

ORDINANCE NO. 5159

AN ORDINANCE APPROVING A COMPREHENSIVE PLAN AMENDMENT AND ZONE CHANGE FROM AN INDUSTRIAL DESIGNATION TO A RESIDENTIAL DESIGNATION AND M-1 ZONING (LIGHT INDUSTRIAL) TO R-4 (MEDIUM, HIGH DENSITY, 5000 SF LOT RESIDENTIAL) ZONING FOR PROPERTY OF APPROXIMATELY 5.8 ACRES LOCATED AT 2320 SE STRATUS AVE (TAX LOTS R442700600 & R442700604), DOCKET CPA 1-24/ZC 4- 24.

RECITALS:

WHEREAS, on October 4, 2024, the Community Development Department received concurrent land-use applications (Docket CPA 1-24/ZC 4-24) from applicant, Commonwealth Development Corporation, requesting approval of a Comprehensive Plan Map amendment from Industrial to Residential and a Zone Map amendment from M-1 (Light Industrial) to R-4 (Medium, High-Density, 5000 SF Lot Residential Zone) for two properties; and

WHEREAS, the subject properties is approximately 5.8 acres, located at 2320 SE Stratus Avenue, Tax Lots R442700600 & R442700604; and

WHEREAS, a duly noticed public hearing before the McMinnville Planning Commission was held on January 16, 2025 after due notice had been provided in the local newspaper on January 10, 2025 and written notice had been mailed to property owners within 300 feet of the affected property on December 26, 2024; and

WHEREAS, at said public hearing, the application materials, Decision Document, and a staff report were presented, and applicant and public testimony was received, and

WHEREAS, the Planning Commission continued the public hearing until February 6, 2025, and

WHEREAS, the February 6, 2025 public hearing was re-noticed to property owners within 300 feet of the affected property on January 16, 2025 to include the accurate meeting link information for virtual attendance via Zoom, and

WHEREAS, a public hearing before the McMinnville Planning Commission was continued on February 6, 2025, and

WHEREAS, at said public hearing, the application materials, updated Decision Document, and a staff report were presented, and applicant and public testimony was received, and

WHEREAS, the Planning Commission continued the public hearing until March 20, 2025 to provide time for the City and the applicant to conduct analysis regarding sanitary sewer capacity for the subject property, and

WHEREAS, a public hearing before the McMinnville Planning Commission was continued on March 20, 2025, and

WHEREAS, at said public hearing, the application materials, updated Decision Document, and a staff report were presented, and applicant and public testimony was received, and

WHEREAS, the Planning Commission closed the public hearing on March 20, 2025, and

WHEREAS, the Planning Commission, being fully informed, found that the requested Comprehensive Plan Map and Zone Map Amendment conformed to the applicable McMinnville Comprehensive Plan goals and policies and review criteria based on the material submitted by the applicant and the findings of fact and conclusionary findings for approval contained in Exhibit A; and

WHEREAS, on March 20, 2025, the Planning Commission, by a vote of 9-0, recommended approval with conditions, with a revision to Condition #4 of the decision document pertaining to pedestrian infrastructure, and revisions to findings related to MMC 17.74.020(B) of said Comprehensive Plan Amendment and Zone Change; and

WHEREAS, on April 3, 2025, the Planning Commission, by a vote of 9-0, recommended approval of a revised Decision Document that reflected the recommended approval,

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

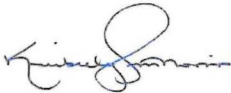
NOW, THEREFORE, THE COMMON COUNCIL FOR THE CITY OF MCMINNVILLE ORDAINS AS FOLLOWS:

1. That the Council adopts the Decision, Conditions, Findings of Fact and Conclusionary Findings as documented in Exhibit A, approving the Comprehensive Plan Amendment and Zone Change (CPA 1-24/ZC 4-24); and
2. That this Ordinance shall take effect 30 days after its passage by the City Council.

Passed by the McMinnville City Council this 13th day of May, 2025 by the following votes:

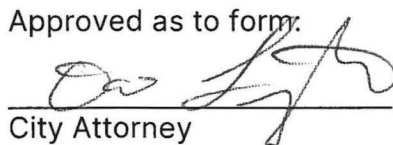
Ayes: _____ Cunningham, Chenoweth, Geary, Peralta

Nays: _____ Tucholsky, Payne,



MAYOR

Approved as to form:



City Attorney

Attest:



City Recorder

EXHIBITS:

- A. Decision Document for Docket CPA 1-24/ZC 4-24

**City of
McMinnville**

PLANNING

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

www.mcminnvilleoregon.gov

DECISION, CONDITIONS, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS FOR THE APPLICATION FOR A COMPREHENSIVE PLAN MAP AMENDMENT AND ZONE CHANGE FROM INDUSTRIAL, M-1 ZONING (LIGHT INDUSTRIAL) TO RESIDENTIAL, R-4 (MEDIUM, HIGH DENSITY RESIDENTIAL) FOR A PROPERTY OF APPROXIMATELY 5.8 ACRES, LOCATED AT 2320 SE STRATUS AVENUE, TAX LOTS R442700600 & R442700604.

I. INTRODUCTION

DOCKET:	Comprehensive Plan Amendment (CPA 1-24) and Zone Change (ZC) 4-24
REQUEST:	The application requests the approval of a concurrent approval of a Comprehensive Plan Map Amendment and Zone Change from Industrial to Residential. The subject parcels are currently designated Industrial on the McMinnville Comprehensive Plan Map and are designated M-1 on the Zoning Map. The request, if approved, would designate the property Residential on the Comprehensive Plan Map and R-4 (Medium, High-Density Residential) on the Zoning Map.
LOCATION:	Site Address: 2320 SE Stratus Avenue Map and Tax Lots: R442700600 & R442700604
CURRENT COMPREHENSIVE PLAN DESIGNATION:	Industrial
CURRENT ZONING:	M-1 (Light Industrial)
APPLICANT:	Commonwealth Development Corporation c/o Daniel DiFrancesco
APPLICANT'S REPRESENTATIVE:	Cascadia Planning + Development Services c/o Steve Kay
PROPERTY OWNERS:	Jodi L Devonshire, Andrea M Feero, and Jennifer L Feero
CITY STAFF:	Evan Hietpas, Associate Housing Planner
DATE DEEMED COMPLETE:	October 28, 2024

HEARINGS BODY & ACTION:

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

**PLANNING COMMISSION
HEARING DATES & LOCATION:**

January 16, 2025, at 6:30 P.M., Kent Taylor Civic Hall,
200 NE 2nd Street, McMinnville, OR 97128
Zoom Meeting ID: 893 6863 4307; Passcode: 989853

February 6, 2025, at 6:30 P.M., Kent Taylor Civic Hall,
200 NE 2nd Street, McMinnville, OR 97128
Zoom Meeting ID: 891 4771 2153; Passcode: 562233

March 20, 2025, at 6:30 P.M., Kent Taylor Civic Hall,
200 NE 2nd Street, McMinnville, OR 97128
Zoom Meeting ID: 831 2090 5124; Passcode: 288880

PROCEDURE:

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

DECISION-MAKING BODY:

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

**CITY COUNCIL MEETING
DATE & LOCATION:**

April 22, 2025, at 7:00 P.M. Kent Taylor Civic Hall, 200
NE 2nd Street, McMinnville, OR 97128 and via Zoom.

May 13, 2025, at 7:00 P.M. Kent Taylor Civic Hall, 200
NE 2nd Street, McMinnville, OR 97128 and via Zoom.

CRITERIA:

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

APPEAL:

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

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

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


COMMENTS:

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


II. DECISION

Based on the findings and conclusionary findings, the City Council finds that the applicable criteria are satisfied and **APPROVES WITH CONDITIONS** the Comprehensive Plan Map Amendment and Zone Change (CPA 1-24 & ZC 4-24).


////////////////////////////////////
DECISION: APPROVAL WITH CONDITIONS
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City Council: 
Kim Morris, Mayor of McMinnville

Date: 05/13/2025

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

Date: 5/15/25

Planning Department: 
Heather Richards, Community Development Director

Date: 5/19/25

FOR

DAVID BERNIKER

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III. APPLICATION SUMMARY:

Subject Property & Request

The applicant requests concurrent amendments to the Comprehensive Plan Map and Zoning Map from Industrial to Residential and M-1 (Light Industrial) to R-4 (Medium, High-Density, 5000 SF Lot Residential Zone), for two parcels of approximately 5.8 acres, located at 2320 SE Stratus Avenue (Tax Lots R442700600 & R442700604). ***See Vicinity Map (Figure 1), Comprehensive Plan Map (Figure 2A), and Zoning Map (Figure 3A).***

Comprehensive Plan Designations

The City establishes the following Comprehensive Plan Map Designations, which relate to the zoning map. The Residential designation covers all the zoning designations from R-1 through R-5, and any additional zones that may be created for residential uses. The Industrial designation covers all the industrial zones, from M-L to M-2, and any future industrial designations.

