



**Joint City Council & Planning Commission Work Session Meeting  
Agenda**

**Tuesday, October 14, 2025  
6:00 p.m. – Joint Work Session Meeting**

*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.*

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*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)

**JOINT WORK SESSION:**

*You may join online via Zoom Webinar Meeting:*

<https://mcminnvilleoregon.zoom.us/j/84511369460?pwd=HkoCttMLtPgZeUeJlbyTWLPCNk6cFP.1>

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

*Webinar ID: 845 1136 9460*

**6:00 PM – JOINT CITY COUNCIL & PLANNING COMMISSION WORK SESSION – VIA ZOOM AND SEATING AT CIVIC HALL**

1. MAYOR MORRIS CALLS JOINT MEETING TO ORDER
2. LAND USE EFFICIENCY MEASURES AND UGB AMENDMENT FOR GROWTH PLANNING (2021 – 2041)
3. MAYOR MORRIS ADJOURNMENT OF JOINT MEETING

## STAFF REPORT

**DATE:** October 14, 2025  
**TO:** Mayor and City Councilors  
Planning Commissioners  
**FROM:** Heather Richards, Community Development Director  
Evan Hietpas, Associate Housing Planner  
**SUBJECT:** Work Session: Land Use Efficiencies/UGB Amendment  
(Work Task 2 of Sequential UGB Work Plan) – *Local Docket #G 3-24*

### STRATEGIC PRIORITY & GOAL:

 <b>GROWTH &amp; DEVELOPMENT CHARACTER</b> Guide growth & development strategically, responsively & responsibly to enhance our unique character.	 <b>HOUSING OPPORTUNITIES</b> (ACROSS THE INCOME SPECTRUM) Create diverse housing opportunities that support great neighborhoods.
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**OBJECTIVE/S:** Strategically plan for short and long-term growth and development that will create enduring value for the community

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

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### Report in Brief:

This is the third work session for the Land Use Efficiencies/Urban Growth Boundary (UGB) Amendment work associated with the recent growth planning work for the planning horizon of 2021 – 2041, (Work Task 2 of the Sequential UGB Work Program approved with the Department of Land Conservation and Development).

This is work mandated by state law, both in terms of the work that needs to be done and the deadlines in which to do it.

At a work session on September 9, 2025, the City Council was presented with the outcomes of a recent land-use efficiencies evaluation to meet the housing, commercial, industrial and public land need for the City's proposed growth, 2021 – 2041. That effort showed that the city could meet its housing and industrial land need with some land-use efficiencies actions, but only about half of the city's commercial land need, as identified in the City of McMinnville's Housing Needs Analysis and Economic Opportunity Analysis (currently appealed by Mark Davis and 1000 Friends of Oregon/Friends of Yamhill County). Please see table below.

Category	Identified Needs (before Efficiencies)	Efficiencies Proposed	Results after Efficiencies	Urban Growth Boundary (UGB)
Residential	1,101 dwelling units (approximately 202 acres)	1,396 dwelling unit increased capacity	295 unit surplus	<b>Needs Met in UGB</b>
Industrial	29 acres	30 acres of efficiencies	1 acre surplus	<b>Needs Met in UGB</b>
Commercial	159 acres	88 acres of efficiencies	71 acre deficit remaining	Unmet Needs in UGB

At the September 9, 2025, work session, staff recommended that the City not undertake a UGB amendment to meet the commercial land need, due to the amount of time and resources it would take to do so, and the need to incentivize redevelopment of commercial property on Highway 99. Per the approved Sequential Work Plan with DLCD, the UGB alternatives analysis and amendment would need to be adopted and submitted to the Director of DLCD by March 1, 2026.

After some discussion and deliberation, City Council requested that staff meet with legal counsel and Department of Land Conservation and Development (DLCD) staff to see if the City could have more time to explore a commercial UGB amendment, citing concerns for continual deferment of meeting commercial land need, the number of years it will to conduct a new analysis, identify the need, navigate a UGB amendment, and plan the infrastructure for development deferring the commercial land need even further.

*Specifically, City Council directed staff to investigate the City's ability to address commercial land needs through a UGB amendment process that could take place **AFTER** March 1, 2026. City staff has brought back additional information for discussion at this Work Session. More details are provided in the "Discussion" section of this staff report beginning on Page 4.*

### **Background:**

Oregon growth planning consists of three (3) basic tasks:

1. "Conduct Needs/Opportunities Analysis" - Identify the amount of land needed to support the anticipated housing, employment, and public amenities of a future population at the end of a planning horizon; then
2. "Land Use Efficiencies" - Identify land-use efficiencies that the City would like to enact within its existing urban growth boundary to accommodate the housing and employment need; and
3. "Amend Urban Growth Boundary (UGB), if needed" - If following the land use efficiencies work there still is need for additional land within the urban growth boundary to accommodate the future housing, employment and public amenities needed to support the future population at the end of the planning horizon, amend the urban growth boundary to accommodate that land need.

