



## City Council Meeting Agenda

Tuesday, June 10, 2025

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

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

**REVISED 06/06/2025**

*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 four ways:*

- Attend in person and fill out a public comment card
- Email at any time up to **noon on Monday, June 9th** to [CityRecorderTeam@mcminnvilleoregon.gov](mailto:CityRecorderTeam@mcminnvilleoregon.gov)
- If appearing via telephone or ZOOM, please sign up prior by **noon on Monday, June 9th** by emailing the City Recorder at [CityRecorderTeam@mcminnvilleoregon.gov](mailto:CityRecorderTeam@mcminnvilleoregon.gov) as the chat function is not available when calling in Zoom; **You will need to provide the City Recorder with your First and Last name, Address, and contact information (email or phone) for a public comment card.**

---

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

[mcm11.org/live](http://mcm11.org/live)

### **CITY COUNCIL REGULAR MEETING:**

*You may join online via Zoom Webinar Meeting:*

<https://mcminnvilleoregon.zoom.us/j/81561363470?pwd=y5EAbXCab1PeFfdZCKQk7hZLTDOYS9.1>

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

*Webinar ID: 815 6136 3470*

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

### **1. CALL TO ORDER & ROLL CALL**

### **2. PLEDGE OF ALLEGIANCE**

### **3. 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 4 minutes per person for a total of 32 minutes. The Mayor will read comments emailed to the City Recorder and then call on anyone who has signed up to provide public comment.*

### **4. PUBLIC HEARINGS**

- a. Public Hearing on Uses of State Revenue Sharing for Fiscal Year 2025-2026 as approved by the Budget Committee.
- b. Public Hearing on the Fiscal Year 2025-2026 City Budget as approved by the Budget Committee.
- c. Public Hearing to consider **Resolution No. 2025-21**: A Resolution adopting a Planning and Engineering Fee Schedule and repealing all previous resolutions adopting planning and engineering fee schedules at the time this fee schedule becomes effective.
- d. Public Hearing to consider **Ordinance No. 5162**: An Ordinance extending the duration of the McMinnville Downtown Economic Improvement Assessment District. **(Added on 06.10.2025)**

5. ADVICE/ INFORMATION ITEMS

- a. Reports from Councilors on Committee & Board Assignments
- b. Department Head Reports
  - 1. Summer Fun Presentation

6. CONSENT AGENDA

- a. Consider the request from WHCC2C LLC dba: The Radiant Sparkling Wine Company for Winery, OLCC Liquor License located at 1206 NE 11th Way.
- b. Consider a request to permit a waiver of the noise ordinance from Virna Darling for live music for two family events (Charity Concert & Graduation Party) on June 29, 2025 & July 27, 2025.
- c. Consider the Draft Minutes of the April 16, 2025 City Council Work Session Meeting.
- d. Consider the Draft Minutes of the April 22, 2025 City Council Regular Meeting.
- e. Consider the Draft Minutes of the May 13, 2025 City Council Regular Meeting.
- f. Consider the Draft Minutes of the May 27, 2025 City Council Regular Meeting. (Added on 06.06.2025)
- g. Consider **Resolution No. 2025-22**: A Resolution amending the Professional Services Contract for the ARPA Midtown Basin Stormwater Project 2023-3. (Added on 06.06.2025)

7. RESOLUTION

- a. Consider **Resolution No. 2025-18**: A Resolution of the City Council Adopting the City's 2025 Housing Production Strategy (HPS) (Docket #G 4-24).
- b. Consider **Resolution No. 2025-21**: A Resolution adopting a Planning and Engineering Fee Schedule and repealing all previous resolutions adopting planning and engineering fee schedules at the time this fee schedule becomes effective.

8. ORDINANCES

- a. Consider the first reading with a possible second reading of **Ordinance No. 5162**: An Ordinance extending the duration of the McMinnville Downtown Economic Improvement Assessment District.

9. ADJOURNMENT OF REGULAR MEETING

**CITY COUNCIL EXECUTIVE SESSION – IMMEDIATELY FOLLOWING THE URBAN RENEWAL AGENCY (URA) MEETING (NOT OPEN TO THE PUBLIC)**

- 1. CALL TO ORDER
- 2. **EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d)**: To conduct deliberations with persons designated by the governing body to carry on labor negotiations.
- 3. **EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(f)**: To consider information or records that are exempt by law from public inspection. (Updated on 06.06.2025)
- 4. ADJOURNMENT OF EXECUTIVE SESSION

**From:** [Crux Adoptions](#)  
**To:** [Jeff Towery](#); [Claudia Cisneros](#); [David Ligtenberg](#); [Cord Wood](#); [Tim Symons](#)  
**Subject:** The case involving the wolfdogs and Sandra Atwood  
**Date:** Friday, June 6, 2025 9:07:54 AM

---

**This message originated outside of the City of McMinnville.**

---

Dear City Officials,

I run a 501c3 non profit registered A.R.E. rescue for wolfdogs and cats called Crux Pet Adoptions in Eugene, OR. I have called the police several times and occasionally gotten a call back but without follow up response regarding the dogs confiscated from Sandra Atwood.

I am deeply concerned regarding the seizure of Atwood's property and its temporary transfer to a seemingly random individual lacking any credentials. The dogs in question were placed with Susan Faulkner at Cooper Kennel, which is neither a licensed kennel, a shelter, a rescue even, nor a recognized sanctuary. Cooper Kennel has no contracts with McMinnville to take animals from PD. Now 2 of the dogs have been turned over to Faulkner permanently. This is outrageous to seize one person's property and randomly assign it to another.

Before 2 of the dogs were signed over to Faulkner, I assessed the dogs on 3 different occasions. I observed 3 dogs kept in a single kennel with no outdoor time. I was told the city would only pay for 2 kennels, even knowing that 1 of the dogs could not be kept with the others because he was not yet neutered. We previously offered assistance for temporary placement of these dogs in an outdoor pen set up for wolfdogs with shelter, but were ignored.

Both Faulkner and I agree that these animals are not aggressive and have told the police such at length. I was told these dogs could not come to our rescue because they could only go to a sanctuary. These dogs were signed over to an unlicensed kennel instead. In doing so these dogs were sentenced to life at Cooper's Kennel as there is No sanctuary that will take low content wolfdogs. I have two mid content dogs that should be in sanctuary that I am keeping because there is no space for them in any sanctuary- they have been on wait lists for over a year and will likely remain with me for the rest of their lives. The City of McMinnville PD's decision to turn them over to Faulkner was an egregious breach of public trust in authority. These dogs have now gone months confined in an unsuitable environment of a small cement run 5 by 15 kennel 24/7 and now there is no end in sight and even if there was, how can they arbitrarily decide where to place animals or property.

I plan to involve my attorney on the behalf of these dogs, if immediate corrective action is not taken. It is illegal for police to seize property and turn it over to another person without proper legal jurisdiction. I urge the city to establish a reliable process to prevent such occurrences in the future and expect a prompt response to this matter.

Sincerely,

Marra Watson

**From:** [Jackson Darling](#)  
**To:** [Claudia Cisneros](#)  
**Subject:** Mac Pickleball Support for Bond Measure  
**Date:** Monday, June 9, 2025 9:55:12 AM

---



**This message originated outside of the City of McMinnville.**

---

McMinnville City Council,

The McMinnville Pickleball Club was organized to promote the sport of pickleball to not only its members but also the general public. To encourage and provide opportunities for participants to engage in recreational and competitive pickleball. The Mac Pickleball Club collaborates with McMinnville Parks and Rec, as well as CPR PAC and other community members, with the goal of obtaining more pickleball courts to fulfill the growing need of the McMinnville pickleball community. This is why we urge the McMinnville City Council to move in the direction of letting the Citizens of McMinnville vote on a bond measure to fund the much-needed updates to community resources, which will include pickleball courts and a community center. The McMinnville Pickleball Club boasts 350 members and continues to grow annually. Members continue to comment on the state of the aging community center and the need for a new facility. At this point, it is only fiscally responsible to create new facilities rather than maintain these aging facilities.

People from as far as Portland, Lincoln City, and Albany regularly visit to play pickleball. As well as out-of-state visitors, often attend our open play session, asking which restaurants and tasting rooms to visit after their play, providing more opportunities for the local economy. The bond addresses the need for updated facilities that not only benefit the local economy by bringing even more visitors to McMinnville, but also fulfills the needs of the residents of McMinnville.

Thank you,  
Mac Pickleball Club Board



**From:** [Kevin Chambers](#)  
**To:** [Claudia Cisneros](#)  
**Subject:** CPR PAC Letter for Council  
**Date:** Monday, June 9, 2025 10:58:08 AM  
**Attachments:** [We sent you safe versions of your files.msg](#)  
[CPR PAC - Council Letter 6-10-2025.pdf](#)

---

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

---

**This message originated outside of the City of McMinnville.**

---

Hi Claudia,

See attached a letter from the CPR PAC for inclusion in the Council packet. I'm also planning on speaking at the council meeting tomorrow. If you could put me down now that would be great. I will also be there early if you would prefer me to sign up in person.

Kevin

To McMinnville City Council and Mayor Morris,

The Community, Parks, and Recreation Political Action Committee (CPR PAC) urges you to continue supporting the proposed general obligation bond for the November ballot. This bond will fund a combined aquatics and recreation center, address critical updates to the Library and Senior Center, and invest in repairs and improvements to our existing parks.

As a volunteer group, we've dedicated countless hours to refining this proposal. We have come back to you with lots of numbers throughout this process. We are confident in our newest proposal

We now have a very relevant cost comparison: Redmond, Oregon is currently building a 56,000 sq. ft. pool and sports facility for \$49 million. They have been very accommodating in sharing costs and other data with us to compare to. While their project is not identical, it provides a strong reference point in city demographics and facilities. Based on this model, we added \$5 million for a larger pool, deck space, and spectator seating so we can host competitive swimming events. Including land acquisition and a 25% contingency, we are projecting a total new facility cost of approximately **\$72.5 million** — substantially less than early estimates.

We've also reviewed Redmond's projected operating budget and compared it to McMinnville's current costs operating our existing facilities. We are convinced the new center can operate with minimal or no additional impact to the City's general fund.

In addition to the new building, the bond will fund key investments in existing community assets, while keeping the total under \$100 million:

- **\$4.5 million** to remodel the Senior Center for better functionality
- **\$4.5 million** to expand the children's room and renovate bathrooms at the Library
- **\$9 million** for repairs and upgrades to Bend O' River, Kingwood, North Evans, Dragon Park, Discovery Meadows, and Linear Park, as prioritized in the 5-Year PROS Plan
- **\$1.5 million** for new pickleball courts adjacent to the new facility
- **\$1.5 million** for a turf soccer field at the new facility
- **\$2 million** for rehabbing the current pool building site and improving Upper City Park

This is a well-balanced, forward-looking proposal — one that will strengthen McMinnville's quality of life by both building new and preserving what we have. We believe it will earn broad community support in November.

Thank you for your continued leadership and commitment to this important investment in our town and its future.

Thank you,

Community, Parks, and Recreation Political Action Committee.

## DRAFT bond proposal

Component	Cost	Total
Rec Center – 56,000 sq’	<p>\$49 million construction costs (includes drawings) + + \$5 million for 33 M pool and additional deck space of 3,000 sq’ + \$4 million for property acquisition = \$58,000,000 + 25% (\$15.5 million) for contingency</p> <p>(\$42 million is actual construction cost from Redmond’s facility currently under construction, \$6 million for construction drawings, permits, etc.)</p>	\$72,500,000
Old Pool Site	Fill and rehab upper City	\$2,000,000
Senior Center	\$4.5 million	\$4,500,000
Library	\$4.5 million (similar expansion to Senior Center, larger children’s room and more restrooms)	\$4,500,000
Parks	\$15 million (\$9 million for 5 year action plan in PROS + \$6 million for outdoor recreation at new rec center)	\$15,000,000
Total Bond		\$98,500,000

5.30.25

**From:** [Murilo Martins](#)  
**To:** [recorderteam@mcminnvilleoregon.gov](mailto:recorderteam@mcminnvilleoregon.gov); [Claudia Cisneros](#)  
**Subject:** Letter to council  
**Date:** Tuesday, June 10, 2025 2:04:03 PM  
**Attachments:** [We sent you safe versions of your files.msg](#)  
[Swim Club letter 6.10.25 \(mm updated\).pdf](#)

---

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

---

**This message originated outside of the City of McMinnville.**

---

Hi Claudia,

Please see attached a letter we would like to share with the council for tonight's meeting. I was hoping to also read that during the comment's section.

Thank you!

Murilo Martins





McMinnville City Council and Mayor Morris,

The McMinnville Swim Club supports the Community, Parks and Recreation Political Action Committee's (CPR PAC) continued work to develop a bond proposal that will fund a combined aquatics and recreation center and address critical updates to the Library, Senior Center, and our existing parks.

This proposal supports an improved and larger lap pool, deck space and spectator viewing (which will ensure we can bring major events to help tourism in our town), along with an improved warm water/recreational pool. These enhancements are imperative to replace aging facilities and accommodate the needs of a growing community with a longstanding tradition of supporting swimming.

Since a pool cannot be phased in like other features, we urge you to ensure that we are not moving backward. It's essential to protect the existing 13 lap lanes, along with a new warm water/recreational pool. These 13 lap lanes serve a wide range of users—lap swimmers, swim lessons, water aerobics, adult masters swim, triathlon training, high school teams, swim club, and kayak classes. In addition, our current facility provides ample deck space for swimmers, lifeguards and coaches as well as premier spectator seating from up above where all spectators have a great view.

McMinnville Aquatic Center and the Swim Club have had a mutually beneficial relationship for seventy years. The McMinnville Swim Club, like the pool, is a program for everyone - from swimmers winning state titles to swimmers simply improving their skill and safety in the water in a supportive and team-oriented atmosphere.

Forty years ago, we built a forward-thinking aquatic facility that has served our growing community. Today, that same pool no longer meets the needs of our growing and diverse community. It's time to build for the future once again.

We support the City's continued focus on enhancing our aquatic facility. Together, we can create a new, inclusive aquatic center that serves everyone in our community and continues to provide a destination competition aquatic facility.

Thank you for time and consideration.

McMinnville Swim Club board members

**From:** [DENISE MURPHY](#)  
**To:** [City Recorder Team](#)  
**Subject:** Submitted for Public Comment (next city council meeting)  
**Date:** Wednesday, June 4, 2025 2:29:05 PM

---

This message originated outside of the City of McMinnville.

I was very disappointed by comments at the 5/22 Budget meeting that were critical to the idea of having a staff Communication & Engagement Manager. I appreciate the emails I get every Tuesday from her office that provide info as to who is having a meeting this week, along with quick links so I can check out the agenda and packet materials. I am a much more engaged citizen since I began getting those emails. We are lucky to still have a community newspaper, but for the most part it tells me what already happened. Between the paper and the Community & Engagement Manager - I know what is coming AND what recently occurred in the local government. Please do not eliminate this position. With the newspaper on its last legs, when it goes and if you eliminate the Communication & Engagement Manager, we will hear nothing but silence.

To the councilor who said there are still people who complain there is not enough transparency, getting rid of this position will only increase the complaints. And the old adage that you can not please all the people all the time applies....You could distribute meeting minutes to every household in town and there would still be people saying the City is not communicating well enough with the citizenry.

Denise Murphy  
 McMinnville

**From:** [McMinnville Oregon](#)  
**To:** [City Recorder Team](#)  
**Subject:** Form submission from: Budget Public Comment  
**Date:** Sunday, June 8, 2025 1:40:06 PM

---

**This message originated outside of the City of McMinnville.**

---

Submitted on Sunday, June 8, 2025 - 1:39pm

Submitted by anonymous user: [50.38.26.200](#)

Submitted values are:

Email [REDACTED]

Name Alden Horowitz

Phone [REDACTED]

I live in the City of McMinnville Yes

Address (street + city, state) [REDACTED] McMinnville, OR 97128

Question/Comment 1

Budget supporting McMinnville's parks, public library, and community spaces is more important and urgent than police department funding.

Question/Comment 2

Question/Comment 3

Question/Comment 4

The results of this submission may be viewed at:

<https://www.mcminnvilleoregon.gov/node/17561/submission/55566>



**From:** [Allison Lock](#)  
**To:** [City Recorder Team](#)  
**Subject:** City Budget Remarks  
**Date:** Sunday, June 8, 2025 9:41:05 PM

---

**This message originated outside of the City of McMinnville.**

---

Hello Councilors, Mayor, and City Staff,

I am writing in regards to the recent discussions on the city budget and the upcoming meeting on Tuesday. Thank you for taking the time to thoroughly and diligently dissect the details of this city's spending. That is a huge undertaking that takes a lot of work and time. I valued the opportunity to listen in and participate.

Budget cuts are sometimes an unfortunate necessity in city planning. However, the cuts that have been decided by the budget committee are not sitting well with me. I utilize the parks, public spaces, events, and outreach that this city has to offer. It upsets me greatly that major cuts are being made to the development, maintenance, and upkeep of these offerings while the police department is seeing far less cuts while already making up 38% of the city's current spending. I value this city's dedication to its public spaces and development of its community. These cuts would jeopardize those things that make McMinnville what it is.

It is frustrating to see our city taking away valuable funds for public programs, libraries, and community outreach to make funds available for police positions that have been vacant for years. I have never once felt unsafe in McMinnville. Safe communities don't just come from police presence. Having access to libraries, parks, and recreational centers; funding the MDA to encourage folks to explore what this city has to offer; keeping community outreach coordinators employed; and continuing to support our city planning departments are some of the many ways people in this town feel safe, heard, and informed. These are some of the exact items that are facing cuts in this proposed budget.

I hope that these words and those of my fellow community members make an impact on how the city plans its budget. Thank you for your time and consideration.

Al Lock

[REDACTED]

McMinnville, OR

[REDACTED]

**From:** [Katherine D'Aboy](#)  
**To:** [City Recorder Team](#)  
**Subject:** Urgent: 2026 Budget - Reconsider Cuts to Community Services  
**Date:** Sunday, June 8, 2025 9:58:45 PM

---

**This message originated outside of the City of McMinnville.**

---

Dear City Council Members,

I'm writing to express deep concern about the proposed 2026 city budget, particularly the disproportionate cuts to departments that keep our community livable, connected, and thriving.

As a member of this vibrant community for 17 years, I've seen firsthand how essential the library, parks, maintenance teams, community development staff, and communications personnel are to the social fabric of our neighborhoods. These are not luxuries — they are lifelines.

The library, especially, is a cornerstone in my life and in the lives of so many others. I visit weekly by myself or with my family, borrowing books and board games, discovering new tools in the Library of Things, and connecting with kind, knowledgeable staff. Their offerings are impressive and go well beyond the books. It's a safe, inclusive space that serves everyone: children, seniors, job-seekers, families, and those experiencing housing insecurity. Cutting funding to this vital resource — while adding \$521,000 to fill three vacant police positions in a department that already receives 38% of the city's budget — feels deeply unbalanced and short-sighted.

Please don't balance the budget on the backs of programs that strengthen our community's wellbeing and resilience. These services are foundational to who we are here in Mac.

We deserve a budget that reflects our shared values and invests in an inclusive and thriving future for all.

Thank you for your consideration,  
Katherine D'Aboy

 McMinnville

---

Katie D'Aboy

**From:** [Maggie Bowles](#)  
**To:** [City Recorder Team](#)  
**Subject:** Public comment on city budget  
**Date:** Sunday, June 8, 2025 10:24:05 PM

---

This message originated outside of the City of McMinnville.

There has been talk of additional cuts to library, parks and rec, maintenance, and community development/planning budgets, as well as eliminating the Communications and Engagement Manager position for the city. These departments have already seen over 10% in cuts. The police department on the other hand has seen less than 2% cut but makes up 38% of the budget, and that's before adding \$521,000 back for three vacant positions. Deferring planning and maintenance or dipping further into city reserves will only exacerbate the city's ongoing issues. Eliminating programming makes this a much less vibrant and safe community. Ideally, we would have a well-balanced budget, reflective of our community, with cross-departmental cooperation where cuts are needed.

Sent from my iPhone

**From:** [Elena Mudrak](#)  
**To:** [City Recorder Team](#)  
**Subject:** McMinnville City Budget  
**Date:** Monday, June 9, 2025 6:29:53 AM

---

**This message originated outside of the City of McMinnville.**

---

Good evening Councilors, Mayor, and City Staff;

I am writing in regards to the upcoming City Council budget meeting and would like to submit the following email for consideration and the public record.

First and foremost, thank you for all of your hard work to date and my sincere appreciation to the Budget Committee as well for the long hours of conversation.

We are all working towards the same goal: a balanced city budget. Work done today that will set us up for success, something that won't lead us to a financial predicament in the future. A budget that is financially sound and representative and supportive of the people who live here. One that is built on the hard work of the professionals who came to the table willing to have difficult conversations. In an effort to be most effective, Finance Director Henry advised the Council to approach the budget with a focus on large ticket items; rather than getting lost in the weeds of items that are not significantly impactful to the overall budget (ie: \$6500 for flowers, 0.02% of the total general fund budgeted for the FY 25-26). It was also Director Henry's recommendation that the City maintain a two month reserve. As conversations proceed, I implore the Council to keep these in mind.

Important to note, a sure way to sack future budget sessions is through continued deferral of maintenance. Projects that could have been completed a decade ago are now painfully more expensive, a product of passing time. Though it might be attractive to balance a budget by deferring maintenance in the short term, the long-term effects of this approach are sure to saddle the city with dangerous and problematic facilities and financial stress. This is the case for indoor and outdoor facilities. It should be highly alarming to hear that "without additional staffing resources there is no capacity within this work group [Park Maintenance] to take on additional new facilities or responsibilities" (Budget p. 295). The initially proposed 29% cut to the Parks Maintenance will undercut the steady advances that have been made for our parks and open spaces in the past few years, not to mention delay much needed improvements to playground equipment. Over the past four decades McMinnville has lost two bowling alleys, a roller rink, and an arcade. Let us not advance the idea of eliminating or reducing the quality of more third spaces, particularly for children. "Below base" service levels are a direct affront to the children of McMinnville.

Critically, this budget needs to do its part in retaining citizens and inviting new citizens. Without a strong commitment to quality of life, McMinnville will experience attrition that it frankly cannot afford. Economic development, affordable housing, and short- and long-term planning directly address retention and attraction of McMinnville citizens. McMinnville has never adequately funded its Community Development department, and we are experiencing those pains right now. Our growth rate is not what was projected a handful of years ago. Addressing that issue sooner than later is sound financial advice. Cutting more from the Community Development department undercuts city growth inspired by citizens. Requesting

an elimination of ongoing efforts within the Community Development department is impressively short-sighted.

As we look at the proposed budget right now and reflect on previous conversations, one would be hard pressed to say that the Budget Committee heeded Director Henry's advice. It would also be a stretch to call it a balanced budget. When considering proper balance, it can be helpful to look at the numbers. From the preceding city budget, these are some of the preliminary cuts by department:

14% community development

12% library

29% parks maintenance

<2% police department

Interestingly, the smallest percentage reduction is proposed for the most-funded department, the Police who take 38% of the General Fund. It bears mentioning that not one of the police officers who provided public comment lives in McMinnville. The irony is that this Council would like to balance the budget for the city of McMinnville, yet funnel money out of the city and unabashedly maintain a skewed budget in the name of public safety. However, public safety is a result of many factors and not just one department. For example, the Library staff undertook special training for de-escalation and hired a support security staff member when needed. This has increased the safety of patrons and employees at the Library. Alternatively, city streets that are designed safely reduce the burden on drivers, by reducing vehicular speeds and accidents and creating safe spaces for humans who are inside and outside of vehicles. Parks and associated programming provide places for people of all ages to safely enjoy their city and meet neighbors. Maintenance teams are trained for a wide variety of emergency responses, including responding to vehicle accidents. Parks across the city are assisted with overnight safety by contracted services. There are many hands across this city that can make light work of public safety. Significantly undercutting any one department has serious ramifications for the upcoming year and those that follow.

If the Police Department were to take a cut more similar to that of another department, say 10%, that would free up over \$1 million. If three vacant positions are valued at \$521,000, we are already halfway there without needing to be particularly creative. This is not unprecedented since other vacant positions across the city are intentionally being kept open for budget reasons.

Because the Police Department is having a difficult time attracting and retaining officers (at least four positions have remained vacant every year since 2022), it would be wise for us to support this department. However, the proposed budget doesn't offer new solutions to old problems. If the Police Department could truly fix all of our problems through funding, we would have already seen this success. The Police Department has always had the largest slice of the city budget. It's time to provide the Police Department with the interdepartmental support that they need. Bolstering other departments will help the police effectively do their work. Drastically cutting every other department adds problems for the Police Department too.

This isn't a call to sensationally defund the police. This is a request for a balanced budget that reflects the community it serves and for each department to proportionally do its part in supporting a balanced budget. 38% of our populace aren't criminals. Shiny new vehicles don't keep us safer. We need serious oversight on funding, not carte blanche. The City Council needs to distribute budget cuts more equally, taking more from the largest budget and putting

that towards municipal financial security. The Police Department cannot walk away from a \$3 million budget deficit with gains. That department could stand to take a statistically significant budget cut and make a big difference for the rest of the city budget and departments. The smaller departments cannot afford such large cuts. All of our citizens and visitors will suffer.

We can be more creative in maintaining a safe and flourishing community. A safe city is created through good sanitation, city planning, and community building. Ultimately, we will be more successful if more people are actively engaged in creating the community that they want to live in. Reaching citizens requires an authentic and wide-reaching Communications and Engagement Manager. (Comically, in earlier budget meetings, councilors suggested the Police Department consider funding a marketing program. Perhaps we could collaborate across departments, rather than lay off existing staff and spend more money in new places.) City transparency and public engagement are so important. To achieve a flourishing city, we cannot cut back on measures directed at these.

It can be easy to consider the budget conversation a year-to-year decision. But in order to create a sound financial environment, the City Council must set their sights further out. For the best of all of our neighbors, McMinnville needs to balance the budget respectfully across the departments.

Thank you for your time. I appreciate the continued deliberation.

Kindly,

Elena Mudrak



McMinnville

**From:** [Andy](#)  
**To:** [City Recorder Team](#)  
**Subject:** City Budget Concerns  
**Date:** Monday, June 9, 2025 8:40:02 AM

---

**This message originated outside of the City of McMinnville.**

---

Hello,

My name is Andy, i am a long time resident of McMinnville. a few years ago i move to Amity to be closer the my farm but McMinnville is still my home on a big way. All my friends and family reside in McMinnville and the customer base for my farm also is in McMinnville.

I am writing this email because i went to the city budget meetings last week and i have concerns. First i would like to say that it was deeply heartbreaking watching our budget commity talk in circles around cutting funds for our library and parks. If i am correct, these departments have recieved over 10% of budget cuts already. While the police department has recieved less than 2% cut but makes up 38% of the budget. and thats before adding \$521,00 back into there budget for 3 VACANT police positions.

I am a farmer, i am not in a government position for a reason, going to the budget meetings was difficult, but i perservered because i need to understand what is happening behind the scenes in our community. The decision to make cuts to our library, parks, and family events in our city makes this town less vibrant and safe. If we want to talk about creating a community where we take care of eachother, the answer is in funding programs for kids (library, schools) and providing beautiful and safe places for members of our commubity to congregate (parks, music events etc.)

Considering the fact that the police budget already takes up 38% of our town budget i am firmly against adding any of our resources back to them. Saving unused money to make sure we could potentially pay police officers that we dont already use just in case we decide to hire more while also cutting funds to our community building departments is an extrememly bad idea. Not only are many community members ive talked to concerned and upset, but the repercussions of this act will be profound.

There is a scale of efficacy when it comes to how much we get out of funding public safety, beginning at preventative (education, social services, community events etc) and ending at our criminal justice system. The police are at the far end of that scale where community members have become criminals and its the job of the police to hide them away, the members that failed to remain members. But why did they fail to remain members? Obvioulsy keeping the library fully funded is not the cure for drug addiction in our community, but it is a place people can go to print out resumes, sit in the shade, find books for school that they cant afford to buy etc. Do you see where im going with this? We have not found a way to accurately measure all the ways that the library ALONE has managed to keep people off the streets and remain active members of the community. We need to put our chips in the basket that takes care of our community before the lack of support drives them to become the 'problem' we solve by more police.

I understand that there are many people in our community who support the police, but the fact



remains that they clean up after broken social systems fail the people they are sworn to help. How do we fix this and still keep our community safe? I don't know the full answer but I know the answer is NOT to stop funding our library and parks. For god sake, that is the opposite of what we need.

The other thing I learned attending the meetings is that our city has gone over budget every year for a long time. There was talk of 'how do we get back into the green?'. It would seem obvious that cuts are part of that solution. Defering planning and maintenance or dipping further into city reserves will only exacerbate that problem.

If we want McMinnville to be a truly innovating and thriving town we need to invest in things that bolster a community and present opportunities to people who live here. I'm not here arguing that we need to get rid of the police, I'm here arguing that they are NOT a department that fosters growth, education, and community bonding. In my mind the police are the 'last resort' department and it seems foolish to me to keep dumping money into a department only meant to pick up the broken pieces that we didn't take care of on the front end. If we want to see a safer and more financially stable community we need to move funds from the clean up side of the scale to the front end where safe places like the library are fully funded and staffed, where parks remain clean and safe.

Again, doing the same thing we've always done is clearly not working. I urge the council to consider doing something different and at the very least not make cuts to our community resources. If anything we should remove the three vacant police positions and spread that money out to keep the library and park maintenance funded.

Let's be innovative. Let's support our community members by funding things we all need in order to thrive.

A concerned community member,

Andy

**From:** [Mancill Family](#)  
**To:** [City Recorder Team](#)  
**Subject:** Comments about McMinnville's Budget  
**Date:** Monday, June 9, 2025 10:58:36 AM

---

**This message originated outside of the City of McMinnville.**

---

Hello City Council and Valiant Public Servants,

I am writing to encourage all of you to reflect on how much better served McMinnville will be with a robust library and parks program rather than a bloated police force.

We respect and appreciate the work that the officers of the city of McMinnville do, but we feel that the positive services parks and recreation and the library bring to our community actually help alleviate pressure off of the police by providing positive interactions, needed services and positive interventions with the public. The library provides services And it allows people different ways to engage positively in our city as opposed to being policed. The parks department supports positive use of our cherished shared green and play spaces.

We are a young family in the city and we love our parks and libraries. Please do not cut the library or parks and rec any more than they already have been. We are already feeling the ramifications. Please instead reconsider the police budget and reallocate resources to actually help them by allowing our community members to engage with services for parks and rec and libraries instead of police.

Thank you for your consideration,

Fiona Mancill  


**From:** [Jonathan Polivka](#)  
**To:** [City Recorder Team](#)  
**Subject:** Mac Budget Concerns  
**Date:** Monday, June 9, 2025 11:45:28 AM

---

**This message originated outside of the City of McMinnville.**

---

Hello to whom it may concern,

My Name is Jonathan Polivka and I am a resident of McMinnville.

As the City of McMinnville's budget season comes to a close, I write this with a great deal of concern for our community.

As I understand it, there has been talk of additional cuts to library, parks and rec, maintenance, and community development/planning budgets, as well as eliminating the Communications and Engagement Manager position for the city. It is in my opinion that this is a terrible idea.

I understand that this town's money needs not to be spent frivolously or without proper intent but cutting these areas of our community runs the risk of demonstrating to the community, at large, that the people in leadership have no interest in the substantive quality of life for each and every one of their constituents.

It is my belief that the country, at large, is slipping quickly into a generalized acceptance of fascism and authoritarian rule; McMinnville needs to push back on this, respective to our size and ability to do so. I see these cuts to our community social services and safety nets as a direct affront to the needs that we all have as community members.

The world is dark, and this town does not need to be. Cutting the parks, the library, and other direct outlets for folks and families to engage in and around will only, and inevitably, pour more money into the areas of government that have the interest of the state and federal political bend, I.e. fascism.

These departments that give this town its culture, connection, creativity, education, activity, and expression have already seen over 10% in cuts. All while the police department (which only operates reactively) on the other hand has seen less than 2% cut but makes up 38% of the budget, and that's before they added \$521,000 back for three vacant positions. We need to put our money where our mouth is and start, continue, and end with proactive advancement and growth in this community.

Deferring planning and maintenance or dipping further into city reserves will only exacerbate the city's ongoing issues.

This town is growing and changing in some amazing ways, please to not give more money to dried up old arms and hands of state rule. We should be looking forward to growth that holds ground for all people, not for a type of growth that erodes said ground and strips away rights and freedoms.

Eliminating programming that directly impacts the substantive quality of life for residents, makes this a much less vibrant and safe community. Especially if that money is spent on an

already overly military police department.

Ideally, we would have a well-balanced budget, reflective of our community, with cross-departmental cooperation where cuts are needed.

Thank you and long live the few parks we have.

Cheers,  
Jonathan Polivka

This land is your land, and this land is my land  
This land was made for you and me.

## STAFF REPORT

**DATE:** June 10, 2025  
**TO:** Jeff Towery, City Manager  
**FROM:** Katie Henry, Finance Director  
**SUBJECT:** Public Hearing on FY2025-26 Proposed Uses of State Revenue Sharing

---



### CITY GOVERNMENT CAPACITY

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

**Report in Brief:** A public hearing on Proposed State Revenue Sharing is required by Oregon statute.

#### **Discussion of Hearing and Resolution Actions:**

ORS 221.770 requires that cities annually pass an ordinance or resolution requesting state revenue sharing money, holding public hearings, and certifying that these hearings were held.

To receive state revenue sharing in 2025-26, the City must have levied property taxes in the preceding year and:

- 1) Pass an ordinance or resolution approving participation in the program and file a copy of that ordinance with the State of Oregon prior to July 31.
- 2) Hold the following hearings on the use of state revenue sharing funds:
  - a) a public hearing before the budget committee to discuss possible uses of the funds
  - b) a public hearing before the city council on the proposed uses of the funds in relation to the entire budget
- 3) Certify to the State of Oregon prior to July 31 that these hearings have been held

As required by ORS 221.770, a public hearing on possible uses of state revenue sharing was held before the City of McMinnville Budget Committee on May 21, 2025.

A resolution approving participation in the program and requesting revenue sharing will be presented to the City Council at the June 24, 2025 meeting. The City will then certify to the State of Oregon prior to July 31 that the public hearings were held.

# City of McMinnville

## City's Proposed Uses of State Revenue Sharing 2025 – 2026 Proposed Budget

**FY2025-26 Revenue - State Revenue Sharing estimate**      **\$ 480,000**

**FY2025-26 Expenditures - State Revenue Sharing**

Support for personnel and basic operating expenses for general fund activities of a full service city.

<b>Administration, Finance, &amp; Municipal Court</b>	60,700
<b>Engineering</b>	5,300
<b>Community Development</b>	44,600
<b>Police</b>	229,900
<b>Parks &amp; Recreation</b>	47,800
<b>Parks Maintenance</b>	45,800
<b>Library</b>	45,900
<b>Total Proposed Expenditures</b>	<b><u>\$ 480,000</u></b>

**Fiscal Impact:**

The City anticipates receiving \$480,000 in state shared revenues, a vital source of unrestricted general fund revenues to support public services.

**Recommendation:** Hold public hearing as required by ORS 221.770.

**Documents:**

1. Hearing Notice for the FY2025-26 Proposed Uses of State Shared Revenue

**CITY OF McMinnville**  
**STATE REVENUE SHARING PUBLIC HEARING**

A public meeting of the City of McMinnville City Council, Yamhill County, State of Oregon, to receive public comment on the proposed uses of state revenue sharing funds for the fiscal year July 1, 2025 to June 30, 2026 will be held. The meeting will take place on the 10th day of June 2025 at 7:00 p.m. at the Kent L Taylor Civic Hall, 200 NE 2<sup>nd</sup> Street, McMinnville, Oregon.

The City Council meeting will also be held virtually through the Zoom meeting software. The public may join the meeting in person or via the link information available in the calendar section of [mcminnvilleoregon.gov](http://mcminnvilleoregon.gov). In addition, public comment may be submitted ahead of the hearing online on the city's website [mcminnvilleoregon.gov/finance/webform/budget-public-comment](http://mcminnvilleoregon.gov/finance/webform/budget-public-comment).

This Notice of the State Revenue Sharing Public Hearing has also been posted on the City's website at [www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)



## STAFF REPORT

**DATE:** June 10, 2025  
**TO:** Jeff Towery, City Manager  
**FROM:** Katie Henry, Finance Director  
**SUBJECT:** Public Hearing on FY2025-26 Approved City Budget

---



### **CITY GOVERNMENT CAPACITY**

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

#### **Report in Brief:**

A public hearing on the FY2025-26 City Budget as approved by the Budget Committee is required by Oregon statute.

#### **Discussion of Hearing and Resolution Actions:**

On May 23, 2025, the City's Budget Committee approved the City of McMinnville 2025-26 Budget. ORS 294.453 requires that, after the local government's budget committee has approved the budget, the governing body must hold a budget hearing to take citizen testimony on the approved budget.

Five to 30 days before the scheduled hearing, ORS 294.448 requires that the governing body publish a "Notice of Budget Hearing and Financial Summary." The Notice includes the date, time, location and remote access instructions for the budget hearing and a summary of the 2025-26 Approved Budget. The Notice must appear in a newspaper of general circulation.

The required Notice and Financial Summary were published in the News Register on June 4, 2025.

The City also has a Budget Public Comment page on its website to facilitate the community's ability to weigh in on budget matters in a remote way.

A resolution adopting the FY2025-26 Budget will be presented to the City Council at the June 24, 2025, meeting. The City will then certify the budget to the County Assessor's office prior to July 15, 2025.

#### **Fiscal Impact:**

Following the budget adoption and public hearing process is required for the City to draw property taxes, the largest source of unrestricted general fund revenues available to support public services as well as accessing voter approved property tax funds for local bond measures.

**Recommendation:** Hold public hearing as required by ORS 294.453.

#### **Documents:**

1. FY2025-26 City of McMinnville Approved Budget Hearing notice
2. General Fund Financial Projections Slides
3. Narrative for Budget Reductions (with Budget Committee Changes) Document

A public meeting of the McMinnville City Council will be held on June 10, 2025 at 7:00 pm at the Kent L Taylor Civic Hall, 200 NE 2nd Street, McMinnville, Oregon and via Zoom for remote access. Information on remote viewing and real time public comment options is available in the calendar section of [mcminnvilleoregon.gov](https://mcminnvilleoregon.gov). In addition, public comment may be submitted ahead of the hearing online on the city's website [mcminnvilleoregon.gov/finance/webform/budget-public-comment](https://mcminnvilleoregon.gov/finance/webform/budget-public-comment). The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2025 as approved by the City of McMinnville Budget Committee. A summary of the budget is presented below. A copy of the budget is available online at [mcminnvilleoregon.gov/finance](https://mcminnvilleoregon.gov/finance). This budget is for an annual budget period and was prepared on a basis of accounting that is the same basis of accounting as used the preceding year.

Contact: Katie Henry, Finance Director

Telephone: 503-434-2350

Email: [Katie.Henry@mcminnvilleoregon.gov](mailto:Katie.Henry@mcminnvilleoregon.gov)**FINANCIAL SUMMARY - RESOURCES**

TOTAL OF ALL FUNDS	Actual Amount 2023-24	Adopted Budget** This Year 2024-25	Approved Budget Next Year 2025-26
Beginning Fund Balance/Net Working Capital	75,645,510	67,815,728	49,105,633
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	28,449,146	25,686,219	26,915,663
Federal, State & all Other Grants, Gifts, Allocations & Donations	18,204,558	8,102,705	10,204,980
Revenue from Bonds and Other Debt	0	6,000	8,000
Interfund Transfers / Internal Service Reimbursements	25,885,037	15,147,609	13,647,710
All Other Resources Except Current Year Property Taxes	5,035,442	3,441,579	2,670,499
Current Year Property Taxes Estimated to be Received	14,364,764	16,429,600	18,738,200
<b>Total Resources</b>	<b>167,584,457</b>	<b>136,629,440</b>	<b>121,290,685</b>

**FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION**

Personnel Services	26,781,733	25,770,325	27,499,203
Materials and Services	16,991,973	27,381,449	27,191,770
Capital Outlay	19,422,992	30,080,085	8,260,925
Debt Service	5,452,178	3,847,830	3,863,423
Interfund Transfers	23,479,102	12,226,073	10,745,523
Contingencies	0	7,624,219	6,201,500
Special Payments	6,169,902	190,150	173,050
Unappropriated Ending Balance and Reserved for Future Expenditure	69,286,578	29,509,309	37,355,291
<b>Total Requirements</b>	<b>167,584,457</b>	<b>136,629,440</b>	<b>121,290,685</b>

\*\* includes budget amendments adopted through March 2025

**FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM \***

Name of Organizational Unit or Program FTE for that unit or program			
General Fund	51,433,772	38,984,129	38,107,964
FTE	140.39	139.95	135.12
Grants and Special Assessments Fund	234,839	515,234	200,100
FTE	0	0	0
Transient Lodging Tax Fund	1,922,965	2,102,403	2,147,500
FTE	0	0	0
Affordable Housing Fund	3,664,478	2,125,727	4,103,427
FTE	1.00	0.75	1.00
Telecommunications Fund	182,482	192,355	175,393
FTE	0	0	0
Emergency Communications Fund	786,121	850,052	925,195
FTE	0	0	0
Street Fund	5,339,850	5,151,045	4,293,115
FTE	9.90	9.97	10.57
Airport Fund	1,728,952	2,644,642	2,851,871
FTE	0.50	0.50	1.00
Transportation Fund	6,876,914	7,845,335	8,556,113
FTE	0	0	0
Park Development Fund	3,161,069	3,239,409	4,489,353
FTE	0	0	0
Debt Service Fund	3,308,976	3,272,150	3,215,450
FTE	0	0	0
Building Fund	3,149,984	2,767,564	2,836,030
FTE	4.34	4.34	4.34
Stormwater Capital Fund	0	0	500,000
FTE	0	0	0
Wastewater Services Fund	15,463,972	14,548,648	14,336,561
FTE	23.15	23.10	22.55
Wastewater Capital Fund	58,806,336	48,303,405	30,427,096
FTE	0	0	0
Information Systems & Services Fund	2,002,539	2,240,077	2,125,930
FTE	4.00	4.00	4.00
Insurance Services Fund	2,111,831	1,847,265	1,999,587
FTE	0	0	0
Fire District Transition Fund	7,409,378	0	0
FTE	0	0	0
<b>Total Requirements</b>	<b>167,584,457</b>	<b>136,629,440</b>	<b>121,290,685</b>
<b>Total FTE</b>	<b>183.28</b>	<b>182.61</b>	<b>178.58</b>

**STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING \***

In the City's FY2025-26 budget, the following factors are notable changes from the FY2024-25 budget:

**Personnel Services Expenditures** - Despite a citywide decrease of 4.02 full time equivalent (FTE) positions, expenditures increased by 6.7% due to adjustments to employee salaries to keep up with inflation and increases to medical and dental insurance.

**Capital Outlay** - Overall expenditures decreased by 72.5% or \$21.8 million due to the completion of large projects in the Wastewater Capital Fund as well as to the deferral of most general fund capital projects.

**Property Tax Revenue** - Tax revenue increased by 14.1% with the increase in the property tax levy of an additional \$0.50, leaving a remaining under levy of \$0.50 per \$1,000.

**PROPERTY TAX LEVIES**

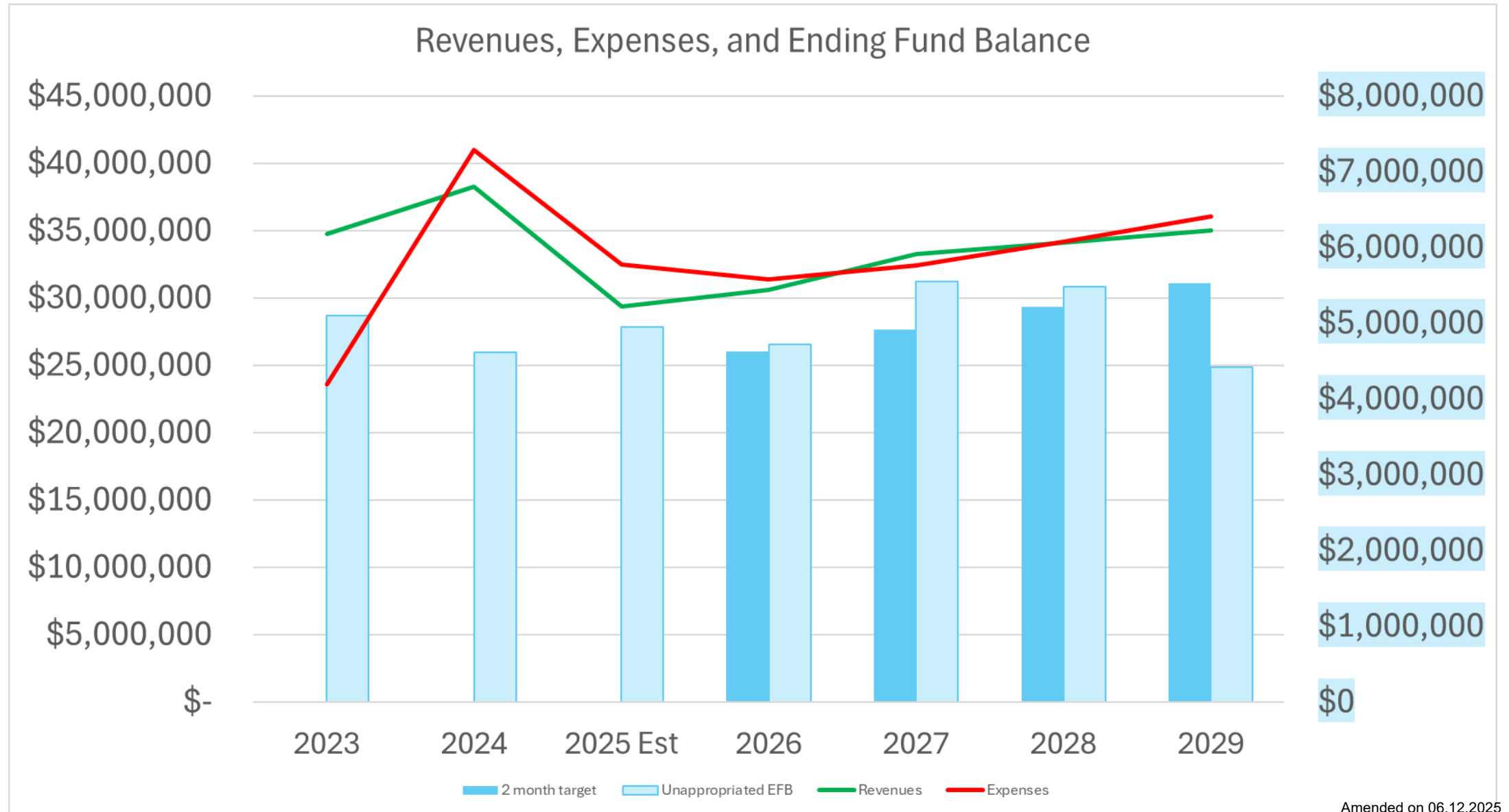
	Rate or Amount Imposed 2023-24	Rate or Amount Imposed This Year 2024-25	Rate or Amount Approved Next Year 2025-26
Permanent Rate Levy (rate limit 5.02 per \$1,000)	3.52	4.02	4.52
Local Option Levy	0	0	0
Levy For General Obligation Bonds	3,091,410	3,023,580	3,022,110

**STATEMENT OF INDEBTEDNESS**

LONG TERM DEBT	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$12,785,000	\$0
Other Bonds	\$7,703,612	\$0
Other Borrowings	\$35,690	\$0
<b>Total</b>	<b>\$20,524,302</b>	<b>\$0</b>

# General Fund Financial Projections

## Original projections – Proposed budget



# Assumptions

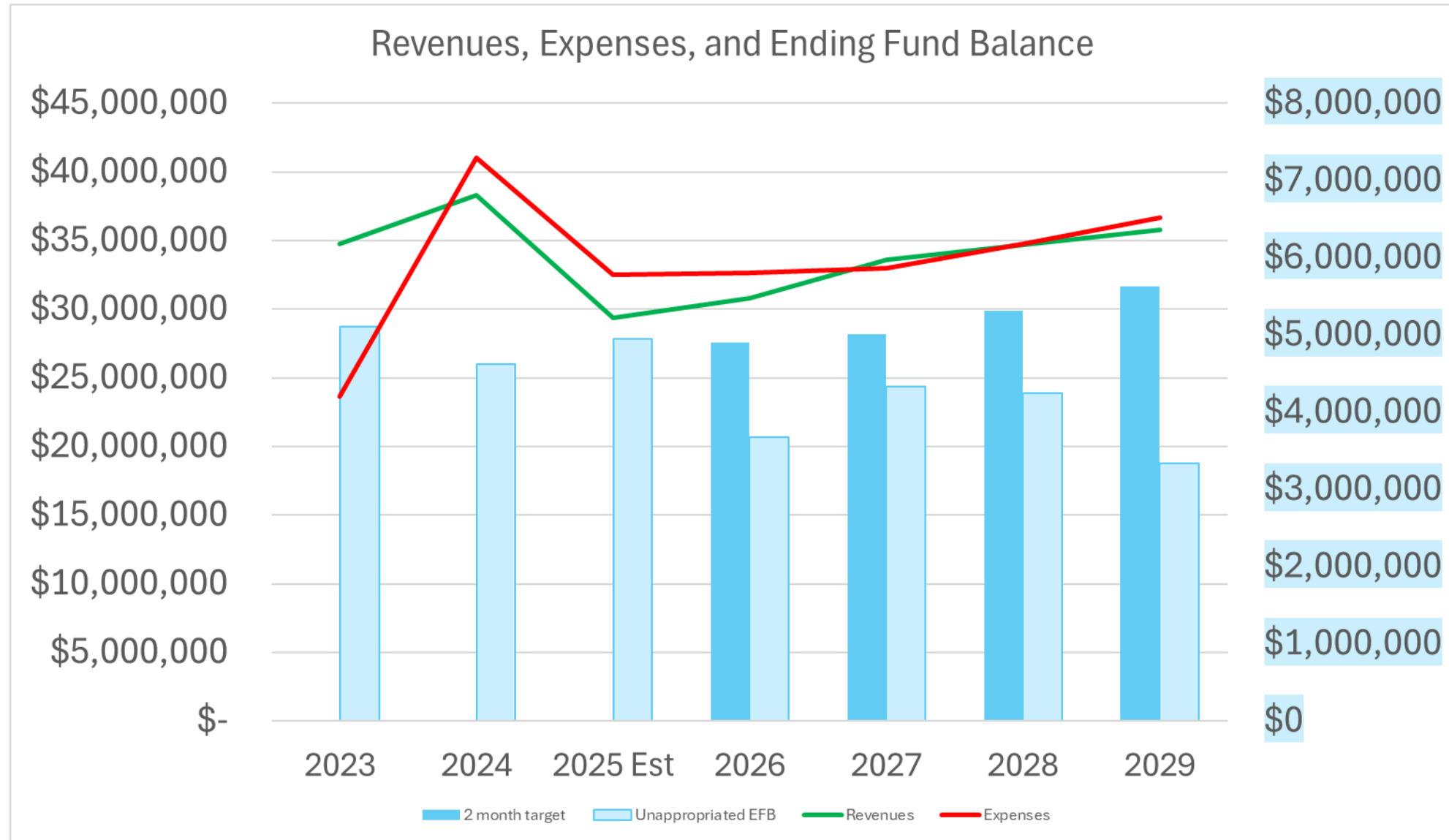
## Initial

- Property tax: 3% per year
- All positions filled all year
- Salaries increase at 5% / year
- Benefits increase at 10% / year
- \$1Million Capital/year (original graph modified to include)
- 3% increase in other revenues and expenses

## Revised with all approved adjustments plus:

- Property tax: 4% per year
- 10% turnover in positions for vacancy savings of \$450,000
- Same as initial for salary & ben
- \$1Million Capital/year (to reserve or to expense)
- Same as initial for other revenues and expenses

## Revised projections – Approved budget





## Budget Committee Restorations, Additional Reductions and New Spending:

Summary of May 2025 Budget Committee deliberations and modifications to the FY2025-26 Proposed Budget.

(Reflected within the FY2025-26 Approved Budget)

General Fund Department	Net Amount Change	Description
Police	+\$521,100	Restoration of 3.0 FTE (Personnel Services and related Materials and Services costs), classifications to be determined.
Police	-\$3,886	Increase to Transfers Out for YCOM dues (\$12,114), decrease to Capital for canine purchase (-\$16,000).
Comm Dev	+\$56,000	Maintain 0.25 FTE Special Projects Manager in General Fund (costs still included in proposed budget).
Comm Dev	-\$100,000	Reduction to Professional Services (UGB Amendment).
Muni Court	+\$132,000	Restoration of 1.0 FTE Court Clerk (\$102,000), addition of 0.4 FTE Court Clerk (\$30,000).
Muni Court	+\$151,000	Increase to Materials and Services for Court software.
Admin	+\$75,000	Restoration of contribution to MEDP (\$75,000), restoration of contribution to MDA (\$14,000), restoration of State lobbying contract (\$25,000) reduction to Professional Services (-\$39,000).
Parks & Rec	+\$178,108	Materials and Services for CPR Bond, increase election costs (\$150,000), increase for polling and advertising (\$70,000), decrease for overall project costs (-\$41,892).
Park Maintenance	+\$245,000	Restoration of core services add package from FY 2023-24 and maintenance contract services.
Non-Departmental	-\$1,048,322	Increase to PILOT revenue (\$150,000), reduction to reserves (-\$1,198,322).

## **Narrative for General Fund FY 2025-26 Proposed Budget Reductions**

At the City of McMinnville, we remain committed to a responsible, balanced approach to guide the City through financial challenges, grounded in our values of stewardship, equity, courage, and accountability. Our approach consists of strategic spending cuts and savings, prudent use of one-time resources and a continued focus on maximizing efficiency – reflecting the same careful financial management that residents throughout the community are applying in their own lives.

Our primary solutions to the FY2025-26 budget deficit are presented to you in two parts:

1. Staffing Reductions (Personnel)
2. Program and Service Reductions

City departments were given the space and flexibility to approach the budget process with innovation, sincerity, and compassion. These proposed reductions were crafted at the Department level, reviewed by the entire Executive Team during a day-long retreat, and are roughly proportional to the size of each department's General Fund budget.

Smaller reductions across departments make up the balance of the \$3 million effort; these include a multitude of reductions under materials and services, travel and training, employee events and recognition, telecom, janitorial, printing supplies, and others. No stone was left unturned in this process. While the larger items are captured in the primary solutions and total ~\$2.9 million, the remaining ~\$100,000 is made up of many other small cuts, which will not be listed in this document.

**The following sections outline proposed staffing reductions, as well as service and program adjustments incorporated within the 2025-26 Proposed Budget:**

### **1. Staffing *(\$1.5 million total reduction)***

**Positions have been eliminated, or will be unfunded in several departments, including:**

Administration	1 FTE –Deputy City Recorder / Executive Assistant	\$ 101,000	Eliminated
----------------	---	------------	------------

Community Development	1 FTE – Code Compliance Officer – Lead (Currently Vacant)	\$ 131,000	Unfunded
Police	<ul style="list-style-type: none"> <li>• 1 FTE – Management Support Tech</li> <li>• 3 FTE - Police Officers</li> <li>• 1 FTE – Investigations Police Officer</li> <li>• 1 FTE – Middle School Resource Officer</li> </ul>	\$ 804,000	Unfunded
Police	Training / Overtime savings from staffing changes	\$ 137,000	Unfunded
Library	1 FTE – Manager – retiring position left unfilled, 1.6 FTE reduction in staff hours	\$ 297,000	Eliminated
Municipal Court	1 FTE – Court Clerk	\$ 102,000	Unfunded
	<b>Total: 11.6 FTE Positions</b>	<b>\$ 1,572,000</b>	

## **2. Programs and Services *(\$1.4 million total reduction)***

**Library** – Reduction of Hours and Services (see staffing reductions; Sunday closure, shortened days)

**Administration** – Reduction to consultant services and general Community Services programming, including:

- Community Services (\$19,000)
- Professional Services (\$152,000)
- Holiday Lighting (\$42,000)
- Economic Development (\$93,000)

**Engineering** reductions include:

- Reduce Professional Services / Right of way Acquisition services / Environmental services for Underground Tanks (\$100,000)

**Police** program reductions include:

- Reserve Program (\$29,000)
- RV Towing and Dismantling (\$20,000)
- Fuel (\$10,000)

- Repairs to Training Facility (\$10,000)
- Patrol, K9, Detective Uniforms (\$6,300)
- Software (\$8,500)
- Phone, Advertising, Employee Recognition (\$6,000)

**Community Development** reductions include:

- Reassign .25 Affordable Housing Associate Planner to Affordable Housing Fund 08 plus M&S support (\$51,000)
- Reduce Special Project Manager to .75 FTE (\$61,000)
- Reduce Materials and Services Support for Code Compliance and Community Relations by 50% (\$19,000)

**Parks & Recreation** reductions include:

- Culture Parks & Recreation (CPR) Bond project (\$359,000)
- Stop publishing rec guide quarterly (\$22,000)

**Park Maintenance** reductions include:

- Remove core services add from FY 2023-24 (\$137,000)
- Reduce maintenance contract services (\$75,000)
- Remove seasonal park maintenance help (\$33,000)

**Internal service** cost reductions include:

- Finance – Travel & Education (\$12,000)
- Information Systems – Travel and Education, M&S, Professional Services, software reductions (\$124,000)
- 

## **Impact to the Community**

**During our initial conversations, we set out to achieve a 10% savings goal for the General Fund. Although we have been careful to consider each service reduction as it relates to having a direct impact on the community, our decisions were carefully considered with the intent to be as low-impact as possible.**

**Administration's** reductions focus on eliminating the Deputy City Recorder position, significantly cutting professional services, and reducing contributions to key partners—MEDP and MDA. The \$75,000 cut to the McMinnville Economic Development Partnership will likely affect their capacity to support local businesses and foster sustainable economic growth. Eliminating the Deputy City Recorder would substantially increase staff workload and reduce overall efficiency, affecting the level of service and responsiveness to the community. Additional reductions include the discontinuation of the holiday lighting program, decreased support for community events, limited capacity to send print notices and mailers, and no flexibility to take on unplanned projects or initiatives.

The **Police Department**, having the largest footprint in the City's General Fund (approximately 1/3 of the total expenses), bears the largest reductions. Reducing 3 Patrol positions with their associated benefits and other related expenses will require the department to re-evaluate police response to calls for service and ancillary services provided by the department. These positions are frontline, first responder Police Officer positions. Eliminating the Management Support Tech position will result in the re-distribution of administrative tasks such as processing internal requests, creation of purchase orders, and other similar tasks among other support services specialists. Eliminating a position in Investigations likewise increases the workload on other Investigations department staff and increases the strain on the department to effectively handle cases. Eliminating the School Resource Officer Position (SRO) will remove police department coverage from the City's two middle schools.

Many programs that directly affect community services will be cut or reduced such as the reserve program, partial reductions to the RV Towing and Dismantling program, reductions to facility repairs, fuel, uniforms, and other miscellaneous expenses.

In **Municipal Court**, the loss of a 1.0 FTE court clerk will affect the timely services the court will be able to provide for the 2025-26 fiscal cycle. Recovery of court fines/fees that are owed to the City of McMinnville will be hindered due to a staff shortage. Timely processing of data entry of violations and criminal judgments will be delayed due to the staff shortage. Reporting criminal offenses and criminal convictions to the Oregon State Police for compliance with computerized criminal history data will not be completed in FY2025-26 due to staff shortage. Follow up tasks regarding defendants on probation to the McMinnville Municipal Court will be hindered significantly by staff shortage. New court software will continue to remain on the list of projects that the court will look to implement in future fiscal cycles.

For **Parks and Recreation**, included in the high impact community reductions is the removal of financial support of the CPR bond process, a savings of \$359,000 means minimal work will be done to further the bond process in the 2025-26 budget year.

The **Library** has already instituted changes to service hours and is now closed both Sundays and Mondays. This will result in decreased availability of library services to the entire community, from children's programs to teen services, all the way up to adults and seniors, including information access to all ages from books to computers. A planned retirement vacancy in a Library management position at the end of 2025 will also not be filled, with the workload of the position divided up across existing personnel, increasing the workload and strain across staff and reducing contact time for direct Library community services.

**Park Maintenance** will be removing the \$137,000 core services add package that was originally funded in the 2024-25 budget and reducing maintenance contracts by \$75,000, resulting in a reduction of park maintenance across all City parks at different levels. Some parks will no longer be irrigated, equipment maintenance will be reduced and park services to the community will deteriorate. Park Maintenance will also only hire seasonal maintenance help to mow Joe Dancer Park, resulting in less summer mowing, field maintenance, pruning and general park maintenance during high seasonal use times.

**Engineering** will be reducing support services by \$100,000. The City Engineer utilizes these engineering support services to assist City staff to provide expertise in transportation, right-of-way acquisition, and environmental impacts. Reductions will add workload onto Engineering staff and potentially delay capital projects and development review times.

The reductions in the **Community Development Department** will impact customer service to the community. The 50% reduction in the Code Compliance and Community Relations program will limit the City's ability to respond to code compliance complaints and eliminates the volunteer programs relative to graffiti removal and property clean-up assistance to senior and disabled households. This will be a historical low staffing level for Code Compliance in recent decades. Reducing the Special Projects Manager position eliminates the legislative program that the City has supported in the last couple of years which led to over \$3million in direct allocations to support housing and the Third Street Improvement Project. Lastly, removing 0.25 of the Associate Housing Planner from the current planning and long-range planning program will create workload for the other planners leading to reduced response times to development applications and developer/community inquiries.

**While not ideal, the proposed FY2025-26 budget reflects a careful balance between financial constraints and strategic priorities while aligning with our organization's strategic values. Through this challenge, we hope to remain adaptable and proactive in addressing the deficit today to make a stronger, more sustainable McMinnville for tomorrow.**





revenue for the remaining General Fund programs), now we cannot produce a budget meeting the Reserve Policy. It doesn't give me any confidence that the budget process is going to find \$600,000 annually to subsidize the operation of the new pool and community center that will be voted on in November.

I want to emphasize that my comments are not about the priorities the Budget Committee chose to spend the money on. It is not about liberals or conservatives or any of the political nonsense roiling this country. I am simply pointing out that it is good, responsible governance to budget a minimum two months operating reserve for all the reasons outlined in the adopted policy. Please do it.

Thank you for considering my perspective on this matter.

*Mark Davis*

Mark Davis

Attachments:

Resolution No. 2020-62

Public Comment on Resolution No. 2020-62

## RESOLUTION NO. 2020-62

### A Resolution Adopting a Reserve and Fund Balance Policy

#### RECITALS:

**Whereas**, the City of McMinnville's Audit Committee met three times during the summer of 2020 to discuss the City's approach to reserves and fund balance and review a draft Reserve and Fund Balance Policy; and

**Whereas**, the City of McMinnville's City Council discussed the draft policy and wishes to consider a resolution adopting a Reserve and Fund Balance Policy; and

**Whereas**, this policy will supersede the existing Fund Balance Policy for the General Fund, Resolution 2011-30; and

**Whereas**, this policy allows for specific fund or program reserve targets adopted by City Council via separate actions that exceed the minimum levels identified in this policy.

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

1. That the attached Exhibit A - Reserve and Fund Balance Policy is hereby adopted.
2. That this Resolution shall take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the City Council of the City of McMinnville at a regular meeting held the 13<sup>th</sup> day of October 2020 by the following votes:

Ayes: Drabkin, Garvin, Geary, Menke, Peralta, Stassens

Nays: \_\_\_\_\_

Abstain: \_\_\_\_\_

Approved this 13<sup>th</sup> day of October 2020.



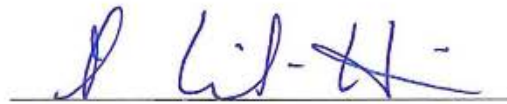
\_\_\_\_\_  
MAYOR

Attest:

Approved as to form:



CITY RECORDER



CITY ATTORNEY

EXHIBIT:

A. Reserve and Fund Balance Policy

---

**Exhibit A to Resolution 2020-62**

## **Reserve and Fund Balance Policy**

Policy Adoption Date: 10-13-2020 Last Revision: \_\_\_\_\_

### **Principle**

Align our fiscal policies and practices to MacTown 2032's strategic priority of *City Government Capacity* to strengthen the City's ability to prioritize and deliver municipal services with discipline and focus.

### **Purpose**

The City of McMinnville desires to establish a Reserve and Fund Balance Policy for all city funds that promotes responsible financial management by adhering to best practices and maintaining adequate levels of fund balance to mitigate current and future risks while assuring the delivery of quality, meaningful services to the community. This policy is intended to make the city more resilient and well positioned to:

- Ensure present and future municipal service levels
- Withstand the next economic downturn or fiscal stress (natural disaster, other emergency, revenue or cash short fall)
- Promote equitable and stable rate, charge and fee structures
- Protect the City's creditworthiness and bond rating
- Provide flexibility to respond to unanticipated opportunities
- Consider long-term financial planning needs, including retirement system rate increases

### **Scope**

This policy outlines reserve and fund balance targets for all City funds. It recognizes the unique needs and characteristics of each fund and includes summary information by fund type along with information regarding each individual fund.

The policy does not address the reserve and fund balance targets for the related financial entity of McMinnville Water and Light as it is managed by a separate governing body.

### **Policy Guidance**

The Government Finance Officers Association (GFOA), founded over 100 years ago, is the premier organization providing guidance and best practices in various areas of public finance to municipal governments. Its published Best Practices are approved by the GFOA executive board and identify policies and procedures that contribute to improved government management.

The GFOA's Fund Balance Guidelines for the General Fund recommends that jurisdictions:

- Maintain a minimum of two months of regular general fund operating revenues or general fund operating expenses



- Take into consideration the government's own unique circumstances and risk exposures
- Evaluate commitments and assignments and focus on unassigned fund balance rather than unrestricted fund balance
- Define use and replenishment of fund balance

The Governmental Accounting Standards Board (GASB) is the source of Generally Accepted Accounting Principles (GAAP) used by state and local governments in the US. The GASB issues pronouncements designed to provide tax payers, legislators, municipal bond analysts and others useful information for decision-making. GASB's major guidance related to fund balance is found in Statement No. 54, which defines five classifications of fund balance, summarized in the table below:

Governmental Accounting Standards Board Statement No. 54 Fund Balance Classifications			
	Classification	Definition	Degree of Spendability
Restricted Fund Balance	Nonspendable	Resources that are not in a spendable form (inventories, prepaid items, or items required to be maintained intact).	Nonspendable
	Restricted	Resources constrained to specific purposes by external providers (creditors, grantors, contributors, and other levels of government) through laws and regulations.	
Unrestricted Fund Balance	Committed	Resources constrained by limitations the City imposes upon itself at its highest level of decision-making authority (City Council); limitations remain binding unless removed in the same manner.	
	Assigned	Resources a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates authority.	
	Unassigned	Resources available for any purpose; these resources are reported only in the General Fund.	Spendable

This policy focuses on the unrestricted fund balance categories as the City has direct control over these balances.

### Policy

Fund balance targets and related policy considerations are described for each of the City's funds based on the specific characteristics and purposes of those governmental and proprietary funds in the sections that follow.

Fund Balance is defined as the difference between assets and liabilities in a governmental fund (General Fund, Special Revenue Funds, Debts Service Funds, and Capital Project Funds).

Working capital is defined as the difference between current assets and current liabilities for non-governmental funds (Proprietary Funds that include Enterprise Funds and Internal Service Funds).

This policy formally adopts the GASB 54 hierarchy of fund balance classifications that the City has been utilizing, as required, in its annual financial statements.

- Committed fund balance is established, modified or rescinded by the City Council upon adoption of the annual budget or by resolution during a public meeting at any time in the year
- Assigned fund balance may be consigned for a specific purpose by the City Manager or his/her designee at any time during the year; budgeted assigned fund balance is included in City Council's annual budget adoption
- The City considers restricted balances to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available
- The City considers committed spent first, assigned spent next and unassigned fund balance spent last when an expenditure is incurred for purposes that may be used in more than one of these unrestricted fund balance classifications

#### General Fund

The General Fund has an unassigned fund balance target of two months operating expense. In the budget, this amount is calculated as 2/12ths of general fund categories (1) personnel and (2) materials and services annual budgets. The reserve will be budgeted in the general fund's contingency and unassigned ending fund balance categories.

The City of McMinnville seeks to fund this reserve target over the next three to five years (in or prior to the FY2025-26 budget cycle).

In any year that the unassigned fund balance target is not met, the circumstances and financial implications of the target shortfall will be discussed and approved by Council during the annual budget process. Once the City has achieved the targeted reserve level described above, any subsequent budget year that projects a shortfall in the general fund's combined contingency and unassigned reserve balance standard must include a plan for rebuilding the reserve within one to three years of use.

Circumstances that impact reserve levels may arise at times that do not coincide nicely with the budget planning cycle which merit discussion with the executive team and governing body as well as taking mid-year adjusting actions. Examples of conditions which will trigger such action include changes to the city's credit rating, external situations which negatively impact significant revenue streams or drive extraordinary costs (natural disasters, economic downturns) and year-end reserve actuals with a significant positive or negative variation from budget estimates.

In addition to unassigned fund balance and budgeted contingency, the City's reserve calculation may include or exclude other specific committed and/or assigned fund balances. At the time of the drafting of this policy, the General Fund's only assigned fund balance is for the volunteer firefighter's Length of Service Award Program. These funds will no longer be included in the city's budgeted reserve calculation or actual ending fund reserve analysis.

Discrete committed or assigned fund balance categories may be added to the city's financial planning model and included in budgeted and actual reserve calculations. Typically these specially designated unrestricted fund balance categories are for purposes to set aside excess reserves or one time funds for special initiatives such as creation of a capital replacement fund,

rainy day fund, retirement rate stabilization fund, etc. New fund balance categories will be calculated in the reserve according to the methodology defined when established; presented in budget section(s) that discuss fund balance purpose, levels and trends; and programmed for expenditure in the manner defined at the reserve fund's inception.

#### Special Revenue Funds – no reserve requirement

A handful of City Funds are grants based or exist to provide transparency on particular revenue streams that are fully expended over a given time period. In these cases, reserves are not appropriate to expect or budget.

- 05 Special Assessment Fund
- 07 Transient Lodging Tax Fund
- 10 Telecommunication Fund

#### Special Revenue Funds – two month operating reserve requirement

Some special revenue funds are on-going concerns with staffing and other monthly and seasonal operations costs. In these cases, the standard to target a two months operating cost reserve budgeted in contingency and ending fund balance budget categories is merited.

- 20 Street Fund
- 70 Building Fund

#### Special Revenue Funds – variable reserve requirement

Other special revenue funds base reserve requirements on the functional and capital planning needs associated with its activities. Frequently these funds will have restricted funding sources that are associated with particular projects or activities. These funds may have a variable committed or assigned reserve level that is optimal for its circumstances over time so a specific reserve target cannot realistically be set by policy.

The City's debt service fund includes bonded debt that is funded with property tax but has debt service payments scheduled prior to the annual property tax cycle. These reserve commitments will vary according to the various payment schedules associated with the debt obligations.

These funds will calculate and discuss reserve needs as a part of the annual budget process. Reserve levels will be approved by the Council in its annual budget appropriation.

- 15 Emergency Communication Fund
- 25 Airport Maintenance Fund
- 45 Transportation Fund
- 50 Park Development Fund
- 60 Debt Service

#### Enterprise Fund

Wastewater Services' operating fund is designed to manage the on-going utility operation and, as such, includes staffing and materials and services costs. Its working capital needs will mirror the general fund's fund balance target of a two month minimum operating expense level to set aside in contingency and ending fund balance categories each year. Its integrated Wastewater

Capital Fund has strategically built up funds to address capital replacement needs and large capital infrastructure investments planned to keep the district

- 74 Wastewater Services Fund
- 77 Wastewater Capital Fund

A Storm Water Utility will be required as a result of changing federal and state regulatory guidelines to meet long-term environmental and risk mitigation objectives. Its budgeted and actual reserve calculations and levels will be consistent with Wastewater Services' standards to assure on-going operations as well as meet capital planning needs for this new critical infrastructure resource.

#### Internal Service Funds

The two internal service funds have characteristics that make a prudent working capital level for these two funds significantly distinct from each other.

- 80 Information Services Fund
- 85 Insurance Services Fund

The Information Services fund does have staffing and operating costs but in its case maintaining a two month operating reserve is not in the interest of the City because it would unnecessarily inflate the cost of services delivered to all the departments in the organization. Internal service funds such as this one seek to roughly offset annual costs with annual departmental contributions and maintain an inflation-based annual cost increment so that the cost levels are stable and predictable across the city. To this end, the Information Services fund will incorporate a reserve target to include capital investments and begin to fund this reserve in the next five years (in or prior to the FY2025-26 budget cycle).

Insurance Services reserves should be tied to our workers comp experience rate and combined deductible and out of pocket cost trends for the general liability cost. Insurance industry standards require 8% to 10% of annual revenue held in reserve. Using 10% of Insurance Services Fund costs as a guide, this internal service fund has been holding excess reserves at more than 10 times that minimum. In the budget cycles most proximate to this policy update (fiscal years 2018-19 through 2020-21) strategies to reduce excess reserves have been enacted including returning dollars to the funds that contribute annually for insurance services and paying for City positions that play risk mitigation roles serving the entire organization. For both internal service funds, distributions back to the departments that fund their operations may be made in the event either holds cash in excess of reserve needs. These distributions are based on proportions the departments pay in. Any distribution will be discussed as part of the annual budget process.

Internal Service Fund reserve levels and any annual distributions back will be approved by the Council in the annual budget appropriation.



**Policy Review**

On occasion, funds are added to the City's financial footprint to meet the needs of new projects, new debt issuances and new services. Specific minimum fund balance targets or reserve requirements may also change with time. The Reserve and Fund Balance policy will be revised periodically to remain current and relevant. An annual review of the status of fund balance levels will be included in annual budget documents. This review may spark proposals from staff or the Budget Committee for the Council to consider changes to the policy as needed.



**From:** [Mark Davis](#)  
**To:** [Claudia Cisneros](#)  
**Subject:** City Council comment  
**Date:** Tuesday, October 13, 2020 11:14:26 AM

---

**This message originated outside of the City of McMinnville.**

---

Claudia,

In lieu of speaking this evening I would like to ask you to forward the following comment to the Mayor and Council regarding Agenda item 4b (Reserve and Fund Balance Policy):

I support adoption of the proposed Reserve and Fund Balance Policy included in Resolution 2020-62. I listened to the Audit Committee discussions on Zoom and believe they did a good job considering the options and coming up with the proposal before you this evening. The two months' operating expenses standard for the general fund is justified and the plan to get back into compliance with that standard within the next three to five years is reasonable. It is commendable that the policy includes standards for other City funds.

I also support the concept of "tighter budgeting methodology" that reduces the reliance on carryovers to meet reserve policy requirements. I believe this will give everyone in the budget process a more realistic view of what revenues and expenditures will be instead of looking at them and trying to mentally adjust them for the fact we need to generate a million dollars in carryovers for the reserves.

Related to that I believe I heard the City Manager say during the Audit Committee discussions that such a methodology change would make regular financial statements more important. Quite frankly, I have been surprised that the Council does not get financial statements in their packets like so many other government entities do. I am certain that department heads are looking carefully at their financial performance throughout the year. The Council doesn't need that level of financial detail, but some high-level financial summary of budget versus actual at least quarterly seems reasonable.

The Finance Director did an excellent job gathering data and options for the Audit Committee to consider. That committee carefully weighed those options and came up with this policy. I urge you to adopt it.

Mark Davis



**From:** [Miriam Peterson](#)  
**To:** [City Recorder Team](#)  
**Subject:** Public Comment - June 10 City Council Public Hearing - 2025-26FY Budget  
**Date:** Friday, June 6, 2025 1:51:59 PM

---

**This message originated outside of the City of McMinnville.**

---

Hello,

Please include the comments below for the public record regarding the City Council budget public hearing on June 10.

