prevents us from doing the planning that needs to get done.



DECISION - MAKING

- Submit documents to DLCD. Anyone who participated locally can submit objections to DLCD within 21 days of the city's submittal.
- ✤ DLCD's decision to approve or remand can be appealed to LCDC for review.
- ***** DLCD can also refer to LCDC without a decision which is also treated as an appeal.
- **CDC** must then hold a public hearing within 90 days.
- ✤ LCDC's decision then can be appealed to the Court of Appeals.

Potential Costs of Defending an Appeal:

- \$50,000 \$100,000 of legal costs depending upon the complexity.
- \$15,000 \$25,000 of staff support depending upon the complexity.



ORDINANCES

ORDINANCE NO. 5139

- □ Adopts Urbanization Study
- Adopts Housing Needs Analysis and amends Volume I of the McMinnville Comprehensive Plan
- □ Adopts *Economic Opportunities Analysis* and amends Volume I of the McMinnville Comprehensive Plan
- □ Adopts Findings of Fact, Conclusionary Findings and Decision for Dockets G 1-20 and G 3-20
- **Contemporal Repeals Ordinances No. 4746 and 4976**

Total Land Need: 361 Acres (202 Housing, 29 Industrial, 98 Commercial and 32 Public)

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- □ Adopts *Housing Needs Analysis* and amends Volume I of the McMinnville Comprehensive Plan
- □ Adopts *Economic Opportunities Analysis* and amends Volume I of the McMinnville Comprehensive Plan
- □ Adopts Findings of Fact, Conclusionary Findings and Decision for Dockets G 1-20 and G 3-20
- **Repeals Ordinances No. 4746 and 4976**

Total Land Need: 422 Acres (202 Housing, 29 Industrial, 159 Commercial and 32 Public)

QUESTIONS?

