



City Council Meeting Agenda

Tuesday, March 24, 2026

5:30 p.m. – Work Session Meeting

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

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

REVISED 03/23/2026

Welcome! This meeting will be a hybrid (in-person & Zoom) Meeting. 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 five ways:

- **Pre-register** using the online form here:

<https://www.mcminnvilleoregon.gov/citycouncil/webform/public-comment-card> (Registration **OPENS** at **5:00 p.m.** on the day the agenda is posted, **one week before the meeting** and **CLOSES** at **12:00 p.m. the day BEFORE** the meeting // (Any form submitted outside this window will not be addressed);

- **Written comments** may be submitted to the City Recorder Team any time up to **12:00 p.m. the day BEFORE** the meeting and mailed to (McMinnville City Hall, c/o City Recorder Team, 230 NE Second Street, McMinnville, OR, 97128);
- **Digital comments (email)** may be submitted to the City Recorder Team any time up to **12:00 p.m. the day BEFORE** the meeting to CityRecorderTeam@mcminnvilleoregon.gov;
- Fill out a **physical public comment card** found at McMinnville City Hall; any time up to **12:00 p.m. the day BEFORE** the meeting, but **not before 5:00 p.m.** on the day the agenda is posted for the following week;
 - Attend **in person** and fill out 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

CITY COUNCIL WORK SESSION & CITY COUNCIL REGULAR MEETING:

You may join online via Zoom Webinar Meeting:

<https://mcminnvilleoregon.zoom.us/j/88131270352?pwd=3NjUaca1u9lwG2vqi9aibUwBbSCV84.1>

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

Webinar ID: 881 3127 0352

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

1. CALL TO ORDER
2. CONSTRUCTION EXCISE TAX PROGRAM
3. ADJOURNMENT OF WORK SESSION

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

1. CALL TO ORDER & ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. 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 the names of comments emailed to City Recorder and then call on anyone who has signed up to provide public comment.

4. CONSENT AGENDA

- a. Consider the request from Dagger Daisy LLC for Change of Location - Winery, OLCC Liquor License located at 1421 NE Alpha Drive.
- b. Consider **Resolution No. 2026-18**: A Resolution to participate in the New National Opioids Settlement with Six Remnant Defendants, and authorizing the City Attorney to take all action to effectuate that participation.

5. RESOLUTIONS

- a. Consider **Resolution No. 2026-16**: A Resolution approving an employment agreement with Adam D. Garvin as City Manager.

6. ORDINANCES

- a. Consider the second reading of **Ordinance No. 5173**: An Ordinance approving a comprehensive plan map amendment (Docket CPA 1-25) and zone map amendment (Docket ZC 2-25) for approximately 26.07 acres, located at 2325 NE Three Mile Lane, 160 NE Atlantic Street, 2305, 2245, 2225, 2215, and 2205 NE Cumulus Avenue, and tax lot R4422CC 01102.

7. ADVICE/ INFORMATION ITEMS

- a. Reports from Councilors on Committee & Board Assignments
- b. Department Head Reports
- c. February 2026 Cash and Investment Report (in packet)

8. ADJOURNMENT OF REGULAR MEETING

CITY COUNCIL EXECUTIVE SESSION – IMMEDIATELY FOLLOWING THE URBAN RENEWAL AGENCY MEETING (NOT OPEN TO THE PUBLIC) (Added on 03.23.2026)

1. CALL TO ORDER

2. **EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e)**: To conduct deliberations with persons you have designated to negotiate real property transactions.

3. ADJOURNMENT OF EXECUTIVE SESSION

STAFF REPORT

DATE: March 24, 2026
TO: Adam Garvin, Interim City Manager
SUBMITTED BY: Heather Richards, Community Development Director
WRITTEN BY: Evan Hietpas, Interim Planning Manager/Housing Planner
SUBJECT: Construction Excise Tax (CET) Program – Work Session

Report in Brief:

At this Work Session, the City Council will review the Affordable Housing Committee's recommendation regarding the use of Construction Excise Tax (CET) funds. City staff is seeking direction from the City Council on the implementation of the program. Up to this point, the City has been allowing the CET funds to grow over time to reach a meaningful amount for distribution to programs and projects.

Per the City's 2026 Adopted Budget, there is now **\$1,240,940** available for distribution. The available funding is separated into two (2) distinct categories with specific purposes.

- Affordable Housing Programs: **\$588,520**
- Developer Incentives: **\$652,420**

Background:

Legislative Background

In 2016, the Oregon legislature passed SB1533 authorizing cities and counties to implement a construction excise tax (CET) for the purpose of expanding the availability of affordable housing. On April 26, 2022, City Council adopted Ordinance 5112 (attachment 1) 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.

On January 10, 2023, City Council adopted Resolution No. 2023-02 (attachment 2) establishing a role for the Affordable Housing Committee in conducting outreach and making recommendations to City Council for use of Affordable Housing Construction Excise Tax (AHCET) Funds. This role may include, but is not limited to, the following: conducting outreach and making recommendations to City Council regarding needs and priorities for use of CET funds, recommending methods and criteria for allocating, determining, and awarding use of CET funds, and subsequently participating in review and recommendations of projects and activities seeking use of CET funds.

Collection and Use of CET Funds

McMinnville Municipal Code (MMC) Chapter 3.30 (included as Exhibit A to Attachment 1, Ordinance 5112), outlines the parameters of the Affordable Housing Construction Excise Tax. Some of the key highlights to note include:

- **3.30.030 Imposition of Tax.**
 - Commercial, Industrial, and Residential improvements are taxed at 1% of the project improvement valuation
- **3.30.040 Exemptions.** Private school improvements, public improvements, qualifying affordable housing (serving households that earn no more than 80% area median income), public or private hospital improvements, religious facilities, agricultural buildings, long term care facilities, etc. are alle exempt. **3.30.050 Collection of Tax.** Tax must be paid prior to building permit issuance.
- **3.30.100 Administrative Fee.**
 - City can withhold 4% of construction excise tax collected as an administrative fee(for processing and management of program)
 - .
- **3.30.090 Use of Revenue, Deed Restriction, and Annual Accounting.**
 - Tax collected from *Commercial, Industrial, and Mixed-Use* improvements may be used for either “developer incentives” or “affordable housing programs”.
 - Tax collected from *Residential* improvements must be used for:
 - 15% must go to Oregon Housing and Community Services (OHCS) homeownership programs (requirement for all cities with CET)
 - 50% must be used for developer incentives
 - 35% may be used for either developer incentives or affordable housing programs
 - “Developer Incentives” (C)
 - System development
 - Land acquisition
 - Local public improvement requirements
 - “Affordable Housing Programs” (D)
 - Rent buy-downs and subsidies
 - Downpayment assistance
 - Foreclosure prevention assistance

Budget Management

Per the City’s 2026 Adopted Budget, there is **\$1,240,940** available for distribution. There is **\$588,520** available for “Affordable Housing Programs”, and **\$652,420** available for “Developer Incentives”.

Up to this point, the City has been distributing funds to “Affordable Housing Programs” and “Developer Incentives” to have relatively equal contribution to each category. Considering the costs associated with new development (including required public improvements and parks system development charges (SDCs)), staff is proposing to re-allocate the distribution of these funds in the future to increase the amount available for Developer Incentives.

Notes:

- A portion of a full time employee position is supported through the construction excise tax to manage the City's affordable housing programs, including compliance with Oregon State housing laws. These personnel services and materials and services have been accounted for, outlined on page 2 of the 2026 Budget Document (Attachment 5).
- Over the next 7 years, the City will be implementing the recently adopted Housing Production Strategy (HPS). There were 16 actions to be implemented. CET funds may be used to support the implementation of these HPS actions. Staff considered the actions scheduled for implementation in 2026 and 2027, and does not foresee a need to set aside funds for those initial actions because the City was awarded a Technical Assistance Grant from Oregon DLCD to support the work. For this reason, the full available funding could be made available to programs and projects that submit requests.

Affordable Housing Committee (AHC) Meetings

- August 2024: AHC began discussion on the distribution of funds from the CET program and reviewed other cities' programs (attachment 6)
- October 2024 and January 2025: AHC discussed local goals of CET funding and potential approaches to determine the awarding of funding
- February 2025: AHC reviewed draft application materials and provided feedback
- April 2025: AHC held a final discussion on key topics (Eligibility for Funding, Availability of Funding, Selection/Review Process, Selection Criteria).
June 2025: AHC provided a final recommendation to move forward with the Review Process and Selection Criteria, outlined in Attachment 3 of this staff report.

Discussion:

Affordable Housing Committee Recommendation

Resolution No. 2023-02 (attachment 2) established a role for the Affordable Housing Committee (AHC) to make recommendations to City Council for the use of CET Funds. Last year, the AHC worked with staff to develop a proposed process to distribute available funds for eligible projects and programs. Attachment 3 (Program Overview Sheet) was developed to describe the intended process to be implemented and the selection criteria to inform the decision-making process. Key points not addressed elsewhere in this staff report for discussion include:

- **Review Process and Anticipated Timeline (page 3)**
 - Five (5) steps:
 - Completeness Review
 - Selection Subcommittee Review of Materials
 - Applicant Interviews, if needed
 - Notice of Recommendation to City Council
 - City Council Meeting and Authorization
 - Timeline: 65 days or less (depending on City Council meeting date)
 - Selection Subcommittee (5-7 people total)
 - At least two (2) Subcommittee positions shall be dedicated to City staff, but not more than four (4).

- At least two (2) positions shall be dedicated to Affordable Housing Committee Members, Planning Commissioners, or City Councilmembers, but no more than four (4).
- **Review and Selection Criteria (pages 4-6)**
 - “Essential Criteria” for all proposals
 - Completeness and Quality of Submittal Document
 - Consistency with Purpose of CET Funding
 - Readiness to Proceed
 - Relevant Experience and Expertise of Applicant Team
 - Financial Planning and Due Diligence
 - If current residents will be displaced or impacted, the applicant shall provide a clear plan for relocation (temporary or permanent)
 - “Bonus Points” may be awarded for specific priority outcomes

Implementation

City staff anticipates it will initially take approximately six months to award funds to programs and projects (finalize documents, timeline, application period, review period, and City Council final approval). If the City Council supports the Affordable Housing Committee’s recommendation at this Work Session, staff proposes the timeline below. If additional discussion is necessary before implementation, this tentative timeline would adjust accordingly. There is significant current interest from housing developers and housing providers to apply for the funds for various projects and programs.

<i>For Discussion Purposes Only</i>				
April/ May	June	July	August	September/ October
-Legal review of documents -Finalize timelines -Finalize documents and website information	-Promote upcoming “Notice of Funding Availability” for 3-4 weeks	-Begin 6 week application period for programs and projects seeking funding	-End of 6 week application period -Begin review process and Selection Subcommittee recommendation	-Subcommittee review -Present Subcommittee’s recommendation to City Council for awarding of funds

Legal Review of Documents. It is worth noting that some of the selection criteria (outlined in Attachment 3) may need to be refined or adjusted following legal review.

Key Point for Discussion- Frequency of Distribution

The AHC discussed the frequency of the funding distribution process (annually/semi-annually/open and on-going requests). The AHC deferred to staff on what they thought would be the most effective approach to manage the program.

Staff is recommending that the distribution process is evaluated on an annual basis to evaluate the available funds to ensure that it is a meaningful amount. If it is a meaningful amount, staff would recommend having an annual process to accept and review applications, on a similar timeline to what is proposed for 2026.

Attachments:

1. Ordinance No. 5112 (April 26, 2022), Adoption of Construction Excise Tax
2. Resolution No. 2023-02 (January 10, 2023), Establishing Affordable Housing Committee's Role for CET Funding
3. DRAFT Program Overview Sheet
4. DRAFT Application Form
5. Fiscal Year 2025-2026 CET Budget
6. Summary of other Cities' CET programs

Fiscal Impact:

This program is fully budgeted for in the Affordable Housing Fund. No General Fund fiscal impacts.

ORDINANCE NO. 5112

AN ORDINANCE AMENDING TITLE 3 OF THE MCMINNVILLE CITY CODE, ADOPTING AN AFFORDABLE HOUSING CONSTRUCTION EXCISE TAX.

RECITALS:

WHEREAS, the 2016 Oregon Legislature authorized the governing body of a city or county to impose a construction excise tax on new construction to fund Affordable Housing incentives and development programs through Senate Bill 1533 (2016), Chapter 59, Oregon Session Laws, 2016 (codified in ORS 320.170 to 320.195); and

WHEREAS, following passage of SB 1533, the McMinnville Affordable Housing Task Force, now the Affordable Housing Committee, evaluated whether to recommend approval of an Affordable Housing Construction Excise Tax to City Council, and evaluated parameters for a proposed Affordable Housing Construction Excise Tax. As part of a multi-year evaluation, they outreached to other cities, the development community, and housing organizations; and

WHEREAS, on October 20, 2021 the McMinnville Budget Committee provided a recommendation to City Council regarding a package of sustainable funding sources, including a recommendation for City Council to consider the Affordable Housing Construction Excise Tax; and

WHEREAS, on October 27, 2021, the McMinnville Affordable Housing Committee recommended adoption of the Affordable Housing Construction Excise Tax to City Council; and

WHEREAS, on November 17, 2021, the McMinnville City Council held a work session regarding the Affordable Housing Construction Excise Tax; and

WHEREAS, additional outreach was conducted with the development community on March 18, 2022 and April 1, 2022; and

WHEREAS, the City Council held a public hearing on April 26, 2022 to consider the Affordable Housing Construction Excise Tax, which was noticed in the News-Register on April 15; and

WHEREAS, the City Council having received the staff report, being fully informed about said request, and having deliberated;

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

1. That Title 3 of the McMinnville Municipal Code is amended as provided in Exhibit 'A', adding a new Chapter 3.30 "Affordable Housing Construction Excise Tax".

2. That at least five years and not more than six years after the effective date of this ordinance, the City Manager or designee shall prepare a report analyzing the impacts of the construction excise tax. Following the presentation of the report, the City Council may call for a public hearing to consider whether Chapter 3.30 should be repealed. Chapter 3.30 shall remain in effect unless repealed.

3. This Ordinance will take effect on July 1, 2022.

Passed by the McMinnville City Council this 26th day of April, 2022 by the following votes:

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

Nays: _____



MAYOR

Approved as to form:

Attest:



City Attorney

City Recorder

EXHIBITS:

- A. Affordable Housing Construction Excise Tax

**Exhibit 'A' - to Ordinance No. 5112
Affordable Housing Construction Excise Tax**

Chapter 3.30 AFFORDABLE HOUSING CONSTRUCTION EXCISE TAX

Sections:

- 3.30.010 Purpose
- 3.30.020 Definitions
- 3.30.030 Imposition of Tax
- 3.30.040 Exemptions
- 3.30.050 Collection of Tax
- 3.30.060 Statement of Full Value of improvement Required
- 3.30.070 Interest and Penalties
- 3.30.080 Refunds
- 3.30.090 Use of Revenue, Deed Restriction, and Annual Accounting
- 3.30.100 Administrative Fee
- 3.30.110 Appeal Procedure
- 3.30.120 Penalty
- 3.30.130 Review

3.30.010 Purpose

This chapter establishes a construction excise tax on commercial and residential improvements to provide funding for affordable housing in the city.

3.30.020 Definitions

The following definitions apply in this chapter.

"Affordable housing" means a housing unit for which a person earning 80% or less of area median income would not pay more than 30% of their gross income for housing payments.

"Area Median Income" means the Yamhill County median household income by household size as defined by the United State Department of Housing and Urban Development and published periodically.

"Building Division" means the McMinnville Building Division.

"City Manager" means the McMinnville City Manager or the Manager's designee.

"Commercial" means designed or intended to be used, or actually used, for other than residential purposes.

"Commercial and Industrial" means a structure designed or intended to be used, or actually used, for purposes other than residential purposes. Structures on land zoned Industrial or Commercial are presumed to be industrial or commercial.

"Construct" or "Construction" means erecting, constructing, enlarging, altering, repairing, improving, or converting any building or structure for which the issuance of a building permit is required by Oregon law.

"Housing units guaranteed to be affordable" means a residential housing unit for which a deed restriction or contractual obligation guarantees that the housing will remain affordable under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80 percent of the median household income for the area in which the construction tax is imposed, for a period of at least 60 years following the date of construction of the residential housing.

"Improvement" means a permanent addition to, or modification of, real property resulting in a new structure, additional square footage to an existing structure, or addition of living space to an existing structure.

"Net Revenue" means revenues remaining after the administrative fees described in section 3.30.100 are deducted from the total construction excise tax collected.

"Structure" means something constructed or built and having a fixed base on, or fixed to, the ground or to another structure.

"Value of Improvement" means the total value of the improvement as determined in the process of issuance of the building permit.

3.30.030 Imposition of Tax

Unless subject to exemption under Section 3.30.040, each person who applies for a building permit for real property located in the City of McMinnville shall pay a construction excise tax, as follows:

- A. Commercial or Industrial improvements shall be subject to and pay an excise tax in the amount of 1% of the value of the improvement. 100% of the net revenue of the tax collected shall go towards affordable housing programs, after deducting the administrative fee as set forth in Subsection 100 of this chapter.
- B. Residential improvements shall be subject to and pay an excise tax in the amount of 1% of the permit valuation of the improvement. The tax collected shall go towards administration and affordable housing programs per ORS 320.195(3).
- C. The Building Division shall calculate the amount of excise tax due under this Chapter based on the documentation provided by the permit applicant at the time of issuance of building permits and shall be based on the total value of all improvements associated with the project regardless of the number of separate building or trade permits involved.
- D. The percentage rate of the construction excise tax shall not exceed that permitted by state law.
- E. Construction excise taxes may be paid by:
 1. The owner of the subject property; or
 2. Any agent of the property owner authorized to apply for a building permit on the property owner's behalf.

3.30.040 Exemptions

- A. The following are exempt from the Affordable Housing Construction Excise Tax, which are specifically exempt under ORS 320.173:
1. Private school improvements.
 2. Public improvements as defined in ORS 279A.010 (Definitions for Public Contracting Code).
 3. Residential housing that is guaranteed to be affordable, under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80 percent of the median household income for the area in which the construction tax is imposed, for a period of at least 60 years following the date of construction of the residential housing.
 4. Public or private hospital improvements.
 5. Improvements to religious facilities primarily used for worship or education associated with worship.
 6. Agricultural buildings, as defined in ORS 455.315 (Exemption of agricultural buildings, agricultural grading and equine facilities) (2)(a).
 7. Facilities that are operated by a not-for-profit corporation and that are:
 - a. Long term care facilities, as defined in ORS 442.015 (Definitions);
 - b. Residential care facilities, as defined in ORS 443.400 (Definitions for ORS 443.400 to 443.455); or
 - c. Continuing care retirement communities, as defined in ORS 101.020 (Definitions).
 8. Residential housing being constructed on a lot or parcel of land to replace residential housing on the lot or parcel of land that was destroyed or damaged by wildfire or another event or circumstance that is the basis for a state of emergency declared under ORS 401.165 or 401.309 or for the exercise of authority under ORS 476.510 to 476.610.
- B. The following are also exempt from the Affordable Housing Construction Excise Tax:
1. Any improvements that are now or hereafter exempt from the construction excise tax under state law.
 2. Any improvement funded by Construction Excise Tax proceeds, or other dedicated affordable housing funding through the City of McMinnville. Such exemption is limited to the amount of the city's investment in the improvement unless the improvement is otherwise exempt under Subsection (A) of this Section.
 3. Accessory non-living space located on residential property (e.g., shop buildings, garages, unenclosed covered patios and decks, etc.)
- C. The City Manager may require any person seeking an exemption to demonstrate that the improvements are eligible for an exemption and to establish all facts necessary to support the exemption.
- D. In the event that a property receiving an exemption under this section as affordable housing is subsequently sold for an amount that no longer qualifies as affordable housing, the seller shall be liable for all of the following:
1. an amount equal to the applicable construction excise tax as of the time of the construction;

2. interest on the tax at an annual rate of 12% from the date of the exemption; and
3. a late fee equal to 5% of total applicable taxes and interest owing under this section.

3.30.050 Collection of Tax

The construction excise tax is payable on issuance of a building permit for the construction of improvements. A building permit may not be issued until the construction excise tax is paid.

3.30.060 Statement of Full Value of Improvement Required

It is a violation of this Chapter for any person or legal entity to fail to state, or to understate, the full value of improvements to be constructed in the City in connection with an application for a building permit.

3.30.070 Interest and Penalties

- A. Except for payments due pursuant to Section 3.30.040(D) above, all amounts of construction excise tax not paid when due shall bear interest on the entire unpaid amount at the rate of .83 percent simple interest per month or fraction thereof (10 percent per annum), computed from the original date to the 15th day of the month following the date of the payment. Interest amounts may not be waived. A penalty of five percent of the underpayment of construction excise tax shall apply to:
 1. Any underpayment due to the improvements constructed initially failing, or later ceasing, to be exempt affordable housing under section 3.30.040(A)(3).
 2. Any underpayment involving a failure to state or an understatement of the full value of improvements. If not paid within ten days after billing all interest and penalties shall merge with and become part of the construction excise tax required to be paid under this Chapter. From the point of merger, the previously assessed interest and penalty become part of the tax due for calculation of interest and penalty for subsequent periods.

3.30.080 Refunds

- A. The City shall issue a refund to the owner listed on the permit for which a tax was assessed and paid, in the amount of the tax actually paid, under the following circumstances:
 1. If the taxpayer establishes that the tax was paid for improvements that were otherwise eligible for an exemption under section 3.30.040.
 2. If the taxpayer establishes that construction of the improvements was not commenced and the associated building permit has been cancelled by the Planning Department.
- B. The City Manager shall either refund all amounts due under this section within 30 days of the date a written request for refund is filed with the city or give written notice of the reasons why the refund request has been denied. Such decision is subject to the appeals provisions in 3.30.110.

- C. Any request for refund must be initiated within one year from the date of payment.

3.30.090 Use of Revenue, Deed Restriction, and Annual Accounting

- A. Except for funds withheld for administrative costs under Section 3.30.100, all construction excise taxes levied upon projects on commercial, industrial and mixed-use property under Section 3.30.030A shall be used in accordance with Subsections (C) and (D) herein; and
- B. Except for funds withheld for administrative costs under Section 3.30.100, construction excise taxes levied upon projects on residential improvements under Subsection 3.30.030(B) shall be used as follows:
 - 1. 50% to fund developer incentives under subsection (C);
 - 2. 15% to the Oregon Housing and Community Services Department to fund home ownership programs that provide down payment assistance; and
 - 3. 35% to fund developer incentives and affordable housing programs under subsections (C) and (D), herein.
- C. 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:
 - 1. system development;
 - 2. land acquisition; and/or
 - 3. local public improvements required by municipal governments.
- D. The City may fund affordable housing programs in accordance with Section 9, Chapter 59, Oregon Laws 2016, including but not limited to:
 - 1. Rent buy-downs and subsidies;
 - 2. Down-payment assistance; and/or
 - 3. Foreclosure-prevention assistance.
- E. 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.
- F. The City Manager shall provide the City Council with an annual accounting, based on the city's fiscal year, for construction excise taxes collected and the projects funded from each account in the previous fiscal year. A list of the amounts spent on each project funded in whole or in part with construction excise tax revenues shall be included in the annual accounting.

3.30.100 Administrative Fee

- A. As authorized by Sections 8 and 9 of Chapter 59, Oregon Session Laws, 2016, the City shall receive an administrative fee equal to 4% the gross receipt of construction excise taxes, without regard to subsequent reductions due to refunds, failed payments, or similar reductions.
- B. The City shall deduct the administrative fees directly from the collected construction excise taxes.

- C. The City may recover from the construction excise taxes any banking fees or penalties that arise from the collection of construction excise taxes such as returned check charges.

3.30.110 Appeal Procedure

- A. Any written determination issued by the Planning Department applying the provisions of this Chapter, believed to be in error, may be reviewed by the City Manager if the recipient requests review in writing within ten days after receipt of the written determination together with all documentation required to support the request.
- B. Appeals of any other decision required or permitted to be made by the City Manager under this Chapter must be filed in writing with the City Manager within 10 days of the decision.
- C. After receiving an appeal under subsection B, the City Manager shall schedule the appeal to be heard by the Council, and provide notice to the appellant. The City Council shall determine whether the City Manager's decision or the expenditure is in accordance with the provisions of this Chapter and state law. The Council may affirm, modify, or overrule the decision. The decision of the Council shall be reviewed only by writ or review.
- D. The filing of any appeal shall not stay the effectiveness of the written determination unless the Council so directs.

3.30.120 Penalty

Violation of this chapter is a civil infraction.

RESOLUTION NO. 2023 – 02

A Resolution establishing a role for the Affordable Housing Committee in conducting outreach and making recommendations to City Council for use of Affordable Housing Construction Excise Tax (AHCET) Funds.

RECITALS:

Whereas, it is within the Affordable Housing Committee's (AHC's) scope, purpose, and powers to recommend policies that encourage increased access to and construction of affordable housing, to advise and make recommendations to the City Council consistent with the AHC's purpose, and to perform such other tasks as may be requested by the City Council.

Whereas, the purpose of the Affordable Housing Committee includes addressing increased access to and construction of housing for citizens earning 120 percent or less of McMinnville's median income; and

Whereas, on April 26, 2022, the 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; and

Whereas, the Affordable Housing Committee is well-positioned to conduct outreach and make recommendations to City Council regarding needs and priorities for use of CET funds, to recommend methods and criteria for allocating, determining, and awarding use of CET funds, and to subsequently participate in review and recommendations of projects and activities seeking use of CET funds.

Whereas, at the November 23, 2022 meeting of the Affordable Housing Committee, the Committee voted to recommend a resolution establishing their role in conducting outreach and making recommendations to City Council regarding the Affordable Housing Construction Excise Tax.

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

1. The City Council hereby establishes a role for the Affordable Housing Committee regarding use of Affordable Housing Construction Excise Tax (CET) Funds. This role may include, but is not limited to, the following: conducting outreach and making recommendations to City Council regarding needs and priorities for use of CET funds, recommending methods and criteria for allocating, determining, and awarding use of CET funds, and subsequently participating in review and recommendations of projects and activities seeking use of CET funds.
2. This Resolution will take effect January 10, 2023.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 10th day of January 2023 by the following votes:

Ayes: Geary, Garvin, Menke, Chenoweth, Payne

Nays: _____

Approved this 10th day of January 2023.



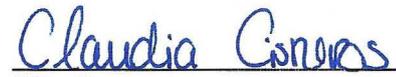
MAYOR

Approved as to form:



City Attorney

Attest:



City Recorder

Construction Excise Tax (CET) Funding Request Application

Overview of Program

On April 26, 2022, City Council adopted Ordinance 5112 establishing an Affordable Housing Construction Excise Tax (CET) to address affordable housing needs for citizens earning 80 percent or less of McMinnville's area median income¹. Unless subject to an exemption under MMC Section 3.30.040, each person who applies for a building permit for real property located in the City of McMinnville pays a construction excise tax.

On January 10, 2023, City Council adopted Resolution No. 2023-02 establishing a role for the Affordable Housing Committee in making recommendations to City Council for use of CET Funds. The Affordable Housing Committee worked with City staff to develop this current funding request process. Adjustments and improvements are anticipated over time, as needed. The program webpage and application materials will be updated to reflect any modifications to the program and process. Please make sure to download the most recent version of the application documents from the City's webpage before submitting a request.

Funding Availability

As City facilitates the "semi-annual" process, this section will be updated with exact available funds)

Per the City's 2026 Adopted Budget, there is **\$1,240,940** available for distribution. There is **\$588,520** available for **Affordable Housing Programs**, and **\$652,420** available for **Developer Incentives**.

City staff will update the CET program webpage and this document semi-annually to provide the current funds available for request.

If your organization is interested in requesting funds and are seeking more detailed information on currently available funds, please reach out the City's Planning Division.

¹ "Area Median Income" means the Yamhill County median household income by household size as defined by the United State Department of Housing and Urban Development and published periodically.

Eligibility

- The City will not review applications submitted for projects that only serve the needs of an individual (1) housing unit.
- The funding request must be a part of a program or project that is organized by an organization, agency, or development team.
- Projects that support or provide a minimum of twenty (20) affordable dwelling units will be prioritized for funding. Projects with fewer units may still apply.

Use of CET Funds (MMC 3.30.090)

City of McMinnville CET funds may be used to support two (2) different categories of funding that help support the provision of affordable housing options.

1. 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.
2. 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;
 - foreclosure-prevention assistance; and/or
 - preservation of existing affordable housing

"Affordable housing"

Affordable housing means housing for households that earn no more than 80 percent of the area median household income.

Deed Restriction Requirement

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.

Review Process and Anticipated Timeline

Please be aware that this timeline is subject to change

(As City facilitates each "semi-annual" process, this will get populated with exact dates)

- **Initial Completeness Review** (5 days)
 - If request for funding proposal meets the minimum submittal requirements, including accuracy of information, the applicant will be notified that the request is being routed for review to the CET Selection Subcommittee.

- **CET Selection Subcommittee Review** (15 days)
 - The Selection Subcommittee shall consist of five to seven (5-7) individuals.
 - At least two (2) Subcommittee positions shall be dedicated to City staff, but not more than four (4).
 - At least two (2) positions shall be dedicated to Affordable Housing Committee Members, Planning Commissioners, or City Councilmembers, but no more than four (4).
 - The Selection Subcommittee will review the request and assign points based on the "Review and Selection Criteria".

- **Applicant Interviews** (10 days)
 - Selection Subcommittee members will conduct interviews with the project teams that are deemed the most competitive, in order to make a decision on awarding funds.
 - Applicants will be provided the interview questions/topics at least one day prior to the interview to prepare.

