

DECISION, CONDITIONS, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS OF THE MCMINNVILLE PLANNING COMMISSION FOR THE APPROVAL OF A NEW BUILDING AT 609, 611 AND 619 NE THIRD STREET WITHIN THE DOWNTOWN DESIGN AREA. THIS IS A RULING IN FAVOR OF THE APPELLANT IN THE APPEAL OF THE HISTORIC LANDMARKS COMMITTEE'S DENIAL OF THIS LAND-USE APPLICATION.

DOCKET: AP 4 – 23 (Appeal of DDR 2-22 Downtown Design Review)

REQUEST: Appeal of the Historic Landmarks Committee decision to deny the applicant's request for the approval of the exterior design of a proposed new five-story hotel with ground floor commercial, and an underground parking garage and an active roof deck, to be constructed on a property located within the Downtown Design Overlay District

LOCATION AND PROPERTY OWNER: 609 NE Third Street. Tax Lot R4421BC04500
Property Owner, Jon Bladine, Oregon Lithoprint, Inc.

611 NE Third Street, Tax Lot R4421BC04300
Property Owner, Jon Bladine, Bladine Family Limited Partnership

619 NE Third Street, Tax Lot R4421BC04201
Property Owner, Phillip Frischmuth, Wild Haven, LLC

ZONING: C-3 General Commercial (Downtown Overlay District)

APPLICANT: Mark Vuong, HD McMinnville LLC

STAFF: Heather Richards, Community Development Director

DATE DEEMED COMPLETE: September 7, 2022

HEARINGS BODY & ACTION: McMinnville Planning Commission

HEARING DATE & LOCATION: March 2, 6:30 PM. In person at Kent Taylor Civic Hall 200 NE 2nd St and online via Zoom. Zoom Online Meeting ID: 893 6863 4307, Meeting Password: 989853

Hearing continued to March 16, 2022, 3:00 PM. In person at Kent Taylor Civic Hall 200 NE 2nd St and online via Zoom. Zoom Online Meeting ID: 893 6863 4307, Meeting Password: 989853

HEARINGS BODY**& ACTION:** McMinnville Historic Landmarks Committee**HEARING DATE****& LOCATION:** September 29, 2022, 3:00 PM. In person at Kent Taylor Civic Hall 200 NE 2nd St and online via Zoom. Zoom Online Meeting ID: 859 9565 0539, Meeting Password: 661305

Hearing continued to December 8, 2022, 4:00 PM. In person at Kent Taylor Civic Hall 200 NE 2nd St and online via Zoom. Zoom Online Meeting ID: 892 5565 1124, Meeting Password: 257277

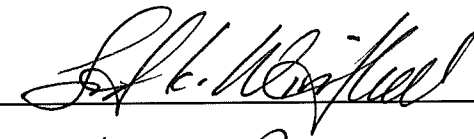
Hearing continued to January 5, 2023, 4:00 PM. In person at Kent Taylor Civic Hall 200 NE 2nd St and online via Zoom. Zoom Online Meeting ID: 831 7965 5545, Meeting Password: 725658

Meeting continued to January 26, 4:00 PM for Historic Landmarks Committee deliberation, a decision and adoption of written findings. In person at Kent Taylor Civic Hall 200 NE 2nd St and online via Zoom. Zoom Online Meeting ID: 885 9559 0268, Meeting Password: 925948.

PROCEDURE: An application for a Downtown Design Review is processed in accordance with the procedures in Section 17.59.030(A) of the McMinnville Municipal Code.**CRITERIA:** The applicable criteria for a Downtown Design Review are specified in Section 17.59.040 of the McMinnville Municipal Code. In addition, the goals, policies, and proposals in Volume II of the Comprehensive Plan are to be applied to all land use decisions as criteria for approval, denial, or modification of the proposed request. Goals and policies are mandated; all land use decisions must conform to the applicable goals and policies of Volume II. "Proposals" specified in Volume II are not mandated, but are to be undertaken in relation to all applicable land use requests.**APPEAL:** As specified in Section 17.59.030(E) of the McMinnville Municipal Code, the Historic Landmarks Committee's decision may be appealed to the Planning Commission within fifteen (15) days of the date written notice of decision is mailed, and according to Section 17.72.180 of the McMinnville Municipal Code, the Planning Commission decision may be appealed to the City Council within fifteen (15) days of the date written notice of decision is mailed. The City's final decision is subject to a 120 day processing timeline, including resolution of any local appeal. The 120-day deadline is January 5, 2023. Per an email dated September 29, 2022 from Garrett H. Stephenson, the applicant requested a 70-day extension to the 120 day decision deadline. The 190-day deadline is March 16, 2023. Per an email dated December 1, 2022 from Garrett H. Stephenson, the applicant requested an additional 30-day extension for a total of 100 days added to the 120 day decision deadline. The 220 day deadline is April 15, 2023. Per an email from Garrett H. Stephenson, the applicant requested an additional 24 day extension to May 9, 2023.**COMMENTS:** This matter was referred to the following public agencies for comment: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, City Manager, and City Attorney; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Public Works; Yamhill County Planning Department; Frontier Communications; Comcast; Northwest Natural Gas; and Oregon Department of Transportation. Their comments are provided in this document.

Based on the findings and conclusionary findings, the Planning Commissions finds in favor of the applicant that the applicable criteria are **SATISFIED** and **APPROVES WITH CONDITIONS** the application for compliance with Downtown Design Standards and Guidelines of the Gwendolyn Hotel, DDR 2-22.

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APPROVAL WITH CONDITIONS
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Planning Commission: 
Sidonie Winfield, Chair

Date: 3/18/23

Planning Department: 
Heather Richards, Community Development Director

Date: 3/19/23

I. SUMMARY:

APPEAL: The applicant is appealing the decision of the Historic Landmarks Committee to deny their request for the review of the new construction project, Gwendolyn Hotel, for compliance with the Downtown Design Standards and Guidelines.

In their notice of appeal dated February 10, 2023, the applicant asserted that their application met the applicable criteria and that the Historic Landmarks Committee unreasonably or incorrectly interpreted and applied the McMinnville Zoning Ordinance, failed to issue adequate findings, and failed to reasonably weigh the evidence in the record such that its decision is not substantially supported by the evidence in the record.

Per the McMinnville Municipal Code, an appeal of the Historic Landmarks Committee is noticed as a de novo public hearing of the Planning Commission. The Planning Commission opened a public hearing on March 2, 2023, continued it to March 16, 2023, closed the public hearing and the public record, and voted to adopt these findings in support of the applicant's land-use application with the amended conditions of approval entered into the record by city staff at the January 5, 2023, public hearing with the Historic Landmarks Committee.

APPLICATION: The applicant has provided information in their application narrative and findings (attached as Attachment 1) regarding the history of the subject site(s) and the request(s) under consideration. Staff has found the information provided to accurately reflect the current land use request, and excerpted portions are provided below to give context to the request, in addition to the City's findings.

Proposed Project

Below is an excerpt from the application describing the proposed improvement program. The applicant would like to demolish the structures at 609, 611 and 619 NE Third Street and redevelop the property with a mixed-use hotel project that includes ground floor commercial amenities and dedicated underground parking for the project.

Within the last year, the properties at 609, 611, and 619 NE 3rd Street were listed for sale by the Bladine family and Wild Haven LLC. After analyzing the opportunity and studying both the history and potential of downtown McMinnville, the applicant saw an opportunity to greatly enhance both the economic and experiential vitality of 3rd Street.

McMinnville is in an early stage of responding to its goal of being the Willamette Valley's leader in hospitality and place-based tourism. The most recent renovation and redevelopment on the south side of 3rd Street, with new lodging, dining, and wine tasting, has been encouraging. However, the same opportunity for renovation for hospitality, commercial, and retail uses is not available to the subject buildings. As noted in the structural analysis included as Appendix C, changing the occupancy of these buildings from office to commercial, retail, or hospitality is likely to trigger significant seismic upgrades.

The applicant has indicated that this cost to fully renovate the buildings would be approximately \$12,025,000 inclusive of land cost, soft costs, and hard costs. Tenant improvements would cost an additional \$35 per sq. ft. for a total project cost of \$12,806,200. The achievable rents would be \$25 per sq. ft., with approximately 22,320 sq. ft. of rentable area, or \$558,000 effective gross income per year. Operating expenses are assumed at 38 percent of gross income, along with mortgage loan interest. The net operating income (NOI) including debt service would be (\$111,861) a year, or a loss of \$111,861 each year.

In this scenario, it would take the project approximately 40 years to recoup the initial rehabilitation cost and start making a profit. This would be unable to receive funding from a bank or investor and therefore is highly unlikely, if not impossible.

The proposal is to replace the three underutilized buildings at 609, 611, and 619 NE 3rd Street with a 90-95 room boutique hotel. The ground floor will include the hotel lobby, a signature

restaurant at the corner of 3rd and Ford streets, with seasonal sidewalk dining, and small retail shop(s). The entire rooftop will be a mix of public uses, anchored by a small restaurant/bar opening onto a large terrace of seating and raised-bed landscaping. Though parking is not required in this location, a below-grade parking garage accommodating 67 parking stalls is proposed. The garage ramp will be at the north end of the property, mid-block on Ford Street, to avoid interrupting the 3rd Street pedestrian experience.

(Application Narrative, page 3)

Subject Property & Request

The subject property is located at 609, 611 and 619 NE Third Street. The property is identified as Tax Lots 4500, 4300, and 4201, Section 21BC, T. 4 S., R. 4 W., W.M.

The site is at the northeast corner of NE 3rd Street and NE Ford Street and consists of three buildings: two tax lots addressed as 609 NE 3rd Street and 619 NE 3rd Street, and the southern portion of the tax lot addressed as 611 NE 3rd Street. All three tax lots are currently developed with buildings.

The property to the east of the development site, the Kaos Building at 645 NE 3rd Street, is developed with restaurant and other commercial uses. The sites south of NE 3rd Street are developed with a variety of commercial uses. The Tributary Hotel is on the southeast corner of NE 3rd Street and NE Ford Street. The site to the northwest is in use as a surface parking lot; the site north of 611 NE 3rd Street is the location of The Bindery event space.

See Vicinity Map and Proposed Site Plan (Figure 1 and Figure 2) below, which identifies the approximate location of the development site in question.

Figure 1. Vicinity Map (Approximate Development Site)

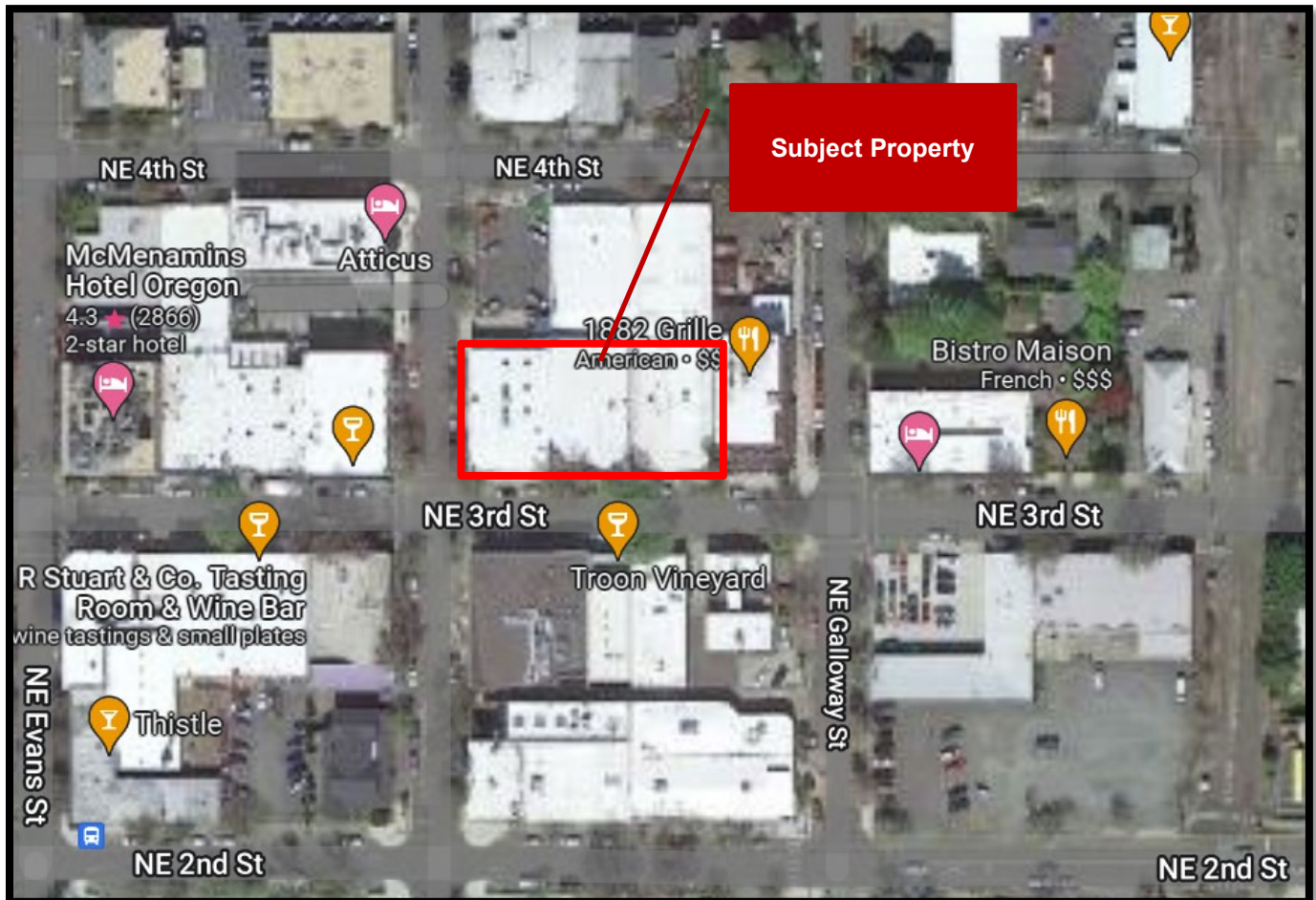
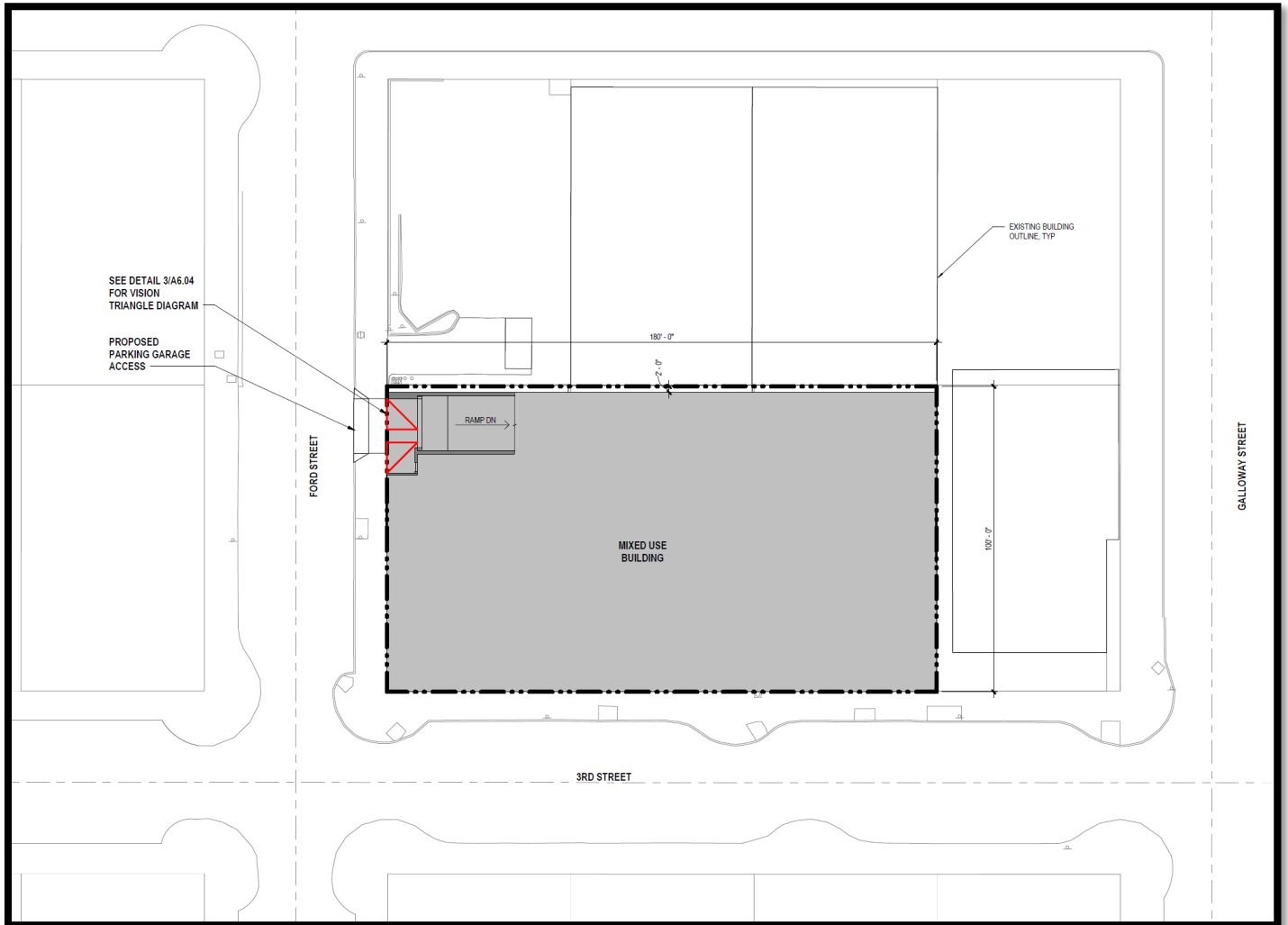
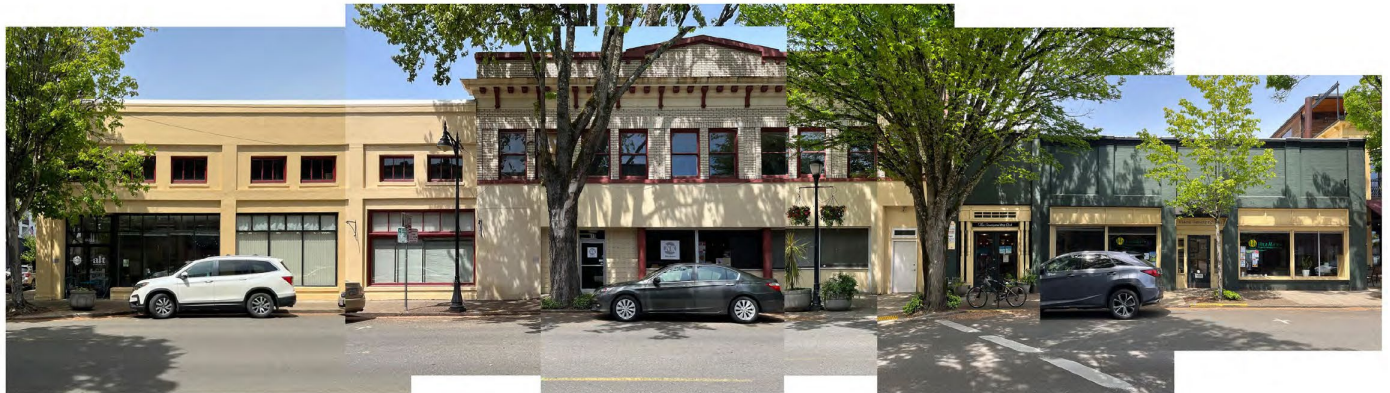
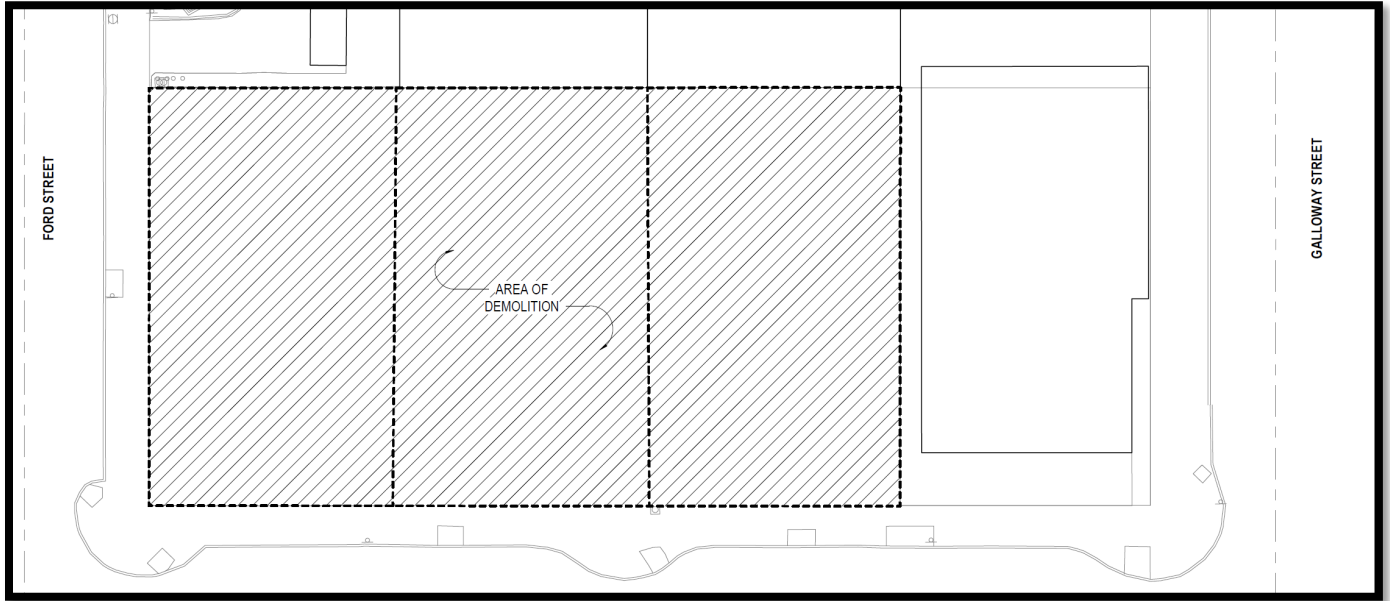


