



City Council Meeting Agenda

Tuesday, June 13, 2023

5:30 p.m. – Work Session Meeting

7:00 p.m. – City Council Regular Meeting

EXECUTIVE SESSION – to immediately follow the URA Meeting (CLOSED TO THE PUBLIC)

REVISED 06/12/2023

Welcome! The public is strongly encouraged to participate remotely but there is seating at Civic Hall for those who are not able to participate remotely. However, if you are not feeling well, please stay home and take care of yourself.

The public is strongly encouraged to relay concerns and comments to the Council in one of three ways:

- *Email at any time up to **12 p.m. on Monday, June 12th** to claudia.cisneros@mcminnvilleoregon.gov*
- *If appearing via telephone only please sign up prior by **12 p.m. on Monday, June 12th** by emailing the City Recorder at claudia.cisneros@mcminnvilleoregon.gov as the chat function is not available when calling in zoom;*
- *Join the zoom meeting use the raise hand feature in zoom to request to speak, once your turn is up we will announce your name and unmute your mic. **You will need to provide your First and Last name, Address, and contact information (email or phone) to the City.***

You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331, Frontier 29 or webstream here:

mcm11.org/live

CITY COUNCIL WORK SESSION & REGULAR MEETING:

You may join online via Zoom Meeting:

<https://mcminnvilleoregon.zoom.us/j/86727552762?pwd=V2dKa01VcG1rTXdLR2p1UDNzaXFhZz09>

Zoom ID: 867 2755 2762

Zoom Password: 747609

Or you can call in and listen via Zoom: 1-253- 215- 8782

ID: 867 2755 2762

5:30 PM – WORK SESSION MEETING – VIA ZOOM AND SEATING AT CIVIC HALL

1. CALL TO ORDER
2. BDS PLANNING & URBAN DESIGN CONSULTING PRESENTATION AND DIALOGUE WITH CITY COUNCIL
3. ADJOURNMENT OF WORK SESSION

7:00 PM – REGULAR COUNCIL MEETING – VIA ZOOM AND SEATING AT CIVIC HALL

1. CALL TO ORDER & ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. PROCLAMATION
 - a. Parks and Recreation Month Proclamation and Summer Fun
 - b. LGBTQIA+ Pride Month Proclamation
 - c. Juneteenth Proclamation

4. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT –

The Mayor will announce that any interested audience members are invited to provide comments. Anyone may speak on any topic other than: a matter in litigation, a quasi-judicial land use matter; or a matter scheduled for public hearing at some future date. The Mayor may limit comments to 3 minutes per person for a total of 30 minutes. The Mayor will read comments emailed to City Recorded and then any citizen participating via Zoom.

5. ADVICE/ INFORMATION ITEMS

- a. Reports from Councilors on Committee & Board Assignments
- b. Department Head Reports
- c. February & March 2023 Cash and Investment Report (in packet)

6. CONSENT AGENDA

- a. Consider the request from VF Wine Company LLC dba: Vincent Wine Company for New Outlet, OLCC Liquor License located at 230 NW 13th Street.
- b. Consider the request from Denison Cellars LLC for Winery Primary Location, OLCC Liquor License located at 1245 NE Alpha Drive Unit 2C.
- c. Consider the request from JSNSBJ LLC: Taste of India 1 for Commercial New Outlet, OLCC Liquor License located at 315 NE 3rd Street.
- d. Consider the request from Arabilis LLC dba: Arabilis Wines for Winery Primary Location, OLCC Liquor License located at 1245 NE Alpha Drive Unit 4E.
- e. Consider the request from Secus LLC dba: Secus for Winery Primary Location, OLCC Liquor License located at 1135 NE Irvine Street. **(Added on 06.12.2023)**
- f. Motion to approve Revised First Amendment to the City-County Intergovernmental Agreement. **(Added on 06.12.2023)**

7. RESOLUTION

- a. Consider **Resolution No. 2023-30**: A Resolution providing for certain increases to the Fire Department fee schedule that allows the Fire Department to recover costs for Fire and EMS services allowed within City ordinances 4300 and 4649, and the International Fire Code as adopted by the State of Oregon.
- b. Consider **Resolution No. 2023-32**: A Resolution adopting a supplemental budget for fiscal year 2022-2023 and making supplemental appropriations and Contingency Transfers.

8. ORDINANCES

- a. Consider the second reading of **Ordinance No. 5134**: An Ordinance Amending Title 17 (Zoning) of the McMinnville Municipal Code and the Northeast Gateway Planned Development Overlay (Ordinance 4971) to Amend Standards for Short-Term Rentals, Approving the Decision, Findings, and Conclusionary Findings for Docket G 1-23, Ending the Moratorium Enacted by Ordinance No. 5118 and Extended by Ordinance No. 5127, and Declaring an Emergency.
- b. Consider the first reading with a possible second reading of **Ordinance No. 5135**: An Ordinance Amending the Comcast Cable Television Franchise Agreement to Extend the Term.
- c. Consider the first reading with a possible second reading of **Ordinance No. 5136**: An Ordinance Amending the Ziplly Cable Television Franchise Agreement to Extend the Term.

9. ADJOURNMENT OF REGULAR MEETING

EXECUTIVE SESSION- IMMEDIATELY FOLLOW THE URBAN RENEWAL AGENCY (URA) MEETING - (NOT OPEN TO THE PUBLIC)

1. CALL TO ORDER
2. **Executive Session pursuant to ORS 192.660(2)(e):** To conduct deliberations with persons designated by the governing body to negotiate real property transactions.
3. ADJOURNMENT OF EXECUTIVE SESSION



PROCLAMATION

Designation of July as Park and Recreation Month

WHEREAS McMinnville’s parks and recreation programs enhance and improve the social, economic and ENVIRONMENTAL fabric of our community; and

WHEREAS our parks and recreation programs are important to making McMinnville a SUPER COOL place to live; and

WHEREAS parks and recreation programs make people want to LIVE here; and

WHEREAS parks and recreation areas help the environment and give us fresh air to BREATHE; and

WHEREAS our parks and natural recreation areas make for FUN places for kids and adults to go outside and PLAY; and

WHEREAS the City of McMinnville recognizes the benefits of AWESOME parks and recreation resources.

NOW, THEREFORE, I, Remy Drabkin, Mayor of McMinnville, do hereby extend the spirit of FUN to the residents of McMinnville in recognizing the month of July as National Park and Recreation Month.

IN WITNESS WHEREOF, I have hereunto set my hand, this thirteenth day of June, in the year two thousand twenty-three.

Remy Drabkin, Mayor



PROCLAMATION

Designation of June as LGBTQIA + PRIDE Month

WHEREAS, the fight for equality continues for lesbian, gay, bisexual, transgender, and queer or (LGBTQIA+) and other historically marginalized members of our community, and the responsibility falls on each of us to form a more equitable and inclusive society; and

WHEREAS, the City of McMinnville pledges to honor, exhibit, and otherwise live out our core values of stewardship, accountability, COURAGE, and EQUITY; and

WHEREAS, June 28, 2021 marks the fifty-second anniversary of the Stonewall Uprising, six days of demonstrations led by Marsha P. Johnson, a Black transgender woman, sparked by the targeting and arrest by police of lesbian, gay, and transgender bar patrons in violation of their civil rights, an event widely recognized as the beginning of the modern gay rights movement; and

WHEREAS, on June 2, 2000, President Bill Clinton declared June to be “Gay & Lesbian Pride Month” to commemorate the June 28, 1969, Stonewall Uprising, and on June 1, 2009 President Barack Obama expanded the commemoration by declaring June to be “Lesbian, Gay, Bisexual, and Transgender Pride Month;” and

WHEREAS, the City of McMinnville stands with the LGBTQIA+ community in the struggle to ensure equal treatment for all and to defend and advocate for LGBTQIA+ rights as human rights; and

WHEREAS, despite this extraordinary and inspiring progress LGBTQIA+ Americans continue to face discrimination simply for being who they are; and

WHEREAS, the City of McMinnville commits to advocate for protections for all LGBTQIA+ individuals to make our City a place where all people, regardless of their sexual orientation, gender identity, or gender expression are treated with dignity and respect;

NOW, THEREFORE, I, Remy Drabkin, Interim Mayor of McMinnville, do hereby proclaim the month of June as:

LGBTQIA+ PRIDE Month

IN WITNESS WHEREOF, I have hereunto set my hand, this 13th day of June, in the year two thousand twenty-three.

Remy Drabkin, Mayor



PROCLAMATION

A PROCLAMATION FOR THE COMMEMORATION OF JUNETEENTH AS AN ANNUAL CELEBRATION OF BLACK AFRICAN AMERICAN LIBERATION.

Whereas, Juneteenth is recognized as the end of chattel slavery in the United States; and

Whereas, President Abraham Lincoln first issued the Emancipation Proclamation effective January 1st, 1863, declaring enslaved people in the Confederate States to be legally free. However, that proclamation could not be enforced in lands under Confederate control. On April 9th, 1865, Confederate forces surrendered, effectively ending the Civil War. On June 19th, 1865, Union soldiers arrived in Galveston, Texas bringing news of the president's order freeing enslaved people two-and-a-half years after it was first decreed. This day has since come to be known as Juneteenth; and

Whereas, Oregon's Exclusion Laws lay the foundation for generations of economic hardship, exclusion, and discrimination against Oregon's Black African American community; and

Whereas, through other systems of oppression such as sharecropping, Jim Crow, exclusionary and destructive housing and transportation policies, denial and disruption of voting access, and mass incarceration, the plunder of Black bodies and Black wealth continued past slavery and persists to this day, affecting the physical and mental health, safety, and education of Black African Americans; and

Whereas, despite these obstacles, Black African Americans in Oregon have been and continue to be vital community members and leaders within our state; and

Whereas, Juneteenth has been celebrated in Oregon since 1945, when Clara Peoples moved to Portland from Oklahoma to work at the Kaiser Shipyards and introduced it to her co-workers; and

Whereas, the Oregon Legislature has unanimously voted to recognize Juneteenth as a legal state holiday beginning in 2022.

NOW, THEREFORE, I, Remy Drabkin, Mayor of the City of McMinnville do hereby recognize and proclaim

JUNETEENTH, JUNE 19TH

recognize and proclaim Juneteenth, June 19th, as an annual celebration of Black African American liberation's past, present, and future and those who continue the work to realize that liberation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the OFFICIAL Seal of the City of McMinnville to be affixed this 13th day of June, 2023.

Remy Drabkin, Mayor

CITY OF MCMINNVILLE - CASH AND INVESTMENT BY FUND
February 2023

FUND #	FUND NAME	GENERAL OPERATING		TOTAL
		CASH IN BANK	INVESTMENT	
01	General	\$4,413,599.14	\$6,582,493.99	\$10,996,093.13
05	Grants & Special Assessment	\$481.65	\$7,131,057.52	\$7,131,539.17
07	Transient Lodging Tax	\$395.89	\$92,000.00	\$92,395.89
08	Affordable Housing	\$922.64	\$1,557,000.00	\$1,557,922.64
10	Telecommunications	\$204.68	\$5,030.00	\$5,234.68
15	Emergency Communications	\$18.47	\$148,094.81	\$148,113.28
20	Street (State Tax)	\$233.99	\$2,376,235.77	\$2,376,469.76
25	Airport Maintenance	\$72.08	\$772,749.03	\$772,821.11
45	Transportation	\$602.70	\$3,820,494.92	\$3,821,097.62
50	Park Development	\$527.35	\$2,188,441.49	\$2,188,968.84
58	Urban Renewal	\$665.43	\$102,737.59	\$103,403.02
59	Urban Renewal Debt Service	\$513.90	\$964,678.27	\$965,192.17
60	Debt Service	\$930.26	\$139,891.65	\$140,821.91
70	Building	\$489.75	\$1,936,240.37	\$1,936,730.12
75	Wastewater Services	\$67.74	\$2,508,437.04	\$2,508,504.78
77	Wastewater Capital	\$707.93	\$43,505,103.65	\$43,505,811.58
80	Information Systems & Services	\$564.68	\$199,742.38	\$200,307.06
85	Insurance Reserve	\$753.78	\$374,290.54	\$375,044.32
CITY TOTALS		4,421,752.06	74,404,719.02	78,826,471.08

MATURITY			INTEREST	
DATE	INSTITUTION	TYPE OF INVESTMENT	RATE	CASH VALUE
N/A	Key Bank of Oregon	Checking & Repurchase Sweep Account	0.70%	\$ 4,421,752.06
N/A	Key Bank of Oregon	Money Market Savings Account	0.40%	\$ 17,472,681.77
N/A	State of Oregon	Local Government Investment Pool (LGIP)	3.75%	\$ 55,932,453.58
N/A	State of Oregon	Urban Renewal Loan Proceeds (LGIP)	3.75%	\$ 115,350.70
N/A	MassMutual Financial Group	Group Annuity	3.00%	\$ 884,232.97
				<u>\$ 78,826,471.08</u>
				\$ -

CITY OF MCMINNVILLE - CASH AND INVESTMENT BY FUND
March 2023

FUND #	FUND NAME	GENERAL OPERATING		TOTAL
		CASH IN BANK	INVESTMENT	
01	General	\$4,568,741.16	\$6,186,905.76	\$10,755,646.92
05	Grants & Special Assessment	\$515.64	\$6,988,057.52	\$6,988,573.16
07	Transient Lodging Tax	\$460.49	(\$8,000.00)	(\$7,539.51)
08	Affordable Housing	\$347.03	\$1,709,000.00	\$1,709,347.03
10	Telecommunications	\$959.87	\$1,030.00	\$1,989.87
15	Emergency Communications	\$561.96	\$147,094.81	\$147,656.77
20	Street (State Tax)	\$631.42	\$2,308,078.45	\$2,308,709.87
25	Airport Maintenance	\$718.89	\$834,749.03	\$835,467.92
45	Transportation	\$795.75	\$3,944,494.92	\$3,945,290.67
50	Park Development	\$632.15	\$2,249,441.49	\$2,250,073.64
58	Urban Renewal	\$665.43	\$103,098.48	\$103,763.91
59	Urban Renewal Debt Service	\$365.21	\$952,603.20	\$952,968.41
60	Debt Service	\$258.45	\$188,860.91	\$189,119.36
70	Building	\$813.91	\$1,971,240.37	\$1,972,054.28
75	Wastewater Services	\$361.32	\$2,464,636.82	\$2,464,998.14
77	Wastewater Capital	\$880.13	\$43,912,103.65	\$43,912,983.78
80	Information Systems & Services	\$671.38	\$205,742.38	\$206,413.76
85	Insurance Reserve	\$63.23	\$356,290.54	\$356,353.77
CITY TOTALS		4,578,443.42	74,515,428.33	79,093,871.75

MATURITY			INTEREST	
DATE	INSTITUTION	TYPE OF INVESTMENT	RATE	CASH VALUE
N/A	Key Bank of Oregon	Checking & Repurchase Sweep Account	0.70%	\$ 4,578,443.42
N/A	Key Bank of Oregon	Money Market Savings Account	0.40%	\$ 18,478,936.52
N/A	State of Oregon	Local Government Investment Pool (LGIP)	3.75%	\$ 55,043,187.70
N/A	State of Oregon	Urban Renewal Loan Proceeds (LGIP)	3.75%	\$ 108,692.55
N/A	MassMutual Financial Group	Group Annuity	3.00%	\$ 884,611.56
				<u>\$ 79,093,871.75</u>
				\$ -

Liquor License Recommendation

BUSINESS NAME / INDIVIDUAL: VF Wine Company LLC dba: Vincent Wine Company
BUSINESS LOCATION ADDRESS: 230 NW 13th Street
LIQUOR LICENSE TYPE: New Outlet

Is the business at this location currently licensed by OLCC

Yes No

If yes, what is the name of the existing business:

Hours of operation: N/A
Entertainment: N/A
Hours of Music: N/A
Seating Count: N/A

EXEMPTIONS:
(list any exemptions)

