

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, June 09, 2026 at 7:00 p.m.

Presiding: Kim Morris, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Sal Peralta, Council President	Scott Cunningham
	Zack Geary	
	Chris Chenoweth ((<i>via Zoom</i>) joined @ 7:39 p.m. left @ 8:12 p.m.)	
	Dan Tucholsky	
	Carson Benner	

Also present were City Manager Adam Garvin, City Recorder Claudia Cisneros, Chief of Police Cord Wood, Public Works Director Geoff Hunsaker, Library Director / Parks & Recreation Director Jenny Berg, Human Resources Director Vicki Hedges, Finance Director Katie Henry, Finance Services Administrator-Budget Crystal Wooldridge, City Attorney David Ligtenberg (*via Zoom*) and *members of the News Media – Phil Guzzo McMinnville Community Media.*

1. CALL TO ORDER: Mayor Morris called the meeting to order at 7:00 p.m. and welcomed all in attendance.
2. PLEDGE OF ALLEGIANCE: Mayor Morris led the Pledge of Allegiance.
3. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT: Mayor Morris invited the public to comment.

Mandy Tatum, McMinnville Community Member and president of the Baker Creek North Homeowners Association, described an incident in which a woman in apparent mental health crisis was left without assistance near her neighborhood for nearly four hours despite multiple calls to the non-emergency line and an active law enforcement presence earlier in the afternoon. She asked Chief Wood and the Council to review what occurred and identify what protocols or resources need to change. Mayor Morris asked Chief Wood to follow up on the matter.

Amanda Powanka, McMinnville Community Member, spoke in opposition to any future data center development in Yamhill County or McMinnville. She also raised concerns that the removal of parking associated with the Third Street improvement project may be negatively impacting downtown businesses, noting that the Downtown Association had already reduced the

"Dine Out" program to once monthly due to parking loss. She encouraged the Council to address the parking issue proactively.

Tamsyn Cranmer, a former McMinnville resident now living in Sheridan, urged the Council to reconsider its use of trespass enforcement and camping citations against people experiencing homelessness, arguing that such measures create criminal records that become barriers to future housing. She called on the city to provide safe locations with basic amenities where people can stabilize, and noted she is working on a community resource project she intends to bring forward at a later date.

4. PRESENTATION

4.a. Summer Fun Presentation.

Katie Noyd, Community Center Manager, and Courtney Terry, Adult Services Manager for the McMinnville Public Library presented the 2026 Summer Fun Program. The program, which originated in 2020, will feature 99 events hosted in parks, city facilities, and apartment complexes throughout the summer, with an emphasis on reaching residents who face barriers to accessing traditional recreation and library services. Events include a concert series in City Park on Tuesdays in July, story times, park play dates, the bookmobile, teen programs, movies in the park, and more. The theme for National Parks and Recreation Month in July is "The Power of Parks and Recreation," and the library's summer reading theme is "Plant a Seed, Read." Program calendars are available at the aquatic center, community center, library, and senior center, and online at bit.ly/macsummerfun.

4.b. Visit McMinnville Annual Presentation – Chief Executive Officer Dan Gibson

Dan Gibson, Visit McMinnville CEO presented the organization's annual report. Visitor spending in McMinnville totals approximately \$51.6 million annually, with food and beverages leading at \$15.4 million. Despite a 1.3% decline in statewide hotel occupancy in 2026, largely driven by challenges in the Portland market, McMinnville's tracked hotel properties showed occupancy up 3.9%, while short-term rental revenue increased 10.1%. The organization slightly exceeded its budgeted Transient Lodging Tax (TLT) income by approximately \$5,284. By actively investing quarterly funds, Visit McMinnville generated over \$10,000 in additional investment income this year. An internal analysis determined that 60% of the total budget was spent within McMinnville and 78% within Oregon overall. Using an economic model developed with Destinations International, every dollar in Visit McMinnville's budget generates an estimated \$19 in economic impact for the city.

Key accomplishments included securing 55 media placements in outlets such as Travel and Leisure, Bon Appétit, National Geographic, and Food & Wine, generating an estimated \$14 million in media value, surpassing the \$10 million

goal. Social media engagement rose 58.6% year-over-year, with overall views up 103%. The organization added 15 events against a goal of 5, including the Wonderland Beer Fest, the AAPI Food and Wine Festival, and the Organically Grown Wine Festival. A group sales initiative is being developed in anticipation of the AC Marriott coming online in 2027, which will add over 100 hotel rooms. A new website with an AI-driven community calendar, shared with the Chamber, Downtown Association, and Arts Alliance, is expected to launch by the end of June.