Zoning Designations

The M-1 (Light Industrial) zoning district is suitable for industrial uses that can be operated within a wholly enclosed building (outside storage of materials permitted if properly screened), and which are engaged in the manufacturing, processing, assembly, packaging, or treatment of finished or semi-finished products from previously prepared or processed materials. Warehousing, wholesaling, and limited commercial uses are also permitted. Residential uses are prohibited.

The R-4 (Medium, High-Density, 5000 SF Lot Residential Zone) zoning district allows a broad range of residential uses, including middle housing, apartments and large single-resident occupancy (SRO) developments, and requires a minimum lot size of 5,000 square feet. However, as a reminder, this application is for a zone change and comprehensive plan map amendment, not an approval for a specific use. The proposed amendments would not limit which R-4 permitted uses would be authorized on the subject property.

FIGURE 1. VICINITY MAP OF SUBJECT PROPERTIES



FIGURE 2A. EXISTING COMPREHENSIVE PLAN MAP

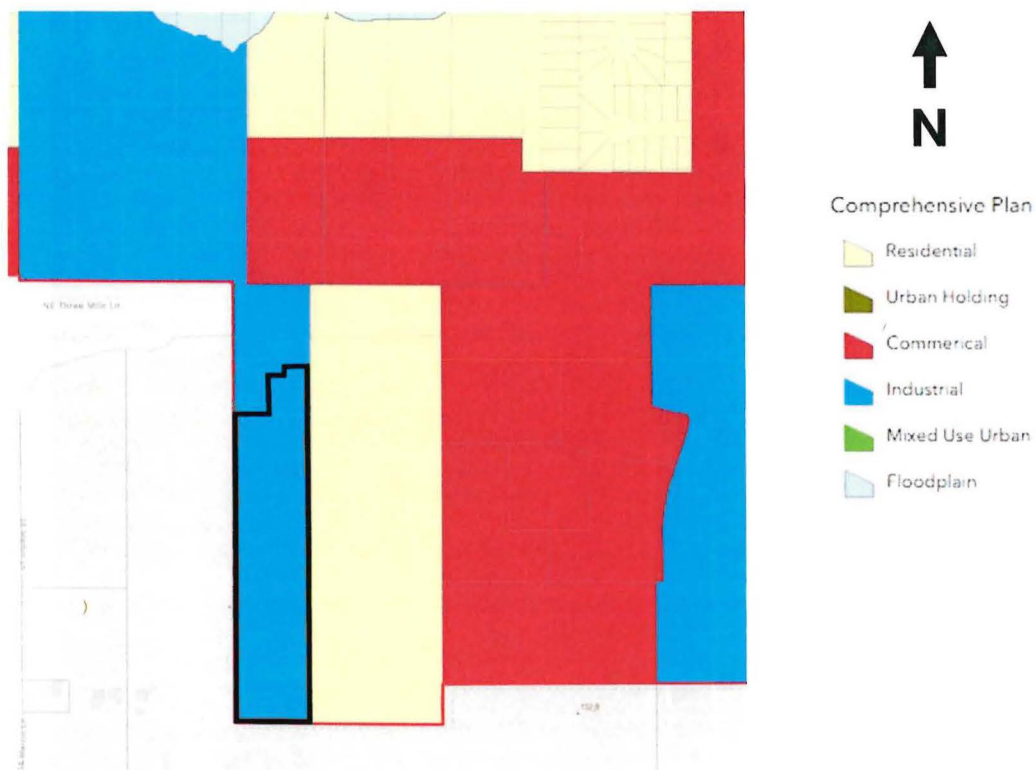


FIGURE 2B. PROPOSED COMPREHENSIVE PLAN MAP

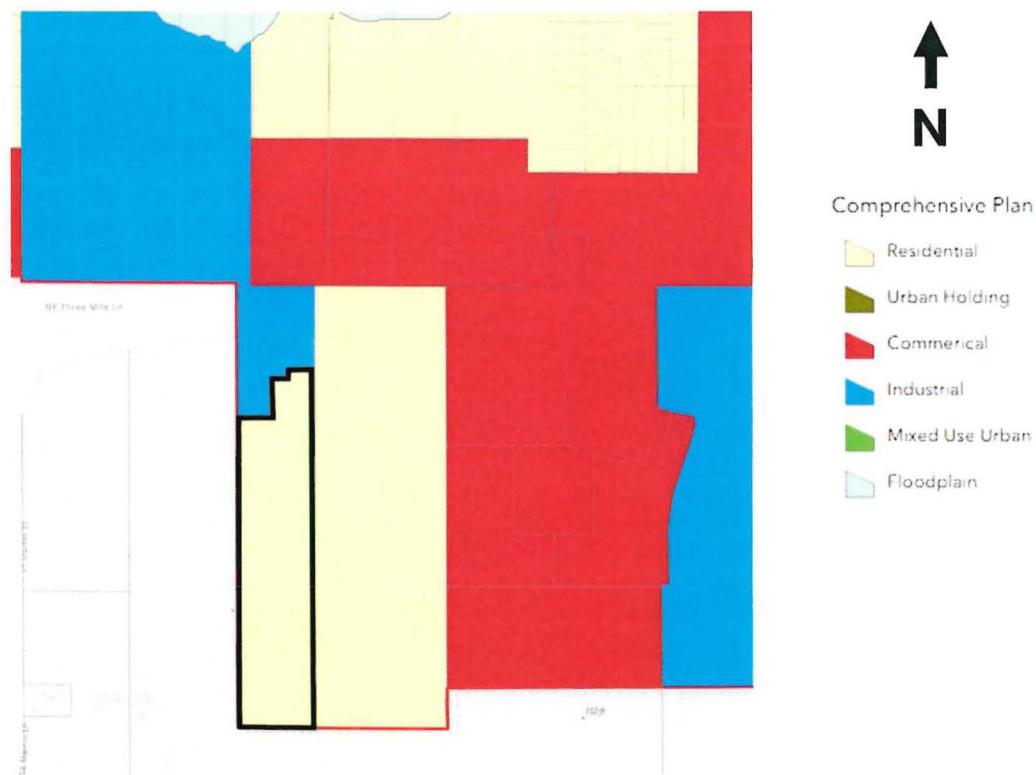


FIGURE 3A. EXISTING ZONING MAP



FIGURE 3B. PROPOSED ZONING MAP



IV. CONDITIONS:

The decision is subject to the following conditions of approval:

1. If at the time of development, the applicant proposes a density that exceeds twenty (20) residential units per acre (as is assumed in the modeling analysis for R-4 zoning), the City may require the applicant to enter into a reimbursement agreement with the City for modeling the impacts of the additional proposed sanitary impacts. This analysis would need to be completed prior to any building permit issuance. Depending on the results of this analysis the applicant may be responsible for associated costs for improvements to increase system capacity.
2. The applicant shall be required to clearly delineate on-site vehicular circulation from Stratus Avenue to the development project to avoid conflicts between entry access to the development project on the subject site and the parking lot area of the properties that share access from Stratus Avenue with the development project. These details should be clearly shown on future site plan drawings submitted during the development permitting stage, including the Landscape Plan Review and Three Mile Lane Area Development Review processes, and should include pedestrian and bicycle connectivity adjacent to the access drive as well as physical delineation between the adjacent business parking lots and the access drive that is agreed upon by all property owners impacted.
3. Traffic impacts resulting from development tax lots R442700600 & R442700604 shall be limited to a maximum of 715 average daily trips.
4.
 - a. A Traffic Impact Analysis (TIA) to assess the impact of the development on the local transportation network will be required prior to the submittal of building permits. The TIA will analyze in detail the impact of the proposed development on the following intersections per the performance standards in the City of McMinnville Transportation System Plan, and identify the necessary improvements to maintain performance.
 - i. SE Stratus Avenue/Site Access
 - ii. SE Stratus Avenue/ SE Norton Lane
 - iii. SE Norton Lane/Cumulus Avenue
 - iv. SE Norton Lane/HWY 18
 - v. NE Pacific-Cumulus-Nehemiah/ Three Mile Lane
 - vi. SE First Street/Three Mile Lane
 - vii. Additional areas of concern may be identified at the time of development for evaluation.

The applicant shall provide evidence that the proposed development will maintain compliance with the transportation performance standards adopted in the City's Transportation System Plan. Currently, the Mobility Standard for all local (city) intersections and streets shall be a volume/capacity ratio of .90. This

is subject to change if the City updates the Transportation System Plan prior to a development permit application for the subject site.

The applicant will be required to build the necessary transportation improvements identified to maintain compliance with the City's performance standards at these intersections.

These projects may include both vehicular and non-vehicular (pedestrian and bicycle) improvements.

- b. At the time of Landscape Plan Review and Three Mile Lane Area Development Review applications, the applicant shall provide the city with a transportation analysis that evaluates the current condition of Stratus Avenue for pedestrian travel and assesses the impact of development on the property on the safety of the pedestrian network on Stratus Avenue.