Tritech Records Management System Check: Yes No

Criminal Records Check: Yes No

Recommended Action: Approve Disapprove



Chief of Police / Designee

City Manager / Designee

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

[New Outlet](#) | [Change of Ownership](#) | [Greater Privilege](#) | [Lesser Privilege](#) | [Additional Privilege](#)

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
- Caterer
- Public Passenger Carrier
- Other Public Location
- For Profit Private Club
- Nonprofit Private Club

Winery

- Primary location
- Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
- Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
- Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
- Additional locations: 2nd 3rd

Distillery

- Primary location
- Additional tasting locations: 2nd 3rd 4th 5th 6th

Limited On-Premises

Off Premises

Warehouse

Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

Date application received: 5/24/2023

Optional: Date Stamp

Recommend this license be granted

Recommend this license be denied

Printed Name

Date

Liquor License Recommendation

BUSINESS NAME / INDIVIDUAL: Denison Cellars LLC
BUSINESS LOCATION ADDRESS: 1245 NE Alpha Drive Unit 2C
LIQUOR LICENSE TYPE: Winery primary location

Is the business at this location currently licensed by OLCC

Yes No

If yes, what is the name of the existing business:

Hours of operation: N/A
Entertainment: N/A
Hours of Music: N/A
Seating Count: N/A

EXEMPTIONS:
(list any exemptions)

Tritech Records Management System Check: Yes No
Criminal Records Check: Yes No
Recommended Action: Approve Disapprove



Chief of Police / Designee

City Manager / Designee



OREGON LIQUOR & CANNABIS COMMISSION LIQUOR LICENSE APPLICATION

Instructions

1. **Complete and sign** this application.
2. Prior to submitting this application to the OLCC, send the completed application to **the local government for the premises address** to obtain a recommendation.
 - If the premises street address is within a city's limits, the local government is the city.
 - If the premises street address is not within a city's limits, the local government is the county.
3. Collect the application from the local government **after** the recommendation has been provided.
4. **Email the application that contains the local government recommendation to OLCC.LiquorLicenseApplication@Oregon.Gov.**
5. **Do not include any license fees with your application packet (fees will be collected at a later time).** *When it's time to pay the license fee you must pay the full yearly fee for the current license year (the license fee will not be prorated). If you pay in the last quarter of your license year you must also pay the yearly fee for the next license year.*

License Request Options - Please see the general definitions of the license request options below:

- **New Outlet**: The licensing of a business that does not currently hold an active liquor license.
- **Change of Ownership**: The request to completely change the licensee of record at a licensed business.
- **Greater Privilege**: The request to replace a Limited On-Premises sales license with a Full On-Premises sales license.
- **Lesser Privilege**: The request to replace a Full On-Premises sales license with a Limited On-Premises sales license.
- **Additional Privilege**: The licensee currently holds an active liquor license at the premises and that same licensee would like to request to add an **additional** different liquor license type at that same premises location.

Additional Information

Applicant Identification: Please review [OAR 845-006-0301](#) for the definitions of “applicant” and “licensee” and [OAR 845-005-0311](#) to confirm that all individuals or entities with an ownership interest (other than a waivable ownership interest, per OAR 845-005-0311[6]) in the business have been identified as license applicants on this document. If you have a question about whether an individual or entity needs to be listed as an applicant for the license, discuss this with the OLCC staff person assigned to your application.

Premises Address: This is the physical location of the business and where the liquor license will be posted.

Applicant Signature(s): Each individual listed in the [applicant information box](#) on page 2 (entity or individuals applying for the license) must sign the application.

If an applicant listed in the applicant information box on page 2 is an entity (such as a corporation or limited liability company), at least one individual who is authorized to sign for the entity must sign the application.

Applicant/Licensee Representative(s): In order to make changes to a license or application or to receive information about a license or application by someone other than the applicant/licensee you must:

- Complete the below [Authorized Representative](#) area on page 2 as the applicant/licensee and/or
- Provide a Power of Attorney document showing the permissions allowable on the behalf of the applicant/licensee with this submission

Please note that applicants/licensees are responsible for all information provided on this form, even if an authorized representative or individual with authority signs on behalf of the applicant.

For help with this application or any related documents or processes, email olcc.alcohollicensing@oregon.gov.

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

[New Outlet](#) | [Change of Ownership](#) | [Greater Privilege](#) | [Lesser Privilege](#) | [Additional Privilege](#)

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
- Caterer
- Public Passenger Carrier
- Other Public Location
- For Profit Private Club
- Nonprofit Private Club

Winery

- Primary location
- Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
- Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
- Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
- Additional locations: 2nd 3rd

Distillery

- Primary location
- Additional tasting locations: 2nd 3rd 4th 5th 6th

Limited On-Premises

Off Premises

Warehouse

Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

Date application received: May 30, 2023

Optional: Date Stamp

- Recommend this license be granted
- Recommend this license be denied

Printed Name

Date

Liquor License Recommendation

BUSINESS NAME / INDIVIDUAL: JSNSBJ LLC dba: Taste of India 1
BUSINESS LOCATION ADDRESS: 315 NE 3rd Street
LIQUOR LICENSE TYPE: Commercial new outlet

Is the business at this location currently licensed by OLCC

Yes No

If yes, what is the name of the existing business:

Hours of operation: N/A
Entertainment: N/A
Hours of Music: N/A
Seating Count: N/A

EXEMPTIONS:
(list any exemptions)

Tritech Records Management System Check: Yes No

Criminal Records Check: Yes No

Recommended Action: Approve Disapprove



Chief of Police / Designee

City Manager / Designee

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

- New Outlet | Change of Ownership | Greater Privilege | Lesser Privilege | Additional Privilege

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
 Caterer
 Public Passenger Carrier
 Other Public Location
 For Profit Private Club
 Nonprofit Private Club

Winery

- Primary location
Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
Additional locations: 2nd 3rd

Distillery

- Primary location
Additional tasting locations: 2nd 3rd 4th 5th 6th

Limited On-Premises

Off Premises

Warehouse

Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

Date application received: 5/30/2023

Optional: Date Stamp

Recommend this license be granted

Recommend this license be denied

Printed Name

Date

Liquor License Recommendation

BUSINESS NAME / INDIVIDUAL: Arabilis LLC dba: Arabilis Wines
BUSINESS LOCATION ADDRESS: 1245 NE Alpha Drive Unit 4E
LIQUOR LICENSE TYPE: Winery primary location

Is the business at this location currently licensed by OLCC
Yes No

If yes, what is the name of the existing business:

Hours of operation: N/A
Entertainment: N/A
Hours of Music: N/A
Seating Count: N/A

EXEMPTIONS:
(list any exemptions)

Tritech Records Management System Check: Yes No
Criminal Records Check: Yes No
Recommended Action: Approve Disapprove



Chief of Police / Designee

City Manager / Designee

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

New Outlet | Change of Ownership | Greater Privilege | Lesser Privilege | Additional Privilege

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
- Caterer
- Public Passenger Carrier
- Other Public Location
- For Profit Private Club
- Nonprofit Private Club

Winery

- Primary location
- Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
- Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
- Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
- Additional locations: 2nd 3rd

Distillery

- Primary location
- Additional tasting locations: 2nd 3rd 4th 5th 6th

Limited On-Premises

Off Premises

Warehouse

Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

Date application received: May 30, 2023

Optional: Date Stamp

- Recommend this license be granted
- Recommend this license be denied

Printed Name

Date

Liquor License Recommendation

BUSINESS NAME / INDIVIDUAL: Secus LLC dba: Secus
BUSINESS LOCATION ADDRESS: 1135 NE Irvine Street
LIQUOR LICENSE TYPE: Winery primary location

Is the business at this location currently licensed by OLCC

Yes No

If yes, what is the name of the existing business:

Hours of operation: N/A
Entertainment: N/A
Hours of Music: N/A
Seating Count: N/A

EXEMPTIONS:
(list any exemptions)

Tritech Records Management System Check: Yes No
Criminal Records Check: Yes No
Recommended Action: Approve Disapprove



Chief of Police / Designee

City Manager / Designee

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

[New Outlet](#) | [Change of Ownership](#) | [Greater Privilege](#) | [Lesser Privilege](#) | [Additional Privilege](#)

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
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Limited On-Premises

Off Premises

Warehouse

Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

Date application received: 6/6/2023

Optional: Date Stamp

- Recommend this license be granted
- Recommend this license be denied

Printed Name

Date



STAFF REPORT

DATE: June 12, 2023
TO: Mayor and City Councilors
FROM: Rich Leipfert, Fire Chief
SUBJECT: First Amendment to City of McMinnville and Yamhill County Intergovernmental agreement (IGA)
STRATEGIC PRIORITY & GOAL:



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

Report in Brief:

County and City are parties to that certain intergovernmental agreement dated January 5, 2023 (the “IGA”), the purpose of which is to assure that all out of pocket costs and expenses incurred by the County in connection with the formation proceedings and election for the creation of a new McMinnville Fire District would be fully and promptly reimbursed by the City to the County.

County Counsel made one technical correction to the approved agreement from the special called June 7th meeting, by adding references to the newly discovered impacted parcels. Before the Council is the revised first amendment agreement. This revised Amendment #1 would supersede and replace the prior proposed amendment document. The Yamhill Board of Commissioners will take action on the agreement at their Thursday, June 15th meeting.

Background:

This amendment clarifies a concern the County had regarding liability around third party claims. (Section 1) of the Amended IGA

Attachments:

1. June 7th First Amendment Agreement.
2. Revised First Amendment to the Intergovernmental Agreement Yamhill County, Oregon and City of McMinnville, Oregon

Recommendation:

City Council Approve Revised First Amendment to Intergovernmental Agreement Yamhill County, Oregon and City of McMinnville Oregon

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
YAMHILL COUNTY, OREGON and CITY OF MCMINNVILLE, OREGON**

THIS FIRST AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT, dated this ____ day of June 2023 (“Amendment #1”), is entered into by and between YAMHILL COUNTY (“County”), a political subdivision of the State of Oregon and the CITY OF MCMINNVILLE (“City”), a municipal corporation of the State of Oregon.

RECITALS

- A. County and City are parties to that certain intergovernmental agreement dated January 5, 2023 (the “IGA”), the purpose of which is to assure that all out of pocket costs and expenses incurred by the County in connection with the formation proceedings and election for the creation of a new McMinnville Fire District would be fully and promptly reimbursed by the City to the County. The IGA is memorialized in County records as Board Order No. 22-363 (the “IGA”).
- B. County and City now desire to amend the IGA upon the terms and conditions as more particularly set forth herein below.
- C. Capitalized terms not defined herein shall have the meaning attributed to such terms in the IGA.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and City hereby agree as follows:

1. Section 4 of the IGA is hereby revised to include the following, subsection 4.1.:

“4.1. Notwithstanding the above general indemnity and hold harmless provision, and without limiting the generality of the foregoing, subject to the limitations imposed by the Constitution of the State of Oregon and the Oregon Tort Claims Act, the City shall defend, save, hold harmless, and indemnify the County from all third party claims, suits, injuries, costs, expenses, liabilities and actions of whatsoever nature resulting from or arising out of the incorrect map and legal description that was provided by the City to the County and that was attached to County Board Order 23-15 and that was submitted to the Oregon Department of Revenue, which failed to include areas annexed into the McMinnville Rural Fire Protection District on June 25, 1969, and consisting of approximately 251 parcels on the Northwest section of the existing McMinnville Rural Fire Protection District; provided, however, that in the event County does not tender defense of third party claims to the City and chooses to pursue its own defense of such third party claims City shall not be required to reimburse County for any loss or cost that is paid by or recovered from the coverage or proceeds of insurance maintained by the County.”

2. The balance of the IGA as amended by Amendment #1 remains unchanged.
3. **Ratification.** Except as otherwise expressly modified by the terms of this Amendment #1, the IGA shall remain unchanged and continue in full force and effect. All terms, covenants and conditions of the IGA not expressly modified herein are hereby confirmed and ratified and remain in full force and effect, and as further amended hereby, constitute valid and binding obligations of County and City enforceable according to the terms thereof.
4. **Binding Effect.** All of the covenants contained in this Amendment #1 shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives and permitted successors and assigns.
5. **Recitals.** The foregoing recitals are intended to be a material part of this Amendment #1 and are incorporated herein by this reference.

IN WITNESS WHEREOF, the parties have executed, or caused to be executed on the date indicated by their duly authorized officials, this IGA in duplicate, each of which shall be deemed an original on the date executed by all parties.

YAMHILL COUNTY

CITY OF MCMINNVILLE

Approved:

Approved:

Commissioner

Mayor, City of MCMINNVILLE

Date: _____

Date: _____

Approved as to Form:

Approved as to Form:

County Counsel

Interim City Attorney

Attest: _____
City Recorder

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
YAMHILL COUNTY, OREGON and CITY OF MCMINNVILLE, OREGON**

THIS FIRST AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT, dated this ____ day of June 2023 (“Amendment #1”), is entered into by and between YAMHILL COUNTY (“County”), a political subdivision of the State of Oregon and the CITY OF MCMINNVILLE (“City”), a municipal corporation of the State of Oregon.

RECITALS

- A. County and City are parties to that certain intergovernmental agreement dated January 5, 2023 (the “IGA”), the purpose of which is to assure that all out of pocket costs and expenses incurred by the County in connection with the formation proceedings and election for the creation of a new McMinnville Fire District would be fully and promptly reimbursed by the City to the County. The IGA is memorialized in County records as Board Order No. 22-363 (the “IGA”).
- B. County and City now desire to amend the IGA upon the terms and conditions as more particularly set forth herein below.
- C. Capitalized terms not defined herein shall have the meaning attributed to such terms in the IGA.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and City hereby agree as follows:

1. Section 4 of the IGA is hereby revised to include the following, subsection 4.1.:

“4.1. Notwithstanding the above general indemnity and hold harmless provision, and without limiting the generality of the foregoing, subject to the limitations imposed by the Constitution of the State of Oregon and the Oregon Tort Claims Act, the City shall defend, save, hold harmless, and indemnify the County from all third party claims, suits, injuries, costs, expenses, liabilities and actions of whatsoever nature resulting from or arising out of the incorrect map and legal description that was provided by the City to the County and that was attached to County Board Order 23-15 and that was submitted to the Oregon Department of Revenue, which (i) failed to include areas annexed into the McMinnville Rural Fire Protection District on June 25, 1969, consisting of approximately 251 parcels on the Northwest section of the existing McMinnville Rural Fire Protection District, (ii) failed to include approximately 6 other parcels in the unincorporated community of Whiteson that had been previously annexed into the McMinnville Rural Fire Protection District; (iii) incorrectly included one other parcel in the unincorporated community of Whiteson that is actually part of the Amity Rural Fire Protection District, and (iv) contained other minor mapping errors; provided, however, that in the

event County does not tender defense of third party claims to the City and chooses to pursue its own defense of such third party claims City shall not be required to reimburse County for any loss or cost that is paid by or recovered from the coverage or proceeds of insurance maintained by the County.”

2. The balance of the IGA as amended by Amendment #1 remains unchanged.

3. **Ratification.** Except as otherwise expressly modified by the terms of this Amendment #1, the IGA shall remain unchanged and continue in full force and effect. All terms, covenants and conditions of the IGA not expressly modified herein are hereby confirmed and ratified and remain in full force and effect, and as further amended hereby, constitute valid and binding obligations of County and City enforceable according to the terms thereof.

4. **Binding Effect.** All of the covenants contained in this Amendment #1 shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives and permitted successors and assigns.

5. **Recitals.** The foregoing recitals are intended to be a material part of this Amendment #1 and are incorporated herein by this reference.

IN WITNESS WHEREOF, the parties have executed, or caused to be executed on the date indicated by their duly authorized officials, this IGA in duplicate, each of which shall be deemed an original on the date executed by all parties.