Typically, this work is conducted and submitted to the state for acknowledgment all as one package. However, per state statute the City of McMinnville had to provide its updated Housing Needs Analysis to the DLCD by December 31, 2023. Knowing that the City could not complete

all three tasks within the timeframe provided, the City applied to enter into an approved Sequential UGB work plan allowing the City to submit each task individually and thus meet the deadline for the Housing Needs Analysis by December 31, 2023 with the opportunity to submit the Land Use Efficiencies and UGB Amendment (if necessary) by March 1, 2026.

This was approved with Task 1 being the Housing Needs Analysis and Task 2 of the work plan being the Land Use Efficiency Measures and the UGB Amendment (if necessary). (Please see attached approved McMinnville Sequential UGB Work Plan).

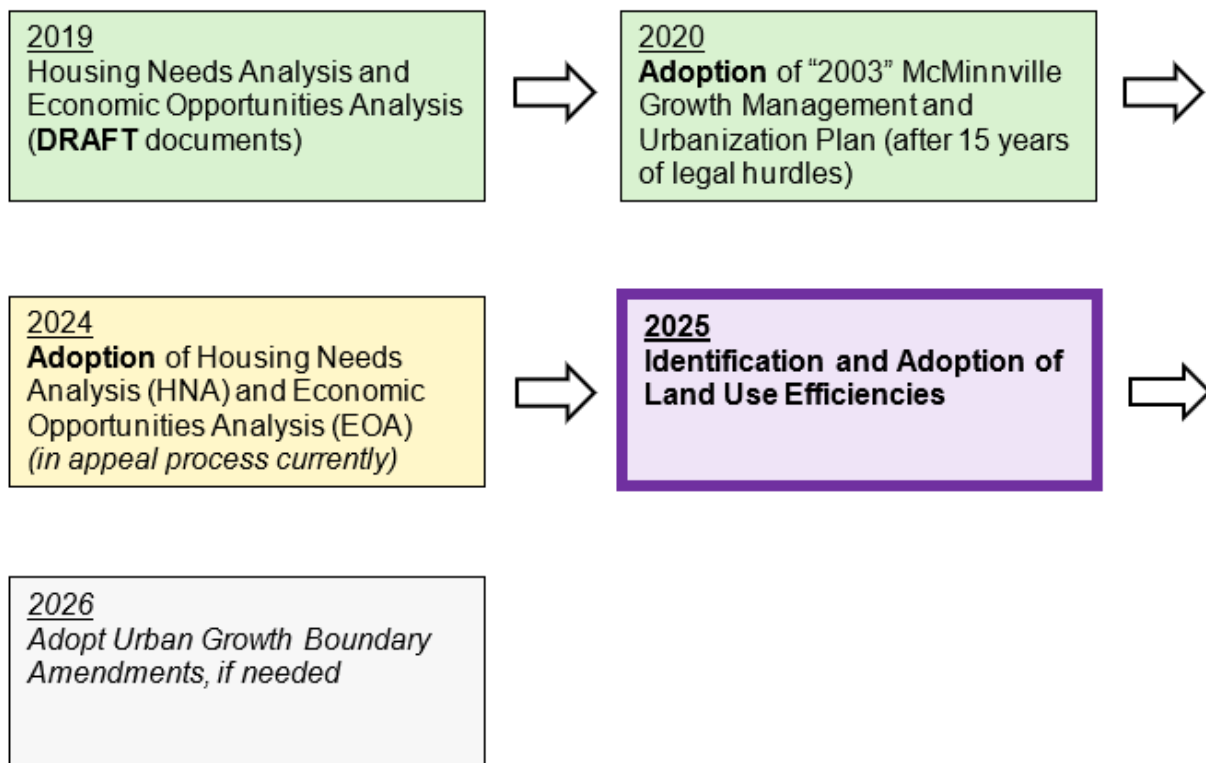
The City submitted the work for Task 1 (HNA and EOA) of this process to the Director of the Department of Land Conservation and Development (DLCD), who approved the work, except for one item which was remanded to the City and corrected.

- Friends of Yamhill County and Mark Davis appealed the DLCD Director's Decision to the Land Conservation and Development Commission (LCDC), who voted to uphold the DLCD Director's Decision.
- The City is waiting on the final decision documents from the state to see if the LCDC decision will be appealed to the Court of Appeals.

