

STAFF REPORT

DATE: September 29, 2022
TO: Historic Landmarks Committee Members
FROM: Heather Richards, Community Development Director
SUBJECT: Gwendolyn Hotel Public Hearing (HL 6-22, HL 7-22, HL 8-22, DDR 2-22_

STRATEGIC PRIORITY & GOAL:



GROWTH & DEVELOPMENT CHARACTER

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

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

Report in Brief:

This is a public hearing to consider four land-use applications associated with the Gwendolyn Hotel project. Three of the land-use applications are requesting a Certificate of Approval to demolish a historic resource on 609 NE Third Street, 611 NE Third Street, and 619 NE Third Street. The fourth land-use application is for a Certificate of New Construction, Downtown Design Review Approval and a Waiver from the Downtown Design Review standards for a new construction project on the combined site of 609, 611 and 619 NE Third Street, entitled the Gwendolyn Hotel. The Gwendolyn Hotel is a five-story hotel with ground floor commercial, a roof deck with a pool and dining, and an underground parking structure with 68 parking stalls.

All three structures proposed to be demolished are listed on the National Register of Historic Places as part of the McMinnville Downtown Historic District and are listed individually on the McMinnville Historic Resources Inventory necessitating a public hearing per Oregon Administrative Rule (OAR) 660-023-0200.

Staff has reviewed the application relative to the pertinent state and local regulations and has provided draft decision documents for the Historic Landmarks Committee (HLC) to consider. (Please see attached decision documents). Based on that review, there are several items where the criteria have not been met due to insufficient information. At this point HLC can deny the applications or continue the public hearing allowing the applicant to provide the additional information needed to address the criterion.

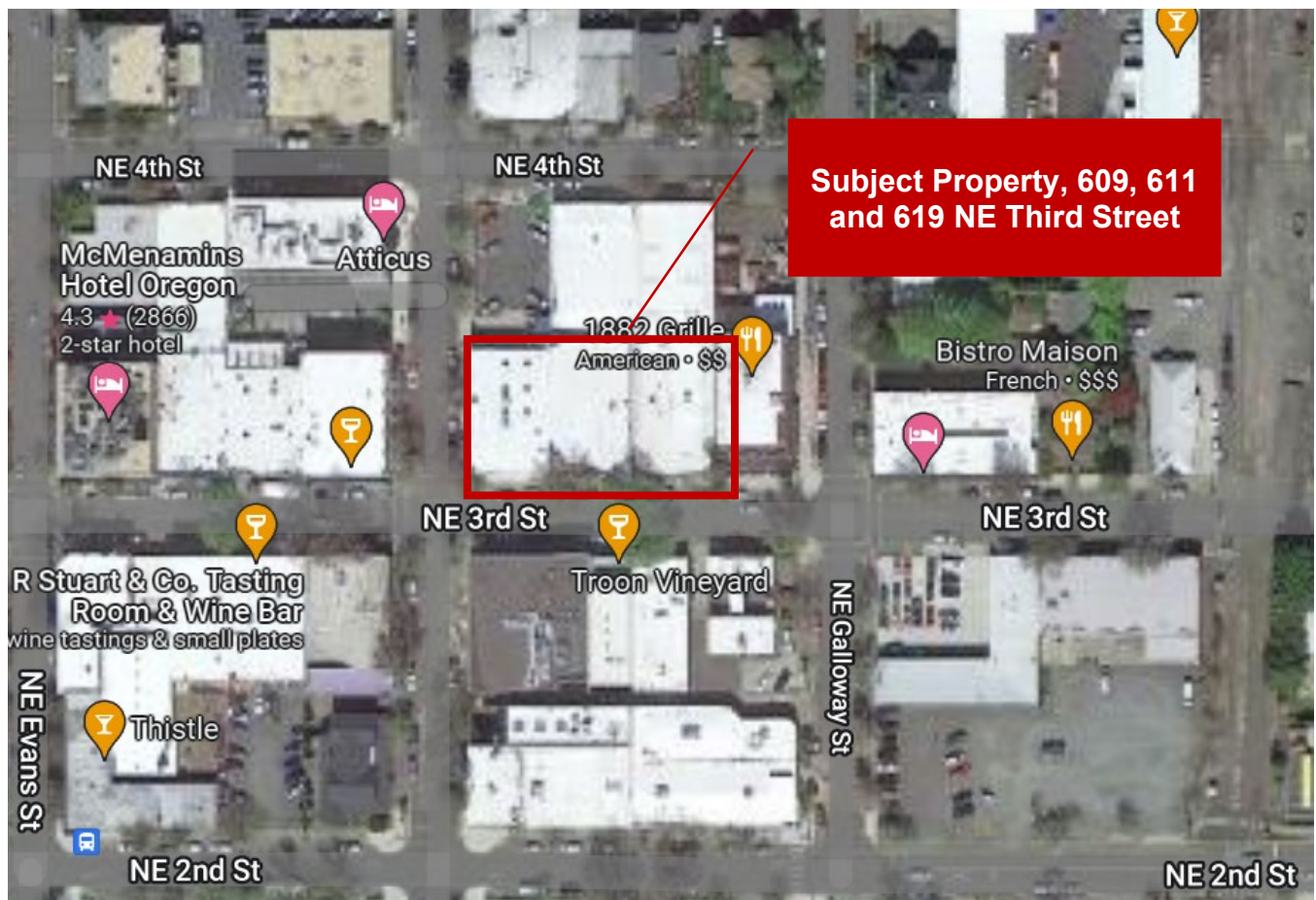
The applicant has requested that the public hearing be continued to the November HLC meeting. (Please see attached letter from Schwabe, Williamson & Wyatt.)

