

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

MEMORANDUM

DATE: February 16, 2022

TO: Planning Commission Members FROM: Heather Richards, Planning Director

SUBJECT: New Public Record for G 7-21, Three Mile Lane Area Plan

More testimony and email exchanges for the public record that have occurred in the past 24 hours for the Three Mile Lane Area Plan.

Included:

Email Exchange with ODOT and Sid Friedman, Heather Richards and Sid Friedman, 02.15.22

Testimony from Steve Iversen, 02.16.22

Testimony from Friends of Yamhill County and 1000 Friends of Oregon, 02.16.22

Notes from Gary Langenwalter on meeting with Ilsa Perse, 02.16.22

From: Sid Friedman

To: Heather Richards; DUNCAN Michael W
Cc: ZWERDLING Naomi; FRICKE Daniel L
Subject: Re: TMLAP traffic modeling

Date: Tuesday, February 15, 2022 7:21:34 PM

Attachments: <u>image003.png</u>

This message originated outside of the City of McMinnville.

Heater,

Thanks for the detailed response.

On 2/15/2022 7:02 PM, Heather Richards wrote:

Sid,

I will address this at the public hearing on Thursday night. The question that we were charged with answering is whether or not the underlying comprehensive plan designation would allow the vision to move forward. It was determined that the underlying industrial comprehensive plan map designation for this area would support the vision moving forward for the following reasons:

Assisted Living as described in the Plan document and perhaps not so well on the preferred land use alternative map is for housing associated with the hospital – hospital extended stay housing which has become a business model for hospitals as they move towards outpatient care. These extended stays are both short-term and long-term. We can change the nomenclature on the preferred land use alternative land use map if that would be helpful – "Ancillary Hospital Uses".

The office use description is for medical, professional, research and development offices all allowed uses in the industrial zones.

The mixed-use description is a harder one to capture and I am not sure how clear it was to the PAC when they were discussing this as a preferred land-use alternative, but they discussed something that served as a transition between the industrial innovation center, the hospital campus, and the residential development envisioned on the eastern side of the hospital. There were several different activities dialogued for this area – live/work spaces, small industrial craft spaces that benefitted from the agency to the innovative center, small professional office space, upper story residential with views of the Yamhill River, etc. This would be allowed through a planned development overlay in the industrial zone per Section 17.51.020.

The slide that I used in my PowerPoint with the housing numbers was meant to illustrate the amount of housing that could occur in that area based on the underlying comprehensive plan map designation and was in response to some of the comments that were provided in public testimony that indicated no housing would be developed on the south side of Highway 18 so why do we need any amenities there. I thought that I had caveated that in my remarks but will clarify on Thursday night.

The reality is that we do not know what will be developed on any of these properties until we receive an application for a development. The Area Plan is meant to ensure that our foundational planning tools support the community vision for the area so that it can materialize. It is not a master plan, nor is it a zoning map or a development plan.

This is a high-level community vision focused on comprehensive plan designations as defined by state regulations. Our review was "can this use be realized with the existing underlying comprehensive plan map designation? If yes, the comprehensive plan map designation remained. If no, it was recommended to change it.

Have a great day!

Heather



Heather Richards, PCED

Planning Director City of McMinnville 231 NE Fifth Street McMinnville, OR 97128

503-474-5107 (phone) 541-604-4152 (cell)

Heather.Richards@mcminnvilleoregon.gov www.mcminnvilleoregon.gov

From: Sid Friedman <sidf@viclink.com>
Sent: Tuesday, February 15, 2022 5:34 PM

To: DUNCAN Michael W < <u>Michael.W.DUNCAN@odot.oregon.gov></u>

Cc: ZWERDLING Naomi < Naomi. ZWERDLING@odot.oregon.gov>; FRICKE Daniel L

<Daniel.L.FRICKE@odot.oregon.gov>; Heather Richards

<Heather.Richards@mcminnvilleoregon.gov>

Subject: Re: TMLAP traffic modeling

This message originated outside of the City of McMinnville.

Michael,

Thanks for your response. Just to be clear, with respect to question 1. mixed-use (residential and commercial), assisted living and most office uses are Not allowed under the existing comp. plan designations and would require a plan

amendment. See permitted uses in the city's 3 industrial zones (M-1, M-2, ans M-L) at <u>Title 17 (mcminnvilleoregon.gov)</u>

On 2/15/2022 4:15 PM, DUNCAN Michael W wrote: Sid.

Likewise, I hope the weekend treated you well! Thanks for giving me (ODOT) a bit of time to read through the prompts and respond. Sometimes it's three business days, other times it's five. I was able to track down the entire slide deck for the January 20th, 2022 presentation for some added context.

Regarding question '1': My understanding is that the presentation slides you've noted illustrate both (a) land uses requiring a CPA, as well as (b) other land uses that are allowed under the existing comp plan designation. For instance, on your referenced slide (61) those needing a CPA appear as geographies labeled #1, #2, and #3, and that the other land uses (e.g., office, mixed use, etc.) depicted are allowed in the existing comp plan designation. As these maps are illustrative, I would focus on the acres noted in the accompanying table. These feed into the model's analysis zones, which then assign trips onto the road network links, allowing for the traffic analysis and resultant v/c's.

Regarding question '3': My understanding is that the traffic analysis accounts for pedestrian usage both in a base year and future no-build, and the preferred scenario.

Regarding question '2', and any further details for '1' and '3'—I've been invited to attend this week's Planning Commission Meeting. Given the discussion and content expected it makes sense to respond to these questions at that time and within the context of the larger discourse.

I appreciate your interest in the project and your patience as we respond to the inquiries.

Best, Michael

Michael W. Duncan | Senior Region Planner, TGM Grant Manager Transportation and Growth Management Program Oregon Department of Transportation, Region 2 350 W. Marine Drive | Astoria, OR 97103 C: 503.710.1781

michael.w.duncan@odot.oregon.gov | http://www.oregon.gov/lcd/tgm

From: Sid Friedman <sidf@viclink.com>

Sent: Monday, February 14, 2022 12:14 PM

To: DUNCAN Michael W < Michael.W.DUNCAN@odot.oregon.gov>

Subject: Re: TMLAP traffic modeling

This message was sent from outside the organization. Treat attachments, links and requests with caution. Be conscious of the information you share if you respond.

Michael,

I hope you had a good weekend.

Since the hearing on this matter is coming up on Thursday, I'm just checking in to make sure this hasn't fallen through the cracks. The land use assumptions that went into the model seems like a straightforward question that should be easy to answer.

Thanks!

