



**City of McMinnville**  
**Planning Department**  
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## EXHIBIT 2 - MINUTES

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**July 26, 2017**  
**Historic Landmarks Committee**  
**Regular Meeting**

**3:00 pm**  
**Community Development Center**  
**McMinnville, Oregon**

**Members Present:** Chair Joan Drabkin, Mary Beth Branch, and Rebecca Quandt  
**Members Absent:** John Mead and Cory Schott  
**Staff Present:** Chuck Darnell - Associate Planner and Heather Richards – Planning Director  
**Others Present** Mark McMurtry, Drew Milligan, and JW Milligan

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### 1. Call to Order

Chair Drabkin called the meeting to order at 3:00 p.m.

### 2. Citizen Comments

None

### 3. Approval of Minutes

A. April 25, 2017 Meeting Minutes

Committee Member Quandt moved to approve the April 25, 2017 meeting minutes. Motion seconded by Committee Member Branch and passed unanimously.

### 4. Action Items

A. HL 3-17 – Demolition Request – 1140 SE Davis Street

Chair Drabkin recused herself from this discussion and decision.

Associate Planner Darnell said this was a request for a demolition of a historic landmark on SE Davis Street. There were three structures on the property, but only one designated as a landmark. He discussed the criteria for a demolition request. Currently the historic landmark was being used as a rental property. The applicant had provided information on what he thought the

value of the property was and the estimates of the value if he were to renovate and sell the property. Repairing the property would cost over \$200,000, which was significant. The applicant said the money he would have to put into the property to sell it would not bring him a return on investment. The applicant thought it was reasonable to demolish the structure and redevelop. The main reason the property was designated a historic landmark was the structural character of the building. There was no date of construction in any documents they could find, but he thought it was sometime around 1920 to 1940. The physical condition of the house was poor and required upgrades. He had concerns about the livability of the house, but the issues could be remedied. The applicant said he did not have the finances to cover the cost of renovating the house and it would be a financial hardship if it had to be retained. In the past for demolitions, the Committee required the structure to be made available to move by someone in the community who wanted to preserve it. Staff thought some of the criteria was met, but some was not as strongly met.

Mark McMurtry, applicant, said he got this property from family in 2004. The structures were in serious disrepair at that time. He did not know the house was on the historical register. He did not know how bad the house was as his renters had never said anything and it had only been single men living there. The house basically needed to be stripped and gutted. The other two houses were not as bad, but would be no loss to tear them down. He wanted to trade the houses for something upgraded and modern. He also wanted to upgrade the gravel street. He could get more for the land than the three houses. If the demolition was approved, he would not leave it a vacant site, but would choose the best development situation for him. He could not sell the property currently because no one wanted to deal with the historic designation. He had looked into partitioning the property and selling the lots individually, but that lessened the value he could get, especially since the sewer would need to be updated. No one seemed interested in buying all three houses to flip them either. This was to be part of his retirement.

Associate Planner Darnell explained the application was submitted on July 10, and the Committee had 21 days to make a decision. The options for the Committee were to approve the demolition request, approve with conditions, or deny the request which would only delay the demolition permit for up to 120 days. There was a fee for demolishing a building without approval during the 120 days. If no decision was made in the 21 days, it defaulted to approval. If they denied the request, during the 120 days delay they could provide the owner with possible alternatives to demolition.

JW Milligan, McMinnville resident, thought that as McMinnville grew they would get more demolition permit requests. He was concerned about setting a precedent if this was approved based on the fact that the house needed a lot of work and was not economical to repair. That would apply to a lot of historical buildings in town. This was the oldest house in this area and was important.

Mr. McMurtry thought this would be an in fill development which the City needed so they did not take more farmland to develop.

Planning Director Richards said if he put the property on the market, there might be someone who wanted to restore the house.

Mr. McMurtry said it would be a financial hardship to pay the realtor fees for putting it on the market. He would rather not wait the 120 days to demo the buildings. His plan was to demolish the buildings and sell the bare land to be developed.

Planning Director Richards was concerned that the financial hardship for restoring the structure was based on lack of maintenance and neglect to the building. Once the precedent was set, others could use the same basis for demolition.

Mr. Milligan recommended denial of the application and going forward they should upgrade the inventory and code and do more outreach.

There was discussion regarding how this application met or did not meet the criteria.

Committee Member Quandt thought the application should be denied because there was grant funding available and other options that should be explored. She thought he would get a lot more interest if he went through a realtor. There was a chance the building might be preserved, and as a Committee member she had to honor that. She thought the house could be restored and condos could be put on the other part of the property.