Figure 2. Proposed Site Plan



There are currently three structures on the properties. Each structure is listed on the McMinnville Historic Resources Inventory and is a contributing property to the Downtown McMinnville National Register of Historic Places District. The applicant has requested the consideration of three Certificates of Approval for the demolition of the structures at 609, 611 and 619 NE Third Street concurrently with this application. This application is contingent upon the successful approval of those applications, HL 6-22 (609 NE Third Street), HL 7-22 (611 NE Third Street) and HL 8-22 (619 NE Third Street). **Please see Figure 3 below.**

Figure 3, Demolition Site and Historic Resources to be Demolished



The proposed project is a five-story building with ground floor commercial and retail space, four floors of hotel rooms (90-95 rooms), a roof-top deck and an underground parking structure (67 parking stalls). The building has a series of setbacks designed into the different floors to reduce height impact. The tallest point of the building is in the northeast corner where the elevator shaft is located for a total height of 81 feet. The total width of the building is 180 feet on the ground floor and 98 feet in depth on the ground floor. ***Please see Figures 4 and 5 for exterior elevation renderings and series of floor plans.***

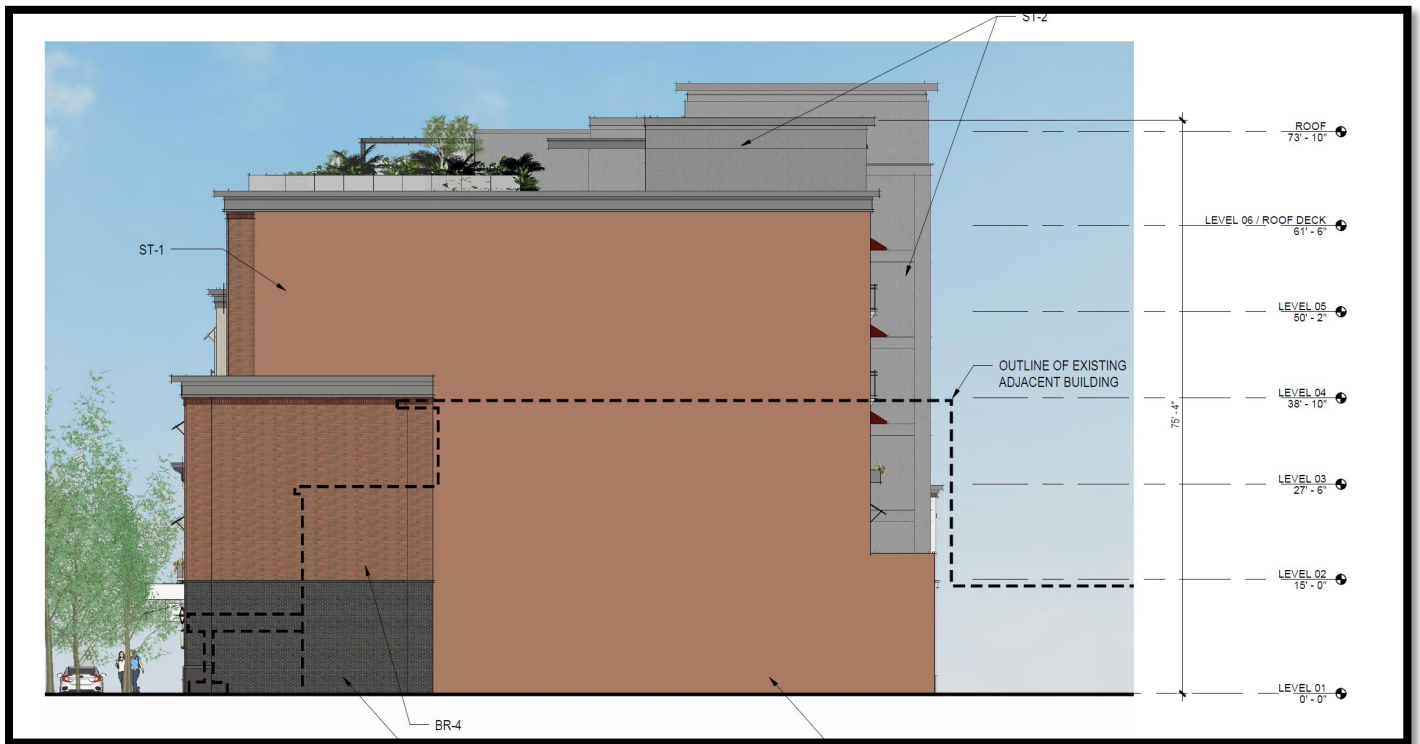
Figure 4, Exterior Elevation Renderings



West Elevation Rendering



South Elevation Rendering



East Elevation Rendering



North Elevation Rendering

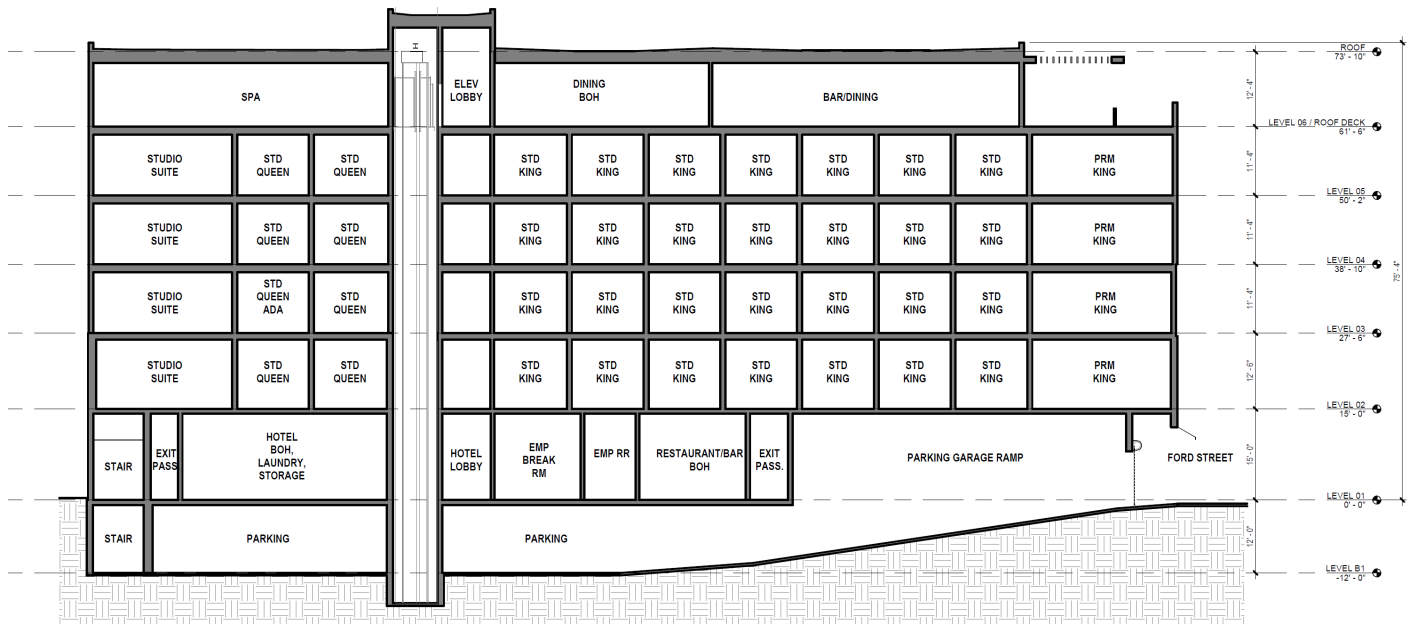


ENLARGED PARTIAL ELEVATION - 3RD STREET

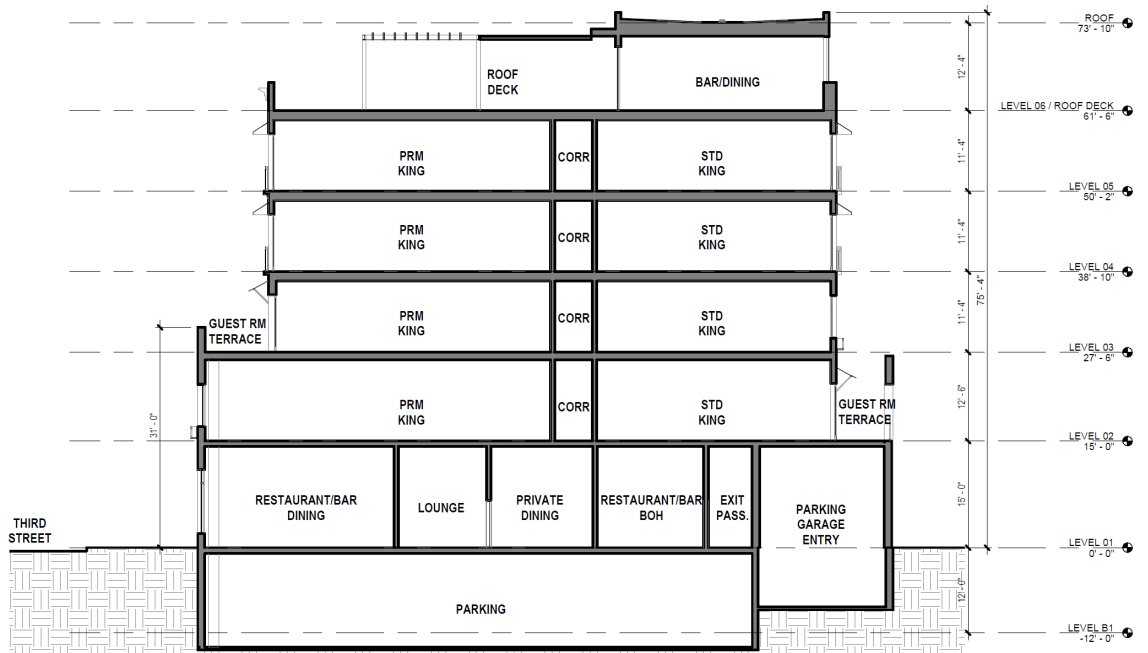
SCALE: 3/16" = 1'-0"



