



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

AGENDA

Fox Ridge Road Area Plan – Project Advisory Committee (PAC) Meeting

**Hybrid Meeting: In-Person and ZOOM Online Meeting
 Wednesday, May 10, 2023, 6:30pm-8:00pm**

You may attend in-person or via ZOOM meeting software.

**In-Person: McMinnville Police Department Training Room, 121 SW Adams St.
 ZOOM Meeting: You may join online via the following link:**

<https://mcminnvilleoregon.zoom.us/j/88254013182?pwd=ZTIhS2cyUIJqL2NpUWN3Nk1LbEZWZz09>

Zoom ID: 882 5401 3182

Zoom Password: 473064

Or call in and listen via zoom: Dial 1-253-215-8782, Meeting ID: 882 5401 3182

Members	Time	Agenda Items
Jim Culbert	6:30pm	1. Call to Order / Roll Call
Sid Friedman	6:35pm	2. Welcome and Introductions
Malcolm Greenlees	6:40pm	3. Minutes:
Sam Justice		a. December 1, 2022, Exhibit 1 (forthcoming)
Ellen Kersting	6:45pm	4. Selection of Chair and Vice-Chair, Exhibit 2
Allan Larsen	6:55pm	5. Information Sharing and Action Items:
Stephen Leonard		a. Project Update, Exhibit 3
Denise Murphy		b. Review of Drafts Concepts and Background Information, Exhibit 3
Miriam Peterson	7:45pm	6. Citizen Comments
Sean Rauch	7:50pm	7. Task Force Member Comments
Brian Ruden	8:00pm	8. Adjournment
Steve Ryan		
Sara Tucholsky		
Peter Van Patten		
<u>Liaisons:</u>		
City Council:		
Kellie Menke		
Planning Commission:		Next PAC Meeting: June 28, 2023
Gary Langenwalter		
Sylla McClellan		

Please note that meeting materials are also available on the City’s website at:
www.mcminnvilleoregon.gov/planning/page/fox-ridge-road-area-plan-project-g-1-22

You may also request copies from the Planning Department at the Community Development Center, 231 NE 5th Street, 503-434-7311.



EXHIBIT 2 - MEMORANDUM

DATE: May 10, 2023
TO: Fox Ridge Road Area Plan - PAC Members
FROM: Tom Schauer, Senior Planner
SUBJECT: Agenda Item – Election of Affordable Housing Committee Officers

The selection of Chair and Vice Chair has been placed on your May 10, 2023 meeting agenda.

The Chair presides over the meeting and public hearings. The Vice-Chair will preside over the meetings and public hearings in the Chair's absence.

The following outline is provided to help guide you through this election process.

Nominations of chair and vice-chair

1. Begin with the nominations for the position of the chair. Any committee member may nominate another member. Committee members can also nominate themselves. Nominations do not have to be seconded. If a nominee does not wish to be considered, that person can decline the nomination. When nominations stop, the chair will call for any more nominations. When no other nominations are forthcoming, the chair will state that the nominations are closed. Once the nominations are closed, the chair will state the names of the nominees. Each member must state their vote for the chair. If one person receives a majority of the vote, the chair will declare the result of the vote. If no one receives a majority of the vote, the vote must be done again. No person can be eliminated as a nominee, but any nominee can withdraw their nomination. The voting will continue until one person receives a majority of the vote.
2. The vice-chair will then be elected in the same manner.
3. At the close of the elections, the new chair will preside over the remainder of the meeting.

EXHIBIT 3 – STAFF REPORT

DATE: May 10, 2023
TO: Fox Ridge Road Area Plan – Project Advisory Committee
FROM: Tom Schauer, Senior Planner
SUBJECT: Fox Ridge Road Area Plan – Project Update & Review of Draft Concepts

STRATEGIC PRIORITY & GOAL:



GROWTH & DEVELOPMENT CHARACTER

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

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

Report in Brief:

The purposes of this meeting are as follows:

- To provide a project status update to the Project Advisory Committee (PAC),
- To present a summary of the work completed to date, key findings, and the results of public engagement activities.
- To review the three preliminary draft concepts that were prepared based on the work to date, and to obtain input and guidance from the PAC regarding aspects of this work to be developed into a preferred draft concept. **See Attachment 1 for Draft Concepts.**

At the meeting, staff and the consultant will provide a PowerPoint presentation that will go through a summary of the items above and lead into the discussion regarding the draft concepts. *(Graphics presented at reduced scale in this report and attachments will be presented with full-sized graphics in the PowerPoint presentation, and large-format hard copies of graphics will be available).*

Background:

Attachment 2 provides background information about the Fox Ridge Road Area Plan project purpose and objectives, and the share of UGB land needs to be met within the Fox Ridge Road area. The attachment shows the project area, the Comprehensive Plan Map for the area, and what is identified in the adopted Framework Plan for this area. This handout was previously distributed at PAC Meeting #1.

The major project phases for the Fox Ridge Road Area Plan are shown below in **Figure 1**, and an updated schedule of upcoming key meetings/events is shown below in **Figure 2**.

Figure 1. Major Project Phases.

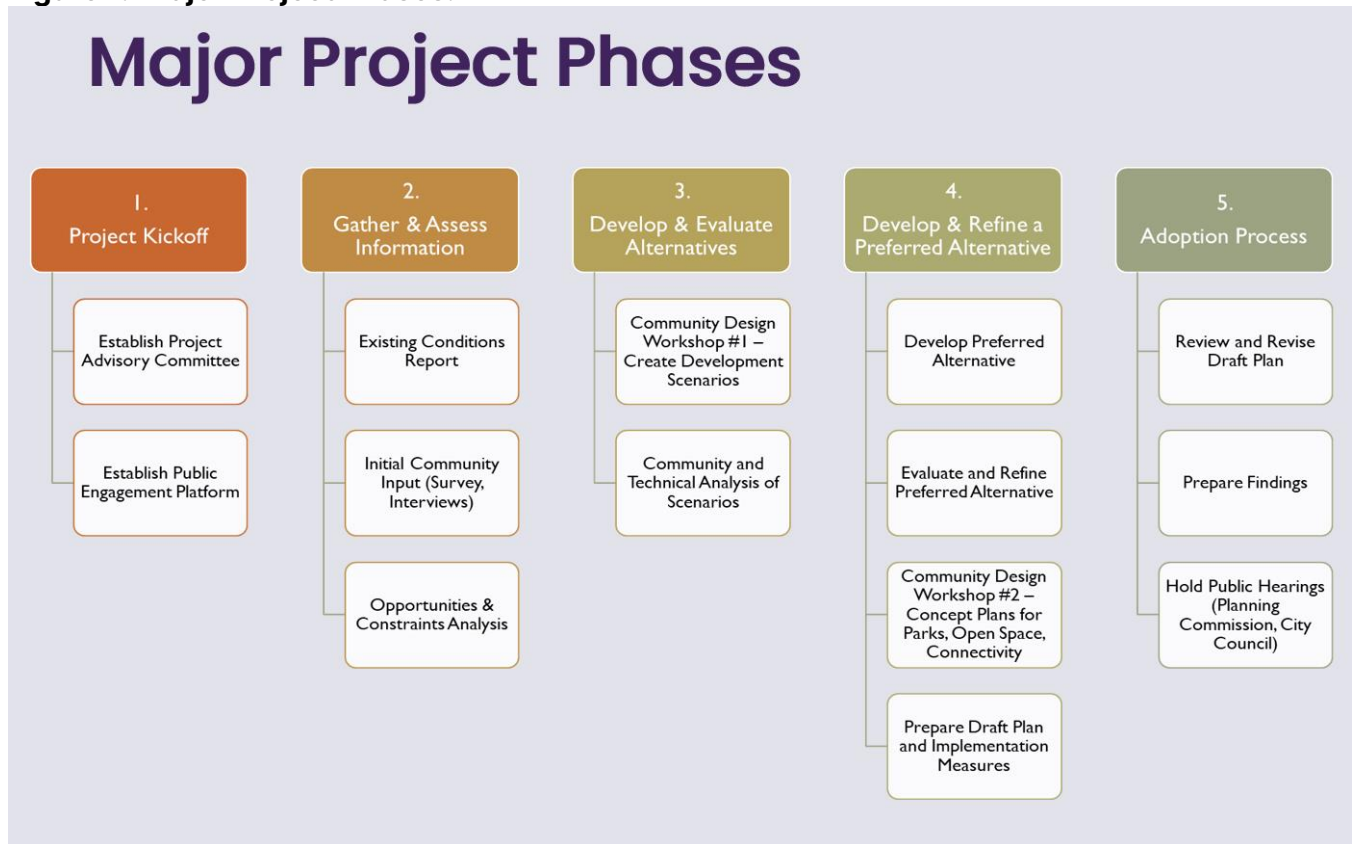


Figure 2: Key Meeting/Event Dates

Fox Ridge Road Area Plan - Key Meeting/Event Dates										
Phase and Meeting/Event	Previous	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1. Project Kick-Off										
PAC Meeting #1	-									
PAC Bus Tour	-									
2. Gather & Assess Information										
Stakeholder Interviews	-									
Community Survey	-									
3. Develop & Evaluate Alternatives										
Community Design Workshop #1 and PAC Debrief	-									
Joint City Council/School Board Work Session	-									
Planning Commission Work Session		May 4								
PAC Meeting #2 (Draft Scenarios)		May 10								
4a. Develop & Refine a Preferred Alternative										
Community Design Workshop #2 & PAC Debrief			Jun 7							
PAC Meeting #3 (Draft Preferred Scenario)			Jun 28							
(Possible Additional Planning Commission Update - Staff)				Jul						
4b. Prepare the Draft Plan										
PAC Meeting #4 (Draft Plan, Goals, Policies, Implementation Measures)					Aug 2					
City Council/Planning Commission Joint Work Session					Aug 16					
5. Adoption Process										
Planning Commission Public Hearing								Nov 2		
City Council Meeting										Dec 12

4/27/2023

Phase 1 and 2 tasks have been completed, and preliminary draft products have been produced/results summarized.

A review of existing plans and policies and existing conditions was conducted, with the results summarized in a draft Existing Conditions Report. Key information was also summarized into graphics that helped inform an “Opportunities and Constraints Diagram” presented and utilized at Community Design Workshop #1 together with additional background information, see **Figures 3 and 4**. The PowerPoint presentation from the Community Design Workshop is also posted on the project website.

Figure 3: Existing Conditions Diagram

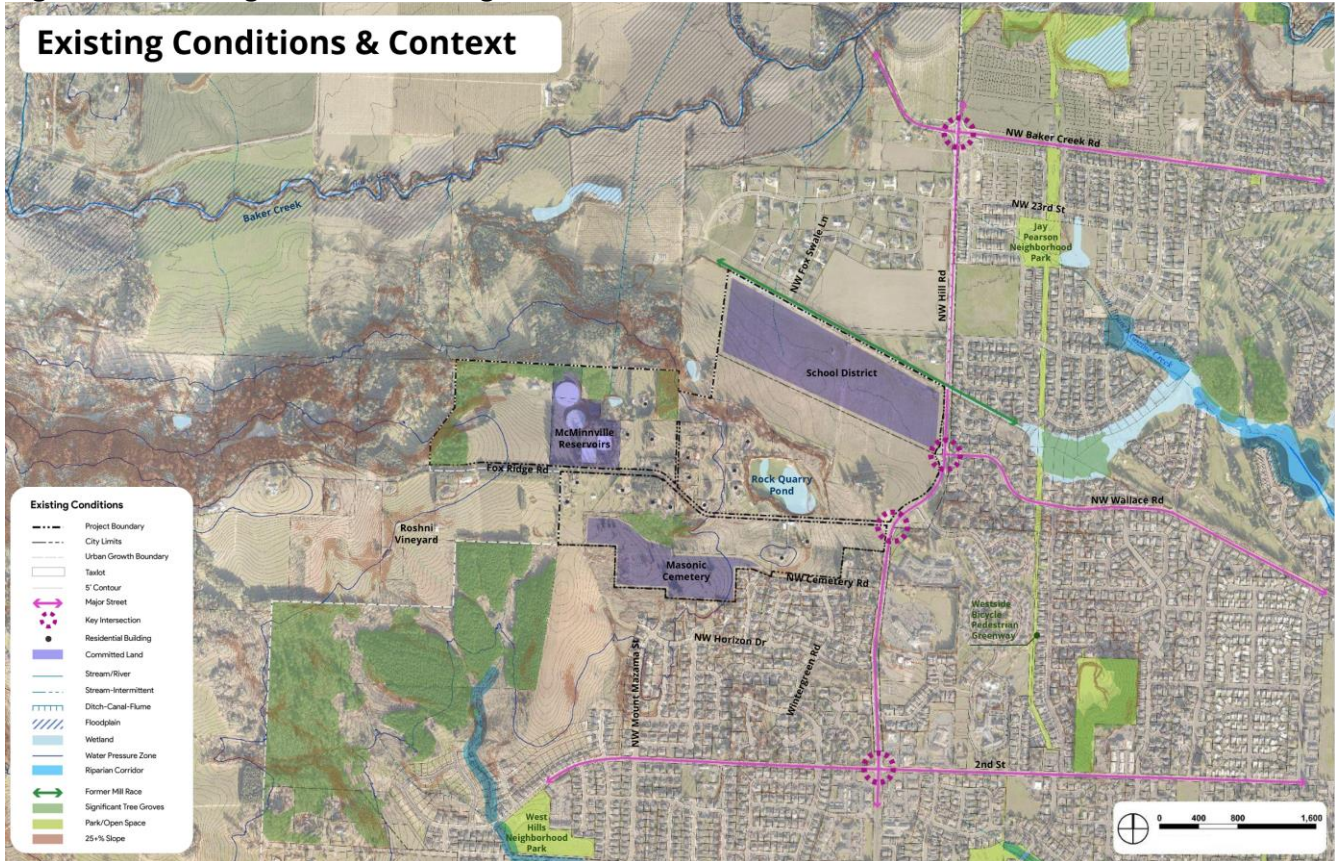
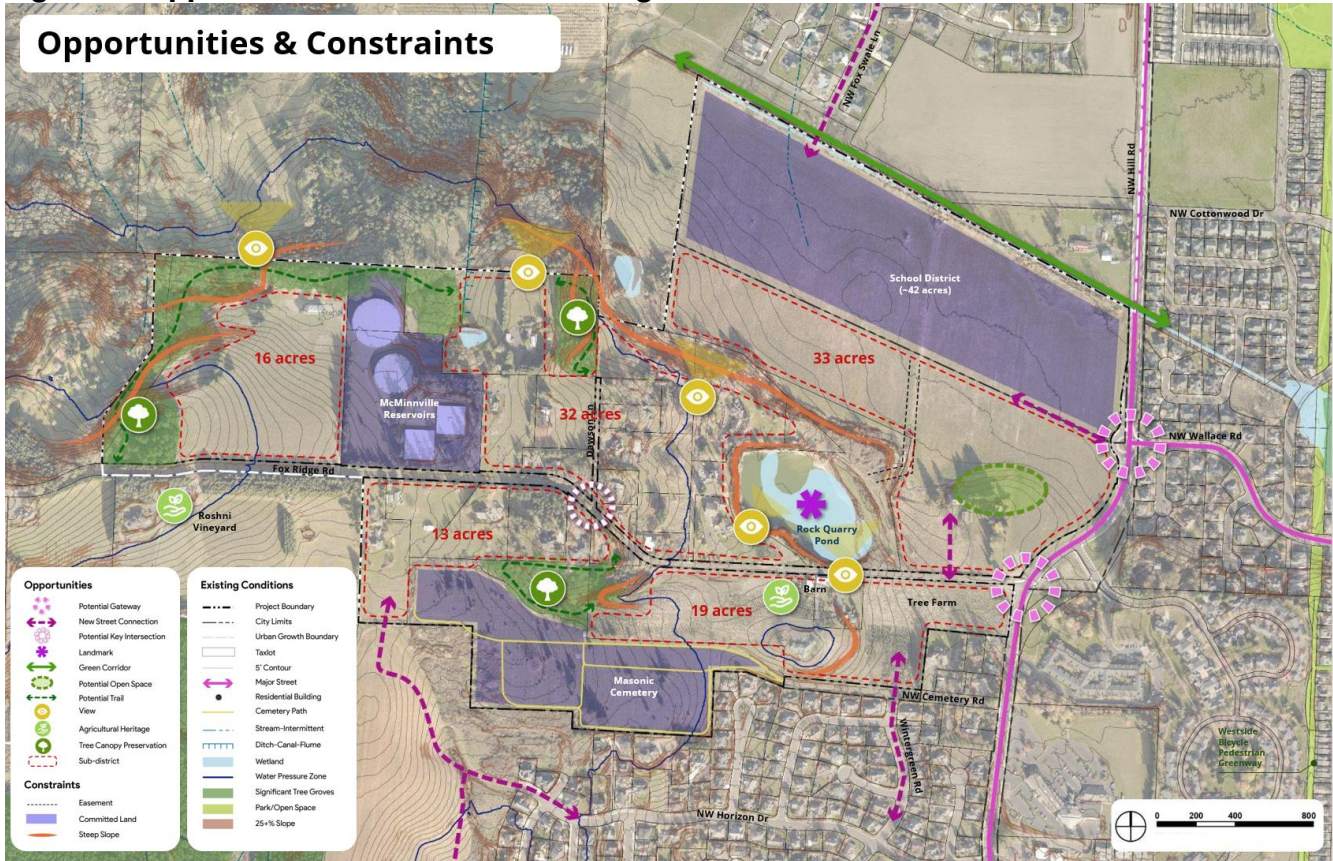


Figure 4: Opportunities and Constraints Diagram



Community Engagement

Stakeholder interviews were conducted in February and March. The community survey was conducted during March and early April. **See Attachment 3.** Community Design Workshop #1 was held on March 21. After an initial presentation of background information, participants broke into small groups around tables where they shared information and developed concepts on large format maps. At the end of the design exercise, each small group shared their work with the other participants. **See Attachment 4.**



Public engagement provided additional insights into opportunities and constraints, and provided ideas and input which serve as the basis for development of a range of conceptual alternatives for discussion and evaluation. These will be evaluated based on criteria that include technical considerations, feasibility, community input, adopted policies, and how well the concepts address the required project parameters.

Reports

A draft market feasibility analysis report has also been prepared. **See Attachment 5.** Please note that some aspects of the report provide analysis from a strictly technical feasibility perspective and those aspects may not include evaluation of which options reflect community-expressed preferences.

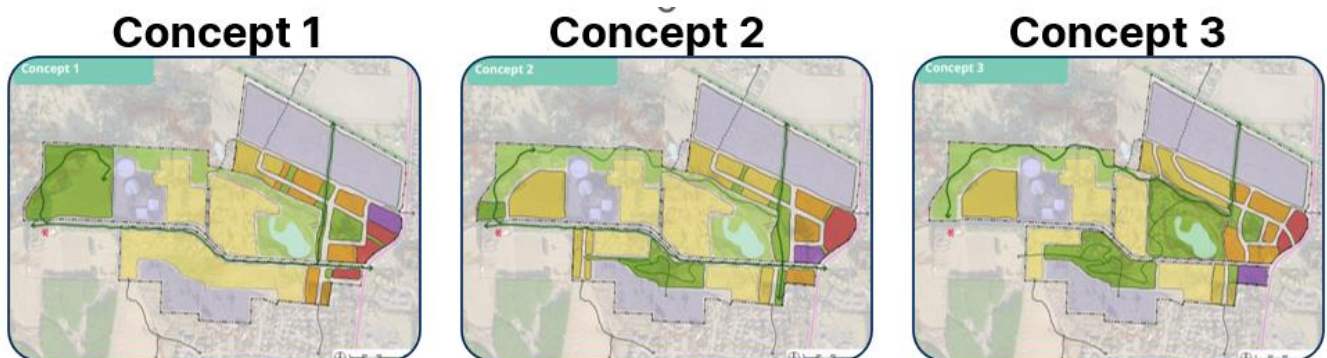
Work Sessions

A joint work session was held with the City Council and School Board on March 22, 2023.

A work session was held with the Planning Commission on May 4, 2023. At the work session, staff and the consultants presented a PowerPoint presentation with additional information that summarized the work to date, including preliminary information from the draft documents to be shared/discussed with the Project Advisory Committee at the May 10 meeting, including a preview draft concepts developed following the input and outcomes from the Community Design Workshop.

Discussion:

At the May 10 PAC meeting, staff and the consultant will lead a discussion and PowerPoint presentation regarding the draft concepts presented in **Attachment 1** and the background information that informed the development of these concepts. Thumbnail diagrams of the three concepts are excerpted below.



The three concepts presented in **Attachment 1** are intended to present a range of options for discussion and evaluation by the PAC. With these three concepts, different combinations of land use and urban design ideas are presented. In addition, if elements presented in different concepts are preferred, those elements can also be mixed and matched to assemble a preferred concept that draws from preferred aspects of each concept, subject to consistency with the Framework Plan. The concepts were developed drawing on input from the project objectives, background information, and input provided through the public engagement work.

Attachments:

1. Draft Preliminary Concept Diagrams and Summary
2. Fox Ridge Road Area Plan Background Information Sheet
3. Draft Community Survey Summary Memo
4. Draft Community Design Workshop Summary Memo
5. Draft Market Feasibility Analysis Report

Action Requested:

Staff and the consultant are seeking input from the PAC, guidance regarding the draft concepts, and guidance regarding development of a preferred concept. This information will be used to develop and evaluate a draft preferred concept to be brought back for review by the PAC at the next PAC meeting on June 28, 2023.

Fox Ridge Road Area Plan

Land Use Concepts

5.3.2023

Community Design Workshop Summary

*The **Community Design Workshop** held on March 21st, 2023 was an opportunity for community members to review the opportunities and constraints in the Fox Ridge Road Area and provide input on the land use concepts. The following themes emerged from the workshop:*

Themes:

- Use this area to address the socioeconomic divide in McMinnville; offer a range of housing types
- Design is a high priority for all new development
- Open space should be connected; offer greenway connections to the existing network
- The neighborhood park should be accessible by a range of residents (in high/med/low density)
- Concerns about traffic with additional development along Hill Rd.
- Provide alternative access points / connectivity options



Land Use Concept Assumptions

The land use concepts take into account the workshop feedback as well as existing conditions and minimum requirements (see below).

Existing conditions:

- Higher density development and commercial uses will be concentrated along existing transportation corridors (NW Hill Road)
- Lower density development will occur further into the site, and in areas with more constraints (slopes, natural hazards, etc.)
- The neighborhood park will be adjacent to a range of residential areas

Minimum acreage requirements (as defined in the Fox Ridge Road Framework Plan):

- 1-2 acres of neighborhood serving commercial and office development
- 2 acres of high-density residential housing
- 2-5 acres of medium density residential housing
- Parks:
 - 3-5 acre neighborhood park
 - 10-20 acre community park
 - Additional greenway/natural areas

Lower-density residential



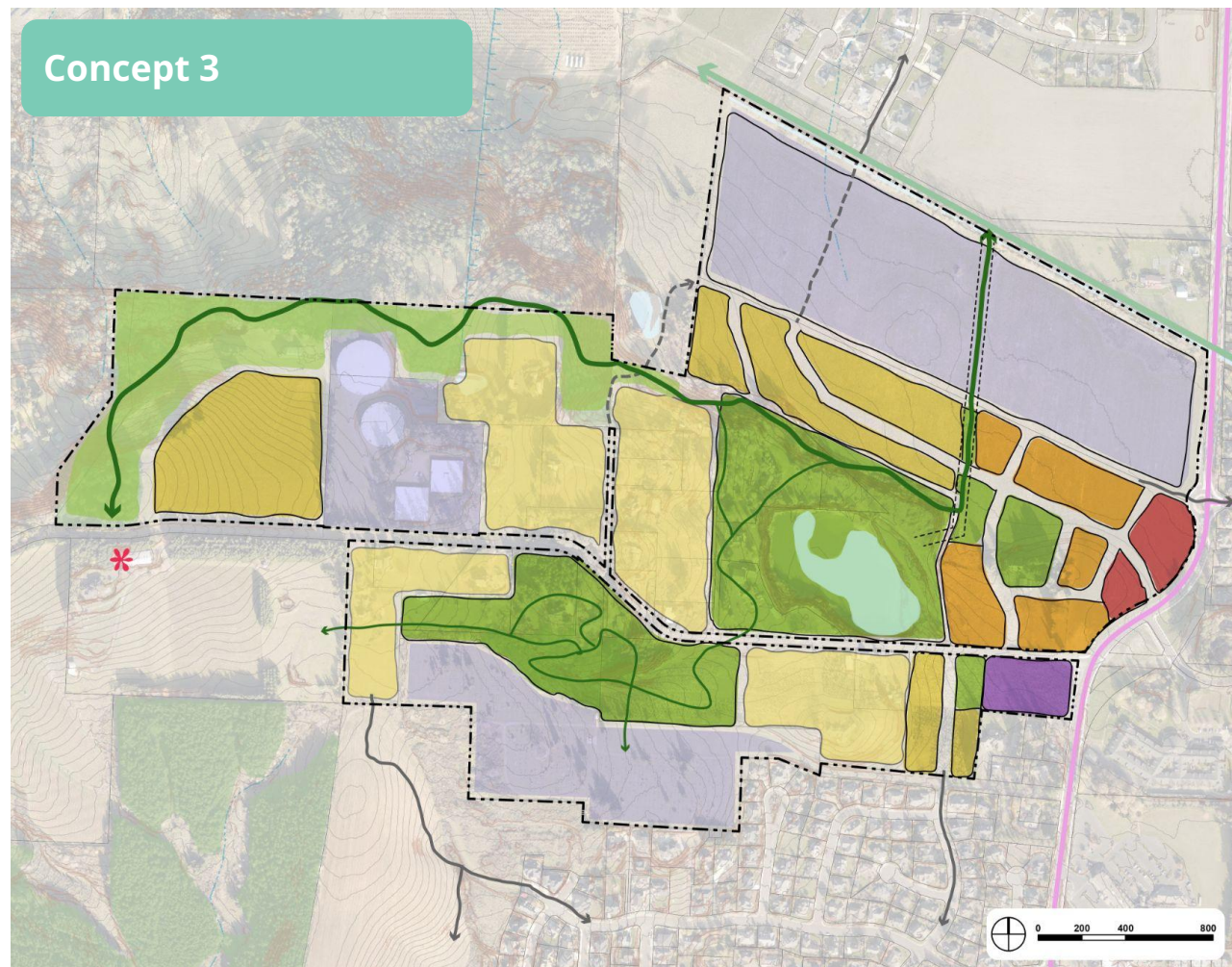
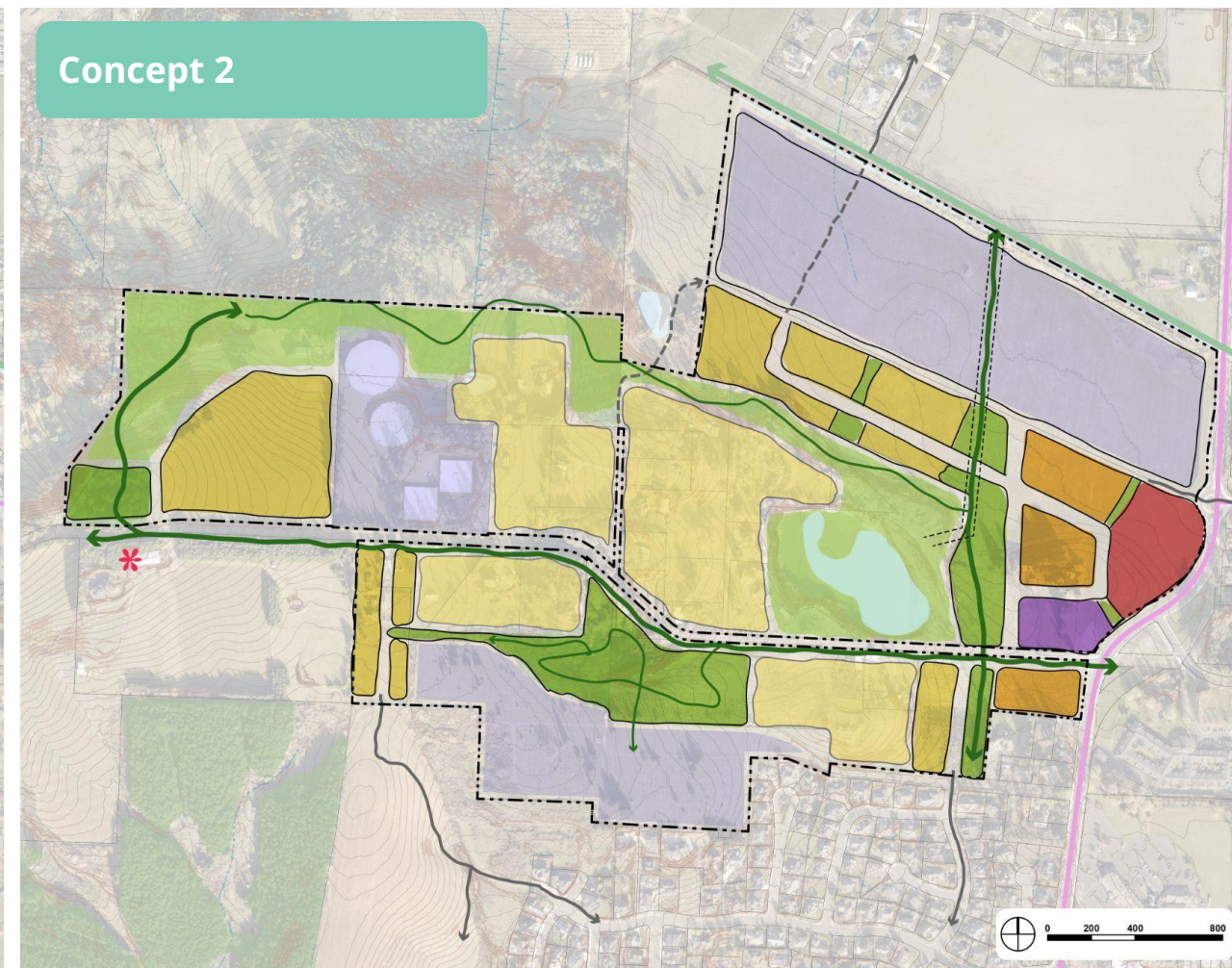
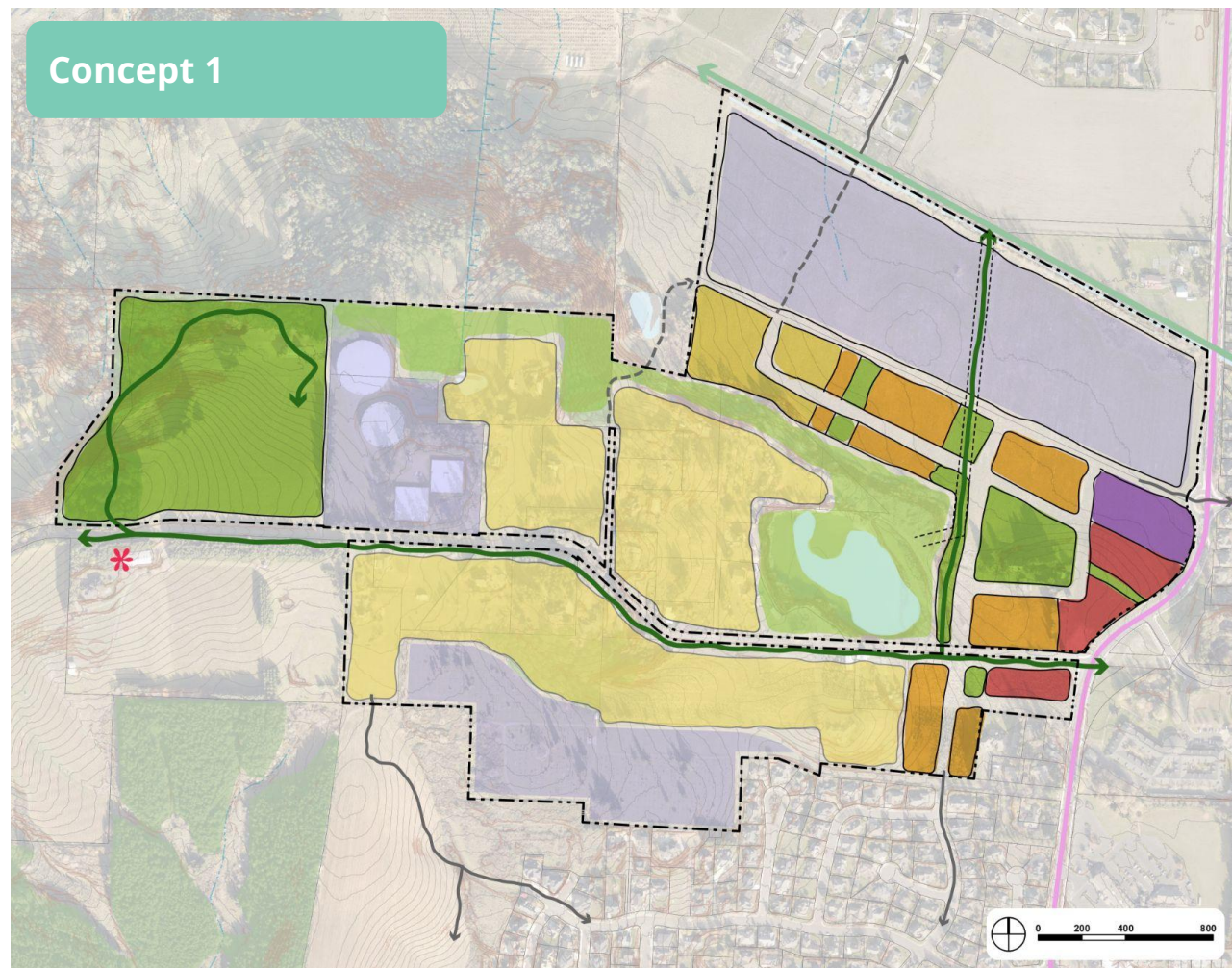
Land Use Concepts: Summary

The land use concepts present a range of options given the existing conditions and assumptions for acreages defined in the Fox Ridge Road Framework Plan.

Concept 1:
This concept maximizes the potential capacity for the area given existing constraints.

Concept 2:
This concept is closer to the minimum requirements, but still uses major transportation corridors as an opportunity for higher density housing. This version has more high density residential land and less medium density residential land than Concept 3.