#### Sequential UGB Work Plan Process Outline and Deadlines

Although the HNA and EOA have not been formally recognized yet, due to appeals, the State has given the City of McMinnville guidance to continue into "**Task 2**" of the Sequential UGB Work Plan, which is the identification of Land Use Efficiency Measures and a UGB amendment, if necessary.

#### Growth Planning Process Flowchart



-City staff recommended to move forward with the land use efficiencies in the following manner.

- Adopt the proposed land use efficiencies to fully meet the residential and industrial land needs, and partially meet commercial land needs.
- Do not pursue a UGB amendment process for the unmet Commercial land needs.

-On August 7<sup>th</sup>, the Planning Commission provided a recommendation consistent with staff.

*(Please refer to the September 9, 2025, City Council Work Session for more background information. Link provided below in attachments.)*

#### Land Use Efficiency Measures:

A land use efficiency measure (LUEM) is a policy action that changes the comprehensive plan or land use regulations to quantifiably reduce land needs. This project includes the identification of Land Use Efficiency Measures to accommodate the unmet residential land need identified in McMinnville's Housing Needs Analysis (HNA) (Attachment 1), as well as the unmet commercial and industrial land need identified in McMinnville's Economic Opportunity Analysis (EOA) (Attachment 2) for the planning horizon of 2021 – 2041. (Both locally adopted in 2024).

#### 1. Land-Use Efficiencies In progress, due March 1, 2026.

- The HNA and EOA showed **land deficits** for all three categories of residential, employment/industrial, and commercial land. (Residential – **202 acres**, Industrial – **29 acres**, Commercial – **159 acres**)
- The City has identified land use efficiency measures to fully meet Residential and Industrial land needs, but only partially meet Commercial needs.
- The City must adopt residential LUEMs by March 1, 2026.

#### 2. UGB Amendment (Next, if needed)

- The Planning Commission and staff recommended NOT pursuing a UGB Amendment to fully meet Commercial land needs and to re-evaluate Commercial land needs again at the time of the City's next Housing Capacity Analysis (HCA), which would take place around 2030-2031. (The purpose of re-evaluating Commercial land needs is to be responsive to residential development that may occur within the next six (6) years.)
- City Council requested additional information to help inform a decision on whether or not the City should pursue a UGB Amendment, and on what timeframe.

### **Discussion**

#### Sequential Urban Growth Boundary (UGB) Work Program (Current)

The City's approved Sequential UGB Work Program became effective on February 7, 2024. State law allows for four years to complete a Sequential UGB Work Program, with the ability to request an one year extension. Currently the approved work program has a deadline of March 1, 2026 to complete the work but there is the opportunity for the City to request an amendment to that deadline to February 7, 2028,

Currently, the proposed work program includes two (2) tasks:

1. Complete Housing Needs Analysis (HNA), Economic Opportunities Analysis (EOA), and Buildable Lands Inventory
2. Evaluate Land Use Efficiency Measures and Urban Growth Boundary Expansion

#### Sequential Urban Growth Boundary (UGB) Work Program (**Potential Amendment**)

If the City Council determines that they wish to pursue a UGB amendment to accommodate Commercial land needs, the City should request a revision to the Sequential UGB Work Program. Requests to amend the Work Program are facilitated by the DLCDD Director. The Director has up to 120 days to review the City's request, but DLCDD staff anticipates a quicker turn-around time.

Staff recommends two amendments: 1) separation of Task 2 into two distinctive tasks – Task 2, Land Use Efficiencies, and Task 3, UGB Amendment; and 2) extend the deadline of Task 3 to February 7, 2028.

- Modify Task #2 to only include the scope of "Land Use Efficiency Measures" work
  - Adoption of Residential and Industrial LUEMs by March 1, 2026
    - Clear determination that a UGB Amendment is not required.
  - Adoption of Commercial LUEMs by March 1, 2026.
    - City has the option to pursue a UGB amendment process to accommodate remaining land needs, under new "Task 3"
- Move "Urban Growth Boundary Expansion" to its own "Task 3".
  - Due Date for deliverables updated to **February 7, 2028**, per the 4-year allowance
  - \*Note on Use of Economic Data:
    - Once the City has a formally recognized EOA (Task #1), it is formally a part of the Comprehensive Plan; at which point it is legally used as the basis for all subsequent work relating to Commercial and Industrial land needs.
    - In other words, the City can use this data for any period of time, until it decides to adopt an updated EOA, based on updated data.

