



Memorandum

Date January 10, 2020
To Alan Roodhouse, RPS Development
Michael Strahs, Kimco Realty
From Sam Brookham, Leland Consulting Group
Chris Zahas, AICP, Leland Consulting Group
Subject EOA Land Supply Update
Project McMinnville Three Mile Lane

Kimco and RPS Development are in the process of preparing a zone change application for its property on Three Mile Lane in McMinnville. As part of this application, the applicant is required to refer to the industrial and commercial land supply in McMinnville, as noted in the City's Economic Opportunities Analysis (EOA). Since the EOA was adopted in 2013, several zone changes elsewhere in the city have rendered the numbers in the EOA incorrect. In order for the applicant to provide the City with accurate information, Leland Consulting Group was engaged to prepare a supplementary memorandum that updates the land supply numbers in the 2013 EOA to reflect these zone changes. This technical memorandum, therefore, documents all zone changes since the 2013 EOA and reconciles the corresponding commercial land supply numbers.

ZONE CHANGES SINCE 2013

The following table shows all of the commercial rezones in McMinnville since 2012 and provides information about the development status for each associated parcel. This information is a critical and foundational component of updating the commercial land demand and supply numbers.

Table 1. Zone Changes to/from Commercial Lands (2012-2019)

Year	Old Zone	New Zone	Site Address	Tax Lot Number	Lot Acres	Ord. No.	Development Status	Notes
2012	R-4 PD	O-R PD	500 NW Hill Road	R4419AC04700	3.39	4957	Partially Developed	Approximately 1/3 developed
2013	R-4	C-3 PD	304 NE Logan St	R4421AC03100	0.44	4968	Developed	Subaru car dealership, built 2013
			337 NE Macy St	R4421AC03200				
2017	R-1, EF-40	C-3	2121 NE 27th St	R4416AA05002	0.72	5020	Developed	Built pre-2013
2018	R-4 PD	O-R	600 SE Baker Street	R4420DD00100	2.86	5061	Undeveloped	Linfield College, vacant
				R4420DD00200				
2019	County	C-3 PD	1755 NW Baker Creek	R4418 00100	6.62		Undeveloped	Vacant

C-3	(4.56)
O-R	3.13
Total Comm.	(1.44)

Source: LCG, City of McMinnville

The following information provides a brief explanation of the preceding table and the resulting numbers.

- There were three instances of a zone change from a residential zone to an office/residential zone (O/R), totaling 6.25 acres. The O-R Zone (Office/Residential) is both commercial and residential and, thus, the total new acreage is split 50/50 between residential and commercial needs for the purpose of the buildable lands inventory. This equates to a gross increase of 3.125 acres of commercially designated land.
- The 2019 rezone resulted in a reduction of the site’s 12.34 acres of commercially designated land by 5.72 acres for a new total of 6.62 acres.
- The addition of the 2013 and 2017 C-3 rezones (totaling an increase of 1.16 acres) less the 2019 reduction equals an overall 4.56-acre reduction of General Commercial C-3 land.
- The gross reduction of 4.56 acres of C-3 zoned land and an increase of 3.13 of O-R zoned land results in a net loss of 1.44 acres of commercial land inventory.

EOA UPDATE

The following table was reproduced from the 2013 OEA. It is reproduced here to provide contextual information about the need for commercial, industrial, and institutional land based on the 20-year employment forecast (as of 2013). In 2013, the EOA forecasted a 20-year need for 165 acres of commercial land, 145 acres of industrial land, and 10 acres for institutional uses, totaling 320 acres.

Table 2. Forecast Demand for Vacant Employment Land (2013-2033)

Land Use Type	Forecast Job Growth	Added Jobs on C/I Land	Employees per Acre	Acreage Need	% of Total
Commercial	4,898	4,065	26.0	164.6	51.5%
Industrial	1,826	1,516	11.0	145.1	45.4%
Institutional	660	340	35.0	10.2	3.2%
Total All Uses	7,385	5,921	19.5	319.9	100%

Source: ECONorthwest, 2001 EOA and E. D. Hovee & Company, LLC.

The table below shows the original 2012 buildable land inventory summary and the adjustments based on the aforementioned zone changes between 2012 and 2019. Key takeaways are as follows.

- The commercial buildable land inventory decreased by 1.44 acres, largely because of the aforementioned reduction of 5.72 acres of vacant commercial land.
- Most of the “added” commercial land is considered *unavailable* because of the presence of buildings.
- The buildable industrial land inventory was not affected by commercial zone changes between 2012 and 2019.

Table 3. McMinnville Commercial & Industrial BLI (2012 + 2013-2019 Zone Changes)

BLI Category	# of Parcels	Land Area (in acres)		Total
		Unavailable	Available	
Commercial Inventory				
Developed	793	464.4	0.0	464.4
Recent Zone Change	3	1.2	0.0	1.2
Partially Developed	18	84.1	22.5	106.6
Recent Zone Change	1	0.6	1.1	1.7
Vacant	43	14.3	108.5	122.7
Recent Zone Change	3	0.0	(4.3)	-4.3
2013 Subtotal	861	562.8	130.9	693.7
Recent Zone Change	7	1.7	(3.2)	(1.4)
Rev. 2019 Subtotal	868	564.5	127.8	692.3
Industrial Inventory				
Developed	174	1,154.6	0.0	1,154.6
Partially Developed	6	4.5	12.4	16.9
Vacant	49	20.5	376.7	397.2
Subtotal Industrial	229	1,179.7	389.7	1,569.4
Commercial + Industrial	1,097.0	1,744.2	517.5	2,261.6

Source: E. D. Hovee & Company, LLC., City of McMinnville Planning Department

Table 4, below, is a reproduction of the table in the 2013 EOA—with the original comments—but includes an update for 2019 using the information presented thus far in this memorandum. Given the reduction in *available* commercial land, from 130.9 acres in the 2013 EOA to 127.8 acres after computing the impacts of recent zone changes, the commercial land deficit has also increased by 3.1 acres, from 35.9 to 39.0.

Any rezoning efforts of industrial-zoned to commercial-zoned land will, therefore, reduce the forecasted deficit in commercial land supply (as of the 2033 forecast year).

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Table 4. Comparison of Land Demand to Supply (2013/2019-2033)

Acres by Plan Designation				Comments
	Commercial	Industrial	Total	
Vacant Land Demand				Based on 2013-33 jobs forecast
Commercial	164.6	0.0	164.6	Commercial retail & service need
Industrial	0.0	145.1	145.1	Manufacturing & related sectors
Institutional	2.2	8.0	10.2	62% of need w/ per job method
Totals	166.8	153.2	319.9	Employment land demand
Available Land Supply				Fully & partially vacant sites
2013 BLI Update	130.9	389.7	520.0	Revised per BLI update 7/13
2013 Surplus/(Deficit)	(35.9)	235.9	200.1	As of 2033 forecast year
2019 Revision	127.8	389.7		With 2013-2019 zone changes
2019 Surplus/(Deficit)	(39.0)	236.5	197.5	As of 2033 forecast year

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