



Growing McMinnville
MINDFULLY

**McMinnville Growth Management and
Urbanization Plan, 2003 – 2023**

City of McMinnville
Remand Order 12-WKTASK-001814
BUILDABLE LAND ANALYSIS
December, 2020
Appendix B

REVISED BUILDABLE LAND ANALYSIS

MGMUP 2020 Remand

Appendix B summarizes the buildable lands inventory and associated capacity analysis, the identified land needs, and the “sufficiency” analysis upon which the McMinnville Growth Management and Urbanization Plan (MGMUP) and subsequent urban growth boundary (UGB) amendment are based.

The “sufficiency” analysis is the analysis that compares the 2003 land supply and capacity within the city’s existing UGB (supply), which is identified in the buildable land inventory and analysis, to the 2003-2023 land needs (demand) identified in the acknowledged documents that identify land needs for housing, employment, and other land uses. The result is a determination of the sufficiency (surplus or deficit) for different types of land at the end of the planning horizon (2023).

The 2020 Remand update doesn’t revise the identified needs in the City’s adopted and acknowledged planning documents which provide the basis for the work to address and respond to the remand, except for the following items that have been through a legal process of adoption and affect the overall land need:

“Phase 1” of UGB Amendment - Effect on Land Supply

The buildable lands inventory and capacity analysis remains consistent with the City’s acknowledged planning documents and efficiency measures in the plan which provide the basis for the work to address and respond to the remand.

In 2004, an adjustment was made to add three exception areas and a school site into the UGB in what is referred to as the *Phase I UGB Amendment*. The exception areas are Riverside South, Fox Ridge Road, and Redmond Hill Road. The school site, which is envisioned as a future high school, is near Fox Ridge Road on Hill Road. This added 418 gross acres (or 259 gross buildable acres) of land in the Residential Plan designation to the UGB, with 42 acres of that within the Northwest High School site, thereby reducing the deficit of school need from 96 gross buildable acres to 54 gross buildable acres, and leaving 217 gross buildable acres of residential land need accommodated.

With the 2020 Remand response, the record reflects the effect of adding those properties to the UGB in 2004 as part of “Phase I.” While these inclusions did not change the identified needs, they increased the land supply within the UGB by adding buildable land and capacity to the Urban Growth Boundary to meet a portion of the identified needs through 2023, consistent with the buildable land analysis and capacity analysis in the record. Therefore, inclusion of those lands in “Phase 1” reduced the deficit of land, reducing the amount of land that must be added to the UGB as part of the “Phase II” UGB amendment to provide the remaining supply that wasn’t added in Phase I, and which is necessary to address the remaining deficit to meet the identified needs through 2023.

Chegwyn Conservation Easement - Effect on Land Supply

In 2008/2009, a conservation easement was recorded for the “Chegwyn” property in northeast McMinnville, which included land both inside and outside the UGB. The portion within the UGB affected 81 acres previously identified in the buildable land inventory with capacity to meet residential land needs. The effect of the conservation easement is to establish a perpetual conservation easement that precludes the ability to build residential development on the property, reducing the buildable land supply by 81 acres. This increases the deficit and requires the replacement of this buildable land and capacity as part of the “Phase II” UGB amendment.

Note: *The easement was recorded in 2008 (Instrument #200806532) and re-recorded in 2009 to correct the legal description (Instrument #200903015), and is provided as Attachment 1 to this Appendix Document.*

What follows is the original Appendix B for the MGMUP adopted in 2003 by Ordinance No. 2796, and amended by Ordinance No. 4840 and 4841 in 2005.

Background

The City of McMinnville is in the process of reviewing its Urban Growth Boundary (UGB). This review builds on several studies the City has completed or that are in process at this time. In April 2001, the McMinnville’s City Council adopted the *McMinnville Residential Land Needs Analysis, May 2001*, which addressed the requirements of statewide planning Goal 10 and ORS 197.296. In February 2002, the City approved the *McMinnville Economic Opportunities Analysis, November 2001*, which addressed the requirements of statewide planning Goal 9 and OAR 660-009.

This appendix updates the buildable lands analysis presented in the *McMinnville Residential Land Needs Analysis* and the *McMinnville Economic Opportunity Analysis to bring them current to January 1, 2003*. It builds from the population and employment forecasts shown in Table 1.¹

Table 1. Population and employment growth, McMinnville UGB, 2003-2023

Year	Population	Employment	Pop/Emp
2000	26,499	13,865	1.91
2003 (Jan 1)	28,510	14,741	1.93
2023 (Jan 1)	44,057	22,161	1.99
Change 2003-2023			
Number	15,547	7,420	2.10
Percent	54.5%	50.3%	
AAGR	2.20%	2.06%	

Source: ECONorthwest, City of McMinnville

The remainder of this appendix is organized as follows: land needed for residential development, 2003-2023; land needed for employment, 2000-2003; and, comparison and conclusions. Additional supporting data is provided at the end of this appendix.

Land needed for residential development, 2003-2023

In April 2000, the McMinnville’s City Council adopted the *McMinnville Residential Land Needs Analysis*. The study was intended to provide baseline data consistent with ORS 197.296(1-4). It did not, nor was it intended to, address the requirements of ORS 197.296(5-7).

This section presents a revised housing needs analysis based on (1) 2000 Census data that was released after the initial study was completed, (2) development activity that has

¹ A detailed discussion of population and employment projections is presented in Appendix “A.”

occurred since the date of the initial buildable lands analysis (July 1, 2000) and January 1, 2003, and (3) efficiency measures the City proposes to adopt consistent with ORS 197.296(5).²

The revised housing needs analysis is organized into four sections as follows:

- Residential development trends—July 2000-December 2002
- Updated residential buildable land inventory
- Revised housing needs analysis
- Revised residential land need estimate

Residential development trends, July 2000-December 2002

ORS 197.296 requires cities to conduct an analysis of actual density and mix for the past five years or since the last periodic review—whichever is longer. The *McMinnville Residential Land Needs Analysis* included a detailed evaluation of residential development in McMinnville between September 1988 (the last periodic review) and July 2000.

McMinnville has experienced a significant amount of residential development since July 2000. Table 2 shows the number of building permits issued between July 1, 2000, and December 31, 2002, for residential development. The City’s data show that 528 new dwelling units were approved using about 82 acres of residential lands. New residential development averaged 6.4 dwelling units per net residential acre during this period.

Table 2. Residential building permits issued in residential zones, July 1, 2000 – December 31, 2002

Zone	New DU	Net Acres	Density (DU/net res ac)
R-1	113	22.4	5.0
R-2	199	33.2	6.0
R-3	74	10.0	7.4
R-4	142	16.5	8.6
Total	528	82.1	6.4

Source: City of McMinnville building permit database
 Note: McMinnville issued permits for an additional 64 residential units in the C-3 zone. This development used 4.1 acres at a net density of 15.6 du/net acre.

Table 3 shows residential building permits by type of dwelling issued in McMinnville between July 1, 2000, and December 31, 2002. The results show that 74% of building

² Further detail regarding existing and proposed efficiency measures can be found in Chapter V.

permits were issued for single-family detached units, 9% were issued for single-family attached units, and 17% were issued for multi-family units (totaling 26% for multi-family housing types).

Table 3. Residential building permits by type, July 1, 2000 – December 31, 2002

Housing Type	New DU	Percent	Net Acres	Density (DU/net res ac)
Single-family detached	393	74%	68.1	5.8
Manufactured	0	0%	0.0	na
Subtotal	393	74%	68.1	5.8
Multi-family				
Single-family attached	45	9%	4.5	10.0
Multi-family	90	17%	9.5	9.5
Subtotal	135	26%	14.0	9.7
Total	528	100%	82.1	6.4

Source: City of McMinnville building permit database
 Note: McMinnville issued permits for an additional 64 residential units in the C-3 zone.
 This development used 4.1 acres at a net density of 15.6 du/net acre.

Updated residential buildable land inventory

Chapter 3 of the *McMinnville Residential Land Needs Analysis* presented the residential buildable lands inventory. The inventory presented in the study was current as of June 2000. Residential development has occurred in McMinnville since the initial inventory was completed. Table 4 shows buildable residential lands by zone within the McMinnville UGB as of January 1, 2003. The June 2000 inventory identified almost 947 gross vacant buildable and redevelopable residential acres. Since June 2000, residential development has consumed an additional 82 acres, leaving about 865 gross vacant buildable and redevelopable acres available for residential development.

Table 4. Buildable residential lands by zone, McMinnville UGB, January 1, 2003

County Zones	Gross Buildable Acres (2000)	Acres Used (2000-2002)	Gross Buildable Acres (2003)
R-1	435.6	22.4	413.2
R-2	83.4	33.2	50.2
R-3	37.7	10.0	27.7
R-4	42.1	16.5	25.6
County Zones	347.8		347.8
Total	946.6	82.1	864.5

Source: City of McMinnville

Revised housing needs analysis

This section summarizes the results of modifications to the 2000 *McMinnville Residential Land Needs Analysis*. It also provides a summary of the provisions of ORS 197.296 that were not included in the initial study, with the exception of ORS 197.296(6). The requirements of ORS 197.296(6) are addressed in the findings that accompany the UGB expansion proposal.

The *McMinnville Residential Land Needs Analysis* concluded the following:

- McMinnville had about 935 gross buildable acres available for residential development. In addition, another 12 acres of developed land was classified as “potentially redevelopable.”
- McMinnville will need about 5,584 new dwelling units between 2000 and 2020.
- Based on a tax lot level residential capacity analysis, the 935 gross acres of vacant buildable residential land within the existing McMinnville UGB will accommodate 3,407 residential units resulting in a capacity deficit of 2,178 units. This calculation assumes no allocation of land for other residential uses such as schools, parks, churches, public and semi-public uses, and infrastructure.
- This translates into a need for an additional 449 gross buildable acres of land needed beyond the existing UGB to accommodate projected residential development. Added to this need are about 412 gross acres needed for development of public and semi-public uses that will also locate on residential land.
- At recent historical residential densities and housing mix, the total gross vacant buildable residential land need necessary to accommodate projected growth is 861 gross acres (449 gross acres for residential dwelling units, and 412 gross acres for public and semi-public uses).

The *McMinnville Residential Land Needs Analysis* posed several questions that were not fully answered in the study:

- Is *needed* density the same as or less than *actual* historic density?
- Is *needed* mix the same as *actual* historical mix?
- Does the UGB contain enough buildable land at *actual* historic densities?

These questions must be answered to provide a residential lands study that fully addresses the requirements of ORS 197.296. The following sections provide a response to these questions.

Is needed density the same as or less than actual historical density?

The *McMinnville Residential Land Needs Analysis* concluded that *needed* density is *higher* than *actual* historical density (pages 5-27 and 5-28). In short, in order to meet the requirements of Goal 10 and ORS 197.296, McMinnville must adopt measures that will “demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.”

The *McMinnville Residential Land Needs Analysis* concluded:

“Based on the data available, however, a general trend becomes evident: households with lower incomes tend to have much higher incidence of renting, and lower cost units have a higher percentage of renters than higher cost units.” (page 5-24)

The alternative forecast of housing need presented in the *McMinnville Residential Land Needs Analysis* explicitly assumes that measures will be taken to achieve needed housing density and mix:

“More specifically, the alternative considers national, regional, and local demographic trends, an assessment of income levels and housing affordability, and a move towards more efficient land use (e.g., that no single-family development occurs in the R-4 zone).” (page 5-25)

A review of the housing need forecast presented in the *McMinnville Residential Land Needs Analysis*, as well as new data available since the study was completed, led to several proposed modifications to the original housing need estimate.

