



City of McMinnville
Planning Department
231 NE Fifth Street
McMinnville, OR 97128
(503) 434-7311
www.mcminnvilleoregon.gov

STAFF REPORT

DATE: March 9, 2021
TO: Mayor and City Councilors
FROM: Heather Richards, Planning Director
SUBJECT: Ordinance No. 5101 and Ordinance No 5102,
McDonald's Restaurant, 225 NE Norton Lane

- Ordinance No. 5101: ZC 2-20 (Planned Development Overlay Text Amendment)
- Ordinance No. 5102: TML 2-20 (Three Mile Lane Design Review Approval)

STRATEGIC PRIORITY & GOAL:



GROWTH & DEVELOPMENT CHARACTER

Guide growth & development strategically, responsively & responsibly to enhance our unique character.

OBJECTIVE/S: Strategically plan for short and long-term growth and development that will create enduring value for the community

Report in Brief:

This action is the consideration of Ordinance No. 5101 and Ordinance No. 5102, approving signage for McDonald's Restaurant at 225 NE Norton Lane to accommodate a second drive-thru lane for the restaurant.

Since this McDonald's Restaurant is located within the Three Mile Lane Planned Development Overlay, it is governed both by the design and development standards in the underlying C3 (General Commercial) zone and the design and development standards in the Three Mile Lane Planned Development Overlay (Ordinance No. 4131, amended by Ordinance No. 4572). The Three Mile Lane Planned Development Overlay only allows one free-standing sign per parcel and does not make exemptions for restaurant drive-thrus that typically include a digital pre-browse menu board and a digital menu board. Thus the applicant needed to request an amendment to the Three Mile Lane Planned Development Overlay to allow drive-thru signage (Docket ZC 2-20), and then apply for design review for their project (TML 2-20).

ZC 2-20 considers the amendment of the Three Mile Lane Planned Development Overlay Ordinance (Ordinance No. 4131 as amended by Ordinance No. 4572) to allow additional freestanding signs for businesses that employ drive-up service within Zone 2 of the Overlay District. The following language is proposed to be added to Section 5B of the Three Mile Lane Planned Development Overlay which regulates signage on commercially and industrially designated properties within Zone 2:

“Additional freestanding signs are permitted with businesses that employ drive-up service. One such sign, not to exceed 36 square feet in area or six feet in height, is allowed per order station. In addition, one secondary sign, a maximum of 15 square feet in area and five feet in height, is allowed per order station. Any freestanding sign that has copy facing toward a public street shall be located a minimum of thirty (30) feet from that street’s property line. Wall mount signs shall be exempt from this.”

The proposed amendment is based on language found in McMinnville Municipal Code (MMC) Chapter 17.62.070(F) – Signs – Drive Thrus, which currently does not apply to land in the Three Mile Lane Planned Development Overlay. The sizes of each of the signage referenced above (36 square feet and 6 feet in height; 15 square feet and 5 feet in height) are not-to-exceed dimensional requirements.

TML 2-20 considers approval of Three Mile Lane Development Review to allow for the construction of a second drive-through service lane and additional associated signage at an existing McDonald’s restaurant.

Per the provisions of the McMinnville Zoning Ordinance the applicant chose to bundle their applications as one package for the land-use process for expediency. As such, Docket TML 2-20 can only be approved if Docket ZC 2-20 is approved first.

The Planning Commission hosted a public hearing for both applications on February 18, 2021, and following the public hearing, they deliberated and voted to recommend both applications to the City Council for approval.

Per the McMinnville Municipal Code, the City Council has the opportunity to approve the land-use applications by Ordinance per the Planning Commission recommendation, or if they feel they want to host a public hearing for additional evidence to consider they can schedule a future public hearing.