Sid

On 2/8/2022 5:25 PM, DUNCAN Michael W wrote:

Sid,

Likewise, I appreciate the call! Also, thanks for putting your thoughts/questions into text. It makes it easier to respond.

I mostly wanted to touch base today to let you know that, while I don't have an answer for you at the moment, I am working to track down this information for you. As I will be reaching out to our technical staff on this, typical response time is three to five business days. That said, I hope to have answer by end of week. Thanks again for your interest in the project.

Best, Michael

Michael W. Duncan | Senior Region Planner, TGM Grant Manager Transportation and Growth Management Program Oregon Department of Transportation, Region 2 350 W. Marine Drive | Astoria, OR 97103 C: 503.710.1781

michael.w.duncan@odot.oregon.gov | http://www.oregon.gov/lcd/tgm

From: Sid Friedman <sidf@viclink.com>
Sent: Monday, February 7, 2022 5:49 PM

To: DUNCAN Michael W

<Michael.W.DUNCAN@odot.oregon.gov>

Subject: TMLAP traffic modeling

This message was sent from outside the organization. Treat attachments, links and requests with caution. Be conscious of the information you share if you respond.

Michael,

Thanks for taking some time with me on the phone right now. Here are my follow-up questions:

(1) The attached slide labeled "what was modeled" shows two different maps from the TMLAP. These are also shown on slide 61 of Heather Richard's presentation, which is also attached. During her presentation Heather said that the changes from the base case that were modeled were the proposed plan amendments on the map on the left. (zoom recording time stamp 2:28-2:31). The map on the right shows the preferred

The map on the right shows the preferred alternative. It shows additional non-industrial uses shown on the map that would also require plan amendments including (a) the large mixed use area and the assisted living area just east of the "innovation campus", and (b) a much larger retail center north of the innovation campus than what is shown on the map on the left. How were these additional non-industrial uses modeled, or were they instead assumed to be no change from the base case?

(2) During her presentation, Heather showed the attached slide 67 and said there would be about 755 new housing units in the TMLAP area south of highway 18 of which only 75 now exist. (zoom recording time stamp 2:16:50). This doesn't match the new housing units shown in attached slide 88, which Heather said illustrated the traffic modeling (zoom recording time stamp 2:31:41) While I am not certain what the scale is referencing in the housing bar graph (probably housing units, but it could be people), the sum of the two is less than 100, a long way from the 755 on the earlier slide about the projected housing units the TMLAP would provide, as shown in slide 67. Was the traffic projection based on fewer housing units than what Heather's narrative for slide 67 is promising, or

even the 320 units the Planning commission approved in the past 2 years that haven't broken ground yet.?

(3) Increased employment, housing, and retail, south of highway 18 will result in increased pedestrian traffic across the highway. Was the effect of increased pedestrian use of the traffic signal at Highway 18 and Norton Lane included in the model of this intersection's performance under the preferred alternative? This is the intersection that comes closest to failing to meet LOS mobility targets.

Thanks!

Sid Friedman 503-662-1076

February 16, 2022

To: McMinnville Planning Commission

Heather Richards, McMinnville Planning Director

From: Steve Iversen

1033 SW Courtney Laine Dr

McMinnville 97128

Subj: Three Mile Lane Area Plan – message to Planning Commissioners

I write this on the off-chance that members of the Planning Commission read it.

The Three Mile Lane Area Plan seems wonderful on the surface, with its lofty aspirations for aesthetics, multi-modal accessibility, neighborhood amenities, connection to the rest of the city, access to parks and trails, and so on.

It's only when you venture beneath the surface that you become aware of the challenges, mostly due to the area's geography, but also due to the structure of the plan itself.

The aspirations of the plan are only that – there is no mandate that assures they will ever come to pass. Although we aspire to neighborhood-serving retail, pedestrian and bicycle bridges, proper highway interchanges, links to parks and trails, we may not see them for a long while, if ever.

However, two major components of the plan have been dealt with in specifics – the Preferred Alternative for land use, and the Preferred Facility Design for transportation and lie in wait for the Planning Commission to approve the plan and therefore stamp its endorsement on them.

Now we're barreling down the road toward de facto approval of these two components of the plan, while the public debate is only just beginning – and getting interesting, and uncomfortable.

So you see, this is not the way we should be doing this. The long-term consequences, especially for residents, workers and visitors in the Three Mile Lane area, are enormous. The debate is just beginning, so I urge you to join in, let us know what you think and, please, do not simply rubber-stamp a flawed plan.

Thank you,

Steve Iversen McMinnville





February 16, 2022

McMinnville Planning Commission Heather Richards, McMinnville Planning Director 231 NE Fifth Street McMinnville, OR 97128

Re: Three Mile Lane Area Plan

Dear Commissioners and staff:

Friends of Yamhill County (FYC) works to protect natural resources through the implementation of land use planning goals, policies, and laws that maintain and improve the present and future quality of life in Yamhill County for both urban and rural residents. 1000 Friends of Oregon is a non-profit, charitable organization dedicated to working with Oregonians to support livable communities. Our organizations' memberships include McMinnville residents who support the mission and values of the Oregon land use program. Our members care deeply about the future of their community.

We have previously submitted written testimony on Docket G-7-21, the Three Mile Area Lane Plan (TMLAP), and provided brief oral testimony on January 20.

The TMLAP has profound implications for McMinnville's future. Its adoption controls future zoning decisions. ¹

Thank you for this opportunity to submit additional testimony. It is lengthy, but there is much to be said.

Introduction

McMinnville's future rests on a healthy downtown and commercial core on Highway 99W; the expansion and retention of existing businesses; and new employers providing family-wage jobs.

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¹ Per McMinnville's ordinance, an Area Plan is a guiding land use document that "specifically identifies land uses [and] their locations." Its adoption is a land use decision that amends the comprehensive plan. McMinnville zoning ordinance 17.10.030-17.10.050. While it doesn't rezone land, future map amendments must be consistent with, and conform to the Area Plan. Therefore, its adoption controls future zoning decisions.

At the January 20 hearing, the Planning Director said adoption of an Area Plan not a land use decision. (Zoom recording time stamp 1:37:50). She is wrong. Adoption of an Area Plan is explicitly a land use decision under McMinnville's zoning ordinance 17.10.040(C)

The TMLAP puts this future at risk.

As detailed in our previous testimony, we support many elements of the TMLAP, including the mix of uses north of the Highway 18 expressway. However, we strongly oppose the regional retail center planned for industrial land south of Highway 18. New commercial uses in the Three Mile Lane Area should be *neighborhood-serving* and *neighborhood-scaled*.