Concept 3:
This concept is a variation of Concept 2 with less HDR and more MDR. Both concepts 2 and 3 meet the minimum requirements, but use the major transportation corridors as an opportunity for higher density housing.



Land Use Concept Acreage by Land Use

	Concept 1	Concept 2	Concept 3	Target
HDR	5.2	3.8	2.5	2
MDR	9.7	6.6	9.1	2-5
Commercial	2	2	2	1-2
Neighborhood Park	3	4.4	2.2	3-5
Community Park	25	10	35	10-20

Low Density

Open Space/Trails

Concept 1

This concept maximizes capacity on the eastern and northern portions of the study area, where the land is generally flatter, less constrained, and has closer access to NW Hill and Wallace Roads.

The open spaces are concentrated on the west and east ends of the planning area with a greenway connection through the school district property and parallel to Fox Ridge Road.

High density: 5.2 ac
(target: 2 acres)

Medium density: 9.7 ac
(target: 2-5 acres)

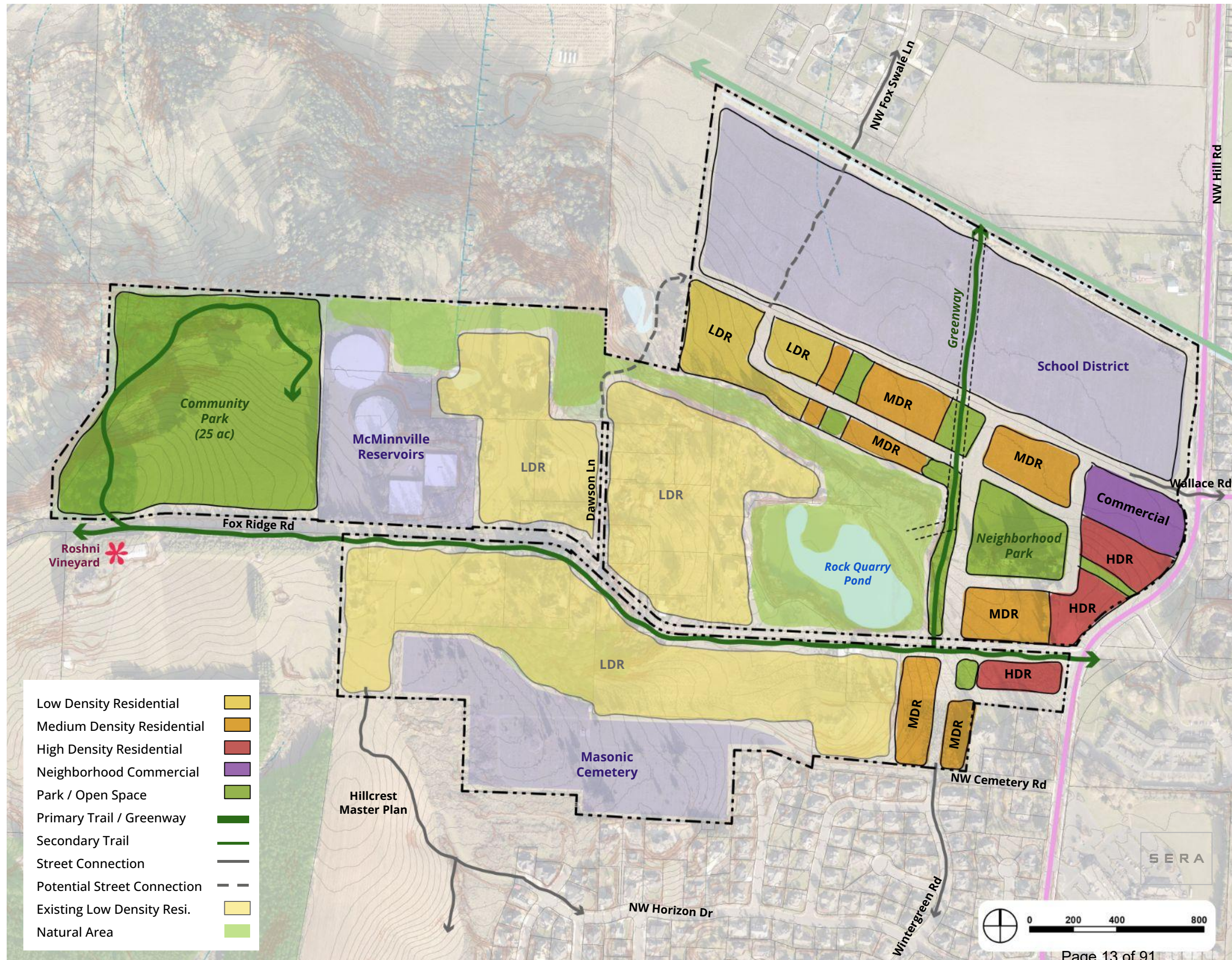
Commercial: 2 ac
(target: 1-2 acres)

Neighborhood Park: 3 ac
(target: 3-5 acres)

Community Park: 25 ac
(target: 10-20 acres)

Low Density

Open Space/Trails



Concept 2

This concept is closer to the minimum required housing capacity for the area, but assumes the areas along NW Hill Road will still develop at higher densities, given the constraints in the remainder of the plan area. For high density residential land (HDR), this concept is the middle of the three options.

The open spaces are spread throughout the plan area with greenway connections that create a "looped" open space network.

High density: 3.8 ac
(target: 2 acres)

Medium density: 6.6 ac
(target: 2-5 acres)

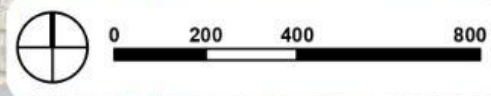
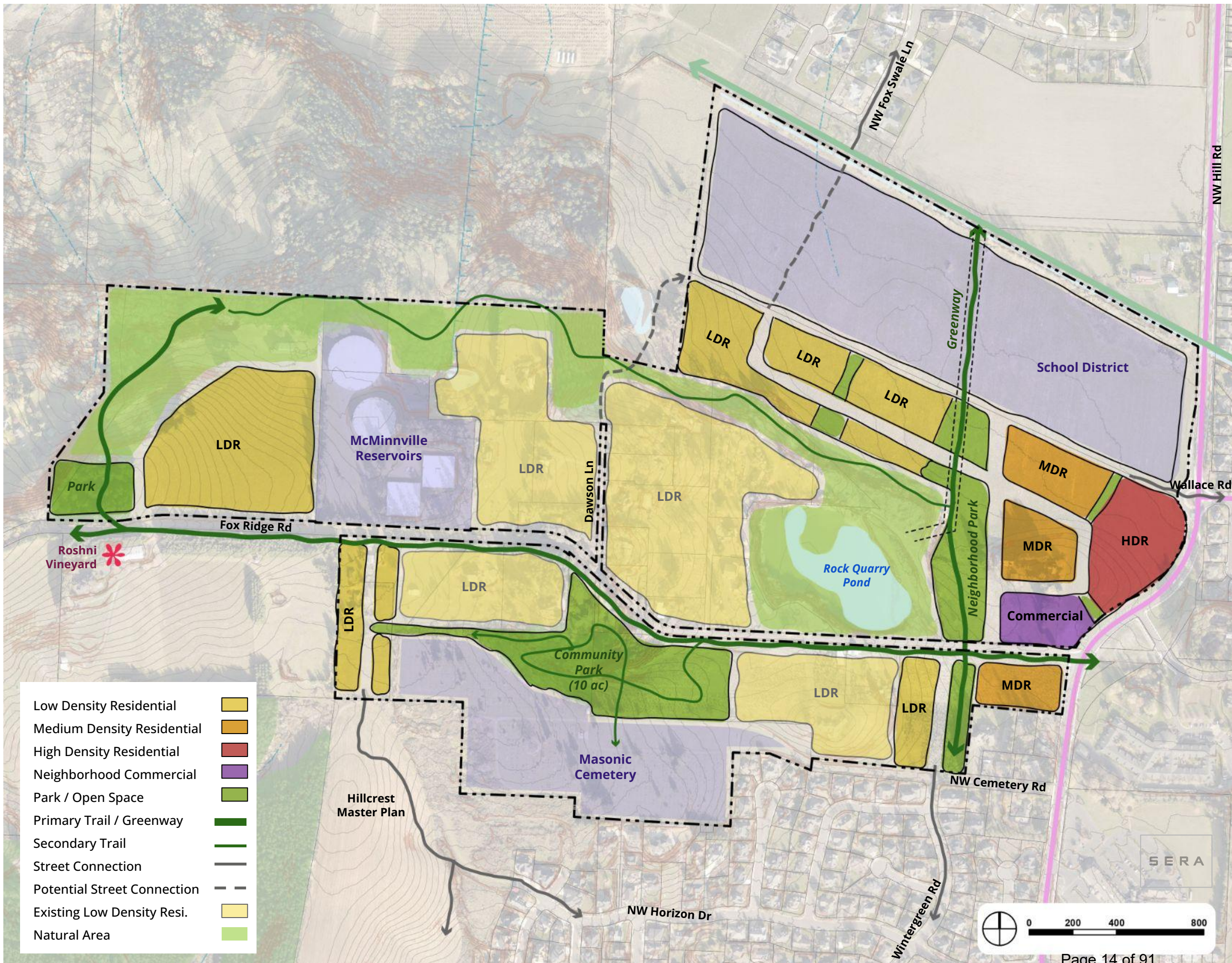
Commercial: 2 ac
(target: 1-2 acres)

Neighborhood Park: 4.4 ac
(target: 3-5 acres)

Community Park: 10 ac
(target: 10-20 acres)

Low Density

Open Space/Trails



Concept 3

This concept is a variation on Concept 2, but with more medium-density residential land. This options also has the lowest amount of high-density residential acres of the three concepts.

The open spaces are spread throughout the plan area with greenway connections that create a "looped" open space network.

High density: 2.5 ac
(target: 2 acres)

Medium density: 9.1 ac
(target: 2-5 acres)

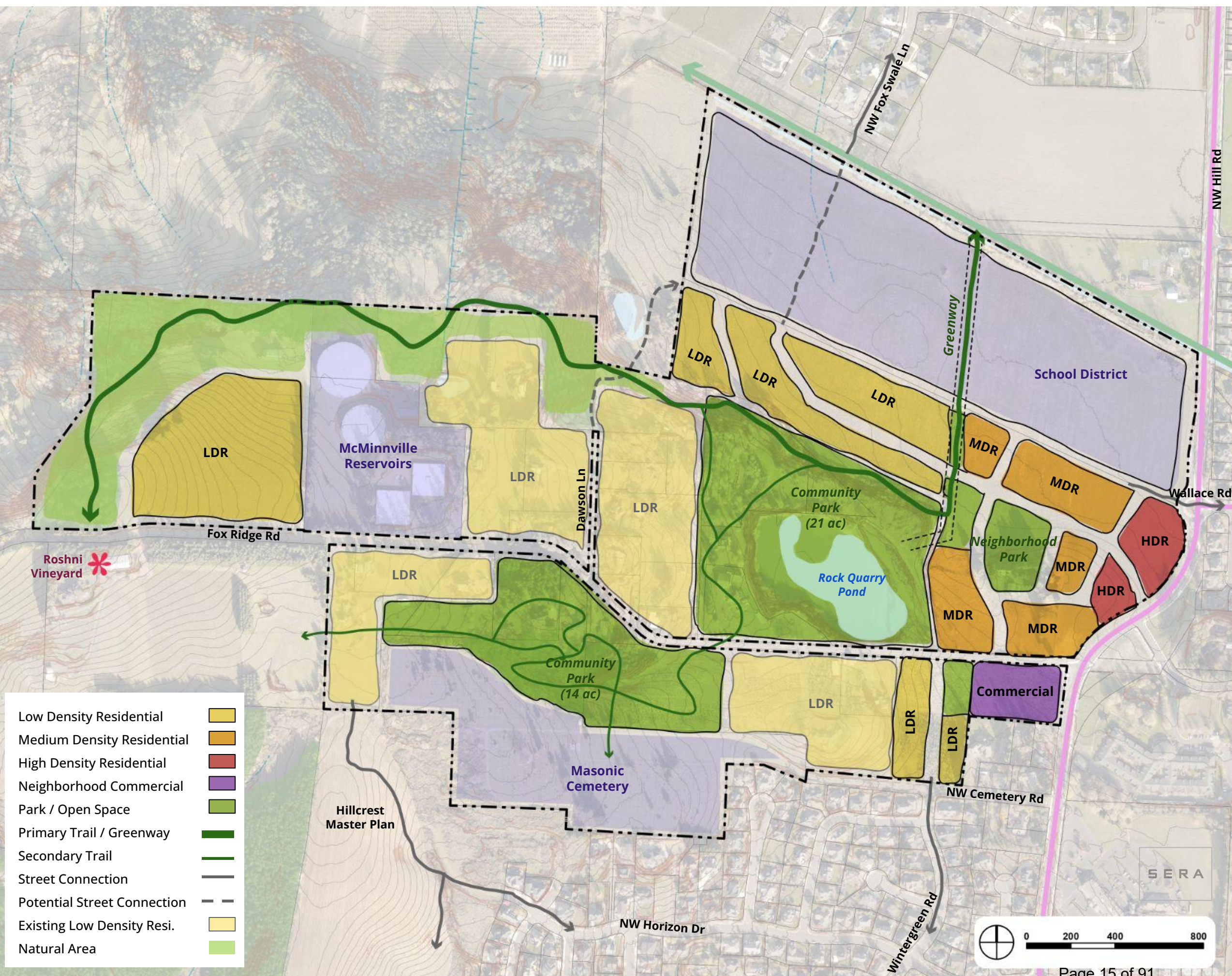
Commercial: 2 ac
(target: 1-2 acres)

Neighborhood Park: 2.2 ac
(target: 3-5 acres)

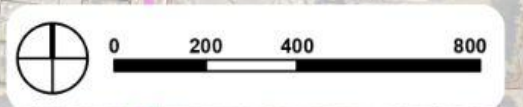
Community Park: 35 ac
(target: 10-20 acres)

Low Density

Open Space/Trails



Low Density Residential	
Medium Density Residential	
High Density Residential	
Neighborhood Commercial	
Park / Open Space	
Primary Trail / Greenway	
Secondary Trail	
Street Connection	
Potential Street Connection	
Existing Low Density Resi.	
Natural Area	



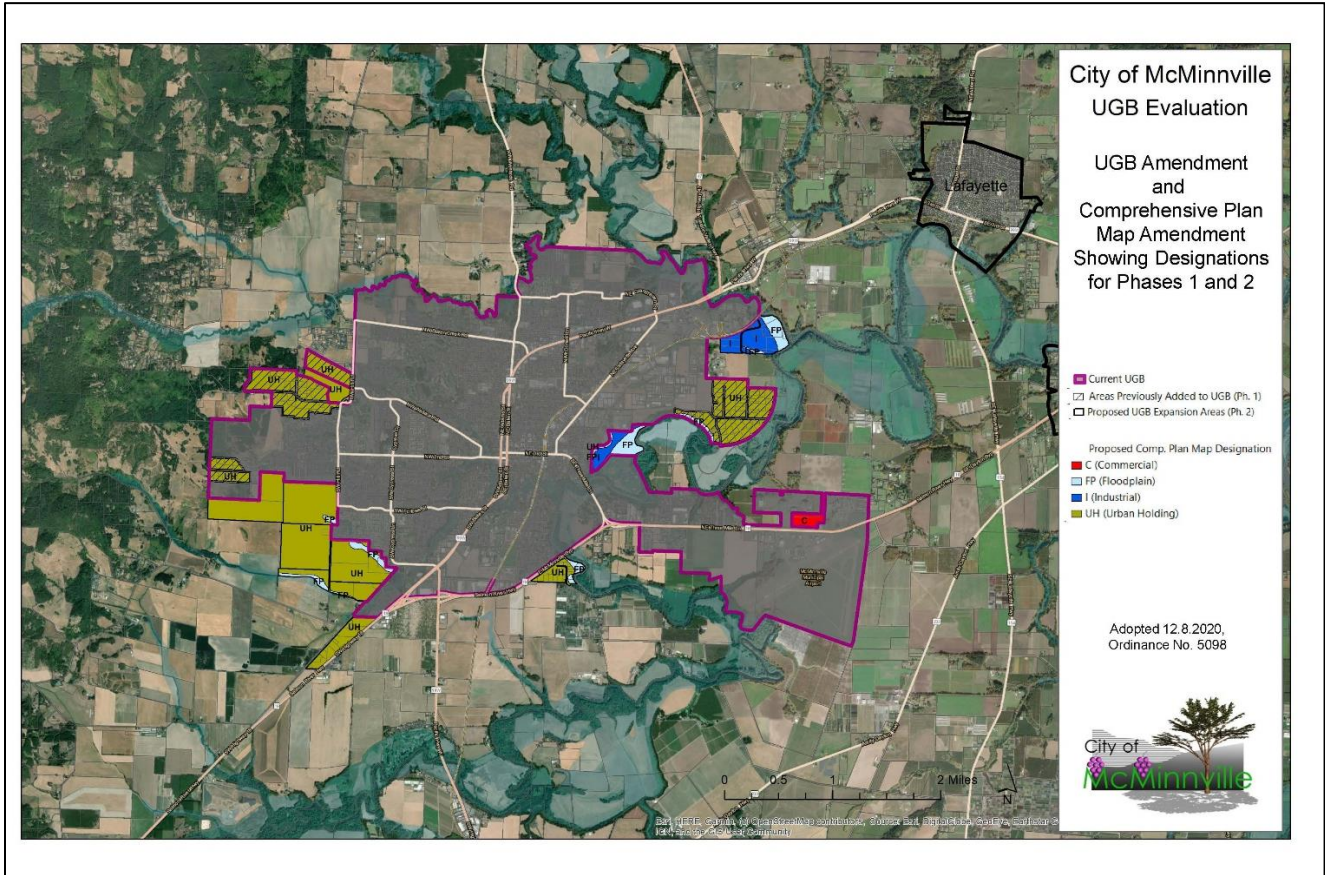
FOX RIDGE ROAD AREA PLANNING PROJECT

About This Project

Recently, the City of McMinnville amended its urban growth boundary (UGB) by adopting the McMinnville Growth Management and Urbanization Plan (MGMUP, [MGMUP 2003 UGB Remand Project | McMinnville Oregon](#)) (Ordinance No. 5098, December 8, 2020). The MGMUP amended McMinnville’s UGB by 924 gross buildable acres. Most of this acreage was placed into an Urban Holding (UH) comprehensive plan designation. Please see map below and Map 1 of Appendix B).

All land within a UH comprehensive plan designation needs to undergo an area planning process prior to annexation into the city limits, rezoning and development. Area planning can be initiated by the City or by private property owners.

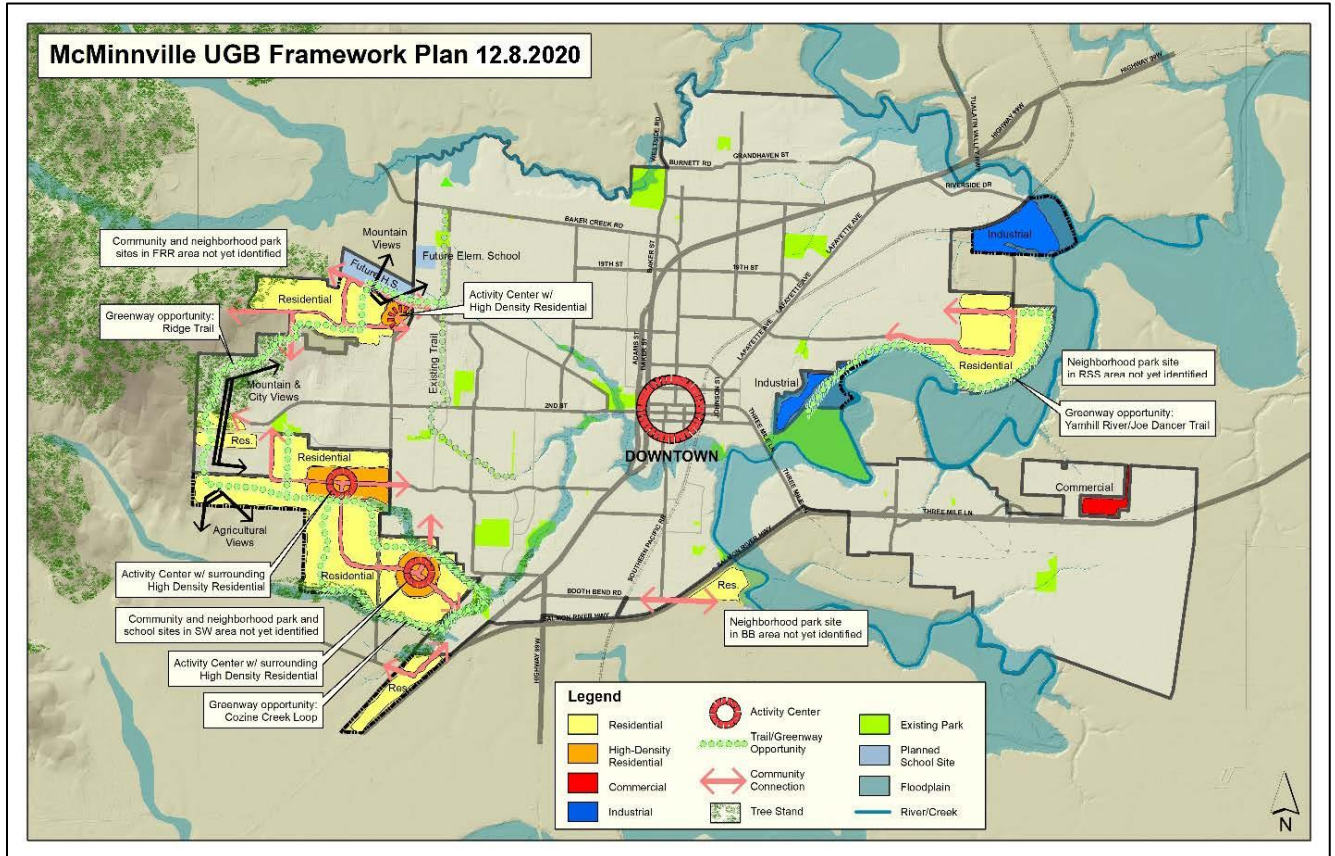
Map 1: MGMUP Comprehensive Plan Map Designations



Appendix G of the MGMUP is a Framework Plan identifying six different areas that will need area plans. The City of McMinnville has committed to investing in one area planning process each year. Please see Framework Plan Map below.

The MGMUP Framework Plan also identifies how McMinnville’s future land need could and should be distributed throughout the six different area plans.

Map 2: MGMUP Framework Plan

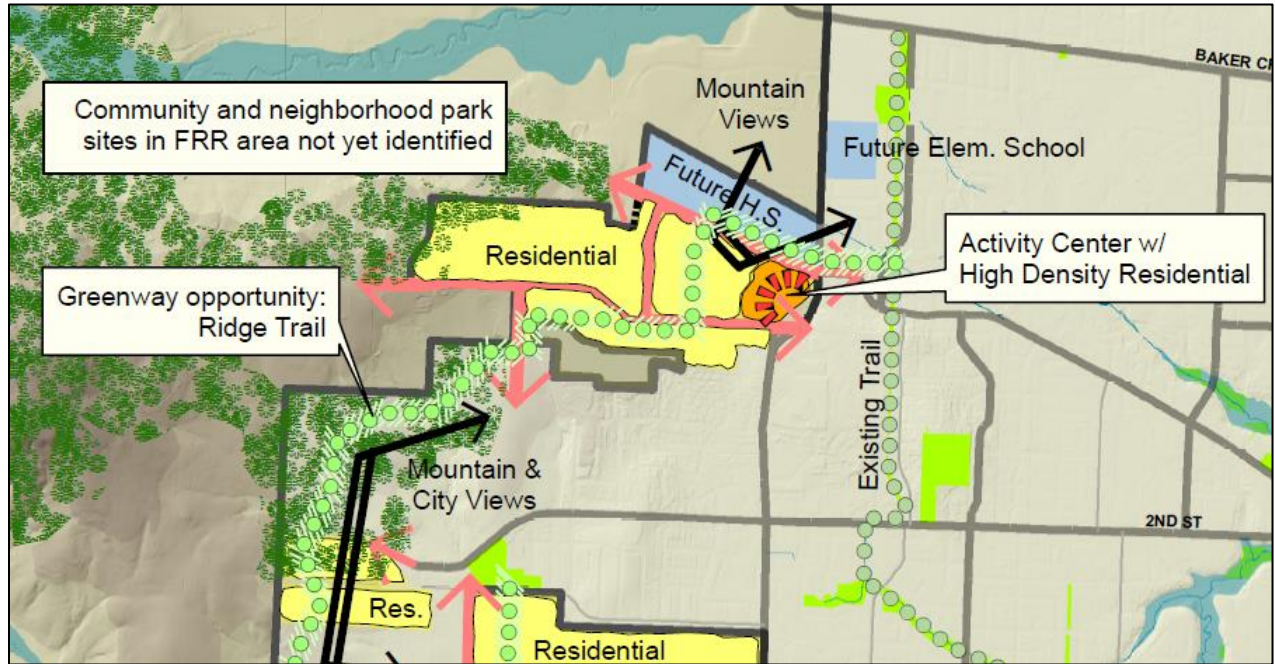


Potential Assignment of Land Need in Area Plans:

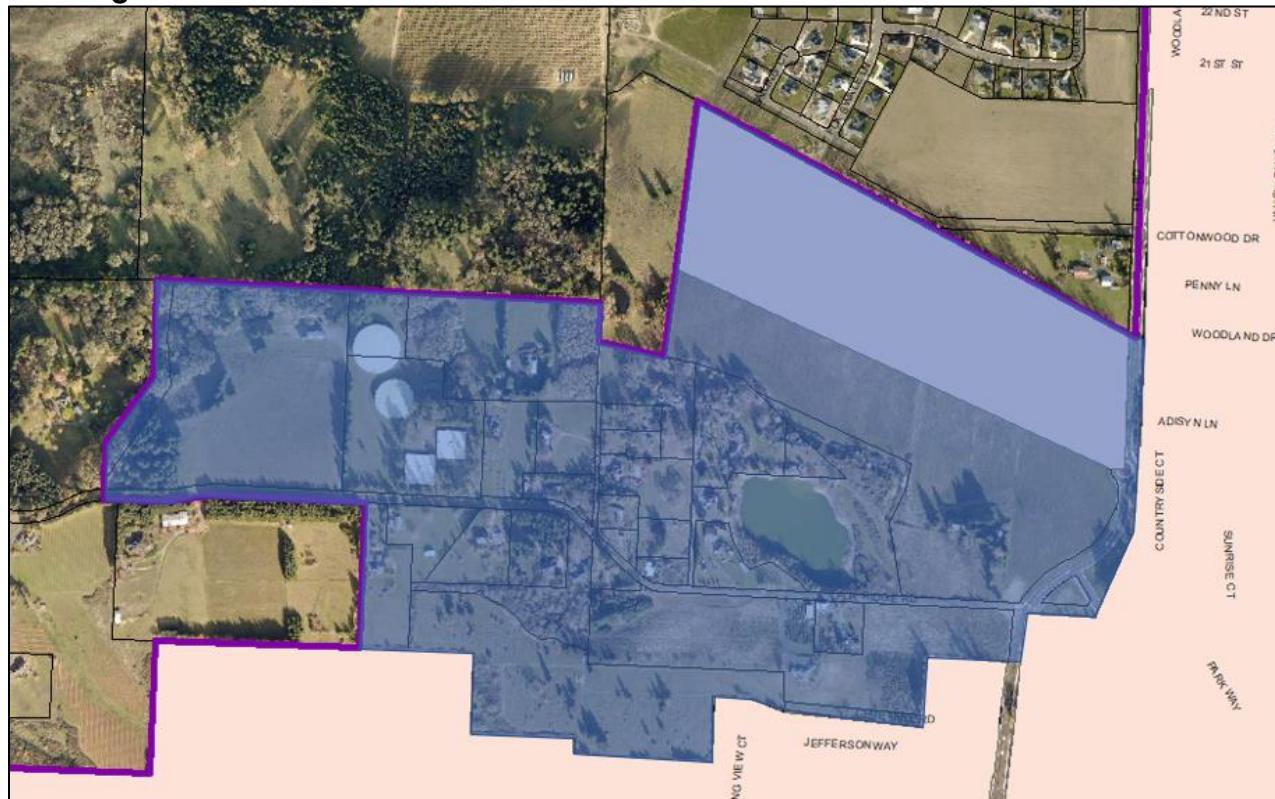
Land Need	Total Need	Southwest	Fox Ridge Road	Riverside South	Redmond Hill Road	Booth Bend Road	Riverside North
Residential							
R-5	36 acres						
Parks							
Neighborhood Park	88.11 acres						
Community Park	58.84 acres						
Greenways/ Natural Areas	106.81 acres						
Schools	43 acres						
Commercial	39.3 acres						
Industrial	Surplus						

The first area plan that will be initiated by the City is the Fox Ridge Road Area Plan. The Fox Ridge Road Area is known as the area around Fox Ridge Road, and the future high school site as depicted in the illustration below. It is approximately 234 acres.

Fox Ridge Road Area as shown in MGMUP Framework Plan:



Fox Ridge Road Area shaded in blue



The Fox Ridge Road Area Plan will primarily be housing. However, the Fox Ridge Road Area Plan will include a significant land use within the site that is owned by the McMinnville School District and identified for the development of a future high school. The high school site will be within the northern portion of the Fox Ridge Road Area Plan. The Fox Ridge Road Area Plan should also provide an opportunity for a partial or half of a Neighborhood Activity Center (NAC) along the area's Hill Road frontage between the Wallace Road roundabout and the intersection of Fox Ridge Road. This modified and reduced NAC should be approximately 5 – 10 acres, with approximately 1 - 2 acres of neighborhood serving commercial and office development, approximately 2 acres of high-density residential development (R-5), and approximately 2 - 5 acres of medium density residential housing. The remainder of the residential land within Fox Ridge Road Area Plan will likely be suitable for lower density residential housing, where the lands begin to exhibit steeper slopes within the southern and western portions of the Fox Ridge Road area.

To further provide services to support this residential area and to accommodate the park land need identified in the MGMUP, the Fox Ridge Road Area Plan should incorporate one neighborhood park of approximately 3 - 5 acres in size. The neighborhood park should be placed to ensure that every residence is within a ½ mile of a neighborhood park, and due to slopes should likely be placed in the northern portion of the area. The Fox Ridge Road Area also includes a several natural and geographic features that provide an excellent opportunity for a natural resource community park. Natural greenspaces or greenways should be considered that could connect the Fox Ridge Road Area to the West Hills and Redmond Hill Road area, potentially in the form of a ridgeline greenway/greenspace. A greenway/greenspace could also serve to preserve the tree stands in the Fox Ridge Road and West Hills areas that currently provide habitat for protected avian species.

Connectivity and coordination with the development of the high school site will be important in the Fox Ridge Road Area Plan. Land uses should anticipate the development of this major community feature, and land uses should transition appropriately to surrounding areas. Any trail networks considered should incorporate connectivity to the high school site. Bike and pedestrian connectivity should also be considered in the Area Plan, with consideration of connecting to the existing trails and linear parks (BPA and Westside trail systems) that are located just east within the existing UGB and may be able to be linked via Wallace Road.

The Area Plan will be adopted as a supplement to the McMinnville Comprehensive Plan, and completed by the City and adopted by the City Council as a guiding land use document. Area plans must embody the development principles of the MGMUP, MGMUP Framework Plan, McMinnville Comprehensive Plan and any other applicable City land use policies and standards.

The MGMUP provides guidance for the planning and development of fully integrated, mixed-use, pedestrian-oriented neighborhoods. Therefore, Area Plans for UH areas within the MGMUP areas will be developed to be consistent with:

- 1) The guidelines and characteristics of the Traditional Neighborhood model, as described in the McMinnville Growth Management and Urbanization Plan.

- 2) The potential identification of locations that would be suitable for Neighborhood Activity Centers (NACs) to meet neighborhood commercial land needs as identified in the MGMUP Framework Plan, and support surrounding residential development, as described in the McMinnville Growth Management and Urbanization Plan.
- 3) The City's adopted Great Neighborhood Principles, as described in Comprehensive Plan Policies 187.10 through 187.50.