Background:

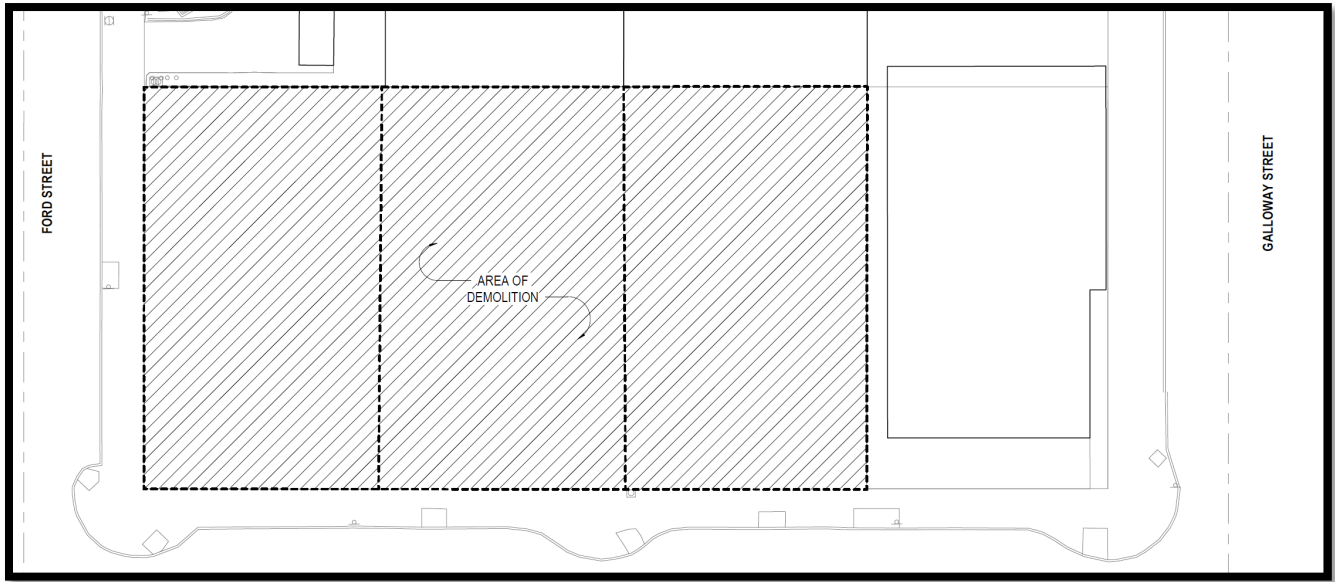
The subject property is located at 609, 611 and 619 NE Third Street. The property is identified as Tax Lots 4500, 4300, and 4201, Section 21BC, T. 4 S., R. 4 W., W.M. It is on the east end of Third Street, northern frontage between Ford Street and Galloway Street.