The community has invested tremendous resources into promoting and developing our existing downtown and the adjacent Alpine District into a vibrant town center that is the envy of other communities around the state. Larger retailers line the Highway 99W corridor. Building a new town center on the other side of the bypass around town runs counter to the investment in our real downtown. This is a risky bet that many other communities have taken and lost.

These new retail and dining uses would locate on what is now McMinnville's premier shovel-ready site to attract a flagship industrial user.

The proposed land uses south of Highway 18 will generate exponentially more traffic than the currently planned industrial uses. This increased traffic will jeopardize the highway's function as a free-flowing expressway around McMinnville. As detailed below, the traffic modeling does not appear to properly account for these new higher traffic-generating uses.

The proposed commercial uses south of the bypass jeopardize downtown and the 99W corridor

We strongly oppose the new town center/regional retail center planned for industrial land south of Highway 18. At full build-out, housing south of the bypass will accommodate about 2,000 people. The shopping center is not scaled or designed for them; it is designed as a regional magnet.

We previously expressed support for the mixed-use area that is planned to locate between the hospital and the proposed regional shopping center. That previous support was based on the understanding that the commercial uses in the mixed-use east of the corporate campus area will be *neighborhood-scaled* and *neighborhood-serving*. We continue to support such uses, which could include a grocery store *located near the apartments*.

These residents, at least some of who will be lower-income, will be segregated from the rest of the city by an expressway. They would clearly benefit from *neighborhood-serving* commercial development and a pedestrian bridge accessing the rest of the city.

The city already has appropriate standards elsewhere in its code- the Neighborhood Activity Center overlay provisions in Section 17.50:

"17.050.10 Purpose. The purpose of the Neighborhood Activity Center Planned Development Overlay is to enable the development of lands in areas designated as activity centers on the McMinnville Framework Plan into fully integrated, high quality,

mixed-use pedestrian oriented neighborhoods. The intent is to minimize traffic congestion, suburban sprawl, infrastructure costs, and environmental degradation."

The Neighborhood Activity standards limit the commercial area to 10 acres, with a 25,000 to 100,000 total retail floor space. The maximum size of the largest non-grocery retailer is 10,000 to 30,000 square feet, and the maximum size of grocery/supermarket is 20,000 to 40,000 sq. ft. Fast-food drive-up windows are prohibited.²

A Neighborhood Activity Center in the Three Mile Lane Area was included in the original McMinnville Growth Management and Urbanization Plan. It could be located in the western portion of the area near the apartments, either south of the highway, or with a pedestrian bridge, north of the highway on the Baker Rock/Cal-Pine site.

All too often, services for lower-income households are deemed "aspirational" or too expensive. Regrettably, the area plan follows this pattern. It states that any neighborhood-serving retail is merely "a mid- to long-term aspiration," and city staff has said a pedestrian bridge is too expensive. Equity and common sense suggest the city should prioritize both; near-term *neighborhood* commercial development and a pedestrian bridge in the vicinity of the recently approved apartments. The same is true for the proposed park in this vicinity.

We *do not support* what staff has characterized as a new town center modeled after the Old Mill District in Bend or Orenco Station in Hillsboro, to be located adjacent to the proposed large-format regional shopping center.

McMinnville already has a town center—3rd Street

The community has invested tremendous resources into promoting and developing our existing downtown and the adjacent Alpine District into a vibrant town center that is the envy of other communities around the state. Building a new town center on the other side of the expressway undermines the investment in McMinnville's real downtown. It is a risky bet that many other communities have taken and lost. ³

It is entirely foreseeable that the new town center/regional shopping center will harm the *existing* town center, the alpine/gateway district, and the *existing* Highway 99W corridor. It will also jeopardize the successful development of the neighborhood commercial areas planned within the recent UGB expansion.

² McMinnville Zoning Ordinance section 17.050.40. C and C. 9

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³ "We got involved with the Valley River Center, which was working its way through the City of Eugene government. It was a big regional shopping center, I guess a couple miles from downtown, and there were many people concerned about what that might do to downtown Eugene. There was a private lawyer involved, Bob and I worked with him a bit, and tried to develop some testimony related to what was happening in the state and the legislature. Not successful, of course. Valley River Center was built, and it had exactly the effects that we feared." Statement of Dick Benner, former Director of the Oregon Department of Land Conservation and Development, May 14, 2015. His involvement with Valley River Center predated his work at DLCD.

At the January 20 hearing, Commissioner Rankin asked the Planning Director Richards for an analysis or study to support her conclusion that the new town center would enhance, rather than harm, the existing downtown. Director Richards offered to instead bring back anecdotal information about the impacts of the Old Mill District and Orenco Station.

The Old Mill District and Orenco Station examples—and Bend and Hillsboro—are vastly different from McMinnville.

Bend is a city of 100,000—triple the size of McMinnville. The Old Mill District is directly connected to downtown Bend, which is ¾ mile to a mile away, by continuous local street and sidewalk connections. A pedestrian path along the Deschutes River also connects the two and a pedestrian bridge connects to the other side of the river. McMinnville's new proposed "town center" is over twice that distance from downtown, separated from the rest of the city by a high-speed expressway.

Hillsboro is also a city of over 100,000. Hundreds of thousands of more people live nearby. Orenco Station and downtown Hillsboro are connected by both light rail and a continuous network of local streets.

Neither the Old Mill District nor Orenco Station are connected to a "large-format" shopping center. The Old Mill District's largest retail anchor tenant is REI, at about 28,000 sq. ft. Orenco Station's largest anchor tenant is a 29,000 sq. ft. grocery store and it has a *total* of about 36,000 sq. ft. of retail space.

In contrast, the proposed new town center south of the expressway will be integrated with a regional shopping center that contemplates at least two large-format anchor tenants of over 135,000 sq. ft.⁴ (For comparison, McMinnville's existing Walmart is 101,365 sq. ft.). The combined new retail centers may well approach 500,000 sq. ft. of floor space.⁵

Because of these stark differences of scale and location, the city cannot reach conclusions regarding the new town center's impacts based on Orenco Station or the Old Mill District.

"Retail Leakage" is cited as a justification for the regional retail shopping center; i.e., the potential for more retail expenditures to be spent within McMinnville. However, McMinnville's existing retailers already enjoy higher than average per capita retail spending.