FOX RIDGE ROAD COMMUNITY SURVEY SUMMARY

City of McMinnville Fox Ridge Road Area Plan

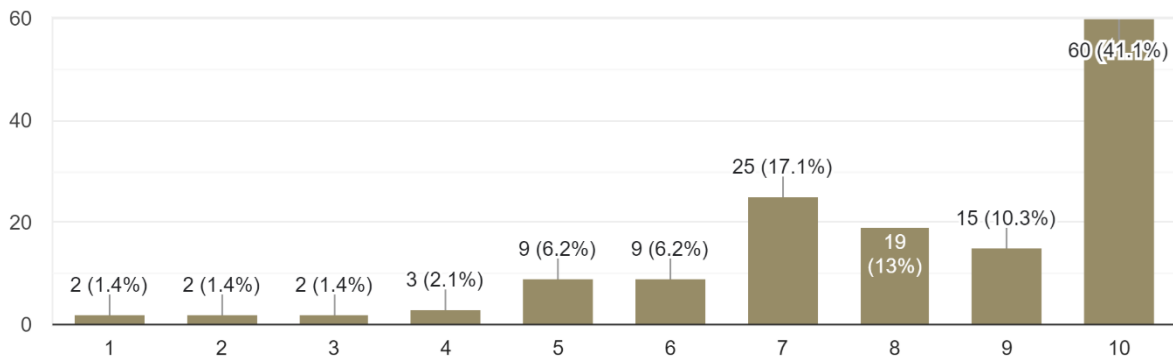


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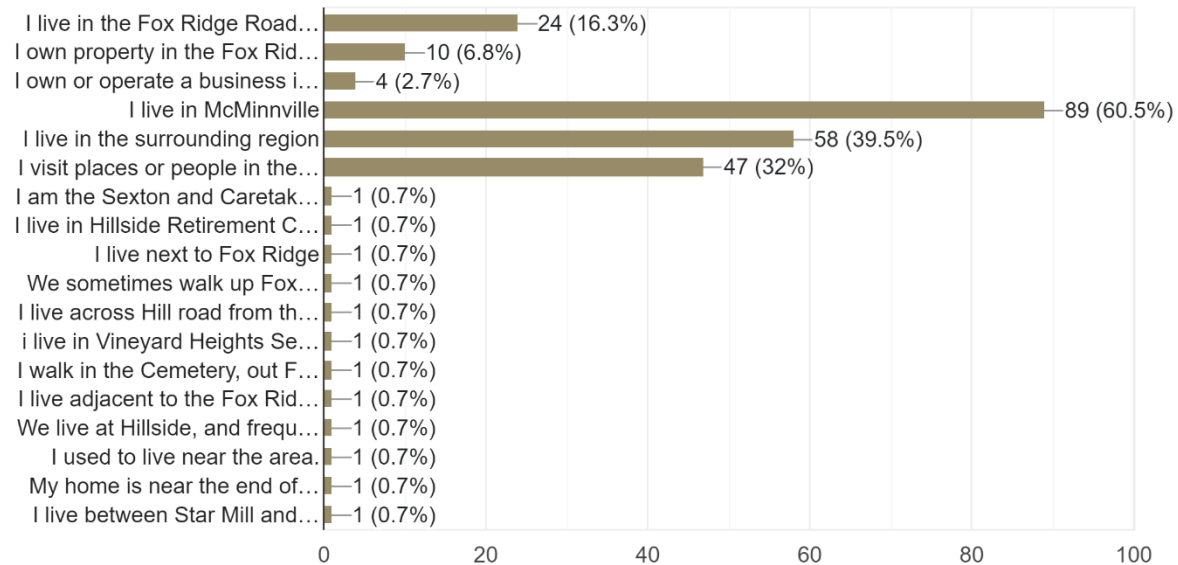
ENGINEERS ♦ PLANNERS
LANDSCAPE ARCHITECTS ♦ SURVEYORS
205 SE Spokane Street, Suite 200, Portland, OR 97202
PHONE: 503.221.1131 www.hhpr.com FAX: 503.221.1171

Date: April 13, 2023
To: Tom Schauer, City of McMinnville
From: Chris Green, HHPR
Subject: Fox Ridge Road Community Survey Responses and Summary

QUESTION 1 – How are you familiar with the Fox Ridge Road Area? [146 responses]



QUESTION 2 – What is your relationship to the Fox Ridge Road Area? Select all that apply. [147 responses]



QUESTION 3 - Imagine 20 years from now there are new neighborhoods and features in the Fox Ridge Road Area, as shown on the Framework Plan. What would you like to see? [143 responses]

- Parks/trails/open space
- Housing (wide range of opinions on density/affordability)
- Neighborhood-serving retail
- Preserving views

Many of the responses from residents included reoccurring themes such as the need for additional community spaces, achieving walkability with appropriate neighborhood retail development and the need for green open spaces incorporated throughout the area plan with connecting trails and pedestrian passages. Generally, those who participated in the survey want to see walkable neighborhoods that eliminate the need for cars, as there is an already existing concern for traffic in the surrounding area. The wide range of housing opinions included the preservation of low-density housing to the inclusion higher density, multi-unit housing options that are affordable for residents. Many survey responses mentioned the location of any medium to high-density housing developments should remain in or near the proposed Neighborhood Activity Center area at the intersection of Fox Ridge Road and Hill Road. Several responses also mentioned the need for a grocery store in the area to serve the existing and any new neighborhood residents and prevent additional traffic impacts. In addition to a grocery store or neighborhood-serving retail, most responses to this question have mention of parks, open space, and trails to make the area more walkable and accessible. Many residents of McMinnville walk within the area, and with observed increases in surrounding traffic, responses appear to prioritize the walkability of the neighborhood. Recreational opportunities and community spaces were also mentioned in several responses.

The responses from residents who live in the Fox Ridge Road Area highlighted the preservation of open space and natural habitats that currently exist or surround the area, especially the scenic views that the area's higher elevation is able to afford. More specifically, residents who live in the Fox Ridge Road Area would like to see careful attention to architectural features and details for any new development, as there were mixed responses regarding the density of housing for the area. Some examples of specific features include parkway and landscaping, requiring undergrounded utilities to preserve the scenic landscape, or the requirement of architectural standards that may break up building planes, add neighborhood character and preserve the unique features of the area.

Question 4 — As this area transitions from rural to urban uses over time, are there assets or distinctive features within the area that you think should be conserved and/or incorporated into the plan? [136 responses]

- Impacts on nature, wildlife and mature tree stands
- Preservation of rural lifestyle, local views
- Conservation of rock quarry, masonic cemetery and tree farms
- Incorporate community parks, green spaces as buffers

Generally, many responses to this question pose a concern for impacts due to urban development. Many of the responses have the same themes that include the preservation of nature, wildlife, and the areas rural charm and lifestyle. Distinctive features of the area were notably the existing dense

tree stands, open rural land, and several responses specifically mention the conservation of the rock quarry with potential use as a community park, as well as the existing masonic cemetery. Along the theme of rural preservation, new commercial development was suggested to be appropriate for the area in scale and use, such as small-scale or multi-use retail development with attention to architectural features. Residents also mentioned creating buffers between development of neighborhoods with green spaces, preserving existing trees that line the area and provide natural habitat for wildlife. This also includes the incorporation of open green spaces throughout the majority of the Fox Ridge Road Area Plan.

Question 5 — What else should we know or consider as we move forward with the Fox Ridge Road Area Plan? [116 responses]

- Traffic impacts
- Walkability and pedestrian/bike paths
- Open green spaces
- Various opinions about housing affordability
- Concerns for new development density, utilities and aesthetics

Moving forward with the Fox Ridge Road Area Plan, residents expressed their concerns for traffic impacts from new urban development. There is existing concern for traffic near the roundabout on Hill Road, and the general increase of traffic on Hill Road. Responses specified consideration to traffic impacts as the plan moves forward, with suggestions on how to mitigate existing and new traffic conditions. Much of these suggestions also revolve around increasing the walkability of the area through the inclusion of carefully planned pedestrian and bike paths that connect the existing features of the Fox Ridge Road area. These connections were also suggested to include neighborhood green spaces in order to consider connectivity between open space and any new development. Especially considering the potential future development of the high school site, residents expressed further concern for traffic impacts and circulation along Hill Road.

There were also many varying opinions about housing affordability, whether or not new units should be market rate or primarily affordable. Some responses expressed the need for affordable housing options for residents within the City of McMinnville, while others expressed concerns for density and a desire to preserve the rural nature of the area. Overall, there is consistent responses regarding the overall density of new units in their appearance, ensuring that any new development does not appear to be out of place from the existing neighborhood character. When discussing medium to high-density developments, considerations to new utilities and their impacts, and overall aesthetics were noted. The survey responses emphasize community and neighborhood-oriented development for residents of Fox Ridge Road the surrounding area.

Appendix A

Table 1: Fox Ridge Road Community Survey Responses

Question 1 — How are you familiar with the Fox Ridge Road Area?	Question 2 — What is your relationship to the Fox Ridge Road Area? Select all that apply.	Question 3 — Imagine 20 years from now there are new neighborhoods and features in the Fox Ridge Road Area, as shown on the Framework Plan. What would you like to see?	Question 4 — As this area transitions from rural to urban uses over time, are there assets or distinctive features within the area that you think should be conserved and/or incorporated into the plan?	Question 5 — What else should we know or consider as we move forward with the Fox Ridge Road Area Plan?
7	I visit places or people in the Fox Ridge Road Area	mixed income housing	equity	
7	I live in McMinnville	An IGA-like food shop for the west side of town.	Any large health trees need to be incorporated, not destroyed.	
8	I live in the surrounding region	More green space, trails/bike paths, and space for youth/teen activities.	Like the green space of this area & don't want over crowded with say row homes or homes on top of each other. Too condensed takes away from his natural it is here.	Traffic is going to be even more of a thing on hill/baker with this so some consideration of that. Be mindful of how condensed /how large of population you crowd into this area.
10	I visit places or people in the Fox Ridge Road Area	Leave as much as you can wooded, forested and green	The wildlife	Please consider the negative impact on wildlife
7	I live in McMinnville, I live in the surrounding region	I'd like to see this area developed with housing priced for people earning under \$250,000 annually. I'd like to see the view spaces reserved for public enjoyment. I'd like to see an area where people could leave their cars at home and walk to the shops.	The views should be preserved for public access.	Traffic is going to rise on all east-west corridors.
7	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Parks, walking trails, dog park	Tree farm	More community spaces, division between high school and elementary school
5	I live in McMinnville	I'd like to see walking trails and if possible and some level of small retail etc to serve the neighborhood.		
7	I live in McMinnville	Housing	Lots that don't sit so close to each other. Maybe qtr acre lots	Wide streets
4	I live in McMinnville	Nature conservation	Preserve habitat	Environmental impact
7	I live in the surrounding region	parks and trails	preserve trees and nature	
10	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	high density residential while avoiding and 3' side yard set backs. City Parks. City Trails that connect to existing trails.	Topography should remain as is, public should get access to river and water, mcminville water and light should abdicate all claims,	hope the plan actually evolves instead of staying as you've already drawn it and do chose to listen to public input even if not what you want it to be

		River Access for public use. Site for that rec center building.		
5	I live in McMinnville	Egress and exit roads that do NOT include Wallace or 2nd Street	As much forest area as possible	The charm is McMinnville is its size. Adding large amounts of growth will diminish the charm. Also, with most retail (Walmart, fast food, etc.) off of 99/Baker, there needs to be a thoughtful plan for traffic. Wallace and 2nd Street are already very busy.
7	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	A solar microgrid, EV chargers, carbon sequestering landscaping like clumping bamboo, LEED certified buildings, neighborhood walkability and ample bike parking/storage.	Natural gathering spaces like a public square with a fountain and gazebo would be nice. Keep as many mature trees as possible, a walking path with access to the historical cemetery and benches along viewpoints would be nice.	Keep up the good work Planning Dept.!
6	I live in McMinnville	Affordable housing, limited rental properties, access to affordable and nutritious foods, accessible facilities to support mental and physical health, community spaces including parks and food gardens,	Incorporate existing "natural areas" into parks and community garden areas, plant native plants and trees, support the natural resources that already exist in the area	
7	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	more high density multifamily		more high density multifamily w/ some limited small format retail. do not compel retail w/ residential as a secondary use
10	I live in McMinnville	Not cookie cutter neighborhoods developed by corporations like Lennar	Park around rock quarry	
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	High density housing near commercial buildings. Walkable neighborhoods.	When possible, preserve historic farmhouses/structures.	I currently bike up fox ridge, please make sure bike infrastructure is considered as this will increase traffic.
5	I live in the surrounding region	Mixed residential housing for medium & low-income	Greenspace & trails	
10	I live in the Fox Ridge Road Area, I own or operate a business in the Fox Ridge Road Area, I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Buildings that utilize the real knowledge we have about living sustainably, and the technology available for us to be investing in, and should have been incorporating years ago. We need to keep watersheds and soils in minds or you are leading us down a horrible path where we keep expanding instead of improving upon what we have and becoming more efficient and less wasteful	The rural aspect needs to be kept in mind, or you will continue breeding ignorance about the spread of nonessential destruction.	You should absolutely NOT. You will continue destroying more and more of what is vital if you do not take responsibility and continue passing the buck. This disregards every bit of wisdom we have about living on Earth. Baker Creek was another fine example, as well as the new development in Carlton and Yamhill. We are chipping away at exactly what allows us to have a sense of community, you are selling colonial era paradigms to your constituents.

5	I live in McMinnville	Parks, community centers, hiking trails.	The land and plants	Traffic!
7	I live in McMinnville	School and park	Most of this area should be left alone	
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	The roads can't handle what is proposed. Businesses are having a hard time in McMinnville and closing. We are paying for the current high school upgrades. Can't afford more. We hardly can pay for food. Get real people!	More affordable housing! My 22 year old can't afford to move with three friends! Young people are being priced out of becoming independent.	I vote no.
10	I live in the Fox Ridge Road Area		For my property to not be encroached on for a hiking trail	
10	I live in the Fox Ridge Road Area		Store gas station shopping more of a guide for older kids that are missed for activities between 10-16 years old	Park nicer dog park
7	I live in the surrounding region	Greenway trails	High schools generate a lot of traffic...more than what the current roads can support. Send someone to new Sherwood High School. Terrible traffic. Only one way out of the school.	Consider traffic and preserving green spaces for all to enjoy.
10	I am the Sexton and Caretaker of the McMinnville Masonic Cemetery which the Fox Ridge survey has included.	It to be placed somewhere else.	There should be an inclusion in this plan for the care of the McMinnville Masonic Cemetery and its Pioneer Burials and inclusion for the care of the Yamhill County Poor Farm Pauper Cemetery within this rural plan. A fence needs to be placed surrounding the western portion of the McMinnville Masonic Cemetery to protect it from this proposed trail along the cemeteries property line.	There needs to be additional information from the city as to how it will protect the McMinnville Masonic Pioneer Cemetery from the massive amount of extra population increase.
10	I live in the surrounding region	Nothing the area remains untouched	Leave it alone	Leave area alone
10	I own or operate a business in the Fox Ridge Road Area	Single family home neighborhoods vs high density.	My family owns the water rights to the old quarry and need to maintain a prohibition to anyone being in or on the water for safety/liability reasons, so secure fencing between it and any public access would need to occur.	The water in the quarry should not be considered as a source of irrigation, etc. Unless or until city water systems are extended into the developed areas for whom we currently
8	I live in McMinnville	Medium sized houses, ranch style, no more cookie cutter developments. COMMUNITY GARDEN. People with biodynamic yards.		The wildlife. The bees. We need to keep a symbiotic relationship with what rural space we have left on the west side of town.
2	I live in the surrounding region	Inclusion of low income housing, parks, playgrounds.	Not familiar enough to say	This survey could easily be improved by more objectively designed questions. It seems to be intended for stakeholders.

6	I live in McMinnville, I live in the surrounding region	Nature. Not apartments stacked on top of each other. Native plants, trees, open spaces and parking spaces, community garden. Think Hobbit town!	Not familiar enough to that level to have an answer.	Lots of parents are moving toward home schooling. Open facilities that inspire education will be more desired than traditional schooling. I have a 3yo and think about how things have shifted since the pandemic. Our institutions have failed us. We don't want more of the same.
10	I live in the Fox Ridge Road Area, I live in McMinnville, I live in the surrounding region	Habitat for birds and small wildlife; water feature	It has a nice viewing area. Keep that and maybe make it more visitor friendly with benches, some shade etc	I will be sorry to see the deer leave this area. Consider traffic flow - maybe a light where Hill Rd intersects with Hillside's driveway
10	I live in the surrounding region	Shopping opportunities you can walk to, preservation of areas where wildlife thrive	Public access to the viewpoints	This should be a mixed income neighborhood and not one of big houses geared to people with more money
9	I live in McMinnville, I live in Hillside Retirement Community across the road	a movie theater, health food restaurant, medical offices	preserve existing woods as much as possible, provide for smooth Hill Rd access as traffic flow increases	Control noise levels from new activity center and increased road traffic, provide safe pedestrian crossings to activity center on Hill Rd
9	I live in McMinnville, I live next to Fox Ridge	Quality properties that are built well and keep or increase in value	Walking paths and a park	Build roads that will handle the added traffic volume
10	I live in McMinnville		the lake	
5	I live in the surrounding region	I would like to see more affordable housing in the area, along with a park that can be hiked rather than playgrounds. Also, a coffee shop and/or small restaurants, so I don't have to drive all the way into town every time I want food or a drink.	I would like to see some heavily treed areas stay that way.	
9	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area, I visit places or people in the Fox Ridge Road Area	Housing should be of the highest caliber, with diversity of facades and landscaping	Property views, trees, security and privacy	Fox ridge should not be a high density, no imagination housing development
10	I own property in the Fox Ridge Road Area	trails for people, dogs, bikes and maybe horses	Views, homes not to close	keep diversity
8	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Innovative, more affordable housing types wherever possible, especially the large flat parcel across from Wallace Road and the larger parcels along the lower reaches of Fox ridge Rd. Maximize housing that is more affordable. Also, a coffee shop, café, store, professionals that both the new	A park with a walking path and views higher up would be great. The quarry pit could become a water feature or enhanced for waterfowl.	This is a great opportunity to put the city's great neighborhood principles into practice.

		residents and residents east of Hill Rd can walk to. A good, safe pedestrian crossing from Hillside to the new commercial area.		
9	I live in the surrounding region	Nothing	Remain rural	Traffic is bad already
8	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	A trail would be nice. Concern about housing in a hazardous zone.	The tree line, the quarry as a wildlife refuge for geese and birds as they migrate.	Water zones, another reservoir or pump station perhaps. Concern for Hazardous areas in residential zones.
7	I live in McMinnville	No new neighborhoods	Leave it rural	Too many people in McMinnville as is. The traffic is terrible in the afternoon
4	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	more townhomes/duplex/triplex , coffee shop, yoga studio, good bike paths, public transit, grocery store!!		
10	I live in McMinnville	A fire station. Stop building parks for the homeless to occupy.	Actually build the high school on the property the schools district owns.	Please improve public safety by building a fire station and build the high school. We have enough parks.
10	I live in McMinnville	Easier and safer walking access, additional park space	Preserve the natural aspects to allow for walking and other use verses high density housing	Considering connections to the current walking path so there is easy access between the two. In addition to the path noted consider a path along Fox Ridge to the dead end for all to enjoy the view safely.
7	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	community gardens and walkability	the wildlife and green spaces	development cannot have negative impact on housing affordability in mcminnville
10	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	A city park, the greenway trail and new high school.	Take advantage of the beautiful views for the community and not only housing.	Be sure to consider how to create a buffer around the proposed high school for traffic, noise, etc.
8	I live in McMinnville, I live in the surrounding region	Aside from housing, we really need more community spaces in this part of town. Grocery stores, coffee shops, gas station, small restaurants, offices for small businesses or nonprofits. I love the idea of a trail and greenway.	Green open spaces to enjoy the natural scenery of this hill.	This part of town is known to be where the wealthier residents live. It would be great to designate the residential area in a way that has mixed housing options so the residents are from diverse income backgrounds.
10	I live in the surrounding region	More commerce in the area to relieve traffic to all the other grocery and other shopping areas.	Why ask that question when you're going to fill it with medium to high density housing already?	There is little to nothing for anyone in this area to do. One small market. One small cafe. 1 lane roads. More high density housing is going to logjam this area. It will be a nightmare.
10	I live in the Fox Ridge Road Area, I live in McMinnville, I	A high school that doesn't take 20 minutes to walk from one	Find a way to keep the fox, coyote, waterfowl, deer, elk, bear, cougar, and other woodland	As growth continues in the NW part of town a hard look at traffic is in order. The drive from Hill to 99 on

	visit places or people in the Fox Ridge Road Area	end to the other with the other 2000 plus kids. Houses with enough yard for the resident deer to hang out on. A wall with top notch security all the way around the towns water supply. On the commercial side, maybe Costco can be allowed to build out here so I dont drive and shop out of town every other weekend.	creatures around. Maybe the Fox Ridge Wildlife sanctuary.	2nd and more so on Baker Creek has become very long over the past decade. The morning and evening commutes back up traffic for blocks near highway intersections.
10	I live in McMinnville	Some high density housing and parks. Live the idea of connecting the greenways. Also bike lanes!	Make this area accessible by bike or walking. Keep trees!	
5	I live in McMinnville	Greenway for bikes and pedestrians is essential to thoughtful development. A mix of housing options and affordability ranges. Some large houses and some condos/apartments. Mixed housing fosters diversity of neighborhoods. An accessible playground would be great. I love the idea of another high school! Make sure it includes a pool.	You could include an agricultural walking trail with informational signs about farming practices and commodities.	Developing this area to allow the larger community to enjoy public lands is thoughtfull and inclusive. Thank you for making this an area for all to use. I prefer roundabouts when ever possible so try to keep it! Better for traffic flow.
10	I live in the Fox Ridge Road Area	a high proportion of natural areas and wildlife habitat weaving through residential areas	This area is distinctive for its beautiful trees and abundant wildlife. These assets should be incorporated into the plan.	Fox Ridge Road is popular as an area to walk in nature on a paved surface adjacent to residential neighborhoods now. I think it should continue to feature a high proportion of natural areas for walking and recreation and only moderate density development so neighbors can continue to enjoy the beauty of this area.
7	I live in McMinnville	Parks, trails, public gardens, rooftop gardens, green spaces. But mindfully keeping our beautiful views.	Public transportation availability, commercial and retail so people can reasonably live and shop in their neighborhoods without having to drive far. Being able to bike, walk or take affordable (free) public transit would be ideal. Lessen the dependability on vehicles.	The new high school is desperately needed and long overdue, should be a top priority on the construction list!
9	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Green areas, native plants, parks, trails.	Reservoir kept	Other roads besides Hill to alleviate traffic
10	I live in the surrounding region	Low density housing	Keep the environment in mind.	Do we really need more medium to high density housing?

6	I live in the surrounding region	Increased population requires additional police services and needs to be funded without increasing taxes		Traffic impact added electrical services can we support the additional without raising electrical rates
8	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Connection to existing trails, green spaces between the housing, maximizing of the views on the hillsides	The hills there are gorgeous and, I think, should not include dense housing as it would detract from the natural beauty	The roundabout is quite busy already, so exit routes as housing goes in will be important, especially if there will also be school traffic with teen drivers
8	I visit places or people in the Fox Ridge Road Area	Walking friendly neighborhoods, adequate parks, a mix of house and lot sizes and styles. Retail and business centers. A full sized grocery store included, if not in the FR area, then somewhere in the west/ SW area. This will eliminate many daily car trips down W 2nd and Baker Creek Rd.	Preservation of mt. and city views for walkers, drivers, and residents.	
10	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area, I own or operate a business in the Fox Ridge Road Area	It's a challenging question to answer as we bought our property twelve years ago wanting the best of both worlds--a rural feel while not being too far from town, yet I understand that healthy towns do grow. I have found the recent developments along Baker Creek Road and Hill road discouraging as there is little regard for aesthetics. The homes are tall, narrow and look like city row houses. The thought of acres of narrow, unimaginative housing marching across a formerly long, wide farm field is unappealing and adds little charm or design to the western part of McMinnville. And yet I do understand people have the right to sell their property and have it developed.	I am not sure that is possible as what makes Fox Ridge distinctive is that is is rural and yet near town. There are large trees lining it, unique homes--some spectacular, others charmingly small, rustic ranch style homes. Fox Ridge offers expansive views, especially to the south of fields, rolling hills and farm fields. The views to the north will now be mostly of similar roof tops. The quarry is home to many bird species and other wild life, so I hope that would stay. While with a massive development of this scale would make it unlikely to preserve much of Fox Ridge's charm (judging by what happened along Redhill Road), having some open space would be lovely--not just for a park for kids to play, but a more natural place of beauty where people could walk and experience nature that is not fully groomed or curated. Being outside and experiencing wondrous moments of nature--a hawk hunting, a deer drinking, a hummingbird would be lovely for people to be able to experience even in a larger density housing project. Will there be a variety of developments or something akin to what recently went up along Baker Creek road?	Fox Ridge Road is one of the most popular areas for people to walk or run--with baby joggers, dogs or larger groups such as Hillside residents. I am concerned about the safety of the walkers as with hundreds or more houses being built there will be a lot more traffic not just on Hill Rd (the roundabout does help), but also there will be more drivers driving up to the top of the road for a view. It is common for people to race up to the top usually about 40 miles an hour or more and then down again. Perhaps speed bumps on the road---I would hate them, but already there is far more traffic on what is essentially a residential, rural road with few residents, but now the street will become more encapsulated in a large, crowded newly developed neighborhood with exposure to a lot more foot and car traffic. Hill Road has already become far busier in the twelve years I have lived there. Will Hill and Baker or 2nd be there primary arteries for everyone to get into town or on 99? I do worry it will be quite congested. Also, I understand that you have commissioned environmental reports, much of the fields to the North of Fox Ridge are quite boggy for a good portion of the year. Finding a way to capture and perhaps store and reuse that water will be essential to keep the new developments from being inundated with the water run off from Fox Ridge.

10	I live in McMinnville	Bigger high school, another elementary school, another dog park, more walking trails	Trees and farmland	Need another dog park and more walking trails
8	I live in McMinnville	Trails and or greenway, neighborhood retail	Green spaces	
10	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Park and activity center	No high density housing	
7	I live in the surrounding region	Green spaces and buildings that exemplify the history of McMinnville.	Trails, Trees and Open Spaces	Keeping the historic feel of McMinnville.
6	I live in McMinnville	Parks, trails, neighborhood-serving retail that allow residents access to needed services without using a car.	Trees	We need affordable housing in this area
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Improvement of 2nd St and Baker Creek Rd to handle the traffic increases. Neighborhoods of single family homes. Limited commercial activity.	Recreation centered around the lake in the old gravel pit. Potential for development of an amphitheater against the north face of the hill.	The nature of the housing in the area is mostly single family detached. New neighborhoods should follow suit.
8	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Big park with a playground and splash pad, plenty of green space and trails for walking/light hiking.		
				Dddd
9	I live in the surrounding region	Low density housing!	Wide streets to accommodate emergency vehicles. Cul-de-sac's for easy turn arounds.	Trail signs offering information on area historical and landmarks.
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Park with basketball hoops, baseball, soccer		
8	I live in McMinnville	I question the need for an activity center in this area that includes businesses and commercial services. A more logical place to increase this type of development already exists nearby at the junction of 2nd Street and Hill Road.	Existing open space needs to be incorporated, e.g. the rock pit, the Masonic Cemetery, and existing forested areas.	McMinnville should focus more attention on the challenges of developing the foothills of the Coast Range on its western border, rather than continuing to incorporate and develop farmlands.
10	I own property in the Fox Ridge Road Area	Less development and minimum lot sizes for any new builds	Less development and maintain farm land and open ares	McMinnville is already suffering from traffic, noise and night sky issues. Open space preservation should be priority one as it will contribute to a healthy environment and population.

8	I live in the Fox Ridge Road Area	Improved roads to handle the extra traffic. Ways to slow traffic	Keep the pond and wildlife areas on Fox Ridge Rd	That Hillside, a senior community is across the street from this area. We have a very active community
7	I live in McMinnville, I live in the surrounding region	I would like to see walkable, billable areas. I would like to see affordable and desirable housing, rather than the cookie cutter developments that continue to go in around the county. Businesses that folks living the area can actually use and enjoy. A good quality grocery store that people can walk to. I would like to see community green spaces and edible landscaping for community use. Additional recreational areas. Trails or paths that are well maintained. Signage that is multi lingual. Accessible public transit.	There are some beautiful areas for a potential path and some forested areas that should be maintained.	The cost and undesirable nature of new housing continues to make housing a struggle for younger folks and families and we will continue to see non-locals outbid locals for good housing if our future plans do not address this issue. Public transit is heavily lacking in our county and should be considered in all new city plans.
10	I live in the Fox Ridge Road Area	parks, greenways, hiking biking trails, large amounts of open space no street lights to ruin the night sky existing firs and oaks protected	keep the tree, preserve the watershed, no lights	no commercial, no retail or business. That should remain downtown.
9	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	entry-level housing, jogging trail/green space, family dining (a chain like red robin, chilis, olive garden)	no preference	
8	I live in McMinnville	More attention to less density and more connectivity	any wetlands, bird habitats	The infrastructure of Fox Ridge Road does not support more growth. Two lanes, narrow road is dangerous. A density like has been established with Lennar developments will be detremenal.
6	I live in the Fox Ridge Road Area, I live in McMinnville	a good balance of parks/open space & neighborhoods	trees, green areas, wildlife a well-planned gradual transition w/ flexibility to change/revise plans as appropriate	Needed: a careful, in-depth analysis of current conditions (i.e., traffic, open space, safety) as well as potential impacts of proposed plan
7	I live in McMinnville	Abundant bird-friendly greenspace and walking trails	mature trees as much as possible, any wetlands areas	Growing on the west side, into the hills, conserves the better farm lands to the south, but access to those areas remain pretty much through existing residential areas where traffic is an increasing problem. How will this be addressed in the future, preferably before traffic becomes worse?
10	I live in the surrounding region	Large parks and low density housing. The increased traffic will make living in this area not	Please conserve as much green space as possible. Most of us moved here because of the rural area. We did not move here to be in the middle of an	Please consider that you have approved so much development in this area without any regard to the rural areas that make McMinnville livable. Everything

		as attractive. Now we have open spaces and nature (lots of deer). This development will ruin that and make me regret having moved here.	urban area. A beautiful natural area will be destroyed. There is already way too much development in this area with all the housing that is going in along Hill Road and Baker Creek Road. This area doesn't need anymore housing that is taking away all of the rural areas.	you are doing is making this an urban area that so many of us came here to get away from. Please keep the rural feel of McMinnville. We don't want to become just a bedroom community.
10	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area, I visit places or people in the Fox Ridge Road Area	Few homes. Keep the spirit of the farmland.	Prefer to keep it rural. No sidewalks.	Please rethink this whole plan. It's one of the few residential areas close in—most of us moved here to have more breathing room.
10	I live in McMinnville, I live in the surrounding region, We sometimes walk up Fox Ridge Rd for exercise.	trails, parks, and an excellent espresso coffee cafe	plentiful trees	sidewalk along Fox Ridge Road for safe walking
	I live in the Fox Ridge Road Area	Natural area with deer	Natural areas	Restrict expansion by
10	I live in the Fox Ridge Road Area	Utilities all underground	I don't understand HOW Fox Ridge Road can accommodate increased traffic safely	Provide access to the northern part of the plan by building a new road off of Hill.
10	I live in the surrounding region	affordable housing with ample parking for these houses. Not miniature homes with no parking or livability.No apartments.	no big businesses with big signs. Affordable housing but not row houses and apartments at 400-500K that a mouse cant even live in.	sewer, water and electrical capacity that is already stressed. Keeping the area clear of big businesses and signage. Keeping the nature of that area as much as possible.
9	I live in McMinnville, I live in the surrounding region, I live across Hill road from the FRR area.	homes on 1/4 acre lots	As part of the planning any access roadways (2nd St., Hill Road, etc.) and access from the FRR area should be carefully thought out as most of the residents in the FRR area will most likely not work in McMinnville and will need access to highways 99W northbound and 18 eastbound.	The Hazaed analysis and identified areas should be completed prior to moving forward with any planning for Fox Ridge Road area.
10	I live in McMinnville, I live in the surrounding region, i live in Vineyard Heights Senior Living Center at 2nd & Hill	careful planning for traffic as this will be congested.. The park should be patterned after the the "inclusive" one built at the Shadden Area, ifor all ages. the homes mixed, single & 2 story. the the apartments landscaped attractively, with walkways with built in safety lites for safety, The lawns are eco friendly , either artificial or small with lo maintenance perennial or shrubs.	The traffic problem will be HUGE & cannot be underestimated.. Planning for that sd well as the others is important.. I think that there should be places for the highscholers to get snacks so they don't drive off campus on Hill so much. a plan ce for pizza, or ice cream, a deli,	Variety in the type of housing, landscape that is pleasant to the eye and eco friendly, as with all rural to urban, please be respectful of the history of this area & the people who live here. We are all not necessarily looking forward to this change but will adapt slowly as it materializes don't I hope you do listen to us even though the plans are already set. Thankyou. Judy Buchholz

9	I live in the surrounding region	A mixture that recognizes current features and protects current property usage.	Hillside Retirement center is 57 acres that borders this area. There are traffic issues that need to be addressed on Fox Ridge Road that will get more problematic with higher density.	Change will happen, that is not a bad thing. But consideration of adjacent features is necessary,
9	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Thoughtful planning with green space and trees. A walkable community with accessibility to amenities. Flow of traffic that progresses cars through the area, but keeps speed limits low and racing to a minimum.	I support the greenway and walking trail. This area also needs to consider commercial development. Traffic will become an issue as residential must drive a distance to access grocery stores, most of which are on opposite ends of town from these residential areas.	Keep getting the community involved. Try door-to-door paper surveys to surrounding neighbors. Parks within walking distance of homes is a must as is safe accessibility to commercial zones. Thank you for this planning process.
10	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area, I live in McMinnville, I live in the surrounding region	More commercial outlets and activities for residents	The masonic cemetary	
1	I live in the surrounding region	No High Density Residential As shown in the current plan. A 57 acre retirement center is directly across the road.	School, parks, residential ,trails and Activity Center. No High density or commercial.	Less is more. Keep the area open as possible. Thank you for asking.
8	I live in McMinnville	Affordable housing	Existing trees, natural features, animal habitat preservation	Affordable housing is needed WAY MORE than more McMansions for California transplants. No more wine bars, no more catering to millionaires.... BUILD SOME HOUSING FOR ALL OF MAC'S RESIDENTS.
7	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	More affordable single family homes	Single family affordable housing	Our city needs more affordable single family housing
6	I live in McMinnville, I live in the surrounding region	Greenway, trails, grocery store, sports courts, restaurant, coffee shop, bar,	Greenery, old trees, shading, newer plantings	More affordable housing than less. Low-impact, smart contractors and businesses. No chains or big box stores
8	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area, I walk in the Cemetery, out Fox Ridge Road or thru the Wallace Road roundabout	Affordable, multi unit housing, Walking trail that connect to others, neighborhood park as mentioned	That water in the quarry .. could it become a safe swimming area?	
4	I live in McMinnville	Trails and walkable neighborhoods	Green spaces and views of the mountain	
9	I live in McMinnville, I live in the surrounding region	Homes with trees and property, not tightly packed one on top of the other	Leave the trees and allow properties to have more than a postage stamp sized footprint	What are the plans for increased auto traffic in the area? How do you plan to staff a future high school?