#### How to Request a Sequential UGB Work Program Amendment

The City would need to follow the same process to amend the Sequential UGB Work Program that it followed to initially request consideration of a Sequential UGB Work Program.

The City and the County would need to approve findings for the amendment request through action of the City Council and the Board of Commissioners.

At the same time the City would need to continue forward with its LUEM work. Below is a proposed work plan.

### Recommended Next Steps:

Action	Begin Date	Deadline
Approve Resolution and Findings for Sequential UGB Work Program Amendment (City and County)	October 28, 2025	December 31, 2025
Amend Framework Plan for LUEM for residential land need.	Notice to DLCD, October 28, PC Public Hearing, December 18, CC Decision, January 27, 2026	March 1, 2026
Adopt Airport Master Plan for Industrial LUEMs	Notice to DLCD, October 28, PC Public Hearing, December 18, CC Decision, January 27, 2026	March 1, 2026
Letter from Linfield for putting commercial and residential land on the buildable lands inventory	December 31, 2025	March 1, 2026
Approve memorandum updating Buildable Lands Inventory	Resolution by CC, January 27, 2026	March 1, 2026
Adopt Planned Development Overlay and Master Plan for McMinnville Landing	Notice to DLCD, October 28, PC Public Hearing, December 18, CC Decision, February 24, 2026	March 1, 2026

### Attachments:

1. McMinnville Approved Sequential UGB Work Plan with DLCD

### Links to Additional Relevant Resources:

2. McMinnville [Housing Needs Analysis](#) (HNA)<sup>1</sup> (available on City's website)
3. McMinnville [Economic Opportunities Analysis](#) (EOA)<sup>2</sup> (available on City's website)
4. September 9, 2025 City Council Work Session, (Agenda, Meeting Packet, Presentation, Recording). [City Council Work Session \(5:30 PM\) and City Council Regular Meeting \(7:00 PM\)](#), and [City Council Executive Session following Regular Meeting | McMinnville Oregon](#)

### Recommendation:

This is a work session, so no formal action is necessary, but staff seeks direction from the City Council on the proposed land use efficiency measures and Sequential UGB Work Program.

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<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)





# Oregon

Tina Kotek, Governor

## Department of Land Conservation and Development

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[www.oregon.gov/LCD](http://www.oregon.gov/LCD)

February 7, 2024



Heather Richards  
Community Development Director  
City of McMinnville  
231 NE Fifth Street  
McMinnville, OR 97128

By email: [Heather.Richards@mcminnvilleoregon.gov](mailto:Heather.Richards@mcminnvilleoregon.gov)

**RE:** Approval of Request to Initiate Sequential UGB Process

Dear Community Development Director Richards,

I am pleased to inform you that the Department of Land Conservation and Development has received and approved your notice of election to use the sequential UGB process. As cited in your memorandum, OAR 660-025-0185 is applicable. It states:

A city and a county or counties may elect to submit a component of an urban growth boundary amendment...when the city and county determine that the final urban growth boundary amendment is likely to exceed 50 acres. The local governments must submit written notice of election to use the sequential review process contained in this rule to the department prior to submittal of a component for review. The notice of election shall propose the planning period for the amendment and include a draft work program. Upon joint written notice pursuant to section (2), the department will prepare a work program consisting of tasks to complete one or more of: land need analyses, land inventories, and responses to deficiency.

The City's notice indicates that a future urban growth boundary amendment to accommodate needed housing is likely to exceed 50 acres, and proposes a planning period of 2021 to 2041. DLCD has reviewed your submittal and finds that it contains the statement of local circumstances and identification of a draft work program as required by this rule. It has also been agreed to by Yamhill County, as required in OAR 660-025-0185.

Since receiving your notice, DLCD staff have worked with city staff to finalize a work program for the city (Attachment A). The department hereby authorizes the City of McMinnville to utilize the sequential UGB work program as provided in Attachment A of this letter. We look forward



to working with you over the coming years to provide land for McMinnville's growing population in keeping with the statewide planning goals.

Please contact your regional representative, Melissa Ahrens, at (503) 779-9821 [melissa.ahrens@dlcd.oregon.gov](mailto:melissa.ahrens@dlcd.oregon.gov) if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Brenda D Bateman". The script is cursive and fluid.

Brenda Bateman, Ph.D.  
Director

Attachments:

A. City of McMinnville Sequential UGB Work Program

cc: Ken Friday, Yamhill County Planning Director  
Melissa Ahrens, DLCD Regional Representative

**City of McMinnville Work Program**

**Sequential UGB Amendment**

**Proposed Planning Period**

The City is proposing 2021-2041 as the 20-year planning period for UGB assessment and amendment. This period is appropriate as the City has (1) completed a draft HNA and EOA and this was the planning period used for that analysis and (2) because the City's most recent UGB amendment occurred in December 2020. So, using the proposed period would reduce costs and administrative burdens associated with re-analyzing years from a different period.