The site is at the northeast corner of NE 3rd Street and NE Ford Street and consists of three buildings: two tax lots addressed as 609 NE 3rd Street and 619 NE 3rd Street, and the southern portion of the tax lot addressed as 611 NE 3rd Street. All three tax lots are currently developed with buildings.

The property to the east of the development site, the Kaos Building at 645 NE 3rd Street, is developed with restaurant and other commercial uses. The sites south of NE 3rd Street are developed with a variety of commercial uses. The Tributary Hotel is on the southeast corner of NE 3rd Street and NE Ford Street. The site to the northwest is in use as a surface parking lot; the site north of 611 NE 3rd Street is the location of The Bindery event space. Please see vicinity map below.



Demolition Site



Structures to be Demolished:



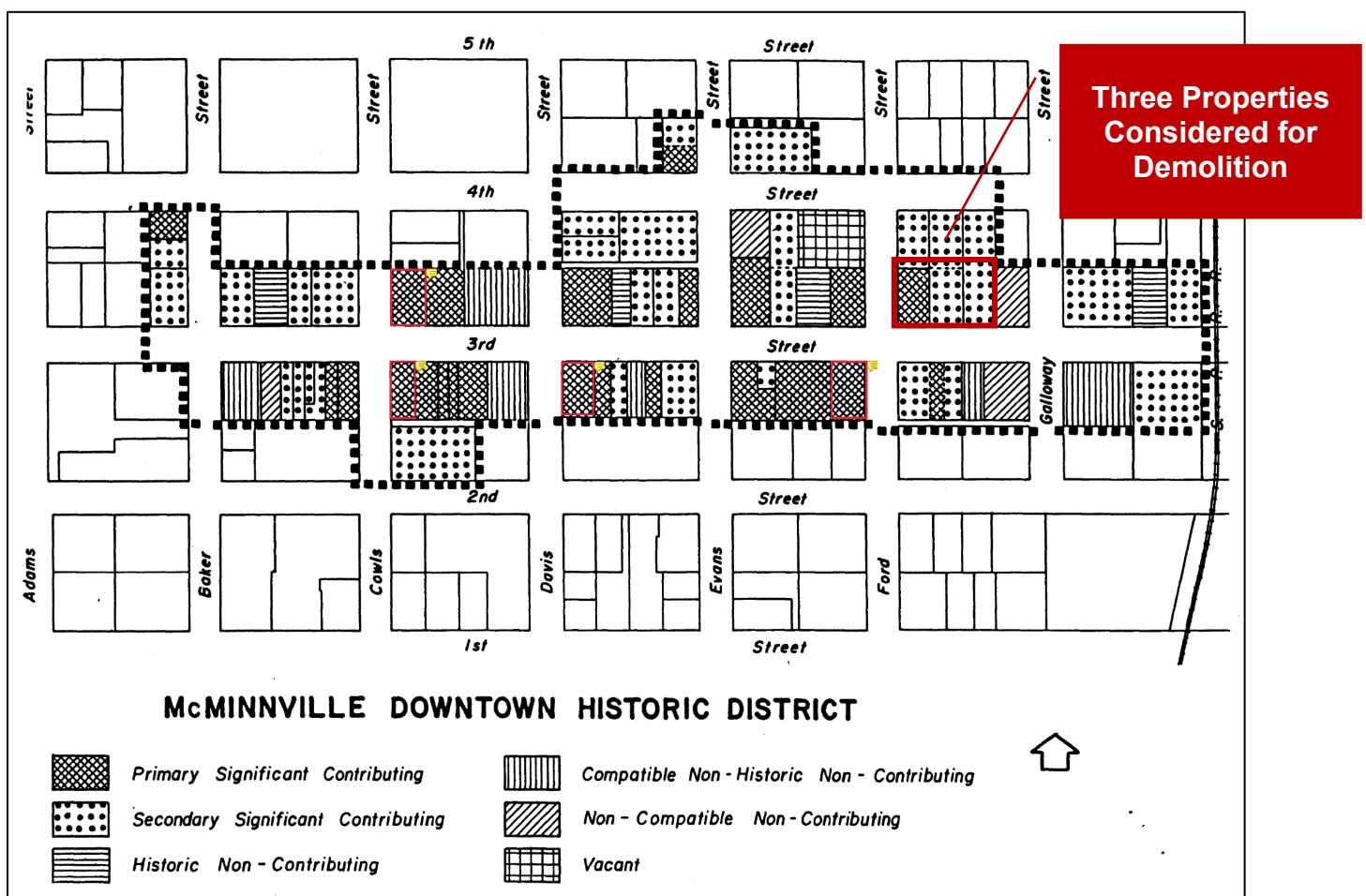
- 609 NE Third Street is considered a “Primary Significant Contributing” structure in the McMinnville Downtown Historic District and is listed as a B (Significant) resource on the McMinnville Historic Resources Inventory (B865).
- 611 NE Third Street is considered a “Secondary Significant Contributing” structure in the McMinnville Downtown Historic District and is listed as a B (Significant) resource on the McMinnville Historic Resources Inventory (B872).
- 619 NE Third Street is considered a “Secondary Significant Contributing” structure in the McMinnville Downtown Historic District and is listed as a D (Environmental) resource on the McMinnville Historic Resources Inventory (D876).