9	I live in McMinnville, I live in the surrounding region	A new high school with a sports field and possibly a pool for student athletes	If a high school can be built, maybe keep some of the larger trees can be kept around the structure	That McMinnville keeps building homes and creating developments, but not expanding our schools. Mac high is at capacity, we can keep adding and remodeling forever. We need another high school
3	I live in McMinnville	Not ones that look like what is being built along Baker Creek Road. Those are an eyesore all crammed together like that. I'd like to see trees, walking areas, houses with yards, even if duplexes or triplexes, green space around them.	I think it's important to have quality. Also green space that can be used.	
10	I live in McMinnville, I live in the surrounding region	We will need a new highschool for sure, but I would like for there to be more recreational space there as well (it could be part of the schools outdoor space even?) I have been really wanting to see a outdoor roller hockey rink. It would be large enough to hold 2 - 4 basketball hoops as well	Yes, of course. It would be best to include some space between developed areas as walking paths and/or biking paths. An outdoor roller rink could serve the entire city as well	With more homes being built and people coming in from other cities/states we definitely need to plan for a highschool and any supporting assets for that purpose
10	I live in the Fox Ridge Road Area, I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Mix of high and low density housing; neighborhood park, would love to see the walking trail connect	I'm not familiar with the rock quarry there. Can anything be done with it?	I like the beginning plans that are shown.
6	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	mountainview greenspace, parks, walking trails, mixture of housing for various income,	conserve trees as possible	
10	I live in the Fox Ridge Road Area	Maintenance of the tranquility of the area. Lots of trees and a trail that doesn't encroach on housing with a buffer. Development of a large activity area. Inclusion of low cost housing, affordable homes. Housing for the homeless.	The feeling of being in the country	
10	I live in the Fox Ridge Road Area	Before any residential building starts (including the 30+ developer owned parcel), water capture and delivery systems are in place.	I'm concerned about any building on the yellow/red hazard zones.	I attended the Workshop and understand the water capture and delivery system will be high up on the ridge, however that suggests that annexation on contiguous properties need to be in place. As that will take some time, and the developer owning property next to the school district is ready to start building, that 30+ acre parcel should be restricted to commercial and park. We simply don't have water to put in high density housing on that land.

7	I live in the Fox Ridge Road Area	Green spaces	Water areas and large trees	Please do not make the housing units so close together and cheaply constructed that it will turn ugly and run down within a few decades. All new construction needs to be environmental friendly and solid
7	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Parks and trails and NOT houses like the ones on Baker Creek Road	No more Houses like the ones north and south of baker creek road should be allowed to be built ! Wet areas are being covered by concrete People who bought houses in quiet areas are now surrounded by noise. I realize progress happens but there has to be another way than what is happening now	
10	I live in McMinnville	Affordable housing, apartments as well as middle income housing.	Walking trails	How will you deal with the two lane Hill Rd. with a sizable increase in traffic?
10	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area, I live in McMinnville	NOT apartment complexes and crammed together housing.	The land, the rural state that it's in. This will destroy what makes McMinnville what it is and what it has been.	Expanding at the rate McMinnville is isn't sustainable, nor do we have the resources needed such as emergency services, roads, etc. Money over preserving this unique and special town is what it comes down to.
8	I live in McMinnville, I live adjacent to the Fox Ridge Road Area	Sufficient roads to/from the site. Baker Creek and Wallace are not sufficient for this level of traffic. A logical extension of the Meadows walking path -- create a loop? Maintain the Quarry as a summer water park for the community. Protect and maintain the cemetery. A shady park free of colored plastic fixtures with actual old-growth trees in it.	Do we really have to transition from rural to urban? I have to say I hate the whole idea of this development.	McMinnville should grow MUCH more slowly. I wish we were focusing our development efforts on affordable apartments closer to or in town, support for the homeless, and public transit within town. More big single-family houses eating up rural land is kind of gross.
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Recreational opportunities (parks and trails), shopping services (real grocery store)	The old quarry site. Connection to the existing greenway "powerline" trail.	Leave enough public space so walkers/bikers can sample an unobstructed view of the surrounding area.
10	I live in the surrounding region	Definitely trails/walkways, parks and Greenways.	Same answer as #3	I'm very concerned about traffic. All traffic originating from this development will travel on Baker Creek road and 2nd Street to get to highways, work, school and shopping. I cannot envision these roads handle all the traffic. Hill road ways improved, but the Baker Creek and 2nd need big improvements.
10	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area	Leave the development down by the school and roundabout. Leave the housing above alone.	People moved to the Foxridge area to get away from the city. We want nature, peace, and tranquility.	Many people use the road for walking. There are no shoulders and can be quite dangerous for pedestrians.
7	I live in McMinnville	more affordable housing	views, trees, pond	use the land efficiently so we don't need more land right away to expand the city.

10	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	nothing- do not develop!!!!	Leave it as it is. It is not an area to develop!	Please dont destory the land. There are too many empty expensive houses.
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Walking paths - mixed housing	The reservoir for quiet enjoyment	Mixed housing not McMansion
10	I own property in the Fox Ridge Road Area	Yes	The lake; larger lot sizes, only ones in Mac.	Current owners feelings, keeping the road private
2	I live in McMinnville	Parks, greenways and starter-sized homes and townhomes.		
7	I live in McMinnville	Places for people to walk, nice trails, dog parks, community centers and something like the cultural center in Newberg.	I think keeping woodland areas is crucial for our wildlife and environment, making sure we are keeping native plants or adding them. Finding ways to add eco lawn alternatives.	That finding ways to keep our city eco friendly, and sustainable. It's important to consider how this will impact wildlife, native plants, and thinking of ways we can support the animals, bees and other native plants and insects. Keeping our city green is better for us, our community
10	I live in the Fox Ridge Road Area	Walking trails, eatery's, coffee shop, aquatic center, farmers market, music venue	Farmers market and more open space and walking trails	
9	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area, We live at Hillside, and frequently walk through the Fox Ridge Area	The Greenway opportunity ridge trail, and other parks	development around the existing pond in the old quarry	prevention of traffic problems on Hill Road. Businesses present should be mostly for local residents and not ones aimed at drawing other people.
10	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	Trail connector, roads connected to existing infrastructure in neighboring area, appropriate access to hs site that limits traffic impact on neighborhood.	Preserve open space, old growth trees	
10	I live in the surrounding region	walking trails and parks	trees ad nature	though I walk it all the time. I imagine " you" know better then I
8	I live in McMinnville	Community Center, Developed and less developed walking and running trails that connect to other trails, better options for getting to and from town instead of only 2nd or Baker Creek Rd, how to deal with traffic jam due to high school (foot traffic, students wandering around during breaks, cars, parking, pick		Traffic is going to be a major problem. Will there be an HOA fee? What will the cost of housing look like? What will the affordability look like and how will that impact the use?

		up/drop off, games, etc). Commercial zoning for coffeeshops, bakeries, restaurants (no chain stores or restaurants)		
10	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Trails, parks, space to allow wildlife to continue to use the area. Requirements for trees in and around the residential areas. NO commercial use in the area.	The quarry reservoir could be developed into a public use area. I think there should be some area - maybe a park-- that would preserve some of the mountain view for the public. It's important that public access to scenic parts of the area remain accessible to the public.	I notice that the tree farms are not included in the study area. Do not constrict access to that farming use. Do not allow construction on areas judged prone to landslides or particularly susceptible in the event of an earthquake.
6	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	public walking trails, park areas, maintaining the beautiful views	Yes, as much of the natural habitat as possible including keeping the mountain views	These views of mountains & the valley are not available in most public places in McMinnville & they are precious. Please keep views that all citizens can access, enjoy & draw strength from.
10	I live in the Fox Ridge Road Area, I own property in the Fox Ridge Road Area, I own or operate a business in the Fox Ridge Road Area	No change. Keep your gangs, crime, traffic, graffiti, city people, disrespectful people and drama queens out of our country life. We live in the country because we dont want city life at our back door. Any attempt to waste more tax payer dollars and/or further attempt to force this plan, deceive the people, violate laws and rights of propeety owners for your agendas benefit and/or any step in any way taken by the city to move this plan forward will continue to be a waste of money, tax payer money. I do not approve of this and most if not all of Fox Ridge property owners do not approve of this. I will be personally be informing every household West of Hill Road between Durham Ln and Peavine as this affects all of them as well. I will do anything and everything under the sun to stop this and I will also sue the city and require that all the money (million+) spent on this chirade be returned to the tax payers of McMinnville. In	Keep your grub hooks off this area. We are not Portland...there us no "urban". That is your marketing trying to convince people that this would be a good change. It isnt and it never will be. You cant call rural urban because you want to give city BS a name that sounds like a nice name when that name us the same as city.	You need to understand right now. This Fox Ridge plan is all in your heads and it will never pass. Never pass. Never pass. The sooner that is understood, the sooner you can waate money on something else.

		addition, I am using this form to officially notify the City that I request a cease and decist on this matter. Any further pursuits on the City's part will add to the lawsuit unless the city ceases immediately.		
10	I live in the Fox Ridge Road Area, I live in McMinnville, I visit places or people in the Fox Ridge Road Area	A park, a cafe, slow traffic in residential areas	Maintaining the quarry lake is important.	I do not want Wintergreen drive to go through from the horizon heights neighborhood. Keep the road blocked at Cemetery road.
6	I live in McMinnville, I visit places or people in the Fox Ridge Road Area, I used to live near the area.	Several small neighborhood parks. A grocery store and gas station. A multi-purpose larger park located where one can take advantage of the incredible views of the city. Ample parking for those who don't live nearby. Bus service running the length of Hill Road.	Creating buffers of green spaces between neighborhoods. The forest at the top of Horizon Drive and a walking trail that leads to it. Accessible walking trails for wheelchairs. The cemetary should be given a historical distinction.	As backyards shrink with new construction, children need easy access to neighborhood green spaces without having to go too far from home. Hill Road will become a major artery for many and traffic must be addressed. The current road will be inadequate to handle the number of cars, especially once a high school and elementary school are built.
7	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	One of the best features of McMinnville are these rural areas near the urban ones. What is the plan for relocating deer, cougars and other wildlife. I would like to see a larger HS in this area. What is happening to the homes already in this region? I would like to see ongoing use of natural surroundings and wildlife preserved as much as possible.	Conserve as much land for wildlife and as many features of the landscape as possible. Try to avoid changing the skyline. Make sure there is some plan for lower income housing and transportation as we already lack this. Does it make sense to have a less-commercial elderly care facility with housing with more options for our aging community.	Since McMinnville AVA is so small, it makes sense to retain land that could be cultivated for viticulture for this purpose. It would be a blight if the skyline of current residents or toward the rest of McMinnville was impacted.
10	I live in the surrounding region	Lower density and proper infrastructure extension, such as a satellite fire station.	A lower density load and appropriate transition to the adjacent rural uses.	Address circulation load on NW Hill Road and surrounding corridors.
10	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area, My home is near the end of Wintergreen Dr. near the Christmas tree farm	Low density residential houses and a park.	More green area, trails and walk ways.	House matching same architectural style as homes near Fox Ridge
5	I live in McMinnville	Parks and walking trails	Views should be shared and seen from parks and walking trails.	

9	I live in McMinnville			
7	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	A modern and beautiful high school. A greenway that connects to other green spaces.	Ideally the views of McMinnville would still be accessible to all and not just to individual home owners.	What is the plan to manage increased traffic to these neighborhoods?
3	I live in McMinnville	a thriving community	green spaces and wet land conservation	a balance of residential and affordable housing
8	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	As much green, open space, as possible. NO low-income housing as it would change the area too much in an undesirable way.	open space, trees	it's beautiful as it is, don't drastically change
1	I live in the surrounding region	Mixed income residences connected with path ways-parks- a branch public library		
10	I live in the surrounding region	Farm land so we can live off of community grown food	No it shouldn't be considered, the traffic is not manageable with the bakercreek division	The people who live in this area can not do more population in that area of town
8	I live in McMinnville	Planning that incorporates as many green spaces as possible. NOT like the new Lennar housing which is all housing, no green spaces. It looks terrible.	Trees, wetlands, habitat for animals.	That area needs a place to buy healthy food. Please consider creating safe places for kids to bike.
10	I live in McMinnville, I live between Star Mill and West 2nd and already the traffic is awful.	More arterial roads into town. Right now West 2nd and Wallace Road can't really handle the traffic coming from that area.	Natural features of the land	Increased traffic throughout that area, especially on West 2nd and Wallace Road
7	I live in McMinnville, I visit places or people in the Fox Ridge Road Area	I see the destruction of a very nice quiet rural residential area turned in to a high traffic, noisy, urban area with increased property crime. I'm opposed to this project.	This neighborhood should be kept rural. The serene environment these property owners paid for will be destroyed by this project. Property values will fall. There is no advantage for current residents.	I understand cities are required to expand. What we are dealing with here is the destruction of the dreams that these property owners had and have enjoyed since they bought their land. Forcing the residents into a PUD and cluttering up the landscape with houses and neighborhoods creating an environment completely contrary to the ambitions of the residents is wrong..
5	I live in McMinnville	Well balanced neighborhood; mostly residential, some shopping and businesses and some green space. Also, improved traffic flow to/from area.	Definitely conserve the natural beauty of the area.	Traffic to me is a major concern. The traffic flow at the east end of Baker is a mess now and this will only make it worse. Traffic impact outside of the area must be a major consideration.
5	I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	I would love to see good biking infrastructure to get downtown, a co housing community to build inter	Access to nature and green space. Not just rows of housing but instead sustainable and community oriented housing and walkable communities where people have what they need within walking	Let's think about the climate impact of future communities we build in every project we start. Especially when it comes to transportation, I really hope that McMinnville will be wise to prioritize

		generational community with specific housing for low income housing, reliable public transit and other commercial zoning for small and local businesses to create walkable communities (grocery stores especially)	distance rather than needing to drive all the way into downtown McMinnville.	infrastructure that reduces vehicle miles travelled and GHGs
9	I live in McMinnville	A cohousing community, functional park with saved trees, forest park, lower income housing with shared community space	Pond for community use, paths for hiking and biking through natural areas	We need low cost housing, trees, natural spaces for mental wellness and bus service to this and other areas. Cohousing!!! See Eli Spivaks work https://www.orangesplot.net/elis-bio/
7	I live in McMinnville	well thought out residential neighborhoods with enough space for vehicles to travel on the streets	homes that are spaced far enough apart so that you are not able to look into your neighbor's home	accessibility with speed zones, stop lights and pedestrian crossing
8	I live in McMinnville, I live in the surrounding region, I visit places or people in the Fox Ridge Road Area	Connected trail system to allow for safe bike/pedestrian travel for all ages. Priority on greenspace and park space to allow for high quality of life for residents.	Mountain views, heritage trees, forest	Please prioritize pedestrian/bike connectivity and safety, especially considering connectivity to existing trails and future school locations
10	I live in the surrounding region	Single-family homes at R-2 density.	No. After all of the years of waiting, the whole property needs to be residentially developed.	All residences should be market rate.

Memorandum



Date 3/28/2023
Project Name Fox Ridge Road Area Plan

To Chris Green, HHPR
cc Tom Schauer, City of McMinnville
From Margaret Raimann, SERA Design

Subject Fox Ridge Road Area Plan Community Design Workshop #1 Summary

As part of the planning process for the Fox Ridge Road Area Plan, the City of McMinnville hosted a community design workshop on March 21st, 2023 from 6 to 8 p.m. SERA Design led the workshop with assistance from the prime consultant on the project, Harper Houf Peterson Righellis Inc. (HHPR). The purpose of the workshop was to present the findings from the opportunities and constraints analysis and gather feedback from community members on the preferred development scenarios for the Fox Ridge Road area. Over 50 people attended and participated in the design workshop, and community members also have an opportunity to provide input through a survey open through April 10th, 2023. This memorandum summarizes the workshop event and the key themes that emerged from the community input.

Workshop Summary

The format of the workshop included a 30-minute presentation with an opportunity for questions from community members. The City of McMinnville and HHPR started the presentation with an introduction to the project and previous planning efforts that led to the development of the Fox Ridge Road Area Plan. They provided an overview of the consultant team and the project phases. This event was the first of two community design workshops with the first focusing on development scenarios and the second focusing on plans for parks, open space, and connectivity.

SERA Design presented background information that helped to guide community members in the workshop activity following the presentation. This section of the presentation included an overview of potential development typologies for the area; land use guidelines provided in the Fox Ridge Road Framework Plan; an overview of existing conditions in the area; and a draft of an opportunities and constraints area for consideration in the development scenarios. Prior to starting the small-group workshop activity, community members were welcomed to ask questions to help clarify the purpose and potential development scenarios.

Following the presentation, City staff and the consultant team facilitated small-group discussions with about 8-10 community members at each table. The tables included a map of the Fox Ridge Road area, precedent imagery with potential development typologies, and tools for drawing and envisioning the location of land uses for future development. Facilitators asked questions to guide the discussion including:

- Are there opportunities or constraints we missed in the draft map?
 - What opportunities are you excited about?
 - What other ideas do you have for this area?
- Given the opportunities and constraints where would you like to see the following land use development typologies?
 - High-density residential
 - Medium-density residential
 - Low-density residential
 - Neighborhood-service commercial / office
 - Parks / open space

After about one hour of small group discussions, the workshop concluded with each group sharing a few ideas with all workshop participants. The key themes that emerged from the workshop activity are summarized in the next section, and images of each map that the groups produced are provided in Appendix A. Community Design Workshop #1 Notes.

Key Themes

The key themes that emerged from the community design workshop are summarized below. The project team will use these themes to guide the draft development scenarios and further discussions with the Project Advisory Committee.

- **Offer a range of housing types.** The Framework Plan outlines minimum acreages for medium and high-density housing. Some groups stated they preferred to meet the minimum while other groups proposed exceeding these minimums. One rationale for exceeding these limits was to bring a greater variety of housing density to an area of McMinnville with generally lower densities compared to other areas of the city.
- **Locate medium higher density housing types near eastern boundary of area.** Most groups agreed that the medium and high-density housing types would fit best along Hill Road or other areas along the eastern boundary of the Fox Ridge Road area, given physical constraints and capacity of Fox Ridge Road.
- **Focus on design of new development.** Many groups raised concerns about creating well-designed developments with the new housing proposed for this area. They asked whether this area could include certain design standards to ensure this goal is achieved.
- **Connect open spaces.** This area will include a substantial number of acres of parks and open space due to the constraints that may restrict development and the community desire for more areas for recreation. The workshop participants suggested that the open spaces should also be connected via greenways and include connections to the existing network in the City of McMinnville. Many groups proposed that the neighborhood park should be accessible by a range of residents living in all housing types. The second community workshop will focus on open spaces and will provide another opportunity for the community to provide input.
- **Consider traffic impacts of new development.** Many of the concerns related to increased development along Hill Road focused on increased traffic demand and the existing function of intersections along Hill Road that border the area. A future task of this planning effort will include analysis of transportation infrastructure and an identification of needs for the preferred development scenario.
- **Provide alternative access and connectivity.** Related to the traffic concerns, some groups suggested alternative access points to reduce demand on Hill Road. Future work on this project will include a more detailed look at these potential connections as well as another opportunity for the community to provide input on this topic.

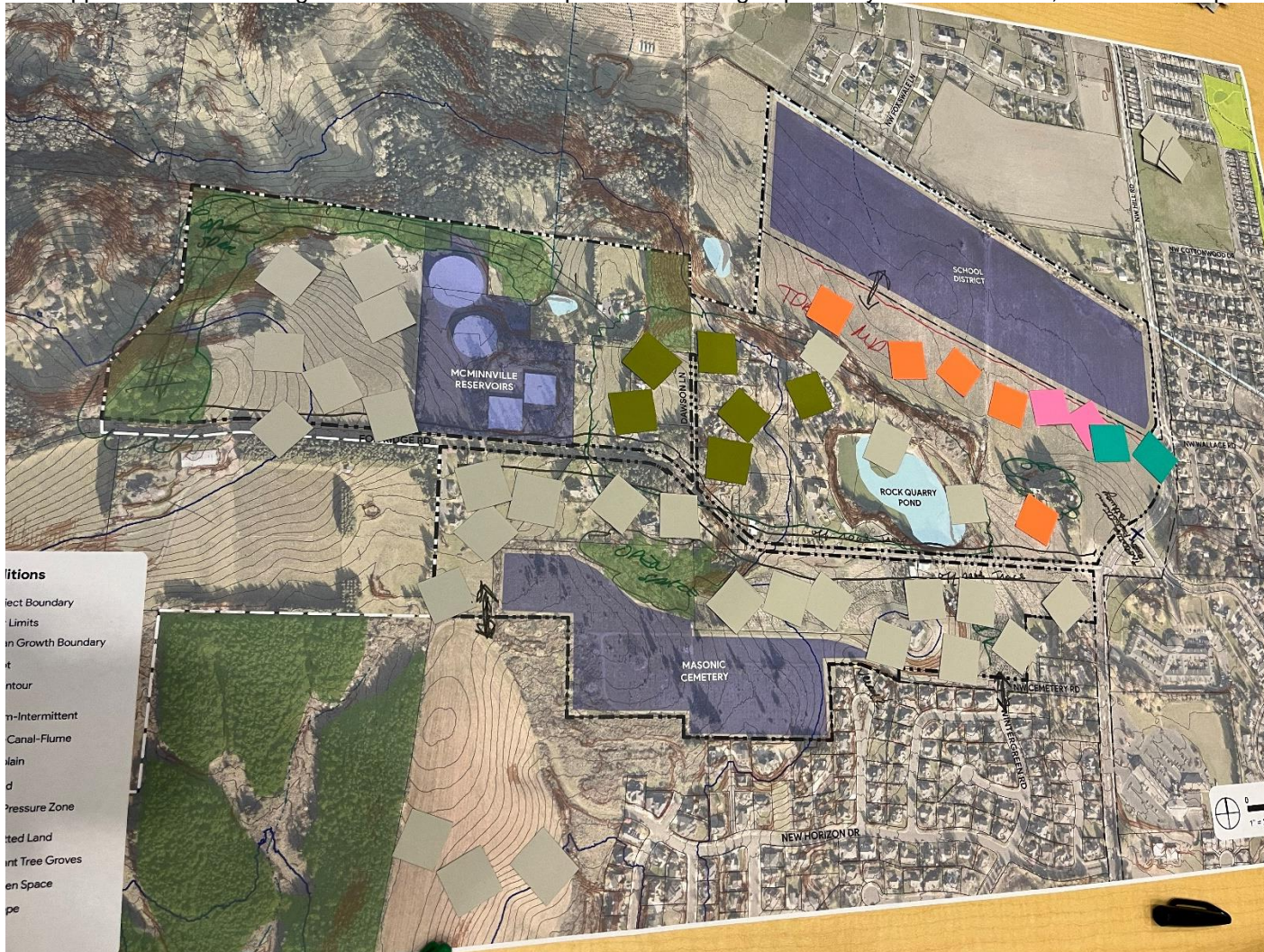
Next Steps

The next step in this process is for the SERA team to develop the draft development scenarios based on the community input provided in the design workshop and the survey (open through April 10th). City staff and the Project Advisory Committee will provide further input on the development scenarios, leading to a preferred scenario for the Fox Ridge Road Area Plan. The community will have another opportunity to provide feedback at the second community design workshop in early Summer 2023.

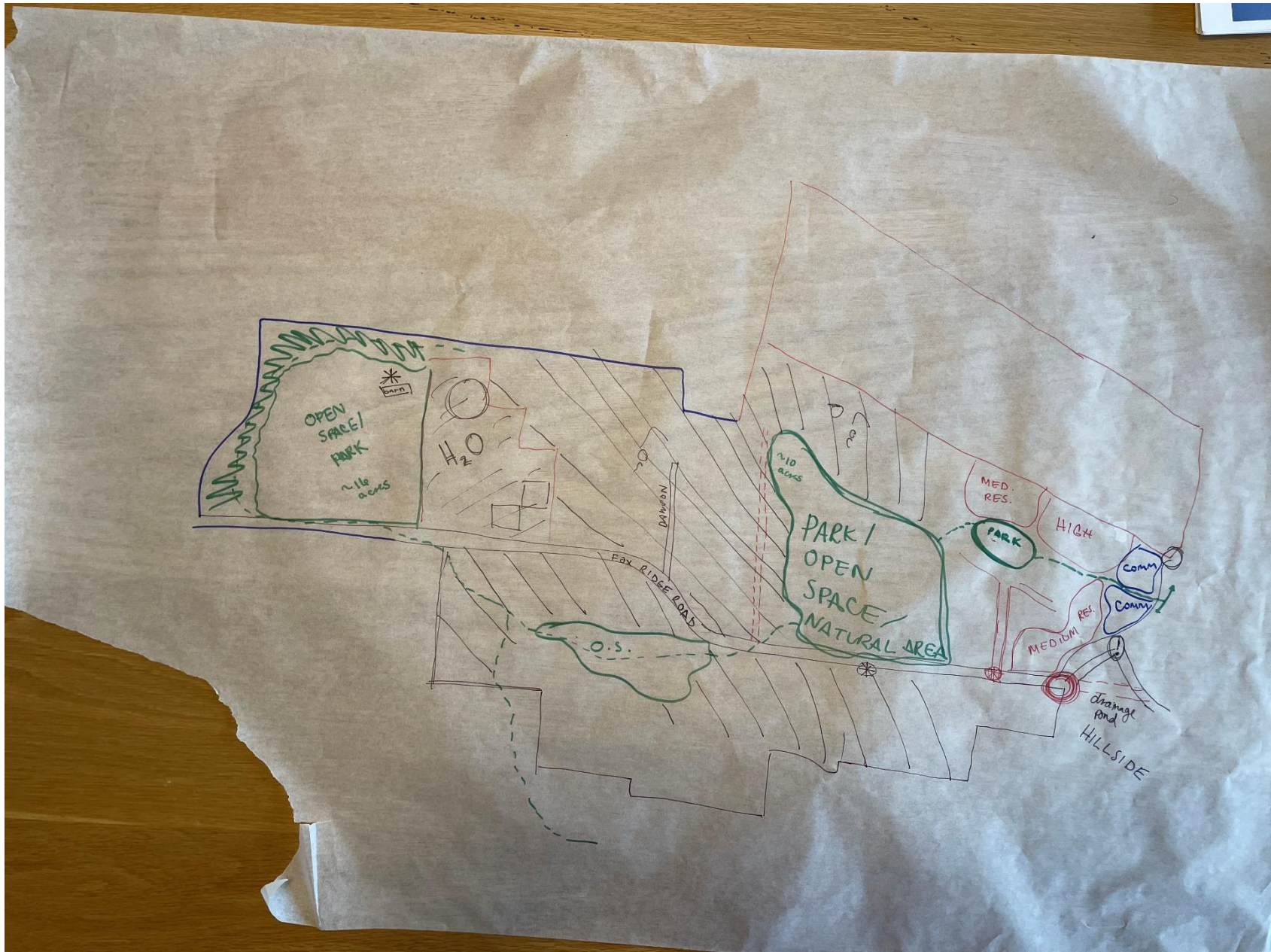
Memorandum

APPENDIX A. COMMUNITY DESIGN WORKSHOP #1 NOTES

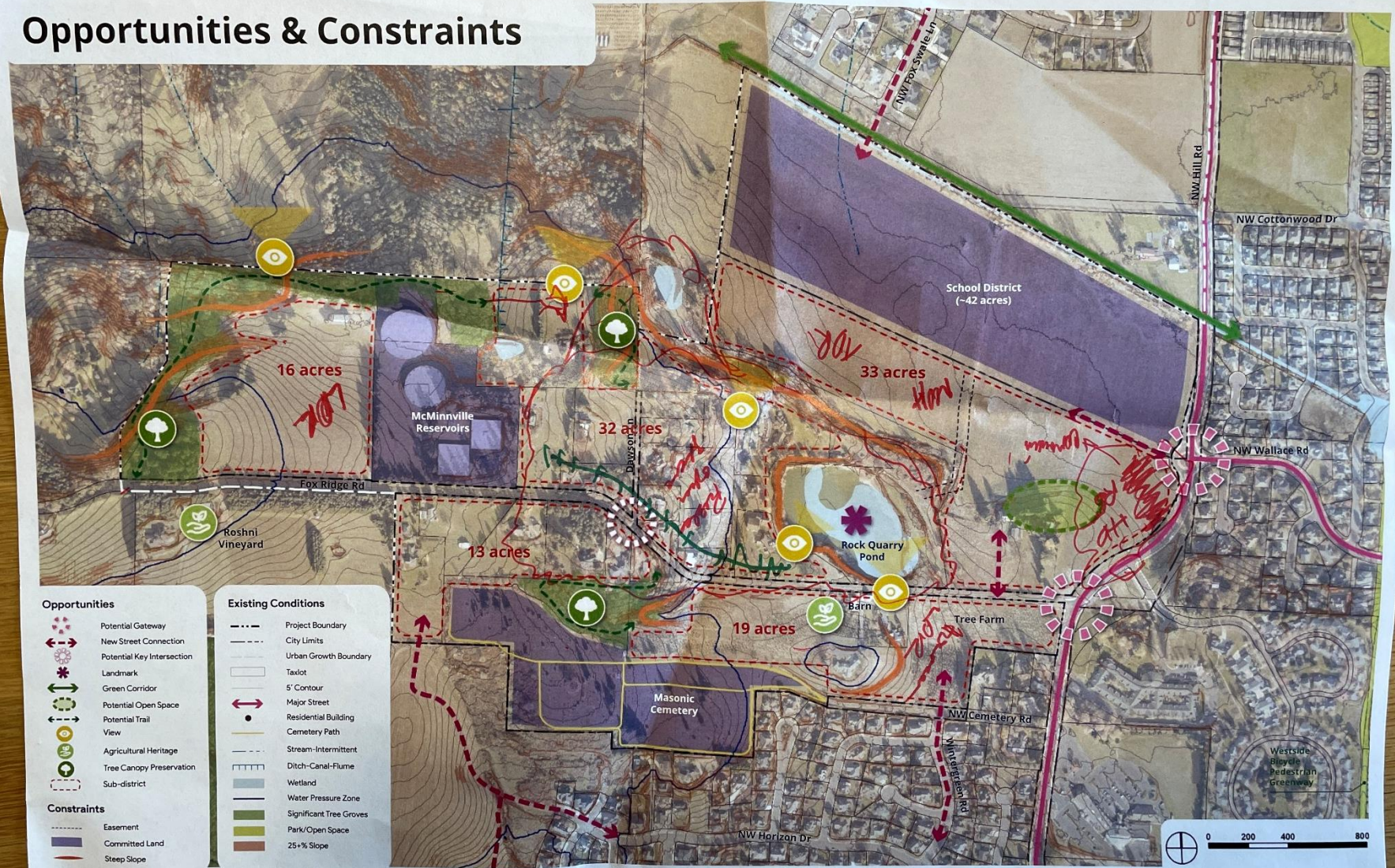
This appendix includes images of notes taken on maps for the small-group activity at the March 21, 2023 workshop.







Opportunities & Constraints









DRAFT MARKET ANALYSIS FOR
HIGH DENSITY RESIDENTIAL AND COMMERCIAL USES
IN THE FOX RIDGE ROAD PLANNING AREA,
MCMINNVILLE, OREGON

PREPARED FOR
CITY OF MCMINNVILLE,
APRIL 2023

JOHNSON ECONOMICS, LLC

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Portland, Oregon 97205



**JOHNSON
ECONOMICS**

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I. INTRODUCTION

This report presents a market and feasibility analysis for residential and commercial uses in the Neighborhood Activity Center (NAC) envisioned within the Fox Ridge Road planning area in McMinnville, Oregon. The main objectives of the study are to provide market overviews; generate reliable assumptions with respect to achievable pricing and absorption; and outline feasible uses, scale, and development forms within the NAC. The residential analysis is focused on high-density uses, evaluating rental and ownership housing separately.

The market analysis is organized in three main sections: Rental Housing, Ownership Housing, and Commercial Space. For each use, we provide an overview of market trends, conduct a survey of comparable properties, and analyze achievable pricing and absorption within the NAC. Residential absorption estimates draw in part on conclusions from the most recent Housing Needs Analysis completed for the City of McMinnville (ECONorthwest, 2019). Identification of feasible uses, development forms, and scale is provided in the Conclusions.

II. EXECUTIVE SUMMARY

RENTAL APARTMENTS

MARKET TRENDS

Demand for rental housing increased over the last decade, reflecting higher thresholds to homeownership and strong millennial household formation. McMinnville has not seen the same development response to this demand as most other cities, and the city experienced a decline in multifamily development over the last decade. The apartment shortage has resulted in a low vacancy rate, currently 1.2% - well below the 5.0% that typically represents a balanced market. In comparison, vacancy rates in the Salem and Portland metro areas are currently 3.9% and 4.5%, respectively.

Rent levels in McMinnville are relatively low, with monthly averages of \$1,200 per unit and \$1.41 per square foot. This may have deterred some new development over the past decade. However, the low vacancy rates suggest that many properties are priced below market-clearing levels.

SURVEY OF COMPARABLES

JOHNSON ECONOMICS surveyed five apartment projects of relatively recent vintage in McMinnville for this analysis. Together, the properties have only three vacant units, representing a vacancy rate of 0.7%. This is unusually low, indicating capacity for additional supply and rent growth. The average rent level across the properties is \$1,524 per unit and \$1.66 per square foot. Some of the properties exhibit clear indications of underpricing.

ACHIEVABLE PRICING

We estimate that a new mid-market apartment project with surface parking in the NAC can achieve monthly rents in the range of \$1,380-\$1,750 per unit in today's market, depending on unit type and size, with per-square-foot (PSF) rents in the \$1.59-1.98 range. These rates are adequate to support traditional walk-up structures, but likely not adequate for more costly formats like elevator buildings with tuck-under or podium parking. We estimate that rental townhomes can achieve rents around \$2,000 per unit and \$1.59 PSF, plus premiums of \$100-150 for attached garages.

FIGURE 2.1: ACHIEVABLE RENTAL PRICING (1Q23)

Unit Type	Units	Unit Allocation	Average Unit Size	Rent per Unit	Rent per Square Foot
1B/1b Apt	50	30%	700	\$1,384	\$1.98
2B/2b Apt	70	42%	900	\$1,604	\$1.78
3B/2b Apt	30	18%	1,100	\$1,752	\$1.59
3B/2b TH	15	9%	1,300	\$1,957	\$1.51
Total/Avg.	165	100%	912	\$1,596	\$1.75

SOURCE: JOHNSON ECONOMICS



ABSORPTION

In the current low-vacancy market, we estimate that an apartment project in the NAC could achieve absorption of around 200 units in a year. Assuming a less pressured market in future years, we estimate that around 150 units can be absorbed in a year, plus around 15 rental townhomes. With two phases separated by 1-2 years of stabilized phase-one operations, we would assume that a project of twice this scale could be built within the NAC.

OWNERSHIP HOUSING

MARKET TRENDS

For-sale attached homes were harder hit during the 2008-09 recession than detached homes due to buyers in this segment generally being younger and more sensitive to layoffs and tightened credit standards. However, the market for attached homes has since recovered, though construction of new attached homes has been very limited in McMinnville. Thus, attached homes represent a smaller share (6%) of all homes sales in McMinnville currently than 10 years ago (10%).

Both attached and detached homes have been undersupplied in McMinnville over the past 10 years, resulting in significant declines in the market time for listed units. In 2022, the median market time was 10 days, while 60-90 days is generally considered to represent a balanced market. The undersupply has caused rapid price gains, as in all other parts of the region, with the median price of attached homes gaining 11.6% per year on average over the past 10 years. In 2022, the median price of attached homes in McMinnville was \$369,000, or \$264 PSF.