AXONOMETRIC - CORNER OF 3RD AND FORD

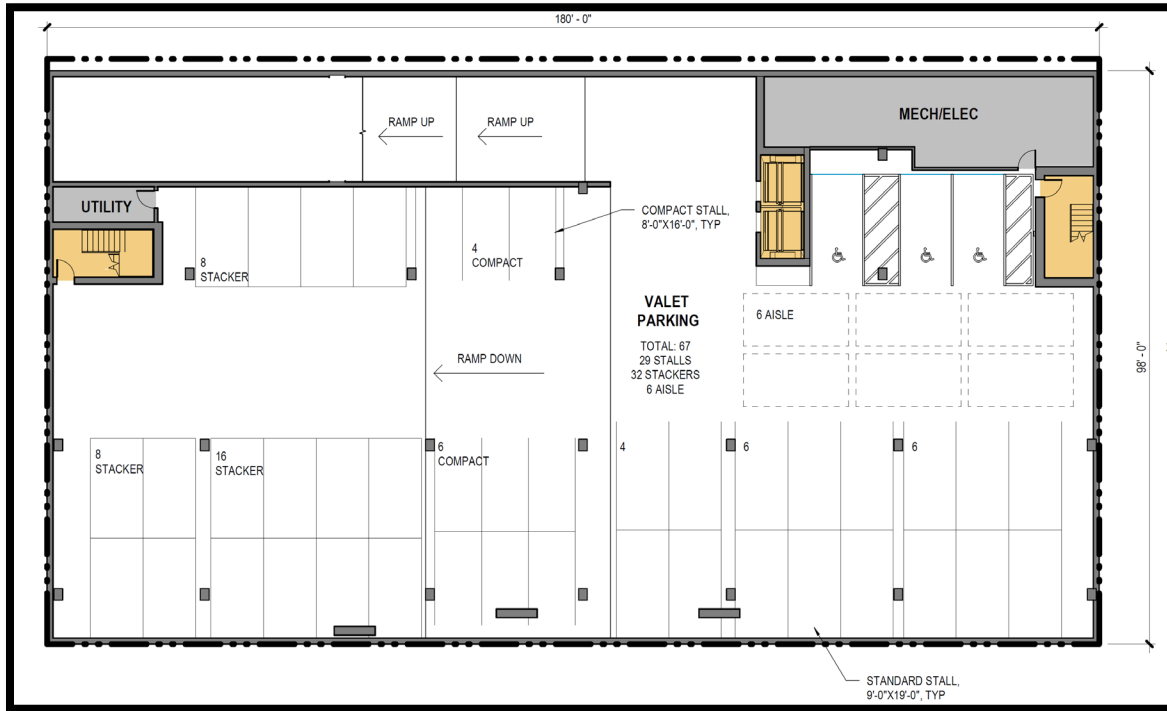


East – West Section

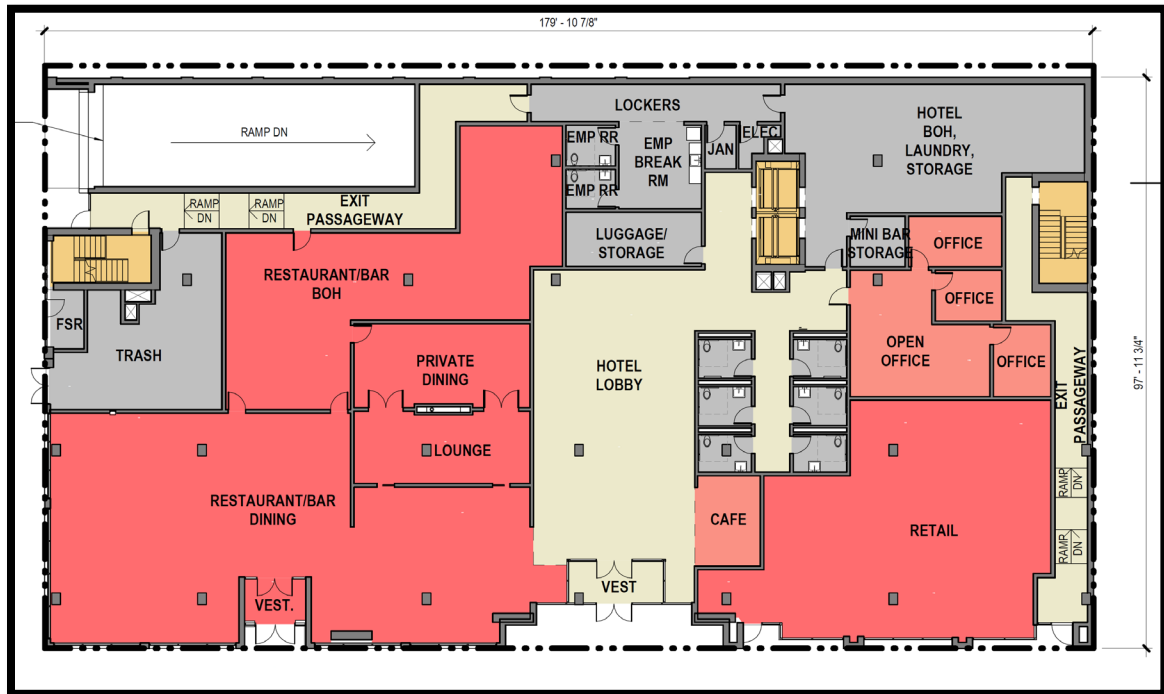


North – South Section

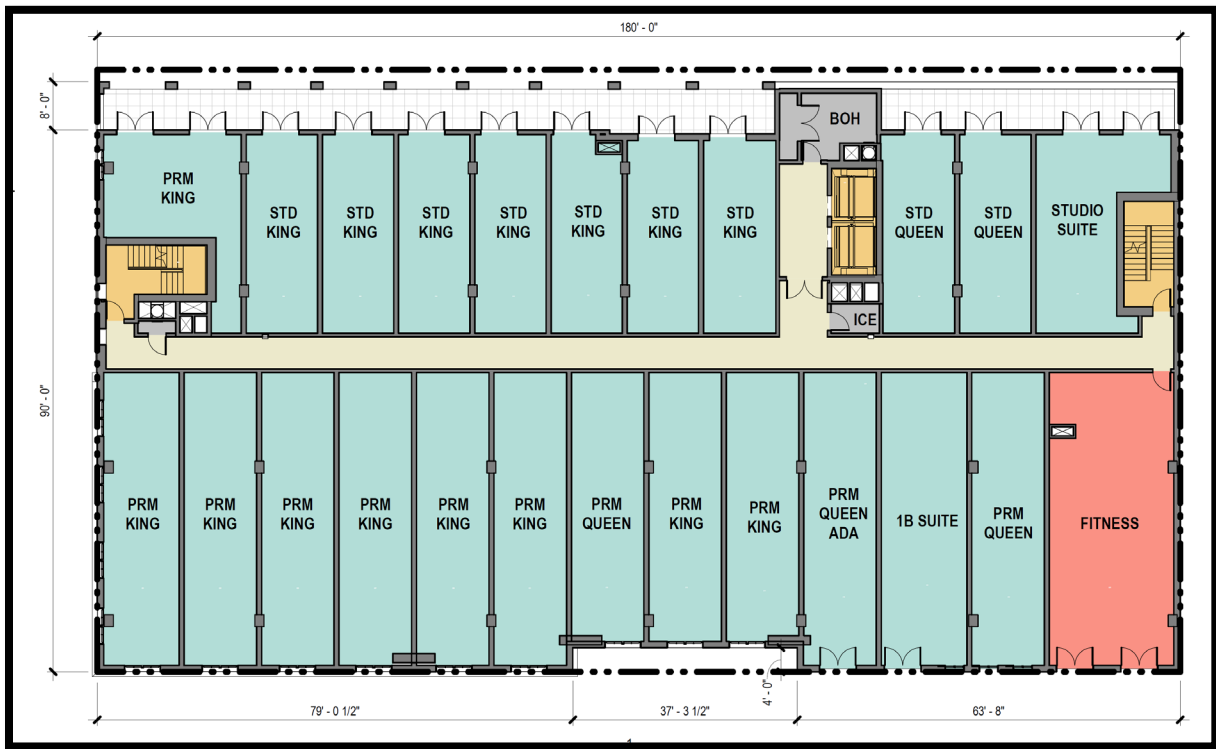
Figure 5, Series of Floor Plans



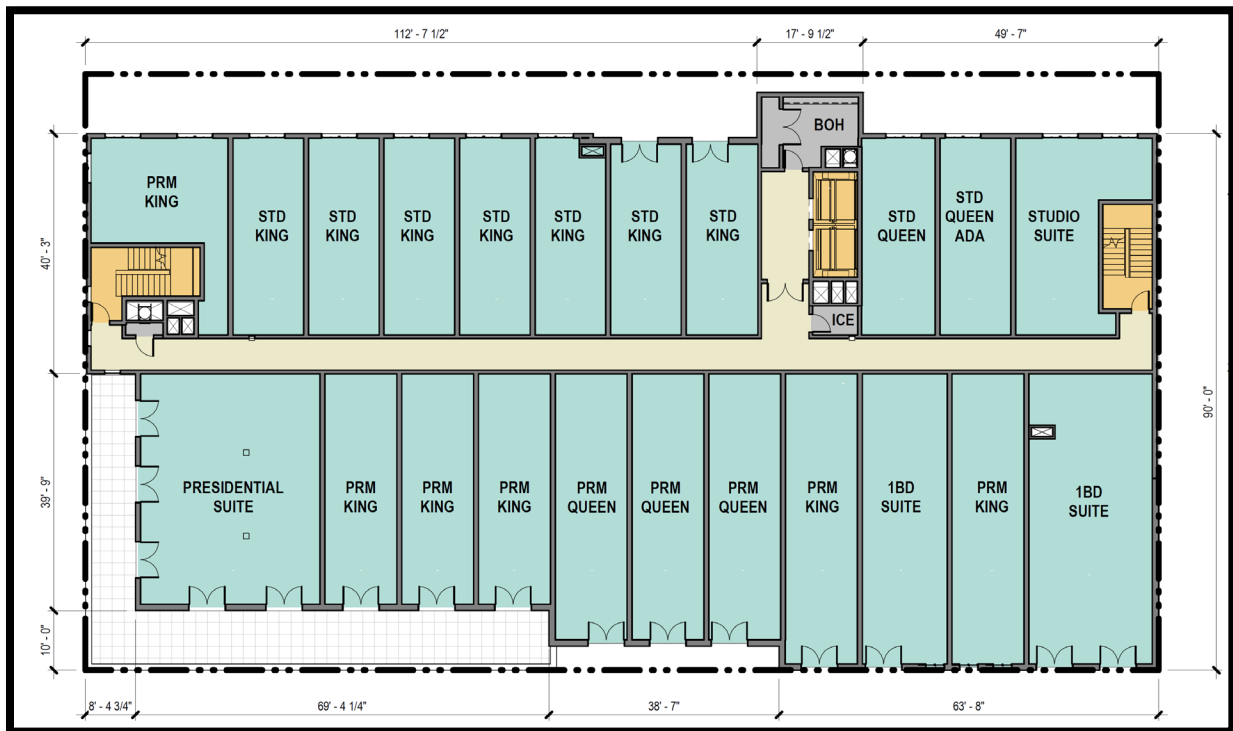
Basement – Underground Parking Structure



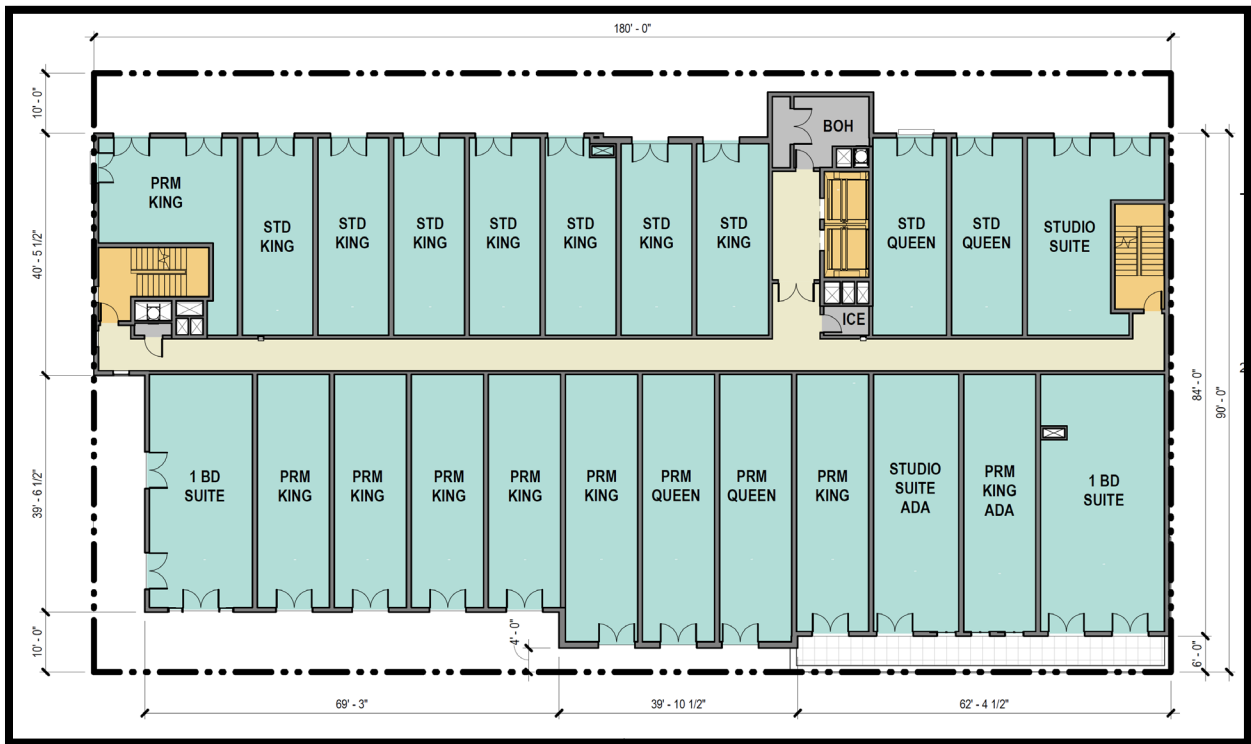
Ground Floor – Restaurant, Retail, Hotel Lobby



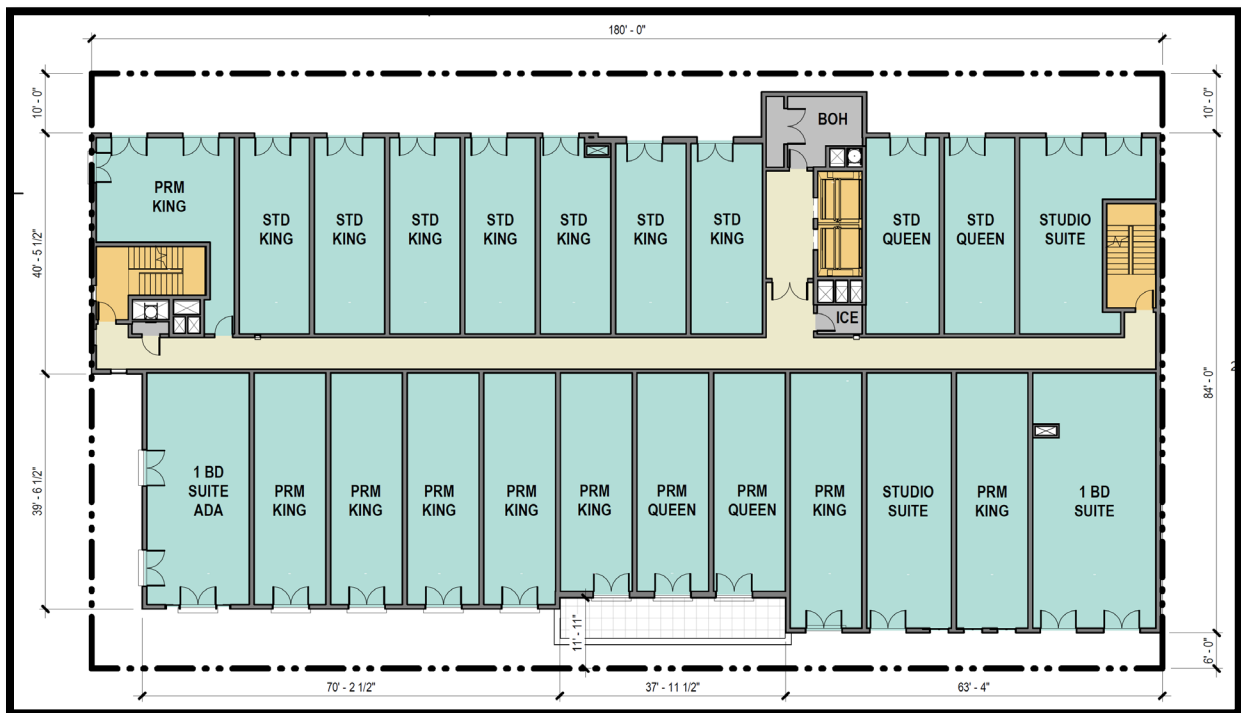
Second Floor – Hotel Rooms



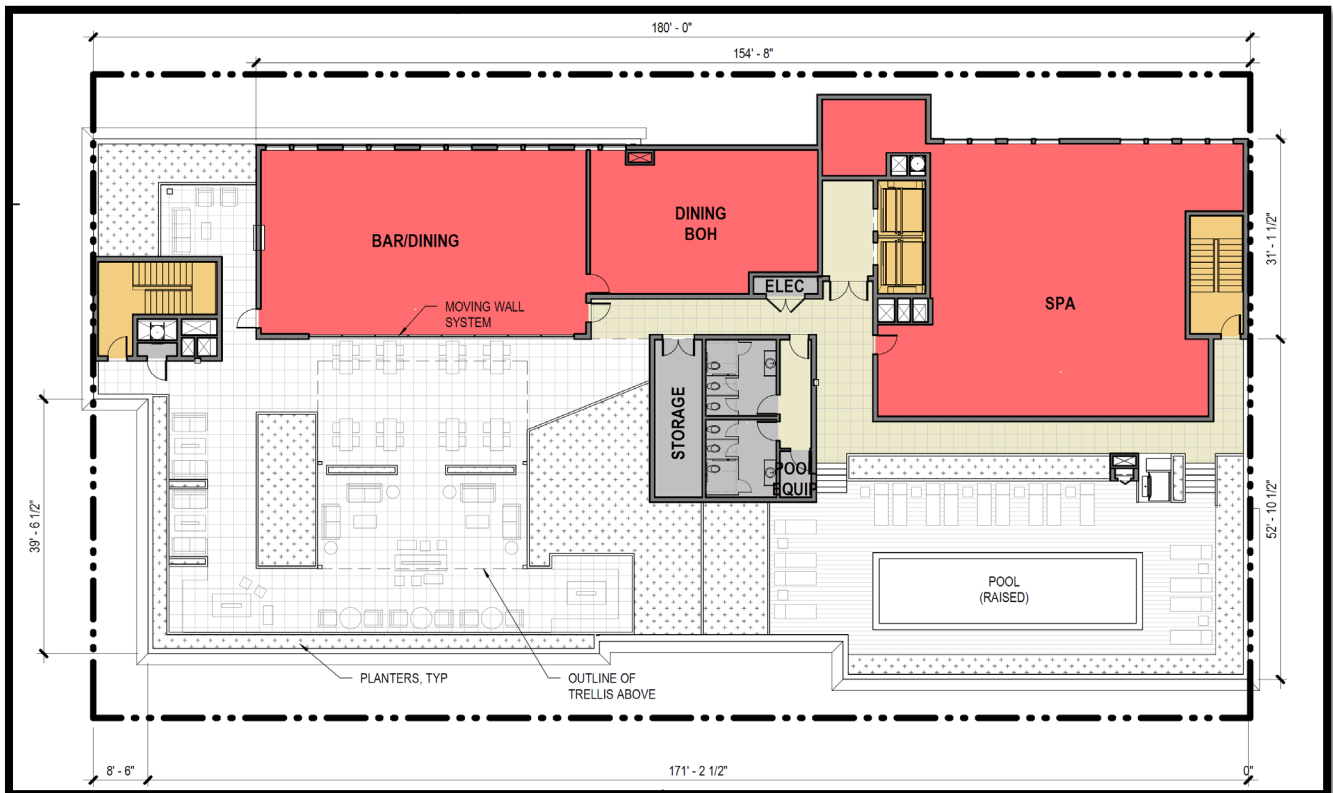
Third Floor – Hotel Rooms



Fourth Floor – Hotel Rooms



Fifth Floor – Hotel Rooms



Roof Deck with Pool, Spa and Dining

Summary of Criteria & Issues

This Downtown Design Review request was submitted for review concurrently with three other land use applications, as allowed by Section 17.72.070 of the MMC. The requested new construction is being reviewed concurrently with a Certificate of Approval for Demolition of a historic resource at 609, 611, and 619 NE Third Street. The Downtown Design Review request is being reviewed following the review and decision on the three Certificates of Approval for Demolition and is contingent upon those applications being approved.