City Councilors, Mayor, and City Staff,

I appreciate the budget committee and staff's efforts to complete a difficult task. It's a huge undertaking to address the city's \$3 million deficit, maintain financial resiliency, protect and support the many important departments, and keep an eye on a vibrant future for McMinnville.

What we know is that a city budget cannot be considered balanced if we continue to defer maintenance, dip into city reserves, or spend more than the city is bringing in. I would like to express concern once again that the budget committee chose to forego Finance Director Henry's recommendation to maintain a 2 month city reserve budget. If the last five years have shown us anything, it's that unprecedented events are bound to occur. It should be a great concern to the Council that our reserve budget may not be as substantive in times of crisis and uncertainty. This does not represent fiscally responsible decision making.

Fiscal responsibility has been a primary claim of many on this Council. I would agree that the Council took a fine-tooth comb to the budgets of many departments, looking at small and large budget items, considering appropriate staffing levels, getting creative about redistributing funds, and considering what could be reasonably pushed off for future budgets if needed. This same careful and fiscally responsible approach was not taken with the Police Department budget, which currently makes up 38% of the city's budget, by far the largest single budget.

According to the table found on page 38 of the 2025-26 McMinnville Proposed Budget document, the PD was set to take a 1.44% budget decrease, a total reduction of \$175,753. After the budget committee voted to add back \$521,100 for three vacant police positions, the PD will now be the only department seeing a budget increase in the 2025-26FY. This indicates that careful scrutiny is not being applied equally to all departments, that there is not actual balance in how the Council is proceeding with these decisions, and that not all departments are being asked to make reflective cuts and collaborate for the good of McMinnville's financial resilience. At the least the decision to fund vacant positions that have remained vacant for years would be considered fiscally irresponsible if proposed for any other department.

Public safety seems to be the justification for these decisions, but police presence is a limited way to view public safety. I would urge the Council to consider the valuable input of the Communications and Engagement Manager who reminded the budget committee that safety

looks different for different individuals. As someone who walks and bikes to work regularly, more police vehicles and staff do not make me feel safer. A well-funded, well-staffed Community Development department personally makes me feel safer, knowing that our streets and neighborhoods are designed with careful consideration and innovation, that public transit could one day be a viable option, that there are standards for how our city grows. Cleanliness and maintenance of city infrastructure, vibrant public programming, clear city communication (in different languages), emergency response and de-escalation training (as modeled well by the maintenance and library staff) are all equally important factors in public safety. It is unfair to put the entire burden of public safety on the Police when other departments can contribute with these preventative measures, leading to a lighter workload on the limited existing officers. Leaning on these other departments more heavily for public safety is especially crucial as Chief Wood shared the hiring and retention troubles the McMinnville PD and police departments across the country have been experiencing in recent years. We can respond to the varying needs of our community by being more creative in our definition of and solution to public safety.

This is not about one department versus another, but about cross-departmental collaboration. Every department should be expected to contribute to the necessary budget reductions, departments that are able should step in and collaborate as others struggle, and the limited funds should be allocated where they can be put to the most efficient use, rather than where we might hope to fill vacancies that have been there for years.

Lastly, I would like to mention how many on the Council and budget committee marveled at and applauded the engagement from the community with this round of budget decisions. Several on Council also raised sincere concerns about transparency regarding decisions being made. If you do not see the direct link from community engagement and city transparency to the Communications and Engagement Manager, I'm afraid you must be willfully ignoring it. Eliminating this role would be hugely detrimental to the efforts made by the city to gain community trust in the last handful of years. Contracting this role out would result in a far more impersonal, disconnected approach and a decrease in the building trust and growing engagement. It would be hard to believe that any Councilor who voted for these options values the engagement of their constituents or transparency in the city government process.

Thank you again for your consideration and diligence throughout this challenging process.

-Miriam Peterson

[REDACTED]

McMinnville, Oregon



**City of McMinnville  
Community Development  
Center**

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

[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

## STAFF REPORT

**DATE:** June 10, 2025  
**TO:** Mayor and City Councilors  
**FROM:** Heather Richards, Community Development Director  
James Lofton, City Engineer  
**SUBJECT:** Resolution No. 2025 - 21, Adopting a Planning and Engineering Fee  
Schedule Effective August 1, 2025.

### STRATEGIC PRIORITY & GOAL:



#### **CITY GOVERNMENT CAPACITY**

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

---

### **Report in Brief:**

This is the consideration of Resolution No. 2025-21, adopting a Planning and Engineering Fee Schedule for the City of McMinnville. This Resolution repeals all previous resolutions adopting planning and engineering fee schedules and takes effect on August 1, 2025.

A public hearing will be conducted to solicit public comments per ORS 294.160. Public notice of the proposal and the public hearing was provided in the News Register on Wednesday, June 4, and Friday, June 6, 2025.

### **Background:**

In the City of McMinnville's MAC Town 2032 Strategic Plan, the City has a City Government Capacity Goal to "Strengthen the City's ability to prioritize and deliver municipal services with discipline and focus". Within that goal is an objective to identify and focus on the City's core services.

In 2003, the McMinnville City Council adopted Resolution No. 2003-35, establishing that, "it is the belief of the City Council that developers and others using the services of the Planning Department should pay a proportionate share of the costs associated with their projects."

In 2018, the City commissioned a planning fee study to evaluate how much the fees that developers were paying with land-use permits contributed to the costs of reviewing those land-use applications. At that time, it was determined that the planning fee schedule captured a 12% cost recovery of the costs associated with reviewing private development current planning applications. The general fund and McMinnville taxpayer was underwriting 88% of the overall program costs.

After discussion, in 2018, the City Council directed city staff to propose a fee schedule that would allow the City to work towards a 100% cost recovery goal for current planning application review on the basis that private developers and applicants were the direct beneficiary of this service and that the City's General Fund and the McMinnville taxpayer should not be underwriting this service.

On December 11, 2018, the McMinnville City Council adopted Resolution No. 2018-63, a resolution that updated the planning fee schedule so that it reflected a 55% cost recovery for development services related to land-use application review, with the direction to increase the planning fee schedule by 10% plus CPI (Portland's CPE-W Index) on July 1 every year over the next five years towards a full cost recovery model.

Due to the pandemic in 2020, the City elected not to move forward with a Planning Fee Schedule update.

In 2018, the City also made some conscientious decisions to reduce certain fees in order to promote public participation in the land-use process and to support the business community, by maintaining significantly reduced appeal fees, sign permits and downtown design review fees. In 2024 this equated to \$136,081 (planning) in General Fund support

The 50% reduction of planning permit fees for qualifying affordable housing projects per McMinnville Municipal Code, Section 3.10.060 (Resolution No. 2016-81) is retained as well.

In 2023, the City of McMinnville directed the Engineering program to develop a fee schedule for full cost recovery of development review following the same value system as the planning program with a 50% reduction for qualifying affordable housing projects per McMinnville Municipal Code, Section 3.10.060 and a reduction for services that direct existing residents.

The City's Engineering program commissioned a fee study in 2023 and adopted a fee schedule in 2024 (effective 10.1.2024).

The engineering fee schedule assumes full cost recovery for development services except for reductions to fees that have direct impact on residents, including a 75% reduction for driveway and sidewalk permits at the applicant's residence.

**Discussion:**

- All fees are calculated based on the time to process a permit application in terms of the number of hours that each type of staff member participates in the work flow and the indirect expenses associated with that staff member's time.
- All fees were raised by the Portland CPI-West index from January 2024 – January 2025, which equated to 2.9%.

**Attachments:**

Resolution No. 2025-21

- Exhibit A to Resolution No. 2025-21, Proposed Planning Fee Schedule, Effective August 1, 2025
- Exhibit B to Resolution No. 2025-21, Proposed Engineering Fee Schedule, Effective August 1, 2025

**Fiscal Impact:**

Outside of the fees that the City Council, by policy, decided not to charge full-cost recovery, the City of McMinnville should be in a full cost recovery position on development review.

**Recommendation:**

"I move to adopt Resolution No. 2025-21"

## RESOLUTION NO. 2025-21

A Resolution adopting a Planning and Engineering Fee Schedule and repealing all previous resolutions adopting planning and engineering fee schedules at the time this fee schedule becomes effective.

### RECITALS:

**Whereas**, the City of McMinnville collects permitting fees for land-use applications. Engineering design review, and project permitting to fund the review, management and inspection costs associated with new development projects; and

**Whereas**, per Resolution No. 2003-35, it is the belief of the City Council that developers and others using the services of the Planning and Engineering programs for development activities should pay their share of the costs associated with their projects; and

**Whereas**, the City has commissioned planning and engineering fee studies to evaluate full cost recovery for each permitting activity, and

**Whereas**, the City Council provided direction to update the planning and engineering fee schedules by CPI (Portland's CPE-W Index) every year; and

**Whereas**, the CPI increase from January 2024 to January 2025 is 2.9%.

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

1. That the City of McMinnville's Planning and Engineering Fee Schedules will be as established by the fee schedules attached to this Resolution.
2. That these fee schedules will take effect August 1, 2025.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 10<sup>th</sup> day of June 2025 by the following votes:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Approved this 10<sup>th</sup> day of June 2025.

\_\_\_\_\_  
MAYOR

Approved as to form:

Attest:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Recorder

### EXHIBITS:

- A. Planning Fee Schedule, August 1, 2025
- B. Engineering Fee Schedule, August 1, 2025



**City of McMinnville**  
**Planning Division**  
 231 NE Fifth Street  
 McMinnville, OR 97128  
 (503) 434-7311

[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

## **PLANNING FEE SCHEDULE (Effective 8/1/2025):**

<b>TYPE OF APPLICATION</b>	<b>FEE</b>
Annexation	<b>\$16,151.00</b>
Appeal – First Appeal to a Hearings Body	<b>\$250.00</b>
Appeal – Hearings Body Decision	<b>\$1350.00</b>
Area Plan Review – Property Owner Initiated	<b>\$32,259.00</b>
Classification of an Unlisted Use*	<b>\$2,802.00</b>
Comprehensive Plan Map Amendment	<b>\$8,209.00</b>
Comprehensive Plan Map Amendment / Zone Map Amendment	<b>\$12,103.00</b>
Comprehensive Plan Text Amendment / Zoning Text Amendment	<b>\$10,182.00</b>
Conditional Use Permit	<b>\$3,425.00</b>
Downtown Design Standards and Guidelines – Administrative Approval*	<b>\$653.00</b>
Downtown Design Standards and Guidelines – Historic Landmarks Committee Approval	<b>\$1,936.00</b>
DMV Certificates	<b>\$307.00</b>
Expedited Land Use Division Application (Middle Housing Land Division)	
Partition	<b>\$2,141.00</b>
Subdivision ≤ 10 Lots	<b>\$4,811.00</b>
Subdivision (more than 10 lots)	<b>\$8,395.00</b>
Appeal Deposit	<b>\$507.00a</b>
Plus Per Lot Fees	<b>\$41.00</b>
Final Plat Review (Required for filing final plats)	<b>\$1,386.00</b>
Historic Landmarks – Certificate of Approval, Alteration	<b>\$1,936.00</b>
Historic Landmarks – Certificate of Approval, Demolition, Move	<b>\$4,068.00</b>
Historic Resources Inventory Amendment	<b>\$2,591.00</b>
Home Occupation	<b>\$356.00</b>
Annual Renewal Fee	<b>\$107.00</b>
Interpretation of Code by Director	<b>\$1,338.00</b>
Landscape Plan Review	<b>\$2,115.00</b>
Land Use Compatibility Statement – Regular	<b>\$653.00</b>
Land Use Compatibility Statement – Marijuana Change in Business Name	<b>\$622.00</b>
Land Use Compatibility Statement – Marijuana Dispensary	<b>\$1,192.00</b>
Land Use Compatibility Statement – Marijuana Producer / Wholesaler	<b>\$871.00</b>
Land Use Extension	<b>\$1,021.00</b>
Large Format Commercial Development Design Review	<b>\$4,572.00</b>
Large Format Commercial Development Design Review and Waiver	<b>\$7,384.00</b>
Manufactured Home Park	<b>\$4,061.00</b>
Manufactured Home Park Per Lot Fee	<b>\$37.00</b>
Master Plan	<b>\$18,906.00</b>
Minor Modification (or 50% of the application fee, whichever is lesser)	<b>\$2,258.00</b>



Model Home Permit	\$1,972.00
NE Gateway Design Standards and Guidelines – Administrative Approval*	\$714.00
NE Gateway Design Standards and Guidelines – Waiver Request	\$1,050.00
Parking Lot Review	\$1,927.00
Parking Variance for Historic Structure – Administrative Approval*	\$2,440.00
Parking Variance for Historic Structure – Planning Commission Approval	\$2,519.00
Partition of Land (Tentative)*	\$2,014.00
Planned Development (In addition to any applicable zone change fee):	\$7,304.00
Residential Rate (per dwelling unit)	\$63.00
Commercial Rate (per 1000 sf of building)	\$63.00
Industrial Rate (per 1000 sf of building)	\$63.00
Planned Development Amendment –Major Amendment (Planning Commission)	\$7,495.00
Planned Development Amendment – Minor Amendment (Administrative)	\$4,225.00
Property Line Adjustment*	\$1,948.00
Public Hearing Request	\$500.00
Recreational Vehicle Park Permit*	\$4,061.00
Resident Occupied Short Term Rental*	\$1,781.00
Annual Renewal Fee	\$252.00
Short Term Rental*	\$1781.00
Annual Renewal Fee	\$252.00
Sign Permit – Temporary	\$85.00
Sign Permit – Permanent	\$198.00
Sign Standards Exception (Variance)	\$2,514.00
Site and Design Review – Commercial	\$3,799.00
Site and Design Review – Multi-Family	\$3,799.00
Solar Collection System Variance	\$2,514.00
Street Tree Removal	\$171.00
Street Vacation	\$3,098.00
Subdivision (less than or equal to 10 lots)*	\$4,976.00
Plus per lot fee	\$37.00
Subdivision (more than 10 lots)	\$9,195.00
Plus per lot fee	\$37.00
Temporary Living Unit Permit	\$1,492.00
Semi-Annual Renewal Fee	\$1,134.00
Three Mile Lane Design Overlay – Administrative Approval*	\$3,853.00
Traffic Impact Analysis Review	\$1,544.00
Transitional Parking Permit	\$2,184.00
Urban Growth Boundary Amendment	\$32,259.00
Variance (Administrative)*	\$2,075.00
Variance (Land Division)	\$3,425.00
Variance (Zoning)	\$3,722.00
Wireless Communication Facility Review	\$5,213.00
Zone Map Amendment	\$7,523.00
Zoning/Compliance Letters	\$144.00

\*Applications are subject to Director’s decision. If a public hearing is requested, the fee for the public hearing request will be applied.

## LAND-USE APPLICATIONS NOT SPECIFIED

TYPE OF APPLICATION	FEE
TYPE I: Administrative Decision w/out Notification (permits) not on fee schedule	\$653.00
TYPE II: Administrative Decision w/Notification (land-use) not on fee schedule	\$2,258.00
TYPE III: Planning Commission Decision - not on fee schedule	\$3,722.00
TYPE IV: City Council Decision – not on fee schedule	\$8,209.00

## WIRELESS – SMALL CELL FACILITIES

TYPE OF APPLICATION	FEE
Wireless – Small Cell (Initial Fee for Five Small Wireless Facilities)	\$617.00
Wireless – Small Cell (Initial Fee – Each Greater than Five)	\$125.00
Wireless – Small Cell (Annual Recurring Fee for Each Facility)	\$309.00
Wireless – Small Cell “Make Ready” Cost Recovery. (Recovery of any specific costs incurred by the City by the attacher for work within the right-of-way and/or to enable the siting of a Small Wireless Facility on a municipally-owned structure in the right-of-way.	Full Cost Recovery Plus Administrative Fees

Per Resolution No. 2019-24

## BUILDING PERMIT REVIEW\*

\*Can be requested prior to submitting for building permits.

TYPE OF APPLICATION	FEE
Commercial/Industrial Building Permit Review	
Value < \$100,000	\$372.00
Value \$100,000 - \$500,000	\$670.00
Value > \$500,000	\$1,424.00
Residential Building Permit Review	
Value < \$100,000	\$143.00
Value > \$100,000	\$372.00
Multifamily > \$100,000	\$1,372.00
Residential Design Standards Review*	
Single, Duplex, Triplex, Quadplex, Townhome, ADU*	\$1,297.00
Cottage Cluster, Single Room Occupancy – Small Housing*	\$1,435.00
Apartments, Single Room Occupancy – Large Housing+	\$2,061.00
Revision Review	50% of original fee

+In addition to Residential Building Permit Review fees.

## ADMINISTRATIVE FEES

TYPE OF APPLICATION	FEE
Copy fees	\$0.10 per copy
Comprehensive Plan Map (24" x 36")	\$10.00
Development Inspection for Conformance with Approval, Each Inspection after First Inspection	\$77.00
General Records Request	\$79.00/hour
Hourly Rate	\$79.00/hour
Neighborhood Meeting Mailing List	\$79.00
Notarization Fee	\$25.00
Pre-Development / Pre-Application Meeting	\$300.00
Refund Processing Fee	\$87.00
Research / Staff Time	\$79.00/hour
Return Check Fee (NSF)	\$36.00
Withdrawn Application (Prior to Complete)	Reimburse 75% of Fee
Withdrawn Application (Prior to Notice)	Reimburse 50% of Fee
Withdrawn Application (After Noticed)	No Refund
Zone Map (24" x 36")	\$10.00

## DOCUMENT REVIEW

TYPE OF APPLICATION	FEE
Private Development Agreement	\$724.00
Public Facility Improvement Agreement	\$724.00
Easement Agreement	\$724.00
Stormwater Maintenance Agreement	\$220.00
Waiver of Remonstrance	\$220.00
Maintenance Agreement	\$220.00
Quitclaim / Bargain Sale and Deed	\$220.00
Reimbursement District	\$1,029.00

## CODE COMPLIANCE

TYPE OF APPLICATION	FEE
Appeal to City Manager	\$250.00
Appeal to Hearings Officer	\$1,250.00

Planning permit fees for qualifying affordable housing projects per McMinnville Municipal Code, Section 3.10.060, are reduced by 50% (Resolution No. 2016-81).



## ENGINEERING FEE SCHEDULE (EFFECTIVE 8/1/2025)

Updated: May 28th, 2025

DESCRIPTION	FEE
<b>Public Improvements - Construction Project Agreement (CPA) *1</b>	
First \$100,000 Eng Cost Estimate	5%
> 100,000	3%
<b>Right-of-Way Excavation / Work Review and Permitting</b>	
Utility Permit - Plan Review and Permit	\$ 563.59
ROW Minor (50 Ft lot frontage and local street classification) - Plan Review and Permit	\$ 1,046.66
ROW Major (more than one lot frontage or higher than local street classification) - Plan Review and Permit	\$ 3,205.54
Sidewalk and Driveway Permit (per 50 LF of sidewalk and/or per of driveways) - Plan Review and Permit *3	\$ 805.12
	\$ -
<b>Early Grading Plan Review and Permitting</b>	\$ -
Early Grading and Drainage Plan Review	\$ 5,038.24
Early Grading and Drainage Permit - less than one acre	\$ 805.12
Early Grading and Drainage Permit -more than one acre	\$ 1,582.93
	\$ -
<b>Erosion Control Permit</b>	\$ -
Less than One Acre - Plan Review and Permit	\$ 875.19
More than One Acre - Plan Review and Permit	\$ 1,653.00
Simplified Single Family Residential - Plan Review and Permit *3	\$ 371.23
	\$ -
<b>On-Site Development Review and Permitting</b>	\$ -
On-Site Plan Review - Based on Size of Project	\$ -
Adds 10,000sf or more of impervious surface	\$ 5,805.46
Adds less than 10,000sf of impervious surface	\$ 2,349.42
On-Site Development Permit - Less than One Acre	\$ 1,610.25
On-Site Development Permit - More than One Acre	\$ 3,220.49
	\$ -
<b>Misc. Engineering Fees</b>	\$ -
Temporary Street/ROW Use Permit *3	\$ 1,595.74
Revocable Agreement	\$ 650.11
Private Development agreements	\$ 2,832.77
Public Facility Improvement Agreement	\$ 1,037.10
Easement Agreement	\$ 2,386.75
Stormwater Maintenance Agreement	\$ 1,079.76
Waiver of Remonstrance	\$ 1,063.83
Maintenance Agreement	\$ 1,868.95
Quitclaim/Bargain and Sale Deed	\$ 918.74
Reimbursement District	\$ 5,361.80
System Development Charge/Reimbursement Agreement	\$ 4,473.34
System Impact Analysis - City Consultant Fee Plus 25% for Admin	Calculated
Completeness Check	\$ 1,415.59
Supplemental Review (more than 3 reviews - per sheet)	\$ 325.05
Addition Inspections or Permits for which No Fee is Indicated	Actual Hr. Rate
Miscellaneous Engineering Fees	Actual Hr. Rate
	\$ -

<b>Planning Fees Supported by Engineering</b>	\$ -
Area Plan Review – Property Owner Initiated	\$ 6,501.05
Annexation	\$ 3,538.98
Comprehensive Plan Map Amendment	\$ 2,127.66
Comprehensive Plan Map Amendment / Zone Map Amendment	\$ 2,127.66
Comprehensive Plan Text Amendment / Zoning Text Amendment	\$ 2,127.66
Conditional Use Permit	\$ 1,415.59
Land Division Application:	\$ -
Partition	\$ 2,725.73
Subdivision ≤ 10 lots	\$ 2,725.73
Subdivision (more than 10 lots)	\$ 4,853.38
Expedited Land Division Application - 50% additional Over Published Fee	Calculated
Landscape Review Plan *2	\$ 1,006.14
Large Format Commercial Development	
Design Review	Actual Hr. Rate
Partition of Land (Tentative)	Actual Hr. Rate
Property Line Adjustment	Actual Hr. Rate
Traffic Impact Analysis Review	Actual Hr. Rate
Revision Review 50% of Original Fee	Calculated

\*1 CPA Fee is an existing fee. It covers management of the CPA and does include some cost recovery for public improvement plan review and inspection.

\*2 Engineering only adds fee to Landscape review when reviewing landscaping for engineered stormwater facilities

\*3 75% fee reduction to fees that have direct impact on residents. Language on how to administratively apply this potential reduction will be incorporated into the Engineering Design Standards and managed by administrative rule at the discretion of the City Engineer. The following language to be utilized till the Engineering Design Standards are developed and adopted:

\*The Sidewalk and Driveway Permit is eligible for a 75% reduction if the applicant can show the proposed improvement will be installed at their residence. If the permit applicant is a licensed professional applying on behalf of the resident where the proposed improvement will be installed, this discount can also be applied.

\*The Sidewalk and Driveway Permit fee can be waived at the discretion of the City Engineer under the circumstance where it is determined that installed public improvements have contributed to the need for the sidewalk or driveway to be replaced to meet current standards.

\*4 All Fees are potentially eligible for a 50% reduction if affordable housing criteria are met as defined in Resolution 2016-81.

## Liquor License Recommendation

---

BUSINESS NAME / INDIVIDUAL: WHCC2C LLC dba: The Radiant Sparkling Wine Company

BUSINESS LOCATION ADDRESS: 1206 NE 11<sup>th</sup> Way

LIQUOR LICENSE TYPE: Winery

Is the business at this location currently licensed by OLCC

Yes

No

☐☒

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

Proposed business operations:

Manufacturing and Production

---

Tritech Records Management System Check: Yes ☒ No ☐

Criminal Records Check: Yes ☐ No ☒

Recommended Action: Approve ☒ Disapprove ☐

*Tim Symons*

---

Chief of Police / Designee

---

City Manager / Designee



## Local Government Recommendation – Liquor License

Per OAR 845-005-0304(3): The Commission requires an applicant for issuance of a new license issued under ORS chapter 471, to provide written notice of the application to the local government in the form of a complete, accurate, and legible Commission form.

The local government is as follows:

- (a) If the address of the premises proposed to be licensed is within a city's limits, the local government is the city.
- (b) If the address of the premises proposed to be licensed is not within a city's limits, the local government is the county.

### INSTRUCTIONS:

**Step 1:** Applicant completes all of Section 1 (including top of Page 2).

**Step 2:** Applicant submits both pages of the form to the appropriate local government. NOTE: The local government may require additional forms and/or fees.

**Step 3:** Local government completes at least Section 2 and returns all pages of the form, or a copy thereof, to the applicant. The local government is allowed up to 45 days to complete Section 3.

**Step 4:** Applicant takes the form with at least Sections 1 and 2 completed and includes it with their CAMP application to meet the Local Government Recommendation document requirement. Submissions that do not have at least Sections 1 and 2 completed will not be accepted.

**Step 5:** The local government issues its final recommendation in Section 3 and returns the completed form to the applicant. If the applicant has already submitted their initial application via CAMP, they hold on to the final recommendation and provide it to their investigator, when requested. If they have not already submitted their application, they upload the fully completed Local Government Recommendation form with their initial application submission.

**Applicants within the city of Portland ONLY:** After completing the attached form, please follow these steps to complete the Local Government Recommendation process:

- Apply via the [City of Portland website](#).
- Once you have completed the application with the City of Portland, you will receive an email notifying you that your application has been accepted, usually within two business days. The email will contain an attachment titled "ABC Public Notice."
- Upload the ABC Public Notice document with your CAMP application to meet the Local Government Recommendation document requirement.

NOTE: This document only provides proof of submission. Once you receive your final recommendation from the City of Portland, you will need to provide that to your assigned OLCC investigator.



## Local Government Recommendation – Liquor License

## Annual Liquor License Types

Off-Premises Sales	Brewery-Public House
Limited On-Premises Sales	Brewery
Full On-Premises, Caterer	Distillery
Full On-Premises, Commercial	Grower Sales Privilege
Full On-Premises, For Profit Private Club	Winery
Full On-Premises, Non Profit Private Club	Wholesale Malt Beverage & Wine
Full On-Premises, Other Public Location	Warehouse
Full On-Premises, Public Passenger Carrier	

## Section 1 – Submission – To be completed by Applicant:

## License Information

Legal Entity/Individual Applicant Name(s):

Proposed Trade Name:

Premises Address:

Unit:

City:

County:

Zip:

Application Type: ☐ New License Application ☐ Change of Ownership ☐ Change of LocationLicense Type: ☐ Additional Location for an Existing License

## Application Contact Information

Contact Name:

Phone:

Mailing Address:

City:

State:

Zip:

Email Address:

## Business Details

Please check all that apply to your proposed business operations at this location:

- ☐ Manufacturing/Production
- ☐ Retail Off-Premises Sales
- ☐ Retail On-Premises Sales & Consumption

If there will be On-Premises Consumption at this location:

- ☐ Indoor Consumption ☐ Outdoor Consumption
- ☐ Proposing to Allow Minors

Section 1 continued on next page





## Local Government Recommendation – Liquor License

### Section 1 Continued – Submission - To be completed by Applicant:

Legal Entity/Individual Applicant Name(s):

Proposed Trade Name:

**IMPORTANT:** You MUST submit this form to the local government PRIOR to submitting to OLCC.  
Section 2 must be completed **by the local government** for this form to be accepted  
with your CAMP application.

### Section 2 – Acceptance - To be completed by Local Government:

#### Local Government Recommendation Proof of Acceptance

After accepting this form, please return a copy to the applicant with received and accepted information

City or County Name:

Optional Date Received Stamp

Date Application Received:

Received by:

### Section 3 – Recommendation - To be completed by Local Government:

- ☐ **Recommend this license be granted**
- ☐ **Recommend this license be denied** (Please include documentation that meets [OAR 845-005-0308](#))
- ☐ **No Recommendation/Neutral**

Name of Reviewing Official:

Title:

Date:

Signature:

After providing your recommendation and signature, please return this form to the applicant.



## **STAFF REPORT**

**DATE:** June 10, 2025  
**TO:** Mayor and City Councilors  
**FROM:** Claudia Cisneros, City Recorder  
**SUBJECT:** Request to Permit a Waiver of the Noise Ordinance from Virna Darling for live music for two family events (Charity Concert & Graduation Party) on June 29, 2025 & July 27, 2025.

---

### **Report in Brief:**

This action is the consideration of a request to permit a waiver of the Noise Ordinance.

### **Background:**

Virna Darling would like to have live music on Sunday June 29, 2025, from 3:00pm to 8:00pm for a Charity Concert at the location 250 SW Eckman St, McMinnville. The event will have live music and anticipate roughly 75-100 guests (by invitation only). If approved by the Council, the city will be requesting them to notify all residents/businesses within a block radius at a minimum.

Virna Darling would like to have live music on Sunday, July 27, 2025, from 3:00pm to 8:00pm for a Graduation Party at the location 250 SW Eckman St, McMinnville. The events will have live music and anticipate roughly 50-75 guests (by invitation only). If approved by the Council, the city will be requesting them to notify all residents/businesses within a block radius at a minimum.

The McMinnville Municipal Code, Section 8.10.260, specifies that:

A. A person in charge of a premises must not permit, allow or cause to exist any loud, disturbing or unnecessary noise that is injurious or detrimental to the health, safety or peace of other persons or property.

E. The prohibition described in this section do not apply to:



1. Activities occurring within the scope of any permit issued by the city under the provisions of the McMinnville Municipal Code.

In granting previous waivers, the City has requested that the applicant provide notice in advance to affected neighbors.

**Attachments:**

1. McMinnville Municipal Code (MMC) section 8.10.260 Noises.

**Fiscal Impact:**

There is no anticipated fiscal impact.

**Recommendation:**

Should the Council choose to vote in favor of a motion allowing both waivers, the City Manager will write a letter to Verna Darling, letting her know that she has the Council's approval.



## **8.10.260 Noise.**

- A. A person in charge of a premises must not permit, allow or cause to exist any loud, disturbing or unnecessary noise that is injurious or detrimental to the health, safety or peace of other persons or property.
- B. It is prohibited for any person on a public way to cause to exist any loud, disturbing or unnecessary noise that either annoys, disturbs, injures or endangers the comfort, repose, health, safety or peace of other persons or property.
- C. For the purposes of this section, noise exceeding the following thresholds when measured 25 feet from the source if in the right-of-way or 25 feet from the property line if the source is on private property, is presumed to be a nuisance in violation of subsection [A](#) of this section:

<b>ZONE</b>	<b>7:00 a.m. to 8:00 p.m.</b>	<b>8:00 p.m. to 7:00 a.m.</b>
Residential	55 dBA	50 dBA
Commercial	60 dBA	55 dBA
Light Industrial	70 dBA	65 dBA
Industrial	80 dBA	75 dBA

- D. For the purposes of this section, “loud, disturbing or unnecessary noise” includes but is not limited to the following substances, conditions or acts:
1. *Animals and Birds.* The keeping of any bird or animal that disturbs the comfort and repose of any person in the vicinity by causing frequent or long continued noise;
  2. *Dog Barking.* The keeping of a dog that barks for more than 10 minutes during any one-hour period when such barking is audible off the premises of the dog’s owner or keeper;
  3. *Animal Bells.* The attaching of a bell to any animal or allowing a bell to remain on any animal that is disturbing to any person in the immediate vicinity;
  4. *Vehicle Noises.* The use of any vehicle or engine, either stationary or moving, in a manner that causes or creates any loud or unnecessary grating, grinding, rattling or other noise, including the discharge in the open air of the exhaust of any steam engine, internal combustion engine, motor boat or motor vehicle except through a muffler or other device which will effectively prevent loud or explosive noises and the emission of annoying smoke;
  5. *Horns and Signaling Devices.* The sounding of any horn or signaling device on any vehicle on any street, public or private place, except as a necessary warning of danger;
  6. *Nonemergency Signaling Devices.* The sounding of any amplified signal from any bell, chime, siren,

whistle or similar device, intended primarily for nonemergency purposes, from any place for more than 10 consecutive seconds in any hourly period, except that the reasonable sounding of such devices by houses of religious worship, ice cream trucks, seasonal contribution solicitors or by the city for traffic control purposes are exempt;

7. *Construction Noise.* The erection, including excavation, demolition, alteration or repair, of any building in residential districts, other than between the hours of 7:00 a.m. and 8:00 p.m., except upon special permit granted by the city manager or designee;

8. *Noise Sensitive Areas: Adjacency to Schools, Churches and Hospitals.* The creation of any excessive noise on any street adjacent to any school, institution of learning, church or court of justice while the same are in use, or adjacent to any hospital or institution for the care of the sick or infirm which unreasonably interferes with the operation of such institution, or which disturbs or unduly annoys patients;

9. *Loudspeakers, Amplifiers, Public Address Systems and Similar Devices.* The use or operation of any automatic or electric piano, phonograph, radio, television, loudspeaker or any instrument for sound producing or any sound-amplifying device so loudly as to disturb persons in the vicinity thereof or in such a manner as renders the use thereof a nuisance; provided, however, that upon application to the city manager, permits may be granted to responsible persons or organizations to broadcast programs of music, news, speeches or general entertainment;

10. *Blowers and Similar Devices.* The operation of any noise-creating blower, power fan, power tools, or any internal combustion engine in a manner the operation of which causes noise due to the explosion of operating gases or fluids:

- a. In a residential district or noise sensitive areas between the hours of 8:00 p.m. and 7:00 a.m.; and
- b. In a manner that can be heard by persons on nearby residential property.

11. *Commercial Establishments Adjacent to Residential Property.* Unreasonably loud and raucous noise from the premises of any commercial establishment, including any outdoor area which is part of or under the control of the establishment, between the hours of 10:00 p.m. and 7:00 a.m., that is plainly audible to persons on any nearby residential property.

E. The prohibition described in this section do not apply to:

- 1. Activities occurring within the scope of any permit issued by the city under the provisions of the McMinnville Municipal Code;
- 2. Emergency response activities;
- 3. Vehicles performing repairs or upgrades in the right-of-way, including but not limited to street sweeping, sewer cleaning, construction and maintenance activities occurring between the hours of 7:00 a.m. and 8:00 p.m.



**City of  
McMinnville**

**City of McMinnville**

**Administration**

230 NE Second Street

McMinnville, OR 97128

(503) 435-5702

[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

F. In addition to any corrective action ordered by the city, a person found to have violated the provisions of this section may be assessed a civil penalty. The amount of the civil penalty assessed for each day of continuing violation will not exceed the amount established for a Class 5 code violation. (Ord. 5079 §1 (Exh. 1 (part)), 2019).

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

Tuesday, April 16, 2025 at 6:00 p.m.

Presiding: Kim Morris, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Sal Peralta, Council President	
	Zack Geary	
	Chris Chenoweth (via Zoom)	
	Jessica Payne (via Zoom) left at 7:15pm	
	Scott Cunningham	
	Dan Tucholsky	

Also present were City Manager Jeff Towery, City Recorder Claudia Cisneros, City Attorney David Ligtenberg, Public Works Director Geoff Hunsaker, City Engineer James Lofton, Human Resources Director Vicki Hedges, Communications & Engagement Manager Noelle Amaya (via Zoom) *members of the News Media – Kyle Dauterman McMinnville Community Media, and Scott Unger News-Register (via Zoom).*

1. CALL TO ORDER: Mayor Morris called the meeting to order at 6:00 p.m. and welcomed all in attendance.

City Recorder Claudia Cisneros stated the city received two emailed written comments from Community Members for tonight's topic, which have been emailed to the City Council and will be entered into the record on the amended packet posted tomorrow.

2. STORMWATER PROJECT ADVISORY COMMITTEE (PAC)  
RECOMMENDATIONS

Public Works Director Geoff Hunsaker and City Engineer James Lofton, along with consultant Deb Geraldi, Principal from Galardi Rothstein Group (via Zoom), and consultant Christina Conchilla, Manager from Raftelis (via Zoom), presented a PowerPoint slide deck.

The city council discussed the implementation of a stormwater utility fee to address ongoing infrastructure maintenance and regulatory compliance issues. The proposed fee, based on the amount of impervious surface area on a property, aims to reduce the demand on the General and Street Funds while promoting more sustainable water management. The goal is to enhance community safety and support the city's efforts to protect local waterways. The Stormwater Utility Fee was unanimously recommended by the

Stormwater/Wastewater Project Advisory Committee (Committee), a committee of 11 members representing diverse community interests.

The city's funding sources for stormwater repairs were outlined, with the general fund used for repairs outside the right-of-way and the street fund covering regulatory engineering costs. A minimum service level of \$2 million annually was recommended, with an interim level of approximately \$4 million after a three-year phase-in. The Committee also proposed building a three-month operating balance over three years and fully funding expenses to meet water quality regulatory requirements. They advised deferring franchise fees for three years to build reserves for the utility. The population of the urbanized area of McMinnville, is about 50,000, and the United States Environmental Protection Agency (U.S. EPA) and the Department of Environmental Quality (DEQ) have the authority to administer municipal separate storm sewer system (MS4) permits at any time.

The Committee recommended adopting a tiered rate structure for residential properties, with the rate based on the amount of impervious surface. Properties below the median impervious area of 3,500 square feet would pay a reduced rate, while those above would pay a higher rate. The possibility of offering reductions for properties draining directly to wetlands was discussed, but no such reductions were recommended at this time. An appeal process for incorrect impervious surface area calculations was also proposed.

The council discussed the calculation method for stormwater fees, which would be based on a statistical analysis of available data, with homeowners expected to pay between \$100 to \$300 per year in stormwater fees. The fee structure for commercial and industrial properties was also addressed, with a tiered rate system based on impervious surface area. They also considered the possibility of offering a 35% discount to industries holding their own stormwater permits, although no discount would be offered for private systems. The minimum billing impervious area for commercial and multifamily properties was set at 500 square feet, with the billing rounded to the nearest whole equivalent rate unit (ERU).

The council also discussed the complexities of assessing stormwater fees for private systems, such as the Michelbook Country Club, considering factors like public water discharging into private systems and the impact of large permeable areas. The council agreed that more data would be needed before making decisions and expressed an interest in reviewing the policy to ensure fairness. The Committee also provided input on the revenue requirements for the utility, covering maintenance, operations, engineering, and capital costs. There was clarification in the difference between the minimum service level, which includes some additional services, and the interim level, which reflects a fully operational utility after a phased-in period.

The council discussed the staffing needs for the stormwater utility, with the potential for hiring four full-time employees to manage the utility's operations. These costs would be covered by the proposed stormwater fee. The possibility of contracting out some services was considered, though it



was noted that hiring full-time employees might be more cost-effective in the long run.

Ms. Conchilla explained the tiered rate system noting residential properties would be categorized based on a predictive model that uses available data on impervious area and number of floors. The system is accurate in 85.5% of cases, though some concerns were raised about its applicability to newer, multi-story homes. A customer abatement process was also discussed to correct any inaccuracies in the model. Ms. Galardi clarified that the total number of residential customers is around 9,500 parcels, and the rate per month per ERU ranges from \$9 to \$15, depending on the size of the property.

The council also addressed how low-income housing would be affected by the stormwater fees, with no automatic rate reductions for such properties. However, they clarified that schools and county buildings would also be charged for stormwater services. The council reviewed a comparison of stormwater fees in other cities, noting that McMinnville's proposed rates were lower than those of nearby cities such as Albany and Salem.

The next steps include further discussions, refining the proposal, and potentially adopting the new stormwater utility fee in the coming months.

3. ADJOURNMENT: Mayor Morris adjourned the meeting at 8:27 p.m.

---

Claudia Cisneros, City Recorder

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

Tuesday, April 22, 2025, at 7:00 p.m.

Presiding: Kim Morris, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Sal Peralta, Council President	
	Zack Geary	
	Chris Chenoweth	
	Jessica Payne	
	Scott Cunningham	
	Dan Tucholsky	

Also present were City Manager Jeff Towery, City Recorder Claudia Cisneros, City Attorney David Ligtenberg, Community Development Director Heather Richards, Senior Planner Taylor Graybehl, Associate Housing Planner Evan Hietpas, Information Systems Director Scott Burke, Human Resources Director Vicki Hedges, Public Works Director Geoff Hunsaker, Library Director Jenny Berg, Wastewater Services Manager Leland Koester, Communications & Engagement Manager Noelle Amaya, Chief of Police Cord Wood (via Zoom), City Engineer James Lofton (via Zoom), and Planning Manager David Berniker (via Zoom), and *members of the News Media – Phil Guzzo McMinnville Community Media and Scott Unger News-Register (via Zoom).*

1. CALL TO ORDER: Mayor Morris called the meeting to order at 7:06 p.m. and welcomed all in attendance.

2. PLEDGE OF ALLEGIANCE

Human Resources Director Vicki Hedges led the Pledge of Allegiance.

Mayor Morris stated she will be changing the order on tonight's agenda, item 9.c. Ordinance No. 5159 will be read first, followed by the other two Ordinances, and if it gets too late, the last two ordinances will be pushed to the next City Council meeting.

3. PROCLAMATION

3.a. Rob Stephenson and Arbor Day Proclamation

Mayor Morris read the proclamation declaring April 25, 2025, as Rob Stephenson and Arbor Day.

4. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT:  
Mayor Morris invited the public to comment.

City Recorder Claudia Cisneros stated the city received two emailed written comments from Community Members for the City Council, which have been emailed to the City Council and will be entered into the record on the amended packet posted tomorrow.

Lisa Macy-Baker, on behalf of the Culture, Parks, & Recreation Political Action Committee (PAC) and McMinnville Community Member, the organization expresses gratitude for the Council's efforts in addressing the need for a new Recreation Center. In response to community and Council feedback, the project has been revised to be realistic and fiscally responsible, keeping costs under \$100 million while including key amenities and future expansion options—at no cost to the city. Donations from citizens have already begun, and the group aims to get the bond measure on the November ballot. To stay on track, they request the Council take a procedural vote at the May 13th meeting to allow staff to begin preparing necessary materials.

William Sykes, McMinnville Community Member, is requesting action on persistent noise disturbances caused by loud and modified vehicles and expressed frustration over a perceived lack of enforcement compared to minor violations. Shared personal experience while on 3<sup>rd</sup> Street. Emailed supporting materials, including audio evidence, a proposed solution, and a copy of the municipal code.

John Zimmerling, McMinnville Community Member, expresses strong concern about the dangerous conditions at the intersection of 3rd and Evans, particularly due to the lack of traffic control between two stoplights at Ford and Davis. Citing ODOT data, they note that a significant portion of traffic incidents—including those causing injury—occur near this intersection. Urge immediate action to improve safety before a tragic incident occurs.

Nancy Mahi, McMinnville Community Member, longtime resident near Patton expresses frustration over increasing noise and traffic violations at the nearby four-way stop in a 20-mph school zone. Cars frequently peel out loudly, often with modified mufflers, creating unbearable noise at all hours. Cited ordinance prohibiting unnecessary noise and modified mufflers, noting that these laws are being ignored and urging action to address the escalating problem.

Richard Smith, McMinnville Community Member, commented on the lack of affordable housing in McMinnville and requesting the Council to support and encourage housing development projects, noting that the current lack of housing affects workers, future generations, and the city's ability to grow.

Chance Santrizos, McMinnville Community Member, supports affordable housing development and encouraged the zoning at the Stratus be approved for residential purposes, and supports similar housing opportunities in the future.

Ryan Peterson, McMinnville Community Member, supports increased housing development in McMinnville, citing declining vacancy rates and rent burdens higher than the state average.

Amanda Pewonka, McMinnville Community Member, emphasized the importance of projects like Quarry Park development as essential tools for supporting the well-being and advocated for teen-focused recreational spaces, such as a mountain bike pump track or pickleball courts, highlighting the importance of youth mental health and social development. The rise in teen isolation linked to excessive screen time, stated that parks designed for teens provide critical opportunities for face-to-face interaction, physical activity, and confidence-building, especially for those not interested in organized sports.

5. PRESENTATION

5.a. Yamhill County – IGA for Behavioral Health Services by Jason Hennes, Behavioral Health Director for Yamhill County Health & Human Services.

Jason Hennes, Behavioral Health Director for Yamhill County Health & Human Services, shared a PowerPoint presentation and presented on the Community Outreach and Support Services (COS) mobile crisis team. The team, which operates 24/7, provides mental health support in the community, particularly in areas with more transient individuals. The team has seen a significant increase in calls over the past year, with McMinnville being the busiest area. The team's proactive outreach and engagement in the community have been successful in connecting individuals with resources and support. Chief of Police Cord Wood stated the IGA has been beneficial for the police department, as it has reduced the need for police responses on many calls. The team is also working on improving their response times and communication with the community.

6. ADVICE/ INFORMATION ITEMS

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

Councilor Tucholsky had nothing to report as committees have not met.

Councilor Payne mentioned at LPSCC meeting the Sheriff introduced a nonprofit organization called the Man Up Crusade, designed to bring awareness to domestic violence and the Sheriff's office will be wearing purple at the fair to bring solidarity to the cause. The Confederated Tribe hosted a clinic offering free or low-cost services, including criminal record and eviction expungements, court fine assistance, fee waivers, and other legal services with no requirement to be of tribal descent to access services. Had a grant review for the diversion program, which reported a 26% decrease in juvenile delinquency. Landscape review met and was not able to attend. Rob Stephenson and Arbor Day celebration will be on April 25<sup>th</sup>. Item on agenda for DEIAC to change name from Diversity, Equity, Inclusion Advisory Committee to the Diversity, Equity, and Inclusion Accessibility Committee.

Had a lot of great dialogue about the importance of adding accessibility to the name. Having a Juneteenth planning meeting tomorrow.

Councilor Geary stated MURAC had no meeting, Visit McMinnville (VM) met on a different day so there was no quorum but heard about upcoming board openings. Heard from delegation from Canada that came to visit and how downtown businesses made them feel welcome. VM also working on promotions for Cruising McMinnville, which will be mirror hanging air fresheners. Working on Quarry Park cleanups. Stormwater PAC hasn't met. Third Street Improvement met and talked about paving styles and street trees.

Mayor Morris met with the Linfield interim president, Becky Johnson, and Vice President Joseph Hunter and spoke on collaboration and how to work together. Attended the McMinnville Leadership group with local leaders and talked about tourism. Met with Parks & Rec. Director Muir regarding Kids on the Block (KOB) and after-school care. Toured with Senior Center and Comm Center. Met with Emily Johnson from Yamhill Community Care. Hosted monthly Mayor's coffee and invited Commissioner Kit Johnston to talk about regional water. Will be at an all-day meeting at the Capitol tomorrow, regarding city funding projects.

Council President Peralta had nothing to report but filled in for the Mayor at the Capitol today and met with 5 to 6 Legislators and the City's proposals were well received.

Councilor Chenoweth had a meet and greet with Federal Lobbyist for the Bypass. The Parkway Committee met regarding Hwy 217 interchange which is Phase 2A of the project and work being done at the end of the ByPass. Will be presenting at the Mid-Willamette Valley Area Commission on Transportation (MWACT) meeting tomorrow.

Councilor Cunningham mentioned it's great to see a large body of people coming together and for most apart coming to good consensus over all decisions regarding the Third Street Improvements. Affordable Housing and HLC will meet later this week.

6.b. Department Head Reports Continued

Library Director Jenny Berg shared details about Dia de Los Niños (Day of the Kids) celebration and brought a Mexican cookbook, tortilla press, making your own jewelry book, and disco lights to share with the group from the Library of Things.

Public Works Director Geoff Hunsaker stated the wastewater division is actively transitioning to a new system and beginning to shut down the old one. This week will be changing out the "brains" of the operation and staff will be working 24/7 as there is potential for odor issues. The RV dump site will be closed Monday–Friday while they are switching over. In Operations wrapped up annual park restroom maintenance by cleaning and addressing repairs in the parks for the summer. The crack sealing crew is getting ready to begin

crack sealing next month. In Engineering have a pre-construction meeting tomorrow for the Cyprus and Fellows Paving Project. Have two construction projects out to bid: the Midtown ARPA Drainage Basin Project and the Annual Paving Patching Project. Will have a couple of IGAs with ODOT coming up as design work for the OR99 ADA project is wrapping up. Talked about the Rapid, Flashing, Beacons (RFB) and City Engineer James Lofton stated there would be 8 locations throughout town with these but will follow up with exact locations.

Human Resources Director Vicki Hedges completed 1<sup>st</sup> round of interviews for the Parks & Recreation Director position, then doing another round of virtual interviews, and will have another update at the next Council meeting. Provided a status update on employee training for the June 30<sup>th</sup> deadline.

Information Systems Director Scott Burke continuing to support the budget production, which includes editing and producing reports out of the current system. Active with equipment installation out at the Wastewater Plant. Have also been replacing cell phones for Wastewater and Public Works. Helping the City Recorder's office with a bunch of Public Records Requests and decommissioning an old in-car police video system.

City Recorder Claudia Cisneros stated working on a lot of public records requests, noted there is a Scribner error on item 7.b – draft minutes on the consent agenda. The error is on page 96 of the packet, under reports, it says Councilor Cunningham met with Director Hunt; the correction should be Director Hunsaker. Printed copies of the correct version on the councilor's seat at the dais. Reminded everyone of the first Budget Committee Meeting is on May 15<sup>th</sup>, followed by May 20<sup>th</sup>, 21<sup>st</sup>, 22<sup>nd</sup>, and 23<sup>rd</sup>.

Communications & Engagement Manager Noelle Amaya reminded the Council of short meetings she's trying to schedule with each member. Working with the McMinnville High School's Business Pathways program to support job shadowing students and have already hosted a couple of students last week. Reminded all of the May 7<sup>th</sup> Employee Breakfast.

Community Development Director Heather Richards announced that the Arbor Day event will take place on Friday, April 25<sup>th</sup>, at 4:30 p.m. at the library. The event will feature numerous nonprofits participating, led by Taylor Graybehl. It will also feature nature walks led by volunteers, accompanied by a scavenger hunt and a celebration in honor of Rob Stevenson. Evan is working on informational webinars for housing production strategy. The first webinar will take place on the 24<sup>th</sup> at 12:00 p.m. and will last for one hour. The second one is next Wednesday at 5:30 p.m.

City Attorney David Ligtenberg stated will be following up with Mr. Sykes still needs to do some follow-up and research but will get a response together. Regarding the dog incident from last month, have the necessary tools for effective prosecution and will continue to move forward. The arraignment took place last week, and a hearing is scheduled for next week.

City Manager Jeff Towery noted has a personal appointment next week and will be out of the office on the afternoon of Monday, the 28<sup>th</sup> and most of the day on Wednesday, the 30<sup>th</sup>. On Tuesday morning, Citizen Bank will be sponsoring corporate coffee, and the guest speaker will be Councilor Geary.

Chief of Police Cord Wood mentioned Canine Tucker passed away a few days after his retirement, related to some heart issues. Has heard the need and desire for increased traffic enforcement, and is in the process of data-driven solutions to make it more efficient at better addressing those issues specifically those that contribute to traffic collisions and injuries.

7.

#### CONSENT AGENDA

- a. Consider the Draft Minutes of the March 11, 2025, Joint City Council and Urban Renewal Agency (URA) Work Session & City Council Regular Meeting.
- b. Consider the Draft Minutes of the March 25, 2025, City Council Work Session & Regular Meeting.
- c. Consider **Resolution No. 2025-15**: A Resolution approving the change order for the Meadows Drive Cost Share.
- d. Consider a request to permit a waiver of the noise ordinance from Amy Russom for live music for Edible Garden Festival Event on May 10, 2025.
- e. Consider a request to permit a waiver of the noise ordinance from Justin Cottrell for amplified music - "street karaoke" for Family Friendly Event on May 17, 2025.
- f. Consider the Draft Minutes of the March 31, 2025, Joint McMinnville School District Board of Directors & City Council Work Session Meeting.
- g. Consider the Draft Minutes of the April 08, 2025, Joint City Council, Yamhill County Board of Commissioners, and McMinnville Urban Renewal Advisory Committee (MURAC) Work Session & City Council Regular Meeting.

*Councilor Chenoweth MOVED to adopt the consent agenda except for Item c and with the correction in the March 25th minutes as stated by City Recorder; SECONDED by Councilor Cunningham.*

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

*Motion **PASSED** unanimously by a vote of 6-0.*

7.

#### ITEMS REMOVED FROM THE CONSENT AGENDA

7.c.

Consider **Resolution No. 2025-15**: A Resolution approving the change order for the Meadows Drive Cost Share.

Councilor Payne removed this topic from the consent agenda and had a couple of questions regarding the cost estimates answered by City Engineer James Lofton.

*Councilor Geary MOVED to approve Resolution No. 2025-15 approving the change order for the Meadows Drive Cost Share; SECONDED by Councilor Tucholsky.*

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

*Resolution No. 2025-15 **PASSED** by a vote of 6 - 0.*

8. RESOLUTION

- 8.a. Consider **Resolution No. 2025-09:** A Resolution establishing revised sanitary sewer user fees; and repealing Resolution 2024-13.

*Councilor Geary MOVED to approve Resolution No. 2025-09, Establishing revised sanitary sewer user fees; and repealing Resolution 2024-13; SECONDED by Councilor Payne.*

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

*Resolution No. 2025-09 **PASSED** unanimously by a vote of 6-0.*

- 8.b. Consider **Resolution No. 2025-12:** A Resolution authorizing the City Manager to sign an Annexation Agreement with Jose Garcia, property owner, for the future annexation of those portions of Parcel 1 and Parcel 2 that are currently in McMinnville's urban growth boundary and not the city limits, as created by the minor partition of Tax Lot R4524-904 (Docket #: MP 3-22).

*Councilor Geary MOVED to approve Resolution No. 2025-12, Authorizing the City Manager to sign an Annexation Agreement with Jose Garcia, property owner, for the future annexation of those portions of Parcel 1 and Parcel 2 that are currently in McMinnville's urban growth boundary and not the city limits, as created by the minor partition of Tax Lot R4524-904 (Docket #: MP 3-22); SECONDED by Councilor Cunningham.*

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

*Resolution No. 2025-12 **PASSED** unanimously by a vote of 6-0.*

- 8.c. Consider **Resolution No. 2025-13:** A Resolution authorizing the City Manager to sign an Annexation Agreement with Stanley Bruce Cook and Nila Denise Cook Revocable Trust, property owner, for the future annexation of Tax Lots R4430AD00100.



*Councilor Geary MOVED to approve Resolution No. 2025-13, Authorizing the City Manager to sign an Annexation Agreement with Stanley Bruce Cook and Nila Denise Cook Revocable Trust, property owner, for the future annexation of Tax Lots R4430AD00100; SECONDED by Councilor Payne.*

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

*Resolution No. 2025-13 **PASSED** unanimously by a vote of 6-0.*

9. ORDINANCES

Mayor Morris stated she needed to recuse herself from Ordinance No. 5159 as she has an actual conflict of interest; her husband represents the property owner, Council President Peralta would lead the Council through this agenda item and stepped off the dais.

- 9.c. Consider the first reading with a possible second reading of **Ordinance No. 5159**: An Ordinance Approving a Comprehensive Plan Amendment and Zone Change from an Industrial Designation to a Residential Designation and M-1 Zoning (Light Industrial) to R-4 (Medium, High Density, 5000 SF Lot Residential) Zoning for Property of Approximately 5.8 Acres Located at 2320 SE Stratus Ave (Tax Lots R442700600 & R442700604), Docket CPA 1-24/ZC 4- 24.

Council President asked if any other Councilor needed to declare any conflict of interest or recuse themselves. There was none.

Council President asked if any Councilor wished to make any disclosure or abstain from participating or voting on this application. There was none.

Council President asked if any Councilor needed to declare any contact prior to this meeting with the applicant, any other party involved in this application, or any other source of information (outside of staff) regarding the subject of this application.

Councilor Chenoweth stated had ex-parte communication with Mike Morris, but nothing outside the scope of the packet and will not impact his decision making.

Councilor Tucholsky stated he is familiar with the owners of Northwest Logging through the school system, but will not affect his ability to vote.

No Councilor present requested that the Ordinance be read in full.  
City Attorney David Ligtenberg read by title only Ordinance No. 5159.

Associate Housing Planner Evan Hietpas shared a PowerPoint presentation and noted Missy Ryan from Bateman Seidel was on Zoom in case there are follow-up questions.

*Councilor Chenoweth MOVED to **pass** Ordinance No. 5159 to a second reading; SECONDED by Councilor Cunningham.*

*AYE: Councilors Cunningham, Chenoweth, Geary, Peralta*

*NAY: Councilors Tucholsky, Payne,*

*Motion **PASSED with dissent** by a vote of 4-2 on its first reading and will be brought back for a second reading on **May 13, 2025, City Council meeting.***

Council President turned the meeting back over to Mayor Morris.

Mayor Morris asked City Manager Towery to postpone the last two items on the agenda to the May 13<sup>th</sup> Council Meeting.

*Council President MOVED to continue the next two agenda items to the next regular meeting; SECONDED by Councilor Geary.*

*AYE: Councilors Cunningham, Tucholsky, Chenoweth, Payne, Geary, Peralta*

*NAY: NONE*

*Motion **PASSED** unanimously by a vote of 6-0.*

9. POSTPONED ITEMS FROM AGENDA TO MAY 13<sup>TH</sup> COUNCIL MEETING
- 9.b. Consider the first reading with a possible second reading of **Ordinance No. 5156**: An Ordinance Amending Title 17 (Zoning) of the McMinnville Municipal Code, Chapter 17.57 “Landscaping” and Chapter 17.58 “Trees,” and Approving the Decision, Findings, and Conclusionary Findings for Docket G 2-24.
- 9.a. Consider the first reading with a possible second reading of **Ordinance No. 5160**: An Ordinance Amending Portions of McMinnville Municipal Code Chapter 2.35, Adding “Accessibility” to the Name and Purpose of the Diversity, Equity and Inclusion Advisory Committee.
10. ADJOURNMENT: Mayor Morris adjourned the meeting at 10:27 p.m.

---

Claudia Cisneros, City Recorder

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

Tuesday, May 13, 2025, at 7:00 p.m.

Presiding: Kim Morris, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Sal Peralta, Council President	
	Zack Geary	
	Chris Chenoweth	
	Jessica Payne	
	Scott Cunningham	
	Dan Tucholsky	

Also present were City Manager Jeff Towery, City Recorder Claudia Cisneros, City Attorney David Ligtenberg, Senior Planner Tom Schauer, Associate Housing Planner Evan Hietpas, Planning Manager David Berniker, Chief of Police Cord Wood, Special Projects Manager Jody Christensen, City Engineer James Lofton, Library Director Jenny Berg, Parks & Recreation Director Susan Muir, Public Works Director Geoff Hunsaker, Human Resources Director Vicki Hedges, Information Systems Director Scott Burke, Josh Reusser Aquatic Center Manager, Community Center Manager Katie Noyd, Associate Planner Matt Deppe and *members of the News Media – Kyle Dauterman McMinnville Community Media and Scott Unger News-Register (via Zoom).*

1. CALL TO ORDER: Mayor Morris called the meeting to order at 7:00 p.m. and welcomed all in attendance.

2. PLEDGE OF ALLEGIANCE

McMinnville Area Chambers of Commerce President/CEO John Olson led the Pledge of Allegiance.

3. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT: Mayor Morris invited the public to comment.

City Recorder Claudia Cisneros stated the city received four additional emailed written comments from Community Members for the City Council, which have been emailed to the City Council and will be entered into the record on the amended packet posted tomorrow.

Kitri Culbertson, McMinnville Community Member on behalf of the Culture, Parks, & Recreation Political Action Committee (PAC), has volunteered since 2019, working toward a modern recreation and aquatic center for McMinnville. Despite facing delays, the PAC has remained committed, and the group is now asking the council to place the measure on the ballot to let the community decide. The PAC is also ready to help inform voters if it does end up on the ballot.

Andrew Larkin, McMinnville Community Member and president of McMinnville Soccer Club, spoke about the critical need for improved facilities in the community. He emphasized the urgent need for repairs and renovations to parks and community centers. He advocated moving forward with the Mac Plan, which has been in development for five years and offers multiple options with a reduced financial burden.

Tracy Palmer/Ames Bierly, McMinnville Community Members, advocated for the continuation of recognizing June as LGBTQIA Pride Month by issuing a formal proclamation and raising the Pride flag at City Hall. Have a petition signed by over 1,000 individuals. Asked to continue the tradition started in 2020 by past recognition of Pride Month under both Republican and Democratic mayors, and pointed out that the city was named the second most LGBTQ-friendly small town in the U.S. just two years ago. They also acknowledged the historical significance of the LGBTQIA rights movement, noting that Pride Month serves as an important recognition of this ongoing struggle for equality, encouraged others to sign the petition via [Change.org](https://www.change.org) and expressed their desire to celebrate Pride Month together with everyone.

Cheryl Shockey, A lifelong McMinnville Community Member, retired schoolteacher, and avid pickleball player, provided support for the modified Parks and Recreation bond. The pickleball community has increased by 29 members since January, bringing the total to 336 members but there are only six public courts available, creating a shortage of space. Surrounding communities like Dallas, Amity, and Newberg are building or have already built new courts to accommodate the growing popularity of the sport. She urged the Council to move forward with the modified Parks and Recreation bond to allow the public to vote on the proposal.

Stacey Mayhew, McMinnville Community Member, expressed gratitude for the swift response from Mayor and City Police in handling the issue involving two rogue dogs that killed six of her chickens and ducks. One dog was impounded, and the owner has shown remorse, offering apologies and restitution. She then raised concerns about the city's plan to build a high-speed biking facility, which would include jump tracks, gravity zones, and pump tracks on Quarry Park. The well-established park is already used and enjoyed by hundreds but receives minimal maintenance. She suggested low-cost improvements to Quarry Park, such as adding native plants, improving accessibility, and clearing fire hazards, could be made with the help of the community, at no cost to the city.

Ken Wilson, McMinnville Community Member on behalf of the Friends of Quarry Park, is in opposition to the development of the BMX Slash high-speed biking facility, addressing two points: development and maintenance. First is addressing the cost to develop the bike park with the PROS Park Plan budgeting to be \$650,000 but the Yamhill County Bike Club, has been involved in similar concept for years and estimates the build-out of the biking facility at 1.5 to 2 million dollars. The second is maintenance; currently there is no maintenance of the park, by adding a biking facility will require increased maintenance. Asking the Council to do what 90% of the people want and maintain it and claim it as an undeveloped nature park.

Shannon Dunn, McMinnville Community Member, spoke passionately in support of placing the proposed recreation and community center project on the ballot for a public vote. Using a humorous analogy comparing the original comprehensive plan (developed by the MAC PAC) to a "full meal deal," she expressed concern that the current pared-down proposal is now just a "burger" without the extras. Despite disappointment at the reduced scope, she urged the Council to honor the significant volunteer effort behind the plan and let the public decide its fate. She concluded with a renewed call to revisit tennis court improvements when the budget allows.

William Barlow, McMinnville Community Member, provided an in-depth explanation of the term "needed housing" to inform Council discussions. Citing Oregon's Land Use Planning Act of 1974 and related statewide goals (especially Goal 10), he referenced the McMinnville Housing Needs Analysis, updated in 2023, which aligns with applicable state statutes including HB 2001, ORS 197.296, and ORS 197.307. They emphasized that "needed housing" includes only housing on land zoned for residential or mixed residential/commercial use that meets forecasted need within the urban growth boundary (UGB). According to the analysis, the needed housing mix for McMinnville is projected at 55% single-family detached, 12% single-family attached, and 33% multifamily, with an overall average density of 5.46 units per gross acre. He cautioned against narrow interpretations of "needed housing," stressing that mix, density, and type must comply with state planning requirements. Not all housing qualifies as "needed housing" under state law, and assumptions about where and how housing is built must reflect this. He stated the importance of equitable neighborhood planning and statutory obligations to adjust forecasts if housing demand patterns shift.

#### 4. ADVICE/ INFORMATION ITEMS

##### 4.a. Reports from Councilors on Committee & Board Assignments

Councilor Cunningham mentioned for Affordable Housing Committee Evan led through hopefully final draft of the Construction Excise Tax grant application. HLC continued to work with property owners who are encouraging to take care of these landmarks. Was not able to attend the MCM11 meeting but they discussed budget and talked about revenue alternatives.

Councilor Chenoweth reported testifying before the Oregon Transportation Commission (OTC) on behalf of MWCAT in Salem. Providing the narrowed-down work plan and pointing out the three priorities they want funding. Those projects being:

1. Center Street Bridge in Salem, redone for seismic upgrades that will create a traffic fund from this side.
2. The Bypass.
3. 22, and 51 interchange in Polk County.

Council President Peralta stated Planning Commission meeting was canceled and Councilor Cunningham already spoke on Affordable Housing Committee so had nothing else to report.

Mayor Morris stated she spent the day at the Capitol advocating for the City and getting additional funding to finish the paving and stormwater work on Alpine Avenue, will be attending again to testify on Friday. Attended the April Fire District Meeting and talked about the budget, met with Sheriff Elliott and he expressed his concerns on budget cuts to MPD. Toured the Westwater and Public Works Department. Participated in the Thursday morning downtown clean-up with the Chamber of Commerce, Visit McMinnville, and MDA. Toured EMPWR with MEDP staff, and John from the Chamber of Commerce. Attended the McMinnville High School Hall of Fame. Met with Commissioner Johnston this morning talked about the budget and his concerns on the strains of budget cuts.

Councilor Geary had no MURAC meeting for the Third Street Improvement summary on wrapping up the plan, which will be coming before the Council on June 10th. Stormwater hasn't had a meeting.

Councilor Payne mentioned DEIAC has an item on the agenda tonight for a proposed name change of the Committee to the Diversity, Equity, Inclusion, and Accessibility Committee following the League of Oregon City's recommendation. They also reviewed annual goals. The Yamhill County Equity Action Work Group meets tomorrow, missed the last Landscape Review Committee meeting.

City Recorder Cisneros stated the Ordinance for DEIAC is not on the agenda tonight; it will be on the agenda for May 27<sup>th</sup>.

Councilor Tucholsky reported on Airport Commission, mentioned the airport operates with one full-time employee (FTE) position and airports of similar size have 5 FTE's, underscoring the scale of support typically required to operate a facility and is currently looking for a new airport manager. The general fund contributes about \$90k annually to support the airport and currently losing an estimated \$50k in revenue due to the loss of leasing the Comcast building as it currently has unrepaired water leaks and is not rentable, exploring potential partnership with the County.

## Department Head Reports Continued

City Manager Jeff Towery have made the decision this week to repost the Parks and Recreation Director position. Jenny Berg has agreed to be the interim Parks & Rec Director along with supervising the library. Have some personal appointments and will be out of the office the morning of May 21<sup>st</sup>.

City Attorney David Lightening had nothing from the Legal Department.

Planning Manager David Berniker highlighted two projects working on in Planning. First, they have established the Project Advisory Committee for the Southwest Area Plan, and on Thursday, they will be bringing the Housing Production Strategy to the Planning Commission and will come to Council on June 10<sup>th</sup>.

Chief of Police Cord Wood said the Police Department has been working on traffic enforcement project, it is not 100% complete but is working with partners like YCOM. Looking at data-driven approaches to traffic enforcement across the city identifying the top 10 traffic crash locations across the city so PD officers can focus traffic enforcement efforts at those locations to reduce crashes. Still reviewing the data to understand the problem locations, likely won't result in more traffic enforcement but will result in more meaningful traffic enforcement.

Special Project Manager Jody Christensen wrapped up the 30% streetscape for the Third Street Improvement Project and will have a work session with the Council on June 10<sup>th</sup>. In preliminary discussion with MDA to have demonstration block that will live over the summer. It will be taped off areas on blocks to show the community where the improvements will take place. Launched the Americans with Disability Act transition plan RFP opened May 2<sup>nd</sup> and will close on June 5<sup>th</sup> then will go through the review process and bring contract for consideration to Council in August.

City Engineer James Lofton is here to answer any questions on the two items he has on the Consent Agenda.

Library Director Jenny Berg mentioned the success of the El Día de los Niños celebration, which had over 400 people show up for the various activities. Hosted the Chambers Greeters this past Friday and had 92 people show up for that. Attended along with a volunteer the Edible Landscape Festival.

Parks & Recreation Director Susan Muir stated received a \$20k anonymous donation this week and has been earmarked for programming at the senior center. Introduced the new Aquatic Center Manager Josh Russer. Not a lot of good news regarding the elevator at the Community Center, estimated work would take 10 months from when the project starts so optimistically the elevator would be running in March of 2026, the optimistic cost for that repair is around \$200k.

Public Works Director Geoff Hunsaker mentioned James Lofton covering engineering, for Park Maintenance Operations said it's prime grass growing season so lots of mowing and getting the soccer and baseball fields ready. In the Streets Department crews are out doing crack sealing in the roadways and repairing the steps at the front of City Hall. Wastewater was contacted by permit writer for DEQ, they last renewed the NPDES or National Pollution Discharge Elimination System permit in 2004 and it's time to renew that permit so will be working on that this summer.

Human Resources Director Vicki Hedges has been working on implementing performance evaluations for each department in the city. Has converted their background check provider to a new company and are receiving those much quicker. Regarding Councilor Payne's request on employee annual training stats: 25% of employees have completed them for 2025, 36% of employees are in progress of completing their trainings, and 29% have not yet started their trainings, which is an improvement from last year.

Information Systems Director Scott Burke mentioned for the Finance Department about 200 letters were mailed to property owners in the Downtown Economic District informing them of the Downtown Economic Improvement District (DEID) renewal rate discussion and public hearing held on June 10<sup>th</sup> City Council meeting. FAQ's for Budget meetings have been posted and working on an additional FAQ this week. On the IS side working on a grant-funded project involving city data backup system improvements. Working on a shared records management system project with the County Sheriff's office.

City Recorder Claudia Cisneros reminded the Council of a couple of dates, starting with Budget Meeting this Thursday, May 15<sup>th</sup> at 6pm followed by three additional budget meetings next week on May 21<sup>st</sup>, 22<sup>nd</sup> and 23<sup>rd</sup> at 6pm in Council Chambers. City offices will be closed on May 26<sup>th</sup> in observance of Memorial Day then have a regularly scheduled City Council meeting on May 27<sup>th</sup>.

*Councilor Chenoweth MOVED to put on the agenda a discussion and vote to fund the elevator at the Community Center; SECONDED by Councilor Tucholsky.*

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

*Motion **PASSED** unanimously by a vote of 6-0.*

There was discussion regarding the elevator and its funding.

*Councilor Tucholsky MOVED to reallocate the designated \$60,000 from the ARPA DEIAC signage project to fix the Community Center elevator; SECONDED by NONE.*

*Motion **FAILS** as it was not seconded.*



There was consensus from the Council to go through the RFQ process for the elevator and then revisit the discussion once the RFQ process has been completed.

5. CONSENT AGENDA

- a. Consider the request from Juniper Bar dba Conservatory Bar for Retail on-premises sales and consumption, OLCC Liquor License located at 830 SE 1st Street.
- b. Consider **Resolution No. 2025-14**: A Resolution awarding the contract for the American Rescue Plan Act (ARPA) Midtown Basin Stormwater Project 2023-3.
- c. Consider **Resolution No. 2025-16**: A Resolution authorizing the City Manager to execute a contract for the 2025 Pavement Patching project, Project 2025-1, with Roy Houck Construction LLC.

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

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

*Motion **PASSED** unanimously by a vote of 6-0.*

6. NEW BUSINESS

- 6.a. Discussion & Possible Action – Request from the Culture, Parks & Recreation (CPR) Political Action Committee (PAC).

Mr. Towery introduced the topic and handed it over to Ms. Muir, who provided a detailed background on the project and its timeline. The PAC is recommending the Council consider placing this on the November ballot with a dollar amount of under \$100 million for the project.

*Councilor Geary MOVED to direct staff to bring forward the necessary framework and required City Council action to put a general obligation bond in alignment with the CPR PAC recommendation of a project under \$100 million on the ballot in November 2025; SECONDED by Council President Peralta.*

*AYE: Councilors Cunningham, Tucholsky, Payne, Geary, Peralta*  
*NAY: Councilors Tucholsky, Chenoweth*

*The motion **PASSED** by a vote of 4-2.*

7. RESOLUTION

- 7.a. Consider **Resolution No. 2025-17**: A Resolution authorizing the termination of an Intergovernmental Grant Agreement between the City of McMinnville and the Oregon Department of Transportation (ODOT) for the Safe Routes to School (SRTS) Program: Suel Buel Elementary & Patton Middle Schools Pedestrian Safety Projects, Agreement No SRTS23-08.

*Councilor Cunningham MOVED to approve Resolution No. 2025-17, Authorizing the termination of an Intergovernmental Grant Agreement between the City of McMinnville and the Oregon Department of Transportation (ODOT) for the Safe Routes to School (SRTS) Program: Suel Buel Elementary & Patton Middle Schools Pedestrian Safety Projects, Agreement No SRTS23-08; SECONDED by Councilor Chenoweth.*

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

*Resolution No. 2025-17 **PASSED** unanimously by a vote of 6-0.*

8. ORDINANCES

Mayor Morris stated she needed to recuse herself from Ordinance No. 5159 as she has an actual conflict of interest, her husband represents the property owner, Council President Peralta would lead the Council through this agenda item and she stepped off the Dias.

- 8.a. Consider the second reading of **Ordinance No. 5159**: An Ordinance Approving a Comprehensive Plan Amendment and Zone Change from an Industrial Designation to a Residential Designation and M-1 Zoning (Light Industrial) to R-4 (Medium, High Density, 5000 SF Lot Residential) Zoning for Property of Approximately 5.8 Acres Located at 2320 SE Stratus Ave (Tax Lots R442700600 & R442700604), Docket CPA 1-24/ZC 4- 24.

Council President noted the ordinance did not have unanimous support at the April 22<sup>nd</sup> meeting, requiring the second reading to be conducted at this meeting.

Council President asked if any other Councilor needed to declare any conflict of interest or recuse themselves. There was none.

Council President asked if any Councilor wished to make any disclosure or abstain from participating or voting on this application. There was none.

Council President asked if any Councilor needed to declare any contact prior to this meeting with the applicant, any other party involved in this application, or any other source of information (outside of staff) regarding the subject of this application.

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

City Attorney David Ligtenberg read by title only for a second time Ordinance No. 5159.

*Councilor Geary MOVED to **adopt** Ordinance No. 5159, Approving a Comprehensive Plan Amendment and Zone Change from an Industrial Designation to a Residential Designation and M-1 Zoning (Light Industrial) to R-4 (Medium, High Density, 5000 SF Lot Residential) Zoning for Property of Approximately 5.8 Acres Located at 2320 SE Stratus Ave (Tax Lots R442700600 & R442700604), Docket CPA 1-24/ZC 4- 24; SECONDED by Councilor Chenoweth.*

*AYE: Councilors Cunningham, Chenoweth, Geary, Peralta*

*NAY: Councilors Tucholsky, Payne*

**Ordinance No. 5159** was **ADOPTED** by a vote of **4-2**.

Council President turned the meeting back over to Mayor Morris.

- 8.b. Consider the first reading with a possible second reading of **Ordinance No. 5156**: An Ordinance Amending Title 17 (Zoning) of the McMinnville Municipal Code, Chapter 17.57 “Landscaping” and Chapter 17.58 “Trees,” and Approving the Decision, Findings, and Conclusionary Findings for Docket G 2-24.

Mayor Morris asked if any Councilor needed to declare any conflict of interest or recuse themselves. There was none.

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

City Attorney David Ligtenberg read by title only Ordinance No. 5156.

*Councilor Payne MOVED to **pass** Ordinance No. 5156 to a second reading; SECONDED by Councilor Tucholsky.*

*AYE: Councilors Cunningham, Tucholsky, Chenoweth, Payne, Peralta*

*NAY: Councilors Geary*

**Motion PASSED WITH DISSENT** by a vote of **5-1** on its first reading and will be brought back for a second reading on **May 27, 2025 City Council meeting**.

- 8.c. Consider the first reading with a possible second reading of **Ordinance No. 5161**: An Ordinance Amending Chapter 2.21 of the McMinnville Municipal Code to Adopt Procedures for Surplus and Sale of Personal Property Owned by the City.

Mayor Morris asked if any Councilor needed to declare any conflict of interest or recuse themselves. There was none.

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

City Attorney David Ligtenberg read by title only Ordinance No. 5161.

*Councilor Geary MOVED to **pass** Ordinance No. 5156 to a second reading; SECONDED by Councilor Payne.*

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

*Motion **PASSED** unanimously by a vote of **6-0**.*

City Attorney David Ligtenberg read by title only for a second time Ordinance No. 5161.

