



**Kent Taylor Civic Hall  
200 NE Second Street  
McMinnville, OR 97128**

**City Council Work Session Agenda  
Wednesday, January 22, 2020  
6:00 p.m. – Work Session  
**REVISED 01/21/2020****

1. CALL TO ORDER
2. PRESENTATION & DISCUSSION – Growth Planning
3. ADJOURNMENT

Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the having impaired or for other accommodations for persons with disabilities should be made a least 48 hours before the meeting to the Claudia Cisneros, City Recorder (503) 435-5702.



**City of McMinnville**  
**Planning Department**  
231 NE Fifth Street  
McMinnville, OR 97128  
(503) 434-7311  
[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

## STAFF REPORT

**DATE:** January 22, 2020  
**TO:** Mayor and City Councilors  
**FROM:** Heather Richards, Planning Director  
**SUBJECT:** Work Session – Growth Planning  
**STRATEGIC PRIORITY & GOAL:**



### **GROWTH & DEVELOPMENT CHARACTER**

Guide growth & development strategically, responsibly & responsibly to enhance our unique character.

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



### **HOUSING OPPORTUNITIES** [ACROSS THE INCOME SPECTRUM]

Create diverse housing opportunities that support great neighborhoods.

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



### **ECONOMIC PROSPERITY**

Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors.

**OBJECTIVE/S:** Accelerate growth in living wage jobs across a balanced array of industry sectors



### **COMMUNITY SAFETY & RESILIENCY**

Proactively plan for & responsively maintain a safe & resilient community.

**OBJECTIVE/S:** Provide exceptional police, municipal court, fire, emergency medical services EMS), utility services and public works

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### **Report in Brief:**

This is a work session to discuss options for how the City Council would like to move forward with growth planning in McMinnville.

### **Background:**

On March 13, 2018, staff conducted a work session with the City Council about growth planning and current efforts underway. At that time staff was gearing up to invest time and resources into a need study – future housing, employment and public lands need for McMinnville’s future. How we conducted that study and the data that we cultivated would inform our future decision-making – ie how we plan to meet the need.

Cities should have enough buildable land within their city limits to support five years of future growth and enough land in their urban growth boundary to support twenty years of future growth. However, cities can also plan for fifty years of future growth (Urban Reserve Area).

Due to the amount of time and resources that McMinnville has spent historically on planning for future growth without success (33 years, 1000s of hours of staff time, 1000s of hours of community engagement, and \$1,000,000), staff recommended that City Council consider investing in a fifty year planning program that identifies a Urban Reserve Area and then the Urban Growth Boundary is

planned for out of that area. Several other cities had conducted the same process successfully, Sandy, Redmond, Madras, Medford, Phoenix, Ashland, Talent Central Point and Eagle Point, and it seemed like a good program for McMinnville to consider, given constraints associated with infrastructure planning (steep hills to the west and waterways on the north, south and east), and the ability to do better long-term comprehensive growth planning within a larger area of land for a longer timeframe in a region that is very land constrained and surrounded by resource lands (farm and forest lands).

City Council agreed, and provided direction for staff to move forward with a fifty year planning horizon during the needs analysis.

After working through a draft needs analysis that identified the need to expand land supply even with aggressive housing density strategies, staff conducted a joint work session with City Council and the Board of County Commissioners on August 21, 2019, explaining that the results of the needs analysis indicated a need for a Urban Growth Boundary amendment and asked for direction on next steps.

At that work session, City Council and the Board of County Commissioners reaffirmed the city's approach to identify an Urban Reserve Area for a long-term growth plan, and then identify a Urban Growth Boundary amendment from the Urban Reserve Area for the twenty year land supply.

### **Discussion:**

Staff then applied for a Department of Land Conservation and Development (DLCD) Technical Assistance grant for \$50,000 (matched locally by \$155,000) on October 1, 2019. (Please see attached application.) This application was modeled upon the award-winning City of Redmond process.

DLCD communicated back to city staff that they did not feel that the process outlined (identify an Urban Reserve Area for long-term growth planning and then identify an Urban Growth Boundary amendment from the Urban Reserve Area for the twenty year land supply required by state regulations) was a defensible process in state regulations.

City legal counsel (Spencer Parsons from Beery, Elsner and Hammond) then provided a memorandum describing how this process was supported by state law (please see attached), and legal counsel, city staff and DLCD staff all met to discuss the issue further. City staff pointed out that the same process had not only been acknowledged and supported by DLCD and acknowledged by the Land Conservation and Development Commission in three other communities (Sandy, Redmond and Madras), but that Redmond had received a state-wide planning award for the process and often presented about this particular process as a model growth planning process with DLCD staff in the years to follow.

On January 16, 2020, the City of McMinnville received a letter from DLCD indicating that they would reward a grant of \$25,000 to the City of McMinnville to follow a traditional Urban Growth Boundary amendment model and that the City of McMinnville could choose to pursue an Urban Reserve Area directly thereafter. (Please see attached.) The City could mobilize consultants to evaluate both land supplies, but the Urban Growth Boundary could not be identified after the Urban Reserve Area.

This subtlety changes the process and results dramatically, and staff would like to conduct a work session with City Council about those changes and receive direction on how they want to move forward.

**McMINNVILLE'S  
FUTURE**

# Growth Chart

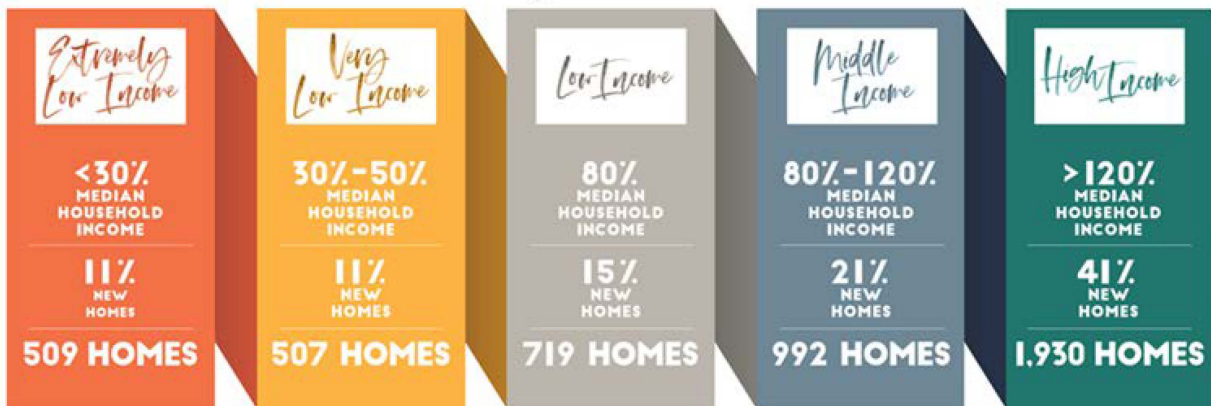
	TOTAL POPULATION	GROWTH PEOPLE	GROWTH HOMES
2041	46,549	12,739	5,002
2067	62,804	28,045	11,012



**McMINNVILLE'S  
FUTURE GROWTH**



# Housing Needs





# 1Department of Land Conservation and Development

## 2019-21 TECHNICAL ASSISTANCE GRANT APPLICATION

Please complete each section in the form below. Type or write requested information in the spaces provided. **Submit completed applications by October 1, 2019.**

**Date of Application:** October 1, 2019

**Applicant:** City of McMinnville

(If council of governments, please also include the recipient jurisdiction name if applicable)

**Street Address:** 231 NE Fifth Street

**City:** McMinnville

**Zip:** 97128

**Contact name and title:** Heather Richards, Planning Director

**Contact e-mail address:** Heather.Richards@mcminnvilleoregon.gov

**Contact phone number:** 503-474-5107

**Grant request amount** (in whole dollars): \$50,000

**Local Contribution** (recommended but not required): \$155,000

**Project Title:**

Growing McMinnville Mindfully – City of McMinnville Growth Analysis

**Project summary:** (Summarize the project and products in 50 words or fewer)

This project will establish a sufficiency of buildable lands within an Urban Reserve Area (URA) and Urban Growth Boundary (UGB) to accommodate McMinnville's future employment and housing needs for the planning periods of 2021-2041 and 2021-2067 per Oregon Land Use Goal 14 and OAR 660.

**Project Description & Work Program**

Please describe the proposed project, addressing each of the following in an attachment.

**A. Goals and Objectives.** State the goals or overall purpose of the project. Describe particular objective(s) the community hopes to accomplish. Please indicate whether this is a stand-alone project or is part of a longer multi-year program. If it is the latter, describe any previous work completed, subsequent phases and expected results, and how work beyond this project will be funded.

**B. Products and Outcomes.** Clearly describe the product(s) and outcome(s) expected from the proposed project. Briefly describe any anticipated significant effect the project would have on

development, livability, regulatory streamlining, and compliance with federal requirements, socioeconomic gains, and other relevant factors.

**C. Work Program, Timeline & Payment.**

**1. Tasks and Products:** List and describe the major tasks and subtasks, with:

- The title of the task
- Steps to complete task
- The interim and final products for each task

**2. Timeline:** List all dates for the project including tentative start date after the contract is signed, task completion dates, and project completion date. If the project is part of a multi-year program, provide an overview of the expected timelines in sequence of expected start dates and completion date for each phase and describe subsequent phases to be completed.