SURVEY OF COMPARABLES

JOHNSON ECONOMICS surveyed five subdivisions in McMinnville for this analysis. Three are townhome projects built out between 2004 and 2009, while two are newer detached-home projects with homes built over the past three years. Adjusting sales prices from the past three years to current values using the county median, the homes range from around \$243,000 to \$710,000, or \$188 to \$322 PSF. The average value is \$412,000 per home and \$243 PSF.

ACHIEVABLE PRICING

Based on the resale prices in the surveyed townhome subdivisions and new-home prices in the detached-home subdivisions (adjusted based on typical townhome discounts), we estimate that townhomes in the NAC in the current market would represent pricing in the range of \$360,000 to \$440,000, or \$243-258 PSF. This is likely adequate to support construction of suburban townhomes with a mid-market profile in the NAC.

FIGURE 2.2: ACHIEVABLE OWNERSHIP PRICING, 1Q23

2-STORY TH. Type	UNIT MIX				PRICING	
	Units (#)	Units (%)	Home Size	Lot Size	Per Home	Per SF
2B/2.5b	10	33%	1,400	2,000	\$361,400	\$258
3B/2.5b	10	33%	1,600	2,500	\$400,400	\$250
3B/2.5b	10	33%	1,800	3,000	\$436,600	\$243
Total	30	100%	1,600	2,500	\$399,467	\$250

SOURCE: JOHNSON ECONOMICS

ABSORPTION

Assuming a normalization of mortgage rates in future years, we estimate that around 15 for-sale townhomes can be absorbed annually in the NAC. This assumes that the supply of new townhomes continues to be limited elsewhere in the city.



COMMERCIAL SPACE

MARKET TRENDS

As in most other places, the shift to online shopping has constrained commercial development in McMinnville in recent years. 2006 was the last year with a substantial amount of new supply, when 81,000 square feet were added to the market. Over the past 10 years, only 34,000 square feet have been completed, according to CoStar. However, 87,000 square feet were absorbed on a net basis over this period, resulting in declining vacancy. The current vacancy rate is 1.8%, which is unusually low. This compares to 2.0% in Salem Metro and 3.5% in Portland Metro. Lease rates have risen in recent years, roughly in pace with general inflation.

SURVEY OF COMPARABLES

JOHNSON ECONOMICS surveyed six commercial properties with a neighborhood orientation for this study: two just south of the NAC at the 2nd Street/Hill Road intersection (built 1990 and 2009), and four from other parts of the Portland-Salem region (built 2008-22). The latter represent some of the most recent commercial developments in peripheral suburban locations in the region. Annual PSF lease rates at the two McMinnville properties are \$18 (modified gross) and \$27.36 (full service). The four regional comparables represent lease rates in the \$23.50-28.00 range (triple net).

ABSORPTION

Current traffic volumes and household counts around the NAC indicate inadequate support for new construction commercial space in the NAC. However, following the completion of 570 housing units in the Fox Ridge planning area, a commercial center in the NAC would be the closest shopping location for an estimated 1,500 households. At that point, we expect a small commercial project with 5,000-10,000 square feet to be feasible in the NAC, primarily with food/beverage and service tenants. Additionally, we expect a daycare center and possibly a gas station with a convenience store to be feasible around the same time.

ACHIEVABLE PRICING

The surveyed comparables and the households sales estimates for the area around the NAC indicate lease rates in the low end of what can support new construction, likely requiring cost-effective designs and features. Based on today's market rates, we would expect lease rates in the \$24-27 range (NNN) to be achievable, with somewhat lower rates for a daycare center.

FIGURE 2.3: POTENTIAL TENANTS AND ACHIEVABLE PRICING (1Q23)*, SUBJECT SITE

#	MAJOR CATEGORY	CATEGORY	SQ.FT.	FAR	ACRES	RATE LOW	RATE HIGH
1	Eating/drinking places	Restaurant	2,800	0.25	0.3	\$25.00	\$27.00
2	Eating/drinking places	Restaurant/coffee	1,500	0.25	0.1	\$25.00	\$27.00
3	Personal care	Hair/nail/spa salon	1,500	0.25	0.1	\$24.00	\$26.00
4	Health/medical services	Physician/chiropractor	1,500	0.35	0.1	\$24.00	\$26.00
5	Professional/financial services	Real estate/insurance	1,000	0.35	0.1	\$24.00	\$26.00
6	Education	Daycare/preschool	4,000	0.30	0.3	\$22.00	\$24.00
Total:			12,300		1.0	\$22.00	\$27.00

* Achievable lease rates are annual NNN rates per square foot.

SOURCE: JOHNSON ECONOMICS

CONCLUSIONS

FEASIBLE USES

This analysis indicates adequate market support for rental apartments, rental townhomes, ownership townhomes, and commercial space in the NAC. With a single-phase, 12-month absorption period, we estimate that 170 housing units are feasible in the NAC. We would expect these to require roughly eight acres of land. A strip mall and daycare center may need another acre of land, while an additional acre might be absorbed by a gas station with convenience store. Together, these uses would bring the total size of the NAC to roughly 10 acres.



FIGURE 2.4: POTENTIAL LAND ABSORPTION

FEASIBLE USES				Res. Density	Com.	Land Need
LAND USE	Scale	Unit	(U/Ac)	FAR	(Acres)	
Rental apartments	150	Units	28			5.4
Rental townhomes	15	Units	14			1.1
Ownership townhomes	15	Units	10			1.5
Retail space	8,300	SF		0.27		0.7
Daycare center	4,000	SF		0.30		0.3
Gas station w/conv. store	5,000	SF		0.15		0.8
Total						8.9 (9.7)

SOURCE: JOHNSON ECONOMICS

We expect there will be potential for a larger residential component, at roughly twice the indicated scale, assuming absorption over a three- to four-year period. This would shorten the time needed to develop adequate support for the commercial component. However, the land need for the NAC would then likely increase to around 17-18 acres.

FEASIBLE BUILDING FORMATS

Based on the anticipated market support and pricing, rental apartments in the NAC are likely to be of a three-story walk-up format with surface parking. The rental townhomes will likely be two-story structures, either with or without attached garages. The ownership townhomes are most likely to be two-story structures with attached garages.

Commercial space for food/beverage and service tenants is most likely to have a standard single-story strip mall format, while a daycare center is most likely to be a single-story building with a gable roof.

LOCATION OF USES

Commercial activity in the NAC will depend on good exposure to auto traffic, and will therefore need a location near one of the major Hill Road intersections, either at Wallace Road or Fox Ridge Road. Assuming future development of the high school site, the Wallace Road intersection will likely provide the strongest exposure, positioning the commercial component to capture demand from residents east of Hill Road in addition to Fox Ridge residents. This will require a site and road layout that provides easy access between Fox Ridge Road and the commercial center.

Both rental apartments and townhomes function well adjacent to commercial uses from a market standpoint. However, we therefore recommend rental apartments closest to the commercial section, as rental housing tends to benefit more from this proximity.



III. RENTAL HOUSING

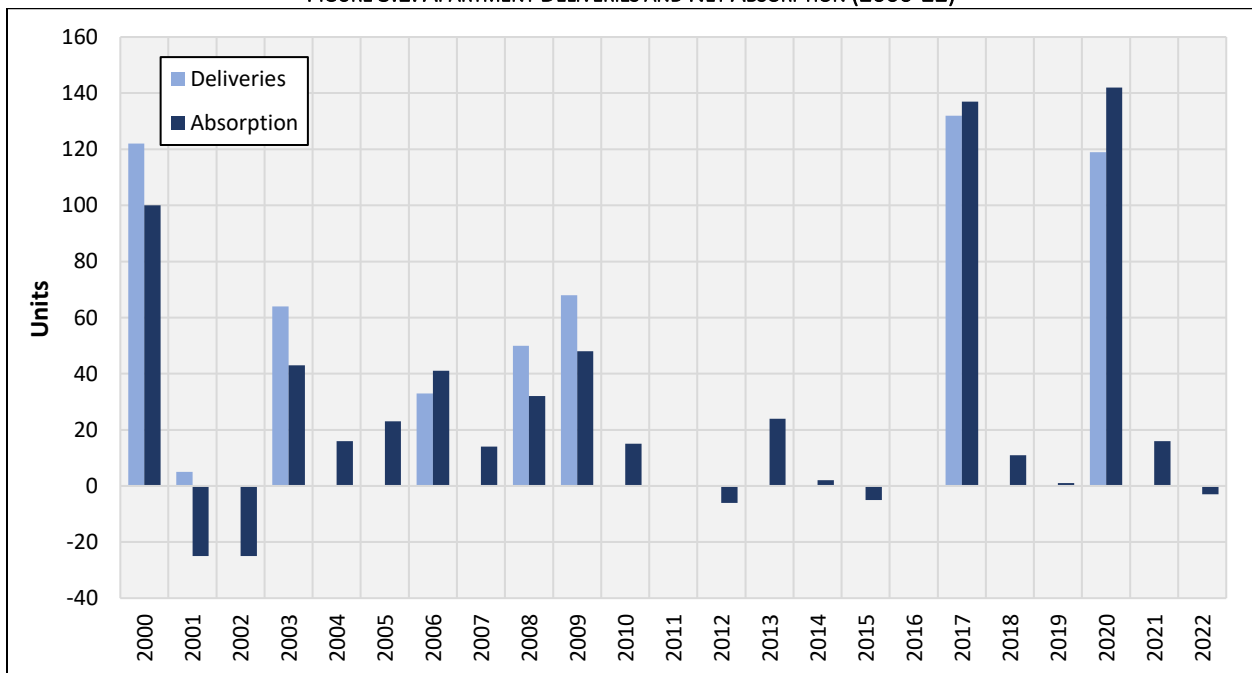
MARKET TRENDS

SUPPLY AND DEMAND

Demand for rental housing increased notably during the last decade, following the foreclosure crisis and recession in the late 2000s. Stricter credit conditions resulted in fewer households qualifying for mortgages, while rapidly rising college tuition and rents made it more difficult – especially for young households – to save up for the higher downpayment requirements. Thus, segments of the previous homeowner market were now relegated to the rental market. Early in the decade, there was excess supply of ownership housing left over from the foreclosures. Many of these were bought by investors and turned into rentals. As the ownership market recovered and these homes appreciated rapidly, many investors sold the homes – predominantly to owner-occupants. This reduced the supply of single-family rentals, forcing many renters into apartments. Thus, most markets saw strong gains in apartment demand over the decade, which in many places was met by a record construction pace.

McMinnville has not seen the same increase in apartment construction as most other parts of the region. Multifamily building permits for buildings with five or more units averaged 40 units annually over the past decade, compared to 60 units annually during the 2000s (likely including some condominium flats). According to CoStar, which tracks most rental apartment properties with online listings, the supply of new apartments in McMinnville over the past decade was roughly on par with the supply in the prior decade. The new supply was generally absorbed quickly. Net market absorption was as high as 140 units annually in 2017 and 2020, when large new projects were completed. The market absorption has been constrained by a lack of new supply over the past two years, as it was in the first half of the last decade. Note that the CoStar data does not include all recent projects in McMinnville. The Housing Needs Analysis recently completed for the City of McMinnville estimates a need for 75 new multifamily units annually over the coming years – most of which will be rental apartments.

FIGURE 3.1: APARTMENT DELIVERIES AND NET ABSORPTION (2000-22)



SOURCE: CoStar, JOHNSON ECONOMICS

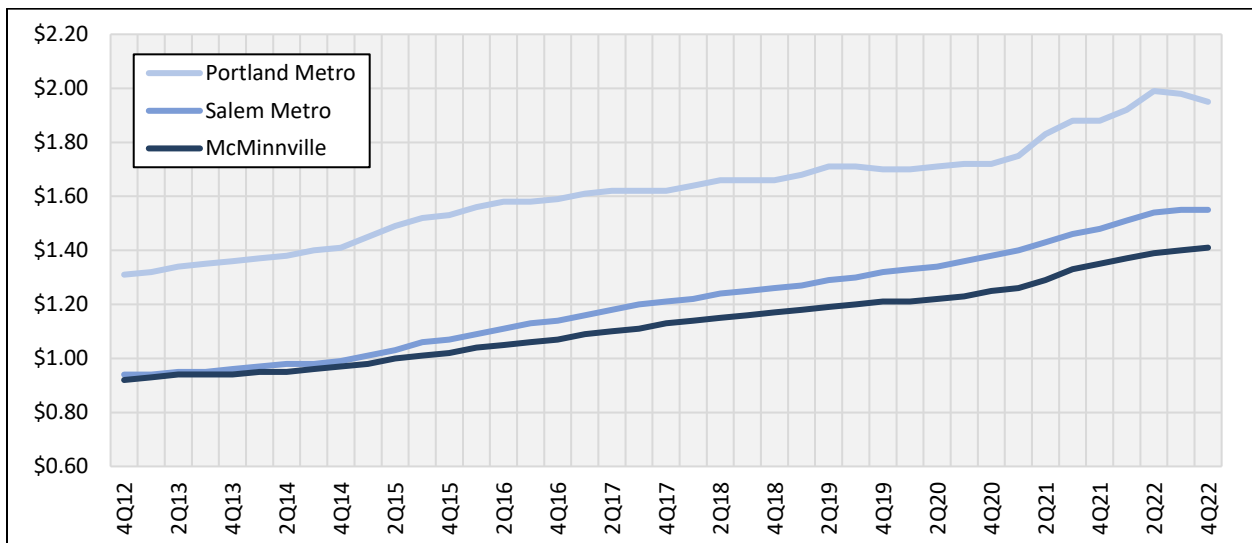
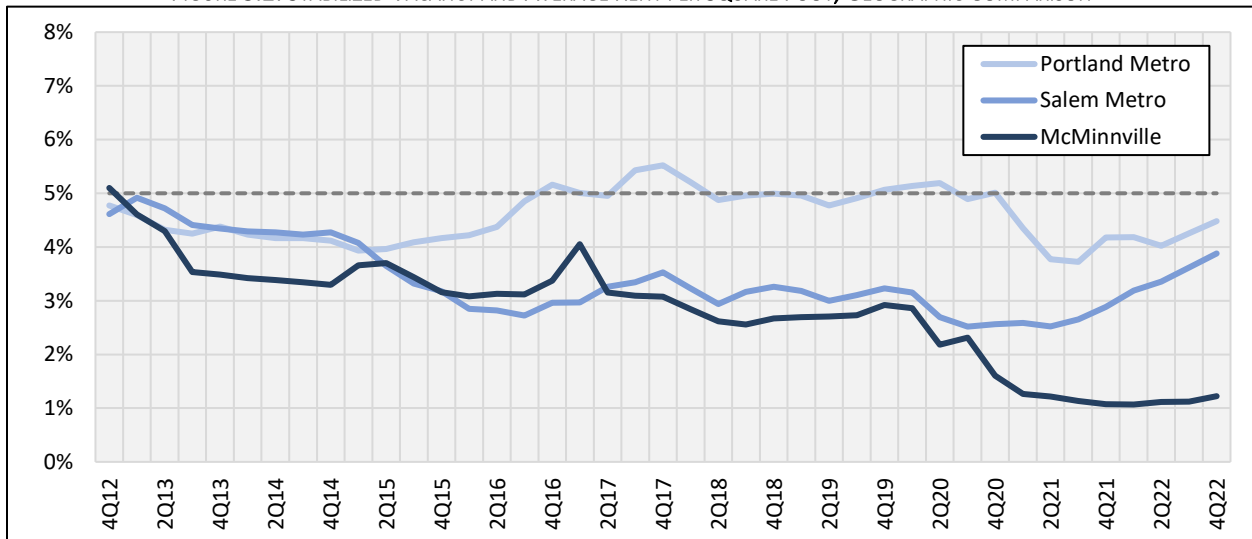


VACANCY AND RENT GROWTH

Reflecting the limited new supply, apartment properties in McMinnville have seen a decline in vacancy rates over the past 10 years, with a current rate of 1.2%, according to CoStar. A 5.0% rate is generally considered to represent a balanced market, where supply matches demand, and rent growth is kept in line with general income growth. McMinnville has not been at this level since late 2012, when its vacancy rate was on par with that of the Portland and Salem metro areas. Over the following 10 years, the city followed the Salem market for a while, but has diverged from the Salem trend over the past three years. The current low vacancy rate indicates considerable pent-up demand.

One of the factors that has likely sustained strong occupancy in McMinnville is its relatively affordable rent levels. According to CoStar, its average rent level for market-rate units is currently \$1,200 per unit and \$1.41 per square foot. This is well below the average in the Salem and Portland markets. Moreover, properties in McMinnville have not raised their rents as quickly as most properties in these markets, despite stronger occupancy. Over the past five years, the market-wide rent growth has averaged 4.5% per year. The current low vacancy rate suggests that the market is somewhat underpriced currently. The relatively low rents may have deterred new development over the past decade.

FIGURE 3.2: STABILIZED VACANCY AND AVERAGE RENT PER SQUARE FOOT, GEOGRAPHIC COMPARISON



SOURCE: CoStar, JOHNSON ECONOMICS



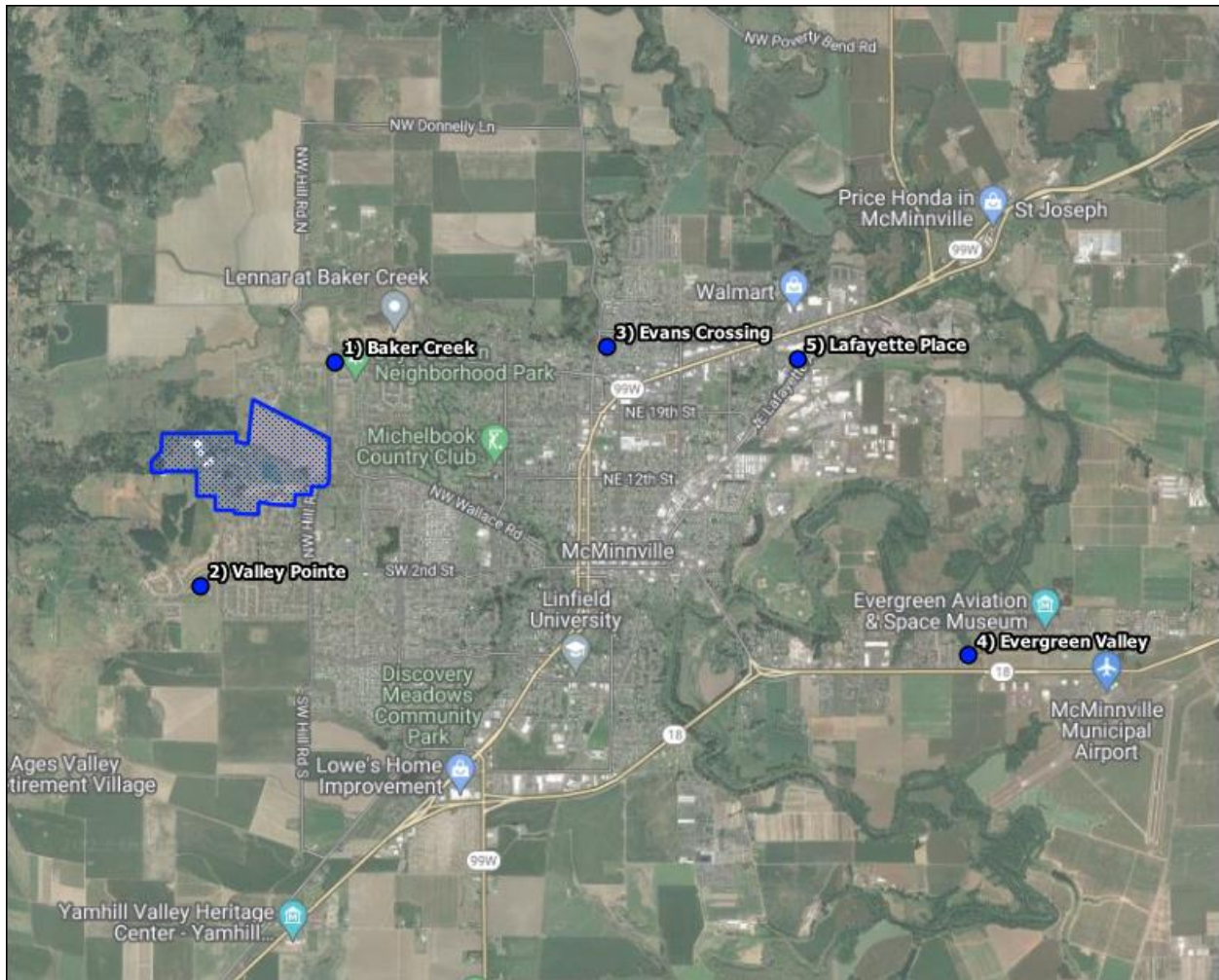
SURVEY OF COMPARABLES

COMPARABLES

JOHNSON ECONOMICS surveyed five apartment projects of relatively recent vintage in McMinnville for this analysis. Three of these opened over the past three years, while one opened in 2016 and one in 2009. The projects represent a typical suburban, walk-up format, with multiple two- or three-story buildings. None of the projects include ground-floor commercial space, which is not represented at apartment projects in suburban parts of McMinnville.

The following map shows the locations of the surveyed properties. Detailed profiles of the projects are included over the next pages, followed by a rent and vacancy summary.

FIGURE 3.3: MAP OF SURVEYED APARTMENT PROPERTIES




SOURCE: JOHNSON ECONOMICS



FIGURE 3.4: PROFILES OF SURVEYED APARTMENT PROPERTIES

1 - BAKER CREEK APARTMENTS

2005 NW 23rd St, McMinnville, OR


YEAR BUILT: 2021

TOTAL UNITS: 70

PARKING SPACES/UNIT: 1.64

OCCUPANCY: 98.6%

AVERAGE RENT/SF: \$1.47

Project Amenities

- Clubhouse
- Playground
- Lawn/park
- On-site management




Unit Amenities

- Vinyl plank flooring
- Solid surface countertops
- Stainless steel appliances
- 9-foot ceilings, washer/dryer
- Balcony

	UNIT CHARACTERISTICS			OCCUPANCY		RENTS			
	Units (#)	Units (%)	Avg. Size	Vac. (#)	Occ. (%)	Low	High	Average	Avg. PSF
1B/1b	11	16%	750	0	100%	\$1,200	\$1,200	\$1,200	\$1.60
2B/2b	54	77%	952	1	98%	\$1,400	\$1,400	\$1,400	\$1.47
3B/2b	5	7%	1,204	0	100%	\$1,575	\$1,575	\$1,575	\$1.31
<i>Tot./Avg:</i>	70	100%	938	1	99%	\$1,200	\$1,575	\$1,381	\$1.47

2 - VALLEY POINTE

2825 SW 2nd St, McMinnville, OR

YEAR BUILT: 2009

TOTAL UNITS: 68

PARKING SPACES/UNIT: 1.69

OCCUPANCY: 100.0%

AVERAGE RENT/SF: \$1.69

Project Amenities

- Park
- Playground
- (Pets not allowed)

Unit Amenities (Renovated)

- Laminate counters, white appliances
- Carpet and vinyl flooring
- Washer/dryer hookups
- 9' and vaulted ceilings
- Patio/balcony

	UNIT CHARACTERISTICS			OCCUPANCY		RENTS			
	Units (#)	Units (%)	Avg. Size	Vac. (#)	Occ. (%)	Low	High	Average	Avg. PSF
2B/1b	34	50%	832	0	100%	\$1,400	\$1,400	\$1,400	\$1.68
2B/2b	34	50%	918	0	100%	\$1,550	\$1,550	\$1,550	\$1.69
<i>Tot./Avg:</i>	68	100%	875	0	100%	\$1,400	\$1,550	\$1,479	\$1.69



3 - EVANS CROSSING APARTMENTS

2501 NE Evans St, McMinnville, OR



YEAR BUILT: 2020
TOTAL UNITS: 119
PARKING SPACES/UNIT: 1.61
OCCUPANCY: 99.2%
AVERAGE RENT/SF: \$1.65



Project Amenities

Laundry room
 Dog park
 On-site management



Unit Amenities

Vinyl plank, carpet flooring
 Laminate countertops
 White appliances
 9-foot ceilings
 Balcony

	UNIT CHARACTERISTICS			OCCUPANCY		RENTS			
	Units (#)	Units (%)	Avg. Size	Vac. (#)	Occ. (%)	Low	High	Average	Avg. PSF
1B/1b	18	15%	704	0	100%	\$1,350	\$1,350	\$1,350	\$1.92
2B/1b	24	20%	940	1	96%	\$1,450	\$1,450	\$1,450	\$1.54
2B/2b	77	65%	965	0	100%	\$1,575	\$1,575	\$1,575	\$1.63
Tot./Avg:	119	100%	920	1	99%	\$1,350	\$1,575	\$1,523	\$1.65

4 - EVERGREEN VALLEY APARTMENTS

725 SE Ford St, McMinnville, OR



YEAR BUILT: 2020
TOTAL UNITS: 66
PARKING SPACES/UNIT: 1.74
OCCUPANCY: 100.0%
AVERAGE RENT/SF: \$1.78



Project Amenities

Playground
 Dog park



Unit Amenities

Granite countertops
 Vinyl and carpet flooring
 Stainless steel appliances
 8-foot ceilings, A/C
 Balcony

	UNIT CHARACTERISTICS			OCCUPANCY		RENTS			
	Units (#)	Units (%)	Avg. Size	Vac. (#)	Occ. (%)	Low	High	Average	Avg. PSF
2B/2b	66	100%	952	0	100%	\$1,695	\$1,695	\$1,695	\$1.78
Tot./Avg:	66	100%	952	0	100%	\$1,695	\$1,695	\$1,695	\$1.78



5 - LAFAYETTE PLACE

2349 NE Lafayette Ave, McMinnville, OR



YEAR BUILT: 2016
TOTAL UNITS: 132
PARKING SPACES/UNIT: 1.57
OCCUPANCY: 99.2%
AVERAGE RENT/SF: \$1.73



Project Amenities
 Community lounge
 Fitness room
 Dedicated surface parking
 (Pets not allowed)



Unit Amenities
 Tile countertops, cherry wood cabinets
 Carpet and vinyl plank flooring
 Black appliances, washer/dryer
 A/C, ceiling fan, 8'/vaulted ceilings
 Balcony/patio w/storage

	UNIT CHARACTERISTICS			OCCUPANCY		RENTS			
	Units (#)	Units (%)	Avg. Size	Vac. (#)	Occ. (%)	Low	High	Average	Avg. PSF
1B/1b	36	27%	725	1	97%	\$1,395	\$1,395	\$1,395	\$1.92
2B/2b	96	73%	952	0	100%	\$1,595	\$1,595	\$1,595	\$1.68
Tot./Avg:	132	100%	890	1	99%	\$1,395	\$1,595	\$1,540	\$1.73

SOURCE: Property managers/agents, property websites, Craigslist, RealPage, CoStar, JOHNSON ECONOMICS

FIGURE 3.5: RENT AND OCCUPANCY SUMMARY, SURVEYED APARTMENT PROPERTIES

Project Name/ Location	Year	Occupancy	UNIT CHARACTERISTICS					RENT CHARACTERISTICS				
			Type	Units	Mix	Sq. Ft.	Vacant	Low Rent	High Rent	Avg. Rent	Avg. Rent Per SF.	
1) Baker Creek Apts. 2005 NW 23rd St, McMinnville, OR	2021	99%	1B/1b	11	16%	750	0	0%	\$1,200	\$1,200	\$1,200	\$1.60
			2B/2b	54	77%	952	1	2%	\$1,400	\$1,400	\$1,400	\$1.47
			3B/2b	5	7%	1204	0	0%	\$1,575	\$1,575	\$1,575	\$1.31
			Tot./Avg:	70	100%	938	1	1%	\$1,200	\$1,575	\$1,381	\$1.47
2) Valley Pointe 2825 SW 2nd St, McMinnville, OR	2009	100%	2B/1b	34	50%	832	0	0%	\$1,400	\$1,400	\$1,400	\$1.68
			2B/2b	34	50%	918	0	0%	\$1,550	\$1,550	\$1,550	\$1.69
			Tot./Avg:	68	100%	875	0	0%	\$1,400	\$1,550	\$1,479	\$1.69
3) Evans Crossing Apts. 2501 NE Evans St, McMinnville, OR	2020	99%	1B/1b	18	15%	704	0	0%	\$1,350	\$1,350	\$1,350	\$1.92
			2B/1b	24	20%	940	1	4%	\$1,450	\$1,450	\$1,450	\$1.54
			2B/2b	77	65%	965	0	0%	\$1,575	\$1,575	\$1,575	\$1.63
			Tot./Avg:	119	100%	920	1	1%	\$1,350	\$1,575	\$1,523	\$1.65
4) Evergreen Valley 725 SE Ford St, McMinnville, OR	2020	100%	2B/2b	66	100%	952	0	0%	\$1,695	\$1,695	\$1,695	\$1.78
			Tot./Avg:	66	100%	952	0	0%	\$1,695	\$1,695	\$1,695	\$1.78
5) Lafayette Place 2349 NE Lafayette Ave, McMinnville, OR	2016	99%	1B/1b	36	27%	725	1	3%	\$1,395	\$1,395	\$1,395	\$1.92
			2B/2b	96	73%	952	0	0%	\$1,595	\$1,595	\$1,595	\$1.68
			Tot./Avg:	132	100%	890	1	1%	\$1,395	\$1,595	\$1,540	\$1.73

SOURCE: Property managers/agents, property websites, Craigslist, RealPage, CoStar, JOHNSON ECONOMICS



OCCUPANCY

All five of the surveyed properties are at least 99% occupied. In total, only three units out of 455 are currently vacant. This represents a vacancy rate of 0.7% (99.3% occupancy). This is unusually low, indicating capacity for additional supply and rent growth.

RENTS

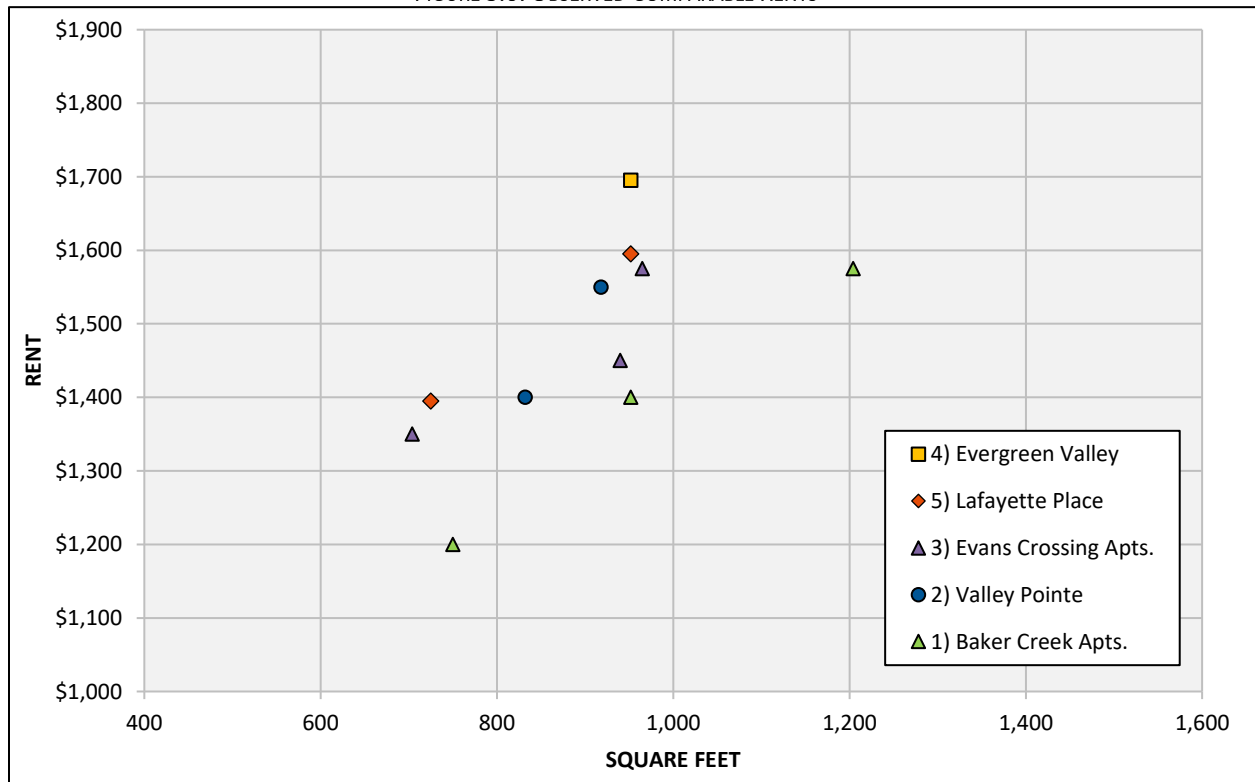
Rents at the surveyed properties range from \$1,200 to 1,600 per month and \$1.31 to \$1.92 per square foot (PSF). The average rent level in the sample is \$1,524 per unit and \$1.66 per square foot. None of the properties currently offer any rent concessions.

With 5.0% vacancy typically regarded to represent market-clearing rent levels, the current low vacancy rates indicate that the properties are priced below market levels.

Rents are generally highest at the properties in the east, which are near highways, employment, and services. The lowest rent levels are Baker Creek Apartments, despite this being the newest project in the sample (built 2021). This property thus appears particularly underpriced. The highest rent levels are represented by Evergreen Valley (built 2020), which is located near the McMinnville Airport. Between these two properties are the three remaining properties, which all have similar rent levels. These include Valley Pointe, which is located south of Fox Ridge along SW 2nd Street. The project is somewhat dated (built 2009), but benefits from a location adjacent to the West Hills Neighborhood Park. Taking into account that this property is 100% leased, significantly higher market-clearing rents should be achievable for a new project with a similar location.

The following scatter plot displays the observed rents as a function of square footage, with each plot representing the average for a specific unit type.

