

ORDINANCE NO. 5105

AN ORDINANCE AMENDING TITLE 17 (ZONING) OF THE MCMINNVILLE CITY CODE, ADOPTING DOCKET G 2-21, HOUSING-RELATED LEGISLATIVE AMENDMENTS, AMENDING CHAPTERS 17.33, 17.54, 17.60, 17.63, AND ADDING CHAPTER 17.66

RECITALS:

WHEREAS, Docket G 2-21 is a legislative package of City-initiated zoning ordinance amendments related to housing. The amendments are intended to increase housing opportunities and remove regulatory barriers associated with provision of housing, consistent with the Comprehensive Plan; and

WHEREAS, on May 11, 2021, City Council adopted the City Center Housing Strategy Final Report by Resolution 2021-27. This was the culmination of work through a public process that began in 2019, guided by the McMinnville Urban Renewal Advisory Committee (MURAC) and an 18-member Project Advisory Committee, with a recommendation from both entities to City Council. The purpose of the project was to create a strategy to potentially increase and incentivize more housing within the city center area and the surrounding higher density residential zones where there may be capacity for additional housing opportunities; and

WHEREAS, on July 28, 2021 the Affordable Housing Committee recommended that a bundle of housing-related amendments be taken forward for consideration by the Planning Commission, including amendments addressing actions identified in the City Center Housing Strategy; and

WHEREAS, on August 19, 2021, city staff hosted a work session with the Planning Commission to review a draft proposal; and

WHEREAS, on September 16, 2021, the Planning Commission held a duly noticed public hearing to consider the request. The Planning Commission recommended approval of the proposed amendments with revisions; and

WHEREAS, staff presented and recommended an additional amendment and supplemental findings in the staff report for the October 26, 2021 City Council meeting; and

WHEREAS, the City Council, being fully informed about said request, found that the requested amendments conformed to the applicable Comprehensive Plan goals and policies, as well as the McMinnville Zoning Ordinance based on the material submitted by the Planning Department and the findings of fact and conclusionary findings for approval contained in Exhibit A; and

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

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

1. That the Council adopts the Decision, Findings of Fact and Conclusionary Findings, as documented in Exhibit A for G 2-21; and
2. That Title 17 of the McMinnville Municipal Code is amended as provided in Exhibit B.

3. That this Ordinance shall take effect 30 days after its passage by the City Council:

Passed by the Council this 26th day of October 2021, by the following votes:

Ayes: Drabkin, Garvin, Geary, Menke, Peralta, Chenoweth

Nays: _____



MAYOR

Attest:

Approved as to form:



CITY RECORDER



CITY ATTORNEY



CITY OF MCMINNVILLE
 PLANNING DEPARTMENT
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 MCMINNVILLE, OR 97128

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DECISION, CONDITIONS OF APPROVAL, FINDINGS OF FACT AND CONCLUSIONARY FINDINGS FOR THE APPROVAL OF LEGISLATIVE AMENDMENTS TO THE MCMINNVILLE CITY CODE, TITLE 17, DOCKET G 2-21, RELATING TO HOUSING AND AMENDING CHAPTERS 17.33, 17.54, 17.60, 17.63, AND ADDING CHAPTER 17.66

DOCKET: G 2-21

REQUEST: The City of McMinnville is proposing to amend the Zoning Ordinance to (a) add provisions allowing existing single-family dwellings, existing duplexes, and existing or new accessory dwellings which are accessory to existing single-family dwellings, as permitted uses in the C-3 zone subject to certain parameters, (b) establish a City Center Housing Overlay Zone and associated provisions, and (c) add provisions allowing temporary use of an RV as a residence during construction of a permanent dwelling(s) on the same lot. The amendments would affect the following Chapters, as summarized in more detail in ***Attachment 1 to the Staff Report***.

Amend:

- Chapter 17.33, C-3 General Commercial Zone
- Chapter 17.54, General Regulations
- Chapter 17.60, Off-Street Parking and Loading
- Chapter 17.63, Nonconforming Uses

Add:

- Chapter 17.66, City Center Housing Overlay Zone

LOCATION: N/A, Multiple. This proposal includes some provisions which amend standards and some provisions which would apply within a designated City Center Housing Overlay Zone shown in the Staff Report and in the proposed Chapter 17.66.

ZONING: N/A, Multiple

APPLICANT: City of McMinnville

STAFF: Tom Schauer, Senior Planner

HEARINGS BODY: McMinnville Planning Commission

DATE & TIME: September 16, 2021, 6:30pm. Meeting held virtually via Zoom meeting software:
<https://mcminnvilleoregon.zoom.us/j/88033487320?pwd=SzY5d3A2SDRlVU9VbnVPeHRHZzB1UT09>

Zoom ID: 880 348 7320
Zoom Password: 947797

DECISION-MAKING

BODY: McMinnville City Council

DATE & TIME: October 26, 2021. Meeting held virtually via Zoom meeting software,
<https://mcminnvilleoregon.zoom.us/j/87657808368?pwd=Vk1XYXU0RWc5NUE5SXAVEktsM2NGQT09>

Zoom ID: 876 5780 8368
Zoom Password: 421408

PROCEDURE: The application is subject to the legislative land use procedures specified in Sections 17.72.120 - 17.72.160 of the McMinnville Municipal Code.