*Councilor Chenoweth MOVED to **adopt** Ordinance No. 5156, Amending Chapter 2.21 of the McMinnville Municipal Code to Adopt Procedures for Surplus and Sale of Personal Property Owned by the City; SECONDED by Council President Peralta.*

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

***Ordinance No. 5161** was **ADOPTED** unanimously by a vote of **6-0**.*

9. ADJOURNMENT: Mayor Morris adjourned the meeting at 9:30 p.m.

---

Claudia Cisneros, City Recorder

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

Tuesday, May 27, 2025, at 7:00 p.m.

Presiding: Sal Peralta, Council President

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Kim Morris, Mayor (via Zoom)	Jessica Payne
	Zack Geary	
	Chris Chenoweth	
	Scott Cunningham	
	Dan Tucholsky	

Also present were City Manager Jeff Towery, City Recorder Claudia Cisneros, City Attorney David Ligtenberg, Community Development Director Heather Richards, Public Works Director Geoff Hunsaker, Human Resources Director Vicki Hedges (via Zoom), Finance Director Katie Henry (via Zoom), and *members of the News Media – Kyle Dauterman McMinnville Community Media and Scott Unger News-Register (via Zoom).*

1. CALL TO ORDER: Council President Peralta called the meeting to order at 7:00 p.m. and welcomed all in attendance.

2. PLEDGE OF ALLEGIANCE

Public Works Director Geoff Hunsaker led the Pledge of Allegiance.

3. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT:  
Council President Peralta invited the public to comment.

Robert Spitz was called upon but was not present and moved on to the next speaker.

Tracey Palmer & Ames Bierly, McMinnville Community Members, representing a previously submitted petition with now 1,229 signatures, urging the city to continue recognizing June as LGBTQ+ Pride Month with a formal proclamation and pride flag at City Hall. Stating these actions reflect the city's stated values of equity, stewardship, courage, and accountability, and noted that approximately 5.6% of Yamhill County residents identify as LGBTQIA+, according to the 2022 Community Health Assessment. Requested regardless of formal recognition, expressing hope that the city would choose to join in the continued community celebration of Pride Month.

4. PRESENTATION

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

Visit McMinnville Chief Executive Officer Dan Gibson shared a PowerPoint presentation on the organization's business plan and budget for the next fiscal year, thanking the board members and staff for their support. Mr. Gibson highlighted plans for a new website, digital marketing, and print advertising. Some Key goals include developing an economic impact model, launching a new website by October 2025, increasing revenue per available room by 5% in December, and generating \$10 million in media value.

*Councilor President Peralta acknowledge removing item 7b Ordinance 5160 at the request of the Chairs of the Committee.*

5. ADVICE/ INFORMATION ITEMS

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

Mayor Morris stated attended the Mayors Monthly Mayor meeting hosted by Dayton this month. Met with Yamhill County Health & Human Services Director Lindsey Manfrin discussed current sources and programs. Spent the day at Capitol advocating for funds to complete Phase 2 of the Bypass. Last week was Public Works week and attended the employee luncheon with MW&L and City Public Works employees. Concluded by reinstated her policy and stance on all proclamations and it being across the board fairness decision.

Councilor Tucholsky attended the YCOM meeting and their 10% increase instead of the 8% increase that was placed on the budget. YCOM is facing challenges with funding source the rate per individual is less than other cities/areas that provide same work. Will be acting on YCOM Budget at next meeting.

Councilor Geary did not have much to report, heard presentation this evening on Visit McMinnville. Third Street Improvement had nothing to report and was not able to attend MURAC meeting due to conflict.

Councilor Chenoweth had a fatality in his Ward and asked if City could investigate that intersection to make it safer

City Manager Jeff Towery noted that still gathering all the information associated with the tragic incident and will be evaluating what is learned from that and if there are any changes to suggest will report back on those and give a plan moving forward.

Councilor Chenoweth (continued) MELVC met recapping on Grant 8212, sharing the successes of the \$750,000 ARPA money given back to business in the community. Some of those successes were: 10 businesses received workforce development assistant grants, 30+ businesses received grant application training in Spanish, 3 women-owned businesses received 40 to 60 forgivable loans. Then Commissioner Johnston presented a similar presentation from the Joint County

Commission, MURAC meeting about the properties coming up for sale. The Chambers Government Affairs Council (GAC) predominantly talked about house bills.

Councilor Cunningham mentioned MCM11 provided stats for viewership numbers from YouTube. YouTube viewership numbers for this month for all the recorded and the live streamed meetings were a total of 3,667 total viewers for a total of 1,314 hours watched. Thanked MCM for producing all the materials. The Historic Landmarks Committee meeting is tomorrow. Ended his committee report with personal remarks of last week's budget meeting.

5.b.

#### Department Head Reports Continued

Community Development Director Heather Richards stated there is an increase in graffiti and a reduction in code compliance program. Recommended to the public if find graffiti on personal property it's best to remove the graffiti immediately as it prevents more graffiti from occurring. Will be putting together a public information brochure as well to help with this type of information. Is also working with Holt Homes on subdivision plans for finishing the West Side Hills subdivision. Partnering with McMinnville Downtown Association in putting on a workshop for business owners in the downtown area regarding A-Frame signs as there have been a lot of complaints on this signage in the downtown area. The workshop will be tomorrow at 5:30 pm at the First Federal Community Room on 3<sup>rd</sup> Street.

City Attorney David Ligtenberg noted that most are aware of the news of the bankruptcy of Fackler Construction. Currently have a contract with Fackler regarding the construction of the Navigation Center and the difficulties in closing that contract and corrected some incorrect information previously published in the newspaper. Correcting for the record that at this point no money is owed to Fackler Construction.

Public Works Director Geoff Hunsaker stated the Airport Administrator who is a half-time employee will be retiring, will be posting a new Airport Manager Position relatively soon, this position will now be a full-time position. Lastly staff found a surcharging sewer manhole on 3<sup>rd</sup> street today and there is a crew out there working on it.

City Recorder Claudia Cisneros had nothing to report.

Finance Director Katie Henry mentioned court staff have had significant court presence of dog related issues and have been fairly overwhelmed with that. The new employee in Municipal Court has been doing a fantastic job and has heard several good remarks regarding her work. In the Finance Department are working on what was passed by the Budget Committee and preparing for the adoption later this month. Also moving straight into straight audit of FY2024-2025 and will be working with auditors within the next few weeks.

City Manager Jeff Towery reminded all this is Parks & Recreation Director Muir last week with the city.

6. CONSENT AGENDA

- a. Consider the request from All The Good Things, LLC dba: Good Food Mac for Full On-Premises-Commercial, OLCC Liquor License located at 619 NE 3<sup>rd</sup> Street.
- b. Consider the request from Colibri Hospitality Group LLC dba: Aveline for Full On-Premises-Commercial, OLCC Liquor License located at 645 NE 3<sup>rd</sup> Street.
- c. Consider **Resolution No. 2025-19**: A Resolution authorizing entering into a Primary Funding Agreement with Circular Action Alliance Oregon LLC (CAA Oregon) for the disbursement of Plastic Pollution and Recycling Modernization Act (RMA) funds.

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

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

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

8. ORDINANCES

- 8.a. Consider the second reading of **Ordinance No. 5156**: An Ordinance Amending Title 17 (Zoning) of the McMinnville Municipal Code, Chapter 17.57 “Landscaping” and Chapter 17.58 “Trees,” and Approving the Decision, Findings, and Conclusionary Findings for Docket G 2-24.”

Council President Peralta noted the ordinance did not have unanimous support at the May 13th meeting, requiring the second reading to be conducted at this meeting.

Council President Peralta asked if any Councilor needed to declare an actual or potential conflict of interest or recuse themselves. There was none.

Community Development Director Richards provided additional housekeeping information noting Scribner errors which were:

- revising the title block to remove a “to” between the municipal code and chapter 17.57 landscaping.
- revising the first “whereas” statement to change trees to landscaping.

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

City Attorney David Ligtenberg read by title only for a second time Ordinance No. 5156.



*Councilor Geary MOVED to **adopt** Ordinance No. 5156, Amending Title 17 (Zoning) of the McMinnville Municipal Code, Chapter 17.57 “Landscaping” and Chapter 17.58 “Trees,” and Approving the Decision, Findings, and Conclusionary Findings for Docket G 2-24.”; SECONDED by Councilor Chenoweth.*

*AYE: Councilors Cunningham, Tucholsky, Chenoweth, Peralta*

*NAY: Geary*

**Ordinance No. 5156 was ADOPTED by a vote of 4-1.**

8. ADJOURNMENT: Council President Peralta adjourned the meeting at 8:07 p.m.

---

Claudia Cisneros, City Recorder



**City of McMinnville**  
**Public Works Department**  
**Engineering**  
231 NE Fifth Street  
McMinnville, OR 97128  
(503) 434-7312

[www.mcminnvilleoregon.gov](http://www.mcminnvilleoregon.gov)

## STAFF REPORT

**DATE:** June 6, 2025  
**TO:** Jeff Towery, City Manager  
**FROM:** James Lofton, City Engineer  
Logan Adams, Engineering Technician  
**SUBJECT:** ARPA Midtown Basin Stormwater Project Construction Management

---

### **Report in Brief:**

This action is the consideration of a resolution to amend the Professional Services Agreement between the City and AKS Engineering & Forestry, LLC. This amendment directs them to provide construction management, construction inspection and reporting, and as-built services. This amendment would bring the total contract amount to \$123,225.00 from the original contract amount of 77,585 requiring Council approval.

### **Background:**

In August of 2024 the City selected AKS Engineering & Forestry, LLC from three consultants who had submitted proposals to perform design work for the ARPA Midtown Basin Stormwater Project. Initial design modeling from AKS showed that improvements to the storm system downstream of the existing project limits would have a more substantial impact at a reduced construction cost. City engineering staff agreed with AKS and in November of 2024 the City amended the contract to increase the scope of the survey performed by AKS for a cost of \$11,400 bringing the total contract amount to \$88,985. This amendment allowed AKS to design a system which showed a projected 49% decrease in flooding events at a reduced cost which they delivered to the City in April of 2025.

### **Discussion:**

Workload due to development projects is at an elevated level currently. This amendment allows City staff to have more time to support private development through review and inspection of several large commercial developments. A secondary benefit is increasing staff capacity for project management of other capital improvement projects. As the project designer, AKS has intimate knowledge of this project and can provide valuable construction

management and inspection services to ensure the project is constructed correctly. This amendment is authorized under OAR 137-048-0200(1)(c).

The amended scope of work includes weekly meetings with the City, daily inspections of the construction site, engineering review of contractor submittals and requests for information, and assistance with the final as-built documents that the City will use for future maintenance and stormwater project. The fee estimate of \$34,240 was reviewed and deemed reasonable for the services provided.

**Fiscal Impact:**

Funding for this project is included in the FY25 Wastewater Services Fund (75) and FY26 Stormwater Capital Fund (72) budget. A total design and construction budget of \$632,916.00 dollars was allocated for this project. After this amendment we would still be \$175,280.65 under budget.

**Recommendation:**

Staff recommends the City Council adopt the attached resolution amending the Professional Services Agreement with AKS Engineering & Forestry, LLC in the amount of \$34,240 for a total contract amount of \$123,225.00

**Attachments:**

1. Resolution
2. Exhibit A – Scope of Work
3. Exhibit B – Fee Estimate

## RESOLUTION NO. 2025-22

A Resolution amending the Professional Services Contract for the ARPA Midtown Basin Stormwater Project 2023-3.

### RECITALS:

**Whereas,** On August 27, 2024, the City entered into a Professional Services Agreement with AKS Engineering & Forestry, LLC to design the ARPA Midtown Basin Stormwater Project for a cost of \$77,585; and

**Whereas,** On November 19, 2024, the City amended the Professional Services Agreement to increase the scope of the survey work being provided for an increased total cost of \$88,985; and

**Whereas,** On May 13, 2025 the City awarded the Construction Contract to Jesse Rodriguez Construction, LLC; and

**Whereas,** AKS Engineering & Forestry, LLC is qualified and available to provide construction management and inspection services to the City; and

**Whereas,** Funding for this project is included in the FY25 Wastewater Services Fund (75) budget and FY26 Stormwater Capital Fund (72) budget.

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

1. That amendment of the Professional Services Agreement with AKS Engineering & Forestry, LLC for the amount of \$34,240 for the ARPA Midtown Basin Project 2023-3 for a total contract amount of \$123,255.00, is hereby approved.
2. That the City Manager is hereby authorized and directed to execute the public improvement contract.
3. That this resolution shall take effect immediately upon passage and shall continue in full force and effect until modified, revoked, or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 10<sup>th</sup> day of June 2025 by the following votes:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Approved this 10<sup>th</sup> day of June 2025.

\_\_\_\_\_  
MAYOR

Approved as to form:

Attest:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Recorder

---

**ARPA Midtown Basin Stormwater Project**  
**McMinnville, Oregon**

**Exhibit A — Scope of Work**

The City of McMinnville (City) has awarded the construction contract for the APRA Midtown Basin Stormwater Project (Project). The City has requested this scope of work for Construction Phase Services.

The following services will be performed by AKS Engineering & Forestry, LLC (Consultant). All services will be performed by or under the observation of a Professional Engineer registered in the State of Oregon.

**6.1 - Construction Management:**

- Prepare for, attend, and facilitate one (1) on-site pre-construction conference with the contractor and City.
- Track contractor progress, review payment applications, submittals, and respond to requests for information (RFIs). Includes confirmation of contractor's Certified Payroll.
- Communicate early and often with the contractor and City to reduce the risk of change orders during construction. Review and respond to change order requests, if required.
- Organize and participate in weekly construction meetings. Includes 8 meetings.

**6.2 - Field Observation/Inspection and Reporting:**

- Closely monitor construction to ensure improvements are constructed substantially in conformance with the contract documents.
- Provide up to **2** hours per weekday and **5** days per week of observation/inspection for a construction duration of **8** weeks.
- Provide construction observation notes and reports with color photos documenting work completed to date, site issues to be resolved, and materials delivered.
- Observe pipeline and review testing (mandrel and CCTV)
- Facilitate a final walk-through with representatives of the City and contractor and generate a punch list.

**6.3 - As-built Services:**

- Assemble contractor redlines, plan revisions, and complete all necessary field surveying of the improvements to deliver quality record drawings.

**Project Closeout:** Provide project files as required by City of McMinnville.

**Task 6 Deliverables:**

- Pre-construction meeting agenda and meeting notes
- Construction observation reports
- RFI, submittal, and change order responses
- Recommendation for payment of contractor billings.
- Final record drawing (as-built) plans

---

**Fee Estimate**  
**(See attached detailed estimate – Exhibit B)**

**Assumptions**

- Separate erosion and sediment control inspections and reports are not required.
- Construction duration is estimated at 8-weeks.
- Contractor is responsible for special inspections (density testing of rock and pavement).

**Exclusions**

Services that do not fall within the scope of work are excluded from this estimate.

---

**Exhibit 'B'**

**Fee Estimate**







Project Budget Estimate  
APRA Midtown Basin Stormwater Project  
Construction Administration  
AKS #11538

AKS ENGINEERING & FORESTRY, LLC										
	Principal In Charge	Project Manager	Project Engineer	Survey CAD Tech	Survey Crew (Two Person)	Construction Manager	Construction Inspector	Project Coordinator	Direct Costs	ESTIMATED TOTAL COST
	\$225.00	\$185.00	\$165.00	\$145.00	\$275.00	\$220.00	\$155.00	\$100.00	1	
<b>Project Tasks &amp; Estimated Personnel Hours</b>										
<b>TASK 6.1 Construction Management</b>										<b>\$9,825</b>
Preconstruction Meeting	4	8					4	1		\$3,100
Submittal and RFI Review	1		8					2		\$1,745
Payment Application Review		2	4							\$1,030
Weekly Construction Coordination Meetings		20							\$250	\$3,950
<b>TASK 6.2 Construction Observation/Inspection and Reporting</b>										<b>\$21,270</b>
Observation/Inspection and Reporting		4				8	100	4	\$500	\$18,900
Testing Observation and Review			1				4			\$785
Final Walkthru and Punch List	1	4					4			\$1,585
<b>TASK 6.3 AS-Built Services</b>										<b>\$3,145</b>
As-Builts	1		2	2	8			1		\$3,145
<b>ESTIMATED PERSONNEL TASK HOURS SUBTOTAL</b>	7	38	15	2	8	8	112	8	-	198
<b>ESTIMATED PERSONNEL COST SUBTOTAL</b>	\$1,575	\$7,030	\$2,475	\$290	\$2,200	\$1,760	\$17,360	\$800	-	\$33,490
<b>ESTIMATED REIMBURSABLE EXPENSES (AT COST)</b>		-	-	-	-	-	-	-	\$750	\$750
<b>AKS TOTAL COST ESTIMATE</b>										<b>\$34,240</b>



## STAFF REPORT

**DATE:** June 10, 2025  
**TO:** Mayor and City Councilors  
**FROM:** Evan Hietpas, Associate Housing Planner  
**SUBJECT:** Resolution No. 2025-18, Adopting Housing Production Strategy (HPS),  
Docket # G 4-24

### STRATEGIC PRIORITY & GOAL:

**GROWTH & DEVELOPMENT CHARACTER**

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

**HOUSING OPPORTUNITIES** (ACROSS THE INCOME SPECTRUM)

Create diverse housing opportunities that support great neighborhoods.

### Report in Brief:

This is an Action Item for Resolution No. 2025-18, adopting the City's 2025 Housing Production Strategy (HPS), Docket # G 4-24. (Attached).

The Planning Commission is recommending adoption after hosting a public hearing on May 13, 2025.

Per ORS 197A.100(7), the adoption of a housing production strategy is not a land use decision and is not subject to appeal or review under land use procedures. A Public Hearing is not required for the HPS adoption process, however the City elected to conduct one with the Planning Commission.

The Housing Production Strategy (HPS) (Exhibit A of Resolution No. 2025-18) outlines the specific actions that the City is committing to in order to encourage housing development and promote fair and equitable housing outcomes over the next eight (8) years to meet the City's housing needs as identified in the McMinnville Housing Needs Analysis, adopted in February 2024. This is a mandate of state law to ensure that cities are doing everything they can to meet the housing need for everyone in their community.

As a reminder, McMinnville's future housing needs for the planning horizon of 2021-2041 as determined by the Housing Needs Analysis is that 59% of future homes built in McMinnville need to serve households making 120% area median income or less. Currently in the private development market, most homes for sale cater to household incomes greater than 120% area median income due to low supply and high demand, and housing for households at 120% area median income or less is restricted to multi-unit developments. The City though has a goal of providing rental and home ownership opportunities for as many income levels as possible to

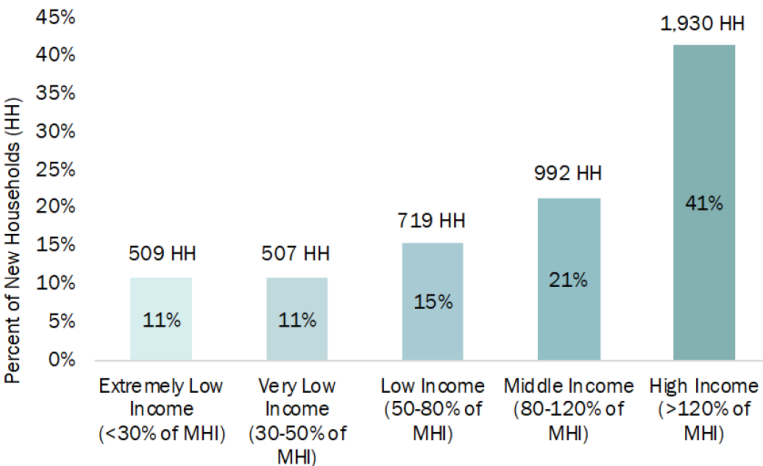
provide equal opportunity for generational real estate wealth and equity, and ensure long-term enduring value in all McMinnville neighborhoods. The actions in this Housing Production Strategy reflect those future housing needs and goals.

Twenty-two percent of McMinnville's future households will have incomes at or below 50% of McMinnville's median household income (MHI). Thirty-six percent will have incomes between 50% and 120% of McMinnville's MHI.

Forty-one percent will have incomes greater than 120% of McMinnville's MHI.

**Exhibit 96. Future (New) Households, by Median Household Income (MHI) for McMinnville (\$50,300), McMinnville UGB, 2021 to 2041**

Source: US Department of Housing and Urban Development and US Census Bureau, 2012–2016 ACS Table 19001 and B25119.



**Exhibit 97. Future (New) Households in 5-, 10-, 20-, and 46-years, by Median Household Income (MHI) for McMinnville (\$50,300), McMinnville UGB, 2021–2026, 2021–2031, 2021–2041, and 2021–2067**

Source: US Department of Housing and Urban Development and US Census Bureau, 2012–2016 ACS Table 19001 and B25119.

Market Segment by Income	New Households				% of Households
	5-Year (2021 to 2026)	10-Year (2021 to 2031)	20-Year (2021 to 2041)	46-Year (2021 to 2067)	
High Income (>120% of MFI)	471	955	1,930	4,552	41%
Middle Income (80-120% of MFI)	242	491	992	2,340	21%
Low Income (50-80% of MFI)	176	356	719	1,697	15%
Very Low Income (30-50% of MFI)	124	251	507	1,196	11%
Extremely Low Income (<30% of MFI)	124	253	509	1,200	11%
Total New Households	1,137	2,306	4,657	10,985	100%

*McMinnville Housing Needs Analysis, adopted February 27, 2024, Ordinance No. 5141*

### **Background:**

#### **Requirements**

In Oregon, cities have a long-standing requirement to study and plan for their community's housing needs. In 2019, the Oregon Legislature passed **House Bill 2003** which aims to help communities meet the housing needs of Oregonians. The law requires Oregon's cities over 10,000 population to study the future housing needs of their community members and to develop strategies that encourage the production of the housing they need. Per HB 2003 (2019 Legislature) the City of McMinnville must study and plan for the housing needs of both current

and future residents every eight (8) years as part of the **Housing Needs/Capacity Analysis** and **Housing Production Strategy**. The studies need to be for a twenty year planning horizon.

The Housing Production Strategy (HPS) contains specific and meaningful plans, tools, actions, and policies to address housing needs identified in the HNA, along with a timeline for adopting and executing each strategy. The Department of Land Conservation and Development (DLCD) will review and approve each cities' HPS to ensure it effectively meets housing needs, encourages necessary housing production, and promotes fair and equitable housing outcomes.

McMinnville's Housing Production Strategy (HPS) must conform with the reporting requirements of **Oregon Administrative Rule (OAR) 660-008-0050**. A matrix outlining the applicable HPS sections and appendices for each of the report requirements has been included as Attachment 2.

### *McMinnville Local Planning Efforts*

At the December 10, 2024, meeting, staff provided the "Updated McMinnville Urbanization Report" within Ordinance No. 5141 and the DRAFT "City of McMinnville Housing Strategy". The Updated McMinnville Urbanization Report was a culmination of several years of work and was updated in 2023 to account of changes in McMinnville in recent years. It summarizes the results of two longer technical reports and a series of memoranda that evaluated different elements of land need and supply in McMinnville, including:

- City of McMinnville [Housing Needs Analysis](#) (HNA)<sup>1</sup> (available on City's website)
- McMinnville [Economic Opportunities Analysis](#) (EOA)<sup>2</sup> (available on City's website)
- Public and Institutional Land Needs
- City of McMinnville Housing Strategy

Prior to the passage of HB 2003, the City of McMinnville had drafted a the "City of McMinnville Housing Strategy" (2019) which identified recommendations and implementation actions intended to result in policy changes that provide opportunities for development of housing to meet McMinnville's identified housing needs. During the time that the City was completing this work, the Oregon Legislature passed House Bill 2003, which required a specific "Housing Production Strategy (HPS)" process and product. The City is using that 2019 draft as a baseline for this work to satisfy HB 2003 but has needed to revise it to meet the guidelines provided by the state.

### **Discussion**

The Housing Production Strategy (HPS) builds directly from the DRAFT "City of McMinnville Housing Strategy" (2019) when it comes to proposing policies, actions, and strategies to address housing needs. There are eight (8) actions from the work in 2019 that are being carried forward now, and eight (8) new actions that are proposed for inclusion. The actions in the proposed HPS are based on McMinnville's housing needs, demographic and housing data, and input from the community, Affordable Housing Committee, Planning Commission, and City Council.

---

<sup>1</sup> [https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/community\\_development/page/9081/mcminnville\\_hna\\_final\\_draft\\_08.30.23.pdf](https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/community_development/page/9081/mcminnville_hna_final_draft_08.30.23.pdf)

<sup>2</sup> [https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/community\\_development/page/9081/mcminnville\\_eoa\\_final\\_draft\\_08.30.23.pdf](https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/community_development/page/9081/mcminnville_eoa_final_draft_08.30.23.pdf)

### Meetings Schedule

Group	Date
Project Advisory Committee	August 21, 2024
Planning Commission & City Council	September 10, 2024
Affordable Housing Committee	September 25, 2024
Project Advisory Committee	October 23, 2024
Planning Commission & City Council	December 10, 2024
Affordable Housing Committee	December 18, 2024
Planning Commission & City Council	February 11, 2025
Project Advisory Committee	March 19, 2025
City Council	March 25, 2025
Affordable Housing Committee	March 26, 2025
Planning Commission	April 3, 2025

The Housing Production Strategy (HPS) is organized in the following way:

#### Executive Summary

1. Introduction – *page 1*
2. Unmet Housing Needs and Identification of Barriers – *page 8*
3. Existing Policies to Address McMinnville Housing Needs – *page 20*
4. Public Engagement – *page 25*
5. Details of HPS Actions – *page 33*
6. Proposed Actions to Meet Future Housing Needs – *page 74*

Appendix A – Evaluation of Achieving Fair and Equitable Housing Outcomes

Appendix B – Contextualizing McMinnville’s Housing Needs

Appendix C – Stakeholder Engagement

Appendix D – Actions Considered for Inclusion in the HPS

Appendix E – Pre-HPS Survey

The sixteen (16) HPS actions were divided into five (5) different categories:

- Long Range Planning,
- Regulatory Amendments,
- Incentives for New Housing,
- Land-Based Programs, and
- Housing Choice and Preservation.

A complete list of the proposed actions is below:

### List of Actions in the HPS

<b>Category 1: Long-Range Planning</b>
1. Use more land in the Urban Holding Plan Designation for housing
2. Rezone land to R-5 within the existing city limits for housing
3. Develop area plans for Urban Growth Boundary areas
4. Infrastructure planning to support residential development
<b>Category 2: Regulatory Amendments</b>
5. Implement and codify Great Neighborhood principles
6. Require a mix of housing types for to-be-annexed land
7. Adopt code amendments to support transitional housing
<b>Category 3: Incentives for New Housing</b>
8. Incentivize and promote accessible design
9. Establish a Multiple-unit tax exemption (MUPTe) program
10. Scaling of systems development charges (SDCs)
<b>Category 4: Land-Based Programs</b>
11. Partner with Community Land Trusts (CLT)
12. Support affordable housing development through provision of land
<b>Category 5: Housing Choice and Preservation</b>
13. Develop and adopt a Strategic Housing Opportunities Plan
14. Mitigate displacement through the adoption of anti-displacement policies and strategies
15. Implement a fee for demolition of existing affordable homes
16. Preserve and Support Development of Manufactured Home Parks

### Attachments:

- Oregon Administrative Rule (OAR) 660-008-0050 HPS Report Requirements
- Resolution No. 2025-18
  - Exhibit A to Resolution No. 2025-18, "Housing Production Strategy (HPS)"

### Fiscal Impact:

Below is an accounting of the expenses associated with this project. The City received a grant in the amount of \$90,000 to help offset the costs of the project.

Product	Consultant Expenses	In-Kind Staff Support	Total (Consultant + In-Kind Staff)
<u><i>Housing Production Strategy</i></u> (Required by HB 2003 (2019)) Deadline: March, 2026	\$104,550	\$45,000 (.45 FTE)	\$149,550

**Council Options:**

1. Approve Resolution No. 2025-18
2. Request more information
3. Do not approve Resolution No. 2025-18

**Staff Recommendation:**

Staff recommends that the City Council adopt Resolution No. 2025-18 to approve the 2025 McMinnville Housing Production Strategy (HPS).

**Recommended Motion:**

"I MOVE TO APPROVE RESOLUTION NO. 2025-18 ADOPTING THE 2025 CITY OF MCMINNVILLE HOUSING PRODUCTION STRATEGY, AS PRESENTED"

**Oregon Administrative Rule (OAR) 660-008-0050** outlines the required components of a Housing Production Strategy Report. As provided in ORS 197.290(2), a city with a population of more than 10,000 people must develop and adopt a Housing Production Strategy Report that includes a list of specific actions, including the adoption of measures and policies that the city shall undertake to promote development within the city to address a housing need identified under ORS 197.296(3) or (10) for the most recent 20-year period described in the city's Housing Capacity Analysis. At a minimum, this Report must include the following components:

State Requirement	McMinnville HPS
<b>(1) Contextualized Housing Need</b> – A contextualization and incorporation of information from the most recent Housing Capacity Analysis that describes current and future housing needs in the context of population and market trends.	Section 2 and Appendix B
<b>(2) Engagement</b> – Narrative summary of the process by which the city engaged Consumers of Needed Housing and Producers of Needed Housing, especially with regard to state and federal protected classes. A city may conduct engagement for a Housing Production Strategy concurrent with other housing planning efforts within the city.	Section 4 and Appendix C
<b>(3) Strategies to Meet Future Housing Need</b> – A Housing Production Strategy Report must identify a list of specific actions, measures, and policies needed to address housing needs identified in the most recent Housing Capacity Analysis. The strategies proposed by a city must collectively address the next 20-year housing need identified within the most recent Housing Capacity Analysis and contextualized within the Report.	Section 3, Section 5, Section 6
<b>(4) Achieving Fair and Equitable Housing Outcomes</b> – A Housing Production Strategy Report must include a narrative summarizing how the selected Housing Production Strategies, in combination with other city actions, will achieve equitable outcomes with regard to factors including: location of housing, fair housing, housing choice, housing options for residents experiencing homelessness, affordable homeownership and affordable rental housing, and gentrification, displacement, and housing stability.	Appendix A
<b>(5) A Housing Production Strategy Report must include the following additional elements:</b> (a) A description of any opportunities, constraints, or negative externalities associated with adoption of the elements of proposed Housing Production Strategies; (b) A description of actions that the city and other stakeholders must take to implement the proposed Housing Production Strategies; (c) If the Housing Production Strategy Report is the first produced under this division, a description of how the city will measure strategy implementation and progress; (d) If the Housing Production Strategy Report is not the first produced under this section, a summary of strategies that the city has previously adopted and implemented, and a reflection on the efficacy of each implemented strategy; and (e) A copy of the city's most recently completed survey to meet the requirements of ORS 456.586.	Section 6, and Appendix E (to be included prior to adoption)

## **RESOLUTION NO. 2025-18**

A Resolution of the City Council Adopting The City's 2025 Housing Production Strategy (HPS) (Docket #G 4-24).

### **RECITALS:**

**WHEREAS**, in 2019, the Oregon Legislature passed House Bill 2003, which requires Oregon cities with a population of over 10,000 people to study the future housing needs of their residents and to develop strategies that encourage housing production; and

**WHEREAS**, ORS Chapter 197 and OAR Chapter 660, Division 8 requires cities to update their housing needs and buildable lands inventories, now called a Housing Capacity Analysis (HCA), and to develop a Housing Production Strategy (HPS) that lists specific actions a city will take to promote housing development that meets local needs; and

**WHEREAS**, on February 27, 2024, the City adopted Ordinance No. 5141, which adopted the November 2023 "McMinnville Urbanization Report", and updated the McMinnville Comprehensive Plan, Volume I, by adopting the November 2023 "McMinnville Housing Needs Analysis" and the November 2023 "McMinnville Economic Opportunities Analysis"; and

**WHEREAS**, the City of McMinnville obtained a grant from the State Department of Land Conservation and Development (DLCD) to support the development of a Housing Production Strategy that complies with applicable provisions of state law; and

**WHEREAS**, the Housing Production Strategy (HPS) must include a list of specific actions, including the adoption of measures and policies, that the city shall undertake to promote development affordable, fair, and equitable housing to address the housing need identified in the HNA, along with an eight (8)-year timeline for adopting and executing each proposed strategy; and

**WHEREAS**, the Housing Production Strategy (HPS) was developed through public engagement efforts, including meetings with the Project Advisory Committee (PAC), Affordable Housing Committee, Planning Commission, City Council, and additional methods including surveys, focus groups, interviews, and public webinars; and

**WHEREAS**, on May 15, 2025, the Planning Commission held a public hearing, reviewed the proposed Housing Production Strategy (HPS), and recommended approval of the document, as presented, with any minor proofreading edits; and



**WHEREAS**, on June 10, 2025, the City Council reviewed the final draft of the Housing Production Strategy (HPS).

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MCMINNVILLE, OREGON, AS FOLLOWS:**

1. Adopt the Housing Production Strategy (HPS), attached as Exhibit A.
2. The Council directs staff to begin the implementation of the Housing Production Strategy (HPS) as detailed in Section 6 (Exhibit 11) of the final document.
3. No later than 20 days after the city's adoption of the housing production strategy under ORS 197A.100, the city must submit the adopted or amended Housing Production Strategy to the State Department of Land Conservation and Development (DLCD), subject to all review procedures in OAR 660-008-0215.
4. This Resolution will take effect immediately upon adoption.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 10th day of June 2025 by the following votes:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Approved this 10th day of June 2025.

\_\_\_\_\_  
MAYOR

Approved as to form:

Attest:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Recorder

**EXHIBITS:**

- A. Housing Production Strategy (HPS) (Docket #G 4-24)



May 2025

# City of McMinnville Housing Production Strategy



Prepared for: City of McMinnville

**ECOnorthwest**

920 SW 6th Ave • Suite 1400 • Portland, OR 97204 • 503-222-6060

# Acknowledgments

ECONorthwest prepared this report with support of several partners, including members, staff and leadership of the Project Advisory Committee, Affordable Housing Committee, the City of McMinnville Planning Commission and City Council. Other firms, agencies, and staff contributed to other research that this report relied upon, specifically the City of McMinnville Planning Department. This work was funded by Oregon general fund dollars through the Department of Land Conservation and Development (DLCD). The contents of this report do not necessarily reflect the views or policies of the State of Oregon.

## **Project Advisory Committee**

Abigail Neilan  
Judith Pasch  
Scott Cunningham  
Rob Hallyburton  
Amanda Pewonka  
Beth Caster  
Duane Mancill

Katie Johnson  
Michael Jester  
Roger Tompkins  
Theresa Deibele  
Beth Rankin  
Brian Randall

## **City of McMinnville**

Heather Richards, Community Development  
Director  
Evan Hietpas, Associate Housing Planner  
David Berniker, Planning Manager

## **ECONorthwest Consulting Staff**

Beth Goodman, Project Director  
Jennifer Cannon, Senior Project Manager  
Amanda Ufheil-Somers, Project Manager

## **City of McMinnville Contact:**

**Heather Richards, Community Development  
Director**  
503-474-5107  
[Heather.Richards@mcminnvilleoregon.gov](mailto:Heather.Richards@mcminnvilleoregon.gov)

## **ECONorthwest Contact:**

**Beth Goodman, Project Director**  
541-505-7208  
[goodman@econw.com](mailto:goodman@econw.com)



# Table of Contents

<b>Executive Summary .....</b>	<b>i</b>
What is a Housing Production Strategy? .....	i
How to Navigate this Document.....	ii
Actions in the HPS .....	iii
<b>1. Introduction .....</b>	<b>1</b>
Considerations for Implementing the Actions in the HPS .....	3
Building Equity into the HPS.....	4
Summary Table of Proposed HPS Actions .....	6
<b>2. Unmet Housing Needs and Identification of Barriers.....</b>	<b>8</b>
Understanding Housing Need in McMinnville .....	8
Barriers to Addressing Existing and Expected Housing Needs .....	17
<b>3. Existing Policies to Address McMinnville Housing Needs.....</b>	<b>21</b>
<b>4. Public Engagement .....</b>	<b>25</b>
Purpose .....	25
HPS Engagement Goals.....	25
Information Sharing and Marketing.....	26
Stakeholder Involvement in Developing the HPS.....	26
Outreach Leading up to the HPS .....	27
Influence on the Housing Production Strategy.....	28
Continued Public Engagement Efforts for Housing Actions .....	31
Summary of Additional Information in Appendix C .....	32
<b>5. Details of HPS Actions.....</b>	<b>33</b>
<b>Category 1: Long Range Planning.....</b>	<b>35</b>
<b>Category 2: Regulatory Amendments.....</b>	<b>43</b>
<b>Category 3: Incentives for New Housing .....</b>	<b>49</b>
<b>Category 4: Land-Based Programs.....</b>	<b>56</b>

Category 5: Housing Choice and Preservation.....	63
<b>6. Proposed Actions to Meet Future Housing Need .....</b>	<b>74</b>
Summary of HPS Actions .....	75
Implementation Considerations .....	80
Implementation Schedule .....	84
Monitoring Outcomes of the HPS .....	86
City's Role and Potential Partners' Roles .....	89
Funding Sources Considered to Support the Actions .....	92
Evaluation of HPS Actions .....	94
Focus of the Actions .....	98
Groups Served by the Actions.....	100
Benefits, Burdens, Opportunities, and Risks.....	102
Recommendations for Future Actions.....	108
<b>Appendix A: Evaluation of Achieving Fair and Equitable Housing Outcomes .....</b>	<b>109</b>
Evaluation of the Policies and Strategic Actions .....	109
<b>Appendix B: Contextualizing McMinnville's Housing Needs.....</b>	<b>122</b>
Demographic and Socio-Economic Characteristics Affecting McMinnville's Housing Needs.....	122
Housing Market Conditions and Trends.....	142
Housing Affordability Considerations.....	152
Oregon Consolidated Plan.....	160
<b>Appendix C: Stakeholder Engagement.....</b>	<b>162</b>
Purpose Statement and Community Stakeholders .....	162
HPS Engagement Goals.....	163
Summary of Outreach Before Development of the HPS .....	163
Engagement in the HPS .....	169
Focus Groups .....	172
Interviews about Housing Needs of Historically Marginalized Populations.....	180
Community Survey Findings .....	182
<b>Appendix D: Actions Considered for Inclusion in the HPS .....</b>	<b>190</b>
<b>Appendix E: Pre-HPS Survey.....</b>	<b>203</b>

# Executive Summary

---

## What is a Housing Production Strategy?

This document is the City of McMinnville’s Housing Production Strategy (HPS). The HPS is a plan required by state law (OAR 660-048-0050) that describes how the City will promote the creation of housing to meet the needs identified in the City’s Housing Needs Analysis (HNA). In Oregon, cities have a long-standing requirement to study and plan for their community's housing needs. However, House Bill 2003 (Oregon Legislature 2019) established a new rule that cities with over 10,000 people must create a Housing Production Strategy (HPS) within a year of adopting their Housing Needs Analysis—now called Housing Capacity Analysis (HCA). The Housing Production Strategy must contain specific and meaningful plans, tools, actions, and policies to address housing needs identified in the HNA, along with a timeline for adopting and executing each strategy.



The Department of Land Conservation and Development (DLCD) will review and approve each city's HPS to ensure it effectively meets housing needs, encourages necessary housing production, and promotes fair and equitable housing outcomes. Then, cities must evaluate their HPS progress and effectiveness at a mid-term checkpoint, which occurs every 4 years for the City of McMinnville. This assessment helps identify successful strategies, areas for improvement, and course corrections to ensure all housing needs are met.

# How to Navigate this Document

This HPS document is organized in six (6) different sections:

- 1. Introduction.** Summarizes the context for the HPS and provides important background information on previous planning work that has shaped the state of housing in McMinnville.
- 2. Unmet Local Housing Needs.** Outlines contextualized housing needs based on the findings from the Housing Needs Analysis (HNA) and describes current and future housing needs, demographic trends, market factors affecting housing production, and the housing needs of various populations.
- 3. Existing Housing Programs and Policies.** Describes recent efforts to address known housing needs and barriers in McMinnville through City actions.
- 4. Public Engagement.** Summarizes key findings and recommendations from stakeholder engagement efforts that influenced and informed the final proposed HPS actions.
- 5. Details of HPS Actions.** Shares additional information about each action, including background associated with previous planning efforts.
- 6. Proposed Actions to Meet Future Housing Needs.** Establishes sixteen (16) proposed HPS actions to address housing needs. The actions are organized into five (5) different categories: Long Range Planning, Regulatory Amendments, Incentives for New Housing, Land Based Programs, and Housing Choice and Preservation.

Additionally, there are five (5) appendices with more background information and supporting evidence for the findings and recommendations in the 5 sections, including:

- A. Evaluation: Achieving Fair and Equitable Housing Outcomes**
- B. Contextualizing McMinnville's Housing Needs**
- C. Stakeholder Engagement**
- D. Actions Considered for Inclusion in the HPS**
- E. Pre-HPS Survey**

*\*Please utilize the bookmarks that have been created for this document to navigate from one section to another efficiently.*

## Actions in the HPS

This section presents some information about each action. If selected for inclusion in the HPS, additional information will be included for each action.

The Housing Production Strategy (HPS) builds directly from the DRAFT “City of McMinnville Housing Strategy” (2019) when it comes to proposing policies, actions, and strategies to address housing needs. There are eight (8) actions from the work in 2019 that are being carried forward now, and eight (8) new actions that are proposed for inclusion. The sixteen (16) HPS actions were divided into five (5) different categories: Long Range Planning, Regulatory Amendments, Incentives for New Housing, Land-Based Programs, and Housing Choice and Preservation.

Exhibit 1 shows the five categories of actions and the 16 actions within those categories in the HPS.

### Exhibit 1. List of Actions in the HPS

<b>Category 1: Long-Range Planning (Page 35)</b>
1. Use more land in the Urban Holding Plan Designation for housing
2. Rezone land to R-5 within the existing city limits for housing
3. Develop area plans for Urban Growth Boundary areas
4. Infrastructure planning to support residential development
<b>Category 2: Regulatory Amendments (Page 43)</b>
5. Implement and codify Great Neighborhood principles
6. Require a mix of housing types for to-be-annexed land
7. Adopt code amendments to support transitional housing
<b>Category 3: Incentives for New Housing (Page 49)</b>
8. Incentivize and promote accessible design
9. Establish a Multiple-unit tax exemption (MUPTE) program
10. Scaling of systems development charges (SDCs)
<b>Category 4: Land-Based Programs (Page 56)</b>
11. Partner with Community Land Trusts (CLT)
12. Support affordable housing development through provision of land
<b>Category 5: Housing Choice and Preservation (Page 63)</b>
13. Develop and adopt a Strategic Housing Opportunities Plan
14. Mitigate displacement through the adoption of anti-displacement policies and strategies
15. Implement a fee for demolition of existing affordable homes
16. Preserve and Support Development of Manufactured Home Parks



# 1. Introduction

---

The City of McMinnville has long identified housing affordability, availability, and choice as key issues. The City expanded its urban growth boundary (UGB) in December 2020 (Ordinance No. 5098), through a decades long planning process called *Growing McMinnville Mindfully*. The 2020 UGB expansion included 595.40 gross buildable acres of land in an urban holding comprehensive plan map designation for residential, parks, schools, religious and neighborhood serving commercial land needs, 27 gross buildable acres in a commercial comprehensive plan map designation, and 40 gross buildable acres in an industrial comprehensive plan map designation for a total of 662.4 gross buildable acres. This effort, coupled with a partial UGB amendment in 2003 of 259 gross buildable acres, met the land need established in a 2001 Housing Needs Analysis (amended 2003) and Economic Opportunities Analysis for the planning horizon of 2003 – 2023, resulting in 924 gross buildable acres in McMinnville’s UGB not annexed into the city limits. In 2025, none of this acreage has annexed into the city and developed at an urban density. As soon as that effort was completed, the City was directed to update its Housing Needs Analysis per ORS 197.296 by December 31, 2023.

McMinnville entered into a Sequential UGB Process with the Department of Land Conservation and Development (DLCD), which allowed the City to adopt its HNA in early 2024 and address the unmet land needs through future planning efforts, (through an analysis of land use efficiency measures and potential UGB expansion), by March 2026.

In 2024, the City adopted a Housing Needs Analysis (HNA) that projected growth over the 2021-2041 period. The HNA showed that McMinnville would grow by 4,657 dwelling units over the 20-year period. The HNA showed that McMinnville could accommodate most but not all of that land within the UGB, with a deficit of 202 gross acres (for 1,101 dwelling units), and that 59% of McMinnville’s future housing needed to serve households making 120% area median income or less. Currently in the private development market, most homes for sale cater to household incomes greater than 120% area median income due to low supply and high demand, and housing for households at 120% area median income or less is restricted to multi-unit developments. The City, though, has a goal of providing rental and home ownership opportunities for as many income levels as possible to provide equal opportunity for generational real estate wealth and equity and ensure long-term enduring value in all McMinnville neighborhoods. The actions in this Housing Production Strategy reflect those future housing needs and goals.

This project, a Housing Production Strategy (HPS), is related to the development of policies to address unmet housing needs identified in the HNA, with a focus on unmet needs for affordable housing (while the land use efficiency measure work focuses on unmet land need for new housing). **The HPS focuses on the need for affordable housing, considering housing needs by income and housing needs related to socioeconomic considerations, especially for**

**historically marginalized communities, such as communities of color, low-income communities, people with disabilities, and people experiencing homelessness.**

The HPS builds on past housing work that the City has completed over the last five years and longer. Prior to the passage of HB 2003, the City of McMinnville had drafted a “City of McMinnville Housing Strategy” (2019) which identified recommendations and implementation actions intended to result in policy changes that provide opportunities for development of housing to meet McMinnville’s identified housing needs and McMinnville’s goals of equitable housing ownership and rental opportunities for all income levels. During the time that the City was completing this work, the Oregon Legislature passed House Bill 2003, which required a specific “Housing Production Strategy (HPS)” process and product. The City is using that 2019 draft as a baseline for this work to satisfy HB 2003

**The 2019 Housing Strategy identified barriers to developing housing (with a focus on affordable housing) and actions that the City could take to mitigate the barriers.** Since 2019, the City has been diligently working on many of the action items in the 2019 Housing Strategy and thus has successfully completed many of them, such as developing a high-density (R-5) zone, allowing missing middle housing types, reducing parking requirements for affordable housing and in the city center, implementing an affordable housing construction excise tax, exempting qualifying affordable housing projects from paying transportation and wastewater system development charges, and many other policy changes. Some of the actions not completed in the 2019 Housing Strategy have become actions in this HPS.

While the City has accomplished much to date (see more information in Section 3), there is still work to be done to ensure McMinnville’s existing and future housing needs are met. An HPS is intended to include actions to achieve equitable outcomes for all residents of McMinnville, with an emphasis on improving outcomes for historically marginalized communities, lower-income households, and people in state and federal protected classes. An HPS considers issues of Fair Housing, which is intended to provide access to housing choice by everyone, free from discrimination.<sup>1</sup>

This HPS includes a range of actions the city intends to implement over an eight-year period to address the unmet housing needs identified in the HNA and articulated in this report. These strategies will provide the city with a range of possible tools to support housing development and innovative ideas to address housing needs in McMinnville.

---

<sup>1</sup> Federal protected classes are race, color, national origin, religion, gender, familial status, and disability. Oregon’s additional protected classes are marital status, source of income, sexual orientation and gender identity, and status as a domestic violence survivor. Under Fair Housing laws, it is illegal to deny access to housing based on the characteristics of people within these protected classes.

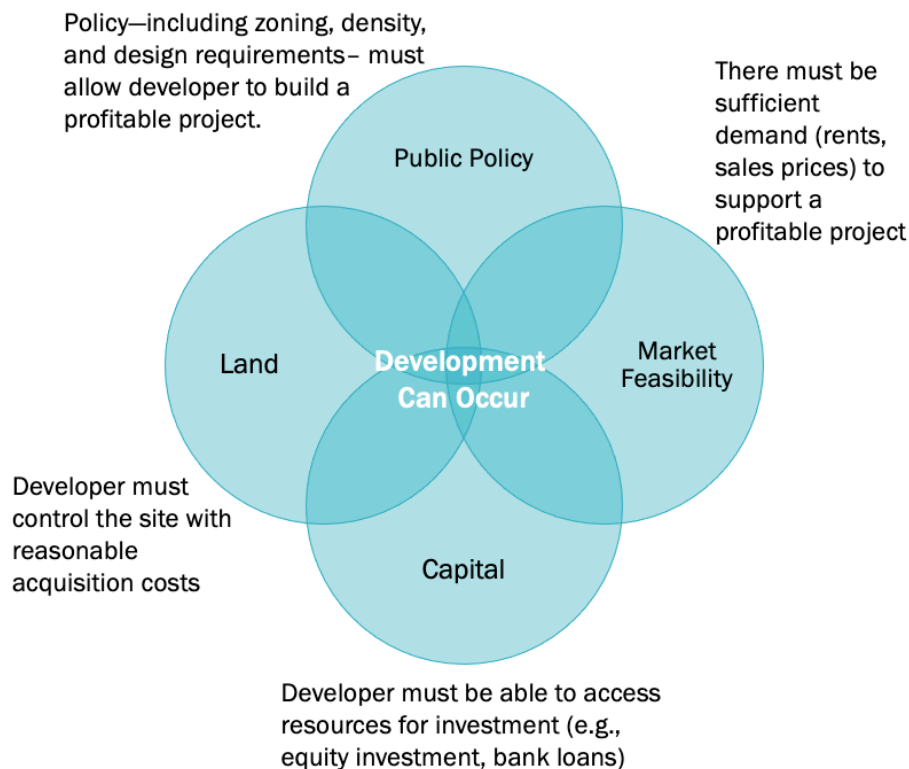
## Considerations for Implementing the Actions in the HPS

While McMinnville is committed to expanding housing options, it is important to recognize that **cities typically do not directly build housing**. Instead, they shape the conditions that enable development. Four key factors (Exhibit 2) influence where and how new housing can be built:

- **Public Policy** – Local and state regulations, including zoning and development codes.
- **Land Availability** – Ownership and infrastructure readiness.
- **Market Feasibility** – Construction costs, demand, and achievable rents/home prices.
- **Access to Capital** – Funding sources, developer financing, and public-private investment.

### Exhibit 2. Four Necessary Factors that Allow the Development of New Market-Rate Housing

Source: ECONorthwest



Each of these factors plays a crucial role in shaping housing development. Public policy at the local level is largely influenced by state policy. Land is generally controlled by private landowners, and the cost of necessary infrastructure (such as roads, utilities, and sewer systems) can make development prohibitively expensive. Market feasibility depends on economic conditions, including construction costs, labor availability, and whether developers can charge rents or sales prices high enough to cover costs. Access to capital is largely controlled by investors, banks, and financial institutions, which fund projects based on risk assessments and potential returns.

Of these factors, McMinnville has the greatest influence over public policy and land availability. The City can shape zoning, density regulations, redevelopment, and infrastructure planning to support housing development. It can also leverage government-owned surplus land to encourage new housing. While McMinnville has a more limited role in market feasibility and access to capital, it can help reduce development costs through tax abatements, fee waivers, and other incentives.

In the process of developing this HPS, the City considered how the city can influence the availability of land, public policy, capital, and market feasibility to have the greatest impact on development of needed housing types. The City staff and ECONorthwest worked together to gather and integrate input from the project advisory committee, McMinnville's City Council and Planning Commission, and broader stakeholder feedback.

## Building Equity into the HPS

Equity in housing means ensuring that race, income, or other social factors do not determine a person's ability to access safe, affordable housing. Achieving this requires not only addressing current disparities but also ensuring that future housing policies actively promote inclusion and affordability.

This HPS applies an equity framework to identify and prioritize housing strategies that benefit low-income households and vulnerable groups such as people with disabilities and communities of color—groups that have historically faced barriers to housing access. Equitable housing goes beyond affordability; it also means providing a variety of housing choices to accommodate different needs, including physically accessible homes, ensuring access to housing near services, and expanding homeownership opportunities to build long-term housing stability.

This HPS was developed using an equity framework to guide identification of housing needs, community engagement, and plan development.

**Exhibit 3** describes how the equity framework has guided each of these processes and how it should continue to serve as a guide in implementation (including measuring impact).

### Exhibit 3. Housing Production Strategy Equity Framework

IDENTIFY UNMET HOUSING NEEDS	ENGAGEMENT PROCESS <sup>2</sup>	HPS PLAN DEVELOPMENT	MEASUREMENT AND ANALYSIS
<p>Identify unmet housing needs, such as lower-income, cost-burdened households.</p> <p>Identify historically marginalized people within the community who are at risk or who could benefit from access to more affordable housing.</p>	<p>Engage community members to learn about their priorities, needs, and challenges to affordable housing.</p> <p>Build community awareness and support through the engagement process.</p> <p>Continue engagement in implementation of the actions within the HPS.</p>	<p>Ensure that the actions in the HPS address McMinnville’s unmet housing needs, integrating feedback from the engagement process.</p> <p>Identify outcomes within the HPS that respond to community needs and promote housing stability and choice, particularly for those households with the unmet housing need and historically marginalized people.</p>	<p>Develop measurements to understand the impact and progress toward increasing equity of the actions.</p> <p>As the actions in the HPS are implemented, the City will monitor outcomes, meeting the State requirements to report outcomes.</p>

### Summary Table of Proposed HPS Actions

The summary table on the following pages provides the complete list of the 16 actions proposed for inclusion in the HPS alongside the proposed implementation schedule. Details and background on the Actions are provided in Section 5 or Section 6, with the implementation schedule in Exhibit 11.

<sup>2</sup> Engagement builds on prior engagement that the City has done on other housing and community development projects. It also includes engagement conducted as part of the HPS project. Implementation of the HPS will include additional engagement. Previous engagement for the City of McMinnville Housing Needs Analysis (drafted in 2019 and completed in 2023) and Housing Strategy (completed in 2019) highlighted several housing challenges such as rising costs of new construction, shrinking land supply and neighborhood resistance leading to exponentially increasing housing prices and displacement of low- and moderate-income households. The City also recognized that lower-income residents are especially burdened, with limited housing choices.

Action Title	Implementation Years			
	1-2	3-4	5-6	7-8
Long-Range Planning				
1. Use more land in the Urban Holding Plan Designation for housing				
2. Rezone land to R-5 within the existing city limits for housing				
3. Develop area plans for Urban Growth Boundary areas	Southwest Area Plan		Riverside South Area	
4. Infrastructure planning to support residential development	On-Going			
Regulatory Amendments				
5. Implement and codify Great Neighborhood principles				
6. Require a mix of housing types for to-be-annexed land	On-Going			
7. Adopt code amendments to support transitional housing development				
Incentives for New Housing				
8. Incentivize and promote accessible design				
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program				
10. Scaling of systems development charges (SDCs)				
Land Based Programs				
11. Partner with Community Land Trusts (CLT)				
12. Support Affordable Housing Development through Provision of Land	On-Going			
Housing Choice and Preservation				
13. Develop and adopt a Strategic Housing Opportunities Plan				
14. Mitigate displacement through the adoption of anti-displacement policies and strategies				
15. Implement a fee for demolition of existing affordable homes				
16. Preserve and support development of manufactured home parks				

## 2. Unmet Housing Needs and Identification of Barriers

---

Across Oregon, many low- and middle-income households face challenges in finding affordable and suitable housing. Beyond affordability, some households also struggle to find homes that meet specific needs, such as accessibility for people with disabilities, multigenerational living spaces, or housing with supportive services. **Housing discrimination further limits options for certain groups, contributing to substantial unmet housing needs across the state.**

A Housing Production Strategy (HPS) aims to address these unmet needs by focusing on actions that promote the production of affordable housing across all income levels, preserve existing affordable housing, enhance housing stability, provide options for individuals experiencing homelessness, and advance Fair Housing initiatives.

Before developing strategies to encourage affordable housing, the City of McMinnville first needed to assess the unique housing needs of its residents. While the 2023 McMinnville Housing Needs Analysis (HNA) provided valuable insights into housing needs based on demographic factors like age and income, the HPS takes a broader approach. It examines housing needs through additional lenses, including race, ethnicity, disability status, and homelessness.

This chapter summarizes key findings from the HNA and supplements it with detailed data on housing needs for various demographic groups. Drawing on past and current engagement as well as sources such as the U.S. Census, Oregon Housing and Community Services, HUD, Costar, Zillow, and City data, this chapter contextualizes McMinnville's housing needs beyond the scope of the HNA, fulfilling the requirements for the HPS.

### Understanding Housing Need in McMinnville

Like other Oregon communities, many households in McMinnville face housing affordability challenges. The following section summarizes key findings about McMinnville's housing needs regarding housing affordability and other challenges, highlighting the importance of promoting equitable outcomes for current and future residents. (For more information on housing need, please refer to Appendix B and Appendix D).

Every household requires housing that is affordable to them. Therefore, when defining housing needs in McMinnville, we begin with affordability for both current and future residents. However, housing needs extend beyond affordability and must also address the specific requirements of each household, including factors like household size and composition, age, disability status, and the relationships between household members.



Additionally, housing needs are shaped by location considering things like access to transportation and proximity to essential services. Many households require housing close to schools, workplaces, and amenities such as retail, medical services, parks, and open spaces. Access to transit, bicycle, and pedestrian infrastructure is also crucial for many households.

Another critical aspect of housing need is access to housing free from discrimination, which is protected under federal Fair Housing law. Both Oregon and its cities have a legal responsibility to Affirmatively Further Fair Housing (AFFH). The HPS takes into account AFFH requirements when evaluating the City's existing policies and developing actions to be included in the strategy.

### **AFFIRMATIVELY FURTHERING FAIR HOUSING (AFFH)**

**AFFH requires jurisdictions to take meaningful steps to overcome historical segregation and create inclusive communities free from barriers based on protected characteristics, including race, color, national origin, religion, sex, familial status, and disability. Oregon also protects additional classes: sexual orientation, gender identity, age, and marital status.**

**AFFH requires jurisdictions to understand and address Oregon's long history of discrimination that precluded many people from accessing housing and homeownership. understanding and addressing. The Fair Housing Council of Oregon (FHCO) is a statewide civil rights organization that advocates for housing justice, equity, and inclusion. Their report, [\*State of Fair Housing in Oregon 2014–2022\*](#), provides information about housing discrimination across Oregon. The key findings of the report are:**

- » FHCO receives about 2,000 housing complaints annually, though they estimate only 10% of discriminatory acts are reported.**
- » Complaints most commonly come from people with disabilities, people of color, and women, with many involving multiple protected classes.**
- » Common discrimination issues include failure to provide reasonable accommodation for disabilities, unfair lease terms, tenant harassment, refusal to rent (especially to Section 8 voucher holders), and evictions.**

## Housing Need Key Findings

**McMinnville must plan for 4,657 new housing units through 2041.** This growth will require a variety of housing types affordable across income levels shown in Exhibit 4, especially given that household incomes in McMinnville are low, compared to the broader Portland region (Exhibit 6).<sup>3</sup>

**Housing costs in McMinnville have risen substantially in recent years, consistent with national trends.** Between 2014 and 2023, McMinnville's median rent increased 32% from \$1,108 per month to \$1,468 per month, including utilities. Over the same period, McMinnville's median home sales price increased 121% from \$214,000 to \$473,000. The median household income in McMinnville increased 47% between 2014 and 2022, from \$44,451 to \$65,318 (not adjusted for inflation). While median income has increased, it has grown less than Yamhill County and Oregon over the same period. McMinnville also has a higher share of lower-income households compared to the county and the state.

**A household earning 100% of MFI for a family of four in Yamhill County (\$116,900) can afford monthly housing costs of about \$2,920.** Exhibit 4 shows financially attainable housing across income levels, based on the standard that households should spend no more than 30% of their gross income on housing (including utilities). Households exceeding this threshold may struggle to afford other essentials.

**Based on Yamhill County MFI, a family of four** must make 135% of MFI (\$158,000) to afford the median sales price of a home in McMinnville (\$473,000). A household must make 50% of MFI (\$58,700) to afford McMinnville's average two-bedroom apartment rents and utilities (\$1,468).

### DEFINING MEDIAN FAMILY INCOME

This report uses housing affordability based on **2024 Median Family Income (MFI)** as defined by the U.S. Department of Housing and Urban Development (HUD) for a household of four in Yamhill County. MFI is a measurement of income for households made up of people who are related by blood, marriage, or adoption. The MFI limits for Yamhill County are the same as for the Portland-Vancouver-Hillsboro region.

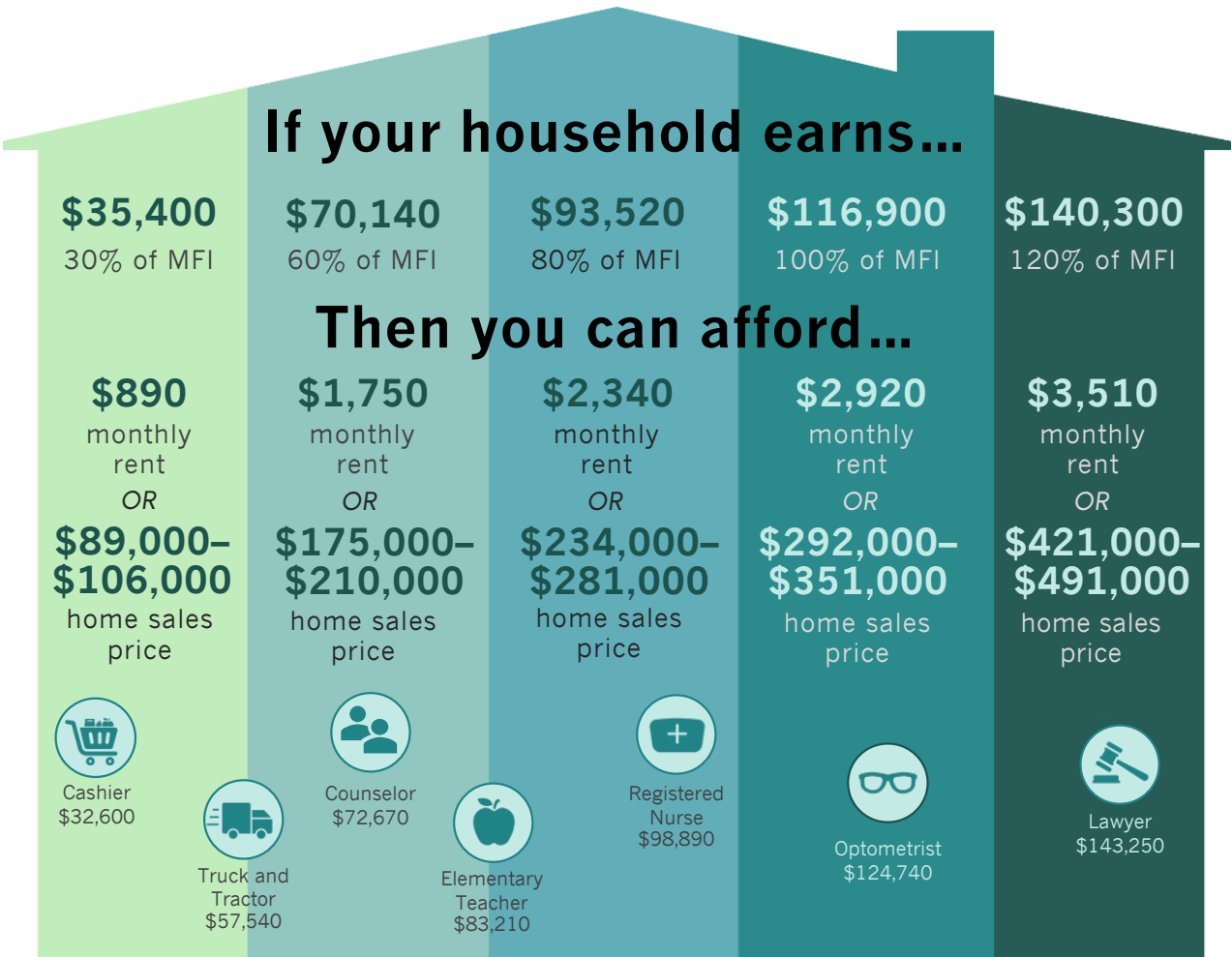
The following income groups are used to assess housing affordability.

- » **Extremely Low Income: Less than 30% MFI (up to \$35,400 annually)**
- » **Very Low Income: 30% to 60% MFI (\$35,400 to \$70,140 annually)**
- » **Low Income: 60% to 80% MFI (\$70,140 to \$94,400 annually)**
- » **Middle Income: 80% to 120% \$94,400 to \$140,280 annually)**
- » **High Income: More than 120% MFI (greater than \$140,280 annually)**

<sup>3</sup> Yamhill County is considered part of the broader Portland-Vancouver-Hillsboro region by HUD.

# Exhibit 4. Financially Attainable Housing by MFI for Yamhill County (part of the Portland MSA), 2024<sup>4</sup>

Source: Source: Department of Housing and Urban Development, Yamhill County (part of the Portland MSA), 2024. Oregon Employment Department (2023 wage estimates)

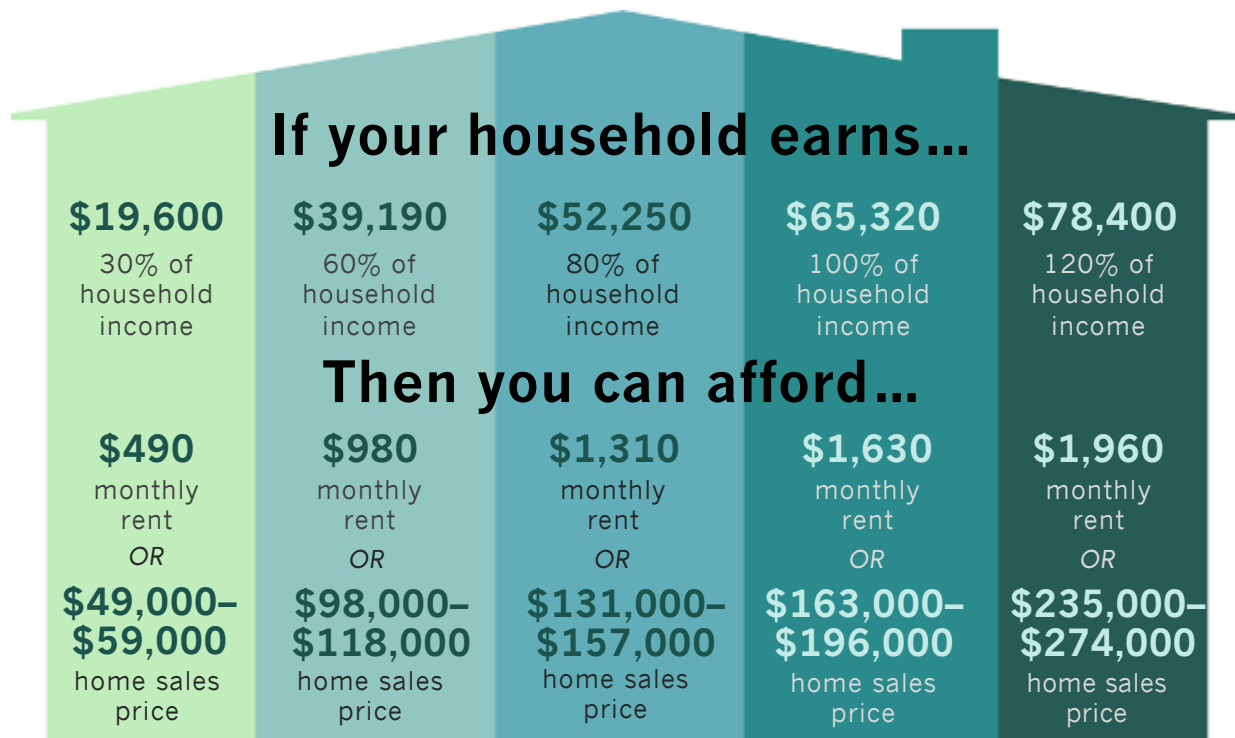


<sup>4</sup> Affordable home sales prices are illustrative estimates and do not make assumptions about specific interest rates, amount of down payment, whether mortgage insurance will be required, or other factors that are unique to an individual household’s mortgage. These are based on income only and do not consider accumulated wealth or debt.

**The median household income in McMinnville is lower than the regional Median Family Income for the Portland region (which Yamhill County is considered part of).** The median household income in McMinnville is \$65,320 (regardless of household size), which is substantially lower than the Median Family Income for Yamhill County for a family of four, \$116,900.<sup>5</sup> A household earning a median household income can afford monthly housing costs of \$1,630 or a house costing less than \$200,000.

**Exhibit 5. Financially Attainable Housing by Median Household Income in McMinnville, 2022**

Source: US Census Bureau, 2018–2022 ACS Table 19001.

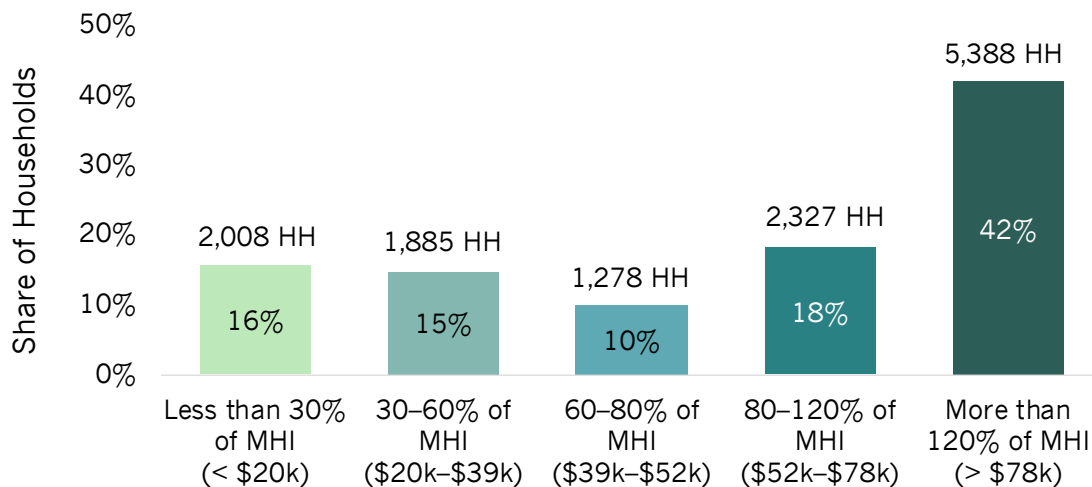


<sup>5</sup> Median Household Income (MHI) measures the income of all households, regardless of the relationship between household members. MHI includes the incomes of roommate households, for example, while MFI is the estimated income only for households that are defined as families, in which the household members are related by blood, marriage, or adoption.

**The majority of households in McMinnville can afford the median rent, based on McMinnville’s median household income.** With a median monthly rent (including utilities) of \$1,468, a household would need to have income of about \$58,700 to afford median rent without being cost burdened. About 60% of McMinnville households have income that high.

#### Exhibit 6. McMinnville’s Current Households by Median Household Income for McMinnville

Source: US Census Bureau, 2018-2022 ACS Table 19001.



**About 39% of households in McMinnville pay more than 30% of their income on housing.** Over half of renter households in McMinnville experience cost burden (56%), compared with 27% of owner households. McMinnville has some of the highest levels of cost burden in relation to comparable cities.

**McMinnville residents have a variety of housing needs, with some populations facing additional barriers to accessing housing.** These challenges often stem from historical and/or ongoing discrimination, as well as socioeconomic factors. To gain a better understanding of housing needs in McMinnville, the project team conducted community engagement, including reviewing past engagement findings, interviewing service providers and residents, and collaborating with the Task Force.

#### WHAT IS COST BURDEN?

**A household is defined as cost burdened if their housing costs exceed 30% of their gross income.**

**A household that spends 50% or more of their gross income on housing costs is said to be severely cost burdened.**

## Summary of McMinnville's Unmet Housing Needs

This section summarizes McMinnville's unmet housing needs, based on the information presented above and additional information presented in Appendix B. This section begins with a summary of the housing needs identified through engagement with people in McMinnville.

### Exhibit 7. Populations with Unmet Housing Needs based on McMinnville's Median Household Income

Target Population	Scale of Need	Meeting Future Need
<b>Extremely Low Income (&lt;30% MHI)</b> up to \$19,600	16% of total households 2,008 existing households 722 new households Afford up to \$490 per month 33% of Renters of Color (BIPOC) had income below 30% of Yamhill County MFI in McMinnville, compared to the overall renter average of 34%	New subsidized housing; preserving existing income-restricted housing
<b>Very Low Income (30% to 60% MHI)</b> \$19,600 to \$39,100	15% of total households 1,885 existing households 675 new households Afford up to \$980 per month 24% of Renters of Color (BIPOC) had income between 30% and 50% of MFI in McMinnville, compared to the overall renter average of 21%	New subsidized housing; preserving existing "naturally occurring affordable housing"
<b>Low Income (60% to 80% MHI)</b> \$39,100 to \$52,250	10% of total households 1,278 existing households 466 new households Afford up to \$1,310 per month 29% of Renters of Color (BIPOC) had income between 50% and 80% of MFI in McMinnville, compared to the overall renter average of 29%	New subsidized housing; preserving existing "naturally occurring affordable housing"
<b>Middle Income (80% to 120% MHI)</b> \$52,250 to \$78,400	18% of total households 2,327 existing households 838 new households Afford up to \$1,960 per month	New market-rate rental housing and smaller market rate homes for ownership; preserve existing smaller, older homes

Target Population	Scale of Need	Meeting Future Need
<b>People of Color (POC), including Latinx</b>	<p>27% of existing households</p> <p>The largest community of color is Latinx, accounting for 6,369 or 18% of people in McMinnville</p> <p>Latinx and most other Households of Color were more likely to occupy a multi-unit (29% BIPOC including Hispanic compared to 15% white alone) and more likely to rent than white households in 2022 (Renters: 41% Hispanic, 43% BIPOC, non-Hispanic, and 38% white alone).</p> <p>People of Color (BIPOC) were more likely to have income below 80% of MFI and be renters than the overall average for McMinnville. About 69% of BIPOC households had low, very low, or extremely low income compared 54% of white alone (non-Hispanic) households. Approximately 43% of renters were BIPOC compared to 36% of renters being white alone, non-Hispanic in 2022.</p>	<p>Increased access to affordable housing options; housing for multigenerational households; access to housing in areas with services and public transportation; access to housing without discrimination</p>
<b>People with a Disability</b>	<p>22% of McMinnville's population has one or more disabilities (about 7,552 people) in 2022.</p> <p>Housing need for 8-year period: approximately 410 new units (22% of total need).</p>	<p>Housing with design standards that meet their needs; access without discrimination; access to services; access to public transportation</p>
<b>Seniors</b>	<p>26% of McMinnville's population is over the age of 60. This group is forecasted to increase by 34%, or by more than 9,700 people by 2044.</p> <p>Yamhill County is forecast to have growth of more than 9,700 people 60 years and older through 2045.</p> <p>People over 60 years old were more likely to be homeowners than people younger than 60 in McMinnville (72% homeowners in 2022).</p>	<p>Housing with design standards that meet their needs; smaller housing that is easier to maintain; access to services; access to public transportation</p>
<b>People Experiencing Homelessness</b>	<p>Estimated 296 individuals experiencing homelessness in Yamhill County as of 2023.</p> <p>Estimated 202 students experiencing homelessness in the McMinnville School District in 2023.</p>	<p>Emergency assistance and shelter; permanent supportive housing; deeply affordable units</p>

Engagement with stakeholders in McMinnville provides additional context for unmet housing needs within the community. Additional details about engagement and the issues discussed with the following groups is provided in Appendix C.