YAMHILL COUNTY

CITY OF MCMINNVILLE

Approved:

Approved:

Commissioner

Mayor, City of MCMINNVILLE

Date: _____

Date: _____

Approved as to Form:

Approved as to Form:

County Counsel

Interim City Attorney

Attest: _____
City Recorder



STAFF REPORT

DATE: May 15, 2023
TO: Mayor and City Councilors
FROM: Rich Leipfert, Fire Chief
SUBJECT: Resolution 2023-30 amending the Fire and EMS FEE Schedule
STRATEGIC PRIORITY & GOAL:



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

Report in Brief:

The Fire Department is authorized to charge fees to recover costs for Fire and EMS services authorized by City Ordinance and the International Fire Code as adopted by the State of Oregon. Regardless of the outcome of the election the new fee schedule must be passed to allow for new rates to be charged.

Background:

The City Council adopted Resolution 2021-55 addressing sustainable funding sources in November of 2021. It stated "Whereas, in 2021, the McMinnville City Council established an objective to "address insufficient resources by finding new sustainable funding sources;" The increase recommended to the EMS service charges will be a 7.90% CPI increase.

Discussion:

The revision of the Fee Schedule is designed to keep pace with the cost of increasing EMS supplies and services. The resolution also covers the addition of a preparation fee for service charges when applied to non-resident vehicle accidents and vehicle fires. This is due to an insurance change that only allowed billable time on scene of these incidents and did not allow for a full first hour of costs with the response. The same rule allows for a preparation fee. The preparation fee covers time in training, equipment breakage, supplies used costs.

Attachments:

Resolution 2023- 30 (repeal and replace resolution (2022-29)



City of McMinnville

FIRE DEPARTMENT

Fiscal Impact:

If approved expected net revenue after the fee adjustments for ambulance will be \$55,000, covering this budget year cost increases in EMS.

If not approved there will be no increase in department revenues, no cost recovery for the increasing costs.

Recommendation:

Council adopt resolution 2023-30

RESOLUTION NO. 2023-30

A Resolution providing for certain increases to the Fire Department fee schedule that allows the Fire Department to recover costs for Fire and EMS services allowed within City ordinances 4300 and 4649, and the International Fire Code as adopted by the State of Oregon.

RECITALS:

Whereas, the City of McMinnville has adopted Fire Codes as amended by the State of Oregon in accordance with Chapter 15.04 of the McMinnville Municipal Code; and

Whereas, the current Fire Code as adopted by the State of Oregon provides for fees under Section 113 of the Fire Code; and

Whereas, the City of McMinnville has established the Fire Prevention Division under Section 15.08 under the McMinnville Municipal Code for the enforcement of the Fire Code, and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. The City of McMinnville adopts the attached fee schedule (Exhibit "A").
2. This Resolution shall take effect July 1, 2023 and shall continue in full force and effect until revoked or replaced.
3. Resolution 2022-29 is repealed.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 13th day of June 2023 by the following votes:

Ayes: _____

Nays: _____

Approved this 13th day of June 2023.

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBIT:

- A. McMinnville Fire Department Fee Schedule

Exhibit "A"

MCMINNVILLE FIRE DEPARTMENT FEE SCHEDULE

ADMIN FEES:

Fire Reports	\$30.00
Photos	\$50.00
Environmental Reports	\$50.00

CODE ENFORCEMENT

Fire Inspection Fees

First Fire Inspection	No Charge
First Re-inspection	No Charge
2nd Re-inspections	No Charge
3rd Re-inspection	\$200.00
4th Re-inspection	\$400.00
Requested fire inspection – per building	\$100.00
After Hours and Weekend Inspections	\$150.00

STATE OR FEDERAL REQUIRED INSPECTIONS FOR LICENCING

0-3,000 sq ft	\$50.00
3,001-10,000	\$125.00
10,000-20,000	\$200.00
Over 20,000	\$250.00

VIOLATION FEES:

Illegal Burn - Fire suppression response Full Reimbursement

Fee is tied to Oregon State Conflagration rates for vehicles and crew

Fire Code Violations

Failure to obtain a required permit- issued to contractor performing work	Class 5 Code Violation
Work commencing before a permit issuance - issued to contractor performing work	Class 5 Code Violation
Failure to adhere to permit conditions - issued to contractor performing work	Class 5 Code Violation
Burning in violation of fire code	Class 6 Code Violation
Blocked/locked required exits	Class 5 Code Violation
Life Safety System out of service (sprinklers, alarms, hood suppression, etc.)	Class 5 Code Violation
Life Safety System not serviced (sprinklers, alarms, hood suppression, etc.)	Class 6 Code Violation
Unauthorized use of a premises contrary to occupancy classification	Class 4 Violation, per occurrence
Failure to maintain required fire access	Class 6 Violation, per occurrence

FALSE ALARM RESPONSE:

Each False Fire Alarm after 3 in a six month period	\$300.00
Each False Medical Alarm after 3 in a six month period	\$150.00

SPECIAL EVENT/OCCUPANCY PERMIT:

Festivals, Celebrations, Special Events

For areas up to/including 50,000 Sq. Ft	\$150.00
For areas over 50,000 Sq. Ft	\$350.00
Pyrotechnics/Flaming Art Performance/Special Effects	\$100.00
Haunted Houses	\$100.00

Failure to Obtain Special Event Permit	Class 4 Code Violation
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FIREWORKS PERMITS:

Fire Works Public Display	\$200.00
Retail or storage (structure)	\$50.00
Retail or storage (tent)	\$50.00

OPERATIONAL PERMITS:

Aircraft Refueling - Annual	\$250.00
Hazardous Materials Operations - Annual	\$250.00
Food Carts - Annual	\$50.00

CONSTRUCTION PERMITS:

Above and Underground Tank Installation/Removal	\$200.00
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FIRE SERVICE FEES:

Preparation Fee	\$500.00
Fire and Rescue Standby	Full Reimbursement
Fee is tied to Oregon State Conflagration rates for and crew costs	
Hazardous Material Response Costs	Full Reimbursement
Fee is tied to Oregon State Conflagration rates for vehicles and crew	
Vehicle Accident Non-resident	Full Reimbursement
Fee is tied to Oregon State Conflagration Rates	
Vehicle Fire Non- Resident	Full Reimbursement
Fee is tied to Oregon State Conflagration Rates	
Structure Fire Response in Non-Fire Service Area	Full Reimbursement
Fee is tied to Oregon State Conflagration Rates	

EMS FEES:

Ambulance Standby	\$250.00
Per hour or fraction thereof	
Advance Life Support	\$2292
Base Rate In City	
Advanced Life Support	\$2579
Base Rate Outside of City	
Basic Life Support	\$2197
Base Rate In City	
Basic Life Support	\$2471
Base Rate Outside of City	
Specialty Care Transport	\$2846.00
Medical Aid	\$600.00
Mileage	\$30.00
Waiting Time -Per hour or fraction thereof	\$100.00
FireMed Subscription -Per family within 97128 zip code	\$75.00
Fire Med Subscription - per family w/in 97128 zip code	\$95.00



STAFF REPORT

DATE: June 13, 2023
TO: Jeff Towery, City Manager
CC: Anne Pagano, Public Works Director; Heather Richards, Community Development Director
FROM: Jennifer Cuellar, Finance Director
SUBJECT: FY2022-23 Supplemental Budget Resolution Year End Review CORRECTION



CITY GOVERNMENT CAPACITY

Strengthen the City's ability to prioritize & deliver municipal services with discipline and focus.

Report in Brief: The Supplemental Budget resolution addresses a handful of budget adjustments needed after conducting the year-end budget review. These changes will be funded with Contingency Transfers or offsetting revenues. The resolution passed on 5/23/2023 contained an error and therefore is presented in its corrected form for a new vote of Council.

Error being corrected in the resolution:

The original resolution failed to include the General Fund revenue category for transfers in of \$94,000 from the Affordable Housing Fund, thus overstating the need for a contingency transfer by the same amount. The contingency transfer is now \$96,000, not \$190,000.

	Amended Budget*	Year End Review	Supplemental Appropriation
General Fund			
Administration	1,826,360	80,000	1,906,360
Finance	981,469	10,000	991,469
Engineering	1,189,151		1,189,151
Planning	3,139,028		3,139,028
Police	10,154,087		10,154,087
Municipal Court	632,065		632,065
Fire	10,830,170		10,830,170
Parks & Recreation	2,949,168		2,949,168
Park Maintenance	1,886,644	55,000	1,941,644
Library	2,547,658		2,547,658
Not Allocated to Organizational Unit or Program:			
Unemployment	14,999		14,999
City Services Charge costs		95,000	95,000
Debt Service	583,070		583,070
Transfers Out To Other Funds	1,361,719		1,361,719
Operating Contingencies	1,000,000	-96,000	904,000
Ending Fund Balance	3,855,724		3,855,724
Total General Fund	\$ 42,951,312	144,000	43,095,312
Revenue Budget Adjustment:			
Intergovernmental	7,285,440	50,000	7,335,440
Transfers In	2,501,073	94,000	2,595,073
All other unchanged	33,164,799		33,164,799
	42,951,312	144,000	43,095,312

In addition, the revenue for the Building Fund will be increased by a transfer in of \$10,500 from the Affordable Housing Fund. This is not included in the budget amendment because the Building Fund will not have an increase in appropriated expenditures, its unappropriated ending fund balance will be adjusted upwards to account for these added resources.

The discussion that follows is the same information included in the 5/23/2023 staff report.

Discussion of Resolution Action:

Oregon Revised Statute (ORS) 294.471 allows a local government to prepare a supplemental budget when an occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning.

As the total of this supplemental budget action for each fund does not exceed a 10% change in expenditures, the budget amendment may be made by Council resolution.

Over the course of the current fiscal year, some new circumstances have arisen that I propose be addressed in a year-end supplemental budget package.

General Fund

The following represent General Fund expenditures not known at the time of preparing the FY2022-23 budget and will be added to the appropriation for that budget year:

1. Administration: higher outside counsel costs due to open city attorney position and unanticipated specialty legal support needs during the year (\$80,000)
2. Finance: did not contemplate the additional costs associated document production and publication needs for unusual budget process (\$10,000)
3. Park Maintenance: ability to purchase vehicles and equipment from the American Rescue Plan Act (ARPA) approved project earlier than anticipated and related insurance coverage (\$55,000)
4. Non-departmental: city services charge billing services and one-time implementation costs were unknown when the budget was built (\$95,000)

The supplemental appropriation total for the General Fund is \$240,000. Of this amount, \$50,000 will be funded by new budgeted revenues (ARPA) and \$190,000 will require a contingency transfer.

Transient Lodging Tax Fund

The transient lodging tax is trending slightly above budget. In order to have appropriations adequate to pay the 70% tourism program portion and the 30% transfer to the General Fund, an increased appropriation of \$30,000 will be added for that program; an amount that will be fully covered by an equivalent increase in revenue.

Affordable Housing Fund

FY2022-23 is the first full year of the Affordable Housing Fund and budget adjustments to move funds from the program category to transfers out are needed in both the Construction Excise Tax (CET) program and the housing-related grants program. The fund will be reimbursing the General Fund \$94,000 for support services costs and direct program support by Community Development staff and the Building Fund \$10,500 for CET administrative support. The total appropriation for the fund will not change.

Wastewater Services Fund

This fund also experienced the impact of unbudgeted billing services charges that began in FY2022-23 of \$40,000. Sewer user fees are coming in higher than anticipated and will offset this cost which was unknown at the time of budget development.

Fiscal Impact:

The General Fund supplemental appropriations reduce the amount of contingencies available for unanticipated needs for the rest of the year. Higher appropriations that are funded by new revenue have no fiscal impact on those funds.

Council Options:

1. Approve the resolution authorizing these FY2022-23 budget amendments that address needs identified in the Year-End Review (staff recommendation).
2. Reject the budget amendment resolution which could result in an Oregon Local Budget Law violation.
3. Request additional information on this proposed action.

Documents:

Resolution 2023-32 FY2022-23 Supplemental Budget

RESOLUTION NO. 2023 - 32

A Resolution adopting a supplemental budget for fiscal year 2022-2023 and making supplemental appropriations and Contingency Transfers.

RECITAL:

This resolution proposes a supplemental budget for the General Fund, Transient Lodging Tax Fund, Affordable Housing Fund and Wastewater Services Fund.

A supplemental budget is to accommodate unknown circumstances at the time the budget was adopted based on a Year-End Review of the City’s budget status.

Oregon Local Budget Law allows a local government to prepare a supplemental budget when state or federal funds are made available that were unknown at the time the budget was prepared thus requiring a change in financial planning (ORS 294.471). The governing body must adopt a resolution to adopt the supplemental budget and make any necessary appropriations.

Because the supplemental budget for General Fund, Transient Lodging Tax Fund, Affordable Housing Fund and Wastewater Services Fund expenditures are not changed by more than 10%, a public hearing is not required.

Contingency transfers are limited to 15% of the total appropriation in the fund; the General Fund contingency transfer is within this statutory limit (ORS 294.463(2)).

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, OREGON, as follows:

1. **Adopt the following Supplemental Budget:** The Common Council of the City of McMinnville adopts the following Supplemental Budget for 2022-2023 in the General Fund, Transient Lodging Tax Fund, Affordable Housing Fund and Wastewater Services Fund.
2. **Make Supplemental Appropriations:** The additional appropriations for fiscal year 2022-2023 are hereby appropriated as detailed in Attachment A.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 13th day of June 2023 by the following votes:

Ayes: _____

Nayes: _____

Approved this 13th day of June 2023.

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBIT:

- A. Supplemental Budget Appropriations

Attachment A: Supplemental Budget Appropriations

FY2022-23 Year End Review

	Amended Budget*	Year End Review	Supplemental Appropriation
General Fund			
Administration	1,826,360	80,000	1,906,360
Finance	981,469	10,000	991,469
Engineering	1,189,151		1,189,151
Planning	3,139,028		3,139,028
Police	10,154,087		10,154,087
Municipal Court	632,065		632,065
Fire	10,830,170		10,830,170
Parks & Recreation	2,949,168		2,949,168
Park Maintenance	1,886,644	55,000	1,941,644
Library	2,547,658		2,547,658
Not Allocated to Organizational Unit or Program:			
Unemployment	14,999		14,999
City Services Charge costs		95,000	95,000
Debt Service	583,070		583,070
Transfers Out To Other Funds	1,361,719		1,361,719
Operating Contingencies	1,000,000	-96,000	904,000
Ending Fund Balance	3,855,724		3,855,724
Total General Fund	\$ 42,951,312	144,000	43,095,312
Revenue Budget Adjustment:			
Intergovernmental	7,285,440	50,000	7,335,440
Transfers In	2,501,073	94,000	2,595,073
All other unchanged	33,164,799		33,164,799
	42,951,312	144,000	43,095,312
Transient Lodging Tax Fund			
Program budget	1,329,017	21,000	1,350,017
Transfers Out to Other Funds	600,383	9,000	609,383
Total TLT Fund	\$ 1,929,400	30,000	1,959,400
Revenue Budget Adjustment:			
Licenses and Permits	1,929,200	30,000	1,959,200
All other unchanged	200		200
	1,929,400	30,000	1,959,400
Affordable Housing Fund			
Program budget	3,920,000	-104,500	3,815,500
Transfers Out to Other Funds		104,500	104,500
Operating Contingencies	180,000		180,000
Total Affordable Housing Fund	\$ 4,100,000	-	4,100,000

	<u>Amended Budget*</u>	<u>Year End Review</u>	<u>Supplemental Appropriation</u>
Wastewater Services Fund			
Program budget	5,193,404	40,000	5,233,404
Transfers Out To Other Funds	6,651,088		6,651,088
Operating Contingencies	900,000		900,000
Ending Fund Balance	<u>1,918,763</u>		<u>1,918,763</u>
Total Wastewater Services Fund	\$ <u>14,663,255</u>	<u>40,000</u>	<u>14,703,255</u>
Revenue Budget Adjustment:			
Charges for Services	10,867,328	40,000	10,907,328
All other unchanged	<u>3,795,927</u>		<u>3,795,927</u>
	<u>14,663,255</u>	<u>40,000</u>	<u>14,703,255</u>

* The FY2022-23 Adopted budget has been amended one time this year to add American Rescue Plan Act outlays that had not been known at the time of budget appropriation in June of 2022.

