

ORDINANCE NO. 5084

AN ORDINANCE AMENDING THE COMPREHENSIVE PLAN MAP DESIGNATION OF THE PROPERTY AT THE NORTHEAST QUADRANT OF THE INTERSECTION OF NW HILL ROAD AND NW BAKER CREEK ROAD FROM A COMMERCIAL DESIGNATION TO A MIX OF RESIDENTIAL AND COMMERCIAL DESIGNATIONS

RECITALS:

The Planning Department received an application (CPA 1-19) from Stafford Development Company, LLC requesting approval of a Comprehensive Plan Map Amendment. The property is currently designated on the Comprehensive Plan Map as Commercial land. The requested Comprehensive Plan Map Amendment would result in the Commercial designation being reduced in size and the balance of the property being designated as Residential on the Comprehensive Plan Map; and

The subject property is located at the northeast quadrant of the intersection of NW Hill Road and NW Baker Creek Road. The property is described as Exhibit C in Instrument No. 201904865, Yamhill County Deed Records, and a portion of Exhibit C in Instrument No. 201904867, Yamhill County Deed Records. The property is also identified as a portion of Tax Lot 100, Section 18, T. 4 S., R. 4 W., W.M.; and

A public hearing was held on December 5, 2019 at 6:30 p.m., before the McMinnville Planning Commission after due notice had been provided in the local newspaper on November 26, 2019, and written notice had been mailed to property owners within 300 feet of the affected property; and

At said public hearing, the application materials and a staff report were presented, and applicant and public testimony was received; and

The Planning Commission, being fully informed about said requests, found that the requested amendments conformed to the applicable Comprehensive Plan goals and policies, as well as the Comprehensive Plan Map Amendment review criteria listed in Section 17.74.020 of the McMinnville Municipal Code based on the material submitted by the applicant and the findings of fact and conclusionary findings for approval contained in Exhibit A; and

The Planning Commission recommended approval of said Comprehensive Plan Map Amendment to the City Council; and

The City Council having received the Planning Commission recommendation and staff report, elected to schedule a second public hearing on the application; and

A public hearing was held on January 28, 2020 at 7:00 p.m., before the McMinnville City Council after due notice had been provided in the local newspaper on January 21, 2020, and written notice had been mailed to property owners within 300 feet of the affected property; and

At said public hearing, the application materials and a staff report were presented, and applicant and public testimony was received; and

The City Council having completed the public hearing, received the Planning Commission recommendation and staff report, and having deliberated; and

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

- 1. That the Council adopts the Findings of Fact, Conclusionary Findings, and Decision as documented in Exhibit A; and
- 2. That this Ordinance shall take effect 30 days after its passage by the City Council.

Passed by the Council this 28th day of January, 2020, by the following votes:

Ayes: _____

Nays: _____

MAYOR

Attest:

Approved as to form:

CITY RECORDER

CITY ATTORNEY



**CITY OF MCMINNVILLE
PLANNING DEPARTMENT**
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DECISION, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS FOR THE APPROVAL OF A COMPREHENSIVE PLAN MAP AMENDMENT FROM A COMMERCIAL DESIGNATION TO A MIX OF RESIDENTIAL AND COMMERCIAL DESIGNATIONS AT THE NORTHEAST QUADRANT OF THE INTERSECTION OF NW HILL ROAD AND NW BAKER CREEK ROAD

- DOCKET:** CPA 1-19 (Comprehensive Plan Map Amendment)
- REQUEST:** Approval to amend the Comprehensive Plan Map designations of a property from its current designation of Commercial to a mix of Commercial and Residential designations. The proposal would reduce the size of the existing Commercially designated area from 11.3 acres to 6.62 acres of Commercially designated land and 4.68 acres of Residentially designated land.
- LOCATION:** The property is described as Exhibit C in Instrument No. 201904865, Yamhill County Deed Records, and a portion of Exhibit C in Instrument No. 201904867, Yamhill County Deed Records. The property is also identified as a portion of Tax Lot 100, Section 18, T. 4 S., R. 4 W., W.M.
- ZONING:** EF-80 (Exclusive Farm Use)
- APPLICANT:** Stafford Development Company, LLC
- STAFF:** Chuck Darnell, Senior Planner
- DATE DEEMED COMPLETE:** October 11, 2019
- HEARINGS BODY & ACTION:** The McMinnville Planning Commission makes a recommendation for approval or denial to the City Council.
- HEARING DATE & LOCATION:** December 5, 2019, Civic Hall, 200 NE 2nd Street, McMinnville, Oregon.
- HEARINGS BODY & ACTION:** The McMinnville City Council approves or denies the land-use application.
- HEARING DATE & LOCATION:** January 28, 2020, Civic Hall, 200 NE 2nd Street, McMinnville Oregon
- PROCEDURE:** An application for a Comprehensive Plan Map Amendment is 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.

CRITERIA: The applicable criteria for a Comprehensive Plan Map Amendment are 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.

APPEAL: 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. The City's final decision is subject to a 120 day processing timeline, including resolution of any local appeal. The 120 day deadline is February 8, 2020.

COMMENTS: This matter was referred to the following public agencies for comment: McMinnville Fire Department, Police Department, Engineering Department, Building Department, Parks Department, City Manager, and City Attorney; McMinnville Water and Light; McMinnville School District No. 40; Yamhill County Public Works; Yamhill County Planning Department; Oregon Department of State Lands, Bonneville Power Administration, Recology Western Oregon, Frontier Communications; Comcast; and Northwest Natural Gas. The matter was also referred to the Oregon Department of Land Conservation and Development. Their comments are provided in this document.

DECISION

Based on the findings and conclusionary findings, the City Council finds the applicable criteria are satisfied and **APPROVES** the Comprehensive Plan Map Amendment (CPA 1-19).

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DECISION: APPROVAL
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City Council: _____ Date: _____
Scott Hill, Mayor of McMinnville

Planning Commission: _____ Date: _____
Roger Hall, Chair of the McMinnville Planning Commission

Planning Department: _____ Date: _____
Heather Richards, Planning Director

I. APPLICATION SUMMARY:

The applicant has provided information in their application narrative and findings (attached as Attachment 1) regarding the history of land use decisions for the subject site(s) and the request(s) under consideration. The City has found the information provided to accurately reflect the current Comprehensive Plan Map Amendment request and the relevant background, and excerpted portions are provided below to give context to the request, in addition to the City's comments.

Subject Property & Request

The subject property is located at the northeast quadrant of the intersection of NW Hill Road and NW Baker Creek Road. The property is described as Exhibit C in Instrument No. 201904865, Yamhill County Deed Records, and a portion of Exhibit C in Instrument No. 201904867. The property is also identified as a portion of Tax Lot 100, Section 18, T. 4 S., R. 4 W., W.M.

The application (CPA 1-19) is a request for a Comprehensive Plan Map Amendment to amend the Comprehensive Plan Map designation of a property from the current designation of Commercial to a mix of Residential and Commercial. The requested amendment would reduce the size of the existing Commercially designated area from 11.3 acres to 6.62 acres in size and designate the remaining 4.68 acres of land Residential. The Comprehensive Plan Map Amendment request was submitted for review concurrently with five other land use applications, as allowed by Section 17.72.070 of the MMC. The requested amendment is being reviewed concurrently with a Planned Development Amendment, Zone Change, Planned Development, Subdivision, and Landscape Plan Review process to allow for the development of a 280 lot subdivision and future commercial development.