Regarding the legislatively authorized TLT split change to a 50/50 division between the city and the Destination Marketing Organization (DMO), Gibson proposed a phased transition: maintaining the current 70/30 split for the remainder of calendar year 2026, moving to 60/40 in 2027, and reaching 50/50 in 2028. Under a flat revenue projection, this approach would return approximately \$70,000 more to the city in the 2027–28 fiscal year and \$300,000 more in 2028–29 compared to maintaining the current split. Council expressed support for the phased approach, and the City Manager indicated he would bring a resolution formalizing the arrangement to the next meeting. Council also raised concerns about the growth of unlicensed short-term rentals and their potential impact on housing availability, with staff confirming that compliance monitoring is ongoing.

City Recorder Claudia Cisneros noted for the record that Councilor Chenoweth had joined the meeting.

5. PUBLIC HEARINGS

5.a. Public Hearing on FY2026-27 Proposed Uses of State Revenue Sharing.

Mayor Morris opened the public hearing at 7:47 p.m. and read the hearing statement. She asked if any Councilor wished to make a disclosure or abstain from participating or voting on this hearing. There was none.

Finance Director Katie Henry explained that state revenue sharing includes liquor taxes, marijuana taxes, state fuel taxes, and a portion of state income taxes distributed to cities. For FY2026-27, the city proposes to direct these revenues toward \$1,000,000 in deferred maintenance projects budgeted in the general fund. No public testimony was received.

There was no public testimony.

The public hearing was closed at 7:49 p.m.

5.b. Public Hearing on FY2026-27 Approved City Budget.

Mayor Morris opened the public hearing at 7:52 p.m. and read the hearing statement. She asked if any Councilor wished to make a disclosure or abstain from participating or voting on this hearing. There was none.

Finance Director Henry summarized changes made between the proposed and approved budget during the budget committee process. Police was reduced by a net \$18,000, reflecting a reduction in reserve officer funding and a partial-year vacancy savings to offset an increase in the YCOM dispatch contract. Parks and Recreation received an additional \$148,000 to maintain aquatic center hours and meet new lifeguard staffing regulations. The library received an additional \$78,000 to expand hours and open on Sundays. The emergency communications fund was also adjusted to reflect the YCOM contract increase, which was formally adopted by the YCOM executive board earlier that day.

Elena Mudrak, McMinnville Community Member, expressed concern about the general fund's long-term trajectory, the city's reliance on outside grant funding, and questioned the level of scrutiny applied to the police department budget, including spending on vehicles, ammunition, drones, canine units, and vendor contracts.

Mayor Morris closed the public hearing at 7:55 p.m.

6. CONSENT AGENDA

- a. Consider the Draft Minutes of the January 21, 2026 Joint City Council & Planning Commission Work Session Meeting.
- b. Consider the Draft Minutes of the January 27, 2026 Joint City Council & Budget Committee Work Session Meeting.
- c. Consider the Draft Minutes of the January 27, 2026 Regular City Council Meeting.
- d. Consider **Resolution No. 2026-35**: A Resolution Extending the Contract for Park and Open Space Unarmed Security Services with NAS Security Services, LLC.

*Councilor Tucholsky MOVED to adopt the consent agenda as presented;
SECONDED by Councilor Geary.*

*AYE: Councilors Geary, Cunningham, Tucholsky, Chenoweth, Peralta
NAY: NONE*

*Motion **PASSED** unanimously by a vote of 5-0.*

Mayor Morris recused herself from this item due to owning property across the street from the subject site and stepped down from the dais. Council President Peralta presided.

7. RESOLUTIONS

- 7.a. Consider **Resolution No. 2026-38**: A Resolution of the McMinnville City Council authorizing the McMinnville City Manager or designee to enter into and manage a Disposition and Development Agreement with Guardian Real

Estate Services LLC for the redevelopment of the property at 904 NE 10th Avenue and 835 NE Alpine Avenue (Tax Lots R4421BA 03800 and R4421BA 03850).

City Manager Adam Garvin presented the Disposition and Development Agreement (DDA) with Guardian Real Estate Services LLC for the redevelopment of properties at 904 NE 10th Avenue and 835 NE Alpine Avenue. The city originally acquired the site in October 2023 and issued a Request for Proposals in July 2024, receiving eight proposals. Following an unsuccessful negotiation with the first selected developer ending in November 2025, the city entered negotiations with Guardian. The proposed project will deliver approximately 150 to 171 affordable housing units at 50–60% of Area Median Income.