FIGURE 3.6: OBSERVED COMPARABLE RENTS



SOURCE: Property managers/agents, property websites, Craigslist, RealPage, CoStar, JOHNSON ECONOMICS



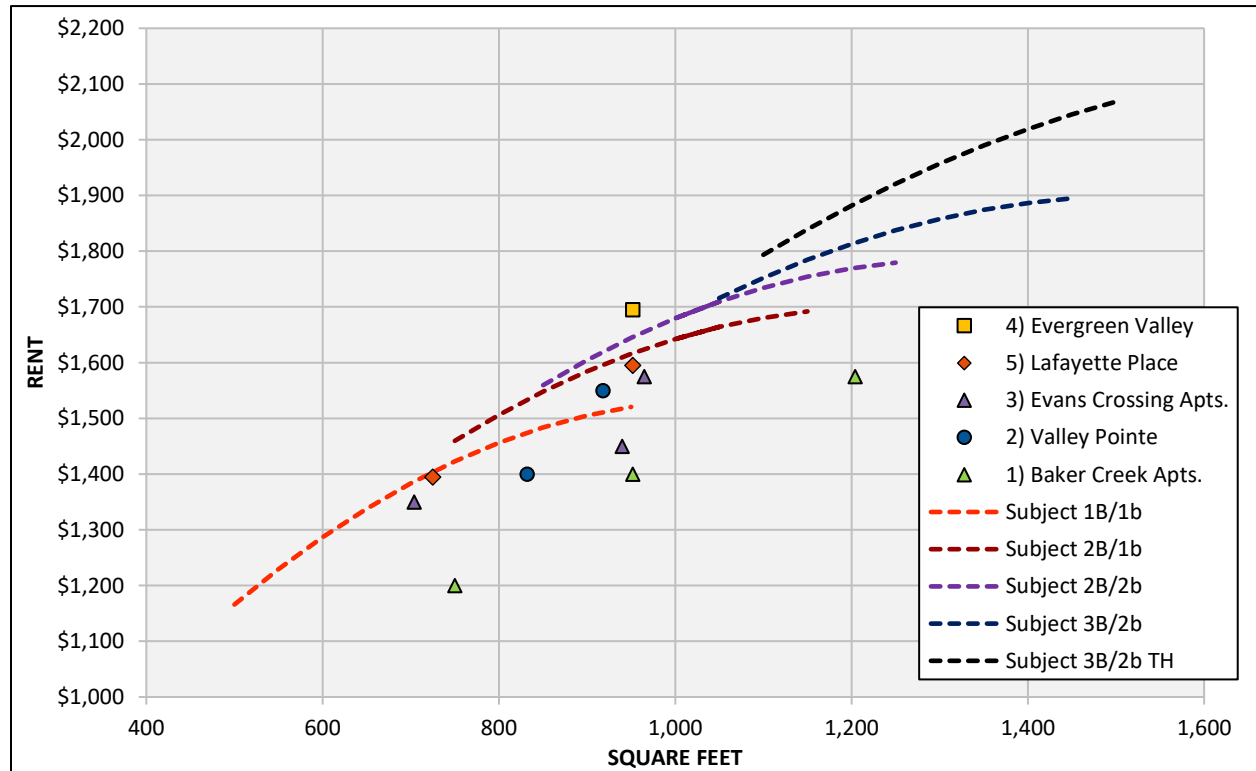
ACHIEVABLE PRICING

Achievable pricing in the Neighborhood Activity Center (NAC) will depend on the standard, profile, and amenities of the community. In the following, we assume a nearby park and on-site amenities attractive to renters, as well as a mid-market apartment profile with surface parking. Though none of the comparables include townhomes, we include rent estimates for three-bedroom townhome units based on typical rent differentials to regular apartment flats. We do not assume that a commercial center is in place at the time of lease-up, which could generate rent premiums.

With the mentioned assumptions, we would expect rental apartments within the NAC to achieve pricing in the upper end of the sample. Access to a park and commercial amenities is expected to partly offset the greater distance to employment and major commercial areas. We would expect rents below Evergreen Valley, which is a recent project with a Highway 18 location, but just above Lafayette Place, which is seven years old, though it benefits from proximity to a large commercial area (Walmart, WinCo, Safeway).

The following chart displays our rent estimates as a function of unit type and square footage, alongside rents from the comparables. Rent examples for different unit types and sizes are shown on the next page. These rates are based on market rents as of 1Q23. We would expect the achievable rent levels to move with the wider market prior to market introduction. The estimates reflect 12-month contracts with utilities billed separately.

FIGURE 3.7: OBSERVED COMPARABLE RENTS AND ACHIEVABLE PRICING



SOURCE: Property managers/agents, property websites, Craigslist, RealPage, CoStar, JOHNSON ECONOMICS

With a program consisting of one- to three-bedroom apartments ranging in size from 700 to 1,100 square feet, plus three-bedroom townhomes with 1,300 square feet (see next page), the estimates indicate monthly rent levels ranging from \$1,384 to \$1,957 per unit and \$1.51 to \$1.98 PSF. With the suggested unit mix, this translates into an average rent level of \$1,596 per unit and \$1.75 PSF. We expect this to be adequate to support traditional two and three-story walk-up structures with surface parking, but not adequate for more costly formats like elevator buildings with tuck-under or podium parking.



FIGURE 3.8: ACHIEVABLE PRICING, 1Q23

Unit Type	Units	Unit Allocation	Average Unit Size	Rent per Unit	Rent per Square Foot
1B/1b Apt	50	30%	700	\$1,384	\$1.98
2B/2b Apt	70	42%	900	\$1,604	\$1.78
3B/2b Apt	30	18%	1,100	\$1,752	\$1.59
3B/2b TH	15	9%	1,300	\$1,957	\$1.51
Total/Avg.	165	100%	912	\$1,596	\$1.75

SOURCE: JOHNSON ECONOMICS

ABSORPTION

MARKET-WIDE ABSORPTION

The historical absorption data presented earlier in this section reflected annual net absorption of around 140 units in the two most recent years with significant amounts of new supply. According to Costar, 137 units were absorbed on a net basis in 2017, when 132 new units were delivered (Lafayette Place) and the city-wide vacancy rate averaged 3.3%. In 2020, 142 units were absorbed when 119 units were delivered and the vacancy rate averaged 2.2%.

The current vacancy rate in McMinnville is 1.2%, according to CoStar. This additional market pressure indicates that absorption higher than 140 units can be achieved, assuming adequate supply.

According to the Census Bureau, there are 2,600 rental apartment households in McMinnville currently. At the current vacancy rate, these households can absorb 165 additional units before the vacancy rate climbs above the 5.0% that represents a balanced market. Additionally, with a current vacancy rate around 1.0%, there is also significant pent-up demand from prospective renters unable to find units that match their needs. Thus, we would expect the current annual absorption potential to be well above 200 units, not taking into account new demand from population growth.

According to the most recent Housing Needs Analysis (HNA) conducted for the City of McMinnville (ECONorthwest, 2019), population growth in the city is projected to generate a need for 75 new multifamily units (mostly apartments) annually in coming years. Demand for other housing forms is projected to grow by roughly 150 units annually. The total housing need is thus estimated to grow by around 225 units per year. Over the past 15 years, the city has only been able to produce housing at this level once, in 2019, based on issued building permits. Over the past five years, the new housing supply has averaged roughly 175 units annually. In markets with undersupply of housing, the unmet demand typically filters down to the least costly housing form (rental apartments) as the least affluent households are priced out of the more expensive housing forms. Thus, it is not unlikely that McMinnville in coming years will see additional apartment demand from an undersupplied single-family market. The potential market-wide apartment absorption may therefore be higher than the 75 units annually indicated by the HNA.

Demand for attached homes is estimated to grow by 27 units annually, according to the HNA. We will assume that 50% of this will be for rental units, indicating annual absorption of around 15 attached rental homes (the current rental percentage in this category is 71%, according to Census Bureau, but includes renter-occupied for-sale homes).

SUBJECT SITE ABSORPTION

Given the current demand pressures, we would expect a single-phase apartment project in McMinnville to absorb up to 200 units annually in the current market. If additional supply were to ease the pressures to the point where the market-wide vacancy rate reaches 5.0%, we would assume that around 100 units could be absorbed annually. As McMinnville's vacancy rate has stayed well below 4.0% since 2013, we regard the latter scenario to be unlikely. We therefore expect a project with around 150 apartments to be feasible in the NAC with an absorption period of around 12 months in coming years. Additionally, we would assume that around 15 rental townhomes can be absorbed annually. We would assume that up to 300 apartments and 30 townhomes may be feasible over a period of three to four years, assuming two-phase approach with one to two years of stabilized phase-one operations.



IV. OWNERSHIP HOUSING

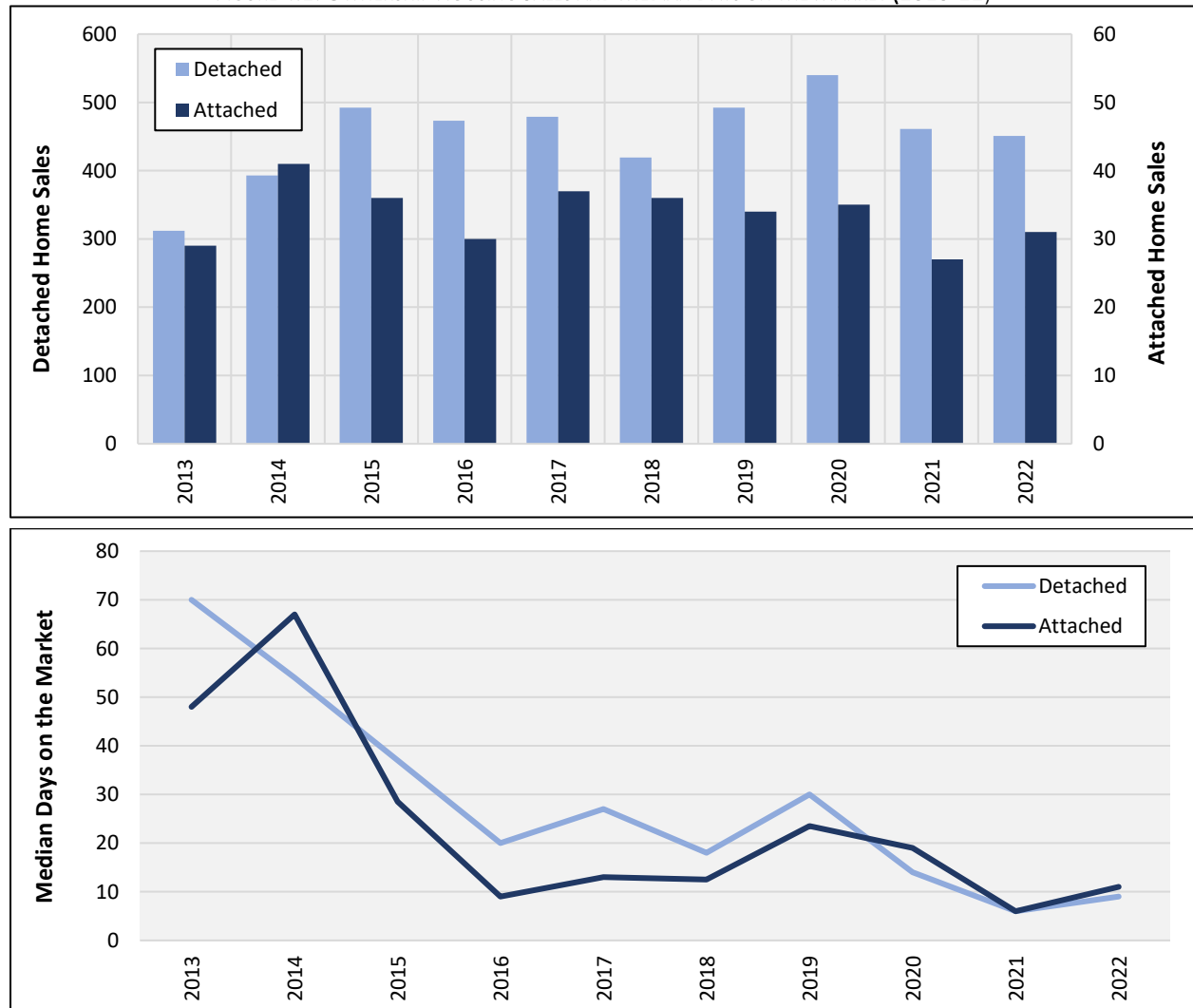
MARKET TRENDS

SALES VELOCITY

Detached single-family homes currently account for 94% of all home sales in McMinnville, while attached homes account for 6%. The latter made up roughly 10% of all sales transactions early in the last decade. Based on records from the Regional Multiple Listing System (RMLS), the total sales volume has been fairly stable at around 500 transactions per year over the past 10 years.

The stable sales pace masks the increase in demand that has taken place over this period. This is evident in the decline in market time for listed units. In 2013 the median time between listing and sale was 68 days. By 2021, the median had fallen to 6 days. There was a slight increase to 10 days in 2022, and sales so far in 2023 indicate a continued increase, reflecting the impact of higher mortgage rates. Attached homes have generally sold quicker than detached homes over the past decade, though there has been little difference between the two in recent years. A median market time of 60-90 days is generally considered to represent a balanced market in terms of supply and demand.

FIGURE 4.1: OWNERSHIP HOUSING SALES AND MEDIAN DAYS ON THE MARKET (2013-22)



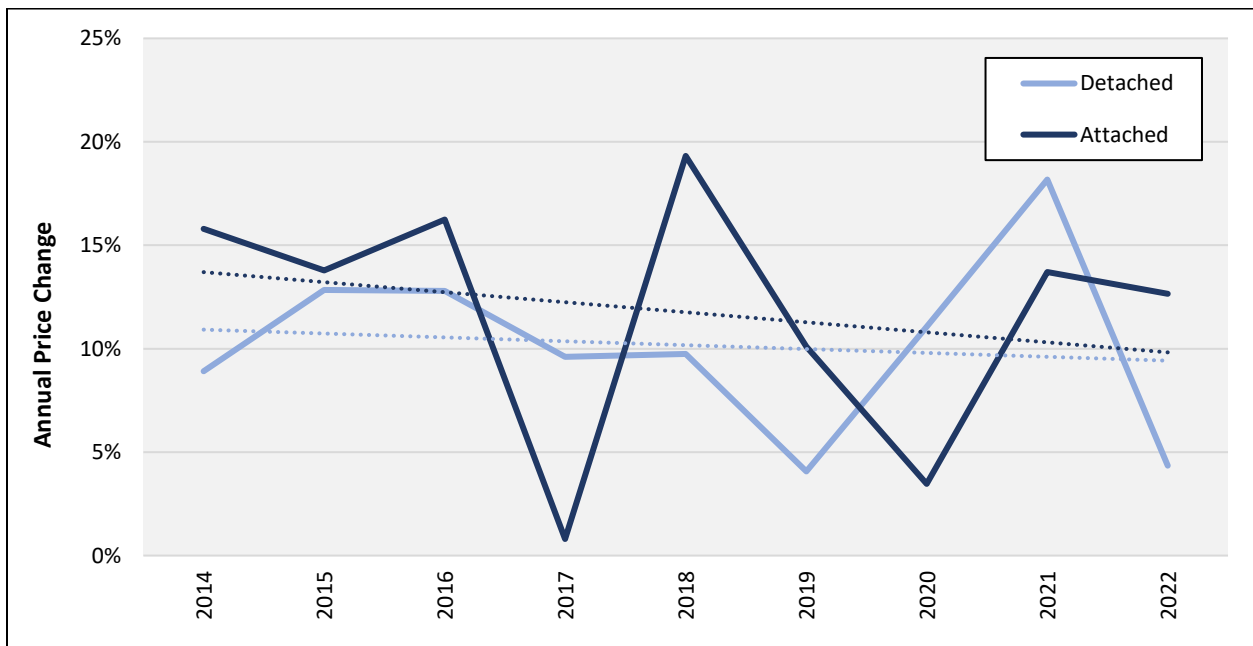
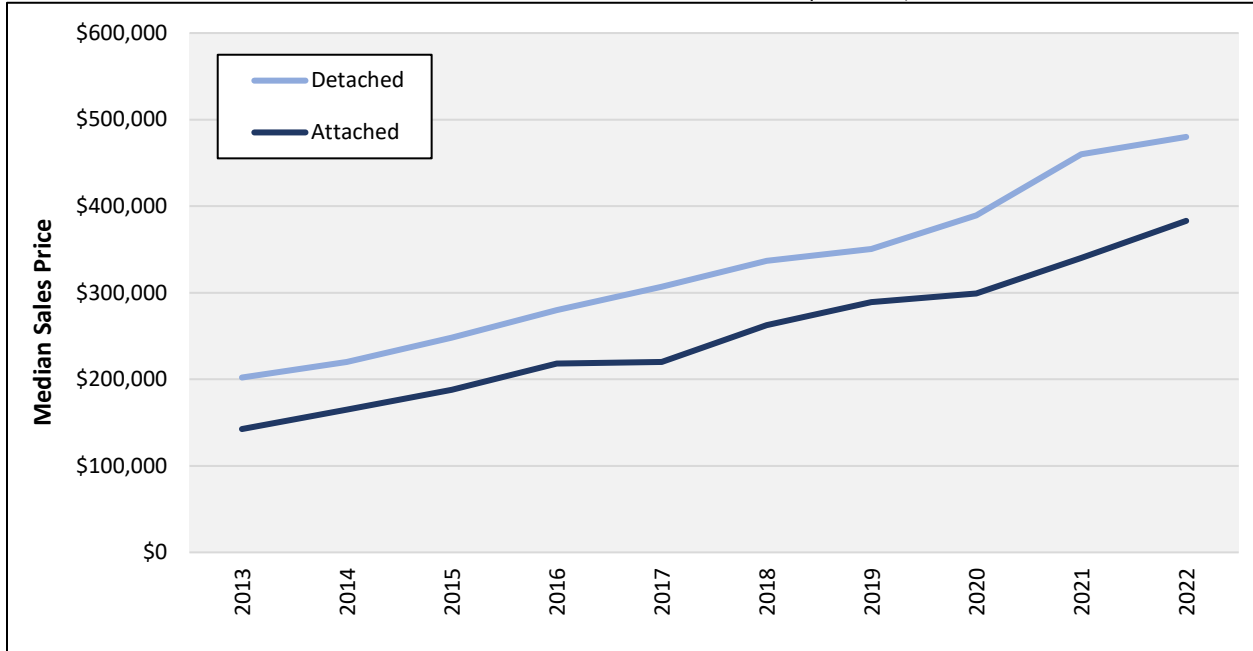
SOURCE: RMLS, JOHNSON ECONOMICS



SALES PRICES

Sales prices in McMinnville have risen rapidly over the past 10 years, as they have all across the Pacific Northwest. Attached homes have seen the strongest gains, with an average annual price increase of 11.6%. This might reflect that attached home values were more depressed in the wake of the 2008-09 recession due to the loss of demand from young buyers. Detached homes have gained 10.1% annually over the same period. Median prices in 2022 were \$453,000 for detached homes and \$369,000 for attached homes. On per-square-foot (PSF) basis, the median was \$280 for detached homes and \$264 for attached homes.

FIGURE 4.2: OWNERSHIP HOUSING PRICE TRENDS (2013-22)



SOURCE: RMLS, JOHNSON ECONOMICS



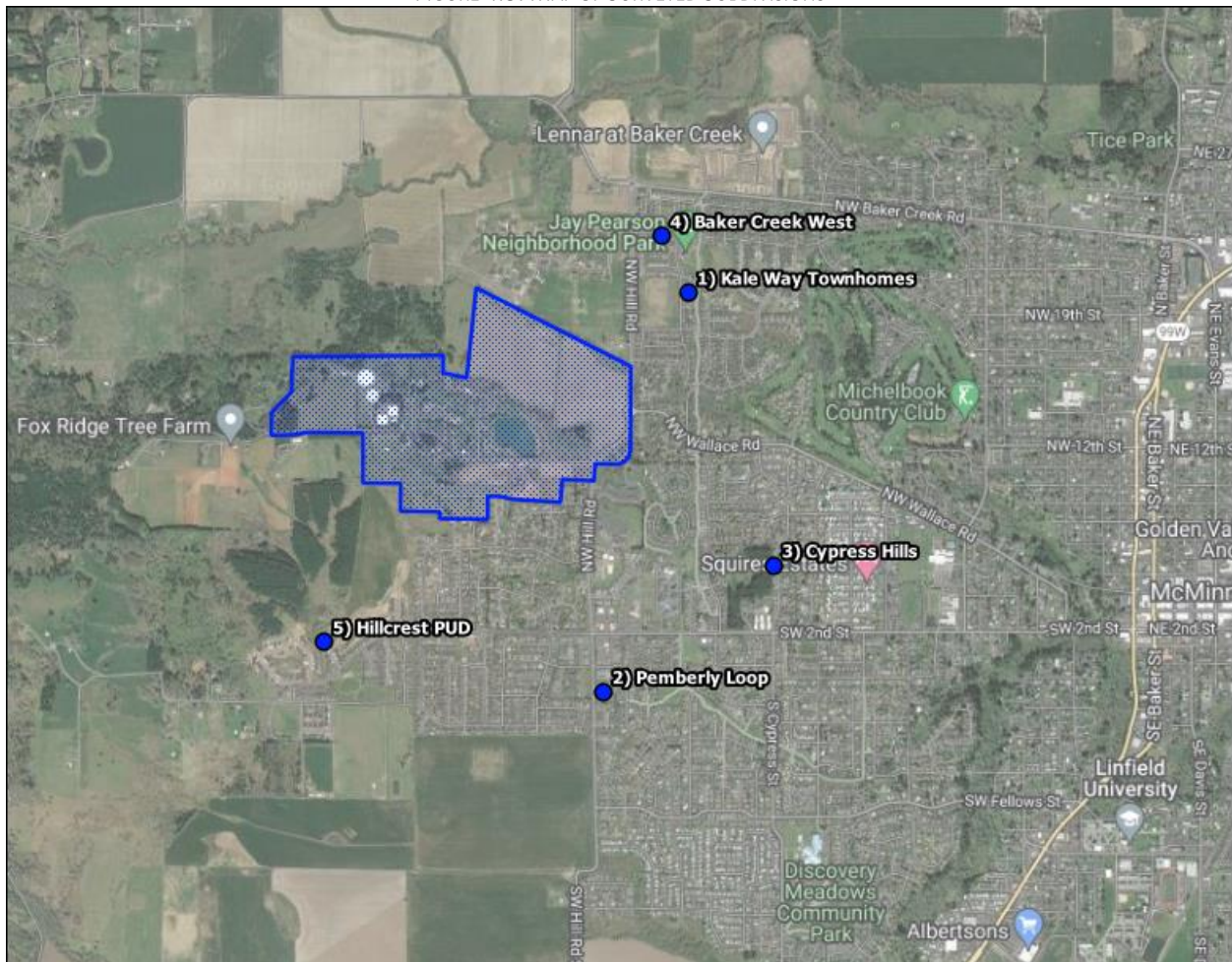
SURVEY OF COMPARABLES

COMPARABLES

JOHNSON ECONOMICS surveyed five subdivisions in McMinnville for this analysis. Three are suburban, two-story townhome projects, built out between 2004 and 2009 (#1-3). In the following pricing analysis, we will rely on resale transactions within these subdivisions. Due to the lack of more recent townhome projects, we have included two recent detached-home projects near the Fox Ridge area (#4-5). We will use new-home transactions from these projects in order to provide additional pricing references for townhomes, taking into account typical price differentials between the two housing types. The following map shows the locations of the surveyed subdivisions.

Details on each project is included over the next pages. We have included the most recent sales transactions within each subdivision, with estimates of current value based on trended price estimates, using an index of monthly median sales prices in Yamhill County (the county dataset reflects the same price trend as McMinnville, but with more data points and less random fluctuations).

FIGURE 4.3: MAP OF SURVEYED SUBDIVISIONS



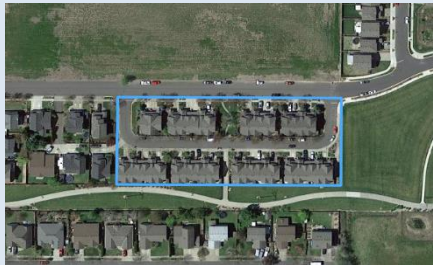


SOURCE: JOHNSON ECONOMICS



FIGURE 4.4: PROFILES OF SURVEYED SUBDIVISIONS

1 - KALE WAY TOWNHOMES

NW Yohn Ranch Dr, NW Kale Way, McMinnville, Oregon

TYPE: 2-Story Townhomes

YEAR BUILT: 2006-07

TOTAL LOTS: 27

AVERAGE LOT SIZE: 2,139

AVERAGE PRICE/SF: \$238

Community Amenities

Adjacent park w/playground
Walking trail
(No HOA fees)


Typical Unit Amenities

Laminate plank, carpet, vinyl floors
Granite and laminate countertops
Walk-in pantry
Stainless appliances
Patio, A/C

Street Address	Lot Size (SF)	BUILDING DETAILS			SALES PRICE & CURRENT VALUE			
		Size (SF)	Beds	Baths	Date	Price (\$)	Curr. Value	\$/SF
1952 Nw Yohn Ranch	2,178	1,444	2	2.1	10/28/2022	\$379,000	\$356,017	\$247
2022 Nw Kale Way	2,613	1,359	2	2.1	7/22/2022	\$380,000	\$340,792	\$251
2000 Nw Yohn Ranch	2,178	1,444	3	2.1	6/8/2021	\$325,000	\$323,233	\$224
2050 Nw Yohn Ranch	2,178	1,431	3	2.1	4/9/2021	\$315,000	\$326,241	\$228
2006 Nw Kale Way	2,613	1,444	3	2.1	8/31/2020	\$295,000	\$332,860	\$231

2 - PEMBERLY LOOP

SW Pemberly Loop, McMinnville, Oregon





TYPE: 2-Story Townhomes

YEAR BUILT: 2007-09

TOTAL LOTS: 21

AVERAGE LOT SIZE: 2,607

AVERAGE PRICE/SF: \$206

Community Amenities

(HOA fees: \$75/mo.)

Typical Unit Amenities

Laminate, tile, carpet flooring
Tile, laminate countertops
Black appliances
Gas fireplace
Vaulted ceilings, A/C, patio

Street Address	Lot Size (SF)	BUILDING DETAILS			SALES PRICE & CURRENT VALUE			
		Size (SF)	Beds	Baths	Date	Price (\$)	Curr. Value	\$/SF
416 Sw Pemberly Loc	4,791	1,930	3	2.1	7/29/2022	\$425,000	\$381,149	\$197
339 Sw Pemberly Loc	2,178	1,503	3	2.1	3/11/2022	\$355,000	\$328,698	\$219
336 Sw Pemberly Loc	1,742	1,597	3	2.1	11/15/2021	\$357,000	\$348,977	\$219
417 Sw Pemberly Loc	2,178	1,732	3	2.1	3/25/2021	\$329,000	\$347,780	\$201
433 Sw Pemberly Loc	2,178	1,732	3	2.1	12/28/2020	\$299,150	\$325,612	\$188
423 Sw Pemberly Loc	2,178	1,732	3	2.1	4/15/2020	\$300,000	\$352,613	\$204



3 - CYPRESS HILLS

NW Cypress St at W 6th St, McMinnville, Oregon



TYPE: 2-Story Townhomes
YEAR BUILT: 2004
TOTAL LOTS: 20
AVERAGE LOT SIZE: 2,591
AVERAGE PRICE/SF: \$239



Community Amenities

Backing forested hill
 (No HOA fees)



Typical Unit Amenities

Laminate plank, carpet, vinyl flooring
 Laminate countertops
 White appliances, el. range
 Vaulted ceilings, split level entry
 Deck

Street Address	Lot Size (SF)	BUILDING DETAILS			SALES PRICE & CURRENT VALUE			
		Size (SF)	Beds	Baths	Date	Price (\$)	Curr. Value	\$/SF
527 Nw Cypress St	2,613	1,480	3	2.1	2/3/2023	\$380,000	\$380,000	\$257
675 Nw Cypress St	1,742	1,306	2	2.1	5/27/2022	\$379,500	\$340,178	\$260
563 Nw Cypress St	2,613	1,480	3	2.1	7/2/2021	\$338,000	\$332,697	\$225
575 Nw Cypress St	2,613	1,480	3	2.1	5/24/2021	\$340,000	\$345,049	\$233
511 Nw Cypress St	1,742	1,308	2	2.0	2/1/2019	\$243,000	\$305,657	\$234
667 Nw Cypress St	2,613	1,480	3	2.1	10/19/2018	\$265,000	\$336,751	\$228

4 - BAKER CREEK WEST

NW Baker Creek Rd & NW Hill Rd, McMinnville, Oregon



TYPE: 2-Story Detached
YEAR BUILT: 2019+
TOTAL LOTS: 125
TYPICAL LOT SIZE: 4,000
AVERAGE PRICE/SF: \$269



Community Amenities

Neighborhood park
 Playground
 Trails
 (HOA fees: \$28/mo.)



Typical Unit Amenities

Laminate plank, carpet flooring
 Quartz/tile countertops
 Stainless appliances, kitchen island
 Gas fireplace/range, walk-in closet
 9-foot ceilings, A/C

Street Address	Lot Size (SF)	BUILDING DETAILS			SALES PRICE & CURRENT VALUE			
		Size (SF)	Beds	Baths	Date	Price (\$)	Curr. Value	\$/SF
1939 Nw Haun Dr	3,049	1,532	3	2.1	2/10/2023	\$429,000	\$429,000	\$280
2276 Nw Woodland C	3,049	1,525	3	2.1	1/27/2023	\$420,000	\$423,776	\$278
2003 Nw 21St St	3,049	1,526	3	2.1	9/15/2022	\$442,000	\$406,946	\$267
2398 Nw Matteo Dr	3,484	1,498	3	2.1	6/30/2022	\$435,500	\$388,016	\$259
1984 Nw 21St St	3,049	1,498	3	2.1	5/20/2022	\$440,000	\$394,409	\$263
2316 Nw Matteo Dr	3,484	1,498	3	2.1	3/30/2022	\$424,000	\$392,585	\$262



5 - HILLCREST PD (PART)

SW 2nd St, Valley's Edge St, NW Brookside St, McMinnville, Oregon



TYPE: 1- & 2-Story Detached
YEAR BUILT: 2019+
TOTAL LOTS: 94
TYPICAL LOT SIZE: 9,000
AVERAGE PRICE/SF: \$281

Community Amenities

Neighborhood Park
 Playground
 Views
 (No HOA fees)

Typical Unit Amenities

Hardwood, laminate, carpet flooring
 Stone countertops
 Stainless appliances, kitchen island
 Gas fireplace/range
 9-foot ceilings, A/C, deck

Street Address	Lot Size (SF)	BUILDING DETAILS			SALES PRICE & CURRENT VALUE			
		Size (SF)	Beds	Baths	Date	Price (\$)	Curr. Value	\$/SF
2837 Nw Mt Ashland Ln	6,969	2,548	4	2.1	1/31/2023	\$650,000	\$655,844	\$257
2893 Nw Mt Ashland Ln	6,969	2,538	4	2.1	1/3/2023	\$703,900	\$710,229	\$280
2999 Nw 2Nd St	12,632	1,620	3	2.0	12/8/2022	\$525,000	\$521,284	\$322
2842 Nw Mt Ashland Ln	8,276	2,727	4	2.1	12/5/2022	\$650,000	\$645,399	\$237
2848 Nw Mt Ashland Ln	8,276	2,504	4	2.1	11/23/2022	\$650,000	\$626,073	\$250
115 Sw Blue Heron Ct	8,276	1,729	4	2.1	10/31/2022	\$499,900	\$469,586	\$272

SOURCE: RMLS, Yamhill County, Google Earth, JOHNSON ECONOMICS



FIGURE 4.5: RECENT HOME SALES SUMMARY, SURVEYED SUBDIVISIONS

SUBDIVISION	Location	Property Address	Lot Size (SF)	HOME TYPE			HOME PRICES				
				Size (SF)	Beds	Baths	Date	Price (\$)	Curr. Value	\$/SF	
1) Kale Way Townh.		1952 Nw Yohn Ranch Dr	2,178	1,444	2	2.1	10/28/2022	\$379,000	\$356,017	\$247	
		NW Yohn Ranch Dr	2,613	1,359	2	2.1	7/22/2022	\$380,000	\$340,792	\$251	
		NW Kale Way	2,178	1,444	3	2.1	6/8/2021	\$325,000	\$323,233	\$224	
		McMinnville, OR	2050 Nw Yohn Ranch Dr	2,178	1,431	3	2.1	4/9/2021	\$315,000	\$326,241	\$228
			2006 Nw Kale Way	2,613	1,444	3	2.1	8/31/2020	\$295,000	\$332,860	\$231
		Townhomes, 2006-07	2030 Nw Yohn Ranch Dr	2,178	1,359	2	2.1	8/2/2019	\$275,000	\$337,239	\$248
2) Pemberly Loop		416 Sw Pemberly Loop	4,791	1,930	3	2.1	7/29/2022	\$425,000	\$381,149	\$197	
		SW Pemberly Loop	2,178	1,503	3	2.1	3/11/2022	\$355,000	\$328,698	\$219	
		McMinnville, OR	336 Sw Pemberly Loop	1,742	1,597	3	2.1	11/15/2021	\$357,000	\$348,977	\$219
			417 Sw Pemberly Loop	2,178	1,732	3	2.1	3/25/2021	\$329,000	\$347,780	\$201
		Townhomes, 2007-09	433 Sw Pemberly Loop	2,178	1,732	3	2.1	12/28/2020	\$299,150	\$325,612	\$188
3) Cypress Hills		527 Nw Cypress St	2,613	1,480	3	2.1	2/3/2023	\$380,000	\$380,000	\$257	
		NW Cypress St	1,742	1,306	2	2.1	5/27/2022	\$379,500	\$340,178	\$260	
		McMinnville, OR	563 Nw Cypress St	2,613	1,480	3	2.1	7/2/2021	\$338,000	\$332,697	\$225
			575 Nw Cypress St	2,613	1,480	3	2.1	5/24/2021	\$340,000	\$345,049	\$233
		Townhomes, 2004	511 Nw Cypress St	1,742	1,308	2	2.0	2/1/2019	\$243,000	\$305,657	\$234
4) Baker Creek West		1939 Nw Haun Dr	3,049	1,532	3	2.1	2/10/2023	\$429,000	\$429,000	\$280	
		NW Baker Creek Rd	2276 Nw Woodland Dr	3,049	1,525	3	2.1	1/27/2023	\$420,000	\$423,776	\$278
		NW Hill Rd	2003 Nw 21St St	3,049	1,526	3	2.1	9/15/2022	\$442,000	\$406,946	\$267
		McMinnville, OR	2398 Nw Matteo Dr	3,484	1,498	3	2.1	6/30/2022	\$435,500	\$388,016	\$259
			1984 Nw 21St St	3,049	1,498	3	2.1	5/20/2022	\$440,000	\$394,409	\$263
		SF Detached, 2019+	2316 Nw Matteo Dr	3,484	1,498	3	2.1	3/30/2022	\$424,000	\$392,585	\$262
5) Hillcrest PD		2837 Nw Mt Ashland Ln	6,969	2,548	4	2.1	1/31/2023	\$650,000	\$655,844	\$257	
		SW 2nd St	2893 Nw Mt Ashland Ln	6,969	2,538	4	2.1	1/3/2023	\$703,900	\$710,229	\$280
		Valley's Edge St	2999 Nw 2Nd St	12,632	1,620	3	2.0	12/8/2022	\$525,000	\$521,284	\$322
		McMinnville, OR	2842 Nw Mt Ashland Ln	8,276	2,727	4	2.1	12/5/2022	\$650,000	\$645,399	\$237
			2848 Nw Mt Ashland Ln	8,276	2,504	4	2.1	11/23/2022	\$650,000	\$626,073	\$250
		SF Detached, 2019+	2842 Nw Mt Ashland Ln	8,276	2,727	4	2.1	12/5/2022	\$650,000	\$645,399	\$237