See Vicinity Map (Figure 1), Existing Comprehensive Plan Map (Figure 2), and Proposed Site Plan (Figure 3) below.

Figure 1. Vicinity Map (Subject Site Area Approximate)



Figure 2. Existing Comprehensive Plan Map

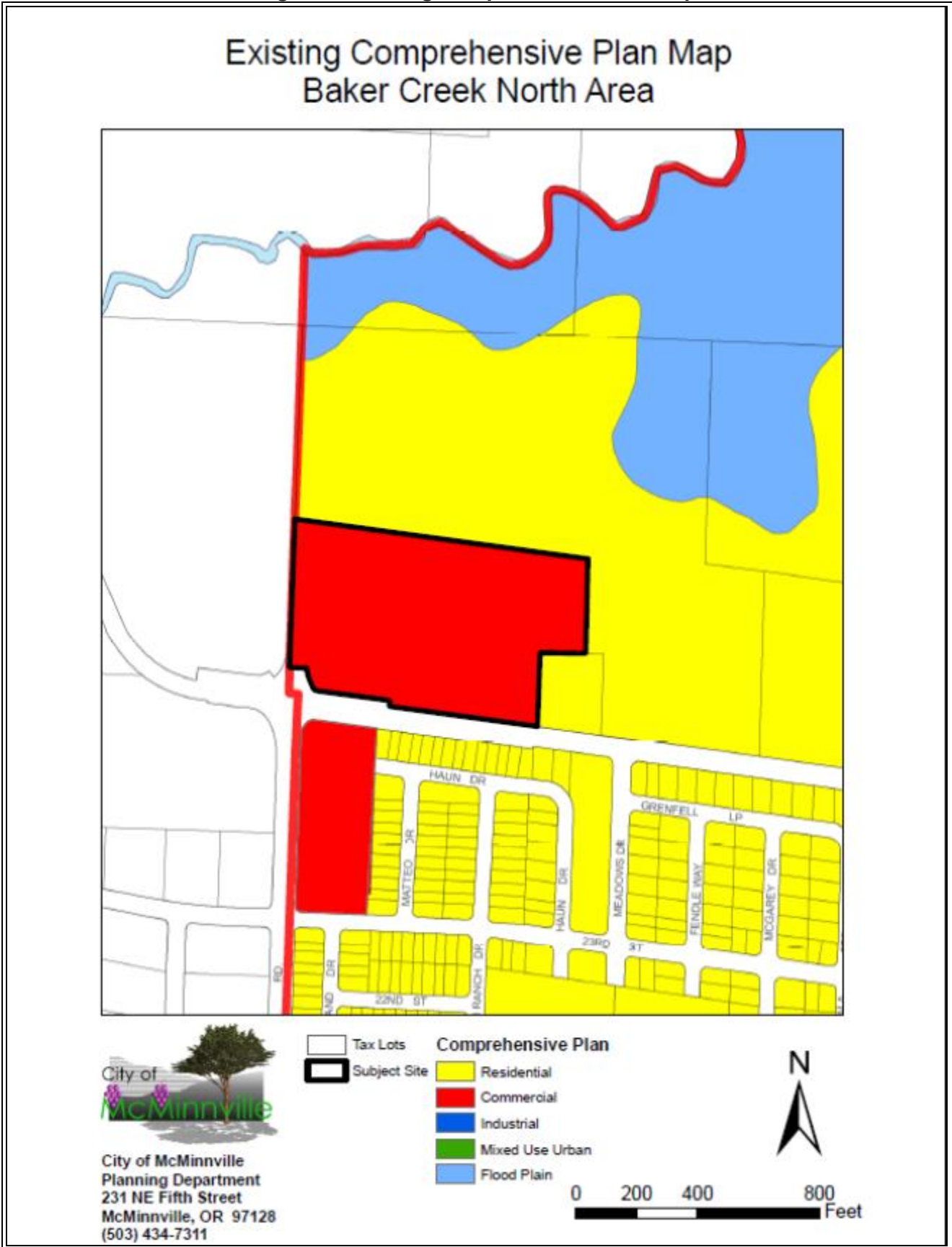
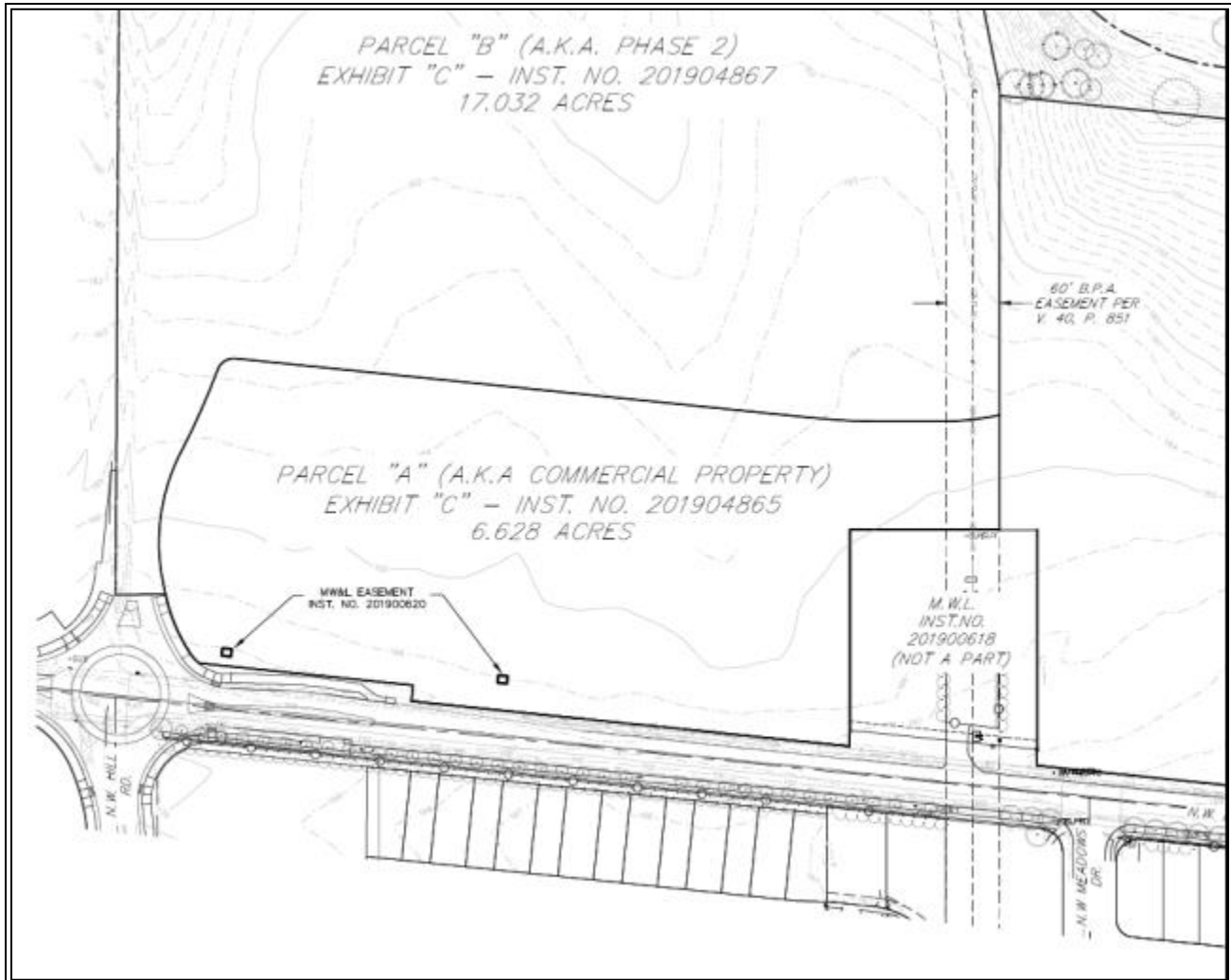