CRITERIA: Amendments to the McMinnville Zoning Ordinance must be consistent with the Goals and Policies in Volume II of the Comprehensive Plan and the Purpose of the Zoning Ordinance.

APPEAL: The Planning Commission makes a recommendation to City Council. The City Council's decision on a legislative amendment may be appealed to the Oregon Land Use Board of Appeals (LUBA) within 21 days of the date written notice of the City Council's decision is mailed to parties who participated in the local proceedings and entitled to notice and as provided in ORS 197.620 and ORS 197.830, and Section 17.72.190 of the McMinnville Municipal Code.

DECISION

Based on the findings and conclusions and the recommendation of the McMinnville Planning Commission, the McMinnville City Council **APPROVES** the attached legislative Zoning Ordinance amendments (G 2-21).

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

Date: 10-27-2021

Planning Commission: Roger A. Hall
Roger Hall, Chair of the McMinnville Planning Commission

Date: November 2, 2021

Planning Department: [Signature]
Heather Richards, Planning Director

Date: 10.27.2021

I. APPLICATION SUMMARY

This application is a proposal initiated by the City of McMinnville to amend the Zoning Ordinance to (a) add provisions allowing existing single-family dwellings, existing duplexes, and existing or new accessory dwellings which are accessory to existing single-family dwellings, as permitted uses in the C-3 zone subject to certain parameters, (b) establish a City Center Housing Overlay Zone and associated provisions, and (c) add provisions allowing temporary use of an RV as a residence during construction of a permanent dwelling(s) on the same lot.

The staff report provides more detailed background information regarding each of three topics. See ***Attachment 1*** to the Staff Report for a summary of the amendments by Chapter.

II. CONDITIONS OF APPROVAL

None.

III. FINDINGS OF FACT

1. Docket G 2-21 is a legislative package of City-initiated proposed zoning ordinance amendments related to housing. The proposal is intended to increase housing opportunities and remove regulatory barriers associated with provision of housing, consistent with the Comprehensive Plan.
2. On July 28, 2021 the Affordable Housing Committee recommended that a bundle of housing-related amendments be taken forward for consideration by the Planning Commission.
3. On August 19, 2021, city staff hosted a work session with the Planning Commission to review the draft proposal. The proposal reflects revisions recommended by the Planning Commission.
4. Notice of the application and the September 16, 2021 Planning Commission public hearing were provided to DLCD on August 5, 2021.
5. Notice of revisions to the proposal were provided to DLCD on August 11, 2021.
6. Notice of the application and the September 16, 2021 Planning Commission public hearing was published in the News Register on Wednesday, September 8, 2021, in accordance with Section 17.72.120 of the Zoning Ordinance.
7. On September 16, 2021, the Planning Commission held a duly noticed public hearing to consider the request. The Planning Commission recommended approval of the proposed amendments with additional revisions.
8. Notice of revisions to the proposal were provided to DLCD on October 14, 2021.
9. Notice of Docket 2-21 and the October 26, 2021 City Council meeting was posted on the City website in accordance with Oregon public meetings law.

IV. COMMENTS RECEIVED

Comments provided at the Planning Commission hearing are included in the meeting minutes attached to the Staff Report.

V. CONCLUSIONARY FINDINGS:

The Conclusionary Findings are the findings regarding consistency with the applicable criteria for the application.

Zoning Ordinance

The Purpose Statement of the Zoning Ordinance serves as a criterion for Zoning Ordinance amendments:

17.03.020 Purpose. The purpose of the ordinance codified in Chapters 17.03 (General Provisions) through 17.74 (Review Criteria) of this title is to encourage appropriate and orderly physical development in the city through standards designed to protect residential, commercial, industrial, and civic areas from the intrusions of incompatible uses; to provide opportunities for establishments to concentrate for efficient operation in mutually beneficial relationship to each other and to shared services; to provide adequate open space, desired levels of population densities, workable relationships between land uses and the transportation system, adequate community facilities; and to provide assurance of opportunities for effective utilization of the land resources; and to promote in other ways public health, safety, convenience, and general welfare.

FINDING: SATISFIED. The proposed amendments achieve these purposes as further articulated in the Comprehensive Plan, addressed in more detail below. Further, the City Center Housing Overlay provisions further achieve these goals in a manner which carries out some of the action items in the City Center Housing Strategy.

On May 11, 2021, City Council adopted the City Center Housing Strategy Final Report by Resolution 2021-27. This was the culmination of work through a public process that began in 2019, guided by the McMinnville Urban Renewal Advisory Committee (MURAC) and an 18-member Project Advisory Committee, with a recommendation from both entities to City Council.

The purpose of the project was to create a strategy to potentially increase and incentivize more housing within the city center area and the surrounding higher density residential zones where there may be capacity for additional housing opportunities.