**3. Payment Schedule:** Develop a requested payment schedule showing amount of interim and final payments. Include the products that will be provided with each payment request. The payment schedule should generally include no more than two payments – an interim and final payment.

**D. Evaluation Criteria.** Include a statement in the narrative that addresses the program priorities and evaluation criteria presented in the application instructions (“Eligible Projects and Evaluation Criteria”).

**E. Project Partners.** List any other public or private entities that will participate in the project, including federal and state agencies, council of governments, city and county governments, and special districts. Briefly describe the role of each (*e.g.*, will perform work under the grant; will advise; will contribute information or services, etc.).

**F. Advisory Committees.** List any advisory committee or other committees that will participate in the project to satisfy the local citizen involvement program.

**G. Cost-Sharing and Local Contribution.** DLCD funds are only a part of overall project costs; please identify sources and amounts of other funds or services that will contribute to the project’s success. Cost-sharing (match) is not required, but could be a contributing factor to the success of the application.

**Will a consultant be retained to assist in completing grant products?** Yes ☒ No ☐

**Local Official Support**

The application ***must include a resolution or letter from the governing body*** of the city, county, district, or tribe demonstrating support for the project. If the applicant is a council of governments on behalf of a city, a letter or resolution from the city council supporting the application must be included. *The application will not be complete if it does not include this item.* The letter of support

may be received by DLCD after the application submittal deadline, but it must be received before a grant is awarded.

### **Product Request Summary**

<b>Product</b>		<b>Grant Request</b>		<b>Local Contribution</b>		<b>Total Budget</b>
1	\$	<u>\$10,000</u>	\$	<u>\$15,000</u>	\$	<u>\$25,000</u>
2	\$	<u>\$20,000</u>	\$	<u>\$20,000</u>	\$	<u>\$40,000</u>
3	\$	<u>\$20,000</u>	\$	<u>\$20,000</u>	\$	<u>\$40,000</u>
4	\$	<u>      </u>	\$	<u>\$50,000</u>	\$	<u>\$50,000</u>
5	\$	<u>      </u>	\$	<u>\$50,000</u>	\$	<u>\$50,000</u>
6	\$	<u>      </u>	\$	<u>      </u>	\$	<u>      </u>
7	\$	<u>      </u>	\$	<u>      </u>	\$	<u>      </u>
8	\$	<u>      </u>	\$	<u>      </u>	\$	<u>      </u>
<b>TOTAL</b>	\$	<u>\$50,000</u>	\$	<u>\$155,000</u>	\$	<u>\$205,000</u>

Submit your application with all supplemental information to:

Gordon Howard, Community Services Division Manager

E-mail (preferred): [DLCD.GFGrant@state.or.us](mailto:DLCD.GFGrant@state.or.us)

Mail: Department of Land Conservation and Development  
635 Capitol Street N.E., Suite 150  
Salem, OR 97301

Phone: 503-503-934-0034

**APPLICATION DEADLINE:      October 1, 2019**





**PLANNING DEPARTMENT**, 231 NE Fifth Street, McMinnville, Oregon 97128  
[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

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## **DLCD TA GRANT APPLICATION – GROWTH ANALYSIS TO SUPPORT MCMINNVILLE’S FUTURE EMPLOYMENT AND HOUSING NEEDS**

### **“GROWING MCMINNVILLE MINDFULLY”**

#### **A. GOALS AND OBJECTIVES:**

**GOAL:** The City of McMinnville’s goal for this project is to establish a sufficiency of buildable lands within an Urban Reserve Area (URA) and Urban Growth Boundary (UGB) to accommodate McMinnville’s future employment and housing needs for the planning periods of 2021-2041 and 2021-2067, utilizing a data-driven analysis and community strategy to help address the city’s economic development efforts in growing their business and job base, and to provide for projected necessary affordable and workforce housing. McMinnville’s last successful attempt at this type of effort was in 1980 for the planning period of 1980-2000.

McMinnville is just now completing a Housing Needs Analysis, Economic Opportunities Analysis and Buildable Lands Inventory for the planning periods of 2021-2041 and 2021-2067. And even with a commitment to higher density housing and land-use efficiency measures, that analysis is showing a need for additional land supply to promote economic development, and affordable and workforce housing,

Over the next two years McMinnville would like to conduct a URA/UGB locational analysis in order to make sure that the City is setting the stage for continued prosperity and quality of life in McMinnville while at the same time striving to protect Yamhill county farm and forest lands for future generations.

McMinnville is choosing to conduct a locational analysis for both an URA and UGB concurrently due to the fact that McMinnville has invested millions of dollars, staff time and community dialogue in several failed attempts at establishing sufficient land supply for a twenty-year planning period over the past thirty years. The City cannot stop investing in growth planning but feels that it needs to be a good steward of public funds and is electing

to invest in this effort in such a way that it plans for fifty years of land supply and not just twenty years of land supply, taking advantage of the cost savings associated with committed community engagement for both dialogues, reconnaissance level infrastructure planning past the twenty year planning horizon, and mobilized consultants. In this way, the City is hoping to be thoughtful and strategic with future master planning for targeted economic development goals, great neighborhoods that are inclusive, diverse and higher density, public amenities that are accessible and sustainable, natural hazard mitigation, natural resource protection, and fiscally prudent infrastructure investments that serve current and future generations of residents and businesses.

In January 1982, the City of McMinnville adopted an urban growth boundary (UGB) intended to meet the needs of the community for the 1980-2000 planning period. In 1998, McMinnville started the necessary evaluation and analysis for the next planning period of 2000-2020. After some challenges, this planning period was revised to 2003-2023. In 2007-2008, the City submitted a UGB amendment to the Department of Land Conservation and Development (DLCD) for the inclusion of 1,188 gross acres and the adoption of several land-use efficiency measures. This UGB amendment was subsequently appealed on a number of issues. In July, 2011, the court of appeals remanded that submittal, approving the inclusion of 217 buildable acres of exception-only land in the UGB. This left McMinnville with a constrained land supply system for housing, especially affordable and workforce housing.

As a result McMinnville is in the midst of an affordable housing crisis with limited developable land supply. Two of McMinnville's largest homebuilders are developing their last parcels of land. The City and its housing partners have not been able to participate in any of the Oregon Housing and Community Services affordable housing programs as no one is able to find and secure a piece of developable land within the city to construct an affordable housing project. Since 2010 McMinnville has been experiencing its slowest AAGR (0.4 – 0.5%) in the history of the community, currently performing at 1/3 of the projected assigned capacity denoted by the coordinated population forecast for Yamhill County. Ironically, at the same time, the unincorporated county is growing at an unprecedented rate of 1.9%, three times its projected growth rate in the coordinated population forecast for Yamhill County.

McMinnville employers are losing employees due to the lack of available housing and recruitment of new employees from out-of-town is very problematic. Anecdotally, the overall feeling in McMinnville is that new employee workforce working in McMinnville cannot find housing to live in McMinnville for all income levels – entry-level to management. Supply is very limited which in turn is driving up housing prices in both the ownership and rental markets. Employers are reporting that they are struggling to fill positions because new employees are not able to find housing in McMinnville. In a tight employment market, manufacturing employees that cannot find affordable workforce housing are not willing to commute from other communities. Software development

companies cannot place their entry-level professionals in housing. And the hospital has reported that it is struggling to hire new doctors and nurses due to limited mid-management and executive housing supply.