- **Notice of Recommendation to City Council** (5 days)
 - Selection Subcommittee provides recommendation to City Council on project funding to approve or deny the request for CET funds.
 - Applicant will be notified by City staff on the recommendation of the Selection Subcommittee
 - If recommended for approval, the request will go before the City Council for final authorization to award funding.

- **City Council Meeting and Authorization** (30 days)
 - City Council meetings are regularly scheduled on the second Tuesday of each month. The timeline associated with this review step will vary based on the next available meeting.

- **Total Decision Timeline** (65 total days)

Review and Selection Criteria

The Construction Excise Tax program is intended to support unique projects that will make a meaningful impact on housing challenges facing McMinnville. The Affordable Housing Committee determined that CET funds should be awarded to projects that will use CET funds in the most efficient way possible or projects that may “fall through the cracks” of typical funding sources that are available through State and Federal programs.

Additionally, proposals that offer the best value for the benefit that they are providing will be most competitive for funding awards. The following criteria will be used by the Selection Subcommittee to review proposals and determine if funds should be awarded, and whether or not they recommend award the full funding request or a portion of the request based on the strength of the application. Applicants should provide responses to the criteria below to make their case of why they believe the project deserves to be awarded the funding.

Developer Incentives Funding (pages 5-6)

- Essential Criteria for all proposals – Evaluated on 100 point total
 - Proposals that will displace or impact current residents must provide a response to resident relocation criteria
- Priority Outcomes – 45 possible bonus points

Affordable Housing Programs Funding (pages 7-8)

- Essential Criteria for all proposals – Evaluated on 100 points possible
- Priority Outcomes - 40 possible bonus points

Developer Incentives Funding - Essential Criteria	Points (100 total)
1. <u>Completeness and Quality of Submittal Document</u> <ul style="list-style-type: none"> Professionalism (grammar, spelling, formatting, visuals) Robust responses to all application requirements. 	5 points
2. <u>Consistency with Purpose of CET Funding</u> <ul style="list-style-type: none"> Proposal addresses a unique need that is responsive to locally recognized housing barriers. Production of new affordable housing units through new construction or renovation/remodel. Aligns with City’s long range planning efforts, including Comprehensive Plan goals and policies and the Great Neighborhood Principles. 	10 points
3. <u>Readiness to Proceed</u> <ul style="list-style-type: none"> Evidence of agreements or contracts to execute the proposed project. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option. Clear permitting plan in place, if applicable. 	25 points
4. <u>Relevant Experience and Expertise of Applicant Team</u> <ul style="list-style-type: none"> Demonstrated success in affordable housing development. Proven ability to access funding resources to development and complete projects comparable in size to the one being proposed. Supplemental programs and services to support residents. Successful partnerships with non-profit organizations, service providers, public agencies, or D/M/W/ESB/SDVBE² businesses. 	35 points
5. <u>Financial Planning and Due Diligence</u> <ul style="list-style-type: none"> The project utilizes existing resources in effective and innovative ways. The budget and timeline are thorough and realistic (evidence of construction and/or service costs is required with application) Maximizes community connections (volunteers, in-kind contributions, cash contributions, etc.) Demonstrate that CET funds are the most appropriate source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects. Provide evidence as to why the proposal could not be funded solely through existing State and Federal programs. If this project requires local matching to access these programs, please respond to “Bonus Points for Leveraging Funds Efficiently” criteria. 	25 points

² “D/M/W/ESB/SDVBE” means a business that is Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, and/or Service Disabled Veterans Business Enterprises.

Resident Relocation Plan Criteria (Required, if applicable) (Must provide response if current residents will be displaced or impacted)	Required
<ul style="list-style-type: none"> Relocation of existing residents will be minimized, and when necessary, include relocation assistance costs as part of the project pro forma. Provide a clear housing stability plan, including timeline, for existing residents to avoid displacement. 	
Priority Outcomes (“Bonus” points available)	Points (45 total)
<u>Efficient Leveraging of Funds</u> <ul style="list-style-type: none"> Provide detailed evidence that “local matching” from CET funds would enable or greatly increase access to additional funding sources. 	10 points
<u>Serving Historically Marginalized Communities</u> <ul style="list-style-type: none"> This term refers to groups who have been denied access and/or suffered past institutional discrimination in the United States and, according to the Census and other federal measuring tools, including but not limited to BIPOC communities (including but not limited to ALAANA, AAPI, Latinx), LGBTQIA2S+, persons with disabilities, and veterans. Provide detailed strategies to identify how this proposal will serve populations that have historically experienced exclusion, discrimination, and inequitable distribution of resources and wealth-building opportunities and programs. 	10 points
<u>Deeply Affordable Housing</u> <ul style="list-style-type: none"> Housing for households earning less than 50% of the median family income, Including permanent supportive housing (subject to 60 year deed restriction) 	10 points
<u>Homeownership Opportunities</u> <ul style="list-style-type: none"> Proposal provides homeownership opportunities affordable to 80 percent or less of McMinnville's area median income, including community land trust models Does not include manufactured/mobile home development that does not allow ownership of land 	10 points
<u>Accessible Design</u> <ul style="list-style-type: none"> Goal: 25-30% of total units Stepless entrances/visitability Mobility accommodations Single-level units Interior widths (32” doorways, 36” inch hallways) 	5 points

Affordable Housing Programs - Essential Criteria	Points (100 total)
1. <u>Completeness and Quality of Submittal Document</u> <ul style="list-style-type: none"> • Professionalism (grammar, spelling, formatting, visuals) • Robust responses to all application requirements. 	5 points
2. <u>Consistency with Purpose of CET Funding</u> <ul style="list-style-type: none"> • Proposal addresses a unique need that is responsive to locally recognized housing barriers. • Retention of existing affordable housing units. • Reduces barriers to homeownership or rental. • Aligns with City’s long range planning efforts, including Comprehensive Plan goals and policies and the Great Neighborhood Principles. 	10 points
3. <u>Readiness to Proceed</u> <ul style="list-style-type: none"> • Evidence of connections with clients or partners to execute the program’s outcomes. • Evidence of agreements or contracts to execute the proposed project. 	25 points
4. <u>Relevant Experience and Expertise of Applicant Team</u> <ul style="list-style-type: none"> • Demonstrated success in affordable housing programming. • Proven ability to access funding resources to facilitate programs comparable to the one being proposed. • Supplemental programs and services to support residents. • Successful partnerships with non-profit organizations, service providers, public agencies, or D/M/W/ESB/SDVBE³ businesses. 	35 points
5. <u>Financial Planning and Due Diligence</u> <ul style="list-style-type: none"> • The project utilizes existing resources in effective and innovative ways. • The budget and timeline are thorough and realistic • Maximizes community connections (volunteers, in-kind contributions, cash contributions, etc.) • Demonstrate that CET funds are the most appropriate source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects. • Provide evidence as to why the proposal could not be funded solely through existing State and Federal programs. If this project requires local matching to access these programs, please respond to “Bonus Points for Leveraging Funds Efficiently” criteria. 	25 points

³ “D/M/W/ESB/SDVBE” means a business that is Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, and/or Service Disabled Veterans Business Enterprises.

Priority Outcomes (“Bonus” points available)	Points (40 total)
<u>Efficient Leveraging of Funds</u> <ul style="list-style-type: none"> • Provide detailed evidence that “local matching” from CET funds would enable or greatly increase access to additional funding sources. 	10 points
<u>Serving Historically Marginalized Communities</u> <ul style="list-style-type: none"> • This term refers to groups who have been denied access and/or suffered past institutional discrimination in the United States and, according to the Census and other federal measuring tools, including but not limited to BIPOC communities (including but not limited to ALAANA, AAPI, Latinx), LGBTQIA2S+, persons with disabilities, and veterans. • Provide detailed strategies to identify how this proposal will serve populations that have historically experienced exclusion, discrimination, and inequitable distribution of resources and wealth-building opportunities and programs. 	10 points
<u>Deeply Affordable Housing</u> <ul style="list-style-type: none"> • For full points, at least 50 percent of units in a development shall be for households earning less than 50% of the area median household income. <ul style="list-style-type: none"> ◦ Averaging incomes to achieve 50% is allowed (ex. 80% / 30% = 50%) • May include permanent supportive housing model (subject to 60 year deed restriction) 	10 points
<u>Homeownership Opportunities</u> <ul style="list-style-type: none"> • Proposal provides homeownership opportunities affordable to 80 percent or less of McMinnville's area median income, including community land trust models • Does not include manufactured/mobile home development that does not allow ownership of land 	10 points

CET Funding Request Application

Amount of Funding Requested

Please select if the proposal is requesting a loan or a grant from the City's CET Funds.

Loan. Specify total amount: _____

Grant. Specify total amount: _____

Type of Funding Requested

Please select if the proposal is requesting funds for affordable housing programs or developer incentives.

Developer Incentives, 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.

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.

Applicant Information

Applicant is: Property Owner Organization Other _____

Applicant Name: _____ Phone: _____

Contact Name: _____ Phone: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

E-mail: _____

If any member of the applicant team is currently a part of a City of McMinnville Board, Committee, Commission, or Council, please disclose who and which group they are a part of.

For Site-Specific Proposals

Site Information

Property Address: _____

Assessor Map No.: _____ Total Site Area: _____

Subdivision: _____ Block: _____ Lot: _____

Comprehensive Plan Designation: Residential Commercial Mixed Use Urban Industrial

Zoning Designation: R1 R2 R3 R4 R5 | C1 C2 C3 | M1 M2 ML

Site Description: _____

Property Owner Information

(If different than the applicant) Provide all property owner(s) information on separate sheet if necessary.

Property Owner Name: _____ Phone: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

E-mail: _____

Owner Authorization Statements and Signature (for Site-Specific Proposals)

I/We, _____, am/are the legal owners of the subject parcel. I/We consent to the proposed project as it has been made with the free consent and in accordance with my/our desires.

Applicant Authorization

I/We, grant _____, permission to file and coordinate the proposal with the City of McMinnville.

Property Owner's Signature
(For site-specific proposals)

Date

Application Submittal

The following materials must be provided at the time of submittal, or the application will not be accepted for processing. Attach all pertinent information and additional pages, as necessary, for details.

- A completed Construction Excise Tax (CET) Funding Request Form
- Project Narrative
 - What type of housing will this proposal help support?
 - What is the demonstrated need for this type of housing?
 - How do you intend to continue the work or mission of this proposal, including strategies for future funding, after the award has been spent?
 - If your applicant team is submitting multiple programs/projects for funding, please describe the team's ability and capacity related to the proposals.
 - Is there capacity and resources available to successfully complete more than one project/program during the same time?
 - If capacity is limited, is there a project/program that you believe should be prioritized for funding?
 - Describe the different opportunities that each proposal provides.
 - For **Developer Incentives** funding-
 - New Construction: Summarize proposed development including square footage by proposed occupancy, proposed site improvements, other key project components.
 - Remodel/Reuse: If remodel/reuse - Describe all major building systems to be rehabilitated or replaced and proposed occupancy. If existing tenants will be affected describe plans to minimize impacts on tenants during construction.
 - For **Affordable Housing Programs** funding –
 - Summarize proposed program including program eligibility requirements, method/approach to reaching clients in need, and specific use of funds to support efforts.
 - Administrative costs supported by the CET funding shall not exceed 10% of the total award. Provide details on how funding will be used, and clearly define anticipated administrative costs to support the program.

- Response letter addressing all criteria outlined in “**Selection Criteria**”
 1. Completeness and Quality of Submittal Document
 2. Consistency with Purpose of CET Funding
 3. Readiness to Proceed
 4. Relevant Experience and Expertise of Applicant Team
 5. Financial Planning and Due Diligence
 - Resident Relocation Plan Criteria (Required, if applicable)
 - Bonus Categories for Priority Outcomes:
 - Efficient Leveraging of Funds, Serving Historically Marginalized Communities, Deeply Affordable Units, Affordable Homeownership, and Accessible Design

- Responses to demonstrate consistency with **Comprehensive Plan goals and policies** *(will be hyperlinked)* in “Chapter V: Housing and Residential Development”.
 - Policies to review closely: 62.00, 63.00, 80.00, 81.00, 84.00, 86.00, 92.00, 92.01, 92.02, 92.03, 94.00, 97.00, 98.00

- Responses to demonstrate consistency with **Great Neighborhood Principles** *(will be hyperlinked)*.

- Budgeted Project or Program Costs (Include when responding to “Selection Criteria: Financial Planning and Due Diligence”). Reminder - Administrative costs supported by the CET funding shall not exceed 10% of the total award.

- There may be additional materials, as determined by the Community Development Director, to illustrate compliance with applicable review criteria or to explain the details of the requested land use action.

(For Site-Specific Proposals)

- Site plan (of a reproducible size, legible, drawn to scale, with a north arrow) containing the following information:
 - Site address(s) and site tax lot number(s);
 - Existing and proposed property lines and lot area;
 - Location of existing and proposed easements, drainage, driveways, streets (adjacent to the site), and utilities;
 - Location, use, size, and setback from property lines of existing and proposed structures on the subject site; and

- Burden of proof for compliance with land use and zoning regulations
 - Land Use Allowance – describe if the proposed land use is permitted per the Zoning Ordinance (Title 17) *(will be hyperlinked)*, or what permitting process will be completed to conform with the zoning ordinance.
 - Special Designations – Describe if building or property has any applicable designations that need to be considered for the project (Historic Resources, Design Overlays, District Plans) *(will be hyperlinked to GIS map)*. If applicable, submit a compliance strategy.

I certify the statements contained herein, along with the evidence submitted, are in all respects true and are correct to the best of my knowledge and belief.

Name (Printed)

Title

Applicant's Signature

Date

Budget Document Report

08 - AFFORDABLE HOUSING FUND

2023 ACTUAL	2024 ACTUAL	2025 AMENDED BUDGET	Department : 25 - CONSTRUCTION EXCISE TAX Section : N/A Program : N/A		2026 PROPOSED BUDGET	2026 APPROVED BUDGET	2026 ADOPTED BUDGET
RESOURCES							
<u>BEGINNING FUND BALANCE</u>							
0	306,064	764,051	4090	Beginning Fund Balance Estimated July 1 undesignated carryover from the prior year.	1,168,333	1,168,333	1,168,333
0	306,064	764,051	<u>TOTAL BEGINNING FUND BALANCE</u>		1,168,333	1,168,333	1,168,333
<u>LICENSES AND PERMITS</u>							
287,226	307,801	350,000	4208-05	Construction Excise Tax - Residential	150,000	150,000	150,000
26,730	304,074	100,000	4208-10	Construction Excise Tax - Commercial	100,000	100,000	100,000
313,956	611,875	450,000	<u>TOTAL LICENSES AND PERMITS</u>		250,000	250,000	250,000
<u>MISCELLANEOUS</u>							
34,318	84,394	85,000	6310	Interest	40,000	40,000	40,000
34,318	84,394	85,000	<u>TOTAL MISCELLANEOUS</u>		40,000	40,000	40,000
348,274	1,002,333	1,299,051	<u>TOTAL RESOURCES</u>		1,458,333	1,458,333	1,458,333

08 - AFFORDABLE HOUSING FUND

2023 ACTUAL	2024 ACTUAL	2025 AMENDED BUDGET	Department : 25 - CONSTRUCTION EXCISE TAX Section : N/A Program : N/A	2026 PROPOSED BUDGET	2026 APPROVED BUDGET	2026 ADOPTED BUDGET
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REQUIREMENTS

PERSONNEL SERVICES

0	1,482	0	7000 Salaries & Wages	0	0	0
0	23,069	72,849	7000-05 Salaries & Wages - Regular Full Time Associate Planner - Housing - 1.00 FTE	103,341	103,341	103,341
0	0	1,599	7000-20 Salaries & Wages - Overtime	1,215	1,215	1,215
0	386	0	7300 Fringe Benefits	0	0	0
0	1,396	4,505	7300-05 Fringe Benefits - FICA - Social Security	6,325	6,325	6,325
0	327	1,079	7300-06 Fringe Benefits - FICA - Medicare	1,516	1,516	1,516
0	0	22,633	7300-15 Fringe Benefits - PERS - OPSRP - IAP	34,199	34,199	34,199
0	4,947	17,546	7300-20 Fringe Benefits - Medical Insurance	18,132	18,132	18,132
0	1,500	2,250	7300-22 Fringe Benefits - VEBA Plan	2,000	2,000	2,000
0	19	45	7300-25 Fringe Benefits - Life Insurance	60	60	60
0	67	174	7300-30 Fringe Benefits - Long Term Disability	244	244	244
0	365	1,042	7300-35 Fringe Benefits - Workers' Compensation Insurance	1,454	1,454	1,454
0	5	16	7300-37 Fringe Benefits - Workers' Benefit Fund	21	21	21
0	18	58	7300-45 Fringe Benefits - Paid Family Leave City Share	900	900	900
0	33,579	123,796	<u>TOTAL PERSONNEL SERVICES</u>	169,407	169,407	169,407

MATERIALS AND SERVICES

0	0	2,500	7520 Public Notices & Printing	2,500	2,500	2,500
0	34	200	7540 Employee Events Costs shared city-wide for employee training, materials, and events.	100	100	100
0	62	66	7610-05 Insurance - Liability	138	138	138
0	0	2,500	7660 Materials & Supplies	1,500	1,500	1,500
0	0	50,400	7750 Professional Services	0	0	0
0	0	1,620	7750-01 Professional Services - Audit & other city-wide prof svc Costs shared city-wide for audit, Section 125 plan administrative fees, and other miscellaneous professional service expenses	9,520	9,520	9,520
0	0	1,723	7840 M & S Computer Charges I.S. Fund materials & supplies costs shared city-wide	1,249	1,249	1,249
0	3,428	0	7840-68 M & S Computer Charges - Affordable Housing	0	0	0

Budget Document Report

08 - AFFORDABLE HOUSING FUND

2023 ACTUAL	2024 ACTUAL	2025 AMENDED BUDGET	Department : 25 - CONSTRUCTION EXCISE TAX Section : N/A Program : N/A				2026 PROPOSED BUDGET	2026 APPROVED BUDGET	2026 ADOPTED BUDGET
0	0	477,600	8016	Affordable Housing Programs			588,520	588,520	588,520
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				25 Rollover	1	477,600	477,600		
				26 Projections	1	110,920	110,920		
29,080	44,349	50,400	8018	Construction Excise Tax expense			22,500	22,500	22,500
				Residential CET - OR Housing Fund (15% Residential)					
0	0	564,000	8226	Developer Incentives			652,420	652,420	652,420
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				25 Rollover	1	564,000	564,000		
				26 Projections	1	88,420	88,420		
29,080	47,874	1,151,009	TOTAL MATERIALS AND SERVICES				1,278,447	1,278,447	1,278,447
CAPITAL OUTLAY									
0	0	182	8750	Capital Outlay Computer Charges			76	76	76
				I.S. Fund capital outlay costs shared city-wide					
0	0	182	TOTAL CAPITAL OUTLAY				76	76	76
TRANSFERS OUT									
4,876	4,989	8,782	9700-01	Transfers Out - General Fund			2,500	2,500	2,500
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Administration & Finance personnel services support	1	2,500	2,500		
8,254	7,330	9,218	9700-70	Transfers Out - Building			7,500	7,500	7,500
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>		
				Building personnel services support	1	7,500	7,500		
13,130	12,319	18,000	TOTAL TRANSFERS OUT				10,000	10,000	10,000
CONTINGENCIES									
0	0	6,064	9800	Contingencies			0	0	0
0	0	6,064	TOTAL CONTINGENCIES				0	0	0
ENDING FUND BALANCE									
306,064	908,561	0	9999	Unappropriated Ending Fd Balance			403	403	403
306,064	908,561	0	TOTAL ENDING FUND BALANCE				403	403	403
348,274	1,002,333	1,299,051	TOTAL REQUIREMENTS				1,458,333	1,458,333	1,458,333

Budget Document Report

08 - AFFORDABLE HOUSING FUND

2023 ACTUAL	2024 ACTUAL	2025 AMENDED BUDGET	Department : 26 - GRANTS Section : N/A Program : N/A		2026 PROPOSED BUDGET	2026 APPROVED BUDGET	2026 ADOPTED BUDGET
RESOURCES							
<u>BEGINNING FUND BALANCE</u>							
813	813	922	4008-01	Designated Begin Fd Balance - Affordable Housing - Grants	0	0	0
813	813	922	<u>TOTAL BEGINNING FUND BALANCE</u>		0	0	0
<u>INTERGOVERNMENTAL</u>							
0	0	500,000	4520	Community Development Block Grnt McMinnville Housing Rehabilitation Program	450,000	450,000	450,000
0	0	0	4771-05	Business Oregon (State) - MV Advancement - Infrastructure	195,094	195,094	195,094
0	0	0	4771-10	Business Oregon (State) - Holt Homes - Water Infrastructur	2,000,000	2,000,000	2,000,000
34,894	1,465,106	0	4776-05	OR Dept of Administrative Svcs - Navigation Center Grant	0	0	0
480,475	19,525	0	4779-05	YCAP - Navigation Center Grant	0	0	0
0	609,500	0	5015	Yamhill Community Care Org	0	0	0
515,369	2,094,131	500,000	<u>TOTAL INTERGOVERNMENTAL</u>		2,645,094	2,645,094	2,645,094
<u>TRANSFERS IN</u>							
0	567,200	325,754	6900-01	Transfers In - General Fund	0	0	0
0	567,200	325,754	<u>TOTAL TRANSFERS IN</u>		0	0	0
516,182	2,662,144	826,676	<u>TOTAL RESOURCES</u>		2,645,094	2,645,094	2,645,094

Budget Document Report

08 - AFFORDABLE HOUSING FUND

2023 ACTUAL	2024 ACTUAL	2025 AMENDED BUDGET	Department : 26 - GRANTS Section : N/A Program : N/A		2026 PROPOSED BUDGET	2026 APPROVED BUDGET	2026 ADOPTED BUDGET
REQUIREMENTS							
<u>MATERIALS AND SERVICES</u>							
0	0	0	7660	Materials & Supplies	0	0	0
0	0	0	7660-25	Materials & Supplies - Grants	0	0	0
200	300,000	500,000	7750	Professional Services	450,000	450,000	450,000
0	0	0	7750-04	Professional Services - Grants	0	0	0
200	300,000	500,000	<u>TOTAL MATERIALS AND SERVICES</u>		450,000	450,000	450,000
<u>CAPITAL OUTLAY</u>							
480,688	2,388,940	325,754	8800	Building Improvements	0	0	0
0	0	0	8800-02	Building Improvements - Grants Infrastructure for Holt Home and MV Advancements Workforce Housing	2,195,094	2,195,094	2,195,094
480,688	2,388,940	325,754	<u>TOTAL CAPITAL OUTLAY</u>		2,195,094	2,195,094	2,195,094
<u>TRANSFERS OUT</u>							
34,481	86,342	0	9700-01	Transfers Out - General Fund	0	0	0
34,481	86,342	0	<u>TOTAL TRANSFERS OUT</u>		0	0	0
<u>ENDING FUND BALANCE</u>							
813	-113,137	922	9908-01	Designated Ending Fund Balance - Affordable Housing - Grants	0	0	0
813	-113,137	922	<u>TOTAL ENDING FUND BALANCE</u>		0	0	0
516,182	2,662,145	826,676	<u>TOTAL REQUIREMENTS</u>		2,645,094	2,645,094	2,645,094

Budget Document Report

08 - AFFORDABLE HOUSING FUND

2023 ACTUAL	2024 ACTUAL	2025 AMENDED BUDGET	Department : 25 - CONSTRUCTION EXCISE TAX Section : N/A Program : N/A	2026 PROPOSED BUDGET	2026 APPROVED BUDGET	2026 ADOPTED BUDGET
864,455	3,664,478	2,125,727	TOTAL RESOURCES	4,103,427	4,103,427	4,103,427
864,456	3,664,478	2,125,727	TOTAL REQUIREMENTS	4,103,427	4,103,427	4,103,427

Affordable Housing Construction Excise Tax Program Comparison

Jurisdiction and Adoption Year	Summary	Links
Standard Comparison Cities		
City of Bend, 2006	<p><u>Request for Proposal (RFP) Process</u> In 2024-2025, there was \$1.2 million available for applications.</p> <p><u>Funding Categories</u> Land Acquisition, Community Land Trust, Infrastructure and Public Improvements, New Construction</p> <p><u>Results</u> 2024 Approved Projects</p> <ul style="list-style-type: none"> • Housing Works - Development of 59 units of affordable multifamily housing • Thistle and Nest - Downpayment assistance (or other mortgage buy-down assistance) to support 30 families in purchasing townhomes. • Bend Redmond Habitat for Humanity - Downpayment assistance (or other mortgage buy-down assistance) to support 9 families in purchasing townhomes. <p>Over the years, the fund has supported construction of over 1000 affordable housing units.</p>	<p>Bend 2024 Affordable Housing Fund Summary¹</p> <p>November 17, 2021, City Council Work Session Presentation²</p>

¹ <https://www.bendoregon.gov/Home/Components/News/News/6216/6?backlist=%2fgovernment%2fdepartments%2fhousing>

² <https://www.youtube.com/watch?v=cSlhs3xa2Fs>

<p>City of Newberg, 2020-2024</p>	<p>City Council adopted Ordinance No. 2023-2917 to sunset the collection of the CET effective July 1, 2023.</p> <p><u>Results</u> Affordable Housing Commission reviewed eight (8) applications and made two (2) recommendations for approval from City Council.</p> <ul style="list-style-type: none"> • <i>"Affordable Housing Programs" Category</i> - Yamhill County Affordable Housing Corporation requesting \$262,500 for housing repairs for very low and low income households. • <i>"Developer Incentive Project" Category</i> - Joint proposal by Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence for \$397,050 to build a comprehensive affordable housing project <p><i>"Legacy Project" Category</i> – A second NOFA coming out in November for the rest of the CET funds collected</p>	<p>City of Newberg webpage³</p> <p>November 17, 2021, City Council Work Session Presentation⁴</p>
<p>City of Grants Pass, 2021</p>	<p><u>Request for Proposal (RFP) Process</u> Fund builds until a certain time has passed (ex. 2 years) or a dollar threshold is met (ex. \$500,000). <i>Staff Explanation</i> - Found that an amount that could cover System Development Charges was just about the minimum for a meaningful amount, so for us a 56 unit apartment complex would need around \$370k.</p> <p><u>Funding Categories</u></p> <ol style="list-style-type: none"> 1. New construction for households earning 80% AMI or below for rental or homeownership 2. New construction for households earning 81%-100% AMI for homeownership <p><u>Review Process</u> Submittals reviewed by a selection team comprised of City staff and Housing Advisory Committee members.</p> <p><u>Results</u> City's first RFP had 4 applicants: our local Habitat for Humanity, and three (3) other affordable housing developers, one of which submitted for a mix of affordable rental, affordable ownership, and market rate units.</p>	<p>City of Grants Pass webpage⁵</p>

³ <https://www.newbergoregon.gov/planning/page/construction-excise-tax>

⁴ <https://www.youtube.com/watch?v=cSIhs3xa2Fs>

⁵ <https://www.grantspassoregon.gov/1799/Affordable-and-Market-Rate-Housing-Devel>

City of Corvallis, 2016	<u>Preliminary Assessment Online</u> <ul style="list-style-type: none"> Organizations may apply at any time 	Corvallis webpage ⁶
City of Redmond	No Construction Excise Tax program in place at this time. However, the 2023-2025 City Council's Goals include an action to, "Examine incentives such as property tax abatements, a construction excise tax, and deed restrictions for housing at 120% MFI and below."	City of Redmond City Council Goals ⁷
City of Ashland	No Construction Excise Tax program in place at this time. However, the Housing and Human Services Advisory Committee has a 2024 Action Plan item to, "Explore the impacts of instituting a construction excise tax."	Ashland Chronicle article ⁸
City of Albany	No Construction Excise Tax program in place at this time.	
Other Cities		
City of Medford, 2018	<u>Request for Proposal (RFP) Process</u> <ul style="list-style-type: none"> Housing Opportunity Fund (HOF) to administers CET funding. Request for Proposals is sent out each year to solicit affordable housing projects. Housing Advisory Commission reviews and scores applications <ul style="list-style-type: none"> Their recommendations are reviewed and approved by City Council. In the process of implementing "Neighborly" grant management software and we'll use this for the next RFP. <u>Funding Categories</u> The program is considered each year when we look at funding priorities, where outcomes are reported to City Council and anticipated funding availability for the coming year is reviewed.	Medford webpage ⁹

⁶ <https://www.corvallisoregon.gov/cd/webform/affordable-housing-construction-excise-tax-project>

⁷ <https://www.redmondoregon.gov/government/city-council/council-goals>

⁸ <https://theashlandchronicle.com/ashland-city-council-advisory-committees-2024-work-plans-fyi/>

⁹ <https://www.medfordoregon.gov/Government/Departments/Housing-and-Community-Development/Affordable-Housing/Developer-Resources>

<p>City of Medford, 2018</p>	<p>Residential tax pays for:</p> <ul style="list-style-type: none"> • Medford down payment assistance programs • Programs and incentives to encourage construction of homes affordable to households with incomes at or below 80% of Medford's Area Median Income (AMI) <p>Commercial and Industrial tax pays for:</p> <ul style="list-style-type: none"> • Development and construction of housing affordable to households with incomes up to 120% AMI <p><u>Results</u></p> <ul style="list-style-type: none"> • ColumbiaCare: veteran housing, 16 units • Housing Authority of Jackson County: affordable housing, two projects that total 198 units • CASA of Oregon: affordable housing for agricultural workers, 33 units • Habitat for Humanity: homeownership, 13 units • Proud Ground: Community Land Trust homeownership, 18 units • North Development Group: affordable housing, 36 units • We have also funded a few transitional housing programs. This program has had a meaningful impact on housing and we consider it to be of great benefit. <p><u>Program Management</u></p> <p>The program isn't especially burdensome to administer, but it does take staff time and we use the 4% allowable for this. It was designed to be minimally complicated.</p>	
<p>City of Milwaukie, 2017</p>	<p><u>Request for Proposal (RFP) Process</u></p> <p>Fund builds until a "significant" dollar threshold is met. The City recently completed first RFP process that had \$2 million awarded. Staff reviews applications submitted and makes recommendation to City Council.</p> <p><u>Funding Categories</u></p> <ol style="list-style-type: none"> 1. New construction for households earning 80% AMI or below for rental or homeownership 2. New construction for households earning 81%-120% AMI for homeownership <p><u>Results</u></p> <p>Funding two projects. First, a higher-density multifamily project for rent, and the second is a community land trust model development with smaller homes intended for ownership.</p>	<p>City of Milwaukie webpage¹⁰</p>

¹⁰ <https://www.milwaukieoregon.gov/communitydevelopment/milwaukie-construction-excise-tax-cet>

<p>City of Eugene, 2019</p>	<p><u>Request for Proposal (RFP) Process</u></p> <ul style="list-style-type: none"> • Annual due date (March 11, 2024) • \$1,056,545 in funding available this year • Funding recommendation from Affordable Housing Trust Fund Advisory Committee, with public comment period. Their recommendations are reviewed and approved by City Council. <p><u>Funding Categories</u> AHTF resources available through this RFP will be prioritized for creation of housing demonstrating significant innovation or benefit through the project design, financing, or management structure (examples include cooperatives, community land trusts, shared equity homeownership, Single Resident Occupancy shared housing, multi-generational housing, and more.) Proposals will be accepted that include at least 4 dwellings.</p> <p><u>Results - 2022 and 2023 Funding Awards¹¹</u></p> <p>2024 Submissions</p> <ul style="list-style-type: none"> • (Approved) Rosa Village by SquareOne Villages – 52 affordable units • (Approved) The Lucy by Cornerstone Community Housing – 36 affordable units • Floral Hill by DevNW – 36 affordable units • Nelson Place by DevNW – 28 affordable units <p>2023</p> <ul style="list-style-type: none"> • Homes for Good Housing Agency for The Coleman - a new mixed-used three-story development • Homes for Good Housing Agency for Bridges on Broadway - convert four story, former Red Lion Hotel • Cultivate Inc. for the Grant Street Grow Homes - four new homeownership home <p>2022</p> <ul style="list-style-type: none"> • SquareOne Villages for Peace Village - new development of 70 owner-occupied tiny homes for low-income households • St. Vincent De Paul Society of Lane County for Green Lane Veteran’s Housing - new development of 10 units of transitional housing for veterans experiencing homelessness 	<p>Eugene webpage¹²</p> <p>Eugene Request for Proposals page¹³</p>
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¹¹ <https://www.eugene-or.gov/5109/Affordable-Housing-Trust-Fund-Awards>

¹² <https://www.eugene-or.gov/4232/Affordable-Housing-Trust-Fund>

¹³ <https://www.eugene-or.gov/4844/Affordable-Housing-Trust-Fund-Request-fo>

<p>City of Tigard, 2019</p>	<p><u>Funding Categories</u></p> <ul style="list-style-type: none"> • Backfill SDC funds from Affordable Housing Exemption • Fund flexible affordable housing programs • Down payment assistance programs <p><u>Results</u></p> <p>2021 (couldn't find more recent information)</p> <ul style="list-style-type: none"> • Affordable Homeownership Project with Proud Ground Community Land Trust • Funding 5 homes through down payment assistance <p>Utilized \$520,000</p>	<p>November 17, 2021, City Council Work Session Presentation¹⁴</p>
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¹⁴ <https://www.youtube.com/watch?v=cSIhs3xa2Fs>

From: [Kyle Dauterman](#)
To: [City Recorder Team](#)
Subject: Public Comment - Subject: Recology
Date: Friday, March 20, 2026 10:47:36 PM
Attachments: [We sent you safe versions of your files.msg](#)
[KyleDautermanPublicComment.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.