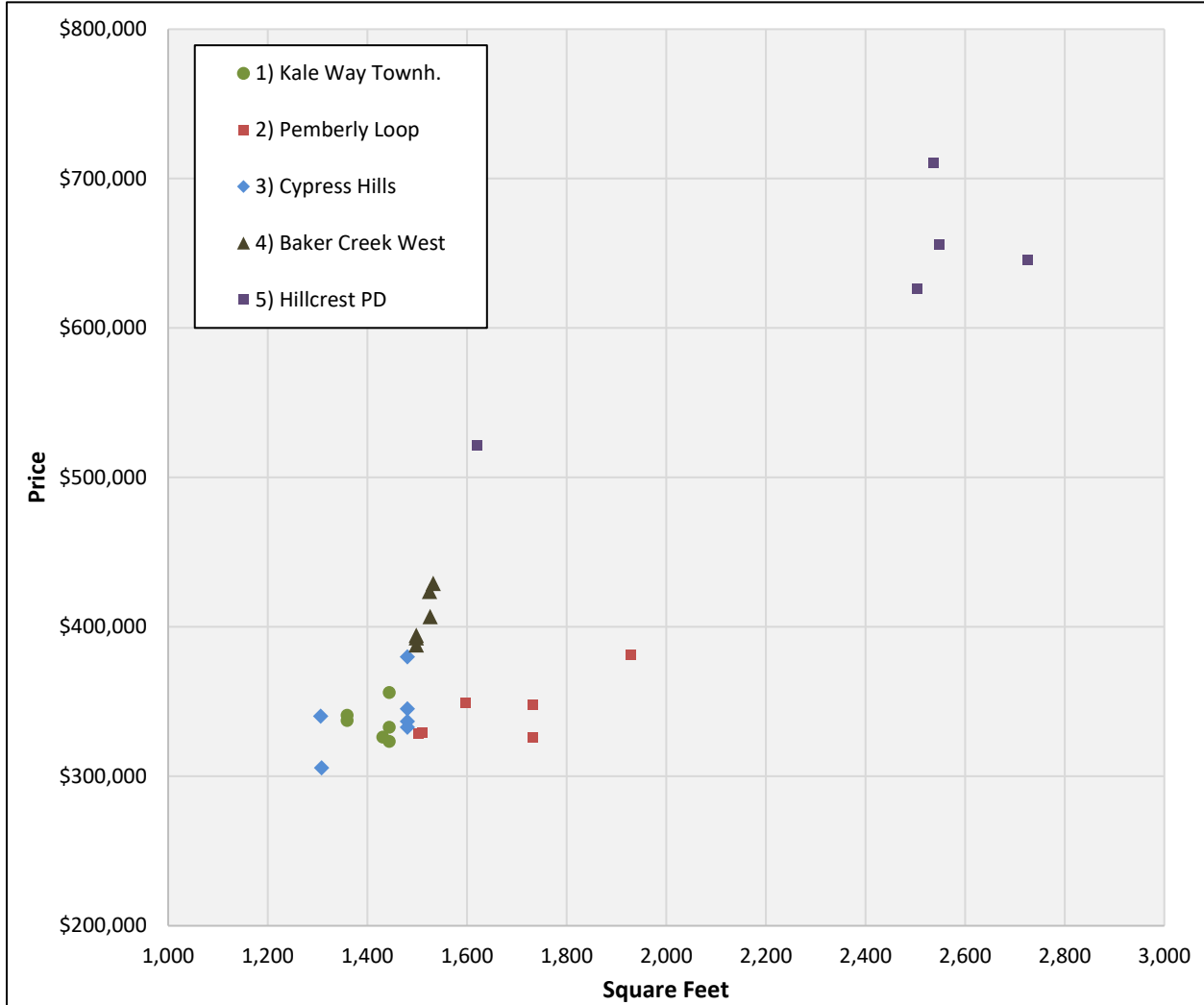
SOURCE: RMLS, Yamhill County, JOHNSON ECONOMICS

Adjusted to current values, the most recent sales transactions at the surveyed projects range from around \$243,000 to \$710,000 per home and \$188 to \$322 per square foot (PSF). The average value is \$412,000 per home and \$243 PSF.

The three townhome projects represent the lowest current values, reflecting the housing form and that these are resale transactions of homes built in the 2000s. The lowest values are represented by Pemberly Loop, which is the only of the townhome projects with HOA fees (\$75/mo.). Hillcrest, which is without HOA fees, represents the highest values, also when adjusted for home size. This reflects its detached-home format, its relatively upscale home features, and its large share of single-story homes – which sell at a premium on PSF basis. The following scatter plot displays the sales prices adjusted to current levels as a function of square footage.



FIGURE 4.6: RECENT SALES PRICES ADJUSTED TO CURRENT LEVELS, SURVEYED SUBDIVISIONS



SOURCE: RMLS, Yamhill County, JOHNSON ECONOMICS

ACHIEVABLE PRICING

Achievable pricing in the NAC will depend on the standard, profile, and amenities of the community, as well as parks and amenities at the site. In the following, we make the same assumptions as for the rental housing regarding amenities and market positioning. These include the assumption that no commercial amenities will be in place at time of sale.

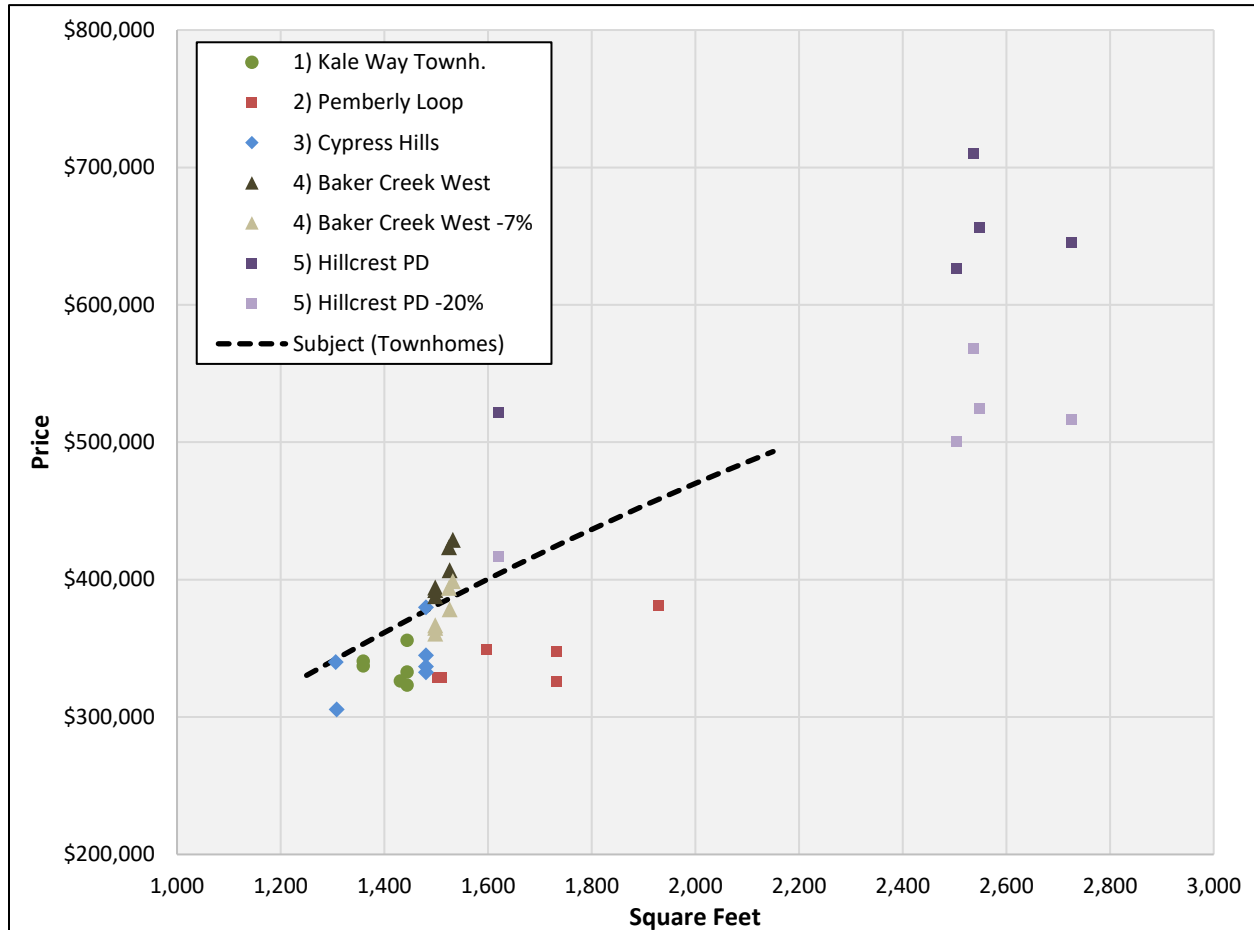
In order to assist the process of estimating achievable pricing, we first adjust the detached-home values from Hillcrest and Baker Creek West to be representative of townhomes. For this, we rely on price differentials observed by JOHNSON ECONOMICS in detailed analyses of master plan projects with multiple housing forms. We generally observe discounts of 5-15% for suburban townhomes relative to detached homes of similar size and features. The discount depends on the lot size and width of the homes.

For the detached homes at Baker Creek West, we apply a 7% discount, due to the relatively small lots and narrow homes. At Hillcrest, which has much larger lots and wider homes, we apply a 20% discount in order to also account for its single-story homes and relatively upscale features, which exceed our mid-market assumptions for the NAC.



The following chart displays our estimates of achievable townhome pricing in today’s market in the NAC, alongside the current values at the comparables – including the adjusted detached-home values. We assume pricing above the three townhome projects, due to their age (built 2004-09), but in line with the values adjusted to reflect townhome pricing at Baker Creek West and Hillcrest.

FIGURE 4.7: ADJUSTED COMPARABLE PRICING AND ACHIEVABLE SUBJECT PRICING



SOURCE: RMLS, Yamhill County, JOHNSON ECONOMICS

With two- and three-bedroom townhomes ranging in size from 1,400 to 1,800 square feet, the analysis indicates achievable pricing ranging from around \$360,000 to \$440,000, or \$243-258 PSF. With the following mix, which is estimated to represent a two-year absorption period (see next page), this translates into an average home price of around \$400,000 per home and \$250 PSF. This is likely adequate for suburban townhomes with a mid-market profile.

FIGURE 4.8: ACHIEVABLE OWNERSHIP PRICING, 1Q23

2-STORY TH.	UNIT MIX				PRICING		
	Type	Units (#)	Units (%)	Home Size	Lot Size	Per Home	Per SF
	2B/2.5b	10	33%	1,400	2,000	\$361,400	\$258
	3B/2.5b	10	33%	1,600	2,500	\$400,400	\$250
	3B/2.5b	10	33%	1,800	3,000	\$436,600	\$243
	Total	30	100%	1,600	2,500	\$399,467	\$250

SOURCE: JOHNSON ECONOMICS



ABSORPTION

As discussed in the section on rental housing, the most recent Housing Needs Analysis for McMinnville includes a projected need for 27 attached single-family homes annually, which we assume will be split 50/50 between rentals and ownership. Thus, we assume a city-wide absorption potential of roughly 15 for-sale townhomes and duplexes per year. Given the very limited supply of new attached homes in McMinnville in recent years, we would assume that the NAC can capture all of this demand, absorbing around 15 townhomes annually.



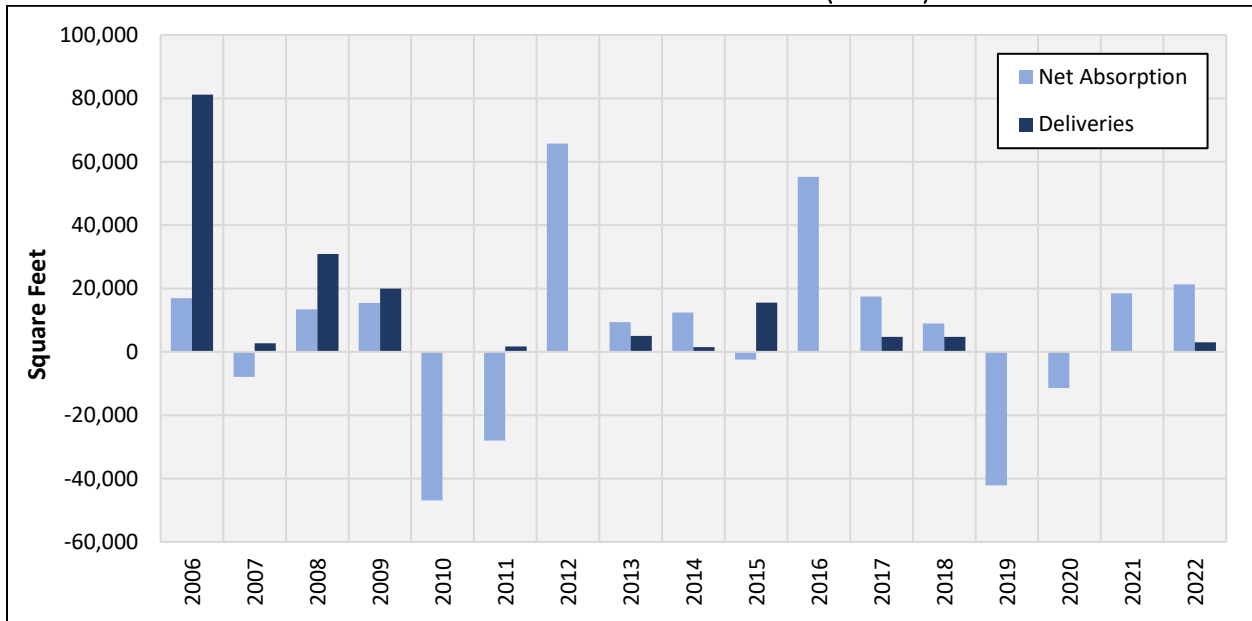
V. COMMERCIAL SPACE

MARKET TRENDS

The retail market in McMinnville has seen limited development activity in recent years. According to CoStar, 2006 was the last year with a significant amount of new space delivered, when 81,000 square feet were completed. Over the past 10 years, only 34,000 square feet have been completed, reflecting limited demand due to increasing online competition. However, 87,000 square feet have been absorbed on a net basis over this period, suggesting stronger demand than reflected in the development activity. This has eaten into the inventory of vacant space in the city.

The net absorption has been uneven in recent years, with declines in 2019 and 2020 followed by gains in 2021 and 2022. Roughly 20,000 square feet were absorbed on a net basis in each of the last two years, above the annual average of 8,700 square feet over the past 10 years.

FIGURE 5.1: RETAIL DELIVERIES AND NET ABSORPTION (2006-22)

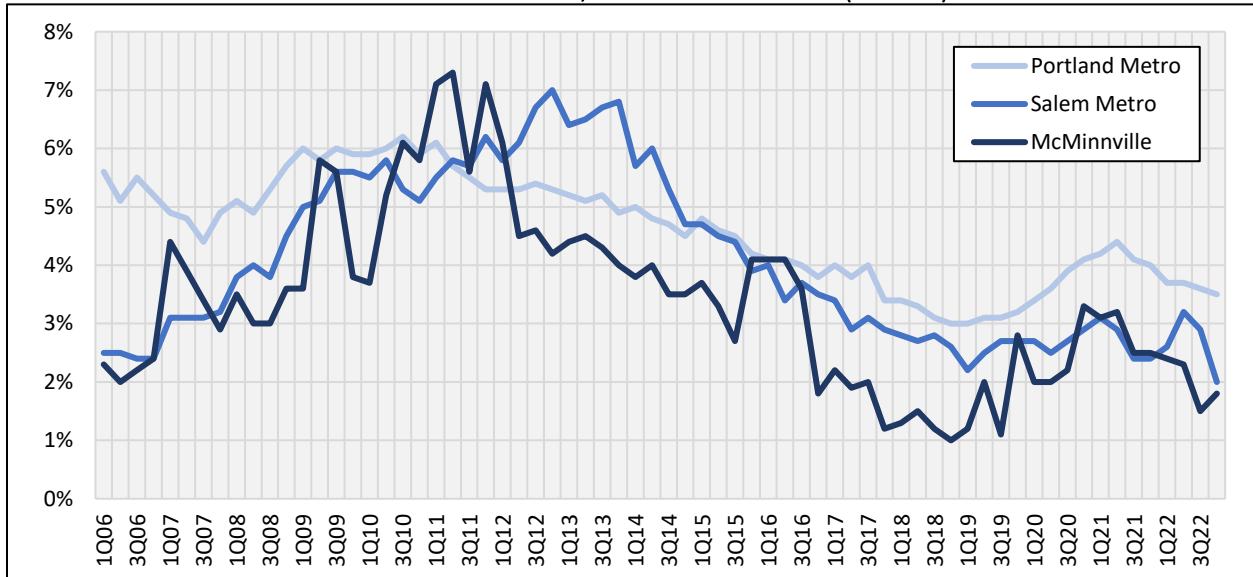


SOURCE: CoStar, JOHNSON ECONOMICS

The small size of the McMinnville market leads to wide fluctuations in the vacancy rate when spaces are vacated or become occupied. However, the city has generally exhibited low vacancy over the past decade – lower than in the Portland Metro and Salem Metro markets (see chart next page). The rate peaked at 7.3% in 2011, and thereafter fell to 1.0% in early 2019. This is unusually low. The rate rose again early in COVID, but has since fallen back to 1.8% as of year-end 2022. This is on par with the Salem Metro vacancy rate, but well below the Portland Metro rate. The low vacancy rate indicates potential for additional supply.



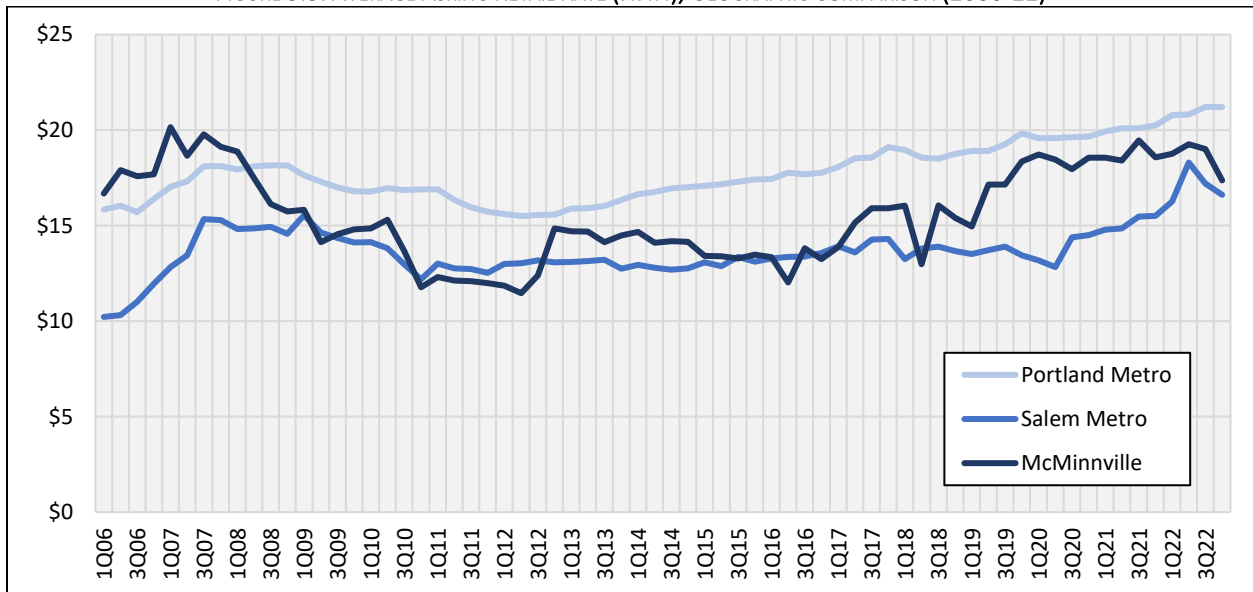
FIGURE 5.2: RETAIL VACANCY, GEOGRAPHIC COMPARISON (2006-22)



SOURCE: CoStar, JOHNSON ECONOMICS

Average lease rates reported by CoStar will reflect the space available for lease at any given time. In McMinnville, the average rate has generally exceeded the average in the Salem Metro Area, but been lower than in the Portland Metro Area. The McMinnville average trended higher at a relatively rapid pace during the second half of the last decade, and thereafter saw more moderate gains over the 2020-22 period, before falling to \$17.36 at year-end 2022. This recent decline may be a function of short-term fluctuations rather than underlying market softness. If we follow the trendline, the market has averaged 5.9% annual rent growth over the past five years. If we use the actual quarterly averages, the annual rent growth was 1.6%. The average of the two (3.8%) is identical to general inflation over this period. In comparison, Portland Metro averaged 2.1% annual rent growth while Salem Metro averaged 3.1% annually over this period.

FIGURE 5.3: AVERAGE ASKING RETAIL RATE (NNN), GEOGRAPHIC COMPARISON (2006-22)



SOURCE: CoStar, JOHNSON ECONOMICS



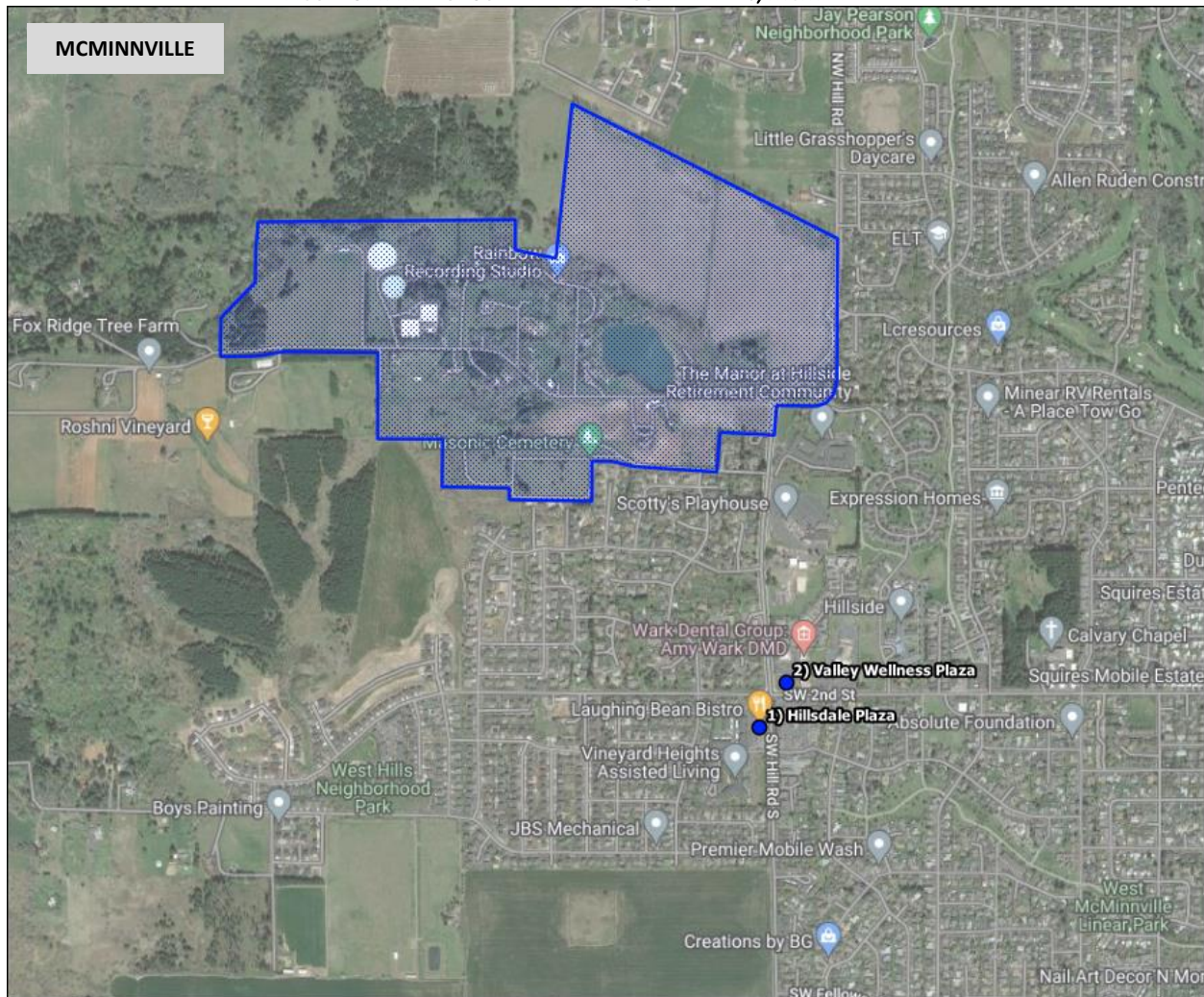
SURVEY OF COMPARABLES

COMPARABLES

Recent commercial projects in McMinnville are few in number and generally located along Highway 99 or in Downtown, both of which represent stronger environments for commercial uses than the subject site. In our survey of comparables, we have therefore focused on suburban retail properties with a neighborhood orientation. We have included two such properties near the subject site on NW Hill Road in McMinnville. These were built in 1990 and 2009.

In order to provide reference points from newer projects, we have included four newer properties from other parts of the Portland-Salem region that represent locations somewhat similar to the subject site. However, it should be mentioned that there are few examples of recent commercial developments along roads with traffic volumes comparable to the subject site (3,200 AADT in 2021). The four properties included from outside McMinnville have daily traffic volumes ranging from 10,000 to 20,000, and are located in Salem, Beaverton, and Felida (unincorporated Clark County, Washington). Maps from each of these areas are included over the next pages, followed by profiles of the retail properties.

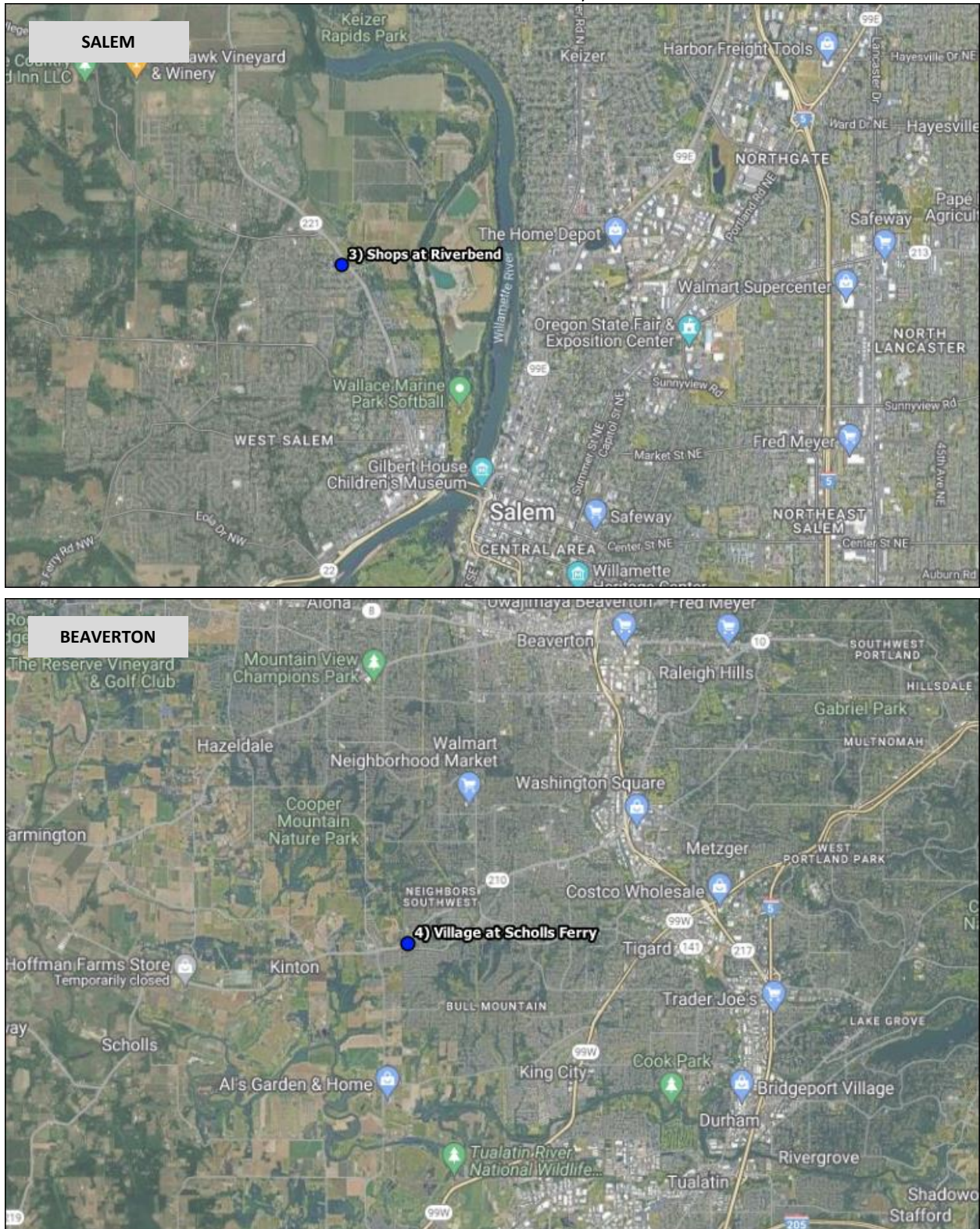
FIGURE 5.4: MAP OF SURVEYED RETAIL COMPARABLES, MCMINNVILLE



SOURCE: Google Earth, JOHNSON ECONOMICS



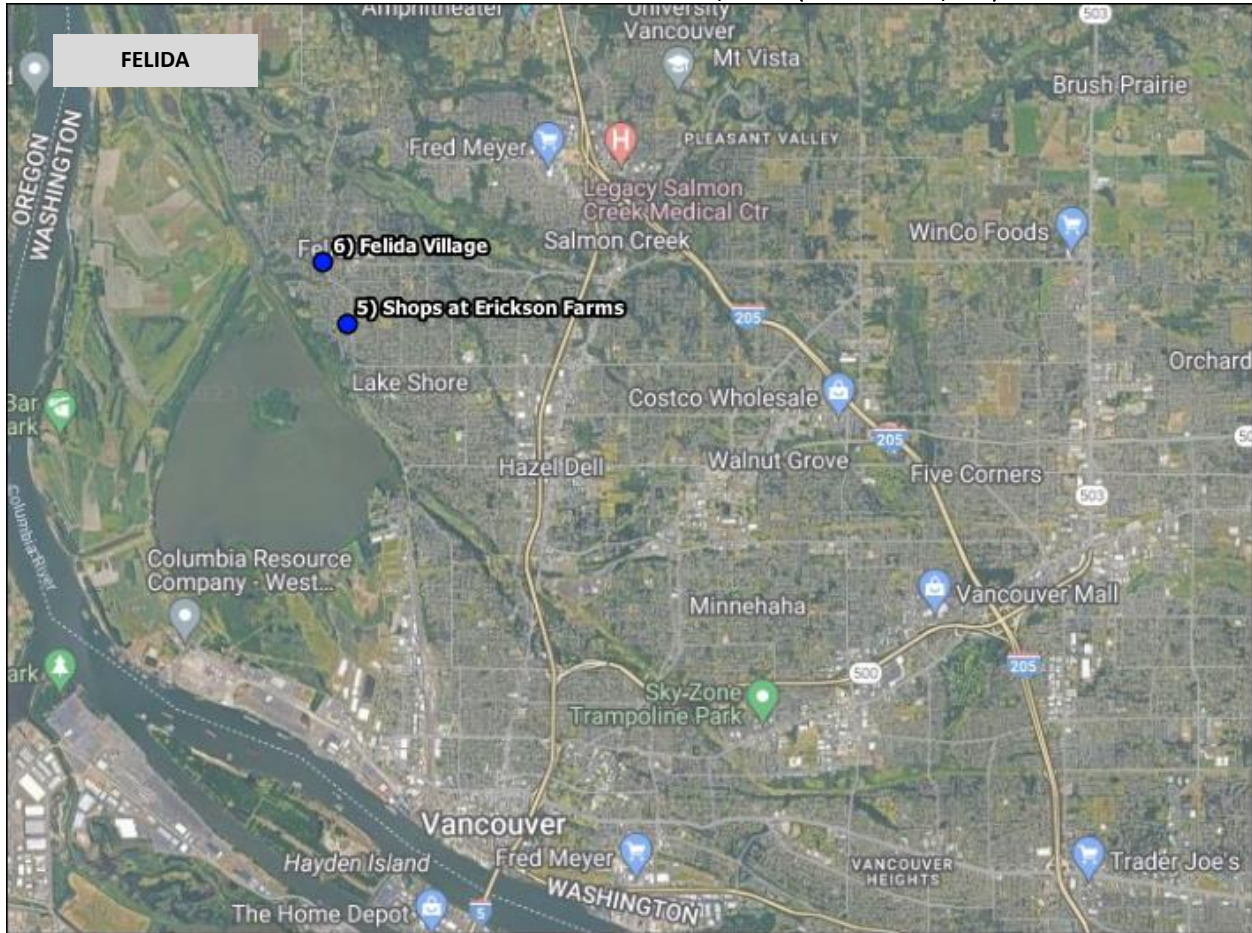
FIGURE 5.5: MAP OF SURVEYED RETAIL COMPARABLES, SALEM AND BEAVERTON



SOURCE: Google Earth, JOHNSON ECONOMICS



FIGURE 5.6: MAP OF SURVEYED RETAIL COMPARABLES, FELIDA (CLARK COUNTY, WA)



SOURCE: Google Earth, JOHNSON ECONOMICS

FIGURE 5.7: PROFILES OF SURVEYED RETAIL COMPARABLES

1) HILLSDALE PLAZA	
2274 SW 2nd St, McMinnville, OR	
Type:	Gabled suburban
Year built:	2009
Total RBA SF:	5,000
Parking/1,000 SF:	7.6
Street frontage 1:	SW 2nd St
Street frontage 2:	SW Hill Rd
Street 1 AADT:	8,200
Street 2 AADT:	3,200
Available SF:	0
Available %:	0%
Lease type:	MG
Asking lease rate:	\$18.00 (3Q22)
Current equiv. rate*:	\$18.00
2,447 SF leased in August 2022 at \$18 MG ask. Tenants: Valley Oasis Massage, Laughing Bean Bistro.	