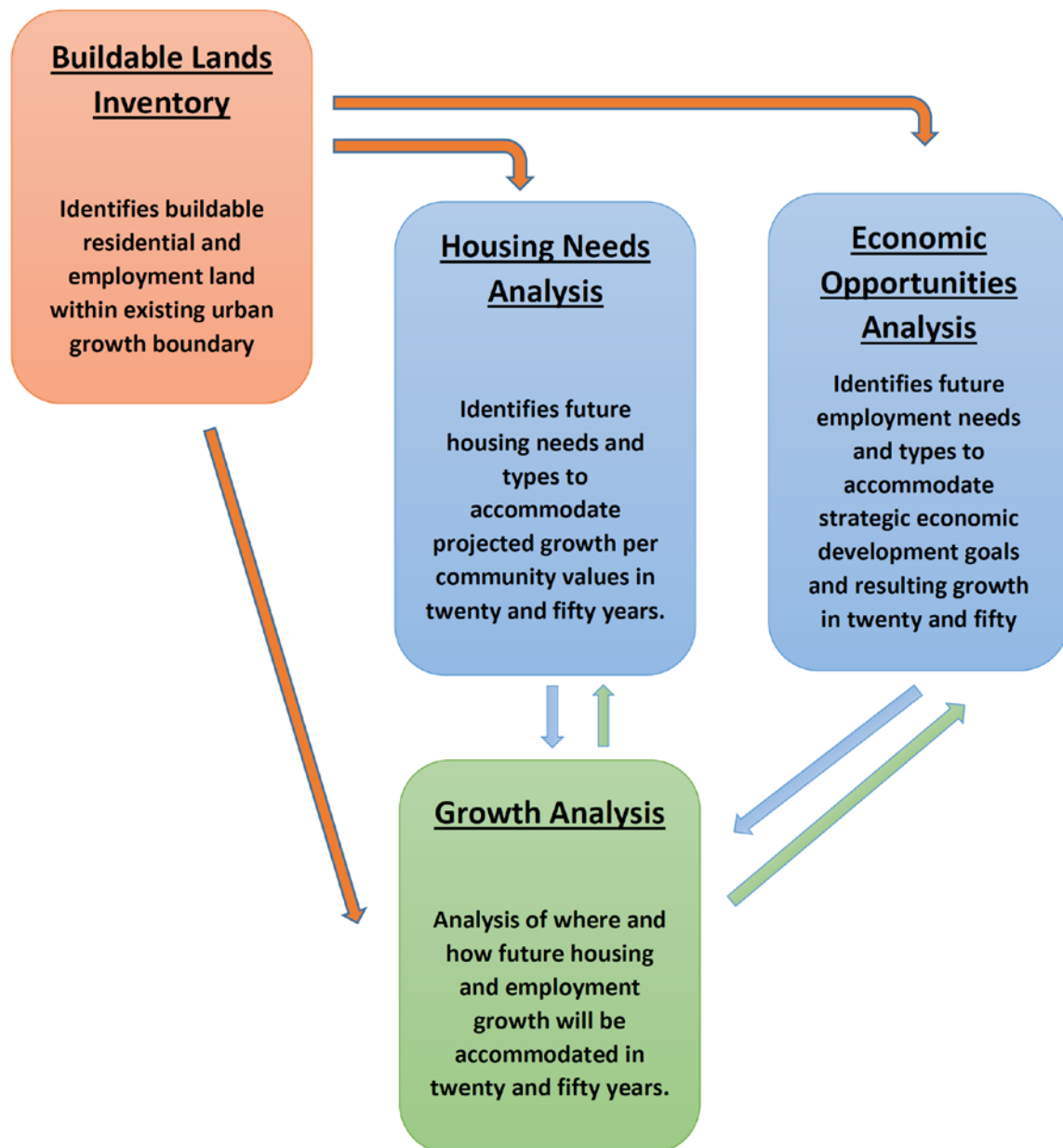
The McMinnville City Council recognizes the need to continue to invest in planning for the community's future, but the city needs a little bit of grant assistance to be able to afford the necessary planning analysis, evaluation and community dialogue associated with growth planning in Oregon.

In 2017, the City authorized planning staff to initiate a new Goal 9, Goal 10 and Goal 14 analysis for the city of McMinnville. With a grant for \$30,000 from DLCD that was matched with \$95,000 from the General Fund, McMinnville updated its Buildable Lands Inventory, conducted a Housing Needs Analysis, updated its Economic Opportunity Analysis, developed a City Center Housing Strategy to incentivize higher density housing in the city center, and developed a draft Housing Strategy that mirrored the goals and principles of the Missing Middle HB 2001.

Those efforts show a need for an UGB expansion. On August 21, 2019 at a joint work session with the Yamhill County Commissioners, the McMinnville City Council directed planning staff to initiate an Urban Reserve Area and Urban Growth Boundary locational analysis. (Please see attached power point from the work session).

The McMinnville City Council would like to continue to leverage their investment from the General Fund for the next phase of growth planning – a Goal 14 analysis - in the same manner as the successful efforts over the past two years.

This project will take the data collected in the Buildable Lands Inventory, Housing Needs Analysis and Economic Opportunities Analysis and conduct a locational growth analysis that will continue to evaluate efficiency measures, and URA/UGB land expansion scenarios to identify a preferred URA/UGB expansion scenario that will serve as McMinnville's sufficient land supply for the planning horizons of 2021-2041 and 2021-2067, supporting McMinnville's vision for its future and balancing the urban needs of residential and economic development within the city limits while at the same preserving high value resource lands in Yamhill County. (Please see figure below).



This project will be conducted as a comprehensive and inclusive community dialogue, engaging residents and businesses, local and regional partners so that there is general consensus about need, efficiency measures, locational analysis and solutions moving forward.

OBJECTIVES:

1. Create a collaborative process that is inclusive and focused on solutions.
2. Through a comprehensive public process that is inclusive and informed, develop a realistic and cohesive strategy for employment and housing development in McMinnville that serves both the economic development vision for the City of McMinnville as well as manages the quality of life for existing and future residents of McMinnville and Yamhill County for the planning periods of 2021-2041 and 2021-2067.
3. Establish policy guidelines and implementation measures to meet the community's immediate and future employment and housing needs within a framework of ensuring that the community's values and quality of life are accessible for all residents both current and future generations.
4. Identify a package of efficiency measures that are strategic and intentional to support McMinnville's future growth defined by McMinnville's community values and principles.
5. Establish buildable land supply sufficient to accommodate McMinnville's future employment and residential needs for the next twenty and fifty years, incorporating McMinnville's Economic Development Strategic Plan and Great Neighborhood Principles ensuring that both current and future generations of McMinnville residents enjoy an inclusive and prosperous quality of life.
6. Identify land expansion scenarios that accommodate a fifty year land supply and twenty year land supply need that is thoughtful and ensures that future growth projections are accommodated at an urban density within the City of McMinnville protecting surrounding farm and forest lands as much as possible while balancing the need for quality of life for McMinnville's residents and businesses.
7. Develop a preferred land expansion scenario for a fifty year URA and a twenty year UGB that will serve future generations of residents and businesses for both the City of McMinnville and Yamhill County.

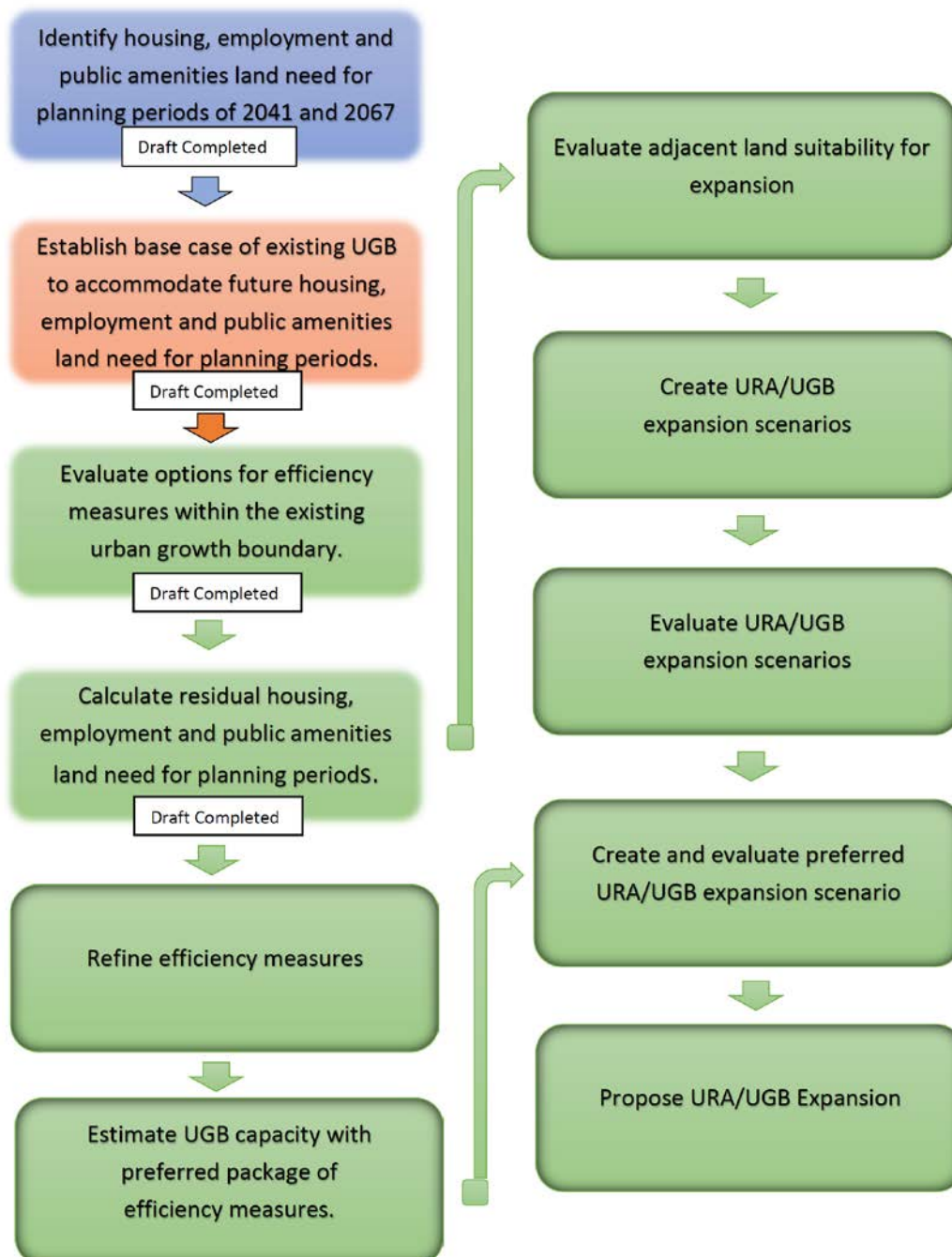
## **B. PRODUCTS AND OUTCOMES:**

The City will hire a consultant team to work with industry experts, a project advisory committee (comprised of both a citizen advisory committee and a technical advisory committee), community focus groups, public forums and other means of public engagement to create the following four products:

- 1) *Efficiency Measures – Findings and Amendments:*** Efficiency measures are changes to plan designations, zoning designations, and development code standards to allow and encourage more efficient use of land within the existing UGB. State regulations require cities to consider efficiency measures prior to any boundary expansion. This product will help the city identify land-use efficiency measures that will address Oregon’s Land Use Goal 14, ORS 197.296, ORS 197.298 and OAR 660.
- 2) *Urban Reserve Area Boundary Alternatives Evaluation – Methodology and Results:*** This product will develop a boundary analysis methodology that is compliant with state regulations, identify and evaluate six different URA land-use expansion scenarios to consider for a future expansion.
- 3) *Urban Reserve Area Preferred Scenario – Findings and Proposed Amendments:*** Coupled with the adoption of efficiency measures, this product will establish a McMinnville urban reserve area as part of its strategy to provide sufficient land for economic development and housing for a fifty-year planning horizon.
- 4) *Urban Growth Boundary Alternatives Evaluation – Methodology and Results:*** This product will develop a boundary analysis methodology that is compliant with state regulations, identify and evaluate six different UGB land-use expansion scenarios to consider for a future expansion. .
- 5) *Urban Growth Boundary Preferred Scenario – Findings and Proposed Amendments:*** Coupled with the adoption of efficiency measures, this product will expand the city’s urban growth boundary as part of its strategy to provide sufficient land for economic development and housing for a twenty-year planning horizon.

## C. WORK PROGRAM, TIMELINE AND PAYMENT

This project will build on the City of McMinnville’s planning efforts over the past two years.



## 1. TASKS AND PRODUCTS

**Task 1: Consultant Selection:** The City will hire a consultant team based upon a competitive Qualifications Based Selection process. The selection team will consist of city staff and local partners. *(Commence immediately upon award. In-kind staff time)*

*Product: Consultant Contract*

*Timeframe: 1 – 2 Months*

**Task 2: Project Advisory Committee Selection:** The City will appoint an ad-hoc advisory committee comprised of interested citizens and persons with economic development, housing and public infrastructure experiences to provide guidance and direction throughout the process. The City will advertise the opportunity to participate to the general public through a variety of communication portals with an interest in attracting participation from representative demographic groups in the community – youth, young professionals, families, retirees, Latino community, and accessibility community. The City will also reach out to specific partners requesting representatives to participate – McMinnville Planning Commission, McMinnville Affordable Housing Task Force, McMinnville Economic Development Partnerships, Housing Authority of Yamhill County, Yamhill County, Friends of Yamhill County, McMinnville Water and Light, McMinnville Chamber of Commerce, McMinnville School District, etc. Finally, the City will ask for technical support from City, Yamhill County, Department of Land Conservation and Development, and Oregon Housing and Community Services staff. *(Commence immediately upon award. In-kind staff time)*

*Product: Appoint Project Advisory Committee*

*Timeframe: 1 – 2 Months*

**Task 3: Project Kick-Off Meeting:** The selected consultant will meet with the Project Advisory Committee (PAC). At this meeting the following items would be discussed: *(\$5,000)*

- Project Charter: Clarification of the project's purpose, role of the PAC, Goals and Objectives.
- Clarification of the project scope and schedule
- Public Involvement Plan
- Community dynamics, existing conditions, policies and background information that could inform the analysis.



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*Product: Project Charter Memorandum*

*Public Involvement Plan Memorandum*

*Background Review Memorandum*

*Timeframe: 1 – 3 Months*

**Task 4: Efficiency Measures Refinement and Evaluation:** Test and refine the efficiency measures and strategies developed in the Housing Strategy and Economic Development Strategy. (\$20,000)

The purpose of this task is to identify land-use efficiency measures and evaluate the potential benefits and trade-offs associated with each measure relative to McMinnville’s community goals, values, policies and principles.

- Identify efficiency measures adopted since last periodic review and quantify effects.
- Review efficiency measures in draft Housing Strategy and Economic Development Strategy
- Research additional efficiency measures to consider
- Identify potential benefits and trade-offs of efficiency measures relative to McMinnville’s Great Neighborhood Principles and Economic Development Strategic Plan
- Capacity of existing UGB and efficiency measures.
- Public facility planning and new efficiency measures.
- Identify new package of efficiency measures
- Identify impact of new efficiency measures.

*Product: Memorandum – Draft Findings for Efficiency Measures that have been adopted since the last periodic review.*

*Memorandum – Draft New Proposed Efficiency Measures*

*Memorandum – Draft Efficiency Measures Policies and Development Code*

*Timeframe: 2 – 4 Months*

**Task 5: Urban Reserve Area (URA) Expansion Alternatives Analysis:** Develop six expansion alternatives for consideration of a McMinnville Urban Reserve Area, consistent with OAR 660, Division 21 and Goal 14. (\$80,000)

- Develop boundary analysis methodology that is compliant with state regulations.
- Create base map with Goal 14 factors identified.
- Develop six expansion scenarios.
- Evaluate scenarios – alternatives analysis.
- Select URA Preferred Scenario

*Product: Draft URA Expansion Alternatives Analysis*

*Draft URA Preferred Scenario*

*Memorandum – Draft Amendments and Findings for URA Preferred Scenario*

*Timeframe: 6 – 8 Months*

**Task 6: Urban Growth Boundary (UGB) Expansion Alternatives Analysis:** Develop six expansion alternatives for consideration of a McMinnville Urban Growth Boundary, consistent with OAR 660, Division 24 and Goal 14. (\$100,000)

- Develop boundary analysis methodology that is compliant with state regulations.
- Conduct reconnaissance level infrastructure planning
- Develop six expansion scenarios.
- Evaluate scenarios – alternatives analysis.
- Select UGB Preferred Scenario

*Product: Draft UGB Expansion Alternatives Analysis*

*Draft UGB Preferred Scenario*

*Memorandum – Draft Amendments and Findings for UGB Preferred Scenario*

*Timeframe: 6 – 8 Months*

**City of McMinnville Staff Roles and Responsibilities:**

- Review and comment on all draft work products.
- Appoint CAC and TAC members and serve as key contact for committee members.
- Make logistical arrangements for CAC, TAC and Public Meetings, including reserving venues, providing refreshments as needed, distributing meeting materials to participants and posting announcements and meeting materials on the Project Webpage.
- Maintain notification lists for PAC and interested persons.
- Provide public notice of PAC and Public meetings to media and persons who have requested it.
- In coordination with community volunteers, make speakers bureau presentations and summarize results.
- Update City of McMinnville webpage with a “Growing McMinnville Mindfully” project webpage and regularly update the page with materials and links to other online sites provided by the consultant.
- Participate in strategy meetings and conference calls with consultant approximately twice per month.
- Serve as regular contact for communication with public and local media representatives.

**Public Involvement Plan:**

- Establishment of a Project Advisory Committee with a Citizen Advisory Committee and Technical Advisory Committee.
- Development of a brand to identify with the community dialogue and initiative, “Growing McMinnville Mindfully”
- Promotion of the initiative and consistent interaction with the public through social media sites established by the city for planning purposes, “McMinnville Matters”.
- Development of an online project webpage.
- Development of a Speakers Bureau and Project Ambassadors.
- Community Forums and Open Houses

## 2. TIMELINE

The anticipated project timeframe is 18 months from start to completion, with a project start shortly after contract signatures. It is expected that some of the tasks outlined above will concurrently.

## 3. PAYMENT SCHEDULE

The City of McMinnville will enter into a contract with the consultant that has a payment schedule based upon monthly invoices showing completion or partial completion of tasks outlined in the agreed upon scope of work, and then will request payment from DLCD grant at the conclusion of Task 3 and the conclusion of Task 5.

## D. EVALUATION CRITERIA

This project addresses several of the program priorities as outlined below:

**Promote Economic Development:** Sufficient land supply for economic development and affordable and workforce housing is a priority objective in the MAC Town Economic Development Strategic Plan that was adopted by the McMinnville City Council in February, 2019. Ironically McMinnville's economic attractiveness is not necessarily hampered by lack of industrial land supply, high costs of utilities, or lack of infrastructure, currently it is hampered most by lack of housing for workforce of all income levels. Although housing is not a traditional economic development planning initiative, it has become a priority economic development planning problem in McMinnville due to the fact that limited housing supply is impacting businesses ability to expand, and attract new talent to their business. Establishing sufficient land supply to meet the community's economic development and housing needs for the next twenty and fifty years will help McMinnville position itself as a thriving, innovative employment center for Yamhill County.

**Promote provision of affordable and workforce housing:** Affordable housing has been a priority goal of the McMinnville City Council for the past five years. In 2016, the McMinnville City Council appointed an affordable housing task force to evaluate affordable housing issues in McMinnville and develop an action plan. Over 1/3 of McMinnville home owners live in unaffordable conditions where they are spending more than 30% of their household income on household expenses. Over 54% of renters are in unaffordable conditions.