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning_commission/meeting/packets/2201 3/pc_5-20-21_packet_final.pdf

⁴ See proposed condition V.2 for docket ZC 3-20 (Kimco). Planning Commission packet May 20,2022, p. 79 of 2268 at

⁵ A floor area ratio of .20 is a rough rule of thumb for auto oriented retail developments (20% of the land is floor space and 80% is parking, landscaping etc. At this ratio, 50 acres of retail development would yield 43,560 sq. ft. of floor space. In a pedestrian oriented development with less parking or multi-story buildings, the square footage of floor space would be higher.

The city's Economic Opportunities Analysis (EOA) found *county-wide* retail leakage, as opposed to McMinnville leakage. This isn't to say that McMinnville residents don't shop elsewhere for some goods and services, but on the whole, *McMinnville has a net inflow of retail dollars*:

Annual Retail Sales Per Capita
\$15,677
12,734
8,844
12,690
13,443

Source: https://www.census.gov/quickfacts

The proposed regional shopping center will harm existing businesses. For example, the TMLAP calls for a supermarket in the regional retail center. McMinnville is already over-served by grocery stores. A large-format Krogers averages 160,000 square feet.⁶ This is more than 5 times the size of the grocery store at Orenco Station.

A large supermarket requires a minimum population of 10,000 to 15,000 people. ⁷ If a large supermarket locates south of the bypass, only a small fraction of its customers will live south of the bypass. Most will be drawn from existing supermarkets and a store like Winco or Roth's may close. If Sundance or a similar chain locates in the new "Town Center," Mes Amis may close.

Even if closures are limited, the new commercial retail land will make redevelopment and new development along the existing 99W commercial corridor, the city center, and the Alpine District far less likely.

On January 20, the Planning Director implied that the city is legally bound to redesignate at least 40 acres of industrial land in order to accommodate the regional retail shopping center. She is wrong. The city's acknowledged Economic Opportunities Analysis, adopted in 2013, governs this decision.⁸ It identified a commercial land deficit of 36 acres.⁹

 $^{^6\} www.supermarketnews.com/store-design-construction/big-or-small-retailers-take-different-tacks-store-size$

⁷ A full-size supermarket requires a minimum population of 10,000 to 15,000 people. <u>www.cambridgema.gov/CDD/~/~/media/4768D2C1051C4C14BE2D48857E48DDC1.ashx</u> See also, www.cyburbia.org/forums/threads/how-many-people-are-needed-to-support-a-full-service-grocery-store.35838/ "A population of 15,000-20,000 is needed to support a full-service grocery store... - Full-service grocery stores are generally 35,000-50,000 square feet."

⁸ The Planning Director seemed to suggest that the old 2001 EOA somehow applies to this decision. She is mistaken. That position has no legal merit.

⁹ Due to changes in assumptions and an updated inventory of buildable land, this is smaller deficit than the 2001 EOA identified.

Since then the city has added some 67 acres of commercial land to the UGB. As Planning Director Richards correctly noted, in 2020 the city brought 27 acres of commercial land north of the highway into the UGB and an additional 40 acres of neighborhood-serving commercial that will go on land added to the UGB on the west side of the city. The 36 acre deficit of commercial land has been more than satisfied. The city now has a surplus of at least 31 acres:

Commercial Land Deficit (2013 Economic Opportunity's Analysis)	(36 acres)
Commercial land added to the UGB since 2013 north of Highway 18	27 acres
Commercial land added to the UGB since 2013 on the west side of the city	40 acres
Current (deficit) or surplus of commercial land	31 acres

The Planning Director also pointed to a plan policy calling for the city to initiate a plan amendment and zone change for 40 acres of land south of Highway 18. That policy *did not and legally could not* commit the city to approval, nor did it suggest the C-3 General Commercial district, as opposed to a Neighborhood Activity Center or the C-1 Neighborhood Commercial district.

It may be the case that the city could make a policy choice to redesignate industrial land for a regional retail shopping center and a new town center, but there is no valid argument that the city is legally bound to do so. For the reasons set forth in this letter and in the testimony of others, this choice would recklessly gamble the city's future.

"Food Desert" is a red herring

The Planning Director has repeatedly attempted to justify the approximately 50 acre shopping center by calling the area south of the highway a "food desert." While we are certainly concerned with food security issues, the use of this term in this context is misplaced.

First, the retail shopping center where the supermarket would locate, is not within walking distance of the apartments or the mobile home park. It is ¾ mile to 1 mile away, further than customers would walk while carrying grocery sacks.

Second, these residents already have ready access to supermarkets. The Evergreen Mobile Home Park has the longest distances and drive times to a supermarket. Drive time to Albertsons and Roths is 6 minutes and 3.1 miles. Drive time to Safeway is 7 minutes and 3.2 miles. ¹¹ It is likely that at least some of the planning commissioners have less accessibility to a supermarket. If this is a food desert, so is much of McMinnville.

¹⁰ The draft TMLAP also calls for separate plan amendments from industrial and residential to commercial on the Baker Rock/Cal Portland site north of the highway and on other land west of the hospital. These total an additional 7 acres of commercial land. If approved, these will further add to the city's surplus of commercial land.

¹¹ Maps.google.com

Third, as noted above, a full-size supermarket requires a minimum population of 10,000 to 15,000 people. It is intended to primarily draw its customers from all over the city and beyond.

Finally, nothing in the Area Plan or any of the 3 pending zone change applications actually requires a supermarket to locate in the regional shopping center.

Calling this area a "food desert" is a misleading red herring.

The plan will dramatically increase traffic on the bypass

Highway 18/Three Mile Lane was intended to be, and functions as, the bypass around McMinnville. It is classified as an expressway in McMinnville's Transportation System Plan (TSP), with speeds of 50-55 miles per hour and no or limited local access:

McMinnville Transportation System Plan May 2010

Table 2-1 Street Functional Classification Descriptions

Street Classification	Description and Land Use Context
Expressway	The portion of Highway 18 through McMinnville west of Norton Lane is currently grade separated and functions as a single-lane expressway with speeds of 50-55 mph. The Highway 18 Corridor Refinement Plan (mutually adopted by ODOT and the City) recommends full grade separation for that section of Highway 18 east of Three Mile Lane. Upon completion of the Highway 18 Corrido Plan, Highway 18 can be re-classified from Major Arterial to Expressway. Expressways serve regional and statewide through-traffic at higher hit magnetic speeds and the server limited local access.