Figure 3. Proposed Site Plan

***Note – Parcel A identifies proposed Commercial Comprehensive Plan Designation.
Remainder of site proposed to be Residential**



Background

Excerpts from Land Use Application Narrative and Findings:

“Ordinance 4633 was approved in October of 1996 resulting in the commercial designation of 11.3 acres of the site and a commercial planned development overlay (C3-PD) which restricts development with two conditions of approval.

* * *

The applicant is requesting to amend the boundary of the planned development overlay, as previously delineated by Ordinance 4633, to correspond to the current boundary of Parcel A of this application. Furthermore, the applicant requests to replace the two conditions of approval of the planned development overlay created under Ordinance 4633 with the following conditions:

1. No more than 120 multi-family units may be developed on the site.

2. At least 2-acres of neighborhood commercial uses shall be developed on the site.

The proposed conditions of approval would allow for a future development application to include a request for neighborhood commercial and multi-family residential uses allowed in the C3 zone.

It is the applicant's understanding that this area was designated commercial at a time when expansion of the City's urban growth boundary (UGB) westward was being pursued and this commercial area was hoped to be a large commercial center for McMinnville's (north)westward expansion. This UGB expansion to the northwest did not materialize. This has left the site with a glut of commercial land on the fringe of the urban area in a market that cannot support that much commercial land on the edge of town. The applicant, being a developer who has owned the site for almost four years, and having purchased it from a bankruptcy trustee, attests to this lack of demand for so much commercial land based on the lack of interest from others in the property for such uses. The commercially designated area is too large for the current pattern of development in McMinnville. A large commercial development is not appropriate since it would drain economic activity from the downtown commercial core and other established commercial centers in McMinnville. The proposed planned development amendment as established by Ordinance No. 4633, and an amendment to the Comprehensive Plan Map to decrease the area designated commercial as proposed, will allow the remaining commercial area to be regulated under current C3 zone standards. This will allow the property to more freely meet the market needs for uses allowed by the C3 zone, supporting a mix of uses such as neighborhood commercial and needed multi-family housing. The proposed amended planned development conditions will ensure this outcome."

The City notes that much of the applicant's narrative above describes the Planned Development Overlay District that was adopted by Ordinance 4633. That same ordinance also amended the Comprehensive Plan Map to create the current Commercially designated property that is the subject of the current Comprehensive Plan Map Amendment request. The City notes that any findings for the amendments to the Planned Development Overlay District that was adopted by Ordinance 4633 will be addressed in the Decision Document for the Planned Development Amendment (PD 2-19) land use application that was submitted for concurrent review with the Comprehensive Plan Map Amendment.

Summary of Criteria & Issues

The application (CPA 1-19) is subject to Comprehensive Plan Map Amendment review criteria in Section 17.74.020 of the Zoning Ordinance. Requests to amend the Comprehensive Plan Map are processed in accordance with Section 17.72.120. The goals and policies in Volume II of the Comprehensive Plan are also independent approval criteria for all land use decisions.

The specific review criteria for Comprehensive Plan Map Amendments in Section 17.74.020 of the McMinnville Zoning Ordinance require the applicant to demonstrate that:

- A. The proposed amendment is consistent with the goals and policies of the Comprehensive Plan;
- 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;
- C. Utilities and services can be efficiently provided to serve the proposed uses or other potential uses in the proposed zoning district.

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.

The applicant has provided findings to support the request for a Comprehensive Plan Map Amendment. These will be discussed in detail in Section VII (Conclusionary Findings) below.

II. CONDITIONS:

None.

III. ATTACHMENTS:

1. CPA 1-19 Application and Attachments (on file with the Planning Department)
2. Agency Comments (on file with the Planning Department)
3. Testimony Received (on file with the Planning Department)
 - a. Public Testimony
 - i. Patty O'Leary, 2325 SW Homer Ross Loop, Emailed letter received December 4, 2019 (on file with the Planning Department)
 - ii. Markus Pfahler, 2515 West Wind Drive, Letter received December 5, 2019 (on file with the Planning Department)
 - b. Staff Memorandums
 - i. Planning Department Staff, Memorandum describing revisions to conditions of approval, December 5, 2019 (on file with the Planning Department)
4. CPA 1-19, ZC 1-19, PDA 2-19, PD 1-19, S 1-19, L 12-19 Staff Report, December 5, 2019 (on file with the Planning Department)

IV. COMMENTS:

Agency Comments

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

- McMinnville Engineering Department

The Engineering Department provided comments, but they were applicable to the Planned Development and Tentative Subdivision applications that were submitted for concurrent review with the Comprehensive Plan Map Amendment request. The Engineering Department comments are included in the Decision Documents for the Planned Development and Tentative Subdivision land use applications.

- McMinnville Water and Light

Included as Attachment #2

- Oregon Department of State Lands

Sounds like you screened previously for wetlands and waters, found none and went forward. I did a quick check and we didn't have any records about these sites in our database. We would have no comment on the changes proposed.

Public Comments

Notice of this request was mailed to property owners located within 300 feet of the subject site. Notice of the public hearing was also provided in the News Register on Tuesday, November 26, 2019. As of the date of the Planning Commission public hearing on December 5, 2019, one item of public testimony had been received by the Planning Department. One additional item of written testimony was submitted at the December 5, 2019 public hearing. Those items of testimony are described in Section III (Attachments) above.

V. FINDINGS OF FACT - PROCEDURAL FINDINGS

1. The applicant, Stafford Development Company, LLC, held a neighborhood meeting on November 1, 2018.
2. The applicant submitted the Comprehensive Plan Map Amendment application (CPA 1-19) on April 30, 2019.
3. The application was deemed incomplete on May 30, 2019. The applicant submitted revised application materials on September 11, 2019.
4. Based on the revised application submittal, the application was deemed complete on October 11, 2019. Based on that date, the 120 day land use decision time limit expires on February 8, 2020.
5. Notice of the application was referred to the following public agencies for comment in accordance with Section 17.72.120 of the Zoning Ordinance: McMinnville Fire Department, Police Department, Parks and Recreation Department, Engineering and Building Departments, City Manager, and City Attorney, McMinnville School District No. 40, McMinnville Water and Light, Yamhill County Public Works, Yamhill County Planning Department, Oregon Department of State Lands, Bonneville Power Administration, Recology Western Oregon, Frontier Communications, Comcast, Northwest Natural Gas. The matter was also referred to the Oregon Department of Land Conservation and Development.