Per ORS 227.178, the City needs to render a decision on the land-use applications by May 22, 2021

Background:

Subject Property & Request

The proposed Zoning Text Amendment (ZC 2-20) would amend signage regulations for commercial and industrial properties within Zone 2 of the Three Mile Lane Planned Development Overlay District to allow additional freestanding signs for uses that employ drive-up service. **See Exhibits 1 & 2.** Commercially designated properties border the north side of Highway 18 within Zone 2. Properties in the northern portion of Zone 2 are residential. All properties south of Highway 18 within Zone 2 are also commercially designated. Commercial uses south of Highway 18 include the Comfort Inn & Suites hotel, The Diner restaurant, and the Altimus Plaza office center. Commercial uses north of Highway 18 include a McDonald’s restaurant, Red Lion Hotel, and a welding supply store. Currently, the McDonald’s restaurant is the only commercial use that employs drive-up service.

The McDonald’s restaurant, the subject property for the proposed Three Mile Lane Development Review (TML 2-20) is located at 225 NE Norton Lane. **See Exhibit 3.** The site is currently developed with a restaurant use that employs one (1) drive-up service lane. The application is for the approval of a re-development of the McDonald’s site to include the addition of a second drive-up service lane with associated additional freestanding signage that would be allowed by the adoption of Zoning Text Amendment ZC 2-20. **See Exhibit 4.** The subject property is bordered by commercially zoned land to the east and west, residentially zoned land to the north, and by the Highway 18 right-of-way immediately to the south.