- ◆ **Latinx population:** Discussions with the Latinx population in McMinnville revealed a need for larger units to accommodate extended and multigenerational families (regulations could be



limiting multi-family and co-housing options). They need housing that is affordable, near workplaces and schools, safe, and accessible to roads for commuting regarding their place to live. Negative experiences when housing needs are unmet can lead to health impacts (overcrowding, stress, mental health challenges), discrimination (perceived immigration status), barriers to homeownership (high down payment requirement, discriminatory lending practices), language barriers, impacts on family stability, misinformation and lack of resources, and underrepresentation in housing programs and resources. Key financial barriers to homeownership for the Latinx population include high housing prices and inflation, high interest rates, the requirement for a high down payment, and bias related to the lending process and credit access. Suggestions for ways the City could help the Latinx population meet housing needs include: funding allocation for low-income Latinx households; zoning amendments; strengthen enforcement against discriminatory housing practices and provide culturally relevant training/materials and bilingual staff; develop Spanish-language marketing campaign; expanded rental and downpayment assistance programs; partner with community organizations helping Latinx population; and expand to include employer-sponsored housing programs and faith-based initiatives.

- ◆ **Workforce:** Employers in McMinnville said that housing affordability and availability are barriers for getting new employees to accept job offers and can impact the ability to retain employees due to long commutes. They observed that housing is not affordable and costs more to build due to increased land, labor, and regulatory costs. There are inadequate small, “starter homes” in McMinnville, which are needed for young professionals and people downsizing, and for mid-size homes for young, growing families. Employers discussed the difficulty for workers to meet income requirements for rentals since renters need to earn three times the rent. Another common theme in the discussion was the lack of short-term housing for temporary employees, such as travel nurses or interns. They observed that their younger coworkers and employees have goals of owning homes, but feel like they won’t ever be able to due to the market.
- ◆ **People with disabilities:** Discussions with stakeholders about the housing needs of people with disabilities observed that this group faces a range of challenges. Some people with disabilities are on a fixed income and face challenges meeting income requirements for rental units, a problem shared with seniors and those experiencing homelessness. Many people with disabilities require housing with different accessibility features (depending on the disability) to facilitate independent living. Stakeholders observed that housing is the first priority, and all of the other services and case management cannot be effective until someone feels secure and stable with their housing. Stakeholders suggested that future housing, especially affordable, should be located around transit options and the following services/amenities: grocery stores, employment centers, medical offices, case management/social services. They observed that few housing options are designed to be accessible, with features needed by many people with disabilities, such as ramps or other accommodations/ modifications.
- ◆ **Seniors:** Discussions with stakeholders about the housing needs of older people revealed that many seniors have physical disabilities that are difficult to deal with and find accommodating housing, as well as fixed incomes. Seniors can be an extremely vulnerable population. They



often have smaller households than younger populations. There is a lack of one-bedroom apartments (smaller for older individuals) and accessible housing units.

Across all groups, affordability remains a primary concern. Compounding costs associated with housing, including increasing rental rates, are placing a greater burden on already stretched households. Many reported struggling to find rental or for-sale homes within their budget, and that was in good condition, while others highlighted difficulties in securing housing that meets their household size or accessibility needs.

These findings underscore the need for targeted efforts to address the unique housing challenges faced by various groups in McMinnville, ensuring their needs are adequately met through inclusive and diverse housing strategies. Exhibit 7 highlights the unique housing challenges faced by some groups in McMinnville, underscoring the need for targeted efforts to ensure their needs are adequately met.

## Barriers to Addressing Existing and Expected Housing Needs

While McMinnville has taken steps to expand housing variety, affordability, and accessibility, barriers still hinder the development of needed housing. These barriers align with the four key factors that influence housing development: public policy, land availability, market feasibility, and access to capital. Appendix C provides more details about these barriers.

### Public Policy

- ◆ **Limited capacity of staff and City resources to support development.** Capacity for housing development includes having adequate capacity among City staff to facilitate the development process from planning, to permitting, and building inspection. Supporting the development of housing that is affordable at moderate and lower incomes also requires managing subsidy and incentive programs. McMinnville has limited resources to allocate to affordable housing development, compared to the level of need for housing affordable at lower incomes. Each of these capacity issues are potential barriers and can have different impacts on the development of housing.
- ◆ **Lack of existing nonprofit capacity to support affordable housing development.** There are limited nonprofit organizations currently available to partner with McMinnville on housing development, especially nonprofit organizations running local land banks or community land trusts.
- ◆ **Need for area-specific planning.** In 2020, McMinnville expanded its UGB to bring in an additional 1,280 gross acres to accommodate future growth. These expansion areas include the Southwest Area, Fox Ridge Road, Riverside South, Redmond Hill Road, Booth Bend Road, and Riverside North. To facilitate the transition from rural to urban uses with housing, infrastructure, and amenities such as schools and parks, each of these areas needs to undergo a framework plan, an area plan, and a master plan process. These plans guide future development patterns and determine the infrastructure needed to support new residential and commercial uses. They are complex documents, and they take time to create in partnership with the City, the

public, and potential developers, meaning that these areas will not be available to meet McMinnville's housing needs in the near term.

- ◆ **Need for additional land zoned for higher density housing.** McMinnville added the R-5 zone as part of the process of expanding its UGB in 2020. The R-5 zone allows apartment and condominium housing at higher densities than are allowed in the R-1, R-2, and R-3 zones, and without the locational criteria for high-density housing in the R-4 zone. To allow for more multifamily housing development, the City will need more land zoned for multifamily housing, such as in the R-5 zone.
- ◆ **Accommodating needs for accessible and visitable housing.** As in many communities, a small share of McMinnville's existing housing stock is fully accessible or visitable by people with ambulatory disabilities. Any type of disability impacts the type of housing that may be appropriate for a resident, but those with the greatest impact on needed unit type are generally ambulatory, self-care, or independent living disabilities. Currently, about 22% of McMinnville's population has one of more disabilities, and 12 percent of McMinnville's population has an ambulatory disability, a share that may grow as the city's population ages. Few developers prioritize accessibility features that are not required, and design limitations with certain forms of housing (such as multistory townhomes) can make accessibility challenging to accommodate.
- ◆ **Modifying development code to implement Great Neighborhood Principles.** McMinnville adopted Great Neighborhood Principles in 2019 to ensure that future development in the City creates a livable, healthy, social, safe, and vibrant environment for all residents. The City code will require updates to be able to implement the principles that focus on housing that is human-scaled and affordable to diverse incomes, including site and design requirements to allow more types of housing, to better accommodate existing and future infrastructure, and to plan for parks and open spaces
- ◆ **State policies that support affordable housing in smaller communities.** The State of Oregon's inclusionary housing policy requires multiunit developments with more than 20 units to include some units that are affordable at lower incomes. In communities like McMinnville where smaller multiunit projects with fewer than 20 units are more common, this policy may not support the development of additional affordable housing.
- ◆ **Difficulty in accessing or using housing vouchers.** The federal voucher program does not have the capacity to serve all eligible households; the Housing Authority of Yamhill County currently has a waitlist of three to four years to access these vouchers. Some households with access to vouchers also experience illegal discrimination when landlords refuse to accept vouchers as a source of rental income. Each of these barriers affects the development environment for affordable housing and the ability of low-income residents to access housing that is affordable to them.

## Land Availability

- ◆ **Having enough buildable and development-ready land.** The McMinnville HNA shows that the City's UGB will not accommodate all of its projected housing needs through 2041. McMinnville has a land deficit of 202 acres of residential land need. Buildable land that is already in the UGB requires the full suite of backbone services (water, wastewater, transportation) before it is development ready. Additionally, the annexation process in McMinnville can be a lengthy and uncertain process, which adds cost and risk to development. These factors affect the short-term availability of land to meet immediate housing needs.
- ◆ **Funding needed infrastructure.** The cost of building infrastructure to support development (water, wastewater, streets, sidewalks) is increasing. These costs can be a barrier to development and can also contribute to higher prices for the housing that is built. McMinnville has a particular need for additional water infrastructure to facilitate development in Water Zone 2, which includes 11 percent of the buildable land within the UGB. Some of the City's infrastructure needs, especially to build at capacities to accommodate future growth, will require public investment.

## Market Feasibility

- ◆ **High Development Costs.** Rising costs for construction materials, labor, and land make it difficult to build housing that is affordable to low- and middle-income households. Without financial incentives or cost-saving measures, these costs often result in fewer affordable units being developed.
- ◆ **Market-Driven Gaps in Housing Supply.** While McMinnville has addressed zoning barriers, the private market does not always build the range of housing types needed to serve all residents. Housing that is affordable to low- and middle-income households, accessible for people with disabilities, or suitable for multigenerational families may not be financially viable without additional incentives or requirements.
- ◆ **Lack of sufficient incentives to support development of innovative housing types.** Some types of housing, such as cottage clusters, cohousing, and other non-traditional models, may be difficult to finance because they are less tested in the market or are perceived as higher-risk investments by lenders and developers.

## Access to Capital

- ◆ **Funding and resources to support development of income-restricted affordable housing.** Developing income-restricted housing for households with incomes below 60 percent of MFI generally requires federal, state, and local subsidies so that it can cover the costs of development and operations with restricted rents. One of the key barriers to development of income-restricted affordable housing is identifying sufficient funding to support its development.

## Supportive Services

- ♦ **Lack of existing nonprofit capacity to support affordable housing development.** There are limited nonprofit organizations currently available to partner with McMinnville on housing development, especially nonprofit organizations running local land banks or community land trusts. Partnering with local nonprofits that can support the City's broader goals around affordability could help improve access to a variety of housing types affordable at lower and middle incomes. A lack of nonprofit capacity to develop housing, as well as running programs that provide the services necessary for people to access and stay in housing, can be a substantial barrier to developing affordable housing.

# 3. Existing Policies to Address McMinnville Housing Needs

---

This section lists existing measures that McMinnville has implemented to support housing development. The following are actions often focusing on policies or program updates that the City of McMinnville or partners completed from 2019 to 2023. Most of these actions were identified in the original 2019 draft McMinnville Housing Strategy, and the relationship to that strategic plan is denoted in the narrative.

## Changes Adopted to the City of McMinnville Zoning Ordinance

- ◆ **ADUs** - Code modifications were made to remove barriers to the construction of Accessory Dwelling Units (ADUs) including the provision for separate services, owner occupied primary residence, and the need for an additional parking space.
- ◆ **TINY HOMES** - Code modifications were made to allow tiny homes in all residential zones except for the high-density, multi-dwelling zone. (2019 HS 5.2). Tiny homes are defined as permanent detached structures that are smaller than 400 square feet. Tiny homes are allowed by right in low-density (R-1, R-2) and medium-density (R-3, R-4) residential zones and office-residential (O-R) zones (MMC 17.11.020 and 17.11.040, adopted April 2022).
- ◆ **MISSING MIDDLE HOUSING** - Code modifications were made to allow more housing types (2019 HS 2.4, 5.1 and 5.2), including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001. Plex housing with two to four units, cottage clusters, and townhomes are allowed by right in low-density (R-1, R-2) and medium-density (R-3, R-4) residential zones and office-residential (O-R) zones (MMC17.11, adopted April 2022). These code changes also specify design and development standards that integrate these housing types into existing zoning and design for adjacent lots (2019 HS 5.1).
- ◆ **SRO-HOUSING** - The code was updated to allow cohousing and “group quarters” in residential and mixed-use zones to provide more opportunities for a broader range of housing choices (2019 HS 5.2). Specifically, small single-room occupancy (SRO) dwellings (with six or fewer units) are allowed by right in low-density (R-1, R-2) and medium-density (R-3, R-4) residential zones and office-residential (O-R) zones. Large SRO dwellings (with seven or more units) are allowed by right in high-density residential (R-4, R-5), office-residential (O-R), and general commercial (C-3) zones (MMC 17.11.080, adopted April 2022).
- ◆ **PRINCIPLE OF VARIETY OF HOUSING TYPES SERVING A VARIETY OF HOUSING INCOMES** - Code modifications were made to require a mix of housing types in planned developments (2019 HS 5.6) as part of the Great Neighborhood Principles initiative. The premise of the Great Neighborhood Principles is that everyone deserves

to live in a great neighborhood, and if all neighborhoods are designed to be great for everyone, then the whole community's built environment will have enduring value for generations to come. The development standards encourage a mix of housing types to provide variety in building form and design, and to provide housing choice at different income levels and for different generations (MMC 17.11.110, adopted April 2022).

- ◆ **OFF-STREET PARKING REDUCTIONS FOR AFFORDABLE HOUSING** - Code changes were made to reduce off-street parking requirements for affordable housing and in the city center (2019 HS 5.2 recommended evaluating parking code). For deed-restricted dwelling units with two or fewer bedrooms that are affordable at 80 percent of the Area Median Income, 0.5 off-street parking spaces per unit are required at a minimum (MMC 17.60.060, adopted June 2023). In the City Center Housing Overlay zone, required off-street parking can be located within 500 feet of the residential building to facilitate shared parking agreements (MMC 17.60.050, adopted June 2023).
- ◆ **CREATE A HIGH-DENSITY RESIDENTIAL ZONE, R5** - The City approved code that creates a new high-density residential zone (R-5). The R-5 zone allows high-density residential dwelling units and other closely related uses in designated Neighborhood Activity Centers, downtown, and other appropriate locations within the city, consistent with the City of McMinnville Comprehensive Plan (MMC 17.22, adopted December 2020). Residential densities within this zone are typically 14 to 26 dwelling units per acre. This new zone is intended to complement the Great Neighborhood Principles and diverse housing zone to provide for higher density housing types in specific areas, such as denser core areas, centers, nodes, etc. No properties are currently zoned R-5, however, identifying properties to be re-zoned to R-5 was determined to be a Housing Production Strategy action.
- ◆ **INCREASE ALLOWED DENSITY IN R4 ZONE** – The City removed the restriction of one unit per 1,500 sf of land in the R4 Zone, which served as a max density threshold.
- ◆ **MASTER PLAN REQUIREMENTS FOR ANNEXATION** - Code modifications were implemented that established requirements for properties greater than ten acres that wanted to annex into the city to have master plans consistent with City plans and policies for housing design and affordability (2019 HS 1.12). Master plans must provide a range of housing forms and types to offer housing choice at different income levels and for different generations (MMC 17.10, adopted December 2020).
- ◆ **REGULATION OF SHORT TERM RENTALS** – The City amended the code to respond to potential impacts of short-term rentals on current and future housing availability and affordability by adopting larger spacing standards for short term rentals.

## Additional Land Use Amendments

Additional plans, strategies, and programs that McMinnville has completed in support housing development are listed below.

- ◆ The City adopted the City Center Housing Strategy, which contains recommendations and actions for how the City can encourage infill and higher density housing downtown (2019 HS 4.1).
- ◆ The City also adopted the master plan for Three Mile Lane residential development, which includes plans for a diverse range of housing types that serve a variety of incomes (2019 HS 4.1).

## Programs to Support Housing Development

- ◆ **SDC EXEMPTIONS FOR AFFORDABLE HOUSING** - The city adopted policy that exempted qualifying affordable housing from transportation and wastewater System Development Charges (SDCs) (MMC 3.10.060, adopted January 2017)
- ◆ **REDUCTION OF PERMIT FEES FOR AFFORDABLE HOUSING** - The city reduced certain permit fees for affordable housing (2019 HS 6.3). Planning, engineering and building permit fees are reduced by 50 percent for residential uses that meet the state's tax abatement qualifications for affordable rental housing, for income-restricted ownership housing, and homeless shelters (Resolution 2016-81, adopted April 2016).
- ◆ **AFFORDABLE HOUSING CONSTRUCTION EXCISE TAX (CET)** - The City established a CET to support affordable housing development (2019 HS 6.1). On April 26, 2022, City Council adopted Ordinance 5112 establishing an Affordable Housing Construction Excise Tax (AHCET) to address affordable housing needs for citizens earning 80 percent or less of McMinnville's median income. The tax is assessed on residential, commercial, and industrial properties subject to building permit applications, and is calculated at one percent of the value of improvements specified in the permit (MMC 3.30, adopted April 2022). State law specifies the types of uses and projects that are exempt from CETs, which includes public improvements, affordable housing, and other nonprofit-operated facilities. Fifteen percent of tax revenues must be remanded to Oregon Housing and Community Services for homeownership assistance programs. The remaining 85 percent can be spent on developer incentives that fund buying land, developing infrastructure and local improvements, rent subsidies, down payment assistance, and foreclosure prevention. The City has collected a CET since July 1, 2022, and is in the process of determining the best way to use these funds to support housing goals. For the 2024 fiscal year, there is approximately \$475,000 for affordable housing programs and \$550,000 for developer incentives. The annual projection of tax revenue is \$165,000 for affordable housing programs and \$210,000 for developer incentives.

Eligible proposals for funding include acquisition of real property (improved or unimproved) that will result in the provision of housing for low and moderate income households and/or construction, acquisition and/or rehabilitation of residential property for: home ownership units that are affordable to households with incomes at or below



80% of the McMinnville area median income, rental housing units that are affordable to tenants with incomes at or below 80% of the McMinnville area median income, or permanent supportive and transitional housing for families or individuals who are homeless. Any affordable housing unit built or purchased with construction excise tax funds shall have recorded in its chain of title a deed restriction that requires that the property remain "affordable housing" as defined by this Chapter, for a period of no less than 60 years from the date of restriction.

The City may fund developer incentives allowed or offered pursuant to ORS 197.309(5)(c) and (d) and 197.309(7), including but not limited to:

- system development;
- land acquisition; and/or
- local public improvements required by municipal governments.

The City may fund affordable housing programs in accordance with Section 9, Chapter 59, Oregon Laws 2016, including but not limited to:

- Rent buy-downs and subsidies;
- Down-payment assistance; and/or
- Foreclosure-prevention assistance.

- ◆ **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** – Every two years the City partners with the Yamhill County Affordable Housing Corporation to apply for a state CDBG grant of \$500,000 for housing rehabilitation grants for low and moderate-income households. This grant funds critical home repairs for safety and accessibility so that households can remain in their homes. Through two rounds, the City has allowed 39 households to address immediate health and safety repairs. The City is currently on its third round of grant funding. There are over 200 households on a waiting list for this program.
- ◆ **STATE BUSINESS OREGON GRANTS FOR HOUSING** – Secured direct allocation grant funding from the State of Oregon legislature in 2024 (HB 4134) to provide infrastructure gap funding to promote housing development in exchange for workforce housing serving households making 130% or less of the area median income. The City secured \$2 M for Water Zone 2 to enable a stalled subdivision to move forward, and the developer agreed to provide 20 units of deed restricted workforce housing. The City also secured \$195,000 of grant funding for a non-profit housing developer to provide 24 units of housing for seniors and people with disabilities.
- ◆ **LOBBIED FOR “BIG RURAL” CATEGORY OF STATE HOUSING FUNDING** – In 2022, the City, working with the Housing Authority and successfully lobbied Oregon Housing and Community Services and state legislators to consider adding a third program to their housing funding programs to allow for a competitive mid-size project in a larger rural community.
- ◆ **FUNDING AND CONSTRUCTION OF A NAVIGATION CENTER** – In 2021, the City received \$1.5 million from the Oregon Legislature towards the construction of a Navigation Center, the first low barrier shelter in McMinnville with onsite supportive services. The City raised an additional \$1.7 million, partnered with YCAP (Yamhill County Action Partnership), and built AnyDoor Place, a 36-bed homeless shelter, day center, and supportive services.



# 4. Public Engagement

---

## Purpose

The purpose of public involvement for the HPS project was to consult community members to better understand their housing priorities, needs, and challenges. Engagement focused on providing opportunities for everyone to participate, with efforts to prioritize underrepresented communities within the city that do not always participate in the City's planning discussions. This will ensure the HPS accurately reflects McMinnville's housing needs and includes meaningful actions to help McMinnville address the unmet housing needs in the community. The feedback collected throughout the engagement process played an essential role in shaping the HPS actions. The project team kept stakeholders informed by sharing the proposed housing actions at different stages of the process to ensure that they were responsive to the community's needs.

## HPS Engagement Goals

The overarching goal of this HPS is to develop equitable housing strategies and actions that support the diverse needs of today and the next 8 years. This outreach is built on the outreach the City has conducted on housing needs, primarily in 2018 and 2019. Initially, the HPS included the actions identified for inclusion in the 2019 Housing Strategy project, and then these actions were refined and updated based on input. Those actions were identified based on interaction with stakeholders, city staff, consultants, the Project Advisory Committee, Planning Commission, and City Council. The goals of engagement on this HPS are to:

- ◆ Include diverse perspectives on the Project Advisory Committee (PAC) to represent the wide range of housing experiences from within the community.
- ◆ Achieve participation and input from those most impacted by the HPS and who tend to be historically underrepresented, such as Latinos, people with disabilities, and low-income renters. It is important to hear from new voices who traditionally do not participate in public policy development.
- ◆ Provide opportunities for intentional engagement with community members to provide meaningful feedback.
- ◆ Collect qualitative data and community stories to provide insight and a greater understanding of community perceptions and experiences with housing and the types of housing choices community members seek now and in the future.
- ◆ Use the engagement findings to shape the development of the HPS. The final HPS will describe the connection between what was heard in engagement with the strategies selected for inclusion in the HPS.

- ♦ Communicate project progress to the public regularly and establish clear feedback channels for community input.

By intentionally incorporating equity considerations and priorities of diverse groups into the engagement approach, the final policies and actions seek to reflect the realities in McMinnville.

## Information Sharing and Marketing

City staff developed a project webpage that people could visit to find more details on the HPS project. The webpage included background information, detailed project description and related documents, a project timeline, public input opportunities, and other supporting documents.<sup>6</sup> Additionally, staff utilized existing City accounts on Instagram and Facebook and notified the New Register newspaper to advertise engagement opportunities. City staff also looked for opportunities to engage with the public at other events hosted by the library, parks and recreation, or other similar community-based activities.

## Stakeholder Involvement in Developing the HPS

The project team engaged housing consumers, including direct outreach to individuals through interviews, focus groups, and a community survey; contacting community-based organizations and service providers to connect with those they serve; and/or hosting events. Prominent stakeholders for the HPS include renters, low-income households, Hispanic/Latinx residents, low-income seniors, other racial and ethnic groups, people with disabilities, seniors, agriculture workers, housing providers, and formerly and currently houseless people. The City also focused on engaging McMinnville's workforce across all income spectrums as McMinnville is currently struggling with recruiting and retaining the workforce due to housing constraints. The city engaged these stakeholders to learn about the broad range of housing experiences and needs that the plan could help address, and also engaged those who could provide input to help ensure the HPS actions are effective and useful. Appendix D provides more documentation on public engagement efforts that took place during and leading up to the HPS. The stakeholder outreach process for developing the HPS was collaborative and included input from the following groups and efforts.

- ♦ **Project Advisory Committee.** A core component of the engagement strategy was developing a Project Advisory Committee (PAC) to solicit feedback on the Housing Production Strategy and Land Use Efficiency Measures. The PAC was comprised of residents of McMinnville and areas immediately around the city, real estate and construction representatives, and other informed stakeholders. The PAC consisted of 11 community members representing a diverse range of perspectives related to housing in McMinnville. The committee met throughout the development of the HPS, and they reviewed the draft list of housing actions, identified gaps in

---

<sup>6</sup> HPS webpage: <https://www.mcminnvilleoregon.gov/cd/page/housing-production-strategy-hps-and-land-use-efficiencies-g-4-24-and-g-3-24>

the list and potential strategies to fill in gaps, helped to refine the list of strategies, and provided input in the draft HPS document.

- ◆ **Affordable Housing Committee.** The City's Affordable Housing Committee includes eleven voting members plus four ex-officio non-voting members who provide a diversity of vocational, cultural, and life experiences. The Committee provided feedback, insights, and ideas to the project team and City and they met to discuss unmet housing needs, identify and discuss actions to address unmet housing needs, and provide input on the actions included in the HPS.
- ◆ **Focus Groups and Interviews.** Focus groups were facilitated with an emphasis on getting feedback about the unmet housing needs of underrepresented communities. Focus groups each had 7-12 people participating at one time to achieve a balance between diversity of thought, while also giving everyone an opportunity to participate in the group. Three focus groups were held, including two with the Latinx community and one with regional employers and the local workforce. In addition, EConorthwest and City staff had interviews with service providers supporting underrepresented housing needs to gain more insight into the housing needs for low-income households, seniors, and people with disabilities, mental health conditions, or substance abuse.
- ◆ **Community Survey.** As a part of the HPS development, a survey was disseminated broadly from October 28th to December 16th, 2024, to City of McMinnville residents, workers, and stakeholders. In total, 459 persons responded to the survey request. Survey respondents were relatively representative of McMinnville's population. The survey provided findings about the most urgent housing challenges, barriers to finding housing, types and factors of needed housing, and future housing concerns. This survey helped to provide insights about priorities, needs, and challenges for the McMinnville residents and workers.
- ◆ **Meetings with Decision Makers.** The project team met with the Planning Commission and City Council on the Housing Production Strategy work throughout the project. The team met four times jointly with both the Planning Commission and City Council, and during these meetings, the discussions focused on housing needs, potential draft HPS actions, and potential land use efficiency measures. The project team also met for two additional sessions with the Planning Commission and City Council (meeting separately) to review the draft and final HPS actions.

## Outreach Leading up to the HPS

The outreach for the HPS builds on the housing needs outreach that the City of McMinnville has implemented since 2018. Previous engagement for the *City of McMinnville Housing Needs Analysis (drafted in 2019 and completed in 2023)* and *Housing Strategy* (completed in 2019) highlighted several housing challenges such as rising costs of new construction, shrinking land supply and neighborhood resistance leading to exponentially increasing housing prices and displacement of low- and moderate-income households. The City also recognized that lower-income residents are especially burdened, with limited housing choices.

An ultimate goal for the 2019 *Housing Strategy* was to ensure that every resident lived in a great neighborhood and had housing choices for ownership and rentals. In 2019, the draft *Housing Strategy* determined to change the paradigm that niches low-income housing into large multi-family, high-density rental housing. The City elected to develop *Great Neighborhood Principles* that would ensure that every neighborhood would have a variety of housing choices serving a variety of household incomes and generations. (Please see *Great Neighborhood Principles* below.)

**GREAT NEIGHBORHOOD PRINCIPLES:** Every neighborhood should have the following elements for quality of life for the residents and enduring value for the neighborhood.

1. Natural Feature Preservation
2. Scenic Views
3. Parks and Open Spaces
4. Pedestrian Friendly
5. Bike Friendly
6. Connected Streets
7. Accessibility
8. Human Scale Design
9. Mix of Activities
10. Urban Rural Interface
11. Housing for Diverse Incomes and Generations
12. Housing Variety
13. Unique and Integrated Design Elements

The City's goal is to protect the small town charm and aesthetic while providing housing choice for the diverse community, to ensure that everyone lives in a quality housing situation.

## Influence on the Housing Production Strategy

Community input shaped McMinnville's HPS by identifying key housing barriers and needs and guiding policy decisions. The City has consistently incorporated public feedback into housing initiatives, including the 2019 *McMinnville Housing Strategy*. In past engagement and engagement for the HPS (described above), concerns about need for more affordable housing, issues of displacement, and the need for diverse housing options were common themes.

- A. Developers and service providers highlighted financial and regulatory barriers to housing production, while renters, seniors, and communities of color emphasized the need for housing stability, homeownership opportunities, and protections against rising costs. This feedback directly influenced the HPS, ensuring its strategies address McMinnville's diverse housing needs.
- B. Through the 2019 *Housing Strategy*, McMinnville residents emphasized certain values that informed the City's approach to developing housing policy.

- ◆ Protect small town charm and aesthetic
- ◆ Provide housing choice
- ◆ Everyone deserves to live in a Great Neighborhood

Stakeholder input drove key policies in the HPS based on the following feedback:

- ◆ **Need for more housing in McMinnville, at all income levels.** The following actions (numbered as they are numbered in Section 5 of this report) in the HPS support the need for development of more housing in McMinnville, which is a key unmet need heard in engagement across the stakeholder groups.
  - 1. Use more land in the Urban Holding Plan Designation for housing
  - 2. Rezone land to R-5 within the existing city limits for housing
  - 3. Develop area plans for Urban Growth Boundary areas
  - 4. Infrastructure planning to support residential development
  - 5. Implement and codify Great Neighborhood principles
  - 15. Implement a fee for demolition of existing affordable homes
- ◆ **Historically marginalized communities face discrimination and lack access to housing choice.** Some marginalized communities, such as Latinx, face systematic bias, racial steering, language barriers, and cultural barriers. People from these groups may be denied access to rental housing because of issues related to rental or credit history or immigration status. This can lead to overcrowding of units. These groups may be subject to higher security deposits or mortgage interest rates because of perceived higher risks. The result can diminish the quality of life due to stress and instability.

Input from these stakeholders resulted in the development of the following actions:

- 10. Scaling of systems development charges (SDCs)
- 11. Partner with Community Land Trusts (CLT)
- 12. Support Affordable Housing Development through Provision of Land
- 13. Develop and adopt a Strategic Housing Opportunities Plan
- 14. Mitigate displacement through the adoption of anti-displacement policies and strategies
- ◆ **Seniors and people with disabilities are vulnerable to a lack of affordable housing.** People over 65 years old and people with disabilities are especially vulnerable to potential displacement or difficulty finding affordable housing. They are often on a fixed income and may need housing with special accommodations, which can be challenging to find. They may need housing with ramps or other accommodations, housing with living quarters (including bedrooms) on one floor, and housing that allows pets. For people renting housing, the property owner (or manager) would need to approve modifications to housing.

Input from these stakeholders resulted in development of the following actions:

- 8. Incentivize and promote accessible design
- 16. Preserve and support development of manufactured home parks

- ◆ **Some household need housing types that are uncommon in McMinnville.** These housing types can include smaller housing, both for older household to downsize into or smaller “starter” housing to allow for affordable homeownership. The Latinx community is among the groups who indicated they needed more opportunities for multigenerational housing, including housing types like duplexes, larger single-family units, or single-family units with an accessory dwelling unit. People experiencing homelessness (or at-risk of becoming homeless) may need access to transitional housing to allow them to exit homelessness.

Input from these stakeholders resulted in the development of the following actions:

- 6. Require a mix of housing types for to-be-annexed land
- 7. Adopt code amendments to support transitional housing development
- 10. Scaling of systems development charges (SDCs)
- 11. Partner with Community Land Trusts (CLT)
- 12. Support Affordable Housing Development through Provision of Land
- 16. Preserve and support the development of manufactured home parks

- ◆ **People employed at businesses in McMinnville may not be able to afford housing in McMinnville.** Businesses report that they have challenges with recruitment and retention of employees because there is not enough housing affordable at all income levels in McMinnville. Additional impacts include long commutes from Salem and the Portland region, as well as making it more challenging for people working in McMinnville to be engaged in civic life in the community.

Input from these stakeholders resulted in the development of the following actions:

- 9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program
- 10. Scaling of systems development charges (SDCs)
- 11. Partner with Community Land Trusts (CLT)
- 12. Support Affordable Housing Development through Provision of Land

By incorporating both past and recent public input, McMinnville HPS builds upon years of community engagement to create a more inclusive and responsive housing strategy.

For more details on how stakeholder feedback shaped the HPS, see Appendix D.

## Continued Public Engagement Efforts for Housing Actions

As City staff implement the HPS, they should continue to engage with the stakeholders who advised on the development of the HPS to help guide, gather input on, and monitor impacts of the City's housing efforts. Housing developers, such as those that participated in the focus groups, can provide valuable input on efforts to streamline the development process and promote housing development. The city could also work with service providers, such as those interviewed for this project, to understand how to better support their work, and partner with them to conduct engagement and share information.

The City could also identify and work with community land trusts and other community-based organizations that could be potential partners for actions in the HPS and help them build a presence and capacity to work in McMinnville. Lastly, city staff should continue efforts to engage and develop relationships with underrepresented populations in McMinnville.

- ◆ **Latinx population:** The City held two focus groups in late fall 2024 with the Latinx community to learn about their housing needs. The Latinx population, in particular, expressed a need for larger units to accommodate extended and multigenerational families (regulations could be limiting multi-family and co-housing options). They need housing that is affordable, near workplaces and schools, safe, and accessible to roads for commuting regarding their place to live. Negative experiences when housing needs are unmet can lead to health impacts (overcrowding, stress, mental health challenges), discrimination (perceived immigration status), barriers to homeownership (high down payment requirement, discriminatory lending practices), language barriers, impacts on family stability, misinformation and lack of resources, and underrepresentation in housing programs and resources.
- ◆ **Workforce:** The City also met with local employers to learn about workforce housing needs. They heard that housing is not affordable and costs more to build due to increased land, labor, and regulatory costs. There are inadequate small, "starter homes" in McMinnville, and these are needed for young professionals and people downsizing and for mid-size homes for young growing families. Housing affordability and availability are barriers for getting new employees to accept job offers and can impact the ability to retain employees due to long commutes.
- ◆ **People with disabilities:** Some people with disabilities are on a fixed income and face challenges meeting income requirements for rental units, a problem shared with seniors and those experiencing homelessness. Many require housing with different accessibility features (depending on the disability) to facilitate independent living. Housing is the first priority, and all of the other services and case management cannot be effective until someone feels secure and stable with their housing. Many people need ramps or other accommodations/modifications. There are very few housing options designed with these accommodations in mind.



## Summary of Additional Information in Appendix C

For in-depth details, findings, and documentation regarding the public engagement process, please refer to Appendix D. The contents of Appendix D are outlined below.

- ◆ Summary and Findings from Engagement Conducted before the HPS
  - Project Advisory Committee
  - Focus Group
  - Open House
- ◆ Summary and Findings from HPS Engagement
  - Committees, Planning Commission, and City Council Meetings
  - Focus Groups and Interviews Descriptions and Key Takeaways
    - Latinx Focus Group Report, completed by AES Inc., posted on the City's project webpage.
- ◆ 2024 Public Survey Results



# 5. Details of HPS Actions

---

This section presents some information about each action. If selected for inclusion in the HPS, additional information will be included for each action.

The Housing Production Strategy (HPS) builds directly from the DRAFT “City of McMinnville Housing Strategy” (2019) when it comes to proposing policies, actions, and strategies to address housing needs. There are eight (8) actions from the work in 2019 that are being carried forward now, and eight (8) new actions that are proposed for inclusion. The sixteen (16) HPS actions were divided into five (5) different categories: Long Range Planning, Regulatory Amendments, Incentives for New Housing, Land-Based Programs, and Housing Choice and Preservation.

## Categories of Actions

- ◆ **Long Range Planning** – Focuses on the preparing for future growth and development. Long range planning efforts require public engagement and close coordination between various City departments and service providers. Long range planning covers topics such as land use and housing, transportation systems, public parks and facilities, and environmental protection. These disciplines are considered together in the context of the community’s vision for the future. These efforts have “Project Advisory Committees (PACs)” made up of community members that are involved in the process. Additionally, other relevant city Committees and Commissions engage in these plans, with final adoption by City Council.
- ◆ **Regulatory Amendments** – Regulatory amendments are changes or modifications to the existing McMinnville Municipal Code or other governing laws. This category addresses amendments to regulations for residential development in the Zoning Ordinance (Title 17). Regulatory amendments are closely reviewed by the Planning Commission which then provides recommendations to City Council for adoption.
- ◆ **Incentives for New Housing** – This category focuses on incentivizing the development of new housing that is responsive to the community’s needs. Incentives can help influence the type of housing that is built. This includes housing that is affordable, accessible, and provides people with choices. These incentives will be reviewed by the Affordable Housing Committee and the Planning Commission before being considered by the City Council for adoption.
- ◆ **Land-Based Programs** – This category focuses on available land for housing development. The cost and acquisition of land is one barrier to residential development, and the actions in this category are intended to reduce that barrier by identifying opportunities to provide land for needed housing types, including affordable housing and homeownership opportunities. The programs will receive oversight from the Affordable Housing Committee, with final decisions made by the City Council.
- ◆ **Housing Choice and Preservation** – This category focuses on preserving existing affordable housing stock and providing increased housing choice to people. The actions in this category

focus on policy-making efforts to identify opportunities to promote equitable housing outcomes. The actions in this category will be reviewed by the Affordable Housing Committee and Planning Commission, with final action taken by City Council.

Section 5 provides details of each of the Actions in the order shown below. The following information is provided for each Action:

- ◆ Rationale for why action is being taken
- ◆ Description of what the action is
- ◆ City's role in implementing the action
- ◆ Stakeholder Input that informed the action
- ◆ Implementation steps that are anticipated
- ◆ Funding or revenue implications to consider and account for

### **Exhibit 8. List of Actions in the HPS**

<b>Long-Range Planning (Page 35)</b>
1. Use more land in the Urban Holding Plan Designation for housing
2. Rezone land to R-5 within the existing city limits for housing
3. Develop area plans for Urban Growth Boundary areas
4. Infrastructure planning to support residential development
<b>Regulatory Amendments (Page 43)</b>
5. Implement and codify Great Neighborhood principles
6. Require a mix of housing types for to-be-annexed land
7. Adopt code amendments to support transitional housing
<b>Incentives for New Housing (Page 49)</b>
8. Incentivize and promote accessible design
9. Establish a Multiple-unit tax exemption (MUPTE) program
10. Scaling of systems development charges (SDCs)
<b>Land-Based Programs (Page 56)</b>
11. Partner with Community Land Trusts (CLT)
12. Support affordable housing development through provision of land
<b>Housing Choice and Preservation (Page 63)</b>
13. Develop and adopt a Strategic Housing Opportunities Plan
14. Mitigate displacement through the adoption of anti-displacement policies and strategies
15. Implement a fee for demolition of existing affordable homes
16. Preserve and Support Development of Manufactured Home Parks

# Category 1: Long Range Planning

## 1. Use More Land in the Urban Holding Plan Designation for Housing

### Rationale

The City's Housing Needs Analysis (2023) showed a deficit of 202 acres of land for housing. The City expanded its UGB in 2020 to add more land for residential needs identified in the 2001 (amended 2003) Housing Needs Analysis for the planning period of 2003 – 2023. This land brought into the UGB was designated as an Urban Holding Plan Designation. Recent changes to the City's parks planning for the planning horizon of 2021 - 2041 reduced park land need, allowing for opportunity of development of more land for residential uses.

### Description

The City's Housing Needs Analysis (2023) assumed that 392.90 gross buildable acres in its Urban Holding Plan Designation will be used for residential uses, with an additional 425 gross buildable acres for public and semi-public uses and 39 acres for neighborhood commercial uses. Of the land for public uses, 254 gross buildable acres were designated for park and open space uses. This land need and allocation was memorialized in the adoption of the McMinnville Growth Management and Urbanization Plan (MGMUP) Framework Plan as part of the McMinnville Comprehensive Plan via Ordinance No. 5098 (December 8, 2020).

Since that time, the City has taken two actions that have reduced the amount of land in the UGB Urban Holding Designation allocated to parks and open space:

- ◆ On September 24, 2024, the City of McMinnville adopted Ordinance No. 5148, amending Appendix C of the McMinnville Economic Opportunities Analysis (2023), and creating a surplus of public and institutional land need of 44 gross buildable acres which could then be reallocated to fulfill the City's residential, commercial or industrial land need.
- ◆ On January 28, 2025, the City of McMinnville adopted Ordinance No. 5157, reducing the amount of land in the MGMUP Framework Plan dedicated to park and open space land to 127 gross buildable acres

These two actions amount to 171 gross buildable acres of land in the UGB Urban Holding Designation that can be reallocated to other land needs for the 2021 – 2041 planning horizon. The City will use a portion of the land in Urban Holding that was expected to be used for parks and public/institutional needs to meet some of the City's unmet need for residential land (202 acres).

**The City's action will be to amend the MGMUP Framework Plan outlining the land allocation for the UGB Urban Holding Designation to add 171 gross buildable acres of housing land to the 393 acres already allocated for housing, for a total of 564 acres of residential land.** This additional allocation of housing land will be reflected in the City's adopted area plans for the UGB Urban Holding comprehensive plan designated land.

## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All income levels	Renter, owner	About 975 new dwelling units <sup>7</sup>

## Stakeholder Input for this Action

- ◆ Focus group participants suggested that the City expand the Urban Growth Boundaries to increase land availability.
- ◆ To address the limited supply of vacant, affordable, and developable land the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).

## Implementation Steps

The implementation steps for identifying more land in the Urban Holding for residential uses are:

- ◆ The City will amend, and the Council will adopt the MGMUP Framework Plan to adopt a policy goal about how much land in the Urban Holding will be used for residential uses through a comprehensive plan amendment process.
- ◆ The City will develop and adopt area plans for each of the identified areas in the MGMUP Framework Plan, as part of Action 3. Each area plan will need to reflect the land needs identified in the Framework Plan for that specific area. The City adopted an area plan for the Fox Ridge Road Area Plan in 2024. The City will work on the Southwest Area Plan in 2025 and 2026 with a goal of adopting the Area Plan by December 2026.

## Funding or Revenue Implications

Amending the MGMUP Framework Plan can be completed by existing staff. There are no funding requirements for this action. The costs of developing area plans are discussed in Action 3.

---

<sup>7</sup> Assumes 171 gross buildable acres at 5.7 units per acre per 2023 Housing Needs Analysis

## 2. Rezone Land to R-5 within the Existing City Limits for Housing

### Rationale

This action will evaluate residential land within the existing city limits for opportunities to rezone the land into a R5, High-Density Residential Zone. Currently no land within the existing city limits is zoned R5, High-Density Residential.

The City's Housing Needs Analysis (2023) showed a deficit of 202 acres of land for housing, based on current land use designations and zoning. As part of the McMinnville Growth Management and Urbanization Plan adopted in December 2020 (Ordinance No. 5098), the City developed and adopted a R-5, High-Density Residential Zone. The R-5 zoning district is limited to higher-density residential housing, such as apartments, multifamily (five units or more), condominiums, and boarding houses, and does not allow single dwelling units, duplexes, triplexes, and quadplexes.

The only other residential zone that allows apartments and multifamily dwellings (five units or more) is the R-4 zoning district. However, the R-4 zoning district also allows single dwelling units, duplexes, triplexes, and quadplexes, and much of the housing development in the R-4 zone is a variety of housing products, resulting in a lesser density than the R-5 zone would require. There may be opportunities for the City to rezone some of the land within the city limits that is currently R-4 to R-5.

### Description

The City created an R-5 zoning designation intended to provide areas for high-density residential dwelling units and other closely related uses in designated Neighborhood Activity Centers, the downtown, and other appropriate locations within the city, consistent with comprehensive plan policies. Residential densities within this zone are typically 14 to 26 dwelling units per acre.

The City established this zoning district in 2020, however, no property within the city limits has been designated as R-5 yet. Re-zoning property that is best suited for the purpose of R-5 could enable the development of high-density housing types.

**The City will identify land to rezone within the existing city limits for housing. Opportunities may include re-zoning underutilized employment land, such as industrial and commercial land that is better suited to housing,<sup>8</sup> as well as upzoning lower density residential land to higher density residential zones.** The types of land rezoned for housing are vacant or partially vacant, low-density residential, and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location.

---

<sup>8</sup> The McMinnville Economic Opportunities Analysis found that the City has a deficit of land for Commercial and Industrial uses. The City will want to carefully select commercial or industrial land to re-zone, focusing on areas where residential development would make more sense than commercial or industrial development. The City may need to re-zone other land, such as land within Urban Holding, to commercial or industrial uses, to ensure there is enough land for these employment uses.

### City Role

Evaluate and rezone if appropriate, underutilized industrial, commercial, and lower density residentially zoned land for rezoning to the R-5 zoning district within the existing city limits.

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All income levels	Renter, owner	Depends on the amount of land re-zoned and the achieved density on rezoned land. The City anticipates re-zoning at least 10 acres of land to R-5, which would provide opportunity for development of about 140 to 225 new dwelling units. <sup>9</sup>

### Stakeholder Input for this Action

- ◆ Various participants in different focus groups discussed the need to change zoning to create more flexibility and increase housing density since this helps drive down costs. They suggested that the City expand zoning policies to allow for more multi-family and co-housing units and amend exclusionary zoning laws that limit the construction of affordable housing.
- ◆ To address the limited supply of vacant, affordable, and developable land the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).

### Implementation Steps

- ◆ Evaluate opportunities for land to re-zone within the existing city limits.
- ◆ Work with landowners to understand their interest in re-zoning and determine what zone will be most appropriate to apply to the land.
- ◆ Work with McMinnville’s Planning Commission and City Council to get public input on and adopt zoning map revisions.

### Funding or Revenue Implications

Rezoning land can be done by existing City staff. Rezoning land will have implications for property tax revenue, depending on what is built under the new regulations for allowed uses and housing types. There are no funding requirements for this action.

<sup>9</sup> The McMinnville Housing Needs Analysis (2023) states that densities in R-5 are expected to average between 14 and 26 dwelling units per acre.

### 3. Develop Area Plans for Urban Growth Boundary areas

#### Rationale

Completing area planning assures that areas newly brought into the UGB develop in an orderly way, addressing the City's housing, economic development, and other land needs identified in the land needs analysis and memorialized in the McMinnville Growth Management and Urbanization Plan (MGMUP) Framework Plan. Per the McMinnville Municipal Code requires area plans to meet the requirements of the adopted framework plan. Property owners that want to annex their property into the city limits must show how their proposed development meets the adopted area plan that governs their property through a master planning process or development plan, depending on the size of the property. This ensures that the housing need identified in the needs analysis, which is then memorialized in the MGMUP Framework Plan, and then adopted into the respective area plan is met with the annexation and development of the property.

#### Description

McMinnville's planning system for areas within the Urban Holding designation is to develop area plans, which result in an area plan map that identifies land uses, public facilities, natural resources, and existing urban uses.

Area plans are high level concept planning for defined geographic areas in the Urban Holding Comprehensive Plan Designation land within the City's urban growth boundary. Area plans will identify the location of major infrastructure, public amenities, and housing density that is expected to develop in that area. Area plans generally include an implementation section about the steps necessary to provide needed urban services, address natural hazards, needed Comprehensive Plan Amendments and zoning code amendments.

The City has completed area plans for the Three Mile Lane and Fox Ridge Road Area Plans and is now beginning the Southwest Area Plan. Within the HPS period, **the City will complete the Southwest Area Plan and the Riverside South Area Plan.**

#### City Role

The City will lead development of the area plans, with assistance from consultant teams selected through a Request for Proposal (RFP) process.

#### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Rent and Ownership	No units directly produced

## Stakeholder Input for this Action

- ◆ Focus group participants suggested that the City expand the Urban Growth Boundaries to increase land availability.
- ◆ Stakeholders across multiple groups emphasized the importance of locating future housing, especially affordable housing, near transit options and the following services/amenities: grocery stores, employment centers, medical offices, case management/social services.
- ◆ To address the limited supply of vacant, affordable, and developable land the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).

## Implementation Steps

- ◆ The City will initiate the area planning process and hire a consulting team to develop the plan.
- ◆ Through the planning process, the City will engage the community, including have a project advisory committee, to get input into the planning process.
- ◆ The City will develop the preferred area plan and work with the Planning Commission and City Council on public hearings. There will be two adoption processes: (1) for the Southwest Area Plan and (2) for the Riverside South Area Plan.

## Funding or Revenue Implications

Each Area Plan costs the City of McMinnville approximately \$350,000 in consultant fees and approximately \$100,000 in staff time.

The adoption of area plans allows for the land to annex into the City for development. Each area plan will identify the type of housing identified for that area based on a high-density, medium-density, and low-density scenario.

Annexation of the land from the area into the city allows for urban density development, increasing the city limits and eventually generating property tax revenue to help pay for services for that urbanized area.



## 4. Infrastructure Planning to Support Residential Development

### Rationale

Cities support urban density housing development with public infrastructure for efficiency. Public infrastructure is planned to support the proposed zoning and densities identified on the City's Comprehensive Plan Map and Zoning Map. With the recent urban growth boundary amendments associated with the McMinnville Growth Management and Urbanization Plan adopted December 2020, the City needs to evaluate and plan for the necessary public infrastructure to support the development of that land at a planned urban density. The City also will analyze public infrastructure services for any proposed property to be rezoned into a higher density residential zoning district.

### Description

**The City will identify areas to prioritize infrastructure development to support residential development.** The City will:

- ♦ Evaluate and adopt plans for public infrastructure (transportation, wastewater, and water) to support the land within the Urban Holding Comprehensive Plan Designation for the land uses identified in the adopted Framework Plan.
- ♦ Identify areas within the city limits that are suitable for housing but have underutilized infrastructure capacity. These areas may be evaluated as candidates for additional development intensity of vacant lands or infill and redevelopment opportunities in developed areas.
- ♦ Adopt “to and through” policies to ensure infrastructure extensions are sized to serve development as well as to extend beyond the development in the future to serve outlying properties.

### City Role

The City will lead the process for the public infrastructure planning, including the analysis, evaluation and adoption of the public infrastructure plans (transportation, wastewater and water).

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

## Stakeholder Input for this Action

- ◆ As a part of the *Housing Strategy* development (completed in 2019), stakeholders discussed the need for a pipeline of serviced land that is available for immediate housing development using strategies such as boundary amendments to expand the urban area and zoning changes to increase housing capacity. Land availability was cited as one of the biggest barriers to developing housing. In support of new housing, participants discussed the need to increase the availability of adequate and cost-effective infrastructure and public facilities.
- ◆ To address the limited supply of vacant, affordable, and developable land, the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).

## Implementation Steps

- ◆ Develop a transportation, wastewater, and water public facility plan for the Urban Holding Comprehensive Plan Designation areas, and any identified areas within the city that will be rezoned for higher-density residential development.
- ◆ Adopt the public facility plans through a comprehensive plan amendment process, including notice to the Department of Land Conservation and Development, a public hearing with the Planning Commission, and final adoption by the City Council.

## Funding or Revenue Implications

This action will require both consultant expenses and staff resources to implement.

It is estimated that the consultant expenses will be approximately \$300,000 - \$500,000 and approximately \$100,000 - \$200,000 of staff resources for each public facility plan update (transportation, wastewater and water). The City will pursue available state and federal funding to support update of the infrastructure plans.

## Category 2: Regulatory Amendments

### 5. Implement and Codify Great Neighborhood Principles

#### Rationale

Every community member deserves to live in a “great neighborhood”. In April 2019, the City adopted [Great Neighborhood Principles](#)<sup>10</sup> (GNP) and associated policies as part of the Comprehensive Plan. The goal of the Great Neighborhood Principles was to identify specific principles (elements or characteristics) that should be achieved in every neighborhood. These principles include things like walkability, access to open spaces, connections to commercial uses, etc.

#### Description

Ordinance No. 5066 approved Comprehensive Plan Text Amendments to incorporate the Great Neighborhood Principles into the City’s land use planning program. The City of McMinnville amended Chapter IX (Urbanization) of the Comprehensive Plan by adding a new section titled “Great Neighborhood Principles” to the chapter, which falls under Goal IX 2, which is “To establish a land use planning framework for application of the goals, policies, and proposals of the McMinnville Comprehensive Plan”. This new section of Chapter IX (Urbanization) includes policies and proposals related to the Great Neighborhood Principles.

Some of the policies address mixed-income and mixed-housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone and A13 to promote infill development with appropriate design and development standards.

**The City will develop clear and objective standards for implementing the Great Neighborhood Principles.** The City can also establish guidance on the implementation of the Great Neighborhood Principles that will inform the land uses for the Urban Reserve and Urban Growth Boundary areas. This action will be considered complete once there are clear and objective standards in the McMinnville Zoning Ordinance to implement the Great Neighborhood Principles.

#### City Role

City drafts and adopts code regulations to implement the Great Neighborhood Principles.

---

<sup>10</sup> <https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles>

## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

## Stakeholder Input for this Action

- ◆ The City received feedback from the community during the 2019 Housing Strategy development in support of Great Neighborhoods. An ultimate goal for the 2019 *Housing Strategy* was to ensure that every resident lived in a great neighborhood and had housing choices for ownership and rentals.
- ◆ Additional input was gained that suggested that future housing, especially affordable housing, should be located around transit options and the following services/amenities: grocery stores, employment centers, medical offices, parks, and case management/social services.

## Implementation Steps

- ◆ Conduct code audit to identify potential existing conflicts with the intent of the Great Neighborhood Principles.
- ◆ Draft proposed code language for the implementation of the Great Neighborhood Principles.
- ◆ Work with McMinnville's Planning Commission and City Council to get public input on and adopt code language for the implementation of the Great Neighborhood Principles.

## Funding or Revenue Implications

This action will require both consultant expenses and staff resources to implement.

It is estimated that the consultant expenses will be approximately \$150,000 and approximately \$100,000 of staff resources.

## 6. Require a Mix of Housing Types for to-be Annexed Land

### Rationale

The City has approximately 590 acres of gross buildable acres in its current urban growth boundary for residential development. To annex into the city, property owners must enter into an annexation agreement with the City. The City has the opportunity to require a mixture of housing types to be provided as a condition of the annexation agreement. This would allow the City to ensure that all needed housing is being built as part of new housing developments.

Past history demonstrates that most developers tend to focus on either detached single dwelling units in their neighborhood developments or apartment projects as stand-alone developments. With the adoption of the City's "Great Neighborhood Principles", the City identified the importance of having a variety of housing types serving a variety of generations and household incomes contributes to the overall enduring value of the neighborhood and quality of life for the residents. Requiring a mix of housing types in to-be-annexed land could help lead to more diverse and inclusive neighborhoods that attempt to avoid the socio-economic segregation of neighborhoods that have led to detrimental effects on communities across the country.

### Description

When property owners are seeking annexation into the City of McMinnville, there could be requirements in place that require the annexed land to be developed with a mix of housing types and a mix of lot sizes to promote diverse housing opportunities. This avoids newly annexed land from being developed in a monotonous manner (such as a subdivision that is all single detached homes that are generally the same size (unit and lot size) and layout).

This strategy will ensure there are mixed housing types and a range of lot sizes in urban growth boundary (UGB) expansion areas through both clear and objective standards and discretionary processes. Requiring some housing variety, rather than just allowing various housing types and leaving the mix entirely up to market forces, ensures a range of housing types will be provided in a given area, including middle housing (plexes, townhomes, and cottage clusters). This can meet the housing needs of a wider variety of people and contribute to the creation of inclusive neighborhoods.

**The City will implement a mix of housing types that is consistent with Area Plans and the Great Neighborhood Principles.** Planned Development applications may be a path to achieve a variety of housing types and lot sizes within a larger area of land.

### City Role

Development of annexation agreement language and development code regulations to require to-be-annexed land to provide a variety of housing types.

## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

## Stakeholder Input for this Action

- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes, including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing. They also suggested that the City support infill development and taller multifamily buildings.
- ◆ Various focus group participants suggested that the City develop strategies to increase the supply of small, “starter homes” along with more mid-size to large homes (3 bedrooms) for young, growing families.

## Implementation Steps

- ◆ Evaluate needed housing types based on current housing stock, pipeline projects, and future projections.
- ◆ Identify a threshold size of annexation that will require the mix of housing, to ensure there are no barriers for annexing small lots with one dwelling on it.
- ◆ Maintain consistency with the recommendations of Area Plans.
- ◆ Develop an annexation agreement template and process to ensure that a mixture of housing types is part of the requirements of annexation for land that is designated for residential development.
- ◆ The City Council will give direction on using the annexation agreement template for new annexations.

## Funding or Revenue Implications

This action will rely mostly on staff resources to implement and will allow annexation of property into the city limits that will develop at an urban density, providing a tax base to support urban services for the development.

## 7. Adopt Code Amendments to Support Transitional Housing Development

### Rationale

Transitional housing is not a housing type that is typically produced by market actors due to the lack of revenue generated from this housing type. Transitional housing though, does provide a phase of housing for individuals experiencing houselessness that is affordable and stable for a longer time than emergency shelter, allowing for the time necessary to stabilize and achieve permanent housing.

### Description

Transitional housing is intended to house individuals and families experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services designed to eventually transition the residents to permanent independent living arrangements. Transitional housing is a key component of the housing spectrum, and it provides a place for people who are both working their way into stable housing or it may be a safety net for those who have fallen out of stable housing, but it can help prevent them from needing to sleep on the streets or in emergency shelters. There is a significant need for transitional housing in McMinnville, especially due a variety of factors including housing shortages, lack of affordability, limited non-profit and government agency capacity, and houselessness for a variety of other reasons (healthcare costs, unemployment, disability or injury, fleeing domestic violence or abuse).

Oregon Revised Statutes (ORS) 197.746 sets the parameters of which a local government may choose to regulate transitional housing accommodations, “Inside an urban growth boundary, a local government may authorize the establishment of transitional housing accommodations used as individual living units by one or more individuals... Transitional housing accommodations are intended to be used by individuals or families on a limited basis for seasonal, emergency or transitional housing purposes and may include yurts, huts, cabins, fabric structures, tents and similar accommodations, as well as areas in parking lots or facilities for individuals or families to reside overnight in a motor vehicle, without regard to whether the motor vehicle was designed for use as temporary living quarters.”

**The City will adopt code amendments that will enable transitional housing development at a standard of site development that is less expensive than traditional housing development to try and offset the costs of transitional housing development without compromising life safety regulations.** The City’s Planning Commission is currently reviewing proposed code amendments that would allow transitional housing development that utilizes unique building types that would not qualify as “dwelling units”.

### City Role

- ◆ Develop a clear permitting procedure for applicants proposing transitional housing

- ◆ Provide relief for transitional housing development to lower barriers and allow more flexible building models. This “relief” focuses on development and design standards for things like building design and landscaping requirements.

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households and people experiencing homelessness	Generally, households with incomes below 60% MFI, likely below 30% MFI	Renters	Will not directly produce housing

### Stakeholder Input for this Action

- ◆ Heard from local service and affordable housing providers that providing increased opportunities for transitional housing is a key priority for the people that they serve.
- ◆ Focus group participants asked for an expedited review process for needed housing, especially for shelters or transitional housing.

### Implementation Steps

- ◆ Research, evaluate, and develop draft code amendments with the Affordable Housing Committee.
- ◆ Invite other successful transitional housing developers to speak at McMinnville decision-making bodies for examples of what works and what doesn't work to overcome fear of impact within the community.
- ◆ Work with the Planning Commission on refining the proposed design and development standards to ensure that the proposed code amendments comply with the McMinnville Comprehensive Plan goals and policies.
- ◆ Adopt the proposed code amendments via the City Council with the proper notice and public hearing process.

### Funding or Revenue Implications

This action will rely mostly on staff resources to implement, estimated to be approximately \$75,000.



## Category 3: Incentives for New Housing

### 8. Incentivize and Promote Accessible Design

#### Rationale

Growth in McMinnville's senior population, as well as other age cohorts, will continue to shape the city's housing needs. Growth in the number of seniors will result in demand for housing types specific to seniors, such as small and easy-to-maintain dwellings (such as without yards), assisted living facilities, or age-restricted developments. Housing that is accessible to older people and others with disabilities will be essential to meet the housing needs of this growing population.

#### Description

Housing that is accessible for seniors and people with disabilities is a growing need, generally. This strategy would encourage accessible units through development code, regulatory, or financial incentives, and through education to the development community.

**The City will provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, or other similar standards.** Examples of incentives include development code incentives, planning and building fee reductions, or density or building height bonuses. Additionally, the City will make efforts to increase developer capacity through education and outreach.

Potential requirements to receive the incentives could include:

- ◆ Visitability in specific housing types to ensure anyone using a wheelchair can visit the subject homes.
- ◆ Requiring housing that receives public funding to provide more accessible units or more accessibility features than required under federal standards.
- ◆ Stepless entrances
- ◆ Single-level units
- ◆ Minimum interior widths (32" doorways, 36" hallways)
- ◆ Mobility accommodations (such as ramps to entrances)

#### City Role

Evaluate incentive options for accessibly designed housing and determine incentive parameters. Once determined, draft amendments to the land use ordinance and work with McMinnville's Planning Commission and City Council to adopt the revised standards.

## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Seniors and protected classes	All income levels	Renter, owner	McMinnville will need about 112 new units accessible for people with disabilities over the 2029-2033 period after this action is expected to be adopted. <sup>11</sup>

## Stakeholder Input for this Action

- ♦ Virginia Garcia Memorial Health Center interview.
- ♦ Yamhill Community Action Partnership interview.
- ♦ Focus group participants expressed that many people have a need for ramps, wider hallways and doorways, accessible bathroom and kitchen design, single-level units, and visitability features. However, they said that finding available and affordable housing that meets these accessibility needs is very difficult, if not impossible for most of the people they work with.

## Implementation Steps

- ♦ Organize a focus group made up of people with disabilities and local service providers to understand the most important features to prioritize, and if accessibility requirements should be tied to specific housing types.
- ♦ Evaluate costs and design implications associated with accessible design measures to assess the feasibility and potential effectiveness of these options, and to ensure that they do not create barriers to the production of needed housing.
- ♦ Identify code amendments that would incentivize accessible housing development.
- ♦ Identify available funding resources to provide to developers.
- ♦ Work with McMinnville's Planning Commission and City Council to get public input on and adopt code amendments to incentivize accessible housing development.

## Funding or Revenue Implications

This action will require both consultant costs and staff resources for code amendments, as well as potentially financial resources to support development programs.

It is estimated that the code amendments would be approximately \$75,000 of consultant costs and \$50,000 of staff resources. Program support is unknown at this time.

---

<sup>11</sup> About 12% of McMinnville's population has an ambulatory disability (Exhibit 28). If 12% of the 932 new units forecast to be built between 2030 and 2033 (after this action is adopted in 2029) had a person with an ambulatory disability in it, and this action incentivized a proportionate amount of accessible housing, then about 112 new units would be developed that would be accessible for people with a disability.

## 9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program

### Rationale

The Multiple-Unit Property Tax Exemption (MUPTE) program is flexible, and eligibility criteria can be set locally, allowing the City to target the exemption to meet its needs. It offers an incentive for preservation and development of housing for low to moderate-income households. It can offer an incentive for mixed-income housing, providing a way to leverage private, market-rate development to expand affordable housing.

### Description

MUPTE allows cities to offer a partial property tax exemption (limited to the value of the housing, not the land) for multi-unit development that meets specific locally established criteria, such as having an affordability agreement with a public agency. The terms of the affordability agreement can be set by the City—there are no specific income/affordability requirements in the state statute that enable the program. The City can cap the number of MUPTE exemptions it allows and can approve projects on a case-by-case basis. MUPTE can be used in several ways:

- ◆ As an incentive for new housing in targeted locations with particular features that the market is not producing today and where the incentive is needed to make development with those features viable.
- ◆ To make mixed-income or fully regulated affordable housing anywhere financially feasible.
- ◆ As an incentive for rehabilitating and preserving affordability in older multiple-unit housing.

The property tax exemption only applies to city property taxes unless the City gets affirmative support from at least 51% of overlapping taxing districts for the exemption to apply to their tax collections. Typically, the tax exemption from MUPTE is only large enough to provide an incentive for affordable housing development with support of the overlapping taxing districts (so that all property taxes are exempted by MUPTE). **The City will work with overlapping taxing districts to adopt MUPTE.**

### City Role

- ◆ Work with other taxing districts to leverage their support for MUPTE.
- ◆ Implement the exemption and execute on annual reporting and administration procedures.

## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Low- and moderate-income households	60% to 80% MFI	Renter	If this incentive was used for one to two apartment buildings at about 50 units each, and if 20% of the units were affordable, this strategy could result in about 20 units below-market rate.

## Stakeholder Input for this Action

- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing. They also suggested that the City support infill development and taller multifamily buildings.
- ◆ To address the limited supply of vacant, affordable, and developable land the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).

## Implementation Steps

To implement the exemption, the City would take the following steps:

- ◆ Conduct outreach to stakeholders.
- ◆ Seek agreement from taxing districts representing 51% or more of the combined levying authority on the property to include all the taxing jurisdictions in the abatement. If the City is unable to get agreement from other taxing districts, the abatement will only apply to the City's portion of property taxes.
- ◆ Determine desired eligibility criteria (percentage of affordable or workforce housing or other public benefits, where the program applies, etc.) for granting MUPTE, within input from the City Council.
- ◆ Research partner organizations that may assist with program administration and income verification (if any).
- ◆ Work with City Council to establish a MUPTE program via resolution or ordinance.
- ◆ Establish annual reporting and administration procedures.

## **Funding or Revenue Implications**

The development and ongoing implementation of a MUPTE program will require significant staff time. Revising the development code will also require staff time. MUPTE reduces general fund revenues for all overlapping taxing districts. Administration of this action may require partnerships to verify incomes, which may require funding.

## 10. Scaling of Systems Development Charges (SDCs)

### Rationale

One of the main ways a city can influence project costs is changing the size or timing of Systems Development Charges (SDCs) that developers must pay. SDCs can represent a substantial portion of development costs. When cities reduce these fees, especially SDCs, it can increase the financial feasibility of a project and facilitate more affordable housing production. Deferring SDC payments until projects are completed also reduces the amount that developers must finance during construction.

### Description

Scaling fees for smaller units would reduce development costs and may serve as a development incentive for smaller units, which are usually lower cost. When SDCs are scaled to unit size, their share of development costs is more consistent across housing types and unit sizes. Scaling reduces costs for smaller units while remaining revenue neutral for the jurisdiction.

**When it updates its SDC methodologies, the City will adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale of housing.** The City may want to report annually about information about number of units that were developed in each tier of the scale of SDCs.

The City could also create an application-based allowance to modify permitting and development review procedures so that System Development Charges (SDCs) are deferred until occupancy or final inspection can remove a barrier to housing development by allowing the developer to use a wider range of financing tools to pay for the SDCs. This action is unlikely to directly stimulate development of new housing projects on its own. However, in combination with other actions in the HPS it can potentially increase the number of units proposed with each project and speed up the development process.

### City Role

Evaluate updates to the City's SDC methodology. Implement SDC methodology change by ordinance or resolution.

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	120% MFI and below	Renter, owner	Will not directly produce housing Will increase affordability of housing it is applied to

## **Stakeholder Input for this Action**

- ◆ The focus group participants involved with local development shared how the cost of labor and materials, cost of land, and expanded regulations has increased housing prices. The City should consider ways to reduce fees to support affordable housing development.
- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes, including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing.
- ◆ Various focus group participants suggested that the City develop strategies for more affordable housing, such as smaller housing providing affordable homeownership, affordable housing for younger residents and seniors. They also suggested that the City implement key strategies to alleviate housing affordability issues and help overcome the issues with housing products becoming more expensive to build.
- ◆ The Latinx focus group suggested that the City evaluate ways to support equity and offer incentives to developers for creating affordable housing options in underserved areas.

## **Implementation Steps**

- ◆ As the City updates its transportation, wastewater, and parks SDC methodologies, add an analysis on allocation relative to the size and scale of the built product.
- ◆ City Council will adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale.

## **Funding or Revenue Implications**

This action will rely on both consultant costs associated with the SDC methodologies for the public facilities—transportation, wastewater, and parks (approximately \$250,000) and staff resources to implement (approximately \$100,000).

## Category 4: Land-Based Programs

### 11. Partner with Community Land Trusts (CLT)

#### Rationale

Land prices in McMinnville continue to surge, meaning that opportunities for affordable homeownership becomes more and more limited due to the land costs associated with development. Encouraging Community Land Trusts (CLTs) models within city limits could help promote affordable homeownership opportunities for people and help them build equity for future housing needs by eliminating the costs of land from their housing purchase price.

#### Description

A community land trust (CLT) is a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. While CLTs develop all types of projects, the main part of their work is the creation of affordable homes. CLTs make these homes affordable by taking the cost of land out of the purchase price of the home. They remain affordable because the resale of the house is controlled by a resale formula which keeps the price of the house low. When a family or individual purchases a house that is on land owned by a community land trust, they are only purchasing the house, not the land that the house sits on. This makes the house much more affordable. The homeowners then lease the land their house sits on from the CLT. The lease is long term, often a 99-year renewable lease. If and when the homeowner(s) decide to sell the home, they agree to sell it at a restricted price in order to keep the house affordable. The homeowner may realize appreciation from improvements they made on the house.

**The City will support the formation of community land trusts and funding for land acquisition in the following ways:**

- ♦ **The City can research, evaluate, and support the formation of or partnership with a community land trust organization.**
- ♦ **The City will also support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development (see Action 11) through state affordable housing land acquisition or the City's affordable housing construction excise tax fund.**

#### City Role

The City will establish CLT partnerships and identify funding to support CLT development.



## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households	Households with income below 120% MFI and likely below 80% MFI	Homeowners	Depends on CLT capacity and funding. Over the 8-year period, likely fewer than 75 dwellings. Will provide new affordable ownership units

## Stakeholder Input for this Action

- ◆ One theme across discussions with stakeholders is the need for more opportunities for affordable homeownership for lower-income households.
- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing.
- ◆ Additional input was gained that suggested that future housing, especially affordable housing, should be located around transit options and the following services/amenities: grocery stores, employment centers, medical offices, case management/social services.
- ◆ To address the limited supply of vacant, affordable, and developable land the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).
- ◆ As a part of the *Housing Strategy* development (completed in 2019), stakeholders provided input on the need for more affordable housing, such as “starter housing” for homeownership, and affordable housing for younger residents and seniors. They also suggested that the City implement key strategies to alleviate housing affordability issues and help overcome the issues with housing products becoming more expensive to build.

## Implementation Steps

- ◆ Research and evaluate existing community land trusts for potential partnerships
- ◆ Visit with local housing providers for their interest in establishing a community land trust.
- ◆ Support applications to the Oregon Housing and Community Services state agency for funding for land acquisitions for community land trusts.
- ◆ Establish an opportunity to utilize construction excise tax funds for land acquisition for community land trusts.

- ◆ The Affordable Housing Committee will give a recommendation to City Council on the specifics of the support for CLT partnership(s).

### **Funding or Revenue Implications**

This action will rely on state and local resources for land acquisition and staffing resources for implementation.

## 12. Support Affordable Housing Development through Provision of Land

### Rationale

With limited land supply for housing and current economic market conditions, land costs in McMinnville have escalated exponentially. Non-profit developers and housing authorities often struggle to compete with the resources of private developers in an open market bid for land. Further, the timing of land availability and funding availability for affordable housing development does not often align. Removing or reducing land costs can make the development of affordable housing more achievable. The City can support development of income-restricted affordable housing (housing affordable at or below 60% of MFI) or moderate-income housing (housing affordable between 60% and 120% of MFI) through the provision of land.

### Description

The primary focus of this action relates to policies and strategies that the City could implement to establish and maintain a land banking system. The land banking process would entail prioritizing housing on City-owned surplus land, purchasing land in key opportunity areas for new housing development, conducting parcel assembly, and partnering with local institutions and organizations.

**Land banking** is the acquisition and holding of properties for extended periods without immediate plans for development, but with the intent that properties eventually be used for affordable housing. Land banks are effective because they hold land over time, controlling costs associated with appreciation, and ensure there is land available for housing developers to respond quickly to funding opportunities. Public land banks are created to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties for conversion into productive use.

The City could manage its own land bank and work with other partners to manage a portfolio of properties to support affordable housing development. The City's Construction Excise Tax (CET) funds could be utilized to support this effort if the eventual development results in housing that serves populations earning 80% MFI or below.

The magnitude of impact depends on how many acres of surplus land the City has or acquires. At the time of creating the HPS in 2023, the City had few surplus properties and thus the total impact of this strategy is likely to be relatively low. Additionally, a unique concept was proposed through the Project Advisory Committee (PAC). The concept is to work directly with individuals who would like the opportunity to develop their own home, independent of subdivision developers and production home builders. The City would help future homeowners obtain land control so that they could hire their own contractor and negotiate the price of the home. Another benefit is that independent contractors hired by property owners could build houses to the scale and with the characteristics needed by the particular household, which may lead to a more diverse housing stock.

# City Role

The City’s role may vary on different projects, such as contributing City-owned surplus land, assisting with land purchase and assembly, or partnering in an affordable housing development project that includes land banking. Specific City roles could include:

- ◆ The City could maintain an inventory of land, publicly owned or otherwise, that is available and properly zoned for housing development.
- ◆ Surplus City-owned land that is not needed for public facilities or uses could be prioritized for housing through the inclusion of the land into a land bank. Owning land provides the City with leverage to encourage development of high priority housing needs. By prioritizing the use of surplus land to meet housing needs, the City would be directly supporting a reduction of development cost in the form of land. The City could offer surplus property that is suitable for affordable housing development through a Master-planning or RFP process.
- ◆ Fragmented, smaller parcels of land can pose an obstacle to development, especially in the short term, however, efforts by the City to coordinate development opportunities between landowners may help to facilitate new projects over time. The City would likely support parcel assembly between private property owners and affordable housing developers that may own or be interested in purchasing nearby property. Having access to more land through parcel assembly can lead to more impactful development sites. Additionally, the City could also pursue purchasing smaller parcels of land to add to the land bank with the purpose of future parcel assembly.
- ◆ The City could partner with other institutions and organizations that may own land that could be developed for residential uses. For example, over the past few decades, faith institutions across the country have been declining. This has prompted conversations within different faith communities about how to refocus their mission of social change. The housing affordability crisis in many cities around the country has brought these institutions into the work of creating affordable housing in their communities. The City could identify faith and community-based organizations that are interested in offering their available property to the affordable housing land bank, particularly for short-term development opportunities.

# Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Low income, moderate income	120% of MFI and below	Renter, owner	Depends on the amount of available/surplus land.  Will provide opportunities for development of more affordable housing.

## Stakeholder Input for this Action

- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing.
- ◆ As a part of the *Housing Strategy* development (completed in 2019), stakeholders provided input on the need for more affordable housing, such as “starter housing” for homeownership, and affordable housing for younger residents and seniors. They also suggested that the City implement key strategies to alleviate housing affordability issues and help overcome the issues with housing products becoming more expensive to build.
- ◆ To address the limited supply of vacant, affordable, and developable land the PAC suggested that strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership).
- ◆ The Latinx focus group suggested that the City evaluate ways to support equity and offer incentives to developers for creating affordable housing options in underserved areas.
- ◆ As a part of the *Housing Strategy* development (completed in 2019), community stakeholder participants cited land availability is the biggest barrier to developing housing in McMinnville. Participants agreed that McMinnville must address land supply.

## Implementation Steps

The City will begin this action with the following steps:

- ◆ Get policy direction from City Council on the role the City should take in this action.
- ◆ Determine if grant funding or consultant support is needed.
- ◆ Support the work of local and regional housing organizations by helping to convene or otherwise support organizations, charities, foundations, or other stakeholders that may be interested in founding a local land bank.
- ◆ Create an inventory of suitable sites for housing development, based on infrastructure conditions, location, and other factors.

The City will implement this action with the following steps, which may be completed more than once over the implementation phase of this project.

- ◆ Evaluate current inventory of City-owned land and determine if any sites are not needed for public uses and appropriate for housing development and continually monitor inventory of City-owned sites over time as new land is acquired.

- ◆ When a site is not needed for public use, evaluate the most appropriate method for dedicating the land for housing development. This could include executing a land lease with developer as part of a public-private partnership, donating the land, or selling the land at a discounted rate.
- ◆ Evaluate opportunities to purchase land that would be suitable for future development, considering funding sources such as the construction excise tax or other funding source such as urban renewal. The City may be in a position to purchase multiple adjacent smaller parcels to be assembled into a larger site where new housing can be developed.
- ◆ Facilitate connections with local developers that may be interested in partnering to build on property in land bank.
- ◆ Identify interested parties who would like to develop their own housing.
- ◆ Acquire land or maintain existing land until it can be made available to developers through a Request for Proposals to develop as affordable housing.

### **Funding or Revenue Implications**

Partnering is the most administratively efficient and cost-efficient approach to implementing this strategy. If the City is contributing land to the land bank at low or no cost, then the City is forgoing realizing the value of the land if it was sold on the open market. If the City contributes funds to a land bank, the City will need to identify a source of funding for the contributions.

## Category 5: Housing Choice and Preservation

### 13. Develop and Adopt a Strategic Housing Opportunities Plan

#### Rationale

As a part of the City's Housing Needs Analysis, a specific Section was dedicated to "Demographic and Other Factors Affecting Residential Development in McMinnville". This action is intended to be responsive to specific contextualized housing needs or populations that may have unique preferences and barriers.

To address the community's housing needs now and, in the future, the City has committed to establishing a roadmap toward a more equitable housing system. While housing affordability is a key component of housing equity, providing more rent-restricted affordable housing without also taking other actions will not achieve the full potential of an equitable housing approach. Equitable housing means that all people are able to find a home that meets their location, price, space requirements, and desired amenities. It requires a strategy that not only accounts for new units and price points, but also other features needed by the people who will occupy them.