Comments received from agencies are addressed in the Decision Document.

6. Notice of the application and the December 5, 2019 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 on Thursday, November 7, 2019. Notice of the application was also provided to the Department of Land Conservation and Development on October 16, 2019.

7. Notice of the application and the December 5, 2019 Planning Commission public hearing was published in the News Register on Tuesday, November 26, 2019, in accordance with Section 17.72.120 of the Zoning Ordinance.
8. No public testimony was submitted to the Planning Department prior to the Planning Commission public hearing.
9. On December 5, 2019, the Planning Commission held a duly noticed public hearing to consider the request.

VI. FINDINGS OF FACT – GENERAL FINDINGS

1. **Location:** The property is described as Exhibit C in Instrument No. 201904865, Yamhill County Deed Records, and a portion of Exhibit C in Instrument No. 201904867. The property is also identified as a portion of Tax Lot 100, Section 18, T. 4 S., R. 4 W., W.M
2. **Size:** Approximately 11.3 acres.
3. **Comprehensive Plan Map Designation:** Commercial
4. **Zoning:** EF-80 (Exclusive Farm Use)
5. **Overlay Zones/Special Districts:** Planned Development Overlay District (Ordinance No. 4633)
6. **Current Use:** Vacant
7. **Inventoried Significant Resources:**
 - a. **Historic Resources:** None
 - b. **Other:** None
8. **Other Features:** The site is generally flat, with a minor slope to the north. There are no significant or distinguishing natural features associated with this property.
9. **Utilities:**
 - a. **Water:** Water service is available to the subject site.
 - b. **Electric:** Power service is available to the subject site.
 - c. **Sewer:** Sanitary sewer service is available to the subject site.
 - d. **Stormwater:** Storm sewer service is available to the subject site.
 - e. **Other Services:** Other utility services are available to the subject site. Northwest Natural Gas and Comcast is available to serve the site.
10. **Transportation:** The site is adjacent to NW Baker Creek Road, which is identified as a minor arterial in the McMinnville Transportation System Plan.

VII. CONCLUSIONARY FINDINGS:

The Conclusionary Findings are the findings regarding consistency with the applicable criteria for the application. The applicable criteria for a Zone Change are specified in Section 17.74.020 of the Zoning Ordinance.

Comprehensive Plan Volume II:

Per Section 17.74.020 (A) of the McMinnville Zoning Ordinance the application must be consistent with the goals and policies of the Comprehensive Plan;

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

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

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

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.

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

Policy 21.01 The City shall periodically update its economic opportunities analysis to ensure that it has within its urban growth boundary (UGB) a 20-year supply of lands designated for commercial and industrial uses. The City shall provide an adequate number of suitable, serviceable sites in appropriate locations within its UGB. If it should find that it does not have an adequate supply of lands designated for commercial or industrial use it shall take corrective actions which may include, but are not limited to, redesignation of lands for such purposes, or amending the UGB to include lands appropriate for industrial or commercial use. (Ord.4796, October 14, 2003)

APPLICANT'S RESPONSE: This policy is supported by the applications for a Comprehensive Plan Map and Proposed Zoning Map amendment, along with the proposed Planned Development Amendment to replace the conditions of approval associated with the planned development overlay approved by Ordinance No. 4633. This will allow larger commercial uses to be developed and maintained in preferred business districts in the City. With the removal of Conditions 1 and 2 of the ordinance, at least 2-acres of neighborhood commercial use and no more than 120 multi-family dwelling units can be developed on the proposed commercial area of the site. With the proposed planned development amendment for Ordinance 4633, the boundary of the current planned development overlay will be reduced to the size of the proposed C3 designated area, which is equal to 6.62 acres. (see Exhibit 3).

The applicant reviewed City documents and found that the City's last Economic Opportunity Analysis (EOA) was completed in 2013. The study concluded that that the Commercial land supply for the 2013-2033 planning period was deficient by 35.8 acres, while the Industrial land supply held a surplus. To adjust for the deficient Commercial land supply, the EOA recommends to re-designate excess industrial land for commercial use to make up for forecasted land needs. Since there are approximately 235.9 acres of Industrial land supply that can be converted to a Commercial designation, there is more than enough Industrial land to not only meet forecasted commercial land needs, but to also replace the proposed loss of commercial land on the subject site. Of the area removed from a commercial designation, about 2 acres is proposed right-of-

way to support adjacent commercial and residential land use, so there is really only approximately 2.7 acres of functional land converted from commercial designation to residential.

As demonstrated by the attached Proposed Comprehensive Plan Map, the applicant is proposing to zone Commercial designated land at the intersection of NW Baker Creek Road and NW Hill Lane. The City has recently installed a roundabout at this location to serve as a new northwest gateway into McMinnville. This application does not include a specific development proposal for the C3 zoned land, however the intent is to facilitate future development of uses allowed in the C3 zone such as neighborhood commercial and multi-family housing. Therefore, the C3 zoned parcel is appropriately sized as proposed to support the development of commercial uses typical of this zone.

FINDING: SATISFIED. The City concurs with the applicant's findings, but only in regards to Comprehensive Plan Map Amendment request. Findings related to the Planned Development Amendment request, which was submitted for concurrent review with the Comprehensive Plan Map Amendment, are provided in the Decision Document for the Planned Development Amendment land use application. The City clarifies that the Comprehensive Plan Map Amendment and Planned Development Amendment described by the applicant, though processed concurrently in accordance with applicable State law and Section 17.72.070 of the McMinnville Municipal Code, are two separate requests, and that the Comprehensive Plan Map Amendment could move forward without the Planned Development Amendment.

The City adds that Section 17.74.020 of the McMinnville Municipal Code states that when considering a comprehensive plan map amendment, "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. (Ord. 4242 §3, 1983; Ord. 4221 §4, 1982; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968)."

The most recently acknowledged Residential Buildable Lands Inventory, which was prepared in 2001, identified a need for additional land for housing and residential uses of approximately 537 buildable acres, of which only 217 buildable acres have been added to the city's urban growth boundary leaving the city with approximately 320 acres of residential land deficit.

Also, the City adds that the most recently acknowledged Economic Opportunities Analysis for the City of McMinnville, which was acknowledged in 2013, identified a deficit of commercial land within the McMinnville Urban Growth Boundary. The deficit was identified at an amount of 35.8 acres, as shown in Figure 26 from the Economic Opportunities Analysis below:

Figure 26. Comparison of Land Demand to Supply (2013-33)

Acres by Plan Designation				
	Commercial	Industrial	Total	Comments
Vacant Land Demand				Based on 2013-33 jobs forecast
Commercial	164.6	-	164.6	Commercial retail & service need
Industrial	-	145.1	145.1	Manufacturing & related sectors
Institutional	2.2	8.0	10.2	62% of need w/per job method
Totals	166.8	153.2	319.9	Employment land demand
Available Land Supply				Fully & partially vacant sites
2013 BLI Update	130.9	389.1	520.0	Revised per BLI update 7/13
Surplus/(Deficit)	(35.8)	235.9	200.1	As of 2033 forecast year

Notes: All acreage figures are rounded to nearest 1/10th of an acre.