Table 5 compares assumptions used for the baseline (adopted May 2001 analysis) and revised housing need analysis (the analysis provided in this memorandum). Modifications were made in several areas:

- Persons in group quarters were increased from 310 to 800 to reflect new Census data, and growth in the student population at Linfield College.
- The housing mix was changed from an actual mix of 66% single-family to 60% single-family. Multiple-family housing was increased from 34% to 40%. This reflects changes in household types and other affordability issues.
- Average household size remained constant at 2.54 persons per occupied housing units, but household sizes by *type of dwelling* shifted slightly to reflect the new housing mix and additional persons in group quarters.
- Density assumptions for single-family attached and manufactured housing types were increased to reflect recent development trends.
- The planning period was adjusted from 2000-2020 to 2003-2023. This makes the population projections consistent with the buildable lands inventory and allows

determination of lands needed to accommodate housing for 20 years as required by ORS 197.296.

The revised housing need analysis also considered single-family attached housing as a multi-family housing type. This is consistent with the approach many other housing needs analyses use.

Table 5. Comparison of assumptions for baseline (from 2000 Residential Land Needs Study) and revised housing need (2003-2023)

Assumption	Revised Need	Baseline (2000 Report)
New persons, 2000-2020		13,567
Average Annual Population Growth Rate (2000-2020)		2.2%
New persons, 2003-2023	15,545	
Average Annual Population Growth Rate (2003-2023)	2.2%	
New persons in group quarters, 2000-2020		310
New persons in group quarters, 2003-2023	800	
Housing Mix		
Single-family	60%	66%
Multiple family	40%	34%
Household size		
Single-family	2.76	2.66
Multiple family	2.21	2.10
Weighted average household size	2.54	2.54
Vacancy rate		
Single-family	2.5%	2.5%
Multiple family	5.0%	5.0%
Density Assumptions (DU/Net Res Acre)		
Single family detached (R-1)	4.5	4.5
Single-family detached (other zones)	5.5	na
Single family attached	10.0	9.1
Multiple family	17.0	16.8
Manufactured in subdivisions	5.5	5.1
Net-to-Gross Acres Factor		
Single family detached	25.6%	25.6%
Single family attached	24.7%	24.7%
Multiple family	11.6%	11.6%
Manufactured	10.0%	10.0%

Consistent with the methods described in the DLCDC workbook (*Planning for Residential Growth, 1997*), the following tables that summarize housing and land need address population in group quarters separately. The revised housing need analysis assumes 800 new persons in group quarters between 2003 and 2023. This equates to about 5.1% of the total population—a slightly lower ratio of persons in group quarters than as

reported by the 2000 Census figure of 6.0%. Analysis of historical Census data shows the percentage of persons in group quarters has steadily decreased in McMinnville since 1980. The analysis assumes an average of 2.0 persons per group quarter dwelling unit and that group quarter dwelling units will develop at the same density as multiple family housing (17.0 du/net residential acre). McMinnville will need approximately 400 group quarter units. However, the analysis only assigns need for vacant land to 50% of those units. The remaining units are allocated to land already classified as developed at Linfield College. Thus, McMinnville will require approximately 13 gross buildable residential acres for group quarter dwellings.

Table 6 shows the allocation of needed housing units by type and zoning designation (the *need* forecast). The need forecast is based on estimates of how needed housing units will be distributed by zone. More specifically, the forecast considers national, regional, and local demographic trends, an assessment of income levels and housing affordability, and a move towards more efficient land use (e.g., that no single-family development occurs in the multi-family zone) as well as measures the city proposes to adopt to meet identified housing needs as stated in the *McMinnville Residential Land Needs Analysis*.

The forecast predicts a need for 60% single-family housing types and 40% multiple-family housing types. This need forecast classifies single-family attached units and duplexes as multi-family housing types and makes a distinction between manufactured homes in subdivisions and manufactured homes in parks. The revised need forecast also recognizes the creation of a new exclusive multi-family residential zone (R-5). Eighteen percent of all housing need is allocated to this new zone.

Table 6. Forecast of needed housing units by type and zoning designation, McMinnville, 2003-2023

Housing type	Plan Designation					Total
	R-1	R-2	R-3	R-4	R-5	
Single-family						
Detached (R-1)	10%	0%	0%	0%	0%	10%
Detached (Other zones)	0%	25%	5%	0%	0%	30%
Manufactured in subdivisions	2%	8%	0%	0%	0%	10%
Manufactured in parks	0%	0%	4%	6%	0%	10%
Single-family Total	12%	33%	9%	6%	0%	60%
Multi-family						
Row/townhouse	0%	0%	5%	7%	0%	12%
Apartment	0%	0%	0%	10%	18%	28%
Multi-family Total	0%	0%	5%	17%	18%	40%
Total	12%	33%	14%	23%	18%	100%

Source: ECONorthwest

Is *needed* mix the same as *actual* historical mix?

The next step in the housing needs analysis (Step 6 in the Workbook) is to determine the needed density ranges for each plan designation and the average needed net density for all structure types (see Table B-7).

Table 5-15 in the *McMinnville Residential Land Needs Analysis* shows the baseline forecast of new dwelling units and land need by type for the 2000-2020 period. The results are based on development trends observed between 1988 and 2000 and the 2000-2020 population forecast. The baseline forecast indicated McMinnville needed a mix of 66% single-family and 34% multi-family at an overall density of 4.7 dwelling units per gross residential acre.

Table 7 shows that the new need forecast generates different results than the previous baseline forecast in terms of housing mix and density. The key difference between the baseline forecast and the new need forecast shown in Table B-7 is the allocation of additional housing units to multiple family housing types in the alternative forecast. The need forecast requires 6,014 dwelling units (increase from prior count due primarily to increased population estimate) and decreases land need by more than 240 gross buildable acres, primarily due to proposed land use efficiency measures that increase residential density. The density increases from 4.7 du/gross residential acre in the baseline (historical trend) forecast, to 5.7 du/gross residential acre—an 18% increase. Net density under the need forecast is 7.2 du/net residential acre.

Table 7. Forecast of *needed* new dwelling units and land need by type, McMinnville, 2003-2023

Housing type	Number of DU	Needed DU by Type	Density (DU/ Net Res Acre)	Density (DU/Gross Res Acre)
Single-family	3,607	60.0%	5.4	4.3
Detached (R-1)	601	10.0%	4.5	3.3
Detached (Other)	1,804	30.0%	5.5	4.1
Manufactured in subdivisions	601	10.0%	5.5	5.0
Manufactured in parks	601	10.0%	6.5	5.9
Multi-family	2,407	40.0%	14.0	11.6
Row/Townhouse/Duplex	722	12.0%	10.0	7.5
Apartment	1,685	28.0%	17.0	15.0
Total	6,014	100.0%	7.2	5.7

Source: ECONorthwest

Note: Group quarters not included in number or percent of dwelling units

Table 8 shows residential land needed for housing by zone designation. This table addresses step 6 of the HB 2709 workbook requiring that cities “determine the needed density ranges for each plan designation and the average needed net density for all structure types.” The results are based on the housing need mix shown in Table 7.

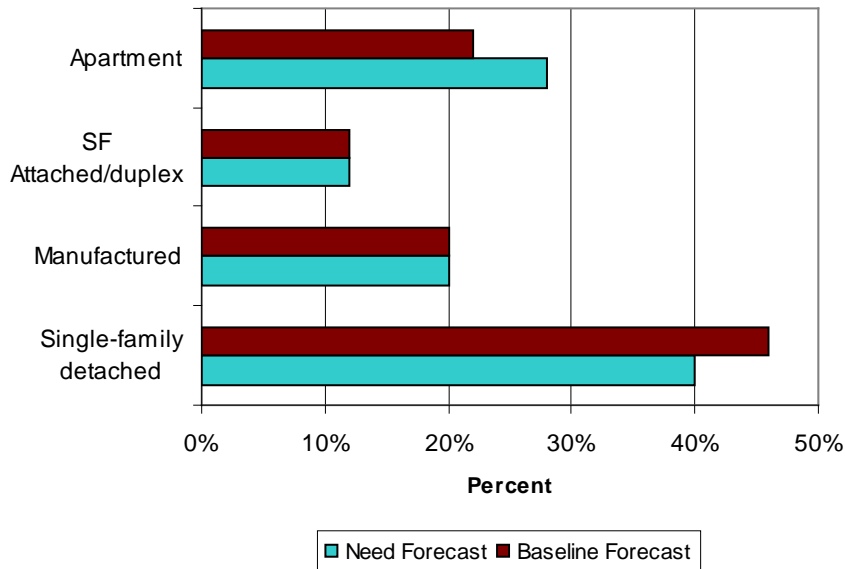
Table 8. Need forecast of housing, land need (gross acres), and needed density by zoning and housing type, 2003-2023

Housing type	Zoning					Total
	R-1	R-2	R-3	R-4	R-5	
Number of Dwelling Units						
Single-family	721	1,985	540	360	-	3,607
Detached (R-1)	601	-	-	-	-	601
Detached (Other)	-	1,504	300	-	-	1,804
Manufactured in subdivisions	120	481	-	-	-	601
Manufactured in parks	-	-	240	360	-	601
Multi-family	-	-	301	1,023	1,083	2,407
Row/townhouse	-	-	301	421	-	722
Apartment	-	-	-	602	1,083	1,685
Total	721	1,985	841	1,383	1,083	6,014
Land Need (Gross Acres)						
Single-family						
Detached (R-1)	180	-	-	-	-	180
Detached (Other)	-	368	74	-	-	441
Manufactured in subdivisions	24	97	-	-	-	122
Manufactured in parks	-	-	41	62	-	103
Multi-family						
Row/townhouse	-	-	40	56	-	96
Apartment	-	-	-	40	72	112
Total	204	465	155	158	72	1,053
Implied Density (DU/Gross Acre)	3.5	4.3	5.4	8.8	15.0	5.7

Source: ECONorthwest

Figure 1 shows a comparison of housing demand and housing need for the period between 2003 and 2023. The figure shows some notable differences between demand (the baseline forecast) by housing type and need by housing type. The overall mix between single-family and multiple-family shifts from 66% single-family (baseline) to 60% single-family (need). The need forecast shows a significantly lower need for single-family detached housing (decreasing from 45% to 35%) and a higher percentage for all other housing types.

Figure 1. Comparison of baseline forecast and alternative forecast of new housing units, 2000-2020



ORS 197.303 includes government-assisted housing as a needed housing type. McMinnville allows government-assisted housing outright in all of its residential zones. Moreover, the City of McMinnville does not have a program to construct or finance government-assisted housing. From a land use perspective, there is little more McMinnville can do to facilitate government-assisted housing development.

The Yamhill County Housing Authority and other agencies develop government-assisted housing throughout Yamhill County. According to assessment records, about 200 government-assisted housing units have been developed in McMinnville by various organizations. According to staff at the Yamhill County Housing Authority, they expect to build approximately 50 government-assisted housing units annually in Yamhill County in the next 20 years, or 1,000 units over the planning period. Approximately 300-400 of the government-assisted units would be located in McMinnville.

The Yamhill County Housing Authority manages the HUD Section 8 rental assistance program in Yamhill County. According to staff, approximately 1,200 households receive Section 8 assistance in Yamhill County. Staff estimates that approximately 400 households receive Section 8 assistance in McMinnville. Housing Authority staff do not anticipate expanding the Section 8 program in the foreseeable future because their allocation of Section 8 vouchers is relatively high on a per household basis compared to other areas.