For the past five years, the McMinnville Affordable Housing Task Force and the McMinnville Planning Commission have been evaluating the McMinnville Zoning Ordinance and Development Code for affordable housing measures to incentivize more affordable housing in the community. The McMinnville City Council adopted a Development Fee Incentive program in the fall of 2016 to exempt affordable housing projects from system development charges and provide reduced permitting fees. Zoning ordinance text amendments to make it easier to build accessory dwelling units, cottage cluster developments and multi-family housing in low density residential zones have also been evaluated and are now being implemented. McMinnville also encourages skinny street construction and land-use efficiencies relative to open space planning. The results of these efforts have been promising as several multi-family affordable housing projects are now starting to be conceptualized and permitted. However that is clearly not enough as permitting levels still are trending at historic low numbers and the costs of housing are reaching record highs. The McMinnville Affordable Housing Task Force elected to make a Housing Needs Analysis and Housing Strategy as part of their third year action plan due to constrained resources. In FY 2018-19 the City of McMinnville conducted a Housing Needs Analysis which identified the need for affordable and workforce housing. The City of McMinnville then drafted a Housing Strategy predicated on inclusive Great Neighborhood Principles that encourage a variety of housing types to serve a variety of household incomes. Even before the passage of HB 2001, McMinnville was in discussions about changing its zoning regulations to account for two residential zones, one that incentivized “missing middle” and single family homes, and one that was high density residential. However it will be difficult to achieve significant missing middle housing as part of an infill and redevelopment program. Even HB 2001 recognizes that missing middle housing will more than likely be achieved as part of neighborhood master planning. To achieve this, a community needs to have the appropriate type of land supply available for neighborhood master planning. A thoughtful and mindful growth analysis that balances the needs of urban planning with resource land protection will allow McMinnville to work towards providing more affordable and workforce housing in its program.

***Update comprehensive plans and implementing codes to respond to changes in state law or advance regulatory streamlining:*** It is the intent of the City of McMinnville that the “Growing McMinnville Mindfully” project will lead to comprehensive plan and code amendments that will support recent state mandates for affordable and workforce housing.

## E. PROJECT PARTNERS

McMinnville's ability to provide sufficient lands to accommodate future employment and housing needs has been identified as a top priority for many different partners throughout the City of McMinnville and the region.

Recently after a year-long community and local/regional partner engagement, the City of McMinnville adopted a new Strategic Plan with seven different strategic priorities. Of those, three directly relate to this planning effort:

**Economic Prosperity:** Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors.

Objectives:

- Accelerate growth in living wage jobs across a balanced array of industry sectors.
- Improve systems for economic mobility and inclusion.
- Foster opportunity in technology and entrepreneurship.
- Be a leader in hospitality and place-based tourism.
- Locate higher job density activities in McMinnville.
- Encourage connections to the local food system and cultivate a community of exceptional restaurants.

**Growth and Development Character:** Guide growth and development strategically, responsively, and responsibly to enhance our unique character.

Objectives:

- Define the unique character through a community process that articulates our core principles
- Educate and build support for innovative and creative solutions.
- Strategically plan for short and long-term growth and development that will create enduring value for the community.

**Housing Opportunities (across the income spectrum):** Create diverse housing opportunities that support great neighborhoods.

Objectives:

- Collaborate to improve the financial feasibility of diverse housing development opportunities
- Conduct thorough and timely planning and forecasting to ensure that regulatory frameworks and land supply align with market-driven housing needs.

The City of McMinnville will engage the following partners in the project: McMinnville City Council, McMinnville City staff, McMinnville Planning Commission, McMinnville Affordable Housing Task Force, Yamhill County Commissioners and staff, McMinnville Economic Development Partnership, McMinnville Chamber of Commerce, McMinnville Downtown Association, Visit McMinnville, the Housing Authority of Yamhill County, Oregon Housing and Community Services, Department of Land Conservation and Development, and 1000 Friends of Oregon/Friends of Yamhill County. Partners will be asked to serve on either the Project Advisory Committee, Focus Groups, or as a technical resource.

Recognizing the need and priority for this project, the following partners have committed their support to the project, either via a letter of support or as an adopted item in their action plan/work plan.

Representative Ron Noble *(Please see attached letter of support)*  
Regional Solutions Team *(Please see attached letter of support)*  
McMinnville City Council *(Please see attached letter of support)*  
McMinnville Chamber of Commerce *(Please see attached letter of support)*  
McMinnville Economic Development Partnership *(Please see attached letter of support)*  
McMinnville Downtown Association *(Please see attached letter of support)*  
Visit McMinnville *(Please see attached letter of support)*  
McMinnville Affordable Housing Task Force *(Adopted as part of action plan)*  
McMinnville Planning Commission *(Adopted as part of their work plan)*

## **F. ADVISORY COMMITTEES**

The City of McMinnville will establish a Project Advisory Committee that is comprised of both a Citizen Advisory Committee and a Technical Advisory Committee.

The City of McMinnville recently revised its Citizen Involvement Program to adopt some goals and policies that strive for full community demographic representation on project advisory committees. The City will reach out to stakeholders and partners such as The Housing Authority of Yamhill County, McMinnville Economic Development Partnership, McMinnville Chamber of Commerce, housing developers, local business owners, the McMinnville School District, McMinnville Industrial Promotions, Visit McMinnville, Yamhill County, 1000 Friends of Oregon, etc. inviting them to participate. Liaisons from the McMinnville Planning Commission and the McMinnville Affordable Housing Task Force will be appointed to participate and provide a valuable conduit to those two other committees via updates and information gathering. And the city will also make a concerted effort to

include people representing the growing Latino community in McMinnville, representatives from the accessibility community, youth, young professionals, families and retirees.

#### **G. COST-SHARING AND LOCAL CONTRIBUTION**

The City of McMinnville anticipates contributing \$155,000 to the overall project costs (approximately 75% of the project budget) as well as staff time and support. \$100,000 of the funds are currently budgeted in the FY 19/20 budget, and it is anticipated that the remaining \$55,000 will be appropriated in the FY 20/21 budget. This project has been identified as a near-term priority project in the City of McMinnville's strategic plan adopted in 2018.





**OFFICE OF THE MAYOR**, 230 NE Second Street, McMinnville, Oregon 97128  
[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

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September 30, 2019

RE: CITY OF MCMINNVILLE DLCD TA GRANT APPLICATION

To whom it may concern:

The City of McMinnville appreciates the opportunity to apply for a Department of Land Conservation and Development (DLCD) Technical Assistance grant to help fund a much-needed and long overdue McMinnville Urban Reserve Area (URA) and Urban Growth Boundary (UGB) Locational Analysis. Our last successful attempt at this type of effort was in 1980 for the planning period of 1980-2000. We are just now completing our Housing Needs Analysis, Economic Opportunities Analysis and Buildable Lands Inventory for a planning period of 2021-2041 and 2021-2067. Even with a commitment to higher density housing and land-use efficiency measures, that analysis is showing a need for additional land supply to promote economic development, and affordable and workforce housing,

Over the next eighteen months (18) we would like to conduct a URA/UGB locational analysis in order to make sure that we are setting the stage for continued prosperity and quality of life in McMinnville while at the same time striving to protect Yamhill county farm and forest lands for future generations.

This letter should serve as the McMinnville City Council's support for this grant application. The required local funding match is currently identified in McMinnville's draft 2019/2020 budget.

As you know, in January 1982, the City of McMinnville adopted an urban growth boundary (UGB) intended to meet the needs of our community for the 1980-2000 planning period. In 1998, we started the necessary evaluation and analysis for the next planning period of 2000 – 2020, as part of a comprehensive review of our 20-year planning needs. After some challenges, this planning period was revised to 2003-2023. In 2007-2008, the City submitted a UGB amendment to the Department of Land Conservation and Development (DLCD) for the inclusion of 1,188 gross acres and the adoption of several land-use efficiency measures. This UGB amendment was subsequently appealed on a number of issues. In July, 2011, the court of appeals remanded that submittal, approving the inclusion of 217 buildable acres of exception-only land in the UGB. Over a ten-year period of effort, the City spent millions of dollars, significant staff resources and ten years to try and meet the mandates of Goal 9, 10 and 14 of the Oregon Land Use system, and were unsuccessful in our attempt to do so.

As a result we are in the midst of an affordable housing crisis with limited developable land supply. Two of our largest homebuilders are developing their last parcels of land. We have not been able to participate in any of the Oregon Housing and Community Services affordable

Page 2

housing programs as we are not able to find a piece of developable land within the city to construct an affordable housing project. Since 2010 we have been experiencing our slowest AAGR (0.4 – 0.5%) in the history of our community, currently performing at 1/3 of the capacity denoted by the coordinated population forecast for Yamhill County. While, ironically, at the same time, the unincorporated county is growing at an unprecedented rate of 1.9%, three times its projected growth rate in the coordinated population forecast for Yamhill County. Our employers are losing employees due to the lack of available housing and recruitment of new employees from out-of-town is very problematic.