Source: E. D. Hovee & Company, LLC.

The need for residential land is much higher than the need for additional commercial land. The proposed Comprehensive Plan map amendment would address the residential land deficit identified in the McMinnville Buildable Land Needs Analysis and Growth Management Plan by adding an additional 4.68 acres of Residential land and still retaining 6.62 acres of Commercial land.

The 2013 Economic Opportunities Analysis also included new suggested findings, on page 70-72, that the City could consider future neighborhood and community serving commercial lands in order to continue to support Goal IV 3 of the Comprehensive Plan, which is “To ensure commercial development that maximizes efficiency of land use through utilization of existing commercially designated lands, through appropriately locating future neighborhood and community serving commercial lands and discouraging strip development.” More specifically, the 2013 Economic Opportunities Analysis suggested that “appropriately locating future neighborhood and community serving commercial lands”. The proposed Comprehensive Plan Map Amendment will reduce the size of the commercial land to a size that is more suitable for neighborhood or community serving commercial lands.

Policy 21.04 The City shall make infrastructure investments that support the economic development strategy a high priority, in order to attract high-wage employment.

APPLICANT’S RESPONSE: The City has recently constructed a roundabout at the intersection of NW Hill Road and NW Baker Creek Road and also improved NW Hill Road North south of Baker Creek Road, adjacent to the site. The Commercial designated land is located adjacent to these roadways where recent City investments have provided the site with adequate access to public transportation and utility facilities. The City has also recently made improvements to the City’s Sanitary Sewer system’s capacity to facilitate additional development. The housing and commercial development at this site as proposed will capitalize on those City investments to support further economic development in the form of good housing for the local economy’s workforce and appropriately scaled commercial area.

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

Policy 21.05 Commercial uses and services which are not presently available to McMinnville residents will be encouraged to locate in the city. Such uses shall locate according to the goals and policies in the comprehensive plan.

APPLICANT'S RESPONSE: The proposed C3 zoned area of the site is in an area already designated for commercial on the City's comprehensive plan. By allowing uses listed in the C-3 zone, development of the commercial area will occur according the City's comprehensive plan goals and policies.

FINDING: SATISFIED. The City concurs with the applicant's findings, but clarifies that the Comprehensive Plan Map Amendment reduces the size of the Commercial designated area within the subject site. However, the Comprehensive Plan Map Amendment results in 6.62 acres of Commercial property, which is large enough to support neighborhood serving commercial uses and services that would be available to residents in the northwest area of the city.

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

APPLICANT'S RESPONSE: The proposed commercial area will maximize efficiency of land, as it is utilizing an area for commercial uses that is existing commercial designated land. The site is also not a strip of land, but rather a node at the intersection of two minor arterial streets.

FINDING: SATISFIED. The City concurs with the applicant's findings, but clarifies that the Comprehensive Plan Map Amendment reduces the size of the Commercially designated area within the subject site. This does result in a lesser utilization of existing Commercially designated land. However, as described in the finding for Policy 21.01 above, both commercial and residential lands were identified as needed land types in the Economic Opportunities Analysis and Residential Buildable Lands Inventory. The need for residential land was much higher than the need for additional commercial land. Additionally, per Comprehensive Plan Policy #27, which states that, "Neighborhood commercial uses will be allowed in residential areas. These commercial uses will consist only of neighborhood oriented businesses and will be located on collector and arterial streets. More intensive, large commercial uses will not be considered compatible with or be allowed in neighborhood commercial centers." By reducing the size of the comprehensive plan map commercially designated land in this area, it will help to ensure that the commercial development is compatible for a neighborhood commercial center.

In addition, the 2013 Economic Opportunities Analysis also included new suggested findings, on page 70-72, that the City could consider future neighborhood and community serving commercial lands in order to continue to support Goal IV 3 of the Comprehensive Plan, which is "To ensure commercial development that maximizes efficiency of land use through utilization of existing commercially designated lands, through appropriately locating future neighborhood and community serving commercial lands and discouraging strip development." More specifically, the 2013 Economic Opportunities Analysis suggested that "appropriately locating future neighborhood and community serving commercial lands". The proposed Comprehensive Plan Map Amendment will reduce the size of the commercial land to a size that is more suitable for neighborhood or community serving commercial lands.

The proposed Comprehensive Plan map amendment would address the residential land deficit identified in the McMinnville Buildable Land Needs Analysis and Growth Management Plan by adding an additional 4.68 acres of Residential land and still retaining 6.62 acres of Commercial land. The Comprehensive Plan Map Amendment results in 6.62 acres of Commercial property oriented towards the intersection of NW Hill Road and NW Baker Creek Road. The Commercial

property will allow for efficient use of land in a node at that intersection which will not result in strip development along either street corridor.

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

APPLICANT'S RESPONSE: As mentioned above, the applicant is requesting a Planned Development Amendment to modify several conditions of approval associated with Ordinance No. 4633. The applicant is proposing to reduce the size of the existing C3-PD designation from 11.3 to 6.62 acres and increase the amount of Residential designated land with a concurrent Comprehensive Plan Map Amendment by the difference (see Exhibit 3). The City's 2013 EOA recommends to re-designate some of the 235.9 acres of excess industrial land to make up for forecasted commercial land needs. Much of the available excess industrial land is adjacent to the downtown core, therefore large-scale regional commercial uses can be efficiently sited in this location. By developing additional commercial uses near the downtown core, revitalization of unused industrial properties will occur. Conversely, with the reduction of C3-PD zoned area on the site, smaller-scaled commercial uses can be developed to serve the needs of Baker Creek North residents and other northwest neighborhoods in McMinnville.

FINDING: SATISFIED. The City does not concur with the applicant's findings. The Comprehensive Plan Map Amendment reduces the size of the Commercially designated area within the subject site. This does result in a lesser utilization of existing Commercially designated land. However, as described in the finding for Policy 21.01 above, both commercial and residential lands were identified as needed land types in the Economic Opportunities Analysis and Residential Buildable Lands Inventory. The need for residential land was much higher than the need for additional commercial land. The proposed Comprehensive Plan map amendment would address the residential land deficit identified in the McMinnville Buildable Land Needs Analysis and Growth Management Plan by adding an additional 4.68 acres of Residential land and still retaining 6.62 acres of Commercial land. The Comprehensive Plan Map Amendment results in 6.62 acres of Commercial property oriented towards the intersection of NW Hill Road and NW Baker Creek Road. The Commercial property will allow for efficient use of land in a node at that intersection which will not result in strip development along either street corridor.

In addition, the 2013 Economic Opportunities Analysis also included new suggested findings, on page 70-72, that the City could consider future neighborhood and community serving commercial lands in order to continue to support Goal IV 3 of the Comprehensive Plan, which is "To ensure commercial development that maximizes efficiency of land use through utilization of existing commercially designated lands, through appropriately locating future neighborhood and community serving commercial lands and discouraging strip development." More specifically, the 2013 Economic Opportunities Analysis suggested that "appropriately locating future neighborhood and community serving commercial lands". The proposed Comprehensive Plan Map Amendment will reduce the size of the commercial land to a size that is more suitable for neighborhood or community serving commercial lands. Larger commercial sites may be better suited for larger, general commercial uses that serve the entire community as city-wide destinations. Neighborhood and community serving commercial lands would be smaller in scale and intended to serve the surrounding neighborhood as the name suggests. Therefore, reducing the size of the commercial land would reduce the potential for the site to operate as a destination commercial site and would support neighborhood or community serving commercial uses in an appropriate area of the city, as the surrounding area is all developed and guided for residential use.