Hey Claudia,

It's Kyle Dauterman, attached below is my public comment to the City Council regarding Recology. Thank you!

All the best,
Kyle Dauterman

McMinnville City Council & Mayor,

My name is Kyle Dauterman, and I am a resident of McMinnville. I am writing to the Council today to express my discontent with the quality of service provided by Recology, specifically regarding the administrative and billing side.

Recology consistently fails to use correct billing methodologies; in fact, they have overcharged me significantly twice in just the past few years. I have heard similar stories from other residents in our area. It is well known in our community that residents must double- and triple-check their statements because Recology is highly prone to errors. These billing issues are rarely caught by Recology staff and nearly always require the customer to seek direct support to remedy the issue.

On two separate occasions, I have been overcharged (or needlessly charged for free services) to the tune of several hundred dollars. Once I identify the error, they do refund the money, but the process of returning those funds takes far too long. While I am fortunate that this is not a financial crisis for me, I cannot help but think of McMinnville families who are struggling to make ends meet. For them, a missing few hundred dollars can be the difference between financial stability and hardship.

Errors and mistakes are bound to happen, that is expected. However, when a company is granted a franchise that allows them to operate a monopoly over a required service, all while consistently increasing costs. The community deserves better. I urge you to take action during future franchise negotiations. Recology will undoubtedly ask for increases in service fees. I ask that you do not allow them to raise these fees without a guarantee of reform or a third-party audit of their current billing practices.

Respectfully,

Kyle Dauterman

Liquor License Recommendation

***** This is a "Change of Location" application *****

BUSINESS NAME / INDIVIDUAL: **Dagger Daisy LLC**
BUSINESS LOCATION ADDRESS: **1421 NE Alpha DR, McMinnville**
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 / Production

Tritech Records Management System Check: Yes No

Criminal Records Check: Yes No

Recommended Action: Approve Disapprove

Scott Fessler, Captain

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): Dagger Daisy LLC

Proposed Trade Name: Dagger Daisy

Premises Address: 1421 NE Alpha Drive

Unit:

City: McMinnville

County: Yamhill

Zip: 97128

Application Type: New License Application Change of Ownership Change of Location

License Type: Winery Additional Location for an Existing License

Application Contact Information

Contact Name: Jennifer Warner

Phone: [REDACTED]

Mailing Address: [REDACTED]

City: Salem

State: OR

Zip: 97308

Email Address: [REDACTED]

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): Dagger Daisy LLC

Proposed Trade Name: Dagger Daisy

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: McMinnville

Optional Date Received Stamp

Date Application Received: 03/05/2025

Received by: Scott Fessler

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: March 24, 2026
TO: Adam Garvin, Interim City Manager
SUBMITTED BY: David Ligtenberg, City Attorney
WRITTEN BY: David Ligtenberg, City Attorney
SUBJECT: National Opioids Settlement Participation

1. Resolution No. 2026-18, A Resolution to participate in the New National Opioids Settlement with Six Remnant Defendants, and authorizing the City Attorney to take all action to effectuate that participation.

Report in Brief:

The City has the opportunity to participate in a new National Opioid Settlement, thereby receiving a share of settlement funds and releasing Six Remnant Defendants from any claims they may currently have.

Background:

In early 2023, the City elected to participate, along with approximately 80 other Oregon subdivisions and localities, in a series of National Opioid Settlements against Teva, Allergan, CVS, Walgreens, and Walmart. In 2024, the City additionally elected into a settlement with Kroger. In 2005, the City elected into settlements against Purdue and against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus. By participating, the City released those entities from any unique claims the City may have had at the time. Having done so, the City has begun to receive settlement fund distributions from those entities. Opioid settlement funds may only be used in approved, opioid remediation uses, and the City continues to seek out partners and opportunities to effectively spend those funds.

Discussion:

Now, a similar settlement has been reached with Associated Pharmacies, Inc. (and American Associated Pharmacies); JM Smith Corporation; Louisiana Wholesale Drug Company, Inc.; Morris and Dickson Co.; North Carolina Mutual Wholesale Drug Company, Inc.; and United Natural Foods, Inc. (including its subsidiaries SuperValu and Advantage Logistics); together recognized as the Six Remnant Defendants. The City must elect to participate by May 4, 2026.

Attachments:

1. Resolution No. 2026-18

Fiscal Impact:

The City will receive a portion of the monetary settlement with the Six Remnant Defendants. Funds received under a settlement agreement are subject to limitations on its expenditure to opioid remediation and abatement strategies.

Alternatives:

Alternative 1 [Staff Recommendation]: Adopt the attached resolution authorizing participation in the settlement with the Six Remnant Defendants. The City will receive a portion of funds from that settlement.

Alternative 2: Reject the attached resolution. The City will not receive funds from the settlement with the Six Remnant Defendants.

Alternative 3: The Council may consider any other alternative not presented by staff.

RESOLUTION NO. 2026-18

A Resolution to participate in the New National Opioids Settlement with Six Remnant Defendants, and authorizing the City Attorney to take all action to effectuate that participation.

RECITALS:

WHEREAS, subdivisions and localities in the State of Oregon have been participating in National Opioids Settlements; and

WHEREAS, the City of McMinnville has previously participated in settlements against Teva, Allergan, CVS, Walgreens, Walmart, Kroger, Purdue, Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus, releasing them from any unique claims the City may have had at the time; and

WHEREAS, New National Opioids Settlements have been reached with Associated Pharmacies, Inc. (and American Associated Pharmacies); JM Smith Corporation; Louisiana Wholesale Drug Company, Inc.; Morris and Dickson Co.; North Carolina Mutual Wholesale Drug Company, Inc.; and United Natural Foods, Inc. (including its subsidiaries SuperValu and Advantage Logistics); together recognized as the Six Remnant Defendants; and

WHEREAS, the City must elect to participate in the Six Remnant Defendants settlement by May 4, 2026.

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

1. That the City of McMinnville shall participate in the New National Opioids Settlements with the Six Remnant Defendants.
2. That the City Attorney is authorized to take all action to effectuate that participation.
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 Council of the City of McMinnville at a regular meeting held the 24th day of March, 2026 by the following votes:

Ayes: _____

Nays: _____

Approved this 24 day of March, 2026.

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

RESOLUTION NO. 2026-16

A Resolution approving an employment agreement with Adam D. Garvin as City Manager.

RECITALS:

WHEREAS, the McMinnville City Charter provides in Section 11 that the City Manager be appointed by a majority of the Council; and

WHEREAS, On August 12, 2025, with Resolution 2025-46, following an open recruitment and interview process, the Council appointed Adam D. Garvin to the position of City Manager on an interim basis; and

WHEREAS, On February 10, 2026, with Resolution 2026-07, the Council authorized the City Attorney and Human Resources Director to negotiate an employment agreement with Adam Garvin to serve as City Manager; and

WHEREAS, the terms of an Employment Agreement establishing compensation, benefits, duties, and other conditions of employment have been negotiated as directed by Council; and

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

1. The City Council authorizes the City Attorney to finalize the Employment Agreement between the City of McMinnville and Adam D. Garvin, attached as Exhibit A.
2. The City Council authorizes the Mayor to execute the amended Employment Agreement on behalf of the City Council and City of McMinnville.
3. The Employment Agreement shall become effective upon full execution by all parties, and shall supersede any prior employment agreements or amendments, except as otherwise provided therein.

Adopted by the Council of the City of McMinnville at a regular meeting held the 24th day of March, 2026 by the following votes:

Ayes: _____

Nays: _____

Approved this 24th day of March 2026.

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBITS:

- A. Employment Agreement

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is entered into by and between the **City of McMinnville** (“City”) and **Adam D. Garvin** (“City Manager”) for the purpose of establishing a professional employment relationship. In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

SECTION I: EMPLOYMENT AND DUTIES

- A. The City agrees to employ Adam D. Garvin as the City Manager, and Adam D. Garvin accepts employment with the City of McMinnville in that capacity.
- B. The City Manager shall have general supervision over the administrative affairs of the City and general control over all nonelected officers and employees of the City excepting those of the Water and Light Department and the Municipal Judge.
- C. Primary Responsibilities of the City Manager shall include all duties and tasks specified in the McMinnville City Charter (“Charter”), the McMinnville Municipal Code, and standard duties associated with the position of City Manger, including but not limited to the job description for the City Manager, attached hereto as Exhibit A. The City shall not unreasonably interfere with Employee’s performance of such duties.
- D. The City Manager shall not be required to accept the City’s assignment of any duties outside the scope of those stipulated in Section I.C., above, in the absence of the City Manager’s express written consent to such assignment.
- E. The City expects the City Manager to adhere to the highest professional standards. The City shall support the City Manager in keeping that commitment by refraining from any order, direction, or request that would require the City Manager to violate the International City Manager Association (ICMA) Code of Ethics. The ICMA Code of Ethics are attached hereto as Exhibit B. Neither the Mayor, the City Council, nor any individual member thereof shall request the City Manager endorse any candidate, make financial contribution, sign or circulate any petition, or participate in any fundraising activity for individuals seeking or holding elected office, nor to handle any matter of personnel on a basis other than fairness, impartiality, and merit.
- F. The City Manager shall devote full working time, attention, and professional effort to the business and affairs of the City. The position of City Manager shall constitute the City Manager’s primary employment. The City acknowledges that the City Manager currently holds ownership interests in privately held business entities and may acquire additional ownership interests during the term of this Agreement. Notwithstanding, the City Manager

may engage in outside business, investment, civic, professional, or personal activities, including operation of a separately owned business, provided that:

- i. Such activities do not materially interfere with the performance of the City Manager's duties under this Agreement;
- ii. Such activities comply with applicable Oregon conflict of interest laws and City policy; and
- iii. Such activities do not materially detract from the City Manager's availability, responsiveness, or effectiveness in serving the City.

SECTION II: TERM

- A. This Agreement shall become effective upon execution by both parties (Effective Date). For purposes of employment benefits, the City Manager shall retain the original hire date of August 18, 2025.
- B. **Termination by City:** This Agreement does not create a contract for a definite term of employment and does not alter the at-will nature of the employment relationship. The City Manager may be terminated at any time, with or without Cause, by a majority vote of the City Council in accordance with the Charter.
- C. **Termination without Cause:** Unless Section II.D, below, is applicable, should the City terminate this Agreement, the City Manager shall be given at least fifteen (15) days' advance written notice of such termination.
- D. **Termination for Cause:** Termination for Cause shall not trigger severance benefits under Section III, below, except as otherwise required by law. For purposes of this Agreement, "Cause" includes the following:
 - i. Unsatisfactory performance that is not cured after the City Council provides written notice of the specific grounds for such performance concerns. The City Manager shall have forty-five (45) days from receipt of such notice to cure the identified issues.
 - ii. Conviction of, or entry of a guilty or no-contest plea to, a felony offense.
 - iii. Violation of law or engagement in misconduct that has caused, or is likely to cause, material harm to the City, including but not limited to misappropriation, breach of trust, neglect of duty, or failure to perform duties in a manner that is consistent with applicable law.
- E. **Resignation by City Manager:** The City Manager shall be required to give the City not less than sixty (60) calendar days' prior written notice prior to a voluntary resignation, unless such notice is waived by the Mayor, with the consent of the City Council. The City Manager shall cooperate with the City in reasonable transition efforts to facilitate the orderly transfer of duties to a successor.

- F. **Termination by Mutual Agreement:** The City Council and the City Manager may mutually agree to terminate this Agreement at any time. Such mutual termination shall be memorialized in a Termination Agreement to include a mutually-acceptable release of claims consistent with applicable law and any mutually-agreed terms, notwithstanding any terms of this Agreement.
- G. **Termination upon Death or Disability:** The City Manager's employment shall terminate effective immediately upon the death of the City Manager. In the event of the City Manager's disability, employment with the City may be terminated immediately by the City upon written certification by a licensed physician that the City Manager is unable, with or without reasonable accommodation, to perform the essential job duties and responsibilities of the City Manager, in accordance with applicable laws. The City shall comply with all applicable federal and state disability laws prior to such termination.

SECTION III: SEVERANCE

- A. In the event Termination by the City without Cause, the City agrees to offer the City Manager a severance agreement. Severance shall include [TO BE NEGOTIATED]. Payment of severance shall be contingent upon execution of a mutually acceptable release of claims consistent with applicable law.
- B. If the City reduces the salary or other financial benefits of the City Manager in a greater percentage than an applicable, across-the-board reduction for other regular budgeted, non-represented, full-time employees of the City; or if the City Manager resigns at the request of the City Council; then the City Manager may deem this Agreement to have been terminated and subject to the severance provisions of Section III.A, above.

SECTION IV: COMPENSATION AND BENEFITS

- A. Salary. The City Manager's base salary shall be \$198,120 annually, equivalent to Step 12 on the City Manager salary schedule. Step increases will occur according to the applicable salary schedule in effect at the time and the policies in the Employee Handbook. The City agrees to annually increase the monthly salary and/or other benefits of the City Manager in the same percentage as may be accorded to other Executive-level employees of the City.
- B. Vacation. The City Manager will retain all vacation hours accrued and un-spent during his tenure as Interim City Manager. The City Manager will accrue vacation at the rate of a regular budgeted non-represented full time employee of the City with 8 years of service: currently 5.00 hours semi-monthly. 8 years of services will be credited and assumed at the Effective Date for purposes of vacation time accrual only. This rate will be increased as specified in the Employee Handbook in the same manner as for other non-represented, regular budgeted, full time employees. In the event employment with the City is terminated, either voluntarily or otherwise, the City Manager will be paid an amount equal to the value of their accrued vacation hours.

- C. Sick Leave. The City Manager will retain all sick leave hours accrued and un-spent during his tenure as Interim City Manager. The City Manager will accrue sick leave at the same rate as other regular budgeted non-represented full-time employees of the City: currently four (4) hours per pay period. In the event employment with the City is terminated, either voluntarily or otherwise, sick leave will not be compensated for.
- D. Management Leave. The City Manager will retain all management leave hours accrued and un-spent during his tenure as Interim City Manager. Management leave is provided to FLSA-exempt City employees on an annual basis according to the Employee Handbook. It is granted each July 1 and is compensable only in the form of leave and is non-cumulative.
- E. Car Allowance. The City will compensate the City Manager \$500 per month for the use of the City Manager's private automobile. Travel beyond fifty (50) miles of the city limits will be reimbursed at normal City rates.
- F. Exempt Status. The Interim City Manager position is exempt under the Fair Labor Standards Act (FLSA) and is not subject to overtime pay.
- G. Except as otherwise provided in this Agreement and the Employee Handbook, the City Manager will receive the same benefits as other non-represented, regular budgeted, full time employees of the City. In the event of a conflict between this Agreement and the Employee Handbook, this Agreement shall control.

SECTION V: RETIREMENT, DEFERRED COMPENSATION, AND INSURANCE

- A. Retirement. The City agrees to contribute to the Public Employees Retirement System (PERS), on the City Manager's behalf, a percentage amount equal to the percentage given to other non-represented employees, in accordance with State law. This is currently 6%, which is allocated based on State legislation.
- B. Health Insurance. The City Manager shall be eligible to receive medical, dental, and vision coverage for themselves and their eligible dependents, with the City covering 90% of premium costs, consistent with coverage provided to non-represented, regular full-time City employees.
- C. VEBA Contributions. The City Manager will receive an annual contribution to their VEBA account in the same amount provided to non-represented, full-time employees. This is currently equivalent to the deductible of the selected health plan.
- D. Life Insurance and Long-Term Disability. The City will provide, and make the premium payments for, the same long-term disability and/or life insurance coverage for the City Manager as for all non-represented, regular budgeted, full-time City employees.

- E. Deferred Compensation. The City Manager will be eligible to participate in the City's deferred compensation program. If the City Manager elects to participate, the City will contribute 8% of the City Manager's annual salary.

SECTION VI: RESIDENCY

[TO BE NEGOTIATED].

SECTION VII: PERFORMANCE EVALUATION

- A. The Mayor and City Council shall conduct a formal, written performance evaluation of the City Manager at least once annually in July for four consecutive years and only in even-numbered years thereafter. The City Manager shall receive a written copy of the performance evaluation and shall have the opportunity to provide a written response, which shall be included in the personnel record.
 - i. Performance evaluations shall be based on terms of this Agreement, terms of the City Manager's job description, and the City Manager's performance in accomplishing otherwise-adopted goals and organizational objectives.
 - ii. Mayor and Council may conduct additional performance discussions as reasonably necessary.
- B. The City agrees that prior to any termination based upon performance-related concerns, such concerns shall be communicated to the City Manager in writing and the City Manager shall be provided the opportunity to cure, consistent with any notice and cure provisions set forth in Section III of this Agreement.

SECTION VIII: PROFESSIONAL DEVELOPMENT AND COMMUNITY ENGAGEMENT

- A. The City expects the City Manager to pursue continuing education into the business and best practices of City Management. The City shall pay for the City Manager's membership in the Oregon City/County Management Association (OCCMA) and for the City Manager to attend OCCMA conferences.
- B. The City shall also pay for other memberships, trainings, professional development opportunities, and conference attendance when attendance is required by, or relevant to, the work of the City Manager.
- C. The City will pay the City Manager's dues to local civic service groups or other local organizations deemed relevant or valuable to the work of the City Manager.
- D. The City shall provide reasonable annual funding in its adopted budget for the City Manager's opportunities and engagement under this Section, consistent with historical funding levels for this position.

SECTION IV: PROFESSIONAL LIABILITY AND BONDING

- A. The City agrees that, to the maximum extent permitted by Oregon law, it shall defend, hold harmless, and indemnify the City Manager from and against any costs, expenses, demands, claims, suits, actions, or awards incurred in connection with or arising out of an alleged act or omission occurring in the performance of the City Manager's duties in their official capacity, provided the incident arose while the City Manager was acting within the scope of their duties. These indemnification and defense obligations shall survive the termination of this Agreement.

- B. Pursuant to the Charter, the City Manager will "give a bond in such amount and with such surety as may be approved by the council." The City has provided for this Charter requirement through City County Insurance Services' excess crime coverage. This insurance meets statutory bonding requirements.

SECTION X: CONFIDENTIALITY

- A. The City Manager acknowledges that they will have access to confidential and sensitive information regarding City operations, personnel matters, legal matters, and strategy, and other non-public information. The City Manager agrees not to disclose any such confidential information unless required by law, pursuant to lawful court order, to the City Manager's legal counsel for purposes of legal compliance or defense, or as authorized in writing by the City.

- B. The City Manager agrees that he will not directly or indirectly use any confidential information except as necessary to perform the duties of the City Manager.

- C. The confidentiality provisions of this Agreement will remain in full force and effect for a period of two years after the termination of this Agreement.

SECTION XI: GENERAL PROVISIONS

- A. Amendment. Nothing will restrict the ability of the City and the City Manager to amend the terms of this Agreement. Amendments will be valid only if they are made in writing and are signed by both the Mayor, by authorization of the City Council, and City Manager.

- B. Severability. If any provision of this Agreement is held to be unconstitutional, invalid, or unenforceable by a judge or court order, the remainder of this Agreement will be deemed severable and will remain in full force and effect.

- C. Choice of Law / Venue. This Agreement will be governed by, construed, and interpreted in accordance with the laws of the State of Oregon without reference to principles of conflict of laws. In case of a lawsuit arising from this Agreement, for enforcement and/or damages for breach or violation, the parties agree that the venue will be in Yamhill County Circuit

Court, to the exclusion of all other courts in any other venue. The prevailing party in a lawsuit will be entitled to reasonable attorney's fees to be fixed by the trial court. If an appeal is taken from the decision of the trial court, the fees will include any additional sums fixed by the appellate court as reasonable attorney's fees in the appellate court, together with prevailing party costs and disbursements incurred therein.

- D. This Agreement was the result of negotiation by the parties and thus the parties agree that the rule of construction requiring that the Agreement will be construed against the drafter will not apply to the interpretation of this Agreement. Both parties acknowledge that they have read and understand the Agreement, enter into it voluntarily, and have had opportunity to have it reviewed by counsel of their choice.
- E. The failure of either party to enforce any provision of this Agreement will not be construed as a waiver or limitation of that party's right subsequently to enforce and compel strict compliance with every provision of this Agreement.
- F. Merger. This Agreement contains the entire Agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject.

SIGNATURES:

Adam D. Garvin

Date

Mayor Kim Morris

Date

JOB TITLE: City Manager		LOCATION: City Hall	
DIVISION/DEPARTMENT: Administration		ORGANIZATION: The City of McMinnville	
PAY RANGE: F101	EEO: Officials and Administrators	FLSA CATEGORY: Exempt	
ESTABLISHED DATE:		REVISION DATE: September 2023	

PURPOSE OF POSITION:

Under policy direction, plans, organizes, and provides administrative direction and oversight for all City functions and activities. Provides policy guidance and program evaluation to the City Council and management staff. Encourages and facilitates provision of services to City residents and businesses and fosters cooperative working relationships with intergovernmental and regulatory agencies and various public and private groups.

ESSENTIAL JOB FUNCTIONS:
1. Council Liaison

- 1.1. Serve as Chief Executive Officer by implementing fiscal and social policies established by the City Council through adoption of ordinances, resolutions and other directions.
- 1.2. Meets with City Council at special and regular meetings. Provides information and reports covering various aspects of the City's operations and groups.
- 1.3. Conducts detailed research, provides background information and presents policy recommendations to the Council on City initiatives.
- 1.4. Prepares and presents the annual balanced budget to the Council.

2. City Administrative Oversight

- 2.1. Provide oversight and manage all activities of City Departments through Executive Team and utilize Department Director recommendations to appoint and terminate all city employees except Municipal Court Judge.
- 2.2. Directs and coordinates the development and implementation of goals, objectives, and programs for the City, including developing administrative policies, procedures, and work standards to ensure goals and objectives are met, staff are held accountable, and programs provide mandated services in an effective, efficient, and economical manner.
- 2.3. Provides leadership and direction for complex projects and programs to accomplish goals and objectives of the City Council. Ensures coordination between City departments and/or other agencies.
- 2.4. Provides leadership and direction to department directors on varied operating and administrative problems.
- 2.5. Ensures satisfactory resolution of personnel issues, including final approval on terminations.
- 2.6. Administers approved budget and monitors overall expenditures to ensure compliance with budget.

3. Community Support and Engagement

- 3.1. Works with and attends meetings to represent the City with various citizen and business groups to encourage and develop economic opportunities.
- 3.2. Represents the City before various local governments, and State and federal agencies.
- 3.3. Responds to citizen inquiries and resolves complaints or refers to appropriate department when possible.

3.4. Negotiate and manage franchises, leases, contracts and permits with a variety of organizations, businesses and individuals.

4. Supervision

- 4.1. Manages, coordinates, and supervises the work of direct reports.
- 4.2. Responsible for interviewing, hiring, disciplining, and terminating employees.
- 4.3. Establishes department goals, priorities, and metrics in alignment with the city's goals and objectives.
- 4.4. Establishes individual performance expectations and objectives for direct reports.
- 4.5. Selects, supports, and motivates staff.
- 4.6. Provides and coordinates staff training and supports professional development goals.
- 4.7. Oversees workplace safety programs and policies.
- 4.8. Conducts performance review meetings and produces written performance evaluation documents.
- 4.9. Provides coaching for performance improvement and takes appropriate disciplinary action, up to and including termination, to address performance deficiencies.

GENERAL JOB FUNCTIONS:

- Establish and maintain effective working relationships with staff, other agencies, and the public.
- Perform other duties as assigned within the scope of the classification.
- Participate in committees when requested.
- Maintain proficiency in job requirements which may include attending training and meetings, reading materials, and meeting with others in areas of responsibility, which may require travel.
- Maintain work areas in a clean and orderly manner.
- Maintain confidentiality, data integrity, and comply with all related city, state, and federal standards related to confidentiality.

REQUIRED QUALIFICATIONS:

Any equivalent combination of education and experience which provide the knowledge, skills, and abilities required to perform the duties as described. A typical way to qualify would be an advanced degree in public or business administration or related field and at least 10 years of administrative/management experience, including previous experience as a chief administrative officer. This position also requires:

Knowledge of:

- Modern and highly complex principles and practices of municipal administration, organization, and economic development functions and services.
- Current social, political and economic trends and operating issues of municipal government.
- Organizational and management practices as applied to the analysis and evaluation of programs, policies, and operational needs.
- Principles and practices of municipal government budget preparation and administration.
- Principles and practices of organization, administration, and personnel management.
- Research and reporting methods, techniques, and procedures.
- Principles of effective public relations and interrelationships with community groups and agencies, private business and firms, and other levels of government.

- Sources of information related to a broad range of municipal programs, services, and administration.
- City organizational goals and council policy.
- Pertinent Federal, State, and local laws, codes, and regulations.
- Principles of supervision, training, and performance evaluation.

Skill and Ability to:

- Communicate effectively with the public, members of outside agencies, and employees both orally and in writing.
- Provide effective leadership and coordinate the activities of the municipal organization.
- Serve effectively as the administrative agent of the City Council.
- Analyze problems, identify alternative solutions, project consequences of proposed actions, and implement recommendations in support of goals to improve operations, procedures, policies, or methods.
- Effectively administer a variety of Citywide programs, administrative and budgetary activities.
- Identify and respond to public and City Council issues and concerns.
- Interpret and apply Federal, State, and City policies, procedures, laws, and regulations.
- Effectively and fairly negotiate appropriate solutions and contracts.
- Gain cooperation through discussion and persuasion.
- Select, supervise, train, and evaluate assigned staff.
- Develop, prepare, and administer a large municipal budget.
- Analyze, interpret, summarize, and present administrative and technical information and data in an effective manner.
- Exemplify traits that reflect the City's culture, including integrity, a customer service orientation, cultural competency, trustworthiness, flexibility and a willingness to change.