Although discouraged by our last effort, the McMinnville City Council recognizes that we need to continue to invest in planning for our community's future. In 2017, we authorized planning staff to initiate a new Goal 9, Goal 10 and Goal 14 analysis for the city of McMinnville. We received a grant for \$30,000 from DLCD to conduct a Housing Needs Analysis. We matched that grant with \$95,000 so that we could complete the Housing Needs Analysis, Economic Opportunities Analysis and Buildable Lands Inventory.

Not surprisingly, those efforts show a need for an UGB expansion. Recently after a work session with the Yamhill County Commissioners, the McMinnville City Council directed planning staff to initiate a Urban Reserve Area and Urban Growth Boundary locational analysis (August 21, 2019). We have budgeted funds for this effort but need some support from the state to help fully fund the project. We wish we could fund the whole planning study, but resources are still very constrained in McMinnville and with limited growth opportunities they remain strained until we can identify what we need to do to stimulate our economy.

The McMinnville City Council is committed to partnering with DLCD and other stakeholders so that this current effort is successful, allowing the city to grow and prosper while maintaining McMinnville's unique charm and the high-value farm and forest lands of Yamhill County.

Yours Sincerely,



Scott Hill,  
Mayor of McMinnville

**RON NOBLE**  
**STATE REPRESENTATIVE**  
DISTRICT 24



**HOUSE OF REPRESENTATIVES**

September 27, 2019

Department of Land Conservation and Development  
635 Capitol Street NE  
Suite 150  
Salem, OR 97301

To Whom It May Concern:

I would like to offer my support for the City of McMinnville's application to the Department of Land Conservation and Development for a Technical Assistance grant, which will allow them to continue important growth planning and analysis.

While the City of McMinnville has a strong strategy to continue to improve land-use efficiencies within the existing urban growth boundary and increase allocations for housing density, there is still a need to expand the urban growth boundary.

The city is moving forward with the growth locational analysis for the next twenty and fifty years, to identify a near-term twenty year land supply (Urban Growth Boundary) for the city to grow into and an additional thirty year land supply (Urban Reserve Area), which will serve the city for the long-term, allowing the city to support its residents and employees with the jobs and housing that it needs to support future generations.

This work consists of land analysis, infrastructure planning, community dialogue, and partnership collaboration. Consultants will be engaged to help with soil analysis, hazard identifications, reconnaissance level infrastructure evaluation and feasibility studies, and a public process to ensure that both the community of McMinnville and Yamhill County are comfortable with the dialogues, opportunities, constraints and conclusions.

The priorities of these efforts include promoting economic development, promoting the provision of affordable and workforce housing, planning for resilience to natural hazards and climate change, providing infrastructure financing plans for urbanizing areas, as well as updating comprehensive plans and implementing codes to respond to changes in state law or advance regulatory streamlining.

This work will set the stage for McMinnville's future, ensuring continued economic vitality, housing availability and sound infrastructure planning. McMinnville is currently at a critical juncture and moving forward with this important work will ensure that McMinnville can continue to thrive and serve its residents, employers and surrounding region.

Thank you for your consideration.

Sincerely,

Representative Ron Noble



**REGIONAL SOLUTIONS OFFICE  
GOVERNOR KATE BROWN**

September 30, 2019

Dear DLCD TA Grant Committee:

On behalf of Governor Brown's Regional Solutions Program in the Mid-Valley, I strongly support the City of McMinnville's Technical Assistance grant application to help them conduct a Urban Reserve Area and Urban Growth Boundary Locational. The Mid-Valley Regional Solutions Program has been actively engaged in McMinnville for more than five years. This project caught our attention because of its alignment with regional priorities including supporting local infrastructure for development activities as well as Governor Brown's priorities on workforce housing and improving the lives of all Oregonians, especially in rural regions.

Our understanding is that after conducting a Housing Needs Analysis, Economic Opportunity Analysis and Buildable Lands Inventory in the past two years, the City of McMinnville learned that they will need to expand their urban growth boundary even after adopting a housing strategy that encourages higher density development and additional land-use efficiency measures. McMinnville's last UGB effort was for a planning period of 1980 - 2000. Their most recent effort to accommodate a planning period of 2003 – 2023 met with significant opposition and was not successful. Now, McMinnville is struggling with land supply to support much needed affordable and workforce housing which is impacting employers opportunities to grow, recruit and retain employees.

The Mid-Valley Regional Solutions Program has been significantly involved in community and economic development efforts in McMinnville. We will continue to be involved with these projects and others, and we look forward to seeing the integration of these planning investments with our other efforts in the near future. Please consider awarding McMinnville the resources to make this work possible and help actualize the region and Governor's priorities.

Sincerely,

Jody Christensen

Governor Kate Brown's Regional Solutions Coordinator – Mid Valley





September 26, 2019

Department of Land Conservation and Development  
635 Capitol Street N.E.  
Suite 150  
Salem, OR 97301

Department of Land Conservation and Development:

The McMinnville Area Chamber of Commerce, the largest business organization in the Greater McMinnville area, is writing in support of the City of McMinnville's application for a Technical Assistance Grant.

The Chamber supports the City's effort to continue the growth and planning analysis that began in 2017. This study will set the stage for our community over the next 20 to 50 years. Through the analysis, the City will identify a near-term twenty-year land supply that will inform our community's growth over the next two decades. It will also enable the City to identify an additional thirty-year land supply, which will enhance the City's long-term planning efforts to provide the residents and businesses of our community with housing and job opportunities to support the needs of future generations.

This grant would greatly assist the City's efforts resulting in sustainability, resiliency and carefully planned growth. The City's goals align with the Chamber's vision of a "thriving, sustainable community," and our mission of "supporting a strong local economy."

We believe that McMinnville will grow significantly over the next 20 to 50 years. A current study of soil analysis, hazard identifications, and reconnaissance-level infrastructure evaluation is necessary to ensure the viability and sustainability of our community.

Thank you for considering the impact this grant would have to our growing community.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gioia Goodrum'.

Gioia Goodrum  
President/CEO  
McMinnville Area Chamber of Commerce

Support a strong local economy; Promote our community; Build networks and relationships; Provide education, awareness and advocacy on public policy.

Scott Cooper, Executive Director  
McMinnville Economic Development Partnership  
231 NE 5th Street  
McMinnville, OR 97128

Dear DLCD TA Grant Committee,

I am writing on behalf of the McMinnville Economic Development Partnership (MEDP) in support of the City of McMinnville Planning Department's proposal to the Department of Land Conservation and Development for Technical Assistance (DLCD TA) Grant to continue to move forward with our growth planning and analysis for the City of McMinnville. We at MEDP strongly believe this analysis of the Urban Growth Boundary and Urban Reserve Area is instrumental to the future economic vitality of the City of McMinnville.

As an organization that focuses on fostering a thriving epicenter of traded-sector business in McMinnville, the first component companies are looking for is available land. McMinnville can't continue to compete with large scale cities at attracting new business due to our decreasing available land inventory.

New business attraction is impacted by not only decreasing levels of industrial lands but also by decreasing residential land growth. For economic development to continue to help support the city, its residents, businesses, and employees it is critical we have the necessary land supplies. Attracting new jobs and a quality workforce to McMinnville means having adequate space for future companies, employees and their families. Without the continuation of the studies for McMinnville's Urban Growth Boundary and the Urban Reserve Area, we suspect our land costs will continue to rise and McMinnville will fail to attract new growth opportunities, in turn, forcing our manufacturers to look elsewhere for expansion opportunities.

We also know that the population in McMinnville is predicted to continue to grow over the next 20 years. While we at MEDP have a goal to foster the growth of 1,500 family-wage jobs over the next 15 years, this will only be possible if we stay competitive on components like available industrial lands, cost of living, and strategic planning. We recognize the need for these studies to allow us to better prepare for the road ahead and to create a better life for those already in our community.

Sincerely,

Scott Cooper, CEcD  
Executive Director  
McMinnville Economic Development Partnership



Dear DLCD TA Grant Committee:

I am writing on behalf of the McMinnville Downtown Association (MDA). We strongly support the City of McMinnville's grant application for a Technical Assistance Grant. McMinnville is at a critical juncture of growth, both for employment and housing. And although the McMinnville Downtown Association is actively participating and partnering with the City of McMinnville on a City Center Housing Strategy, to strategize how we can encourage and incentivize more housing in our city center, we also are supportive of increasing housing supply throughout the community in order for our downtown employees to be able to find somewhere affordable to live. We constantly hear from our downtown business owners about their struggles to recruit and retain employees based upon the lack of affordable housing supply in McMinnville. Rents and ownership costs have increased exponentially in the past several years and are predicted to continue to climb as supply continues to be constrained. Business owners are doing everything they can to be creative in trying to help employees with housing costs and to reduce commute hassles if employees have to find housing in adjacent communities – however those practices are not ideal nor are they sustainable for a healthy and vital downtown business community.

McMinnville is a very unique and special community and Third Street (downtown) is often referred to as the heart of the community. We are committed to working with the City of McMinnville on its growth planning efforts to ensure that we moving forward in a thoughtful, strategic and proactive manner to retain what is so unique to our community and to respond to the housing and business needs of our residents, employees and employers.

Thank you very much for your consideration.