Policy 24.00 The cluster development of commercial uses shall be encouraged rather than auto-oriented strip development.

APPLICANT'S RESPONSE: The commercial area is a node and can be developed with appropriately scaled and clustered uses allowed by the C3 zone.

FINDING: SATISFIED. The Comprehensive Plan Map Amendment results in the reduced 6.62 acres of Commercial property still being oriented towards the intersection of NW Hill Road and NW Baker Creek Road. The Commercial property will be in a node at that intersection which will not result in strip development along either street corridor.

Policy 24.50 The location, type, and amount of commercial activity within the urban growth boundary shall be based on community needs as identified in the Economic Opportunities Analysis. (Ord.4796, October 14, 2003)

APPLICANT'S RESPONSE: The City of McMinnville completed their last Economic Opportunity Analysis (EOA) in 2013. As discussed above, the report indicates that there is a 35.8-acre deficit of Commercial designated land for the 20-year planning horizon. To address this need, the report recommends that the City re-designated some of the 235.9 acres of surplus Industrial land for commercial use. Since there is such a surplus of Industrial land that can be converted to a Commercial designation, the applicant's proposal to reduce the amount of Commercial land from 11.3 acres to 6.62 acres will not significantly diminish the City's ability to meet its commercial land needs.

The EOA provides specific recommendations to fulfill the City's economic development objectives. One key objective in the report is to reduce out-shopping from this trade area by providing a full range of commercial services in McMinnville. Another strategic objective is to promote the downtown as the cultural, administrative service, and retail center of McMinnville. The applicant's proposed reduction in Commercial designated land on the subject site to allow the development of smaller-scaled uses allowed by the C3 zone is consistent with these objectives. By reducing the amount of the Commercial designated land on the subject site, larger-scaled regional commercial uses will be encouraged to locate in the Downtown area, where revitalization efforts continue, and an oversupply of Industrial land is present.

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

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

APPLICANT'S RESPONSE: There will be minimal impacts to adjacent land uses by the proposed C3 zoned parcel. It is appropriately located adjacent to a minor arterial on the south side and buffered from adjacent high density residential land by a full public street on all other sides. In addition, a power substation is sited to the east side of the commercial zoned land. The proposed commercial land location has readily available City utility services, including sanitary sewer services installed in 2018.

FINDING: SATISFIED. The City concurs with the applicant's response, and adds that the reduction in the size of the Commercially designated land may result in less conflict with adjacent land uses based on the reduced footprint and potentially scale of development that would be available for the development of commercial uses.

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

APPLICANT’S RESPONSE: No specific commercial use is proposed at this time. Any commercial uses proposed in the future on the C3 zoned area of the site will be appropriately scaled. As proposed with the amended planned development overlay, future development will contain at least 2-acres of commercial use and no more than 120 multifamily dwelling units. Existing commercial designated land on the site is located on a minor arterial and not in the central business district. The existing commercial land is capable of developing 10 acres of commercial use, or 100,000 square feet of commercial development which generates “heavy traffic”. That type of commercial should be located on arterials and in the central business district per this policy. The applicant’s attached traffic analysis supports proposed development plans for the site. The proposed commercial land area of just over 6 acres will have less intense traffic demands than would 10 acres. Future development plans for the commercial property will demonstrate that the commercial use will have sufficient internal circulation, parking, and service areas.

FINDING: SATISFIED. The City concurs with the applicant’s responses, and adds that although Baker Creek and Hill Road are minor arterials, due to the location of this property in a residential development, the City does not feel that it should be a large regional shopping facilities, but should be a neighborhood serving commercial center per Comprehensive Plan Policy #27, which states that, “Neighborhood commercial uses will be allowed in residential areas. These commercial uses will consist only of neighborhood oriented businesses and will be located on collector and arterial streets. More intensive, large commercial uses will not be considered compatible with or be allowed in neighborhood commercial centers.” By reducing the size of the comprehensive plan map commercially designated land in this area, it will help to ensure that the commercial development is compatible for a neighborhood commercial center. Additionally the reduction in allowable space for commercial uses will reduce the impacts of the future commercial uses on the surrounding transportation network and utility infrastructure.

In addition, the 2013 Economic Opportunities Analysis also included new suggested findings, on page 70-72, that the City could consider future neighborhood and community serving commercial lands in order to continue to support Goal IV 3 of the Comprehensive Plan, which is “To ensure commercial development that maximizes efficiency of land use through utilization of existing commercially designated lands, through appropriately locating future neighborhood and community serving commercial lands and discouraging strip development.” More specifically, the 2013 Economic Opportunities Analysis suggested that “appropriately locating future neighborhood and community serving commercial lands”. The proposed Comprehensive Plan Map Amendment will reduce the size of the commercial land to a size that is more suitable for neighborhood or community serving commercial lands, as described above.

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

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

Policy 59.00 Opportunities for multiple-family 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.

APPLICANT'S RESPONSE: In 2001, the City adopted the Residential Land Needs Analysis, which evaluated housing needs for the 2000-2020 planning period. The study determined that an additional 449 buildable acres of residential land needed to be added to the UGB to accommodate projected land needs, of which 63.9 acres would need to be zoned R4 to meet higher density housing needs. To address its deficient residential land supply, the City moved forward with an UGB amendment application. However, the UGB expansion effort was shelved in 2011 after LUBA remanded City Council's land use decision.

While the 2001 analysis provides some insight into McMinnville's on-going housing challenges, Policy 71.05 does not require use of a State acknowledged planning document when evaluating what is required to achieve a continuous 5-year supply of buildable land for all housing types. Since the City's deficient residential land supply has continued to be an issue for two decades, and housing costs have now soared in recent years, the City is currently updating its Housing Needs Analysis. Current analysis indicates that an additional 4,070 housing units need to be developed in McMinnville to meet residential demands during the 2018-2041 planning horizon. McMinnville currently has a deficit of 217 gross acres of R4 land within the UGB. This acreage will accommodate the development of 891 dwelling units which are unable to be accommodated by the current R4 land supply.

While the current Housing Needs Analysis has not been acknowledged by the State, it still qualifies as a beneficial study and provides helpful information regarding McMinnville's current and future housing needs. The study received grant funding from DLCDC, and a condition of the grant award, this State agency prepared a scope of work and qualified the consultant Econorthwest to prepare the report. DLCDC staff currently serves as a member of the project's Technical Advisory Committee and has ensured that the study's methodology follows Oregon Administrative Rule standards.

It is due to rising housing costs, as well as McMinnville's persistent challenge to maintain an adequate residential land supply, that the City is currently updating its Buildable Lands Inventory and Housing Needs Analysis. These studies have identified how many acres of additional residential land must be added to the Urban Growth Boundary (UGB) to meet housing demands over the next 20-year planning period. The City has also identified new strategies to encourage the development of a greater variety of housing types including single-family detached homes, townhomes, mobile homes, condominiums, duplexes, apartments, and affordable housing options.