Total residential land need, 2003-2023³

This section estimates total residential land need for the period between 2003 and 2023. In addition to land needed for new residential units, it estimates land needed for parks, public facilities, and other semi-public uses to arrive at an estimate of total need for land designated for residential purposes.

The revised population forecast creates need for additional public and semi-public lands that will locate in residential zones. The revised public and semi-public land needs are presented in Appendix A of this memorandum.

Table 9 shows total residential land need from 2003 to 2023. Including parks and schools, Total need for land designated for residential uses is approximately 1,538 gross acres. Note that estimates for land need for public and semi-public uses (which are part of this estimated need) are based on net acres and may underestimate total land need. The need forecast, which accounts for existing and some proposed efficiency measures, reduces total residential land need by 242 acres—or about 15%.

Table 9. Total residential land need-Housing Need and Baseline (historical densities) Forecast 2003-2023

Category	Needed Gross Acres	
	Need Forecast	Baseline
New housing	1053.2	1,295.0
Parks	314.0	314.0
Schools	96.0	96.0
Private Schools	1.5	1.5
Religious	47.6	47.6
Government	0.9	0.9
Semi-Public Services	22.5	22.5
Infrastructure	2.6	2.6
Total	1,538.4	1,780.2

Source: City of McMinnville, ECONorthwest

Comparison of Supply and Demand: Does the UGB contain enough buildable land at actual densities? (Task 5 of the workbook)

This section compares residential land supply and demand. It begins with an evaluation of residential land capacity. It then compares supply and demand to answer the question of whether McMinnville has enough land to accommodate needed housing at actual densities as posed in the DLCDC HB 2709 workbook.

In brief, the previous section found that needed residential density is *not* the same as the actual residential density, and the present McMinnville UGB does *not* contain

³ Total residential land need includes land needed for new housing during the planning period, and residential land needed for public and semi-public uses.

enough buildable land at actual densities to provide for residential needs. This is further described in the discussion below.

Residential land capacity

The buildable lands inventory built up from a tax lot database. Moreover, the method classified buildable residential lands into three categories: vacant, partially vacant, and potentially redevelopable. That inventory identified 935 gross acres of vacant or partially vacant residential land and about 12 gross acres of potentially redevelopable land. Data for development that occurred between July 1, 2000 and December 31, 2002 indicate that an additional 83 acres of residential land was developed since the *McMinnville Residential Land Needs Analysis* was completed leaving about 865 gross buildable residential acres as of January 1, 2003.

To evaluate residential development capacity in McMinnville, ECONorthwest applied the actual residential density recorded between 1988 and 2000 to each vacant and partially-vacant parcel in the R-1 to R-4 zones. For all other zones, we applied the overall average density recorded between 1988 and 2000. This method is consistent with the requirements of ORS 197.296.

Table 10 shows the development capacity of all vacant, partially vacant, and redevelopable residential tax lots within the McMinnville UGB by zone and land classification as of January 1, 2003. The *McMinnville Residential Land Needs Analysis* found a total capacity of 3,477 dwelling units within the UGB. A total of 528 new dwelling units were built between July 2000, and January 2003, reducing residential capacity by that number of units. Assuming **all** partially vacant and potentially redevelopable land will develop over the 20-year planning period, McMinnville has a residential capacity of 2,949 dwelling units within its current UGB.

Table 10. Estimated residential development capacity (in dwelling units) inside the current McMinnville UGB, by zone and land classification at full build-out

Zone	Vacant	Partially- Vacant	Potentially Redevelop- able	Total
R-1	831	98	0	929
R-2	109	26	0	135
R-3	18	27	24	69
R-4	164	12	26	202
R-5	na	na	na	na
All Other Zones	1,346	268	0	1,614
Total	2,469	430	50	2,949

Source: ECONorthwest, 2000

Analysis of land partitions, however, suggests that development of partially vacant land occurs relatively slowly (see partition history discussion in Chapter 4 of the *McMinnville Residential Land Needs Analysis*). At the resulting average rate of approximately 3

dwelling units per year, a total of 60 new dwelling units would be built on partially developed land that is too small to subdivide between 2003 and 2023.⁴ Analysis of the size of partially vacant parcels indicates that 26 of the 58 partially vacant parcels are too small to subdivide. Development of these parcels to permit additional housing would therefore require partitioning. Despite the fact that many of these partially vacant parcels have been held in their current configuration for decades and will likely not be partitioned—or subdivided—during this planning period, this analysis **assumes that all of the partially-vacant land will develop** over the next 20 years. This is a very aggressive assumption, and one that may overestimate the amount of land available for projected land needs.

Revised residential land need estimate

The housing need forecast estimates that McMinnville will need 6,014 new dwelling units between 2003 and 2023. Subtracting out the estimated residential capacity of lands within the current McMinnville UGB of 2,949 dwelling units yields a need for land capable of accommodating an additional 3,065 dwelling units.

Table 11 shows land needed to accommodate the additional 3,065 units at the *needed* residential densities shown in Table 5. The results show a **need for 537 gross buildable residential acres** beyond existing buildable land (e.g., outside the present McMinnville UGB) to accommodate new residential development.

Table 11. Additional land needed for housing outside the present McMinnville UGB, 2003-2023

Zone	Additional Dwelling Unit Need	Gross Density	Needed Gross Res Acres
R-1	368	3.5	104.1
R-2	1,011	4.3	236.8
R-3	429	5.4	78.9
R-4	705	8.8	80.4
R-5	552	15.0	36.7
All Other Zones	na	na	na
Total	3,065	5.7	536.9

Source: ECONorthwest, 2003

Table 12 shows total residential land need from 2003 to 2023. Including parks and schools, we estimate total need for land designated for residential, public, and semi-public uses at 1,035 gross residential acres.

⁴ Staff review of the partition data presented in Chapter 4 of the *McMinnville Residential Land Needs Analysis* indicates that it included partitions over a 10-year period, but calculated averages over an 8-year period. Thus, the average number of partitions per year dropped from the 3.75 reported in the *McMinnville Residential Land Needs Analysis* to the 3.0 reported in this memorandum.

Table 12. Total additional acres needed in the McMinnville UGB, 2003-2023

Category	Needed Gross Res Acres
New housing	536.9
Group Quarters	13.3
Parks	314.0
Schools	96.0
Private Schools	1.5
Religious	47.6
Government	0.9
Semi-Public Services	22.5
Infrastructure	2.6
Total	1,035.4

Source: City of McMinnville, ECONorthwest
 Note: Parkland need assumes the City standard of 14.0 acres per 1,000 residents will be met. The recent \$9 million park bond is a strong indication of the City's commitment to this standard.

Summary of residential land need

Based on population forecasts, assumptions about household size, persons in group quarters, and vacancy rates, McMinnville will need about 6,014 new dwelling units between 2003 and 2023. At needed densities, this translates into a buildable land need of 1,053 acres for residential development. Parks and other public and semi-public facilities are expected to require an additional 485 buildable residential acres for a total residential land need of about 1,538 acres.

As of December 31, 2002, McMinnville had an estimated 865 gross buildable residential acres within its UGB. Based on a tax lot level residential capacity analysis, the 865 gross acres of buildable residential land within the existing McMinnville UGB will accommodate 2,949 residential units. This results in a capacity deficit of 3,065 units. This translates into a need for an additional 537 buildable acres of land needed beyond the existing UGB to accommodate projected residential development (Table 12). Added to this need are about 485 acres needed for development of public and semi-public uses that will also locate on residential land and 13 acres for group quarters housing. **Thus, the total gross vacant buildable residential land need outside the present McMinnville UGB, according to analysis and findings consistent with ORS 197.296 and the DLCD *Planning for Residential Growth* workbook, necessary to accommodate projected growth is 1,035 gross acres (537 acres for residential dwelling units, 13 acres for group quarters, and 485 acres for public and semi-public uses).**

Finally, the Workbook poses several questions that can be answered by the analysis in this report:

- Is *needed* density the same as or less than *actual* historic density?

- **No.** Actual density of residential development in McMinnville between 1988 and 2000 was 4.7 dwelling units per gross acre or 5.9 dwelling units per net acre. The need forecast estimates *needed* density at 5.7 dwelling units per gross acre or 7.2 dwelling units per net acre. The assumption here is that a combination of shifting demand and new policies (measures) can increase the average density of new construction by almost 20% over the next 20 years.

- Is *needed* mix the same as *actual* historic mix?

No. Figure B-1 indicates that needed and actual mix as shown by comparing the baseline and alternative forecasts is different. The alternative forecast (needed mix) indicates the City will need a higher percentage of multiple-family units and a corresponding decrease in single-family detached housing.

- Does the UGB contain enough buildable land at *actual* historic densities?

No. The data presented in chapters 5 and 6 of the *McMinnville Residential Land Needs Analysis, May 2001, as revised in this analysis*, indicate the UGB will not accommodate the number of new dwelling units between 2003 and 2023 at actual historic, or needed, densities.

These results assume McMinnville will adopt measures to increase housing density and shift the housing mix to a greater percentage of multi-family dwellings. Residential efficiency measures are described in the memorandum titled *Review of Land Use Efficiency Measures*.

Land needed for employment, 2003-2023⁵

Table 13 shows total employment growth by land use type in McMinnville for 2003, and 2023. The forecast of employment is derived from employment data shown in Table A-4 of the memorandum titled "*Justification for Population and Employment Projections.*" The employment projection indicates McMinnville will add 7,420 new employees between 2003 and 2023.

⁵ Land need includes lands designated for commercial and industrial uses needed for employment and for public and semi-public uses that will locate on commercial and industrial lands.

Table 13. Total employment growth by land use type in McMinnville UGB, 2003–2023

Land use category	Growth			
	2003	2023	2003-2023	Percent
Commercial	2,793	5,540	2,747	37%
Office	5,031	7,978	2,947	40%
Industrial	5,427	6,870	1,443	19%
Public	1,490	1,773	283	4%
Total	14,741	22,161	7,420	100%

Source: ECONorthwest.

The land need estimates that follow are based on the same set of assumptions described in Chapter 6 of the *McMinnville Economic Opportunities Analysis*.

Table 14 shows the amount of new land and built space needed for each land use type in McMinnville over the 2003–2023 period. The results indicate McMinnville will need approximately 367 gross acres to accommodate employment for the 2003-2023 period. An additional 122 acres of commercial and industrial land is needed for public and semi-public uses in addition to those needed for employment shown in Table 14.⁶

Table 14. McMinnville vacant land and new built space needed for employment by land use type, 2003–2023

Type	Acres of land		Sq. Ft. of building space	
Commercial	88.9	24%	684,398	24%
Office	83.6	23%	643,984	23%
Industrial	173.8	47%	1,242,836	44%
Public	20.4	6%	285,578	10%
Total	366.7	100%	2,856,796	100%

Source: ECONorthwest.

Revised employment land need estimate

This section compares land demand and supply. The comparison is based on data presented in this chapter and does not consider local policies or economic development strategies that may imply different site requirements and land needs. OAR 660-009-0025 (2) requires cities to designate sufficient land in each site category to accommodate, at a minimum, the projected land needs for each category during the 20-year planning period.

Table 15 shows a comparison of land demand and supply for the McMinnville UGB for the period 2003-2023. The results show that McMinnville has an overall deficit of

⁶ ECO estimates land needed for public and semi-public uses (not including parks) at 197.2 total acres. Not all of this land need will occur on commercial and industrial lands. ECO estimates that public and semi-public uses will require 75.2 residential acres. Thus, 197.2 – 75.2 = 122.0 non-residential acres).

buildable non-residential land of about 47 acres.⁷ When analyzed by plan designation, however, the results indicate the City has a commercial land deficit of about 117 acres, and an industrial surplus of 70 acres.