If the transportation analysis identifies a pedestrian safety concern along Stratus Avenue, the applicant will be required to install a new paved sidewalk in the right of way along the frontage of the property adjacent to the subject properties to the east, known as the Evergreen Mobile Home Park at 2400 SE Stratus Ave (Tax Lot R442700500) as an off-site improvement to mitigate the safety concern.

The proposed development will be eligible for Transportation System Development Charge (SDC) credits for required off-site improvements resulting from the pedestrian safety analysis, as approved by the City.

Public sidewalk improvements must meet all applicable City standards in place at the time of development, following ADA Standards as shown in the PROWAG design guidelines. Any proposed modifications to these standards due to site constraints (such as the width of available public right-of-way or the topography of the site), must be approved by the City's Engineering Division.

FUTURE DEVELOPMENT NOTES:

1. The applicant will be required to submit all relevant land-use applications including but not limited to, landscape plan review if applicable (per MMC 17.57), multi-family site and design review if applicable (per MMC 17.11), Three Mile Lane Area design review as applicable. It is recommended that the applicant apply for and receive these approvals prior to building permit submittals.
2. That the Applicant shall install street trees, in compliance with an approved Street Tree Plan, at time of all other required landscaping is installed as prescribed in MMC 17.53.153.
3. That final development plans for the subject site include a detailed storm drainage plan which incorporates the requirements of City's Storm Drainage Master Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to issuance of any building permits. Any utility easements needed to comply with the approved plan must be reflected on the final plat. If the final storm drainage plan

incorporates the use of collection systems and easements, such must be private, rather than public, and private maintenance agreements must be approved by the City prior to recording.

4. The final development plans for the subject site include a detailed sanitary sewer collection plan which incorporates the requirements of City's Collection Systems Facilities Plan. This plan must be submitted to, and approved by, the City Engineering Department prior to issuance of any building permits. Any utility easements needed to comply with the structures located within the subject site are required to connect to the sanitary sewer systems as soon as service is available.
5. 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. A paved sidewalk not less than five (5) feet wide shall be installed in the center of pedestrian ways.
6. That the applicant shall provide easements for sewer, water mains, electric lines, or other public utilities in compliance with MMC 17.53.103(C).
7. McMinnville Water & Light's electric distribution system serving the Three Mile Lane corridor has capacity to supply power to a 96-unit residential apartment complex. However, future development would require additional electric infrastructure to be extended from the development site to MW&L's distribution system. The cost and method of extension is unknown at this time and will be determined after the developer submits an application for service and related development plans.
8. Water system serving SE Stratus Avenue is a 10" water main. Adequate water may be available to serve the proposed development, but a hydrant flow test performed by the applicant's engineer or fire flow professional may be required to determine actual capacity. This proposed development will require additional domestic, irrigation, fire line and hydrant infrastructure to be extended from the development site to MWL's water distribution system.

V. ATTACHMENTS: (ON FILE WITH THE PLANNING DIVISION)

1. CPA 1-24, ZC 4-24 Application and Attachments
2. City Engineering Division Memo on Sanitary Sewer Analysis, dated February 13, 2025.
3. City Staff Memo with Written Public Testimony, dated March 20, 2025.

VI. COMMENTS:

Agency Comments

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

Responses were received from the following agencies, provided below:

- Revised McMinnville Engineering Division Review Comments (February 13, 2025) (see attachment 2)
 - The City has completed a capacity analysis that indicates there is adequate capacity in the existing sanitary system to serve this property with minimal surcharging as allowed per the City's Wastewater Master Plan modeling. The assumptions for the analysis were based on the information provided from the applicant and include changing zoning from M-1 to R-4 with multifamily residential assumption of 20 residential units per acre.
 - If at the time of development the applicant is to propose more residential units or anything that would result in an increase over the assumptions of the performed analysis, the City may require the development to enter into a reimbursement agreement with the City for modeling the impacts of the proposed sanitary impacts. This analysis would need to be completed prior to any building permit issuance. Depending on the results of this analysis the applicant may be responsible for associated costs for improvements to increase system capacity.
- Initial McMinnville Engineering Division Review Comments (December 9, 2024)
 - *The existing sanitary system serving this property has capacity constraints. Changing zoning from M-1 to R-4 results in an increase from 360 (gpnad) to 2,848 (gpnad). Depending on the proposed density within the R4 zone there may or may not be a capacity concern.*
 - *Prior to any building permit issuance the applicant will be required to enter into a reimbursement agreement with the City for modeling the impacts of the proposed sanitary impacts. Depending on the results of this analysis the applicant may be responsible for associated costs for improvements to increase system capacity.*
- McMinnville Water & Light
 - McMinnville Water & Light's electric distribution system serving the Three Mile Lane corridor has capacity to supply power to a 96-unit residential apartment complex. However, future development would require additional electric infrastructure to be extended from the development site to MW&L's distribution system. The cost and method of extension is unknown at this time and will be determined after the developer submits an application for service and related development plans.
 - Water system serving SE Stratus Avenue is a 10" water main. Adequate water may be available to serve the proposed development, but a hydrant flow test performed by the applicant's engineer or fire flow professional may be required

to determine actual capacity. This proposed development will require additional domestic, irrigation, fire line and hydrant infrastructure to be extended from the development site to MWL's water distribution system.

- Oregon Department of Transportation
 - No objection or comments on this comprehensive plan amendment/zone change proposal. Likely will have comments when a development application comes in.
- McMinnville Building Division - No building code concerns
- McMinnville Fire District – No comment
- Comcast - No comment

Public Comments

The following public testimony was received: (see attachment 3 for all written comments)

Written Comments Received in Advance of January 16, 2025 Public Hearing

- Nancy Feero, submitted January 14, 2025
- Lannette Noble, submitted January 14, 2025

January 16, 2025, Public Hearing Oral Comments Submitted, In Support

- Mike Morris
- Jennifer Feero

January 16, 2025, Public Hearing Oral Comments Submitted, In Opposition

- Jason Bizon
 - Prepared written statement (*see attachment 3*)
- Amy Bizon
- Susan Ackerman
- Kory Knutz
- Randy Yates
 - Prepared written statement and petition (*see attachment 3*)
- Alex Botten
 - Prepared written statement submitted (*see attachment 3*)
- Nicholas Helstrom
- Mark Davis
- Richard Drew

Written Comments Received in Advance of February 6, 2025 Public Hearing

- William Barlow III, submitted February 3, 2025
- AAB Properties LLC, submitted February 5, 2025
- Alex Botten (Petition, part 2), submitted February 5, 2025
- Mike Funk, submitted February 5, 2025
- Christine Kirk, submitted February 6, 2025
- Lisa Baker, submitted February 6, 2025

February 6, 2025, Public Hearing Oral Comments Submitted, In Opposition

- Malcolm Greenlees
 - *Prepared written statement submitted (see attachment 3)*
- Alex Botten
 - *Prepared written statement submitted (see attachment 3)*
- Kory Knutz
 - *Prepared written statement submitted (see attachment 3)*
- John Rima
- William Barlow
- Lana McKay-Brown
- Martin Vietz
- Mark Davis
- Randall Yates
- Nicholas Helstrom
- Jason Bizon

Written Comments Received in Advance of March 20, 2025 Public Hearing

- Christine Kirk, submitted March 4, 2025
- William Nourse, submitted March 13, 2025
- Lutheran Community Services Northwest, submitted March 14, 2025
- Haugeberg, Rueter, Gowell, Fredericks & Higgins, submitted March 18, 2025
- William Barlow III, submitted March 18, 2025
- Alex Botten (updated petition), submitted March 19, 2025
- Yamhill Community Action Partnership, submitted March 19, 2025
- Jen Feero, submitted March 20, 2025

March 20, 2025, Public Hearing Oral Comments Submitted, In Opposition

- Bill Ellis
- Alex Botten
- Nicholas Helstrom
- Lana McKay-Brown
- Martin Vietz
- Shannon Botten
- Mark Davis
- Malcolm Greenlees

VII. PROCEDURAL FINDINGS OF FACT:

1. The application was submitted with the fee provided on October 4, 2024. The applicant submitted the necessary documentation to demonstrate a neighborhood meeting was noticed and held in accordance with the provisions of Section 17.72.095 of the Zoning Ordinance.
2. The application was deemed complete on October 28, 2024.
3. On November 14, 2024, notice of the application was provided to the Oregon Department of Land Conservation and Development (DLCD).