Comprehensive Plan

As described in the Comprehensive Plan, the Goals and Policies of the Comprehensive Plan serve as criteria for land use decisions. The following Goals and Policies from Volume II of the McMinnville Comprehensive Plan are applicable to this request:

CHAPTER IV. ECONOMY OF MCMINNVILLE

GOAL IV 4: TO PROMOTE THE DOWNTOWN AS A CULTURAL, ADMINISTRATIVE, SERVICE, AND RETAIL CENTER OF McMINNVILLE.

Downtown Development Policies:

36.00 *The City of McMinnville shall encourage a land use pattern that:*

1. *Integrates residential, commercial, and governmental activities in and around the core of the city;*
2. *Provides expansion room for commercial establishments and allows dense residential development;*

3. *Provides efficient use of land for adequate parking areas;*
4. *Encourages vertical mixed commercial and residential uses; and,*
5. *Provides for a safe and convenient auto-pedestrian traffic circulation pattern.*
(Ord.4796, October 14, 2003)

FINDING: SATISFIED. The proposal is consistent with the applicable Goal and Policies of Chapter IV of the Zoning Ordinance. The proposed amendments include provisions to help achieve integration of residential use and development in the core, allow dense residential development, and provide more efficient use of land as by addressing parking provisions.

CHAPTER V. HOUSING AND RESIDENTIAL DEVELOPMENT

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

General Housing Policies:

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

Housing Rehabilitation Policies:

- 62.00 *The maintenance, rehabilitation, and restoration of existing housing in residentially designated areas shall be encouraged to provide affordable housing.*

FINDING: SATISFIED. The proposal is consistent with Goal V.1 and associated policies of the Zoning Ordinance. The proposed amendments include City Center Housing Overlay provisions to help encourage retention of existing housing in the Overlay area, and to allow for retention, utilization, and restoration of existing housing in core areas.

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

Policies:

- 68.00 *The City of McMinnville shall encourage a compact form of urban development by directing residential growth close to the city center, to designated neighborhood activity centers, and to those areas where urban services are already available before committing alternate areas to residential use. (Ord. 5098, December 8, 2020)*
- 69.00 *The City of McMinnville shall explore the utilization of innovative land use regulatory ordinances which seek to integrate the functions of housing, commercial, and industrial developments into a compatible framework within the city.*

70.00 *The City of McMinnville shall continue to update zoning and subdivision ordinances to include innovative land development techniques and incentives that provide for a variety of housing types, densities, and price ranges that will adequately meet the present and future needs of the community.*

Multiple-family Development Policies:

86.00 *Dispersal of new-multi-family housing development will be encouraged throughout the City in areas designated for residential and mixed-use development to encourage a variety of housing types throughout the community and to avoid an undue concentration of multi-family development in specific areas of the community leading to a segregation of multi-family development in McMinnville from residential neighborhoods. Dispersal policies will be consistent with the Great Neighborhood Principles*

In areas where there are the amenities, services, infrastructure and public facilities to support a higher density of multi-family development, and the area is commensurate with a higher concentration of multi-family development without creating an unintended segregation of multi-family development, such as McMinnville's downtown, the area surrounding Linfield University and Neighborhood Activity Centers, a higher concentration of multi-family development will be encouraged. (Ord. 5098, December 8, 2020)

87.00 *Residential developments at densities beyond that normally allowed in the multiple-family zone shall be allowed in the core area subject to review by the City. These developments will be encouraged for (but not limited to) the provision of housing for the elderly.*

90.00 *Greater residential densities shall be encouraged to locate along major and minor arterials, within one-quarter mile from neighborhood and general commercial shopping centers or within neighborhood activity centers, and within a one-half mile wide corridor centered on existing or planned public transit routes. (Ord. 5098, December 8, 2020; Ord. 4840, January 11, 2006; Ord. 4796, October 14, 2003)*

FINDING: SATISFIED. The proposal is consistent with Goal V.2 and associated policies of the Zoning Ordinance. The proposed amendments remove barriers and promote efficient residential use within the City Center Housing Overlay, helping to provide opportunities for a variety of housing types, densities, and price ranges.

CHAPTER VI. TRANSPORTATION SYSTEM

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

PARKING

Policies:

126.00 *The City of McMinnville shall continue to require adequate off-street parking and loading facilities for future developments and land use changes.*

127.00 *The City of McMinnville shall encourage the provision of off-street parking where possible, to better utilize existing and future roadways and rights-of-way as transportation routes.*

128.00 *The City of McMinnville shall continue to assist in the provision of parking spaces for the downtown area.*

FINDING: SATISFIED. The proposal is consistent with applicable Goal and Parking Policies of Chapter VI of the Zoning Ordinance. The proposed amendments provide opportunities for more efficient utilization of land for parking within the City Center Housing Overlay.