Tayler Brisbin  
Communication & Events Manager McMinnville Downtown Association

**Caring for Oregon's Favorite Main Street**

105 NE Third | McMinnville, OR 97128  
503.472.3605 | [DowntownMcminnville.com](http://DowntownMcminnville.com)

# Visit McMinnville

Department of Land Conservation & Development  
635 Capitol Street N.E, Suite 150  
Salem, OR 97301

To Whom It May Concern,

I am writing this letter in full support of the City of McMinnville's application for a Technical Assistance grant to assist in their current growth planning and analysis.

As Executive Director of Visit McMinnville, I lead a non-profit, data-driven, economic development organization partnered with the City. Over the last four years we have participated in several strategic planning efforts with the City.

Through our particular lens of expertise, we see the direct impact of the considerable growth of the Oregon Wine Industry having its effect on our town and area. This industry now generates over \$7 billion dollars for the state annually. A disproportionate amount of that industry surrounds us in McMinnville and Yamhill County. As a result, we see increased visitors, increased visitor spending and more ancillary support business and jobs growing alongside this industry. The growth is not only regulated to service-focused businesses, but a wide mix of opportunities.

The visitor economy to our City is expected to continue to grow significantly over the next two decades. McMinnville's current investment of over \$900k a year to tourism management, is improving awareness of our destination and attracting more investments. It is critical that as we continue to grow alongside the Wine Industry, we continue to make balanced decisions preserving a diverse inventory of land to allow McMinnville to thrive.

Through partnering with the City on strategic planning of economic development, but also affordable housing, community safety, transportation and redevelopment and zoning, we continue to come back to our need to grow responsibly. To grow responsibly, we need data.

I feel that expanding our urban growth boundary (in conjunction with improving land-use efficiencies) is possibly the most important work that our community needs completed. This is the key to securing a healthy, balanced, sustainable and thriving future. We currently see the negative impacts of lack of affordable housing, tax generation, employee retention, and other missed economic investment opportunities directly tied to the lack of buildable lands. We need to address this post haste.

Rest assured that if received, the \$50k grant would go to a City and leadership who would leverage it to achieving a plan that will have positive ripple effects on our community for generations to come.

I hope you will seriously consider awarding the City of McMinnville's request for a \$50k grant.

Sincerely,




Jeff Knapp  
Executive Director



## MEMORANDUM

TO: Gordon Howard, DLCD Community Services Division Manager

FROM: Spencer Parsons, McMinnville Special Land Use Counsel 

SUBJECT: OAR 660-021-0030(1)

DATE: October 8, 2019

McMinnville Planning Director Heather Richards has asked me to provide you with a brief memorandum outlining OAR 660-021-0030(1) as the rule pertains to the adoption of Urban Reserve Area (URA) amendments. As you know, the City of McMinnville is undertaking efforts to expand its URA and UGB with the hope being that its work ultimately results in a 50-year URA. Heather indicated that you expressed concern OAR 660-021-0030 may not support the establishment of a 50-year URA. The intent of this memorandum is to respond to that specific concern.

OAR 660-021-0030(1) provides the following:

(1) Urban reserves shall include an amount of land estimated to be at least a 10-year supply and no more than a 30-year supply of developable land beyond the 20-year time frame used to establish the urban growth boundary. Local governments designating urban reserves shall adopt findings specifying the particular number of years over which designated urban reserves are intended to provide a supply of land.

By its own terms, the rule authorizes the inclusion of an estimated land need between 10 and 30 years “beyond the 20-year time frame used to establish the urban growth boundary.” It does not mandate that an amendment to the UGB occur prior to adoption of the URA. So long as the City is able to identify, as part of the URA process, a supportable estimate of its 20-year land need, and so long as the subsequent UGB amendment is consistent with that estimate (thereby maintaining consistency with, and the accuracy of, the related URA 10-30 year range estimate), there is no prohibition on the adoption of a URA first.

This interpretation is consistent with ORS 195.145(3)(b), by which the Legislature provided the following direction to LCDC in authorizing it to promulgate rules for the adoption of URAs: “The commission shall provide to local governments a list of options, rather than prescribing a single planning technique, to ensure the efficient transition from rural to urban use in urban reserves.” It is also consistent with DLCD’s practice of approving URA adoptions that take into consideration both the 20-year UGB land need as well as an additional 10-30 supply pursuant to OAR 660-021-0030(1).

For example, attached to this memorandum is a 2005 letter from DLCD approving the City of Redmond's URA expansion, and another DLCD letter from 2006 supporting the expansion of Redmond's UGB subsequent to that URA expansion. As explained by DLCD in the 2006 letter "[a] key ingredient to developing the proposal was the city's 2005 visioning effort" – including the adoption of a 50-year URA prior to the 2006 UGB expansion. As DLCD's 2006 letter explains, "The city's Urbanization Study prepared during 2005 has developed the basis for establishing the amount of land needed for the 20-year UGB planning horizon." There are other examples where this method has successfully been followed, such as in the cities of Sandy and Madras.

ORS 197.626(1) requires local governments to submit for LCDC review both "[a]n amendment of an urban growth boundary by a city with a population of 2,500 or more within its urban growth boundary that adds more than 50 acres to the area within the urban growth boundary" as well as "[a] designation of an area as an urban reserve under ORS 195.137 to 195.145 . . . by a city with a population of 2,500 or more within its urban growth boundary." ORS 197.626(1)(b), ORS 197.626(1)(c). However, the statute does not mandate that local governments undertake a UGB amendment, or that LCDC's review of a UGB amendment occur, prior to the adoption and review of a URA.

That reading is consistent with the language of applicable administrative rules. For example, OAR 660-024-0040(1) states the following, in part: "The 20-year need determinations [for purposes of UGB amendments] are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision." In addition, while OAR 660-024-0040(2) requires that "[i]f the UGB analysis or amendment is conducted as part of a sequential UGB approval, the 20-year planning period will be established in the work program issued pursuant to OAR 660-025-0185," that requirement applies only to the UGB's "20-year planning period" and not to the estimated 10-30 year supply provided for in the URA. As outlined above, so long as consistency is maintained from one process to the other as pertains to the 20-year estimate, there is no legal requirement that the 20-year need be established prior to the adoption of a URA.

In the 2006 letter, DLCD notes that Redmond "implemented . . . a number of integrated planning tools, including but not limited to urban holding zones that limit premature urban development" as well as "master and refinement planning requirements that occur prior to annexation and development." It is the intent of McMinnville to implement a similar scheme, with similarly robust protective planning mechanisms, including measures to assure that the City's initial UGB amendment is consistent with estimates used for the establishment of a URA. Recognizing the flexibility afforded by OAR 660-024-0040(1) as detailed above, the City of McMinnville recognizes that adoption of a URA encompasses the City's 20-year need. The City also recognizes and acknowledges that adoption of a valid UGB amendment, relying on estimates providing the basis for a previously adopted URA, would require consistency between the URA estimates and the UGB amendment.

The City's previous efforts to add land to its UGB have not been successful, and so it is therefore actively seeking a different approach to address its land needs. The City is not seeking to include more lands in a URA than its estimates establish, nor is it looking to bring more land

into its UGB than is necessary, or avoid any applicable procedural requirements when it does amend its UGB. The City is simply attempting to establish a process by which it can validly and successfully address its current land needs, and appropriately plan for future growth.

In construing applicable laws, the Legislature has admonished “not to insert what has been omitted, or to omit what has been inserted.” ORS 174.010. To that end, McMinnville seeks only to follow a procedural path that has already been established by multiple other jurisdictions, with the approval of and in coordination with DLCD. There is nothing in the applicable laws or administrative rules that prohibit such an approach, and the City is confident that, if challenged, such an approach would survive judicial scrutiny.

Thank you for your previous time discussing the matter with me on the telephone. Please do not hesitate to call or email me if you have any questions about what I have outlined above, or if you would otherwise like to discuss the City’s approach.





# Oregon

Theodore R. Kulongoski, Governor

## Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2524

Phone: (503) 373-0050

First Floor/Costal Fax: (503) 378-6033

Second Floor/Director's Office: (503) 378-5518

Web Address: <http://www.oregon.gov/LCD>

October 11, 2005



Alan Unger, Mayor  
City of Redmond  
PO Box 726  
716 SW Evergreen  
Redmond, OR 97756

### Approval of Periodic Review Task Order 001682

Dear Mayor Unger:

I am pleased to inform you that the Department of Land Conservation and Development (DLCD) has approved the City of Redmond Periodic Review Task for the Urban Reserve Area Expansion. This letter constitutes the department's order approving the task (OAR 660-025-0150(1)(a)).

DLCD received no objections to this work task in response to the local government's notice. Therefore, this order approving your work task is final and cannot be appealed.

We appreciate the efforts of the City of Redmond officials and staff in completing the periodic review work task.

Please feel free to speak with Mark Radabaugh, your periodic review team leader and regional representative, at 541-388-6157, if you have any questions or need further assistance.