SPECIAL REQUIREMENTS OR LICENSES:

- Driver's license valid in the State of Oregon

PREFERRED CERTIFICATIONS/LICENSES/TRAINING:**WORKING CONDITIONS:**

The position requires regular (80%+) ability to use dexterity and fine motor skills. Continuous (81% of the time) use of office equipment. The position requires little (0-5%) physical effort such as lifting, carrying, or movement, etc. Movements required to complete work are not difficult, and only require a usual degree of agility and hand eye coordination. The work environment is well protected, with virtually no hazards or obstacles (0-5%). There is very little element of personal risk or hazard. Job conditions are usually stable, with virtually no (0-5%) issues of confinement, temperature change, incident of noise, or interactions of a disagreeable nature, inside/outside work, dirty conditions, exposure to contagious disease, etc. Position has some responsibility for driving.

SUPERVISORY RESPONSIBILITIES:

Responsible for the direct supervision of approximately 11 FTE employees.

SUPERVISION RECEIVED:

Works under the general direction of the City Council.

SIGNATURES:

This document has been reviewed between the Supervisor and the Incumbent. I understand that this document is intended to describe the most significant essential and auxiliary duties performed by the job/position for illustration purposes, but does not include other occasional work, which may be similar, related to, or a logical assignment for the position. This job/position description does NOT constitute an employment agreement between the employer and employee and is subject to change by the employer as the organizational needs and requirements of the job change.

Incumbent Name	Incumbent Signature	Date
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Supervisor Name	Supervisor Signature	Date
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The City of McMinnville is a diverse community that provides equal opportunity in employment and in its programs and activities. It is the policy of The City of McMinnville and its Council that no discrimination or harassment will occur in its employment practices or in any of its programs or activities based upon race, color, religion, ethnicity, use of native language, national origin, sex, sexual orientation, marital status, disability, veteran status, age, genetic information, or any other status protected under applicable federal, state, or local laws.

The City of McMinnville also prohibits retaliation against an individual for engaging in activities protected under this policy and interfering with the rights and privileges granted under anti-discrimination laws. Individuals with questions about equal opportunity and non-discrimination should contact Human Resources in City Hall, or at 503-434-7405.

ICMA Code of Ethics with Guidelines

The ICMA Code of Ethics was adopted by the ICMA membership in 1924, and most recently amended by the membership in May 2025. The Guidelines for the Code were adopted by the ICMA Executive Board in 1972, and most recently revised in July 2025.

The mission of ICMA is to advance professional local government through leadership, management, innovation, and ethics. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

Tenet 1. We believe professional management is essential to effective, efficient, equitable, and democratic local government.

Tenet 2. Affirm the dignity and worth of local government services and maintain a deep sense of social responsibility as a trusted public servant.

GUIDELINE

Advice to Officials of Other Local Governments. When members advise and respond to inquiries from elected or appointed officials of other local governments, they should inform the administrators of those communities in order to uphold local government professionalism.

Tenet 3. Demonstrate by word and action the highest standards of ethical conduct and integrity in all public, professional, and personal relationships in order that the member may merit the trust and respect of the elected and appointed officials, employees, and the public.

GUIDELINES

Public Confidence. Members should conduct themselves so as to maintain public confidence in their position and profession, the integrity of their local government, and in their responsibility to uphold the public trust.

Length of Service. For chief administrative/executive officers appointed by a governing body or elected official, a minimum of two years is considered necessary to render a professional service to the local government. In limited circumstances, it may be in the best interests of the local government and the member to separate before serving two years. Some examples include refusal of the appointing authority to honor commitments concerning conditions of employment, a vote of no confidence in the member, or significant personal issues. It is the responsibility of an applicant for a position to understand conditions of employment, including expectations of service. Not understanding the terms of employment prior to accepting does not justify premature separation. For all members a short tenure should be the exception rather than a recurring experience, and members are expected to honor all conditions of employment with the organization.

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Appointment Commitment. Members who accept an appointment to a position should report to that position. This does not preclude the possibility of a member considering several offers or seeking several positions at the same time. However, once a member has accepted a formal offer of employment, that commitment is considered binding unless the employer makes fundamental changes in the negotiated terms of employment.

Credentials. A member's resume for employment or application for ICMA's Voluntary Credentialing Program shall completely and accurately reflect the member's education, work experience, and personal history. Omissions and inaccuracies must be avoided.

Professional Respect. Members should demonstrate professional respect for colleagues, including predecessors, successors, and others who might be candidates for the same position. Professional respect does not preclude sharing honest differences of opinion privately between colleagues; it does preclude attacking a person's motives or integrity, undermining them, or actively interfering with their work.

Showing professional respect involves acknowledging power dynamics between different career points and tenures. Undue influence, abuse of power, and intimidation are inappropriate and must be avoided.

A member no longer working in service to a local government should be mindful of professional respect before running for elected office in a jurisdiction where they recently served.

Reporting Ethics Violations. When becoming aware of a possible violation of the ICMA Code of Ethics, members are encouraged to report possible violations to ICMA. In reporting the possible violation, members may choose to go on record as the complainant or report the matter on a confidential basis.

Confidentiality. Members shall not discuss or divulge information with anyone about pending or completed ethics cases, except as specifically authorized by the Rules of Procedure for Enforcement of the Code of Ethics.

Seeking Employment. Members should not seek employment for a position that has an incumbent who has not announced his or her separation or been officially informed by the appointive entity that his or her services are to be terminated. Members should not initiate contact with representatives of the appointive entity. Members contacted by representatives of the appointive entity body regarding prospective interest in the position should decline to have a conversation until the incumbent's separation from employment is publicly known.

Relationships in the Workplace. Members should not engage in an intimate or romantic relationship with any elected official or board appointee, employee they report to, one they appoint and/or supervise, either directly or indirectly, within the organization.

This guideline does not restrict personal friendships, professional mentoring, or social interactions with employees, elected officials and Board appointees.

Influence. Members should conduct their professional and personal affairs in a manner that demonstrates that they cannot be improperly influenced in the performance of their official duties.

Conflicting Roles. Members who serve multiple roles – either within the local government organization or externally – should avoid participating in matters that create either a conflict of interest or the perception of one. They should disclose any potential conflict to the governing body so that it can be managed appropriately.

Conduct Unbecoming. Members should treat people fairly, with dignity and respect and should not engage in, or condone bullying behavior, harassment, sexual harassment, unwelcome contact, advances, or discrimination on the basis of race, religion, national origin, age, disability, gender, gender identity, sexual orientation, or veteran status. Members should foster respectful, inclusive environments in all professional and social settings.

Tenet 4. Serve the best interests of all community members.

GUIDELINES

Effects of Decisions. Members should inform the appropriate elected or appointed official(s) of a decision's anticipated effects on community members.

Promote Equity. Members should ensure fairness and impartiality in accessing programs and services and in the enforcement of laws and regulations. Members should assess and propose solutions to strive to eliminate disparities.

Tenet 5. Submit policy proposals to elected officials; provide them with facts, and technical and professional advice about policy options; and collaborate with them in setting goals for the community and organization.

Tenet 6. Recognize that elected representatives are accountable to their community for the decisions they make; members are responsible for implementing those decisions.

Tenet 7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

GUIDELINES

Elections of the Governing Body. Members should maintain a reputation for serving equally and

impartially all members of the governing body of the local government they serve, regardless of party. To this end, they should not participate in an election campaign on behalf of or in opposition to candidates for the governing body.

Elections of Elected Executives. Members shall not participate in the election campaign of any candidate for mayor or elected county executive.

Running for Office. Members shall not run for elected office or become involved in political activities related to running for elected office, or accept appointment to an elected office. They shall not seek political endorsements, financial contributions or engage in other campaign activities.

Elections. Members share with their fellow citizens the right and responsibility to vote. However, in order not to impair their effectiveness on behalf of the local governments they serve, they shall not participate in political activities to support the candidacy of individuals running for any city, county, special district, school, state or federal offices. Specifically, they shall not endorse candidates, make financial contributions, sign or circulate petitions, or participate in fund-raising activities for individuals seeking or holding elected office.

Elections relating to the Form of Government. Members may assist in preparing and presenting materials that explain the form of government to the public prior to a form of government election. If assistance is required by another community, members may respond.

Presentation of Issues. Members may assist their governing body in the presentation of issues involved in referenda such as bond issues, annexations, and other matters that affect the government entity's operations and/or fiscal capacity.

Personal Advocacy of Issues. Members share with their fellow citizens the right and responsibility to voice their opinion on public issues. Members may advocate for issues of personal interest only when doing so does not conflict with the performance of their official duties.

Tenet 8. Continually improve professional capabilities and those of others while fostering growth and development through ethical leadership and effective management practices.

GUIDELINES

Self-Assessment. Members should evaluate and enhance their professional skills and competencies annually through self-reflection and by proactively soliciting feedback.

Professional Development. Members should stay informed about emerging issues, practices, and challenges, actively engage in development activities year-round, and support others in enhancing their professional and ethical competencies.

Tenet 9. Keep the community informed on local government affairs. Encourage and facilitate active engagement and constructive communication between community members and all local government officials.

GUIDELINE

Engagement. Members should ensure community members can actively engage with their local government as well as eliminate barriers and support involvement of the community in the governance process.

Tenet 10. Oppose efforts to interfere with professional responsibilities by consistently executing official duties, policies, and processes with an unwavering commitment to unbiased public service.

GUIDELINES

Information Sharing and Feedback. The member should collaborate with the governing body to establish clear communication protocols for effective, equitable, and transparent information sharing and reciprocal feedback.

Personnel and Operational Matters. The member shall lead personnel and operating decisions consistent with responsibilities established in the charter or enabling legislation without interference from the governing body.

Tenet 11. Manage all personnel matters with fairness and impartiality.

GUIDELINE

Diversity and Inclusion. It is the member’s responsibility to recruit, hire, promote, retain, train, and support a diverse workforce at all levels of the organization.

Tenet 12. Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

GUIDELINES

Gifts. Members shall not directly or indirectly solicit, accept or receive any gift if it could reasonably be perceived or inferred that the gift was intended to influence them in the performance of their official duties; or if the gift was intended to serve as a reward for any official action on their part.

The term “Gift” includes but is not limited to services, travel, meals, gift cards, tickets, or other entertainment or hospitality. Gifts of money or loans from persons other than the local government jurisdiction pursuant to normal employment practices are not acceptable.

Members should not accept any gift that could undermine public confidence. De minimus gifts may be accepted in circumstances that support the execution of the member’s official duties or serve

a legitimate public purpose. In those cases, the member should determine a modest maximum dollar value based on guidance from the governing body or any applicable state or local law.

The guideline is not intended to apply to normal social practices, not associated with the member's official duties, where gifts are exchanged among friends, associates and relatives.

Investments in Conflict with Official Duties. Members should refrain from any investment activity which would compromise the impartial and objective performance of their duties. Members should not invest or hold any investment, directly or indirectly, in any financial business, commercial, or other private transaction that creates a conflict of interest, in fact or appearance, with their official duties.

In the case of real estate, the use of confidential information and knowledge to further a member's personal interest is not permitted. Purchases and sales which might be interpreted as speculation for quick profit should be avoided (see the guideline on "Confidential Information"). Because personal investments may appear to influence official actions and decisions, or create the appearance of impropriety, members should disclose or dispose of such investments prior to accepting a position in a local government. Should the conflict of interest arise during employment, the member should make full disclosure and/or recuse themselves prior to any official action by the governing body that may affect such investments.

This guideline is not intended to prohibit a member from having or acquiring an interest in or deriving a benefit from any investment when the interest or benefit is due to ownership by the member or the member's family of a de minimus percentage of a corporation traded on a recognized stock exchange even though the corporation or its subsidiaries may do business with the local government.

Personal Relationships. In any instance where there is a conflict of interest, appearance of a conflict of interest, or personal financial gain of a member by virtue of a relationship with any individual, spouse/partner, group, agency, vendor or other entity, the member shall disclose the relationship to the organization. For example, if the member has a relative that works for a developer doing business with the local government, that fact should be disclosed.

Confidential Information. Members shall not disclose to others, or use to advance their personal interest, intellectual property, confidential information, or information that is not yet public knowledge, that has been acquired by them in the course of their official duties.

Information that may be in the public domain or accessible by means of an open records request, is not confidential.

Private Employment. Members should not engage in, solicit, negotiate for, or promise to accept private employment, nor should they render services for private interests or conduct a private

business when such employment, service, or business creates a conflict with or impairs the proper discharge of their official duties.

Teaching, lecturing, writing, or consulting are typical activities that may not involve conflict of interest or impair the proper discharge of their official duties. Prior notification of the appointing authority is appropriate in all cases of outside employment.

Representation. Members should not represent any outside interest before any agency, whether public or private, except with the authorization of or at the direction of the appointing authority they serve.

Endorsements. Members should not endorse commercial products or services by agreeing to use their photograph, endorsement, or quotation in paid or other commercial advertisements, marketing materials, social media, or other documents, whether the member is compensated or not for the member's support. Members may, however, provide verbal professional references as part of the due diligence phase of competitive process or in response to a direct inquiry.

Members may agree to endorse the following, provided they do not receive any compensation: (1) books or other publications; (2) professional development or educational services provided by nonprofit membership organizations or recognized educational institutions; (3) products and/or services in which the local government has a direct economic interest.

Members' observations, opinions, and analyses of commercial products used or tested by their local governments are appropriate and useful to the profession when included as part of professional articles and reports.



STAFF REPORT

DATE: March 24, 2026
TO: Adam Garvin, Interim City Manager
SUBMITTED BY: Heather Richards, Community Development Director
WRITTEN BY: Heather Richards, Community Development Director
SUBJECT: Ordinance No. 5173 – CPA 1-25 & ZC 2-25

1. Ordinance No. 5173, An Ordinance approving a comprehensive plan map amendment (Docket CPA 1-25) and zone map amendment (Docket ZC 2-25) for approximately 26.07 acres, located at 2325 NE Three Mile Lane, 160 NE Atlantic Street, 2305, 2245, 2225, 2215, and 2205 NE Cumulus Avenue, and tax lot R4422CC 01102.

Report in Brief:

This is the second reading of Ordinance No. 5173, approving a Comprehensive Plan Map Amendment (Docket CPA 1-25) and Zone Map Amendment (ZC 2-25) application for the following properties: 2325 NE Three Mile Lane; 160 NE Atlantic Street; 2205, 2215, 2225, 2245, and 2305 NE Cumulus Avenue, and Tax Lot R4422CC 01102.

The first reading was conducted and passed with a vote of 3 – 2 at the March 10 City Council meeting. Since it did not pass unanimously, the second reading needed to be held at a different meeting.

This is a quasi-judicial application subject to the procedures of Section 17.72.130 of the Zoning Ordinance. Per Section 17.72.130 (5) and (6) of the Zoning Ordinance, the Planning Commission makes a recommendation to the City Council to approve or deny the application.

The Planning Commission held a public hearing on February 19, 2026, and voted unanimously to recommend **approval** with conditions.

The Planning Commission recommendation is now forwarded to City Council based on the findings provided in Exhibit A to Ordinance No. 5173, the Decision Document, Findings of Fact and Conclusionary Findings for Docket CPA 1-25/ZC 2-25.

Comprehensive Plan Map Amendment (CPA 1-25) and Zone Map Amendment (ZC 2-25):

The application bundles two requests: 1) a request to amend the Comprehensive Plan Map; and 2) a request to amend the Zone Map. No development is proposed at this time.

The subject properties are currently designated as Industrial, Residential, Commercial, and Floodplain on the McMinnville Comprehensive Plan and M-2 (General Industrial) (15.1 AC), C-3 (General Commercial) (2.49 AC), R-4 Medium, High-Density 5000 SF Lot Residential Zone (2.06 AC), R-1 Low-Density 9000 SF Lot Residential Zone (1.79 AC), and F-P Flood Plan (4.63 AC) on the Zoning Map

The request, if approved, would designate the properties as Residential, Commercial, and Floodplain on the McMinnville Comprehensive Plan and C-3 General Commercial (3.62 AC), R-4 Medium, High-Density 5000 SF Lot Residential Zone (17.83 AC), and F-P Flood Area Zone (4.63 AC) on the Zoning Map.

This request is consistent with the land-use map amendments recommended by the recently adopted Three Mile Lane Area Plan to efficiently utilize the land within the city's limits to meet its future housing and commercial needs.

The project is not subject to the 120-day clock deadline.

Background:

The application was submitted with the required fee on July 8, 2025. It was deemed incomplete on August 7, 2025, and additional materials were submitted on August 22, 2025, but it was deemed incomplete again on August 28, 2025. Further materials were provided on November 24, 2025, and the application was deemed complete on November 25, 2025. Notice of the application was sent to the Oregon Department of Land Conservation and Development (DLCD) on December 3, 2025. A public hearing notice was mailed to property owners within 300 feet of the subject site on January 30, 2026, and published in the News Register on February 13, 2026.

FIGURE 1. VICINITY MAP OF SUBJECT PROPERTIES (PROPERTY LINES APPROXIMATE)



FIGURE 2. COMPREHENSIVE PLAN MAP AMENDMENT

Existing

Proposed

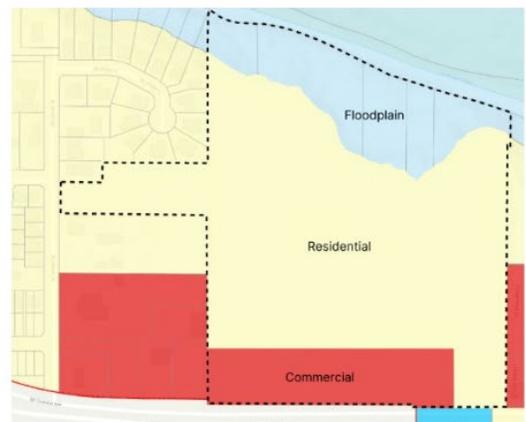
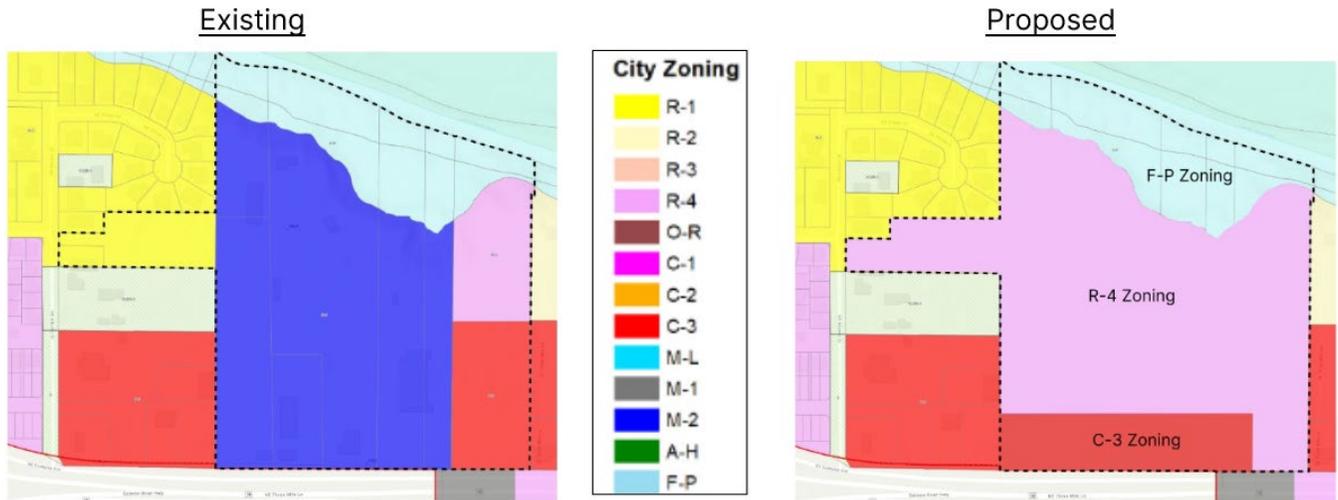


FIGURE 3. ZONING MAP AMENDMENT



Discussion:

At the City Council meeting on March 10, 2026, there was considerable discussion about the traffic impact analysis and what mitigation could and could not be required of the development.

Table 5 of the provided Traffic Impact Analysis provided by Lancaster Mobley shows the trip generation estimated with the existing zoning and the proposed zoning. This trip generation analysis is based on the ITE Manual, a nationally recognized data set for traffic impact evaluations.

Table 5: Trip Generation Comparison

Scenario	Morning Peak Hour			Evening Peak Hour			Weekday Trips
	In	Out	Total	In	Out	Total	
Existing Zone	143	62	205	114	178	292	2,548
Proposed Zone	90	167	257	240	191	431	4,602
Net New Trips	-53	105	52	126	13	139	2,054

Clearly the proposed zone will generate more evening peak hour trips and average weekday daily trips. This additional traffic impact is what warranted the requirement for the conditional improvement of the additional westbound right-turn lane at the intersection of SE Nehemiah Lane/NE Cumulus Avenue & NE Three Mile Lane to mitigate the potential impact from the zone change.

Some City Council members had questions about why the left turn lane on the southbound approach on Three Mile Lane for this same intersection was also not a requirement.

The scenario analysis identified in Table 8 of the Traffic Impact Analysis identified performance of intersections based on the full build-out of the City by 2041, comparing the performance of the intersection without the proposed zone change and with the proposed zone change.

The intersection fails performance measures with a full build-out 2041 scenario without the zone change (V/C ratio of 1.20 – mobility target is 0.90). The zone change will also make the intersection fail (V/C ratio of 2.09 – mobility target is 0.90), but it is presumably already failing by 2041 without the zone change so it is not the responsibility of the zone change to pay for that improvement.

Current performance is 0.59 V/C ratio.

Below is a summary of transportation analysis in the findings document.

- **Trip Generation:** The proposed zone change is projected to generate approximately 52 AM peak hour trips, 139 PM peak hour trips, and 2,054 average daily trips.
- **Signal Warrants:** None of the unsignalized study intersections are anticipated to meet signal warrants under the 2041 planning horizon with the zone change implemented.
- **Turn Warrants:**
 - Left-turn-lane warrants are met for the southbound approach at the intersection of NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane under all analysis scenarios during the evening peak hour, including existing conditions. The need for this left-turn lane is not triggered by the proposed zone change or any development on the site. It is recommended that at the time of development, the applicant coordinate with the City to participate in the construction of a left turn lane at this intersection.
 - A westbound right-turn lane is recommended at the intersection of SE Nehemiah Lane/NE Cumulus Avenue & NE Three Mile Lane to mitigate the potential impact from the zone change. The westbound right-turn lane would improve v/c ratio to better than no-build conditions (0.57).
- **Functional Classification:** With the recommended improvement, the proposed zone change will not impact or alter the functional classification of any existing or planned

transportation facilities, and no changes to classification standards are included in the proposal.

- **Recommended Improvements:** Installation of a westbound right turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection.
- **Compliance:** Based on these findings, the proposed zone change with Condition of Approval #4 satisfies the requirements of the Transportation Planning Rule.

Attachments:

1. Ordinance No. 5173
 - a. Exhibit A to Ordinance No. 5173 – Docket CPA 1-25/ZC 2-25 Decision Document

Fiscal Impact:

No public expenses are associated with the application's approval.

Alternatives:

Alternative 1 [Staff Recommendation]: CONDUCT THE SECOND READING OF ORDINANCE NO. 5173 AND APPROVE DOCKETS CPA 1-25/ZC 1-25, adopting the Decision, Findings of Fact, and Conclusionary Findings per the decision document provided.

Alternative 2: DO NOT MOVE TO CONDUCT THE SECOND READING OF ORDINANCE NO. 5173, DENYING THE APPROVAL of CPA 1-25/ZC 2-24 and provide findings for the denial.

ORDINANCE NO. 5173

An Ordinance approving a comprehensive plan map amendment (Docket CPA 1-25) and zone map amendment (Docket ZC 2-25) for approximately 26.07 acres, located at 2325 NE Three Mile Lane, 160 NE Atlantic Street, 2305, 2245, 2225, 2215, and 2205 NE Cumulus Avenue, and tax lot R4422CC 01102.

RECITALS:

WHEREAS, on October 4, 2024, the Community Development Department received concurrent land-use applications (Docket CPA 1-25/ZC 2-25) from applicant, BRR Properties, LLC, requesting approval of a Comprehensive Plan Map amendment from Industrial, Residential, Commercial, and Floodplain designations to Residential, Commercial, and Floodplain designations, and a zone map amendment from M-2 (General Industrial), C-3 (General Commercial), R-4 Medium, High-Density 5000 SF Lot Residential Zone, R-1 Low-Density 9000 SF Lot Residential Zone, and F-P Flood Area Zone, to C-3 (General Commercial), R-4 Medium, High-Density 5000 SF Lot Residential Zone, and F-P Flood Area Zone for eight properties; and

WHEREAS, the subject properties 2325 NE Three Mile Lane, 2305 NE Cumulus Avenue, 2245 NE Cumulus Avenue, 2225 NE Cumulus Avenue, 2215 NE Cumulus Avenue, 2205 NE Cumulus Avenue, 160 NE Atlantic Street, and property with no address (Map and Tax Lot R4422CC 01102); and

WHEREAS, a duly noticed public hearing before the McMinnville Planning Commission was held on February 19, 2026, after due notice had been provided to the Department of Land Conservation and Development on December 3, 2025, written notice had been mailed to property owners within 300 feet of the affected property on January 30, 2026, and due notice was published in the local newspaper on February 13, 2026; and

WHEREAS, at said public hearing, a staff report, the application materials, findings and the decision document were presented, and applicant testimony was received; and

WHEREAS, on February 19, 2025, the Planning Commission, by a vote of 9-0, recommended approval with conditions of CPA 1-25 and ZC 2-25 to the McMinnville City Council; and

WHEREAS, the City Council, having received the Planning Commission recommendation and staff report, and having deliberated;

NOW, THEREFORE, THE CITY OF MCMINNVILLE ORDAINS, as follows:

1. That the Council approves the Comprehensive Plan Map (Docket CPA 1-25) and Zone Map Amendment (ZC 2-25);
2. The City Council adopts the Decision, Conditions, Findings of Fact, and Conclusionary Findings as documented in Exhibit A;
2. This Ordinance will take effect 30 days after passage by the City Council.

Passed by the McMinnville City Council this 24th day of March, 2026 by the following votes:

Ayes: _____

Nays: _____

MAYOR

Approved as to form:

Attest:

City Attorney

City Recorder

EXHIBITS:

- A. Decision Document for Dockets CPA 1-25/ZC 2-25



City of McMinnville

PLANNING

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

www.mcminnvilleoregon.gov

DECISION, CONDITIONS, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS FOR THE APPLICATION FOR A COMPREHENSIVE PLAN MAP AMENDMENT FROM INDUSTRIAL, RESIDENTIAL, COMMERCIAL, AND FLOODPLAIN TO RESIDENTIAL, COMMERCIAL, AND FLOODPLAIN AND ZONE CHANGE FROM M-2 (GENERAL INDUSTRIAL), C-3 (GENERAL COMMERCIAL), R-4 MEDIUM, HIGH-DENSITY 5000 SF LOT RESIDENTIAL ZONE, R-1 LOW-DENSITY 9000 SF LOT RESIDENTIAL ZONE, AND F-P FLOOD AREA ZONE, TO C-3 (GENERAL COMMERCIAL), R-4 MEDIUM, HIGH-DENSITY 5000 SF LOT RESIDENTIAL ZONE, AND F-P FLOOD AREA ZONE FOR PROPERTIES OF APPROXIMATELY 26.07 ACRES, LOCATED AT 2325 NE THREE MILE LANE, 160 NE ATLANTIC STREET, 2305, 2245, 2225, 2215, 2205 NE CUMULUS AVENUE, AND PROPERTY WITH NO ADDRESS (MAP AND TAX LOT R4422CC 01102), TAX LOTS R4422 CC -100, -400, -500, -600, -601, -700, -800, -1100, -1102.

I. INTRODUCTION:

DOCKET: CPA 1-25 (Comprehensive Plan Amendment), ZC 2-25 (Zone Change)

REQUEST: The application requests the approval of a concurrent approval of a Comprehensive Plan Map Amendment and Zone Map Amendment. The subject properties are currently designated as Industrial, Residential, Commercial, and Floodplain on the McMinnville Comprehensive Plan and M-2 (General Industrial) (15.1 AC), C-3 (General Commercial) (2.49 AC), R-4 Medium, High-Density 5000 SF Lot Residential Zone (2.06 AC), R-1 Low-Density 9000 SF Lot Residential Zone (1.79 AC), and F-P Flood Plan (4.63 AC) on the Zoning Map. The request, if approved, would designate the properties as Residential, Commercial, and Floodplain on the McMinnville Comprehensive Plan and C-3 General Commercial (3.62 AC), R-4 Medium, High-Density 5000 SF Lot Residential Zone (17.83 AC), and F-P Flood Area Zone (4.63 AC) on the Zoning Map.

LOCATION: Site Address: 2325 NE Three Mile Lane, 2305 NE Cumulus Avenue, 2245 NE Cumulus Avenue, 2225 NE Cumulus Avenue, 2215 NE Cumulus Avenue, 2205 NE Cumulus Avenue, 160 NE Atlantic Street, and property with no address (Map and Tax Lot R4422CC 01102) (see attached map)

Map and Tax Lots: R4422 CC -100, -400, -500, -600, -601, -700, -800, -1100, -1102.

CURRENT COMPREHENSIVE PLAN DESIGNATION: Industrial, Residential, Commercial, and Floodplain

CURRENT ZONING: M-2 (General Industrial), C-3 (General Commercial), R-4 (Medium, High-Density Residential), R-1 (Low-Density Residential), and F-P Flood Area Zone

APPLICANT: BRR Properties, LLC

APPLICANT’S REPRESENTATIVE: Ken Sanblast, on behalf of Westlake Consultants, Inc

PROPERTY OWNERS: Laurel Heights, LLC,

CITY STAFF: Taylor Graybehl, Senior Planner

DATE DEEMED COMPLETE: November 25, 2025

HEARINGS BODY & ACTION: The McMinnville Planning Commission makes a recommendation to the City Council. A Planning Commission recommendation of approval is transmitted to the City Council for a decision. A Planning Commission recommendation/decision of denial becomes the final decision unless that decision is appealed to the City Council.