Committee Member Branch agreed with Committee Member Quandt. She struggled with finding reasons to approve the application within the criteria they had been given.

Committee Member Quandt moved to deny HL 3-17 based on the findings of fact and conclusionary findings for denial as discussed by the Historic Landmarks Committee. The conclusionary findings were the application did not meet the intent and purpose of the ordinance as there were other options that could be explored and the historic resource had value and significance. Some of the architectural qualities still existed and that held more importance than the financial hardship caused to the applicant. Motion seconded by Committee Member Brand and passed unanimously.

Planning Director Richards said a decision letter would be given to the applicant within five days and that started the 120 day waiting period.

## **5. Discussion Items**

### **A. Single Family Homes in Commercial Zones Discussion**

Associate Planner Darnell said this item was brought to the Committee's attention by a resident who lived in a single family home in a commercial zone. There were a lot of single family homes in the C-3 zone, General Commercial, in downtown. It made them non-conforming uses in the zone. If they changed to a conforming use, such as office space, they could not go back to a non-conforming use. There were a lot of historic resources that fell into this situation and he discussed the maps that showed their locations. The non-conforming use caused issues with financing and continued use of the properties. He asked for direction for staff to look at options to allow these uses to continue and to be preserved.

Planning Director Richards said there was a built environment with historic landmarks that they wanted to preserve and in this case the land use and zoning were conflicting with that intent. Some of these could convert easily into other uses, but some could not, and there was an

investment in converting homes to commercial uses. If the home was left vacant for a year, it could not go back into a residential use. It was not unusual for a central business district to have a buffer transition zone between commercial and residential.

Associate Planner Darnell said one option was to create an Office Residential zone that allowed for a mix of housing and commercial.

Chair Drabkin thought they should allow people to continue using these structures as homes and to keep neighborhoods as much as possible.

Associate Planner Darnell said another option was allowing single family homes on the historic resources inventory as a permitted use in the C-3 zone. They could also explore allowing structures to go back to residential after they were transitioned to office.

JW Milligan, McMinnville resident, said he had moved into the Wildwoods House on 2<sup>nd</sup> Street. It was a 1911 historic home and when he moved in he was illegal because it had been empty for a year. Since then an office had been moved there so it was conforming.

Drew Milligan, McMinnville resident, said the houses next door were currently unoccupied and the reason no one had purchased them was due to financing. They could not get a loan due to the zoning. These were historic homes and important to the community.

JW Milligan said the homes in the Office Residential zone had been restored because they could get financing. He thought historic homes should be allowed as single family residential, not down-zoning to Office Residential in this area.

Planning Director Richards said another option could be creating a new zone that would allow certain uses for these homes, such as retail.

JW Milligan said another issue was meeting the parking requirements in his current home. He could not have zero parking. Associate Planner Darnell said there was a parking waiver process in the code for historic landmarks.

Planning Director Richards said these were transitional properties from a high intensity main street district to a residential neighborhood. It was not unusual to have a specialty zone for these areas and the fact that there were many historic structures they wanted to preserve it made even more sense. If they wanted to move forward, they would be making a recommendation to the Planning Commission to rezone this area after a public hearing process.

There was consensus for staff to research options and bring them back to the Committee for further discussion.

#### B. Historic Sign Program

Planning Director Richards said with the sign amortization program underway, letters were sent to property owners of signs that did not meet the sign code. Some of the feedback they had received was that some of these signs were older signs and might be historic landmarks. Criteria would need to be created for preservation of these signs and they would need to go through the process of surveying and giving them historic status.

Associate Planner Darnell said currently to preserve the signs they would have to be nominated to the historic resources inventory.

Discussion ensued about possible criteria that could be used and surveying the current signs.

Mark McMurtry, McMinnville resident, discussed how his sign was not in compliance as it hung one foot over into the right-of-way. The City did not maintain that right-of-way as he was the one who cut the grass in the median strip.

Planning Director Richards said historic signs they wanted to memorialize was one issue, and for signs that were encroaching on the right-of-way but met all the requirements in the code, that was handled through a revocable permit.

There was consensus for staff to bring back a list of possible historic signs that were impacted by the amortization process.

#### **6. Old/New Business**

None

#### **7. Committee/Commissioner Comments**

None

#### **8. Staff Comments**

None

#### **9. Adjournment**

Chair Drabkin adjourned the meeting at 4:52 p.m.