Exhibit 1: Three Mile Lane Planned Development Overlay, Zone 2

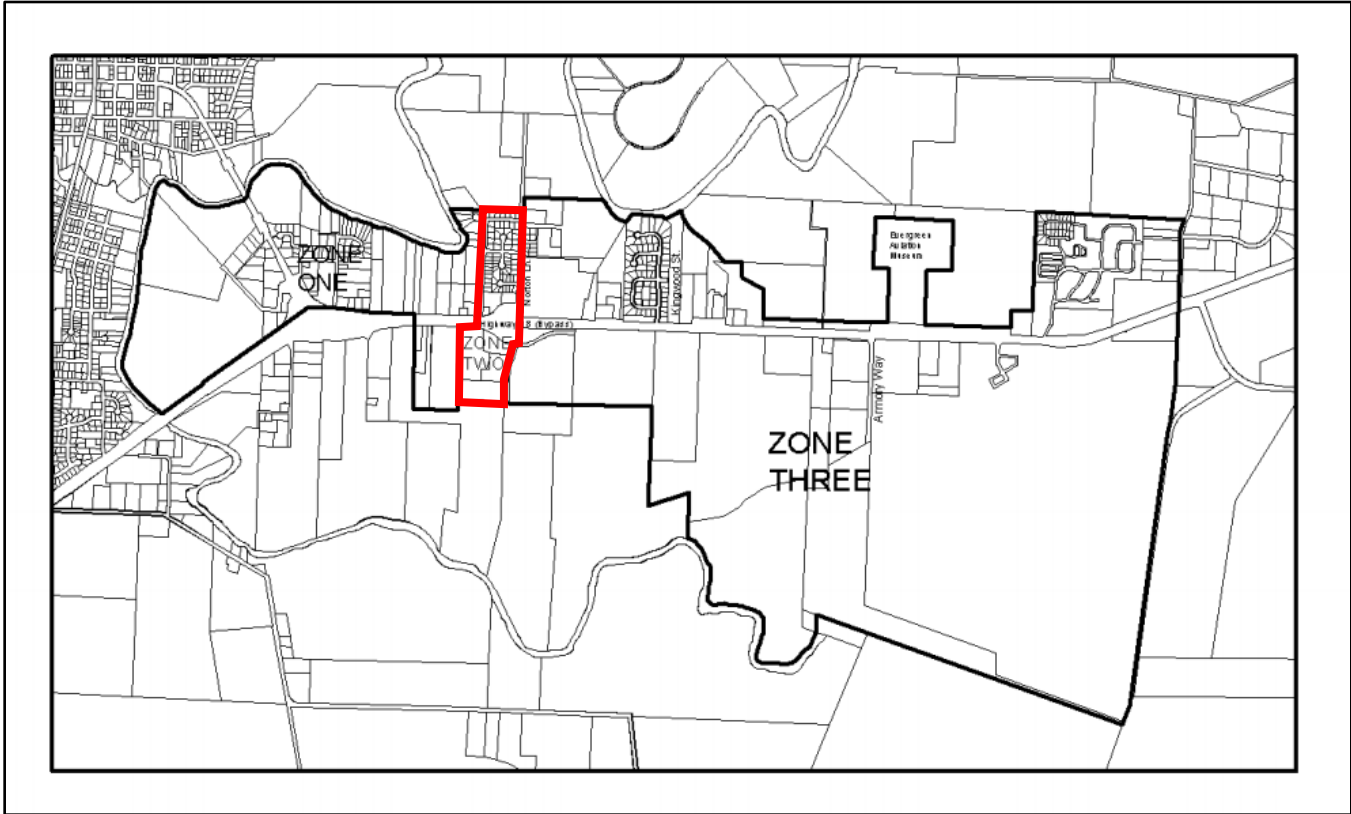


Exhibit 2: Three Mile Lane Planned Development Overlay, Zone 2 – Zoning

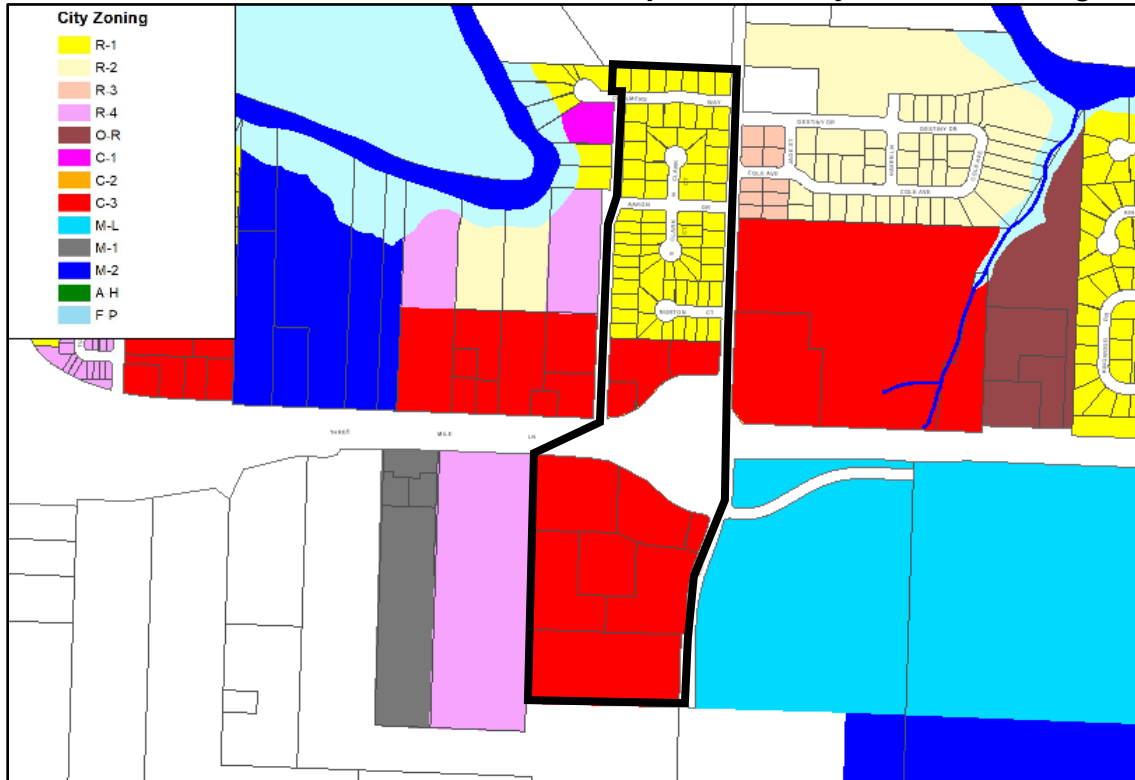
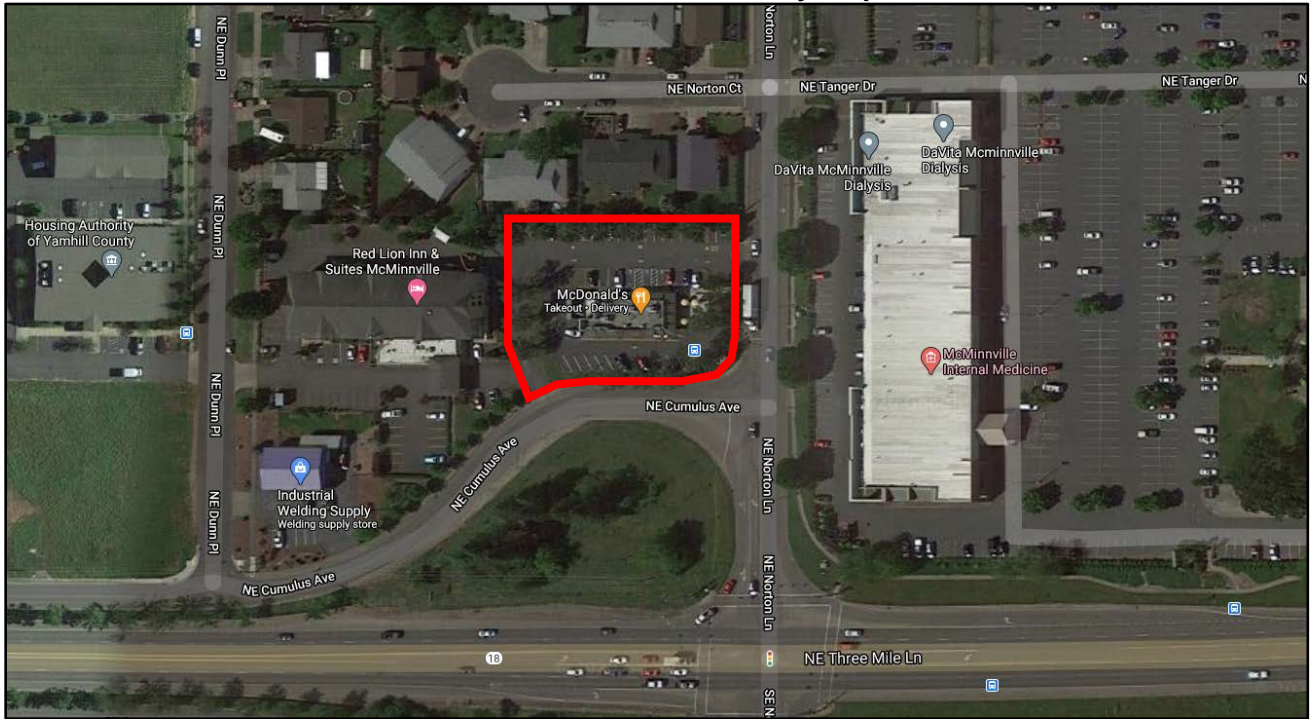