Per the McMinnville Municipal Code, the four different categories for a McMinnville Historic Resource are:

- **Distinctive:** Resources outstanding for architectural or historic reasons and potentially worthy of nomination to the National Register of Historic Places;

- **Significant:** Resources of recognized importance to the City due to historical association or architectural integrity, uniqueness, or quality;
- **Contributory:** Resources not in themselves of major significance, but which enhance the overall historic character of the neighborhood or City. Removal or alteration would have a deleterious effect on the quality of historic continuity experienced in the community; or
- **Environmental:** This category includes all resources surveyed that were not classified as distinctive, significant, or contributory. The resources comprise an historic context within the community.

Below is a map of the McMinnville National Register of Historic Places Downtown Historic District.



When the McMinnville Historic District nomination was prepared, assignment of primary and secondary contributing versus non-contributing was done based on the following: The National Register nomination describes the categories as such:

1. *Primary Significant Contributing:* Structures are classified as Primary Significant if they were built on or before 1912, or reflect the building styles, traditions, or patterns of structures typically constructed before this date. These buildings represent the primary period of construction and development in downtown McMinnville from initial settlement in

1881 to 1912, when city improvements and use of the Oregon Electric and Southern Pacific Railroad service prompted new construction in the downtown area.

- 2. Secondary Significant Contributing: Structures are classified as Secondary Significant if they were built in or between 1913 and 1937. These buildings represent the secondary period of construction and development from the increase of city improvements and auto traffic.*
- 3. Historic Non-Contributing: Structures are classified as Historic Non-Contributing if they were built either during the primary or secondary periods of construction but have been so altered over time that their contributing elements (siding, windows, massing, entrances, and roof) have been lost or concealed. If their contributing elements were restored, these buildings could be reclassified as Primary of [sic] Secondary Significant.*
- 4. Compatible Non-Historic and Non-Contributing: Structures are classified as Compatible Non-Contributing if they were built after 1937 (When the nomination was being prepared in 1987, buildings constructed in 1937 were then 50 years old and met the threshold for National Register eligibility). but are compatible architecturally (i.e. scale, materials, use) with the significant structures and the historic character of the district.*
- 5. Non-Compatible Non-Contributing: Structures are classified as Non-Compatible Non-Contributing if they were built after 1937 and are incompatible architecturally (i.e. scale, materials, and use) with the significant structures and the historic character of the District.*
- 6. Vacant: Properties are classified as Vacant if there are no buildings sited on them (i.e., vacant lots, alleys, parking lots).*

Proposed Project

Below is an excerpt from the application describing the proposed improvement program. The applicant would like to demolish the structures at 609, 611 and 619 NE Third Street and redevelop the property with a mixed-use hotel project that includes ground floor commercial amenities and dedicated underground parking for the project.

Within the last year, the properties at 609, 611, and 619 NE 3rd Street were listed for sale by the Bladine family and Wild Haven LLC. After analyzing the opportunity and studying both the history and potential of downtown McMinnville, the applicant saw an opportunity to greatly enhance both the economic and experiential vitality of 3rd Street.