Virtually all development south of the Highway 18 expressway will be auto-dependent, and will rely on cars for access to, and across, the expressway. This access will be at the signalized intersections at Norton Lane and Cumulus Avenue, which is inconsistent with the Expressway designation in the TSP.¹²

The new commercial and office uses will generate dramatically more vehicular traffic than the currently planned industrial uses. A trip generation chart from the City of Dupont, Washington is excerpted and highlighted below. It shows that a 100,000 sq. ft. supermarket generates 13 times as much traffic as a similarly sized manufacturing plant at PM peak hour: ¹³

¹² The TMLAP (p. 47) includes a proposal for future amendments to the Transportation System Plan to resolve other inconsistencies. An "Action Item" to the TSP for future amendments to resolve inconsistencies is insufficient. Plan amendments, including amendments to the TSP, are discretionary land use decisions which may or may not be adopted. Thus, their future adoption cannot be relied upon.

¹³ Source: City of DuPont Washington www.dupontwa.gov/DocumentCenter/View/2122/Updated-DuPont-Example-Trip-Generation-Rates---Copy?bidId=

Example Trip Generation Average Rates

Land Use	ITE Land Daily Trip Use Code Rate		PM Peak Hour Trip Rate	Unit of Measure	
Industrial:					
General Light Industrial	110	6.97	0.97	1000 SF GFA	
Industrial Park	130	6.83	0.85	1000 SF GFA	
Manufacturing	140	3.82	0.73	1000 SF GFA	
Warehousing	150	3.56	0.32	1000 SF GFA	
Mini-Warehouse	151	2.50	0.26	1000 SF GFA	
High Cube Warehouse/					
Distribution Center	152	1.68	0.12	1000 SF GFA	

Business/Commercial:				
Hotel	310	8.17	0.60	Room
All-Suites Hotel	311	4.90	0.40	Room
Discount Superstore	813	50.75	4.35	1000 SF GFA
Nursery	817	68.10	6.94	1000 SF GFA
Specialty Retail Center	826	44.32	2.71	1000 SF GFA
Supermarket	850	102.24	9.48	1000 SF GFA
Home Improvement Superstore	862	30.74	2.33	1000 SF GFA
Pharmacy Drug Store w/Drive-Through	881	96.91	9.91	1000 SF GFA
Drive-In Bank	912	148.15	24.30	1000 SF GFA
High Turnover Sit-Down Restaurant	932	127.15	9.85	1000 SF GFA
Coffee/Donut Shop w/Drive- Through	937	818.58	42.80	1000 SF GFA

Office:				
Clinic	630	8.01	0.96	Employee
General Office Building	710	11.03	1.49	1000 SF GFA
Medical-Dental Office Building	720	36.13	3.57	1000 SF GFA
Research & Development Center	760	8.11	1.07	1000 SF GFA
Business Park	770	12.44	1.26	1000 SF GFA

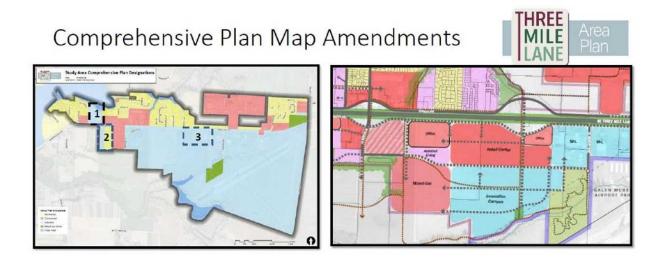
Notes:

- 1. Source: ITE <u>Trip Generation</u> manual (9th Edition, 2012)
- 2. PM peak hour: 4-6 PM
- 3. SF = sauare feet: GFA = aross floor area

The proposed uses south of the highway will not only generate more vehicular traffic; they will also generate more pedestrian traffic across the expressway, especially at the Norton Lane traffic signal. Despite assurances to the contrary, this increased vehicular and pedestrian traffic will jeopardize the highway's function as a free-flowing bypass around McMinnville.

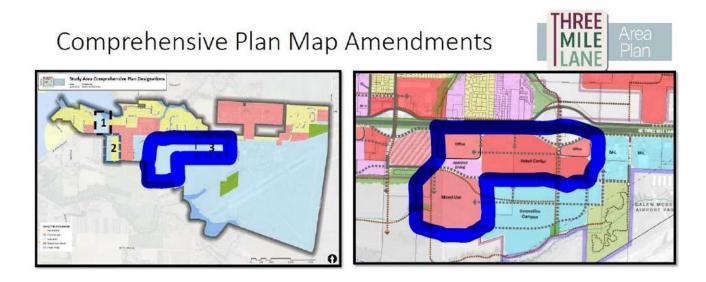
As shown below, the traffic modeling does not properly account for these higher-traffic generating uses.

Slide 61 of the Director's January 20 presentation shows two side by side maps from the TMLAP:¹⁴



The map on the left above shows three comprehensive plan map amendments described as needed to implement the Area Plan— #1 is north of the highway, #2 is west of the hospital, and #3 covers a portion of the "retail center"

The map on the right above shows the preferred alternative. It shows much more extensive land uses that require plan amendments, because they are not allowed under the current industrial designation. These include retail, mixed-use, assisted living, and most office uses. The actual area that requires plan map amendments is outlined in blue on the maps below:



¹⁴ These same maps appear at pages 20 and 38 of the TMLAP

The plan map amendments necessary to implement the TMLAP are much more extensive than the three plan amendments depicted on Slide 61 and the corresponding map at p. 38 of the area plan.

At the January 20 hearing, Planning Director Richards discussed the transportation modeling. 15

After explaining that the base case model used the existing comprehensive plan map, she described the modeling done for the TMLAP.

"We said, if we change from the existing comp. plan designations and do those three comp. plan map amendments [shown on Slide 61], what does that do to the overall system? ...

The future base is what it's built out to in 2041 with the existing comprehensive plan map... and then the plan map amendments is this little orange line here. That shows those plan amendments, in the grand scheme of things, aren't pushing the traffic that much." ¹⁶

If the Planning Director spoke accurately, then the only land use changes from the base case that were modeled for the TMLAP were the three plan map amendments depicted on Slide 61 (and p. 38 of the plan). The traffic impacts of the other land use changes were not modeled, even though they will also require plan map amendments. These include the mixed use area, the assisted living area, a large portion the retail center, and at least some of the office uses.

We have asked ODOT for the underlying land use assumptions for these specific areas, but as of this writing, we have not received them. It is our understanding that Mark Davis has made a similar request to the city, but likewise has not received them as of this writing.

Pedestrian traffic crossing the highway at the Norton Lane traffic signal will also increase under the city's preferred alternative. We believe the modeling for the intersection's performance does not account for pedestrian impacts.