STAFF REPORT

DATE: June 13, 2023
TO: Mayor and City Councilors
FROM: Tom Schauer, Senior Planner
SUBJECT: Ordinance 5134 - G 1-23: Zoning Ordinance Amendments for Short-Term Rentals

STRATEGIC PRIORITY & GOAL:



HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)
Create diverse housing opportunities that support great neighborhoods.

Report in Brief:

This agenda item is the second reading and vote on Ordinance 5134, amending standards for Short-Term Rentals (Docket G 1-23). The public hearing and the first reading of Ordinance 5134 occurred at the May 23, 2023 City Council meeting. The vote on the first reading was not unanimous, so the second reading and vote is now before the City Council.

The proposed ordinance would also end the current moratorium on the issuance of Short-Term Rental permits which was enacted by Ordinance 5118 and extended by Ordinance 5127 through June 29, 2023. Ordinances typically go into effect 30 days after passage in accordance with the City Charter. As originally drafted, Ordinance 5134 had a 30-day effective date, which would have gone into effect before the end of the moratorium if it passed on May 23. However, for the second reading and vote on June 13, Ordinance 5134 has been amended to include an emergency clause so the ordinance would go into effect upon passage, before the moratorium expires.

Since the Ordinance has been amended to incorporate the emergency clause, legal counsel has advised that it is necessary for the additional "Whereas" clause and the additional Section 5 Emergency Clause to be read "fully and distinctly" into the record of the meeting as included amendments to the Ordinance and for the Motion to be for the City Council to approve the final reading of the Ordinance as thus amended.

Background:

The Planning Commission held a public hearing on March 16, 2023 and made a recommendation to the City Council to adopt amendments to the standards for Short-Term Rentals. Among other

provisions, the recommendation includes a change to the spacing standard between properties with Short-Term Rentals from 200 feet to 500 feet.

On July 12, 2022, the McMinnville City Council enacted a moratorium on the issuance of Short-Term Rental Permits, which became effective August 12, 2022 (Ordinance 5118). On November 22, 2022, the City Council adopted Ordinance 5127 extending the moratorium from December 29, 2022 to June 29, 2023 while the Planning Commission and Planning Department staff continue to re-evaluate the Zoning Ordinance as it pertains to permitting Short-Term Rentals. This action was based primarily on the fact that several residential neighborhoods, especially those closer to the downtown area, were experiencing an increasing number of short terms rentals in their neighborhoods causing residents to become concerned about the quality of life, health, safety and community interaction within the neighborhoods. The City Council cited the following concerns in the adoption of the moratorium:

- McMinnville is experiencing severe constraints in housing land supply which is leading to a deficit in housing units being built in the community to meet housing demand. With a lack of supply and significant demand, housing prices have escalated exponentially in the past couple of years;
- At the same time, tourism has increased in McMinnville exponentially as well. Increased housing prices and increased demand for tourism lodging has led to a greater than normal demand on housing to be leveraged as short-term rentals;
- Residential neighborhoods are experiencing an increasing amount of short term rentals causing residents to become concerned about the quality of life, health, safety and community interaction within the neighborhoods;
- McMinnville's zoning ordinance currently has a spacing separation of 200' between short term rentals. This has proven to be too much density of short-term rentals in some neighborhoods. The City would like to evaluate the impacts of short-term rentals on residential neighborhoods during the moratorium and recommend solutions for moving forward.

Current Code Provisions:

Lodging is represented in many forms in McMinnville. In commercial zones (C-1, C-2 and C-3), lodging is an allowed outright use and does not need any permits. Any rooms rented for short-term stays (30 days or less) are considered lodging.

In McMinnville's residential zones (R-1, R-2, R-3, R-4, R-5 and O-R), lodging is allowed in the form of Short-Term Rentals and Resident Occupied Short-Term Rentals. Both Short-Term Rentals and Resident Occupied Short-Term Rentals are only allowed with a Type 2 permit. Type 2 permits are permits based on clear and objective standards and reviewed by planning staff but with notification to surrounding property owners.

The primary difference between the criteria for Resident-Occupied Short Term Rental permit criteria and Short Term Rental permit criteria is the 200 foot spacing standard (property line to property line) that is a provision for Short Term Rentals, the requirement for a neighborhood meeting for a Short Term Rental, and the requirement for one off-street parking space per

bedroom for Short Term Rentals versus one off-street parking space per guest bedroom of a Resident-Occupied Short Term Rental.

When the McMinnville Planning Commission last evaluated and amended the McMinnville Municipal Code relative to Short Term Rentals in 2018, they wanted to make it easier to permit Resident-Occupied Short Term Rentals and encourage them in commercial zones rather than residential zones.

History of Dialogue:

Short Term Rental permits have been an active dialogue in McMinnville for many years.

- In 2008, the City approved Ordinance No. 4902, adopting regulations that allowed vacation home rentals in residential zones and the office-residential zone as conditional use permits. At this time the permit was permanent and a 660-foot buffer from other vacation home rentals was required.
- In 2012, the City removed the spacing buffer between vacation home rentals largely because the Planning Department had not received any complaints about vacation home rentals in the four years since they were initially allowed.
- In 2014, the City amended the code to transfer the approval of vacation home rentals from the Planning Commission to the Planning Director. At this time they became a Type I permit and not a conditional use permit.
- In 2017, a neighborhood approached the Planning Commission about reconsidering the vacation home rental codes as their neighborhood, which was a historic neighborhood in close proximity to the downtown had seen many homes converted to vacation home rentals recently. The Planning Commission hosted four work sessions and a public hearing and made a recommendation to differentiate between Short Term Rentals where the whole home was rented out as lodging and Resident Occupied Short Term Rentals where the occupant of the home rented out a room as lodging. They also recommended reinstating the 200-foot spacing buffer between Short Term Rentals. This recommendation was adopted by Ordinance No. 5047 on April 10, 2018, and became effective on May 10, 2018.

McMinnville Data for Short Term Rentals:

Below is the data for permitted Short Term Rentals in McMinnville, meaning only those within the residential zones (R-1, R-2, R-3, R-4, O-R). As noted above, these types of short-term rentals are allowed in commercial zones where “lodging (hotels and motels)” is listed as a permitted use. Short Term Rentals are only allowed in single-dwelling units, common wall single dwelling units (Townhomes) and accessory dwelling units (ADUs). They are not allowed in duplexes, triplexes, fourplexes, or multiple dwelling structures. Only one short term rental is allowed per property (i.e. either ADU or primary dwelling unit) and the spacing standard applies to the property (i.e. if an ADU or a primary dwelling unit is a permitted short term rental, another short term rental would not be permitted within 200 feet of that property (property line to property line)).

At the time of the moratorium, there were 68 permitted short-term rentals in residential zones in McMinnville and 29 permitted Resident Occupied Short Term Rentals. For perspective, there are approximately 13,000 housing units in McMinnville (including multi-family and housing in

commercial zones). However, most of the Short-Term Rental permits are still in the neighborhoods closest to the downtown, and in the nine months prior to the moratorium, sixteen Short Term Rental permits were issued, compared to an average of five new permits per year previously. There were three additional pending Short Term Rental permit applications as of September 9, 2022 (all submitted prior to the August 2 deadline).

Discussion:

At Planning Commission work sessions on September 15, 2022, October 20, 2022, December 15, 2022, and January 19, 2023, Commissioner Sylla McClellan and Chair Sidonie Winfield led the Planning Commission through the research that they had conducted, the issues that they had identified and the opportunities for code revisions that they saw practiced in other communities. Below is the result of those discussions:

RECOMMENDATIONS CONSIDERED:

STR guidelines proposal for discussion.

1. STR is defined as a dwelling unit and one permit will be issued per property (tax lot? Not sure how to define this?). If an ADU is on the property and the permit is issued for the ADU, the home cannot be listed as an STR.
(Staff note: this provision is in the current code.)

Commission Discussion: Keep it in the code.

2. A local person (or property manager's) contact information must be provided.
(Staff note: this provision is in the current code.)

Commission Discussion: Local defined as residing within the 97128 zip code. Keep this in the code but add a provision that the contact information is handed out to adjacent properties and YCOM. Add that the contact needs to be available 24/7.

3. All city and state taxes must be remitted in a timely manner.

Commission Discussion: Add to the code.

4. Permitted properties cannot be within 600 feet of one another.

Commission Discussion: At the December 15, 2022 and January 19, 2023 work sessions, a majority of Commissioners expressed support for a 500-foot spacing standard for Short-Term Rentals in residential zones.

5. There is a limit to how many properties can be permitted (this limit could be defined by an actual number or a percentage of residences within the city limits).

Commission Discussion: At the December 15, 2022 and January 19, 2023 work session, a majority of Commissioners indicated they felt a cap on the number or percentage of Short-Term Rentals within City limits would not be necessary, and felt

a 500-foot spacing standard would also effectively limit the total number of Short-Term Rentals in the city.

6. Existing permits would not pass-through to new owners should the property change ownership.

(Staff note: this provision is in the current code.)

Commission Discussion: Keep it in the code.

7. ~~Establish a moratorium so these rules cannot be changed for five years.~~
8. These same rules would apply to STRs in commercial zones (not sure about this?) Commercial zoning STRs – set a maximum number of rooms. If over this number, the property becomes a B & B or falls under the codes for lodging. Commercial zoning space limits apply? Is the permit for the property or per dwelling unit?

Commission Discussion: At the December 15, 2022 and January 19, 2023 work sessions, a majority of Commissioners indicated their preference to limit the current scope to addressing regulations for Short-Term Rentals in the residential zones at this time and consider whether to evaluate regulations for lodging and Short-Term Rentals in commercial zones at another time if needed, which could also be undertaken as part of broader planning efforts such as downtown planning.

9. Operations without current permits will receive a warning letter and then be fined.
(Staff note: currently they are shut down and need to get a permit prior to resuming operations)

Commission Discussion: Add a daily citation to enforcement and a habitual clause denying them the opportunity to apply for a permit for 12 months. See what other communities are doing.

10. STR guidelines will be easier to find on the city's website.
11. The permit number is required to be part of the listing (AirBnB, VRBO, [booking.com](https://www.booking.com), etc) for the STR.

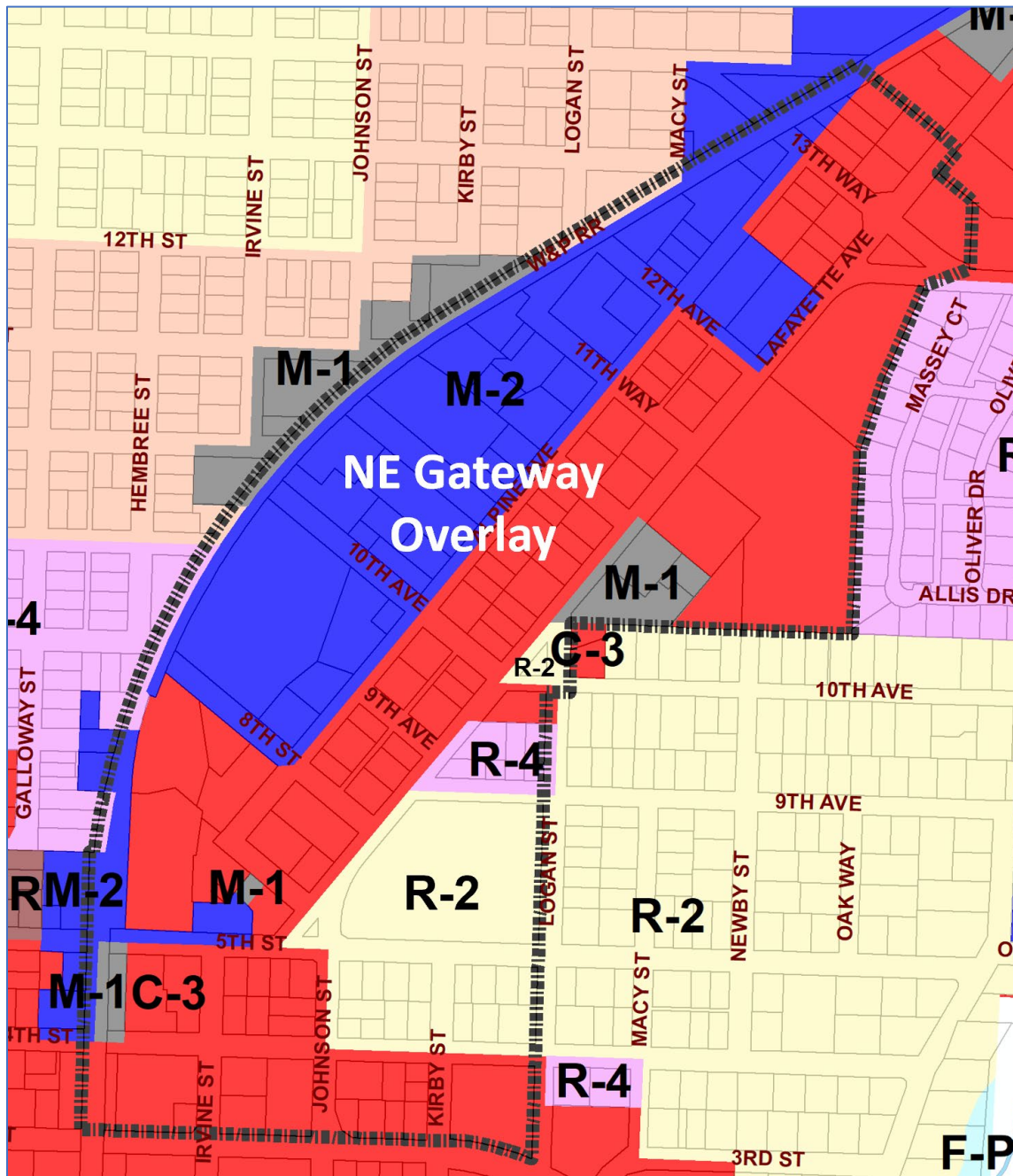
This discussion resulted in the development of a draft proposal that was presented to the Planning Commission at the January 19, 2023 work session. At the January 19 work session, the Planning Commission agreed on the elements for a preliminary draft to initiate the public hearing process with the filing of the notice and draft proposal with DLCD.

On March 16, 2023, the Planning Commission held a public hearing to consider the request. The staff report included a recommendation to approve the January 19, 2023 draft with additional March 9, 2023 revisions to address issues that arose related to litigation of a Short-Term Rental application.

At the March 16, 2023 Planning Commission hearing, the Commission also heard testimony regarding the regulation of Short-Term Rentals within the NE Gateway Overlay for properties with underlying residential zoning. For those properties, Short-Term Rentals were listed as Conditional Uses, subject to Conditional Use Permit Criteria. These criteria don't include a spacing standard or other Short-Term Rental standards. The Planning Commission addressed this issue by recommending that properties within the NE Gateway Overlay Zone that have underlying residential zoning should be subject to the same Short-Term Rental standards that apply to other residential properties.

Therefore, the Planning Commission recommendation also included a change to the Northeast Gateway Overlay Zone (Ordinance 4971), so that Short-Term Rentals within the NE Gateway Overlay Zone with underlying residential zoning would now be listed as a permitted uses subject to all of the same standards, including the spacing standard, rather than remaining listed as conditional uses. The map below shows the boundary of the NE Gateway Planned Development Overlay boundary and the properties with residential zoning (R-2 and R-4) within the boundary.

Additional notice of this additional proposed amendment and the May 23, 2023 City Council public hearing was mailed to these property owners of properties in the NE Gateway Planned Development Overlay with underlying residential zoning.



Attachments:

- Attachment 1. Ordinance 5134 with Exhibits
 - Exhibit 1. Proposed Amendments to Title 17 (Zoning) of the McMinnville Municipal Code
 - Exhibit 2. Proposed Amendments to the Northeast Gateway Overlay Zone (Ord. 4971)
 - Exhibit 3. Decision, Findings, and Conclusionary Findings for Docket G 1-23
- Attachment 2. Minutes of March 16, 2023 Planning Commission hearing
- Attachment 3. Written Testimony

Council Options:

The public hearing was held and closed on May 23, 2023. City Council voted on the first reading of the ordinance, and the ordinance is now before City Council for the second reading and vote.