***Pre-Task: Complete and Disseminate Election to Use Sequential UGB Process. OAR 660-025-0185.***

- A. *City – Develop notice of election to use sequential UGB and Draft Work Program.*
- B. *County – Concur with notice of election to use sequential UGB.*
- C. *DLCD – Receive joint notice of election to use sequential UGB.*
  - i. *Assist city in development of final work plan.*
  - ii. *Issue approval of election to use sequential UGB and work plan.*

**Proposed Work Program**

**1. Complete Housing Needs Analysis (HNA), Economic Opportunities Analysis (EOA) and Buildable Lands Inventory<sup>1</sup>. OAR 660-024-0040 & OAR 660-024-0050.**

**Begin by 12/31/2019, Complete by 2/29/24**

- A. **City** – Complete appropriate studies and data mining to ascertain 20-year residential land need, 20-year employment land need and inventory buildable lands.
  - i. Post Acknowledgement Plan Amendment to Comprehensive Plan, adoption by McMinnville City Council via ordinance
  - ii. Notice to DLCD pursuant to OAR 660-025-0140
- B. **DLCD** – Receive Adopted Housing Needs Analysis, Economic Opportunities Analysis and Buildable Lands Inventory.
  - i. Serve on Technical Advisory Committee.
  - ii. Review and provide feedback on HNA/EOA/BLI prior to Adoption.
  - iii. For HNA and EOA, DLCD Director review within 90 days pursuant to OAR-660-025-0150 (appealable to LCDC)

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<sup>1</sup> Adoption of the HNA by 12/31/23 will require development and adoption of a housing production strategy report by 12/31/24, per ORS 197.290. However, the HPS report does not require review as a component of this sequential UGB process.

## Attachment A

### 2. Evaluate Land Use Efficiency Measures and Urban Growth Boundary Expansion.

Using results from the HNA, EOA, and accounting for efficiency measures, the city will determine the total amount of housing and employment land that needs to be added to the UGB. The final UGB expansion must be adopted by both the City and the County. Subtasks consist of:

**Begin by 12/31/23 and Complete Task 2 by 3/1/26**

#### A. **City** – Perform land evaluation.

- i. Land-Use Efficiency Measures. Identify and evaluate land use efficiency measures that will help meet residential and employment land need within the existing urban growth boundary. Prepare adoption-ready efficiency measures and adjust identified land needs accordingly.
- ii. Establish Preliminary Study Area. Use combined land need analysis from Task 1, as modified by Task 2(b)(i), to determine the scope of UGB Amendment.
  - a. Identify the initial study area pursuant to OAR 660-024-0065.
  - b. Identify exclusions from the preliminary Study Area.
  - c. Identify the final study area.
- iii. Evaluate Land in the Study Area for Inclusion in the UGB. Perform land evaluation pursuant to OAR 660-024-0067
- iv. UGB Comprehensive Plan Amendment, OAR 660-025-0175.
  - a. Complies with Statewide Goals, Statutes, and Rules
  - b. Develop Framework Plan for UGB lands with Comprehensive Plan Map designations and proposed land uses.
- v. Post Acknowledgement Plan Amendment to Comprehensive Plan and development code adoption by McMinnville City Council via ordinance.

#### B. **County** – Review and Consider Adoption of City UGB Amendment

- i. Review and consideration City UGB amendment into County Comprehensive Plan
- ii. Adoption of City UGB amendment into County Comprehensive Plan pursuant to ORS 197.628 to ORS 197.650 and OAR 660-025-0175

#### C. **DLCD** –

- i. Serve on Technical Advisory Committee.
- ii. Review and provide feedback on study area, land evaluation and comprehensive UGB plan amendment..
- iii. DLCD Director review within 90 days pursuant to OAR-660-025-0150 (appealable to LCDC)

**Please note:** None of the proposed completion dates in this program are binding; they are preliminary estimates. However, For the purposes of an urban growth boundary amendment, a task approval is valid for four years. This means that if the UGB expansion is not completed within that time period, the expired work task would need to be updated, readopted, then acknowledged. This period may be extended for up to one year by the director if the local governments show good cause for the extension. The four-year period begins on the later date of:

- (a) Director approval order;
- (b) Commission final approval order; or
- (c) Completion of judicial review of the final approval order.