PLANNING COMMISSION HEARING DATE & LOCATION: February 19, 2026, at 6:30 P.M., Kent Taylor Civic Hall, 200 NE 2nd Street, McMinnville, OR 97128
Zoom Meeting ID: 831 2090 5124; Passcode: 288880

PROCEDURE:

Application for Comprehensive Plan Amendments and Zone Changes are processed in accordance with the procedures in Section 17.72.120 of the McMinnville Municipal Code. The application is reviewed by the Planning Commission in accordance with the quasi-judicial public hearing procedures specified in Section 17.72.130 of the McMinnville Municipal Code.

DECISION-MAKING BODY:

The McMinnville City Council makes the final decision, unless the Planning Commission recommendation is denial, in which case that is the final decision unless the Planning Commission decision is appealed to City Council.

**CITY COUNCIL MEETING
DATE & LOCATION:**

March 10 and March 24, 2026, at 7:00 P.M. Kent Taylor Civic Hall, 200 NE 2nd Street, McMinnville, OR 97128 and via Zoom.

CRITERIA:

The applicable criteria for Comprehensive Plan Amendment and Zone Change is specified in Section 17.74.020 of the McMinnville Municipal Code. In addition, the goals, policies, and proposals in Volume II of the Comprehensive Plan are to be applied to all land use decisions as criteria for approval, denial, or modification of the proposed request. Goals and policies are mandated; all land use decisions must conform to the applicable goals and policies of Volume II. "Proposals" specified in Volume II are not mandated, but are to be undertaken in relation to all applicable land use requests. The proposal must also be consistent with applicable provisions of state law.

APPEAL:

The Planning Commission makes a recommendation to the City Council. If the Planning Commission recommendation is approval, the recommendation is forwarded to City Council to make the final decision. If the Planning Commission recommendation/decision is denial, then that is the final decision unless the Planning Commission's decision is appealed to the City Council per Section 17.72.180 of the McMinnville Municipal Code.

As specified in Section 17.72.190 of the McMinnville Municipal Code, the City Council's decision may be appealed to the Land Use Board of Appeals (LUBA) within 21 (twenty-one) days of the date written notice of decision is mailed.

Note: The City's final decision is usually subject to a 120-day processing timeline, including resolution of any local appeal. However, per ORS 227.178(7), the 120-day period does not apply to a decision of the city to change an acknowledged comprehensive plan or a land use regulation submitted to the Director of the Department of Land Conservation and Development under ORS 197.610.

COMMENTS:

This matter was referred to the following public agencies for comment: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, Public Works Department, Waste Water Services, City Manager, and City Attorney; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Planning Department; Ziplly Fiber (formerly Frontier Communications); Comcast; Recology; Northwest Natural Gas; Oregon Department of State Lands; and Oregon Department of Transportation. Their comments are provided in Section VI of this document.

II. DECISION:

Based on the procedural and conclusionary findings contained herein, the McMinnville City Council finds that the applicable criteria are satisfied and **APPROVES** the Comprehensive Plan Map Amendment and Zone Change (CPA 1-25 & ZC 2-25) with conditions.

////////////////////////////////////
DECISION: APPROVAL WITH CONDITIONS
////////////////////////////////////

City Council: _____ Date: _____
Kim Morris, Mayor of McMinnville

Planning Commission: _____ Date: _____
Sidonie Winfield, Chair of the McMinnville Planning Commission

Planning Department: _____ Date: _____
Heather Richards, Community Development Director

Table of Contents

I. INTRODUCTION	3
II. RECOMMENDATION	7
III. APPLICATION SUMMARY	9
APPLICATION	9
<i>Figure 1. Vicinity Map Of Subject Properties</i>	<i>9</i>
<i>Figure 2a. Existing Comprehensive Plan Map</i>	<i>10</i>
<i>Figure 2b. Existing Zoning Map.....</i>	<i>10</i>
<i>Figure 3a. Proposed Comprehensive Plan Map</i>	<i>11</i>
<i>Figure 3b. Proposed Zoning Map.....</i>	<i>12</i>
PROJECT AREA OVERVIEW.....	12
THREE MILE LANE AREA PLAN.....	13
<i>Summary</i>	<i>13</i>
<i>Land Use Concept</i>	<i>13</i>
<i>Figure 4. Three Mile Lane Land Uses.....</i>	<i>14</i>
<i>Figure 5. Project Area.....</i>	<i>15</i>
IV. CONDITIONS.....	15
V. ATTACHMENTS	18
VI. COMMENTS.....	18
AGENCY COMMENTS.....	18
PUBLIC COMMENTS	21
VII. PROCEDURAL FINDINGS OF FACT	21
VIII. GENERAL FINDINGS OF FACT	22
IX. CONCLUSIONARY FINDINGS	24
TITLE 17. ZONING ORDINANCE	24
<i>Section 17.74.020. Comprehensive Plan Map Amendment and Zone Change – Review</i>	<i>24</i>
<i>Criteria.....</i>	<i>24</i>
COMPREHENSIVE PLAN VOLUME II.....	27
<i>CHAPTER II: NATURAL RESOURCES</i>	<i>28</i>
<i>CHAPTER IV: ECONOMY OF MCMINNVILLE.....</i>	<i>28</i>
<i>CHAPTER V: HOUSING AND RESIDENTIAL DEVELOPMENT</i>	<i>34</i>
<i>CHAPTER VI: TRANSPORTATION SYSTEM.....</i>	<i>42</i>
<i>CHAPTER VII: COMMUNITY FACILITIES AND SERVICES.....</i>	<i>46</i>
<i>CHAPTER VIII: ENERGY</i>	<i>51</i>
<i>CHAPTER IX: URBANIZATION.....</i>	<i>52</i>
<i>CHAPTER X: CITIZEN INVOLVEMENT AND PLAN AMENDMENT</i>	<i>60</i>
STATEWIDE PLANNING GOALS.....	61

III. APPLICATION SUMMARY

Application

The application requests concurrent approval of a Comprehensive Plan Map Amendment and a Zone Map Amendment for the following properties: 2325 NE Three Mile Lane; 160 NE Atlantic Street; 2205, 2215, 2225, 2245, and 2305 NE Cumulus Avenue, and Property With No Address (Map And Tax Lot R4422CC 01102) (*See Figure 1. Vicinity Map*).

No development is proposed or approved as part of this application.

Figure 1. Vicinity Map Of Subject Properties



The subject properties are currently designated as Industrial, Residential, Commercial, and Floodplain on the McMinnville Comprehensive Plan (*see Figure 2a. Comprehensive Plan Map*) and M-2 (General Industrial), C-3 (General Commercial), R-4 (Medium, High-Density Residential), R-1 (Low-Density Residential), and F-P Flood Plan on the Zoning Map (*see Figure 2b. Zoning Map*).

Figure 2a. Existing Comprehensive Plan Map

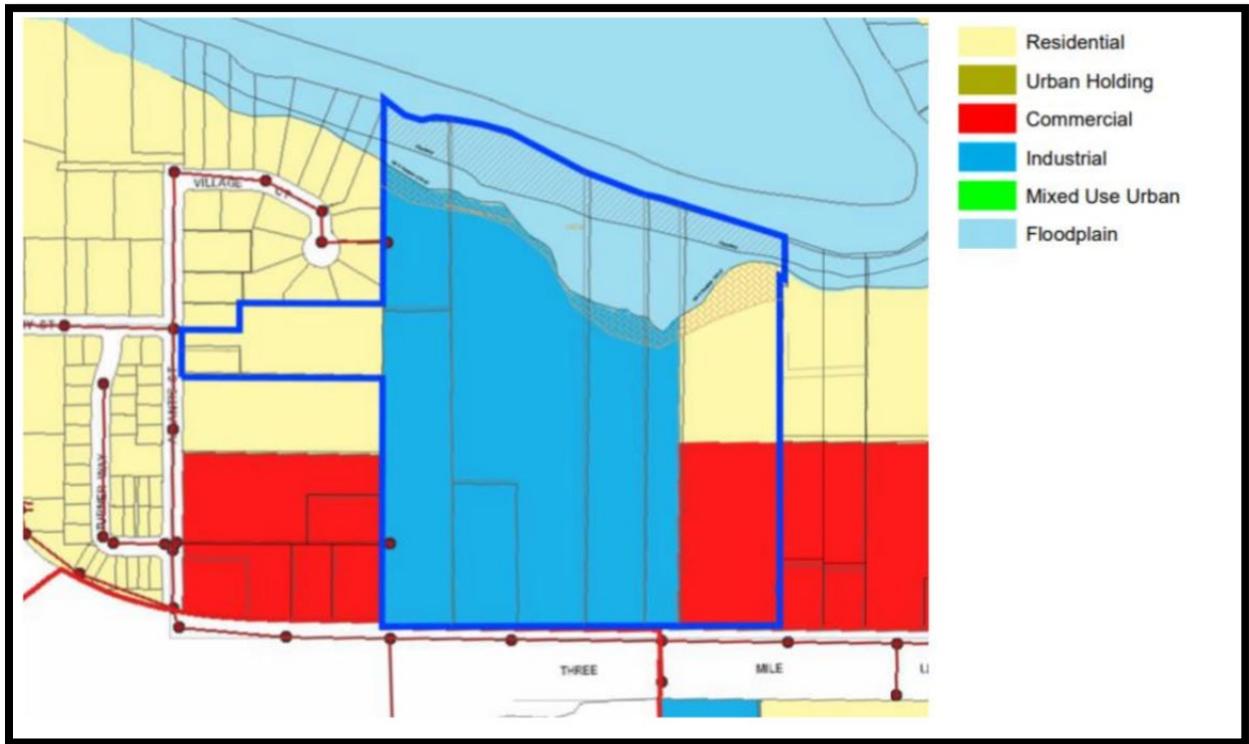


Figure 2b. Existing Zoning Map



The request, if approved, would designate the properties as Residential, Commercial, and Floodplain on the McMinnville Comprehensive Plan (*see Figure 3a. Proposed Comprehensive Plan Map and Zoning Map*) and C-3 (General Commercial), R-4 (Medium, High-Density Residential), and F-P Flood Area Zone on the Zoning Map (*see Figure 3b. Proposed Zoning Map*).

Figure 3a. Proposed Comprehensive Plan Map

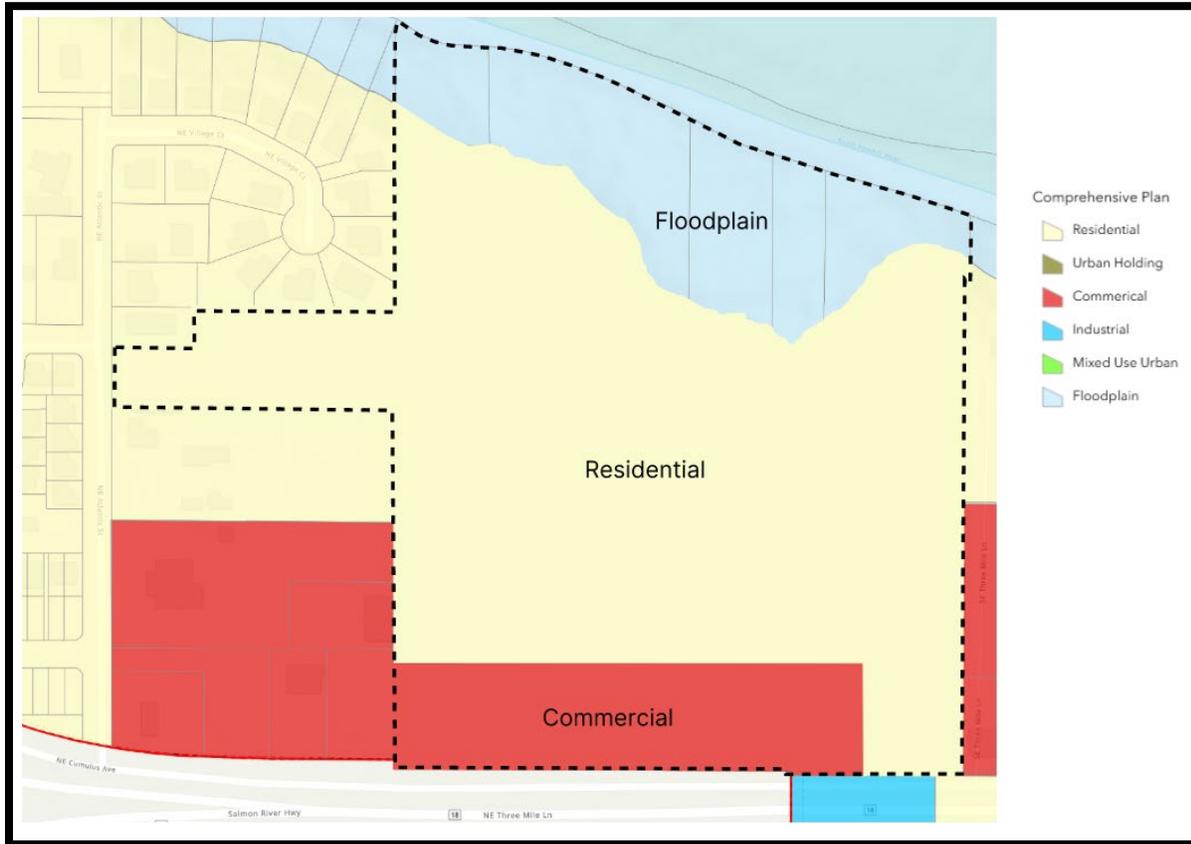
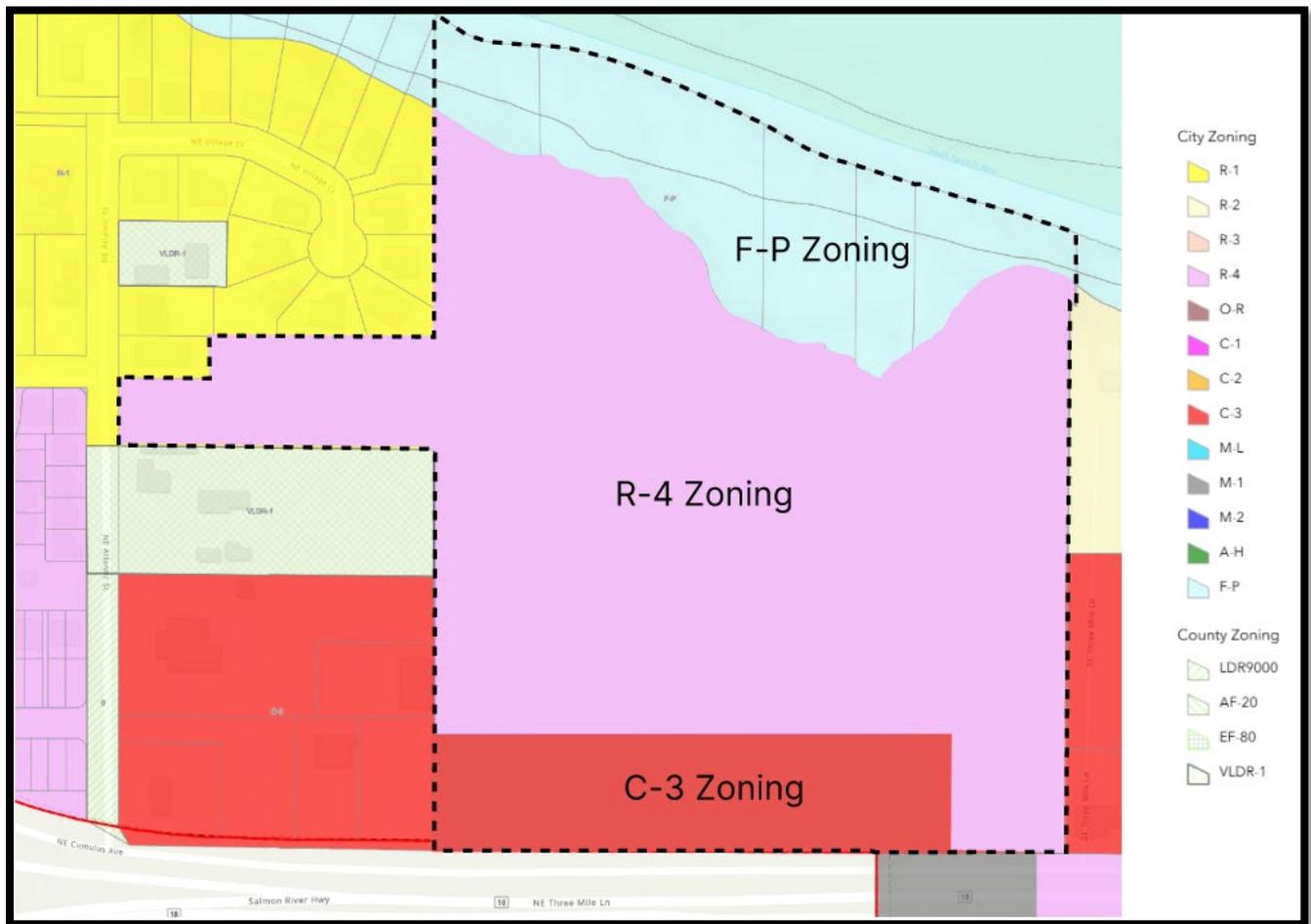


Figure 3b. Proposed Zoning Map



Project Area Overview

The 26.07-acre site is located north of Three Mile Lane (Highway 18) within the Three Mile Lane Area Plan boundary and is accessible from Cumulus Avenue and Atlantic Street.

Current uses on the site include:

- An industrial area with a ready-mix concrete manufacturer
- A single-family home in the R-1 zone
- Undeveloped land in the R-4 and C-3 zones
- Approximately 4.6 acres along the northern boundary within the floodplain, which will remain undeveloped

Adjacent land uses include residential neighborhoods, a plant nursery, a gas station, commercial and medical services, and the South Yamhill River. Nearby landmarks include Chemeketa Community College and the Evergreen Aviation Museum. Across Highway 18, land uses consist of agricultural acreage, commercial services, and a mobile home park.

Three Mile Lane Area Plan

Summary

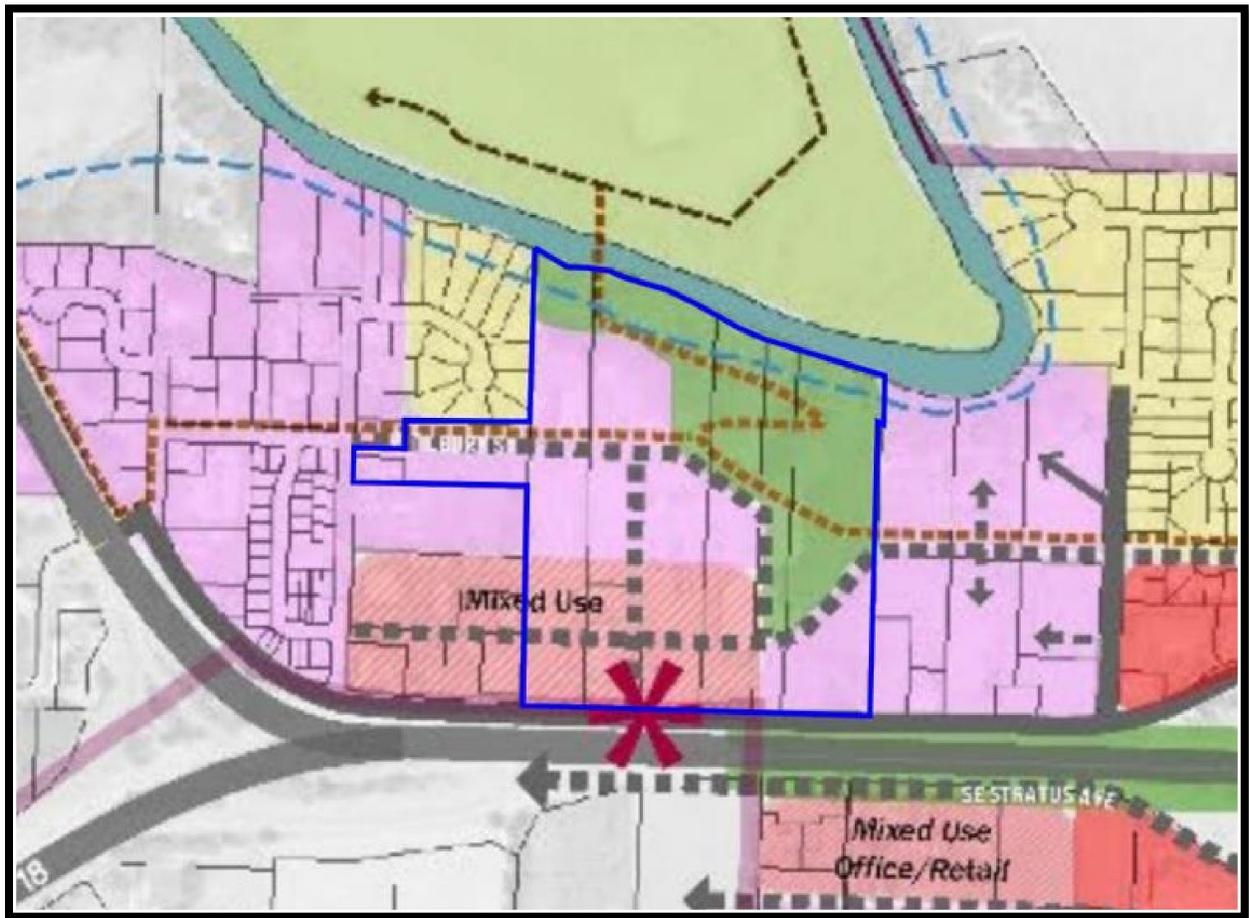
On November 8, 2022, the City Council voted to approve Ordinance No. 5126 adopting the Three Mile Lane Area Plan and its appendices as a supplemental document to the McMinnville Comprehensive Plan. The Three Mile Lane area is a unique district in the southeast portion of the City of McMinnville. The area contains approximately 1,340 acres of land with a variety of existing land uses and several large vacant parcels. The Three Mile Lane Area Plan serves as a guiding document for land uses and public facilities in the delineated area of this plan.

Land Use Concept

The Three Mile Lane Area Plan's land uses are shown in Figure 4, and the project area is identified in Figure 5. The Three Mile Lane Area Plan identifies the subject site (Baker Rock Site) as a potential location for mixed-use development and needed housing. The Three Mile Lane Area Plan highlights these key features, which are consistent with this Application:

- Allow for a variety of commercial and residential uses in the area, including housing, neighborhood retail and amenities, and “enhanced multi-modal transportation connectivity” that supports walking and biking to jobs, services, and recreation areas.
- The subject site (Baker Rock site) is an opportunity to explore a small mixed-use commercial concept, which can be implemented through a planned development overlay for the site.
- The subject site provides an opportunity to “protect natural areas and views, connect to parks and open spaces, provide a connected, bike and pedestrian-friendly neighborhood, and encourage mixed-use development with diverse housing types and unique, high-quality design.”
- The southern portion of the site is better suited to retail uses as that portion of the site more visible and accessible from OR 18 and Cumulus Avenue. As shown in the existing Comprehensive Plan Map and Zoning Map, a portion of the site is designated C-3 commercial. This application reconfigures the commercial area slightly to orient more of the area to Cumulus Avenue.

Figure 5. Project Area



IV. CONDITIONS:

The decision is subject to the following conditions of approval:

1. The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site. The proposed zone changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer's discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance

system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant's expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer

2. That final development plans for the subject site include a detailed storm drainage plan which incorporates the requirements of City's Storm Drainage Master Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to permit issuance. Any utility easements needed to comply with the approved plan must be reflected on the final plat. If the final storm drainage plan incorporates the use of collection systems and easements, such must be private, rather than public, and private maintenance agreements must be approved by the City prior to recording.
3. The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.
4. Per the Traffic Impact Analysis, the Applicant is responsible for the installation of a westbound right-turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection. Prior to the submittal of building permits, the City reserves the right to require a traffic impact analysis if a transportation memorandum indicates that the traffic created by the development exceeds 20 pm peak hour trips or 200 daily trips.
5. Development applications located within the Three Mile Lane Area are subject to the policies of the Three Mile Lane Area Plan, as adopted by Ordinance No. 5126, and will be reviewed as part of the Three Mile Lane Design Review required by Ordinance Nos. 4131 and 4572. The policies of the Three Mile Lane Area Plan are provided below:
 - a. Require future development to be consistent with the design elements of the Three Mile Lane Area Plan. Mixed-use and commercial proposals over five (5) acres are subject to Planning Commission Approval.
 - b. Public improvements and private development shall strive to protect tree groves and mature individual trees. Existing trees shall not be removed without prior review and written approval. The applicant shall submit information identifying trees greater than six inches DBH. Trees greater than six inches DBH will not be approved for removal unless a certified arborist determines that they are diseased, dying, or dead, or the developer

demonstrates that practical development of an approved lot, or required public improvements (i.e., streets, sidewalks, and public utilities), will adversely impact the survival of such tree or trees. In addition, all trees that are not to be removed shall be protected during the construction of all public improvements and residential development in the approved partition. A plan for such tree protection approved by the Planning Director shall be submitted with construction and/or building permit applications prior to release of construction or building permits within the subject site.

- c. Riparian corridors and adjacent native landscape shall be protected. The applicant will need to provide mapping and protection of stream corridors and re-vegetation with native plantings if warranted.
- d. The built environment will be designed to provide and protect views to rolling hills and volcanoes and to enhance visual and physical access to the North Yamhill River. New streets and open spaces will be oriented to capture views. The applicant will be required to provide a viewshed analysis as part of the Three Mile Lane Design Review.
- e. Enhancing connections to existing trails and open space, such as connections into Joe Dancer Park and McBee Park, and creating a public greenway along South Yamhill River with trails and connections to the Three Mile Lane Area is a priority. Development will be required to show connectivity to any proposed trail or part identified in the Parks Recreation and Open Space plan.
- f. New gathering spaces will be designed to incorporate natural areas and views.
- g. Require native landscape plantings with seasonal variation and tree plantings that include shade streets with mature tree canopy.
- h. A network of sidewalks and trails will connect people to key locations within the Three Mile Lane Area.
- i. The Three Mile Lane Area will have safe bicycle routes for residents and touring cyclists.
- j. Proposed new streets will connect to the existing local street grid, in compliance with Transportation System Plan standards.
- k. New commercial developments should be designed to be at a walkable, human scale and for ease of use by all ages and abilities.
- l. New commercial, office, mixed-use, and multi-family developments should be designed to reflect the micro-climate and enhance outdoor life through the incorporation of features such as porches, balconies, courtyards, plazas, etc.
- m. New commercial, office, mixed-use, and industrial campus developments should promote inclusion and interaction within the right-of-way.
- n. Encourage mixed-use development where feasible.
- o. Proposed site landscape for new development should strive to reflect patterns of wine industry—eg, rows of vines, southern orientation, shelter belts of trees – and consider functional site planning of vineyard and farm complexes as conceptual models.

- p. New development should consider adjacency to agricultural fields and respect this heritage through careful transitions.
- q. Architectural building design that includes simple roof forms (industrial and agricultural) is encouraged in the Three Mile Lane Area.
- r. Encourage a diversity of future housing forms, types, and design that respect the current character of the area.
- s. Ensure that new commercial and industrial campus development creates a welcoming and visible interface with Three Mile Lane.
- t. Encourage site design and architecture that visibly convey the historic or current industry on the site (e.g., aviation, winemaking).
- u. New commercial, mixed-use, office, and industrial campus development should consider using local materials for cladding and building structure (timber, corrugated steel cladding, red brick), and incorporating vibrant color.
- v. Public safety services shall be considered as part of master planning, including access, response times and opportunity for substations if needed.
- w. Ensure that no incompatible heavy industrial uses are allowed along Highway 18 in the Three Mile Lane Area or as part of the Innovation Campus.
- x. Significant natural features shall be inventoried and protected as much as possible within new development plans.

V. ATTACHMENTS:

1. Application and Attachments (on file with the Planning Division)
2. Revised TIA Received January 20, 2026 (on file with the Planning Division)

VI. COMMENTS:

Agency Comments

This application was referred to the following public agencies for comment: McMinnville Fire District, Police Department, Engineering Department, Building Department, Parks Department, Public Works Department, Waste Water Services, City Manager, and City Attorney; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Planning Department; Ziplly Fiber (formerly Frontier Communications); Comcast; Recology; Northwest Natural Gas; Oregon Department of Transportation; and Oregon Department of State Lands.

Responses were received from the following agencies, provided below:

- McMinnville Airport
 - No issues or comments from the airport.
- McMinnville Engineering Division
 - The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site. The proposed zone

changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer's discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant's expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer.