The application (DDR 2-22) is subject to review criteria in Sections 17.33, 17.57, 17.59 and 17.60 of the McMinnville Municipal Code. The goals and policies in Volume II of the Comprehensive Plan are also independent approval criteria for all land use decisions.

The applicant has provided findings to support the request for a Downtown Design Review approval. These will be discussed in detail in Section VII (Conclusionary Findings) below.

II. CONDITIONS:

1. The Applicant must demonstrate how construction activities regarding known pollutants residing under the structures onsite will not negatively affect development onsite, and not negatively affect the adjoining properties, including the city's right of ways. (Comprehensive Plan Policy 2.00)
2. The Applicant must demonstrate that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties. (Comprehensive Plan Policy 8.00)
3. The Applicant must demonstrate compliance with the Department of Environmental Quality and other appropriate agencies that its onsite excavation and building demolition activities do not degrade water

quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties. (Comprehensive Plan Policy 10.00)

4. The Applicant shall evaluate the existing sanitary sewer system onsite for defects that allow inflow and infiltration (I&I) of rainwater into the sanitary sewer system. The city has an aggressive I&I program that specifically targets aging sewer laterals. Prior to the issuance of a building permit, the Applicant shall revise the plans to show that the existing sewer laterals that serve the buildings, will be video inspected and any defects found in the lateral, will be repaired or replaced. Contact the City Engineering Department for further information and assistance. (Comprehensive Plan Policy #25.00)
5. The Applicant shall enter into an agreement with the City to perform a sewer capacity analysis. The cost of this analysis shall be borne by the developer. The developer will be responsible for any necessary improvements identified by the capacity analysis. (Comprehensive Plan Policy #25.00)
6. Provide detailed plans for the parking structure, email correspondence has been provided by the developers engineer mentioning a possible encroachment into the city right-of-way for the structure of the underground parking. This needs to be reviewed prior to permit issuance. (Comprehensive Plan Policy #33.00)
7. Provide details for valet parking so the City can review the location and the size of the parking for approval prior to building permit issuance. (Comprehensive Plan Policy #33.00)
8. The Applicant shall demonstrate its design and construction methods will avoid, and then minimize negative impacts related to water and air quality given the onsite and off-site hazards caused by the known hazardous spills associated with the site. (Comprehensive Plan Policy #132.46.00)
9. The Applicant shall demonstrate that storm water collection, detention, and drainage is constructed and maintained to restrict negative consequences and minimize adverse effects from the known underground pollution onsite and off-site areas caused by the owner of the site. (Comprehensive Plan Policy #142.00)
10. The Applicant shall demonstrate how it will comply with all federal, state and local water and wastewater quality standards, given the DEQ LUST case regarding a hazardous gasoline spill on the site and the deficiencies noted in the Record. (Comprehensive Plan Policy #151.00)
11. That the Applicant shall include window details in the construction plans submitted for building permit review that depict how all of the windows on the building will be recessed. (McMinnville Municipal Code, 17.59.050(B)(6))
12. That the Applicant shall provide samples or examples of the exterior building colors to the Planning Department for review and approval by the Planning Director prior to application on the building. (McMinnville Municipal Code, 17.59.050(C)(3))
13. The Applicant will need to submit a sign permit for review and approval prior to the application of any signs to the project. (McMinnville Municipal Code, 17.59.080)
14. Per the Applicant's narrative, all three properties will need to be consolidated into one property prior to building permit issuance.
15. Per the Applicant's testimony at the March 16, 2023, Planning Commission public hearing, the Applicant will need to memorialize the automobile heritage of this site with appropriate public art, murals, rooms named for historic McMinnville families and businesses as appropriate, and salvaging of the historic brick and interior materials as much as possible to be incorporated into the new project design.

III. ATTACHMENTS (On file with the Planning Department):**Planning Commission Appeal Application Materials Plus Supplemental Materials**

❖ AP 4-24 (Appeal of DDR 2-22 Decision) Application and Attachments

Original Submittal (February 10, 2023)

- Application Form
- Notice of Appeal
- Exhibit 1 – Notice of Historic Landmarks Committee Decision, January 27, 2023
- Exhibit 2 – Staff Draft Decision Documents for HL 6-22, HL 7-22, HL 8-22 and DDR 2-22, dated January 5, 2023

Supplemental Submittal (February 27, 2023)

- Letter from Schwabe, Williamson and Wyatt, February 27, 2023
- Exhibit 1 – Applicant’s Response from Schwabe Williamson and Wyatt, December 15, 2022
- Exhibit 2 – Historic Landmarks Committee Staff Report, January 5, 2023, and attached draft decision documents for HL 6-22, HL 7-22, HL 8-22, DDR 2-22

Supplemental Submittal (March 9, 2023)

- Memorandum, Otak, March 9, 2023
- Practice Hospitality – Wage Breakdown
- Historic Resources Assessment

Supplemental Submittal (March 13, 2023)

- Financial Models – Hotel with Seismic (Base Case), Hotel with Seismic (Highest Case) and Office without Seismic

❖ Public Testimony

Historic Landmarks Committee Application Materials Plus Supplemental Materials

❖ DDR 2-22 Application and Attachments

Original Submittal (August 9, 2022)

- Application Form
- Application Narrative
- Project Structural Analysis
- Project Site Plan and Concept Drawings
- Traffic Impact Analysis
- Memorandum
- Neighborhood Meeting Materials

Supplemental Submittal (November 4, 2022)

- Architectural Plans
- DDR 2-22 OTAK Approvability Memorandum
- Contaminated Media Management Plan (October 13, 2022)
- Traffic Impact Analysis Addendum

Supplemental Submittal (December 15, 2022)

- Letter to City with Additional Findings
- Additional Findings (Exhibits 1 – 3)
- Additional Findings (Exhibits 4 – 10)

Supplemental Submittal (December 19, 2022)

- Supplemental Findings, DDR 2-22

- ❖ Department/Agency Comments
- ❖ Public Testimony

IV. COMMENTS:**Agency Comments**

This matter was referred to the following public agencies for comment: McMinnville Fire Department, Police Department, Parks and Recreation Department, Engineering and Building Departments, City Manager, and City Attorney, McMinnville School District No. 40, McMinnville Water and Light, Yamhill County Public Works, Yamhill County Planning Department, Recology Western Oregon, Frontier Communications, Comcast, Northwest Natural Gas and Oregon Department of Transportation. The following comments were received:

McMinnville Engineering Department***TRANSPORTATION***

Comments and/or conditions of approval related to transportation include:

1. ADA Sidewalk and Driveway Standards are now being applied to all new construction and remodels. These standards are intended to meet the current ADA Standards as shown in the "PROWAG" Design Guidelines. The standards can be found at the following webpage: <https://www.access-board.gov/files/prowag/PROW-SUP-SNPRM-2013.pdf> prior to final occupancy, the applicant shall construct new driveways and sidewalks in the right-of way that conform to these standards.
2. Study shows that queue lengths exceed storage length at the eastbound thru and westbound all of 2nd St at Baker St. Queue lengths also exceed storage lengths at the westbound thru and southbound left at the intersection of Johnson St/Lafayette St & 3rd St.

SANITARY SEWER

Comments and/or conditions of approval related to sanitary sewer service include:

1. The applicant shall evaluate the existing sanitary sewer system onsite for defects that allow inflow and infiltration (I&I) of rain water into the sanitary sewer system. The city has an aggressive I&I program that specifically targets aging sewer laterals. Prior to the issuance of a building permit, the applicant shall revise the plans to show that the existing sewer laterals that serve the buildings, will be video inspected and any defects found in the lateral, will be repaired or replaced. Contact the City Engineering Department for further information and assistance.
2. Sewer Capacity may be an issue with the change of use of the property, the developer shall enter into an agreement with the City to perform a sewer capacity analysis. The cost of this analysis shall be born by the developer.

MISCELLANEOUS

Additional comments and/or suggested conditions of approval:

1. In the narrative, Part 4. B. Chapter 17.54.050 Yards part F. Response (Page 23) – 3rd St is listed as a Local Street. It is a Major Collector, please change to reflect the correct street classification.
2. Provide detailed plans for the parking structure, email correspondence has been provided by the developers engineer mentioning a possible encroachment into the city right-of-way for the structure of the underground parking. This needs to be reviewed prior to permit issuance.
3. Provide details for valet parking so the City can review the location and the size of the parking for approval prior to building permit issuance.
4. The engineering department will need to review building permit submittals that show in detail items that could be missing in the applications provided. These reviews will be prior to any issuance of building permits.
5. The Contaminated Media Management Plan dated July 20, 2022 is not included in this application. This is a key point of discussion and should be included in the application.
6. CPP (Comprehensive Plan Policy): 2.00 “The City of McMinnville shall continue to enforce appropriate development controls on lands with identified building constraints, including, but not limited to, excessive slope, limiting soil characteristics, and natural hazards.”
 - a. The Applicant must demonstrate how construction activities regarding known pollutants residing under the structures onsite will not negatively affect development onsite, and not negatively affect the adjoining properties, including the city’s right of ways.
7. CPP 8.00 “The City of McMinnville shall continue to seek the retention of high water quality standards as defined by federal, state, and local water quality codes, for all the water resources within the planning area.”
 - a. The Applicant must demonstrate that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City’s Right of Way and downstream users and properties.
8. CPP 132.40.05 Conditions of Approval–In accordance with the City’s TSP and capital improvements plan (CIP), and based on the level of impact generated by a proposed development, conditions of approval applicable to a development application should include:
 - a. Improvement of on-site transportation facilities,
 - b. Improvement of off-site transportation facilities (as conditions of development approval), including those that create safety concerns, or those that increase a facility’s operations beyond the City’s mobility standards.
9. The Applicant shall demonstrate its demolition, excavation and onsite construction activities do not create safety concerns related to the DEQ LUST matter and its site and known polluted soil and water. Additionally, the Applicant shall demonstrate how its demolition and construction activities will improve the use of the city’s off-site transportation facility, including but not limited to underground facility uses.
10. CPP 132.46.00 Low impact street design, construction, and maintenance methods should be used first to avoid, and second to minimize, negative impacts related to water quality, air quality, and noise in neighborhoods. (Ord. 4922, February 23, 2010).
 - a. The Applicant shall demonstrate its design and construction methods will avoid, and then minimize negative impacts related to water and air quality given the onsite and off-site hazards caused by the known hazardous spills associated with the site.
11. CPP 142.00 The City of McMinnville shall insure that adequate storm water drainage is provided in urban developments through review and approval of storm drainage systems, and through

requirements for connection to the municipal storm drainage system, or to natural drainage ways, where required.

- a. The Applicant shall demonstrate that storm water collection, detention, and drainage is constructed and maintained to restrict negative consequences and minimize adverse effects from the known underground pollution onsite and off-site areas caused by the owner of the site.

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

- a. Federal, state, and local water and waste water quality standards can be adhered to.
- b. The Applicant shall demonstrate how it will comply with all federal, state and local water and wastewater quality standards, given the DEQ LUST case regarding a hazardous gasoline spill on the site and the deficiencies noted in the Record.

McMinnville Building Department

No building code concerns. Analysis of IEBC appears to be accurate and based on Oregon adopted code.

McMinnville Water and Light

Water: Please contact MW&L to turn off water meters and disconnect customer side of the meter – A16972894, C47575190 & A16972900 prior to demolition of property.

Power: Please contact MW&L to coordinate the removal of existing electric services prior to demolition. The Bindery Event space does not appear to have a dedicated electric service. There will need to be a provision for re-serving the Bindery Event Space with electricity during demolition.

Public Comments

Planning Commission Appeal

Notice of this appeal was mailed on February 9, 2023 to property owners located within 300 feet of the subject site and all participants in the Historic Landmarks Committee public hearing who provided contact information for the public record, and notice of the public hearing was published in the News Register on Tuesday, February 21, 2023. The following testimony was received by the Planning Department or provided at the public hearings on March 2 and March 16, 2023.

- Letter from Oregon Restaurant and Lodging Association, 02.17.23
- Email from Phyllice Bradner, 02.20.23
- Letter from Ernie Munch, MAP Architecture, 02.21.23
- Letter from Nathan Coopriider, 02.21.23
- Email from Marilyn Kosel, 02.22.23
- Email from Daniel Kiser, 02.25.23
- Email from Jenny Wilson, 02.26.23
- Email from Alex Sokol Blosser, 02.27.23
- Email from Janice Weiser, 02.27.23
- Letter from Katherine Huit, 02.27.23
- Email from Beth Caster, 02.28.23
- Email from Karen Milton, 02.28.23
- Email from Marie Fruga, 02.28.23

- Email from Carol Paddock, 03.01.23
- Email from Margaret Cross, 03.01.23
- Letter from Restore Oregon, 03.01.23
- Letter from Peter Kircher, 03.02.23
- Presentation at March 2, 2023 Public Hearing, Daniel Kiser
- Testimony Handout at March 2, 2023 Public Hearing, Ernie Munch
- Testimony Handout at March 2, 2023 Public Hearing, Jeb Bladine
- Testimony Handout at March 2, 2023 Public Hearing, Nathan Coopridner
- Email from Susan Marrant, 03.06.23
- Letter from Mike Colvin, 03.10.23
- Email from Jeb Bladine, 03.12.23
- Letter from Brian Libby, 03.13.23
- Carole Ray, 03.13.23
- Email from Frank Lisciandro, 03.13.23
- Email from Marie Frugia, 03.13.23
- Email from Mike Goins, 03.13.23
- Email from Carol Paddock, 03.14.23
- Email from Loretta Johnson, 03.14.23
- Email from Carol Paddock, 03.15.23
- Letter from Nathan Coopridner, 03.15.23
- Letter from Ernie Munch, 03.15.23
- Letter from Katherine Huit, 03.15.23
- Letter from Ilsa Perse, 03.15.23
- Letter from Marilyn Kosel, 03.15.23
- Testimony Presentation at March 16, 2023 Public Hearing, Marilyn Kosel
- Testimony Handout at March 16, 2023 Public Hearing, Nathan Coopridner

Historic Landmarks Committee Application

Notice of this request was mailed to property owners located within 300 feet of the subject site on September 8, 2022 and notice of the public hearing was published in the News Register on Tuesday, September 20, 2022 and Friday, September 23, 2022. The following testimony was received by the Planning Department or provided at the public hearings on September 29, 2022 and January 5, 2023.

- Email from Kira Barsotti, 09.16.22
- Email from Shanna Dixon, 09.16.22
- Email from Marianne Mills, 09.18.22
- Email from Megan McCrossin, 09.18.22
- Email from Courtney Cunningham, 09.20.22
- Email from Jordan Robinson, 09.20.22
- Email from Phyllice Bradner, 09.20.22
- Email from Victoria Anderson, 09.20.22
- Letter from Marilyn Kosel, 09.20.22
- Letter from Patti Webb, 09.20.22
- Email from Sylla McClellan, 09.21.22
- Email from Meg and Zach Hixson, 09.22.22
- Email from Sharon Julin, 09.25.22
- Email from Daniel Kiser, 09.27.22
- Letter from Carol Dinger, 09.28.22
- Letter from Carol Paddock, 09.28.22
- Letter from Katherine Huit, 09.28.22
- Letter from Jeb Bladine, 09.28.22

- Letter from Practice Hospitality, 09.28.22
- Email from Kellie Peterson, 09.28.22
- Letter from JP and Ames Bierly, 09.28.22
- Memo from Nathan Coopriider, 09.28.22
- Email from Elizabeth Goings, 09.29.22
- Email from Abigail Neilan, 09.29.22
- Letter from Ilsa Perse, 09.29.22
- Email from The Scott Family, 09.29.22
- Email from Mande Tatum, 10.05.22
- Email from Crystal55dreams, 10.25.22
- Email from Peter and Linda Enticknap, 11.22.22
- Letter from Karen Saxberg, 11.17.22
- Letter from Jeb Bladine, 11.29.22
- Letter from Nathan Coopriider, 11.29.22
- Letter from Ernie Munch, 11.30.22
- Letter from Marilyn Kosel, 11.30.22\
- Letter from Nathan Coopriider, 1.3.23
- Letter from Carol Paddock, 1.3.23
- Email from Daniel Kizer, 1.3.23
- Email from Michael Kofford, 1.3.23
- Email from Paul Lusignan, National Park Service, 1.3.23
- Email from Ernie Munch, 1.3.23
- Email from Beth Caster, 1.4.23
- Letter from Ernie Munch, 1.5.23

V. FINDINGS OF FACT - PROCEDURAL FINDINGS

1. The applicant, Mark Vuong, on behalf of HD McMinnville LLC submitted the Downtown Design Review application (DDR 2-22) on August 9, 2022.
2. The application was deemed complete on September 7, 2022. Based on that date, the 120-day land use decision time limit expires on January 5, 2023.
3. Notice of the application was referred to the following public agencies for comment in accordance with Section 17.72.120 of the Zoning Ordinance: McMinnville Fire Department, Police Department, Parks and Recreation Department, Engineering and Building Departments, City Manager, and City Attorney, McMinnville School District No. 40, McMinnville Water and Light, Yamhill County Public Works, Yamhill County Planning Department, Recology Western Oregon, Frontier Communications, Comcast, Northwest Natural Gas, and the Oregon Department of Transportation on September 7, 2022.