- 1) **APPROVE** the ordinance, based on the decision document provided which includes the findings of fact.

The proposed ordinance includes an emergency clause and would go into effect upon passage. The new provisions for Short-Term Rentals would then be in effect and the ordinance would also end the moratorium which was enacted by Ordinance No. 5118 and extended by Ordinance No. 5127 through June 29, 2023 when the new provisions go into effect.

Since the Ordinance has been amended to incorporate the emergency clause, legal counsel has advised that it is necessary for the additional "Whereas" clause and the additional Section 5 Emergency Clause to be read "fully and distinctly" into the record of the meeting as included amendments to the Ordinance and for the Motion to be for the City Council to approve the final reading of the Ordinance as thus amended.

- 2) **APPROVE** the ordinance, per the decision document provided which includes the findings of fact, **WITH ADDITIONAL REVISIONS.**

Per the City Charter, an ordinance enacted after being read by title alone may have no legal effect if it differs substantially from its terms as it was thus filed prior to such reading, unless each section incorporating such a difference is read fully and distinctly in open council meeting as finally amended prior to being approved by the council.

- 3) **CONTINUE ACTION ON THE SECOND READING AND VOTE ON THE ORDINANCE** to a specific date and time.

The effective date of the ordinance is immediately upon passage. The moratorium on Short-Term Rentals expires on June 29, 2023. If new provisions aren't adopted and in effect prior to expiration of the moratorium on June 29, 2023, the current provisions of the Zoning Ordinance will remain in effect upon expiration of the moratorium.

- 4) **DENY** the ordinance, providing findings of fact for the denial in the motion to deny.

This means the current provisions of the Zoning Ordinance and NE Gateway Planned Development Overlay (Ordinance 4971) regulating Short-Term Rentals would remain in effect.

Recommendation/Suggested Motion:

The Planning Commission recommended that the City Council approve the proposed amendments.

Ordinance 5134 is now before the Council for second reading and vote.

SINCE THE ORDINANCE HAS BEEN AMENDED TO INCORPORATE THE EMERGENCY CLAUSE, LEGAL COUNSEL HAS ADVISED THAT IT IS NECESSARY FOR THE ADDITIONAL "WHEREAS"

CLAUSE AND THE ADDITIONAL SECTION 5 EMERGENCY CLAUSE TO BE READ “FULLY AND DISTINCTLY” INTO THE RECORD OF THE MEETING AS INCLUDED AMENDMENTS TO THE ORDINANCE AND FOR THE MOTION TO BE FOR THE CITY COUNCIL TO APPROVE THE FINAL READING OF THE ORDINANCE AS THUS AMENDED.

FOLLOWING THE READING OF THE ADDITIONAL “WHEREAS” AND SECTION 5 EMERGENCY CLAUSE:

“BASED ON THE FINDINGS OF FACT, THE CONCLUSIONARY FINDINGS FOR APPROVAL, AND THE MATERIALS SUBMITTED BY THE CITY OF McMinnville, I MOVE THAT THE CITY COUNCIL ADOPT ORDINANCE NO. 5134, AS AMENDED, APPROVING AMENDMENTS TO THE ZONING ORDINANCE AND AMENDMENTS TO THE NORTHEAST GATEWAY OVERLAY ZONE (ORDINANCE 4971), APPROVING THE DECISION, FINDINGS, AND CONCLUSIONARY FINDINGS FOR DOCKET G 1-23, ENDING THE MORATORIUM ENACTED BY ORDINANCE NO. 5118 AND EXTENDED BY ORDINANCE NO. 5127, AND DECLARING AN EMERGENCY.”

ORDINANCE NO. 5134**AN ORDINANCE AMENDING TITLE 17 (ZONING) OF THE MCMINNVILLE MUNICIPAL CODE AND THE NORTHEAST GATEWAY PLANNED DEVELOPMENT OVERLAY (ORDINANCE 4971) TO AMEND STANDARDS FOR SHORT-TERM RENTALS, APPROVING THE DECISION, FINDINGS, AND CONCLUSIONARY FINDINGS FOR DOCKET G 1-23, ENDING THE MORATORIUM ENACTED BY ORDINANCE NO. 5118 AND EXTENDED BY ORDINANCE NO. 5127, AND DECLARING AN EMERGENCY****RECITALS:**

WHEREAS, Docket G 1-23 is a legislative action amending the standards for Short-Term Rentals in Title 17 (Zoning) of the McMinnville Municipal Code and the Northeast Gateway Planned Development Overlay (Ordinance 4971).

WHEREAS, following an extensive public process and a recommendation from a Project Advisory Committee, on March 12, 2019 the City Council adopted the MAC-Town 2032 Economic Development Strategic Plan. Goal 3 of the Plan is "Maintain and Enhance our High Quality of Life." Subsection 3.4.2 provides, "Ensure that regulations and City investments encourage city livability." Potential Tasks or Projects listed in support of Subsection 3.4.2 include, "Evaluate the adequacy of current policy regarding vacation and short-term rentals to balance the needs of neighborhood residents and visitors to McMinnville."

WHEREAS, on July 12, 2022, the City Council enacted a moratorium on the issuance of Short-Term Rental Permits through December 29, 2022, which became effective August 12, 2022 (Ordinance 5118).

WHEREAS, on November 22, 2022, the City Council extended the moratorium from December 29, 2022 to June 29, 2023 (Ordinance 5127) while the Planning Commission and Planning staff continued to re-evaluate the Zoning Ordinance as it pertains to permitting of Short-Term Rentals.

WHEREAS, the Planning Commission held work sessions on September 15, 2022, October 20, 2022, December 15, 2022, and January 19, 2023. The Planning Commission concluded this work with a draft proposal for amendments to the Zoning Ordinance regarding regulation and permitting of Short-Term Rentals.

WHEREAS, Docket G 1-23, a draft legislative proposal for amendments to the standards for Short-Term Rentals, was initiated on January 23, 2023 with notice of the proposed amendments and a March 16, 2023 Planning Commission public hearing submitted to DLCD.

WHEREAS, on February 24, 2023, notice of the proposed amendments and the March 16, 2023 Planning Commission public hearing was mailed to property owners in the R-1, R-2, R-3, R-4, R-5, and O-R zones as provided in ORS 227.186.

WHEREAS, on March 7, 2023, notice of the application and the March 16, 2023 Planning Commission public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.

WHEREAS, on March 16, 2023, the Planning Commission held a duly noticed public hearing to consider the request. The Planning Commission recommended approval of the proposed amendments with revisions. The recommendation was to approve the January 19, 2023 draft with additional March 9, 2023 revisions. In addition, based on public testimony, the Planning Commission also recommended amendments to the Northeast Gateway Planned Development Overlay (Ordinance 4971) regarding the provisions regulating Short-Term Rentals applicable to properties with underlying residential zoning.

WHEREAS, on April 3, 2023, notice of the revised proposal and the May 23, 2023 City Council public hearing was submitted to DLCD.

WHEREAS, on April 14, 2023, additional notice of the revised proposal and the May 23, 2023 City Council public hearing was mailed to property owners of properties within the Northeast Gateway Overlay Zone with underlying residential zoning.

WHEREAS, on May 16, 2023, notice of the proposal and the May 23, 2023 City Council public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.

WHEREAS, the City Council received the Planning Commission recommendation and staff report, and has deliberated.

WHEREAS, the City Council, being fully informed about said request, found that the requested amendments attached as Exhibits A and B conform to the applicable criteria, including the Comprehensive Plan goals and policies, as well as the McMinnville Zoning Ordinance, based on the material submitted by the Planning Department and the findings of fact and conclusionary findings for approval in Exhibit C; and

WHEREAS, the City Council finds an emergency exists, whereby it is necessary for the new standards to go into effect before the moratorium expires, which is less than 30 days from the passage of this Ordinance. This Ordinance, as considered by the City Council on June 13, 2023 for second reading and vote, incorporates an emergency clause, also reflected in the title, and is effective upon passage. The ordinance does not differ substantially from its terms as it was filed prior to such reading.

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

1. The McMinnville Zoning Ordinance is amended as provided in Exhibit A; and
2. The Northeast Gateway Planned Development Overlay (Ordinance 4971) is amended as provided in Exhibit B; and
3. The Council adopts the Decision, Findings, and Conclusionary Findings for Docket G 1-23 attached as Exhibit C; and

4. The moratorium on issuance of permits for Short-Term Rentals enacted by Ordinance No. 5118 and extended by Ordinance No. 5127 is hereby ended on the effective date of this ordinance.
5. An emergency is hereby declared to exist. This Ordinance will take effect immediately upon passage.

Passed by the McMinnville City Council this 13th day of June 2023, by the following votes:

Ayes: _____

Nays: _____

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBITS:

- A. Amendments to McMinnville Zoning Ordinance (Title 17 of McMinnville Municipal Code)
- B. Amendments to Northeast Gateway Planned Development Overlay (Ordinance 4971)
- C. Decision, Findings, and Conclusionary Findings for Docket G 1-23

McMinnville Zoning Ordinance
Amendments for Short-Term Rentals

New text is in ***bold, italic, underline text***. Deleted text is in ~~strikethrough text~~

Chapter 17.12.

R-1 SINGLE-FAMILY RESIDENTIAL ZONING

17.12.010. Permitted Uses. In an R-1 zone, the following uses and their accessory uses are permitted:

...

- P. Short term rental, subject to the provisions of Section 17.72.110 and the following standards:
1. Short term rentals shall not be located within ~~200~~***500*** feet of another short term rental, or on the same property as another short term rental.
 2. Short term rentals shall be allowed in single dwellings, common-wall single dwellings, and accessory dwelling units (ADUs). The structure shall retain the characteristics of a residence.
 3. That a minimum of one off-street parking space be provided for each ~~room~~ ***bedroom in the dwelling in which the short-term rental is located as provided in Subsection 13. Required off-street parking shall be provided on the same property as the short-term rental, not on a different property through a parking agreement.***
 4. That signage is limited to only one non-illuminated or incidentally illuminated wooden sign not exceeding three (3) square feet of face area.
 5. That the duration of each guest's stay at the residence be limited to no more than 30 (thirty) consecutive days. ***The residence shall be subject to residential regulations when occupied or rented for more than 30 consecutive days.***
 6. That smoke detectors be provided as per the requirements for "lodging houses" in Ordinance No. 3997. ***A CO2 alarm must also be installed.***
 7. That the property owner ***or owner's appointed agent*** shall live within the geographic area of the 97128 zip code ~~or shall provide contact information of a person living within the geographic area of the 97128 zip code who~~ ***and*** shall be available ***24 hours a day, 7 days a week*** to respond immediately to any emergency or complaint related to the short term rental. ***Prior to commencing the use as a Short-Term Rental, the contact information for the property owner or owner's appointed agent shall be mailed to the property owners and street addresses of the adjacent properties, Yamhill Communication Agency (YCOM), and the McMinnville Community Development Department. Any change in the contact information for the property owner or owner's appointed agent shall also be mailed to the adjacent property owners and street addresses,***

- YCOM, and the Community Development Department prior to the change. The mailing shall include the address and the Short-Term Rental permit number assigned by the Planning Department.**
8. **Failure to immediately and appropriately respond to any emergency or complaint, when viewed from the perspective of a reasonable homeowner, may result in enforcement action and revocation of the permit.**
 9. Permits shall be issued to the current property owner at the time of application. Permits do not transfer with the sale or conveyance of the property. Upon any change in ownership, the short term rental permit for the subject property will become void. The use of the subject property as a short term rental by the new owner will again be subject to the application and review procedures in Section 17.72.110. The following situations are not deemed to be a change in ownership for the purposes of this section:
 - a. Transfer of property from a natural person(s) to a Trust serving the same natural person(s) or to a family member pursuant to a Trust; or
 - b. Transfer of ownership pursuant to a will or bequest upon the death of the owner.
 10. **All city and state taxes shall be remitted in a timely manner.**
 11. **Prior to any advertising or operating the property for short-term rental use, the applicant shall register with the McMinnville Finance Department as a transient lodging provider. Local Transient Lodging Tax shall be collected and remitted to the City as provided in Chapter 5.10 of the McMinnville Municipal Code.**
 12. **Any listing or advertisement for the Short-Term Rental Permit shall include the permit number assigned by the Planning Department.**
 13. **Any offer for rent or operation of the dwelling for short-term rental use shall be limited to sleeping only in the bedrooms, except that a studio unit shall be subject to the same provisions as a 1-bedroom residence. Only a room with a built-in closet, window, and door shall be considered a bedroom.**
 14. **In addition to any other remedies for enforcement, up to and including full cost recovery for enforcement action, any Short-Term Rental operating without a valid and current permit may be subject to a daily citation/penalty. Repeat violations may result in revocation of the permit and preclude the ability to apply for a new permit for 12 months from the date of written revocation of the permit.**
 15. Permits must be renewed annually. Failure to renew the short term rental permit annually will result in the permit becoming void, and the use of the subject property as a short term rental will again be subject to the application and review procedures in Section 17.72.110 **in effect at the time of application.**
 16. Complaints on conditions 1 through ~~139~~ above will be reviewed by the Planning Commission at a public hearing. The Planning Commission will review complaints based on the criteria listed in Sections 17.74.030 and 17.74.040 of the zoning ordinance. If the short term rental is found to be in violation of the criteria, the Planning Commission may terminate the use. (Ord.

5104 §2, 2021; Ord. 5047 §2, 2018; Ord. 5040 §2, 2017; Ord. 4988 §1, 2015; Ord. 4984 §1, 2014; Ord. 4952 §1, 2012; Ord. 4912 §3, 2009; Ord. 4796 §1, 2003; Ord. 4564 §2, §3, 1994; Ord. 4534 §5(part), §7(part), 1993; Ord. 4499 §1, 1991; Ord. 4477 §1, 1990; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).

- 17. The provisions of this Section shall apply to new applications for Short-Term Rentals submitted on or after June 22, 2023. In addition, all provisions of this Section shall also apply to renewals, except that renewals of existing permits issued before June 22, 2023 made nonconforming relative to Subsections 1, 3, and 13 may continue to operate in accordance with the spacing standards, parking requirements, and authorized sleeping rooms in effect at the time the permit was approved.**

...

[Note: The list of permitted uses for the other zoning districts in which Short-Term Rentals are a permitted use reference this section and these standards].

Chapter 17.60 **OFF-STREET PARKING AND LOADING**

...

17.60.060 Spaces. Number required.

Except for the southerly 100 feet of Block 10 and the northerly 100 feet of Block 11, Rowland's Addition and the area bounded by Second Street, Adams Street, Fourth Street, and Galloway Street, at the time of erection of a new structure or at the time of enlargement or change of use of an existing structure, off-street parking spaces shall be provided as follows unless greater requirements are otherwise established. Where square feet are specified, the area measured shall be the gross floor area primary to the functioning of the particular use of the property but shall exclude space devoted to off-street parking or unloading.

- A. Residential land use category:
- | | |
|-------------------------------------|---|
| 1. Bed and breakfast establishments | One space for the first two guest sleeping rooms and an additional space for each additional guest sleeping room. |
|-------------------------------------|---|

- | | |
|---|--|
| 2. Fraternity, sorority, cooperative, or dormitory | One space per two sleeping accommodations. |
| 3. Multiple dwelling | One and one-half spaces per dwelling with less than three bedrooms, two spaces per dwelling unit with three or more bedrooms, and one space per dwelling unit which is expressly reserved for senior or handicapped persons. |
| 4. Single detached | Two spaces per dwelling with four or fewer bedrooms, and one additional space for every two additional bedrooms. |
| 5. Short-Term Rental and Resident Occupied Short-Term Rental. | Short Term Rental = One space for each guest room <u>bedroom in the dwelling in which the short-term rental is located, as provided in Section 17.12.010(P)(13)</u> ; Resident Occupied Short-Term Rental = one space per two permitted guest rooms. |

...

**Ordinance 4971: NE Gateway Planned Development Overlay
Amendments for Short-Term Rentals**

New text is in ***bold, italic, underline text***. Deleted text is in ~~strikethrough text~~

...