Exhibit 3: TML 2-20 Vicinity Map



Neighborhood Meeting

Neighborhood meetings are not required for Zoning Text Amendment or Three Mile Lane Development Review applications as specified in Chapter 17.72 of the Zoning Ordinance.

Discussion

Summary of Criteria for ZC 2-20

Zoning Text Amendments are not typically initiated by property owners, and there aren't specific review criteria for Zoning Text Amendments found in the Zoning Ordinance. At the request of the applicant, a Zoning Text Amendment application was created, and review criteria consistent with MMC Section 17.72.020 – Application Submittal Requirements were provided. In accordance with Section 17.72.020(G), the Planning Director, required materials to demonstrate compliance with the following three criteria:

1. The proposed change is consistent with the relevant goals and policies of the McMinnville Comprehensive Plan and this code.
2. There is a public need for a change of the kind in question.
3. The need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

Summary of Criteria for TML 2-20

The application is subject to the policies and procedures of the Three Mile Lane Planned Development Overlay district (adopted by Ordinance No. 4131 and amended by Ordinance No. 4572). Section 4 includes the following policies that regulate development within the Three Mile Lane Planned Development Overlay district:

- A. The goals and policies of the McMinnville Comprehensive Plan, Volume II, and applicable regulations and standards in Volume III, and other City codes shall be adhered to.
- B. A one hundred twenty (120) foot setback from the centerline of Highway 18 shall be established both north and south of the highway.