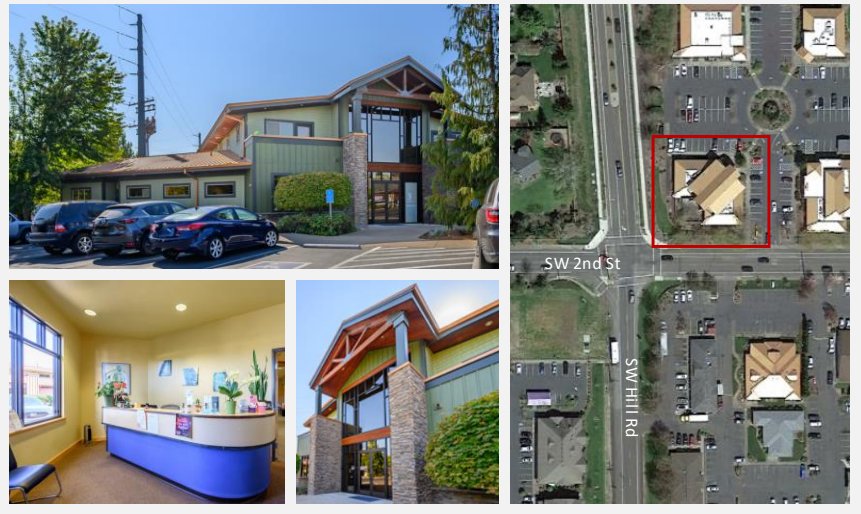



2) VALLEY WELLNESS PLAZA

2191 NW 2nd St, McMinnville, OR

Type:	Medical Office
Year built:	1990
Total RBA SF:	13,900
Parking/1,000 SF:	7.5
Street frontage 1:	SW 2nd St
Street frontage 2:	SW Hill Rd
Street 1 AADT:	8,200
Street 2 AADT:	3,200
Available SF:	981
Available %:	7%
Lease type:	FS
Asking lease rate:	\$27.36
Current equiv. rate*:	\$27.36

Notes: Tenants: Ability Physical Therapy, McMinnville Family Eye Care, Columbia Allergy, Providence Heart Clinic.



3) SHOPS AT RIVERBEND

1221 Riverbend Rd, Salem, OR

Type:	Strip mall
Year built:	2022
Total RBA SF:	10,780
Parking/1,000 SF:	7.3
Street frontage 1:	Wallace Rd NW
Street frontage 2:	Riverbend Rd
Street 1 AADT:	19,600
Street 2 AADT:	1,000
Available SF:	1,296
Available %:	12%
Lease type:	NNN
Asking lease rate:	\$25.00
Current equiv. rate*:	\$25.00

Notes: Strip mall with four 1,300-SF spaces and food cart pod with dining pavilion and spaces for 15 carts (all leased).



4) VILLAGE AT SCHOLLS FERRY

16315 SW Barrows Rd, Beaverton, OR

Type:	Neighborhood Ctr
Year built:	2008
Total RBA SF:	53,126
Parking/1,000 SF:	2.2
Street frontage 1:	SW Scholls Ferry Rd
Street frontage 2:	SW Barrows Rd
Street 1 AADT:	18,300
Street 2 AADT:	6,377
Available SF:	7,335
Available %:	14%
Lease type:	NNN
Asking lease rate:	\$28.00
Current equiv. rate*:	\$28.00

Notes: 3 bldgs (one 2-story on slope). Adjacent Dutch Bros. Tenants: Hillside Pub, Casa Lola Kitchen, Biscuits Café, Edward Jones, Inspired Life, Twist Spa ++





5) ERICKSON FARMS 10722 NW Lakeshore Ave, Vancouver, WA	
Type:	Neighborhood Center
Year built:	2017-19
Total RBA SF:	34,376
Parking/1,000 SF:	5.1
Street frontage 1:	NW Lakeshore Ave
Street frontage 2:	NW 106th St
Street 1 AADT:	9,923
Street 2 AADT:	
Available SF:	0
Available %:	0%
Lease type:	NNN
Asking lease rate:	\$23.50
Current equiv. rate*:	\$23.50
Notes: Tenants: Los Potrillos, Mahoney Public House, Arktana, Creed Coffee, Nail Kitchen Spa, Windermere, Lakeshore Learning Center, Grapes & Growlers.	



6) FELIDA VILLAGE 3600-04 NW 119th St, Vancouver, WA	
Type:	Neighborhood mixed-use
Year built:	2016
Total RBA SF:	10,600
Parking/1,000 SF:	3.8
Street frontage 1:	NW 36th Ave
Street frontage 2:	NW 119th St
Street 1 AADT:	11,100
Street 2 AADT:	4,500
Available SF:	0
Available %:	0%
Lease type:	NNN
Negotiated lease rate:	\$24.70
Current equiv. rate*:	\$24.70
Notes: Retail with office and apartments above. Office leased at \$20 in late 2021; retail at \$24 in 2020. Mt. Tabor Brewing, VX Vinos, Studio V, Barre3, Edward Jones.	



SOURCE: JOHNSON ECONOMICS

KEY OBSERVATIONS

The two comparables from McMinnville are located at the intersection of NW 2nd Street and SW Hill Road, as part of a commercial cluster at this intersection. The traffic volume at this intersection is in the low end of what can support new commercial development in today's market. Estimates from ODOT (2021) indicate 8,200 daily trips on 2nd Street and 3,200 on Hill Road. The retail building at the southwest corner – Hillsdale Plaza, built in 2009 – most recently advertised an annual asking rate of \$18.00 modified gross per square foot (PSF) in late 2022. This likely represents a triple-net (NNN) rate below \$16.00 PSF, which is well below the typical threshold for supporting new construction. However, the building has a basic profile without strong tenant visibility or signage potential due to its gabled roof and low ceiling height. A modern retail building would likely capture higher rents.

The medical office building at the northeast corner of the 2nd/Hill intersection – Yamhill Valley Wellness Plaza – is older (1990) but built to a higher standard. It currently has a small suite available at a \$27.36 full-service asking rate. Converted to triple-net terms, this may reflect a rate in the low \$20s. Again, more modern space would likely capture somewhat higher rates.



To our knowledge, the best example of a recent commercial development with a neighborhood orientation on a site with similar traffic exposure is the Shops at Erickson Farms in Felida, north of Vancouver, Washington. Felida is one of the most affluent suburban areas in Clark County. The project sits along Lakeshore Avenue, centrally within a large residential area that was without commercial amenities prior to its opening in 2017. The nearest commercial options are in the I-5 corridor, two-three miles to the east. In comparison, Hill Road is roughly two miles from Highway 99. The current daily traffic volume on Lakeshore Avenue is 9,900, which means that the project has one of the lowest traffic volumes among newer retail centers in the suburban parts of the Portland-Salem area. The relatively low lease rates, \$23.50, are reflective of the limited traffic exposure. The rates have remained at this level since opening. The property totals 34,000 square feet (fully leased), including office/daycare buildings. Most tenants are food/beverage and service establishments. Felida’s relatively affluent household base has contributed to the support for the project.

Felida Village is a mixed-use project located along the same road, with slightly higher traffic volumes (11,100 AADT). It was built in 2016 and includes 10,600 square feet of commercial space (mostly ground-floor retail) plus eight apartments on the second floor. While most mixed-use projects are built in more urban areas, near transit centers, or along roads with more pedestrian/bike traffic, this project is a unique example of a mixed-use project along a suburban arterial road with moderate traffic. Current lease rates average \$24.70 NNN for ground-floor space and \$19.25 for second-floor office space. Tenants include a brewpub and service providers. As with Erickson Farms, the relatively affluent household base in Felida and the distance to larger commercial centers have helped the project.

The Village at Scholls Ferry in Beaverton is a larger project, totaling 53,000 square feet. It also has a neighborhood orientation, but benefits from higher traffic exposure (18,000 AADT). However, at the time it was built in 2008, it was at the western periphery of Beaverton, with farmland to the west. Traffic volumes on Scholls Ferry Road were likely much lower than today. It leased up at rates in the \$26-32 range. The current asking rate is \$28.00, with 7,000 square feet vacant. Tenants are mainly food/beverage and service providers.

The Shops at Riverbend is a smaller project with one retail building (5,200 SF) for four smaller tenants plus a food cart pod and a dining pavilion. It is located along Wallace Road in West Salem, with average daily traffic of roughly 20,000. The asking rate for the retail space is \$25.00 NNN, with only one space left. Current tenants include a nail salon and flower shop, plus the food carts.

FIGURE 5.8: SUMMARY OF SURVEYED RETAIL PROPERTIES

PROPERTY	ADDRESS	TRAFFIC AADT	YEAR BUILT	FLOORS	TOTAL RETAIL SF	AVAIL. (%)	LEASE RATE	
							\$	TYPE
1) Hillsdale Plaza	2274 SW 2nd St, McMinnville, OR	8,200	2009	1	5,000	0%	\$18.00	MG
2) Valley Wellness Center	2191 NW 2nd St, McMinnville, OR	8,200	1990	1	13,900	7%	\$27.36	FS
3) Shops at Riverbend	1221 Riverbend Rd, Salem, OR	13,300	2021+	1	46,100	0%	\$25.00	NNN
4) Village at Scholls Ferry	16315 SW Barrows Rd, Beaverton, OR	18,300	2008	2	53,126	14%	\$28.00	NNN
5) Shops at Erickson Farms	10722 NW Lakeshore Ave, Vancouver, WA	9,900	2017-19	1	34,376	0%	\$23.50	NNN
6) Felida Village	3600-04 NW 119th St, Vancouver, WA	11,100	2016	1	10,600	0%	\$24.70	NNN

SOURCE: Brokers; developers; online media; CoStar; JOHNSON ECONOMICS

HOUSEHOLD SUPPORT

Support for commercial establishments in the Neighborhood Activity Center (NAC) will come from the surrounding household base, both within and outside the Fox Ridge area. In order to evaluate this support, we estimate the sales generated by the surrounding households, today and in the future. We also evaluate current and future traffic flows past the site, before we in the next section estimate the amount of commercial space that is feasible within the NAC.

NEIGHBORHOOD TRADE AREA

The first step in this analysis is to delineate the geographic area from which the NAC is likely to capture household spending. For this determination, we assume that each household in the surrounding area will use the nearest



commercial center, as measured in drive time (Google Maps). Though households in reality conduct their shopping at multiple locations, we assume that the nearest commercial center has the advantage in capturing shopping traffic from the household if the type of retail or service is provided at this location. The delineated trade area for the NAC represents the drive-time mid-points between the NAC and other commercial centers. And though households within this trade area will do much of their shopping outside this area, establishments within the NAC will also attract customers from outside the area. We assume that the trade area boundary represents the points where these in- and outflows of demand offset each other. We refer to this trade area as the Core Trade Area (CTA).

In the delineation of the CTA, we take into account both existing and planned commercial centers. The existing commercial cluster around 2nd Street and Hill Road limits the trade area to the south, while the planned commercial center on Baker Creek Road and Hill Road limits the trade area to the north. The nearest alternatives to the east are in the Highway 99 corridor. For each center or commercial area, we use the nearest main intersection when estimating drive times (Wallace Rd/Hill Rd for the NAC). The resulting trade area delineation for the NAC is shown below.

FIGURE 5.9: NAC COMMERCIAL CORE TRADE AREA (CTA)



SOURCE: Google Earth, Metro, JOHNSON ECONOMICS



SUPPORT FOR COMMERCIAL ACTIVITIES

A geographic analysis of assessor data indicates that there are 915 housing units within the CTA currently. In the following, we present estimates of supported employment and spending in retail and service categories that typically take place in commercial buildings, based on averages from suburban and rural parts of Oregon and Washington states. We also provide estimates for future support, assuming the increase of 567 housing units in the Fox Ridge area. This assumption is based on the preceding residential analysis and includes 150 rental apartments, 30 townhomes, and 387 detached single-family homes (80 acres with 9,000-square-foot lots). At that point, the housing inventory in the CTA will have grown to almost 1,500.

Employment and sales estimates are converted to square footage based on typical/average ratios observed in various surveys and studies conducted by Johnson Economics. These include employment density surveys, surveys published in trade publications, and analyses of financial reports from retailers. Per-square-foot spending estimates are updated annually to account for inflation. Note that there is significant variation in space utilization between different types of establishments within each category.

The estimates of current and future commercial support are presented over the next two pages. Categories in grey font are retail/service formats that would either be inconsistent with the type of neighborhood center envisioned in the NAC or that require a mall or downtown location in the current retail market.

In most categories, the support estimated to be generated by the households within the CTA represents less than one average-size establishment. Based on the current household count, only two categories exhibit support for at least one establishment: full- and limited-service restaurants. Each is estimated to have support for roughly two establishments. This means that restaurant spending by the households currently living in the CTA should total the average sales of around four restaurants. However, it does not mean that there is market support for four restaurants in the NAC currently. Neighborhood centers can only capture a portion of the restaurant spending by surrounding households, as some restaurant spending takes place in conjunction with shopping at larger centers or as part of travel or destination visits to downtown restaurants. A qualitative evaluation is required to estimate the amount of household spending that can be captured in the NAC. The same is true for the other categories as well. Based on the current-year sales estimates, we believe there is inadequate support for new construction commercial space in the NAC currently.

In the estimates of future support, the model indicates that five additional categories will have CTA support equivalent to at least one average-size establishment. These are all service categories, representing medical, professional, and personal service providers. These indicate potential for a small commercial center in the NAC. In the following, we will evaluate which of these are likely to capture adequate demand with a NAC location.



FIGURE 5.10: CURRENT SUPPORT FOR COMMERCIAL ACTIVITIES, NAC CTA (2023)

CURRENT COMMERCIAL POTENTIAL		MARKET SUPPORT			
Category	Major Category	Establish-ments	Employ-ment	An. Sales (\$1,000)	Square Feet
Physician/clinic	Health services	1.0	18	\$3,127	12,387
Grocery	Everyday goods	0.3	19	\$6,584	11,351
Hardware/materials/garden	Home/garden	0.4	7	\$2,057	10,203
FS restaurant	Eating/drinking places	2.0	37	\$2,468	5,494
Fitness	Fitness/dance/martial arts	0.4	7	\$387	5,241
LS restaurant	Eating/drinking places	1.8	30	\$2,241	4,021
Bank	Bank	0.4	8	\$1,095	2,208
Chiropractor/physical therapy	Health services	0.8	6	\$609	2,082
Dentist	Health services	0.9	7	\$1,103	1,987
Pet supplies	Hobby/leisure/pets	0.1	1	\$255	1,706
Hair/nail/spa	Personal care	0.8	4	\$233	1,492
Used goods	Used goods	0.2	4	\$342	1,466
Insurance	Financial/legal/insurance	0.7	5	\$835	1,234
Bar/pub	Eating/drinking places	0.3	3	\$277	980
Convenience	Everyday goods	0.4	2	\$677	966
Pet care/grooming	Personal care	0.2	1	\$56	953
Coffee/juice/ice cream	Eating/drinking places	0.6	7	\$442	753
Wireless	Wireless	0.4	6	\$2,438	705
Gas station	Gas station	0.4	4	\$3,873	699
Specialty foods/drinks	Everyday goods	0.4	3	\$534	670
Vet/animal clinic	Health services	0.3	4	\$573	662
Attorney	Financial/legal/insurance	0.3	2	\$481	579
Optic/vision	Health services	0.2	1	\$153	550
Martial arts	Fitness/dance/martial arts	0.1	1	\$81	442
Brewery/winery/distillery	Eating/drinking places	0.1	1	\$50	414
CPA	Financial/legal/insurance	0.3	2	\$202	389
Mortgage/title	Financial/legal/insurance	0.2	2	\$491	344
Tanning	Personal care	0.1	1	\$61	300
Delivery/mailbox	Other service	0.1	1	\$124	287
Financial advisor/broker	Financial/legal/insurance	0.3	2	\$448	282
Drycleaning/laundry/alterations	Other service	0.2	1	\$107	195
Dance/aerobic/yoga/music	Fitness/dance/martial arts	0.1	1	\$49	185
Flowers	Home/garden	0.1	0	\$34	156
Health/supplements	Everyday goods	0.1	0	\$64	98
Supercenter/warehouse club	Everyday goods	0.1	16	\$7,472	8,181
Discount department store	Everyday goods	0.1	5	\$1,041	7,627
Furniture/home goods	Home/garden	0.3	3	\$903	6,683
Auto service/carwash	Auto service/care	0.8	6	\$961	3,738
Sporting goods	Hobby/leisure/pets	0.2	2	\$372	3,714
Pharmacy	Everyday goods	0.2	3	\$1,162	2,902
Auto parts	Auto parts	0.4	4	\$1,068	2,571
Motor vehicle dealer	Motor vehicle dealer	0.3	9	\$7,636	2,399
Hobby/games/toys	Hobby/leisure/pets	0.2	2	\$204	1,710
Discount store	Everyday goods	0.1	2	\$206	1,622
Movie theater	Entertainment	0.0	1	\$132	1,198
Clothing	Clothing/accessories/cosmetics	0.2	3	\$456	1,006
Office supplies	Office/electronics/appliances	0.0	1	\$138	871
Department store	Clothing/accessories/cosmetics	0.0	1	\$34	844
Discount clothing/home store	Clothing/accessories/cosmetics	0.0	1	\$363	835
Electronics/appliances	Office/electronics/appliances	0.0	0	\$191	797
Real estate agent	Financial/legal/insurance	0.3	1	\$692	408
Shoes	Clothing/accessories/cosmetics	0.1	1	\$191	389
Music	Hobby/leisure/pets	0.0	0	\$63	276
Gifts	Hobby/leisure/pets	0.1	1	\$93	275
Other	Other service	0.2	1	\$86	258
Cosmetics	Clothing/accessories/cosmetics	0.0	1	\$88	172
Books	Hobby/leisure/pets	0.0	0	\$65	153
Photography	Other service	0.0	0	\$19	132
Jewelry	Clothing/accessories/cosmetics	0.1	0	\$111	115
Travel	Other service	0.1	0	\$38	111
Printing	Other service	0.0	1	\$85	107
Other entertainment	Entertainment	0.0	0	\$10	30
Payday Loans	Financial/legal/insurance	0.0	0	\$69	18
Total		19	268	\$56,498	120,620

SOURCE: U.S. Commerce Department, U.S. Census Bureau, U.S. BLS, JOHNSON ECONOMICS



FIGURE 5.11: FUTURE SUPPORT FOR COMMERCIAL ACTIVITIES, NAC CTA (+567 HOUSEHOLDS)

FUTURE COMMERCIAL POTENTIAL, +567 HOUSEHOLDS		MARKET SUPPORT			
Category	Major Category	Establish-ments	Employ-ment	Sales (\$1,000)	Square Feet
Physician/clinic	Health services	1.6	30	\$5,084	20,138
Grocery	Everyday goods	0.5	31	\$10,704	18,455
Hardware/materials/garden	Home/garden	0.6	11	\$3,345	16,588
FS restaurant	Eating/drinking places	3.2	60	\$4,013	8,933
Fitness	Fitness/dance/martial arts	0.6	12	\$629	8,521
LS restaurant	Eating/drinking places	3.0	49	\$3,644	6,537
Bank	Bank	0.7	13	\$1,780	3,590
Chiropractor/physical therapy	Health services	1.4	10	\$991	3,386
Dentist	Health services	1.5	12	\$1,793	3,231
Pet supplies	Hobby/leisure/pets	0.2	2	\$415	2,774
Hair/nail/spa	Personal care	1.3	6	\$379	2,425
Used goods	Used goods	0.3	7	\$556	2,383
Insurance	Financial/legal/insurance	1.1	9	\$1,357	2,007
Bar/pub	Eating/drinking places	0.5	5	\$450	1,593
Convenience	Everyday goods	0.7	4	\$1,100	1,570
Pet care/grooming	Personal care	0.3	2	\$91	1,549
Coffee/juice/ice cream	Eating/drinking places	1.0	11	\$719	1,224
Wireless	Wireless	0.6	10	\$3,964	1,146
Gas station	Gas station	0.6	7	\$6,296	1,136
Specialty foods/drinks	Everyday goods	0.7	6	\$868	1,089
Vet/animal clinic	Health services	0.5	7	\$931	1,076
Attorney	Financial/legal/insurance	0.5	3	\$782	942
Optic/vision	Health services	0.3	2	\$248	895
Martial arts	Fitness/dance/martial arts	0.2	2	\$132	719
Brewery/winery/distillery	Eating/drinking places	0.1	1	\$81	673
CPA	Financial/legal/insurance	0.5	4	\$329	632
Mortgage/title	Financial/legal/insurance	0.3	3	\$798	560
Tanning	Personal care	0.2	2	\$99	487
Financial advisor/broker	Financial/legal/insurance	0.5	3	\$728	459
Drycleaning/laundry/alterations	Other service	0.3	1	\$173	317
Dance/aerobic/yoga/music	Fitness/dance/martial arts	0.2	2	\$80	301
Flowers	Home/garden	0.1	0	\$55	254
Health/supplements	Everyday goods	0.1	1	\$104	159
Delivery/mailbox	Other service	0.0	1	\$201	82
Supercenter/warehouse club	Everyday goods	0.1	27	\$12,148	13,301
Discount department store	Everyday goods	0.1	7	\$1,693	12,401
Furniture/home goods	Home/garden	0.5	5	\$1,469	10,865
Auto service/carwash	Auto service/care	1.3	9	\$1,562	6,077
Sporting goods	Hobby/leisure/pets	0.3	3	\$605	6,038
Pharmacy	Everyday goods	0.3	5	\$1,889	4,718
Auto parts	Auto parts	0.7	7	\$1,736	4,180
Motor vehicle dealer	Motor vehicle dealer	0.5	15	\$12,415	3,900
Hobby/games/toys	Hobby/leisure/pets	0.3	3	\$332	2,781
Discount store	Everyday goods	0.2	3	\$335	2,637
Movie theater	Entertainment	0.0	1	\$214	1,947
Clothing	Clothing/accessories/cosmetics	0.3	5	\$741	1,635
Office supplies	Office/electronics/appliances	0.1	1	\$224	1,416
Department store	Clothing/accessories/cosmetics	0.0	1	\$55	1,371
Discount clothing/home store	Clothing/accessories/cosmetics	0.0	2	\$591	1,357
Electronics/appliances	Office/electronics/appliances	0.1	1	\$311	1,295
Real estate agent	Financial/legal/insurance	0.5	2	\$1,124	663
Shoes	Clothing/accessories/cosmetics	0.1	2	\$311	633
Music	Hobby/leisure/pets	0.1	1	\$102	449
Gifts	Hobby/leisure/pets	0.2	1	\$151	448
Other	Other service	0.3	2	\$140	419
Cosmetics	Clothing/accessories/cosmetics	0.1	1	\$143	280
Books	Hobby/leisure/pets	0.0	1	\$105	249
Photography	Other service	0.1	0	\$31	214
Jewelry	Clothing/accessories/cosmetics	0.1	1	\$181	186
Travel	Other service	0.1	1	\$61	180
Printing	Other service	0.1	1	\$138	174
Other entertainment	Entertainment	0.0	0	\$16	48
Payday Loans	Financial/legal/insurance	0.0	0	\$113	30
Total		31	435	\$91,857	195,724

SOURCE: U.S. Commerce Department, U.S. Census Bureau, U.S. BLS, JOHNSON ECONOMICS



TRAFFIC VOLUMES

Traffic flows also have some bearing on the ability of a site to capture commercial demand. We therefore include a brief analysis of current and future traffic flows past the site. Based on our surveys of retail centers built over the past 10 years, we find that most auto-oriented suburban centers require daily traffic volumes of 10,000-15,000 before sales levels can sustain lease rates that can support the cost of new construction. However, projects that function as neighborhood or village centers in underserved residential areas or with good pedestrian access can find adequate support at lower traffic levels (e.g., Forest Heights Village, Portland; Crescent Village, Eugene; Avimor, Boise; Issaquah Highlands, Issaquah).

The most recent traffic counts on Hill Road are from just south of SW Tamarack Road, where the 2021 ODOT count was 3,200 AADT. The closest recent count on Wallace Road was 2,800 AADT just west of Cypress Road, also from 2021. We will assume that these counts reflect the current traffic level at the Hill/Wallace intersection. These traffic counts would in most cases be inadequate for auto-oriented commercial users.

Development of the Fox Ridge area will generate additional traffic past the site. Trip generation varies with housing format. Based on the preceding residential analysis, we will assume that the Neighborhood Activity Center (NAC) will include 150 multifamily units and 30 attached single-family units (15 rental; 15 ownership). Based on typical trip generation rates, these will increase the traffic volume by around 1,250 daily trips. For the remaining residential portion of the Fox Ridge area, we will assume that 80 acres will be developed over a 10-year period, creating 387 detached units (9,000-SF lots). These will generate an estimated 3,700 trips. Not taking into account other development in the city, the daily trip count on Hill Road should then be around 8,000. A new high school within the Fox Ridge area would add to this count. Other development on the westside will further increase the traffic volume.

FIGURE 5.12: ESTIMATED DAILY TRIPS PAST THE SUBJECT SITE, GENERATED BY FUTURE HOUSING

	HOUSING UNITS				TRIPS			
	SFD	SFA	MF	Total	SFD	SFA	MF	Total
					9.5/u.	8.1/u.	6.7/u.	
Existing								3,200
Fox Ridge NAC	0	30	150	180	0	243	1,005	1,248
Fox Ridge Low-Density	387	0	0	387	3,678	0	0	3,678
Total	387	30	150	567	3,678	243	1,005	8,126

SOURCE: Institute of Traffic Engineers, City of McMinnville, JOHNSON ECONOMICS

As mentioned, the current traffic volume on Hill Road would in most cases be inadequate to support auto-oriented commercial activity. However, a daily traffic volume around 8,000, plus additional high-school traffic, is likely adequate for a small neighborhood center that can rely on pedestrian/resident traffic as well as pass-by arterial traffic. Tenants are most likely to be independent establishments or local chain. National chains typically seek locations with higher traffic volumes.

ABSORPTION

As indicated, the NAC will only be able to capture a portion of the commercial demand generated within the CTA. Residents in this area will continue to visit major shopping centers outside the CTA, and they will continue to combine shopping with other activities outside the CTA. However, with anticipated household count and traffic volumes, we regard it likely that some establishments will find adequate support in the NAC. Food/beverage and service providers are the most likely tenants. We expect 5,000-10,000 square feet to be feasible, assuming a location by the Hill/Wallace intersection with good access from Hill Road as well as residential portions of Fox Ridge. We would plan for spaces in the range of 1,000-3,000 square feet (see next page), with a strip mall the most likely format.



We also expect potential for a daycare in a separate building within the NAC, given the increase in number of families in this area as Fox Ridge is built out. In total, this indicates potential for a commercial area of roughly 1.0 acre. We would assume that at least 400 residential units will have to be completed within the Fox Ridge area before a commercial center of this size becomes feasible.

FIGURE 5.13: POTENTIAL TENANTS AND ACHIEVABLE PRICING (1Q23)*, SUBJECT SITE

#	MAJOR CATEGORY	CATEGORY	SQ.FT.	FAR	ACRES	RATE LOW	RATE HIGH
1	Eating/drinking places	Restaurant	2,800	0.25	0.3	\$25.00	\$27.00
2	Eating/drinking places	Restaurant/coffee	1,500	0.25	0.1	\$25.00	\$27.00
3	Personal care	Hair/nail/spa salon	1,500	0.25	0.1	\$24.00	\$26.00
4	Health/medical services	Physician/chiropractor	1,500	0.35	0.1	\$24.00	\$26.00
5	Professional/financial services	Real estate/insurance	1,000	0.35	0.1	\$24.00	\$26.00
6	Education	Daycare/preschool	4,000	0.30	0.3	\$22.00	\$24.00
Total:			12,300		1.0	\$22.00	\$27.00

* Achievable lease rates are annual NNN rates per square foot.

SOURCE: JOHNSON ECONOMICS

Additionally, there may also be potential for a gas station with a convenience store within the NAC. Though the CTA households alone may provide inadequate support, the lack of a gas station west of Highway 99 suggests potential for a gas/convenience option along Hill Road. This may absorb another acre of land. We are aware of other neighborhood gas/convenience projects currently in development on sites with traffic volumes comparable to the estimated future traffic count on Hill Road (e.g., Camas Station at the northwest corner of NW 16th Avenue and Brady Road in Camas, 7,600 + 6,100 AADT).

ACHIEVABLE PRICING

The above estimates of absorption potential include the inherent assumption of ability to pay lease rates that can justify new construction. However, based on our survey of comparables and our estimates of market support, we would expect the achievable lease rates to be in the low end of what can support new construction, requiring cost-effective design and building formats. Based on current market rates, we would assume rates in the \$24-27 range for ground-floor commercial space (NNN), with somewhat lower rates for a daycare building, as shown in the table above. These rates can be expected to increase with the market prior to market introduction.



VI. CONCLUSIONS

FEASIBLE USES

The preceding analysis indicates adequate market support for rental apartments, rental townhomes, ownership townhomes, and commercial space in the Fox Ridge Neighborhood Activity Center (NAC). In the current market, we would expect a single-phase 200-unit apartment project to be feasible with a 12-month absorption horizon, given the current apartment shortage and limited development pipeline in McMinnville. For a more long-term assumption, we regard a 150-unit apartment project plus 15 rental townhomes and 15 ownership townhomes to be feasible within a one-year absorption period. We expect a project of this scale to require roughly eight acres of land.

Following additional residential buildout of the Fox Ridge area, we expect a small commercial center of 5,000-10,000 square feet, plus a separate daycare center, to be feasible within the NAC. We expect these uses to absorb around one acre of land. A gas station with a convenience store may also become feasible, absorbing another acre or so.

In total, this indicates potential for a Neighborhood Activity Center that spans 9-10 acres. With a multi-phase approach to the residential components, with absorption over a three- to four-year period, we would expect that the scale of the residential development could be doubled, increasing the size of the NAC to 17-18 acres.

FIGURE 6.1: POTENTIAL LAND ABSORPTION

FEASIBLE USES			Res. Density	Com.	Land Need
LAND USE	Scale	Unit	(U/Ac)	FAR	(Acres)
Rental apartments	150	Units	28		5.4
Rental townhomes	15	Units	14		1.1
Ownership townhomes	15	Units	10		1.5
Retail space	8,300	SF		0.27	0.7
Daycare center	4,000	SF		0.30	0.3
Gas station w/conv. store	5,000	SF		0.15	0.8
Total					8.9 (9.7)

SOURCE: JOHNSON ECONOMICS

FEASIBLE BUILDING FORMATS

RENTAL APARTMENTS

Current market rents indicate that rental apartments within the NAC are most likely to be three-story walk-up structures with surface parking. Higher rent levels would likely be needed to support taller and more costly formats like elevator buildings and tuck-under or podium parking.





RENTAL TOWNHOMES

We expect rental townhomes both with and without attached garages to be feasible in the NAC, most likely two stories tall. The achievable rent estimates provided for rental townhomes earlier in the report assume surface parking. Attached garages would likely generate additional rent premiums (\$100-150/mo.).



OWNERSHIP TOWNHOMES

We also expect ownership townhomes to be feasible. These typically represent a somewhat higher standard in terms of design and finishes than rental townhomes, and typically include attached garages. Two-story homes are most common, but three-story structures might also be feasible.



COMMERCIAL SPACE

At the estimated achievable lease rates, a multi-tenant strip mall is the most likely commercial format in the NAC. Freestanding single-tenant buildings generally represent higher construction costs, but may be viable with cost-effective features (e.g., gable roof, smaller windows). One possible exception is a gas/convenience project, which is likely to a standard gas station format. The most likely format for a daycare is a gable-roof, single-story structure.





MIXED-USE POTENTIAL

Vertical mixed-use projects with residential units above ground-floor commercial space are best suited for urban locations with significant bike and pedestrian traffic. In locations where the commercial tenants are dependent on auto traffic, the mixed-use format can be difficult to combine with the needs for visibility, signage, and parking convenience. These buildings usually do not offer the kind of signage surround that makes a logo stand out, while the upper floors tend to distract from the signage, especially if they include balconies. Moreover, suburban commercial tenants generally need convenient parking in front of the stores in order to maximize the capture of auto traffic. They also need clearly separated residential and commercial parking. Certain uses, like restaurants, may also require additional accommodation (e.g., soundproofing, ventilation) in order to limit nuisance for residents. Due to the cost and rent impacts of these factors, we do not expect vertical mixed-use projects to be feasible in the NAC. However, as shown by Felida Village in the previous section, low-cost versions of this format may be possible, though Felida Village has been helped by a relatively affluent surrounding household base.

LOCATION OF USES

Commercial activity in the NAC will depend on good exposure to auto traffic, and will therefore need a location near one of the major Hill Road intersections, either at Wallace Road or Fox Ridge Road. Assuming future development of the high school site, the Wallace Road intersection will likely provide the strongest exposure, positioning the commercial component to capture demand from residents east of Hill Road in addition to Fox Ridge residents. This will require a site and road layout that provides easy access between Fox Ridge Road and the commercial center.

Both rental apartments and townhomes function well adjacent to commercial uses from a market standpoint. However, rental housing tends to benefit more from this proximity, as renters tend to value access higher than homeowners. The latter, who typically include a large share of families, tend to place greater emphasis on safety, and will often prefer separation from commercial traffic. We therefore recommend rental apartments closest to the commercial section.