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VIA EMAIL

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Planning Commission
City of McMinnville
230 NE Second St
McMinnville, OR 97128

Subject: Stratus Village; Planned Development Amendment PDA 2-23,
Three Mile Lane Review TML 1-23, and Landscape Plan Review L25-23

Dear Commissioners:

We represent the Housing Authority of Yamhill County (“HAYC”) with respect to the above-referenced applications for Stratus Village (the “Project”). The purpose of this letter is to address certain issues raised during the Planning Commission hearing on August 17, 2023. That hearing was continued until September 21, 2023. Responses to those issues are provided below.

1. Operation of Shared Parking

The Commission indicated interest in the shared parking that currently exists on the eastern portion of the Project site and which benefits the property to the east (Parcel 1 of Partition Plat 2001-40). The right to this shared parking was originally created by Partition Plat 2007-12 and reaffirmed in the Declaration of Condition[s], Covenants and Restrictions (Common Driveway and Access Maintenance and Shared Parking Easement), recorded February 22, 2018, as Instrument No. 201802572 (the “CCRs”). Among other things, the CCRs govern the operation, maintenance, and financial obligations related to the shared parking.

HAYC is committed to being a good neighbor. Back in December 2022, HAYC initiated discussions with the owner of the benefitted parcel around potential adjustments to the shared parking arrangement. The parties have agreed on many key terms, but if those discussions do not ultimately result in a new agreement, the parties will continue under the existing CCRs. This will ensure that the existing development on the benefitted parcel may continue to operate

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with the same shared parking rights that it currently enjoys. Requiring changes to private contracts like the CCRs is beyond the scope of this land use process.

2. Departures From the Parking Setback and Private Open Space Design Standards

HAYC has requested departures from a few of the Residential Design Standards (McMinnville Municipal Code (“MMC” or the “Code”) Chapter 17.11) in order to develop high-quality and much-needed affordable housing while avoiding disruption to existing development and preserving previously approved funding. This is precisely the type of situation that the Planned Development Overlay was enacted to address: “The purpose of a planned development is to provide greater flexibility and greater freedom of design in the development of land than may be possible under strict interpretation of the provisions of the zoning ordinance.”

MMC 17.51.010. Among other things, a planned development is intended to “encourage developers to use a creative approach and apply new technology in land development; preserve significant man-made and natural features; facilitate a desirable aesthetic and efficient use of open space; and create public and private common open spaces.” *Id.*

Indeed, the need for this type of departure is a necessary condition for the initial approval of, and any amendment to, a planned development, both of which require a showing that “[t]here are special physical conditions or objectives of a development which the proposal will satisfy to warrant a departure from the standard regulation requirements[.]” MMC 17.51.030.B (initial planned development) and 17.74.070.A (planned development amendments).

A. Parking Buffer

The first requested departure relates to the existing shared parking discussed above. That portion of the Project property has long been developed with parking, and that parking has been in use by the neighboring property under the CCRs for several years. Accordingly, a “strict interpretation” of the following Code sections would require destruction of existing and well-maintained parking areas to the detriment of the neighboring property:

- MMC 17.11.090.D.2.c., which requires “large sites” like the Project site to “[b]uffer parking areas with landscaping[.]”
- MMC 17.11.090.D.4.f(3), which provides that “[o]ff-street parking spaces shall not be located within 10 feet of any other property line, except alley property lines.”

Because of the shared parking, compliance with the above standards would require significant work and would reduce the amount of parking that is currently available in that area (from approximately 40 spaces to approximately 30 spaces).¹ This is “a special physical condition[that] warrant[s] a departure from the standard regulation requirements[.]” MMC 17.74.070.A.

Moreover, the purposes of the Residential Design Standards will still be served despite these departures. As shown on the site plan below, the existing shared parking functions as an integrated parking area serving the adjacent medical office building, and the next row of parking to the west includes a landscaped buffer similar to that specified under MMC 17.11.090.D.2.c. and 17.11.090.D.4.f(3).²

To the extent those Code provisions are intended to protect the Project’s residential development, all of that same protection will be provided by the landscaped buffer at the next row of parking. To the extent those Code provisions are intended to protect residential development on the other side of the property line, those concerns are not applicable because the adjacent development is commercial.³

¹ The primary negative impact of this reduction in spaces would fall on the neighboring property, which would lose the spaces closest to its buildings.

² The site plan also shows that the overwhelming majority of Project parking complies with MMC 17.11.090.D.2.c. and 17.11.090.D.4.f(3).

³ It is worth noting that the existing shared parking, with no buffering along the property line, was approved as part of the original planned development, Ordinance No. 4667, approved on June 23, 1998.



B. Private Open Space

The Code requires 36 square feet of private open space for each unit. MMC 17.11.090.D.6.b(1). It also requires at least 50 percent of upper units to have a 60-square-foot balcony that is accessible from the interior of the unit. MMC 17.11.090.D.6.b(2).

Other aspects of the Code are unclear. For example, “private open space” is not defined. The Code also specifies “required” and “supplemental” private open space elements, but the supplemental elements “must” be provided. See MMC 17.11.090.D.6. Those supplemental elements are: a “Juliet-style” balcony, an upper-story rooftop deck or terrace, or an “alternative option” that meets the concept and guiding principles. MMC 17.11.090.D.6.c. The Code does not state whether one Juliet-style balcony or one upper-story rooftop deck is sufficient, or whether they must be provided to each unit or to each building. The “concept and guiding principles” are also not clearly identified. HAYC has proposed what it calls “semi-private open space” to satisfy the spirit of the required and supplemental elements while operating within the funding-related constraints discussed below.