- C. Access requirements adopted hereafter in an access plan for this area shall be adhered to. Provisions of the plan shall include:
1. The minimization of entrances onto Three Mile Lane;
 2. The development of on-site circulation systems, connecting to adjoining properties, including public frontage roads;
 3. The provisions of acceleration-deceleration lanes and left-turn refuges when and where necessary and practicable.
 4. The provision of bikeways along frontage roads or on-site circulation systems. Bikeway connections accessing Three Mile Lane shall be provided so that the frontage road or on-site circulation system can serve as an alternative route for cyclists traveling along Three Mile Lane.
- D. Landscaping and buffer strips along the highway frontage may be required including noise buffering methods, such as berms and/or plantings.
- E. Mixed housing-type residential developments shall be allowed and encouraged in those areas designated as residential.
- F. Temporary signage shall be allowed as per Section 17.62.060(B)(3) of the McMinnville Zoning Ordinance (No. 3380).

In addition, Section 5 includes standards for permanent signage within the Three Mile Lane Planned Development Overlay district. Section 5 is proposed to be amended by ZC 2-20 allow and regulate additional freestanding signs for commercial uses that employ drive-up service.

Summary of Issues for ZC 2-20

The owner of the McDonald's restaurant at 225 NE Norton Lane wishes to redevelop the property to add a second drive-thru lane in response to increased public demand, due in large part to changing social habits and consumer patterns triggered by the ongoing COVID-19 pandemic. However, the Three Mile Lane Planned Development Overlay (adopted by Ordinance No. 4131 in 1981 and amended by Ordinance No. 4572 in 1994) only allows only one (1) freestanding sign per commercial property within the area designated as Zone 2, where the McDonald's is located. This prohibits the addition of a second drive-thru lane with freestanding signs such as a Menu Board and Order Board.

The chapter of the Zoning Ordinance that regulates signage throughout the City (MMC Chapter 17.62 – Signs) was amended in 2016 to include language permitting and regulating additional freestanding signs for businesses that employ drive-up service to address this issue elsewhere in the City. However, Chapter 17.62 does not apply to the Three Mile Lane Planned Development Overlay per MMC 17.62.020. Without an amendment to the language of the Three Mile Lane Planned Development Overlay Ordinance, the restaurant owner would be limited in the signs, and therefore, drive-thru order stations allowed on the site. Therefore, the applicant initiated the Zoning Text Amendment process to introduce the same language that was added to the signs Chapter in 2016 to the Three Mile Lane Planned Development Overlay that was last updated in 1994. The goal is to provide the flexibility for businesses to respond to shifting consumer demands.

The proposed amendment would allow up to two (2) additional signs per drive-up service lane/order station. Each sign would have height and area restrictions appropriate to signs used for this purpose. The proposed amendment would not alter other existing sign regulations within the Three Mile Lane Overlay, nor would it change the existing review procedure that requires all development and signage to be reviewed and approved by the Three Mile Lane Review Committee. The limited applicability of the proposal (impacting only commercial or industrial properties in Zone 2) would make just ten (10) properties potentially eligible for additional signage. Of those ten (10) properties, only one (1) currently has a business that employs drive-up service – the McDonald's restaurant at 225 NE Norton Lane.