Residents have expressed concern about being displaced or having to move out of the city in search of more affordable rental and homeownership opportunities. Residents have also expressed an interest in encouraging a broader range of housing types to be built, including more single-level homes with accessibility or adaptability features, accessory dwelling units and entry-level homes.

A key source of information to inform this action is based on a focus group conducted during the HPS process held by a trusted Spanish-speaking facilitator who invited twenty-five Latinx community members representing a range of perspectives, occupations, and ages.

#### Description

The primary goal of this action will be to identify gaps that are present in McMinnville's housing market and develop a plan with prioritized strategies to fill these gaps, providing housing opportunities for different household compositions, ages, and income ranges.

**One known priority of the Strategic Housing Opportunities Plan, will be increasing housing equity for historically marginalized groups.**<sup>12</sup> This proposed action focuses on four key areas of effort:

1. **Zoning and Land Use Regulations.** The City will assess the unmet housing needs of historically marginalized groups, based on information in the Housing Production Strategy and engagement with the groups. Some housing needs discussed in the HPS include need for multigenerational housing, need for housing that is accessible for people with disabilities, a wider range of housing types for small households (e.g.,

---

<sup>12</sup> Historically marginalized groups in McMinnville include Latinos and other People of Color, people with disabilities, immigrants and refugees, and other protected classes.

cottage cluster units or single-room occupancies), housing near services and amenities. The City will complete an analysis of residential zoning ordinances to identify areas of opportunities to allow the housing types identified in this analysis.

2. **Local Funding and Incentives.** Local funding availability will prioritize furthering equitable housing outcomes, whenever possible, with a particular focus on investing in providing opportunities for historically marginalized groups. The City will prioritize funding for proposals that specifically serve historically marginalized populations.
  - ◆ Offer incentives to developers for creating affordable housing options in underserved areas.
  - ◆ Allocate more funding to programs specifically targeting historically marginalized households.
  - ◆ Introduce “equity zones” in historically redlined neighborhoods, offering tax credits, affordable housing initiatives, and community development grants.
3. **Fair Housing Partnerships and Policy Advocacy.** The City will identify partnership opportunities to promote and enforce Fair Housing laws. Potential partners include Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill Community Action Partnership, and Unidos Bridging Community (a Latinx-led nonprofit that promotes integration, participation, and success of Latinx individuals and families in Yamhill County).
4. **Culturally Competent and Accessible Outreach and Support.** The City will work with its Diversity Equity and Inclusion Advisory Committee (DEIAC) to develop a campaign to promote housing information to a wide range of audiences that are reflective of McMinnville’s community demographics, particularly Spanish speakers.

## City Role

The City will develop the Strategic Housing Opportunities Plan, working with partners to provide input into the plan.

## Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Latine and other People of Color, People with disabilities, Veterans, Seniors, Houseless	All Incomes	Renter or Homeowners	Will not directly produce housing

## Stakeholder Input for this Action

- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes including live/work housing, single-family attached,



multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing. They also suggested that the City support infill development and taller multifamily buildings.

- ◆ Focus group participants also suggested that the City provide incentives for developers to build “units for all” with aesthetically pleasing, diverse looking housing.
- ◆ As a part of the *Housing Strategy* development (completed in 2019), stakeholders provided input on the need for more affordable housing, such as “starter housing” for homeownership, and affordable housing for younger residents and seniors. They also suggested that the City implement key strategies to alleviate housing affordability issues and help overcome the issues with housing products becoming more expensive to build.

### **Implementation Steps**

- ◆ Working with the Affordable Housing Committee, Develop an engagement plan to guide engagement with representatives from historically marginalized groups, such as Latinx, People of Color, people with disabilities, and other groups with underrepresented housing needs.
- ◆ Develop an analysis of needed changes to City policies, considering the four topic areas described in the actions.
- ◆ Work with the Affordable Housing Committee, the Planning Commission, and the City Council to develop the new or revised policies to address the findings of the analysis and increase equitable access to housing.
- ◆ City Council will adopt the new or revised policies.

### **Funding or Revenue Implications**

The City anticipates working with a consultant team who was expertise in this area. An estimated amount for this contract has not yet been set, and it may fluctuate considering the City must still determine the scope of work for a contract and is not anticipating beginning this action until about five years from now. However, a general estimate is \$200,000-\$300,000. Staffing resources for evaluation and implementation (\$100,000).

## 14. Mitigate Displacement through the Adoption of Anti-Displacement Policies and Strategies

### Rationale

As McMinnville's demographics change over time and access to affordable housing becomes less attainable, it is important to analyze and address displacement risks in the city. Many variables can lead to displacement of current community members, including cost of housing, rising property taxes, change in housing needs, new residents moving in with higher purchasing power than current residents, employment opportunities, changing in work culture (remote working availability), and rising costs of living (food, healthcare, transportation, etc.).

### Description

**Displacement** can happen in many ways, but the three most identified categories are:

- ♦ **Direct Displacement** occurs when residents can no longer afford to remain in their homes due to rising housing costs. Residents may also be forced out by lease non-renewals, evictions, or physical conditions that render homes uninhabitable as investors await redevelopment opportunities.
- ♦ **Indirect Displacement** refers to changes in who is moving into a neighborhood. Indirect displacement occurs when units being vacated by low-income residents are no longer affordable to other low-income households because rents and sales prices have increased
- ♦ **Cultural Displacement** occurs as the scale of residential change advances. Businesses and services shift to focus on new residents, institutions become separated from the communities they serve, the character of the neighborhood is transformed (can include changes to building typologies), and the remaining residents may feel a sense of dislocation despite remaining in the neighborhood.

Displacement is a problem with serious consequences for communities. For affected individuals and groups, being displaced can often mean being forced to move from their current neighborhoods to areas with a worse quality of life. Displacement can also result in increased regional inequality, as newly gentrified areas are often characterized by an influx of higher-income households and reduced socio-economic diversity.

This action would focus on preventing displacement and preserving "naturally occurring" affordable housing through acquisition, low-interest loans/revolving loan fund for preservation, and/or code enforcement. Anti-displacement strategies are policies, regulations, or programs that intend to counteract the displacement pressures felt by some households and are measured based on their ability to reduce displacement either directly or indirectly. Anti-displacement strategies are critical roadmaps for cities interested in stabilizing neighborhoods because they not only outline and prioritize locally tailored solutions, but when drafted in collaboration with other local organizations, help build capacity in local communities through ongoing education about displacement.

**The City will conduct a displacement risk assessment that will be based on relevant contributing factors including sociodemographic indicators, transportation factors, neighborhood characteristics, housing indicators, measures of civic engagement, social vulnerability, demographic change, and market prices. The analysis will focus historically marginalized groups, such as Latinos and other People of Color, people with disabilities, immigrants and refugees, and other protected classes. Based on the results of this work, the city will adopt Comprehensive Plan text amendments to implement anti-displacement policies and preservation of naturally occurring affordable housing.** These policy changes may lead to code updates, forming additional housing programs or policies, or partnerships to address displacement in McMinnville.

### City Role

Lead the displacement analysis and work with the Affordable Housing Committee and Planning Commission on legislative updates, including Comprehensive Plan amendments.

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Latine, People of Color, people with disabilities, low-income households	Generally, households with income below 100% MFI	Renter or homeowner	Will not directly produce housing

### Stakeholder Input for this Action

- ◆ Latinx focus group participants reported discrimination experiences related to ethnicity and race (stereotyped as low-income earners or higher credit risks), lingering impacts from previous redlining practices limited opportunities, language barriers, cultural practices such as multigenerational living, gender and age (single mothers, younger Latinx), and perceived immigration status.
- ◆ Focus groups discussions with historically marginalized populations suggested the City should review zoning and land use regulations through an equitable outcomes lens.

### Implementation Steps

- ◆ Set goals and priorities for displacement concerns to include in anti-displacement work and identify key areas of displacement concerns to include in analysis.
- ◆ Develop a report that analyzes potential and existing displacement risks in McMinnville.

- ◆ Integrate relevant practices from the “Anti-Displacement and Gentrification Toolkit Project”<sup>13</sup> developed by Portland State University for the Department of Land Conservation and Development (DLCD).
- ◆ Propose Comprehensive Plan amendments that are responsive to the findings of the report.
- ◆ Implement adopted Comprehensive Plan policies through additional code changes, housing programs, or partnerships.
- ◆ Work with McMinnville’s Planning Commission and City Council to get public input on and adopt proposed Comprehensive Plan amendments and other policies (such as code changes).

### **Funding or Revenue Implications**

This action will rely on consultant resources for the initial report (\$75,000), and staffing resources for evaluation and implementation (\$75,000).

Actions may require additional funding for implementation.

---

<sup>13</sup> [https://www.oregon.gov/lcd/Housing/Documents/AttachmentA\\_PSU\\_Toolkit.pdf](https://www.oregon.gov/lcd/Housing/Documents/AttachmentA_PSU_Toolkit.pdf)

## 15. Implement a Fee for Demolition of Existing Affordable Homes

### Rationale

To help reduce the potential loss of existing affordable homes in the community, it could be beneficial to incentivize the retention of affordable housing stock. A fee for the demolition of existing affordable housing units could help prevent redevelopment of sites into unaffordable housing types.

### Description

**The City will assess additional fees for demolitions of housing that is comparatively affordable.** The tax would not apply to properties that must be demolished due to uninhabitability, or in cases where the structure will be replaced with housing subject to affordability covenants. The purpose of this fee is to slow the loss of naturally occurring affordable housing and generate a source of funding to support preservation and development of new affordable housing.

The City should establish what housing would be subject to this fee and the specific fees for demolishing existing housing. For example, the City may want to focus the policy on avoiding demolition of one less expensive dwelling units that is replaced with one dwelling unit that is above average cost. In addition, the City should determine what type of development, if any, may be exempt from the fee, including the development of new affordable housing units, certain density thresholds for infill development (if existing home is replaced by a minimum amount of density), or other exceptions.

### City Role

Establish a fee for demolition of existing affordable housing.

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households	Households with incomes below 120% MFI	Renter or homeowners	Will not result in production of new units Intended to preserve existing affordable units

### Stakeholder Input for this Action

- ♦ Various focus group participants stressed that the shortage of affordable and available housing is the most urgent housing challenge in the community. This limited supply contributes to problems for recruiting and retaining workers for local employers.

## **Implementation Steps**

- ◆ Develop criteria to identify the types of demolitions subject to the fees and identify exceptions (such as for development of new affordable housing), if any.
- ◆ Set the amount of the fee.
- ◆ Determine how funds from this fee will be used, such as to preserve existing affordable housing or support development of new affordable housing.
- ◆ City Council will adopt this policy.

## **Funding or Revenue Implications**

This action will rely mostly on staff resources to implement, assuming \$50,000.

## 16. Preserve and Support Development of Manufactured Home Parks

### Rationale

Manufactured home parks provide a form of naturally occurring affordable housing stock but are particularly vulnerable to redevelopment pressures because residents rent the land underneath their homes from the property owner. More broadly, modern manufactured and prefab housing is often a more affordable form of housing than site-built construction, but development codes usually limit where manufactured housing can be located.

### Description

In order to preserve safe, affordable options into the future, manufactured home parks may be protected through assistance that allows community purchase of the underlying land and provides funds to maintain upkeep of these dwelling units. This strategy can be implemented through use of land trusts, resident-owned communities, public ownership of land, or condominium conversion of the real estate assets to preserve the communities. Oregon Housing and Community Services (OHCS) has regularly received lottery bonds or general funds from the Oregon Legislature to preserve manufactured home parks through either resident-owned communities or nonprofit ownership.

Oregon regulates closure of manufactured home parks (in ORS 90.645). The State requires owners of manufactured home parks to give notice of closure or conversion of a manufactured home park. Manufactured home park owners are required to pay households a fee (of between about \$6,000 and \$10,000) when closing manufactured home parks.

In the face of closure or sale of a manufactured home park, preservation of manufactured home parks can be accomplished through a range of approaches, such as resident owned cooperatives or non-profit ownership. Since 2007, 30 manufactured home parks have been preserved statewide. In 2019, the Legislature funded a manufactured dwelling park loan program through OHCS specifically preserve manufactured home parks. Oregon Housing and Community Services (OHCS) works with Community Development Financial Institutions (CDFI) to preserve manufactured home parks through this loan fund.

**The City will work with owners of manufactured home parks to understand redevelopment plans and reach out to residents of the manufactured home park to understand interest for purchasing the manufactured home park. The City will help connect residents of the manufactured home park to nonprofits who may help manufactured home park residents purchase the park.** The City may offer financial, technical, or legal assistance were possible.

The City has an existing partnership with Yamhill County that provides funding to repair manufactured homes, which can help allow people to make needed improvements to their existing manufactured homes.

The City could incentivize development of manufactured home parks to create a more affordable path to homeownership. The City would identify barriers to manufactured home

park development and develop code amendments to remove those barriers. The City may provide incentives for manufactured home park development.

### City Role

The City’s role may vary on different projects, such as assisting with manufactured home park purchase or providing funding to support a park purchase, including technical or legal assistance to form a resident-owned community or land trust. The City would revise development code to remove barriers to manufactured home park development.

### Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower income households	80% MFI and below	Primarily owners of manufactured homes*	Will not directly produce new housing Intended to preserve existing affordable ownership units

\* Owners of manufactured homes rent land. Some manufactured home residents also rent the structure.

### Stakeholder Input for this Action

- ◆ Discussions with decision makers indicated that some decision makers are concerned about potential for displacement of existing manufactured home park residents and want to preserve manufactured home parks
- ◆ Focus group participants suggested that the City support a wider array of housing types through zoning and regulatory changes, including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing.
- ◆ Various focus group participants suggested that the City develop strategies for more affordable housing, such as smaller housing providing affordable homeownership, affordable housing for younger residents and seniors.

### Implementation Steps

To support preservation of existing manufactured home parks:

- ◆ Work with manufactured park owners to identify owners who want to sell or redevelop their manufactured home parks.
- ◆ Work with residents of the manufactured home parks to understand interest in purchasing the manufactured home park.
- ◆ Partner with nonprofits, the housing authority, and manufactured home park owners to support preservation efforts. Offer financial support where possible.
- ◆ The City Council will take action on supporting the partnerships, as necessary.



To support incentivize the development of new manufactured home parks:

- ◆ Draft code amendments that remove barriers and provides incentives for manufactured home park developments as a permitted use.
- ◆ Work with McMinnville’s Planning Commission and City Council to get public input on and adopt the code revisions.

### **Funding or Revenue Implications**

Preserving existing manufactured home parks will require staff time. If the City offers financials support, it will need to identify a source of funding for that support.

Revising the development code to incentivize manufactured housing will require staff time. Providing incentives for manufactured housing development may require a source of funding or a source to “backfill” foregone revenue.

# 6. Proposed Actions to Meet Future Housing Need

---

This section describes the list of actions that McMinnville is including in its HPS for further consideration and study by the City to address its unmet housing needs, as described in Chapter 2. The project involved evaluating the community's interest in a wide range of actions for inclusion in the HPS.

Section 6 includes the following exhibits:

- ◆ **Exhibit 9. Summary of HPS Actions**
- ◆ **Exhibit 10. HPS Actions: Implementation Considerations**
- ◆ **Exhibit 11. HPS Actions: Implementation Schedule**
- ◆ **Exhibit 12. Monitoring Outcomes of the HPS Actions**
- ◆ **Exhibit 13. City's Role and Potential Partners' Roles**
- ◆ **Exhibit 14. Funding Sources Considered to Support the Actions**
- ◆ **Exhibit 15. Connection Between Unmet Housing Needs, Actions in the HPS, and Existing Actions**
- ◆ **Exhibit 16. HPS Actions: Focus of Action**
- ◆ **Exhibit 17. HPS Actions: Groups Served by the Action**
- ◆ **Exhibit 18. Potential Benefits, Burdens, Opportunities, and Risks of the HPS Actions**

## Summary of HPS Actions

The actions included in this HPS build on existing City policies and programs. Exhibit 9 describes the actions included in the HPS. The remainder of this section provides additional information about the actions.

### Exhibit 9. Summary of HPS Actions

Name	Action Description	Housing Supported by Action	Additional Information
<b>Long-Range Planning</b>			
1. Use more land in the Urban Holding Plan Designation for housing	Amend the MGMUP Framework Plan outlining the land allocation for the UGB Urban Holding Designation to add 171 gross buildable acres of housing land to the 393 acres already allocated for housing for a total of 564 acres of residential land.	All types of housing, both rental and ownership, at all affordability levels	The City has taken two actions that have reduced the amount of land in the UGB Urban Holding Designation allocated to parks and open space.
2. Rezone land to R-5 within the existing city limits for housing	Identify land to rezone to R-5 within the existing city limits for housing. Opportunities may include re-zoning underutilized employment land such as industrial and commercial land that is better suited to housing, as well as upzoning lower density residential land to higher density residential zones.	Multifamily housing, including affordable housing (income-restricted or naturally occurring affordable housing)	The City established this zoning district in 2020. Re-zoning property suited for R-5 could enable the development of high-density housing.
3. Develop area plans for Urban Growth Boundary areas	Complete the Southwest Area Plan and the Riverside South Area Plan.	All types of housing, both rental and ownership, at all affordability levels	The City has completed areas plans for the Three Mile Lane and Fox Ridge Road Area Plans and is working on the Southwest Area Plan.

Name	Action Description	Housing Supported by Action	Additional Information
4. Infrastructure planning to support residential development	Identify areas to prioritize infrastructure development to support residential development. The City will evaluate and adopt plans for public infrastructure to support land within the Urban Holding areas identified in the adopted Framework Plan and they will identify areas suitable for housing with infrastructure needs or in need of infrastructure extensions.	All types of housing, both rental and ownership, at all affordability levels	With the recent urban growth boundary amendments, the City needs to evaluate and plan for the necessary public infrastructure to support the development of that land at a planned urban density.
<b>Regulatory Amendments</b>			
5. Implement and codify Great Neighborhood principles	Develop clear and objective standards for implementing the <a href="https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles">Great Neighborhood Principles</a> .	All types of housing, both rental and ownership, at all affordability levels	In April 2019, the City adopted <a href="https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles">Great Neighborhood Principles</a> as part of the Comprehensive Plan, to help identify specific principles that should be achieved in every neighborhood (such as walkability, access to open spaces and services, etc.).
6. Require a mix of housing types for to-be-annexed land	Implement a mix of housing types that is consistent with Area Plans and the <a href="https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles">Great Neighborhood Principles</a> . <sup>14</sup>	Increases the variety of housing types in newly developing areas	When property owners are seeking annexation into the City, the annexed land will be required to be developed with a mix of housing types to promote diverse opportunities, inclusively serving a wider variety of people.

<sup>14</sup> <https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles>

Name	Action Description	Housing Supported by Action	Additional Information
7. Adopt code amendments to support transitional housing development	<p>Adopt code amendments that will enable transitional housing development at a standard of site development that is less expensive than traditional housing development to try and offset the costs of transitional housing development without compromising life safety regulations.</p> <p>*Transitional housing is for people experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services to transition residents to permanent living arrangements.</p>	Income-restricted affordable housing, primarily for people experiencing (or at-risk of) homelessness	Transitional housing is for individuals experiencing houselessness that is affordable and stable for a longer time than an emergency shelter allowing for the time needed to stabilize and achieve permanent housing.
<b>Incentives for New Housing</b>			
8. Incentivize and promote accessible design	Provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, or other similar standards to increase access to housing for people with disabilities.	All housing types to increase housing accessibility for people with disabilities	Examples of incentives include development code incentives, planning and building fee reductions, or density or building height bonuses. Additionally, the City will make efforts to increase developer capacity through education and outreach.
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program	<p>Work with overlapping taxing districts to adopt MUPTE.</p> <p>MUPTE allows cities to offer a partial property tax exemption (limited to the value of the housing, not the land) for multi-unit development that meets specific locally established criteria, such as having an affordability agreement with a public agency.</p>	Multifamily housing, including affordable housing (affordable to households with incomes of 60% to 80% MFI, possibly up to 120% MFI) for renters	The terms of the affordability agreement can be set by the City—there are no specific income/affordability requirements in the state statute that enable the program. The City can cap the number of MUPTE exemptions it allows and can approve projects on a case-by-case basis.

Name	Action Description	Housing Supported by Action	Additional Information
10. Scaling of systems development charges (SDCs)	Adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale of housing.	Middle housing, smaller homes, and/or other housing types, both for renters and homeowners	Scaling fees for smaller units would reduce development costs and may serve as a development incentive for smaller units, which are usually lower cost.
<b>Land-Based Programs</b>			
11. Partner with Community Land Trusts (CLT)	Support the formation of community land trusts by researching, evaluating and supporting partnerships with community land trust organizations. The City will also support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development through state affordable housing land acquisition or the City's affordable housing CET fund.	Affordable homeownership	A CLT is a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing and other community assets on behalf of a community. Encouraging CLT models could help promote affordable homeownership opportunities for people and help them build equity.
12. Support affordable housing development through provision of land	Establish and maintain a land banking system. The land banking process would entail prioritizing housing on City-owned surplus land, purchasing land in key opportunity areas for new housing development, conducting parcel assembly, and partnering with local institutions and organizations.	Affordable homeownership	The City's Construction Excise Tax (CET) funds could be utilized to support this effort if the development results in housing that serves populations earning 80% MFI or below. The City could manage its own land bank and work with partners to manage a portfolio of properties to support affordable housing development.

Name	Action Description	Housing Supported by Action	Additional Information
<b>Housing Choice and Preservation</b>			
13. Develop and adopt a Strategic Housing Opportunities Plan	<p>The primary goal of this action is to identify gaps that are present in McMinnville's housing market and develop a plan with prioritized strategies to fill these gaps, providing housing opportunities for different household compositions, ages, and income ranges, focusing on increasing access to housing for historically marginalized groups.</p> <p>This action focuses on four key areas of effort: (1) zoning and land use regulations, (2) local funding and incentives, (3) fair housing partnerships and policy advocacy, and (4) culturally competent and accessible outreach and support.</p>	All types of housing, both rental and ownership, with an emphasis on more affordable housing types	This action will further consider opportunities to increase access to housing for historically marginalized groups. The additional policy changes identified in this action may be implemented during this HPS or in a future HPS.
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	Conduct a displacement risk assessment that will be based on relevant contributing factors including sociodemographic indicators, transportation factors, neighborhood characteristics, housing indicators, measures of civic engagement, social vulnerability, demographic change, and market prices. Based on the results of this work, the City will adopt Comprehensive Plan text amendments.	All types of housing, both rental and ownership, at all affordability levels	This would focus on preventing displacement and preserving "naturally occurring" affordable housing through acquisition, low-interest loans/revolving loan fund for preservation, and/or code enforcement. Anti-displacement strategies help counteract the displacement pressures felt by some households.
15. Implement a fee for demolition of existing affordable homes	Assess additional fees for certain demolitions. The purpose of this fee is to slow the loss of naturally occurring affordable housing and generate a source of funding to support preservation and development of new affordable housing.	Unregulated affordable housing	The tax would not apply to properties that must be demolished due to uninhabitability, or in cases where the structure will be replaced with housing subject to affordability covenants.

Name	Action Description	Housing Supported by Action	Additional Information
16. Preserve and support development of manufactured home parks	Work with owners of manufactured home parks to understand redevelopment plans and reach out to residents of the manufactured home park to understand interest for purchasing the manufactured home park. The City will help connect residents of the manufactured home park to nonprofits who may help manufactured home park residents purchase the park. The City will identify barriers to manufactured home park development and develop code amendments to remove those barriers.	Housing in manufactured home parks	Manufactured home parks provide a form of naturally occurring affordable housing stock but are particularly vulnerable to redevelopment pressures because residents rent the land underneath their homes from the property owner.

## Implementation Considerations

Exhibit 10 provides information about each action, based on the criteria below.

- ◆ **City Role** considers whether City staff would take the lead role in implementing an action, or if the City's role would be to partner with other organizations.
- ◆ **Administrative burden** considers how much staff and decision-maker time are required to develop and implement the action, and whether the action is difficult to administer once it is in place. The HPS defines Administrative Complexity as follows:
  - ◆ **Low burden:** Requires some staff and/or decision maker time; Could be implemented relatively quickly; Requires some on-going staff time to implement the action
  - ◆ **Medium burden:** Requires more staff and/or decision maker time; Would take longer to implement; Requires more on-going staff time
  - ◆ **High burden:** Requires significant staff and/or decision maker time to develop the action; Would take a significant length of time to implement; Requires significant on-going staff time to implement the action



- ◆ **Potential Impact on Housing** considers whether the action will result in a little or a lot of change in the housing market. *(How many dwelling units might be produced, or affordable housing units preserved? Can the tool leverage investments from other partners?)* The scale of impact depends on conditions in the City, such as other existing or newly implemented housing policies, land supply, and housing market conditions. The preliminary evaluation of potential impact will be qualitative, but the HPS will also include a quantitative estimate of impact for new units produced. The HPS defines Potential Impact as follows:<sup>15</sup>
  - ◆ **Small impact:** May result in development of a small number of new units or no units. Approximately 1% to 3% of needed units over the six-year HPS period (41 to 140 new units). May have small impact on production or preservation of affordable units.
  - ◆ **Moderate impact:** May result in development of a moderate number of new units. Approximately 3% to 5% of needed units over the six-year HPS period (140 to 223 new units). May have medium-sized impact on production or preservation of affordable units.
  - ◆ **Large impact:** May result in development of a larger number of new units. Approximately 5% to 10% of needed units over the six-year HPS period (223 to 466 new units). May have larger impact on production or preservation of affordable units.
- ◆ **Funding Required** considers what financial resources, outside of existing staff and decision- maker time, are required to develop and implement an action. This includes the additional cost of establishing and maintaining a new program, including new staff. The HPS defines Funding Required as follows
  - ◆ **Low funding:** Has relatively small funding impacts, in that it requires little additional funding.
  - ◆ **Medium funding:** Has relatively moderate funding impacts. It requires moderate amounts of additional funding.
  - ◆ **High funding:** Has relatively larger funding impacts. It requires large amounts of additional funding.
- ◆ **Revenue Generated** whether the action would generate revenue to support housing production or preservation programs, or infrastructure to support housing development. The easier the program is to administer, the more net

---

<sup>15</sup> The McMinnville Housing Needs Analysis (2023) projected growth of 4,657 new dwelling units over the 2021 to 2041 period.

revenue will likely be available to offset costs for housing production or preservation. The HPS defines Revenue Generation as follows:

- ♦ **None:** Does not generate revenue.
- ♦ **Low:** Generates little revenue.
- ♦ **Medium:** Generates moderate amount of revenue.
- ♦ **High:** Generates larger amount of revenue.

#### Exhibit 10. HPS Actions: Implementation Considerations

Name	City role	Administrative complexity	Potential impact on housing	Funding required	Revenue generated
Long-Range Planning					
1. Use more land in the Urban Holding Plan Designation for housing	Lead, partner support	Medium	High	Medium	None
2. Rezone land to R-5 within the existing city limits for housing	Lead	Medium	Medium	Low	
3. Develop area plans for Urban Growth Boundary areas	Lead	High	High	High	
4. Infrastructure planning to support residential development	Lead, partner support	High	High	High	
Regulatory Amendments					
5. Implement and codify Great Neighborhood principles	Lead	Medium	Medium	Medium	None
6. Require a mix of housing types for to-be-annexed land	Lead	Medium	Medium	Low	
7. Adopt code amendments to support transitional housing development	Lead	Medium	Medium	Medium	
Incentives for New Housing					
8. Incentivize and promote accessible design	Lead, partner support	Medium	Medium	Medium	None
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program	Lead, partner support	High	Medium	Medium	
10. Scaling of systems development charges (SDCs)	Lead	High	Medium	High	Low

Name	City role	Administrative complexity	Potential impact on housing	Funding required	Revenue generated
<b>Land-Based Programs</b>					
11. Partner with Community Land Trusts (CLT)	Partner support	Low	Medium	Medium to Low	None
12. Support affordable housing development through provision of land	Lead, partner support	High	Medium	Medium	None
<b>Housing Choice and Preservation</b>					
13. Develop and adopt Strategic Housing Opportunities Plan	Lead, partner support	High	Medium	High	None
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	Lead	High	Medium	High	
15. Implement a fee for demolition of existing affordable homes	Lead	High	Low	Low	Low
16. Preserve and support development of manufactured home parks	Partner	High	High	Low to High, depending on whether the City offers financial support	None

## Implementation Schedule

Implementation of the HPS will take time because each action will require further consideration, such as additional analysis, engagement of consultants, changes to existing standards or programs, discussions with decision makers, or public hearings. Exhibit 11 presents the implementation schedule for the actions in the HPS.

- ♦ **Evaluate:** The actions will require some level of further refinement prior to adoption, which may range from simple logistics (drafting development code amendment) to complicated coordination between multiple internal and external stakeholders. The refinement period will occur before adoption
- ♦ **City Council Action:** This occurs when the City takes official action to adopt an action, uses another official acknowledgement that the City is going to execute on the strategic action, or gives staff official direction on implementation of an action. The table below shows the expected time of adoption or receiving official direction from the council. The City's deadline for adoption or for other official city action is the last day of the year shown in Exhibit 10.
- ♦ **Implementation:** This occurs when the City officially allows the strategic action to be used, represented by a gray color in the table.

If the City is unable to or chooses not to implement an action within 90 days of the timeline proposed in the HPS, the City must notify DLCDC about the action(s) that the City is taking to address this issue. The City may propose an alternative schedule for implementing the action or may identify a different action (or actions) to meet the specific housing need addressed by this action. Furthermore, the City may identify reasons why an action is found to be infeasible.

## Exhibit 11. HPS Actions: Implementation Schedule

Action Group	Action Name	Implementation Years								
		2026	2027	2028	2029	2030	2031	2032	2033	
Long-Range Planning	1. Use more land in the Urban Holding Plan Designation for housing	Evaluate		Action	Implementation					
	2. Rezone land to R-5 within the existing city limits for housing		Eval.	Action	Implementation					
	3. Develop area plans for Urban Growth Boundary areas	Eval. (SW)	Action (SW)	Imple ment.	Eval. (RSS)	Action (RSS)	Implementation			
	4. Infrastructure planning to support residential development		Eval.	Action	On-Going Re-evaluate/ Implementation					
Regulatory Amendments	5. Implement and codify Great Neighborhood principles	Eval.	Action	Implementation						
	6. Require a mix of housing types for to-be-annexed land		Eval.	Action	Implementation					
	7. Adopt code amendments to support transitional housing	Action	Implementation							
Incentives for New Housing	8. Incentivize and promote accessible design			Eval.	Action	Implementation				
	9. Establish a Multiple-unit tax exemption (MUPTE) program			Eval.		Action	Implementation			
	10. Scaling of systems development charges (SDCs)			Eval.	Action	Implementation				
Land-Based Programs	11. Partner with Community Land Trusts (CLT)	Action (CET)	Implementation					Re-evaluate		
	12. Support affordable housing development through land provision	Action (CET)	Implementation					Re-evaluate		
Housing Choice and Preservation	13. Develop and adopt a Strategic Housing Opportunities Plan					Evaluate		Action	Imple ment.	
	14. Mitigate displacement through the adoption of anti-displacement policies and strategies					Evaluate		Action	Imple ment.	
	15. Implement a fee for demolition of existing affordable homes	Eval.	Action	Implementation						
	16. Preserve and support development of manufactured home parks				Eval.	Action	Implementation			

## Monitoring Outcomes of the HPS

This is McMinnville's first HPS. As a result, the City is required to describe how it will measure the implementation and progress of the HPS. This section describes the metrics the City will use to evaluate HPS progress. When McMinnville produces its next HPS in six years, the City will be required to summarize the efficacy of each action included in this HPS.<sup>16</sup> The information resulting from these measures will help McMinnville to summarize the outcomes and efficacy of the actions in this HPS.

The City will review its progress toward the plan on a consistent basis, coinciding with the implementation plan and any Council work planning. During its review, the City will report on the implementation actions taken for the strategies in progress, or any scheduled to begin, along with the housing development activity that has occurred. Every three years, these updates will be combined into a report. Key questions that the City can consider in its assessment include:

- Are new or different actions needed to address new or changing conditions?
- Have any specific strategies proven to be impractical and/or counterproductive?
- What benefits has the City seen from its efforts to date?

In addition, the City can track indicators of plan progress in Exhibit 12.

### Exhibit 12. Monitoring Outcomes of the HPS Actions

Strategies	Annual monitoring
Overall Monitoring	<ul style="list-style-type: none"> <li>▪ Number of affordable units developed by income range.</li> <li>▪ Number of affordable projects developed.</li> </ul>
<b>Long-Range Planning</b>	
1. Use more land in the Urban Holding Plan Designation for housing	<ul style="list-style-type: none"> <li>▪ Amendment to the MGMUP Framework Plan, with increased number of acres identified for housing.</li> </ul>
2. Rezone land to R-5 within the existing city limits for housing	<ul style="list-style-type: none"> <li>▪ Number of acres rezoned to R-5.</li> <li>▪ Number of units developed in R-5 zone.</li> </ul>
3. Develop area plans for Urban Growth Boundary areas	<ul style="list-style-type: none"> <li>▪ Progress toward creating and adopting area plans for Urban Growth Boundary areas.</li> <li>▪ Number of new housing units permitted or developed in planned areas, by type of unit including multifamily and middle housing types.</li> <li>▪ Number of affordable units developed by income level in planned areas.</li> </ul>
4. Infrastructure planning to support residential development	<ul style="list-style-type: none"> <li>▪ Amount of funding investment to support infrastructure improvements to enable housing development.</li> <li>▪ Description of key infrastructure improvements that serve new housing.</li> </ul>

<sup>16</sup> A detailed summary of DLCD's monitoring and reporting requirements for Housing Production Strategies is included in Appendix A.

Strategies	Annual monitoring
<b>Regulatory Amendments</b>	
5. Implement and codify Great Neighborhood principles	<ul style="list-style-type: none"> <li>Progress toward adopting clear and objective standards to implement Great Neighborhood principles.</li> </ul>
6. Require a mix of housing types for to-be-annexed land	<ul style="list-style-type: none"> <li>Number of new housing units permitted or developed on newly annexed land, by type of unit including multifamily and middle housing types.</li> </ul>
7. Adopt code amendments to support transitional housing development	<ul style="list-style-type: none"> <li>Number of transitional housing projects (and units) permitted or developed under code amendments.</li> </ul>
<b>Incentives for New Housing</b>	
8. Incentivize and promote accessible design	<ul style="list-style-type: none"> <li>Number of units developed meeting Universal Design, Lifelong Housing Certification, or similar standards.</li> <li>If incentives are offered, amount of funding or resources offered as incentives.</li> </ul>
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program	<ul style="list-style-type: none"> <li>Number of projects (and units) granted tax exemption.</li> <li>Number of affordable units developed by income range and total housing units added.</li> </ul>
10. Scaling of systems development charges (SDCs)	<ul style="list-style-type: none"> <li>Number of projects and new units by housing unit types subject to the new SDC.</li> </ul>
<b>Land-Based Programs</b>	
11. Partner with Community Land Trusts (CLT)	<ul style="list-style-type: none"> <li>Number of inquiries about CLT program.</li> <li>New partnerships established.</li> <li>Amount of funding investments and land (acres) dedicated to support CLT.</li> <li>Number of affordable units developed in a CLT by income range.</li> </ul>
12. Support affordable housing development through provision of land	<ul style="list-style-type: none"> <li>New partnerships established.</li> <li>Amount of land dedicated to affordable housing through land banking.</li> <li>Amount of land acquired by the city for land banking.</li> <li>Number of units developed on land that was land banked, by income range and type of partnership.</li> </ul>
<b>Housing Choice and Preservation</b>	
13. Develop and adopt a Strategic Housing Opportunities Plan	<ul style="list-style-type: none"> <li>Progress toward developing the plan.</li> <li>New partnerships established.</li> <li>Additional housing actions identified by the plan.</li> <li>Plans for adoption or implementation of the new actions.</li> </ul>
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	<ul style="list-style-type: none"> <li>Completed anti-displacement analysis.</li> <li>Additional anti-displacement actions identified in the plan.</li> <li>Plans for adoption or implementation of the new actions.</li> <li>Progress toward adopting anti-displacement policies through comprehensive plan amendments.</li> <li>Number of new units created in a redevelopment project that represent the income levels of the households displaced?</li> </ul>
15. Implement a fee for demolition of existing affordable homes	<ul style="list-style-type: none"> <li>Development of a demolition fee policy and direction on the use of resulting fees.</li> <li>Number of demolition subject to the new fee.</li> <li>Amount of revenue generated through fees.</li> </ul>
16. Preserve and support development of manufactured home parks	<ul style="list-style-type: none"> <li>Number of inquiries about manufactured home park preservation assistance.</li> <li>Number of units (and acres) of manufactured home parks acquired through resident or nonprofit ownership.</li> <li>Number of manufactured home parks retained. Number of manufactured home parks lost.</li> </ul>

In addition, the City could monitor current market conditions to help the Council understand the context in which the overall HPS is operating:

- ◆ Number and type of new homes produced and total within the city over time—tenure, size, sales price/asking rent, and unit type.
- ◆ Share of rent-burdened residents.
- ◆ Sales prices and rents for existing homes.
- ◆ Number, location, and expiration date of regulated affordable units with change in units provided over time.



## City's Role and Potential Partners' Roles

Implementing the actions in this strategy will require the participation of key partners who have roles essential to the construction, delivery, and preservation of housing units. Exhibit 13 shows how each of the partners would play a role in different actions.

**Exhibit 13. City's Role and Potential Partners' Roles**

Actions	City role	Partners and roles
<b>Long-Range Planning</b>		
1. Use more land in the Urban Holding Plan Designation for housing	Lead policy development and comprehensive plan amendment process.	Property owners, development community: Provide input.
2. Rezone land to R-5 within the existing city limits for housing	Evaluate and rezone if appropriate, underutilized industrial, commercial and lower density residentially zoned land for rezoning to the R-5 zoning district within the existing city limits.	Property owners, market-rate developers, nonprofit developers: Provide input.
3. Develop area plans for Urban Growth Boundary areas	Lead development of the area plans, with assistance from consultant teams selected through a Request for Proposal (RFP) process.	Community: Provide input. Project Advisory Committees: Help interpret public participation and provide guidance for area plan development.
4. Infrastructure planning to support residential development	Lead the process for the public infrastructure planning, including the analysis, evaluation and adoption of the public infrastructure plans (transportation, wastewater and water).	McMinnville Water and Light: Lead the process for the water master planning. Yamhill County Transit Authority: Lead the public transit Master planning.
<b>Regulatory Actions</b>		
5. Implement and codify Great Neighborhood principles	Draft and adopt code regulations.	
6. Require a mix of housing types for to-be-annexed land	Develop annexation agreement language and development code regulations.	Landowners and development community: Provide input.
7. Adopt code amendments to support transitional housing development	Develop and adopt code amendments. Develop a clear permitting procedure for transitional housing applications.	Affordable housing developers, service providers: Provide input.

Actions	City role	Partners and roles
<b>Incentives for New Housing</b>		
8. Incentivize and promote accessible design	Evaluate incentive options, draft amendments to the land use ordinance, and work with Planning Commission and City Council to adopt revised standards.	Market-rate developers, nonprofit developers, local service providers: Provide input.
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program	Work with other taxing districts to adopt MUPTE, implement the exemption, and execute on annual reporting and administration procedures.	Yamhill County, McMinnville School District, other overlapping tax districts: Work with City of McMinnville to understand tax impacts and agree to MUPTE program.
10. Scaling of systems development charges (SDCs)	Evaluate updates to the City's SDC methodology and implement SDC methodology change by ordinance or resolution.	Market-rate developers, nonprofit developers: Provide input.
<b>Land-Based Programs</b>		
11. Partner with Community Land Trusts (CLT)	Establish CLT partnerships and identify funding to support CLT development, including local construction excise taxes.	Community Land Trust: Incorporate (for a new organization), or expand into McMinnville (for existing organization) Market-rate developers, affordable housing providers: Provide input
12. Support affordable housing development through provision of land	Varies depending on the approach but could include contributing city-owned surplus land for development, assisting with land purchase and assembly, providing funding or technical assistance to support land purchase, or partnering in an affordable housing development project that includes land banking.	Local faith and community-based organizations that own land: Commit land for housing development, partner with affordable housing developers Affordable housing developers: Provide input, partner with local landowners.
<b>Housing Choice and Preservation</b>		
13. Develop and adopt Strategic Housing Opportunities Plan	Lead plan development, analysis and evaluation of existing policies, and manage engagement with historically marginalized groups.	Local service providers, Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill County Action Partnership, community-based organizations: Provide input and engage constituents to participate in plan development process.

Actions	City role	Partners and roles
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	Lead the displacement analysis and work with the Affordable Housing Committee and Planning Commission on legislative updates, including comprehensive plan amendments.	Service providers, local affordable housing providers: provide input on displacement pressures and trends and engage constituents to participate in plan development process.
15. Implement a fee for demolition of existing affordable homes	Develop and adopt demolition fee policy.	Development community: Provide input.
16. Preserve and support development of manufactured home parks	Varies depending on project, but could include assisting with manufactured home park purchase, providing funding to support a park purchase, or funding technical or legal assistance to form a resident-owned community or land trust.	OHCS: Provide funding for resident purchase. CASA of Oregon, residents of manufactured home parks: Organize residents to facilitate purchase and self-governance. Manufactured home park owners: Work with residents to facilitate purchase.

## Funding Sources Considered to Support the Actions

One of the key limitations to implementing the actions in the HPS is the availability of funding. Funding is needed not only to build units, preserve affordable housing, and provide access to equitable housing but also for staff time to implement the Plan. Identifying a set of realistic funding sources is necessary for achieving the vision of affordable housing in McMinnville.

A robust set of housing preservation and development programs requires funding sources that are dedicated toward these activities and that are stable and flexible. In addition to existing available funding options, the City will need to pursue new funding sources that can help fund its programs. The City's existing primary funding sources are:

- **Construction Excise Tax (CET) Revenues.** The City established a Construction Excise Tax to support affordable housing development (2019 HS 6.1). The City Council adopted Ordinance 5112 establishing an Affordable Housing Construction Excise Tax to address affordable housing needs for citizens earning 80% or less of McMinnville's median income. The tax is assessed on residential, commercial, and industrial properties subject to building permit applications, and is calculated at 1% of the value of improvements specified in the permit (MMC 3.30, adopted April 2022). The City has collected a Construction Excise Tax since July 1, 2022, and is in the process of determining the best way to use these funds to support housing goals. For the 2024 fiscal year, there is approximately \$475,000 for affordable housing programs and \$550,000 for developer incentives. The annual projection of tax revenue is \$165,000 for affordable housing programs and \$210,000 for developer incentives.
- **Community Development Block Grant (CDBG):** Since it is not a CDBG entitlement community due to population size, the only way that the City can access CDBG funds is through the state competitive application process. Every four years, the city applies for an Oregon state Community Development Block Grant (CDBG) for a Home Rehabilitation Grant Program (2019 HS 7.1). This grant funds critical home repairs for low-income and moderate-income households.

The City has a variety of other options for locally controlled funding sources that could support affordable housing. While this project did not include a robust funding analysis component, the project team discussed these funding sources with the Task Force.

Exhibit 14 provides an overview of which funding sources advanced to the HPS.

## Exhibit 14. Funding Sources Considered to Support the Actions

Recommendation for inclusion in the HPS as an action?	Revenue Source	Rationale for Inclusion/Exclusion
Yes	Use of CET funding	As noted above, McMinnville has a CET to support affordable housing. This provides a funding source to support developer incentives, affordable homeownership, and affordable housing programs.
Yes	Demolition Fee	A new demolition fee is a proposed action that is intended to provide revenue in support of affordable housing and meeting housing needs.
No	Urban Renewal Area	Provides a stable, dedicated revenue source in an area with limited existing infrastructure. The City of McMinnville established a McMinnville Urban Renewal District in its city center in 2013. The McMinnville Downtown Urban Renewal Plan has thirteen specific projects of which one is property assistance. The McMinnville Urban Renewal Agency has set aside funds in each recent budget year dedicated to assisting housing projects in the city center.
No but staff will continue to pursue	Grants and State Funding	Not included as an action but considered as a source of funding for other housing strategies.
No but the City will accept these	Private donations and gifts	Pursue as the City has staff capacity, without dedicated staff this is not likely to be a substantial source of funding.
No but the City could consider as options arise	General Fund	Consider use of General Funds as opportunities arise.
No but staff will consider use of lodging tax if it becomes possible	Lodging Tax Revenues	McMinnville has various hotels, motels and other forms of tourist lodging. Currently, the amount of lodging tax revenue that can be spent on housing (or other non-tourism related expenditures) is limited by law. If the Legislature changes this law, the City may consider opportunities to use lodging tax to support development of housing that is affordable to allow people to live and work in McMinnville.
No	General Obligation Bond	Requires voter approval
No	New local option levy	Requires voter approval
No	Marijuana tax	These funds are currently dedicated for the general fund.
No	Increased utility fee	May not provide a source of funding for development or preservation of housing.
No	New business license fee	May hinder local business development
No	New food and beverage tax	May not be politically feasible
No	New sales tax	May not be politically feasible
No	New payroll or business income tax	May not be politically feasible
No	New real estate transfer tax	Not legal in Oregon
No	New vacant/second home tax	Untested and possibly not legal in Oregon

## Evaluation of HPS Actions

Connection Between Unmet Housing Needs, Actions in the HPS, and Existing Actions Exhibit 15 connects the unmet housing needs (presented in Chapter 2) with the HPS actions and key existing City actions.

**Exhibit 15. Connection Between Unmet Housing Needs, Actions in the HPS, and Existing Actions**

Unmet Housing Needs	Actions that Address the Unmet Housing Needs	
	Existing McMinnville Actions and Policies	Actions in the HPS
<b>Actions that Increase Development of Housing</b> Regardless of Income Level or Demographic Group	<ul style="list-style-type: none"> <li>Many of McMinnville's existing policies support development of housing regardless of income level and are not documented here.</li> </ul>	<ul style="list-style-type: none"> <li>1. Use more land in the urban holding plan designation for housing</li> <li>2. Rezone land to R-5 within the existing city limits for housing</li> <li>3. Develop area plans for Urban Growth Boundary areas</li> <li>4. Infrastructure planning to support residential development</li> <li>5. Implement and codify Great Neighborhood Principles</li> </ul>
<b>Extremely Low Income (&lt;30% MFI) and Very Low Income (30% to 60% MFI):</b> New subsidized housing; preserving existing "naturally occurring affordable housing"	<ul style="list-style-type: none"> <li>Waiving transportation and wastewater SDCs for qualifying affordable housing projects</li> <li>Reducing permitting fees by 50% for qualifying affordable housing projects</li> <li>Amending the development code to reduce parking requirements for qualifying affordable housing projects.</li> <li>Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments.</li> <li>Adopting a Construction Excise Tax to support affordable housing programs</li> <li>Every three years, the city allocates part of the Community Development Block Grant to a Home Rehabilitation Grant Program to fund critical home repairs for low-income and moderate-income households.</li> </ul>	<ul style="list-style-type: none"> <li>6. Require a mix of housing types for to-be annexed land</li> <li>7. Adopt code amendments to support transitional housing development</li> <li>8. Incentivize and promote accessible design</li> <li>10. Scaling of systems development charges (SDCs)</li> <li>12. Support affordable housing development through provision of land</li> <li>13. Develop and adopt a Strategic Housing Opportunities Plan</li> <li>14. Mitigate displacement through the adoption of anti-displacement policies and strategies</li> <li>15. Implement a fee for demolition of existing affordable homes</li> <li>16. Preserve and support development of manufactured home parks</li> </ul>

Unmet Housing Needs	Actions that Address the Unmet Housing Needs	
	Existing McMinnville Actions and Policies	Actions in the HPS
<b>Low Income (60% to 80% MFI):</b> New subsidized housing; preserving existing “naturally occurring affordable housing”	<ul style="list-style-type: none"> <li>▪ Waiving transportation and wastewater SDCs for qualifying affordable housing projects</li> <li>▪ Reducing permitting fees by 50% for qualifying affordable housing projects</li> <li>▪ Amending the development code to reduce parking requirements for qualifying affordable housing projects.</li> <li>▪ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels.</li> <li>▪ Adopting a Construction Excise Tax to support affordable housing programs</li> <li>▪ Every three years, the city allocates part of the Community Development Block Grant to a Home Rehabilitation Grant Program to fund critical home repairs for low-income and moderate-income households.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 6. Require a mix of housing types for to-be annexed land</li> <li>▪ 8. Incentivize and Promote Accessible Design</li> <li>▪ 9. Establish a Multiple-Unit Tax Exemption (MUPTEx) program</li> <li>▪ 10. Scaling of systems development charges (SDCs)</li> <li>▪ 11. Partner with Community Land Trusts (CLT)</li> <li>▪ 12. Support affordable housing development through provision of land</li> <li>▪ 13. Develop and adopt a Strategic Housing Opportunities Plan</li> <li>▪ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies</li> <li>▪ 15. Implement a fee for demolition of existing affordable homes</li> <li>▪ 16. Preserve and support development of manufactured home parks</li> </ul>
<b>Middle Income (80% to 120%):</b> New market-rate rental housing and smaller market rate homes for ownership; preserve existing smaller, older homes	<ul style="list-style-type: none"> <li>▪ Amending the development code to allow small lot subdivisions</li> <li>▪ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001.</li> <li>▪ Every three years, the city allocates part of the Community Development Block Grant to a Home Rehabilitation Grant Program to fund critical home repairs for low-income and moderate-income households.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 6. Require a mix of housing types for to-be annexed land</li> <li>▪ 8. Incentivize and promote accessible design</li> <li>▪ 10. Scaling of Systems Development Charges (SDCs)</li> <li>▪ 11. Partner with Community Land Trusts (CLT)</li> <li>▪ 12. Support affordable housing development through provision of land</li> <li>▪ 13. Develop and adopt a Strategic Housing Opportunities Plan</li> <li>▪ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies</li> <li>▪ 15. Implement a fee for demolition of existing affordable homes</li> </ul>

Unmet Housing Needs	Actions that Address the Unmet Housing Needs	
	Existing McMinnville Actions and Policies	Actions in the HPS
<b>People of Color (POC), including Latinx:</b> Increased access to affordable housing options; housing for multigenerational households; access to housing in areas with access to services and public transportation; access to housing without discrimination	<ul style="list-style-type: none"> <li>▪ staff</li> <li>▪ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments.</li> <li>▪ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 6. Require a mix of housing types for to-be annexed land</li> <li>▪ 13. Develop and adopt a Strategic Housing Opportunities Plan</li> <li>▪ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies</li> </ul>
<b>People with a Disability:</b> Housing with design standards that meet their needs; access without discrimination; access to services; access to public transportation	<ul style="list-style-type: none"> <li>▪ Every three years, the city allocates part of the Community Development Block Grant to a Home Rehabilitation Grant Program to fund critical home repairs for low-income and moderate-income households.</li> <li>▪ The code was updated to allow cohousing and “group quarters” in residential and mixed-use zones to provide more opportunities for a broader range of housing choices.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 8. Incentivize and promote accessible design</li> <li>▪ 13. Develop and adopt a Strategic Housing Opportunities Plan</li> <li>▪ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies</li> </ul>
<b>Seniors:</b> Housing with design standards that meet their needs; access without discrimination; access to services; access to public transportation; ability to age in place	<ul style="list-style-type: none"> <li>▪ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 8. Incentivize and promote accessible design</li> <li>▪ 13. Develop and adopt a Strategic Housing Opportunities Plan</li> </ul>
<b>People Experiencing Homelessness:</b> Emergency assistance and shelter; permanent supportive housing; deeply affordable units	<ul style="list-style-type: none"> <li>▪ Waiving transportation and wastewater SDCs for qualifying affordable housing projects</li> <li>▪ Reducing permitting fees by 50% for qualifying affordable housing projects</li> <li>▪ Amending the development code to reduce parking requirements for qualifying affordable housing projects.</li> <li>▪ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels.</li> <li>▪ Adopting a Construction Excise Tax to support affordable housing programs</li> <li>▪ Amending the development code to allow SROs and Tiny Homes</li> </ul>	<ul style="list-style-type: none"> <li>▪ 7. Adopt code amendments to support transitional housing development</li> </ul>



Unmet Housing Needs	Actions that Address the Unmet Housing Needs	
	Existing McMinnville Actions and Policies	Actions in the HPS
<b>Immigrant community, including refugees:</b> Culturally-considerate housing; increased access to affordable housing options; housing for multigenerational households; access to housing without discrimination	<ul style="list-style-type: none"> <li>▪ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 6. Require a mix of housing types for to-be annexed land</li> <li>▪ 13. Develop and adopt a Strategic Housing Opportunities Plan</li> <li>▪ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies</li> </ul>

## Focus of the Actions

Exhibit 16 shows the focus of each of the HPS actions for development and preservation of existing housing. Many of the actions in the HPS in this section can be used to meet housing needs at different income levels. This section describes how groupings of actions, into areas of focus, are necessary to work together to meet McMinnville's housing needs.

### Exhibit 16. HPS Actions: Focus of Action

■ Primary Focus of the action □ Secondary Focus of the action

Name	Encourage development of income-restricted affordable housing units (60% of MFI or less)	Encourage development of low- and moderate-income affordable rental housing (120% MFI or less)	Increase opportunities for affordable homeownership	Preserve existing supply of low- and moderate-income affordable housing (120% MFI or less)
<b>Long-Range Planning</b>				
1. Use more land in the Urban Holding Plan Designation for housing	■	■	■	
2. Rezone land to R-5 within the existing city limits for housing	■	■		
3. Develop area plans for Urban Growth Boundary areas	■	■	■	
4. Infrastructure planning to support residential development	■	■	■	
<b>Regulatory Amendments</b>				
5. Implement and codify Great Neighborhood principles	■	■	■	
6. Require a mix of housing types for to-be-annexed land	■	■	■	
7. Adopt code amendments to support transitional housing development	■			
<b>Incentives for New Housing</b>				
8. Incentivize and promote accessible design	■	■	■	
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program		■		
10. Scaling of systems development charges (SDCs)	□	■	■	
<b>Land-Based Programs</b>				
11. Partner with Community Land Trusts (CLT)			■	□
12. Support affordable housing development through provision of land	■	■	■	

Name	Encourage development of income-restricted affordable housing units (60% of MFI or less)	Encourage development of low- and moderate-income affordable rental housing (120% MFI or less)	Increase opportunities for affordable homeownership	Preserve existing supply of low- and moderate-income affordable housing (120% MFI or less)
<b>Housing Choice and Preservation</b>				
13. Adopt a Strategic Housing Opportunities Plan	■	□	■	□
14. Mitigate Displacement through the Adoption of Anti-Displacement Policies and Strategies				■
15. Implement a fee for demolition of existing affordable homes				■
16. Preserve and support development of manufactured home parks			■	■

## Groups Served by the Actions

Exhibit 17 provides information about each action, based on the criteria below.

- ♦ **Action origin:** The HPS includes actions identified in the 2019 McMinnville Housing Strategy (and not yet completed) and actions newly identified in 2024 as part of development of the HPS. Exhibit 17 lists the source of the action and summarizes how each action serves McMinnville's residents, based on income, housing tenure, and other identities, including protected classes.<sup>17</sup>
- ♦ **Income-level served.** This is the income-level served as a percentage of MFI from Exhibit 4.
- ♦ **Population served.** This is the groups of people served by the action, such as low-income households, protected classes, or other groups specifically served by the action.
- ♦ **Housing tenure.** Renter-occupied or owner-occupied housing units.

### Exhibit 17. HPS Actions: Groups Served by the Action

Name	Action origin: 2019 Housing Strategy or 2024 HPS	Income-level served (as a percentage of MFI)	Population served	Housing tenure
Long-Range Planning				
1. Use more land in the Urban Holding Plan Designation for housing	2019	All Income Levels	All	Renter and Owner
2. Rezone land to R-5 within the existing city limits for housing	2019			Renter and Owner
3. Develop area plans for Urban Growth Boundary areas	2019			Renter and Owner
4. Infrastructure planning to support residential development	2019			Renter and Owner
Regulatory Amendments				
5. Implement and codify Great Neighborhood principles	2019	All Income Levels	All	Renter and Owner

<sup>17</sup> Federal protected classes include race, color, religion, national origin, age, sexual orientation, gender identify, familiar status, and disability. Oregon's protected classes include race, color, national origin, religion, disability, sex (including pregnancy), sexual orientation, gender identify, age, and marital status.

Name	Action origin: 2019 Housing Strategy or 2024 HPS	Income-level served (as a percentage of MFI)	Population served	Housing tenure
6. Require a mix of housing types for to-be-annexed land	2024			Renter and Owner
7. Adopt code amendments to support transitional housing development	2024	<60%	Lower-income households and people experiencing homelessness	Renter and Owner
<b>Incentives for New Housing</b>				
8. Incentivize and promote accessible design	2024	All Income Levels	People with disabilities, including seniors	Renter and Owner
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program	2024	60–80%; possibly higher	Low- and moderate-income households	Renter
10. Scaling of systems development charges (SDCs)	2024	<60% 60–80% 80–120%	All Low- and moderate-income households	Renter and Owner
<b>Land-Based Programs</b>				
11. Partner with Community Land Trusts (CLT)	2024	60–80% 80–120%	Low-income households	Owner
12. Support affordable housing development through provision of land	2024	<60% 60–80% 80–120%	Low-income and middle- income households	Renter and Owner
<b>Housing Choice and Preservation</b>				
13. Develop and adopt a Strategic Housing Opportunities Plan	2024	All Income Levels	Latinx, people of color, people with disabilities, low-income households, other protected classes	Renter and Owner
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	2024	<60% 60–80% 80–120%	Latinx, people of color, people with disabilities, low-income households, other protected classes	Renter and Owner
15. Implement a fee for demolition of existing affordable homes	2024		Low-income and moderate-income households	Renter and Owner
16. Preserve and support development of manufactured home parks	2024	<60% 60–80%	Households living in manufactured home parks; likely to be lower income households	Owners of manufactured homes

# Benefits, Burdens, Opportunities, and Risks

The City is required to consider the benefits, burdens, risks, and opportunities of each action. This analysis answers the following questions:

- ◆ What are the potential benefits and who is potentially burdened by this action for following groups of people who have been historically marginalized: low-income communities, communities of color, people with disabilities, and other state and federal protected classes?<sup>18</sup>
- ◆ What are the opportunities or risks with adoption of the actions proposed in the HPS.

## Exhibit 18. Potential Benefits, Burdens, Opportunities, and Risks of the HPS Actions

Actions	Benefits	Burdens	Opportunities	Risks
<b>Long-Range Planning</b>				
1. Use more land in the Urban Holding Plan Designation for housing	<ul style="list-style-type: none"> <li>▪ Homebuyers and renters because there is more land for housing development, potential for development of more housing types that are affordable.</li> <li>▪ Likely to benefit households at all income levels.</li> <li>▪ If some land is used for affordable housing development, this could benefit low-income households.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Zoning and getting land in the urban holding zone ready to develop will create opportunities for more development of all types of housing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to pose substantial risks.</li> </ul>
2. Rezone land to R-5 within the existing city limits for housing	<ul style="list-style-type: none"> <li>▪ Likely to benefit households at below 120% MFI the most.</li> <li>▪ If some of this land is used for affordable housing development, this could benefit low-income households.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Re-zoning land to R-5 within the existing city limits will create opportunities for more development of multifamily housing in areas specifically zoned for it.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to pose substantial risks.</li> </ul>
3. Develop area plans for Urban Growth Boundary areas	<ul style="list-style-type: none"> <li>▪ Likely to benefit households at all income levels.</li> <li>▪ If some of this land is used for affordable housing development, this could benefit low-income households.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completing area planning assures that areas newly brought into the UGB develop in an orderly way, addressing the City's housing, economic development, and other land needs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to pose substantial risks.</li> </ul>

<sup>18</sup> Federal protected classes include race, color, religion, national origin, age, sexual orientation, gender identify, familiar status, and disability. Oregon's protected classes include race, color, national origin, religion, disability, sex (including pregnancy), sexual orientation, gender identify, age, and marital status.

Actions	Benefits	Burdens	Opportunities	Risks
4. Infrastructure planning to support residential development	<ul style="list-style-type: none"> <li>Improves the livability for residents by upgrading public infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>May increase areas of the City where housing can be built, especially at a higher density.</li> </ul>	<ul style="list-style-type: none"> <li>Risk of funding shortfalls without sufficient support.</li> <li>Risk of service rate increases for major expansions in infrastructure.</li> </ul>
<b>Regulatory Amendments</b>				
5. Implement and codify Great Neighborhood principles	<ul style="list-style-type: none"> <li>Likely to benefit households at all income levels.</li> <li>Improves the livability for residents by supporting the addition of community amenities that should be achieved for every neighborhood like walkability and access to open spaces and services.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>This action supports the establishment of more mixed-income and mixed-housing neighborhoods which helps to spread out amenities to the benefit of diverse household incomes.</li> </ul>	<ul style="list-style-type: none"> <li>The Code updates should focus on being clear and objective to avoid being overly complicated and challenging to interpret deterring housing development meeting unmet needs.</li> </ul>
6. Require a mix of housing types for to-be-annexed land	<ul style="list-style-type: none"> <li>Likely to benefit households below 120% MFI the most.</li> <li>The city could evaluate opportunities to allow for development that may be rental housing or more affordable smaller-scale middle housing or multi-unit housing.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>Requiring housing variety, rather than leaving the mix entirely up to market forces, ensures a range of housing types will be provided in a given area—including middle housing. This can meet the housing needs of a wider variety of people and contribute to the creation of inclusive neighborhoods. Smaller housing and middle housing are more likely to be lower cost than traditional single-family detached housing, providing a wider range of housing options, and opportunities for multigenerational housing (such as duplexes) and affordable homeownership.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to pose substantial risks.</li> </ul>

Actions	Benefits	Burdens	Opportunities	Risks
7. Adopt code amendments to support transitional housing development	<ul style="list-style-type: none"> <li>▪ This will benefit low-to moderate income households, people experiencing homelessness, and could benefit persons with disabilities.</li> <li>▪ The groups more likely to benefit include people more likely to experience homelessness or be at-risk of homelessness, such as POC, people with disabilities, and seniors.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Transitional housing provides housing for those with high challenges securing stable housing.</li> <li>▪ Reduces houselessness and the associated public costs, including emergency healthcare and law enforcement interventions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Depends on having effective partnerships, without which this action may not be implemented sufficiently.</li> </ul>
<b>Incentives for New Housing</b>				
8. Incentivize and promote accessible design	<ul style="list-style-type: none"> <li>▪ The groups more likely to benefit include persons with disabilities and seniors (at various income levels).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ If this is paired with grant funding, this action could provide opportunities to preserve existing affordable housing in need of upgrades.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to pose substantial risks.</li> </ul>
9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program	<ul style="list-style-type: none"> <li>▪ Provides an incentive to support mixed income housing development that supports diverse household incomes.</li> <li>▪ This will benefit low-to moderate income households since it requires a portion of the housing to be set aside for low to moderate income households occupying housing in the MUPTE area.</li> <li>▪ The groups more likely to have qualifying incomes include: POC, people with disabilities, and seniors. To increase benefits to these groups, the City may want to engage people in these groups before establishing a program.</li> <li>▪ The new MUPTE area may be located in areas well-served by transit, benefiting residents and potentially decreasing dependence on automotive transportation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ McMinnville may identify add anti-displacement provisions to prevent displacement when MUPTE is being proposed for the redevelopment of housing currently serving protected classes. The City may identify appropriate anti-displacement policies to avoid displacement from MUPTE as part of Action 14.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Provides opportunities for development of new housing, including housing affordable generally at or below 80% MFI and creates diverse mixed-income housing developments.</li> </ul>	<ul style="list-style-type: none"> <li>▪ City would forgo property tax revenue for up to 10 years where MUHTIP is granted.</li> </ul>



Actions	Benefits	Burdens	Opportunities	Risks
10. Scaling of systems development charges (SDCs)	<ul style="list-style-type: none"> <li>Provides an incentive to support housing development that can benefit moderate and lower-income households who tend to occupy smaller housing.</li> <li>The new smaller housing may be located in areas well-served by transit, benefiting residents and potentially decreasing dependence on automotive transportation.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>Smaller housing types are more likely to be lower cost than traditional large single-family detached housing, providing a wider range of housing options.</li> <li>This action could encourage more smaller housing types to be built that would help serve unmet needs and provide more housing options and choices.</li> </ul>	<ul style="list-style-type: none"> <li>Will need to ensure that the change in SDC does not result in less SDC revenue overall.</li> <li>Smaller housing is not always guaranteed to be affordable to lower-income households.</li> </ul>
<b>Land-Based Programs</b>				
11. Partner with Community Land Trusts (CLT)	<ul style="list-style-type: none"> <li>This will benefit low-to moderate income households and communities vulnerable to displacement. The groups more likely to benefit also include POC and seniors.</li> <li>Some land trusts and affordable housing developers specialize in providing services federal protected classes.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>Provides long-term affordability and wealth-building opportunities for lower-income homeowners.</li> <li>Stabilizes neighborhoods and prevents displacement.</li> <li>Encourages mixed-income communities and equitable access to housing.</li> <li>This could benefit first-time homebuyers.</li> </ul>	<ul style="list-style-type: none"> <li>Depends on having effective partnerships, without which this action may not be implemented sufficiently.</li> </ul>
12. Support affordable housing development through provision of land	<ul style="list-style-type: none"> <li>The new housing may be located in areas well-served by transit and pedestrian infrastructure, benefiting residents and potentially decreasing dependence on automotive transportation.</li> <li>This could help build more affordable housing for low to moderate income households.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>This action will create opportunities for more development of all types of housing.</li> </ul>	<ul style="list-style-type: none"> <li>This could require additional staff time to implement.</li> </ul>

Actions	Benefits	Burdens	Opportunities	Risks
<b>Housing Choice and Preservation</b>				
13. Adopt a Strategic Housing Opportunities Plan	<ul style="list-style-type: none"> <li>▪ This could help build more affordable housing for low to moderate income households.</li> <li>▪ The actions identified in this plan could help to further address unmet housing needs for low-to-moderate income households, persons experiencing homelessness, persons with disabilities, seniors, POC, and other communities in need of housing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This action will create opportunities for more development of all types of housing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to pose substantial risks.</li> </ul>
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	<ul style="list-style-type: none"> <li>▪ This action will help to prevent households from being displaced from naturally occurring affordable housing. This will benefit low-to-moderate income households and communities vulnerable to displacement. The groups more likely to benefit also include POC and seniors.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Anti-displacement strategies are critical roadmaps for cities interested in stabilizing neighborhoods because they not only outline and prioritize locally tailored solutions, but when drafted in collaboration with other local organizations, help build capacity in communities through ongoing education about displacement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to pose substantial risks.</li> </ul>
15. Implement a fee for demolition of existing affordable homes	<ul style="list-style-type: none"> <li>▪ A fee for the demolition of existing affordable housing units could help prevent redevelopment of sites into unaffordable housing types. This will benefit low-to-moderate income households and communities vulnerable to displacement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This fee could deter the demolition of existing affordable housing (naturally occurring) and could generate a source of funding to support preservation and development of new affordable housing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ If set too high, this fee could possibly deter redevelopment projects needing to demolition existing buildings.</li> <li>▪ The City should determine what type of development may be exempt from the fee, including the development of new affordable housing units, certain density thresholds for infill development to avoid deterring affordable housing development.</li> </ul>

Actions	Benefits	Burdens	Opportunities	Risks
16. Preserve and support development of manufactured home parks	<ul style="list-style-type: none"> <li>This action could help preserve existing housing serving low to moderate-income households and communities vulnerable to displacement.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to increase burdens for these communities.</li> </ul>	<ul style="list-style-type: none"> <li>This could preserve opportunities for affordable homeownership.</li> </ul>	<ul style="list-style-type: none"> <li>Depends on having effective partnerships and external funding, without which this action may not be implemented sufficiently.</li> </ul>

## Recommendations for Future Actions

The following actions, while important and useful, are not included as strategies in the HPS because of uncertainty about availability of funding, likelihood that they will be easily addressed outside of the HPS, or for other reasons. Instead, the HPS will include them as recommendations that the City may want to consider in the future or as part of another process. The City will not have to report on progress toward these actions.

Appendix D provides details of each of the actions considered but not included in the HPS.

### Land Use and Development Regulations

- 6. Increase allowances and offer incentives for needed housing types and higher densities
- 11. Develop pre-approved building plan sets
- 12. Permitting Process Audit

### Programs and Funding

- 15. Support Access to Homeownership for Low Income Households
- 16. Affordable Housing Property Tax Abatement/Incentive
- 18. System Development Charges (SDCs) Financing Credits
- 20. Lobby for Expanded Use of Transient Lodging Tax Funds
- 21. Partner with Fair Housing Council of Oregon

### Programs and Funding

- 24. Use Urban Renewal funds to support housing development
- 25. System Development Charges (SDCs) deferrals
- 27. Build Local Developer Capacity

# Appendix A: Evaluation of Achieving Fair and Equitable Housing Outcomes

---

This appendix presents an evaluation of the goals and strategic actions for achieving fair and equitable housing outcomes.

## Evaluation of the Policies and Strategic Actions

OAR 660-008 requires an evaluation of all the HPS for achieving the following types of outcomes. The discussion below provides a brief evaluation of each of the expected outcomes for the policies and actions of the HPS, with a focus on housing opportunities for federal and state protected classes.<sup>19</sup> This is not intended to be an exhaustive evaluation of how each action addresses these outcomes but a high-level overview of the HPS as a whole.

### Affordable Homeownership

This criterion focuses on actions that support production of housing affordable for homeownership and the opportunity for wealth creation via homeownership primarily for state and federal protected classes that have been disproportionately impacted by past housing policies. Many of the actions in the HPS support development of affordable housing for homeownership through supporting development of lower-cost ownership housing, removing regulatory barriers to development of affordable ownership housing, supporting Fair Housing, and making capital improvements necessary to support affordable homeownership.

The actions in the HPS that most contribute to affordable homeownership do so in the following ways:

- ♦ Implementing regulatory actions that ensure there is sufficient serviced residential land available for development of ownership units, eventually increasing the supply of housing for homeownership, which may ease escalation of housing prices in McMinnville that has resulted from a lack of buildable land.
- ♦ Ensuring that development will include a mix of units that may be more affordable for ownership (such as middle housing types) with SDCs that are scaled to be less expensive for smaller units. These actions can, together, provide opportunities for development of smaller units that are comparatively more affordable for homeownership. These actions build on

---

<sup>19</sup> Federal protected classes are race, color, national origin, gender, familial status, and disability. Oregon's additional protected classes are marital status, source of income, sexual orientation, and status as a domestic violence survivor. Under Fair Housing laws, it is illegal to deny access to housing based on the characteristics of people within these protected classes.

changes McMinnville has made to its development code in recent years to allow for development of a wider range of housing types.

- ◆ Partnering to support development of affordable ownership units (CLT) and development of new manufactured home parks, both of which provide opportunities for affordable housing. Use of CET funds may play an important part in implementing these actions.
- ◆ Additional outreach to historically marginalized populations to identify additional opportunities to develop affordable housing and increase housing stability. The information in Appendix B Contextualizing McMinnville's Housing Needs, People of Color were more likely to have incomes below 80% of MFI and less likely to be homeowners than the overall average for McMinnville.

These actions build on the City's existing policies that support development of affordable housing for homeownership, including potential use of CET funds to pay for the actions.

### **Existing actions and programs**

- ◆ Adopting a Construction Excise Tax to support affordable housing programs, which can be used to support affordable housing development, such as housing in community land trusts
- ◆ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments.
- ◆ Amending the development code to allow small lot subdivisions provides more opportunities to develop housing on smaller lots, which can decrease costs of housing by decreasing land costs.
- ◆ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001. This allows for development of smaller, potentially less expensive housing.
- ◆ Every three years, the city allocates part of the Community Development Block Grant to a Home Rehabilitation Grant Program to fund critical home repairs for low-income and moderate-income households. These funds help qualifying homeowners repair the housing, allowing them to keep their house in good repair.

### **Actions in the HPS**

- ◆ 1. Use more land in the urban holding plan designation for housing. This action will increase the amount of land available for development of housing at all income levels, including land for affordable homeownership.
- ◆ 3. Develop area plans for Urban Growth Boundary areas. This action will provide high level concept plans for the area, identifying land uses and areas with development of housing at all income levels can be developed, including land for affordable homeownership.

- ◆ 4. Infrastructure planning to support residential development. This action will support development of housing at all income levels, including land for affordable homeownership. This action can help make sure that land is made development-ready to support housing for affordable homeownership, including land for affordable homeownership.
- ◆ 6. Require a mix of housing types for to-be annexed land. This action can ensure that newly annexed lands allow a mixture of housing types, which may include smaller, more affordable housing types, providing opportunities for development of smaller units (such as middle housing types) that are often more affordable for homeownership than larger single-family housing.
- ◆ 10. Scaling of systems development charges (SDCs). This action will scale SDCs for smaller units, which may serve as a development incentive for smaller units that are usually lower cost. This may further support development of more affordability of smaller units, such as middle housing types.
- ◆ 11. Partner with Community Land Trusts (CLT). CLTs develop affordable homeownership housing, which help promote affordable homeownership opportunities for people and help them build equity for future housing needs by eliminating the costs of land from their housing purchase price. When CLTs are paired with other supports for affordable homeownership, such as downpayment assistance or financial literacy education, they can have greater impact on increasing access to affordable homeownership. Some CLTs specialize in outreach to lower-income People of Color, which can increase opportunities for homeownership for this group.
- ◆ 12. Support affordable housing development through provision of land. This action can support development of affordable homeownership opportunities if public land is used to support affordable homeownership options, such as community land trusts.
- ◆ 13. Develop and adopt a Strategic Housing Opportunities Plan. This action will focus on opportunities for developing more affordable housing, including affordable homeownership units for historically marginalized populations.
- ◆ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies. This action is intended to identify new anti-displacement strategies, which will include displacement by lower-income homeowners, with a focus on historically marginalized populations.
- ◆ 16. Preserve and support development of manufactured home parks. This action is intended to support development of new manufactured home parks, which provide a form of naturally occurring affordable housing for homeownership.

## Affordable Rental Housing

Supporting affordable rental housing includes actions to support production of both income-restricted affordable housing (affordable to households with incomes below 60% of MFI) and privately developed affordable housing (affordable for households with incomes between 61% and 80% of MFI), primarily for state and federal protected classes that have been disproportionately impacted by past housing policies.

The actions in the HPS that most contribute to affordable rental housing development do so in the following ways:

- ◆ Implementing regulatory actions that ensure there is sufficient serviced residential land available for development of rental units, increasing the supply of housing for rental housing, which may ease escalation of housing prices in McMinnville that has resulted from a lack of buildable land.
- ◆ Ensuring that development will include a mix of units that may be more affordable for rent (such as middle housing types or multifamily housing) with SDCs that are scaled to be less expensive for smaller units. These actions build on changes McMinnville has made to its development code in recent years to allow for development of a wider range of housing types.
- ◆ Supporting development of affordable rental units through use of MUPTe to incentivize development of affordable multifamily units. This incentive may result in development of multifamily buildings that are mixed-income, or all units are affordable for renters.
- ◆ Supporting potential partnerships with affordable housing developers (including income-restricted housing) through provision of publicly owned land (where available) to support development of affordable housing. This action builds on the regulatory actions that ensure there is sufficient serviced land for rental housing development.
- ◆ Preserving existing affordable housing by discouraging demolition of more affordable units that are replaced by higher cost housing.
- ◆ Conducting additional outreach to historically marginalized populations to identify additional opportunities to develop affordable housing and increase housing stability. The information in Appendix B Contextualizing McMinnville's Housing Needs, People of Color were more likely to have incomes below 80% of MFI and more likely to rent than the overall average for McMinnville.

These actions build on the City's existing policies that support development of affordable housing for homeownership, including potential use of CET funds to pay for the actions.

### Existing actions and programs

- ◆ Adopting a Construction Excise Tax to support affordable housing programs, which can be used to support affordable housing development, such as housing in community land trusts
- ◆ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments.