- That final development plans for the subject site include a detailed storm drainage plan which incorporates the requirements of City's Storm Drainage Master Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to permit issuance. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. If the final storm drainage plan incorporates the use of collection systems and easements, such must be private, rather than public, and private maintenance agreements must be approved by the City prior to recording.
- The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the public sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.
- McMinnville Fire District
 - The Fire District has no comments to add to this CPA.
- McMinnville Public Works
 - Per your request Public Works has reviewed the 2008 Conveyance System Master Plan, and the proposed zone changes result in a decrease of expected sanitary flows from the site:

EXISTING ZONING:

- M-2 General Industrial: 15.1 AC * 1800 gpnad = 27,180 gpd
- C-3 General Commercial: 2.49 AC * 1800 gpnad = 4,482 gpd

- R-4 Medium, High-Density Residential: 2.06 AC * 1320 gpnad = 2,719 gpd
- R-1 Low-Density Residential: 1.79 AC * 525 gpnad = 940 gpd
- Floodplain: 4.63 AC

Existing Developable: 21.45 AC = 35,321 gpd

PROPOSED REZONE:

- Mixed Use C-3: 3.62 AC * 1800 gpnad = 6,516 gpd
- R-4 Medium, High-Density Residential: 17.83 AC * 1320 gpnad = 23,536 gpd
- Floodplain: 4.63 AC

Proposed Developable = 21.45 AC = 30,052 gpd

Public Works supports the proposed zone change and believes the site is served with sanitary sewer utilities per the assumptions in the 2008 Conveyance System Master Plan. I believe this analysis satisfies the application completeness requirements as Public Works is giving clear direction that the subject site is served under authority granted in MMC chapter 12 and as supported by the review of the 2008 Conveyance System Master Plan.

However, as we work through the Conveyance System Master Plan update, we have identified several outdated or inaccurate assumptions in the previous plan. To ensure the system can adequately support future development, Engineering recommends including a condition of approval requiring the applicant to complete a site-specific sewer capacity analysis at the time of future development, using sewer flow data specific to that proposal. This requirement is consistent with MMC 12.04.120, MMC 13.04.090, past practice, and previously provided feedback regarding this project.

- McMinnville Water & Light
 - MW&L has no comments on this.
- Oregon Department of Transportation
 - After further review, our statement and proposed mitigation comments were included in the letter dated October 17, 2025, that I sent to you on October 22, 2025. We reviewed the revised TIA and addendum dated January 20, 2026, and found that our analysis comments were addressed and the revision and addendum didn't change proposed mitigation comments (email in this chain on February 2). There have been no changes with our position since then.

Please notify us of the decision by sending a copy of the decision to me and odotr2planmgr@odot.oregon.gov.

[STAFF NOTE: BELOW IS THE EMAIL REFERENCED]

Ken,

I've reviewed the updated analysis, found my comments addressed, and don't have any additional comments.

Thanks!

Arielle Childress, P.E. (she/her/hers)

Traffic Analysis Engineer

ODOT Region 2

455 Airport Rd. SE, Bldg. B, Salem, OR 97031

(971) 208-1290

Public Comments

Notice of this request was mailed to property owners located within 300 feet of the subject site on January 30, 2026. No public comments were received in writing prior to the public hearing.

Public Hearing Testimony: The following people testified at the public hearing.

- Kathleen McKinney, Opposition
- Dan Jones, Opposition
- Mike Full, Opposition

VII. PROCEDURAL FINDINGS OF FACT:

1. The application was submitted with the fee provided on July 8, 2025. The application was deemed incomplete on August 7, 2025. Additional materials were provided on August 22, 2025 which were deemed incomplete on August 28, 2025. Additional materials were provided on November 24, 2025 and the application was deemed complete on November 25, 2025.
2. The applicant submitted the necessary documentation to demonstrate a neighborhood meeting was noticed and held in accordance with the provisions of Section 17.72.095 of the Zoning Ordinance.
3. The application was deemed complete on November 25, 2025.
4. On December 3, 2025, notice of the application was provided to the Oregon Department of Land Conservation and Development (DLCD).
5. On December 10, 2025, notice of the application was referred to the following public agencies for comment in accordance with Section 17.72.120 of the Zoning Ordinance: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, Public Works Department, Waste Water Services, and City Manager; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Planning Department; Ziply Fiber (formerly

Frontier Communications); Comcast; Recology; Northwest Natural Gas; Oregon Department of Transportation; and Oregon Department of State Lands. Comments received from agencies are addressed in Section VI of this Decision Document.

6. On January 30, 2026, notice of the application and the February 19, 2026, Planning Commission public hearing was mailed to property owners within 300 feet of the subject property in accordance with Section 17.72.120 of the Zoning Ordinance.
7. On February 13, 2025, notice of the application and the February 19, 2026, Planning Commission public hearing was published in the newspaper in accordance with Section 17.72.120 of the Zoning Ordinance.
8. The Planning Commission held a public hearing on February 19, 2026, to consider the request and voted unanimously to adopt the Decision Document, Conditions, and Findings as presented.
9. The City Council considered the Planning Commission recommendation on March 10, 2026, and voted on March 24, 2026 to adopt Ordinance No. 5173, approving both land-use applications.

VIII. GENERAL FINDINGS OF FACT:

1. **Location:**
 - **Site Address:** 2325 NE Three Mile Lane; 160 NE Atlantic Street; 2205, 2215, 2225, 2245, and 2305 NE Cumulus Avenue, and Property With No Address (Map And Tax Lot R4422CC 01102)
 - **Map And Tax Lots:** R4422 CC -100, -400, -500, -600, -601, -700, -800, -1100, -1102.
2. **Size:** Total of 26.07 acres.
 - a. Map and Tax Lots R4422 CC
 - -100: 5.50 acres
 - -400: 1.84 acres
 - -500: 3.40 acres
 - -600: 1.25 acres
 - -601: 6.85 acres
 - -700: 2.00 acres
 - -800: 3.00 acres
 - -1100: 0.21 acres
 - -1102: 1.59 acres
3. **Current Development:**
 - a. Map and Tax Lots R4422 CC
 - -100: Industrial
 - -400: Industrial
 - -500: Industrial
 - -600: Industrial

- -601: Industrial
- -700: Industrial
- -800: Industrial
- -1100: Residential
- -1102: Residential

4. **Comprehensive Plan Map Designation:** Industrial, Residential, Commercial, And Floodplain
5. **Current Zoning:**
 - a. **Subject Property:** M-2 (General Industrial), C-3 (General Commercial), R-4 Medium, High-Density Residential, R-1 (Low-Density, 9000 Sf Lot Residential Zone), And F-P Flood Area Zone
 - b. **Surrounding Properties:**
 - **North:** F-P Flood Area, and R-1 (Low-Density, 9000 Sf Lot Residential Zone)
 - **West:** R-1 (Low-Density, 9000 Sf Lot Residential Zone), R-4 (Medium, High-Density, 5000 SF Lot Residential Zone), C-3 (General Commercial), VLDR-1 (Very Low Density Residential Districts)
 - **South:** Highway 18, M-1 (Light Industrial)
 - **East:** R-2 (Low-Density, 7000 SF Lot Residential Zone), R-4 (Medium, High-Density, 5000 SF Lot Residential Zone), C-3 (General Commercial)
6. **Overlay Zones/Special Districts:** Three Mile Lane Area Plan (Ordinance 5126)
7. **Other Features:**
 - a. **Slopes:** The project area is generally flat, with slopes towards the South Yamhill River.
 - b. **Easements:** E 3-26 (City sewer easement), with an approximate 20' width along Cumulus Avenue and the southwest property lines of 2215 NE Cumulus Ave.
 - c. **Trees:** A grove of trees is located in the eastern portion of the project area.
 - d. **Rivers:** The South Yamhill River is located within the northern portion of the project area.
 - e. **Wetlands:** A wetland has been identified by the Department of State Lands Statewide Wetlands Inventory within the northern portion of the project area.
8. **Utilities:**
 - a. **Water:** McMinnville Water & Light did not raise concerns when provided the opportunity to comment.
 - b. **Sewer:** Sufficient sanitary services are available per the 2008 Conveyance System Master Plan. Prior to any development, the applicant shall provide an analysis demonstrating sufficient sewer capacity and, if required, the necessary improvements to maintain that capacity.
 - c. **Stormwater:** Adequate stormwater infrastructure will be required by the City's Engineering Division at the time of development.
 - d. **Power:** McMinnville Water & Light did not raise concerns when provided the opportunity to comment.

9. **Access:** The properties have access to Atlantic Street and Cumulus Avenue. Atlantic Street is identified as a local residential street, and Cumulus Avenue is identified as a Minor Collector in the City’s Transportation System Plan.
10. **Public Transit:** Yamhill County Transit provides bus service to the neighborhood through “Route 2”. Bus stops are located within 0.25 of the project sites.

IX. CONCLUSIONARY FINDINGS:

The Conclusionary Findings are the findings regarding consistency with the applicable criteria for the application. The applicable criteria and standards for a Comprehensive Plan Map Amendment and Zone Change are found in Chapter 17.74 of the Zoning Ordinance.

In addition, the goals, policies, and proposals in Volume II of the Comprehensive Plan are to be applied to all land use decisions as criteria for approval, denial, or modification of a proposed request. Goals and policies are mandated; all land use decisions must conform to the applicable goals and policies of Volume II. “Proposals” specified in Volume II are not mandated, but are to be undertaken in relation to all applicable land use requests.

Amendments to the City’s adopted and acknowledged planning documents, including amendments to the Zoning Map, are also subject to certain Statewide Planning Goals and associated statutes and administrative rules.

Title 17. Zoning Ordinance

Section 17.74.020. Comprehensive Plan Map Amendment and Zone Change – Review Criteria

An amendment to the official zoning map (and comprehensive plan map) may be authorized, provided that the proposal satisfies all relevant requirements of this ordinance, and also provided that the applicant demonstrates the following:

A. The proposed amendment is consistent with the goals and policies of the Comprehensive Plan;

APPLICANT’S RESPONSE: The applicable findings included in the narrative above demonstrate that the proposed comprehensive plan map amendment and zone change are consistent with the goals and policies of the Comprehensive Plan.

FINDING: SATISFIED. The applicant responded to all applicable Comprehensive Plan Goals and Policies. Staff found that the application and all applicant responses satisfied the goals and policies. A more detailed analysis of consistency with the goals and policies is included in the next section of this decision document.

B. The proposed amendment is orderly and timely, considering the pattern of development in the area, surrounding land uses, and any changes which

may have occurred in the neighborhood or community to warrant the proposed amendment;

When the proposed amendment concerns needed housing (as defined in the McMinnville Comprehensive Plan and state statute), criterion "B" shall not apply to the rezoning of land designated for residential use on the plan map.

In addition, the housing policies of the McMinnville Comprehensive Plan shall be given added emphasis and the other policies contained in the plan shall not be used to: (1) exclude needed housing; (2) unnecessarily decrease densities; or (3) allow special conditions to be attached which would have the effect of discouraging needed housing through unreasonable cost or delay.

APPLICANT'S RESPONSE: The subject site is located within the plan area of the City's adopted 3MLAP. This proposed comprehensive plan map amendment and zone change will bring the site's zoning into compliance with the 3MLAP land use concept plan. Further, this requested amendment and zone change address a need for additional attainable housing options for the city's growing population, identified in the 2024 Housing Needs Analysis.

No development is proposed through this Application. This Application is timely in that needed residential and commercial land would be designated and made available for future development with the uses envisioned in the 3MLAP.

Upon future application for development, site development plans will be subject to the review process of Chapter 17.72 of the McMinnville Zoning Ordinance.

FINDING: SATISFIED. The City concurs with the applicant's response that criterion B has been satisfied. The proposal will improve the project area's compliance with the Three Mile Lane Area Plan. As noted by the Applicant, no development is proposed in this application. Future development will be subject to the Zoning Ordinance and the Three Mile Lane Area Plan, which will implement the development-related standards within this criterion.

The applicant proposes a plan amendment to designate land for residential use on the plan map and to rezone that land to multi-family residential.

The Subsection B Exemption applies when a proposed plan map and zone map amendment "**concerns needed housing** (as defined in the McMinnville Comprehensive Plan and state statute)."

The Comprehensive Plan does not define "needed housing", however, the comprehensive plan must be consistent with state statute. State statute (ORS 197A.348) defines "needed housing" to mean "all housing on land zoned for residential use or mixed residential and commercial use that is determined to

meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a.

In other words, all housing within the city is needed housing because the city's comprehensive plan identifies a need for housing at a variety of price ranges and rent levels to households within the city at a variety of income levels. The proposed Comprehensive Plan map and Zoning Map amendments "concern needed housing" because they are proposed amendments to change the plan and zone designations to residential, which designations can be used exclusively for housing.

C. Utilities and services can be efficiently provided to serve the proposed uses or other potential uses in the proposed zoning district.

APPLICANT'S RESPONSE: No development is proposed through this Application. Upon submittal of a development application, proposed plans will be subject to applicable zone requirements, as well as the public hearing and review process of Chapter 17.72 of the McMinnville Zoning Ordinance. The efficient provision of utilities and services to the proposed development could be assured through conditions of approval.

FINDING: SATISFIED WITH CONDITIONS OF APPROVAL #1 TO #4.

- **Water:** McMinnville Water & Light did not raise concerns when provided the opportunity to comment.
- **Sewer:** Sufficient sanitary services are available per the 2008 Conveyance System Master Plan. Prior to any development, the applicant shall provide an analysis demonstrating sufficient sewer capacity and, if required, the necessary improvements to maintain that capacity.
- **Stormwater:** Adequate stormwater infrastructure will be required by the City's Engineering Division at the time of development.
- **Power:** McMinnville Water & Light did not raise concerns when provided the opportunity to comment
- **Transportation:** The Applicant prepared a Transportation Impact Analysis to study the impact of the proposed application. The study found that to comply with the Transportation Planning Rule and this criterion, the Applicant must install a westbound right return lane on the eastern leg of the SE Nehemiah Lane/NE Cumulus Avenue & NE Three Mile Lane intersection. Further discussion of transportation is provided in Goal 11 of the Statewide Planning Goals below.

CONDITION OF APPROVAL #1: The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site.

The proposed zone changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer's discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant's expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer.

CONDITION OF APPROVAL #2: That final development plans for the subject site include a detailed storm drainage plan which incorporates the requirements of City's Storm Drainage Master Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to permit issuance. Any utility easements needed to comply with the approved plan must be reflected on the final plat. If the final storm drainage plan incorporates the use of collection systems and easements, such must be private, rather than public, and private maintenance agreements must be approved by the City prior to recording.

CONDITION OF APPROVAL #3: The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.

CONDITION OF APPROVAL #4: Per the Traffic Impact Analysis, the Applicant is responsible for the installation of a westbound right-turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection. Prior to the submittal of building permits, the City reserves the right to require a traffic impact analysis if a transportation memorandum indicates that the traffic created by the development exceeds 20 pm peak hour trips or 200 daily trips.

Comprehensive Plan Volume II

The following Goals, Policies, and Proposals from Volume II of the Comprehensive Plan provide criteria applicable to this request:

The implementation of many of the goals, policies, and proposals as they apply to quasi-judicial land use applications are accomplished through the provisions, procedures, and

standards in the city codes and master plans, which are sufficient to adequately address applicable goals, polices, and proposals as they apply certain applications, and are not addressed below.

The following findings are made relating to applicable Goals and Policies:

CHAPTER II: NATURAL RESOURCES

GOAL II 1: TO PRESERVE THE QUALITY OF THE AIR, WATER, AND LAND RESOURCES WITHIN THE PLANNING AREA.

APPLICANT'S RESPONSE: This application proposes change from industrial to residential and mixed-use commercial uses for the site. The proposed change is not anticipated to increase impacts to the quality of the air, water or land resources. Future development on the site will include uses permitted in the proposed zones. The existing floodplain and steep slopes in the northeast portion of the site will be preserved, with no development proposed within applicable buffers or setbacks.

FINDING: STATISIFED. No development is proposed in this application. The proposed Comprehensive Plan Map amendment and Zone Map Amendment should have no impact on the quality of the air, water, and land resources. Potential impacts will be mitigated or prevented by enforcing applicable standards during development.

CHAPTER IV: ECONOMY OF MCMINNVILLE

GOAL IV 1: TO ENCOURAGE THE CONTINUED GROWTH AND DIVERSIFICATION OF MCMINNVILLE'S ECONOMY IN ORDER TO ENHANCE THE GENERAL WELL-BEING OF THE COMMUNITY AND PROVIDE EMPLOYMENT OPPORTUNITIES FOR ITS CITIZENS

Goal IV 2: TO ENCOURAGE THE CONTINUED GROWTH OF MCMINNVILLE AS THE COMMERCIAL CENTER OF YAMHILL COUNTY IN ORDER TO PROVIDE EMPLOYMENT OPPORTUNITIES, GOODS, AND SERVICES FOR THE CITY AND COUNTY RESIDENTS.

APPLICANT'S RESPONSE: With the proposed rezoning of 1.13 acres to C-3, the commercial zoning on the site will total 3.62 acres. The 3MLAP identified the site as having potential for a mixed-use neighborhood commercial node, which could include a variety of local-serving commercial services and retail as well as create opportunities for local employment and economic growth.

Furthermore, the future commercial development located in proximity to on-site residents as well as the existing surrounding neighborhoods would enable local residents to travel to future shops, services and restaurants through a variety of modes, including walking and biking. The benefits generated by a future locally-focused commercial hub include increased convenience for residents, reduced road congestion and impact on air quality, and opportunities for social interaction among neighbors.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these goals.

Policy 21.01: The City shall periodically update its economic opportunities analysis to ensure that it has within its urban growth boundary (UGB) a 20-year supply of lands designated for commercial and industrial uses. The City shall provide an adequate number of suitable, serviceable sites in appropriate locations within its UGB. If it should find that it does not have an adequate supply of lands designated for commercial or industrial use it shall take corrective actions which may include, but are not limited to, re-designation of lands for such purposes, or amending the UGB to include lands appropriate for industrial or commercial use.

APPLICANT'S RESPONSE: The adopted 2023 EOA documents a 159-acre deficit of commercial land and 29-acre deficit of industrial land over the 20-year planning period. The subject site currently has 15.1 acres zoned M-2 Industrial that is proposed for rezoning to C-3 Commercial and R-4 Medium/High Density Residential.

The proposed rezone of 15.1 acres of M-2 land is not anticipated to have significant impact on the adequacy of the city's future industrial land supply. Industrial M-2 zoned land which, as of the 2023 EOA was estimated to total 215 acres city-wide, makes up the largest category of available industrial land. In addition, this application proposes rezoning this portion of the site to housing and commercial, both categories which have identified deficits.

The 3MLAP concept for the subject site designates the area as a potential mixed-use neighborhood commercial node with a mix of uses that would serve the future on-site residents and existing surrounding residential neighborhoods. In addition, the site is identified as an area that can support a variety of housing types that will address the City's identified housing needs.

The proposed rezone of the M-2 land on the subject site is consistent with the adopted 3MLAP and addresses the City's identified needs for additional commercial and housing development. As such, the proposal is consistent with Policy 21.01.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

Policy 21.03: The City shall support existing businesses and industries and the establishment of locally owned, managed, or controlled small businesses.

APPLICANT'S RESPONSE: The proposed rezone to C-3 will create opportunities for small, locally owned businesses to serve the local community. The subject site has been identified in the 3MLAP as an appropriate location for a mixed-use node that would serve future residents of the site and residents of the surrounding area.

FINDING: NOT APPLICABLE. The application is for a comprehensive plan amendment and zone change by a private applicant, not the City. This criterion applies to City actions and is therefore not applicable to this project.

GOAL IV 3: TO ENSURE COMMERCIAL DEVELOPMENT THAT MAXIMIZES EFFICIENCY OF LAND USE THROUGH UTILIZATION OF EXISTING COMMERCIALY DESIGNATED LANDS, THROUGH APPROPRIATELY LOCATING FUTURE COMMERCIAL LANDS, AND DISCOURAGING STRIP DEVELOPMENT.

APPLICANT'S RESPONSE: This application proposes to rezone 1.13 acres of land from M-2 to C-3, which would bring the total C-3 land on the site to 3.62 acres. This application proposes to reconfigure the C-3 land to better meet the vision of the 3MLAP. Consistent with the 3MLAP, a mixed-use commercial node is proposed for the C-3 zoned area, enabling that portion of the site to be developed in the future with a mix of commercial uses to serve the surrounding residential neighborhoods. The area is located with visibility from and direct access to Cumulus Avenue, providing connectivity to the east and west and the transit corridor.

No development is proposed through this application for a comprehensive plan map amendment and zone change. Future application for development of the site will be subject to the review process of Chapter 17.72 of the City's Zoning Ordinance.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this goal. The proposed project will bring the project area into better compliance with the Preferred Alternative of the Three Mile Lane Area Plan.

Policy 22.00 The maximum and most efficient use of existing commercially designated lands will be encouraged as will the revitalization and reuse of existing commercial properties.

APPLICANT'S RESPONSE: The subject site currently has 2.49 acres of commercial C-3 zoned land. This application proposes to rezone 1.13 acres of M-2 land to C-3, resulting in a total of 3.62 acres of C-3 zoned land. The Applicant proposes to reconfigure the commercial-zoned area to create a commercial/mixed-use node with adjacent existing commercial land and take advantage of the site's frontage on Cumulus Avenue along the south property line. This proposal complies with the 3MLAP, which has identified the subject site as a potential future node of mixed-use commercial development to serve residents of the area.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. The proposed project will bring the project area into better compliance with the Preferred Alternative of the Three Mile Area Plan.

Policy 23.00 Areas which could in the future serve as commercial sites shall be protected from encroachment by incompatible uses.

APPLICANT'S RESPONSE: This application proposes to add 1.13 acres of C-3 zoned land, for a total of 3.62 acres of C-3, to provide for future retail and services as

prioritized by the adopted 3MLAP. The remainder of the subject site is proposed to be rezoned to R-4 Medium-High Density Residential. As the future local commercial node will be aimed at serving the local neighborhoods, the future development of housing will be compatible with the C-3 zoned area.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. The proposed project will bring the project area into better compliance with the Preferred Alternative of the Three Mile Area Plan. The rezone of the existing M-2 (General Industrial) zone and will no longer allow for potentially incompatible uses to encroach upon commercial sites.

Policy 24.00 The cluster development of commercial uses shall be encouraged rather than auto-oriented strip development.

APPLICANT'S RESPONSE: This application requests a comprehensive plan map amendment and zone change to Commercial C-3 and R-4 Residential, which encourages variety in uses and development patterns, and efficient use of space.

The adopted 3MLAP has identified the subject site as a potential mixed-use commercial node, or cluster, which could include a mix of retail and commercial services as neighborhood-serving amenities. This proposal to rezone and reconfigure C-3 land near the Cumulus frontage of the site is in conformance with the adopted 3MLAP and supports future compliance with Policy 24.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. The proposed project will bring the project area into better compliance with the Preferred Alternative of the Three Mile Area Plan. This alternative will cluster commercial development.

Policy 24.50 The location, type, and amount of commercial activity within the urban growth boundary shall be based on community needs as identified in the Economic Opportunities Analysis.

APPLICANT'S RESPONSE: The 2023 EOA identified a commercial land deficit in McMinnville of 159 acres through 2041. The adopted 3MLAP has identified the subject site as a suitable location for a mixed-use commercial node envisioned to provide a mix of local-serving retail and commercial services to the surrounding residential community. This application proposes to rezone 1.13 acres to C-3 which, along with the existing C-3 zoned land on site, would result in a total of 3.62 acres of C-3 land. As shown in the CPMA-ZC Site Plan, attached as Exhibit B, this area is proposed to be located along the site's Cumulus Avenue frontage to take advantage of the area's accessibility, visibility, and the availability of suitable land.

FINDING: NOT APPLICABLE. The application is for a comprehensive plan amendment and zone change by a private applicant, not the City. This criterion applies to City actions and is therefore not applicable to this project.

Policy 25.00 Commercial uses will be located in areas where conflicts with adjacent land uses can be minimized and where city services commensurate with the scale of development are or can be made available prior to development.

Policy 26.00 The size of, scale of, and market for commercial uses shall guide their locations. Large-scale, regional shopping facilities, and heavy traffic- generating uses shall be located on arterials or in the central business district, and shall be located where sufficient land for internal traffic circulation systems is available (if warranted) and where adequate parking and service areas can be constructed.

Policy 27.00 Neighborhood commercial uses will be allowed in residential areas. These commercial uses will consist only of neighborhood oriented businesses and will be located on collector or arterial streets. More intensive, large commercial uses will not be considered compatible with or be allowed in neighborhood commercial centers.

APPLICANT'S RESPONSE: The 3MLAP envisions future development of the site to include medium/high density residential development and a mixed-use commercial node that provides neighborhood commercial retail and services to the surrounding residential community. The subject site is an appropriate location for a smaller mixed-use commercial development located on Cumulus Avenue, which is classified as a Minor Collector in McMinnville's TSP. These future uses are compatible with the surrounding area which has been similarly designated through the 3MLAP.

The 3MLAP area is located within the City limits and municipal services are provided to the area. Any future development application will need to confirm adequate facilities, which can be assured through conditions of approval.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies.

Policy 30.00: Access locations for commercial developments shall be placed so that excessive traffic will not be routed through residential neighborhoods and the traffic-carrying capacity of all adjacent streets will not be exceeded.

Policy 31.00: Commercial developments shall be designed in a manner which minimizes bicycle/pedestrian conflicts and provides pedestrian connections to adjacent residential development through pathways, grid street systems, or other appropriate mechanisms. (Ord.4796, October 14, 2003)

Policy 32.00: Where necessary, landscaping and/or other visual and sound barriers shall be required to screen commercial activities from residential areas.

Policy 33.00: Encourage efficient use of land for parking; small parking lots and/or parking lots that are broken up with landscaping and pervious surfaces for water quality filtration areas. Large parking lots shall be minimized where possible. All parking lots shall be interspersed with landscaping islands to provide a visual break and to provide energy savings by lowering the air temperature outside commercial structures on hot days, thereby lessening the need for inside cooling. (Ord.4796, October 14, 2003)

APPLICANT'S RESPONSE: The subject site is located within the 3MLAP area, which calls for future development to incorporate certain urban design elements, including a local street grid, buildings oriented to local street frontages, pedestrian amenities, landscaped green buffers, parking behind buildings and other features. The incorporation of 3MLAP urban design elements in future development of the site will implement Design Policies 30, 31, 32 and 33. No development is proposed through this Application. Any subsequent development application will address applicable criteria of the McMinnville Zoning Ordinance at that time.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. No development is proposed at time of this application, future development will be subject to the Three Mile Lane Plan policies and the Zoning Ordinance which will implement the above policies.

GOAL IV 5: TO CONTINUE THE GROWTH AND DIVERSIFICATION OF MCMINNVILLE'S INDUSTRIAL BASE THROUGH THE PROVISION OF AN ADEQUATE AMOUNT OF PROPERLY DESIGNATED LANDS.

APPLICANT'S RESPONSE: The subject site currently has 15.1 acres zoned M-2 Industrial that is proposed for rezoning to C-3 Commercial and R-4 Medium, High-Density Residential. The proposed rezone of the M-2 land is not anticipated to have significant impact on the adequacy of the city's future industrial land supply. Industrial M-2 zoned land which, as of the 2023 EOA was estimated to total 215 acres, makes up the largest category of available industrial land. In addition, this application proposes rezoning the land to housing and commercial, both categories which have identified deficits, and is consistent with the adopted 3MLAP.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this goal.

GOAL IV 6: TO ENSURE INDUSTRIAL DEVELOPMENT THAT MAXIMIZES EFFICIENCY OF LAND USES, THAT IS APPROPRIATELY LOCATED IN RELATION TO SURROUNDING LAND USES, AND THAT MEETS NECESSARY ENVIRONMENTAL STANDARDS.

Policy 49.00 The City of McMinnville shall use its zoning and other regulatory methods to prevent encroachment into industrial areas by incompatible land uses.

Policy 49.01 The City shall designate an adequate supply of suitable sites to meet identified needs for a variety of different parcel sizes at locations which have direct access to an arterial or collector street without having to pass through residential neighborhoods.

Policy 49.02 The location, type, and amount of industrial activity within the Urban Growth Boundary shall be based on community needs as identified in the Economic Opportunities Analysis.

APPLICANT'S RESPONSE: This Application proposes the rezoning of 15.1 acres of M-2 zoned industrial land to residential and commercial designations on the subject site.

Under the current zoning, the industrial portion of the site is surrounded by non-industrial zoned land and existing uses. The City adopted the 3MLAP to guide development and transportation improvements in the SE Three Mile Lane area and ensure compatibility of uses. Rezoning this land from industrial to residential and commercial uses is consistent with the 3MLAP and provides the opportunity for greater compatibility of proposed and existing uses as the area redevelops. In addition, the proposed change will help address a commercial land deficit and the City's need for attainable housing.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this goal and policies. The project will bring the project area into better compliance with the Three Mile Lane Area Plan. No development is proposed as part of this project.

CHAPTER V: HOUSING AND RESIDENTIAL DEVELOPMENT

GOAL V 1: TO PROMOTE DEVELOPMENT OF AFFORDABLE, QUALITY HOUSING FOR ALL CITY RESIDENTS.

Policy 58.00 City land development ordinances shall provide opportunities for development of a variety of housing types and densities.

Policy 59.00 Opportunities for multiple-family and mobile home developments shall be provided in McMinnville to encourage lower-cost renter and owner-occupied housing. Such housing shall be located and developed according to the residential policies in this plan and the land development regulations of the City.

Policy 60.00 Attached single-family dwellings and common property ownership arrangements (condominiums) shall be allowed in McMinnville to encourage land-intensive, cost-effective, owner-occupied dwellings.

APPLICANT'S RESPONSE: This application proposes a total of 17.8 acres of R-4 Medium, High-Density residentially zoned land for the 26-acre subject site.

The City's adopted Housing Needs Analysis identified a need for more housing that is attainable at a range of income levels. In addition, the City's adopted 3MLAP envisions future medium-high density residential on a significant portion of the subject site. In response to those adopted directives, the proposed zone change will allow future development of the site to include a mix of attached single-family development and multi-family housing at a range of housing densities. As such, the proposed rezone is consistent with Goal V 1 and Policies 58, 59 and 60.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this goal and policies.