Comments received from agencies are addressed in the Decision Document.

4. Notice of the application and the September 29, 2022, Historic Landmarks Committee public hearing was mailed to property owners within 300 feet of the subject property in accordance with Section 17.65.070(C) of the Zoning Ordinance on Thursday, September 8, 2021.
5. A public hearing notice was published in the News Register on Tuesday, September 20, 2022, and Friday, September 23, 2022.
6. On September 29, 2022, the Historic Landmarks Committee held a duly noticed public hearing to consider the request.

7. At the public hearing on September 29, 2022, the Historic Landmarks Committee chose to continue the public hearing to December 8, 2022. The applicant requested to extend the 120-day decision deadline by 70 days.
8. On November 4, 2022, the applicant provided supplemental application materials based on the requests from the Historic Landmarks Committee.
9. On December 1, 2022, the applicant requested, with the concurrence of city staff, to continue the public hearing from December 8, 2022, to January 5, 2023, and to extend the 120-day decision deadline by an additional 30 days for a total extension of 100 days.
10. On December 8, the Historic Landmarks Committee continued the public hearing to January 5, 2023.
11. On December 15, 2022, and December 19, 2022, the applicant provided supplemental materials per the request of city staff.
12. On January 5, 2023, the Historic Landmarks Committee continued and closed the public hearing, deliberated and directed staff to write findings for a decision of denial.
13. On January 26, 2023, the Historic Landmarks Committee voted 3-2 to deny the application.
14. On January 27, 2023, a notice of denial was emailed to the applicant and all of the participants in the public hearing process.
15. On February 10, 2023, the applicant appealed the decision of the Historic Landmarks Committee to the McMinnville Planning Commission.
16. Notice of the anticipated appeal application and the March 2, 2023, Planning Commission public hearing was mailed to property owners within 300 feet of the subject property and all participants in the Historic Landmarks Committee public hearing process on February 9, 2023. Confirmation was emailed on February 13, 2023.
17. A public hearing notice was published in the News Register on Tuesday, February 21, 2023.
18. On March 2, 2023, the Planning Commission held a duly noticed public hearing to consider the request and continued the public hearing to March 16, 2023.
19. On March 16, 2023, the Planning Commission continued the public hearing, closed the public hearing, deliberated, and voted 5 – 3 in favor of the applicant approving the application.

VI. FINDINGS OF FACT – GENERAL FINDINGS

1. **Location:** 609 NE third Street, 611 NE Third Street (Third Street Frontage), 619 NE Third Street. The property identified as Tax Lots 4500, 4300 and 4201, Section 21BC, T. 4 S., R. 4 W., W.M.
2. **Size:** Approximately 20,000 square feet.
3. **Comprehensive Plan Map Designation:** Commercial
4. **Zoning:** C-3 (General Commercial)
5. **Overlay Zones/Special Districts:** Downtown Design Standards Area (per Section 17.59.020(A) of the Zoning Ordinance); Reduced Off-Street Parking Requirements Area (per Section 17.60.100); Reduced

Landscaping Requirements Area (per Section 17.57.080).

6. **Current Use:** Office
7. **Inventoried Significant Resources:**
 - a. **Historic Resources:** Historic Resources Inventory – Resource Number B859, B872, D876. Primary Significant Contributing property (609 NE Third Street), Secondary Significant Contributing Property (611 NE Third Street) and (619 NE Third Street) in the McMinnville Downtown Historic District.
 - b. **Other:** None
8. **Other Features:** There are no significant or distinguishing natural features associated with this property.
9. **Utilities:**
 - a. **Water:** Water service is available to the subject site.
 - b. **Electric:** Power service is available to the subject site.
 - c. **Sewer:** Sanitary sewer service is available to the subject site.
 - d. **Stormwater:** Storm sewer service is available to the subject site.
 - e. **Other Services:** Other utility services are available to the subject site. Northwest Natural Gas and Comcast is available to serve the site.
10. **Transportation:** The site is adjacent to NE Third Street, which is identified as a major collector in the McMinnville Transportation System Plan. Section 17.53.101 of the McMinnville Municipal Code identifies the right-of-way width for major collector streets as 74 feet. The right-of-way width adjacent to the subject site is only 60 feet, but the site is fully developed and within an area with historic buildings constructed up to the property line. Therefore, no right-of-way dedication is required during the course of development of the properties adjacent to NE Third Street.

VII. CONCLUSIONARY FINDINGS:

The Conclusionary Findings are the findings regarding consistency with the applicable criteria for the application. The applicable criteria for a Downtown Design Review request are specified in Section 17.59.040 of the Zoning Ordinance.

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

Comprehensive Plan Volume II:

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

The implementation of most goals, policies, and proposals as they apply to this application are accomplished through the provisions, procedures, and standards in the city codes and master plans, which are sufficient to adequately address applicable goals, polices, and proposals as they apply to this application.

The following additional findings are made relating to specific Goals and Policies:

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

- 2.00 *The City of McMinnville shall continue to enforce appropriate development controls on lands with identified building constraints, including, but not limited to, excessive slope, limiting soil characteristics, and natural hazards.*

APPLICANT RESPONSE: A draft Contaminated Media Management Plan (CMMP) that addresses all three properties was submitted as Attachment 1 in the supplemental submittals on November 4, 2022 (Contaminated Media Management Plan for 609, 611 and 619 NE Third Street, Evren Northwest, October 13, 2022). The CMMP is a requirement of the Prospective Purchaser Agreement between the Applicant and Oregon Department of Environmental Quality (“DEQ”). As a practical matter, former automotive shops and fuel stations are routinely redeveloped and there is nothing about these buildings that presents a unique risk. The draft CMMP requires removal and safe disposal of any contaminated media (i.e. soil or ground water), and recommends only standard protective measures to mitigate the limited identified risk of petroleum contamination.

This is sufficient to satisfy Goal II of the City’s Comprehensive Plan, which implements Statewide Planning Goal 6. Goal 6 requires that the local government establish that there is a reasonable expectation that the use for which land use approval is requested will also be able to comply with the state and federal environmental quality standards that it must satisfy to be built. *Hess v. City of Corvallis*, 70 Or LUBA 283 (2014). The City’s comprehensive plan does not address spoil contamination, and with respect to water, Policy 10.00 of the Comprehensive Plan provides that “The City of McMinnville shall cooperate with the Oregon Department of Environmental Quality, the Mid-Willamette Valley Council of Governments, and other appropriate agencies and interests to maintain water quality and to implement agreed upon programs for management of the water resources within the planning area.” The Applicant’s ongoing work with DEQ through the PPA process is evidence not only that DEQ will provide sufficient oversight to ensure the safety of workers and the public, but also demonstrates that the Application will be able to comply with DEQ’s standards.

FINDING: SATISFIED WITH CONDITION OF APPROVAL #1. A Contaminated Media Management Plan (CMMP) was prepared for Oregon Lithoprint, Inc. on July 20, 2022, to address residual petroleum contamination that may be encountered in soil and groundwater in the vicinity of the Oregon Lithoprint site located at 609 NE Third Street due to a former Leaking Underground Storage Tank (LUST). The Lithoprint LUST site involves underground gasoline storage tanks that were removed in the mid-1980s. The tanks were located beneath the sidewalk on the east side of NE Ford Street, just north of NE Third Street. Some gasoline-contaminated soil was excavated during the tank removal, but further investigation indicated that soil contamination extended beneath the O’Dell Building, which is owned by Lithoprint and is adjacent on the east of the former tanks. Groundwater contamination originating at the former tanks’ location extends to the southwest beneath NE Ford Street, the Oddfellows Building across NE Ford Street on the west, and into NE Third Street. Soil and groundwater conditions associated with the LUST site have been monitored for the past 30+ years and contamination persists in both soil and groundwater at concentrations exceeding Oregon’s cleanup requirements. Lithoprint’s consultant produced a Supplemental Site Investigation Summary Report in June 2022 that does not contemplate redevelopment of the O’Dell Building and states:

“Based on the current Site use, the primary potential risk exposure that was identified as being of potential concern is limited to construction worker exposure beneath the southwest corner of the O’Dell Building and in the vicinity of MW-4. This exposure would only present a potential risk if construction or excavation activities were undertaken without appropriate precautions. The potential for unacceptable risk to construction workers beneath the O’Dell Building is further limited by the fact that the building would need to be razed or excavation activities would need to be conducted within the existing building footprint for potential exposures to occur.”

This implies that if the building is razed and excavation occurs, there is a potential exposure that should be considered. The Supplemental Site Investigation Summary Report does not recommend whether additional remedial activities should occur if the O’Dell Building is demolished and allows access to contaminated soil. The Supplemental Site Investigation Summary Report should be expanded to consider the demolition of the O’Dell building.

On November 4, 2022, the applicant provided an Contaminated Media Management Plan for 609, 611 and 619 NE Third Streets dated October 13, 2022.

CONDITION OF APPROVAL #1: The applicant must demonstrate how construction activities regarding known pollutants residing under the structures onsite will not negatively affect development onsite, and not negatively affect the adjoining properties, including the city's right of ways.

8.00 *The City of McMinnville shall continue to seek the retention of high water quality standards as defined by federal, state, and local water quality codes, for all the water resources within the planning area.*

APPLICANT RESPONSE: None

FINDING: SATISFIED WITH CONDITION OF APPROVAL #2. A Contaminated Media Management Plan (CMMP) was prepared for Oregon Lithoprint, Inc. on July 20, 2022, to address residual petroleum contamination that may be encountered in soil and groundwater in the vicinity of the Oregon Lithoprint site located at 609 NE Third Street due to a former Leaking Underground Storage Tank (LUST).

CONDITION OF APPROVAL #2: The Applicant must demonstrate that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties.

10.00 *The City of McMinnville shall cooperate with the Oregon Department of Environmental Quality, the Mid-Willamette Valley Council of Governments, and other appropriate agencies and interests to maintain water quality and to implement agreed upon programs for management of the water resources within the planning area.*

APPLICANT RESPONSE: None

FINDING: SATISFIED WITH CONDITION OF APPROVAL #3. A Contaminated Media Management Plan (CMMP) was prepared for Oregon Lithoprint, Inc. on July 20, 2022, to address residual petroleum contamination that may be encountered in soil and groundwater in the vicinity of the Oregon Lithoprint site located at 609 NE Third Street due to a former Leaking Underground Storage Tank (LUST).

CONDITION OF APPROVAL #3: The Applicant must demonstrate compliance with the Department of Environmental Quality and other appropriate agencies that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties.

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

APPLICANT RESPONSE: The proposed development will provide short-term lodging and retail services for the downtown McMinnville community. These services will both meet an identified demand and provide employment to local residents. The current businesses on the site employ approximately 20 people; the proposed development is expected to employ approximately 60 people. These employment opportunities will include hospitality, service industry, and management positions

COMMERCIAL DEVELOPMENT

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

APPLICANT RESPONSE: This Comprehensive Plan policy is supplemented by several documents including the 2013 Urban Renewal Area Plan⁶ (Area Plan), the 2013 Economic Opportunities Analysis (EOA), the 2019 MAC-Town 2032 Economic Development Strategic Plan⁷ (MAC-Town 2032), and the 2020 McMinnville Growth Management and Urbanization Plan (MGMUP). The site is within the McMinnville Urban Renewal Area and downtown McMinnville is the focus of MAC-Town 2032.

Infrastructure Improvements

The Area Plan includes reconstruction of the 3rd Street Streetscape, which is currently in the conceptual design phase. Depending on the timing of the development, the project may be able to participate in construction of the streetscape improvements.

Economic Opportunities

The EOA identifies limited durations of tourism visitation as a factor affecting community economic development. The analysis found that visitors tend not to stay overnight, but rather are often day visitors, and do not appear to be making substantial expenditures while in the area. A key challenge for the future, as identified in this analysis, is to provide more and better value-added opportunities for visitors to spend more time and money while visiting the McMinnville area.

Hospitality and Tourism

As noted above, the application is consistent with the 2019 MAC-Town 2032 Economic Development Strategic Plan. Goal 6 of MAC-Town 2032 particularly encourages downtown McMinnville to “Be a leader in Hospitality and Place-Based Tourism” and identifies hotel stays and retail sales as performance measures. Action items within that goal identify additional high-quality hospitality offerings and additional conference space. Focus groups participating in MAC Town

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

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

APPLICANT RESPONSE: The proposed development is a commercial development on properties zoned C-3 and designated for commercial uses and development. The building meets the applicable development standards for the zone and site will intensify the uses on the site and maximize the efficiency of a key site within downtown McMinnville.

The site is located within the McMinnville Urban Renewal Area (Area). The City’s Urban Renewal Plan notes that the programs and infrastructure improvements proposed within the Area will “maximize the efficient use of land by encouraging more intense uses on lands already developed or designated for urban development, will help keep the urban pattern compact, and will prevent sprawl and strip development.”⁸ The Gwendolyn Hotel, along with its associated retail and restaurant spaces, will redevelop three, one- to two-story buildings, while enhancing the adjacent pedestrian environment. This aids in achieving Goal III of the Area which is to encourage a unique district identity through enhancing the physical appearance of the district and providing active use opportunities within the Area. The redevelopment of the site will intensify the use of a key site within the downtown McMinnville commercial area and enhance its status as the retail center of McMinnville.

In addition to urban renewal policies, Principle #5 of the Growth Management and Urbanization Plan calls for “Density. Adopt policies that allow the market to increase densities and push it to do so in some instances.” The plan notes that “activity centers” are the appropriate locations for these increases in density, and the Framework Plan identifies downtown McMinnville as one of four “activity centers,” and the largest. Though this Framework Plan is not an adopted Comprehensive Plan map, it does illustrate the City’s plans to meet its housing and employment needs during the planning horizon.

FINDING: SATISFIED. The proposed project maximizes the existing commercially designated lands by building a higher density commercial program on the site, which will also serve to revitalize the east side of Third Street that was identified as a redevelopment area in the adopted 2000 Downtown Improvement Plan.

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

FINDING: SATISFIED WITH CONDITIONS OF APPROVAL #4 and #5. Higher density commercial development in the city center utilizes existing infrastructure efficiencies. The following conditions of approval will need to be met to ensure that the existing infrastructure will support the development.

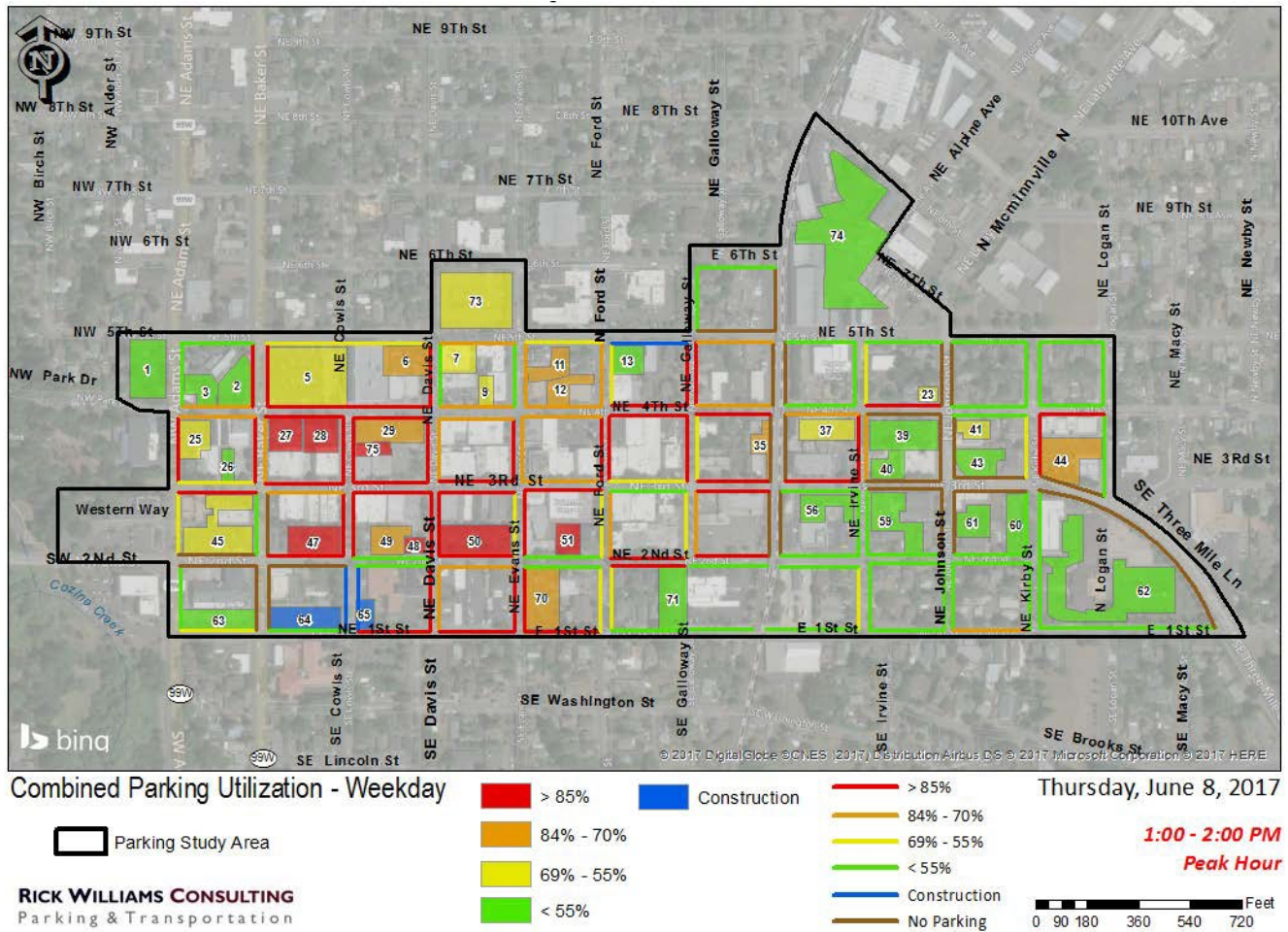
CONDITION OF APPROVAL #4: The applicant shall evaluate the existing sanitary sewer system onsite for defects that allow inflow and infiltration (I&I) of rain water into the sanitary sewer system. The city has an aggressive I&I program that specifically targets aging sewer laterals. Prior to the issuance of a building permit, the applicant shall revise the plans to show that the existing sewer laterals that serve the buildings, will be video inspected and any defects found in the lateral, will be repaired or replaced. Contact the City Engineering Department for further information and assistance.