TRANSPORTATION SUSTAINABILITY

132.37.00 *Through implementation of the TSP and the Comprehensive Plan, the City of McMinnville will, to the extent possible, seek measures that simultaneously help reduce traffic congestion, pollution, crashes and consumer costs, while increasing mobility options for non-drivers, and encouraging a more efficient land use pattern. (Ord. 4922, February 23, 2010)*

FINDING: SATISFIED. The proposal is consistent with applicable Goal and Transportation Sustainability Policies of Chapter VI of the Zoning Ordinance. The proposed amendments provide opportunities to increase mobility options for non-drivers, as well as increased opportunities for some trips by other modes in the City Center area, and a more efficient land use pattern.

CHAPTER VIII. ENERGY

ENERGY CONSERVATION

GOAL VIII 2: TO CONSERVE ALL FORMS OF ENERGY THROUGH UTILIZATION OF LAND USE PLANNING TOOLS.

179.00 *The City of McMinnville shall amend pertinent ordinances to allow for design techniques which increase the efficient utilization of land and energy. Areas to examine shall include, but not be limited to:*

1. *The zoning ordinance requirements, including density, lot areas, and setbacks to increase utilizable space in lots, while maintaining health and safety standards.*
2. *The geographic placement of various uses (commercial, industrial, residential) on the Comprehensive Plan Map to encourage energy-efficient locations.*
3. *The zoning ordinance and planned development provisions to allow for cluster developments, individually owned, common-wall dwellings, and other design techniques that increase utilizable space and offer energy savings.*
4. *The subdivision and zoning ordinances to encourage energy-efficient design such as proper landscaping for solar heating and cooling, solar orientation of dwellings and other site design considerations.*

5. *The building codes to encourage energy-efficient residential, commercial, and industrial building design and construction techniques.*

FINDING: SATISFIED. The proposal is consistent with applicable Goal and Energy Conservation Policies of Chapter VIII of the Zoning Ordinance. The proposed amendments provide opportunities for more efficient use of land within the City Center Housing Overlay and core area.

CHAPTER X. CITIZEN INVOLVEMENT AND PLAN AMENDMENT

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

FINDING: SATISFIED. The proposal is consistent with applicable Goal of Chapter X of the Zoning Ordinance. The proposed amendments implement action items in the City Center Housing Strategy, developed through public engagement including work with the McMinnville Urban Renewal Advisory Committee (MURAC) and a Project Advisory Committee, both of which recommended the final report to City Council. The final report was adopted by City Council.

The McMinnville Affordable Housing Committee also recommended that land use proceedings be initiated for the package of proposed amendments.

The Planning Commission held a work session in August to review and discuss the draft amendments, and the proposal incorporates input from the Planning Commission.

The public hearing process provides further opportunity for consideration of citizen involvement and input and associated deliberation.

State Law:

Changes to the Comprehensive Plan and its implementation ordinances must be acknowledged to continue remain in compliance with applicable state law, including the Statewide Planning Goals, Statutes, and Administrative Rules.

As summarized by DLCD:

“The foundation of Oregon’s statewide land use planning program is a set of 19 statewide planning goals. The goals express the state’s policies on land use and related topics, such as citizen involvement, housing, and natural resources. Most of the goals are accompanied by “guidelines,” which are suggestions about how a goal may be applied.

As noted in Goal 2, guidelines are not mandatory. The goals and guidelines are, however, adopted as administrative rules (Oregon Administrative Rules chapter 660, division 15).”

When amending the Comprehensive Plan, it is necessary to ensure the Comprehensive Plan remains in compliance with and consistent with applicable statewide land-use law, including Statewide Planning Goals, Statutes, and Administrative Rules.

Statewide Planning Goal 10 is the Housing Goal. There are several statutes that relate to Goal 10, and Goal 10 is also implemented through Administrative Rules, including OAR Chapter 660 Division 8 “Interpretation of Goal 10 Housing.”

While the Zoning Ordinance doesn't explicitly identify the statewide planning goals as criteria for comprehensive plan amendments, the relevant state law is applicable nonetheless.

Statewide Planning Goals

Goal 10: Housing (OAR 660-015-000(10)). To provide for the housing needs of citizens of the state.

Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density.

Buildable Lands -- refers to lands in urban and urbanizable areas that are suitable, available, and necessary for residential use. **Government-Assisted Housing** -- means housing that is financed in whole or part by either a federal or state housing agency or a local housing authority as defined in ORS 456.005 to 456.720, or housing that is occupied by a tenant or tenants who benefit from rent supplements or housing vouchers provided by either a federal or state housing agency or a local housing authority.

Household -- refers to one or more persons occupying a single housing unit.

Manufactured Homes – means structures with a Department of Housing and Urban Development (HUD) label certifying that the structure is constructed in accordance with the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 USC 5401 et seq.), as amended on August 22, 1981.

Needed Housing Units – means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels. On and after the beginning of the first periodic review of a local government's acknowledged comprehensive plan, "needed housing units" also includes government-assisted housing. For cities having populations larger than 2,500 people and counties having populations larger than 15,000 people, "needed housing units" also includes (but is not limited to) attached and detached single-family housing, multiple-family housing, and manufactured homes, whether occupied by owners or renters.

FINDING: SATISFIED. The amendments are intended to provide for McMinnville's housing needs and citizens, helping address its share of "the housing needs of citizens of the state."