The purchase price is \$4.7 million, all cash at closing, which covers the \$4.3 million acquisition cost and approximately 20 months of carrying costs. Initial earnest money of \$125,000 becomes nonrefundable after June 30, 2027. A second nonrefundable deposit of \$125,000 would extend closing to June 30, 2028 if needed. Two additional one-year extensions are available at \$250,000 each, not applicable to the purchase price, allowing for multiple affordable housing funding cycles. The city's total environmental cleanup cost is capped at \$375,000 under the cost-sharing structure. Transportation and wastewater system development charges (SDCs) are exempt; parks SDCs are partially offset by permit fee reductions. A personal guarantee from Guardian's president protects the city through construction completion. The interest payments on the city's wastewater fund loan remain within the city's financial system and are expected to offset future capital needs. All required land use approvals are administrative in nature. The Council noted that finalizing the DDA in advance of a July funding cycle deadline was critical, and that teams had been meeting intensively in the preceding weeks to complete negotiations.

*Councilor Geary MOVED to adopt Resolution No. 2026-38, Authorizing the McMinnville City Manager or designee to enter into and manage a Disposition and Development Agreement with Guardian Real Estate Services LLC for the redevelopment of the property at 904 NE 10th Avenue and 835 NE Alpine Avenue (Tax Lots R4421BA 03800 and R4421BA 03850); SECONDED by Councilor Chenoweth. Motion **PASSED** unanimously 5-0 by the following vote:*

*AYE: Councilors Geary, Tucholsky, Chenoweth, Benner, Peralta
NAY: NONE*

Mayor Morris returned to the dais and presided over the remainder of the meeting.

- 8. ADVISE/INFORMATION ITEMS
- 8.a. Reports from Councilors on Committee & Board Assignments
- 8.b. Department Head Reports

Library Director / Parks & Recreation Director Jenny Berg heard her report via Courtney's Summer Fun presentation.

Police Chief Cord Wood reported that the YCOM executive board formally adopted its fiscal year budget earlier that day. The approved increase reflects the addition of two dispatch positions and one dispatch supervisor that had been previously eliminated. The Chief also noted that preliminary conversations have begun between the Yamhill County Sheriff's Office, the McMinnville Police Department, and the Newberg Police Department regarding a potential merger of the two dispatch centers, though no direction has been determined.

City Recorder Claudia Cisneros requested that councilors notify the City Manager and City Recorder of any planned absences from upcoming summer meetings to ensure quorum is maintained. She also noted that city offices will be closed on June 19 in observance of Juneteenth.

Councilor Benner noted the Landscape Committee has not met and attended another meeting with Long Range Facility at the high school where we toured buildings.

Council President Peralta reported the Council of Governments did not meet, MCM 11 met, reviewed its budget, generated approximately \$12,000 in new revenue, and made significant cuts while operating under financial pressure due to declining cable subscriber revenue; the organization is expanding services and bringing on new board members.

Mayor Morris attended the ribbon cutting for EMPWR's new building, they have over 500 employees and are building a warehouse which will take them to over 700 employees. Had coffee with Nick Olheiser from Recology and he provided an update on their customer service software and is working on ways to improve customer service and wait time. Was joined by City Manager Garvin and Councilor Tucholsky at the airport to watch the U.S. Army Golden Knights parachute team. Attended the McMinnville High School Scholarship Night, and the first fundraising event for the Yamhill County Sheriff's Foundation. Attended her monthly meeting with Commissioner Johnston and has been approved to serve on the Local Public Safety Coordinating Council (LPSCC).

Councilor Geary toured the Piquette Hotel that's under construction which received some grant money from MURAC.

Councilor Tucholsky reported the Airport Commission has not met since the last meeting. The DEI Advisory Committee has their Juneteenth celebration on June 19th held on 3rd Street by the old Tommy's Bike Shop at 5 p.m. and this event is free of admission.

City Manager Adam Garvin reported ongoing discussions with Water & Light regarding the Miller Street property, fuel farm, and fleet vehicle acquisition.

He noted the CPR building design has been refined to reduce the footprint, with a presentation planned for the June 23 work session targeting a Concrete Masonry Units (CMU) structure on the wet side and a pre-engineered metal building on the dry side. He also announced that an offer was extended and accepted for the Parks and Recreation Director position, with a public announcement planned for the June 23 meeting pending completion of background checks. The new director's anticipated start date is Monday, July 27.

Finance Director Katie Henry reported that the city's new auditors will be on-site Wednesday and Thursday of the following week for the interim audit. As this is the auditors' first engagement with the city, they may reach out directly to councilors with questions regarding fraud concerns and council oversight practices

9. ADJOURNMENT OF REGULAR MEETING: Mayor Morris adjourned the meeting at 8:26 p.m.

s/s Claudia Cisneros
Claudia Cisneros, City Recorder