Table 15. Comparison of commercial/industrial land demand and supply, McMinnville UGB, 2003-2023

	Plan Designation		Total
	Commercial	Industrial	
Buildable Acres	101.9	339.8	441.7
Vacant Land Demand			
Commercial	192.9		192.9
Industrial		173.8	173.8
Other uses	26.2	95.8	122.0
Surplus (deficit)	(117.2)	70.2	(47.0)

Source: ECONorthwest.

Note: we did not allocate any land demand to the mixed use plan designation.

Comparison and conclusions

The housing and economic technical reports present land supply and demand estimates. The population and employment forecasts presented in the reports are for the period 2000-2020. These figures were updated to the 2003-2023 period for this analysis.

The land supply data in both the reports were more than one year old. City staff updated the buildable lands inventory to December 31, 2002—a date which corresponds to the 2003-2023 forecasting period.

Land supply

Table 16 summarizes buildable land supply by plan designation in the McMinnville UGB. The second column (Gross Acres, July 1, 2000) summarizes land inventory data presented in the *McMinnville Residential Land Needs Analysis* and the *McMinnville Economic Opportunities Analysis*. As of July 1, 2000 McMinnville had about 1,420 gross buildable acres. Between July 1, 2000, and December 31, 2002, an additional 114 acres were developed. The majority of this land (82 acres) was developed in residential uses. Subtracting land developed between July 1, 2000, and December 31, 2002, from the initial inventory leaves approximately 1,310 acres available for development in the McMinnville UGB.

⁷ This deficit assumes that the City would redesignate some industrial lands for commercial uses. The City's proposed industrial land retention policy would not typically allow such redesignations to occur. The City proposes to redesignate a small amount of industrial lands to commercial and residential uses. This is essentially a housekeeping measure that reflects more appropriate uses of certain industrial lands. The redesignations are *not* reflected in Table B-15.

Table 16. Buildable land supply, McMinnville UGB, December 2002

Plan Designation	Gross Acres (July 1, 2000)	Acres	
		Developed (July 1, 2000- Dec 31, 2002)	Gross Buildable Acres (Jan 2003)
Residential	947.0	82.1	864.9
Commercial	115.4	13.5	101.9
Industrial	358.1	18.3	339.8
Mixed Use	2.9	0.0	2.9
Total Buildable Land	1,423.4	113.9	1,309.5

Source: City of McMinnville

McMinnville also proposes to redesignate a number of parcels as part of the land use efficiency measures required by Goal 10 and Goal 14. Table 17 summarizes the impacts of land redesignations. The redesignations add commercial and residential designations, and remove land from the industrial and mixed-use designations.

Table 17. Effect of proposed land redesignations on buildable land supply

Plan Designation	Change in buildable acres
Commercial	0.49
Industrial	(13.82)
Mixed Use	(2.85)
Residential	16.18

Source: City of McMinnville

Table 18. Revised buildable land supply with land redesignations, McMinnville UGB, December 2002

Plan Designation	Gross Buildable Acres		Gross Buildable Acres (w/ redesignations; Jan 2003)
	(Jan 2003)	Proposed land redesignations	
Residential	864.9	16.2	881.1
Commercial	101.9	0.5	102.4
Industrial	339.8	-13.8	326.0
Mixed Use	2.9	-2.9	0.0
Total Buildable Land	1,309.5	0.0	1,309.5

Source: City of McMinnville

The land redesignations shown in Tables 17 and 18 will add approximately 16 acres of buildable land to residential uses. At an average density of 5.9 dwelling units per gross residential acre, the proposed land redesignations would accommodate approximately 95 new dwelling units.

Table 19 provides a detailed summary of land needed, by plan designation, to accommodate forecast population and employment growth between 2003 and 2023. The estimates indicate that McMinnville will need about 2,027 acres of buildable land under the assumptions implicit in the provisional estimate. The majority of this land (1,538 acres) will be needed for residential uses.

McMinnville will need about 219 acres of commercial land, which will support commercial uses as well as public and semi-public uses that will locate on commercial land. McMinnville will need about 270 acres of industrial land, including industrial uses as well as public and semi-public uses that will locate on industrial land.

Table 19. Demand for land by plan designation and use, McMinnville, 2003-2023

Planned Land Use	Gross Acres
Residential Plan Designation	
New Housing	1,053.2
Parks	314.0
Public Schools	96.0
Private Schools	1.5
Religious	47.6
Government	0.9
Semi-Public Services	22.5
Infrastructure	2.6
Residential Subtotal	1,538.4
Commercial Plan Designation	
New Commercial	192.9
Public Schools	0.0
Private Schools	0.3
Religious	7.8
Government	13.7
Semi-Public Services	3.5
Infrastructure	0.9
Commercial Subtotal	219.1
Industrial Plan Designation	
New Industrial	173.8
Public Schools	0.0
Private Schools	0.0
Religious	0.0
Government	66.3
Semi-Public Services	18.1
Infrastructure	11.5
Industrial Subtotal	269.7
Total Projected Land Need	2,027.2

Source: McMinnville Residential Lands Study; McMinnville Economic Opportunities Analysis

Table 20 compares land supply and demand in the McMinnville UGB for the period 2003-2023. The comparison shows that, in the absence of changes in plan designations, McMinnville will require approximately 1,125 acres of buildable land

beyond the supply presently in the City’s UGB. Deficits exist in land designated for residential and commercial uses. McMinnville has a surplus of about 46 acres of buildable industrial land. The industrial land is not factored against the deficits because the City needs the industrial sites to support its economic development strategy.

Table 20. Comparison of land supply and demand, McMinnville UGB, 2003-2023

Plan Designation	Land Need (2003-2023)	Gross Buildable Acres (Jan 2003)	Deficit (Surplus)
Residential ^a	1,538.4	881.1	1,019.2
Commercial	219.1	102.4	106.0
Industrial	269.7	326.0	(44.7)
Total Buildable Land Need Outside UGB	2,027.2	1,309.5	1,125.2

Source: ECONorthwest, 2003

^a Application of residential carrying capacity analysis produces an unmet residential need of 537 acres and does not allow a simple supply/demand calculation to occur. See Table 11.

Notes:

Commercial land need is reduced by 11.7 acres. The City estimates that some commercial development will occur on industrial lands. See Industrial Land Measures in Chapter 6. The industrial land surplus is reduced by a similar amount. Total buildable land deficit does not include the surplus of industrial land. McMinnville will maintain a 45 acre surplus of industrial land during the planning period.

Supporting Data: Residential land needed for public and semi-public uses

This section updates the section of the *McMinnville Residential Land Needs Analysis* that discusses residential land needed for public and semi-public uses. The update is required because the revised population projection results in 15,545 new persons in the McMinnville UGB between 2003 and 2023.

McMinnville presently has no public land plan designation. Thus, public and semi-public (churches, fraternal organizations, etc.) uses commonly locate on residential land. Specifically, public and semi-public uses include:

- Public Schools
- Private Schools
- Religious Uses
- Parks
- Government
- Semi-Public Services
- Infrastructure

While land needed for public schools and parks are addressed in the following sections, Table 21 shows acres in public use for all other classifications. McMinnville has about 1,099 net acres (acres in tax lots) in public and semi-public uses. About 575 of those acres are in the McMinnville Airport. The percentage of each use located on land designated for residential use is shown in the final column and ranges from 100% for “other private schools” to 0% for the airport.

Table 21. Summary of existing public and semi-public uses

Use Type	Net Acres	Net Acres on Residential Land	Net Acres on Non- Residential Land	Percent on Residential Land
Airport	575.8	0.0	575.8	0%
Private Schools	206.9	171.8	35.1	83%
Linfield College	204.0	168.9	35.1	83%
Other Private Schools	2.9	2.9	0.0	100%
Religious	89.7	77.1	12.6	86%
Government	130.9	1.5	129.4	1%
Semi-Public Services	71.5	36.4	35.2	51%
Infrastructure	24.1	4.3	19.8	18%
Total	1,098.9	291.1	807.8	na

Source: City of McMinnville, October 2000

Note: table does not include lands for public schools and parks.

Land needed for parks

The adopted McMinnville Parks, Recreation, & Open Space Master Plan (1998) identifies seven types of local park facilities and describes the local residents' and Council's vision for the future of the City's parks, recreation services, trails and open space facilities. The adopted master plan provides recommended acreage standards for only three of the Plan's seven types, stated as an acres-per-thousand-population ratio. The three types of park facilities within the master plan that are provided with adopted acreage standards are Neighborhood Parks, Community Parks, and Greenspace/Greenway Parks; this is demonstrated in Table 2 of the Plan. It is important to note that while future acreage needs exist for each of the remaining four park types (Mini-Parks/Playlots, Linear Parks, Special Use Parks, and Trails and Connectors), such standards were not adopted as part of the master plan and are therefore not part of this analysis or projection of future park needs.

As is shown through local park development, not all park types need to be entirely located on land identified as buildable. Specifically, a portion of future Greenway and Greenspace parks may be located partially within the boundaries of the 100-year floodplain. Analysis of local park locations and topography shows that some 34 percent of all Greenway/Greenspace park acres are so located, as provided in Table 22 below.

Table 22. McMinnville Greenway and Greenspace parkland inventory

Name	Net Acreage	Floodplain Acres
Airport Park	22.0	0.0
Angela Court	2.2	0.2
Ashwood/Derby	0.3	0.3
Barber Property	11.8	4.6
Brookview	0.7	0.7
Carlsons	1.6	1.6
Crestwood	1.7	1.5
Davis Street Fill	1.5	1.5
Dayton River Access	0.5	0.4
Elmwood	3.0	2.3
Fir Ridge	0.7	0.6
Heather Hollow	3.0	1.9
Irvine Street	5.1	4.8
Meadowridge	0.7	0.7
Tall Oaks	11.2	5.7
Tice Property	33.9	7.0
Wildflower Area	2.7	1.3
Total	102.5	35.2
Percent in Floodplain		34%

Source: City of McMinnville, October 2000

Applying this combined 34 percent floodplain factor to future Greenspace/Greenway park needs results in a reduction of needed park acres by some 41 acres (34 percent of the total need). The total number of projected and needed parkland acres for each of the three park types mentioned above are provided in Table 23 below and yield a need for an additional 244 vacant, buildable park acres. The City assumes all parkland need will be met on residential land as parks are not permitted in non-residential zones.

Table 23. Estimated parkland need, 2000-2020

Park Type	Current Net Acres	Adopted Standard	Acres Needed for 44055 Population	Projected Acreage Deficit (Need)
Neighborhood Parks	0	2.0 acres / 1000	88.11	88.11
Community Parks	145.49 ^a	6.0 acres / 1000	264.33	118.84
Greenways/ Greenspaces/ Natural Areas ^b	102.50	6.0 acres / 1000	264.33	106.81
Subtotals	247.99		616.77	313.76
			Total Projected Need	314 Acres

Source: City of McMinnville, 2003

^a This includes the 21.03 acre Walker/Kraemer property purchased by the City after the adoption of the Parks Master Plan

^b This includes an acreage reduction of 55.02 acres representing a 34% floodplain usage factor found in other parkland of this type

Land needed for schools

No adjustments were made for land needed for schools. The *McMinnville Residential Land Needs Analysis* presented the following conclusion with respect to land needed for schools:

“With the exception of the one future middle-school site, the District owns no other undeveloped land within the current UGB. Therefore, 96 acres (48 Elementary School acres, 16 Middle School acres, and 32 High-School acres) of additional, vacant residential buildable land is needed to accommodate projected year 2020 District needs.”