GOAL V 2: TO PROMOTE A RESIDENTIAL DEVELOPMENT PATTERN THAT IS LAND INTENSIVE AND ENERGY EFFICIENT, THAT PROVIDES FOR AN URBAN LEVEL OF PUBLIC AND PRIVATE SERVICES, AND THAT ALLOWS UNIQUE AND INNOVATIVE DEVELOPMENT TECHNIQUES TO BE EMPLOYED IN RESIDENTIAL DESIGNS.

Policy 68.00 The City of McMinnville shall encourage a compact form of urban development by directing residential growth close to the city center and to those areas where urban services are already available before committing alternate areas to residential use.

Policy 70.00 The City of McMinnville shall continue to update zoning and subdivision ordinances to include innovative land development techniques and incentives that provide for a variety of housing types, densities, and price ranges that will adequately meet the present and future needs of the community.

Policy 71.00 The City of McMinnville shall designate specific lands inside the urban growth boundary as residential to meet future projected housing needs. Lands so designated may be developed for a variety of housing types. All residential zoning classifications shall be allowed in areas designated as residential on the Comprehensive Plan Map.

APPLICANT'S RESPONSE: The proposed Comprehensive Plan Amendment and rezone is consistent with the recently adopted 3MLAP, which is being implemented through the McMinnville Zoning Ordinance and Comprehensive Plan. Future development of the site will adhere to applicable current zoning and subdivision regulations in effect at the time of development.

The R-4 Medium-High density zoning proposed for 17.8 acres of the site will address the City's identified housing needs and support a variety of housing types and densities, allowing for overall compact and efficient development of the site. Housing types such as townhomes and multi-dwelling residential units are allowed through the R-4 zone, and provide more attainable options for diverse household income levels.

The subject site is located near the city center and has good access to urban services and public transit. In addition, the future on-site commercial mixed-use development will provide services and retail goods to residents in the neighborhood and be accessed via the onsite streets and pedestrian system, potentially reducing the need for vehicle trips to other parts of the city.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this goal and policies.

Policy 71.06 Low Density Residential Development (R-1 and R-2) Low-density residential development should be limited to the following:

- 1. Areas which are committed to low density development and shown on the buildable lands inventory as "developed" land;*
- 2. Areas where street facilities are limited to collector and local streets;*

3. *Areas with mapped development limitations such as steep slopes, floodplains, stream corridors, natural drainageways, and wetlands; and*
4. *Areas with limited capacity for development identified in approved facility master plans, including sanitary sewer, water, drainage, and transportation facilities. (Ord. 4796, October 14, 2003)*

APPLICANT'S RESPONSE: This application proposes to rezone 1.79 acres of R-1 zoned land to R-4 Medium, High-Density zoning. This proposed change is supported by the 3MLAP, which envisions a mix of uses and diverse housing types for the site. Further, the City's Housing Needs Analysis identified a need for more housing types that are affordable at different household incomes. The proposed R-4 zoning will allow for housing that is more attainable at a range of income levels, including small-lot single-family detached, attached single-family and multi-family development.

As shown in the submitted CPMA-ZC Site Plan, attached as Exhibit B, the portion of the site planned for residential development will have access from existing and future local streets. The northern portion of the site, which contains the floodplain, provides view opportunities and as per the 3MLAP is an area for a future open space connection.

FINDING: NOT APPLICABLE. No areas are proposed to be zoned as R-1 or R-2 as part of this application.

Policy 71.07 The R-1 zoning designation shall be applied to limited areas within the McMinnville urban growth boundary. These include:

1. *The steeply sloped portions of the West Hills;*
2. *Neighborhoods and properties within the current urban growth boundary that are developed or have been approved for such densities (Michelbook, for example);*
3. *Fox Ridge Road area;*
4. *Redmond Hill Road area;*
5. *Residential lands adjacent to existing or planned industrial areas. (Ord. 4796, October 14, 2003)*

APPLICANT'S RESPONSE: A 1.79-acre portion of the subject site is zoned R-1 Residential. The City's adopted 3MLAP has identified the site's future development to include Medium, High-Density R-4 residential zoning with the goal of creating mixed-use residential neighborhoods with a range of attainable housing types that will help address the City's identified housing deficit. As such, the rezoning of the site's existing R-1 for future development of medium-high density residential is consistent with this policy.

FINDING: NOT APPLICABLE. No areas are proposed as R-1 zone as part of this application.

Policy 71.09 Medium and High-Density Residential (R-3 and R-4) - The majority of residential lands in McMinnville are planned to develop at medium density range (4 – 8 dwelling units per net acre). Medium density residential development uses include small

lot single-family detached uses, single family attached units, duplexes and triplexes, and townhouses. High density residential development (8 – 30 dwelling units per net acre) uses typically include townhouses, condominiums, and apartments:

- 1. Areas that are not committed to low density development;*
- 2. Areas that have direct access from collector or arterial streets;*
- 3. Areas that are not subject to development limitations such as topography, flooding, or poor drainage;*
- 4. Areas where the existing facilities have the capacity for additional development;*
- 5. Areas within one-quarter mile of existing or planned public transportation; and*

APPLICANT'S RESPONSE: This application proposes a change in zoning from primarily industrial land to a mix of residential R-4 and commercial C-3 zones. The site has direct access to Cumulus Avenue, a collector street, and local streets in the area. The site was identified in the 3MLAP as an opportunity site for a mix of commercial uses and needed housing due in part to the size of the site. At 26 acres, the site can support a variety of housing types and densities and remain compatible with the existing surrounding uses. The large size of the site will allow for an efficient development layout as well as economies of scale during development. The northern portion of the site is characterized by slopes and areas within the floodplain, which will be buffered from future development by open space. The site has access to public facilities that currently exist on the site and adjacent land, and is proximate to local public transit.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. The majority of the project site is recommended for designation as Medium, High-Density Residential under the Three Mile Lane Area Plan, with the remaining area designated as mixed use and floodplain.

1. The area is not committed to low-density development;
2. The area takes direct access from a collector (Cumulus Avenue).
3. It is not subject to development limitations such as topography, flooding, or poor drainage.
4. A condition is proposed to manage the capacity for additional development.
5. Properties are within one-quarter mile of public transportation located on Cumulus Avenue.

Policy 71.13 The following factors should serve as criteria in determining areas appropriate for high-density residential development:

- 1. Areas which are not committed to low or medium density development;*
- 2. Areas which have direct access from a major collector or arterial street;*
- 3. Areas which are not subject to development limitations;*
- 4. Areas where the existing facilities have the capacity for additional development;*
- 5. Areas within a one-half mile wide corridor centered on existing or planned public transit routes;*
- 6. Areas within one-quarter mile from neighborhood and general commercial shopping centers; and*
- 7. Areas adjacent to either private or public permanent open space. (Ord. 4796, October 14, 2003)*

APPLICANT'S RESPONSE: The proposed zone change will result in a total of 17.8 acres of R-4 land. Currently, the majority of the site is zoned industrial and is occupied by a cement manufacturer.

The northern portion of the site contains areas with floodplain and steep slopes which will be buffered from future development by open space. Cumulus Avenue, a collector street, provides direct access to the site and will connect with the on-site local streets as future development occurs.

The site is located within 0.1 mile of a public transit route. Public facilities exist on and adjacent to the site and can be made to be adequate to serve future development.

The proposed rezoning will support future development that will be consistent with the 3MLAP, which calls for medium-high residential density development and neighborhood-serving commercial on the site. As shown in the submitted plan, Exhibit B, a portion of the site adjacent to Cumulus Avenue is proposed to be zoned C-3 to accommodate services and retail oriented to the needs of future on-site residents and surrounding neighborhoods.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. The majority of the project site is recommended for designation as Medium, High-Density Residential under the Three Mile Lane Area Plan, with the remaining area designated as mixed use and floodplain. The area is not committed to low- or medium- density development; the area takes direct access from a collector (Cumulus Avenue); it is not subject to development limitations such as topography, flooding, or poor drainage; conditions are proposed to manage the capacity for additional development; properties are within one-quarter mile of public transportation located on Cumulus Avenue; and within a quarter mile of commercially zoned properties.

79.00 The density allowed for residential developments shall be contingent on the zoning classification, the topographical features of the property, and the capacities and availability of public services including but not limited to sewer and water. Where densities are determined to be less than that allowed under the zoning classification, the allowed density shall be set through adopted clear and objective code standards enumerating the reason for the limitations, or shall be applied to the specific area through a planned development overlay. Densities greater than those allowed by the zoning classification may be allowed through the planned development process or where specifically provided in the zoning ordinance or by plan policy. (Ord. 4796, October 14, 2003)

APPLICANT'S RESPONSE: This application requests rezoning that will result in a total of 17.8 acres of R-4 residential. No development is proposed through this application. Future residential development on the site will be subject to applicable code requirements at the time of development. Floodplain and sloped areas of the site will be buffered from future development by open space and applicable setbacks. Upon application for development of the site, the adequacy of municipal

facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

80.00 In proposed residential developments, distinctive or unique natural features such as wooded areas, isolated preservable trees, and drainage swales shall be preserved wherever feasible.

APPLICANT'S RESPONSE: The northern portion of the subject site is characterized by floodplain and sloped areas which offer views of the South Yamhill River and Joe Dancer Park. These areas will be buffered from future development by open space and applicable setbacks.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. The northern portion of the project area will be zoned F-P Flood Area Zone, which will protect that area from residential development, as residential uses are not permitted within the F-P.

81.00 Residential designs which incorporate pedestrian and bikeway paths to connect with activity areas such as schools, commercial facilities, parks, and other residential areas, shall be encouraged.

82.00 The layout of streets in residential areas shall be designed in a manner that preserves the development potential of adjacent properties if such properties are recognized for development on the McMinnville Comprehensive Plan Map.

83.00 The City of McMinnville shall review the design of residential developments to insure site orientation that preserves the potential for future utilization of solar energy.

APPLICANT'S RESPONSE: The City's adopted 3MLAP incorporates design elements that encourage pedestrian and bicycle connectivity throughout the development and with adjacent development. As such, future development of the site will incorporate features supportive of connectivity. No development is currently proposed through this application. A future development application will be subject to the applicable code requirements at that time.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies. No development is proposed as part of this application. Future development will be subject to the Three Mile Lane Area Plan policies and the Zoning Ordinance, which will implement these policies.

86.00 Dispersal of new multiple-family housing development will be encouraged throughout the residentially designated areas in the City to avoid a concentration of people, traffic congestion, and noise. The dispersal policy will not apply to areas on the fringes of the downtown "core," and surrounding Linfield College where multiple-family developments shall still be allowed in properly designated areas.

APPLICANT'S RESPONSE: The proposed zone change and comprehensive plan map amendment reflect the direction provided by the adopted 3MLAP. The subject site was identified in the plan as a suitable site for medium-high density R-4 residential development, which allows for a variety of housing types including small-lot detached homes, attached townhomes, and multi-family development. No development is proposed through this application. This application is consistent with this policy.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

89.00 Zoning standards shall require that all multiple-family housing developments provide landscaped grounds. (Ord. 4796, October 14, 2003)

APPLICANT'S RESPONSE: Future development of the site will comply with applicable landscape standards in effect at the time of development application.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

90.00 Greater residential densities shall be encouraged to locate along major and minor arterials, within one-quarter mile from neighborhood and general commercial shopping centers or within neighborhood activity centers, and within a one-half mile wide corridor centered on existing or planned public transit routes. (Ord. 5098, December 8, 2020; Ord. 4840, January 11, 2006; Ord. 4796, October 14, 2003)

91.00 Multiple dwelling housing developments, including condominiums, but excluding campus living quarters, shall be required to access off of arterials or collectors or streets determined by the City to have sufficient traffic carrying capacities to accommodate the proposed development. (Ord. 4573, November 8, 1994)

92.00 High-density housing developments shall be encouraged to locate along existing or potential public transit routes.

APPLICANT'S RESPONSE: The subject site is located on Cumulus Avenue, a collector that provides access to Hwy 18, an arterial. The site is within 0.1 mile of both City and County public transit lines. Future development of the site will incorporate safe and efficient on-site circulation that will provide connectivity with transportation routes and with the surrounding area.

This rezone request supports the vision of the adopted 3MLAP, which identified the site as having characteristics needed to support medium/high density housing, including small-lot single-family detached, attached townhomes, and multifamily development. In addition, the 3MLAP identified the site's potential for a mixed-use commercial node that would provide goods and services for future on-site residents and the surrounding

neighborhood. As shown in the proposed rezone plan, attached as Exhibit B, this node is located near the southern boundary of the subject site, with visibility and access from Cumulus Avenue.

The attached Transportation Impact Analysis (TIA), prepared by Lancaster Mobley and attached as Exhibit F, concludes that there will be no impact from the proposed rezoning to the functional classifications existing or planned facilities within the study area.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies.

92.01 High-density housing shall not be located in undesirable places such as near railroad lines, heavy industrial uses, or other potential nuisance areas unless design factors are included to buffer the development from the incompatible use. (Ord. 4796, October 14, 2003)

92.02 High-density housing developments shall, as far as possible, locate within reasonable walking distance to shopping, schools, and parks, or have access, if possible, to public transportation. (Ord. 4796, October 14, 2003)

APPLICANT'S RESPONSE: With the proposed rezoning of the M-2 industrial land to R-4 residential and C-3 commercial, future redevelopment of the site will not include any industrial uses, making the site more compatible with higher densities of residential development.

As called for in the adopted 3MLAP, the site will incorporate mixed-use commercial development that will serve on-site residents as well as the surrounding neighborhoods. Nearby transit stops will offer residents and visitors to the site an alternative mode of transportation, potentially reducing vehicle trips. The proposed rezone supports Policies 92.01 and 92.02.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies.

99.00 An adequate level of urban services shall be provided prior to or concurrent with all proposed residential development, as specified in the acknowledged Public Facilities Plan. Services shall include, but not be limited to:

- 1. Sanitary sewer collection and disposal lines. Adequate municipal waste treatment plant capacities must be available.*
- 2. Storm sewer and drainage facilities (as required).*
- 3. Streets within the development and providing access to the development, improved to city standards (as required).*
- 4. Municipal water distribution facilities and adequate water supplies (as determined by City Water and Light). (as amended by Ord. 4796, October 14, 2003)*
- 5. Deleted as per Ord. 4796, October 14, 2003.*

APPLICANT'S RESPONSE: Municipal facilities currently exist and serve the vicinity of the site via main lines located in the Cumulus Avenue and Atlantic Street rights-of-way. No development is proposed through this Application. Upon application for development of the site, the adequacy of municipal facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED WITH CONDITIONS OF APPROVAL #1 AND #3. Per the Public Works analysis, sufficient sewer capacity is available to support the proposed application. To ensure the system can adequately support future development, the applicant is to complete a site-specific sewer capacity analysis at the time of future development, using sewer flow data specific to that proposal.

CONDITION OF APPROVAL #1: The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site. The proposed zone changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer's discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant's expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer.

CONDITION OF APPROVAL #3: The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.

CHAPTER VI: TRANSPORTATION SYSTEM

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

117.00 *The City of McMinnville shall endeavor to insure that the roadway network provides safe and easy access to every parcel.*

119.00 *The City of McMinnville shall encourage utilization of existing transportation corridors, wherever possible, before committing new lands.*

APPLICANT'S RESPONSE: As demonstrated in the TIA, attached as Exhibit F, the planned zone change will not impact or alter the functional classification of any existing or planned transportation facility. Future development of the site will include a safe and efficient street system ensuring access throughout the site, as well as connectivity with adjacent sites. Please refer to the TIA report for additional information.

FINDING: SATISFIED WITH CONDITION OF APPROVAL #4. The TIA provided by the Applicant indicates that installing a westbound right turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection.

CONDITION OF APPROVAL #4: Per the Traffic Impact Analysis, the Applicant is responsible for the installation of a westbound right-turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection. Prior to the submittal of building permits, the City reserves the right to require a traffic impact analysis if a transportation memorandum indicates that the traffic created by the development exceeds 20 pm peak hour trips or 200 daily trips.

122.00 *The City of McMinnville shall encourage the following provisions for each of the three functional road classifications:*

2. Major, minor collectors.

- Designs should minimize impacts on existing neighborhoods.*
- Sufficient street rights-of-way should be obtained prior to development of adjacent lands.*
- On-street parking should be limited wherever necessary.*
- Landscaping should be required along public rights-of-way. (Ord.4922, February 23, 2010)*
- As far as is practical, residential collector streets should be no further than 1,800 feet apart in order to facilitate a grid pattern of collector streets in residential areas.*

3. Local Streets

- Designs should minimize through-traffic and serve local areas only.*
- Street widths should be appropriate for the existing and future needs of the area.*

-Off-street parking should be encouraged wherever possible.

-Landscaping should be encouraged along public rights-of-way.

APPLICANT'S RESPONSE: No development is proposed through this application. Upon future development of the site, the design of new on-site streets will comply with the applicable roadway design standards in effect at the time of development.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

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

Policy 127.00 The City of McMinnville shall encourage the provision of off-street parking where possible, to better utilize existing and future roadways and rights-of-way as transportation routes.

APPLICANT'S RESPONSE: No development is proposed through this application. Upon future development of the site, the provision of off-street parking will comply with the applicable development standards in effect at that time.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies.

Policy 130.05 In areas where bikeways are planned, the City may require that new development provide bikeway improvements such as widened streets, bike paths, or the elimination of on-street parking. At the minimum, new development shall be required to make provisions for the future elimination of on-street parking along streets where bikeways are planned so that bike lanes can be striped in the future. Bike lanes and bike paths in new developments shall be constructed to standards recommended in the bikeway plan.

APPLICANT'S RESPONSE: The subject site is located within the 3MLAP area. The 3MLAP encourages safe, bicycle-friendly routes that provide connectivity to and through the site for bicyclists. No development is proposed through this application. Future bicycle connectivity design will adhere to applicable development standards in effect at the time of development application.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

Policy 132.26.05 New street connections, complete with appropriately planned pedestrian and bicycle features, shall be incorporated in all new developments consistent with the Local Street Connectivity map.

APPLICANT'S RESPONSE: The McMinnville TSP identifies future local street connections for the Highway 18 corridor, as shown on the map below (TSP, Exhibit

2-1). As shown on the map, there are no local street connections identified for the subject site on the City's Local Street Connections Map. The 3MLAP addresses pedestrian and bicycle circulation to and through the plan area with recommendations for facility improvements that will improve access, mobility and comfort for all users. Accordingly, the 3MLAP requires a smaller-block grid system for on-site local streets, which will support pedestrian and bicycle connectivity. Any future development application will be required to be consistent with the McMinnville TSP and ensure appropriately planned pedestrian and bicycle features and connectivity with any existing and planned adjacent facilities.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

Policy 132.27.00 The provision of transportation facilities and services shall reflect and support the land use designations and development patterns identified in the McMinnville Comprehensive Plan. The design and implementation of transportation facilities and services shall be based on serving current and future travel demand—both short-term and long-term planned uses.

APPLICANT'S RESPONSE: The TIA, attached as Exhibit F, evaluated both existing conditions and planning horizon (2041) impacts of the proposed zone change on the transportation system. The TIA and TPR analyses concluded that the zone change would not result in any change to functional classification of the facilities within the study area. For additional information, please refer to the TIA.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

Policy 132.29.00 The construction of transportation facilities in the McMinnville planning area shall be timed to coincide with community needs, and shall be implemented so as to minimize impacts on existing development. Prioritization of improvements should consider the City's level of service standards.

APPLICANT'S RESPONSE: No development is proposed through this application. Upon future development of the site, the onsite facilities will be designed and timed to provide safe and efficient movement to and through the site for pedestrians, bicycles and vehicles, while prioritizing the City's level of service standards.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

Policy 132.40.00 Mobility standards will be used to evaluate the transportation impacts of long-term growth. The City should adopt the intersection mobility standards as noted in Chapter 2 of the Transportation System Plan.

APPLICANT'S RESPONSE: The TIA, attached as Exhibit F, studied intersections within the City's and ODOT's jurisdictions and applied each jurisdiction's applicable mobility standard as a basis for its analysis. As noted in the TIA, the proposed zone

change will not result in any classification changes of any study intersections. Please refer to the TIA for additional information.

FINDING: SATISFIED WITH CONDITION OF APPROVAL #4. The TIA provided by the Applicant indicates that installing a westbound right turn lane on the eastern leg at the intersection of SE Nehemiah Lane/NE Cumulus Avenue & NE Three Mile Lane is necessary to mitigate the project's potential impacts to improve the v/c ratio to better than no-build conditions. This approval is conditioned to require that recommended action.

CONDITION OF APPROVAL #4: Per the Traffic Impact Analysis, the Applicant is responsible for the installation of a westbound right-turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection. Prior to the submittal of building permits, the City reserves the right to require a traffic impact analysis if a transportation memorandum indicates that the traffic created by the development exceeds 20 pm peak hour trips or 200 daily trips.

Policy 132.62.00 TSP as Legal Basis -- The City of McMinnville shall use the McMinnville TSP as the legal basis and policy foundation for actions by decision-makers, advisory bodies, staff, and citizens in transportation issues. The goals, objectives, policies, implementation strategies, principles, maps, and recommended projects shall be considered in all decision-making processes that impact or are impacted by the transportation system.

APPLICANT'S RESPONSE: The proposed rezone of the subject site to residential R-4 and commercial C-3 is consistent with the goals, objectives, policies, implementation strategies, principles, maps and recommended projects of the TSP. The City's goal and supplemental policies are addressed below.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

CHAPTER VII: COMMUNITY FACILITIES AND SERVICES

GOAL VII 1: TO PROVIDE NECESSARY PUBLIC AND PRIVATE FACILITIES AND UTILITIES AT LEVELS COMMENSURATE WITH URBAN DEVELOPMENT, EXTENDED IN A PHASED MANNER, AND PLANNED AND PROVIDED IN ADVANCE OF OR CONCURRENT WITH DEVELOPMENT, IN ORDER TO PROMOTE THE ORDERLY CONVERSION OF URBANIZABLE AND FUTURE URBANIZABLE LANDS TO URBAN LANDS WITHIN THE McMINNVILLE URBAN GROWTH BOUNDARY.

APPLICANT'S RESPONSE: This Goal is targeted at rural lands that are not within the UGB and are proposed to be transitioned to urban land. The subject site is located within the McMinnville UGB and therefore this Goal is not applicable. Nonetheless, there will be necessary public and private facilities and utilities at levels commensurate with urban development at the time of development. Public utilities currently serve the vicinity of the subject site via main service lines located in the Cumulus Avenue and Atlantic Street rights-of-way. No development is

proposed through this Application. Upon application for development of the site, the adequacy of public and private facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

Policy 136.00 The City of McMinnville shall insure that urban developments are connected to the municipal sewage system pursuant to applicable city, state, and federal regulations.

APPLICANT'S RESPONSE: Municipal sewer facilities currently serve the vicinity of the site via main lines located in the Cumulus Avenue and Atlantic Street rights-of-way. No development is proposed through this Application. Upon application for development of the sites, the adequacy of the sewer facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED WITH CONDITIONS OF APPROVAL # 1 AND #3. This policy will be met with the inclusion of conditions of approval #1 and #3.

CONDITION OF APPROVAL #1: The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site. The proposed zone changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer's discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant's expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer.

CONDITION OF APPROVAL #3: The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.

Policy 139.00 The City of McMinnville shall extend or allow extension of sanitary sewage collection lines within the framework outlined below:

- 1. Sufficient municipal treatment plant capacities exist to handle maximum flows of effluents.*
- 2. Sufficient trunk and main line capacities remain to serve undeveloped land within the projected service areas of those lines.*
- 3. Public water service is extended or planned for extension to service the area at the proposed development densities by such time that sanitary sewer services are to be utilized.*
- 4. Extensions will implement applicable goals and policies of the comprehensive plan.*

APPLICANT’S RESPONSE: Municipal sewer facilities currently exist and serve the vicinity of the site via main lines located in the Cumulus Avenue and Atlantic Street rights-of-way. No development is proposed through this Application. Upon application for development of the site, the adequacy of the sewer facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED WITH CONDITIONS OF APPROVAL #1 AND #3. Per the Public Works analysis, sufficient sewer capacity is available to support the proposed application. To ensure the system can adequately support future development, the applicant is to complete a site-specific sewer capacity analysis at the time of future development, using sewer flow data specific to that proposal.

CONDITION OF APPROVAL #1:The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site. The proposed zone changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer’s discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant’s expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer

CONDITION OF APPROVAL #3: The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City’s Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to

development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.

Policy 142.00 The City of McMinnville shall insure that adequate storm water drainage is provided in urban developments through review and approval of storm drainage systems, and through requirements for connection to the municipal storm drainage system, or to natural drainage ways, where required.

APPLICANT'S RESPONSE: No development is proposed through this Application. Upon application for development of the site, the design and adequacy of the stormwater drainage facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED WITH CONDITION OF APPROVAL #2. This policy will be met by including condition of approval #2.

CONDITION OF APPROVAL #2: That final development plans for the subject site include a detailed storm drainage plan which incorporates the requirements of City's Storm Drainage Master Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to permit issuance. Any utility easements needed to comply with the approved plan must be reflected on the final plat. If the final storm drainage plan incorporates the use of collection systems and easements, such must be private, rather than public, and private maintenance agreements must be approved by the City prior to recording.

Policy 145.00 The City of McMinnville, recognizing McMinnville Water and Light as the agency responsible for water system services, shall extend water services within the framework outlined below:

- 1. Facilities are placed in locations and in such a manner as to insure compatibility with surrounding land uses.*
- 2. Extensions promote the development patterns and phasing envisioned in the McMinnville Comprehensive Plan.*
- 3. For urban level developments within McMinnville, sanitary sewers are extended or planned for extension at the proposed development densities by such time as the water services are to be utilized.*
- 4. Applicable policies for extending water services, as developed by the City Water and Light Commission, are adhered to.*

APPLICANT'S RESPONSE: No development is proposed through this Application. Upon application for development of the site, the design and adequacy of the water and sanitary sewer facilities for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. McMinnville Water and Light have indicated no concerns with the proposed project.

Policy 151.00 The City of McMinnville shall evaluate major land use decisions, including but not limited to urban growth boundary, comprehensive plan amendment, zone changes, and subdivisions using the criteria outlined below:

- 1. Sufficient municipal water system supply, storage and distribution facilities, as determined by McMinnville Water and Light, are available or can be made available, to fulfill peak demands and insure fire flow requirements and to meet emergency situation needs.*
- 2. Sufficient municipal sewage system facilities, as determined by the City Public Works Department, are available, or can be made available, to collect, treat, and dispose of maximum flows of effluents.*
- 3. Sufficient water and sewer system personnel and resources, as determined by McMinnville Water and Light and the City, respectively, are available, or can be made available, for the maintenance and operation of the water and sewer systems.*
- 4. Federal, state, and local water and waste-water quality standards can be adhered to.*
- 5. Applicable policies of McMinnville Water and Light and the City relating to water and sewer systems, respectively, are adhered to.*

APPLICANT'S RESPONSE: There are no known water or sewer deficiencies in the vicinity of the subject site. No development is proposed through this Application. Upon future application for development of the site, the availability and adequacy of the water, sewer, and stormwater drainage facilities and services to serve the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy. McMinnville Water and Light have indicated no concerns with the proposed project.

Policy 153.00 The City of McMinnville shall continue coordination between the planning and fire departments in evaluating major land use decisions.

Policy 155.00 The ability of existing police and fire facilities and services to meet the needs of new service areas and populations shall be a criterion used in evaluating annexations, subdivision proposals, and other major land use decisions.

APPLICANT'S RESPONSE: There are no known police or fire service deficiencies in the vicinity of the subject site. No development is proposed through this application. Upon future application for development of the site, the availability and adequacy of the police and fire facilities and services to serve the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies. McMinnville Fire District indicated no concerns with the proposed project.

GOAL VII 3: TO PROVIDE PARKS AND RECREATION FACILITIES, OPEN SPACES, AND SCENIC AREAS FOR THE USE AND ENJOYMENT OF ALL CITIZENS OF THE COMMUNITY.

163.00 The City of McMinnville shall continue to require land, or money in lieu of land, from new residential developments for the acquisition and/or development of parklands, natural areas, and open spaces.

163.05 The City of McMinnville shall locate future community and neighborhood parks above the boundary of the 100-year floodplain. Linear parks, greenways, open space, trails, and special use parks are appropriate recreational uses of floodplain land to connect community and other park types to each other, to neighborhoods, and services, provided that the design and location of such uses can occur with minimum impacts on such environmentally sensitive lands. (Ord. 4840, January 11, 2006)

164.00 The City of McMinnville shall continue to acquire floodplain lands through the provisions of Chapter 17.53 (Land Division Standards) of the zoning ordinance and other available means, for future use as natural areas, open spaces, and/or parks.

168.00 Distinctive natural features and areas shall be retained, wherever possible, in future urban developments.

170.00 The City of McMinnville shall require the provision of lands for parks from all subdivisions on Three Mile Lane, except when an existing park is available and reachable by safe and convenient pedestrian access. Where no land is dedicated, money in lieu of land shall be required.

APPLICANT'S RESPONSE: The subject site has not been designated for any park development in the McMinnville Parks, Recreation and Open Space Plan. The portions of the site with floodplain lands or steep slopes will not be developed and will present future opportunities to preserve views of the South Yamhill River and Joe Dancer Park.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with these policies. No development is proposed for this project. Future residential development will be subject to Parks System Development Charges at the time of development, in accordance with Policy 163.00. Future land division will be subject to Policies 164.00 and 170.00, and future development to Policy 1680.00. No parks are proposed or required for this application, and policy 163.05 does not apply.

CHAPTER VIII: ENERGY

GOAL VIII 2: TO CONSERVE ALL FORMS OF ENERGY THROUGH UTILIZATION OF LAND USE PLANNING TOOLS.

Policy 178.00 The City of McMinnville shall encourage a compact urban development pattern to provide for conservation of all forms of energy.