- ◆ Amending the development code to allow SROs and Tiny Homes, which allows for smaller, potentially less expensive rental housing.
- ◆ Amending the development code to reduce parking requirements for qualifying affordable housing projects. The costs of parking, whether parking lots or parking garages, increases the costs of housing and rents. Reducing parking requirements allows for lower development costs for affordable housing development.
- ◆ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001. This allows for development of smaller, potentially less expensive housing.
- ◆ Reducing permitting fees by 50% for qualifying affordable housing projects. This lowers the costs of affordable housing development, reducing the likely funding gap for building new affordable rental housing.
- ◆ The code was updated to allow cohousing and “group quarters” in residential and mixed-use zones to provide more opportunities for a broader range of housing choices.
- ◆ Waiving transportation and wastewater SDCs for qualifying affordable housing projects. This lowers the costs of affordable housing development, reducing the likely funding gap for building new affordable rental housing.

### **Actions in the HPS**

- ◆ 1. Use more land in the urban holding plan designation for housing. This action will increase the amount of land available for development of housing at all income levels, including land for affordable rental housing.
- ◆ 2. Rezone land to R-5 within the existing city limits for housing. Land in R-5 will be developed with multifamily housing, which is most likely to be rental housing in McMinnville. Some of this land can be developed for affordable rental housing.
- ◆ 3. Develop area plans for Urban Growth Boundary areas. This action will provide high level concept plans for the area, identifying land uses and areas with development of housing at all income levels can be developed, including land for affordable rental housing.
- ◆ 4. Infrastructure planning to support residential development. This action will support development of housing at all income levels, including land for affordable rental housing. This action can help make sure that land is made development-ready to support housing for affordable rental housing, including land for affordable rentals.
- ◆ 6. Require a mix of housing types for to-be annexed land. This action can ensure that newly annexed lands allow a mixture of housing types, which may include smaller, more affordable rental housing types.

- ◆ 9. Establish a Multiple-Unit Tax Exemption (MUPTTE) Program. This action support development of affordable rental housing.
- ◆ 12. Support affordable housing development through provision of land. This action can support development of affordable rental opportunities if public land is used to support affordable rental options, such as income-restricted housing or rental housing affordable at lower-income levels (such as around 80% MFI), which is likely to benefit People of Color, who are more likely to have incomes around 80% of MFI than the white (non-Hispanic) households.
- ◆ 13. Develop and adopt a Strategic Housing Opportunities Plan. This action will focus on opportunities for developing more affordable housing, including affordable rental units, for historically marginalized populations.
- ◆ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies. This action is intended to identify new anti-displacement strategies, which will include displacement by lower-income renters, including for historically marginalized populations.

## Housing Stability

Increasing housing stability includes actions that increase the stability of existing households and prevent displacement, mitigating gentrification resulting from public investments or redevelopment.

The HPS actions increase housing stability in the following ways:

- ◆ Implementing regulatory changes to support transitional housing development, increasing housing stability for people experiencing homelessness (or at-risk of becoming homeless).
- ◆ Conducting additional outreach to historically marginalized populations to identify additional actions to develop affordable housing and increase housing stability.
- ◆ Preserving existing affordable housing and avoiding displacement of existing residents by discouraging demolition of more affordable units that are replaced by higher cost housing and supporting preservation of existing manufactured home parks.

### Existing Actions and Programs

- ◆ Every three years, the city allocates part of the Community Development Block Grant to a Home Rehabilitation Grant Program to fund critical home repairs for low-income and moderate-income households. These funds help qualifying homeowners repair the housing, allowing them to keep their house in good repair, reducing potential displacement for households that are unable to afford necessary housing repairs.

## **Actions in the HPS**

- ◆ 7. Adopt code amendments to support transitional housing development. This action will support development of housing that provides housing for people experiencing homelessness, increasing housing stability.
- ◆ 13. Develop and adopt a Strategic Housing Opportunities Plan. This action will focus on opportunities for developing more affordable housing, providing more housing that is affordable, preventing potential displacement of lower-income households.
- ◆ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies. This action is intended to identify new anti-displacement strategies, increasing housing stability.
- ◆ 15. Implement a fee for demolition of existing affordable homes. This action is intended to disincentivize demolition of existing affordable housing and replacement with housing that is not affordable (or one-for-one replacement). This action may disincentivize displacement of lower-income renter households.
- ◆ 16. Preserve and support development of manufactured home parks. This action is intended to avoid displacement of people living in manufactured home parks when the parks are set for sale or potential redevelopment, increasing housing stability for residents of manufactured home parks.

## **Housing Options for People Experiencing Homelessness**

Increasing options for people experiencing homelessness includes working with partners and identifying ways to address homelessness and actions that reduce the risk of households becoming homeless (especially for households with income below 30% of MFI).

The HPS actions increase provide housing options for people experiencing homelessness in the following ways:

- ◆ Implementing regulatory changes to support transitional housing development, leading to opportunities for development of housing for people experiencing homelessness (or at-risk of becoming homeless).
- ◆ Partnering to support development of income-restricted housing through potential provision of publicly owned land, which can reduce the funding gap for development of income-restricted housing.
- ◆ Conducting additional outreach to historically marginalized populations to identify additional actions to develop affordable housing and increase housing options for extremely low and very low income households.

These actions build on the City's existing policies that support development of income-restricted affordable housing, including potential use of CET funds to pay for the actions.

Increasing the supply of income-restricted affordable housing provides housing options for some people experiencing homelessness or at-risk of becoming homeless.

### **Existing actions and programs**

- ◆ Adopting a Construction Excise Tax to support affordable housing programs, which can be used to support affordable housing development.
- ◆ Amending the development code to reduce parking requirements for qualifying affordable housing projects. The costs of parking, whether parking lots or parking garages, increases the costs of housing and rents. Reducing parking requirements allows for lower development costs for affordable housing development.
- ◆ Reducing permitting fees by 50% for qualifying affordable housing projects. This lowers the costs of affordable housing development, reducing the likely funding gap for building new affordable rental housing.
- ◆ Waiving transportation and wastewater SDCs for qualifying affordable housing projects. This lowers the costs of affordable housing development, reducing the likely funding gap for building new affordable rental housing.

### **Actions in the HPS**

- ◆ 7. Adopt code amendments to support transitional housing development. This action will support development of housing that provides housing for people experiencing homelessness.
- ◆ 12. Support affordable housing development through provision of land. This action can support housing for people experiencing homelessness if public land is used to support affordable rental options, such as income-restricted housing, transitional housing, or permanently supportive housing.
- ◆ 13. Develop and adopt a Strategic Housing Opportunities Plan. This action will focus on opportunities for developing more affordable housing, including housing for people experiencing homelessness or at-risk of becoming homeless.
- ◆ 14. Mitigate displacement through the adoption of anti-displacement policies and strategies. This action is intended to identify new anti-displacement strategies, which will include displacement of people at-risk of becoming homeless.

## **Housing Choice**

Increasing housing choice involves increasing access to housing for communities of color, low-income communities, people with disabilities, and other state and federal protected classes. Increasing housing choice also means increasing access to existing or new housing that is located in neighborhoods with healthy and safe environments and high-quality community amenities, schooling, and employment and business opportunities.

The HPS actions increase provide housing choice for people in protected classes, as well as all residents of McMinnville, in the following ways:

- ◆ Implementing regulatory actions that ensure there is sufficient serviced residential land available for development of rental units, increasing the supply of housing of different housing types, which may ease escalation of housing prices in McMinnville that has resulted from a lack of buildable land. In addition, codifying the Great Neighborhood Principles further reinforces increasing choices for development of a variety of housing types in areas with high amenities. These actions build on changes McMinnville has made to its development code in recent years to allow for development of a wider range of housing types.
- ◆ Incentivizing accessible design can increase the number of units with accessibility features needed for people with disabilities.
- ◆ Partnering with a CLT can increase options for lower-income households to access more affordable homeownership opportunities, including lower-income People of Color or people with disabilities.
- ◆ Partnering to support development of income-restricted housing through potential provision of publicly owned land, which can reduce the funding gap for development of income-restricted housing.
- ◆ Conducting additional outreach to historically marginalized populations to identify additional actions to develop affordable housing and increase housing options for extremely low and very low income households.

### **Existing Actions and Programs**

- ◆ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments, with a focus on development of housing that is located in neighborhoods with high-quality community amenities.
- ◆ Amending the development code to allow small lot subdivisions provides more opportunities to develop housing on smaller lots, which can decrease costs of housing by decreasing land costs.
- ◆ Amending the development code to allow SROs and Tiny Homes, which allows for smaller, potentially less expensive rental housing, increasing housing choice.
- ◆ Amending the development code to reduce parking requirements for qualifying affordable housing projects. The costs of parking, whether parking lots or parking garages, increases the costs of housing and rents. Reducing parking requirements allows for lower development costs for affordable housing development.
- ◆ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001. This allows for development of smaller, potentially less expensive housing, increasing housing choice.

- ◆ The code was updated to allow cohousing and “group quarters” in residential and mixed-use zones to provide more opportunities for a broader range of housing choices.

### **Actions in the HPS**

- ◆ 3. Develop area plans for Urban Growth Boundary areas. This action will provide high level concept plans for the area, identifying land uses and areas with development of housing at all income levels can be developed, including land for affordable homeownership. The plans will require a mixture of housing types, which increase housing choice in newly developing neighborhoods (following the Great Neighborhood Principles, which envision new housing development in neighborhoods with a range of amenities).
- ◆ 5. Implement and codify Great Neighborhood Principles. These Principles recognize that all people at all income levels should have access to housing in neighborhoods with amenities that have high quality amenities, such as parks, pedestrian and bicycle facilities, accessible housing, a mix of activities, housing for diverse incomes and generations, and housing variety. Codifying the Principles in the zoning code ensures that these policies are part of the development process, supporting increased housing choice.
- ◆ 6. Require a mix of housing types for to-be annexed land. This action can ensure that newly annexed lands allow a mixture of housing types, which increase housing choice in newly developing areas, providing opportunities for development of smaller units (such as middle housing types) that are often more affordable than larger single-family housing.
- ◆ 8. Incentivize and promote accessible design. The city will provide incentives to support development of accessible housing, increasing housing choice for people with disabilities.
- ◆ 11. Partner with Community Land Trusts (CLT). This action helps support affordable homeownership opportunities for people, increasing access to affordable homeownership. If the City partners with a CLTs specializes in outreach to lower-income People of Color (or other protected class), this action may also increase opportunities for housing choice and homeownership for this group.
- ◆ 13. Develop and adopt a Strategic Housing Opportunities Plan. This action will focus on opportunities for developing more affordable housing, with an intention of increasing housing availability for lower-income households and other historically marginalized communities.

## **Location of Housing**

Diversifying the location of housing requires increasing options for residential development that is compact, in mixed-use neighborhoods, and available to people within state and federal

protected classes. This measure is intended, in part, to meet statewide greenhouse gas emission reduction goals.

The HPS actions increase residential development in compact mixed-use neighborhoods, available to people in protected classes and all residents of McMinnville, in the following ways:

- ◆ Implementing regulatory actions that ensure there is sufficient serviced residential land available for development of housing higher density housing in a variety of places is necessary to ensure there are housing opportunities in compact mixed-use areas.
- ◆ Use of MUPTE can incentivize development in compact mixed-use development, adding mixed-income housing opportunities or new multifamily buildings that are all affordable to lower-income households.

### **Existing Actions and Programs**

- ◆ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments.
- ◆ The code was updated to allow cohousing and “group quarters” in residential and mixed-use zones to provide more opportunities for a broader range of housing choices.

### **Actions in the HPS**

- ◆ 2. Rezone land to R-5 within the existing city limits for housing. The new R-5 zone is a multifamily exclusive zone, which intends to provide opportunities for development of more compact areas. To the extent that land is re-zoned to R-5 near commercial corridors (or other commercial areas), this action will provide more development opportunities for compact, mixed-use neighborhoods.
- ◆ 3. Develop area plans for Urban Growth Boundary areas. Some area plan may include compact, mixed-use area within the planning area.
- ◆ 9. Establish a Multiple-Unit Tax Exemption (MUPTE) Program. This action support development of affordable rental housing in compact mixed-use neighborhoods.

## **Fair Housing**

Supporting Fair Housing is accomplished by increasing access to housing for people in state and federal protected classes, Affirmatively Furthering Fair Housing, addressing disparities on access to housing opportunity for underserved communities, and decreasing patterns of segregations or concentrations of poverty.

The HPS actions below affirmatively further fair housing in the following ways:

- ◆ Codifying the Great Neighborhood Principals further reinforces Fair Housing in McMinnville by increasing choices for development of a variety of housing types in areas with high amenities.



- ◆ Code amendments for transitional housing and accessible design are intended to provide housing options for people with special housing needs, including people in protected classes.
- ◆ Completing additional outreach to historically marginalized populations to identify additional actions to develop affordable housing, mitigate displacement, and increase housing options for extremely low and very low income households. In addition, preserving existing affordable housing and housing in manufactured home parks will help avoid displacement. These actions will affirmatively further fair housing.

### **Existing Actions and Programs**

- ◆ Adopting a Construction Excise Tax to support affordable housing programs, which can be used to support affordable housing development, such as housing in community land trusts.
- ◆ Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments. These Principles are intended to make sure that development occurs in neighborhoods with a wide range of amenities. When combined with other code changes that allow a wider range of housing types across the city, the City is affirmatively furthering fair housing by increasing housing choices in areas with opportunity.
- ◆ Amending the development code to allow small lot subdivisions provides more opportunities to develop housing on smaller lots, which can decrease costs of housing by decreasing land costs.
- ◆ Amending the development code to allow SROs and Tiny Homes, which allows for smaller, potentially less expensive rental housing.
- ◆ Amending the development code to reduce parking requirements for qualifying affordable housing projects. The costs of parking, whether parking lots or parking garages, increases the costs of housing and rents. Reducing parking requirements allows for lower development costs for affordable housing development.
- ◆ Code modifications were made to allow Accessory Dwelling Units (ADUs) and tiny homes in single-dwelling residential zones and to allow more housing types including a selection of middle housing types in all residential zones to meet the requirements of House Bill 2001. This allows for development of smaller, potentially less expensive housing.
- ◆ Reducing permitting fees by 50% for qualifying affordable housing projects. This lowers the costs of affordable housing development, reducing the likely funding gap for building new affordable rental housing.
- ◆ The code was updated to allow cohousing and “group quarters” in residential and mixed-use zones to provide more opportunities for a broader housing choices.
- ◆ Waiving transportation and wastewater SDCs for qualifying affordable housing projects. This lowers the costs of affordable housing development, reducing the likely funding gap for building new affordable rental housing.



## Actions in the HPS

- ◆ 5. Implement and codify Great Neighborhood Principles. These Principles recognize that all people at all income levels should have access to housing in neighborhoods with high quality amenities, such as parks, pedestrian and bicycle facilities, accessible housing, a mix of activities, housing for diverse incomes and generations, and housing variety. Codifying the Principles in the zoning code ensures they are part of the development process, affirmatively furthering fair housing.
- ◆ 7. Adopt code amendments to support transitional housing development. In providing opportunities for development of transitional housing, this action helps affirmatively furthering fair housing and provide more housing options for people experiencing homelessness.
- ◆ 8. Incentivize and promote accessible design. This action incentivizes development of accessible housing for people with disabilities, affirmatively furthering fair housing.
- ◆ 13. Develop and adopt a Strategic Housing Opportunities Plan. This action will focus on opportunities for developing more affordable housing, providing more housing that is affordable, provide more housing options for people lower-income households, including people in protected classes. The City will also identify partnership opportunities to promote and enforce Fair Housing laws. Potential partners include Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill Community Action Partnership, and Unidos Bridging Community (a Latinx-led nonprofit that promotes integration, participation, and success of Latinx individuals and families in Yamhill County).
- ◆ 14. Mitigate displacement through the adoption of new anti-displacement policies and strategies. This action is intended to identify new strategies with a focus on historically marginalized communities, affirmatively furthering fair housing.
- ◆ 15. Implement a fee for demolition of existing affordable homes. This action disincentivizes loss of affordable housing and replacement with more expensive housing. It will help avoid decreasing housing options for people lower-income households, including people in protected classes.
- ◆ 16. Preserve and support development of manufactured home parks. This action is intended to help people living in manufactured home parks to avoid displacement and increase their stability. It will help avoid decreasing housing options for people lower-income households (who are more likely to live in manufactured home parks), including people in protected classes.

Taken together, the policies and actions included in McMinnville Housing Production Strategy are intended to work together to achieve equitable outcomes for all residents of McMinnville, with an emphasis on improving outcomes for underserved communities, lower-income households, and people in state and federal protected classes.

# Appendix B: Contextualizing McMinnville's Housing Needs

---

This chapter provides information to contextualize McMinnville's housing needs. It provides an understanding of the issues, before solutions are proposed. This appendix draws its information and findings from other planning efforts, described in the main report. Where appropriate, this appendix also draws on information gathered through the City of McMinnville's past engagement efforts with housing producers and consumers, including underrepresented communities.

As a part of providing context to better understand McMinnville's housing needs, this section presents information about housing in McMinnville for race, ethnicity, age, disability status, and other characteristics of the community to understand disproportionate housing impacts on different groups.

## Demographic and Socio-Economic Characteristics Affecting McMinnville's Housing Needs

This section describes unmet housing needs for people in McMinnville by age, race and ethnicity, disability, household size and composition, and household income.

### Data Used in this Analysis

Throughout this analysis data is used from multiple well-recognized and reliable data sources. One of the key sources for housing and household data is the U.S. Census. This report primarily uses data from two Census sources:<sup>20</sup>

- ◆ The **Decennial Census**, which is completed every ten years and is a survey of all households in the U.S. The Decennial Census is considered the best available data for information such as demographics (e.g., number of people, age distribution, or ethnic or racial composition), household characteristics (e.g., household size and composition), and housing occupancy characteristics. As of 2020, the Decennial

---

<sup>20</sup> It is worth commenting on the methods used for the American Community Survey. The American Community Survey (ACS) is a national survey that uses continuous measurement methods. It uses a sample of about 3.54 million households to produce annually updated estimates for the same small areas (census tracts and block groups) formerly surveyed via the decennial census long-form sample. It is also important to keep in mind that all ACS data are estimates that are subject to sample variability. This variability is referred to as "sampling error" and is expressed as a band or "margin of error" (MOE) around the estimate.

This report uses Census and ACS data because, despite the inherent methodological limits, they represent the most thorough and accurate data available to assess housing needs. We consider these limitations in making interpretations of the data and have strived not to draw conclusions beyond the quality of the data.

Census does not collect more detailed household information, such as income, housing costs, housing characteristics, and other important household information.

- ◆ The **American Community Survey (ACS)**, which is completed every year and is a sample of households in the U.S. The ACS collects detailed information about households, including demographics (e.g., number of people, age distribution, ethnic or racial composition, country of origin, language spoken at home, and educational attainment), household characteristics (e.g., household size and composition), housing characteristics (e.g., type of housing unit, year unit built, or number of bedrooms), housing costs (e.g., rent, mortgage, utility, and insurance), housing value, income, and other characteristics.

This report primarily uses data from the 2018–2022 ACS for McMinnville and comparison areas. Where information is available and relevant, we report information from the 2000 and 2020 Decennial Census.<sup>21</sup> Among other data points noted throughout this analysis, this report also includes data from the City of McMinnville, Oregon’s Housing and Community Services Department, the Population Research Center at Portland State University, the United States Department of Housing and Urban Development, Costar, and other sources.

## Regional and Local Demographic Trends May Affect Housing Need in McMinnville

Demographic trends that might affect the key assumptions used in the baseline analysis of housing need are (1) the aging of the population, (2) changes in household size and composition, and (3) increases in racial and ethnic diversity.

An individual’s housing needs change throughout their life, with changes in income, family composition, and age. The types of housing needed by a 20-year-old college student differ from the needs of a 40-year-old parent with children, or an 80-year-old single adult. As McMinnville’s population ages, different types of housing will be needed to accommodate older residents. The housing characteristics by age data below reveal this cycle in action in the City of McMinnville.

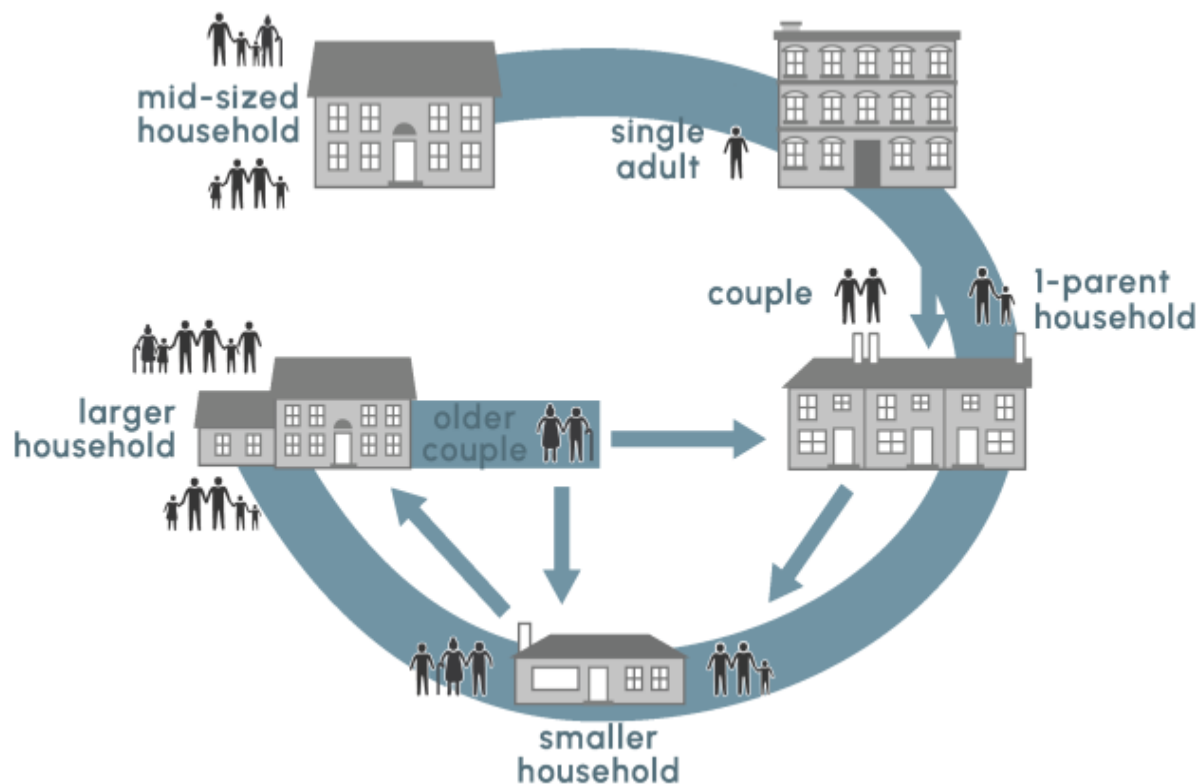
Housing needs and preferences change in predictable ways over time, such as with changes in marital status and size of household.

Households of different sizes need different types of housing.

---

<sup>21</sup> The 2020 Census was completed at the end of 2020. However, circumstances brought on by the COVID-19 pandemic caused a number of challenges for the Census Bureau’s data collection methods. During this time, there were noted issues that caused distortions in surveys, including the ACS. In particular, the Bureau saw challenges that resulted in undercounting younger populations and overcounting the white, non-Hispanic population nationwide. See also, Pew Research Center, ‘Key facts about the quality of the 2020 Census,’ <https://www.pewresearch.org/short-reads/2022/06/08/key-facts-about-the-quality-of-the-2020-census/>.

# Exhibit 19. Effect of Demographic Changes on Housing Need



Source: ECONorthwest, adapted from Clark, William A.V. and Frans M. Dieleman. 1996. Households and Housing. New Brunswick, NJ: Center for Urban Policy Research.

Within the State of Oregon and Yamhill County, historical racist policies affected and continue to affect availability of housing for Black, Indigenous, and people of color (BIPOC) households. There is a long history of racial exclusion, discrimination, housing bias, and exclusionary zoning that has prevented Black, Indigenous, and other people of color (BIPOC) from owning homes, finding attainable rental housing, or living in their place of choice. The City of McMinnville and Yamhill County have a considerable amount of work to do to address the historical inequalities, through development of new policies that support integrating equity into their decision-making systems.

## Age of People in McMinnville

Growth in McMinnville’s senior population, as well as other age cohorts, will continue to shape the city’s housing needs. Seniors account for 26 percent of McMinnville’s existing population and Yamhill County expects to have about 9,700 more people over the age of 60 by 2044 than in 2024.<sup>22</sup>

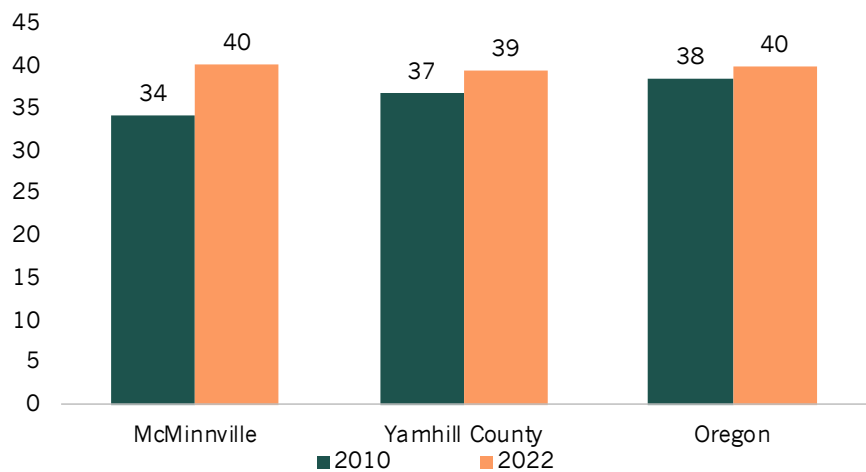
<sup>22</sup> Coordinated Population Forecast for Yamhill County, prepared by the Population Research Center at Portland State University, June 25, 2024.

Growth in the number of seniors will result in demand for housing types specific to seniors, such as small and easy-to-maintain small dwellings (such as without yards), assisted living facilities, or age-restricted developments. Senior households will make a variety of housing choices, including remaining in their homes as long as they are able, downsizing to smaller single-unit homes (detached and attached) or multi-unit units, moving in with family, or moving into group housing (such as assisted living facilities or nursing homes), as their health declines.

**From 2000 to 2018-2022, McMinnville’s median age increased more than the median age for Yamhill County and Oregon.**

**Exhibit 20. Median Age, McMinnville, Yamhill County, and Oregon, 2010 to 2015–2019**

Source: US Census Bureau, 2000 Decennial Census Table B01002, 2018–2022 ACS, Table B01002.

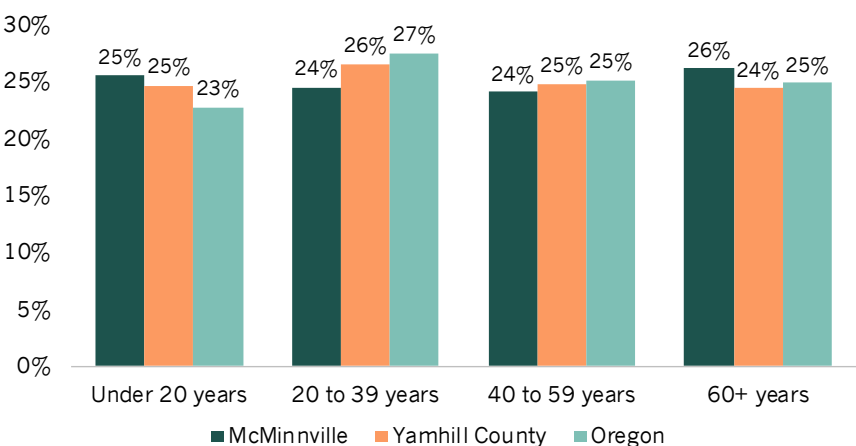


**More than 50 percent of McMinnville’s residents were under the age of 20 or over the age of 60 as of 2022.**

McMinnville had a smaller share of residents between the ages of 20 and 59 than the county and state (in 2022).

**Exhibit 21. Population Distribution by Age, McMinnville, Yamhill County, and Oregon, 2018–2022**

Source: U.S. Census Bureau, 2018-2022 ACS, Table B01001.

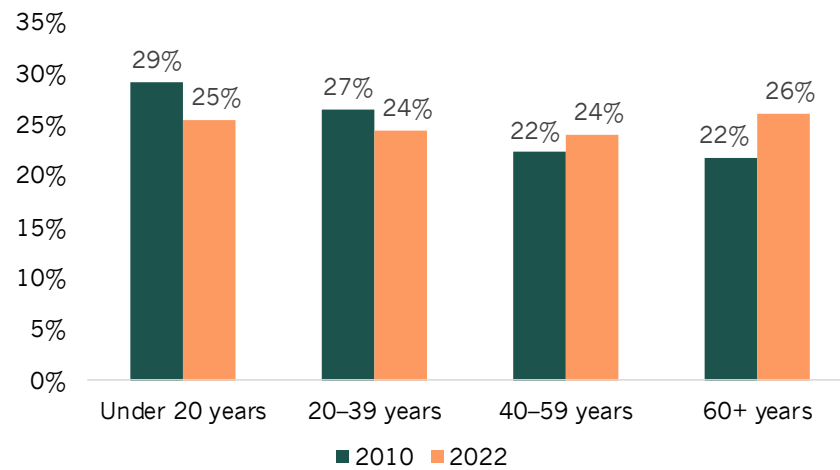


**Between 2010 and 2022, the population aged 60 and older grew the most.**

In this time, those aged 60 years and older grew by 1,707 people (from 7,209 people in 2010 to 8,976 people in 2022).

## **Exhibit 22. Population Growth by Age, McMinnville, 2010, 2018–2022**

Source: U.S. Census Bureau, 2000 Decennial Census Table P012 and 2018–2022 ACS, Table B01001.



**Older age groups are expected to grow in Yamhill County over the next two decades.**

The groups who will add the most people are those over the age of 60 years old (forecast to grow by 34 percent, adding more than 9,700 new people) and people aged 40 to 59 (forecast to grow by nearly as many, adding 8,000 people). The population younger than age 20 is forecasted to decline by about 1 percent, or 260 people.

**Exhibit 23. Forecasted Population Change by Age, Yamhill County, 2024 to 2044**

Source: PSU Population Research Center, Yamhill County Forecast, June 2024

-1 percent -266 People	6 percent 1,647 People	29 percent 8,062 People	34 percent 9,712 People
<b>Under 20</b>	<b>20–39 Yrs</b>	<b>40–59 Yrs</b>	<b>60+ Yrs</b>

# Race and Ethnicity

Understanding the race and ethnicity characteristics<sup>23</sup> in McMinnville is important for understanding housing needs because people of color often face discrimination when looking for housing.

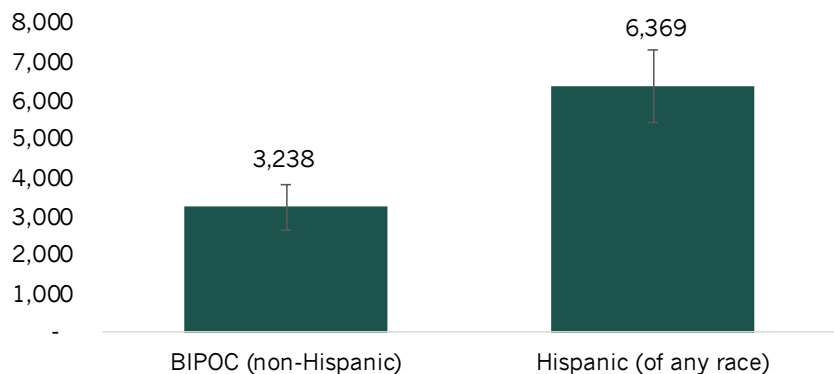
**More than 3,200 people identify as a race or ethnicity other than White, non-Hispanic in McMinnville. Nearly 6,400 people identify as Latinx.**

Not shown in the exhibit are the 24,825 people identifying as white, non-Hispanic in McMinnville.

**Exhibit 24. Population by Race/Ethnicity for BIPOC Residents, McMinnville, 2018–2022**

Source: U.S. Census Bureau, 2018-2022 ACS, Table B03002.

Note: Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census.



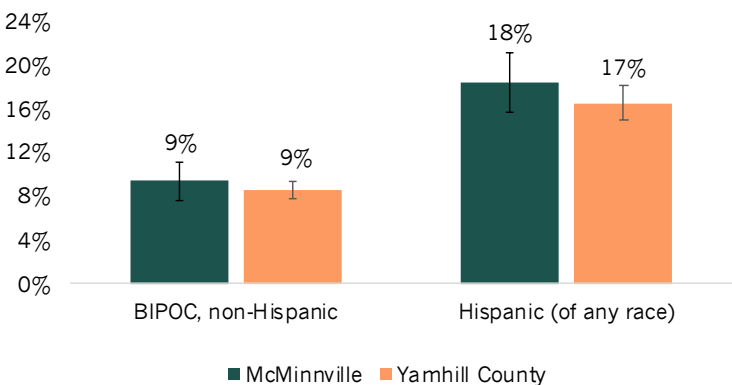
**Residents who identify as Latinx (of any race) account for 18 percent of McMinnville’s population, the largest racial group in McMinnville besides White, non-Hispanic.**

Not shown in the exhibit, is about 72 percent of McMinnville’s population and 75 percent of Yamhill County’s population identifying as white, non-Hispanic.

**Exhibit 25. Population Distribution by Race/Ethnicity for BIPOC Residents, McMinnville and Yamhill County, 2018–2022**

Source: 2018–2022 ACS, Table B03002.

Note: These shares are rounded; the unrounded share of BIPOC, non-Hispanic residents is slightly higher in McMinnville than in Yamhill County. Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census.



<sup>23</sup> For data collected before 2024, the U.S. Census Bureau considered race and ethnicity as two distinct concepts. Latino was classified an ethnicity and not a race, meaning individuals who identify as Latino may be of any race.



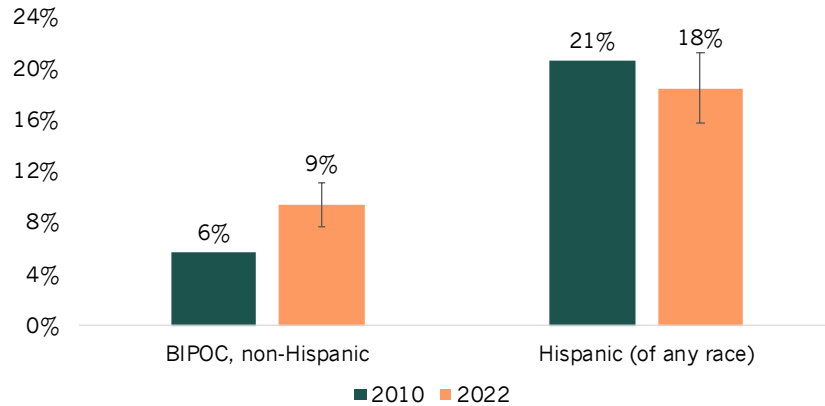
The share of McMinnville's households that identified as a race or ethnicity other than white, non-Hispanic increased from 1,864 people in 2010 to 3,238 people in 2022, consistent with regional trends.

The share of people who identified as Hispanic decreased from 6,630 in 2010 to 6,369 in 2022.

## Exhibit 26. Change in Population by Race/Ethnicity for BIPOC Residents as a Percent of the Total Population, McMinnville, 2010 and 2018–2022

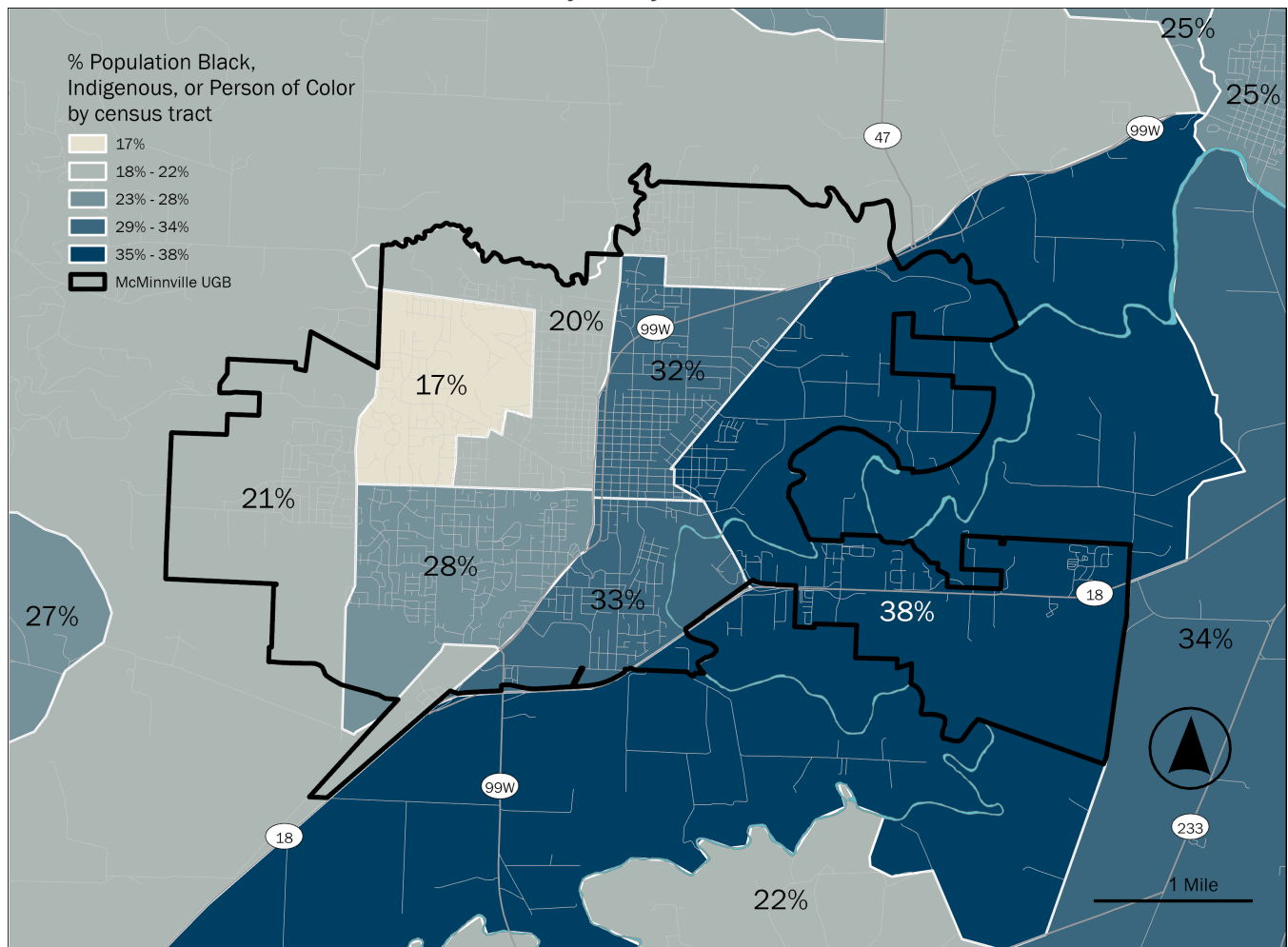
Source: U.S. Census Bureau, 2010 Decennial Census Table P005001, 2015–2019 ACS Table B03002.

Note: Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census. Margins of error are not available for 2010 data.



## Exhibit 27. Percent of BIPOC population by Census Tract, McMinnville, 2022

Source: U.S. Census Bureau, American Community Survey, 2018-2022



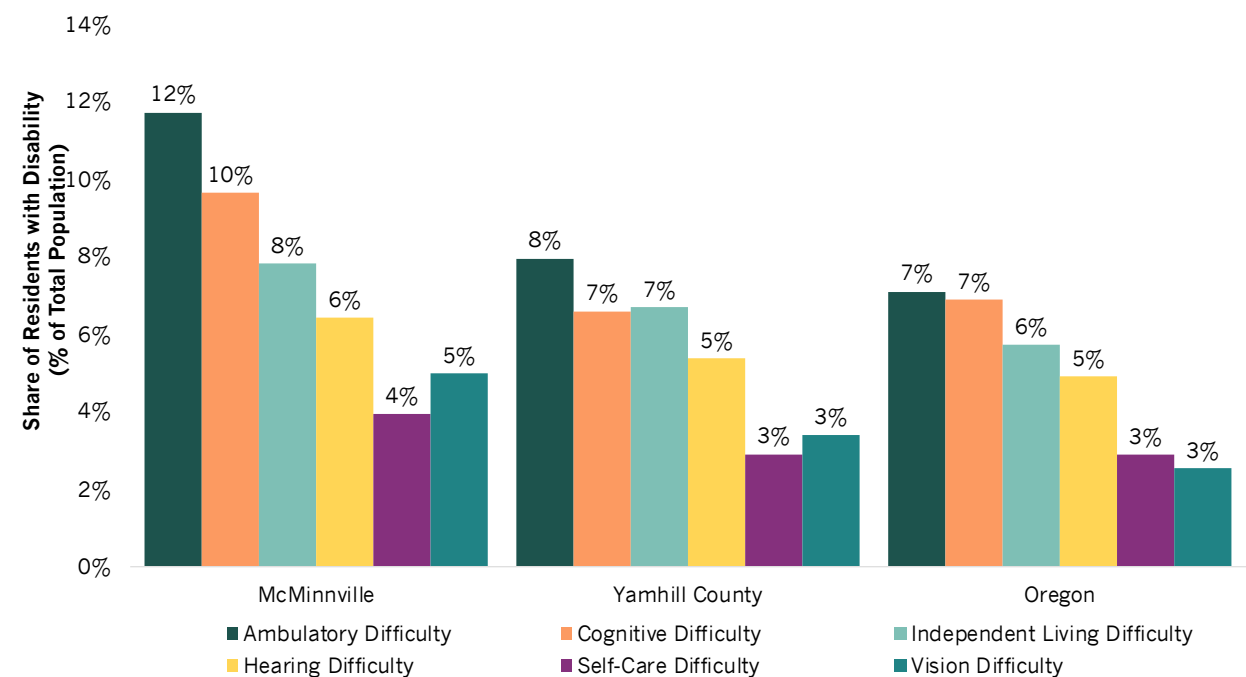
# People with a Disability

People with one or more disabilities have special housing needs because they may need housing that is physically accessible, housing that meets the needs of people with cognitive disabilities, or housing with specialized services.

About 22 percent of McMinnville’s population has one or more disabilities (about 7,552 people).

**Exhibit 28. Persons Living with a Disability by Type and as a Percent of Total Population, McMinnville, Yamhill County, Oregon, 2018–2022**

Source: U.S. Census Bureau 2018–2022 ACS, Table K201803.



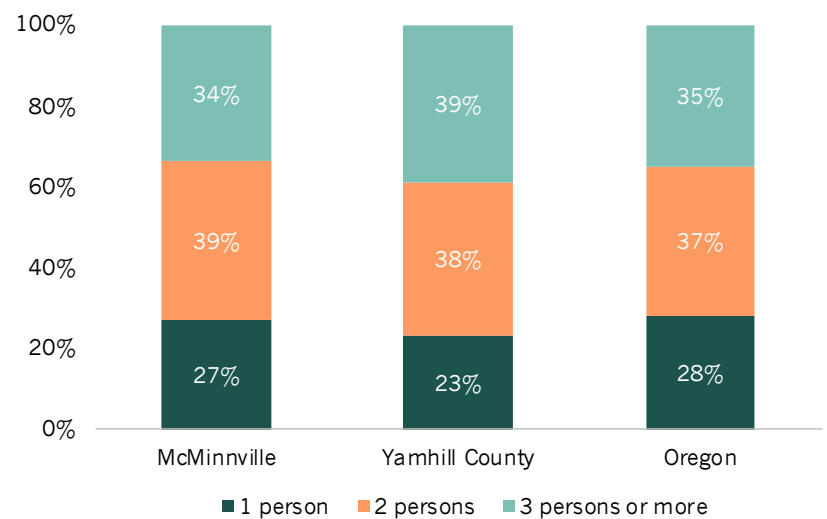
# Household Size and Composition

Housing need varies by household size and composition. The housing needs of a single-person household are different than those of a multi-generational family. On average, McMinnville’s households are smaller than Yamhill County’s but slightly larger than the State of Oregon’s.

**McMinnville had a larger share of one-person households compared to the county, about the same share as the state.**

**Exhibit 29. Household Size, McMinnville, Yamhill County, and Oregon, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B25009.

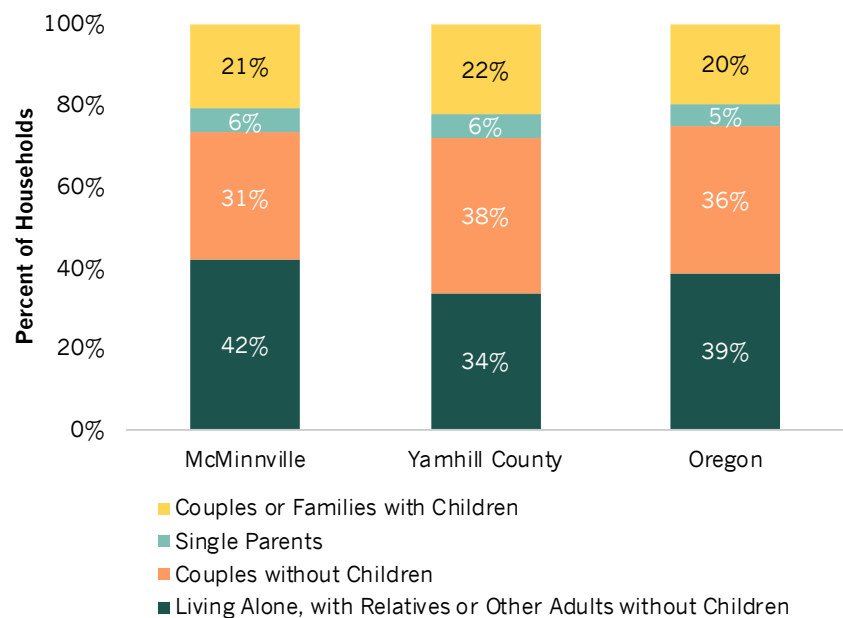


**McMinnville has a larger share of households with adults that live alone or with others (non-family households) than Yamhill County and Oregon.**

About 27 percent of McMinnville’s households have children which is fairly similar to Yamhill County (28 percent of Yamhill County) and slightly higher than the State of Oregon overall (25 percent).

**Exhibit 30. Household Composition, McMinnville, Yamhill County, and Oregon, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table DP02.

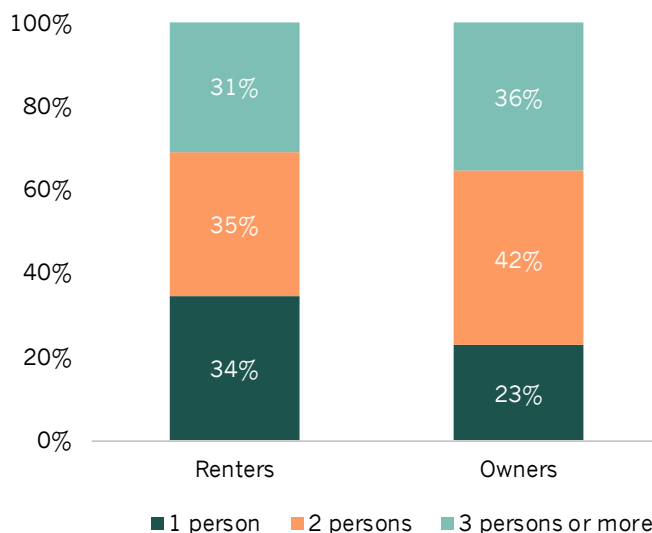


**About one third of renter-occupied households in McMinnville were 1-person households (34 percent).**

The majority of owner-occupied households were 2- and 3-person households, a larger percentage than renter-occupied households (42 percent and 36 percent, respectively).

### Exhibit 31. Tenure by Household Size, McMinnville, 2018–2022

Source: US Census Bureau, 2018–2022 ACS 5-Year Estimate, Table B25009.



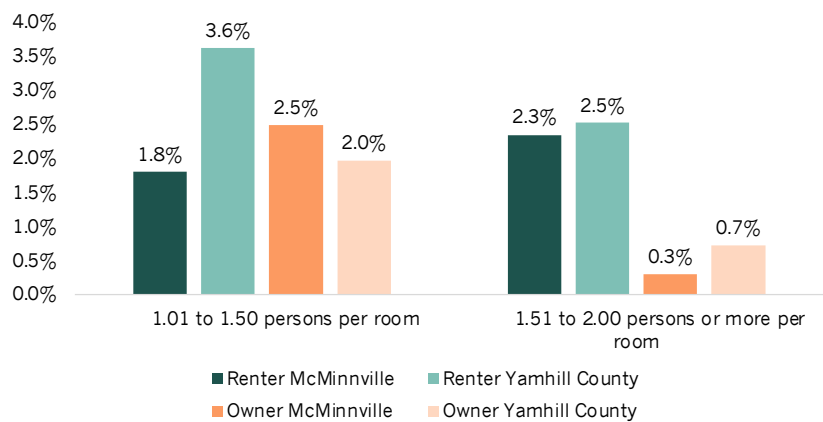
# Overcrowding

Overcrowding occurs when the relatively high cost of housing either forces a household to double-up with another household or live in a smaller housing unit to afford food and other basic needs. An overcrowded household is defined by the Census as one with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. Severely overcrowded households are households with more than 1.5 persons per room. Overcrowding can indicate that community does not have adequate supply of affordable housing, especially for larger families.

**Approximately 4.1 percent of all renter households (205 households) in McMinnville are overcrowded, compared to 2.8 percent of owner households (220 households).**

**Exhibit 32. Overcrowding by Tenure, City of McMinnville, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B25014.



# Household Income

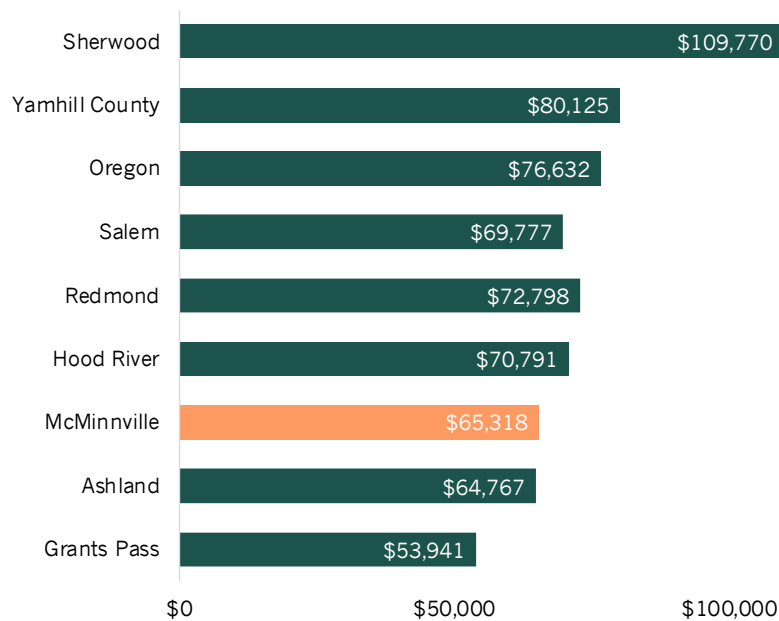
Income is one of the key determinants in housing choice and households’ ability to afford housing. The median household income for residents living in McMinnville was lower than the Yamhill County median household income and the state’s median household income.

Median household income or median earning data is available for many groups of people, as shown in the exhibits below, but is not available by gender at the city level. Median earnings are available by gender for the U.S. as a whole. On average, median earnings for men is \$62,344, compared with \$51,275 for women—\$11,069 less than men’s incomes on average.<sup>24</sup>

**McMinnville’s median household income (\$65,315) was about \$15,000 lower than the county’s household income.**

**Exhibit 33. Median Household Income, McMinnville, Yamhill County, Oregon, Comparison Cities, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B25119.



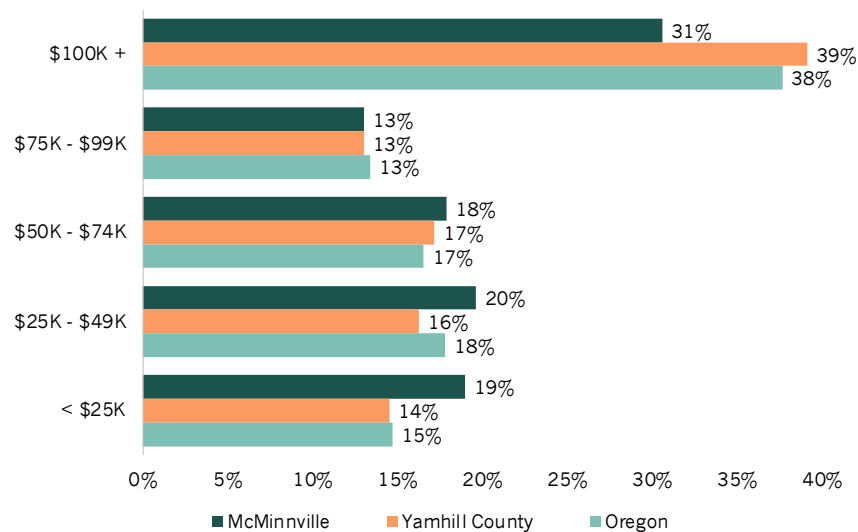
<sup>24</sup> U.S. Census Bureau, 2022 ACS 1-year estimate, Table S2002.

**39 percent of all households in McMinnville earned less than \$50,000, compared to 31 percent of Yamhill County households, and 32 percent of Oregon households.**

McMinnville has a smaller share of households earning over \$75,000 per year compared to Yamhill County.

### Exhibit 34. Household Income Distribution, McMinnville, Yamhill County, Oregon, 2018–2022

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B19001.

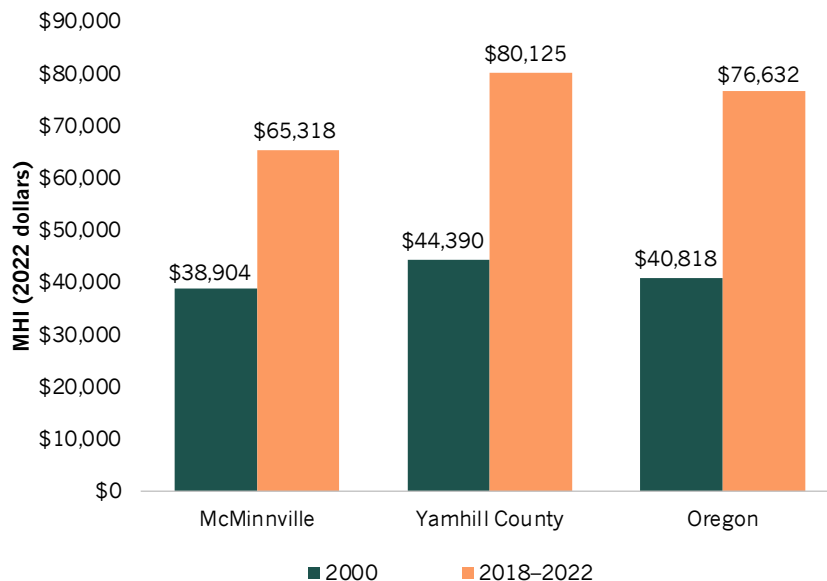


**McMinnville’s median household income increased by 68 percent from 2000 to 2022.**

Over the same period, Yamhill County and the overall State of Oregon median household income increased by 81 percent and 88 percent, respectively.

### Exhibit 35. Change in Median Household Income, McMinnville, Yamhill County, Oregon, 2000 to 2018–2022

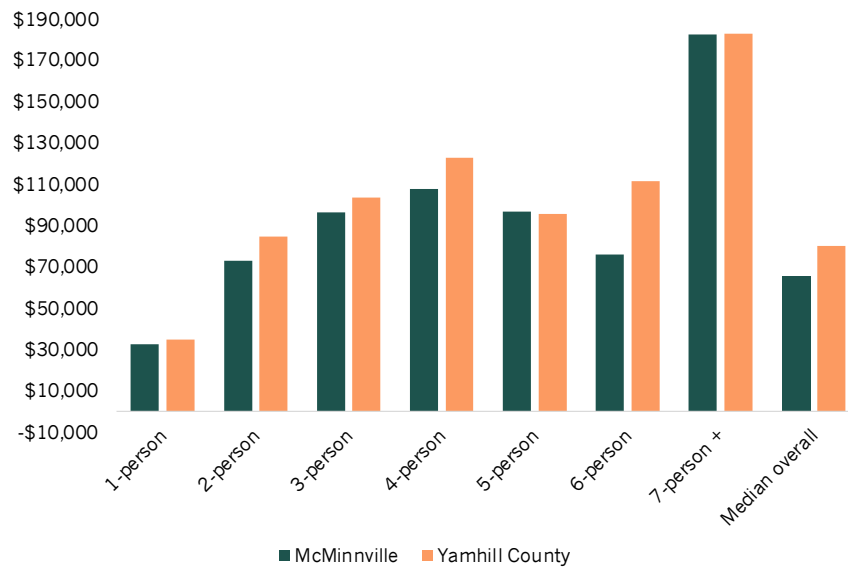
Source: US Census Bureau, 2000 Decennial Census, Table HCT012; 2018–2022 ACS 5-Year Estimate, Table B25119.



Median household income in McMinnville tends to increase with household size but declines slightly for 5-person and 6-person households.

### Exhibit 36. Median Household Income by Household Size, McMinnville, Yamhill County, 2018–2022

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B19019.

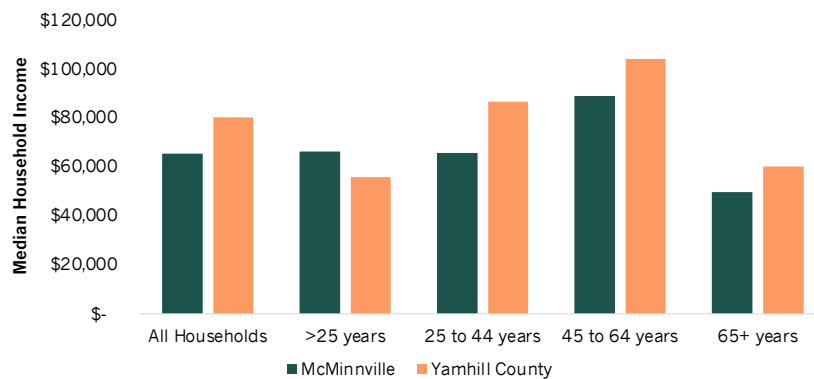


In McMinnville, households with a householder over the age of 65 make less than the city median income.

Household income peaks between ages 45 and 65 years.

### Exhibit 37. Median Household Income by Age

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B19049.





**Hispanic households in McMinnville had a median income about the same as Hispanic households in Yamhill County.**

### Exhibit 38. Median Household Income by Race and Ethnicity for the Head of Household, McMinnville, 2018–2022

Source: U.S. Census Bureau, 2015-2019 ACS 5-year estimate, Table S1901.

Note: Black/African American, American Indian/Alaska Native, Asian, some other race, and two or more races (grouped in this report as BIPOC, non-Hispanic) were not included due to high margins of error (more than 50 percent). Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census. The margin of error for Hispanic households in McMinnville is high, but less than 50 percent.

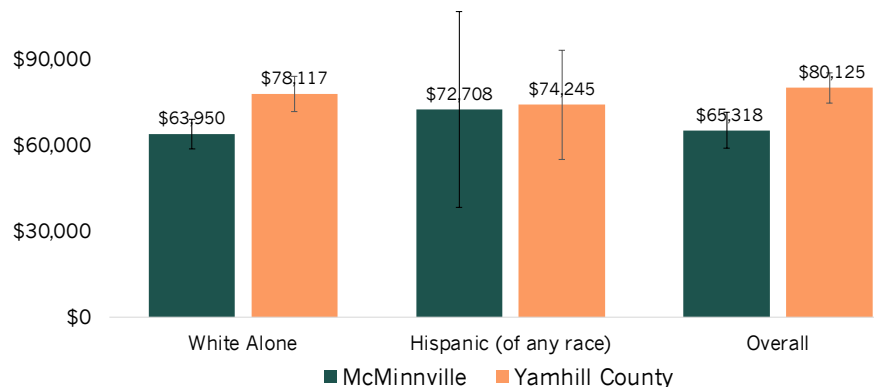


Exhibit 39 to Exhibit 41 compare household income for POC households with White non-Hispanic households to show disparities in income levels. The income levels shown in these graphs use U.S. HUD’s definitions:

Extremely Low Income: Less than 30 percent MFI

Very-Low Income: 30 percent to 50 percent of MFI

Low Income: 50 percent to 80 percent of MFI

Middle Income: 80 percent to 120 percent of MFI

High Income: 120 percent of MFI or more

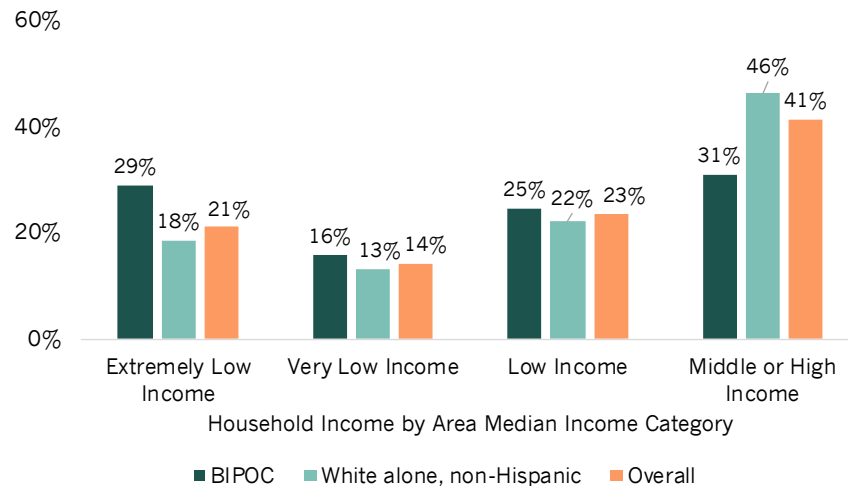
**BIPOC households were more likely to be extremely or very low income than the average household in McMinnville.**

About 69 percent of BIPOC households had low, very low, or extremely low income compared to 54 percent of households with a head of household who identifies as white.

**Exhibit 39. Household Income by Income Grouping for BIPOC, White non-Hispanic, and All Households, McMinnville, 2016–2020**

Source: CHAS, Table 2.

Note: BIPOC category includes Hispanic of any race.



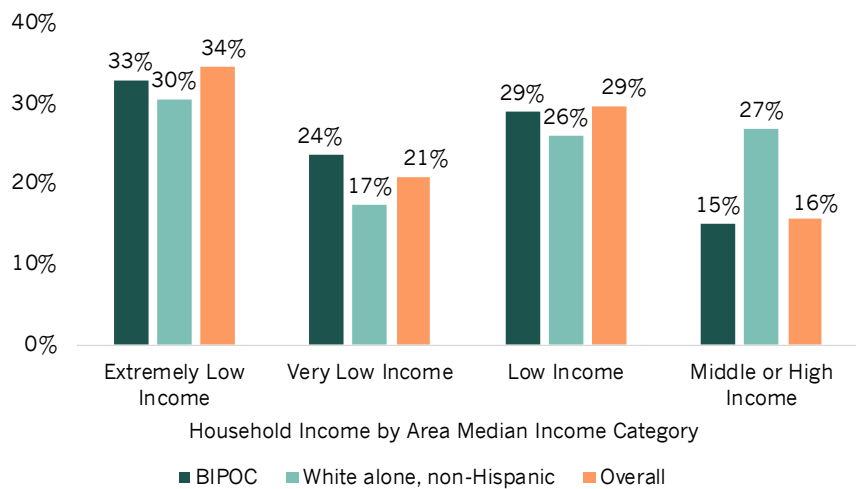
**About 84 percent of all renter households have low, very low, or extremely low income.**

Approximately 85 percent of BIPOC renter households have low incomes compared to 73 percent of white households.

**Exhibit 40. Renter Income by Income Grouping for BIPOC, White non-Hispanic, and All Households, McMinnville, 2016–2020**

Source: CHAS, Table 2.

Note: BIPOC category includes Hispanic of any race.



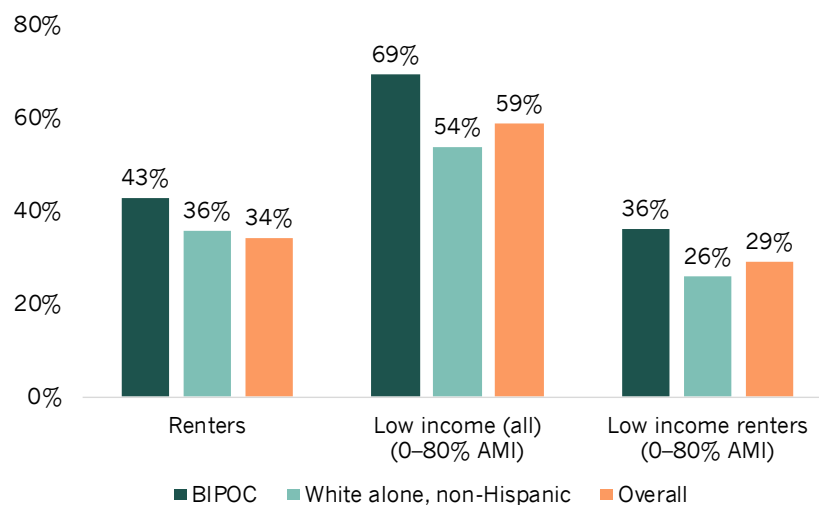
**More than 40 percent of BIPOC households are renters compared to 34 percent of white households.**

Over 35 percent of BIPOC households that rent are low income.

#### Exhibit 41. Comparison by Tenure and Income for BIPOC, White non-Hispanic, and All Households, McMinnville, 2016–2020

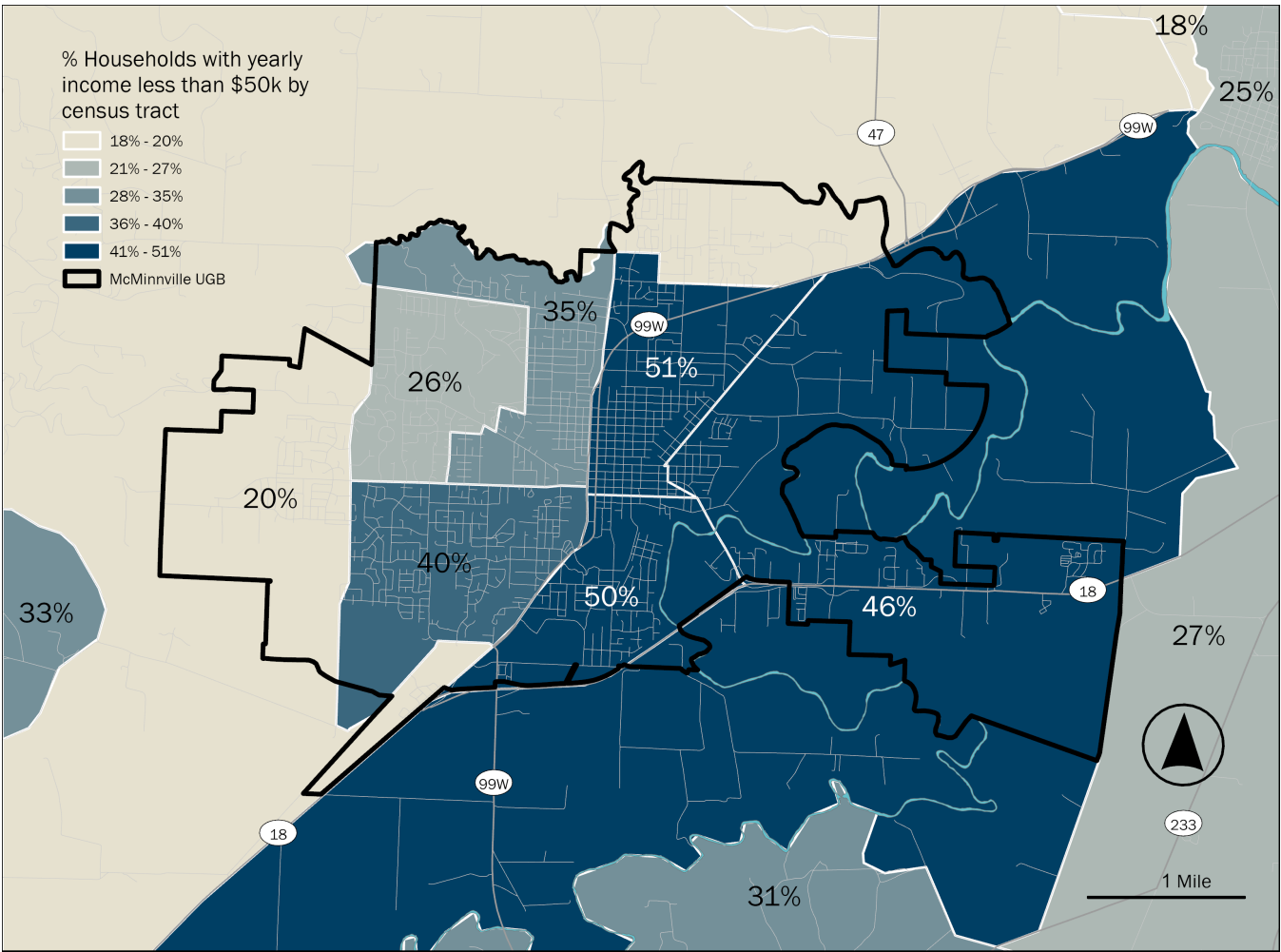
Source: CHAS, Table 2.

Note: BIPOC category includes Hispanic.



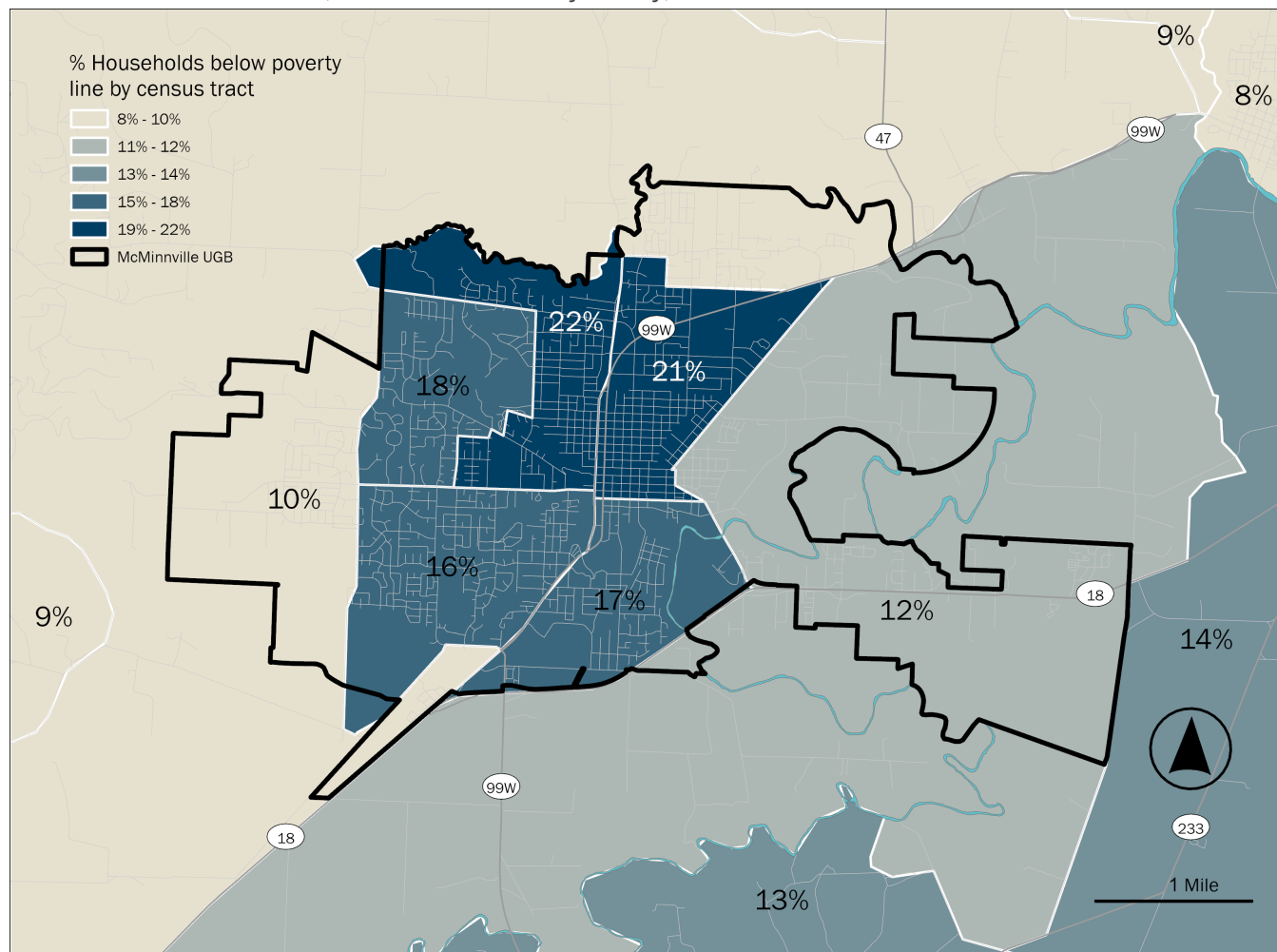
**Exhibit 42. Percent of Households with Annual Income of Less than \$50,000 by Census Tract, McMinnville, 2022**

Source: U.S. Census Bureau, American Community Survey, 2018-2022



# Exhibit 43. Percent of Households Below the Federal Poverty Line by Census Tract, McMinnville, 2022

Source: U.S. Census Bureau, American Community Survey, 2018-2022



# Housing Market Conditions and Trends

An analysis of housing market conditions and trends in McMinnville provides insight into the functioning of the local housing market. The housing types used in this analysis are consistent with needed housing types as defined in ORS 197.303:

- ◆ **Single-unit detached** includes single-unit detached units, manufactured homes on lots and in mobile home parks, and accessory dwelling units.
- ◆ **Single-unit attached** is all structures with a common wall where each dwelling unit occupies a separate lot, such as row houses or townhouses.
- ◆ **Multi-unit** is all attached structures (e.g., duplexes, tri-plexes, quad-plexes, and structures with five or more units) other than single-unit detached units, manufactured units, or single-unit attached units. This analysis groups multi-unit units into two sub-categories: (1) duplexes, triplexes, and quadplexes and (2) multi-unit units in buildings with five or more units per structure.

## Existing Housing Stock

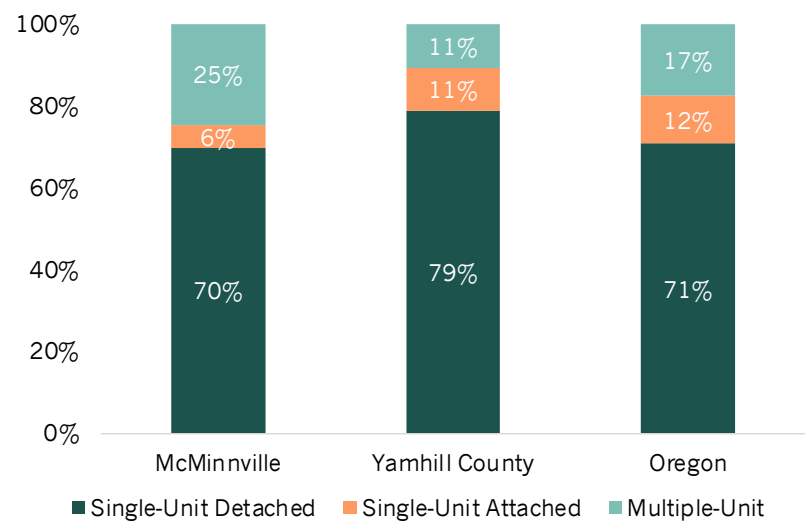
According to the 2018–2022 American Community Survey (ACS) from the U.S. Census, McMinnville had 13,409 dwelling units, an increase of 9,832 dwelling units from 2000. Most new units built were single-unit homes.