Other public/semi-public land need

Other public and semi-public land uses in McMinnville include: the airport; private schools, religious uses, government, semi-public services, and infrastructure. With the exception of the McMinnville Airport, all of these uses will require additional residential land as McMinnville grows.⁸

The City used *net* acres per 1,000 persons as the basis for estimates of other public and semi-public land needs.⁹ The acres per 1,000 persons assume a year 2000 population of 25,153 persons and the acreages presented in Table 21. Acres per 1,000 persons was then multiplied by projected population growth (15,545 persons) to develop

⁸ The McMinnville Airport has no long-range expansion plans and is located entirely on land designated for industrial use.

⁹ Using net acres as the basis for estimating future land need results in an underestimate of land need because right-of-way and other uses, and physical land features are not considered. We use net acres as the basis because detailed information was not available on “parent” lot sizes, precluding the development of a net-to-gross factor for public and semi-public lands.

total land need, which was then multiplied by the percent on residential land to estimate residential acres needed.

Table 24. Other public/semi-public land needs, 2003-2023

Use Type	Acres/1000 Persons	Total Need, 2003-2023	Percent on Residential	Residential Acres Needed, 2003- 2023	Non-Res Acres Needed, 2003-2023
Private Schools	0.1	1.8	83%	1.5	0.3
Religious	3.6	55.4	86%	47.6	7.8
Government	5.2	80.9	1%	0.9	80.0
Semi-Public Services	2.8	44.2	51%	22.5	21.7
Infrastructure	1.0	14.9	18%	2.6	12.2
Total	12.7	197.2	na	75.2	122.0

Source: City of McMinnville; analysis by ECONorthwest, 2003

Note: Private school land need assumes Linfield College does not need additional land beyond their current campus holdings.

Attachment 1: Chewgyn Farms Conservation Easement

Original
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OFFICIAL YAMHILL COUNTY RECORDS
REBEKAH STERN DOLL, COUNTY CLERK



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After recording, return to:

Yamhill Soil and Water Conservation District
2200 SW Second Street
McMinnville, OR 97128

OFFICIAL YAMHILL COUNTY RECORDS
JAN COLEMAN, COUNTY CLERK

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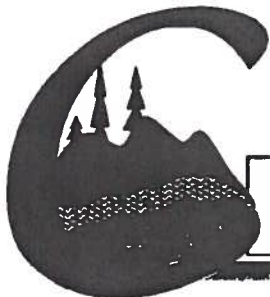
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CONSERVATION EASEMENT - CHEGWYN PROPERTY

THIS CONSERVATION EASEMENT is made as of the 4th day of April, 2008 by Percy Charles Chegwyn who is herein after known as and referred to as Charles Chegwyn, whose address is 3471 Grandhaven Drive, McMinnville, Oregon 97128 ("Grantor"), in favor of the Yamhill Soil and Water Conservation District (YSWCD), which is a sub-division of Oregon state government qualified to receive this easement under ORS 271.715-271.795 and IRS Code §170(h), whose address is 2200 SW Second Street, McMinnville, OR 97128 ("Grantee").

* This document is being re-recorded solely to correct the legal description.



Yamhill
Soil & Water

Conservation District

Providing Natural
Resource Leadership

2200 SW 2nd Street
McMinnville, OR 97128
(503) 472-1474 x102
FAX (503) 472-2459
yamhill.swcd@oacd.org
www.yamhillswcd.org

Original
**FILE
COPY**

After recording, return to:

Yamhill Soil and Water Conservation District
2200 SW Second Street
McMinnville, OR 97128

CONSERVATION EASEMENT

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Background and Parties' Intentions:

1. Grantor is the sole owner in fee simple of certain real property comprising, in total, approximately 171 acres, located on the north side of the community of McMinnville in Yamhill County, Oregon hereinafter as (the "**Property**"). The Property is more specifically identified on Exhibits A, B, C attached hereto and made a part hereof (legal description (A), site location map (B) and an aerial photo (C) of the Property.
2. The Property possesses significant agricultural, open space, water quality protection, and educational opportunities, specifically:
 - A. **Soil Resources:** The majority of soils on the Property are classified as soils of statewide importance by the Natural Resources Conservation Service of the U.S. Department of Agriculture (see attached Exhibits D and D.1);
 - B. **Water Quality:** The Property contains significant native riparian areas and wetlands which protect water quality and mitigates flooding for properties below. The Oregon Department of Environmental Quality has listed the Yamhill River on the "Water Quality Limited" (applicable to Federal Clean Water Act 303-d rules) due to low summer flows that result in low dissolved oxygen, and high stream temperatures. The North Yamhill River also is listed for Fecal Coliform, E Coli, iron, and manganese.
 - C. **Native Plant Communities:** The Property contains approximately 35 acres of riparian forest in excellent condition with a diversity of native plants.

The foregoing attributes and values of the Property are referred to in this document collectively as the "**Conservation Values**".

3. The Property is in an area, close to the cities of McMinnville, Carlton, Salem, and Portland, which is undergoing increased pressure for development and, in the absence of this Conservation Easement, the

Chegwyn Conservation Easement

Property could be rezoned to allow development in a manner which would significantly impair or destroy the Conservation Values of the Property.

4. Grantor and Grantee recognize and acknowledge that the Conservation Values are of great importance to Grantee, the people of the City of McMinnville, Yamhill County and the State of Oregon.
5. Grantor intends that the Conservation Values be preserved and maintained by land use patterns that abide with applicable laws and that do not significantly impair or interfere with the Conservation Values. Grantor further intends, as owner of the Property, to convey to Grantee the right to preserve and protect the Conservation Values in perpetuity.
6. Grantee intends by accepting this grant to preserve and protect in perpetuity the Conservation Values for the benefit of this generation and generations to come.

NOW, THEREFORE, in consideration of the above and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of Oregon and the United States, including without limitation ORS 271.715 to 271.795 and the IRS Code §170(h), Grantor hereby grants and conveys to Grantee a conservation easement in perpetuity over the Property to protect and preserve the Conservation Values of the Property upon the terms and conditions set forth herein ("**Easement**").

Purpose. It is the purpose of this Conservation Easement to protect the Conservation Values, allowing the Property to remain forever in its agricultural, natural, scenic and open space condition and as a single unit of 170 acres as indicated in Exhibits A, B, & C.

1. ***Baseline Documentation Report.*** Grantor and Grantee, by their signatures below, acknowledge receiving duplicate originals of the Baseline Documentation Report dated July, 2006 ("**BDR**") kept on file by Grantee. The BDR will be used by the parties to assure that any future changes in the use of the Property will be consistent with the terms of this Easement. However, the BDR is not intended to preclude the use of other evidence to establish the condition of the Property at the time of the execution of this Easement if there is a controversy over the use or conditions of the Property and Conservation Values.
2. ***Rights of Grantee.*** To accomplish the purpose of this Easement the following rights are conveyed to Grantee by this Easement, and no other conveyance is intended or implied:
 - a. To preserve and protect the Conservation Values of the Property as expressly specified in Paragraph 4 below;
 - b. To enter upon the Property at reasonable times in order to monitor compliance with and otherwise enforce the terms of this Easement in accordance with Paragraph 4 herein; provided that, except in cases where Grantee determines that immediate entry is required to prevent, terminate, or mitigate a violation of this Easement, such entry shall be preceded by no less than one week's prior written notice to Grantor and provided further that Grantee shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property;
 - c. To prevent any activity on or use of the Property that is in conflict with the purpose of this Easement and to require the restoration of such areas or features of the Property that may be

Chegwyn Conservation Easement

damaged by any inconsistent activity or use, pursuant to the remedies set forth in Paragraph 9 herein; and

d. To conduct easement monitoring on an annual basis.

3. ***Prohibited and Restricted Uses.*** Certain activities and uses upon or within the Property are inconsistent with the Conservation Values of the Property and the purpose of this Easement and are therefore prohibited or restricted, except with the written consent of Grantee, not to be unreasonably withheld, and subject to the Reserved Rights in Paragraph 6. Without limiting the generality of the foregoing, the following uses of or activities on the Property, although not an exhaustive list of uses or activities, are prohibited or restricted:

- a. The legal or *de facto* subdivision of the property is not allowed. The Property may not be divided, partitioned, nor conveyed except as a single lot. More than two residences are prohibited and those shall remain in the current locations (C).
- b. Placement or construction of any additional buildings on the Property is prohibited unless needed for an ongoing agricultural activity. The eight existing structures on the Property, described and located in attached "C" Exhibits, may be repaired and replaced.
- c. Commercial activity not directly related to the farm or forest products harvested from the Property must be confined to within the walls of the permitted structures. The foregoing shall not restrict use of the Property for environmental educational purposes.
- d. Creation or expansion of rights-of-way and access easements including driveways, roads and utility lines is prohibited except as outlined in Reserved Rights.
- e. Altering or removing soil, including any excavation, mining, removal of topsoil, rock, sand, gravel, or similar materials, or manual change in the topography within the boundaries of the Property other than for normal agricultural operations is prohibited. This shall not prevent the installation or maintenance of underground utility systems, including water, electric, communication lines, sewer and sanitary lines or the construction or maintenance of ponds, or home construction, or as otherwise necessary or convenient for Grantor's exercise of the Reserved Rights, Paragraph 5.
- f. Parking abandoned vehicles or machinery, dumping or burning of trash, garbage waste, appliances or other material on the Property is prohibited. Composting of biodegradable material or use of such materials to improve gardens, pasture, etc. is allowed if in accordance with applicable laws and does not negatively impact riparian areas, intermittent streams, or wetlands, or any other Conservation Values.
- g. The storage of petroleum products, herbicides, pesticides, or other substances, beyond that needed for ordinary agricultural, domestic use and/or annual property management, which, if accidentally released would pose a danger to any of the Conservation Values, is prohibited.
- h. The use of pesticides or biological control agents in a manner inconsistent with their lawful uses in the State of Oregon or other applicable jurisdictions is prohibited.

Chegwyn Conservation Easement

- i. Farm and other domestic animals shall not be permitted to negatively impact riparian areas or native vegetation, unless Grantee's approval is obtained for management of invasive species.
- j. Riparian areas will be preserved with no significant human-caused soil disturbance within 35 feet of the waterway.
- k. Agricultural fields consisting of approximately 100 acres as shown in attached Exhibit C: These fields will be preserved for agricultural activities.
- l. The approximately 35 acres of riparian forest and associated wetlands as shown on Exhibit C will remain intact to buffer the North Yamhill from the impacts of agricultural activities. This area may be managed in the future by an outside entity for public enjoyment as a nature park with the forest kept intact.
- m. Any use of the Property that conflicts with the purposes of this Easement is prohibited.

4. Reserved Rights. Grantors reserve to themselves, and to their personal representatives, heirs, successors, and assigns, all rights accruing from ownership of the Property including the right to engage in all uses of the Property not prohibited or restricted herein or by law. Without limiting the generality of the foregoing, and subject to the terms of Paragraph 4, the following rights are expressly reserved:

- a. The right to farm, raise crops and livestock. Agricultural uses and operations, including row crop farming, horticulture, grazing, animal husbandry and native agricultural plantings for habitat restoration and wildlife forage, are allowed provided that same are conducted in a manner consistent with the Conservation Values and as set forth in Paragraph 4.
- b. The cutting of trees for commercial and personal consumption, and native ecological enhancement, subject to the restrictions and prohibitions set forth in Paragraph 4.
- c. The maintenance of roads using methods (such as brush clearing and targeted herbicide use) that do not significantly impair the Conservation Values of the Property and as set forth in Paragraph 4 above.
- d. The use of existing roads to carry-out permitted uses as well as for general non-motorized use, as long as such use does not significantly impact the Conservation Values of the Property. Trails may be developed throughout the Property for the purpose of personal enjoyment and maintenance of the land consistent with respect for wildlife habitat, agricultural operations, and other natural environment preservation; provided that none of the Property may be used for recreational motorcycle, all terrain vehicles, or like recreational motorized vehicle riding.
- e. The use of legally authorized pesticide products and biological control agents registered with the State of Oregon for the control of weeds and other pests.