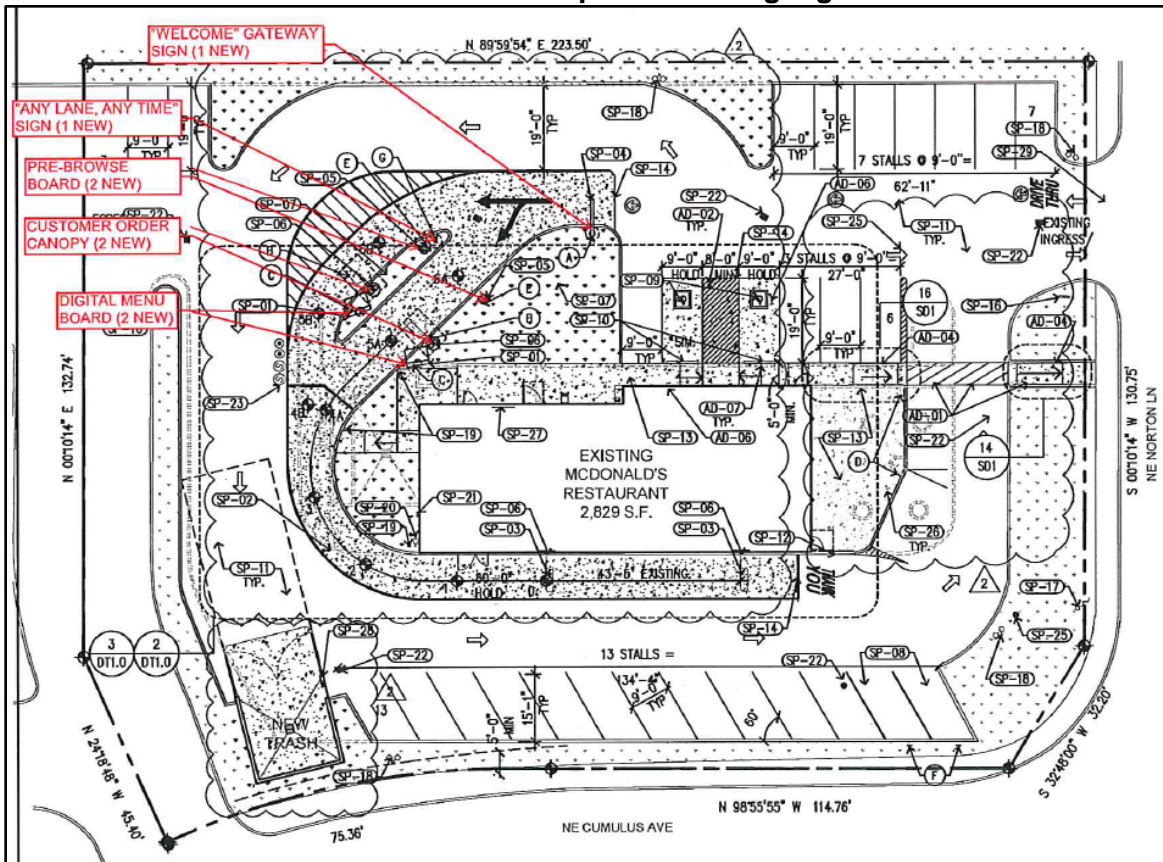
Summary of Issues for TML 2-20

The applicant's proposal to add a second drive-thru service lane and associated signage to an existing restaurant is subject to is contingent upon the approval and adoption of the Zoning Text Amendment ZC 2-20. Without the approval of ZC 2-20, the necessary signs to support a drive-thru service lane would not be allowed.

The redevelopment of the site to accommodate a second drive-thru lane includes reorganization of on-site circulation and parking, relocation of the solid waste and recycling enclosure, and the provision of new landscaping around the site. Proposed site development changes meet applicable standards and guidelines for on-site parking and solid waste/recycling enclosure plans. The applicant submitted a Landscape Plan Review application (L 30-20) prior to these concurrent applications to the Landscape Review Committee for review. The Landscape Review Committee approved the Landscape Plan and praised the overall site design.

Proposed signage to support two (2) drive-thru service lanes is generally consistent with the standards and objectives of the Three Mile Lane Planned Development Overlay. Proposed Digital Pre-Browse Boards exceed the height proposed in Zoning Text Amendment ZC 2-20, so a condition of approval requiring compliance with height standards is recommended. Staff finds the proposed signage is of a quality and design that is suitable for the proposed site, and is compatible with the use. All proposed signage is located to have minimal impact on neighboring properties and the public right-of-way.