The transportation modeling for the TMLAP must be based upon the actual land uses depicted in the plan. The land use assumptions used in the transportation model must be in the record. ¹⁷

McMinnville has long had a vehicular overpass over the expressway in its Transportation System Plan. Our previous testimony incorrectly stated that it would be removed from the plan. Instead, it has been pushed past the 20-year planning period. However, it is unlikely to ever be built regardless of traffic conditions. The same is true of a pedestrian overpass.

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¹⁵ Zoom recording of January 20 hearing, time stamp 2:28:02-2:31:15.

¹⁶ Zoom recording of January 20 hearing, time stamp 2:30:00- 2:31:15.

¹⁷ Under statewide planning goal 2, all plan elements must have an adequate factual base and supporting documents must be easily accessible to the public.

If the overpasses aren't built concurrent with development south of the highway, when developers will share in their cost, funding will be nearly impossible to secure. After development occurs, the funding for these improvements will unfairly fall upon taxpayers and is unlikely to materialize. It is not clear why the local and state taxpayers should subsidize transportation improvements to serve private development south of the highway.

As ODOT stated in their January 14 email:

"[A] good portion of the forecasted funding that was identified in the Area Plan's financial analysis section as reasonably likely to be available for the financially constrained projects and programs (identified on the state highway system and included in the Area Plan) are not secured at this time. Consequently, actual project and program implementation will be dependent on those funding forecasts being fully realized."

No funding source for "financially constrained projects" in the plan has been identified, let alone secured. When funding predictably fails to materialize, the transportation projects in the plan will not be built and traffic flow will suffer.

Even under the base case modeling, the Norton Lane intersection comes close to exceeding mobility thresholds over the course of the 20 year planning period. If these thresholds are exceeded, additional transportation improvements will be needed. These additional improvements also lack funding.

If past history is a guide, McMinnville cannot rely on ODOT to protect its bypass. One need look no farther than Bend and Seaside for examples of the costly consequences that resulted when regional retail magnets were allowed to locate on bypass routes. Bend needed to build a *second* bypass after the first was compromised.

As the News-Register editorial stated several years ago:

"The real issues are the wisdom of rezoning land from industrial, which is scarce, to commercial, which is not, and doing it along a highway designed to serve as a swiftmoving, free-flowing bypass....

[T]he four-lane throughway fills the crucial role of Highway 18 bypass, sparing McMinnville the traffic nightmare Newberg and Dundee are trying to address at astronomical cost.."¹⁸

¹⁸ News-Register, September 5, 2012 at https://newsregister.com/archive?articleArchiveId=a10032114

The vacant industrial land is an irreplaceable asset for family-wage jobs

Goal One of McMinnville's Economic Development Strategic Plan is to "Accelerate Growth in Living-Wage Jobs." That document goal explicitly ties living wage jobs to issues of housing affordability, because household income determines what housing a family can afford. ¹⁹

The city's adopted Economic Opportunities Analysis (EOA) shows that wages in retail and dining are *by far* the lowest of any job sector in McMinnville – less than half that of manufacturing.²⁰

Figure 8. Covered Employment Trends in McMinnville UGB (2003-10)

		2010 Characteristics			% Change (AAGR) 2003-		
NAICS	Emloyment Sector	Firms	Jobs	Avg Wage	Firms	Jobs	Avg Wage
	Total Employment	1,074	13,383	\$34,976	2.7%	1.8%	1.8%
11-21	Agriculture & Mining	17	268	\$26,635	11.4%	7.2%	-6.4%
23	Construction	97	381	\$47,175	1.6%	-1.5%	0.0%
31-33	Manufacturing	71	1,790	\$43,163	3.2%	0.0%	1.8%
22, 48-49	Transportation & Utilities	18	488	\$47,731	2.6%	0.7%	2.2%
42	Wholesale Trade	44	194	\$37,955	1.0%	-6.9%	1.2%
44-45, 722, 99	Retail & Dining	218	2,933	\$21,202	0.9%	1.0%	1.9%
52-53	Finance, Insurance, & Real Estate	103	660	\$46,612	0.6%	-0.5%	2.9%
51, 54-56, 62, 71	-72 Services	468	4,320	\$34,274	4.4%	4.3%	2.0%
61,92	Institutional	38	2,349	\$40,036	1.6%	2.2%	2.9%

Manufacturing: \$43,163 Retail & Dining \$21,202

Source: McMinnville Economic Opportunities Analysis, 2014

Similar wage gaps are documented in the city's unadopted draft EOA:

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 $^{^{19}\} www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/ed_strategic_plan.pdf$

²⁰ EOA, p. 15. The EOA (p. 14) also shows that McMinnville's employment base is *already* skewed towards retail jobs compared to the other geographies the EOA examined.

Exhibit 6. Covered Employment and Average Pay by Sector, McMinnville UGB, 2017

Sector				Average pay per employee		
Agriculture, Forestry, and Mining	24	356	\$	11,188,173	\$	31,427
Construction	104	585	\$	27,931,863	\$	47.747
Manufacturing	71	2,277	\$	113.267,986	\$	49.744
Wholesale Trade	41	127	\$	7,778,100	\$	61,245
Retail Trade	141	2,170	\$	62,991,136	\$	29,028
Transportation and Warehousing and Utilities	20	140	\$	4,582,386	\$	32,731
Information	19	127	\$	5,010,927	\$	39,456
Finance and Insurance	51	459	\$	29,183,634	\$	63,581
Real Estate and Rental and Leasing	38	113	\$	3,815,372	\$	33,764
Professional and Technical Services	100	367	\$	21,852,471	\$	59,544
Management of Companies	9	117	\$	7,033,600	\$	60,116
Admin. and Support/Waste Mgmt/Remediation Serv.	49	584	\$	14,681,454	\$	25,139
Health Care and Social Assistance; Private Education	: 173	3,159	\$	144,631,456	\$	45,784
Arts, Entertainment, and Recreation	9	168	\$	3,128,546	\$	18,622
Accommodation and Food Services	99	1,503	\$	27,941,666	\$	18,591
Other Services	218	630	\$	13,857,430	\$	21,996
Government	42	2,082	\$	101,259,952	\$	48,636
Total	1,208	14,964	\$	600,136,152	\$	40,105

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2017.

The Three Mile Lane area south Highway 18 is the city's premier site to attract a flagship industrial user, like an electric vehicle or chip fabrication plant. It contains about 180 acres of prime developable industrial land, in two contiguous parcels of about 90 acres each. Adjacent industrial land recently attracted a major investment from Jackson Family Wines for a new production facility. As shown on Slide 11 of the January 20 staff presentation, these parcels are "Regional Priority Industrial Development Sites."