CONDITION OF APPROVAL #5: The applicant shall enter into an agreement with the City to perform a sewer capacity analysis. The cost of this analysis shall be borne by the developer. The developer will be responsible for any necessary improvements identified by the capacity analysis.

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

FINDING: SATISFIED. The replacement plan project will be located in the Central Business District. The Transportation Impact Analysis provided as part of the application indicates that all intersections studied perform within mobility standards with the project as developed. No mitigation measures were identified.

Parking in the core downtown area is limited. However, a utilization study conducted in 2017 identified that parking on Ford Street between 3rd and 4th Streets was maximized at the peak hour of a weekday. Although the McMinnville Municipal Code does not require the provision of off-street parking for new developments on this site, the replacement project is providing 67 off-street parking stalls in an underground parking structure.



(City of McMinnville, Oregon, Downtown Strategic Parking Management Plan, March 27, 2018, page 17)

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

FINDING: SATISFIED WITH CONDITION OF APPROVAL #6 AND #7. . Although the McMinnville Municipal Code does not require the provision of off-street parking for new developments on this site, the replacement project is providing 67 off-street parking stalls in an underground parking structure.

CONDITION OF APPROVAL #6: Provide detailed plans for the parking structure, email correspondence has been provided by the developers engineer mentioning a possible encroachment into the city right-of-way for the structure of the underground parking. This needs to be reviewed prior to permit issuance.

CONDITION OF APPROVAL #7: Provide details for valet parking so the City can review the location and the size of the parking for approval prior to building permit issuance.

GOAL IV 4: TO PROMOTE THE DOWNTOWN AS A CULTURAL, ADMINISTRATIVE, SERVICE, AND RETAIL CENTER OF McMINNVILLE.

Downtown Development Policies:

36.00 *The City of McMinnville shall encourage a land use pattern that:*

1. *Integrates residential, commercial, and governmental activities in and around the core of the city.*
2. *Provides expansion room for commercial establishments and allows dense residential development.*
3. *Provides efficient use of land for adequate parking areas.*
4. *Encourages vertical mixed commercial and residential uses; and,*
5. *Provides for a safe and convenient auto-pedestrian traffic circulation pattern. (Ord.4796, October 14, 2003)*

FINDING: SATISFIED.

- 37.00 *The City of McMinnville shall strongly support, through technical and financial assistance, the efforts of the McMinnville Downtown Steering Committee to implement those elements of Phase II of the “Downtown Improvement Plan” that are found proper, necessary, and feasible by the City. (Ord.4796, October 14, 2003)*

FINDING: NOT APPLICABLE. Phase II of the Downtown Improvement Plan is a list of public improvement projects that are not associated with this application.

- 38.00 *The City of McMinnville shall encourage the renovation and rehabilitation of buildings in the downtown area, especially those of historical significance or unique design.*

FINDING: SATISFIED. The City provides grants and loans to encourage the renovation and rehabilitation of buildings in the downtown area.

The extant structure at 609 NE Third Street is not of historical significance or unique design.

- 44.00 *The City of McMinnville shall encourage, but not require, private businesses downtown to provide off-street parking and on-site traffic circulation for their employees and customers.*

FINDING: SATISFIED. The replacement plan project is providing an off-street underground parking structure with 67 parking stalls.

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

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

FINDING: SATISFIED. The replacement plan project is providing an off-street underground parking structure with 67 parking stalls.

- 132.40.05 *Conditions of Approval–In accordance with the City’s TSP and capital improvements plan (CIP), and based on the level of impact generated by a proposed development, conditions of approval applicable to a development application should include:*

1. *Improvement of on-site transportation facilities,*

2. *Improvement of off-site transportation facilities (as conditions of development approval), including those that create safety concerns, or those that increase a facility's operations beyond the City's mobility standards; and*
3. *Transportation Demand Management strategies. (Ord. 4922, February 23, 2010)*

FINDING: SATISFIED. Due to the size of the replacement plan project, the City required the applicant to provide a Transportation Impact Analysis that identified no need for mitigating measures with the development of the project.

- 132.46.00 *Low impact street design, construction, and maintenance methods should be used first to avoid, and second to minimize, negative impacts related to water quality, air quality, and noise in neighborhoods. (Ord. 4922, February 23, 2010)*

FINDING: SATISFIED WITH CONDITION OF APPROVAL #8:

CONDITION OF APPROVAL #8: The Applicant shall demonstrate its design and construction methods will avoid, and then minimize negative impacts related to water and air quality given the onsite and off-site hazards caused by the known hazardous spills associated with the site.

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

FINDING: SATISFIED WITH CONDITION OF APPROVAL #9:

CONDITION OF APPROVAL #9: The Applicant shall demonstrate that storm water collection, detention, and drainage is constructed and maintained to restrict negative consequences and minimize adverse effects from the known underground pollution onsite and off-site areas caused by the owner of the site.

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

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

FINDING: SATISFIED WITH CONDITION OF APPROVAL #10:

CONDITION OF APPROVAL #10: The Applicant shall demonstrate how it will comply with all federal, state and local water and wastewater quality standards, given the DEQ LUST case regarding a hazardous gasoline spill on the site and the deficiencies noted in the Record.

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

GOAL X 2: TO MAKE EVERY EFFORT TO ENGAGE AND INCLUDE A BROAD CROSS SECTION OF THE COMMUNITY BY MAINTAINING AN ACTIVE AND OPEN CITIZEN INVOLVEMENT PROGRAM THAT IS ACCESSIBLE TO ALL MEMBERS OF THE COMMUNITY AND ENGAGES THE COMMUNITY DURING DEVELOPMENT AND IMPLEMENTATION OF LAND USE POLICIES AND CODES.

Policy 188.00 The City of McMinnville shall continue to provide opportunities for citizen involvement in all phases of the planning process. The opportunities will allow for review and comment by community residents and will be supplemented by the availability of information on planning requests and the provision of feedback mechanisms to evaluate decisions and keep citizens informed.

APPLICANT’S RESPONSE: None.

FINDING: SATISFIED. The process for a Certificate of Approval for Demolition provides an opportunity for citizen involvement throughout the process through the public notice and the public hearing process. Throughout the process, there are opportunities for the public to review and obtain copies of the application materials and the completed staff report prior to the advertised public meeting(s). All members of the public have access to provide testimony and ask questions during the public review and meeting process.

McMinnville Zoning Ordinance

The following Sections of the McMinnville Zoning Ordinance (Ord. No. 3380) provide criteria applicable to the request:

Chapter 17.03. General Provisions

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

APPLICANT’S RESPONSE: None.

FINDING: SATISFIED. The purpose of the Zoning Ordinance is met by the proposal as described in the Conclusionary Findings contained in this Decision Document.

Chapter 17.33. C 3, General Commercial

17.33.010 Permitted uses.

APPLICANT’S RESPONSE: The proposed mixed-use building includes Lodging (hotels and motels), Restaurant, Parking Structure or Lot, and Retail uses. Lodging uses are permitted in the C-2 zone and the remaining uses are listed as permitted in the C-3 zone.

FINDING: SATISFIED.

17.33.030 Yard requirements.

Except as provided in Section 17.54.050, and “A” and “B” below, there shall be no required yards in a C-3 zone:

- A. Side yard shall not be less than twenty feet when adjacent to a residential zone;*
- B. Rear yard shall not be less than twenty feet when adjacent to a residential zone. (Ord. 4912 §3, 2009; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).*

APPLICANT’S RESPONSE: The site is adjacent to properties zoned C-3, and these setback requirements are not applicable.

FINDING: SATISFIED.

17.33.040 Building height.

In a C-3 zone, buildings shall not exceed a height of eighty feet. (Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).

APPLICANT’S RESPONSE: The proposed building height is 75 ft. 4 in., less than the maximum height of 80 ft. This standard is met.

FINDING: SATISFIED. Note that Sheet A3.01 in the amended architectural plans provided on November 4, 2022, indicates that the height of the elevator tower is 79 feet. However, per Section 17.54.040, elevator towers are not subject to the building height limitations.

17.33.050 Use limitations.

In a C-3 zone, outside storage abutting or facing a residential zone shall be enclosed by a sight obscuring fence. The fence shall obstruct the storage from view on the sides of the property abutting or facing a residential zone. The fence shall be of such material and design as will not detract from adjacent residences, shall be free of advertising, and shall be constructed according to plans submitted by the owner or authorized agent and approved by the Planning Director. Outside storage in a required yard shall not exceed ten feet in height. (Ord. 4477 §3, 1990).

APPLICANT’S RESPONSE: No outside storage is proposed. These standards are not applicable.

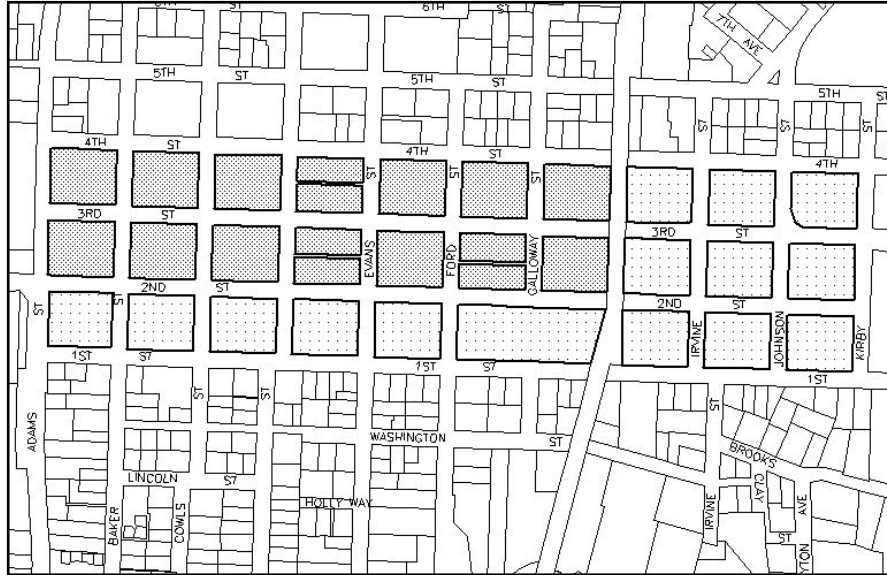
FINDING: NOT APPLICABLE

Chapter 17.57, Landscaping

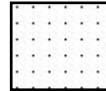
17.57.080 Central business district. *The central business district shall be divided into two areas as defined in this section:*

- A. Area I is that area between Adams Street and the railroad tracks and between Second and Fourth Streets. The landscaping requirements set forth herein shall not apply to this portion of the central business district, except for the provision of street trees according to the city's master plan;*
- B. Area II is defined as being that area between Adams and Kirby Streets from First to Fourth Streets, excluding the area in subsection A above. One-half of the landscaping requirements set forth in Section 15.57.050 above shall apply to this area. (Ord. 5027 §2, 2017; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).*

REDUCED LANDSCAPING REQUIREMENTS



Area I - No Required Landscaping



Area II – One Half Required Landscaping

APPLICANT’S RESPONSE: No response.

FINDING: SATISFIED. Project site is in Area 1 and no landscaping is required. The applicant will not need to submit a landscape plan for review.

Chapter 17.59, Downtown Design Guidelines

17.59.020. Applicability.

- A. *The provisions of this Chapter shall apply to all lands located within the area bounded to the west by Adams Street, to the north by 4th Street, to the east by Kirby Street, and to the south by 1st Street. Lands immediately adjacent to the west of Adams Street, from 1st Street to 4th Street, are also subject to the provisions of this Chapter.*
- B. *The provisions of this ordinance shall apply to the following activities conducted within the above described area:*
 - 1. *All new building construction;*
 - 2. *Any exterior building or site alteration; and,*
 - 3. *All new signage.*
- C. *This ordinance shall not apply to the following activities or uses:*
 - 1. *Maintenance of the exterior of an existing structure, such as re-roofing, re-siding, or repainting where similar materials and colors are used that comply with this ordinance;*
 - 2. *Interior remodeling; and,*
 - 3. *Single-family detached housing.*
- D. *The Planning Director shall determine whether any proposed maintenance activity complies with this ordinance and whether the proposed activity is subject to the review procedures contained in this chapter.*
- E. *This ordinance shall apply only to those portions of a building or sign that are proposed for construction or modification and shall not extend to other elements of the building or sign that may be out of compliance with the requirements of this ordinance (i.e., a permit to replace a single window shall not require that all other windows on the building that may be out of compliance with this ordinance to be replaced, unless such action is initiated by the property owner). However, if a building should be destroyed due to fire, accident, or an act of God, the new or replacement*

structure shall be rebuilt to conform to the requirements of this ordinance. (Ord. 5034 §2, 2017; Ord. 4797 §1, 2003).

APPLICANT'S RESPONSE: The site is located at the northeast corner of NE 3rd and Ford streets. The provisions of this chapter are applicable. The proposed development is new building construction, and the provisions of this ordinance are applicable.

FINDING: SATISFIED. The project is new construction located in the Downtown Design Overlay.

17.59.030 Review Process.

- A. *An application for any activity subject to the provisions of this ordinance shall be submitted to the Planning Department and shall be subject to the procedures listed in (B) through (E) below.*
- B. *Applications shall be submitted to the Planning Department for initial review for completeness as stated in Section 17.72.040. The application shall include the following information:*
 1. *The applicant shall submit two (2) copies of the following information:*
 - a. *A site plan (for new construction or for structural modifications).*
 - b. *Building and construction drawings.*
 - c. *Building elevations of all visible sides.*
 2. *The site plan shall include the following information:*
 - a. *Existing conditions on the site including topography, streetscape, curbcuts, and building condition.*
 - b. *Details of proposed construction or modification to the existing structure.*
 - c. *Exterior building elevations for the proposed structure, and also for the adjacent structures.*
 3. *A narrative describing the architectural features that will be constructed and how they fit into the context of the Downtown Historic District.*
 4. *Photographs of the subject site and adjacent property.*
 5. *Other information deemed necessary by the Planning Director, or his/her designee, to allow review of the applicant's proposal. The Planning Director, or his/her designee, may also waive the submittal of certain information based upon the character and complexity (or simplicity) of the proposal.*
- C. *Review Process*
 1. *Applications shall be submitted to the Planning Department for initial review for completeness as stated in Section 17.72.040. The Planning Director shall review the application and determine whether the proposed activity is in compliance with the requirements of this ordinance.*
 2. *The Planning Director may review applications for minor alterations subject to the review criteria stated in Section 17.59.040. The Historic Landmarks Committee shall review applications for major alterations and new construction, subject to the review criteria stated in Section 17.59.040. It shall be the Planning Director's decision as to whether an alteration is minor or major.*
 3. *Notification shall be provided for the review of applications for major alterations and new construction, subject to the provisions of Section 17.72.110.*
 - a. *The Historic Landmarks Committee shall meet within 30 (thirty) days of the date the application was deemed complete by the Planning Department. The applicant shall be notified of the time and place of the review and is encouraged to be present, although their presence shall not be necessary for action on the plans. A failure by the Planning Director or Historic Landmarks Committee, as applicable, to review within 30 (thirty) days shall be considered an approval of the application.*
 - b. *If the Planning Director or Historic Landmarks Committee, as applicable, finds the proposed activity to be in compliance with the provisions of this ordinance, they shall approve the application.*
 - c. *If the Planning Director or Historic Landmarks Committee, as applicable, finds the proposed activity in noncompliance with the provisions of this ordinance, they may deny the application, or approve it with conditions as may be necessary to bring the activity into compliance with this ordinance.*

APPLICANT’S RESPONSE: This application has been submitted as described. A site plan is included as Sheet A1.01; building and construction drawings are included as Sheets A2.01-A2.02; and building elevations are included as Sheets A3.01-A3.02 and A 6.01-A6.03. An existing conditions plan is included as Sheet 1; details of proposed construction are included in the architectural plans; exterior building elevations are included in Sheets A1.01-A7.04; and adjacent structure elevations are shown on Sheet A3.01-A3.02. This document is the narrative. A discussion of the proposed building as it relates to the context of the Downtown Historic District is addressed throughout this document. Photographs of the subject site and adjacent property are included in Sheets 2 and A0.01. While not required by the zoning regulations, the Planning Director has indicated that a traffic impact analysis (TIA) is required. The TIA is included as Appendix B. No other information was identified as required for the submittal. The proposed application is for new construction and a waiver, both of which are subject to review and approval by the Historic Landmarks Committee at a public hearing. A waiver is requested to the provisions of 17.59.050.B.1 to allow the building to appear as three stories rather than two stories at the corner.