4. On November 15, 2024, notice of the application was referred to the following public agencies for comment in accordance with Section 17.72.120 of the Zoning Ordinance: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, Public Works Department, Waste Water Services, and City Manager; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Planning Department; Zply Fiber (formerly Frontier Communications); Comcast; Recology; Northwest Natural Gas; Oregon Department of Transportation; and Oregon Department of State Lands. Comments received from agencies are addressed in Section VI of this Decision Document.
5. On December 26, 2024, notice of the application and the January 16, 2025, Planning Commission public hearing was mailed to property owners within 300 feet of the subject property in accordance with Section 17.72.120 of the Zoning Ordinance.
6. On January 10, 2025, notice of the application and the January 16, 2025, Planning Commission public hearing was published in the newspaper in accordance with Section 17.72.120 of the Zoning Ordinance.
7. The Planning Commission held a public hearing on January 16, 2025, to consider the request, and continued the public hearing until February 6, 2025.
8. On January 16, 2025, notice of the application and the February 6, 2025, Planning Commission public hearing was mailed to property owners within 300 feet of the subject property in accordance with Section 17.72.120 of the Zoning Ordinance.
9. On January 31, 2025, notice of the application and the February 6, 2025, Planning Commission public hearing was published in the newspaper in accordance with Section 17.72.120 of the Zoning Ordinance.
10. The Planning Commission held the continued public hearing on February 6, 2025, to consider the request, and continued the public hearing until March 20, 2025.
11. The Planning Commission held the continued public hearing on March 20, 2025, and voted 9-0 to recommend approval with conditions, with a revision to Condition #4 of the decision document pertaining to pedestrian infrastructure, and revisions to findings related to MMC 17.74.020(B).
12. The Planning Commission reviewed the revised Decision Document on April 3, 2025, and finalized the Conditions and Findings, for review by the McMinnville City Council.
13. The City Council held a meeting on April 22, 2025, and considered the recommendation of the Planning Commission, reading Ordinance No. 5159 for the first time. The vote on the first reading was not unanimous.
14. The City Council held a meeting on May 13, 2025, and considered the recommendation of the Planning Commission, reading Ordinance No. 5159 for the second time, and voting to approve both land-use applications.

VIII. GENERAL FINDINGS OF FACT:

1. **Location:**
 - **Site Address:** 2320 SE Stratus Avenue
 - **Map and Tax Lots:** R442700600 & R442700604
2. **Size:** Total of 5.8 acres. R442700600 is approximately 5.4 acres and R442700604 is approximately 0.4 acres.
3. **Current Development:**
 - a. R442700600: The property does not currently have any structures on the property.
 - b. R442700604: The property has one building on it that is currently being used as a single-family dwelling/storage building (pictured below).
4. **Comprehensive Plan Map Designation:** Industrial
5. **Current Zoning:**
 - a. **Subject Property:** M-1 (Light Industrial)
 - b. **Surrounding Properties:**
 - **North:** M-1 (Light Industrial)
 - **West:** Outside of McMinnville city limits
 - **South:** Outside of McMinnville city limits
 - **East:** R-4 (Medium, High-Density, 5000 SF Lot Residential Zone)
6. **Overlay Zones/Special Districts:** Three Mile Lane Area Plan (Ordinance 5126)
7. **Other Features:**
 - a. **Slopes:** The property is generally flat.
 - b. **Easements:** No city easements identified on the property.
 - c. **Trees:** There are approximately fifteen trees located throughout the project site.
8. **Utilities:**
 - a. **Water:** McMinnville Water & Light has a water system with a 10" water main serving SE Stratus Avenue.
 - b. **Sewer:** The City has completed a capacity analysis that indicates there is adequate capacity in the existing sanitary system to serve this property with minimal surcharging as allowed per the City's Wastewater Master Plan modeling. The assumptions for the analysis were based on the information provided from the applicant and include changing zoning from M-1 to R-4 with multifamily residential assumption of 20 residential units per acre. If at the time of development the applicant is to propose more residential units or anything that would result in an increase over the assumptions of the performed analysis, the City may require the development to enter into a reimbursement agreement with the City for modeling the impacts of the proposed sanitary impacts. This analysis would need to be completed prior to any building permit issuance. Depending on the results of this analysis the applicant may be responsible for associated costs for improvements to increase system capacity. (*Condition of Approval #1*)
 - c. **Stormwater:** Adequate stormwater infrastructure will be required by the City's Engineering Division at the time of development. The Engineering Division has noted



that on-site infiltration systems may have constraints in this area due to soil conditions, based on recent experiences with nearby development projects.

- d. **Power:** McMinnville Water & Light's electric distribution system serving the Three Mile Lane corridor has capacity to supply power to a 96-unit residential apartment complex. However, future development would require additional electric infrastructure to be extended from the development site to MW&L's distribution system. The cost and method of extension are unknown at this time and will be determined after the developer submits an application for service and related development plans.
9. **Access:** The property has access through an easement, established as part of a Minor Partition land division application in 2008, to the North that connects the properties to SE Stratus Avenue, which is identified as a Minor Collector in the City's Transportation System Plan.
10. **Public Transit:** Yamhill County Transit provides bus service to the neighborhood through "Route 2". The subject property does not currently have a bus stop directly in front of it, but future development of the Three Mile Lane Area, including residential and employment center developments may encourage increased access to bus service in the future.¹

IX. THREE MILE LANE AREA PLAN:

Summary

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

Land Use Concept

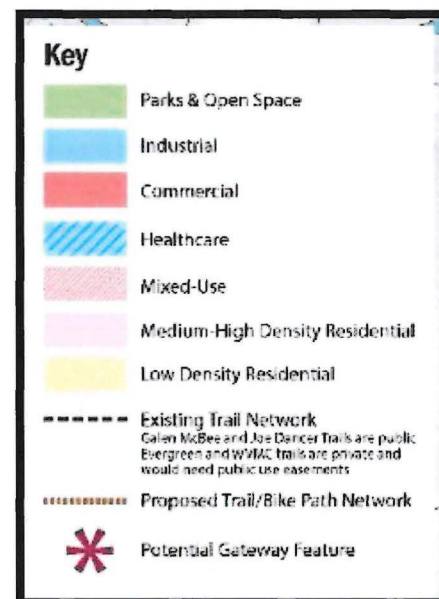
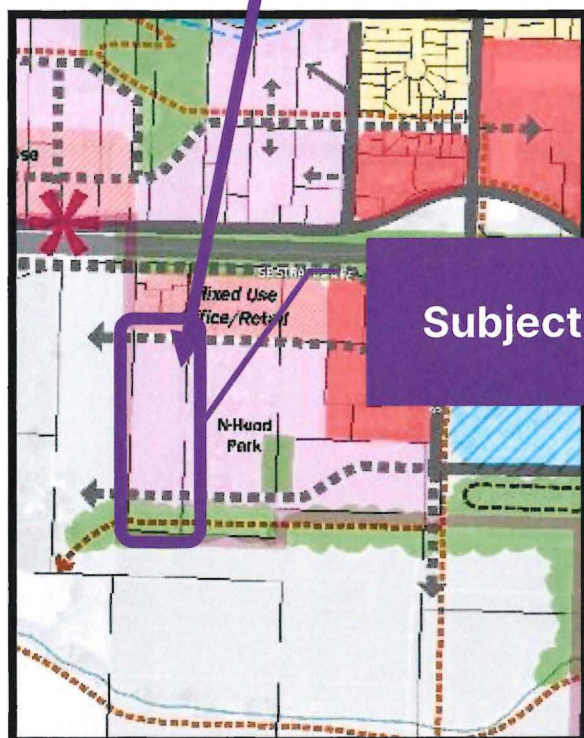
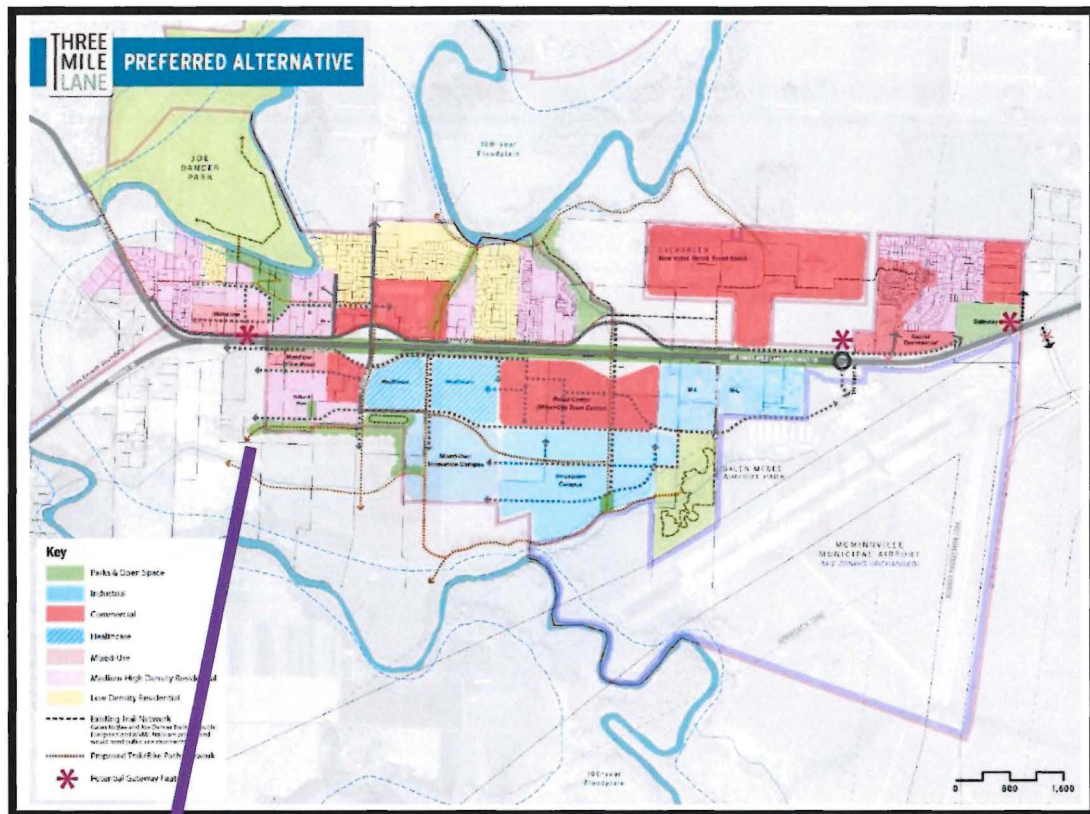
The Three Mile Lane Area Plan's land uses are shown on the next page (Figure 6 of the Three Mile Lane Area Plan, page 22). The defining characteristics south of the highway include a mixed-use high-density residential neighborhood with neighborhood serving commercial amenities west of the hospital.