**About 70 percent of McMinnville’s housing stock is single-unit detached housing.**

The City of McMinnville has a larger share of multi-unit housing than Yamhill County and Oregon.

**Exhibit 44. Housing Mix, McMinnville, Yamhill County, and Oregon, 2018–2022**

Source: U.S. Census Bureau, 2018-2022 ACS Table B25024.



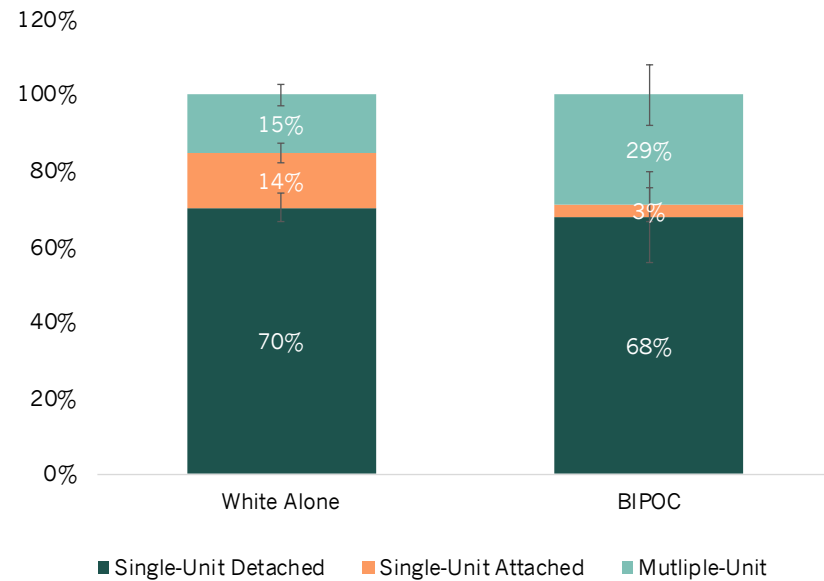
**Households that identified as a race other than white are more likely to live in multi-unit housing.**

About 29 percent of BIPOC households live in multi-unit housing compared to 15 percent of white households.

**Exhibit 45. Occupied Housing Structure by Race and Ethnicity, McMinnville, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS Table B25024.

Note: Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census. The margin of error for BIPOC households that occupy single-unit attached homes exceeds 50 percent. BIPOC category includes Hispanic.



## Building Permits

McMinnville has seen fluctuations in new construction activity since 2000, as shown through permits issued by the City.

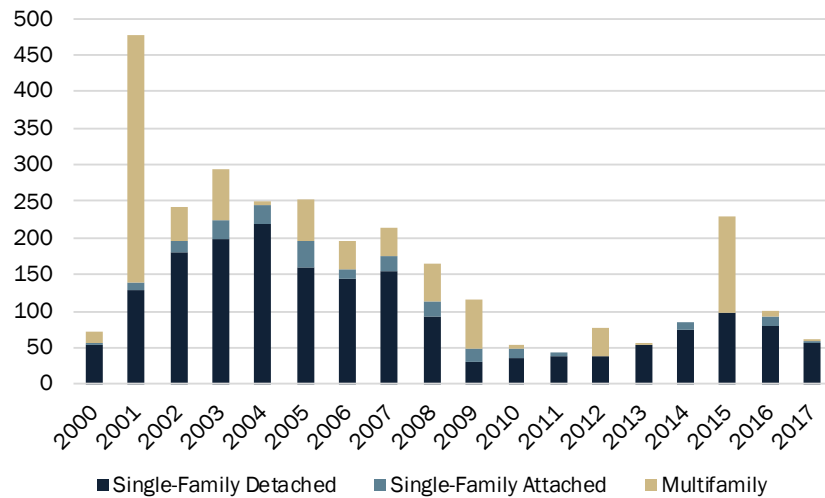
**Between 2000 and 2017, McMinnville issued permits for 3,038 dwelling units, with an average of 179 units permitted issued annually.**

During that period, McMinnville issued 69 percent of permits for single-unit housing (62 percent single-unit detached and 8 percent single-unit attached).

**Between 2018 and 2023, McMinnville issued permits for 1,156 dwelling units, with an average of 192 units permitted annually.** During that period, McMinnville issued 69 percent of permits for single-unit housing (66 percent single-unit detached and 3 percent single-unit attached). Of the single-unit detached permits, eight were for Accessory Dwelling Units.

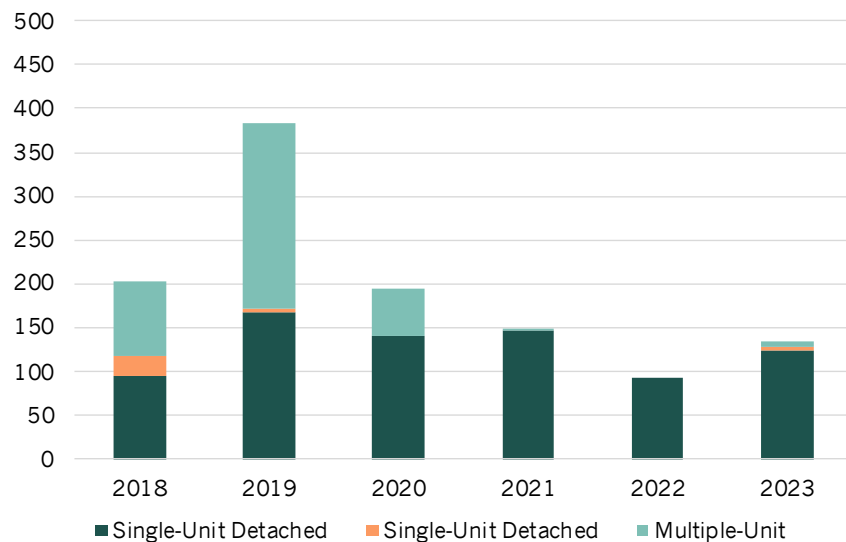
#### Exhibit 46. Building Permits Issued for New Residential Construction by Type of Unit, McMinnville, 2000–2017

Source: City of McMinnville. Note: This chart is from the City’s Housing Needs Analysis (adopted in 2023), so does not match the housing type labels used elsewhere in this report.



#### Exhibit 47. Building Permits Issued for New Residential Construction by Type of Unit, McMinnville, 2018–2023

Source: City of McMinnville.





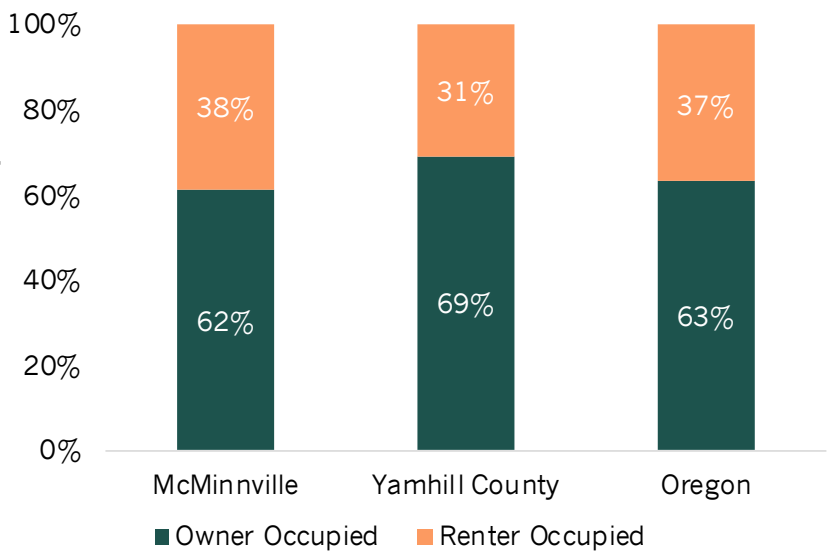
# Housing Tenure

Housing tenure describes whether a dwelling is owner- or renter-occupied. In the 2018–2022 period, about 62 percent of McMinnville’s housing stock was owner occupied, and 38 percent was renter occupied. McMinnville’s homeownership rate increased by two percentage points between 2000 and 2022.

**McMinnville had a lower homeownership rate than Yamhill County and the State of Oregon.**

**Exhibit 48. Tenure, Occupied Units, McMinnville, Yamhill County, and Oregon, 2014–2018**

Source: U.S. Census Bureau, 2018–2022 ACS 5-Year Estimates, Table B24003.

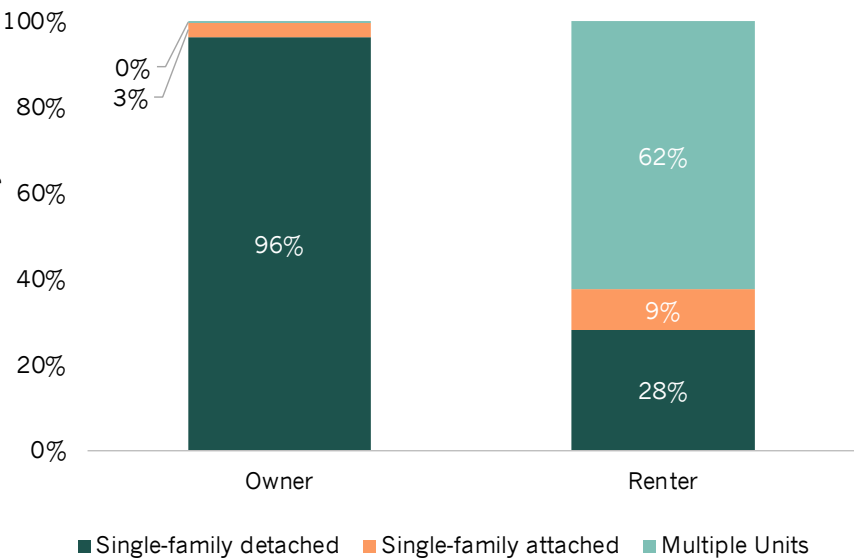


**The majority of homeowners (96 percent) lived in single-unit detached housing.**

In comparison, about one quarter of McMinnville’s renters (28 percent) lived in single-unit detached housing and almost two-thirds lived in some form of multi-unit housing (62 percent).

**Exhibit 49. Housing Units by Type and Tenure, McMinnville, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS Table B25032.

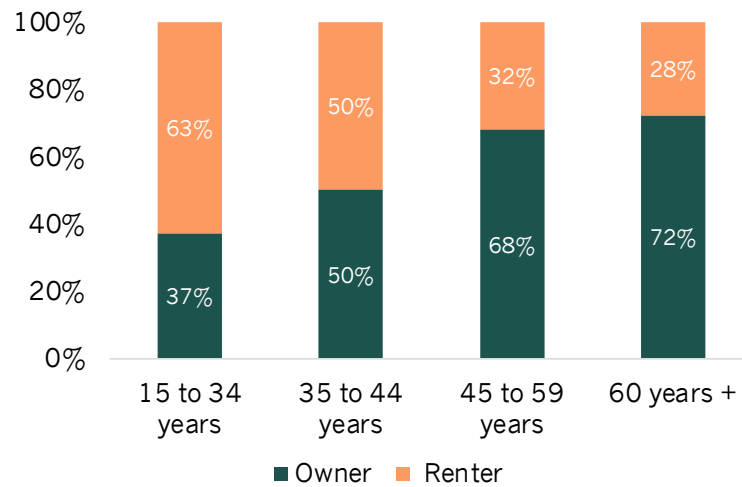


**The share of homeownership in the City of McMinnville increased alongside increases in the age of the head of the household.**

In McMinnville, 72 percent of householders sixty years of age or older owned their homes.

### Exhibit 50. Housing Tenure by Age of the Head of Household, McMinnville, 2018–2022

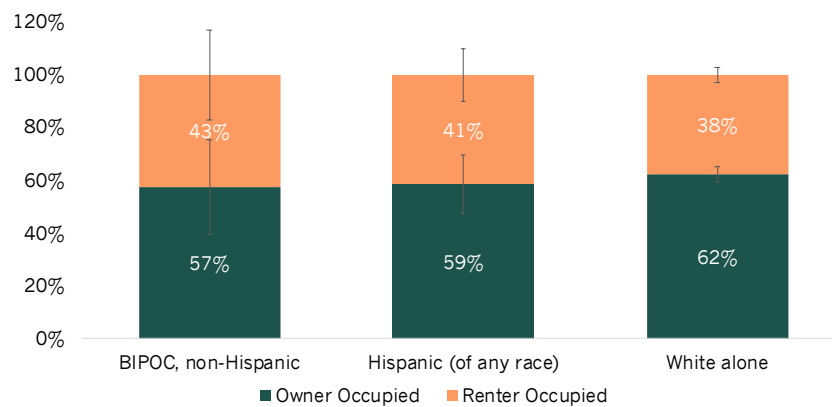
Source: U.S. Census Bureau, 2018–2022 ACS Table B25007.



**Households of color are more likely to rent their housing than white households.**

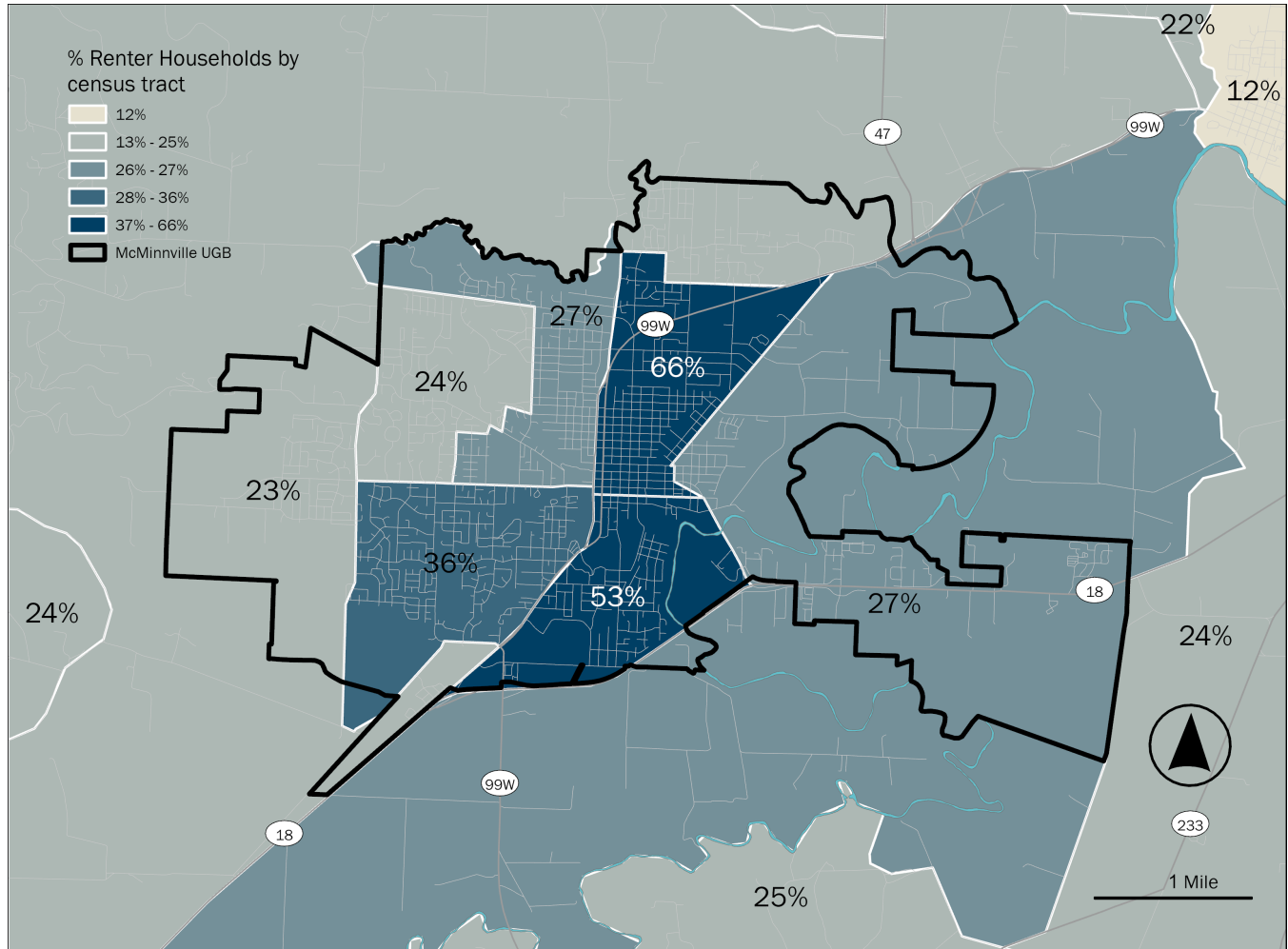
### Exhibit 51. Tenure by Race and by Ethnicity, McMinnville, 2018–2022

Source: U.S. Census Bureau, 2018–2022 ACS Table B25003A-I. Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census.



## Exhibit 52. Percent of Renter Households by Census Tract, McMinnville, 2022

Source: U.S. Census Bureau, American Community Survey, 2018-2022



### Income-Restricted and Emergency Housing

There are 17 income-restricted housing developments in McMinnville with a total of 590 dwelling units. Over three quarters of the 590 dwelling units (84 percent) are units with one- or two-bedrooms. About 94 of McMinnville's income-restricted dwelling units (16 percent), were larger units with three or four bedrooms.

The City of McMinnville had approximately 13,409 dwelling units in the 2018–2022 period. Income-restricted units accounted for about 4.4 percent of McMinnville's total housing stock.

### Exhibit 53. Income-Restricted Housing, McMinnville, 2022

Source: Oregon Health and Human Services, Affordable Housing Inventory in Oregon.

Development Name	Total Units	Unit Size				
		Studio	1-bd	2-bd	3-bd	4-bd
BRIDGES	6	-	6	-	-	-
FRESA PARK B	6	-	6	-	-	-
GLENHAVEN PARK APARTMENTS	36	-	12	20	4	-
HENDRICKS PLACE	8	-	8	-	-	-
HERITAGE PLACE	60	-	16	44	-	-
HOMEPORT	12	-	11	1	-	-
ORCHARDS PLAZA	60	-	54	6	-	-
REDWOOD COMMONS	64	-	-	40	24	-
SUNFLOWER PARK	33	-	-	15	18	-
SUNNYSIDE APTS	15	-	14	1	-	-
TICE PARK	88	-	-	60	28	-
VILLA DEL SOL	24	-	-	8	12	4
VILLA WEST	48	-	4	40	4	-
VILLAGE QUARTER	50	-	38	12	-	-
WESTERN TERRACES	32	-	-	32	-	-
WILLAMETTE PLACE APARTMENTS	24	-	22	2	-	-
WILLAMETTE PLACE I	24	-	22	2	-	-
<b>Total</b>	<b>590</b>	<b>-</b>	<b>213</b>	<b>283</b>	<b>90</b>	<b>4</b>

People experiencing homelessness in Yamhill County have access to 181 shelter beds countywide. These beds are spread across four emergency shelters, six transitional shelters, two seasonal warming shelters, and one shelter for survivors of domestic violence.<sup>25</sup>

<sup>25</sup> Oregon Statewide Shelter Study, August 2019.

## People Experiencing Homelessness

Gathering reliable data from individuals experiencing homelessness is difficult precisely because they are unstably housed. People can cycle in and out of homelessness and move around communities and shelters. Moreover, the definition of homelessness can vary between communities. Individuals and families temporarily living with relatives or friends are insecurely housed, but they are often neglected from homelessness data. Even if an individual is identified as lacking sufficient housing, they may be reluctant to share information. As a result, information about people experiencing homelessness in McMinnville is not readily available.

According to HUD's 2021 Annual Homeless Assessment Report (AHAR), across the United States, the number of people experiencing *sheltered* homelessness has been decreasing since 2015, but the drop between 2020 and 2021 was steeper than in recent years.<sup>26</sup> It is likely that some of this decline is due to COVID-related precautions that resulted in fewer beds available (due to the need to have more space between beds). Other factors include people being unwilling to use shelter beds due to health risks as well as eviction moratoria and stimulus payments, which may have prevented people from needing emergency shelter.

Pandemic-related disruptions to *unsheltered* homelessness counts made it difficult to determine if this population is increasing or decreasing in communities. Many communities chose not to conduct unsheltered PIT counts due to the risk of increasing COVID-19 transmission. While the communities that conducted unsheltered counts seem to indicate that this population did not increase, trends on unsheltered homelessness are known for only half of communities.

The following exhibits provide more localized estimates of homelessness in McMinnville's region.

---

This section uses the following sources of information:

**Point-in-Time (PIT) Count:** The PIT count is a snapshot of individuals experiencing homelessness on a single night in a community. It records the number and characteristics (e.g., race, age, veteran status) of people who live in emergency shelters, transitional housing, rapid rehousing, Safe Havens, or PSH—as well as recording those who are unsheltered. HUD requires that communities and Continuums of Care (CoC) perform the PIT count during the last ten days of January on an annual basis for sheltered people and on a biennial basis for unsheltered people. Though the PIT count is not a comprehensive survey, it serves as a measure of homelessness at a given point of time and is used for policy and funding decisions.

**McKinney Vento Data:** The McKinney Vento Homeless Assistance Act authorized, among other programs, the Education for Homeless Children and Youth (EHCY) Program to support the academic progress of children and youths experiencing homelessness. The US Department of Education works with state coordinators and local liaisons to collect performance data on students experiencing homelessness. The data records the number of school-aged children who live in shelters or hotels/motels and those who are doubled up, unsheltered, or unaccompanied. This is a broader definition of homelessness than that used in the PIT.

Although these sources of information are known to undercount people experiencing homelessness, they are consistently available for counties in Oregon.

---

---

<sup>26</sup> The U.S. Department of Housing and Urban Development (2021). The 2021 Annual Homeless Assessment Report (AHAR) to Congress. Office of Community Planning and Development.

**Yamhill County’s Point-in-Time Homeless count decreased by 58 percent from 2019 to 2023.**

This report includes OHCS estimated data for 2021 because a full PIT count was not conducted in Yamhill County in 2021 due to the COVID-19 pandemic.

**Exhibit 54. Number of Persons Homeless, Yamhill County, Point-in-Time Count, 2019–2023**

Source: Oregon Housing and Community Services.  
 Note: Oregon Housing and Community Services presented two counts in 2021—estimated and reported counts. This report uses the estimated count.

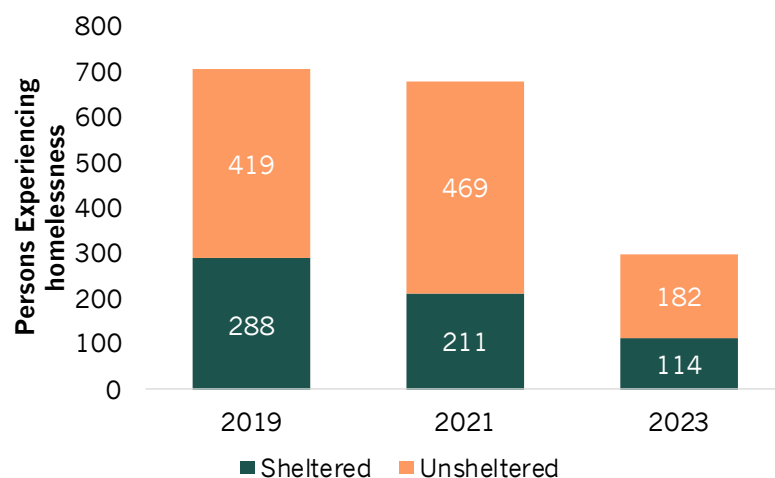
<b>707 Persons</b>	<b>757 Persons</b>	<b>296 Persons</b>
2019	2021	2023

**In 2023, an estimated 296 people experienced homelessness in Yamhill County, the majority of which were unsheltered.**

Federal and state funding made available to address public health and unsheltered homelessness during the COVID-19 pandemic— including expanding temporary shelter options, providing rent subsidies, and other supports— likely contributed to the decline in measured homelessness between 2021 and 2023.

**Exhibit 55. Point-in-Time Homelessness Estimates, Yamhill County, 2019–2023**

Source: Oregon Housing and Community Services.  
 Note: Oregon Housing and Community Services presented two counts in 2021—estimated and reported counts. This report uses the estimated count.

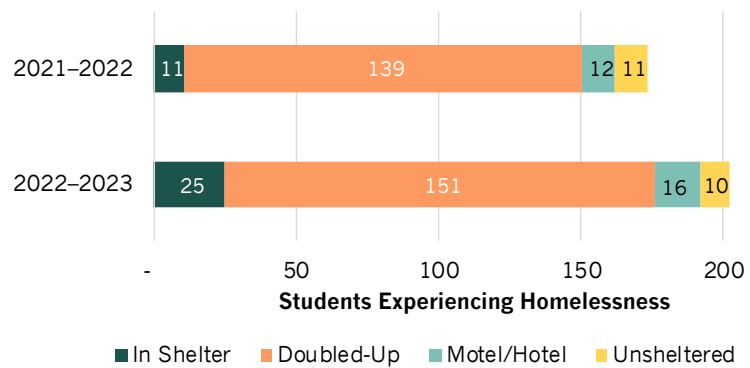


**From the 2021–22 school year to the 2022–23 school year, student homelessness increased from 173 students to 202 students.**

Of the 202 students experiencing homelessness in 2022–23, 34 were unaccompanied.

## Exhibit 56. Students Homeless by Living Situation, McMinnville School District, 2021–2022 and 2022–2023

Source: McKinney Vento, Homeless Student Data.



# Housing Affordability Considerations

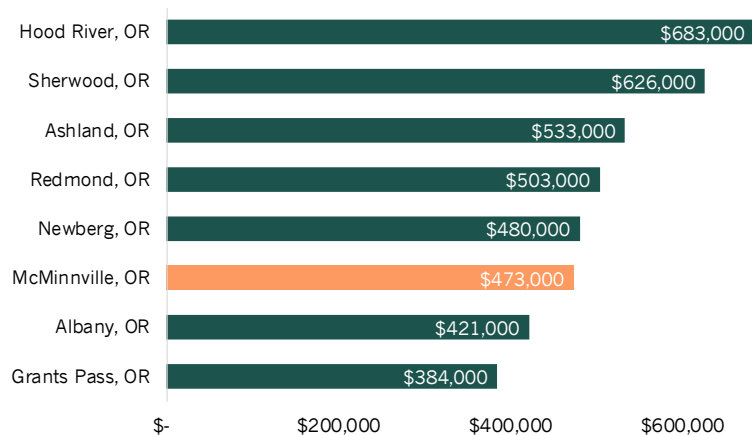
This section describes changes in sales prices, rents, and housing affordability in McMinnville and a comparison of geographies. Both housing sale prices and rents have increased steadily in McMinnville and the greater region over the last several years.

## Housing Sale Prices

**McMinnville’s median home sales price was lower than most other comparison markets.**

**Exhibit 57. Median Home Sale Price, McMinnville and Comparison Cities, May 2023 – May 2024**

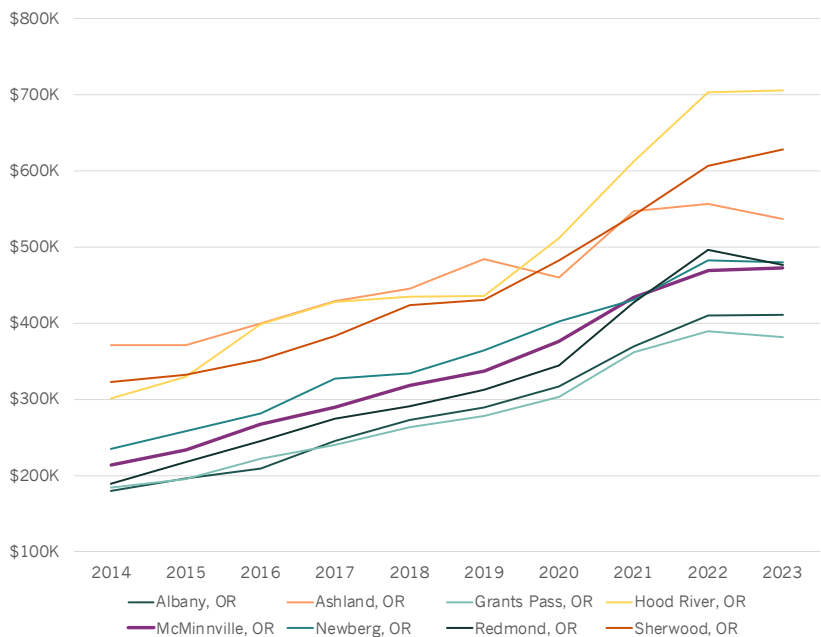
Source: Redfin



**The median price of a home in McMinnville increased 121 percent from \$214,000 in 2014 to \$473,000 in 2023.** Price increases in other comparable cities over the same period ranged from \$166,000 (Ashland) to \$404,000 (Hood River).

**Exhibit 58. Median Sales Price, McMinnville, and Comparison Cities, 2014 – 2023**

Source: Redfin.





# Rental Costs

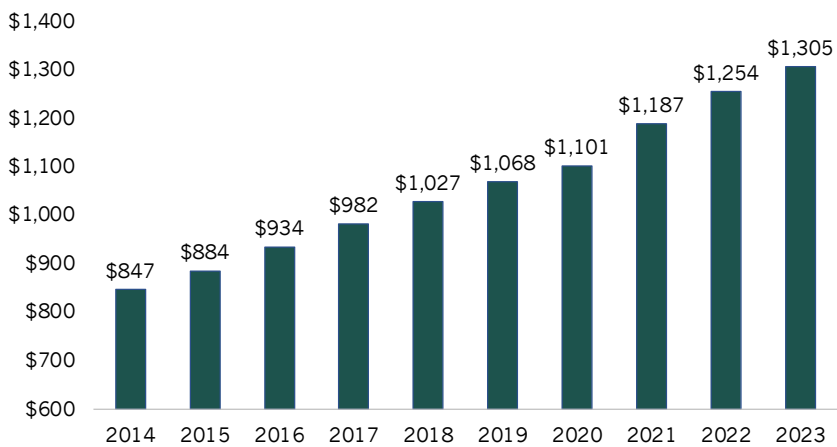
The asking rents in McMinnville have increased steadily over the past 10 years.

**The average asking rent for multiple-unit properties in McMinnville has increased 54 percent since 2014.**

In 2023, the average asking rent for housing of any size in a multiple-unit property was \$1,305, up from \$847 in 2014.

**Exhibit 59. Average Asking Rent, McMinnville, 2014–2023**

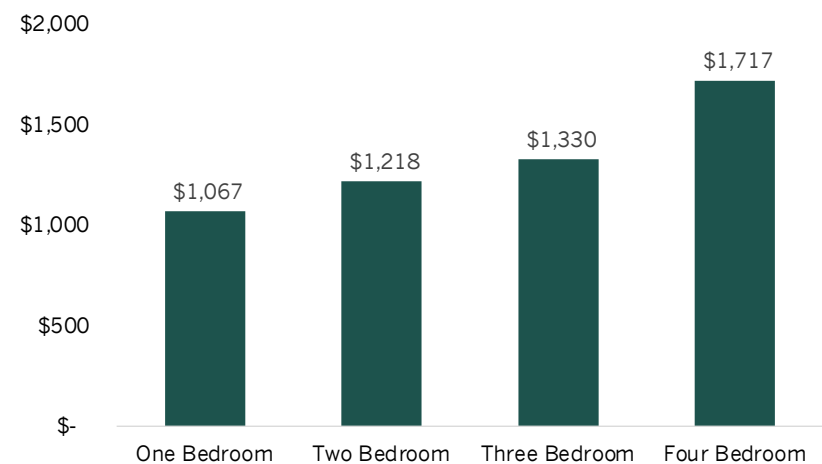
Source: CoStar.



**Average asking rents in McMinnville range from \$1,067 for a one-bedroom apartment to \$1,717 for a four-bedroom apartment.**

**Exhibit 60. Average Asking Rent by Number of Bedrooms, McMinnville, 2023**

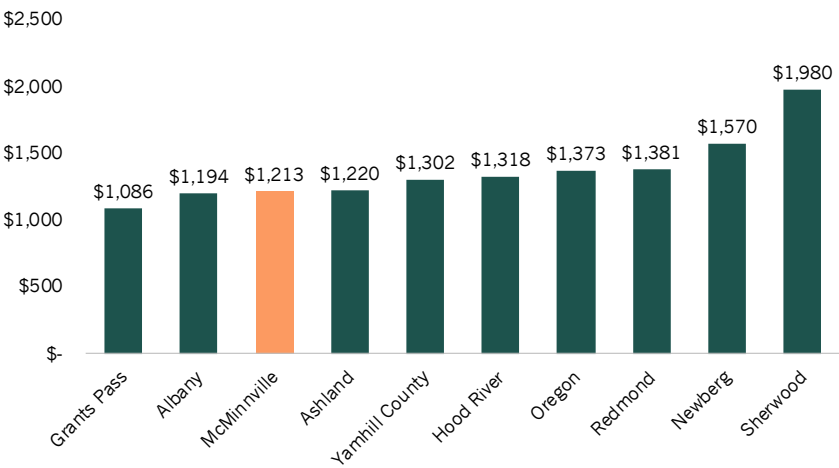
Source: CoStar.



For current renters, the median rent for any type of housing is **\$1,213 per month.**

**Exhibit 61. Median Reported Rent, McMinnville, Yamhill County, Oregon and Other Comparison Cities, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimate, Table B25064.



**Housing Cost Burden**

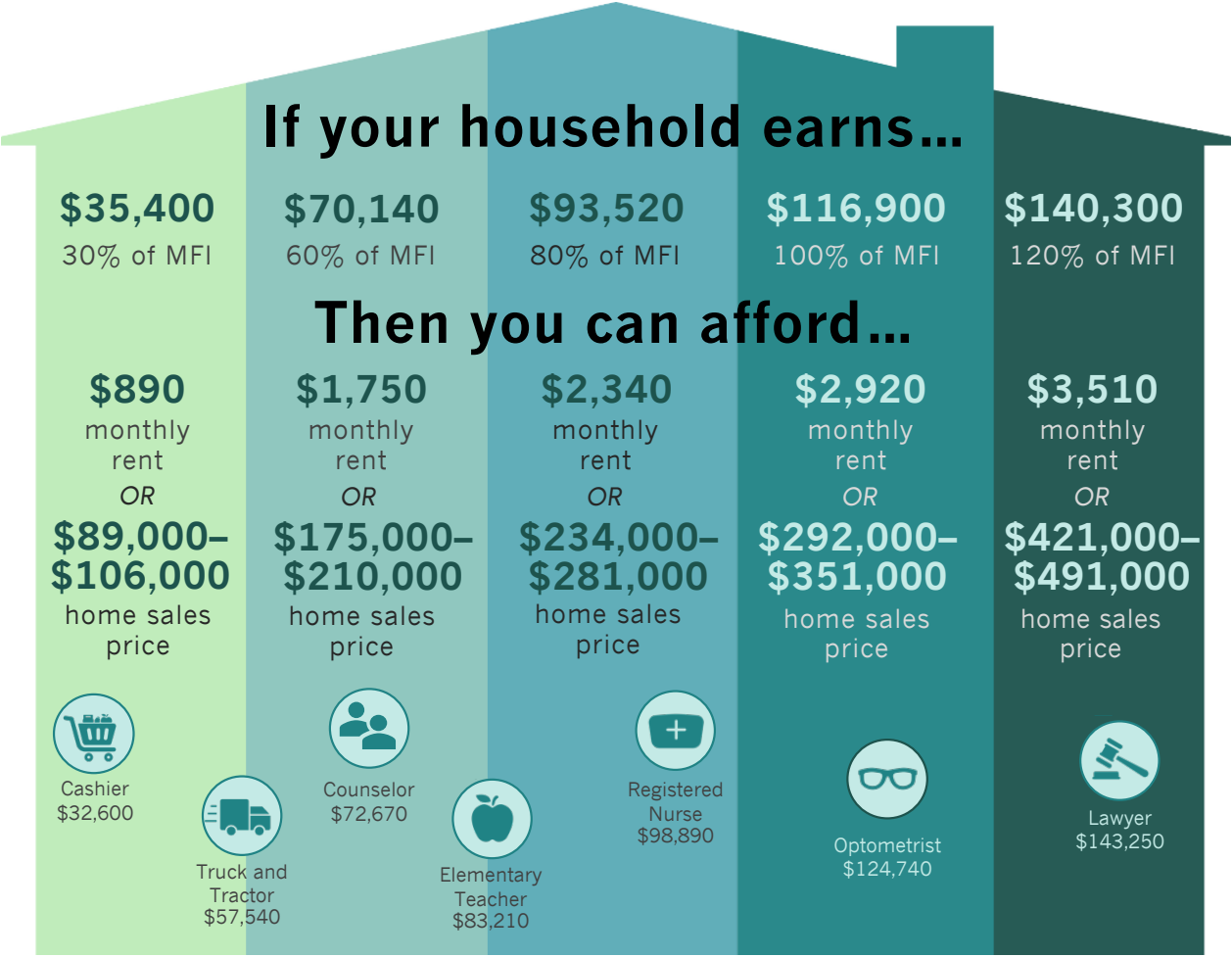
Financially attainable housing costs for households across the income spectrum in Yamhill County are identified in **Exhibit 62**. For example, a household earning median family income in Yamhill County (about \$116,900 per year)<sup>27</sup> can afford a monthly rent of about \$2,920 or a home roughly valued between \$292,000 and \$351,000 without cost burdening themselves.

In McMinnville, a household would need to earn \$158,000 (135 percent of MFI for a family of four) to afford the median sales price of a home in McMinnville. A four-person household would need to earn about \$53,200 (46 percent of MFI for a family of four) to afford the average asking rent for a three-bedroom apartment (\$1,330).

<sup>27</sup> Note that Median Family Income (MFI) for the region is different than Median Household Income (MHI) for McMinnville (see Exhibit 33). MFI is determined by HUD for each metropolitan area and non-metropolitan county. Yamhill County is part of the Portland-Vancouver-Hillsboro Metropolitan Statistical Area. MFI is adjusted by family size—the standard for 100 percent MFI is adjusted for a family of four. MHI is a more general term. MHI includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not.

**Exhibit 62. Financially Attainable Housing, by Median Family Income (MFI) for Yamhill County (\$116,900), McMinnville, 2021**

Source: U.S. Department of Housing and Urban Development, Yamhill County, 2024. Oregon Employment Department.



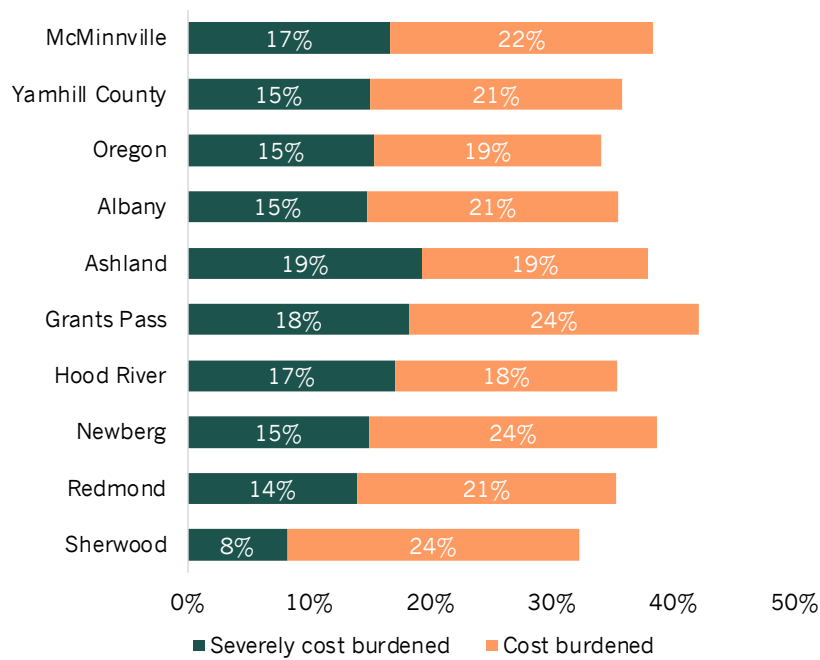
Because the local housing market cannot produce income-restricted, subsidized affordable housing at sufficient levels—and because it cannot often produce middle income/workforce housing without subsidy, many households in McMinnville are cost burdened (as **Exhibit 63** through **Exhibit 68** show). A household is defined as cost burdened if their housing costs exceed 30 percent of their gross income. A household that spends 50 percent or more of their gross income on housing costs is said to be severely cost burdened.

**Overall, about 39 percent of all households in McMinnville were cost burdened.**

McMinnville had a higher share of cost burdened households compared to Yamhill County and the state.

**Exhibit 63. Housing Cost Burden, McMinnville, Yamhill County, Oregon and Other Comparison Cities, 2018–2022**

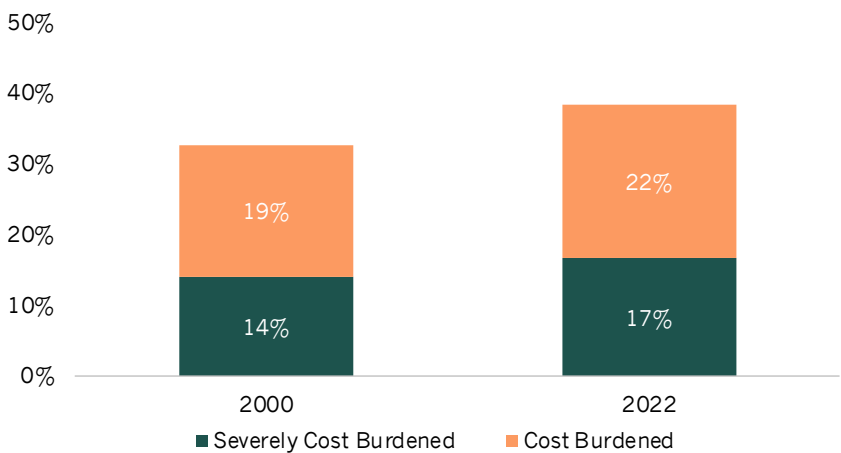
Source: U.S. Census Bureau, 2018–2022 ACS Tables B25091 and B25070.



**From 2000 to the 2018–2022 period, the number of cost-burdened and severely cost-burdened households increased.**

**Exhibit 64. Change in Housing Cost Burden, McMinnville, 2000 to 2018–2022**

Source: U.S. Census Bureau, 2000 Decennial Census, Tables H069 and H094 and 2018–2022 ACS Tables B25091 and B25070.



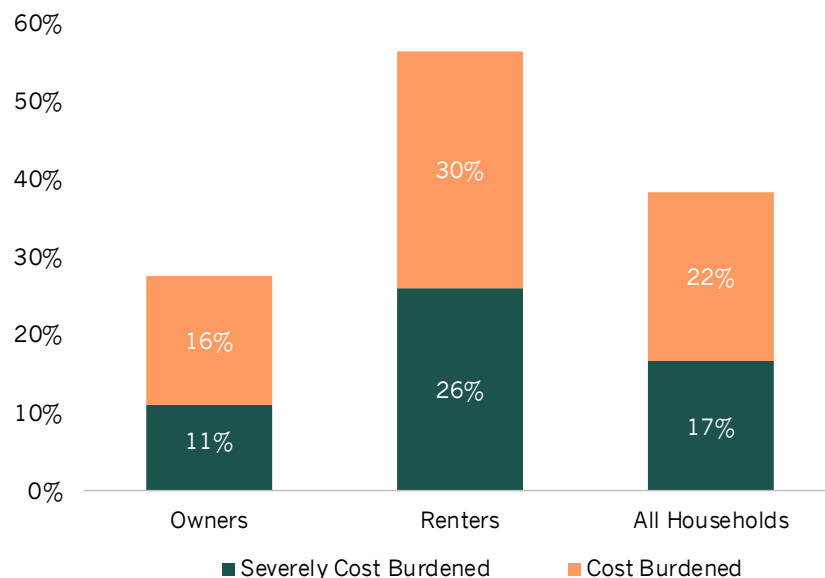
**Renters were much more likely to be cost burdened than homeowners in McMinnville.**

About 56 percent of McMinnville’s renters were cost burdened or severely cost burdened, compared to 27 percent of homeowners.

About 26 percent of McMinnville’s renters were severely cost burdened, meaning they paid 50 percent or more of their gross income on housing costs.

**Exhibit 65. Housing Cost Burden by Tenure, McMinnville, 2018–2022**

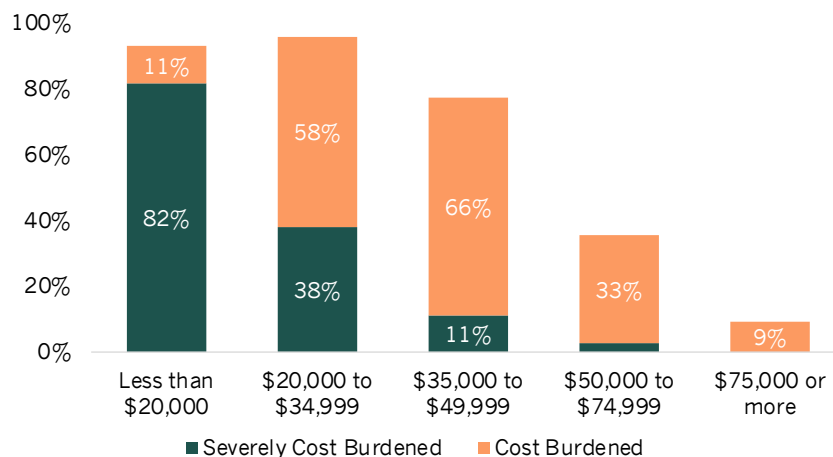
Source: U.S. Census Bureau, 2018–2022 ACS Tables B25091 and B25070.



**Most households earning less than \$50,000 are cost burdened.**

**Exhibit 66. Cost Burdened Renter Households, by Household Income, McMinnville, 2018–2022**

Source: U.S. Census Bureau, 2018–2022 ACS Table B25074.

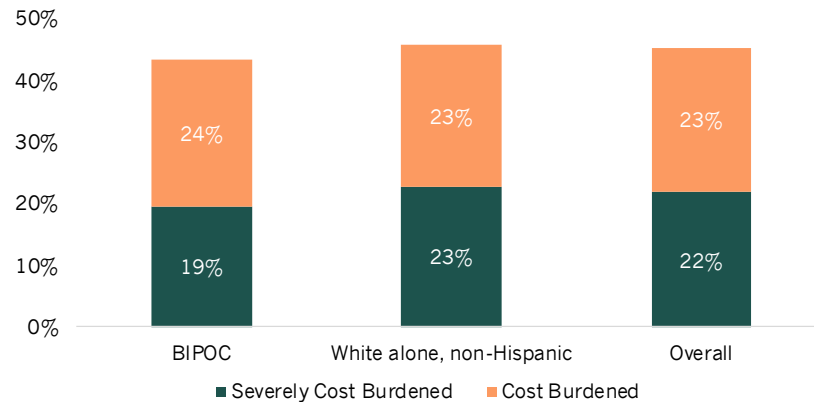


The difference in rates of cost burden for households of color is smaller than in many of Oregon's communities. Part of the reason for this may be the small population of people of color in McMinnville.

### Exhibit 67. Cost Burdened for POC, White non-Hispanic, and All Households, McMinnville, 2016–2020

Source: CHAS Table 9.

Note: BIPOC category includes Hispanic.



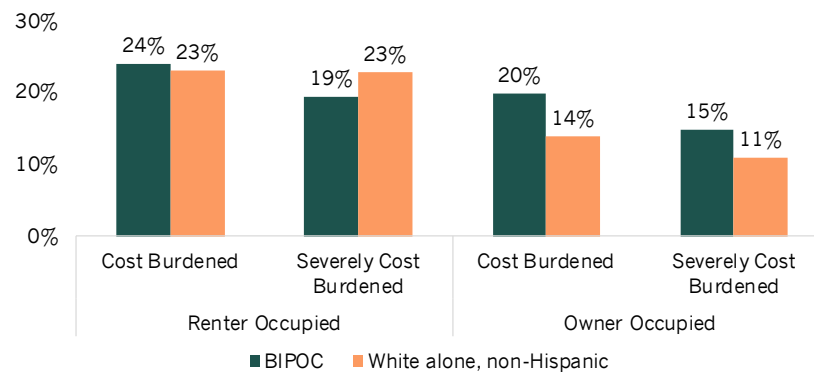
The difference in rates of cost burden for people of color, both as renters and owners, is smaller than in many of Oregon's communities.

Part of the reason for this may be the small population of people of color in McMinnville.

### Exhibit 68. Cost Burdened by Tenure for POC, White non-Hispanic, and All Households, McMinnville, 2016–2020

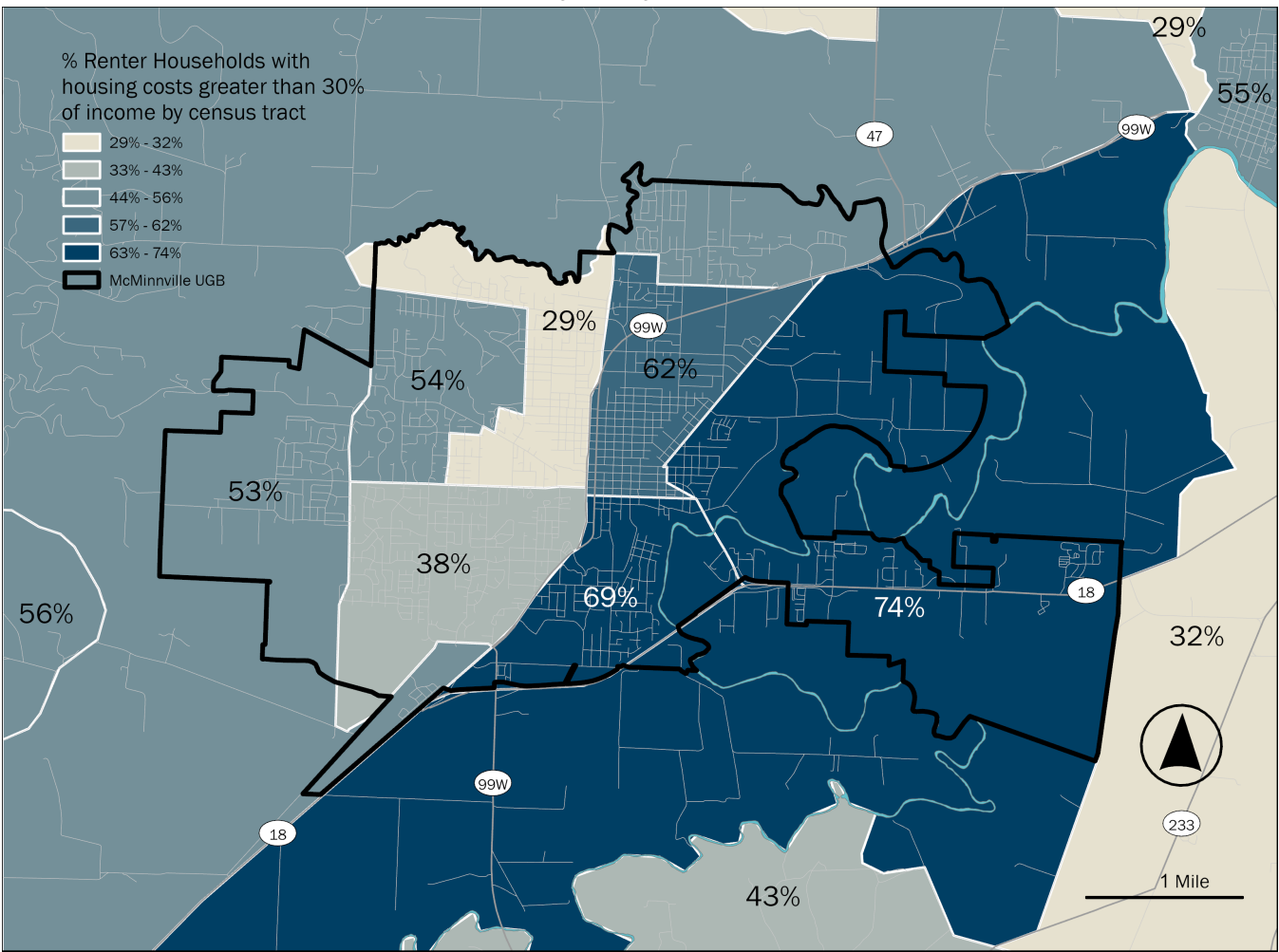
Source: CHAS Table 9.

Note: BIPOC category includes Hispanic.



**Exhibit 69. Percent of Cost Burdened Renter Households by Census Tract, McMinnville, 2022**

Source: U.S. Census Bureau, American Community Survey, 2018-2022



# Oregon Consolidated Plan

The five-year Oregon Consolidated Plan (2021-2025) provides information about housing needs for cities across Oregon that are not required to develop a Consolidated Plan, including McMinnville.

The Housing Needs Assessment identifies the following housing needs:

- ◆ Extremely low income families are most likely to have housing problems, with 8 in 10 extremely low income households in the state's non-entitlement areas have one or more housing challenges.
- ◆ About 79% of low-income households and 54% of moderate income household have housing needs.
- ◆ Housing needs falls as household income increases, with 80% of extremely low income households experiencing housing problems, compared with 28% of low to moderate income renters.
- ◆ The following groups have housing needs: 46% of households with a person with disability; 23% of elderly households; 28% of large family household; 16% of LEP households; and 11% of single-person households.
- ◆ The populations with disproportionately high housing needs (relative to all low and moderate-income populations) are: adults with criminal histories (64%), persons with Serious and Persistent Mental Illness (60%), precariously housed (51%), people with Substance Use Disorders (49%), residents with past evictions (43%), people with physical or cognitive disabilities (39%), Latino residents (39%), immigrants lacking documentation (38%), seniors (37%), frail elderly (34%), domestic violence survivors (33%), agricultural workers (33%), youth aging out of foster care (32%), persons impacted by COVID-19 (30%), people with LEP (30%), LGBTQ youth (30%), and black residents (30%). Other populations have disproportionately high housing needs less frequently than 30% of the populations.

The Consolidated Plan focuses the following priority housing needs:

- ◆ Rental assistance and additional units for extremely low income households (at or below 30% AMI), very low income households (60% AMI or less), and low to moderate income households (80% AMI or less)
- ◆ Permanently supportive housing
- ◆ Services for very low income and special needs residents
- ◆ Emergency shelters for people who are homeless
- ◆ Transitional housing for people moving out of homelessness
- ◆ Improvements/rehabilitation to housing in poor condition

The Consolidated Plan identified 15 Annual Goals and Objectives. Of those, the following are directly related to housing and related to the types of actions in the HPS:



- ◆ **CDBG - Public Works.** Provide sustainable and suitable living environments through enhancements, improvements or construction of water and wastewater systems to provide availability and accessibility to clean, safe drinking water and safe sanitary sewer systems.
- ◆ **CDBG - Housing Rehabilitation.** Preserve decent housing, improving the sustainability and affordability of existing housing stock, through rehabilitation projects of single-family, owner-occupied homes by providing grants or loans to complete needed repairs, many of which are health and safety related. One hundred percent of the funds in this goal will serve low-to moderate-income homeowners.
- ◆ **CDBG - Emergency Projects.** The State of Oregon uses CDBG funds to assist in the repair or mitigation of damage that were a direct result of a qualifying disaster from bona fide emergencies.
- ◆ **Prevent and divert people from becoming homeless.** Promote services to support people at risk of homelessness and work to prevent homelessness through increased housing stability using services that include but are not limited to security and utility deposit payment, rent subsidy, and case management and self-sufficiency opportunities. Acknowledge that preventing individuals and families from becoming homeless is critical to ending homelessness. Every episode of homelessness that can be averted spares people the psychological and physical trauma of not being housed.
- ◆ **Reduce homelessness.** Promote programs that reduce homelessness through homeless prevention services such as financial and rent assistance, and re-house people experiencing homelessness into permanent housing. Rapid re-housing places a priority on moving a family or individual experiencing homelessness into permanent housing as quickly as possible, ideally within 30 days of becoming homeless and entering a program. OHCS Homeless Services funds provide rent assistance and pay security deposits. Both homelessness prevention and rapid rehousing services couple financial and/or rent assistance with case management and self-sufficiency opportunities. Clients may be provided referrals to agencies that can help address, mitigate and possibly alleviate other barriers causing housing instability.
- ◆ **HOME and HTF- Fund affordable housing.** Oregon HOME and HTF funds are used to finance the development of affordable housing for low income households, HTF funds are focused largely on extremely low income households. Funds can be used for new construction, acquisition and rehabilitation.
- ◆ **Affirmatively further fair housing.** Work diligently to promote fair housing and access to housing choice for all Oregonians. Take meaningful action to overcome patterns of segregation and promote inclusive communities free of barriers to opportunity. OHCS is committed to distributing resources and supporting programs to address housing inequities and disparities experienced by communities of color and other underserved communities.

# Appendix C: Stakeholder Engagement

---

## Purpose Statement and Community Stakeholders

The purpose of public involvement for this project is to consult community members to better understand their housing priorities, needs, and challenges. Engagement will focus on providing opportunities for everyone to participate, with efforts to prioritize underrepresented communities within the city that do not always participate in the City's planning discussions. This will ensure the HPS accurately reflects McMinnville's housing needs and includes meaningful actions to help McMinnville address the unmet housing needs in the community.

The feedback collected throughout the engagement process will play an essential role in shaping the actions outlined in this document. The project team will keep stakeholders informed by sharing the proposed housing actions at different stages of the process to ensure that they are appropriate and to gather suggestions on how to prioritize and execute them. The majority of engagement activities will work at the Inform and Consult levels on the IAP2 Spectrum of Public Engagement.<sup>28</sup>

Community and stakeholder engagement has been a central part informing the development of the Housing Production Strategy (HPS) for the City of McMinnville, serving its residents and workers. The purpose of public involvement for this HPS is to consult community members to better understand their housing priorities, needs, and challenges. Engagement focused on providing opportunities for everyone to participate, with efforts to prioritize underrepresented communities within the city that do not always participate in the City's planning discussions. This ensures the HPS accurately reflects McMinnville's housing needs and includes meaningful actions to help McMinnville address the unmet housing needs in the community, including for federal and state protected classes.

The feedback collected throughout the engagement process played an essential role in shaping the actions outlined in this document. The project team kept stakeholders informed by sharing the proposed housing actions at different stages of the process to ensure that they are appropriate and to gather suggestions on how to prioritize and execute them.

The project team engaged housing consumers, including direct outreach to individuals through interviews, focus groups, and a community survey; contacting community-based organizations and service providers to connect with those they serve; and/or hosting events. Prominent stakeholders for the HPS include renters, low-income households, Hispanic/Latinx residents, low-income seniors, other racial and ethnic, people with disabilities, seniors, agriculture workers, housing providers, and formerly and currently houseless people. The City also focused on engaging McMinnville's workforce across all

---

<sup>28</sup> [https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum\\_8.5x11\\_Print.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf)

income spectrums as McMinnville is currently struggling with recruiting and retaining workforce due to housing constraints. The city engaged these stakeholders to learn about the broad range of housing experiences and needs that the plan could help address and also engaged those that could provide input to help ensure the HPS actions are effective and useful.

## HPS Engagement Goals

The overarching goal of this HPS is to develop equitable housing strategies and actions that support the diverse needs of today and the next 8 years. This outreach built on outreach the City has conducted on housing needs, primarily in 2018 and 2019. Initially the HPS included the actions identified for inclusion in the 2019 Housing Strategy project and then these actions were refined and updated based on input. Those actions were identified based on interaction with stakeholders, city staff, consultants, the Project Advisory Committee, Planning Commission and City Council. The goals of engagement on this HPS are to:

- ◆ Include diverse perspectives on the Project Advisory Committee (PAC) to represent the wide range of housing experiences from within the community.
- ◆ Achieve participation and input from those most impacted by the HPS and who tend to be historically underrepresented such as Latinx, people with disabilities, and low-income renters. It is important to hear from new voices who traditionally do not participate in public policy development.
- ◆ Provide opportunities for intentional engagement with community members to provide meaningful feedback.
- ◆ Collect qualitative data and community stories to provide insight and a greater understanding of community perceptions and experiences with housing and the types of housing choices community members seek now and in the future.
- ◆ Use the engagement findings to shape the development of the HPS. The final HPS will describe the connection between what was heard in engagement with the strategies selected for inclusion in the HPS.
- ◆ Communicate project progress to the public regularly and establish clear feedback channels for community input.

By intentionally incorporating equity considerations and priorities of diverse groups into the engagement approach, the final actions seeks to reflect the realities in McMinnville.

## Summary of Outreach Before Development of the HPS

The outreach for the HPS builds on housing needs outreach the City of McMinnville has implemented since 2018. Previous engagement for the *City of McMinnville Housing Needs Analysis (drafted in 2019 and completed in 2023)* and *Housing Strategy (completed in 2019)* highlighted housing challenges such as rising costs of new construction, shrinking land supply and neighborhood resistance leading to exponentially increasing housing prices

and displacement of low- and moderate-income households. The City also recognized that lower-income residents are especially burdened, with limited housing choices.

## Summary of Themes on Housing Actions Before HPS Development

- ◆ **Create great neighborhoods** by ensuring every neighborhood has key elements such as parks, pedestrian and bike friendly facilities supporting the community quality of life and value for the neighborhood.
- ◆ Need a pipeline of **serviced land that is available for immediate housing development** using strategies such as boundary amendments to expand the urban area and zoning changes to increase housing capacity. Land availability was cited as one of the biggest barriers to developing housing.
- ◆ **Support a wider array of housing types** through zoning and regulatory changes including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, townhomes, multi-unit housing, and mixed-use housing. Support infill development and taller multifamily buildings.
- ◆ **Need for more affordable housing**, such as housing affordable to households with income below \$30,000, “starter housing” for homeownership, affordable housing for younger residents and seniors, people experiencing homelessness. Implement key strategies to alleviate housing affordability issues and help overcome the issues with housing products becoming more expensive to build.
- ◆ In support of new housing, need to increase the availability of adequate and **cost-effective infrastructure and public facilities**.
- ◆ **Need actions supporting the development of housing for people with disabilities or experiencing homelessness**.
- ◆ Ensure housing needs for **historically marginalized populations are addressed**, including multigenerational housing.
- ◆ **Provide ongoing education to residents** of McMinnville about benefits of different housing types, beyond single-family detached units.

**An ultimate goal for the 2019 Housing Strategy was to ensure that every resident lived in a great neighborhood and had housing choices for ownership and rentals.** In 2019, the draft *Housing Strategy* determined to change the paradigm that niches low-income housing into large multi-family, high-density rental housing. The City elected to develop *Great Neighborhood Principles* that would ensure that every neighborhood would have a variety of housing choices serving a variety of household incomes and generations. The City’s goal is to protect the small town charm and aesthetic while providing housing choice for the diverse community, to ensure that everyone lives in a quality housing situation.

**Great Neighborhood Principles:** Every neighborhood should have the following elements for quality of life for the residents and enduring value for the neighborhood.

1. Natural Feature Preservation

8. Human Scale Design

- |                          |   |
|--------------------------|---|
| 2. Scenic Views          | 9. Mix of Activities                            |
| 3. Parks and Open Spaces | 10. Urban Rural Interface                       |
| 4. Pedestrian Friendly   | 11. Housing for Diverse Incomes and Generations |
| 5. Bike Friendly         | 12. Housing Variety                             |
| 6. Connected Streets     | 13. Unique and Integrated Design Elements       |
| 7. Accessibility         |   |

As part of development of the *Housing Needs Analysis* and *Housing Strategy* in 2018 and 2019, the City conducted the following engagement: a project advisory committee provided input on the HNA and selection of strategies for the Housing Strategy, a focus group, and presentations to the McMinnville City Council and Planning Commission. The themes about housing needs from engagement conducted prior to the HPS included the following.

## The Project Advisory Committee Feedback

The Project Advisory Committee (PAC) provided extensive feedback as part of development of the HNA analysis about housing needs. The PAC's feedback directly shaped the actions included in the 2019 *McMinnville Housing Strategy*. The best summary of the PAC's feedback about actions the City should take is the contents of the Housing Strategy, which are summarized below at a high-level.<sup>29</sup> As discussed in other parts of the HPS, the City has accomplished many of the actions from the Strategy and some actions are part of the HPS.

- ◆ **Land Availability (SP1):** This strategic priority focuses on strategies that ensure an adequate land supply—not just a 20-year supply as Goal 10 requires, but also a pipeline of serviced land that is available for immediate development. Strategies include tools such as boundary amendments to expand the urban area, map amendments to increase density or amount of residentially zoned, and policy and code amendments to address development standards related to uses, density, and lot sizes. This Strategic Priority focuses on land supply, capacity, and availability.
- ◆ **Wider Variety of Housing Types (SP2):** This strategic priority intends to allow and encourage a wider array of housing types. This includes all needed housing types identified in ORS 197.303 and include tools to achieve a wider variety of housing types. The city has already adopted some of these tools such as allowing corner duplexes and accessory dwelling units. Other tools include expanding the types of housing allowed in low-density zones, and allowing housing types such as cottage housing, tiny homes, and co-housing.
- ◆ **Housing Affordability (SP3):** This strategic priority focuses on McMinnville's housing affordability issues. Much of that work is already underway with the council-appointed

<sup>29</sup> The Housing Strategy is available from:  
[https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/2-mcminnville\\_housing\\_strategy\\_with\\_appendices\\_060619\\_draft.pdf](https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/2-mcminnville_housing_strategy_with_appendices_060619_draft.pdf)

Affordable Housing Task Force.<sup>30</sup> This housing strategy is coordinated with that effort but does not intend to duplicate past or future efforts of the Task Force. As such, this housing strategy focuses on a narrow range of strategies which may complement or supplement Task Force efforts.

- ◆ **Infrastructure & Public Facilities (SP4):** This strategic priority focuses on ensuring that adequate and cost-effective infrastructure and public facilities are available to support new housing. It includes provision of services by the City and other services providers, including transportation, water, wastewater, stormwater, and parks functional plans. There are two predominant aspects to this strategic priority. First, as the City evaluates opportunities to meet needs within the current UGB, it is necessary to identify and evaluate existing infrastructure & public facilities planning assumptions, capacity, and potential constraints which may need to be resolved to facilitate housing at authorized densities, opportunities for infill and redevelopment, up-zoning, and/or special area planning that may incorporate housing or mixed-use development. Second, it will be necessary to evaluate infrastructure & public facilities needs associated with future expansion areas, including potential Urban Reserve and UGB expansion areas. Some of these issues may overlap, as there could be some cases where “downstream” capacity considerations might affect additional growth whether within the current UGB or in future expansion areas.
- ◆ **Urban Form (SP5):** This strategic priority focuses on preserving McMinnville’s character. The adoption of the Great Neighborhood Principles provides the foundation. This strategic priority includes strategies that preserve the character of existing neighborhoods while allowing new housing, and strategies that ensure that the Great Neighborhood principles are reflected in new development, in the unincorporated areas of the UGB, and in future expansion areas.

## Focus Group Feedback

The focus group (held on 1/22/2019) included realtors, developers, and housing providers. The City and ECONorthwest asked questions about McMinnville’s housing market, addressing unmet housing needs in the community, and potential policies or actions to address unmet housing needs. Themes from the discussion were:

- ◆ **Housing products are becoming more expensive to produce.** Barely out of the recession (building activity didn’t pick up until the past 3-5 years), participants explained there is a lot of pent up demand for housing. As a result of increased costs and competition, McMinnville is experiencing a decrease in first-time homebuyers due to limited options and competition from wealthier households. Prospective homebuyers are disappointed to find their options limited to mobile homes on their own land.

---

<sup>30</sup> <https://www.mcminnvilleoregon.gov/mahtf/page/mcminnville-affordable-housing-task-force-27>



- ◆ **Land availability is the biggest barrier to developing housing in McMinnville.** Participants agree McMinnville must address land supply. The previous UGB process in the early 2000s brought in less than half the land needed, and the impacts are increasingly apparent. Participants also recognize the worth of developing compactly before taking large tracks of high-value farmland. Expanding the Urban Growth Boundary appears to be necessary based on the previous work but must be done thoughtfully. *Note to reviewers: McMinnville expanded its UGB in 2020.* Representatives from Yamhill County Housing Authority indicated that land availability restricts attempts to develop affordable housing complexes of 50-units or more – a requirement to receive Low Income Housing Tax Credit (LIHTC) funding. The State of Oregon previously identified McMinnville as an excellent candidate to receive LIHTC funding, but past attempts to find suitable land for this venture have failed.
- ◆ **McMinnville would likely see development of a wider range of housing types, if more land was available for development.** If more land were available, developers would be more likely to build a broader range of housing products including “missing middle” housing. Participants indicated they felt demand exists for bungalows with accessory dwelling units above the garage, duplexes, tri- and four-plexes, and townhomes.
- ◆ **Neighborhood resistance is a challenge in McMinnville.** Stereotypes persist in McMinnville for both owner-occupied and renter-occupied affordable housing. Participants explained that the pre-development process for multifamily developments almost always comes with neighborhood resistance. Developers can expect packed public hearings “even for human scale development.” Addressing perceptions through education and public engagement is necessary to ensure that residents understand that affordable housing today is not built at the same standards as they were historically. Many residents resisting these projects may be unaware that they would be eligible to live there. Participants agree that residents must be engaged so compromises can be sought early on in the pre-development process.
- ◆ **Lower-income residents are especially burdened in McMinnville.** Because of heightened competition for housing, households inquiring about rental units are often unable to find suitable affordable housing. Participants indicated it is not uncommon for renters to get ultimatums - take the unit now or miss the opportunity. Attempts to engage landlords in the housing conversation are less than successful. Households literally cannot find housing that is affordable enough even with the housing subsidy. Households who cannot find suitable housing have limited choices. “Homelessness, RV living, or couch surfing” are among the options that households are faced.
- ◆ **McMinnville is moving in the right direction.** Participants were grateful for the City’s Planning Department. The Department’s approach is proactive, and changes previously made have provided relief. No participant had examples of any land use impediment to solve. Of course, there is always room to provide more flexibility in the zoning code to improve the use of space. Participants also recognize the support from City Council. Council appears to want to create “something good” for McMinnville.

## Open House Feedback

The following are public comments from the City of McMinnville’s Housing Needs Analysis, Buildable Land Inventory, and Housing Strategy Open House. The Open House took place on February 5, 2019, from 4:00–6:00 p.m. at Kent Taylor Civic Hall and provided eight information stations and two public comment stations. Staff were available to answer questions. Each information station covered topics, posed as questions. Themes from the open house about unmet need included:

- ◆ **Need for a wider range of housing types**, including live/work housing, single-family attached, multifamily housing, tiny home clusters, cottage clusters, and mixed-use housing.
- ◆ **Need for housing for people with disabilities**, including mental illness.
- ◆ **Need for more affordable housing**, such as housing affordable to households with income below \$30,000, “starter housing” for homeownership, affordable housing for younger residents and seniors, people experiencing homelessness.

Open house participants offered ideas for actions the City could take to address unmet housing needs, such as:

- ◆ Changing zoning to allow more single-family attached and multifamily housing, as well as to support more infill development and taller multifamily buildings, mixture of housing types within an area.
- ◆ Actions supporting development of housing to address needs of low-income households, people experiencing homelessness, and people with disabilities.
- ◆ Ensuring that housing needs for historically marginalized populations are addressed, including multigenerational housing.
- ◆ On-going education to residents of McMinnville about benefits of different housing types, beyond single-family detached units.



# Engagement in the HPS

## Information Sharing and Marketing

City staff developed a project webpage that people could visit to find more details on the HPS project. The webpage included background information, detailed project description and related documents, a project timeline, public input opportunities, and other supporting documents.<sup>31</sup> Additionally, staff utilized existing City accounts on Instagram and Facebook and notified the New Register newspaper to advertise engagement opportunities. City staff also looked for opportunities to engage with the public at other events hosted by the library, parks and recreation or other similar community-based activities.

## Committees, Planning Commission, and City Council

Various key groups stayed engaged in the HPS project. Descriptions of these groups and their role in the process are outlined below. The project team engaged housing consumers, including direct outreach to individuals through interviews, focus groups, listening sessions, public open houses, and a community survey; contacting community-based organizations and service providers to connect with those they serve; and/or hosting events. City staff developed a project webpage that people can visit to find more details on the HPS project. The webpage includes background information, detailed project description and related documents, a project timeline, public input opportunities, and other supporting documents.<sup>32</sup> Outreach to low-income households and households with middle income who need market-rate affordable (workforce) housing included a public open house, a community survey and a project website. Various housing barriers were shared such as the lack of available affordable housing prevents new employees from accepting job offers and can impact the ability to retain employees due to long commutes.

## Overall Engagement Themes on Actions During the HPS Development

- ◆ Develop strategies to increase the supply of small, “starter homes” along with more mid-size to large homes (3 bedrooms) for young growing families. Action 13 focuses on developing a strategic plan to fill gaps in McMinnville’s housing supply.
- ◆ Create more flexibility with planning and zoning to increase housing density and drive down costs. Expand zoning policies to allow for more multi-family and co-housing units. Amend exclusionary zoning laws that limit the construction of affordable housing (allow more mixed-use, ADUs, etc.).
- ◆ Expand the Urban Growth Boundaries to increase land availability.

---

<sup>31</sup> HPS webpage: <https://www.mcminnvilleoregon.gov/cd/page/housing-production-strategy-hps-and-land-use-efficiencies-g-4-24-and-g-3-24>

<sup>32</sup> HPS webpage: <https://www.mcminnvilleoregon.gov/cd/page/housing-production-strategy-hps-and-land-use-efficiencies-g-4-24-and-g-3-24>

- ◆ Incent developers to build “units for all” with aesthetically pleasing, diverse looking housing. This could create more housing for the low and very low income community members and help counteract the opposition claiming that affordable housing looks bad and can ruin property values.
- ◆ Establish rental housing referral network (similar to a childcare referral network) where employers can assist new employees in finding housing.
- ◆ Increase downpayment assistance opportunities to expand home ownership.
- ◆ Combat discrimination and increase language access by strengthening enforcement against discriminatory housing practices (racial steering) and by providing training to housing providers on cultural competence. Action 13 in the HPS includes components focused on strengthening partnerships with fair housing organizations.
- ◆ Develop Spanish-language marketing campaign to promote affordable housing to Spanish-speaking households. Also ensure housing assistance programs have bilingual staff and culturally relevant materials to overcome language barriers and make the application process more accessible to Spanish-speaking community members. Action 13 in the HPS includes components focused on developing a campaign to promote housing information to a wide range of audiences that are reflective of McMinnville’s community demographics, particularly Spanish-speakers.
- ◆ Need for financial education, stronger tenant protection, and expanded community support including employer-sponsored housing programs and faith-based initiatives.
- ◆ Expedited review processes for needed housing especially shelters/transitional housing. Action 7 in the HPS focuses on supporting development of transitional housing.
- ◆ Location and Amenities: Future housing, especially affordable, should be focused around transit options and the following services/amenities: grocery stores, employment centers, medical offices, case management/social services. Action 3 in the HPS focuses on creating area plans for
- ◆ Accessible Design: Many people need ramps or other accommodations/ modifications. There are very few options that have accessible design. Action 8 in the HPS focuses on supporting development of accessible housing.
- ◆ Housing Stability: Weatherization, Maintenance, Upkeep – water tanks, heating and cooling units, mold abatement, energy efficiency improvements and fixed income limits stability – rising costs can be difficult to manage (rent costs, utilities, maintenance of house and yard).

Various key groups were engaged for the HPS project. Descriptions of these groups and their role in the process are outlined below.

## **Project Advisory Committee (PAC)**

A core component of the engagement strategy was assembling a Project Advisory Committee (PAC) to provide advisory input and feedback on the HPS and Land Use Efficiency Measures.

The PAC included residents of McMinnville and areas immediately around the city, real estate and construction representatives, and other informed stakeholders.

The City of McMinnville and ECONorthwest solicited input from the PAC on the key findings and recommendations for the HPS and land use efficiency measures and they helped to ensure the community's vision for the future is integrated into final decision-making. The PAC met throughout the development of the HPS over the course of four meetings to review the draft list of housing actions, identify gaps in the list and potential strategies to fill in gaps, refine the list of strategies, and provide input in the draft HPS document.