APPLICANT'S RESPONSE: The subject site is located within an urban area that is currently served by local energy providers. Future development of the site with R-4 medium-high density residential development will be consistent with the 3MLAP and will be characterized by compact development including a variety of attached housing types.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

CHAPTER IX: URBANIZATION

GOAL IX 1 TO PROVIDE ADEQUATE LANDS TO SERVICE THE NEEDS OF THE PROJECTED POPULATION TO THE YEAR 2023, AND TO ENSURE THE CONVERSION OF THESE LANDS IN AN ORDERLY, TIMELY MANNER TO URBAN USES.

APPLICANT'S RESPONSE: The proposed Comprehensive Plan Map Amendment and zone change address the need for additional residential and commercial land through 2041, identified in the 2024 Housing Needs Analysis and the 2023 EOA. Furthermore, the proposed zone change is consistent with the City's adopted 3MLAP, which envisions medium-high density residential and a mixed-use commercial node on the site in the future.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this goal.

Policy 186.00 The City of McMinnville shall place planned development overlays on areas of special significance identified in Volume I of the McMinnville Comprehensive Plan. Those overlays shall set forth the specific conditions for development of the affected properties. Areas of significance identified in the plan shall include but not be limited to:

- 1. Three Mile Lane (north and south).*

APPLICANT'S RESPONSE: The subject site is located within the Three Mile Lane Overlay area. No development is proposed through this application. Future development will adhere to the policies and requirements of the overlay.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

GREAT NEIGHBORHOOD PRINCIPLES

Policies:

187.10 The City of McMinnville shall establish Great Neighborhood Principles to guide the land use patterns, design, and development of the places that McMinnville citizens live, work, and play. The Great Neighborhood Principles will ensure that all developed places include characteristics and elements that create a livable, egalitarian, healthy, social, inclusive, safe, and vibrant neighborhood with enduring value, whether that place is a completely new development or a redevelopment or infill project within an existing built area.

187.20 The Great Neighborhood Principles shall encompass a wide range of characteristics and elements, but those characteristics and elements will not function independently. The Great Neighborhood Principles shall be applied together as an integrated and assembled approach to neighborhood design and development to create a livable, egalitarian, healthy, social, inclusive, safe, and vibrant neighborhood, and to create a neighborhood that supports today's technology and infrastructure and can accommodate future technology and infrastructure.

187.30 The Great Neighborhood Principles shall be applied in all areas of the city to ensure equitable access to a livable, egalitarian, healthy, social, inclusive, safe, and vibrant neighborhood for all McMinnville citizens.

187.40 The Great Neighborhood Principles shall guide long range planning efforts including, but not limited to, master plans, small area plans, and annexation requests. The Great Neighborhood Principles shall also guide applicable current land use and development applications.

187.50 The McMinnville Great Neighborhood Principles are provided below. Each Great Neighborhood Principle is identified by number below (numbers 1 – 13), and is followed by more specific direction on how to achieve each individual principle.

APPLICANT'S RESPONSE: This application is for a Comprehensive Plan Map and Zone Change for the 26-acre subject site located within the City's adopted 3MLAP area. As such, future development of the subject site will be reviewed for consistency with the Great Neighborhood Principles under the applicable procedures and standards of the McMinnville Zoning Ordinance.

FINDING: SATISFIED WITH CONDITION OF APPROVAL #5. With the requirements of Condition of Approval #5, this policy will be met.

CONDITION OF APPROVAL #5: Development applications located within the Three Mile Lane Area are subject to the policies of the Three Mile Lane Area Plan, as adopted by Ordinance No. 5126, and will be reviewed as part of the Three Mile Lane Design Review required by Ordinance Nos. 4131 and 4572. The policies of the Three Mile Lane Area Plan are provided below:

- a. Require future development to be consistent with the design elements of the Three Mile Lane Area Plan. Mixed-use and commercial proposals over five (5) acres are subject to Planning Commission Approval.
- b. Public improvements and private development shall strive to protect tree groves and mature individual trees. Existing trees shall not be removed without prior review and written approval. The applicant shall submit information identifying trees greater than six inches DBH. Trees greater than six inches DBH will not be approved for removal unless a certified arborist determines that they are diseased, dying, or dead, or the developer demonstrates that practical development of an approved lot, or required public improvements (i.e., streets, sidewalks, and public utilities), will adversely impact the survival of such tree or trees. In addition, all trees that are not to be removed shall be protected during the construction of all public improvements and residential development in the approved partition. A plan for such tree protection approved by the Planning Director shall be submitted with construction and/or building permit applications prior to release of construction or building permits within the subject site.
- c. Riparian corridors and adjacent native landscape shall be protected. The applicant will need to provide mapping and protection of stream corridors and re-vegetation with native plantings if warranted.
- d. The built environment will be designed to provide and protect views to rolling hills and volcanoes and to enhance visual and physical access to the North Yamhill River. New streets and open spaces will be oriented to capture views. The applicant will be required to provide a viewshed analysis as part of the Three Mile Lane Design Review.
- e. Enhancing connections to existing trails and open space, such as connections into Joe Dancer Park and McBee Park, and creating a public greenway along South Yamhill River with trails and connections to the Three Mile Lane Area is a priority. Development will be required to show connectivity to any proposed trail or part identified in the Parks Recreation and Open Space plan.
- f. New gathering spaces will be designed to incorporate natural areas and views.
- g. Require native landscape plantings with seasonal variation and tree plantings that include shade streets with mature tree canopy.
- h. A network of sidewalks and trails will connect people to key locations within the Three Mile Lane Area.
- i. The Three Mile Lane Area will have safe bicycle routes for residents and touring cyclists.
- j. Proposed new streets will connect to the existing local street grid, in compliance with Transportation System Plan standards.
- k. New commercial developments should be designed to be at a walkable, human scale and for ease of use by all ages and abilities.
- l. New commercial, office, mixed-use, and multi-family developments should be designed to reflect the micro-climate and enhance outdoor life through

- the incorporation of features such as porches, balconies, courtyards, plazas, etc.
- m. New commercial, office, mixed-use, and industrial campus developments should promote inclusion and interaction within the right-of-way.
 - n. Encourage mixed-use development where feasible.
 - o. Proposed site landscape for new development should strive to reflect patterns of wine industry—eg, rows of vines, southern orientation, shelter belts of trees – and consider functional site planning of vineyard and farm complexes as conceptual models.
 - p. New development should consider adjacency to agricultural fields and respect this heritage through careful transitions.
 - q. Architectural building design that includes simple roof forms (industrial and agricultural) is encouraged in the Three Mile Lane Area.
 - r. Encourage a diversity of future housing forms, types, and design that respect the current character of the area.
 - s. Ensure that new commercial and industrial campus development creates a welcoming and visible interface with Three Mile Lane.
 - t. Encourage site design and architecture that visibly convey the historic or current industry on the site (e.g., aviation, winemaking).
 - u. New commercial, mixed-use, office, and industrial campus development should consider using local materials for cladding and building structure (timber, corrugated steel cladding, red brick), and incorporating vibrant color.
 - v. Public safety services shall be considered as part of master planning, including access, response times and opportunity for substations if needed.
 - w. Ensure that no incompatible heavy industrial uses are allowed along Highway 18 in the Three Mile Lane Area or as part of the Innovation Campus.
 - x. Significant natural features shall be inventoried and protected as much as possible within new development plans.

Principles:

1. Natural Feature Preservation. Great Neighborhoods are sensitive to the natural conditions and features of the land.

a. Neighborhoods shall be designed to preserve significant natural features including, but not limited to, watercourses, sensitive lands, steep slopes, wetlands, wooded areas, and landmark trees.

APPLICANT'S RESPONSE: The subject site is characterized by floodplain and slopes located within the northern portion of the site. Appropriate setbacks and open space buffer will prevent development within those areas.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

2. *Scenic Views. Great Neighborhoods preserve scenic views in areas that everyone can access.*

a. *Public and private open spaces and streets shall be located and oriented to capture and preserve scenic views, including, but not limited to, views of significant natural features, landscapes, vistas, skylines, and other important features.*

APPLICANT’S RESPONSE: The northern portion of the site has potential to provide views of the South Yamhill River and Joe Dancer Park. Proposed development will be reviewed for consistency with the 3MLAP and Great Neighborhood Principles and with applicable development standards.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

3. *Parks and Open Spaces. Great Neighborhoods have open and recreational spaces to walk, play, gather, and commune as a neighborhood.*

a. *Parks, trails, and open spaces shall be provided at a size and scale that is variable based on the size of the proposed development and the number of dwelling units.*

b. *Central parks and plazas shall be used to create public gathering spaces where appropriate.*

c. *Neighborhood and community parks shall be developed in appropriate locations consistent with the policies in the Parks Master Plan.*

APPLICANT’S RESPONSE: Future design of the site’s development will incorporate appropriate gathering places for residents and users of the site, in addition to providing connections to existing adjacent developments and neighborhoods, natural areas, parks and trails in the vicinity.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

4. *Pedestrian Friendly. Great Neighborhoods are pedestrian friendly for people of all ages and abilities.*

a. *Neighborhoods shall include a pedestrian network that provides for a safe and enjoyable pedestrian experience, and that encourages walking for a variety of reasons including, but not limited to, health, transportation, recreation, and social interaction.*

b. *Pedestrian connections shall be provided to commercial areas, schools, community facilities, parks, trails, and open spaces, and shall also be provided between streets that are connected (such as cul-de-sacs or blocks with lengths greater than 400 feet).*

APPLICANT’S RESPONSE: The future design of the site will be guided by the 3MLAP and Great Neighborhood Principles to include on-site pedestrian features

that provide circulation through the site and plan area to improve access, mobility and comfort for all users.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

5. Bike Friendly. Great Neighborhoods are bike friendly for people of all ages and abilities.

a. Neighborhoods shall include a bike network that provides for a safe and enjoyable biking experience, and that encourages an increased use of bikes by people of all abilities for a variety of reasons, including, but not limited to, health, transportation, and recreation.

b. Bike connections shall be provided to commercial areas, schools, community facilities, parks, trails, and open spaces.

APPLICANT'S RESPONSE: The future development of the site will be consistent with the goals of the 3MLAP and will include bicycle features that provide safe routes to and through the site and the plan area to improve access, mobility and comfort for bicycle riders.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

6. Connected Streets. Great Neighborhoods have interconnected streets that provide safe travel route options, increased connectivity between places and destinations, and easy pedestrian and bike use.

a. Streets shall be designed to function and connect with the surrounding built environment and the existing and future street network, and shall incorporate human scale elements including, but not limited to, Complete Streets features as defined in the Comprehensive Plan, grid street networks, neighborhood traffic management techniques, traffic calming, and safety enhancements.

b. Streets shall be designed to encourage more bicycle, pedestrian and transit mobility with a goal of less reliance on vehicular mobility.

APPLICANT'S RESPONSE: Future design and development of the site will be reviewed for consistency with the 3MLAP, which calls for a grid street system to provide connectivity within the site as well as with adjacent neighborhoods and streets. The future design of transportation improvements will address safety and convenience of pedestrians, bicyclists, transit users.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

7. Accessibility. Great Neighborhoods are designed to be accessible and allow for ease of use for people of all ages and abilities.

a. To the best extent possible all features within a neighborhood shall be designed to be accessible and feature elements and principles of Universal Design.

b. Design practices should strive for best practices and not minimum practices.

APPLICANT’S RESPONSE: Future design and development of the site will be guided by the access and connectivity elements of the 3MLAP. On-site connections will also be designed and constructed in compliance with accessibility standards in effect at the time of development.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

8. Human Scale Design. Great Neighborhoods have buildings and spaces that are designed to be comfortable at a human scale and that foster human interaction within the built environment.

a. The size, form, and proportionality of development is designed to function and be balanced with the existing built environment.

b. Buildings include design elements that promote inclusion and interaction with the right-of-way and public spaces, including, but not limited to, building orientation towards the street or a public space and placement of vehicle-oriented uses in less prominent locations.

c. Public spaces include design elements that promote comfortability and ease of use at a human scale, including, but not limited to, street trees, landscaping, lighted public areas, and principles of Crime Prevention through Environmental Design (CPTED).

APPLICANT’S RESPONSE: The subject site is located in the 3MLAP area, which includes as a key feature of the site a neighborhood-serving commercial node and medium-high density residential designated land which can support housing of varying scale. Future site design will be reviewed for consistency with 3MLAP elements addressing site features such as building orientation, parking, landscaping, lighting and CPTED.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

9. Mix of Activities. Great Neighborhoods provide easy and convenient access to many of the destinations, activities, and local services that residents use on a daily basis.

a. Neighborhood destinations including, but not limited to, neighborhood serving commercial uses, schools, parks, and other community services, shall be provided in locations that are easily accessible to surrounding residential uses.

b. Neighborhood-serving commercial uses are integrated into the built environment at a scale that is appropriate with the surrounding area.

c. Neighborhoods are designed such that owning a vehicle can be optional.

APPLICANT’S RESPONSE: This application proposes to rezone the subject site from primarily industrial zoning to residential and commercial zones. Consistent with the 3MLAP concept, future development will include mixed-use commercial uses that will serve the on-site and surrounding community, as well as a variety of housing types such as townhomes and multi-dwelling apartments. No development

is proposed through this application. The future site development review process will ensure that the scale of future development is appropriate.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

10. Urban-Rural Interface. Great Neighborhoods complement adjacent rural areas and transition between urban and rural uses.

a. Buffers or transitions in the scale of uses, buildings, or lots shall be provided on urban lands adjacent to rural lands to ensure compatibility.

APPLICANT'S RESPONSE: The subject site is located within the 3MLAP area, which proposes a variety of complementary uses that will not conflict with the rural uses near the plan area. The proposed rezoning of the subject site to residential and commercial use is consistent with the 3MLAP. Future site design and development will be consistent with the design elements of the 3MLAP and will be reviewed under the applicable zoning standards.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

11. Housing for Diverse Incomes and Generations. Great Neighborhoods provide housing opportunities for people and families with a wide range of incomes, and for people and families in all stages of life.

a. A range of housing forms and types shall be provided and integrated into neighborhoods to provide for housing choice at different income levels and for different generations.

APPLICANT'S RESPONSE: This application proposes a Zone Change and Comprehensive Plan Map change to result in a total of 17.8 acres of R-4 Medium, High-density zoned land. The proposed zoning will allow for a variety housing types, including small-lot single-dwelling homes, attached townhomes, and multi-dwelling apartments. These housing types are typically more attainable, providing choice at a variety of income levels.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

12. Housing Variety. Great Neighborhoods have a variety of building forms and architectural variety to avoid monoculture design.

a. Neighborhoods shall have several different housing types.

b. Similar housing types, when immediately adjacent to one another, shall provide variety in building form and design.

APPLICANT'S RESPONSE: This application proposes 17.8 acres of R-4 Medium, High-Density zoned land on the subject site. The R-4 zone will allow for a variety of housing types at different scale and form, including small-lot single-family detached, attached townhomes, and multi-family dwellings. The proposed zone change is consistent with the City's adopted 3MLAP.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

13. Unique and Integrated Design Elements. Great Neighborhoods have unique features, designs, and focal points to create neighborhood character and identity. Neighborhoods shall be encouraged to have:

a. Environmentally friendly construction techniques, green infrastructure systems, and energy efficiency incorporated into the built environment.

b. Opportunities for public art provided in private and public spaces.

c. Neighborhood elements and features including, but not limited to, signs, benches, park shelters, street lights, bike racks, banners, landscaping, paved surfaces, and fences, with a consistent and integrated design that are unique to and define the neighborhood. (Ord 5066 §2, April 9, 2019)

APPLICANT'S RESPONSE: The subject site is located within the 3MLAP area. No development is proposed through this application. Future site design will be guided by the 3MLAP and incorporate integrated design elements of the 3MLAP that are appropriate for the residential and commercial mixed-uses on the site. Future proposed development will be reviewed under the applicable development standards in effect at the time of development.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

CHAPTER X: CITIZEN INVOLVEMENT AND PLAN AMENDMENT

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

APPLICANT'S RESPONSE: None.

FINDING: SATISFIED. The applicant held a neighborhood meeting before submitting the Comprehensive Plan Map Amendment and Zone Change application. Properties within three hundred (300) feet of the subject property received notice of the application and the Planning Commission public hearing. Notice of the application and the Planning Commission public hearing was published in the News Register. The Planning Commission will hold a public hearing on the proposal.

GOAL X 3 TO PERIODICALLY REVIEW AND AMEND THE MCMINNVILLE COMPREHENSIVE PLAN TO REFLECT CHANGES IN COMMUNITY CIRCUMSTANCES, IN CITIZEN DESIRES, AND IN THE STATEWIDE GOALS.

APPLICANT’S RESPONSE: The 3MLAP was developed through a multi-year public involvement process that resulted an “implementable vision for the area’s future land uses and multi-modal transportation system.” That vision reflects changes in community circumstances and citizen needs. The 3MLAP is intended to be implemented through the City’s codes and ordinances, as well as amendments to the Comprehensive Plan Map. The rezoning of the subject site to residential and commercial mixed-use zoning is consistent with this goal.

FINDING: SATISFIED. The applicant has adequately demonstrated compliance with this policy.

STATEWIDE PLANNING GOALS

Goal 1: Citizen Involvement

APPLICANT’S RESPONSE: In compliance with the MZO requirements of Chapter 17.72, the Applicant held neighborhood meeting with the community to discuss the proposed map amendment and zone change. Documentation of the meeting is included with this application as Exhibit D. In addition, the review procedures of Chapter 17.72 provide an opportunity for citizen comment on the proposal at future Planning Commission and City Council hearings.

FINDING: SATISFIED. The requested land use action is a change to the Comprehensive Plan Map and Zoning Map designation. As required, citizens will have the opportunity to comment on the proposed map amendments at public hearings before the Planning Commission and City Council.

Goal 2: Land Use Planning

APPLICANT’S RESPONSE: In addition to these Statewide Planning Goals, this application addresses applicable policies and approval criteria of the McMinnville Comprehensive Plan and Zoning Ordinance and the Three Mile Lane Area Plan. As demonstrated by this narrative and supporting documentation, this application is consistent with applicable criteria and with Goal 2. .

FINDING: SATISFIED. The decision-making is based on the City’s adopted and acknowledged Comprehensive Plan and Land Use Regulations, including the factual base and procedures. Determination of consistency with the applicable statewide planning goals and associated administrative rules is also based on an adequate factual basis.

Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces

APPLICANT'S RESPONSE: The northeast portion of the site has land that is located within the floodplain and areas of steep slopes. The proposed rezone does not alter the zoning designations for the area which is now zoned Floodplain. No future development is proposed within that area, which will be protected by applicable buffers and setbacks.

FINDING: SATISFIED. No acknowledged natural resources, scenic and historic areas, or open spaces are located in the project area. In addition, no development is permitted as part of this application.

Goal 9: Economic Development

APPLICANT'S RESPONSE: The aim of Goal 9 is to ensure the availability of land suitable for economic growth and development opportunities over a 20-year planning period. To satisfy Goal 9, the City periodically updates an Economic Opportunities Analysis (EOA) to reflect changing economic factors that impact land availability. The most recently adopted 2023 EOA concluded that, over the 20-year planning horizon through 2041, a deficit of 159 acres of commercial land and a deficit of 29 acres of industrial land are projected.

This Application proposes to redesignate 15.1 acres of land from Industrial M-2 zone to residential R-4 and commercial C-3 zones. As proposed, 1.13 acres of M-2 land will be redesignated as C-3, which would bring the total C-3 land on the site to 3.62 acres. This application proposes to reconfigure the C-3 land to be consistent with the 3MLAP, enabling that portion of the site to be developed in the future with a mix of commercial uses to serve the on-site residents and surrounding residential neighborhoods. The proposed commercial-zoned area is located with visibility from and direct access to Cumulus Avenue, providing connectivity to the east and west and the transit corridor.

The proposed rezone is not anticipated to have significant impact on the adequacy of the city's future industrial land supply which, as of the 2023 EOA, was estimated to be 215 acres. Industrial M-2 zoned land makes up the largest category of available industrial land, according to the 2023 EOA.

The proposed rezone will assist the City in implementing the goals and objectives of the Three Mile Lane Area Plan and address potential long-term compatibility issues of existing industrial zoning with the surrounding residential and commercial zoning and uses. In addition, the proposed rezone to housing and commercial zones contributes to the reduction of the projected commercial land deficit identified in the 2020 EOA and the housing deficit identified in the 2023 Housing Needs Analysis.

FINDING: SATISFIED. The applicant has demonstrated compliance with Goal 9.

Goal 10: Housing

APPLICANT'S RESPONSE: This application proposes a zone change from R-1 and M-2 zones to R-4 and C-3 on the 26-acre site. The City's 2023 Housing Needs Analysis identifies demographic and housing trends that will shape the city's housing supply over the next 20 years. Trends indicate that a variety of housing types and densities will be required to meet the needs of the City's aging and growing populations. Smaller and more affordable housing types are identified as being needed over the next 20 years.

The proposed rezone of the subject site would allow for development of attached housing such as townhomes and multifamily units, making a greater impact on identified housing needs. The proposed Comprehensive Plan map amendment and rezone meet the intent of Goal 10.

FINDING: SATISFIED. The applicant has demonstrated compliance with Goal 10.

Goal 11: Public Facilities and Services

APPLICANT'S RESPONSE: This application proposes a zone change for the 26-acre subject site which is located within the Three Mile Lane Area Plan boundary. In preliminary coordination with service providers, no deficiencies have been identified in the water, sanitary sewer or power availability. Similarly, there are no known deficiencies in public services such as fire protection and law enforcement. As noted in this application, the approval of the proposed zone change will result in the provision of park land (open space) consistent with the approved 3MLAP.

Upon application for development of the site, the design and adequacy of public facilities and services for the proposed development will be reviewed. The provision of adequate facilities can be assured through conditions of approval.

FINDING: SATISFIED WITH CONDITIONS OF APPROVAL #1 TO #3. The subject property has access to all necessary public services at a level needed for urban development (see comment from the City of McMinnville Public Works Department). When given the opportunity to provide comments on the proposed zone change, McMinnville Water and Light did not identify any concerns for utility services. Three conditions are recommended by the City to ensure adequate public facilities can be provided for sewer and stormwater. At the time of future development, McMinnville Water and Light and the City's Engineering Division will analyze if the system capacity can handle the proposed development. If capacity increases are required, the McMinnville Water and Light or the City's Engineering Division may require improvements through applicable standards at the time of development.

CONDITION OF APPROVAL #1: The 2008 Conveyance System Masterplan assumptions at the time of this application allow for sanitary flows of 1,647 gallons

per net acre daily (gpnad) for the referenced existing zoning of the 21.45acre site. The proposed zone changes do not result in an assumed increase flow based on the 2008 Conveyance System Masterplan. At the City Engineer's discretion prior to any additional applications for land use decisions or permitting, the applicant shall be required to provide an analysis to the City Engineer showing sanitary sewer capacity for the proposed flows do not exceed 1,647 gpnad -OR- enter into a reimbursement agreement with the City to perform a sanitary sewer capacity analysis. The capacity analysis should incorporate development specific flow assumptions and shall meet the requirements of the most recent Sanitary Conveyance Masterplan or model in effect at the time of the analysis. Any sanitary sewer pump station and/or sanitary sewer conveyance system improvement necessary to accommodate the proposed flows from anticipated development appropriate for the proposed zoning shall be completed at the applicant's expense prior to making any new connections or increasing any demand on the public system per review and approval by the City Engineer.

CONDITION OF APPROVAL #2: That final development plans for the subject site include a detailed storm drainage plan which incorporates the requirements of City's Storm Drainage Master Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to permit issuance. Any utility easements needed to comply with the approved plan must be reflected on the final plat. If the final storm drainage plan incorporates the use of collection systems and easements, such must be private, rather than public, and private maintenance agreements must be approved by the City prior to recording.

CONDITION OF APPROVAL #3: The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to development. Any utility easements needed to comply with the approved plan must be reflected on the final plat or be recorded prior to utility installation. Structures located within the subject site are required to connect to the sanitary sewer system at the same time that the public system is constructed that makes service available per the approved sanitary sewer collection plan.

Goal 12: Transportation

APPLICANT'S RESPONSE: A Transportation Impact Analysis (TIA) addressing the requirements of Goal 12 and the Transportation Planning Rule (TPR) was completed by Lancaster Mobley and is attached as Exhibit F. The analysis found that the proposed Comprehensive Plan Map Amendment and Zone Change will not change

the functional classification of any existing or planned facility. For additional information, please see the attached TIA report.

FINDING: SATISFIED WITH CONDITION OF APPROVAL #4. Per OAR 660-012-0060, if an amendment to a comprehensive plan or zoning map significantly affects an existing or planned transportation facility, then the local government must put measures in place to account for the impacts.

The City does not have a locally adopted threshold for a “significant effect” to require a Transportation Planning Rule Analysis, therefore, the City defers to the state statutory requirements for determining “significant effect” which is provided in OAR 660-012, otherwise known as the Transportation Planning Rule (TPR).

At the time the application was deemed complete, the City and ODOT had not yet accepted the applicant's TIA. A revised TIA was prepared by the applicant and accepted by both the City and ODOT.

TPR Review of Oregon State Facilities

The Oregon Department of Transportation (ODOT) was included in the review of this application.

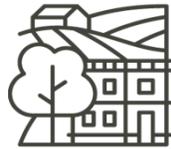
The applicant has submitted a Transportation Impact Analysis (TIA) addressing the requirements of Goal 12 and the Transportation Planning Rule (TPR) in support of the proposed rezoning of nine parcels totaling approximately 26 acres from a mixed-use zone. The analysis concludes the following:

- **Trip Generation:** The proposed zone change is projected to generate approximately 52 AM peak hour trips, 139 PM peak hour trips, and 2,054 average daily trips.
- **Signal Warrants:** None of the unsignalized study intersections are anticipated to meet signal warrants under the 2041 planning horizon with the zone change implemented.
- **Turn Lane Warrants:** (as provided in the Traffic Impact Analysis)
 - Left-turn-lane warrants are met for the southbound approach at the intersection of NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane under all analysis scenarios during the evening peak hour, including existing conditions. The need for this left-turn lane is not triggered by the proposed zone change or any development on the site. It is recommended that at the time of development, the applicant coordinate with the City to participate in the construction of a left turn lane at this intersection.
 - A westbound right-turn lane is recommended at the intersection of SE Nehemiah Lane/NE Cumulus Avenue & NE Three Mile Lane to mitigate

the potential impact from the zone change. The westbound right-turn lane would improve v/c ratio to better than no-build conditions (0.57).

- **Functional Classification:** With the recommended improvement, the proposed zone change will not impact or alter the functional classification of any existing or planned transportation facilities, and no changes to classification standards are included in the proposal.
- **Recommended Improvements:** Installation of a westbound right turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection.
- **Compliance:** Based on these findings, the proposed zone change with Condition of Approval #4 satisfies the requirements of the Transportation Planning Rule.

CONDITION OF APPROVAL #4: Per the Traffic Impact Analysis, the Applicant is responsible for the installation of a westbound right-turn lane on the eastern leg of the NE Cumulus Avenue/SE Nehemiah Lane and NE Three Mile Lane intersection. Prior to the submittal of building permits, the City reserves the right to require a traffic impact analysis if a transportation memorandum indicates that the traffic created by the development exceeds 20 pm peak hour trips or 200 daily trips.



City of McMinnville

February 2026

CASH AND INVESTMENT BY FUND

FUND #	FUND NAME	GENERAL OPERATING		
		CASH IN BANK	INVESTMENT	TOTAL
01	General	\$3,645,169.10	\$13,548,784.54	\$17,193,953.64
05	Grants & Special Assessment	\$307.00	\$775,057.52	\$775,364.52
07	Transient Lodging Tax	\$588.42	\$8,000.00	\$8,588.42
08	Affordable Housing	\$371.52	\$1,627,304.00	\$1,627,675.52
10	Telecommunications	\$918.10	\$2,030.00	\$2,948.10
15	Emergency Communications	\$681.41	\$164,094.81	\$164,776.22
20	Street (State Tax)	\$390.16	\$1,597,097.62	\$1,597,487.78
25	Airport Maintenance	\$406.19	\$942,749.03	\$943,155.22
45	Transportation	\$379.15	\$6,712,494.92	\$6,712,874.07
50	Park Development	\$997.67	\$3,786,441.49	\$3,787,439.16
58	Urban Renewal	\$6.55	(\$1,000.00)	(\$993.45)
59	Urban Renewal Debt Service	\$376.34	\$1,696,062.48	\$1,696,438.82
60	Debt Service	\$801.96	(\$4,420.05)	(\$3,618.09)
70	Building	\$28.97	\$2,494,240.37	\$2,494,269.34
71	Stormwater Operations	\$0.00	\$0.00	\$0.00
72	Stormwater Capital	\$0.15	\$10,000.00	\$10,000.15
75	Wastewater Services	\$304.54	\$1,483,463.22	\$1,483,767.76
77	Wastewater Capital	\$946.32	\$32,502,103.65	\$32,503,049.97
80	Information Systems & Services	\$549.54	\$216,742.38	\$217,291.92
85	Insurance Reserve	\$927.98	\$317,290.54	\$318,218.52
CITY TOTALS		3,654,151.07	67,878,536.52	71,532,687.59

MATURITY

DATE	INSTITUTION	TYPE OF INVESTMENT	INTEREST RATE	CASH VALUE
N/A	Key Bank of Oregon	Checking & Repurchase Sweep Account	0.50%	\$3,654,151.07
N/A	State of Oregon	Local Government Investment Pool (LGIP)	4.04%	\$56,536,872.22
N/A	Umpqua Bank	Money Market Savings Account	3.71%	\$11,341,664.30
				<u>\$71,532,687.59</u>