The amendments do not affect or change the City's adopted and acknowledged residential buildable land inventory or housing needs analysis.

The amendments are intended to help better "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density."

There are no conflicts created by the proposed amendments related to Goal 10: Housing.

GUIDELINES

A. PLANNING

- 1. In addition to inventories of buildable lands, housing elements of a comprehensive plan should, at a minimum, include: (1) a comparison of the distribution of the existing population by income with the distribution of available housing units by cost; (2) a determination of vacancy rates, both overall and at varying rent ranges and cost levels; (3) a determination of expected housing demand at varying rent ranges and cost levels; (4) allowance for a variety of densities and types of residences in each community; and (5) an inventory of sound housing in urban areas including units capable of being rehabilitated.*
- 2. Plans should be developed in a manner that insures the provision of appropriate types and amounts of land within urban growth boundaries. Such land should be necessary and suitable for housing that meets the housing needs of households of all income levels.*
- 3. Plans should provide for the appropriate type, location and phasing of public facilities and services sufficient to support housing development in areas presently developed or undergoing development or redevelopment.*
- 4. Plans providing for housing needs should consider as a major determinant the carrying capacity of the air, land and water resources of the planning area. The land conservation and development actions provided for by such plans should not exceed the carrying capacity of such resources.*

FINDING: NOT APPLICABLE. The proposed amendments do not amend the adopted and acknowledged Housing Element of the City's Comprehensive Plan. The proposal amends the Zoning Ordinance consistent with the Goals and Policies of the adopted and acknowledged Comprehensive Plan.

B. IMPLEMENTATION

- 1. Plans should provide for a continuing review of housing need projections and should establish a process for accommodating needed revisions.*

FINDING: NOT APPLICABLE. The proposed amendments update standards and provisions governing residential development. The scope of work doesn't pertain to updating housing needs projections.

- 2. Plans should take into account the effects of utilizing financial incentives and resources to (a) stimulate the rehabilitation of substandard housing without regard to the financial capacity of the owner so long as benefits accrue to the occupants; and (b) bring into compliance with codes adopted to assure safe and sanitary housing the dwellings of individuals who cannot on their own afford to meet such codes.*

FINDING: SATISFIED. The proposed amendments regarding existing single-family dwellings and duplexes in the C-3 zone remove a financial disincentive to the continued use and rehabilitation of existing housing, whether standard or substandard, while ensuring compliance with applicable building codes.

The proposed amendments regarding reconstruction of multi-family housing destroyed by calamity, together with other proposed amendments, further incentivize rehabilitation of substandard housing to assure safe and sanitary housing in a manner that also removes barriers to opportunities for greater affordability and more efficient land utilization in the City Center Housing Overlay area.

3. *Decisions on housing development proposals should be expedited when such proposals are in accordance with zoning ordinances and with provisions of comprehensive plans.*

FINDING: SATISFIED. The proposed amendments which allow for multi-family residential use at greater than R-4 densities in the C-3 zone within the City Center Housing Overlay area as a permitted use rather than a conditional use have the effect of expediting such proposals.

4. *Ordinances and incentives should be used to increase population densities in urban areas taking into consideration (1) key facilities, (2) the economic, environmental, social and energy consequences of the proposed densities and (3) the optimal use of existing urban land particularly in sections containing significant amounts of unsound substandard structures.*

FINDING: SATISFIED. The proposed amendments allow for more efficient land utilization and opportunities for residential density as a permitted use within the City Center Housing Overlay area, consistent with the adopted City Center Housing Strategy and consistent with Comprehensive Plan Goals and Policies. Proposed amendments related to parking remove regulatory barriers to development and re-use of existing space for residential development. For example, in the core area, the only use which requires parking to be on the same site as the use is residential use, which serves as a disincentive to residential use and re-use of existing spaces for housing. Proposed amendments would remove this barrier which currently puts residential use at a disadvantage to uses that are not subject to the same provision.

5. *Additional methods and devices for achieving this goal should, after consideration of the impact on lower income households, include, but not be limited to: (1) tax incentives and disincentives; (2) building and construction code revision; (3) zoning and land use controls; (4) subsidies and loans; (5) fee and less-than-fee acquisition techniques; (6) enforcement of local health and safety codes; and (7) coordination of the development of urban facilities and services to disperse low income housing throughout the planning area.*

FINDING: SATISFIED. The proposed amendments amend zoning and land use controls to remove regulatory barriers to provide greater opportunities for households of all income levels in the City Center Overlay area, as part of a balanced planning program that also plans for dispersal of housing to meet the needs of low-income households at other locations within the planning area, coordinated with other land use and transportation needs to provide for proximity and access to services for households, as evidenced by Comprehensive Plan policies adopted and amended in December 2020 addressing these issues.

The proposal removes these barriers in a manner that still limits development of new low-density residential units in areas that would otherwise displace higher density residential use, consistent with the Comprehensive Plan.