McMinnville is in an early stage of responding to its goal of being the Willamette Valley's leader in hospitality and place-based tourism. The most recent renovation and redevelopment on the south side of 3rd Street, with new lodging, dining, and wine tasting, has been encouraging. However, the same opportunity for renovation for hospitality, commercial, and retail uses is not available to the subject buildings. As noted in the structural analysis included as Appendix C, changing the occupancy of these buildings from office to commercial, retail, or hospitality is likely to trigger significant seismic upgrades.

The applicant has indicated that this cost to fully renovate the buildings would be approximately \$12,025,000 inclusive of land cost, soft costs, and hard costs. Tenant improvements would cost an additional \$35 per sq. ft, for a total project cost of \$12,806,200. The achievable rents would be \$25 per sq. ft., with approximately 22,320 sq. ft. of rentable area, or \$558,000 effective gross income per year. Operating expenses are assumed at 38 percent of gross income, along with mortgage loan interest. The net operating income (NOI) including debt service would be (\$111,861) a year, or a loss of \$111,861 each year.

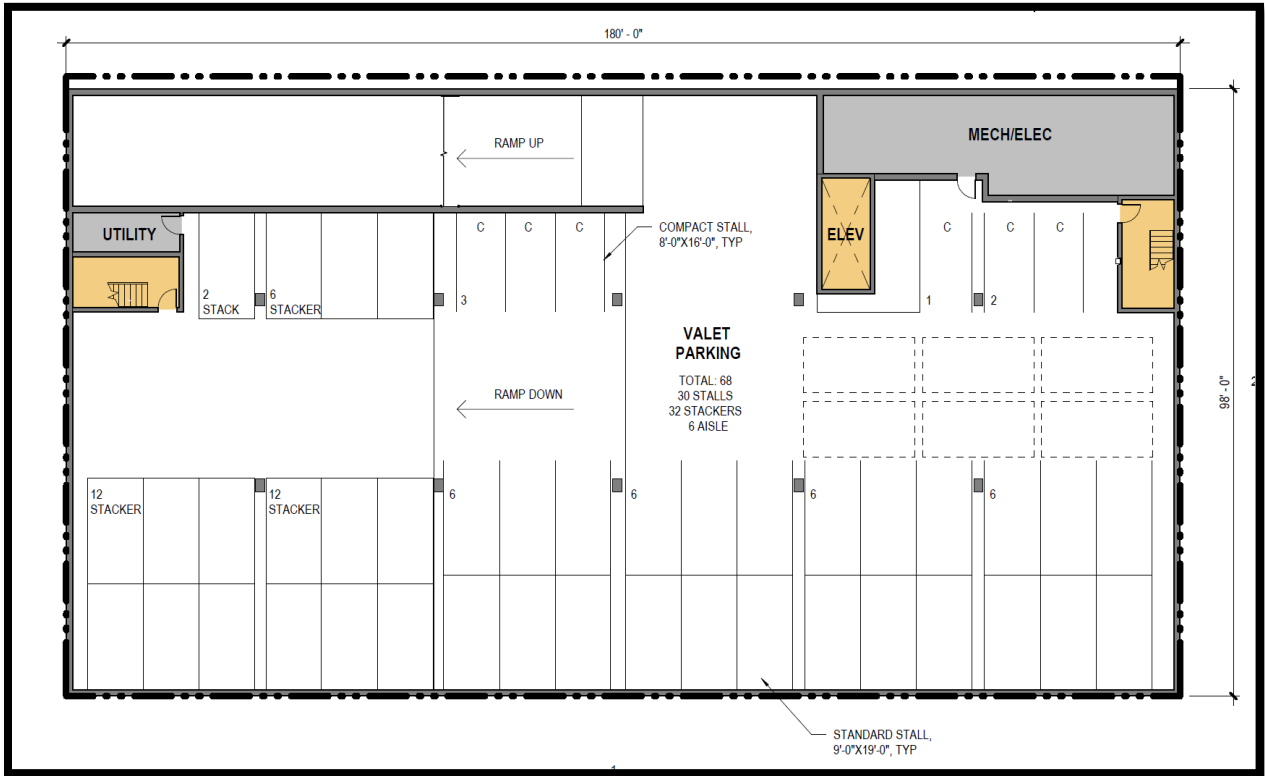
In this scenario, it would take the project approximately 40 years to recoup the initial rehabilitation cost and start making a profit. This would be unable to receive funding from a bank or investor and therefore is highly unlikely, if not impossible.