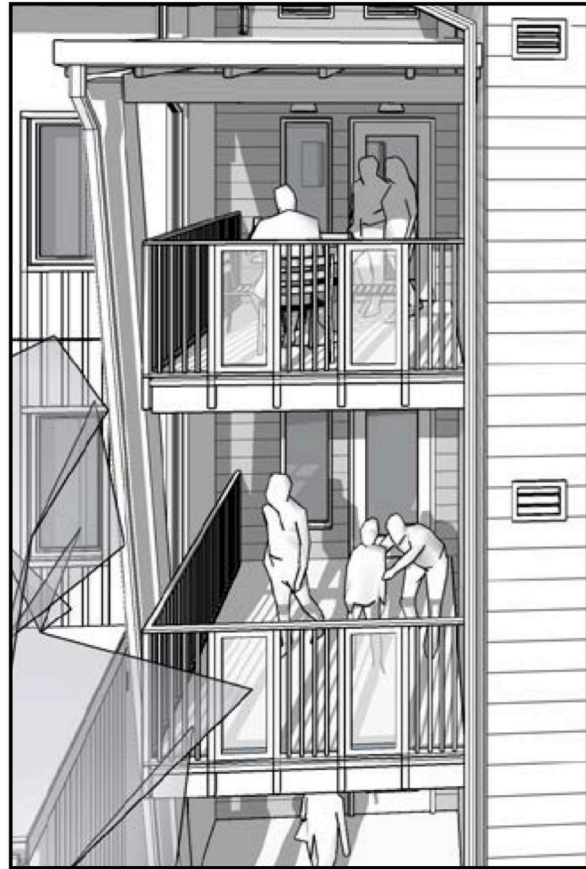
HAYC has received funding commitments for the Project from a variety of sources, including Oregon Housing and Community Services, the City of McMinnville, Yamhill County, and the Confederated Tribes of the Grand Ronde. These funding commitments are based on a Project concept that is substantially similar to that included with the above-referenced applications. The Project concept was developed prior to adoption of the current private open space standards, and HAYC has limited ability to adjust the concept without losing eligibility for the committed funds.

Despite these challenges, the proposed Project will exceed the private open space requirements for all ground-floor units by approximately 66 percent (approximately 60 square feet instead of the required 36 square feet). It will also provide each upper-floor unit with access to a 78-square-foot balcony, shared with three other units (but not accessible to the public). This provides access to semi-private open space to every upper-floor unit, rather than the 50 percent of units as required by the code, and provides an additional 18 square feet per balcony, resulting in more functional and flexible open space.

Affordable housing is necessary but challenging to develop, as shown by the funding-related limitations on changes to the Project concept. Clearly, providing 175 well-designed affordable housing units is a “special * * * objective[] of a development which the proposal will satisfy [warranting] a departure from the standard regulation requirements[.]” MMC 17.74.070.A.

The purposes of the private open space standards will still be served by the proposed semi-private open space. As provided in the Code, private open space is intended to provide “relief from indoors and to provide access to fresh air, light, and nature.” It should “translate into a perception of an increase in living space and the ability to invite the outdoors in.” It can also “provide environmental benefits with plants that consume carbon dioxide and help reduce stormwater runoff.” Private open space should be “adequate [in size] to be usable, allowing space for a chair to sit in, a place to barbecue or hang clothes to dry, or for a pet to curl up.” From a design perspective, it should “enhance the residential function of the building while also improving the appearance of the building” and should “be integrated into the overall architectural form and add detail to the façade.” MMC 17.11.090.D.6.a.

Each of these purposes will be served by the shared balconies.



3. Trash

As proposed, the Project provides a solid-waste and recycling enclosure plan that complies with MMC Chapter 17.61. The Commission expressed a preference for multiple waste-enclosure areas, based on the distance that residents will need to travel to reach the enclosures. HAYC has analyzed its options for providing two waste enclosures that comply with MMC Chapter 17.61 and has determined that doing so will not meaningfully reduce the travel distance for residents.

4. The Project Is Exempt From Bicycle Parking Requirements and Is Providing Bicycle Racks in Excess of Code Requirements

The Commission had questions related to bicycle parking at the Project. MMC 17.60.140.A.2. specifically exempts residential uses, like the Project, from the Code's bicycle parking requirements. The Project as proposed is code compliant.

Despite this exemption, the Project is providing dispersed ribbon racks at a minimum of five locations as shown on the revised landscape plan.

5. Conclusion

HAYC is excited to provide some much-needed affordable rental housing in McMinnville. HAYC is a public corporation that owns and develops housing, and accordingly is rooted in the community. HAYC will continue to work to create a project that is successful for its residents, neighbors and community. As staff has stated in the August 17, 2023, staff report, HAYC's applications, as conditioned, meet all the applicable approval criteria. Accordingly, HAYC respectfully requests that you approve the applications.

Very truly yours,

A handwritten signature in blue ink that reads 'Cozette Caffee'.

Cozette Tran-Caffee