FINDING: SATISFIED. The applicant submitted an application as required, and the application was reviewed by the Historic Landmarks Committee as it consists of new construction. Notification was provided to property owners within 300 feet of the subject site, which exceeds the distance required by Section 17.72.110. However, the application was submitted concurrently with three other land use applications, so all four applications are reviewed under the hearing procedure that affords the most opportunity for public hearing and notice, per Section 17.72.070 of the Zoning Ordinance. The other three land use applications required a 300 foot notification distance, which was used for the Downtown Design Review application as well.

17.59.030 Review Process.

D. Waiver Process

A guideline or standard contained in this ordinance may be waived as part of the design review process when it can be demonstrated that the proposed design satisfies or exceeds the downtown design goals and objectives of this ordinance. If a waiver is requested, the applicant must explain in their application how the proposed design satisfies or exceeds these goals and objectives. A request for a waiver to the standards of this ordinance shall be reviewed by the McMinnville Historic Landmarks Committee, as described in Section 17.59.030(C)(2).

APPLICANT’S RESPONSE: Per their supplemental submittal on November 4, 2022, the applicant revised their design so that they no longer needed a waiver from the Downtown Design Review criteria.

FINDING: The City finds that this criterion is not applicable since the project is compliant with all of the standards of Chapter 17.59. Standards being defined as the “shall” criteria that are considered mandates and not the “should” criteria that are considered guidelines.

17.59.040 Review Criteria

- A. In addition to the guidelines and standards contained in this ordinance, the review body shall base their decision to approve, approve with conditions, or deny the application, on the following criteria:*
- 1. The City’s historic preservation policies set forth in the Comprehensive Plan;*
 - 2. If a structure is designated as a historic landmark on the City’s Historic Resources Inventory or is listed on the National Register for Historic Places, the City’s historic preservation regulations in Chapter 17.65, and in particular, the standards and guidelines contained in Section 17.65.060(2); and*

APPLICANT’S RESPONSE: The City’s historic preservation policies of the Comprehensive Plan are addressed in Section 5 of this narrative (original application).

The building at 609 NE 3rd Street is designated as a historic landmark and the buildings at 611 and 619 NE 3rd Street are located within a National Historic District. The requirements of Chapter 17.65 are addressed in Section 4.H of this narrative (original application).

FINDING: SATISFIED. This is not a review of a modification to a historic resource; it is new construction.

17.59.040 Review Criteria

3. *If applicable (waiver request), that all of the following circumstances are found to exist:*
 - a. *There is a demonstrable difficulty in meeting the specific requirements of this Chapter due to a unique or unusual aspect of the site, an existing structure, or proposed use of the site;*
 - b. *There is demonstrable evidence that the alternative design accomplishes the purpose of this Chapter in a manner that is equal or superior to a project designed consistent with the standards contained herein; and*
 - c. *The waiver requested is the minimum necessary to alleviate the difficulty of meeting the requirements of this Chapter. (Ord. 5034 §2, 2017; Ord. 4797 §1, 2003).*

APPLICANT'S RESPONSE: *(Per the applicant's November 4, 2022, supplemental submittal), the building design has been revised to meet the height provisions of 17.59.050.B.1. Therefore, the requested waiver is no longer required.*

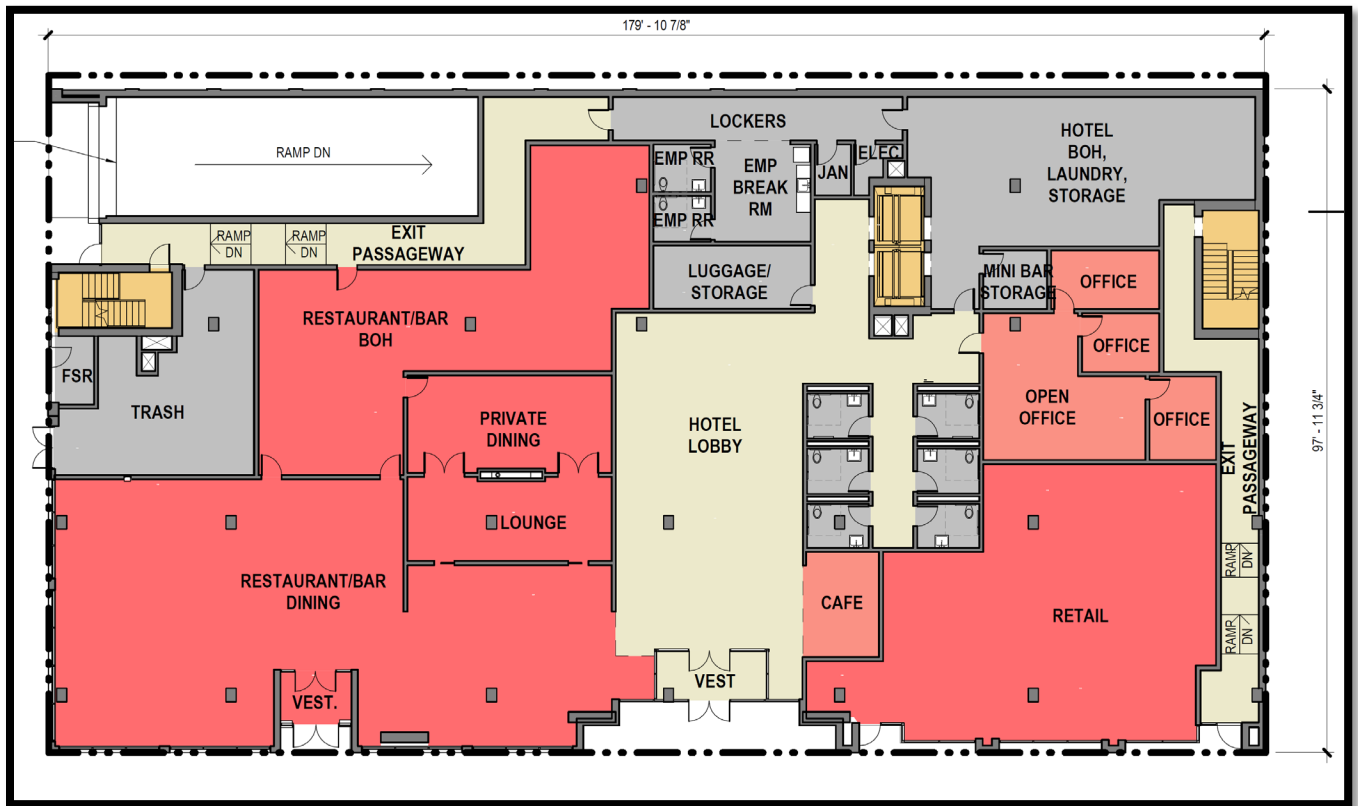
FINDING: The City finds that this criterion is not applicable since the project is compliant with all of the standards of Chapter 17.59. Standards being defined as the "shall" criteria that are considered mandates and not the "should" criteria that are considered guidelines.

17.59.050 Building and Site Design.

- A. *Building Setback.*
 1. *Except as allowed by this ordinance, buildings shall maintain a zero setback from the sidewalk or property line.*
 2. *Exceptions to the setback requirements may be granted to allow plazas, courtyards, dining space, or rear access for public pedestrian walkways.*

APPLICANT'S RESPONSE: As shown in the Level 01 – Floor Plan on Sheet A2.01, the proposed development maintains a 0 ft. setback from the sidewalk to the west and south, except for a 6 ft. recess in front of the main entrance that provides a vestibule to the hotel lobby. The building at grade is set back 2 ft. from the northern property line to avoid compromising the foundations of the adjacent structures to the north.

FINDING: SATISFIED. The City concurs with the applicant's findings. The proposed site plan for the building and development show construction of the new building with zero setbacks from the property lines:



17.59.050 Building and Site Design

B. Building Design.

1. Buildings should have massing and configuration similar to adjacent or nearby historic buildings on the same block. Buildings situated at street corners or intersections should be, or appear to be, two-story in height.

APPLICANT'S RESPONSE: (Per the applicant's November 4, 2022, supplemental submittal). Though described as a design standard, given the use of the word "should," this criterion can be applied as a guideline that can be met in more than one way.

In response to the first component of this criterion, the 3rd Street façades have been refined to appear as three separate buildings. The westernmost section of the building is clad in white brick; the center portion of the building is clad in buff brick; and the eastern portion of the building is clad in red brick. In addition to the differences in material and color, each of the three building expressions have distinct massing and varied window detailing, cornice elements, and Juliet balconies. The westernmost section has a 2-story base and 3 levels above that step back 10 feet on both 3rd Street and Ford Street. The center portion has a 2-story base with a 3-foot setback on levels three and four, and the fifth level stepping back an additional 8 feet. The eastern portion has a 3-story base and two levels above that setback 5 feet.

The overall building height and ground-floor dimensions of the proposed building are unchanged, but has been broken into three distinct expressions. As viewed from the corner of 3rd and Ford streets, the apparent height of the building is two stories. As a viewer moves to the north and the east, the height of the building becomes more apparent, but the full six-story height is visible only from the north. See Sheet A7.03.

In Chapter 17.33, C-3, General Commercial, the language reads in section 17.33.040, building height, that "Buildings shall not exceed a height of eighty feet." The City's staff report and findings stated that the building satisfies this finding. The need for a requested waiver for a 3-story expression at the corner is no longer necessary, as the building façade at the corner has been reduced to 2 stories.

But this isn't the whole story as it relates to “height” within the zoning code. There is code criteria that states buildings should have the same massing and configuration (interpreted by staff to include height) similar to adjacent or nearby historic buildings on the same block. The applicant team has submitted considerable information on the nature of 3rd Street at its easterly end, showing that the remaining historical buildings were built as one- and two-story structures, and therefore if future development were to match the bulk and height of these buildings, most likely no new development would occur. And, therefore, the potential for these properties to contribute to the growth and density potential of downtown McMinnville would not be realized.

By definition, “adjacent” means “Contiguous to a property boundary at a property line or property corner. Two properties separated by street or right-of-way are considered adjacent.” In applying this approval criterion, perhaps “adjacent” can be thought of more broadly, in a cohesive way, to include all of downtown McMinnville. In that case, doesn't that mean in a way that all buildings downtown are adjacent? Adjacent to each other and adjacent to the whole?

The proposed building is a bit taller than other buildings in downtown McMinnville, but not in any exaggerated way. The Gwendolyn Hotel is two stories taller than the 4-story Atticus hotel, though the sixth floor consists largely of a roof top amenity, and one floor taller than the Hotel Oregon, including the hotel's rooftop amenity. And again, the building is below the allowable height of 80'.

Regarding the second component of the criterion, as noted previously, the building design has been revised to meet the height provisions of this section and is now two stories in height at the street corner/intersection as shown on Sheets A3.01, A6.01, and A6.04. The ground floor is a generous 15' in height to allow for a variety of commercial uses, including restaurants and retail.

FINDING: SATISFIED. As the applicant points out this criterion is a “should” and not a “shall” criterion, meaning that it is considered a guideline and not a requirement, which provides the City some discretion that is defined by past precedence.

The City has established a precedent previously where this criterion was not considered a requirement for new construction, (the KAOS building, the First Federal building and the Atticus Hotel). In those circumstances, either the guideline for a building with similar massing and height to other historic buildings on the same block and the appearance of two stories on the corners at intersections were not required.

In regards to the first guideline, the language is specific about massing and configuration similar to adjacent or nearby historic buildings *on the same block*. For the Third Street side of this project, if the three Certificate of Approvals for Demolition for 609, 611 and 619 NE Third Street are allowed, which would be necessary for this project to move forward, there would be no historic buildings left on the Third Street side of this block. This same precedent for decision-making was applied to the First Federal new construction project.

The question then is whether or not the massing and configuration are similar to the rest of Third Street. In their original application, the applicant provided a height study of the downtown historic buildings to demonstrate that many buildings in downtown McMinnville were three and four-story buildings with rooftop amenities, and several that were in the immediate vicinity of this project were 40' in height as a vertical plane from the property line, and some such as the Atticus Hotel and McMenamin's Hotel were taller. Per the amended submittal provided by the applicant on November 4, 2022, the design of the project is still five-stories with an active roof-top program, however, the original design was modified so that the façade appears to be three separate buildings in order to reduce the massing and configuration of the original design and the three faux buildings all incorporate stepbacks of varying degrees in the upper floors in order to offset the massing and configuration as well.

The City has also established a precedent of allowing new construction buildings greater than two-stories at the intersection with the First Federal Building (three stories), the KAOS building (three stories) and the Atticus Hotel (four stories). In some cases, a setback was incorporated (the KAOS building) and in other cases, the taller height was allowed

Per the amended submittal provided by the applicant on November 4, 2022, the design of the project was modified so that the height of the vertical plane from the property line reduced to a two-story height at the corner by the intersection.



17.59.050 Building and Site Design

B. Building Design. [...]

2. *Where buildings will exceed the historical sixty feet in width, the façade should be visually subdivided into proportional bays, similar in scale to other adjacent historic buildings, and as appropriate to reflect the underlying historic property lines. This can be done by varying roof heights, or applying vertical divisions, materials and detailing to the front façade.*

APPLICANT’S RESPONSE: *(Per the applicant’s November 4, 2022, supplemental submittal).* Though described as a design standard, given the use of the word “should,” this criterion can be applied as a guideline that can be met in more than one way.

The proposed building exceeds sixty feet in width (it measures approximately 180 ft. along the 3rd Street frontage and approximately 98 ft. along the Ford Street frontage) and this provision is applicable.

As indicated on the Town of McMinnville and Rowland’s Addition plats, traditional north/south lot dimensions in downtown McMinnville are 100 ft., and the proposed building reflects traditional depths.

As described in this approval criterion, the traditional east/west lot dimensions in downtown McMinnville are 60 ft., and the building exceeds that width. In order to construct the proposed building, the underlying lots will need to be combined and will be 180 ft. in length.

Though the historic lots in downtown McMinnville were 60 ft. wide, there have been a number of adjustments and revisions over the years, as indicated on Yamhill County Assessor Map 4 4 21 BC. The lots directly to the south have been revised to widths of 90 ft., 30 ft., 40 ft., and 80 ft. The lot directly to the north is 120 ft. in width. The lots between Evans and Ford Streets range from 29.5 ft. to 100 ft. in width. See Sheet A0.01 for illustration. As a result, the current lotting pattern is more organic than rigid and the traditional 60-ft. lot width has become more eclectic.

The building façade is divided into three distinct areas by the use of vertical divisions, materials, detailing, and stepbacks. As shown on Sheet A3.01, the façade bay widths are 90 ft., 30 ft., and 60 ft., and reference several existing historic structures:

- The three buildings directly to the south (TL 10400, 10401, and 10300, the Tributary Hotel and two adjacent buildings on 3rd Street) have similarly-scaled bays at 90 ft., 30 ft., and 40 ft. respectively.
- The site directly east of Galloway Street is 120 ft. wide and presents as a single building with multiple retail entrances.

Given that the proposed façade modulation and widths reflect existing historic context, the Committee can find that the design meets the intent of this criterion.

FINDING: SATISFIED. The criteria requires buildings that exceed sixty feet in width to be visually subdivided into proportional bays, similar in scale to other adjacent historic buildings. With their revised design submitted on November 4, 2022, the applicant has argued that the new design is divided into similar proportional bays as other adjacent buildings, specifically based on a study of the building configurations across Third Street that have a 90 feet, 30 feet and 40 feet, whereas the Gwendolyn Hotel is divided into proportional bays of 90 feet, 30 feet and 60 feet with a longer block length to design. Additionally the amended design is much more distinctive than the original design. Please see below.



Original Design



Amended Design, November 4, 2022

The City has previous precedence of approving new construction projects that have much less definitive bay designs (Atticus Hotel) to satisfy this requirement, or bays that are not presumably proportional (First Federal, 91 feet and 52 feet) to satisfy this requirement. Please see below.