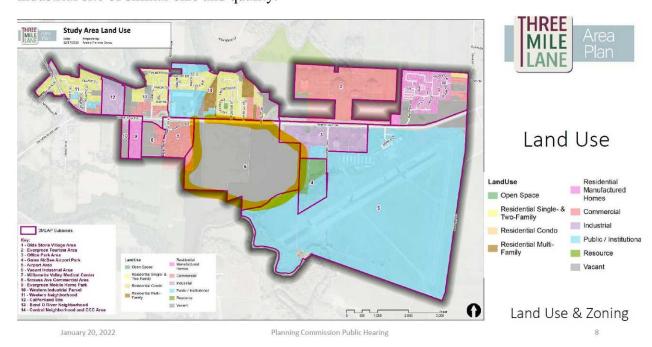
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²¹ Additional industrial land includes the city-owned airport and the national guard armory



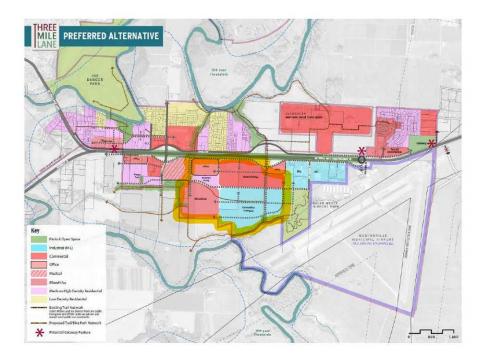
n Public Hearing 11

180 acres of flat shovel-ready industrial land in the city limits on a free-flowing state highway, near an airport, and in two adjacent parcels is an extremely uncommon asset for any city. If converted to other uses, it is extremely unlikely McMinnville could ever replace it with an industrial site of similar size and quality.



The TMLAP commits most, and potentially all of it, to non-industrial uses. As shown in the preferred alternative map below, the 180 acres of "regional priority" industrial land would

become, in approximate acreages, a 50 acre retail center; 53 acres of mixed use, assisted living, and offices; and a 77 acre corporate/innovation campus.²²



- Land Use Efficiencies More Job Density and More Housing Density
- Walkable McMinnville Retail Center reflecting McMinnville's unique charm.
- Corporate campus, with buildings oriented to Yamhill River; maintaining view corridors.
- Mixed-use and medical-related uses.
- Trails, Connectivity,
 Open Space, Protected
 Natural Features

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The only vacant land left for industrial uses would be the site of the planned corporate campus, labeled on the map as the "innovation campus."

Staff has suggested that "craft industries" could intersperse with the corporate campus, but has proposed code amendments that allow the entire site to be used for corporate offices with no industrial component whatsoever:

Allowed Uses

Innovation Campus

- A. Permitted office uses include all professional, administrative and business offices, subject to the following:
 - Retail sales are not allowed except for those sales incidental to the principal occupation conducted therein.
 - 2. Office uses:
 - Are associated with the production or development of products or services on site and/or
 - b. Serve as the corporate or regional headquarters for products that are manufactured off-site.

Appendix E, P. 6

 $^{^{22}}$ At the January 200 hearing, Director Richards referred to this are as a corporate campus. (Zoom recording time stamp 1:47). The text of the TMLAP (p. 18) refers to "a large (140 – 160 acres) site for a potential corporate "Innovation Campus" but the area depicted on the preferred alternative map is nowhere near this size.

Regardless, "craft industries" can readily locate on Riverside drive or other industrial sites in the city. Unlike a large flagship manufacturer for which this site was intended, craft industries do not typically create the traded sector jobs that the Planning Director referred to in her January 20 presentation.²³

The TMLAP (p. 13) acknowledges that, "The industrial market remains strong due to the growth of agriculture, food and beverage production, and manufacturing."

The factors that the TMLAP cites as advantageous for low-wage retail and hospitality uses are the same factors that make it attractive for industrial development:

"This... is one of the largest regional sites with easy highway access. The site is flat and developable—a unique characteristic for a site of this size, and has a locational advantage being both near to the highway and the McMinnville Municipal Airport." (TMLAP, p. 26)

This site is prime industrial land. A recent OPB story highlighted the scarcity of large prime industrial sites like this one, and highlighted the high wage jobs that are generated by the industries that they attract.²⁴ The importance of this site is also highlighted in the city's 2013 Economic Opportunities Analysis:

"McMinnville has one industrial site already certified with the State of Oregon. Creation of an additional certified site potentially could be useful to provide an added competitive large site option and better position McMinnville in the running for the relatively limited number of large traded sector site investments occurring regionally and statewide." ²⁵

Potential industrial users for large sites like this are not common, but preserving this site for industrial use will almost certainly provide greater long-term benefits to the community than a shopping center.

Design Issues

We reiterate our strong opposition to the proposed regional retail center and its large-format commercial component. Nothing in the TMLAP or its implementing code language limits store size, the number of "large-format" stores or the number of drive-up windows.

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²³ ORS 285B.280 Definition of "traded sector." As used in ORS 285B.280 to 285B.286, unless the context requires otherwise, "traded sector" means industries in which member firms sell their goods or services into markets for which national or international competition exists.

²⁴ www.opb.org/article/2022/02/oregon-loses-out-on-new-semiconductor-manufacturing/

²⁵ Economic Opportunities Analysis, p. 73

There are some proposed limitations, albeit inadequate ones, in the separate pending Kimco zone change application. The proposed conditions for the Kimco zone change application allow at least two anchor tenants of over 135,000 sq. ft. with no maximum size, and an unlimited number of buildings up to 135,000 sq. ft.²⁶

As detailed in our substantive comments on the plan itself, these uses are ill-advised at this location, regardless of how well their facades or parking lots are designed. Nonetheless, we offer the following comments on design issues in response to the Planning Director's January 20 presentation.

(1) During her January 20 presentation the Planning Director showed slides 69 and 70. They are nearly identical.²⁷ The slides are labeled "Appendix E- Design and Development Standards." Appendix E contains the Area plan's implementing code language.