A key feature of the plan included new high density residential neighborhoods south of Highway 18 and west of the hospital, continued development of existing neighborhoods in the western parts of the study area north of Highway 18. A large employment center south of the Highway, east of the hospital. And a retail town center south of the highway and east of the hospital. With bicycle and pedestrian connectivity, both on road and off road connecting the residential neighborhoods with the employment and commercial amenities. Included in the long-term land use planning for this area is greenways with trails, parks and open spaces. In the land use concept, the subject properties for this application were assigned two different designations. The smaller, northern property with an existing shop was designated as "Mixed-

¹ Yamhill County Transit. Routes and Schedules. <https://ycbus.org/routes-and-schedules/schedules/>
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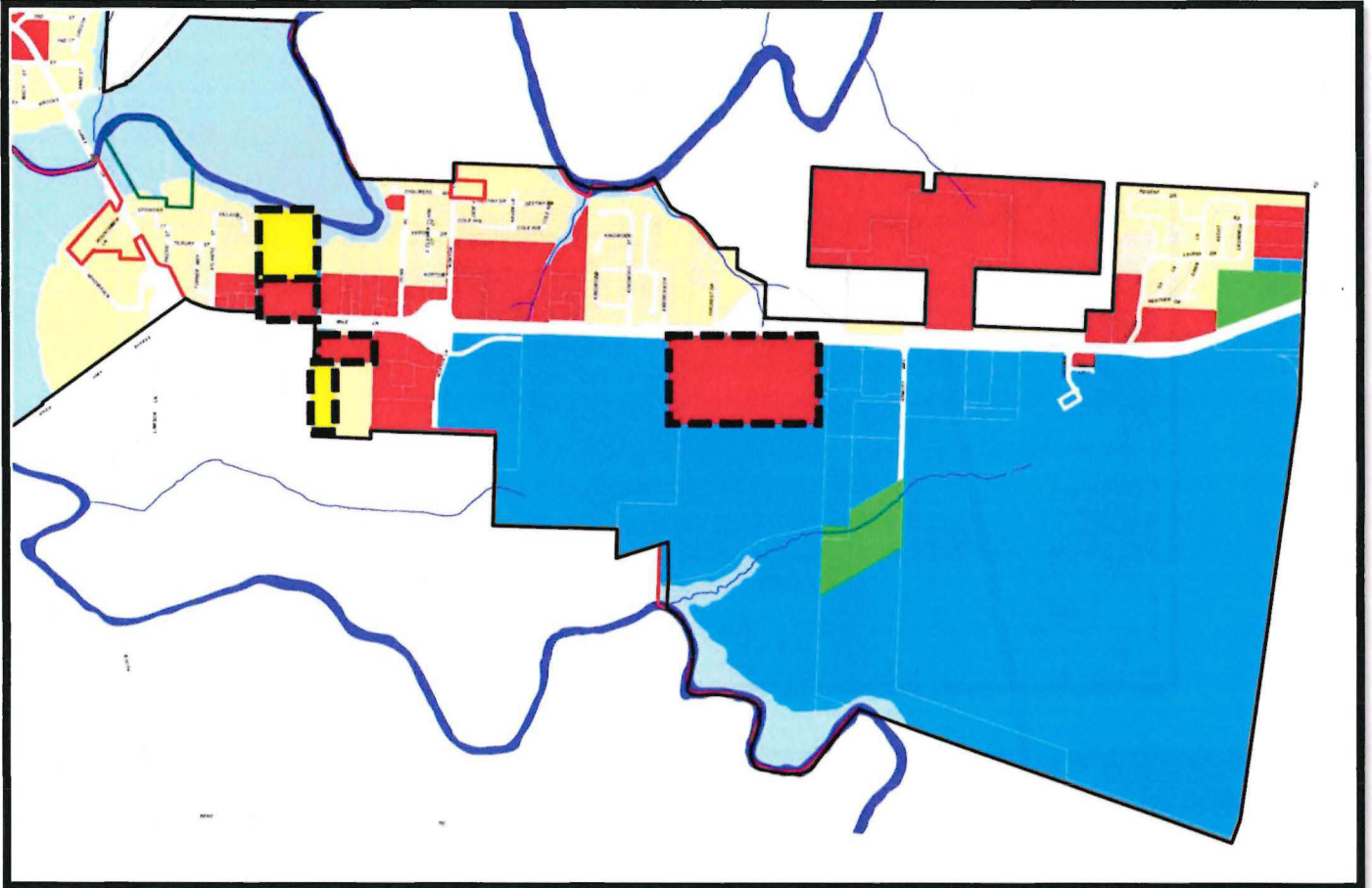
Use". The larger, southern property was primarily designated as "Medium-High Density Residential".

Figure 6, Preferred Land Use Concept, page 22 of the Three Mile Lane Area Plan



Additionally, the Three Mile Lane Area Plan identifies the need to amend the Comprehensive Plan Map to place a residential comprehensive plan designation on this property to accommodate future housing development of the site. Please see Figure 20 from the Three Mile Lane Area Plan below.

Figure 20, Comprehensive Plan map Amendments, page 40 of the Three Mile Lane Area Plan



X. CONCLUSIONARY FINDINGS:

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

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

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

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

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

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

APPLICANT'S RESPONSE: As required, the applicant has addressed applicable goals and policies of the Comprehensive Plan in the narrative provided in the application materials.

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

B. The proposed amendment is orderly and timely, considering the pattern of development in the area, surrounding land uses, and any changes which may have occurred in the neighborhood or community to warrant the proposed amendment;

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

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

FINDING: The applicant proposes a plan amendment to designate land for residential use on the plan map, and to rezone that land to multi-family residential. The Subsection B Exemption applies when a proposed plan map and zone map amendment “**concerns needed housing** (as defined in the McMinnville Comprehensive Plan and state statute).”

The Comprehensive Plan does not define “needed housing”, however, the comprehensive plan must be consistent with state statute. State statute (ORS 197A.348) defines “needed housing” to mean “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a.

In other words, all housing within the city is needed housing because the city’s comprehensive plan identifies a need for housing at a variety of price ranges and rent levels to households within the city at a variety of income levels. The proposed Comprehensive Plan map and Zoning Map amendments “concern needed housing” because they are proposed amendments to change the plan and zone designations to residential, which designations can be used exclusively for housing. **Therefore, the second requirement of the Subsection B Exemption is satisfied, and Criterion B does not apply.**

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

APPLICANT’S RESPONSE: As discussed above, the applicant is proposing to designate the property Residential on the Comprehensive Plan Map and R-4 (Medium, High-Density Residential) on the Zoning Map. The proposed map amendments are consistent with the Three Mile Lane Area Plan, which recommends low-rise garden apartments for the site, and is a supporting document to the McMinnville Comprehensive Plan. As such, this land use application and the intended future development of the site addresses a documented public need for additional multi-family housing. Per the attached Property Deed and Conceptual Plan, the subject site currently has a 25-ft. wide access and utility easement through an adjacent parcel to SE Stratus Avenue, a Minor Collector street. The attached Transportation Planning Rule Analysis indicates that traffic associated with the proposed zone designation is consistent with the City’s Transportation System Plan (TSP) and will not create a significant effect on the surrounding transportation system.