Section 6 – Permitted and Conditionally Permitted Uses.

...

Table 1

Use P – Permitted, C – Conditionally Permitted	Zone 1	Zone 2	Zone 3
<u>Residential</u>			
Single-Family	P ³	P ⁴	P – Only in R-2/R-4 zones
Social Relief Facility (up to 5 Individuals)	P	P	P
Two-Family	P	P	P ⁵
Multi-Family	P	P	P – Not permitted in R-2 zone
<u>Group Living</u>			
Assisted Living Facility/Nursing Home	C	C	C – Not permitted in R-2 zone
Social Relief Facility (six or more)	C	C	C
<u>Commercial</u>			
Animal Grooming	P	P	P – Not permitted in Res zones
Call Center/Centralized Office	P	P	P – Not permitted in Res zones
Club/Lodge	C	C	C – Not permitted in Res zones
Commercial Recreation Center	C	C	C – Not permitted in Res zones
Conference Center	C	C	C – Not permitted in Res zones
Daycare (up to 12 individuals)	P	P	P
Daycare (more than 12 individuals)	C	C	C
Financial Services	P	P	P – Not permitted in Res zones
Food and Beverage Establishment (non-drive-through)	P	P	P – Not permitted in Res zones
Laundry Services	P	P	P – Not permitted in Res zones
Lodging: Bed and Breakfast/Vacation Home Rental <u>Short-Term Rental</u>	P	P	P – C <u>P in Res zones, subject to STR standards of Res zone⁷</u>
Lodging: Hotel/Motel	P	P	P – Not permitted in Res zones
Office Medical/Professional	P	P	P – Not permitted in Res zones
Parking Lot (non-accessory to existing use)	P	P	P – Not permitted in Res zones
Parking Lot (public)	P	P	P – Not permitted in Res zones
Personal Services (including gym, spa, barber shop)	P	P	P – Not permitted in Res zones
<u>Resident-Occupied Short-Term Rental</u>	<u>P³</u>	<u>P⁴</u>	<u>P – P in Res zones, subject to ROSTR standards of Res zone⁸</u>
Retail Sales (General) up to 25,000 square feet on ground floor – non-auto	P	C	C – Not permitted in Res zones
Repair/Service (non-auto)	P	P	P – Not permitted in Res zones
Theater	P	P	P – Not permitted in Res zones

Industrial			
Food/Beverage Manufacturing Industry, Light ⁶	-	P	-
	-	P	-
Civic			
Church	C	-	C
College/University	C	C	C
Cultural Exhibit Center and Library	P	P	C
Government Building	C	C	C
School – Public or Private	C	C	C
Mixed-Use			
Artist Live/Work Space	P	P	P
Artist Live/Work Space with Retail Component	P	P	P – Not permitted in Res zones
Food/Beverage Manufacturing with a Retail Component	P	P	P – Not permitted in Res zones
Commercial/Residential with a Residential Component Above	P	P	P – Not permitted in Res zones
Light Industrial with a Residential Component Above	-	P	-
Light Industrial with a Retail Component	-	P	-
Expansion of a Non-Conforming Use			
	-	-	-

³ Permitted as a mixed-use above first floor commercial

⁴ Permitted as a mixed-use above first floor commercial

⁵ R-2 Standards in Chapter 17.15 apply to two-family in Zone 3

⁶ Manufacturing of goods carried out without detriment to the amenity of the area by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust, or grit.

⁷ Short-Term Rentals are permitted in Residential zones subject to the standards for Short-Term Rentals that apply in the underlying residential zone, see Section 17.12.010(P) of the Zoning Ordinance.

⁸ Resident-Occupied Short-Term Rentals are permitted in Residential zones subject to the standards for Resident-Occupied Short-Term Rentals that apply in the underlying residential zone, see Section 17.12.010(O) of the Zoning Ordinance.



City of McMinnville
Community Development

231 NE Fifth Street
McMinnville, OR 97128
503-434-7311

www.mcminnvilleoregon.gov

DECISION, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS FOR THE APPROVAL OF LEGISLATIVE AMENDMENTS TO THE MCMINNVILLE ZONING ORDINANCE AND THE NE GATEWAY PLANNED DEVELOPMENT OVERLAY (ORDINANCE 4971), DOCKET G 1-23, RELATING TO SHORT-TERM RENTALS

DOCKET: G 1-23

REQUEST: Proposed amendments to the McMinnville Zoning Ordinance and the NE Gateway Planned Development Overlay (Ordinance 4971), adopting amended standards for Short-Term Rentals.

Zoning Ordinance. The proposed amendment would amend the standards for Short-Term Rentals in the R-1, R-2, R-3, R-4, R-5, and O-R zones.

Short-Term Rentals are listed as a permitted use in these zoning districts, subject to the standards provided in Section 17.12.010(P) of the Zoning Ordinance. The proposed amendment would amend the standards in Section 17.12.010(P). The proposed amendment also amend the off-street parking provisions for Short-Term Rentals in Chapter 17.60 of the Zoning Ordinance to provide internal consistency with the amended standards.

NE Gateway Planned Development Overlay (Ordinance 4971). The proposal would also amend the provisions of the NE Gateway Overlay Zone (Ordinance 4971) as follows: For those properties in the NE Gateway Overlay Zone that have underlying residential zoning, the amendments would change the provisions for Short-Term Rentals to match those that apply to other residentially-zoned properties that aren't within the NE Gateway Overlay Zone.

This means that for properties with underlying residential zoning within the NE Gateway Overlay Zone (only present within Subarea 3), Short-Term Rentals would be listed as a permitted use subject to the same standards that apply to Short-Term Rentals in residential zones including spacing standards, rather than remaining listed as a Conditional Use subject to the Conditional Use Permit criteria.

LOCATION: N/A. The proposal is a legislative text amendment.

ZONING: N/A. The proposal is a legislative text amendment.

APPLICANT: City of McMinnville

STAFF: Tom Schauer, Senior Planner

HEARINGS BODY: McMinnville Planning Commission

DATE & TIME: March 16, 2023, 6:30pm. Hybrid In-Person and Zoom Online Meeting:

In Person: Kent Taylor Civic Hall, 200 NE 2nd Street, McMinnville

Zoom Meeting:
<https://mcminnvilleoregon.zoom.us/j/89368634307?pwd=M0REY3RVSzFH eFdmK2pZUmJNdkdSZz09>

Zoom Meeting ID: 893 6863 4307
Zoom Passcode: 989853

Or you can call in and listen via zoom: 1-253-215-8782
ID: 893 6863 4307

DECISION-MAKING

BODY: McMinnville City Council (Public Hearing)

DATE & TIME: May 23, 2023, 6:00pm. Hybrid In-Person and Zoom Online Meeting:

In Person: Kent Taylor Civic Hall, 200 NE 2nd Street, McMinnville

Zoom Meeting:
<https://mcminnvilleoregon.zoom.us/j/87942133731?pwd=b2wxVk1ldUV2a3Jw WnpHM2ppOVUwdz09>

Zoom Meeting ID: 879 4213 3731 **Zoom Passcode:** 028563

Or join the ZOOM meeting by phone: +1 253 215 8782
Meeting ID: 879 4213 3731

PROCEDURE: The application is subject to the legislative land use procedures specified in Sections 17.72.120 - 17.72.160 of the McMinnville Municipal Code.

CRITERIA: Amendments to the McMinnville Zoning Ordinance must be consistent with the Goals and Policies in Volume II of the Comprehensive Plan and the Purpose of the Zoning Ordinance.

APPEAL: The Planning Commission makes a recommendation to the City Council, and the City Council makes the final decision. The City Council's decision on a legislative amendment may be appealed to the Oregon Land Use Board of Appeals (LUBA) within 21 days of the date written notice of the City Council's decision is mailed to parties who participated in the local proceedings and entitled to notice and as provided in ORS 197.620 and ORS 197.830, and Section 17.72.190 of the McMinnville Municipal Code.

DECISION

Based on the findings and conclusionary findings, the City Council **APPROVES** the legislative amendments to the Zoning Ordinance and the NE Gateway Planned Development Overlay (Ordinance 4971), Docket G 1-23.

//
DECISION: APPROVAL
//

City Council: _____
Remy Drabkin, Mayor

Date: _____

Planning Commission: _____
Sidonie WInfield, Chair of the McMinnville Planning Commission

Date: _____

Planning Department: _____
Heather Richards, Community Development Director

Date: _____

I. APPLICATION SUMMARY

This application is a legislative proposal for proposed amendments to the McMinnville Zoning Ordinance and the NE Gateway Planned Development Overlay (Ordinance 4971), adopting amended standards for Short-Term Rentals.

Zoning Ordinance. The proposed amendment would amend the standards for Short-Term Rentals in the R-1, R-2, R-3, R-4, R-5, and O-R zones.

Short-Term Rentals are listed as a permitted use in these zoning districts, subject to the standards provided in Section 17.12.010(P) of the Zoning Ordinance. The proposed amendment would amend the standards in Section 17.12.010(P). The proposed amendment would also amend the off-street parking provisions for Short-Term Rentals in Chapter 17.60 of the Zoning Ordinance to provide internal consistency with the amended standards.

NE Gateway Planned Development Overlay (Ordinance 4971). The proposal would also amend the provisions of the NE Gateway Overlay Zone (Ordinance 4971) as follows: For those properties in the NE Gateway Overlay Zone that have underlying residential zoning, the amendments would change the provisions for Short-Term Rentals to match those that apply to other residentially-zoned properties that aren't within the NE Gateway Overlay Zone.

This means that for properties with underlying residential zoning within the NE Gateway Overlay Zone (only present within Subarea 3), Short-Term Rentals would be listed as a permitted use subject to the same standards that apply to Short-Term Rentals in residential zones including spacing standards, rather than remaining listed as a Conditional Use subject to the Conditional Use Permit criteria.

II. ATTACHMENTS

- Attachment 1. Amendments (See Exhibits to Ordinance 5134)

III. FINDINGS OF FACT – GENERAL FINDINGS

1. On July 12, 2022, the McMinnville City Council enacted a moratorium on the issuance of Short-Term Rental Permits, which became effective August 12, 2022 (Ordinance 5118).
2. On November 22, 2022, the City Council adopted Ordinance 5127 extending the moratorium from December 29, 2022 to June 29, 2023 while the Planning Commission and Planning Department staff continue to re-evaluate the Zoning Ordinance as it pertains to permitting Short-Term Rentals.
3. This action was based primarily on the fact that several residential neighborhoods, especially those closer to the downtown area, were experiencing an increasing number of short terms rentals in their neighborhoods causing residents to become concerned about the quality of life, health, safety and community interaction within the neighborhoods.
4. The City Council cited the following concerns in the adoption of the moratorium:

- McMinnville is experiencing severe constraints in housing land supply which is leading to a deficit in housing units being built in the community to meet housing demand. With a lack of supply and significant demand, housing prices have escalated exponentially in the past couple of years;
 - At the same time, tourism has increased in McMinnville exponentially as well. Increased housing prices and increased demand for tourism lodging has led to a greater than normal demand on housing to be leveraged as short-term rentals;
 - Residential neighborhoods are experiencing an increasing amount of short term rentals causing residents to become concerned about the quality of life, health, safety and community interaction within the neighborhoods;
 - McMinnville's zoning ordinance currently has a spacing separation of 200' between short term rentals. This has proven to be too much density of short-term rentals in some neighborhoods. The City would like to evaluate the impacts of short-term rentals on residential neighborhoods during the moratorium and recommend solutions for moving forward.
5. Docket G 1-23 is a legislative package of City-initiated proposed zoning ordinance amendments related to short-term rentals. The proposed amendments address compatibility of short-term rentals in residential zones.

IV. FINDINGS OF FACT - PROCEDURAL FINDINGS

1. On January 23, 2023, notice of the application and the March 16, 2023 Planning Commission public hearing was provided to DLCD.
2. On February 24, 2023, notice of the proposed amendments and the March 16, 2023 Planning Commission public hearing was mailed to property owners in the R-1, R-2, R-3, R-4, R-5, and O-R zones as provided in ORS 227.186.
3. On March 7, 2023, notice of the application and the March 16, 2023 Planning Commission public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.
4. On March 16, 2023, the Planning Commission held a duly noticed public hearing to consider the request. The Planning Commission made a recommendation to City Council to adopt amended standards for Short-Term Rentals. The recommendation also included proposed amendments to the NE Gateway Planned Development Overlay (Ordinance 4971) for properties with underlying residential zoning.
5. On April 3, 2023, notice of the revised proposal and the May 23, 2023 City Council public hearing was submitted to DLCD.
6. On April 14, 2023, additional notice of the revised proposal and the May 23, 2023 City Council public hearing was mailed to property owners of properties within the Northeast Gateway Overlay Zone with underlying residential zoning.

7. On May 16, 2023, notice of the proposal and the May 23, 2023 City Council public hearing was published in the News Register in accordance with Section 17.72.120 of the Zoning Ordinance.
8. On May 23, 2023, the City Council held a duly noticed public hearing. The first reading of Ordinance 5134 occurred on May 23, 2023. The second reading of Ordinance 5134 occurred on June 13, 2023.

V. CONCLUSIONARY FINDINGS:

The Conclusionary Findings are the findings regarding consistency with the applicable criteria for the application.

Zoning Ordinance

The Purpose Statement of the Zoning Ordinance serves as a criterion for Zoning Ordinance amendments:

17.03.020 Purpose. The purpose of the ordinance codified in Chapters 17.03 (General Provisions) through 17.74 (Review Criteria) of this title is to encourage appropriate and orderly physical development in the city through standards designed to protect residential, commercial, industrial, and civic areas from the intrusions of incompatible uses; to provide opportunities for establishments to concentrate for efficient operation in mutually beneficial relationship to each other and to shared services; to provide adequate open space, desired levels of population densities, workable relationships between land uses and the transportation system, adequate community facilities; and to provide assurance of opportunities for effective utilization of the land resources; and to promote in other ways public health, safety, convenience, and general welfare.

FINDING: SATISFIED. The proposal amends standards for short-term rentals in residential zones to address their compatibility in residential neighborhoods in terms of their concentration/intensity as well as appropriate use standards. The Planning Commission evaluated a variety of issues, including different spacing standards. The proposal reflects the balancing of the needs of neighborhood residents and visitors to McMinnville in a manner that addressed compatibility of short-term rentals in residential neighborhoods.

Comprehensive Plan

As described in the Comprehensive Plan, the Goals and Policies of the Comprehensive Plan serve as criteria for land use decisions. The following Goals and Policies from Volume II of the McMinnville Comprehensive Plan are applicable to this request:

CHAPTER VI. TRANSPORTATION SYSTEM

GOAL VI 1: TO ENCOURAGE DEVELOPMENT OF A TRANSPORTATION SYSTEM THAT PROVIDES FOR THE COORDINATED MOVEMENT OF PEOPLE AND FREIGHT IN A SAFE AND EFFICIENT MANNER

PARKING

Policies:

126.00 *The City of McMinnville shall continue to require adequate off-street parking and loading facilities for future developments and land use changes.*

FINDING: SATISFIED. The proposed amendments address provision of adequate off-street parking for short-term rentals in residential zones.

CHAPTER X. CITIZEN INVOLVEMENT AND PLAN AMENDMENT

GOAL X 1 TO PROVIDE OPPORTUNITIES FOR CITIZEN INVOLVEMENT IN THE LAND USE DECISION MAKING PROCESS ESTABLISHED BY THE CITY OF McMINNVILLE.

FINDING: SATISFIED. The proposal is consistent with this applicable Goal of Chapter X of the Comprehensive Plan.

The proposed amendments address action items in the *MAC-Town 2032 Economic Development Strategic Plan*.

The City Council adopted the *MAC-Town 2032 Economic Development Strategic Plan* by Resolution 2019-16 on March 12, 2019. The plan was developed with a Project Advisory Committee and extensive public process. The following are excerpted from the Plan:

Goal 3: Maintain and Enhance our High Quality of Life.