Yours truly,

Rob Hallyburton  
Community Services Division Manager

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cc: Jeff England, City of Redmond Planning Director  
Peter Gutowsky, Deschutes County Planning Director  
Larry French, DLCD Periodic Review Specialist  
Mara Ulloa, DLCD Plan Amendment Specialist  
*Mark Radabaugh, Regional Representative (email)*  
*Periodic Review Assistance Team (email)*





# Oregon

Theodore R. Kulongoski, Governor

## Department of Land Conservation and Development

Central and Eastern Region Office

888 N.W. Hill Street, Suite 3

Bend, OR 97701

(541) 318-2899

FAX (541) 318-8361

June 30, 2006

Redmond City Council  
716 SW Evergreen  
P. O. Box 726  
Redmond, Oregon 97756

Deschutes County Board of Commissioners  
1300 NW Wall Street, Suite 200  
Bend, Oregon 97701

Attn: Wayne C. Sorensen, City of Redmond  
Peter Gutowski, Deschutes County

Subject: **Redmond UGB, Comprehensive Plan and related Code Amendments**

Local files: TA 06-01, PA 06-03

State files: Redmond 001-006

RECEIVED

JUL - 5 2006

DESCHUTES COUNTY CL.  
*SR*

Dear Council and Commission members:

As you know, the department has had the opportunity and pleasure to work closely with both city and county staffs during preparation of public hearing drafts for Redmond's Comprehensive Plan revision and related code amendments. The proposal provides for a 20-year land supply to the city's urban growth boundary (UGB) as well as a comprehensive management program for accommodating growth through the planned target year of 2025.

A key ingredient to developing the proposal was the city's 2005 visioning effort. This provided organizing principles for a comprehensive growth management program through the city's proposed Framework Plan. The Framework Plan is proposed to be implemented by a number of integrated planning tools, including but not limited to urban holding zones that limit premature urban development, master and refinement planning requirements that occur prior to annexation and development, and a policy for use of "Great Neighborhood Principles" in development projects.

The department has reviewed the proposal and is in support of the adoption of the GIS-measured 2,166 acre UGB expansion as recommended by the Redmond Planning Commission on June 22, 2006. We would also be able to support the additional 18 acres recommended by the Deschutes County Planning Commission the same evening. Our additional comments are delivered below.

## **UGB Expansion**

The city's Urbanization Study prepared during 2005 has developed the basis for establishing the amount of land needed for the 20-year UGB planning horizon. The department has agreed with the city's proposal to add a mixed use employment zone on the city's west side in order to provide more locational balance between where jobs and homes are planned throughout the community. The department has also agreed that federally owned land within the westside BPA easement should be inventoried as non-buildable land when it is proposed to be within the UGB.

In their joint deliberations, the Redmond and Deschutes County Planning Commissions provided several minor UGB amendments that rectify property boundary considerations for particular individual properties. The Redmond Planning Commission proposed to adjust one property by adding four acres for a total of 2,166 acres. The Deschutes County Planning Commission proposed to alter two properties by adding 22 acres for a total of 2,184 acres. Since most of an 18-acre parcel discussed by the county is located in Dry Creek Canyon, it is anticipated that most of this parcel will be designated for non-buildable open space and recreational uses by the city. Under these conditions, the department is able to support either planning commission option.

## **Comprehensive Plan and implementing the Framework Plan**

Our review of the city's proposed Comprehensive Plan amendments found them to be consistent with state planning requirements. The city's 2005 visioning effort and Urbanization Study, along with its public facilities assessments for transportation, water and sewer services have provided adequate background to support the city's integrated growth management strategy, as proposed by the plan amendments described above on page one.

When we focused our review on new and modified text and policy amendments to the Comprehensive Plan, we did find one minor technical issue with an existing economic development policy, as follows:

Economic Development Policy 9: The policy states that industrial uses "should not" significantly impair air and water quality resources. We suggest replacing "should not" with "shall not", in keeping with the theme of state and federal air and water quality laws.

## **Zoning Amendments**

The department is in support of city and county zoning amendments that address respective management of incorporated areas not yet master planned and unincorporated areas within the UGB.

## **Joint Management Agreement**

While not directly part of the proposed plan amendment, the department has noted the applicability of the Joint Management Agreement between the city and county, which has been included in the plan amendment notice package. Under Section 5.B., quasi-judicial UGB amendments are adopted by the Deschutes County Board of Commissioners and no adoption of by the City Council is required. This provision contradicts Statewide Planning Goal 14, which explicitly requires that UGB amendments "shall be adopted by all cities within the boundary and by the county or counties within which the boundary is located." While this provision is not directly applicable to the proposal now under review, it should be amended as soon as practically possible to properly reflect the Goal 14 standard.

## **Far West Redmond Property Owners**

A group known as the Far West Redmond Property Owners (FWRPO) has provided the city with their own proposal to add approximately 168 acres to the above UGB proposal. While this additional proposal is part of the hearing record, it is a significant addition to the staff and joint planning commissions' recommendation. Our understanding is that the Redmond Planning Commission passed on making a recommendation to include the FWRPO in the city's UGB proposal, while the Deschutes County Planning Commission recommended that the proposal be considered separately, but apparently did not endorse it outright as part of the overall UGB expansion.

We view the FWRPO proposal as a separate UGB expansion effort since it is based on a separate and different analysis than that proposed by staff and the joint planning commissions. As a separate and significant UGB expansion proposal, the department should receive notice or at least an amended notice pursuant to ORS 197.610. We have no record of such notice.

We recommend that the FWRPO proposal not be included with the current proposal, but instead be given the option to provide an application through regular city procedures for such privately initiated applications following local adoption and state acknowledgement of the joint planning commissions' proposal..

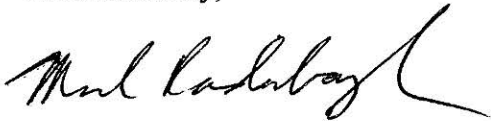
## **Plan Amendment Notice and Periodic Review Procedures**

The Redmond proposal will convert to a periodic review process after the UGB amendment is co-adopted by the city and county. Periodic review procedures governing this UGB amendment are found in OAR 660-025. The city must submit the final decision amending its urban growth boundary to the department according to all the requirements for a work task submittal in OAR 660-025-0130 and 660-025-0140. The department and the Land Conservation and Development Commission review and decision on the submittal from the city will follow the procedures and requirements for review and decision of a work task submittal in OAR 660-025-0140 to 660-025-0160.

In conclusion, the department supports and urges adoption of the joint planning commissions' proposal, as described above. We are particularly pleased with the high quality of the plan and the excellent coordination by city and county officials.

Please include this letter in the record of proceedings on this matter. If you have any questions, we are planning to be in attendance at your July 11<sup>th</sup> joint public hearing on this matter.

Most sincerely,

A handwritten signature in black ink, appearing to read "Mark Radabaugh", with a stylized flourish at the end.

Mark Radabaugh  
Central Oregon Region Representative

C: Jim Hendryx, City of Redmond  
Nick Lelack, City of Redmond  
Catherine Morrow, Deschutes County  
DJ Heffernan, Angelo Planning Group  
DLCD (*Larry French, Rob Hallyburton, Gloria Gardiner, Lane Shetterly*)





# Oregon

Kate Brown, Governor

## Department of Land Conservation and Development

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January 16, 2020

Heather Richards, Community Development Director  
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McMinnville, OR 97128  
Email: [heather.richards@mcminnvilleoregon.gov](mailto:heather.richards@mcminnvilleoregon.gov)

Subject: McMinnville's Urban Reserves Project

Dear Director Richards,

The Department of Land Conservation and Development (DLCD or department) has appreciated engaging with the City of McMinnville in the ongoing discussions of the city's desire to establish urban reserves pursuant to OAR Chapter 660, Division 21 for a period of up to 50 years. Based upon that discussion, the department can support McMinnville employing a process to establish an urban reserve whereby the city would first amend its urban growth boundary to meet its identified needs for a 20-year period (not utilizing an urban reserve) and then adopt an urban reserve for up to 30 years beyond the urban growth boundary time period. These sequential decisions may result from a concurrent process and utilize a single consolidated record for their factual basis.

DLCD shares McMinnville's objective to utilize the legal framework of the statewide land use system to amend its urban growth boundary, establish urban reserves, and to limit objections or appeals to factual disagreements, not questions of legal process. DLCD is ready to work with McMinnville to engage in a process of developing an amended urban growth boundary and then immediately establishing an urban reserve, using the methodology provided by Division 21. The department recognizes that McMinnville has experienced frustrating difficulties in its prior urban growth boundary expansion efforts and wants to work with the city on a process that will lead to a successful outcome. To that end, the department is prepared to provide a technical assistance grant of \$25,000 during the 2019-2021 biennium to support the city's planning efforts.

DLCD understands that McMinnville has concerns that any urban growth boundary expansion analysis will require it to consider lands that are difficult or impossible to develop for a variety of reasons. Both the urban growth boundary process provided in Goal 14 and OAR Chapter 660, Division 24 and the urban reserve process found in Division 21 provide ways to resolve these difficulties. The department is ready to assist McMinnville in completion of this process with a decision that both complies with state law and meets the city's needs for planning out its long-term future.

Sincerely,

Jim Rue, Director  
Department of Land Conservation and Development

cc: Spencer Parsons, Kirstin Greene, Angela Carnahan, Kevin Young, Steve Shipsey