City maps indicate that public utilities are located in the vicinity of the subject parcels and can be extended when the site is developed. Public water and sanitary sewer services can be provided by connecting to the existing main lines within SE Stratus Avenue. Electrical and communication services can also be provided by connecting to existing lines within the right-of-way. To

meet City standards, the applicant intends to direct stormwater from impervious surfaces to an on-site retention pond.

FINDING: SATISFIED, WITH CONDITIONS #1, #2, #3 and #4.

Background for Findings:

- **Water:** McMinnville Water & Light has a water system with a 10" water main serving SE Stratus Avenue.
- **Sewer:** The City has completed a capacity analysis that indicates there is adequate capacity in the existing sanitary system to serve this property with minimal surcharging as allowed per the City's Wastewater Master Plan modeling. The assumptions for the analysis were based on the information provided from the applicant and include changing zoning from M-1 to R-4 with multifamily residential assumption of 20 residential units per acre. *(Condition of Approval # 1, and see attachment 2)*
- **Stormwater:** Adequate stormwater infrastructure will be required by the City's Engineering Division at the time of development. The Engineering Division has noted that on-site infiltration systems may have constraints in this area due to soil conditions, based on recent experiences with nearby development projects.
- **Power:** McMinnville Water & Light's electric distribution system serving the Three Mile Lane corridor has capacity to supply power to a 96-unit residential apartment complex. However, future development would require additional electric infrastructure to be extended from the development site to MW&L's distribution system. The cost and method of extension is unknown at this time and will be determined after the developer submits an application for service and related development plans.
- **Access and Circulation:** The property has access through an easement, established as part of a Minor Partition land division application in 2008, to the North that connects the properties to SE Stratus Avenue, which is identified as a Minor Collector in the City's Transportation System Plan. At the time of a development application, the applicant is required to clearly delineate on-site vehicular circulation to avoid conflicts between entry access to the site and the parking lot area. These details should be clearly shown on future site plan drawings submitted during the development permitting stage. *(Condition of Approval # 2)*
- **Transportation:** *Relevant policies included after Summary of Findings, for reference*

Summary of Findings for MMC 17.74.020(C)

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

The City does not have a locally adopted threshold for a "significant effect" to require a Transportation Planning Rule Analysis, therefore, the City defers to the state statutory requirements for determining "significant effect" which is

provided in OAR 660-012, otherwise known as the Transportation Planning Rule (TPR).

The transportation memorandum provided by the applicant demonstrates that the proposed comprehensive plan map amendment and zoning map amendments does not have a significant effect as defined by Oregon Revised Statute.

TPR Review of Oregon State Facilities

When making the determination of a “significant affect” to State transportation facilities the thresholds are outlined in the Oregon Highway Plan², *“Any proposed amendment that increases the average daily trips by more than 400 but less than 1001 for state facilities where the annual average daily traffic (AADT) is less than 25,000 for a five-lane highway.”*

For this application, the reasonable worst case scenario was an increase of 622 daily trips for the proposed amendment and the annual average daily traffic (AADT) for OR 18 is approximately 24,500.

The Oregon Department of Transportation (ODOT) was included in the review of this application and submitted a review comment that, “ODOT does not have any objection or comments on this comp plan amendment/zone change proposal.”

The applicant completed a trip generation analysis as a part of the Transportation Planning Rule Analysis (Exhibit 5) in Table 2 that estimated an increase of 622 daily trips to the local transportation system. Table 2 identifies that a reasonable worst-case development in the proposed R-4 zone (162 apartment units) generates 622 daily additional trips compared to reasonable worst-case development in the existing M-1 zone (101,060 square-foot general light industrial use).

However, the applicant is planning to develop the property with 96 units rather than 162 units, which the applicant’s traffic engineer has estimated to generate approximately 691 total daily trips or 199 additional trips. For this reason, the applicant has proposed to impose a “trip cap” condition of approval for this comprehensive plan amendment and zone change that would limit future development to a total of 715 daily trips.

The City reserves the right to require a development Traffic Impact Analysis (TIA) at the time of development if the proposal will result in an increase of 200 daily round trips or 20 daily peak hour trips to ensure that all impacted roadways and intersections will maintain conformance with performance standards outlined in the McMinnville Transportation System Plan (TSP).

² <https://www.oregon.gov/odot/Planning/Documents/OHP.pdf>

State of Oregon Transportation Planning Rules (OAR 660-012-0060)

(1) If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would *significantly affect* an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:

.....

(c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.

(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;

(B) Degrade the performance of an existing or planned transportation facility *such that it would not meet* the performance standards identified in the TSP or comprehensive plan; or

(C) Degrade the performance of an existing or planned transportation facility *that is otherwise projected to not* meet the performance standards identified in the TSP or comprehensive plan.

(2) If a local government determines that there would be a significant effect, then the local government must ensure that allowed land uses are consistent with the performance standards of the facility measured or projected at the end of the planning period identified in the adopted TSP through one or a combination of the remedies listed in subsections (a) through (e) below, unless the amendment meets the balancing test in subsection (e) or qualifies for partial mitigation in section (11) of this rule. A local government using subsection (e), section (3), section (10) or section (11) to approve an amendment recognizes that additional motor vehicle traffic congestion may result and that other facility providers would not be expected to provide additional capacity for motor vehicles in response to this congestion.

(a.) Adopting measures that demonstrate allowed land uses are consistent with the performance standards of the transportation facility.

(b.) Amending the TSP or comprehensive plan to provide transportation facilities, improvements, or services adequate to support the proposed land uses consistent with the requirements of this division. Such amendments shall include a funding plan or mechanism consistent with section (4) or include an amendment to the transportation finance plan so

that the facility, improvement, or service will be provided by the end of the planning period.

(c.) Amending the TSP to modify the performance standards of the transportation facility.

(d.) Providing other measures as a condition of development or through a development agreement or similar funding method, including, but not limited to, transportation system management measures or minor transportation improvements. Local governments shall, as part of the amendment, specify when measures or improvements provided pursuant to this subsection will be provided.

(e.) Providing improvements that would benefit modes other than the significantly affected mode, improvements to facilities other than the significantly affected facility, or improvements at other locations, if:

(A.) The provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards;

(B.) The providers of facilities being improved at other locations provide written statements of approval; and

(C.) The local jurisdictions where facilities are being improved provide written statements of approval.

Comprehensive Plan Volume II

The following Goals, Policies, and Proposals from Volume II of the Comprehensive Plan provide criteria applicable to this request. The implementation of many of the goals, policies, and proposals as they apply to quasi-judicial land use applications are accomplished through the provisions, procedures, and standards in the city codes and master plans, which are sufficient to adequately address applicable goals, policies, and proposals as they apply certain applications, and are not addressed below. The following findings are made relating to applicable Goals and Policies:

CHAPTER II. NATURAL RESOURCES

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

APPLICANT'S RESPONSE: The applicant is proposing to change the site's current M-1 zoning to an R-4 designation. The attached Conceptual Plan demonstrates that the property contains a single-family dwelling/storage building within Tax Lot 604 (see Exhibit 3). City maps indicate that there are no designated natural resources within the subject properties. Since rezoning the site for residential development does not significantly impact or disrupt the preservation of air, water, or land resources within the planning area, the above goal is met.

FINDING: The proposed zone change from M-1 to R-4 should not have significant impacts to the quality of air, water, and land resources. Potential impacts will be mitigated or prevented through the enforcement of applicable standards at the time of development.

GOAL II 1: SATISFIED.

CHAPTER III: CULTURAL, HISTORICAL, AND EDUCATIONAL RESOURCES

Goal III 2: TO PRESERVE AND PROTECT SITES, STRUCTURES, AREAS, AND OBJECTS OF HISTORICAL, CULTURAL, ARCHITECTURAL, OR ARCHAEOLOGICAL SIGNIFICANCE TO THE CITY OF MCMINNVILLE

APPLICANT'S RESPONSE: The subject site does not contain historical, cultural, architectural, or archaeological sites, structures or objects of significance. Therefore, this chapter does not apply to the Comprehensive Plan Map Amendment and Zone Change applications.

FINDING: This property does not contain structures or resources subject to the city's local Historic Preservation requirements in Chapter 17.65. Developers and individuals proposing any ground disturbing work should become familiar with state laws on the protection of archaeological sites.

The Department of State Lands is responsible for protecting cultural resources. Cultural resources are a crucial part of the Department's natural resource and conservation planning. They provide meaning and connection for groups that have historically called this land home. If these resources vanish, their story, a part of Oregon's heritage, can never be told. DSL works side by side with the Tribal governments of Oregon, the State Historic Preservation Office, state and federal agencies, lessees, and the public to protect and manage these nonrenewable cultural resources. Impacts to cultural resources are avoided by reviewing proposed ground-disturbing activities on Oregon-owned lands and waterways and in the territorial sea. The excavation, destruction or alteration of any known archaeological site or collection of archaeological objects located on public or private land without the issuance of a state archaeological permit is prohibited (ORS 358.920 and ORS 390.235). Destruction or damage to any human burial site, human remains, or Native American sacred or special objects associated with those burial sites is also prohibited (ORS 97.745).