Chegwyn Conservation Easement

- f. Development of border park areas suited to pedestrian use and to be managed by the City of McMinnville Parks Department along the edge of the property.
- g. The right to allow installation of public utility lines for water and sewer to be installed by the City in the above border park areas.
- h. Development of walking trails and amenities in the riparian forest green space areas to be managed by the McMinnville or Yamhill County Park Department.
- i. The right to allow establishment of a water line easement for a domestic water line on the east side of Grandhaven Drive in Chegwyn's field (as indicated in Exhibit C).
- j. Allow develop of a sewer line easement along the north side of Chegwyn along the Bonneville Powerline from the current "Hurl" property to Smith LLC land when it is developed.

5. *Grantee's Approval.* Where Grantee's approval is required by this Easement, Grantee is to grant or withhold its approval in writing within fifteen (15) days of receipt of Grantor's written request therefore. Grantee's approval may be withheld only upon a reasonable written determination by Grantee that the action as proposed would be inconsistent with the purposes of this Easement. Such written determination shall be subject to appeal in accordance with the provisions of Section 7 below or as otherwise may be permitted by law.

6. *Arbitration.* Any dispute between the parties, except for an action seeking an injunction, which cannot be resolved by the parties, will be settled by arbitration before a single arbitrator. The arbitrator will be selected by the parties after conferring, or attempting in good faith to confer, with one another; and if the parties cannot agree on an arbitrator, then either party may petition the Yamhill County Circuit Court for the appointment of an appropriate arbitrator. The arbitrator shall be either a former or retired judge or shall be an attorney with at least ten (10) years of experience in real estate transactions. Arbitration will occur in McMinnville, Oregon, in accordance with the arbitration rules of the Yamhill County Circuit Courts, or other arbitration rules to which the parties may agree. The arbitrator must conduct all proceedings and render a decision within sixty (60) days of appointment or as soon as reasonably possible thereafter. The arbitrator's decision will be final, subject only to the rights of appeal provided in ORS 36.355 through ORS 36.365 (or successor statutes), with the additional ground for exception that the arbitrator misapplied the law. Judgment upon the arbitration award may be entered in any court having jurisdiction. Nothing in this Agreement, however, will prevent a party from resorting to a court of competent jurisdiction in those instances where injunctive relief or other appropriate relief may be requested.

7. *Grantee's Remedies.*

- a. Notice of Violation; Corrective Action. If Grantee determines that Grantor is in violation of the terms of this Easement or that a violation is threatened, Grantee shall give written notice to Grantor of such violation and, when the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this Easement, a directive to restore the portion of the Property so injured.

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- b. Injunctive Relief. If Grantor fails to cure the violation within thirty (30) days after receipt of notice thereof from Grantee, or under circumstances when the violation cannot reasonably be cured within a thirty (30) day period, fail to begin curing such violation within the thirty (30) day period, or fail to continue diligently to cure such violation until finally cured, Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Easement, to enjoin the violation as necessary, by temporary or permanent injunction, and to require the restoration of the Property to the condition that existed prior to such injury. Grantee's rights under this paragraph apply equally in the event of either actual or threatened violations of the terms of this Easement.
- c. Emergency Enforcement. If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values, Grantee may pursue its remedies under this paragraph without prior notice to Grantor or without waiting for the period provided for cure to expire, provided that notice of the circumstances and remedies pursued shall be given to Grantor simultaneously or immediately after Grantee takes such action to prevent or mitigate damage.
- d. Scope of Relief. Grantee shall be entitled to recover reasonable damages for violation of the terms of this Easement, including but not limited to damages for the loss of Conservation Values, including but not limited to the cost of undertaking any corrective action on the Property.
- e. Costs of Enforcement. If a suit, action, or other proceeding of any nature whatsoever (including without limitation any arbitration, administrative proceeding and any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Easement or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney fees and all other fees, costs, and expenses actually incurred as reasonably necessary in connection therewith, as determined by the arbitrator, court at trial or on any appeal or any petition for review, in addition to all other amounts provided by law.
- f. Grantee's Discretion. Enforcement of the terms of this Easement will be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any term of this Easement by Grantor shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Easement or of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver.
- g. Acts Beyond Grantor's Control. Nothing contained in this Easement is to be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes. Notwithstanding any provision to the contrary in this Easement, Grantor shall not be liable or responsible for acts of any trespassers on the Property.

Chegwyn Conservation Easement

8. Access. No right of access by the general public to any portion of the Property is conveyed by this Easement.

9. Costs, Liabilities, and Environmental Compliance.

- a. **Upkeep and Maintenance.** Grantor retains all responsibilities and shall bear all cost and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including the maintenance of reasonably adequate comprehensive general liability insurance coverage if commercially available to Grantor. Grantor remains solely responsible for obtaining any applicable governmental permits and approvals for any use permitted by this Easement, and all such activities or uses shall be undertaken in accordance with all applicable federal, state, and local laws, regulations, and requirements. Grantor shall keep the Property free of any liens arising out of any work performed for, or materials furnished to Grantor.
- b. **Remediation.** If, at any time, there occurs, or has occurred, an unlawful release in, on, or about the Property of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, soil, or harmful or threatening to human health or the environment, Grantor agrees to take all reasonable steps necessary to assure its containment and remediation, including any cleanup that may be required, unless the release was caused by Grantee, in which case Grantee shall be responsible therefore.
- c. **Control.** Nothing in this Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control: (1) over the day-to-day operations of the Property; or (2) over any of Grantor's allowable activities on the Property; or (3) as an "owner or operator" with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"; 42 USC 9601 *et seq*).

10. Taxes. Grantor must pay, before delinquency and collection proceedings, all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority (collectively "taxes"), including any taxes imposed upon, or incurred as a result of this Easement, and will furnish Grantee with satisfactory evidence of payment upon Grantee's request.

11. Representations and Warranties of Grantor.

- a. **Fee Title.** Grantor represents and warrants that, after reasonable investigation and to the best of its knowledge; Grantor is the owner in fee simple of the Property and has the right to convey the Easement to Grantee.

Chegwyn Conservation Easement

- b. **Environmental Matters.** Grantor represents and warrants to its actual knowledge without investigation:
- i. No substance defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, or soil, or in any way harmful or threatening to human health or the environment exists or has been unlawfully released, generated, stored, deposited, disposed of, or abandoned on the Property, except for types and quantities of materials used for agricultural, forestry, animal husbandry or common household purposes;
 - ii. There are not now any underground fuel storage tanks located on the Property, whether presently in service or closed, abandoned, decommissioned, and Grantor has not removed any underground fuel storage tanks from the Property in a manner not in compliance with applicable federal, state, and local laws, regulations, and requirements;
 - iii. Grantor and the Property are in substantial compliance with all federal, state, and local laws, regulations, and requirements applicable to the Property and its use;
 - iv. There is no pending or threatened litigation involving or relating to the Property; and
 - v. No civil or criminal proceedings or investigations have been instigated at any time or are now pending, and no notices, claims, demands, or orders have been received, arising out of any violation or alleged violation of, or failure to comply with, any federal, state, or local law, regulation, requirement applicable to the Property or its use, nor do there exist any facts or circumstances that Grantor might reasonably expect to form the basis for any such proceedings, investigations, notices, claims, demands, or orders.

12. ***Representations and Warranties of Grantee.*** Grantee is a publicly supported organization and is an organization qualified to hold, monitor and manage this Easement under ORS 271.715-271.795 and IRS Code Section 170(h). Grantee's purpose includes, among other things, the preservation, protection or enhancement of land in its natural, scenic, and/or open space condition in perpetuity through the acquisition of title interests.

13. ***Hold Harmless.*** To the extent of any insurance coverage reasonably available and procured by Grantor to defend and indemnify Grantee, Grantor hereby releases and agrees to hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, and contractors and the heirs, personal representatives, successors, and assigns of each of them (collectively "Indemnified Parties") from and against any and all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from: (1) injury to or death of any person, or physical damage to any property, resulting from any act, condition, omission of any duties of Grantor under this instrument, or other matter related to or occurring on or about the Property, to the extent caused by Grantor; (2) Grantor's violation or alleged violation of, or other failure to comply with, any state, federal, or local law, regulation, or requirement, including, without limitation, CERCLA, in any way affecting, involving, or relating to the Property; (3) the presence or release in, on, from, or about the Property, at any time, of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, soil, or in any way harmful or threatening to human health or the environment, to the extent caused by Grantor; and (4) Grantor's breach of its obligations under this Easement.

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14. *Extinguishment, Valuation, Condemnation, and Amendments.*

- a. **Extinguishment.** If circumstances arise in the future such as to render the purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. The amount of the proceeds to which Grantee shall be entitled, after the satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Property subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by Oregon law at the time, in accordance with Paragraph 15(b). Grantee shall use all such proceeds in a manner consistent with the conservation purposes of this grant.
- b. **Valuation.** This Easement constitutes a real property interest immediately vested in Grantee, which, for the purposes of Paragraph 15(a), the parties stipulate to have a fair market value determined by multiplying the fair market value of the Property unencumbered by the Easement (minus any increase in the value after the date of this grant attributable to improvements) at the time of extinguishment as determined by an appraisal by the ratio of the value of the Easement at the time of this grant to the value of the Property, without deduction for the value of the Easement, at the time of this grant. The values at the time of this grant shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this grant, pursuant to Section 170(h) of the Internal Revenue Code of 1954, as amended. For the purpose of this paragraph, the ratio of the value of the Easement to the value of the Property unencumbered by the Easement shall remain constant.
- c. **Condemnation.** If all or any part of the Property is taken by exercise of the power of eminent domain or acquired by purchase in lieu of condemnation, whether by public, corporate, or other authority, so as to terminate this Easement, in whole or in part, Grantor and Grantee shall act jointly to recover the full value of the interests in the Property subject to the taking or in lieu purchase and all direct or incidental damages resulting therefrom. All expenses reasonably incurred by Grantor and Grantee in connection with the taking or in lieu purchase shall be paid out of the amount recovered. Grantee's share of the balance of the amount recovered shall be determined as set forth in 15(b). above.
- d. **Amendment.** If circumstances arise under which an amendment to or modification of this Easement would be appropriate, Grantor and Grantee may jointly amend this Easement provided that (1) no amendment shall be allowed that will affect the qualification of this Easement or the status of Grantee under any applicable laws, including ORS chapter 271 or Section 170(h) of the Internal Revenue Code of 1954, as amended, (2) any amendment shall be consistent with the purposes of this Easement, (3) any amendment shall not affect the perpetual duration of this Easement; and (4) any amendment shall be in writing and recorded in the official records of Yamhill County in McMinnville, Oregon.