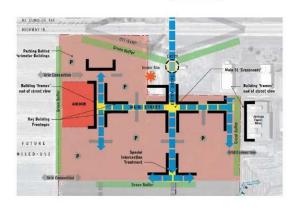
Despite the label the Planning Director placed on her slide, many of the standards shown in the slides are not in Appendix E. Slide 70 is reproduced below:

MIXED-USE TOWN CENTERS

(Appendix E - Design and Development Standards)

- · Human-scale development that is pedestrian friendly.
- Walkable, narrow main streets connecting through the center, with parallel or angled on-street parking in front of retail storefronts.
- Public gathering spaces, bordered by dining and entertainment attractions, featuring play areas and flexible space for programmed public events.
- Shared parking lots, generally located behind buildings, featuring wide pedestrian
 walkways, EV charging stations, bicycle parking, and transit stops. As well as integrated
 stormwater treatment and ample landscaping including shade trees.
- Sustainable high-quality architecture, themed in a regionally appropriate way, with buildings placed in prominent locations that contribute to the quality of the pedestrian experience, versus behind large surface parking lots.
- Building edges that create 'frontage' on walkable streets or pedestrian walks, with higher-quality materials, generous windows and pedestrian-scale signage in the first 20-30' of elevation
- Proximity and connection to a mix of other uses, to encourage walking from residential
 or office areas to the retail center.
- Generous landscape buffers between the retail center and roadways or parking lots while maintaining maximum visibility for retailers.
- A prominent entry to the site, with signage or a gateway feature.





Large Format Commercial Design Standards

January 20, 2022

Planning Commission Public Hearing

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Appendix E contains standards for large format commercial developments and for mixed use development. Nothing in either set of standards speaks to street width, EV charging stations,

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning_commission/meeting/packets/2201 3/pc 5-20-21 packet final.pdf

²⁶See proposed condition V.2 for docket ZC 3-20 (Kimco). Planning Commission packet May 20,2022, p. 79 of 2268 at

²⁷ Slide 70 includes the text "Large Format Commercial Design Standards." Slide 69 does not.

bicycle parking, transit stops, play areas, public programming or events, architecture, stormwater treatment, building materials, regionally-appropriate architecture, etc.

While the text of the plan has language that encourages some of these elements, they are not included in Appendix E's implementing code language and are thus merely aspirational. The Planning Commission should not be misled into thinking otherwise.

(2) At the January 20 hearing, the Planning Director described the area's existing industrial zoning and said:

"We don't have any control right now over the uses that land on those sites or the way they look." ²⁸

This is incorrect. Under the city's existing code:

"No development or signage may take place within the Three Mile Lane Planned Development Overlay without such development or signage gaining the approval of the Three Mile Lane Design Review Committee." (Ordinance 4572 Section 6. A)

Conclusion

As detailed above and in our previous testimony, there are many good elements in the plan, a major problem, and areas for improvement. For the foregoing reasons, we urge the Planning Commission to amend the plan to:

- Reject the redesignation of industrial land to accommodate a new "Town Center/Large-Format Retail Shopping Center.
- Prioritize neighborhood-serving commercial uses, a pedestrian overpass, and the park near the recently approved apartments, using the Neighborhood Activity Overlay provisions that are already in the code.

And, as explained in our prior testimony:

- Include the commercially-designated island of land recently added to the UGB, north of
 the expressway. This land is surrounded by, and is functionally an integral part of, the
 Three Mile Lane Area.
- Encourage geographically and/or vertically mixed use on the Baker Rock/ Cal Portland site.
- Reconsider appropriate commercial uses near the Loop Rd. gateway to the city.

²⁸ Zoom recording time stamp 1:43:25

Thank you for the opportunity to provide these comments. Please include them in the official record of this proceeding and notify us of your decision in this matter.

Sincerely,

Alexis Biddle

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3MLAP Conversation February 14, 2022

Gary Langenwalter

Ilsa Perse and I met for coffee Monday morning, February 14, at Mac Market. We have known each other for more than ten years, commencing when we were both on the Zero Waste Committee. She owns Currents Gallery on 3rd Street and was at the last Planning Commission meeting. When she saw that I'm a Planning Commissioner, she asked to meet for coffee. I assumed that this was within our guidelines, since 3MLAP is a legislative matter, rather than non-judicial (in which case I would have declined the meeting).

In our conversation, Ilsa made several points:

- A pedestrian bridge should be included in the initial design and construction at the intersection for the hospital and McDonalds, to ease pedestrians, bikes, etc. crossing over Highway 18.
- The northern portion of 3MLAP (north of Highway 18) is apparently without controversy and could be approved quickly, while deliberation and final agreement occurs for the southern portion.
- She was concerned that the rotaries on Highway 18 would be too small in diameter to handle semis and other large vehicles.
- She was under the impression that the retail area would include two big box stores that would each be 20% larger than the Wal-Mart on Highway 99.
- She was very concerned that the proposed retail area would be basically similar to many other retail areas (citing other Kimco properties that she has visited). She sees no real innovation, unlike Orenco Station that was written up nationally as it was being developed.
 - She suggested covered parking that has solar panels on their roof, and solar panels on the roofs of the retail, office, and apartment buildings.
- She is of the opinion that retail stores on Highway 18 will be a net detractor from businesses on 3rd Street that when people drive to the 3MLAP stores, they will shop there and then go home, rather than driving into downtown McMinnville.
- She felt that citing Orenco Station as a similar project is misleading, because Orenco Station has 18,000 Intel employees working a mile away, and is adjacent to the Max. By contrast, this retail area will only have Highway 18, and will be competing with other retail areas also situated on highways (for example, the factory outlets in Woodburn and Lincoln City).
- She cited the former shopping mall next to the cinema they were originally a Tanger outlet, but that apparently did not work well so Tanger left.
 - Additionally, she cited the marked increase in on-line shopping in the last two years, and expects that consumer habits have changed sufficiently that retail areas no longer draw the traffic that they used to.
 - So what would the retail space become in 5-10 years if the retailers don't make enough money to justify staying?
- She is concerned that the "work here, shop here, live here" motif, while it sounds wonderful in theory, might not actually pan out that the proposed innovation area might not be built or occupied for many years in the future, leaving us with 40-60 acres of "me-too" retail and increased traffic on Highway 18.

- She hopes that a full-featured grocery store will locate in the area, not just convenience stores, but is concerned that that might not actually happen, in spite of Planning Director Richards' use of the term "food desert" several times in her presentation January 20.
- o If the 3MLAP area actually develops as envisioned, it would create two McMinnvilles the original one centered around 3rd Street and Highway 99, and the new one centered around the retail, office, and medical buildings, connected only by a single 2-lane road, which might be subject to heavy traffic.
- She is hoping that the Planning Commission is taking a long view what will that space, and McMinnville, be like in 25 years? In 50 years? Once the buildings are built, replacing them is VERY difficult and VERY expensive.

Planning Commissioner Gary Langenwalter

Submitted February 16, 2022