6. *Plans should provide for a detailed management program to assign respective implementation roles and responsibilities to those governmental bodies operating in the planning area and having interests in carrying out the goal.*

FINDING: NOT APPLICABLE. The proposed amendments update standards and provisions governing residential development. The scope of work doesn't pertain to updating housing needs projections.

Statutes & Administrative Rules

Statutes and administrative rules which pertain to housing include ORS 197: Comprehensive Land Use Planning I; ORS 227: City Planning and Zoning, and OAR 660 Division 8: Interpretation of Goal 10 Housing.

FINDING: SATISFIED. The proposed amendments are consistent with, and do not conflict with, applicable housing-related provisions of provisions of ORS 197: Comprehensive Land Use Planning I, ORS 227: City Planning and Zoning, and OAR 660 Division 8: Interpretation of Goal 10 Housing. Provisions of these statutes and administrative rules are generally not applicable to the specific amendments which are proposed.

The City adopted a UGB amendment, amendments to the Comprehensive Plan, and amendments to the Zoning Ordinance in December 2020. The amendments were acknowledged in April 2021. The proposed amendments are consistent with the City's adopted and acknowledged Comprehensive Plan and applicable Goals and Policies.

The proposed amendments do not change the City's adopted and acknowledged Buildable Land Inventory, Housing Needs Analysis, or Comprehensive Plan Goals and Policies. There are no conflicts created by the proposed amendments relative to the applicable statutes and/or administrative rules.

Some provisions of state law, including "Middle Housing" amendments will be separately addressed under a separate City initiated-amendment consistent with the required adoption timeline. The proposed amendments in G 2-21 are not intended to address those requirements.

Note: The City's initial draft did not include an existing or new ADUs as a permitted use when accessory to and on the same lot as an existing single-family dwelling in the C-3 zone. The updated draft includes this as a permitted use, in part to address ORS 197.312(5)(a), which states, "A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas within the urban growth boundary that are zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design."

197.610(7) Post-Acknowledgment Procedures and OAR 660, Division 18. Post-Acknowledgment Amendments

OAR 660-018-0035. Department [DLCD] Participation

(1) When the department [DLCD] determines that a proposed change to an acknowledged comprehensive plan or a land use regulation may not be in compliance with land use statutes or the statewide land use planning goals, including administrative rules implementing either the statutes or the goals, the department shall notify the local government of the concerns at least 15 days before the final evidentiary hearing, unless:

(a) The local government holds only one hearing on the proposal, in which case the notification must occur prior to the close of the hearing;

(b) The proposed change has been modified to the extent that resubmission is required under OAR 660-018-0045; or

(c) The local government did not submit the proposed change within 35 days in advance of the final hearing in accordance with OAR 660-018-0020(1), regardless of the circumstances that resulted in that delay.

(2) Notwithstanding section (1) of this rule, the department may provide advisory recommendations to the local government concerning a proposed change to the acknowledged comprehensive plan or land use regulation at any time prior to the adoption of the change.

FINDING: SATISFIED. The City has provided the required notice of the proposed post-acknowledgment amendment to DLCD as required by OAR 660 Division 18. DLCD has not provided comment or advisory recommendations to the City concerning the proposed amendments.

FINDING REGARDING APPLICABLE STATE LAW: SATISFIED. The proposed package of amendments in G 2-21 contains multiple housing-related provisions, each of which is designed to remove regulatory barriers to continued use, development, reuse, and/or redevelopment of existing and new housing, through implementation of the Comprehensive Plan in a manner that continues to ensure the adopted and acknowledged Comprehensive Plan and its implementing regulations remain consistent with applicable state law.

PROPOSED AMENDMENTS TO THE MCMINNVILLE CITY CODE
DOCKET G 2-21: HOUSING-RELATED AMENDMENTS

New proposed language is represented by ***bold italic font***, deleted language is represented by ~~strikethrough font~~.

Chapter 17.33

C-3 GENERAL COMMERCIAL ZONE

[...]

17.33.010 Permitted Uses. In a C-3 zone, the following uses and their accessory uses are permitted.

[...]

2. Existing lawfully established single-family dwellings built and occupied prior to [insert adoption date], 2021.
 - a. Lots for these uses will be limited to their current sizes and cannot be expanded.
 - b. If the single-family dwelling is not occupied for more than a year as a residential use, it is no longer considered a permitted use.
 - c. Short-term rentals and resident-occupied short-term rentals will be considered a continued residential use for this code provision.
3. Existing lawfully established two-family dwellings built and occupied prior to [insert adoption date], 2021.
 - a. Lots for these uses will be limited to their current sizes and cannot be expanded.
 - b. If the two-family dwelling is not occupied for more than a year as a two-family dwelling, it is no longer considered a permitted use.
4. A new or existing lawfully established accessory dwelling unit which is accessory to, and on the same lot as, an existing lawfully established single-family dwelling built and occupied prior to [insert adoption date], 2021, subject to the following standards:
 - a. The accessory dwelling unit may be established by:
 1. Conversion of an attic, basement, or garage or any other portion of the primary dwelling;
 2. Adding floor area to the primary dwelling, including a second story; or
 3. Construction of a detached accessory dwelling unit on a lot with a primary single-family dwelling.The existing lawfully-established single-family dwelling shall remain designated as the primary dwelling.
 - b. The square footage of the accessory dwelling shall not exceed 50 percent of the primary dwelling exclusive of the garage, or 1,000 square feet, whichever is less. The minimum area shall be as determined by the State of Oregon Building Codes Division.
 - c. The building coverage of a detached ADU may not be larger than the building coverage of the primary dwelling.