15. *Assignment.* This Easement is transferable with Grantor's prior written consent, not to be unreasonably withheld, but Grantee may assign its rights and obligations under this Easement only to an organization that is a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1954, as amended (or any successor provision then applicable), and the

Chegwyn Conservation Easement

applicable regulations promulgated there under, and authorized to acquire and hold conservation easements under ORS 271.715 to 271.795 (or any successor provision then applicable). As a condition of such transfer, Grantee shall require that the conservation purposes that this grant is intended to advance continue to be carried out and that such assignee assume all of Grantee's obligations under this Easement. Grantee agrees to give written notice to Grantor of an assignment at least twenty (20) days prior to the date of such assignment. The failure of Grantee to give such notice shall not affect the validity of such assignment nor shall it impair the validity of this Easement or limit its enforceability in any way.

16. In the event that the grantee becomes the property owner the easement shall not merge into title and this easement shall remain a separate property interest and continue into perpetuity under the terms set forth in this Conservation easement.
17. **Subsequent Transfers.** Grantor further agrees to give written notice to Grantee of the transfer of Grantor's interest in the Property by deed at least twenty (21) days prior to the date of such transfer. Such notice shall include the name, address, and telephone number of the prospective transferee. The failure of Grantor to perform any act required by this paragraph shall not impair the validity of this Easement or limit its enforceability in any way. Grantor further agrees to make specific reference to this Easement in any subsequent lease, deed, or other instrument by which any interest in the Property is conveyed. Prior to the time of transfer, Grantee shall meet with the prospective new-owner of the Property (that is, the successor to Grantor's interest hereunder) to review the Easement, the BDR, and other relevant information.
18. **Estoppel Certificates.** Upon request by Grantor, Grantee shall within twenty (20) days execute and deliver to Grantor, or any party designated to Grantor, any document, including an estoppel certificate, which certifies, to the best of the Grantee's knowledge, Grantor's compliance with any obligation of Grantor contained in this Easement and otherwise evidences the status of this Easement. Such certification shall be limited to the condition of the Property as of Grantee's most recent inspection. If Grantor requests more current documentation, Grantee shall conduct an inspection, at Grantor's expense, within thirty (30) days of receipt of Grantor's written request therefore.
19. **Notices.** Any notice, demand, request, consent, approval or communication that either party desires or is required to give the other shall be in writing and either served personally or sent by first class mail, postage prepaid, to the parties and at the addresses first stated above on page 1 of this Easement, or to such other address as either party from time to time shall designate by written notice to the other.
20. **Recordation.** Grantee shall record this instrument in timely fashion in the official records of Yamhill County, Oregon and may re-record it at any time as may be required to preserve its rights in this Easement.
21. **General Provisions.**
 - a. **Controlling Law.** The interpretation and performance of this Easement shall be governed by the laws of the State of Oregon and the United States.

Chegwyn Conservation Easement

- b. Liberal Construction. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.
- c. Severability. If any provision of this Easement, or the application thereof to any person or circumstances, is found to be invalid, the remainder of the provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.
- d. Entire Agreement. This instrument, with its exhibits, sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with Paragraph 15(d).
- e. No Forfeiture. Nothing contained herein will result in a forfeiture of Grantor's title in any respect.
- f. Joint Obligation. The obligations imposed by this Easement upon Grantor, if more than one, shall be joint and several.
- g. Successors. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property. Unless specifically provided otherwise, the terms "Grantor" and "Grantee," wherever used herein, and any pronouns used in place thereof, shall include, respectively, the above-named Grantor and their personal representatives, heirs, successors, and assigns, and the above-named Grantee and its successors and assigns.
- h. Terminations of Rights and Obligations. A party's rights and obligations under this Easement shall terminate upon transfer of the party's interest in the Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.
- i. Captions. The captions in this instrument have been inserted solely for convenience of reference and shall have no effect upon construction or interpretation.
- j. Counterparts. The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

Chegwyn Conservation Easement

TO HAVE AND TO HOLD unto Grantee, its successors, and assigns, forever.

IN WITNESS WHEREOF Grantor and Grantee have set their hands on the day and year first above written.

GRANTOR: (Charles Chegwyn) P. Charles Chegwyn

STATE OF OREGON County of Yamhill

This instrument was acknowledged before me this ^{JAL}4th day of April, 2008.

Lorie J. Atkinson
Notary Public for Oregon
My Commission Expires: 2-4-09

GRANTEE

Yamhill Soil and Water Conservation District

By: Jim LeTourneau
Jim LeTourneau, District Chair



STATE OF OREGON)
County of Yamhill) ss.

This instrument was acknowledged before me this 4th day of April, 2008, by Jim LeTourneau as District Chair of the Yamhill Soil and Water Conservation District.

Lorie J. Atkinson
Notary Public for Oregon

My Commission Expires: 2-4-09

List of Exhibits

- A. Legal Description
- B. Site Location Map
- C. Aerial Photo of property with Roadways, existing structures, agricultural fields, and riparian forest .
 - C.1 Description of structures.
- D. Soils Map
 - D.1 Soils inventory report



EXHIBIT A

LEGAL DESCRIPTION OF CHEGWYN FAMILY FARM

PARCEL 1:

West Half of the following described tract: Beginning at a point 111.81 feet North and 1938.30 feet West of the Northwest corner of the Madison Malone Donation Land Claim No. 40 in Township 4 South, Range 4 West of the Willamette Meridian, in Yamhill County, Oregon; thence South 03' 30" East 311.23 feet to a stake; thence East 718.11 feet; thence North 285.53 feet to a stake; thence North 89° 16' West 145 feet to a stake; thence North 16.50 feet to Southwest corner of F.W. Wallace tract; thence North 89° 16' West 573.33 feet to place of beginning.

PARCEL 2:

All of the East one-half of a certain lot, piece or parcel of land situated in the County of Yamhill, State of Oregon, and bounded and described as follows, to-wit: - Beginning at an iron pin set 111.81 feet North and 1938.30 feet West of the Northwest corner of the Madison Malone DLC in Township 4 South, Range 4 West, of the Willamette Meridian, in said County of Yamhill, State of Oregon; Thence South 00° 30' East 311.23 feet to a stake; Thence East 719 feet; Thence North 285.53 feet to a stake; Thence North 89° 16' West 145.09 feet to a stake; Thence North 16.50 feet to Southwest corner of F.W. Wallace land; Thence North 89° 16' West 573.33 feet to the place of beginning.

PARCEL 3:

Lot 7, GRANDHAVEN ORCHARD TRACTS and being a part of James T. Hembree Donation Land Claim in Township 4 South, Range 4 West of the Willamette Meridian, Yamhill County, Oregon, bounded as follows: Beginning at a point South 3' 30" East 311.23 feet from an iron pin set 111.81 feet North and 1938.30 feet West of Northwest corner of Madison Malone Donation Land Claim, said point being the Northwest corner of Lot 7 above named; thence South 3' 30" East along West line of said Lot 7, 303.36 feet to Southwest corner of said Lot; thence East 717.81 feet to Southeast corner of said Lot; thence North 303.36 feet along East line of said Lot to Northeast corner of said Lot; thence West 718.11 feet along North line of said Lot to place of beginning (containing 5 acres) subject to roadway now there, 20 feet wide, along the East end thereof.

PARCEL 4:

Lot 8, GRANDHAVEN ORCHARD TRACTS and being a part of the James T. Hembree Donation Land Claim in Township 4 South, Range 4 West of the Willamette Meridian, in Yamhill County, Oregon, bounded as follows: Beginning at a point South 3' 30" East 614.59 feet from an iron pin set 111.81 feet North and 1938.30 feet West of the Northwest corner of the Madison Malone Donation Land Claim, said point being the Northwest corner of said Lot 8; thence South 3' 30" East along the West line of said Lot 303.43 feet to Southwest corner of said Lot; thence East 717.50 feet to Southeast corner of said Lot; thence North 303.49 feet to the Northeast corner of said Lot; thence West along North line of said Lot 717.81 feet to place of beginning (containing 5 acres) subject to

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a roadway 20 feet wide over and along the East end thereof reserved for the use and benefit of S.C. Ford and his heirs and assigns and for the use and benefit of H. Chegwyn, his heirs and assigns.

PARCEL 5:

Lot 9, GRANDHAVEN ORCHARD TRACTS and being a part of the James T. Hembree Donation Land Claim in Township 4 South, Range 4 West of the Willamette Meridian, Yamhill County, Oregon, bounded as follows: Beginning at a point South 3' 30" East 918.02 feet from an iron pin set 111.81 feet North and 1938.30 feet West of the Northwest corner of the Madison Malone Donation Land Claim and said point being also at the Southwest corner of Lot 8 of said GRANDHAVEN ORCHARD TRACTS, and at Northeast corner of Lot 9; thence South 3' 30" East along West line of said Tract 9, 303.62 feet to Southwest corner of Lot 9; thence East along South line of said Lot 9, 717.20 feet to Southeast corner of said Lot 9; thence North 303.62 feet to the Northeast corner of said Lot 9 and Southeast corner of Lot 8; thence West along line between said Lots 8 and 9, 717.50 feet to place of beginning (containing 5 acres). Subject to a roadway 20 feet wide over and along the East end thereof.

PARCEL 6:

A part of the James T. Hembree Donation Land Claim in Township 4 South, Range 4 West of the Willamette Meridian, Yamhill County, Oregon, bounded as follows: Beginning at a point 457.28 feet South of the Northwest corner of the Madison Malone Donation Land Claim; thence West 1220 feet to center of 40 foot roadway; thence South along center of said roadway 178.52 feet; thence East 1220 feet to West line of said Malone Donation Land Claim; thence North 178.52 feet to place of beginning. (Containing 5 acres).

Together with easement in and to roadway 20 feet wide over and along West end of above described tract.

PARCEL 7:

Beginning at the Northwest corner of the Madison Malone Donation Land Claim, Notification No. 1225, Claim No. 49, Township 4 South, Range 4 West of the Willamette Meridian, Yamhill County, Oregon, said corner being at 1/4 post between Sections 9 and 10 in Township 4 South, Range 4 West of the Willamette Meridian; thence South along West line of said Claim and Section line 23.033 chains to a stake; thence East 12.240 chains to a stake; thence North 22.71 chains to a stake on North line of said Donation Land Claim; thence North 88°29' West along North line of said Claim 12.247 chains to place of beginning. (containing 28 acres).

PARCEL 8:

A tract of land in the James T. Hembree Donation Land Claim No. 46 in Township 4 South, Range 4 West of the Willamette Meridian in Yamhill County, Oregon, described as follows, to-wit:

Beginning at a stake at the North East corner of that tract of land conveyed by W.H. Adair to George J. Swift by Deed recorded June 18, 1912 in Book 63, Page 408, Deed Records, South 1506.02 feet from the North West corner of the Madison Malone Donation Land Claim No. 49; thence North 868.15 feet to a stake set at the Southeast corner of Lot No. 3 of "Grandhaven Orchard

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Tracts"; thence West 1220 feet to stake in the center of a 40 foot roadway; thence South along the center of said roadway 868.15 feet to the Northwest corner of said Swift tract; thence East 1220 feet to the place of beginning.

PARCEL 9:

Lot No. Ten (10) of "Grandhaven Orchard Tracts" and being a part of the Donation Land Claim of James T. Hembree and wife, in T. 4 S. R. 4 W. of the Willamette Meridian, in Yamhill County, State of Oregon, said Lot No. 10 containing Five acres, and said lot is bounded as follows: Beginning at a point South 03' 30" East 1221.64 feet from iron pin set 111.81 feet North and 1938.30 feet West of Northwest corner of the D.L.C. of Madison Malone and wife, in T. 4 S. R. 4 W. of the Willamette Meridian, in Yamhill County, Oregon, said beginning point being Northwest corner of said Lot No. 10; thence South 03' 30" East 303.75 feet; thence East 716.90 feet; thence North 303.75 feet; thence West 717.20 feet to place of beginning.