The first set of meetings primarily focused on housing needs and challenges while the later meetings focused on housing production strategies and land use efficiency measures. The PAC's feedback and input reinforced findings from the engagement conducted as part of the 2019 *McMinnville Housing Strategy* and responded to updated findings on McMinnville's housing needs conducted as part of the HPS.

- ◆ **Limited supply of vacant, affordable, and developable land.** Strategies should make more land available for housing development, help meet the high cost of providing infrastructure, adjust zoning and development standards for better utilization of land (including options for smaller lots and smaller homes), and explore models of land ownership that will reduce the costs of housing (including community land trusts or City-ownership). This input is reflected in Actions 1, 2, 3, 4, 9, 11, and 12.
- ◆ **Expanding the R-5 zoning designation will meet multiple goals.** Considering places for R-5 zoning within City limits would meet multiple goals for producing needed types of housing and connecting that housing to amenities and services. This input is reflected in Action 2.
- ◆ **Accessible housing is a notable gap in the current housing supply.** Mobility disabilities affect a large and growing segment of McMinnville's population. Defining accessible and visitable housing as a housing type could produce more of these units as part of the City's incentives and requirements related to creating diverse housing types. This input is reflected in Action 8.
- ◆ **Manufactured homes and condominiums could meet needs for home ownership for lower-income and fixed-income households.** Actions that can support these kinds of housing types should be considered. This input is reflected in Action 16.

## Affordable Housing Committee (AHC)

The City's Affordable Housing Committee (AHC) already established at the City of McMinnville was consulted for feedback regarding the HPS. The group represented housing-related perspectives include governmental agencies, non-profits, developers, real estate, financing, youth representation, and more to provide a diversity of vocational, cultural, and life experiences. The AHC discussed and provided feedback on key findings and recommendations, focusing on programmatic actions to address homelessness and promote the development of affordable housing. The AHC met three times about the HPS, discussed

and provided feedback and insight on unmet housing needs and actions to address unmet housing needs, focusing on programmatic actions to address homelessness and promote the development of affordable housing. The actions included in the HPS are reflective of the AHC's input.

## Planning Commission and City Council

The City of McMinnville Planning Commission helps to make recommendations to the City Council on a variety of current and long-range land use matters. The City of McMinnville City Council and Mayor are the official policy-making body of the City. The Planning Commission and City Council discussed and provided feedback on key findings and recommendations, focusing on land use and zoning regulations and long-range planning and housing policies. Four (4) Joint City Council and Planning Commission meetings were also held where policy recommendations and proposed housing actions and strategies were discussed. The meeting topics included:

- 1) Introduction to the HPS and housing needs topics,
- 2) Discussing potential draft HPS actions,
- 3) Introduction to the land use efficiency measures, and
- 4) Discussing final HPS actions.

## Focus Groups

In Fall 2024, a series of focus groups were held and facilitated to gain feedback about unmet housing needs of underrepresented communities. The City held one focus groups with the Latinx community, and a second focus group was held with regional employers and workforce representatives. The City partnered with a local organization, Advanced Economic Solutions (AES), to convene the focus group for McMinnville's Latinx community. AES provided outreach, engagement, and marketing to Latinx communities and recruited focus group participants to ensure that the focus group reflected a wide range of diversity (gender, age, generation, language, socio-economic status, ethnicity, country of national origin, types of businesses and jobs, etc.). In partnership with ECONorthwest, the City convened a regional workforce and employer focus group to gain insights into the housing needs for employers and employees in the community. The McMinnville Economic Vitality Leadership Council helped recruit participation for the third focus group.<sup>33</sup> A third focus group was planned for service providers supporting underrepresented housing needs that was switched to a series of interviews.

## Workforce & Employers Focus Group Findings

As part of McMinnville's Housing Production Strategy (HPS) project, focus groups were held in fall 2024 to engage key stakeholders and learn more about housing challenges and

---

<sup>33</sup> <https://www.mcminnvilleoregon.gov/bc-evlc>

opportunities in the community. The following summary describes what we heard during the October 29<sup>th</sup>, 2024, workforce and employer focus group. The City and ECONorthwest met with stakeholders both in person and online (hybrid format) to help learn about needs, concerns, and nuances. Collectively, these insights helped to shape the plan recommendations.

## **PARTICIPATION**

Around eight (8) people participated in the workforce and employers focus group. Diverse stakeholders attended from various organizations participated including the McMinnville Economic Development Partnership, McMinnville Chamber of Commerce, McMinnville Water & Light, Empwr Nutrition, Willamette Valley Medical Center, Creekside Homes, and Linfield University. Many attendees stated that they moved to McMinnville for jobs but grew to enjoy the community due to various amenities such as the small town charm, family-friendly environment (safe, good schools), unique culture, access to all the essentials (services, shopping, employment opportunities), and location within driving distance to the Portland metro area. Key themes from this focus group participation are organized in the following section, including Housing Affordability, Employee Retention/Recruitment, Preferences and Needs, Homeownership, and Suggestions for City Policy.

## **HOUSING AFFORDABILITY**

- ◆ Housing is not affordable and there is not enough available small, “starter homes” in McMinnville.
  - The group discussed how “around 2016” was the last time when people could buy an affordable house in the City of McMinnville. Today, housing applicants need to earn three times the price of rent to be approved for a rental property.
  - The focus group participants described how there is a limited supply of “starter homes” for single/younger professionals in the workforce (hard to find small homes).
- ◆ A local home builder shared how the cost of labor and materials, cost of land, and expanded regulations has increased housing prices (doubling from 2014 to 2023).
  - After the COVID-19 pandemic, the cost of land in Oregon had been driven up due to a variety of reasons, including limited availability of land.
  - Oregon State Building Code has adopted new rigorous requirements (such as energy-related codes) which has led to higher construction cost. This pushes developers to increase prices to reach the market rates.
  - High-income households may be forcing out lower-income households. People in the workforce currently need to live in outlying areas where land is cheaper than within the City of McMinnville.
  - The cost of labor and materials has more than doubled the price of the same home in 2023 compared to 2014 prices. The labor rate is higher, and lumber is a commodity, so price fluctuates and only lumber is back to pre-pandemic

prices. All other manufactured goods have increased and held prices. General inflation has also increased housing prices.

## **EMPLOYEE RETENTION/RECRUITMENT AND HOUSING AVAILABILITY**

- ◆ Participants discussed how housing affordability and availability in McMinnville are barriers for getting new employees to accept job offers and can impact the ability to retain employees (long commutes).
  - Many employees are still choosing to commute 30 to 45 minutes from places like Salem even though they want to live in McMinnville, due to housing availability and affordability.
  - Attendees discussed their concerns with employee retention. Out-of-town employees may eventually decide the commute is too long and leave their positions or place of employment in McMinnville.
  - Participants said that some potential employees reject job offers in McMinnville since they are unable to secure housing.
  - Participants agreed that due to long commutes, there is less employee participation in local volunteering opportunities, such as City Boards and Commissions.
  - The group discussed how within leadership roles, employees are moving further out from McMinnville and commuting which affects retention.
  - Attendees mentioned that even more “well-off” people, such as medial staff, may not be able to afford homes due to student debt.

## **PREFERENCES AND NEEDS**

- ◆ Most participants agreed there are few small homes or “starter homes” for young professionals and people downsizing.
  - 2-bedroom homes were mentioned as a popular size option with limited availability.
  - Older community members may also want to downsize, especially to a single level home for aging in place.
  - One attendee mentioned they had to purchase a home that was much larger than they needed since it was the only place available.
- ◆ Participants also state a need for more mid-size to large homes (3 bedrooms) for young growing families.
- ◆ Participants state that it is difficult to meet income requirements for rentals since renters often need to earn three times the rent to qualify for a lease.
- ◆ Another common theme discussed was the lack of short-term/seasonal housing for temporary employees, such as travel nurses, hospitality workers, or interns.

## HOMEOWNERSHIP

- ◆ A common theme discussed between attendees is that their young coworkers and employees have goals of owning homes but feel like they won't ever be able to due to the market. On top of this the quantity and quality of housing is not making people want to buy homes, even though they pay a lot in rent.
  - Attendees discussed how the inability to become a homeowner can be a barrier to wealth-building.
  - The group discussed concerns about being able to maintain their homeownership over the long-term due to the work that comes with home owning (i.e. maintenance, repairs).
  - The group agreed that most of the available housing stock is “not inspiring” to people (meaning it needs a lot of work/investment to be desirable).
  - Participants discussed how student loans can also become a barrier to saving money needed for buying a home (such as a downpayment).

## SUGGESTIONS FOR ACTIONS TO INCLUDE IN THE HPS

The discussions with employers in this focus group lead to suggestions about the types of actions to include in the HPS.

- ◆ The city and state should create more flexibility with planning and zoning to increase density and drive down costs. Action 2 in the HPS focuses on increasing areas of the city that are zoned for higher density housing and mixed uses. Action 9 in the HPS creates an incentive program to help improve development feasibility for higher density housing.
- ◆ Participants suggested that the city looks into expanding the Urban Growth Boundaries to increase land availability. Action 1 in the HPS focuses on allocating more land to housing in the City's Urban Holding Designation.
- ◆ The city could incentivize developers to build “units for all” with aesthetically pleasing, diverse looking housing. This could create more housing for the low and very low income community members and help counteract the opposition claiming that affordable housing looks bad and can ruin property values. Action 13 focuses on developing a strategic plan to fill gaps in McMinnville's housing supply.
- ◆ Attendees suggested having an established rental housing referral network (similar to a childcare referral network) where employers can assist new employees in finding housing within the community.
- ◆ Participants suggested that the city could work with financial banking community to increase downpayment assistance.
- ◆ Participants suggested that the city could provide rental assistance to support people not having three times rent in income and they could incentivize building higher density housing within city limits.



## Latinx Focus Group Findings

As part of McMinnville's Housing Production Strategy (HPS) project, a focus group was held on November 12<sup>th</sup>, 2024, to engage key stakeholders and learn more about challenges and opportunities, Latino-unique perspectives, access to affordable housing, and determine how housing policy and programs affect Latinos. The goal for this focus group was to assess housing preferences, barriers to finding housing, lived experience, City-based housing policy, affordability/economic impact, discrimination, and resources and support. The focus group provided insights on housing needs, current challenges relative to accessing affordable housing, and opportunities to improve housing conditions within the McMinnville, Yamhill County area.

It is widely documented in research that racial and ethnic populations; non or limited English proficient populations, and other historically marginalized groups suffer from severe housing disparities and inequities in disproportionate numbers. This is due to a multitude of barriers entering the housing market like lack of culturally competent housing information, a lack of effective communication in the primary language, engagement, socioeconomic status, a lack of Spanish-speaking staff in housing departments, institutionalized racism, etc.

For these reasons, it was critical to engage with the local Latino community to better understand housing challenges and preferences during the HPS. As of 2022, about 18% of the City's residents are Latinos who are an integral part of the economic, social, and cultural landscape of McMinnville. One example of the positive impact that this community has is that there are now 1,500 Latino-owned businesses in Yamhill County.

### PARTICIPATION

Individuals who participated in these focus groups did so voluntarily. Twenty-five Latinx community workforce members and businesses were engaged in the focus groups that represented a wide variety of employers in various industries (Construction, Janitorial, Retail, Food Service, Manufacturing, Agriculture, etc.). The participants lived in McMinnville area from 1 year to 25 years and most of the participants pay rent, but some did own their own homes. Additional surveys were completed during the month of November 2024.

### FINDINGS

- ◆ Participants described substantial impacts of city policies limiting housing options. Examples are zoning policies favoring single-family homes over multi-family units, reducing affordable housing options, and preventing co-housing options. This disproportionately affects Latinx seeking to accommodate larger or multigenerational families. Latinx tend to be renters than homeowners and this sometimes forces them into less desirable parts of towns and into areas with a higher concentration of low-income residents.
- ◆ Participants reported preferences including affordability, proximity to work, safety, quality of and proximity to schools, and accessibility to roads for commuting regarding their place to



live. They stated the importance of finding a housing location to meet and support their economic and family needs.

- ◆ Negative experiences when housing needs are unmet can lead to health impacts (overcrowding, stress, mental health challenges), discrimination (perceived immigration status limits housing options even when they are documented), barriers to homeownership (high down payment requirement, discriminatory lending practices, lack of real estate agents and lenders sensitive to their culture), language barriers, impacts on family stability, misinformation and lack of resources, and underrepresentation in housing programs and resources.
- ◆ Positive experiences with housing needs are retaining optimism and gaining support from communities and advocacy from nonprofit organizations and local programs.
- ◆ Latinx housing situations affect the quality of life, such as causing financial strain, disruption of education and work, and mental health and community impacts.
- ◆ Participants reported key financial barriers to homeownership including: high housing prices and inflation, high interest rates, requirement for high down payment, and bias related to the lending process and with credit access.
- ◆ Reported discrimination experiences are related to ethnicity and race (stereotyped as low-income earners or higher credit risks), lingering impacts from previous redlining practices limited opportunities, language barriers, cultural practices such as multigenerational living, gender and age (single mothers, younger Latinx), and perceived immigration status (even when they are legal).
- ◆ The COVID-19 Pandemic impacted Latinx by spurring greater housing instability, financial hardship, evictions and limited protections, and health concerns (particularly related to overcrowded living conditions).

## **SUGGESTIONS FOR ACTIONS TO INCLUDE IN THE HPS**

- ◆ Promote affordable housing development and allocate funding targeting low-income Latinx households. Action 13 in the HPS focuses on developing a strategic plan to fill gaps in McMinnville's housing supply with the goal of increasing access to housing for historically marginalized groups.
- ◆ Expand zoning policies to allow for more multi-family and co-housing units. Amend exclusionary zoning laws that limit the construction of affordable housing (allow more mixed-use, ADUs, etc.). Action 2 in the HPS focuses on increasing the areas in McMinnville that are zoned for mixed uses and higher density housing.
- ◆ Combat discrimination and increase language access. Strengthen enforcement against discriminatory housing practices (racial steering and bias against larger families) and provide training to housing providers on cultural competence.
- ◆ Develop Spanish-language marketing campaign to promote affordable housing to Spanish-speaking households.

- ◆ Increase availability of rental assistance programs such as Section 8 housing Choice Vouchers to alleviate the burden of high rent costs.
- ◆ Offer downpayment assistance for those seeking to own homes.
- ◆ Ensure that housing assistance programs have bilingual staff and culturally relevant materials to overcome language barriers and make the application process more accessible to Spanish-speaking community members. Consider workshops and outreach to support this effort. Translate all housing resources and application processes into Spanish and other commonly spoken languages.
- ◆ Need for financial education, stronger tenant protection, and expanded community support including employer-sponsored housing programs and faith-based initiatives.
- ◆ Several community organizations are helpful to Latinx for housing access and home-buying or renting homes such as employer housing programs, organizations that offer housing-related materials in Spanish (with bilingual staff), faith-based initiatives (connecting them with supportive services), and online housing platforms (listing tools filter by cost, etc.).

The discussions with this focus group and other discussions with historically marginalized populations resulted in the suggestions for changes in the City's housing policies. The following list is a combination of City staff research and synthesis of discussions with historically marginalized populations.

- ◆ Zoning and Land Use Regulations. City should review zoning and land use regulations through an equitable outcomes lens. Many recent code updates may have addressed exclusionary practices that were commonly found in communities across the United States. One of the most impactful changes related to the elimination of "single family only" zoning laws, which came into effect under Oregon State House Bill 2001 in 2019. However, there may be additional zoning and land use regulations that could be leading to inequitable outcomes in housing development. The City should complete an analysis of residential zoning ordinances to identify areas of opportunities to allow more multi-family and co-housing units (cottage cluster, single-resident occupied (SRO), multi-generational housing), mixed-use development to bring people closer to services and amenities, and neighborhoods that provide a range of housing types.
- ◆ Local Funding and Incentives. Local funding availability will prioritize furthering equitable housing outcomes, whenever possible, with a particular focus on investing in providing opportunities for historically marginalized groups. This may include several different strategies, programs, or incentives.

One key opportunity for funding is the city's Construction Excise Tax (CET). When awarding funds for projects that apply through the CET program, the City shall prioritize funding for proposals that specifically serve historically marginalized populations. Some key demographics for this funding locally should be lower-income Latinx and Native American households, households in extreme poverty, households with people with disabilities, and other historically marginalized populations. The City will implement this prioritization of funds through the selection criteria used for the application process.

The City may also evaluate the introduction of “equity zones” which are geographically based areas that:

- ◆ Offer incentives to developers for creating affordable housing options in underserved areas.
- ◆ Allocate more funding to programs specifically targeting historically marginalized households.
- ◆ Introduce “equity zones” in historically redlined neighborhoods, offering tax credits, affordable housing initiatives, and community development grants.
- ◆ Fair Housing Partnerships and Policy Advocacy. Fair housing involves the rights to choose housing free from unlawful discrimination practices based on protected class status. Federal, state, and local fair housing laws all play a part in protecting people seeking housing from illegal discrimination in any housing transaction, including rentals, sales, lending, and insurance. Fair housing ensures access for everyone. Fair housing guarantees that regardless of your race, sex, national origin, religion, family situation, or level of ability, that everyone has the right to find housing that meets their needs. The City should identify partnership opportunities to promote and enforce Fair Housing laws. Potential partners include Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill Community Action Partnership, and Unidos Bridging Community (a Latinx-led nonprofit that promotes integration, participation, and success of Latinx individuals and families in Yamhill County). Additionally, addressing the housing crisis is a top priority in Oregon state legislative work. As a part of legislative processes, there are opportunities for cities to participate and advocate for policy that helps promote equitable outcomes. Through the Latinx focus group, it was found that the following financial barriers to homeownership have had an enormous impact: housing prices and inflation, interest rates, down payment requirements and lack of assistance programs, credit access and lending biases. These financial barriers have led to several challenges including overcrowding, long commutes, and mental, emotional, and physical health issues. The focus group report from AES outlines several recommendations for the city to advocate in Fair Housing and State housing policy efforts:
  - ◆ Strengthen enforcement of fair lending and housing practices to eliminate systemic bias in credit and real estate markets.
  - ◆ Advocate for policies that increase wages and provide economic mobility, enabling Latinx families to achieve stability and afford housing.
  - ◆ Strengthen laws to address bias in housing transactions and holding landlords and agents accountable for discriminatory practices.
  - ◆ Increase the availability of rental assistance programs such as Section 8 Housing Choice Vouchers to alleviate the burden of high rent costs.
  - ◆ Develop initiatives that provide down payment assistance, lower interest rates, or rental subsidies, tailored to historically marginalized groups, including Latinx.
- ◆ Culturally Competent and Accessible Outreach and Support. Historically marginalized populations often have less access to information regarding housing assistance, public policy

participation opportunities, and other available assistance. Language barriers, lack of outreach in culturally appropriate formats, distrust of institutions, and complex policy communication contribute to the problem. To help combat this issue, the City will work with its Diversity Equity and Inclusion Advisory Committee (DEIAC) to develop a campaign to promote housing information to Spanish-speaking community members. This campaign may include the following recommendations proposed in the focus group report from AES:

- ◆ Identifying partners to offer culturally relevant and bilingual training programs on saving, credit building, and navigating the home-buying process.
- ◆ Educating Latinx communities about their rights, resources, and housing processes to empower them against discriminatory practices.
- ◆ Establish diversity goals for city staff positions and voluntary positions on Committees and Commissions that reflect the community's demographic composition.
- ◆ Translate housing policies, resources, and application process into Spanish and other commonly spoken languages other than English.
- ◆ Simplify communication of housing rights and assistance programs through workshops and community outreach.

## Interviews about Housing Needs of Historically Marginalized Populations

A set of interviews were completed to gain more insight into the housing needs for low-income households, seniors, and people with disabilities, mental health conditions, or substance abuse. The current Affordable Housing Committee members representing regional service providers supported this outreach.

### Findings from Stakeholder and Service Provider Interviews

The project team collected feedback representatives of the Yamhill Community Action Partnership and from the Virginia Garcia Memorial Health Center. The interviewees discussed various housing related issues such as:

- ◆ Barriers associated with rental history, credit history, immigration/citizenship status, and language.
- ◆ Elderly are extremely vulnerable. Majority have physical disabilities that are difficult to deal with and find accommodating housing, as well as fixed-incomes.
- ◆ “Leisure time” is often ignored as something to strive for. The fact that many people can hardly think about relaxing and enjoying free time tells a story of how stressed they are about making ends meet. This lack of relaxation has real implications on health (social determinants) and cortisol levels.
- ◆ Lack of one-bedroom apartments (smaller for older individuals)

- ◆ Housing is the first priority and all of the other services and case management cannot be effective until someone feels secure and stable with their housing.

## Potential Actions for the City to Consider including in the HPS

- ◆ Expedited review processes for needed housing (especially shelters/transitional housing). Action 7 in the HPS focuses on supporting development of transitional housing.
- ◆ Location and Amenities: Future housing, especially affordable, should be focused around transit options and the following services/amenities: grocery stores, employment centers, medical offices, case management/social services. Actions in the HPS that address this issue are Action 2 (upzoning land within the HPS to higher density in locations with amenities), Action 3 (developing areas plans in UGB expansion areas, which ensures access to amenities for newly built housing), and Action 5 (codifying the Great Neighborhood Principals in the code with clear and objective standards, which includes ensuring housing is developed in areas with amenities).
- ◆ Accessible Design: Many people need ramps or other accommodations/ modifications. There are very few options that have accessible design. Action 8 in the HPS focuses on supporting development accessible housing.
- ◆ Continued support/partnership by the city in regional efforts such as: Memorandum of Understandings on grant application for funding and partnerships in development efforts (like AnyDoor Place Navigation Center). This is not an HPS action, but the City intends to continue this partnership.
- ◆ Stability: Weatherization, Maintenance, Upkeep – water tanks, heating and cooling units, mold abatement, energy efficiency improvements and fixed income limits stability – rising costs can be difficult to manage (rent costs, utilities, maintenance of house and yard). Yamhill Community Action Partnership (YCAP) currently administers assistance programs for this type of work, and stressed the importance of these programs to help people stay in their homes.

## Community Survey Findings

A key part of developing the McMinnville HPS is to engage community members to learn about their priorities, needs, and challenges related to affordable housing and to reach out to those not always participating in these types of planning discussions to ensure all voices are heard. As a part of this engagement, a survey was disseminated broadly from October 28th to December 16<sup>th</sup>, 2024, to City of McMinnville residents, workers, and stakeholders. In total, 459 persons responded to the survey request. This survey mentioned the phrase “affordable housing,” which means housing that is affordable to all economic segments of the population.

### Survey Key Findings

Survey respondents were relatively representative of McMinnville’s population, with 74% identifying as White and 67% identifying as women. The majority of respondents were long-time McMinnville residents, with over half having lived in the city for more than 11 years. Most respondents are homeowners, and the most common residence type is a single family detached home.

**Most Urgent Housing Challenges:** A significant portion of respondents cited affordability and availability as the primary housing challenges in McMinnville. Many reported struggling to find rental or for-sale homes within their budget, while others highlighted difficulties in securing housing that meets their household size or accessibility needs.

**Important Factors When Choosing Housing:** When selecting a home, respondents prioritized affordability, the physical condition of the home, and neighborhood safety. Additionally, respondents noted the importance of having certain amenities such as on-site parking and in-unit laundry facilities.

**Barriers to Finding Housing:** The most common barriers to finding housing, according to survey respondents, are finding rental or for-sale properties that are affordable and finding homes in good condition. Respondents identifying as BIPOC state more challenges related to finding affordable homes and challenges with housing discrimination.

**Types of Needed Housing:** Survey respondents identified middle housing (duplexes, triplexes, and quadplexes), single-family homes, apartments, and cottage clusters as the most needed types of housing in McMinnville. Some respondents emphasized the need for more affordable housing tailored to seniors and single individuals.

**Future Housing Concerns:** Residents' top housing concerns include whether future generations can afford to live in McMinnville, the rising cost of rent or property taxes, and challenges in affording homeownership.

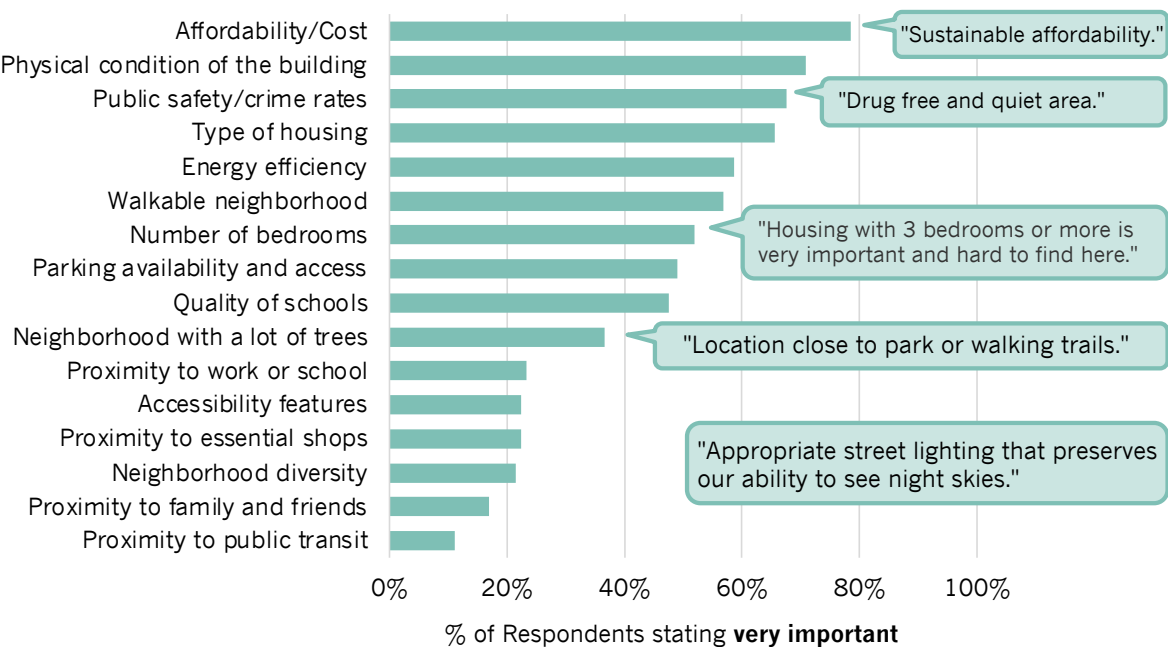
# Survey Key Results

Exhibit 70 shows the characteristics of housing that are most important to survey respondents. Respondents ranked affordability and cost (79%), physical building condition (71%), and public safety/crime rates (68%) as the most important factors when choosing a place to live.

## Exhibit 70. Importance of Housing Factors

Q5. When you choose a place to live, how important are the following factors to you?

Respondents: 456; Skipped: 3



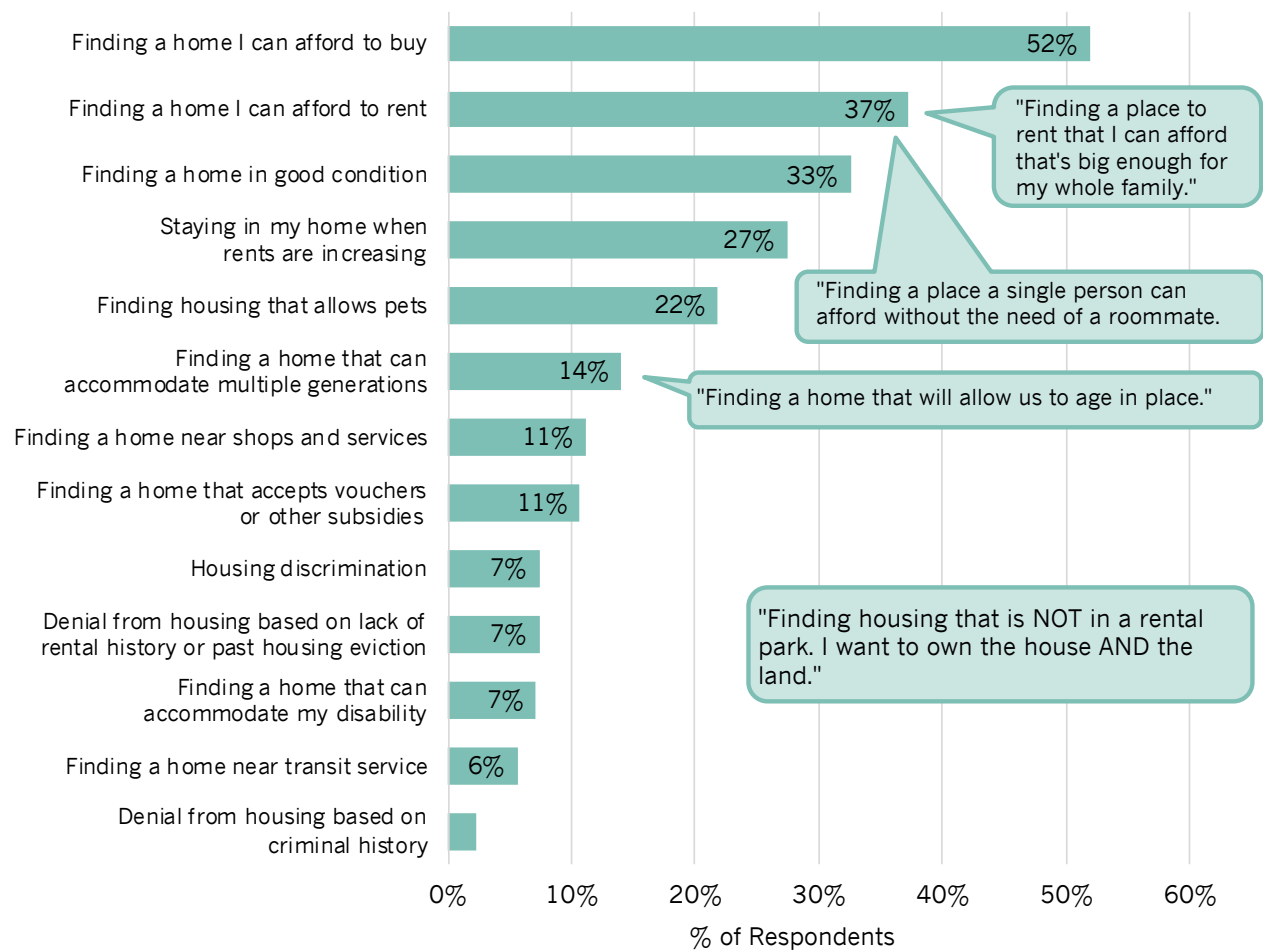
Note: Example quotes were gained from the Other section of this question.

Exhibit 71 shows the challenges that respondents faced with housing in McMinnville. Respondents listed finding homes they could afford to buy (52%) or rent (37%) as two of the largest housing related challenges faced.

**Exhibit 71. Housing Challenges**

Q7. Within the past 10 years, what challenges have you faced related to housing in McMinnville? (select all that apply)

Respondents: 449; Skipped: 10

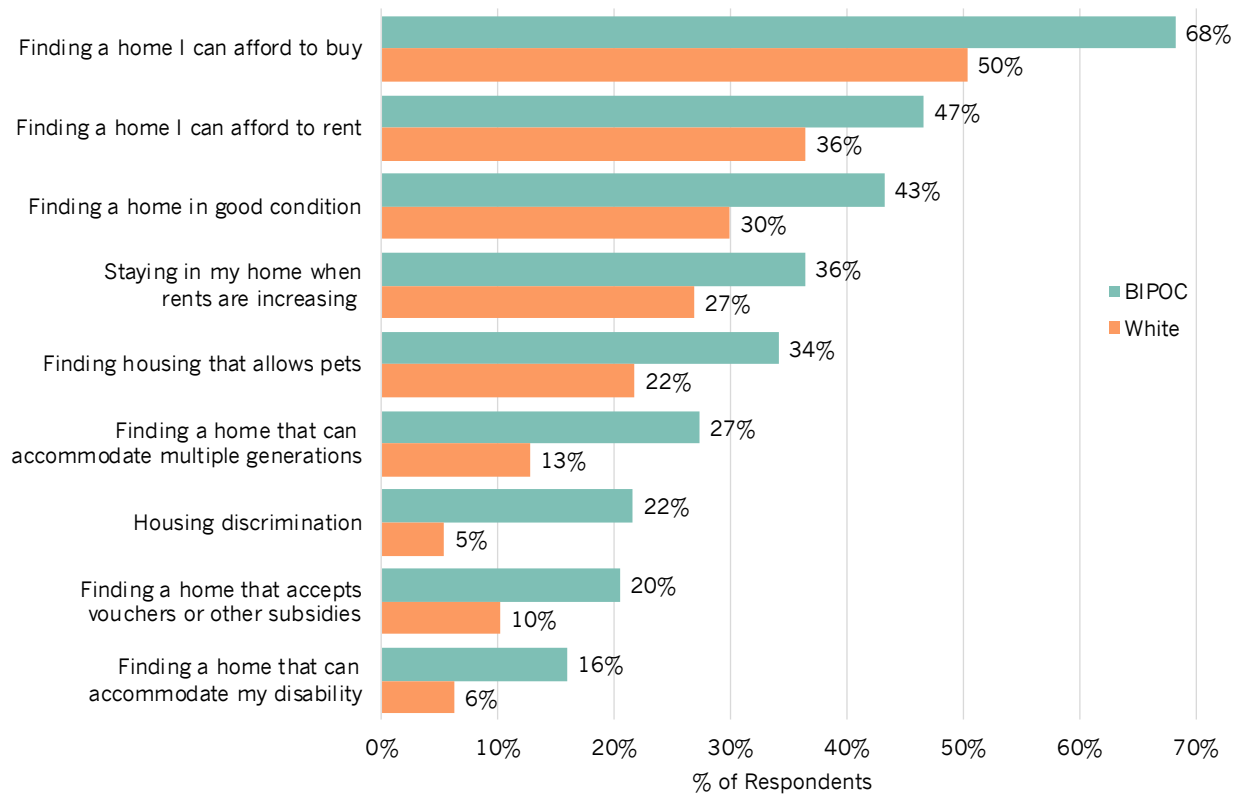


Note: Example quotes were gained from the Other section of this question.



Exhibit 72 shows that a larger percentage of BIPOC respondents reported challenges more frequently than white respondents.

### Exhibit 72. Housing Challenges by Race/Ethnicity



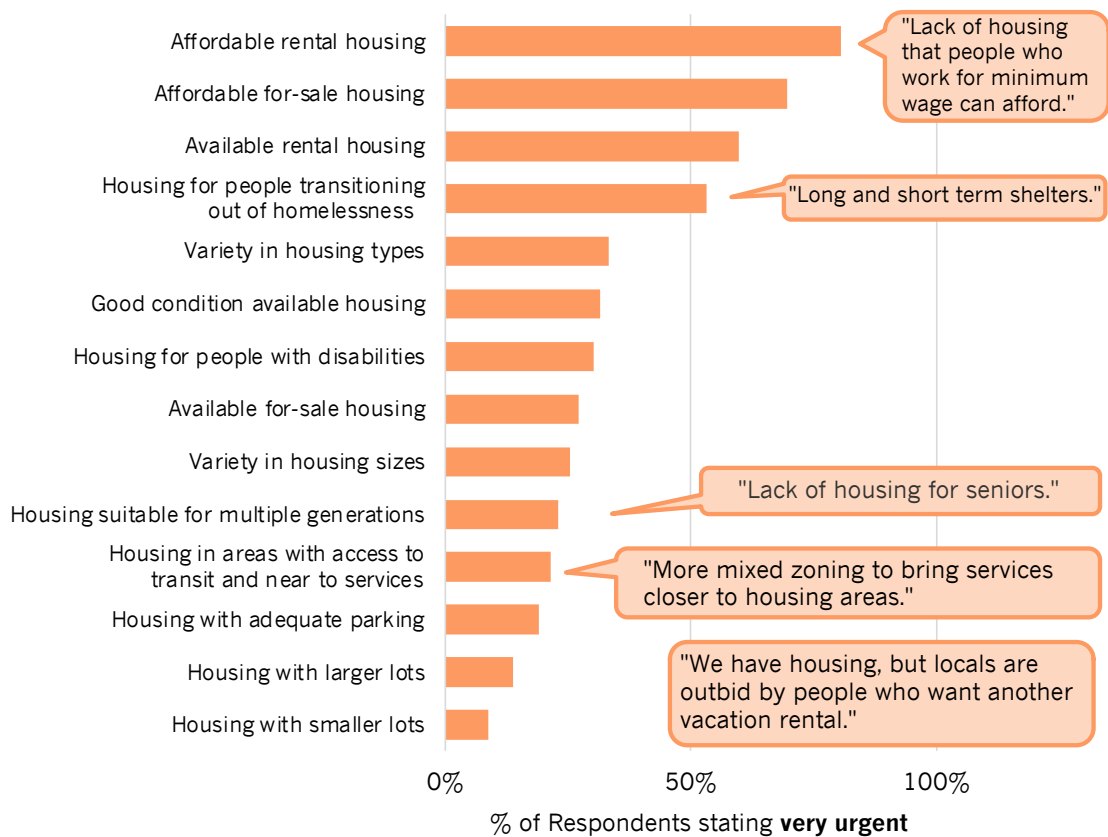
Note: Crosstab is based on Q7 and Q14.

Exhibit 73 shows the most important housing issues identified by survey respondents.

**Exhibit 73. Importance of Housing Issues**

Q8. What do you think are the most important housing issues in McMinnville?

Respondents: 454; Skipped: 3



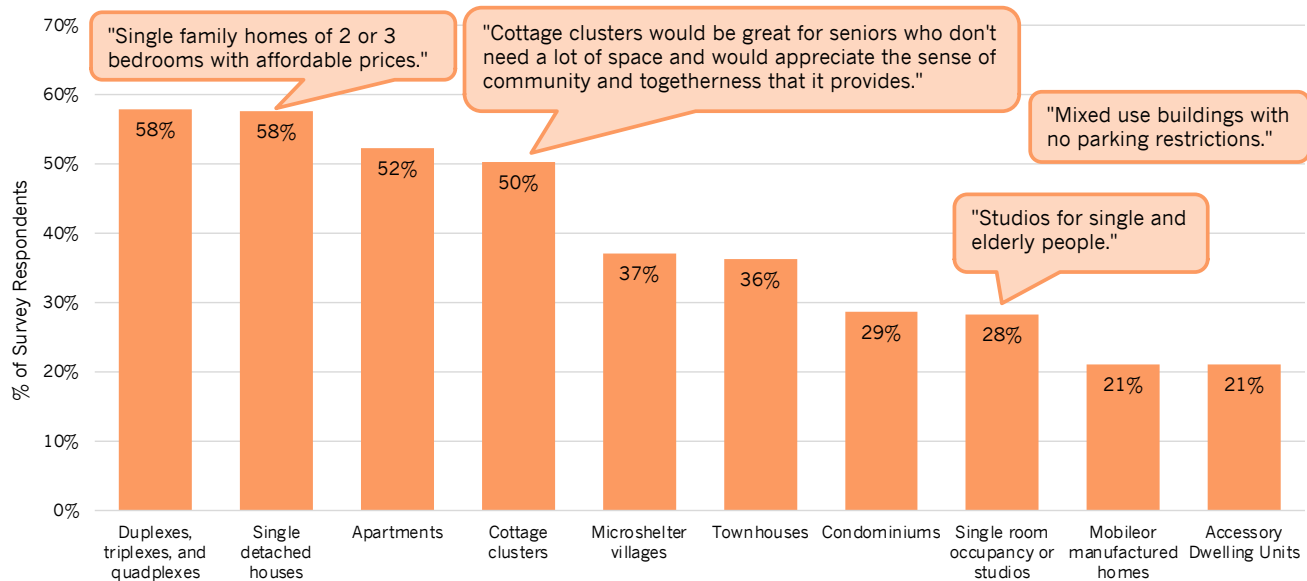
Note: Example quotes were gained from the Other section of this question.

Exhibit 74 shows the types of housing identified as needed by respondents, with middle housing (duplexes, triplexes, and quadplex's), single detached homes, apartments, and cottage clusters (all ranking above 50%).

**Exhibit 74. Housing Type Needs**

Q9. What types of housing does McMinnville need the most to help address our housing needs? (select up to five options)

Respondents: 446 Skipped: 13



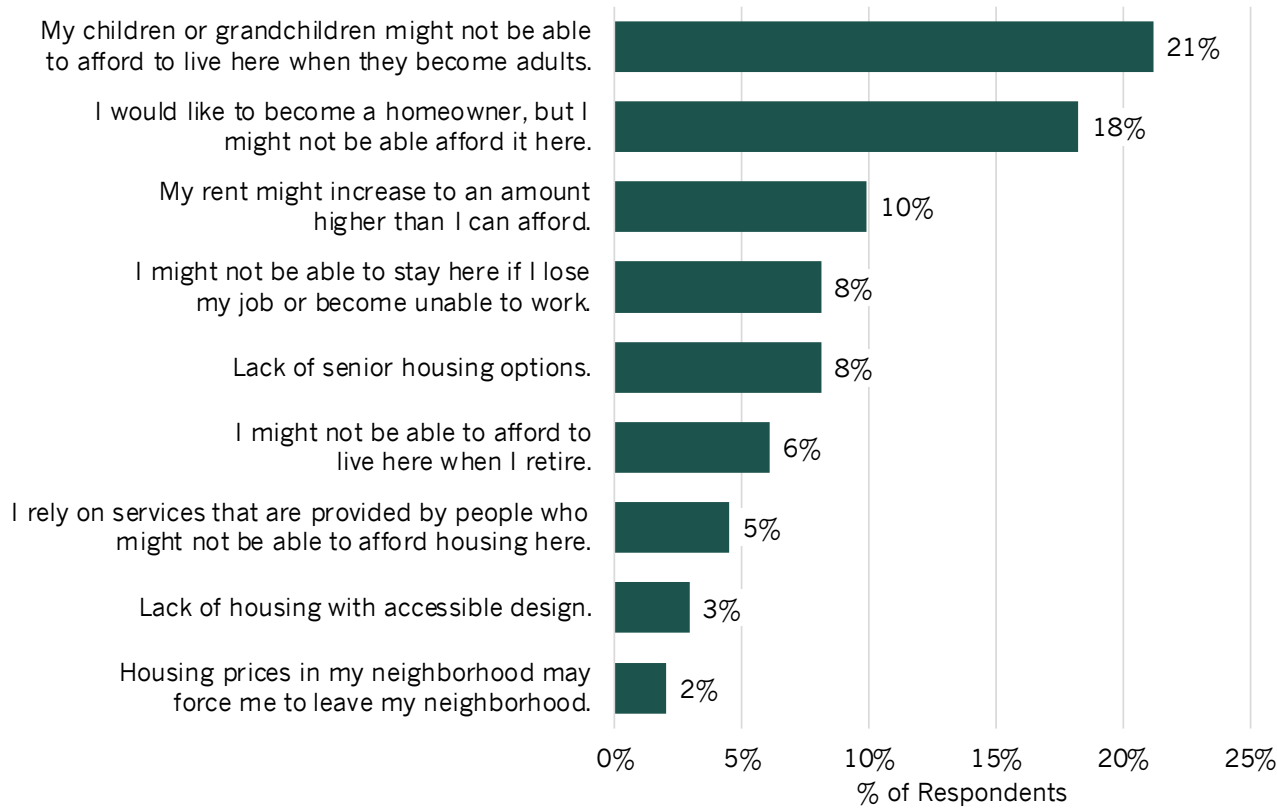
Note: Example quotes were gained from the Other section of this question. See Appendix for other write in answers.

Exhibit 75 shows respondents’ common concerns about housing needs in the future. future Respondents are concerned that their children/grandchildren won’t be able to afford living in McMinnville (21%) and that they won’t be able to afford being a homeowner (18%).

**Exhibit 75. Concerns related to Housing Future**

Q10. Looking ahead, what is your biggest concern related to your housing needs in McMinnville?

Respondents: 444 Skipped: 15



Note: See Appendix for other write in answers.

Exhibit 76 shows that 19% of respondents indicated they have faced discrimination while looking for housing. Within this 19%, 61% state the discrimination is based on income level and 37% state it is based on pets.

**Exhibit 76. Housing Discrimination**

Q11. Do you feel you have faced discrimination when seeking housing in McMinnville? Q12. If yes, it is because of your: (check all that apply)

Respondents: 448 Skipped: 11

	% of Survey Respondents
<b>Have faced discrimination while looking for housing</b>	<b>19%</b>
Discrimination was based on:	
Income level	61%
Pets	37%
Age	24%
Disability	24%
Race	21%
Children	19%

Note: See Appendix for other write in answers.

# Appendix D: Actions Considered for Inclusion in the HPS

This appendix presents the potential actions considered for inclusion in the HPS. It is part of a memorandum presented to the Project Advisory Committee at their October 23, 2024 meeting.

Land Use and Development Regulations	
Name	Description
1. Use more land in the Urban Holding Plan Designation for housing	<p>The City's Housing Needs Analysis (2023) assumed that the 370 acres in its Urban Holding Plan Designation will be used for residential uses, with an additional 383 acres for public and semi-public uses and 39 acres for neighborhood commercial uses. Of the land for public uses, the majority was designated for park and open space uses.</p> <p>The City is updating its parks plan, which is resulting in less land needed for parks. The City may consider using a portion of the land in Urban Holding that was expected to be used for parks to meet some of the City's unmet need for residential land (202 acres).</p>
2. Rezone Land within the Existing City Limits for Housing <ul style="list-style-type: none"> <li>a. Re-zone land to R-5 zoning</li> </ul>	<p>The City can consider rezoning land within the existing city limits for housing. Opportunities may include re-zoning employment land such as industrial and commercial land that would be more efficiently used for housing, as well as upzoning lower density residential land to higher density residential zones. The types of land rezoned for housing are vacant or partially vacant low-density residential and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location. This policy change increases opportunity for comparatively affordable multifamily housing and provides opportunities for mixing residential and other compatible uses.</p> <p>The R-5 zoning designation is intended to provide areas for high-density residential dwelling units and other closely related uses in designated Neighborhood Activity Centers, the downtown, and other appropriate locations within the city, consistent with comprehensive plan policies. Residential densities within this zone are typically 14 to 26 dwelling units per acre. The City established this zoning district in 2020, however, no property within the city limits has been</p>

	designated as R-5 yet. Re-zoning property that is best suited for the purpose of R-5 could enable more housing development.
3. Develop area plans for Urban Growth Boundary areas	<p>Area plans are high level concept planning for defined geographic areas in the Urban Holding Comprehensive Plan Designation land within the City's urban growth boundary. Area plans will identify the location of major infrastructure, public amenities and housing density that is expected to develop in that area.</p> <p><i>*City has completed the 3 Mile Lane and Fox Ridge Area Plans, and is now beginning the Southwest Area Plan</i></p>
4. Implement and Codify Great Neighborhood Principles	<p>In April 2019, the City adopted <a href="https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles">Great Neighborhood Principles</a><sup>34</sup> (GNP) and associated policies as part of the Comprehensive Plan. The goal of the Great Neighborhood Principles is to identify specific principles (elements or characteristics) that should be achieved in every neighborhood. These principles include things like walkability, access to open spaces, connections to commercial uses, etc. Some of the policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone and A13 to promote infill development with appropriate design and development standards.</p> <p>The next step in this process is to develop clear and objective standards for implementing the Great Neighborhood Principles. The City can also establish guidance on the implementation of the Great Neighborhood Principles that will inform the land uses for the Urban Reserve and Urban Growth Boundary areas.</p>
5. Infrastructure Planning to support Residential Development	Public infrastructure improvements reduce costs of housing development and enable development on sites that would otherwise not be viable. By continually assessing planned public improvements based on how they would impact the feasibility of housing development, the City can ensure that infrastructure improvements that are most likely to create new housing development opportunities will be prioritized for implementation.

<sup>34</sup> <https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles>

	<ul style="list-style-type: none"> <li>• Identify Areas that are suitable for housing, but have Underutilized Infrastructure Capacity. Areas with underutilized infrastructure capacity may be evaluated as candidates for additional development intensity of vacant lands or infill and redevelopment opportunities in developed areas.</li> <li>• “To and through” policies ensure infrastructure extensions are sized to serve development as well as to extend beyond the development in the future to serve outlying properties.</li> <li>• Infill Development Opportunities - In some developed areas, infrastructure plans including wastewater collection and transportation may have assumed no additional development and were not planned for infill and redevelopment to higher intensity.</li> </ul>
6. Increase allowances and offer incentives for needed housing types and higher densities	<p>Some development regulations, such as parking, setbacks, or density, can present obstacles to housing developments. These obstacles are particularly challenging for developments built by housing authorities, non-profit developers, or even for-profit developers that are attempting to build units affordable to people with lower or moderate incomes.</p> <p>In order to support developments that include units affordable to moderate- or low-income households, the City can offer concessions on zoning and development code standards. These incentives or concessions also could be applied to housing that is intended for large or multi-generational households. The concessions should be offered in exchange for the development dedicating a minimum proportion of the units to be regulated as affordable to people with lower or moderate incomes with a minimum affordability period of 10 or 20 years.</p> <p>Density bonuses are commonly used as a tool to encourage greater housing density in desired areas, provided certain requirements are met. This strategy is generally implemented through provisions of the local zoning code and is allowed in appropriate residential zones. Bonus densities can also be used to encourage development of low-income or workforce affordable housing. An affordable housing bonus, if the proposed project provides a certain amount affordable units, would allow more housing units to be built than what would be allowed by zoning.</p> <p>The City could evaluate the following opportunities to support housing and adopt the following changes:</p> <ul style="list-style-type: none"> <li>• Increase allowed density and reduce average minimum lot size in planned developments.</li> <li>• Increase the range of different housing types and density allowed in existing zones.</li> </ul>



	<ul style="list-style-type: none"> <li>Evaluate zoning incentives for affordable, workforce and/or intergenerational housing – increased density allowance, smaller average lot size in a planned development, height bonus.</li> </ul>
7. Incentivize and promote accessible design	<p>Provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, and other similar standards. Examples of incentives include: expedited review and permitting processing, planning and building fee reductions, or density or building height bonuses.</p> <p>This strategy involves incentives to increase development of housing that is accessible for people with disabilities or mobility challenges, including seniors. Housing that is accessible for seniors and people with disabilities is a growing need, generally. This strategy would encourage accessible units through development code, regulatory, or financial incentives and through education to the development community.</p>
8. Require a mix of housing types for to-be-annexed land	<p>When property owners are seeking annexation into the City of McMinnville, there could be requirements in place that require the annexed land to be developed with a mix of housing types to promote diverse housing opportunities. This avoids newly annexed land to develop in a monotonous matter (such as a subdivision that is all single detached homes that are generally the same size and layout).</p>
9. Preserving low-cost housing to mitigate displacement	<p>Preventing displacement and preserving "naturally occurring" affordable housing through acquisition, low-interest loans/revolving loan fund for preservation, and/or code enforcement. Example: The Oregon Legislature committed \$15 million in lottery bonds to Oregon Housing and Community Services (OHCS) in 2019 to create a naturally occurring affordable housing loan fund.</p>
10. Transitional housing incentives	<p>Transitional housing is intended to house individuals and families experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services designed to eventually transition the residents to permanent independent living arrangements. There is a significant need for transitional housing in McMinnville, especially due to rising housing costs that make permanent affordable housing difficult to find. The City could adopt incentives that help promote the development of transitional housing types. The City's Planning Commission is currently reviewing proposed code amendments that would allow transitional housing development that utilizes unique building types that would not qualify as "dwelling units".</p>

11. Develop Pre-Approved Plan Sets	Pre-approved building and site plans are plan sets that have been reviewed in advance for conformance with zoning and building codes. Pre-approved plan sets can reduce housing development costs by reducing design and permit process times and fees. This strategy might encourage homeowners to build an ADU in cases where the homeowner does not have the resources or desire to hire an architect to produce a custom design. For middle housing, pre-approved plans may attract developers that typically develop only single-family housing to get into missing middle housing production. For pre-approved plan sets, the Building Division may decrease permit review fees and expedite the review process. The City could partner with a university, design institution, or hold a competition to develop pre-approved building plan sets specific to McMinnville for key housing types.
12. Permitting Process Audit	To help streamline the permitting process cities can initiate a comprehensive review of all steps in the development approval process to identify the factors that most significantly suppress new residential construction and redevelopment. With a clearer picture of the obstacles, local leaders can then begin to assess whether they can be reduced or eliminated to stimulate development activity. In doing the comprehensive review, it is critical that actual timeline performance be evaluated not just the planned timeline.

### Incentives and Programs

Name	Description
13. Partner with Community Land Trusts (CLT)	A community land trust (CLT) is a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. While CLTs develop all types of projects, the main part of their work is the creation of affordable homes. CLTs make these homes affordable by taking the cost of land out of the purchase price of the home. They remain affordable because the resale of the house is controlled by a resale formula which keeps the price of the house low. When a family or individual purchases a house that is on land owned by a community land trust, they are only purchasing the house, not the land that the house sits on. This makes the house much more affordable. The homeowners then lease the land their house sits on from the CLT. The lease is long term, often a 99-year renewable lease. If and when the homeowner(s) decide to sell the home, they agree to sell it at a restricted price in order to keep the house affordable. The homeowner may realize appreciation from improvements they made on the house.

	McMinnville could support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development. The City could further support CLTs through funding, land, or other forms of partnership.
<p>14. Support affordable housing development through provision of land</p> <ul style="list-style-type: none"> <li>a. City-led identification, parcel assembly, land banking</li> <li>b. Prioritize housing on city-owned land/ Sale of City-Owned Surplus Lands</li> <li>c. Form partnerships with institutional landowners</li> </ul>	<p><i>Identification</i> - Prioritize selling or dedicating any surplus publicly-owned land to meet housing needs when feasible and appropriate.</p> <p><i>Parcel assembly</i> - involves the City's ability to purchase lands for the purpose of land aggregation or site assembly. It can directly address the issues related to limited multifamily lands being available in appropriate locations (e.g., near arterials and commercial services). Typical goals of parcel assembly programs are: (1) to provide sites for rental apartments in appropriate locations close to services and (2) to reduce the cost of developing multifamily rental units. Parcel assembly can lower the cost of multifamily development because the City is able to purchase land in strategic locations over time. Parcel assembly is more often associated with development of government-subsidized affordable housing, where the City partners with nonprofit affordable housing developers.</p> <p><u>Land Banking</u> – One of the most common barriers to building more affordable housing is acquiring land. Non-profit developers and housing authorities often struggle to compete with the resources of private developers in an open market bid for land. Further, the timing of land availability and funding availability for affordable housing development does not often align. Land banking is the acquisition and holding of properties for extended periods without immediate plans for development, but with the intent that properties eventually be used for affordable housing. Land banks are effective because they hold land over time, controlling costs associated with appreciation, and create a ready pool of sites that allow affordable housing developers to respond quickly to funding opportunities. Land banks are public or community-owned entities created to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties for conversion into productive use. Land banks acquire properties through different means, but the most common pipeline is the property tax foreclosure system.</p> <p>If a local land bank is formed as a result of City actions, it could have a significant impact on the ability of affordable housing developers to build projects in the City. The magnitude of the impact depends on how well-funded the land bank is and how many sites it is able to acquire. Land</p>

<p>Support affordable housing development through provision of land (Continued)</p> <p>◆</p>	<p>banks can play a variety of roles. They can play a very limited role, such as simply acquiring property on behalf of a local municipality, or a broader role of property developer. It is important to note that land banks are not financial institutions: financing comes from developers, banks, and local governments. Land banks may be granted special powers via state enabling legislation. These powers can include the ability to remove legal and financial barriers, such as delinquent property taxes, that often render vacant and abandoned properties inaccessible or unattractive to the private market.</p> <p>Land banking can also be used as an anti-displacement strategy. Land banks can acquire land in high-opportunity areas where prices are going up and develop affordable housing before the market becomes too competitive. Most land banks rely on property tax-related revenue streams, although some have relied on private foundation or federal grants.</p> <ul style="list-style-type: none"> <li>• The City could manage its own land bank or acquisition strategy, or work in concert with a non-profit or non-governmental entity at a larger, regional scale that manages a portfolio of properties to support affordable housing development over many years. Ideally, the land bank would be set up to manage financial and administrative resources, including strategic property disposal, for the explicit purpose of supporting affordable housing development.</li> <li>• One way the City could support a land bank is to assist with creating an inventory of suitable sites for housing development, based on infrastructure conditions, location, and other factors.</li> </ul> <p><i>Prioritize Housing on City-owned land</i> - The City may own or may come into ownership of land which it does not need for other public facilities or uses. Control over land that can be used for housing can provide opportunities for public-private partnership or other actions. Owning land provides the City with leverage to encourage development of high priority housing needs. By prioritizing the use of surplus land to meet housing needs, the City would be directly supporting a reduction of development cost in the form of land and/or funding. The City could offer up surplus property suitable for affordable housing development (possibly through a Master-planning or RFP process). The magnitude of impact depends on how many acres of surplus land the City has or acquires. At the time of creating the HPS in 2023, the City had few surplus properties and thus the total impact of this strategy is likely to be relatively low.</p>
--	--

	<p><i>Institutional Partners</i> - Over the past few decades, faith institutions across the country have been declining. This has prompted conversations within different faith communities about how to refocus their mission of social change. The housing affordability crisis in many cities around the country has brought these institutions into the work of creating affordable housing in their communities. This strategy would:</p> <ol style="list-style-type: none"> <li>1) Identify faith and community-based organizations that are interested in offering their available land for development of affordable housing,</li> <li>2) Provide design and finance consultation for three organizations to prepare them for future affordable housing development projects, and</li> <li>3) Determine barriers to development and how those can be addressed and/or streamlined.</li> </ol> <p>The magnitude of impact depends on how many institutional landowners have surplus land they are willing to dedicate to housing development. This action can significantly benefit housing production for homeless and very low income populations.</p>
15. Support Access to Homeownership for Low Income Households	<p>For many people the dream of owning a home can be complicated by their ability to save for a down payment. In Oregon and most other states there are down payment assistance programs that can help. Down payment assistance (DPA) programs provide funds to help to cover some or all of the down payment and/or closing costs to buy a house. Funding can come from <a href="#">Oregon Housing and Community Services (OHCS)</a> as well as local government programs that aim to meet affordable housing needs. Types of closing costs and down payment assistance vary by program, but common forms include:</p> <ul style="list-style-type: none"> <li>• <i>Grants</i>. Some programs provide an outright gift of money.</li> <li>• <i>Zero-interest, forgivable loans</i>. The loans are forgiven over a certain period. The money does not need to be repaid as long as the borrower still owns and live in the home after the period is over.</li> <li>• <i>Zero-interest, deferred-payment loans</i>. Terms and conditions can vary based on the program but generally no payments on the down payment loan are due until the home is sold or if the borrower refinances the home or the mortgage reaches the end of the term.</li> <li>• <i>Low-interest loans</i>. The loan must be repaid over a certain period, such as 10 years.</li> </ul> <p>The City could also explore partnerships with nonprofits or other affordable housing organizations that offer homebuyer assistance programs.</p>

<p>16.Affordable Housing Property Tax Abatement/Incentive</p>	<p>Tax abatements are reductions in property taxes for housing. Abatements may include full or partial tax exemptions or freezes on the assessed value of properties. Abatements are often provided to non-profit corporations or to private developers in exchange for developing affordable housing or other desired housing types (such as mixed-use). Property tax exemptions or freezes can also be applied to housing in distressed areas, or for rehabilitated housing. Property tax abatements reduce ongoing operating costs for affordable housing projects, which can be greatly beneficial for affordable housing finances. A property tax exemption can significantly improve development feasibility. This can “tip the scale” to make a project economically feasible that would otherwise not be, especially if implemented with proposed changes to the development code to allow for higher densities as part of a density bonus. The state currently authorizes tax abatements for various types of housing and affordable housing through several programs outlined in the Oregon Revised Statutes (ORS). These include:</p> <ul style="list-style-type: none"> <li>- <u>Nonprofit Corporation Low-Income Housing</u> (ORS 307.540 – 307.548)</li> <li>- <u>Low-Income Rental Housing</u> (ORS 307.515 – 307.537)</li> <li>- Vertical Housing (ORS 307.841 – 307.867)</li> <li>- Transit-Supportive Multi-Unit Development (ORS 307.600 – 307.637) – city must identify specific areas</li> <li>- Homebuyer Opportunity Limited Tax Exemption (ORS 307.651 to 307.687)</li> </ul> <p>Two specific exemptions that may be most applicable for McMinnville include:</p> <ul style="list-style-type: none"> <li>• <i>Nonprofit Low-Income Rental Housing Exemption</i> - Provides a full property tax exemption for new and existing affordable housing owned and operated by a nonprofit organization for as long as the property meets eligibility criteria. Also applies to land held by a nonprofit for future affordable housing development.</li> <li>• <i>Low-Income Rental Housing Exemption</i> - Provides a 20-year, renewable property tax exemption for rental housing for low-income households (60% of area median income and below). Requires that savings be passed on to tenants through rent reductions.</li> </ul>
---	--

17. Multiple-Unit Limited Tax Exemption Program	<p><i>Multiple-Unit Limited Tax Exemption (MULTE) Program</i> - multiple-unit projects with 20 or more residential dwelling units receive a ten-year property tax exemption on some or all of the residential and residential related structural improvements to the property as long as program requirements are met. Qualifying housing can be added through proposed new construction, an addition to an existing structure, or a conversion of an existing non-residential structure.</p> <p><i>Multiple Unit Property Tax Exemption (MUPTe) Program</i> - is a tool to encourage multi-unit housing development with particular features or at particular price points by offering qualifying developments a partial property tax exemption for 10 years (or longer, for housing subject to affordability agreements). The legislation authorizing this tax exemption allows individual jurisdictions to set program and eligibility requirements (e.g., applicable geography, application process and fees, criteria, program cap) and approve projects on a case-by-case basis.</p>
18. System Development Charges (SDCs) Financing Credits	<p>System Development Charges (SDCs) Financing Credits - SDC credits allow developers to make necessary improvements to the site in lieu of paying SDCs.</p>
	<p><b>System development charges (SDCs) (Applicable to #25 and #26)</b> - A systems development charge is imposed upon all new development within the city for transportation, parks and all new development inside and outside the boundary of the city that connects to or otherwise uses the sanitary sewer system or storm drainage system of the city. The purpose of SDCS are to help offset the project impacts on the City's storm and sanitary sewer systems, parks and recreation facilities, and street systems.</p> <p>SDCs Affordable Housing Development Exemption (<i>Applicable to #25 and #26</i>) - The City of McMinnville has adopted SDC exemptions for transportation and wastewater systems development charge when a development is proposing affordable housing (80% of Average Median Income or less).</p>
19. Implement a Fee for Demolition of Existing Affordable Homes	<p><i>This action would assess additional fees for certain demolitions. It would be modeled after a policy in Lake Oswego that assesses a flat tax of \$15,000 on the demolition of any residential structure. The tax does not apply to properties that must be demolished due to uninhabitability, or in cases where the structure will be replaced with housing subject to affordability covenants.</i></p>

<p>20.Lobby for Expanded Use of Transient Lodging Tax Funds for Affordable Housing</p>	<p>Currently, the City receives 30% of the transient lodging taxes collected to offset impacts of tourism on city services. Some cities have dedicated some or all of these funds towards affordable housing under the premise that short term rentals are displacing affordable housing supply and that the tourism industry creates more demand for affordable housing.</p> <p>This action would focus on lobbying to legislation to allow an expanded use (over 30%) of transient lodging tax funds for housing that is built for workers in the tourism and hospitality industry.</p>
<p>21.Partner with Fair Housing Council of Oregon</p>	<p>Historically, many communities have regulated residential use through definitions of “dwelling,” “family,” and “household” that described the maximum number of related and/or unrelated people living as a household within a dwelling unit. These regulations typically predated the Fair Housing Act, and new best practices which further the Fair Housing Act take a different approach to defining these terms and regulating residential use. Resulting regulations are more inclusive in permitting residential use.</p> <p>Provide residents, property owners, property managers, realtors, lenders and others involved with real estate transactions with access to Fair Housing information and referrals. Ensure that city staff know how to identify potential Fair Housing violations and make referrals to the Fair Housing Council of Oregon and state and local enforcement agencies. Partner with and fund Fair Housing Council of Oregon to provide periodic Fair Housing Audit Testing, customized outreach and education and other specialized services.</p>
<p>22.Help individuals control land development to build housing that meets their needs</p>	<p>This was a concept proposed through the Project Advisory Committee. Work with groups of people who would like the opportunity to develop their own home, independent of developers of subdivisions. This would allow individual households to purchase relatively small lots, get the lots infrastructure, and work with an independent contractor to build a house to the scale and with the characteristics needed by the household. This would increase housing affordability by decreasing the costs of developing smaller-scale housing.</p> <p>The City’s role could be the following:</p> <ul style="list-style-type: none"> <li>• Providing assistance assembling land for development</li> <li>• Setting up a Local Improvement District to pay for needed infrastructure</li> <li>• Providing assistance with navigating the permitting process</li> </ul>



23. Preserve and promote manufactured housing	<i>Preservation</i> - Manufactured home parks often provide a form of affordable housing stock, but are particularly vulnerable to redevelopment pressures since lots are temporarily leased out. In order to preserve safe, affordable options into the future, manufactured home parks may be protected through assistance that allows community purchase of the underlying land, manufactured homes and provide funds used to maintain upkeep of these dwelling units. This strategy is often implemented through use of Land Trusts, Resident-Owned Cooperatives, Public Ownership of Land, or Condominium Conversion of the real estate assets to preserve the communities. Oregon Housing and Community Services (OHCS) has regularly received lottery bonds or general funds from the Oregon Legislature to preserve manufactured home parks through either Resident Owned Cooperatives or Non-profit ownership.
	<i>Promotion</i> - establish development incentives for the development of new manufactured housing as more affordable path to homeownership opportunities.
24. Use Urban Renewal Funds to Support Affordable Housing and Infrastructure Development	Utilize Urban Renewal projects to support housing development as identified in adopted Urban Renewal district plans. Continue to evaluate ways to target existing planned improvements and programs to address critical housing needs. The magnitude of impact of this strategy is relatively significant because Urban Renewal is one of the only sources of funding that is flexible enough to dedicate specifically to housing projects.
25. System Development Charges (SDCs) deferrals	System Development Charges (SDCs) are a significant upfront cost of development. The City could create an application-based allowance to modify permitting and development review procedures so that System Development Charges (SDCs) are deferred until occupancy or final inspection can remove a barrier to housing development by allowing the developer to use a wider range of financing tools to pay for the SDCs. This action is unlikely to directly stimulate development of new housing projects on its own. However, in combination with other actions in the HPS it can potentially increase the number of units proposed with each project and speed up the development process.
26. Scaling of System Development Charges	Scaling fees for smaller units would reduce development costs and may serve as a development incentive for smaller units, which are usually lower cost. When SDCs are scaled to unit size, their share of development costs is more consistent across housing types and unit sizes. Scaling reduces costs for smaller units while remaining revenue neutral for the jurisdiction. If a new methodology that incorporates scaling is adopted, SDC collections should be reported on annually along with information about number of units that were developed in each tier of the scale.

27. Build Local Developer Capacity	<p>Small developers are less likely to have the resources or expertise to navigate complex permitting and review processes or may be unaware of resources available to them. However, they are a valuable part of the local developer pool because they often take on projects that larger developers will not, especially smaller infill projects. Providing information to small, local developers that will help them understand land use permitting processes and give them a sense of clarity and certainty about requirements so they can better provide smaller scale housing at an affordable level. Information can also promote accessible/Universal Design building techniques. The City could also provide technical assistance to small developers to assist with housing development, including providing information to help them find suitable sites for housing development, understand land use permitting processes, and establish a sense of clarity and certainty about housing development requirements.</p>
------------------------------------	--

# Appendix E: Pre-HPS Survey

Housing Portal

Pre-HPS Survey Submission

Page: 1 of 3

Year: 2022 City: McMinnville

Submitted Date: 01/03/2023

5/20/2025 12:42:50 pm

Category	Strategy	Encourage Needed Housing	Increase Affordability	Reduce Rent Burden
A - Zoning and Code Changes	A02 - Zoning Changes to Facilitate the Use of Lower-Cost Housing Types	Yes	Yes	Yes
	<b>Comments:</b> Added tiny homes and SROs to missing middle housing package allowing them in all residential zones except for the high-density residential zone.			
A - Zoning and Code Changes	A05 - Code Provisions for ADUs	Yes	Yes	Yes
	<b>Comments:</b> Amended ADU codes to remove property owner residency requirement and separate services requirement.			
A - Zoning and Code Changes	A06 - Broaden the Definition of Housing Type	Yes	Yes	Yes
	<b>Comments:</b>			
A - Zoning and Code Changes	A07 - Allow for Single Room Occupancy in Residential Zones	Yes	Yes	Yes
	<b>Comments:</b>			
A - Zoning and Code Changes	A08 - Promote Cottage Cluster Housing	Yes	Yes	Yes
	<b>Comments:</b>			
A - Zoning and Code Changes	A09 - Short-Term Rentals Regulations	Yes	No	No
	<b>Comments:</b>			
A - Zoning and Code Changes	A17 - Small Dwelling Unit Developments	Yes	Yes	Yes
	<b>Comments:</b>			
A - Zoning and Code Changes	A22 - Mixed Housing Types in Planned Unit Developments	Yes	Yes	Yes
	<b>Comments:</b> Amended code to allow all housing types in planned unit developments.			
A - Zoning and Code Changes	A25 - Legalize and Encourage Tiny Homes and Villages	Yes	Yes	Yes
	<b>Comments:</b>			
B - Reduce Regulatory Impediments	B01 - Remove or Reduce Minimum Parking Requirements	Yes	Yes	Yes
	<b>Comments:</b>			

B - Reduce Regulatory Impediments	B10 - Public Facility Planning	Yes	Yes	Yes
<b>Comments:</b>				
B - Reduce Regulatory Impediments	B11 - Pro-Housing Agenda	Yes	Yes	Yes
<b>Comments:</b>				
B - Reduce Regulatory Impediments	B12 - Pro Affordable Housing Agenda	Yes	Yes	Yes
<b>Comments:</b>				
B - Reduce Regulatory Impediments	B14 - Adopt Affirmatively Furthering Fair Housing as a Housing Policy in Comprehensive Plan	Yes	Yes	Yes
<b>Comments:</b>				
B - Reduce Regulatory Impediments	B15 - Reduce the Power of NIMBYism to stop, slow, change, or reduce affordable housing	Yes	Yes	Yes
<b>Comments:</b>				
B - Reduce Regulatory Impediments	B16 - Holistic Planning to Distribute New Density More Equitably	Yes	Yes	Yes
<b>Comments:</b>				
C - Financial Incentives	C01 - Reduce or Exempt SDCs for Needed Housing	Yes	Yes	Yes
<b>Comments:</b>				
D - Financial Resources	D02 - Low Income Housing Tax Credit (LIHTC)	Yes	Yes	Yes
<b>Comments:</b>				
D - Financial Resources	D07 - Dedicated Revenue Sources for Affordable Housing	Yes	Yes	Yes
<b>Comments:</b>				
D - Financial Resources	D09 - Construction Excise Tax (CET)	Yes	Yes	Yes
<b>Comments:</b>				
D - Financial Resources	D11 - Flexible Use of Housing Choice Vouchers	No	Yes	Yes
<b>Comments:</b>				

D - Financial Resources	D18 - Weatherization Funds through Community Action Agencies	No	No	Yes
Comments:				

## STAFF REPORT

**DATE:** June 10, 2025  
**TO:** Jeff Towery, City Manager  
**FROM:** Katie Henry, Finance Director  
**SUBJECT:** Downtown Economic Improvement District Renewal

---

### Report in Brief:

The Downtown Economic Improvement District (District) was formed in 1986 and last renewed for a three-year period from August 1, 2022, through July 31, 2025. The District collected assessments from commercial properties within the boundaries of the district and passes those funds directly through to the McMinnville Downtown Association (MDA). The MDA Board has requested that the City renew the District for another three-year term with no rate increases and with no changes to the boundaries of the district.

### Discussion:

The District was formed by the City of McMinnville in 1986, through the adoption of Ordinance 4362. The stated purpose of the district is as follows:

“[T]o promote within the district economic improvement by planning or management of development or improvement activities; by landscaping or other maintenance of public areas; by promotion of commercial activity or public events; by activities in support of business recruitment and development; and by improvements in parking systems or parking enforcement.”

The City accomplishes the purpose of the District by directing 100% of the assessments it receives to the MDA. The MDA is governed by a board of directors that is made up of downtown business owners, employees and stakeholders.

The initial term of the District was three years, running from August 1, 1986 through July 31, 1989. The duration of the District has been renewed for twelve additional terms of three-years each, for a total duration of 39 years. Over that time, the boundaries and assessment rates have changed slightly, but the purpose has remained the same.

The MDA is requesting that the City renew the District with no changes to the boundaries and no rate increases. Zone 1 will stay at 8.5 cents per square foot of land area and Zone 2 at 4.25 cents per square foot of land area. The District boundaries have not been changed since 2007. In addition, the proposed assessment rates were last increased in 2022. The total revenues from District assessments is approximately \$60,000, which supports approximately 30% of the MDA's \$210,000 annual budget. If the District is not renewed, the MDA would lose this source of revenue.

**Fiscal Impact:**

The FY2022-23 budget assumes a continuation of the program at approximately \$60,000.

As this is a pass-through funding mechanism, updates to the program does not impact basic City services funded by the General Fund or other dedicated revenue streams.

**Recommendation:**

Staff recommends approval of Ordinance No. 5162.

**Attachments:**

1. Ordinance No. 5162
2. District Map

## **ORDINANCE NO. 5162**

### **AN ORDINANCE EXTENDING THE DURATION OF THE MCMINNVILLE DOWNTOWN ECONOMIC IMPROVEMENT ASSESSMENT DISTRICT.**

#### **RECITALS:**

**WHEREAS**, Ordinance 4373, enacted on June 24, 1986, created a downtown economic improvement district with duration of three years (commencing August 1, 1986 and expiring July 31, 1989); and

**WHEREAS**, the duration of the district was extended for an additional three years by Council action taken in Ordinance 4445 (1989); and

**WHEREAS**, the duration of the district was again extended for an additional three years by Council action taken in Ordinances 4518 (1992), 4595 (1995), 4671(1998), 4747 (2001), 4808 (2004), 4873 (2007), 4926 (2010), 4967 (2013), 5005 (2016), 5071 (2019), and 5115 (2022); and

**WHEREAS**, the McMinnville Downtown Association (MDA) has requested that the duration of this district be extended for an additional three years commencing August 1, 2025, and that the assessment zones and rates remain unchanged.

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

1. Section 1. That the council makes and enters the following findings of fact based upon the oral and written testimony received at the public hearing:
  - (a) Written notices to the affected commercial properties were mailed more than thirty (30) days prior to the scheduled public hearing for renewal and extension of the duration of the district.
  - (b) The area within the district is zoned commercial.
  - (c) No residential real property will be assessed.
  - (d) Written objections to the extension of the duration of the district received at the public hearing are less than 33 percent of the total fee assessments to be collected.
2. Section 2. That Ordinance 4373, as amended by Ordinance Nos. 4445, 4518, 4595, 4671, 4747, 4808, 4873, 4926, 4967, 5005, 5071, and 5115, is further amended by extending the duration of the district from August 1, 2025, through July 31, 2028.
3. Section 3. That the assessment zones for those conducting business activities within the commercial areas are enumerated on the map which is attached hereto and incorporated by this reference. The map also sets forth rates and means to calculate the assessment of the business activity fee charged for respective entities in the respective zones.



4. Section 4. That attached hereto and incorporated by this reference is the proposed assessment roll and the fee amount to be assessed against the respective entities for each of the next three years, commencing August 1, 2025, through July 31, 2028.
5. Section 5. That the City Recorder is hereby directed to give notice that the above fees are to be due and payable within 30 days from the mailing of notice of assessment: and in the event said fees are not so paid, the same shall become delinquent and bear interest at the rate of nine percent per annum thereafter. The Council may proceed in the manner prescribed by law for the collection of delinquent fees.

Read and passed by the Council on June 10, 2025, by the following votes:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Abstain: \_\_\_\_\_

Approved June 10, 2025.

\_\_\_\_\_  
MAYOR

Approved as to form:

Attest:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Recorder