- d. The accessory dwelling shall meet all applicable standards for this zone including, but not limited to, setbacks, height, and building codes in effect at the time of construction. The maximum height allowed for a detached ADU is the lesser of 25 feet or the height of the primary dwelling.
- e. The structure's appearance, including siding, roofing, materials, and color shall coincide with that used on the primary dwelling unit, including roof pitch, eaves, window fenestration patterns, etc.
- f. Not more than one accessory dwelling unit shall be allowed per lot or parcel.
- g. The accessory dwelling unit shall contain a kitchen, bathroom, living, and sleeping area that completely independent from the primary dwelling.
- h. Manufactured homes, recreational vehicles, motor vehicles, travel trailers and all other forms of towable or manufactured structures, not to include modular structures, shall not be used as an accessory dwelling unit.
- i. ADUs are exempt from the residential density standards of this code.
- j. Occupancy and use standards for an ADU shall be the same as those applicable to a primary dwelling on same site.
- k. That a legally non-conforming accessory structure which is accessory to an existing lawfully established single-family dwelling may be converted to an accessory dwelling unit in accordance with the requirements of Chapter 17.63 (Nonconforming Uses).

25. _____ Condominiums subject to the provisions of the R-4 zone, except that within the City Center Housing Overlay Zone designated in Chapter 17.66, density limitations of the R-4 zone shall not apply, and any special development standards of the Overlay Zone shall supersede those of the R-4 zone.

36. _____ Multiple-family dwellings subject to the provisions of the R-4 zone, except that within the City Center Housing Overlay Zone designated in Chapter 17.66, density limitations of the R-4 zone shall not apply, and any special development standards of the Overlay Zone shall supersede those of the R-4 zone.

[...]

17.33.020 Conditional Uses. In a C-3 zone, the following uses and their accessory uses may be permitted subject to the provisions of Chapters 17.72 and 17.74.

[...]

F. Outside of the City Center Housing Overlay Zone, a A multiple-family dwelling or condominium constructed to a higher density than normally allowed in the R-4 multiple-family zone provided that the following conditions are met. It is the applicant's burden to show that the conditions have been met:

[...]

GENERAL REGULATIONS

[...]

17.54.065 Use of Recreational Vehicle (RV) As Temporary Residence During Residential Construction.

A recreational vehicle (RV) may be authorized as a temporary residence during construction of a new residential structure on the same lot or parcel if found to comply with the following conditions.

- a. Only one RV shall be allowed on a lot or parcel. The RV shall only be placed on a lot or parcel for which a building permit for a site-built dwelling(s) or a placement permit for a manufactured dwelling meeting the standards of the applicable zone has been obtained and remains active.
- b. The RV shall only be placed on a vacant lot, or a lot on which any existing dwellings will be demolished or removed. If any existing dwellings on the lot are to be demolished, the RV shall only be allowed on the lot prior to demolition if a demolition permit is issued concurrently with the building permit or placement permit for the new home. Demolition of any site-built home shall begin, or removal of any manufactured home shall occur, within 30 days of placement of the RV.
- c. The RV shall only be occupied by future residents of a dwelling under construction on the same lot. If the occupants are not the property owner, written authorization from the property owner shall be provided prior to placement of the RV.
- d. The RV shall not be occupied concurrently with any dwelling on the lot, either prior to demolition or removal of any existing dwelling or upon completion or placement of a new dwelling.
- e. The RV shall only be occupied during a period in which satisfactory progress is being made towards the completion of the site-built dwelling or placement of the manufactured dwelling for which a permit has been obtained, and in no case shall the time period exceed 18 months involving a site-built dwelling or 6 months involving a manufactured dwelling, including any applicable demolition or removal. The Planning Director may grant one or more emergency hardships extensions provided the building permit or installation permit remains active and upon finding continued progress toward completion.
- f. The RV shall cease to be used as a temporary residence not later than one month following the completion of a new site-built dwelling or placement of a manufactured dwelling, as applicable.
- g. Except in the case of a self-contained motorized RV, connections to public sewer and water or any authorized on-site systems shall be provided, as well as electric power. Any on-site connections shall require applicable permits and approvals.
- h. There shall be no parking of a self-contained, motorized RV or any vehicles on any portion of the site which is not paved or improved with a compacted dust-free gravel surface.
- i. The Planning Director may revoke authorization for use of the RV as a temporary residence upon finding noncompliance with the provisions of this Section, including evidence of unsatisfactory progress on construction or placement of the permanent dwelling unit(s).
- j. Nothing in the Section is intended to preclude any other lawful use of an RV as otherwise authorized in the McMinnville Municipal Code, such as the Safe Overnight Parking Program.