- 3.4. Invest in McMinnville’s neighborhoods.
- 3.4.2 Ensure that regulations and City investments encourage livability.
- Potential Tasks or Projects: ...Evaluate the adequacy of current policy regarding vacation and short-term rentals to balance the needs of neighborhood residents and visitors to McMinnville.

The City Council adopted a moratorium to provide the opportunity to evaluate policies regarding short-term rentals to address balancing of the needs of neighborhood residents and visitors to McMinnville.

The Planning Commission held a series of work session in September 2022, October 2022, December 2022, and January 2023 to evaluate policies and consider best practices, including those of other communities. After evaluation of alternatives, in January 2023, the Planning Commission agreed on a draft proposal to initiate the public hearing process for public consideration. The Commission determined that the proposed amendments best balanced the needs of neighborhood residents and visitors to McMinnville, and that the proposed amendments should be considered through the public hearing process. At the March 16, 2023 public hearing, the Planning Commission made a recommendation that reflected the major elements in the January 2023 draft, additional revisions that arose related to litigation of a Short-Term Rental application, and revisions related to regulation of Short-Term Rentals for properties within the NE Gateway Planned Development Overlay with underlying residential zoning.

Notice of the proposal and public hearing was provided to DLCD, published in the newspaper, and mailed to owners of property owners in the R-1, R-2, R-3, R-4, R-5, and O-R zones. Additional mailed notice of the Planning Commission recommendation and the City Council public hearing was mailed to owners of properties within the NE Gateway Planned Development Overlay with underlying residential zoning.

The public hearing process provides further opportunity for consideration of citizen involvement and input and associated deliberation.



City of McMinnville
Planning Department
231 NE Fifth Street
McMinnville, OR 97128
(503) 434-7311
www.mcminnvilleoregon.gov

MINUTES

March 16, 2023
Planning Commission
Regular Meeting

3:00 pm
Hybrid Meeting
McMinnville, Oregon

Members Present: Sidonie Winfield, Beth Rankin, Dan Tucholsky, Matt Deppe, Gary Langenwaller, Lori Schanche, Megan Murray, Sylla McClellan, and Brian Randall

Members Absent:

Staff Present: Heather Richards – Community Development Director, Tom Schauer – Senior Planner, John Swanson – Senior Planner, Adam Tate – Associate Planner, and Carrie Richter – Bateman Seidel Legal Counsel

1. Call to Order

Chair Winfield called the meeting to order at 3:00 p.m.

2. Citizen Comments

None

3. Minutes

- **January 19, 2023**

Commissioner Langenwaller MOVED to APPROVE the January 19, 2023 minutes. SECONDED by Commissioner Murray. The motion PASSED 9-0.

4. Public Hearings

- A. **Judicial Hearing: Appeal of Historic Landmarks Committee of Denial for three Certificates of Approval for the demolition of a historic resource at 609, 611 and 619 NE Third Street (HL 6-22, HL 7-22 and HL 8-22), and the compliance of the new construction of the Gwendolyn Hotel with the Downtown Design Guidelines and Standards (Docket DDR 2-22).**

Continuation from March 2, 2023

Request: Request to demolish three historic resources and build a new five-story hotel with ground floor commercial, programmed roof deck and underground parking structure.

Location: Tax Lots, R4421 00900 and 01200

Applicant: Steve Kay, Cascadia Planning, on behalf of Anders Johansen, property owner

****Recording started here, not at the opening of the hearing.**

Staff Report: Community Development Director Richards said this was a request for a zone map amendment for two tax lots that were not currently in the City. She discussed the subject site, Comprehensive Plan designation, flood area zone, R-1 after annexation, review criteria, annexation process, annexation agreement, future Yamhill River multi-purpose trail, conditions, and public testimony. Staff recommended approval with conditions.

There was discussion regarding the floodplain map and septic system.

Applicant’s Testimony: Steve Kay, Cascadia Planning and Development Services, was representing the applicant. The applicant was planning to annex a 30 acre site and change the property zoning to R-1 and FP consistent with the Comprehensive Plan Map designations. The property paralleled the Yamhill River and was mostly encumbered by a 100 year flood plain and conservation easement along the waterway. Therefore, less than an acre was available for development. The site that could be developed was located at the end of Nehemiah Lane and the maximum development was three single family homes. They intended to only build one single family home on the site and it could be connected to all public utilities except sewer. They would be putting in a private septic system. The Council had approved the annexation agreement and the findings supported that all criteria have been met.

Public Testimony: None

Chair Winfield closed the public hearing.

The applicant waived the 7 day period for submitting final written arguments in support of the application.

Based on the findings of fact, conclusionary findings for approval, and materials submitted by the applicant and evidence in the record, Commissioner Tucholsky MOVED to RECCOMEND APPROVAL of ZC 3-22 to the City Council with the conditions of approval. SECONDED by Commissioner Langenwalter. The motion PASSED 9-0.

***** C. Legislative Hearing (Docket G 1-23): Proposed amendments to the McMinnville Zoning Ordinance, adopting amended standards for Short-Term Rentals**

Request: The proposed amendment would amend the standards for Short-Term Rentals in the R-1, R-2, R-3, R-4, R-5, and O-R zones. Short-Term Rentals are listed as a permitted use in these zoning districts, subject to the standards provided in Section 17.12.010(P) of the Zoning Ordinance. The proposed amendment would amend the standards in Section 17.12.010(P). The proposed amendment would also amend the off-street parking provisions for Short-Term Rentals in Chapter 17.60 of the Zoning Ordinance to provide internal consistency with the amended standards.

Docket: G 1-23

Location: N/A. This is a proposed Zoning Ordinance Text Amendment

Applicant: City of McMinnville

Chair Winfield opened the public hearing and read the hearing statement. She asked if there was any objection to the jurisdiction of the Commission to hear this matter. There was none. She asked if any Commissioner wished to make a disclosure or abstain from participating or voting on this application. There was none.

Staff Report: Senior Planner Schauer gave a presentation on the amendments to the standards for short term rentals in the R-1, R-2, R-3, R-4, R-5, and O-R zones. He explained the background on this item, written testimony received, applicable criteria, principal changes from the current standards, maps showing existing short term rentals based on a 200 foot spacing standard and 500 foot spacing standard, and questions/comments from the last hearing. Staff recommended approval subject to minor punctuation/scrivener's corrections.

There were questions about City law superseding any HOA rules, registering with the Finance Department, and Alpine Avenue overlay district.

Public Testimony:

Opponent: Blake Lundstrom, McMinnville resident, said the proposed 500 foot spacing standard would take away the option for people to rent out rooms in their homes. These were not corporations but McMinnville residents who needed the source of income and if the standard was changed it would only benefit corporations. He thought the 500 feet was excessive for the less than 1% of available homes which were short term rentals. He did not think this was a problem in McMinnville, and the threshold should be higher before considering this change.

Senior Planner Schauer clarified there were two categories for short term rentals, one when the entire home was rented out and the other where the home was occupied but one room was being rented out. The second scenario was not subject to the spacing standard.

Mr. Lundstrom was speaking about both scenarios.

Proponents: Kenneth Yount, McMinnville resident, was in favor of the proposed changes as he had seen many homes go to short term rentals instead of being used to house families. It affected the younger generation who had to live with family members and were displaced from their homes. More homes available to families to live in made better students and citizens in the future.

Jim Kreutzbender, McMinnville resident, asked the Commission to consider including the two blocks of housing in the NE Gateway District in the spacing standard.

Community Development Director Richards explained because the district was intended to be a commercial use, short term rentals were required to get a condition use and would not be subject to the spacing standard.

Jim Kreutzbender said there was one short term rental in this area currently.

There was discussion regarding the process for including these two blocks in the spacing standard.

Mark Davis, McMinnville resident, thought the 500 feet was reasonable. He thought they should have included the commercial zones as well. Short term rentals had a big impact on residential in the commercial zones. There was a lack of affordable housing in the City and short term rentals impacted the amount of housing stock there was in the community.

Anna Barsotti, McMinnville resident, spoke about being a teacher and how difficult it was to afford housing in the City. She thought they needed to protect the housing that was hard to come by for the workforce. Neighborhoods changed when people did not live there and were no longer invested.

Pat Russell, McMinnville land owner, was in support of the changes to protect neighborhoods as residential neighborhoods and a sense of community. Short term rentals affected housing affordability and comfort level of neighbors knowing who was next door to them.

Janette Bailey, McMinnville resident, lived in a condo and her HOA did not allow rentals, which contributed to a high quality neighborhood. She also owned rentals in McMinnville and she thought long term rentals were important, especially for those who could not afford a home of their own. There should be homes for people who lived in McMinnville and people coming from out of state to buy vacation rentals degraded quality of life for those who lived here.

Chair Winfield closed the public hearing.

There was discussion regarding concerns in the letters that were received about advertising based on the number of bedrooms and how parking was tied to the number of bedrooms, posting key City ordinances in a prominent spot in the rental, and having more than one emergency contact. There was also discussion regarding the cons of including the Gateway District in the spacing standard.

Based on the findings of fact, conclusionary findings for approval, and materials submitted by the applicant, Commissioner Tucholsky MOVED to RECOMMEND APPROVAL of G 1-23 to the City Council and to include the underlying residential zone in Zone 3 of the NE Gateway District. SECONDED by Commissioner Langenwalter. The motion PASSED 9-0.

5. Commissioner Comments

None

6. Staff Comments

Community Development Director Richards discussed upcoming meeting agenda items.

7. Adjournment

Chair Winfield adjourned the meeting at 8:18 p.m.



City of McMinnville
Community Development
231 NE Fifth Street
McMinnville, OR 97128
(503) 434-7311
www.mcminnvilleoregon.gov

MEMORANDUM

DATE: March 15, 2023
TO: Planning Commission Members
FROM: Tom Schauer, Senior Planner
SUBJECT: Public Testimony Received to Date for G 1-23: Zoning Ordinance Amendments for Short-Term Rentals

STRATEGIC PRIORITY & GOAL:



HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)
Create diverse housing opportunities that support great neighborhoods.

Attached is the written public testimony submitted to the Planning Department as of March 15, 2023 at noon.

1. Letter from Mark Pitts received via e-mail attachment on March 11, 2023.
2. March 12, 2023 Letter from Jonathan Booth hand-delivered to the Planning Department on March 13, 2023.
3. March 15, 2023 e-mail from Compton Crest HOA (compton.crest.hoa@gmail.com)
4. March 15, 2023 e-mail from Steve Olsen

Response to proposed changes to 17.12010

To Whom It May Concern:

I am writing to express my support for the proposed changes to McMinnville Zoning Ordinance 17.12.010. Specifically:

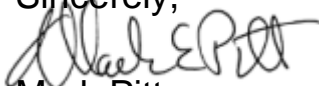
- In item 1, much appreciate the more than doubling of the space between rentals--from 200 to 500 feet.
- In item 3, the change from “guest room” to “bedroom.”
- In item 7, I especially appreciate the addition of 24/7 to make it clear to skeptical applicants that yes indeed it DOES mean whenever a potential infraction occurs AND the addition of advanced notification of surrounding homeowners of contact information. These are excellent improvements! Thank you.
- In item 10, the requirement to include the permit number in advertising would have helped with the premature advertising of a recent applicant.

That said, a couple of questions/suggestions:

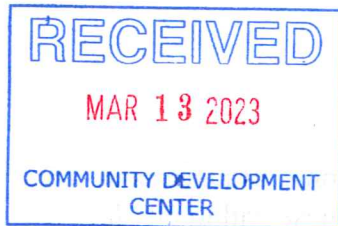
- In item 3, would it make any sense to add “as indicated in property listings or advertisements.” In one recent application, there seemed to be a disconnect between the number of bedrooms listed in the house diagram and the number indicated in property listings on rental sites.” Would there be benefit in requiring a connection between the two?
- In item 7, I can imagine that, in the absence of knowledge of local ordinances, rental guests might be noisy beyond allowed hours or park outside of assigned places and “I didn’t know” being used as an excuse by a series of guests. Could the city require the posting of key city ordinances in a prominent place in the home to encourage renters to obey the law AND to avoid the excuse that “I didn’t know”?
- In the new item 13, should the phrase be revised to say “Complaints on conditions 1 through 10 above...” since the new item 10 is a violation/enforcement issue?

Thank you to the Planning Commission, to Heather Richards, and to the special ad hoc committee that worked on these issues.

Sincerely,



Mark Pitts



ATTACHMENT 2

Jonathan and Karleen Booth
3844 NE Joel St
McMinnville, OR 97128

503-599-7040

JB@JKBtoday.com

Sunday, March 12, 2023

McMinnville Planning Department
City of McMinnville
231 NE 5th Street
McMinnville, OR 97128

Dear friends

Zoning Ordinance for Short-Term Rentals

Thank you for your notice dated February 24th, 2023.

I understand the limitations of the notice, but I hope that at the public meeting, we will hear a clearly articulated reasoning for this proposal. Clearly, the Docket itself sets out some reasons for this proposal but doesn't provide any data on which the issues are based.

I want to comment on the following clauses:

O.7 – In general this appears to be a sensible proposal, but the clause only allows for a single person to be the emergency complaint person. This would result in this person having to ensure that they, and they alone, were always available which seems unreasonable and unworkable. Would it not make more sense to have 1 or more people with contact details and one of them to be available at all times? The regulation as it exists is unworkable.

With regard to O.3 and 17.60.060 Section 5 it appears that this is either unchanged or reduced in that Short Term Rental properties that are not owner-occupied require one space per bedroom rather than a guest room as before. As guest rooms might include rooms other than sleeping quarters this might be a reduction in the requirement but a home with three bedrooms would require three off-road parking spaces.

O.10 May I presume from this that the permit number will have to be included in AirBnB listings in future?

Overall, with regard to this docket, I am not seeing any reference to transitional arrangements. For example, are existing permit holders being “grandfathered in”, or will those within 500 feet of each other have to compete for authorization?

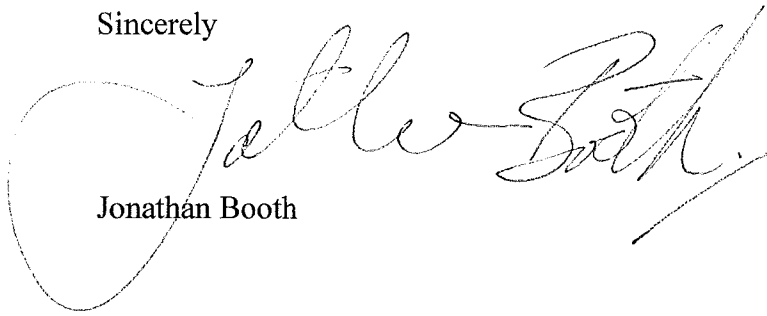
I would be grateful to know the renewal date for my permit and what the City intends to do to ensure that these dates are informed to

Is the requirement to provide contact details going to be made with the completion of a specific form created by the city?

Finally, I want to say that I fully support the council in taking a strategic look at this issue and I hope these comments will be viewed as helpful and will lead to further clarification.

Sincerely

Jonathan Booth

A handwritten signature in black ink, appearing to read 'Jonathan Booth', written in a cursive style. The signature is positioned to the right of the printed name 'Jonathan Booth'.

Planning

From: Compton Crest <compton.crest.hoa@gmail.com>
Sent: Wednesday, March 15, 2023 10:53 AM
To: Planning
Cc: Hyder Lot 21; Bunn Lot 25; Carson Lot 27
Subject: Docket G1-23 Proposed amendments to the McMinnville Zoning Ordinance

This message originated outside of the City of McMinnville.

To: City of McMinnville Planning Commission

planning@mcminnvilleoregon.gov

From: Compton Crest Homeowners' Association, Inc. [Compton Crest HOA]

compton.crest.hoa@gmail.com

REF: Docket G1-23 Proposed amendments to the McMinnville Zoning Ordinance, adopting amended standards for Short-Term Rentals [STR]

Submitted comments for the March 16, 2023, McMinnville Planning Commission Public Hearing

The Compton Crest HOA Board is aware of the proposed changes to the City of McMinnville's short-term rental [STR] standards. Our Board totally agrees with the direction the Planning Commission is taking by putting more controls over STR in McMinnville.