GOAL III 2: SATISFIED.

CHAPTER IV: ECONOMY OF MCMINNVILLE

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

APPLICANT'S RESPONSE: The attached Preliminary Development Plans indicate that the subject property is located within the UGB and city limits of McMinnville. The subject parcels are currently designated M-1 and Industrial on the City's Zoning Map and Comprehensive Plan Map. The applicant is proposing to rezone the site to Medium, High-Density Residential. The proposed map amendments will allow the development of

multi-family dwellings, providing additional housing opportunities for the McMinnville workforce. Residents that live in the proposed dwellings will also purchase local goods and services, helping to contribute to the local economy. In addition, the future residential use will provide additional property tax revenue for the City to provide public services.

The applicant is proposing to designate the site Residential on the Comprehensive Plan Map and R-4 on the Zoning Map. The proposed map amendments will allow the development of a multi-family dwellings, providing additional housing opportunities for the McMinnville workforce and their employers. Residents that live in the proposed dwellings will purchase local goods and services, helping to contribute to the local economy. In addition, the residential use will provide additional property tax revenue for the City to provide public services. Therefore, the proposed map amendments will help improve economic conditions in the community.

FINDING: In 2019, McMinnville adopted an Economic Development Strategic Plan (MAC Town 2032 – Economic Development Strategic Plan). The goals and strategies from this document were integrated into the Three Mile Lane Area Plan in a localized scope, including a detailed market analysis for the area. Although the property is current designated and zoned as Industrial (M-1), which is a land use that can produce employment opportunities, the Three Mile Lane Area Plan envisioned a more cohesive area for an employment center, centered around an “Innovation Campus”, that is located east of Norton Lane. In this way, the proposed amendment would better reflect the Preferred Land Use Alternative that has been adopted in the Area Plan.

GOAL IV 1: SATISFIED.

CHAPTER V. HOUSING AND RESIDENTIAL DEVELOPMENT

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

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

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

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

61.00: The City of McMinnville shall monitor the conversion of lands to residential use to ensure that adequate opportunities for development of all housing types are assured. Annual reports on the housing development pattern, housing density and mix shall be prepared for city review.

APPLICANT’S RESPONSE: The City’s current Housing Needs Analysis indicates that single-family and multi-family dwelling needs will be met through the development of

4,657 housing units during the 2021-2041 planning period. However, if all inventoried residential land supply is developed by 2041, the City will still maintain a deficiency of 1,926 dwelling units during the planning period. Therefore, rezoning of the subject site is essential when addressing the public need for additional housing. As demonstrated by the attached Conceptual Plan, the applicant is intending to develop 96 dwelling units on the site, consistent with the above goals and policies (see Exhibit 3).

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

APPLICANT'S RESPONSE: Existing public and private services within SE Stratus Avenue currently have the capacity to serve the proposed multi-family use. Stratus Avenue is classified as a Minor Collector. Public water and sewer services can be provided by connecting to the existing main lines within the right-of-way. Similarly, electrical and communication services can be provided by connecting to existing lines along the road frontage. The attached concept plan indicates that the applicant is intending to manage stormwater from impervious surfaces on site by directing drainage to a retention pond in accordance with City standards. The subject property is located adjacent to a mobile home park that provides higher density housing. Therefore, the proposed map amendments will help encourage compact urban development in this neighborhood, consistent with recommendations in the Three Mile Lane Area Plan. As such, the above goals and policies are met.

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

APPLICANT'S RESPONSE: The subject site is currently designated Industrial on the Comprehensive Plan Map and M-1 on the Zoning Map. However, the site is recommended to be designated Medium, High-Density Residential by the Three Mile Lane Area Plan, which is a supporting document to the Comprehensive Plan. The Area Plan has provided this recommendation since the site is well-suited for low-rise garden apartments, and a multi-family use will help address the public need for additional housing. The proposed Comprehensive Plan Map Amendment to Residential and Zone Change to R-4 are consistent with the Area Plan recommendation. Following approval of the map amendments, the applicant intends to develop an apartment complex on the site in conformance with the above policy.

71.05: The City of McMinnville shall encourage annexations and rezoning which are consistent with the policies of the Comprehensive Plan so as to achieve a continuous five-year supply of buildable land planned and zoned for all needed housing types.

APPLICANT'S RESPONSE: The current McMinnville Housing Needs Analysis indicates a projected deficiency of 1,926 dwelling units by 2041 within the community. This is due to available residential land becoming foreseeably exhausted within 12 to 20 years, based on development rates of available residential land and compliance with housing density standards. The proposed R-4 zoning for the site is consistent with the Three Mile Lane Area Plan. The Areas Plan recommends the development of Medium, High-Density housing on the site, and is a supporting document to the Comprehensive Plan.

Since the proposed map amendments will address a documented public need and create additional residential land supply, they are consistent with the above policy.

71.09 Medium and Medium-High Density Residential (R-3 and R-4) – The majority of residential lands in McMinnville are planned to develop at medium density range (4 – 8 dwelling units per net acre). Medium density residential development uses include small lot single dwelling detached uses, single dwelling attached units, duplexes, triplexes, quadplexes, townhouses, and cottage clusters. High density residential development (8 – 30 dwelling units per net acre) uses typically include townhouses, condominiums, and apartments:

- 1. Areas that are not committed to low density development;*
- 2. Areas that have direct access from collector or arterial streets; or a local collector street within 600' of a collector or arterial street;*
- 3. Areas that are not subject to development limitations such as topography, flooding, or poor drainage;*
- 4. Areas where the existing facilities have the capacity for additional development;*
- 5. Areas within one-quarter mile of existing or planned public transportation.*

APPLICANT'S RESPONSE: The applicant is requesting approval of a Comprehensive Plan Map Amendment and Zone Change application to designate the site R-4 so that the site can be developed with low-rise garden apartments. The proposed zoning is consistent with the recommended Medium, High-Density Residential designation in the Three Mile Lane Area Plan. Per the attached Property Deed and Conceptual Plan, the subject site is accessible through a 125-ft. long access and utility easement that connects to SE Stratus Avenue, a Minor Collector street. City maps do not indicate that steep topography, flooding, or poor drainage is associated with the site. Therefore, the proposed R-4 zoning is consistent with the above policies.

When discussing the attached Conceptual Plan with City staff, it was determined that public utilities have the capacity to serve a multi-family use on the site. Public water and sewer services can be provided by connecting to existing main lines within SE Stratus Avenue. Similarly, electrical and communication services can be provided by connecting to existing lines within the right-of-way. The attached Conceptual Plan indicates that the applicant is intending to manage stormwater from impervious surfaces by directing drainage to a retention pond (see Exhibit 3).

FINDING: The proposed zone change and comprehensive plan amendment would promote residential development in a land-intensive manner with urban level services. The R-4 zone allows a wide range of residential development types that allows for various unique or innovation development styles. The majority of the project site is recommended to be designated Medium, High-Density Residential by the Three Mile Lane Area Plan, with the remaining area designated as Mixed-Use.

1. This area is not committed to low-density development.
2. The property has access through an easement, established as part of a Minor Partition land division application in 2008, to the North that connects the properties to SE Stratus Avenue, which is identified as a Minor Collector in the City's Transportation System Plan.
3. The property is relatively flat. The South Yamhill River is located near the property, but the property is located outside of all regulatory floodway designations established by the Federal Emergency Management Agency's (FEMA) flood maps. The applicant will be required to manage stormwater for future development based on soil conditions that determine drainage.

4. Considering that this property is vacant and that the Three Mile Lane Area has historically been underdeveloped, it is anticipated that the facilities would need improvement or expansion to serve future development of properties in this area. Whether this property was developed as industrial or residentially zoned land, there would likely be system improvements necessary. The proposed Comprehensive Plan map and Zoning map amendments are consistent with the future anticipated development contemplated under the Three Mile Lane Area Plan and the system implications that are imagined with that Area Plan.
5. A Yamhill County bus stop is located approximately one-quarter mile to the East of the property on Norton Lane.

GOAL V 1 and V 2: SATISFIED.

CHAPTER VI TRANSPORTATION SYSTEM

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

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

APPLICANT'S RESPONSE: As required, Transportation Planning Rule Analysis has been completed for the proposed zone change from M-1 to R-4. The attached Transportation Planning Rule Analysis indicates that traffic associated with the proposed zone designation is consistent with the City's Transportation System Plan (TSP) and will not create a significant effect on the surrounding transportation system (see Exhibit 5). Therefore, the above policy is met.

FINDING: The applicant completed a trip generation analysis as a part of the Transportation Planning Rule Analysis (Exhibit 5) in Table 2 that estimated an increase of 622 daily trips to the local transportation system. Table 2 identifies that a reasonable worst-case development in the proposed R-4 zone (162 apartments) generates 622 daily additional trips, 2 AM fewer trips, and 24 PM additional trips over development in the existing M-1 zone (101,060 square-foot general light industrial use).