PARCEL 10:

A tract of land located in Sections 4, 9 and 10, Township 4 South, Range 4 West of the Willamette Meridian in Yamhill County, Oregon, being part of that tract of land described in deed from MARK C. SMITH to COLEMAN LLC and recorded in Instrument No. 200626897, Yamhill County Deed Records, Yamhill County, and being more particularly described as follows:

Beginning at an iron rod on the south line of Parcel 1 of said COLEMAN LLC tract that bears South 89°18' 37" East 828.50 feet (Basis of Bearings CS-12163) from an iron rod marking the most southerly southwest corner of said SMITH tract; thence North 00°07' 18" West 2492.42 feet to a point; thence East 982 feet, more or less to a point in the center of the North Yamhill River; thence downstream following the thread of said river 3790 feet, more or less to a point on the east line of the J. T. Hembree Donation Land Claim No. 46, said Township and Range, being also a point on the east line of said Section 9; thence South 32 feet, more or less along said east line to the northeast corner of that tract of land described in deed from J. F Hibbs and Bertha Hibbs to Carey Wallace and recorded December 1, 1894, in Book 31, Page 155, Deed Records; thence North 63°51' 18" West 484.29 feet to the northwest corner of said Wallace tract; thence North 61°58'26" West 1008.50 feet to an iron rod set in CS-11320 to mark the northwest corner of that tract of land described in deed to PALMER and recorded in Film Volume 173, Page 75, Deed Records; thence South 00°07' 18" East 1019.56 feet to a point on the north line of Parcel 2 of said COLEMAN LLC tract; thence South 89°18' 37" East 103.78 feet to the northeast corner of said Parcel 2; thence South 00°41' 23" West 16.50 feet to the southeast corner of said Parcel 2; thence North 89°18' 37" West 145.09 feet to the southwest corner of said Parcel 2; then North 00°41' 23" East 16.50 feet to the northwest corner of said Parcel 2, being a point on the south line of said Parcel 1; thence North 89°18' 37" West 573.30 feet to the point of beginning.

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Chegwyn Conservation Easement

Exhibit B: Site Location Map

Customer(s): P CHARLES CHEGWYN
District: YAMHILL SOIL & WATER CONSERVATION DISTRICT

Field Office: MCMINNVILLE SERVICE CENTER

Assisted By: Michael Crabtree



Legend
Chegwyn Property Lines
— Oregon Highways



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Chegwyn Conservation Easement

Exhibit C. 1 Description of Structures indicated on Exhibit Map C.

C-1-1 Current Residence

C-1-2. Original Residence (now used for storage)

C-1-3. Garage for current residence

C-1-4. Blacksmith Shed

C-1-5. Apple Packing Shed

C-1-6. Animal Barn

C-1-7. Winter Livestock Shed and Storage

C-1-8. Farm Equipment Storage

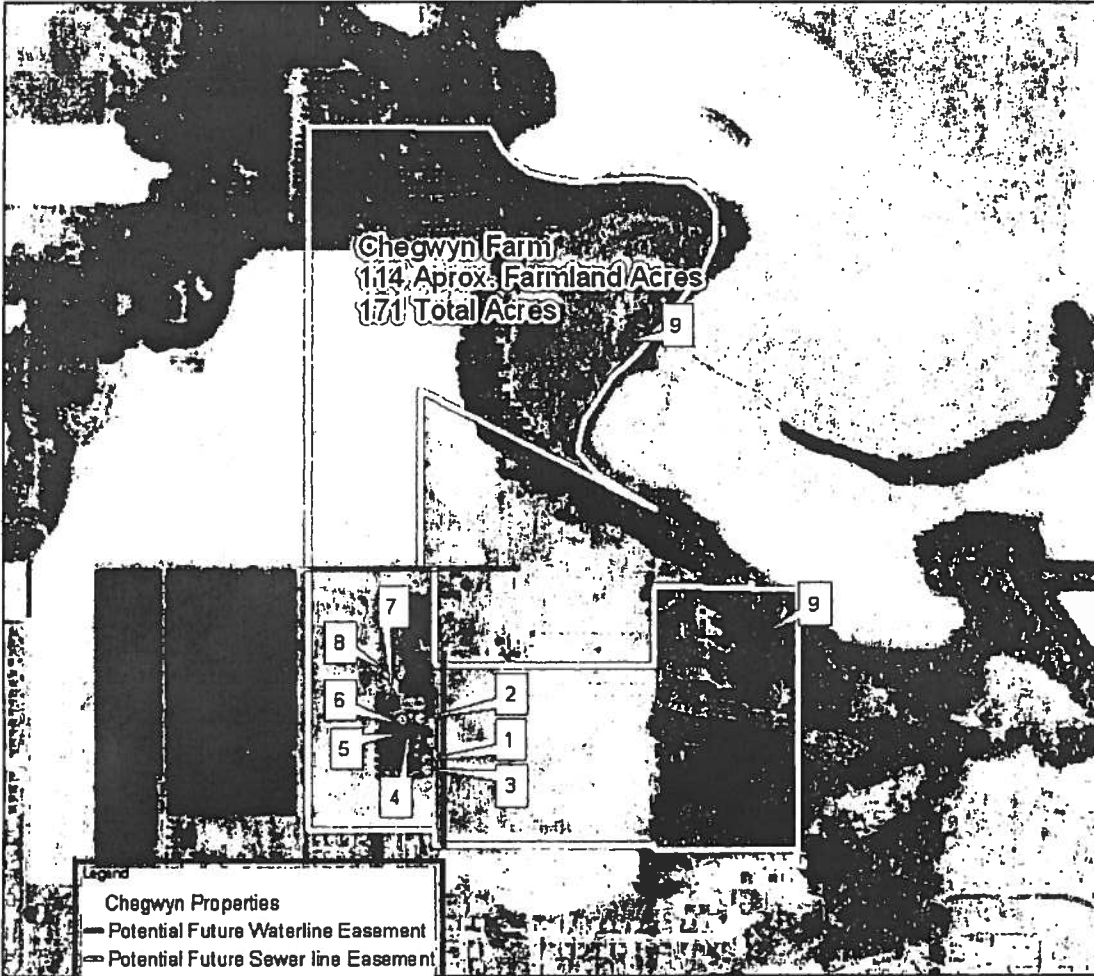
Chegwyn Conservation Easement

Exhibit C: Chegwyn Farm

Customer(s): P CHARLES CHEGWYN
 District: YAMHILL SOIL & WATER CONSERVATION DISTRICT

Field Office: MCMINNVILLE SERVICE CENTER

Assisted By: Michael Crabtree



(19/21)

Chegwyn Conservation Easement

Exhibit D - 1 Soils Inventory Report For Chegwyn Property.

Map Unit	Map Unit Name	Acres	Percent
Am	Amity Silt Loam	26.9	16%
Ck	Chehalis Silty Clay Loam	21.9	13%
Cs	Cove Silty Clay Loam	4.6	3%
Dc	Dayton Silt Loam	2.8	2%
Te	Terrace Escarpment	9.0	5%
Water	Open Water	3.6	2%
Wc	Wapato Silty Clay Loam	3.9	2%
WuB	Woodburn Silt Loam 0 – 7% slope	86.9	51%
WuC	Woodburn Silt Loam 7 – 12% slope	10.5	6%
	Total	1 acres	100%

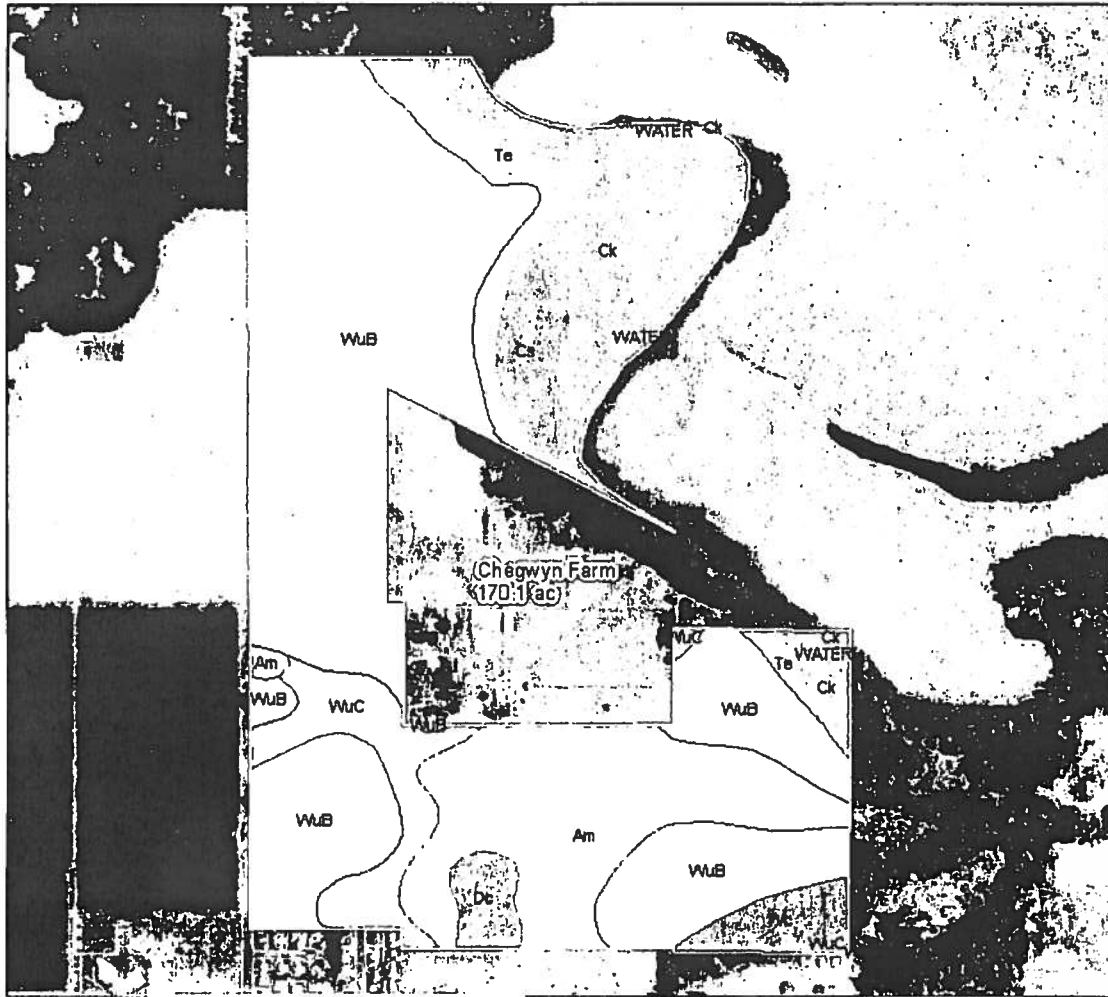
Chegwyn Conservation Easement

Exhibit D: Soils for Chegwyn Farm

Customer(s): P CHARLES CHEGWYN
 District: YAMHILL SOIL & WATER CONSERVATION DISTRICT

Field Office: MCMINNVILLE SERVICE CENTER

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Chegwyn Property Lines

Soils Map

- AMITY SILT LOAM
- CHEHALIS SILTY CLAY LOAM, OVERFLOW
- COVE SILTY CLAY LOAM, THICK SURFACE
- DAYTON SILT LOAM, THICK SURFACE
- TERRACE ESCARPMENTS
- WAPATO SILTY CLAY LOAM
- WATER
- WOODBURN SILT LOAM, 0 TO 7 PERCENT SLOPES
- WOODBURN SILT LOAM, 7 TO 12 PERCENT SLOPES