[...]

Chapter 17.60

OFF-STREET PARKING AND LOADING

[...]

17.60.050. Spaces – Location.

~~Except for one or two upper-story residential dwelling units above a non-residential use, off-street parking spaces for dwellings shall be located on the same lot with the dwelling.~~

- A. Except as provided below, required off-street parking spaces for dwellings shall be located on the same lot with the dwelling. For the following residential uses, off-street parking shall be located not farther than five hundred feet from the building or use they are required to serve, measured in a straight line from the building.
 - 1. Off-street parking for one or two upper story residential dwelling units above a non-residential use
 - 2. Off-street parking for residential uses in the City Center Housing Overlay Zone designated in Chapter 17.66
- B. All other required parking spaces shall be located not farther than two hundred feet from the building or use they are required to serve, measured in a straight line from the building.
- C. When parking is provided on a different lot than the use it is required to serve, the applicant shall provide evidence of a binding parking agreement for use of the property for off-street parking consistent with the provisions of this Chapter for as long as the parking is required to serve the property. If the property is in different ownership or subsequently conveyed to a different owner, the parking agreement shall be recorded.

[...]

17.60.100. Reduced requirements for certain area.

- A. In the area bounded by Adams Street, Ford Street, and Seventh Street, required off-street parking spaces for commercial establishments may be one-half the number stated for the particular use in Section 17.60.060 (see special parking requirements map below).
- B. Except as provided in Subsection (C), within the City Center Housing Overlay Zone designated in Chapter 17.66, minimum required off-street parking spaces for residential uses shall be one space per dwelling unit.
- C. Within the areas described in Section 17.60.060 and 17.60.100 and depicted in the “Reduced Parking Requirements” map, minimum required off-street parking spaces for multi-family residential uses shall be 0.5 space per dwelling unit for studio and 1-bedroom dwellings.

[...]

17.60.125. Shared access. When it is in the public interest, a shared driveway and circulation subject to a shared access easement and agreement may be authorized by the Planning Director when it would achieve one or more objectives of the Comprehensive Plan or this ordinance, such as reducing access points onto access-managed streets or reducing the amount of land required for access to parking spaces. Except where otherwise provided in this ordinance, a shared driveway to access parking spaces shall not replace the requirements for street frontage or other provisions of this code. The Planning Director may require that a shared driveway be located on the common property line between properties in certain circumstances, such as a situation where access is shared, but parking is not.

Chapter 17.63

NONCONFORMING USES

[...]

17.63.060 Structure—Destruction.

- A. If a nonconforming structure or a structure containing a nonconforming use in the industrial land use category is destroyed by any cause to an extent exceeding sixty percent of the assessed structural value as recorded in the County Assessor's records at the time of destruction, a future structure or use of the property shall conform to the provisions of this ordinance;
- B. If a nonconforming structure or a structure containing a nonconforming use in a residential, commercial, or public land use category is destroyed by fire, accident, or an act of God, the structure may be rebuilt to the same size (square footage before destruction) and may be occupied by the use which occupied the structure at the time of destruction.
- C. In the case of a destruction of a nonconforming multiple-family residential structure, the structure, if rebuilt, may not contain more living units than existed prior to the destruction; **except, however, in a C-3 zone within the City Center Housing Overlay Zone, this limitation shall not apply to a multiple-family structure that is nonconforming relative to the referenced setbacks of the R-4 zone, but meets the setbacks of the C-3 zone and which does not otherwise increase nonconformity relative to other development standards.** (Ord. 4128 (part), 1981; Ord. 3380 (part), 1968).

[...]

Chapter 17.66

CITY CENTER HOUSING OVERLAY ZONE

Sections:

<u>17.66.010</u>	<u>Establishment</u>
<u>17.66.020</u>	<u>Purpose and Intent</u>
<u>17.66.020</u>	<u>Applicability and Exemptions</u>
<u>17.66.030</u>	<u>Guidelines and Standards</u>
<u>17.66.040</u>	<u>Procedure</u>

17.66.010 Establishment. The City Center Housing Overlay Zone is hereby established. The City Center Housing Overlay Zone boundary is shown in Figure 17.66.1.

17.66.020 Purpose and Intent.

17.66.030. Applicability and Exemptions. Provisions of this Chapter apply to residential development within the City Center Housing Overlay Zone boundary, including new development, and development that increases the square footage or number of existing dwelling units.

The provisions of the Chapter modify the provisions of other Chapters of the Zoning Ordinance as specified herein.

In addition, other Chapters of this Ordinance may specify that certain provisions of those respective Chapters are modified for properties within the City Center Housing Overlay Zone boundary, as specified in those Chapters.

The provisions of this Chapter do not apply to routine maintenance of residential development within the City Center Housing Overlay Zone.

17.66.040. Guidelines and Standards. [Reserved for future use].

17.66.050. Procedures. [Reserved for future use].

Figure 17.66.1. City Center Housing Overlay Zone Boundary