We have been an HOA in McMinnville since 2007 and are proud of our neighborhood and association. We would like the Commission to consider the wishes of our HOA in this process. Our HOA is a legal entity that represents 47 lot owners and our CC&Rs reflect what our Owners want for their neighborhood and their investment. We do not want our quiet neighborhood to be impacted by potential "party houses" and the traffic, safety and other issues that can arise from short term rentals. After a review of our CC&Rs at our October 2022 annual Owners meeting, our Owners agreed, as did the Board, that our HOA does not want to have STR in our neighborhood. These wishes of the Owners will be reflected in our CC&Rs update this year.

We respectfully request that the Planning Commission ~~to~~ consider two things:

- Adding language to the ordinance that HOA guidelines per their CC&Rs be considered in the STR licensing process; and
- That HOAs in McMinnville be afforded an opportunity to approve or deny STR in their HOA neighborhoods during the licensing application process, perhaps by requiring HOA approval correspondence be attached to the application, for any neighborhoods governed by an HOA.

Thank you for your consideration.

Sincerely,

The Compton Crest Homeowners' Association Board

Mark Hyder, President

Leah Carson, Vice President

Bob Bunn, Treasurer

Catherine Olsen, Secretary

Planning

From: combes50712@mypacks.net
Sent: Wednesday, March 15, 2023 2:29 PM
To: Planning
Subject: Docket G1-23

This message originated outside of the City of McMinnville.

TO: City of McMinnville Planning Commission - planning@mcminnvilleoregon.gov

From: Steve Olsen - combes50712@mypacks.net

REF: Docket G1-23 Proposed amendments to the McMinnville Zoning Ordinance, adopting amended standards for Short-Term Rentals [STR]

Comments for the March 16, 2023, McMinnville Planning Commission Public Hearing

I am glad to see that the Commission is addressing short-term rentals in McMinnville and I want to submit my comments. I live in a neighborhood that is an HOA with CC&Rs. If people want to turn their homes into short-term rentals I would like the Commission to require them to have their HOA Board's approval. I appreciate my neighbors and the community we have but I do not think short-term rentals will enhance our neighborhood. I would like HOA Boards to have a say in the decision on whether short term rentals should be allowed in their neighborhoods.

Thank you, Steve Olsen

STAFF REPORT

DATE: June 13, 2023
TO: Jeff Towery, City Manager
FROM: Jennifer Cuellar, Finance Director
SUBJECT: Cable Franchise Renewal Update and extension ordinances

Strategic Priority and Goal:



CITY GOVERNMENT CAPACITY

Strengthen the City's ability to prioritize & deliver municipal services with discipline and focus.

Report in Brief:

The City of McMinnville has two cable franchise agreements with Comcast and Ziplly Fiber. Contract extensions for both were approved on December 12, 2022, until July 9, 2023.

Staff has engaged an attorney, Nancy Werner, as special legal counsel to the city to support us as in the negotiation process for new cable franchise agreements.

New agreements are not yet ready; therefore, additional extensions are requested.

Contract Extensions:

Ms. Werner has been in contact with both Comcast and Ziplly Fiber and has secured both of their organizations' approval for the proposed extension agreements.

1. The Comcast agreement (Attachment 1) extends the franchise for approximately 3 months, through September 12, 2023.

The City's attorney received an initial draft from Comcast in mid-January. Over the next two months, Ms. Werner worked with staff to identify priorities, work through the draft agreement and make responses and revisions to it. Communication with Comcast has picked up during the month of May but we do not believe we will have a draft to bring to Council for approval ahead of the date that the extension expires.

Over the last two months, the auditor engaged by Ms. Werner has also been at work reviewing the data provided to him by Comcast in late March. When his report is complete, the analysis and findings will be shared with Council.

We believe an additional three-month extension will provide enough time to complete the renewal negotiations process with Comcast and bring the new ordinance to Council for consideration.

- The Ziplly Fiber agreement (Attachment 2) extends the existing franchise agreement through December 31, 2024.

Zipty Fiber’s subscription cable base has been declining for the last five years (see data below). In an attached communication from Zipty, the current cable services provider describes why they would like to have this additional time to wrap up their cable subscriber portfolio. Given this context, staff does not recommend pursuing a renewal process.

Cable Franchise – Estimated Subscribers

	<u>FY23 Est</u>	<u>FY22</u>	<u>FY21</u>	<u>FY20</u>	<u>FY19</u>	<u>FY18</u>
Comcast	4,758	6,050	6,129	6,033	5,984	5,685
Zipty Fiber	208	380	569	794	949	1,026
Total estimated subscribers:	4,967	6,430	6,698	6,826	6,933	6,711

Fiscal Impact:

Cable franchise revenue is separated into two types – the franchise fee based on the cable company’s use of the public right of way (it has a 5% legal maximum in federal statute) and support for Public Educational and Governmental (PEG) Access capital investments. The City of McMinnville splits the franchise fee revenue with the city’s community access television station, McMinnville Community Access (MCM), with 55% staying with the city and the balance supporting the operations of MCM. PEG funds are passed through in their entirety to MCM to fund capital needs.

McMinnville Franchise Revenue information

Cable Franchise Fees (5% federal maximum level)

		<u>FY23 Est</u>	<u>FY22</u>	<u>FY21</u>	<u>FY20</u>	<u>FY19</u>	<u>FY18</u>
Comcast	General Fund (55%)	179,100	185,955	178,704	166,965	167,097	172,034
5% rate	McMinnville Community Media (45%)	146,500	152,145	146,212	136,608	136,716	140,755
	Total	325,600	338,100	324,916	303,573	303,813	312,789
Zipty Fiber	General Fund (55%)	12,900	18,603	23,793	29,877	33,969	34,134
5% rate	McMinnville Community Media (45%)	10,600	15,221	19,467	24,445	27,793	27,928
	Total	23,500	33,824	43,260	54,322	61,762	62,062
	Total cable franchise fees	349,100	371,924	368,176	357,895	365,575	374,851

Cable Franchise – Public Educational Governmental (PEG) Access

		<u>FY23 Est</u>	<u>FY22</u>	<u>FY21</u>	<u>FY20</u>	<u>FY19</u>	<u>FY18</u>
Comcast	McMinnville Community Media	57,100	72,600	73,548	72,394	71,809	68,216
Zipty Fiber	McMinnville Community Media	2,500	4,564	6,829	9,523	11,382	12,311
	Total PEG	59,600	77,164	80,377	81,917	83,191	80,527
	<u>Totals by Organizations funded:</u>						
	City of McMinnville	192,000	204,558	202,497	196,842	201,066	206,168
	McMinnville Community Media	216,700	244,530	246,056	242,970	247,700	249,210
	<u>Totals by Franchisee:</u>						
	Comcast	382,700	410,700	398,464	375,967	375,622	381,005
	Zipty Fiber	26,000	38,388	50,089	63,845	73,144	74,373
	Total cable franchise related revenue	\$ 408,700	\$ 449,088	\$ 448,553	\$ 439,812	\$ 448,766	\$ 455,378

Council Options for Action:

Option 1: Approve additional extensions of the current cable franchise agreements for Comcast until September 12, 2023, and for Zply until December 31, 2024 (staff recommendation).

Option 2: Do not make additional extensions, allowing both agreements to lapse. While it is likely that the cable providers will continue to operate in a way that is consistent with the previous agreement and continue to remit payments, the city's ability to assure compliance with agreement standards will be weakened.

Attachments:

1. Letter from Zply Fiber dated May 23, 2023
2. Ordinance No. 5135 Comcast Franchise Term Extension to September 12, 2023
3. Ordinance No. 5136 Zply Fiber Franchise Term Extension to December 31, 2024

May 23, 2023

Sent via electronic mail to nancy@bradleywerner.com

Nancy Werner
Bradley Werner, LLC
2145 Woodlane Drive, Suite 106
Woodbury, Minnesota 55125

Re: Ziplly Fiber Northwest, LLC cable franchise - McMinnville

Dear. Ms. Werner:

Thank you for the opportunity to address the City of McMinnville's consideration of extending Ziplly Fiber Northwest, LLC's cable franchise agreement. The original cable franchise was granted to Verizon in 2009-2010 at a time when Verizon was operating as the telephone company in the City. Very shortly following the execution of the franchise agreement, Verizon sold its assets to Frontier Communications Corporation, including those in McMinnville. In the decade that Frontier operated these assets, they did not make significant investments in the expansion of service offerings nor did they expand Frontier's network footprint.

Ziplly Fiber assumed this cable franchise as a product of the transfer of assets from Frontier Communications Northwest, LLC on May 1, 2020. In addition to its cable franchise, Ziplly Fiber holds a telecommunications franchise agreement with McMinnville. From the time that Ziplly Fiber assumed the cable franchise we have seen a steady decline in cable subscribership across our operating areas. The pandemic both increased the use of broadband and internet-based entertainment options, resulting in a sharp decline in traditional cable usage. At the time of the transfer Ziplly Fiber was already a distant second competitive cable operator in McMinnville. In fact, Ziplly Fiber had just 700 subscribers when we assumed the cable franchise agreement. The trend with our subscriber base is clear – our subscribers prefer alternative forms of entertainment to linear cable services.

As of May 1, 2023, Ziplly Fiber had merely 187 cable subscribers in McMinnville remaining. In the past year we have been consistently communicating with customers about alternatives to cable services. In every bill message related to cable services we invite customers to contact us to discuss alternatives. In the coming months we plan to reach out to these customers more aggressively in an effort to support their transition from our cable service. Rather than simply setting a date and shutting off access to our cable product in McMinnville, we would prefer to continue our planned communication strategy for the purposes of supporting customer transition and minimizing calls to City Hall. We anticipate that, based upon our current subscriber base, we will see this product fully retired by the end of 2024. Our plan is to provide notice to the City when we reach 90 days prior to the discontinuance of cable service as a means to ensure the City is well informed of our plans. We will simultaneously communicate with cable customers as well.

For these reasons, we respectfully request an extension of the current franchise until December 31, 2024. Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'JE' followed by a stylized flourish.

Jessica Epley
VP - Regulatory & External Affairs

ORDINANCE NO. 5135

AN ORDINANCE AMENDING THE COMCAST CABLE TELEVISION FRANCHISE AGREEMENT TO EXTEND THE TERM

RECITALS:

WHEREAS, in December 2012, the City Council enacted Ordinance 4960, which granted a 10-year non-exclusive franchise allowing Comcast of Oregon II, Inc. ("Comcast"), to construct and operate a Cable System within the corporate limits of the City, subject to the terms and conditions set forth in the franchise ("Franchise"); and

WHEREAS, the Franchise took effect on January 10, 2013, and was to expire on January 9, 2023; and

WHEREAS, on February 11, 2020, Comcast filed a request with the City to activate the process for renewing the Franchise pursuant to the provisions of the Cable Communications Policy Act of 1984 ("Cable Act"); and

WHEREAS, the parties are in negotiations concerning a renewal of the Franchise utilizing the informal procedures set forth in the Cable Act; and

WHEREAS, in January 2023, the parties agreed to extend the current Franchise term to July 9, 2023, to accommodate such negotiations. and

WHEREAS, the parties desire to further extend the current Franchise term in order to accommodate further negotiations.

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

1. The provisions amending Ordinance 4960, set forth in the attached Exhibit 1 and incorporated by this reference, are hereby adopted, subject to the City's receipt of the Second Amendment to Franchise Agreement signed by an authorized representative of Comcast.
2. The City Manager is hereby authorized to sign the Third Amendment to Franchise Agreement.
3. This ordinance will take effect 30 days after passage by the City Council.

Passed by the McMinnville City Council this 13th day of June, 2023, by the following votes:

Ayes: _____

Nays: _____

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBIT:

1. Third Amendment to Franchise Agreement

THIRD AMENDMENT TO FRANCHISE AGREEMENT

This Third Amendment to Franchise Agreement is made and entered as of July 9, 2023, by and between the City of McMinnville, Oregon (“Franchising Authority”) and Comcast of Oregon II, Inc. (“Franchisee”).

This Amendment shall modify the cable franchise agreement between the Franchising Authority and Franchisee dated December 11, 2012 (“Franchise”), as follows:

1. Section 8.6 of the Franchise is amended by adding the language shown in underline and deleting the language shown in ~~strike through~~:

8.6 Effective Date: The effective date of this Franchise is January 10, 2013 pursuant to the provisions of applicable law. The Franchise shall expire on ~~January 9, 2023~~ September 13, 2023 unless extended by the mutual agreement of the parties, or rendered null and void pursuant to Section 8.7 hereof.
2. Except as amended by the First Amendment, dated September 9, 2018, the Second Amendment dated as of January 9, 2023, and this Third Amendment, all other terms and conditions of the Franchise shall remain unchanged and in full force and effect.
3. By agreeing to this Third Amendment, it is understood that both the Franchising Authority and Franchisee are reserving all other rights that each may have according to law, including but not limited to franchise renewal rights set forth in Section 626 of the Communications Act of 1934, 47 U.S.C. § 546.

The Third Amendment shall be effective as of July 9, 2023.

City of McMinnville:

By: _____
Title: City Manager
Date: _____

Comcast of Oregon II, Inc.

By: _____
Title: _____
Date: _____

ORDINANCE NO. 5136

AN ORDINANCE EXTENDING THE TERM OF THE ZIPLY FIBER CABLE TELEVISION FRANCHISE AGREEMENT

RECITALS:

WHEREAS, effective September 28, 2007, the City Council granted a 15-year non-exclusive franchise allowing Verizon Northwest, Inc., to construct and operate a Cable System within the corporate limits of the City, subject to the terms and conditions set forth in the franchise ("Franchise"), which Franchise is now held by Ziplly Fiber Northwest, LLC ("Ziplly"); and

WHEREAS, the Franchise expired on September 28, 2022; and

WHEREAS, on September 30, 2019, Ziplly's predecessor filed a request with the City to activate the process for renewing the Franchise pursuant to the provisions of the Cable Communications Policy Act of 1984 ("Cable Act"); and

WHEREAS, the parties are in negotiations concerning a renewal of the Franchise utilizing the informal procedures set forth in the Cable Act; and

WHEREAS, in January 2023, the parties agreed to extend the current Franchise term to accommodate such negotiations. And

WHEREAS, Ziplly has decided to discontinue cable service and asked the City for an extension of the current Franchise term to allow it to accommodate its current cable subscribers as it winds down its cable service; and

WHEREAS, the parties desire to further extend the current Franchise term.

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

1. The provisions extending the Franchise, set forth in the attached Exhibit 1 and incorporated by this reference, are hereby adopted, subject to the City's receipt of the Second Extension Agreement signed by an authorized representative of Ziplly.
2. The City Manager is hereby authorized to sign the Second Extension Agreement, set forth in Exhibit 1.
3. This ordinance will take effect 30 days after passage by the City Council.

Passed by the McMinnville City Council this 13th day of June, 2023, by the following votes:

Ayes: _____

Nays: _____

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBIT:

1. Second Extension Agreement

Ordinance No. 5136

Effective Date: July 13, 2023 (30 days after Council date)

SECOND EXTENSION AGREEMENT

This Second Extension Agreement is made and entered as of July 9, 2023, by and between the City of McMinnville, Oregon (“LFA”) and Zply Fiber Northwest, LLC (“Grantee”).

1. The LFA and Grantee mutually agree to extend the term of the Franchise to December 31, 2024.
2. Except as amended by the Amendment to Franchise and Extension Agreement, effective as of September 28, 2022, and by this Second Extension Agreement, all other terms and conditions of the Franchise shall remain unchanged and in full force and effect.
3. By agreeing to this Second Extension Agreement, it is understood that both the LFA and Grantee are reserving all other rights that each may have according to law, including but not limited to franchise renewal rights set forth in Section 626 of the Communications Act of 1934, 47 U.S.C. § 546.

This Second Extension Agreement shall be effective as of July 9, 2023.

City of McMinnville:

By: _____
Title: City Manager
Date: _____

Zply Fiber Northwest, LLC

By: _____
Title: _____
Date: _____