The proposal is to replace the three underutilized buildings at 609, 611, and 619 NE 3rd Street with a 90-95 room boutique hotel. The ground floor will include the hotel lobby, a signature restaurant at the corner of 3rd and Ford streets, with seasonal sidewalk dining, and small retail shop(s). The entire rooftop will be a mix of public uses, anchored by a small restaurant/bar opening onto a large terrace of seating and raised-bed landscaping. Though parking is not required in this location, a below-grade parking garage accommodating 68 parking stalls is proposed. The garage ramp will be at the north end of the property, mid-block on Ford Street, to avoid interrupting the 3rd Street pedestrian experience.

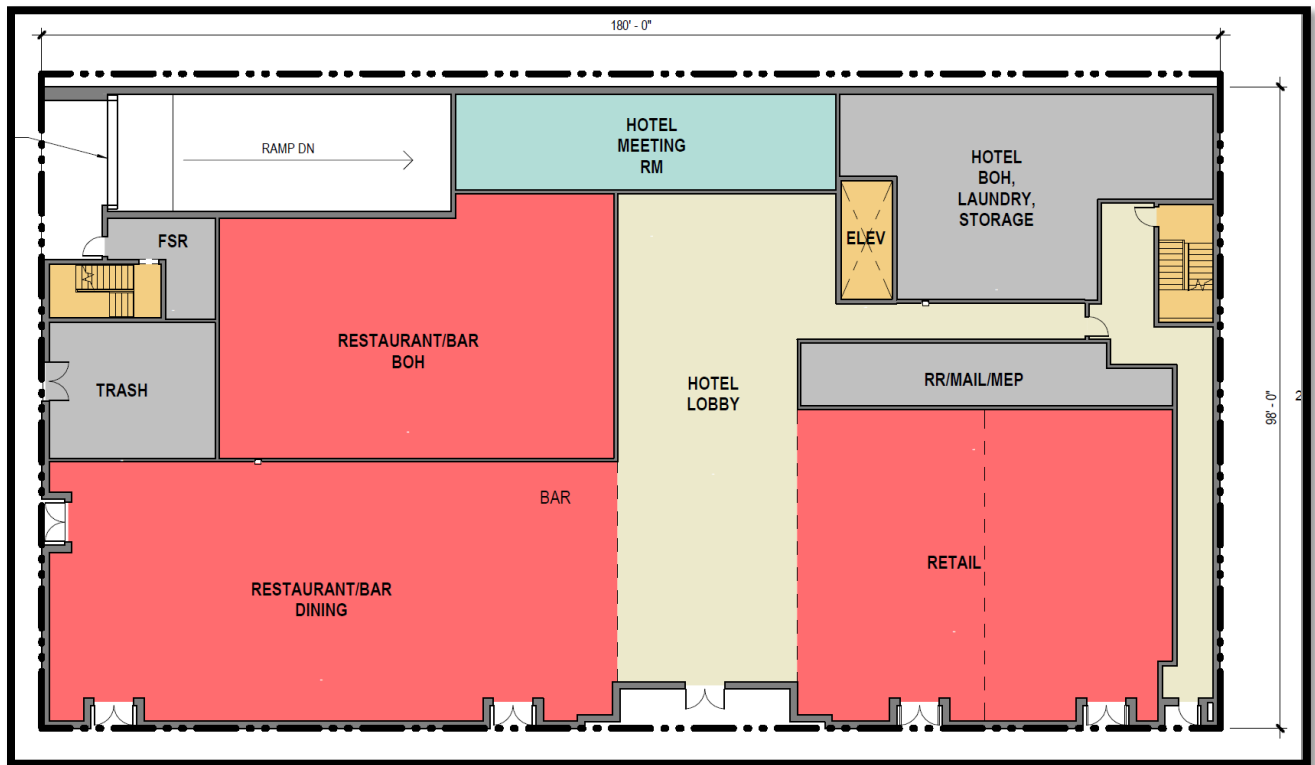
(Application Narrative, page 3)