Front Elevation

North - 4th Street Elevation

Atticus Hotel, New Construction



First Federal Bank, New Construction

17.59.050 Building and Site Design

B. Building Design. [...]

3. Storefronts (that portion of the building that faces a public street) should include the basic features of a historic storefront, to include:
 - a. A belt course separating the upper stories from the first floor;

APPLICANT'S RESPONSE: The storefronts that face both the NE Ford Street frontage and the NE 3rd Street frontage occur at the southwest corner restaurant space, the hotel lobby, and the retail spaces along the east end of the 3rd Street frontage. A belt course separates the upper stories from the first floor, and the 4th to 6th stories from the 2nd and 3rd stories of the respective bays.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design

B. Building Design. [...]

3. Storefronts (that portion of the building that faces a public street) should include the basic features of a historic storefront, to include: [...]
 - b. A bulkhead at the street level

APPLICANT'S RESPONSE: All storefronts have a 2 ft. composite panel bulkhead at the street level.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design

B. Building Design. [...]

3. Storefronts (that portion of the building that faces a public street) should include the basic features of a historic storefront, to include: [...]
 - c. A minimum of seventy (70) percent glazing below the transom line of at least eight feet above the sidewalk, and forty (40) percent glazing below the horizontal trim band between the first and second stories. For the purposes of this section, glazing shall include both glass and openings for doorways, staircases and gates;

APPLICANT'S RESPONSE: As shown on Sheet A3.01, 70.1 percent of the storefront below the transom line and 41.7 percent of the storefront between the first and second stories consists of glazing.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design**B. Building Design. [...]**

3. Storefronts (that portion of the building that faces a public street) should include the basic features of a historic storefront, to include: [...]
- d. A recessed entry and transom with transparent door; and

APPLICANT'S RESPONSE: Each storefront is accessed by a recessed entry with a transparent door and a transom above. See Sheet A3.01

FINDING: SATISFIED. The City concurs with the applicant's findings. The floor plan and rendering provided with the application materials depicts the recessed entry proposed within the storefront window system.

17.59.050 Building and Site Design**B. Building Design. [...]**

3. Storefronts (that portion of the building that faces a public street) should include the basic features of a historic storefront, to include: [...]
- e. Decorative cornice or cap at the roofline.

APPLICANT'S RESPONSE: A decorative cornice cap is proposed along the entire roofline. See Sheets A3.01 and A3.02.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design**B. Building Design. [...]**

4. Orientation of rooflines of new construction shall be similar to those of adjacent buildings. Gable roof shapes, or other residential roof forms, are discouraged unless visually screened from the right-of-way by a false front or parapet.

APPLICANT'S RESPONSE: As shown in Sheet A0.01, the rooflines of adjacent buildings are flat. The proposed rooflines are also flat and are adorned with contextually appropriate cornice details and profiles.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design**B. Building Design. [...]**

5. The primary entrance to a building shall open on to the public right-of-way and should be recessed.

APPLICANT'S RESPONSE: All entrances into the restaurant and retail spaces have recessed entries that open to the public right-of-way. The primary entrance of the hotel opens to the NE 3rd Street right-of-way.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design**B. Building Design. [...]**

6. Windows shall be recessed and not flush or project from the surface of the outer wall. In addition, upper floor window orientation primarily shall be vertical.

APPLICANT'S RESPONSE: All windows are recessed in the exterior stucco and brick walls. Most of the upper windows have a vertical proportion of 8 ft. tall x 6 ft. wide.

FINDING: SATISFIED. WITH CONDITION #11. The City concurs with the applicant's findings, but adds that no detail for the windows was provided and the applicant's finding is incomplete in that it does not reference what windows the new windows will match. Therefore, a condition of approval is included to require that the construction plans submitted for the new building include window details depicting that all of the windows on the building will be recessed.

CONDITION OF APPROVAL #11: That the applicant shall include window details in the construction plans submitted for building permit review that depict how all of the windows on the building will be recessed. (McMinnville Municipal Code, 17.59.050(B)(6))

17.59.050 Building and Site Design

B. Building Design. [...]

7. *The scale and proportion of altered or added building elements, such as new windows or doors, shall be visually compatible with the original architectural character of the building.*

APPLICANT'S RESPONSE: The proposed building will be new construction and will not include alteration or addition of building elements. This standard is not applicable.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design

B. Building Design. [...]

8. *Buildings shall provide a foundation or base, typically from ground floor to the lower windowsills.*

APPLICANT'S RESPONSE: The exterior brick walls facing 3rd Street and Ford Street have a 3 ft. 6 in. pre-cast concrete base that extends to the lower windowsills of the ground floor windows.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design

C. Building Materials.

1. *Exterior building materials shall consist of building materials found on registered historic buildings in the downtown area including block, brick, painted wood, smooth stucco, or natural stone.*

APPLICANT'S RESPONSE: As shown on Sheet A6.05, the proposed building materials include face brick, pre-cast concrete base course, glass fiber reinforced cement cornices, painted composite paneling, and smooth textured stucco.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design

C. Building Materials. [...]

2. *The following materials are prohibited for use on visible surfaces (not applicable to residential structure):*
 - a. *Wood, vinyl, or aluminum siding;*
 - b. *Wood, asphalt, or fiberglass shingles;*
 - c. *Structural ribbed metal panels;*
 - d. *Corrugated metal panels;*
 - e. *Plywood sheathing, to include wood paneling such as T-111;*
 - f. *Plastic sheathing; and*

- g. Reflective or moderate to high grade tinted glass.*

APPLICANT'S RESPONSE: None of these prohibited materials are proposed.

FINDING: SATISFIED. The City concurs with the applicant's findings.

17.59.050 Building and Site Design

C. Building Materials. [...]

- 3. Exterior building colors shall be of low reflective, subtle, neutral or earth tone color. The use of high intensity colors such as black, neon, metallic or florescent colors for the façade of the building are prohibited except as may be approved for building trim.*

APPLICANT'S RESPONSE: The proposed color palette is subtle and consists of neutral and earth tone colors including white, grey, red, and tan. See Sheet A6.05 for details.

FINDING: SATISFIED WITH CONDITION #12. A condition of approval is included to require that samples or examples of the exterior building colors be provided to the Planning Department for review and approval by the Planning Director prior to application on the building.

CONDITION OF APPROVAL #12: That the applicant shall provide samples or examples of the exterior building colors to the Planning Department for review and approval by the Planning Director prior to application on the building. (McMinnville Municipal Code, 17.59.050(C)(3))

17.59.060 Surface Parking Lots.

- A. Surface parking lots shall be prohibited from locating on Third Street. In addition, vehicular access to parking lots from Third Street is prohibited.*
- B. All parking lots shall be designed consistent with the requirements of Section 17.60.080 of the McMinnville Zoning Ordinance.*
- C. A hedge or wall, thirty (30) inches in height, or dense landscaping within a buffer strip a minimum of five feet in width shall be placed along the street-side edge of all surface parking lots. Landscaping within the buffer strip shall include street trees selected as appropriate to the situation and spaced according to its type, shrubs spaced a minimum of three feet on center, and groundcover. A landscaping plan for this buffer shall be subject to review and approval by the McMinnville Landscape Review Committee. (Ord. 4797 §1, 2003).*

APPLICANT'S RESPONSE: No surface parking lots are proposed. Parking will be provided below grade.

FINDING: NOT APPLICABLE.

17.59.070 Awnings.

- A. Awnings or similar pedestrian shelters shall be proportionate to the building and shall not obscure the building's architectural details. If transom windows exist, awning placement shall be above or over the transom windows where feasible.*
- B. Awnings shall be placed between pilasters.*
- C. Where feasible, awnings shall be placed at the same height as those on adjacent buildings in order to maintain a consistent horizontal rhythm along the street front.*
- D. Awnings should be constructed of soft canvas, fabric, or matte finished vinyl. The use of wood, metal or plastic awnings is prohibited.*
- E. Awnings may be indirectly illuminated; internal illumination of awnings is prohibited.*
- F. Awning colors shall be of a low reflective, subtle, neutral or earth tone color. The use of high intensity colors such as black, neon, metallic or florescent colors for the awning are prohibited.*

APPLICANT’S RESPONSE: As shown on Sheets A6.01 to A6.03, awnings are provided over the storefronts at the ground level. They are located above the transom windows and are a generous depth to shelter pedestrians from rain or sun.

The ground-level awnings are placed between pilasters as shown in Sheet A3.01.

The KAOS building to the east has red fabric awnings above the transom windows. The proposed awnings are placed at the same height as shown on Sheet A3.01.

The awnings will be constructed of soft canvas or fabric.

No internal illumination of the awnings is proposed.

The proposed awnings are made of red fabric as a nod to the KAOS building to the east. No prohibited colors are proposed.

FINDING: SATISFIED. This criterion is met.

17.59.080 Signs.

- A. *The use of flush-mounted signs, flag-mounted signs, window signs, and icon signs are encouraged. Sign materials shall be compatible with materials used in the building.*
- B. *Where two or more businesses occupy the same building, identifying signs should be grouped together to form a single panel.*
- C. *Wall signs shall be placed in traditional locations in order to fit within architectural features, such as: above transoms; on cornice fascia boards; or, below cornices. Wall signs shall not exceed the height of the building cornice.*
- D. *For every lineal foot of building frontage, 1.5 square feet of signage may be allowed, to a maximum of 200 square feet.*
- E. *The use of the following are prohibited in the downtown area:*
 1. *Internally-lit signs;*
 2. *Flashing signs*
 3. *Pedestal signs and pole-mounted signs;*
 4. *Portable trailer signs;*
 5. *Cabinet-type plastic signs;*
 6. *Billboards of all types and sizes;*
 7. *Historically incompatible canopies, awnings, and signs;*
 8. *Signs that move by mechanical, electrical, kinetic or other means; and,*
 9. *Inflatable signs, including balloons and blimps. (Ord. 4797 §1, 2003).*

APPLICANT’S RESPONSE: Signage will be submitted for review and approval under a separate permit. However, signage is anticipated to be a flush-mounted sign above the entry, with traditional blade signage for individual retailers.

FINDING: SATISFIED WITH CONDITION #13.

CONDITION OF APPROVAL #13: The applicant will need to submit a sign permit for review and approval prior to the application of any signs to the project.

17.60 Off-Street Parking.

17.60.050 Spaces—Location.

- A. *Except as provided below, required off-street parking spaces for dwellings shall be located on the same lot with the dwelling. For the following residential uses, off-street parking shall be located not*

farther than five hundred feet from the building or use they are required to serve, measured in a straight line from the building.

1. *Off-street parking for one or two upper story residential dwelling units above a non-residential use*
 2. *Off-street parking for residential uses in the City Center Housing Overlay Zone designated in Chapter 17.66*
- B. *All other required parking spaces shall be located not farther than two hundred feet from the building or use they are required to serve, measured in a straight line from the building.*
- C. *When parking is provided on a different lot than the use it is required to serve, the applicant shall provide evidence of a binding parking agreement for use of the property for off-street parking consistent with the provisions of this Chapter for as long as the parking is required to serve the property. If the property is in different ownership or subsequently conveyed to a different owner, the parking agreement shall be recorded. (Ord 5105 §2, 2021; Ord 5060 §2, 2018; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).*

APPLICANT'S RESPONSE: No residential uses are proposed. These provisions are not applicable.

There are no required parking spaces, and this standard is not applicable. The proposed parking spaces are located on site.

FINDING: NOT APPLICABLE.

17.60.060 Spaces. Number required.

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

APPLICANT'S RESPONSE: The development site is located within the area described above, and no off-street parking spaces are required. However, 67 off-street parking spaces are provided in the lower level of the building for use by customers and guests. According to the Client's hospitality expert, the ideal number of parking spaces to serve the proposed development is 67

FINDING: SATISFIED.

17.72.020 Application Submittal Requirements.

Applications shall be filed on forms provided by the Planning Department and shall be accompanied by the following;

- A. *A scalable site plan of the property for which action is requested. The site plan shall show existing and proposed features, such as access, lot and street lines with dimensions in feet, distances from property lines, existing and proposed buildings and significant features (slope, vegetation, adjacent development, drainage etc.)*
- B. *An explanation of intent, nature and proposed use of the development, and any pertinent background information.*
- C. *Property description and assessor map parcel numbers(s).*
- D. *A legal description of the property when necessary.*
- E. *Signed statement indicating that the property affected by the application is in the exclusive ownership or control of the applicant, or that the applicant has the consent of all partners in ownership of the affected property.*
- F. *Materials required by other sections of the McMinnville Zoning Ordinance specific to the land use application.*
- G. *Other materials deemed necessary by the Planning Director to illustrate compliance with applicable review criteria, or to explain the details of the requested land use action.*

APPLICANT'S RESPONSE: This submittal includes the required materials.

FINDING: SATISFIED.

17.72.095 Neighborhood Meetings.

- A. *A neighborhood meeting shall be required for:*
 - 1. *All applications that require a public hearing as described in Section 17.72.120, except that neighborhood meetings are not required for the following applications:*
 - a. *Comprehensive plan text amendment; or*
 - b. *Zoning ordinance text amendment; or*
 - c. *Appeal of a Planning Director's decision; or*
 - d. *Application with Director's decision for which a public hearing is requested.*
 - 2. *Tentative Subdivisions (up to 10 lots)*
 - 3. *Short Term Rental*
- B. *Schedule of Meeting.*
 - 1. *The applicant is required to hold one neighborhood meeting prior to submitting a land use application for a specific site. Additional meetings may be held at the applicant's discretion.*
 - 2. *Land use applications shall be submitted to the City within 180 calendar days of the neighborhood meeting. If an application is not submitted in this time frame, the applicant shall be required to hold a new neighborhood meeting.*
- C. *Meeting Location and Time.*
 - 1. *Neighborhood meetings shall be held at a location within the city limits of the City of McMinnville.*
 - 2. *The meeting shall be held at a location that is open to the public and must be ADA accessible.*
 - 3. *An 8 ½ x 11" sign shall be posted at the entry of the building before the meeting. The sign will announce the meeting, state that the meeting is open to the public and that interested persons are invited to attend.*
 - 4. *The starting time for the meeting shall be limited to weekday evenings between the hours of 6 pm and 8 pm or Saturdays between the hours of 10 am and 4 pm. Neighborhood meetings shall not be held on national holidays. If no one arrives within 30 minutes after the scheduled starting time for the neighborhood meeting, the applicant may leave.*
- D. *Mailed Notice.*
 - 1. *The applicant shall mail written notice of the neighborhood meeting to surrounding property owners. The notices shall be mailed to property owners within certain distances of the exterior boundary of the subject property. The notification distances shall be the same as the distances used for the property owner notices for the specific land use application that will eventually be applied for, as described in Section 17.72.110 and Section 17.72.120.*
 - 2. *Notice shall be mailed not fewer than 20 calendar days nor more than 30 calendar days prior to the date of the neighborhood meeting.*
 - 3. *An official list for the mailed notice may be obtained from the City of McMinnville for an applicable fee and within 5 business days. A mailing list may also be obtained from other sources such as a title company, provided that the list shall be based on the most recent tax assessment rolls of the Yamhill County Department of Assessment and Taxation. A mailing list is valid for use up to 45 calendar days from the date the mailing list was generated.*
 - 4. *The mailed notice shall:*
 - a. *State the date, time and location of the neighborhood meeting and invite people for a conversation on the proposal.*
 - b. *Briefly describe the nature of the proposal (i.e., approximate number of lots or units, housing types, approximate building dimensions and heights, and proposed land use request).*
 - c. *Include a copy of the tax map or a GIS map that clearly identifies the location of the proposed development.*
 - d. *Include a conceptual site plan.*
 - 5. *The City of McMinnville Planning Department shall be included as a recipient of the mailed notice of the neighborhood meeting.*

6. *Failure of a property owner to receive mailed notice shall not invalidate the neighborhood meeting proceedings.*
- E. Posted Notice.**
1. *The applicant shall also provide notice of the meeting by posting one 18 x 24" waterproof sign on each frontage of the subject property not fewer than 20 calendar days nor more than 30 calendar days prior to the date of the neighborhood meeting.*
 2. *The sign(s) shall be posted within 20 feet of the adjacent right-of-way and must be easily viewable and readable from the right-of-way.*
 3. *It is the applicant's responsibility to post the sign, to ensure that the sign remains posted until the meeting, and to remove it following the meeting.*
 4. *If the posted sign is inadvertently removed (i.e., by weather, vandals, etc.), that shall not invalidate the neighborhood meeting proceedings.*
- F. Meeting Agenda.**
1. *The overall format of the neighborhood meeting shall be at the discretion of the applicant.*
 2. *At a minimum, the applicant shall include the following components in the neighborhood meeting agenda:*
 - a. *An opportunity for attendees to view the conceptual site plan;*
 - b. *A description of the major elements of the proposal. Depending on the type and scale of the particular application, the applicant should be prepared to discuss proposed land uses and densities, proposed building size and height, proposed access and parking, and proposed landscaping, buffering, and/or protection of natural resources;*
 - c. *An opportunity for attendees to speak at the meeting and ask questions of the applicant. The applicant shall allow attendees to identify any issues that they believe should be addressed.*
- G. Evidence of Compliance.** *In order for a land use application that requires a neighborhood meeting to be deemed complete, the following evidence shall be submitted with the land use application:*
1. *A copy of the meeting notice mailed to surrounding property owners;*
 2. *A copy of the mailing list used to send the meeting notices;*
 3. *One photograph for each waterproof sign posted on the subject site, taken from the adjacent right-of-way;*
 4. *One 8 ½ x 11" copy of the materials presented by the applicant at the neighborhood meeting; and*
 5. *Notes of the meeting, which shall include:*
 - a. *Meeting date;*
 - b. *Meeting time and location;*
 - c. *The names and addresses of those attending;*
 - d. *A summary of oral and written comments received; and*
 - e. *A summary of any revisions made to the proposal based on comments received at the meeting. (Ord. 5047, §2, 2018, Ord. 5045 §2, 2017).*

APPLICANT'S RESPONSE: A virtual neighborhood meeting was held on April 25, 2022. The appropriate procedures were followed and the materials detailed in G above are included as Appendix A.

FINDING: SATISFIED.