TABLE 2 – DEVELOPMENT TRIP GENERATION ¹									
Reasonable Worst-Case Development Assumption	ITE Code	Size	Daily Trips	AM Peak Hour			PM Peak Hour		
				Enter	Exit	Total	Enter	Exit	Total
Current M-1 Zone									
General Light Industrial ¹	110	101,060 SF	492	66	9	75	9	57	66
Proposed R-4 Zone									
Multifamily Housing (Low-Rise) ²	220	162 DUs	1,114	18	55	73	57	33	90
Change in Trip Generation with Zone Change			622	(48)	46	(2)	48	(24)	24

¹ Trip generation estimated using the *Average Rate* per recommended practice in the ITE *Trip Generation Handbook*, 3rd Edition.

² Trip generation estimated using the *Fitted Curve* per recommended practice in the ITE *Trip Generation Handbook*, 3rd Edition.

The City implements a policy that sets a threshold that developments and land use changes resulting in an increase of 200 daily trips or 20 peak hour trips should submit a

development Traffic Impact Analysis in order to assess the potential impacts to the transportation network, especially nearby intersections of concern. In the case of this property, the City anticipates several intersections that will require further analysis:

- SE Stratus Avenue/Site Access
- SE Stratus Avenue/ SE Norton Lane
- NE Norton Lane/Cumulus Avenue
- Norton Lane/HWY 18
- NE Pacific-Cumulus-Nehemiah/ Three Mile Lane
- SE First Street/Three Mile Lane

GOAL VI 1: SATISFIED, WITH CONDITIONS #1, #2, #3 and #4

CHAPTER IX. URBANIZATION

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

APPLICANT'S RESPONSE: The City has recently prepared a Housing Needs Analysis which projects housing needs during the 2021-2041 planning period. This analysis indicates that single-family and multi-family needs will be met through the development of 4,657 dwelling units during the planning period. However, the existing residential land supply will not meet the projected demand. Even if all of the available residential land supply is developed by 2041, the City will have a projected deficiency of 1,926 dwelling units during the planning period. Therefore, rezoning of the subject site to R-4 to allow for medium-high density residential development is essential when addressing the public need for additional housing.

FINDING: Although no development proposal has been submitted as this time, the applicant's response above contemplates the development of housing in the future. For this reason, it is worth noting that the City's recently updated Housing Needs Analysis, adopted under Ordinance 5141 on February 27, 2024, outlined McMinnville's housing needs over a 20-year period of 2021 to 2041. It is forecasted that McMinnville will need 4,657 new dwelling units by 2041. Rezoning properties to moderate and high density residential zoning (R-4/R-5) is one approach to reaching housing targets. Considering that the majority of the subject property is currently vacant, it provides a good opportunity to develop at a higher-density, compared to properties with existing structures that may have infill development limitations.

GOAL IX 1: SATISFIED.

GOAL IX 2: TO ESTABLISH A LAND USE PLANNING FRAMEWORK FOR APPLICATION OF THE GOALS, POLICIES, AND PROPOSALS OF THE McMINNVILLE COMPREHENSIVE PLAN.

GREAT NEIGHBORHOOD PRINCIPLES

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

187.40 The Great Neighborhood Principles shall guide long range planning efforts including, but not limited to, master plans, small area plans, and annexation requests. The Great Neighborhood

Principles shall also guide applicable current land use and development applications.

FINDING: The purpose of the Great Neighborhood Principles is to guide the land use patterns, design, and development of the places that McMinnville citizens live, work, and play. There are 13 principles, and each principle reflects a specific community value. The City of McMinnville's Great Neighborhood Principles identifies amenities and facilities that should be present in all residential areas, including a variety of housing types, pedestrian and bicycle connectivity, preservation of scenic views and natural features, access to open space. The Area Plan aims to support those Great Neighborhood Principles for residents in the study area by providing multi-modal connectivity, single-family and multifamily housing, provisions for open spaces, and commercial amenities, such as grocery stores, restaurants, and more. Future development of the subject property will be subject the Area Plan's policies to ensure that the Great Neighborhood Principles are implemented.

GOAL IX 2: SATISFIED.

CHAPTER X. CITIZEN INVOLVEMENT AND PLAN AMENDMENT

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

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

APPLICANT'S RESPONSE: The applicant is requesting approval of a Comprehensive Plan Map Amendment and Zone Change application. As required, citizens will have the opportunity to comment on the proposed map amendments at public hearings before the Planning Commission and City Council prior to issuance of the land use decision.

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

GOALS X 1 and X 3: SATISFIED.

Statewide Planning Goals

Goal 2: Land Use Planning - "To establish a land use planning process and policy framework as a basis for all decisions and actions related to the use of land and to assure an adequate factual base for such decisions and actions."

APPLICANT'S RESPONSE: The City's current Housing Needs Analysis indicates that single-family and multi-family needs will be met through the development of 4,657 dwelling units during the 2021-2041 planning period. However, the existing residential land supply cannot meet the projected demand for housing units. It has been

determined that the City will have a projected deficiency of 1,926 dwelling units during the planning period even if all available residential land supply is developed.

As discussed throughout this Applicant's Statement, the subject site is included in McMinnville's UGB and is currently designated as Industrial on the Comprehensive Plan Map. Consistent with the Medium, High-Density Residential recommendation in the Three Mile Lane Area Plan, a supporting document to the Comprehensive Plan, the applicant is proposing to redesignate the site Residential and rezone it to an R-4 designation. The attached Conceptual Plan indicates that the applicant is intending to develop 96 multi-family units on the site following the approval of the proposed map amendments. Therefore, the requested map amendments are orderly and timely considering the Area Plan's recommendation for the site, and the need for housing in the community.

FINDING: SATISFIED. The City has adopted a Comprehensive Plan to serve as the framework for actions related to the use of land. Additionally, the City adopted the Three Mile Lane Area Plan to further define a land use framework for this portion of McMinnville. The proposed Comprehensive Plan Amendment and Zone Change application align with the community's vision for the subject property, as determined through the Comprehensive Plan and Area Plan.

Goal 10: Housing – “To provide for the housing needs of citizens of the state.”

APPLICANT'S RESPONSE: The attached Conceptual Plan illustrates that following approval of the map amendments, the applicant intends to develop a 96-unit apartment complex on the site. The future development of an apartment complex helps to meet the need for a greater variety of residential units as identified in the 2003-2023 McMinnville Growth Management and Urbanization Plan. The City's more recent Housing Needs Analysis indicates that the City is maintaining a deficient residential land supply when addressing housing needs during the 2021-2041 planning period. As such, rezoning and development of the subject site is essential when addressing the public housing need.

FINDING: SATISFIED. Although no development proposal has been submitted as this time, the applicant's response above contemplates the development of housing in the future. For this reason, it is worth noting that the City's recently updated Housing Needs Analysis, adopted under Ordinance 5141 on February 27, 2024 outlined McMinnville's housing needs over a 20-year period of 2021 to 2041. It is forecasted that McMinnville will need 4,657 new dwelling units by 2041. Rezoning properties to moderate and high density residential zoning (R-4/R-5) is one approach to reaching housing targets. Considering that the majority of the subject property is currently vacant, it provides a good opportunity to develop at a higher-density, compared to properties with existing structures that may have infill development limitations.

Goal 11: Public Facilities – “To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.”

APPLICANT'S RESPONSE: City maps indicate that public utilities are located in the vicinity of the subject parcels and can be extended when the site is developed. Public water and sanitary sewer services can be provided by connecting to existing main lines

within SE Stratus Avenue. Electrical and communication services can also be provided by connecting to existing lines within the right-of-way. To manage stormwater, the applicant is planning to develop a retention pond on the site. The subject parcels currently have access to City fire and police services. Therefore, the proposed map amendments comply with Goal 11.

FINDING: SATISFIED. The applicant will be required to provide adequate public facilities at the time of development.

Goal 12: Transportation – “To provide and encourage a safe, convenient and economic transportation system.”

APPLICANT’S RESPONSE: NE Stratus Avenue is currently improved with a curb and sidewalk along the frontage of Tax Lot 602, where shared access is provided with the subject site. Due to low traffic volumes and speeds, vehicles and bicycles share the travel lanes. As required, Transportation Planning Rule Analysis has been completed for the proposed zone change from M-1 to R-4. The attached Transportation Planning Rule Analysis indicates that traffic associated with the proposed zone designation is consistent with the City’s Transportation System Plan (TSP) and will not create a significant effect to the safety or convenience of the surrounding transportation system (see Exhibit 5). Therefore, the above policy is met.

FINDING: SATISFIED, WITH CONDITIONS. The City does not have a formally adopted threshold for a “significant effect” to require a Transportation Planning Rule Analysis, therefore, the City will implement the Oregon Department of Transportation’s threshold, which has not been met for this Comprehensive Plan Amendment/Zone Change application.