As demonstrated by the attached Preliminary Development Plans, the proposed project will facilitate the development of 280 small, medium, and large sized single-family lots within the Baker Creek North Planned Development area. The proposed planned development amendment to the overlay created by Ordinance 4633 will allow for the future development of up to 120 apartment units within the C3 zoned area as demand for commercial uses and housing determines. This will further help to address McMinnville's current housing needs. A future development application will be submitted for the development of the multi-family dwelling units on the C3 zoned portion of the site. As discussed throughout this narrative, the proposed map and planned development amendments are consistent with applicable residential policies and the land development regulations of the City.

FINDING: SATISFIED. The City concurs with the applicant's findings, but notes that the 2018 Buildable Lands Inventory referenced in the applicant's findings has not yet been acknowledged.

In addition, Section 17.74.020 of the McMinnville Municipal Code states that when considering a comprehensive plan map amendment, “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. (Ord. 4242 §3, 1983; Ord. 4221 §4, 1982; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).”

The most recently acknowledged Residential Buildable Lands Inventory, which was prepared in 2001, identified a need for additional land for housing and residential uses of approximately 537 buildable acres, of which only 217 buildable acres have been added to the city’s urban growth boundary leaving the city with approximately 320 acres of residential land deficit.

Also, the City adds that the most recently acknowledged Economic Opportunities Analysis for the City of McMinnville, which was acknowledged in 2013, identified a deficit of commercial land within the McMinnville Urban Growth Boundary. The deficit was identified at an amount of 35.8 acres, as shown in Figure 26 from the Economic Opportunities Analysis below:

Figure 26. Comparison of Land Demand to Supply (2013-33)

Acres by Plan Designation				
	Commercial	Industrial	Total	Comments
Vacant Land Demand				Based on 2013-33 jobs forecast
Commercial	164.6	-	164.6	Commercial retail & service need
Industrial	-	145.1	145.1	Manufacturing & related sectors
Institutional	2.2	8.0	10.2	62% of need w/per job method
Totals	166.8	153.2	319.9	Employment land demand
Available Land Supply				Fully & partially vacant sites
2013 BLI Update	130.9	389.1	520.0	Revised per BLI update 7/13
Surplus/(Deficit)	(35.8)	235.9	200.1	As of 2033 forecast year

Notes: All acreage figures are rounded to nearest 1/10th of an acre.
Source: E. D. Hovee & Company, LLC.

The need for residential land is much higher than the need for additional commercial land. The proposed Comprehensive Plan map amendment would address the residential land deficit identified in the McMinnville Buildable Land Needs Analysis and Growth Management Plan by adding an additional 4.68 acres of Residential land and still retaining 6.62 acres of Commercial land.

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.

Policy 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.

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. (Ord.4840, January 11, 2006; Ord. 4243, April 5, 1983; Ord. 4218, November 23, 1982)

APPLICANT’S RESPONSE: As required, the applicant has addressed applicable policies of the Comprehensive Plan to demonstrate consistency with the proposed Zoning Map amendments. The 2001 McMinnville Residential Land Needs Analysis evaluated housing needs for the 2000-2020 planning period and determined that an additional 449 buildable acres of residential land needed to be added to the UGB to accommodate projected land needs. At the time, the needed residential acreage included 63.9 acres of additional R4 zoned land beyond what was available within the UGB. Although the City moved forward with an UGB expansion in 2011 to address its deficient residential land supply, the boundary amendment was shelved after LUBA remanded City Council’s land use decision in 2011. As a result, residential land needs dating back to 2001 have yet to be addressed.

While the 2001 Residential Land Needs Analysis provides some insight into McMinnville’s ongoing housing challenges, Policy 71.05 does not require use of a State acknowledged planning document when evaluating what is required to achieve a continuous 5-year supply of buildable land for all housing types. Since the City’s deficient residential land supply has continued to be an issue for two decades, and housing costs have now soared in recent years, the City is currently updating its Housing Needs Analysis. Current analysis indicates that an additional 4,070 housing units need to be developed in McMinnville to meet residential demands during the 2018-2041 planning horizon. McMinnville currently has a deficit of 217 gross acres of R-4 land within the UGB. This acreage will accommodate the development of 891 dwelling units which are unable to be accommodated by the current R4 land supply. As indicated by the attached Preliminary Development Plans, the applicant is proposing to rezone a portion of the site R4 to develop 280 dwelling units, helping to address the McMinnville’s current housing needs (see Exhibit 3).

FINDING: SATISFIED. The City concurs with the applicant’s findings. In addition, Section 17.74.020 of the McMinnville Municipal Code states that when considering a comprehensive plan map amendment, “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. (Ord. 4242 §3, 1983; Ord. 4221 §4, 1982; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).”

Although the most recently acknowledged Economic Opportunities Analysis for the City of McMinnville, which was acknowledged in 2013, identified a deficit of commercial land within the McMinnville Urban Growth Boundary (please see figure 26 below), the most recently acknowledged Residential Buildable Lands Inventory, which was prepared in 2001, identified a need for additional land for housing and residential uses of approximately 537 buildable acres, of which only 217 buildable acres have been added to the city’s urban growth boundary leaving the city with approximately 320 acres of residential land deficit.

Figure 26. Comparison of Land Demand to Supply (2013-33)

Acres by Plan Designation				
	Commercial	Industrial	Total	Comments
Vacant Land Demand				Based on 2013-33 jobs forecast
Commercial	164.6	-	164.6	Commercial retail & service need
Industrial	-	145.1	145.1	Manufacturing & related sectors
Institutional	2.2	8.0	10.2	62% of need w/per job method
Totals	166.8	153.2	319.9	Employment land demand
Available Land Supply				Fully & partially vacant sites
2013 BLI Update	130.9	389.1	520.0	Revised per BLI update 7/13
Surplus/(Deficit)	(35.8)	235.9	200.1	As of 2033 forecast year

Notes: All acreage figures are rounded to nearest 1/10th of an acre.
Source: E. D. Hovee & Company, LLC.

The need for residential land is much higher than the need for additional commercial land. The proposed Comprehensive Plan map amendment would address the residential land deficit identified in the McMinnville Buildable Land Needs Analysis and Growth Management Plan by adding an additional 4.68 acres of Residential land and still retaining 6.62 acres of Commercial land.

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

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

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

APPLICANT’S RESPONSE: None.

FINDING: SATISFIED. The process for a Comprehensive Plan Map Amendment provides an opportunity for citizen involvement throughout the process through the neighborhood meeting provisions, the public notice, and the public hearing process. Notice of the application and the December 5, 2019 Planning Commission public hearing was mailed to property owners within 300 feet of the subject property and was published in the News Register on Tuesday, November 26, 2019 in accordance with Section 17.72.120 of the MMC on November 7, 2019. Notice of the application was also provided to the Department of Land Conservation and Development on October 16, 2019.

Throughout the process, there are opportunities for the public to review and obtain copies of the application materials and the completed staff report prior to the advertised public hearing(s). The application materials are posted on the City’s website as soon as they are deemed

complete, and copies of the staff report and Planning Commission meeting materials are posted on the City's website at least one week prior to the public hearing. All members of the public have access to provide testimony and ask questions during the public review and hearing process.