Exhibit 4: TML 2-20 Proposed Site/Signage Plan



Public Comments

Notice of the proposed applications was mailed to property owners and published in the newspaper. The Planning Commission hosted a public hearing on February 18, 2021. The following public comments were received:

- ZC 2-20
 - No comments received

- TML 2-20
 - Email from Dorothy McQueen on February 1, 2021 expressing concerns about sight, sound, and security issues with increased parking lot traffic and questioned if McDonald's is improving the fence along the north property line.
 - Staff Response: The northern property line of the McDonald's property has an existing mature hedge that creates a solid screen in front of a solid wooden fence that appears to be in fair condition.
 - Testimony from Mark Davis on February 18, 2021 expressing concerns about the traffic impact of the second drive-thru lane on the intersection of Highway 18 and Norton Lane.
 - Staff Response: The intersection at Highway 18 and Norton Lane anticipated a C3 development on this property including a fast-food restaurant. Adding a second drive-thru lane does not warrant a traffic impact analysis. The proposal was sent to ODOT for comments and they did not provide any response. Traffic studies in 2019 indicated that the intersection at Norton Lane and Highway 18 was performing at a C level of acceptable performance.
 - Testimony from Linda O'Hara on February 18, 2021 at the Planning Commission Public Hearing supporting the proposal, and her concerns about parking and site design impact on adjacent properties were alleviated by the staff report.
 - Staff Response: None.
 - Testimony from Hailey [last name not clear on audio recording] on February 18, 2021 at the Planning Commission Public Hearing supporting a second ordering station to improve food service speed and efficiency.
 - Staff Response: None.

Agency Comments

Notice of the proposed applications was sent to affected agencies and departments. Agency comments were received from the McMinnville Building and Engineering Departments, McMinnville Water and Light, and Comcast. They responded with no comments.

Attachments:

- A. Ordinance No. 5101, including:
 - Exhibit A – ZC 2-20 Decision Document
- B. Ordinance No. 5102, including:
 - Exhibit A – TML 2-20 Decision Document
- C. Public Notices
- D. Agency Comments (McMinnville Water and Light; All other agency comments provided in Decision Documents)
- E. Public Testimony
- F. Draft Planning Commission Minutes, February 18, 2021
- G. ZC 2-20 and TML 2-20 Application Materials

Fiscal Impact:

Not Applicable

Alternative Courses of Action:

Ordinance No. 5101 Alternative Courses of Action:

1. ADOPT Ordinance No. 5101, **APPROVING** ZC 2-20 and adopting the Decision, Findings of Fact and Conclusionary Findings as presented or amended.
2. DO NOT ADOPT Ordinance No. 5101 by providing a motion to **DENY** ZC 2-20 and direct staff to prepare findings of fact based upon specific code criteria to deny the application in the motion.
3. SCHEDULE a Public Hearing to consider more evidence for ZC 2-20.

Ordinance No. 5102 Alternative Courses of Action:

1. ADOPT Ordinance No. 5102, **APPROVING** TML 2-20 and adopting the Decision, Findings of Fact and Conclusionary Findings as presented or amended.
2. DO NOT ADOPT Ordinance No. 5102 by providing a motion to **DENY** TML 2-20 and direct staff to prepare findings of fact based upon specific code criteria to deny the application in the motion.
3. SCHEDULE a Public Hearing to consider more evidence for TML 2-20.

Recommendation:

Staff has reviewed the proposals for consistency with the applicable standards and criteria. Absent any new evidence to the contrary presented during the hearing, staff finds that, subject to the recommended conditions specified in the attached Decision Documents, the applications submitted by the applicant and the records contain sufficient evidence to find the applicable criteria are satisfied.

Staff **RECOMMENDS APPROVAL** of both applications, subject to the conditions specified in the attached Decision Documents.

Suggested Motion for ZC 2-20:

BASED ON THE FINDINGS OF FACT, THE CONCLUSIONARY FINDINGS FOR APPROVAL, AND THE MATERIALS SUBMITTED BY THE APPLICANT, I MOVE TO ADOPT ORDINANCE NO. 5101.

Suggested Motion for TML 2-20:

BASED ON THE FINDINGS OF FACT, THE CONCLUSIONARY FINDINGS FOR APPROVAL, AND THE MATERIALS SUBMITTED BY THE APPLICANT, I MOVE TO ADOPT ORDINANCE NO. 5102, SUBJECT TO THE CONDITIONS OF APPROVAL PROVIDED IN THE DECISION DOCUMENT.

JF