McMinnville Zoning Ordinance

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

Chapter 17.03. General Provisions

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

APPLICANT'S RESPONSE: None.

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

17.74.020 Comprehensive Plan Map Amendment and Zone Change - Review Criteria.

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

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

APPLICANT'S RESPONSE: This Applicant's Statement has demonstrated how the proposed Comprehensive Plan Map and Zoning Map Amendment applications are consistent with applicable goals and policies of the Comprehensive Plan in the responses above under III. Findings A. of the McMinnville Comprehensive Plan.

FINDING: SATISFIED. The City concurs with the applicant's findings, and also refers to the findings provided for the applicable Comprehensive Plan goals and policies in Section VII (Conclusionary Findings) above.

17.74.020(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;*

APPLICANT'S RESPONSE: Several changes have occurred in the neighborhood or community to warrant the proposed amendments. First of all, the October 2018 Yamhill County Transit Area Transit Development Plan (YCTA TDP) Volume I designated Baker Creek Road adjacent to the site as a planned transit corridor. This makes it an appropriate action for the R-1 zoned parcel to be rezoned to R-4, as well as applying the R-4 zone to the remainder of the planned

development site's area that does not have urban zoning. This type of residential zone will promote the type of density proposed with the planned development overlay and the type of density needed to support future transit service along this corridor. All of the lots are within ¼ mile of this planned transit corridor, providing consistency with Comprehensive Plan policies for this zoning classification.

It is the applicant's understanding, that a portion of the subject site was designated commercial at a time when a northwest expansion of the City's urban growth boundary was being pursued and a future commercial center was desired for this area of McMinnville. However, this expansion to the northwest did not materialize. This has left the site with an excess of commercial land on the fringe of the urban area in a market that cannot support that much commercial land on the edge of town. The applicant, who is a developer who has owned the site for almost four years after purchasing it from a bankruptcy trustee, attests to the lack of demand for so much commercial land through the lack of interest from others in the property for such uses. The commercially designated area is too large given the current pattern of development in McMinnville. A large commercial development is not appropriate and would drain economic activity from the downtown core and established commercial centers in McMinnville. The proposed planned development amendment and the amendment to the Comprehensive Plan Map will decrease the area designated commercial and will allow the property to more freely meet the market needs permitted under the C-3 zone. As discussed previously, development of the remaining commercial land will likely be a mix of neighborhood commercial and multi-family housing.

An additional change in the community is the successful development of the surrounding area with medium and high-density single-family housing. For example, the Baker Creek East and West development to the south, which was a modification of the original Shadden Claim planned development, improved the area with a gross housing density of 5.83 dwelling units per acre. The proposed Baker Creek North development is proposed to be 5.75 dwelling units per acre, so the proposed amendments allow the proposed development which is of a similar gross density to the adjacent developments.

The proposed amendments are also timely as the demand for housing increases. As the last large tracts of buildable land in the City are consumed, the proposed amendments will ensure that the subject site is efficiently developed with high density housing and provides housing diversity in an area that contains medium and low density neighborhoods (i.e. Oak Ridge, Michelbook Meadows, Adjacent new development to the northeast).

Approval of the amendments will allow for an orderly development of the area. The earlier phases of the planned development are along the south side of the site, where utilities exist and small and medium sized lots meet the current market needs. Later phases will allow for more housing diversity with small, medium, and large lots to serve the broad housing needs of the community. The new lots in the planned development, and the development of multi-family units on the commercial lot, will provide economic support for neighborhood commercial uses on the C-3 zoned parcel.

The City of McMinnville completed its last Economic Opportunity Analysis (EOA) in 2013. The report indicates that there is a 35.8 acre deficit of Commercial designated land for the 20-year planning horizon. To address this need, the report recommends that the City re-designate some of the 235.9 acres of surplus Industrial land for commercial use. Since this surplus of Industrial land can be converted to a Commercial designation, the applicant's proposal to reduce the amount of Commercial designated land from 11.3 acres to 6.62 acres will not diminish the City's ability to meet its commercial land needs.

In 2001, the City of McMinnville completed a Residential Land Needs Analysis for the 2000-2020 planning period and determined that an additional 449 buildable acres of residential land needed to be added to the UGB to accommodate projected land needs. At the time, the needed residential acreage included 63.9 acres of additional R-4 zoned land beyond what was available within the UGB. Although the City moved forward with an UGB expansion in 2011 to address its deficient residential land supply, the boundary amendment was shelved after LUBA remanded City Council's land use decision in 2011. As a result, residential land needs dating back to 2001 have yet to be addressed.

Over the last two decades, the City's deficient residential land supply has continued to be a lingering problem and housing costs have risen to a point where they are now unattainable for many residents. To address these issues, the City is currently updating its Housing Needs Analysis. This study indicates that an additional 4,070 housing units need to be developed in McMinnville to meet residential demands during the 2018-2041 planning horizon. McMinnville currently has a deficit of 217 gross acres of R-4 land within the UGB. This acreage will allow the development of 891 dwelling units which can't be accommodated by the current R-4 land supply.

The applicant's proposal to zone 48.7 acres of the site R-4 will increase the density of existing Residential designated land to permit the develop additional housing in the community. As demonstrated by the attached Typical Lots Plan and Site Plan, the proposed Comprehensive Plan Map and Zoning Map Amendments will facilitate the development of 280 small, medium, and large sized single-family lots within the proposed planned development area. The proposed map amendments will also allow the future development of apartment units in addition to neighborhood commercial within the C-3 zoned portion of the site, further working to meet the housing needs of the community.

FINDING: SATISFIED. The City concurs with the applicant's findings. In addition, Section 17.74.020 of the McMinnville Municipal Code states that when considering a comprehensive plan map amendment, "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. (Ord. 4242 §3, 1983; Ord. 4221 §4, 1982; Ord. 4128 (part), 1981; Ord. 3380 (part), 1968)."

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Notes: All acreage figures are rounded to nearest 1/10th of an acre.
Source: E. D. Hovee & Company, LLC.

The need for residential land is much higher than the need for additional commercial land. The proposed Comprehensive Plan map amendment would address the residential land deficit identified in the McMinnville Buildable Land Needs Analysis and Growth Management Plan by adding an additional 4.68 acres of Residential land and still retaining 6.62 acres of Commercial land.

17.74.020(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: This narrative and the attached plans show that utilities and services can be efficiently provided to serve the proposed and potential uses in the proposed residential and commercial zoning districts.

FINDING: SATISFIED. The City concurs with the applicant’s findings, and would add that the City provided opportunity for review and comment by city departments, other public and private agencies and utilities, and McMinnville Water and Light to ensure the coordinated provision of utilities and services to the subject site based on the proposed land use request. Based on comments received, adequate levels of sanitary sewer collection, storm sewer and drainage facilities, municipal water distribution systems and supply, and energy distribution facilities, either presently serve or can be made available to serve the site. No comments were provided that were in opposition or identified any issues with providing utilities and services to the subject site for the intended use. At the time of development of the site, final development plans will be required to provide a detailed storm drainage plan, a sanitary sewer collection plan (if necessary for the use), and the provision of water and power services. Any right-of-way improvements required for the subject site will be required at the time of development as well.

CD