The proposed project is a five-story building with ground floor commercial and retail space, four floors of hotel rooms (90-95 rooms), a roof-top deck and an underground parking structure (68 parking stalls). The first three floors are on a horizontal plane that is property tight with an overall height of 39 feet. The fourth and fifth floors, and the roof deck are set back from the horizontal plane of the first three floors by 10 feet on Third Street, and 8 feet 6 inches on Ford Street. The fourth and fifth floors add an additional 22 feet 8 inches of height to the building, and the roof deck adds another 12 feet 4 inches of height to the building, for a total height of 73 feet 10 inches without the elevator and equipment tower and 79 feet of height with the tower located on the back side of the building. ***Please series of floor plans that follow.***

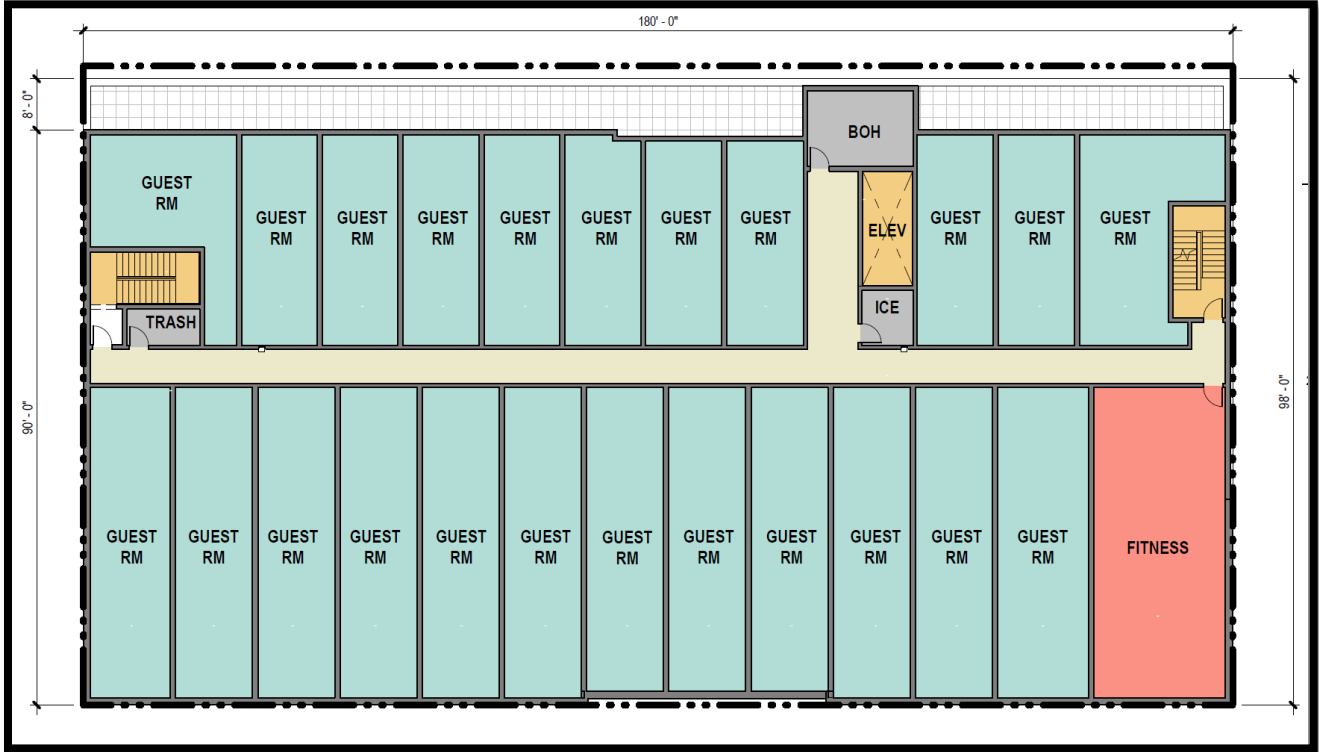
Series of Floor Plans



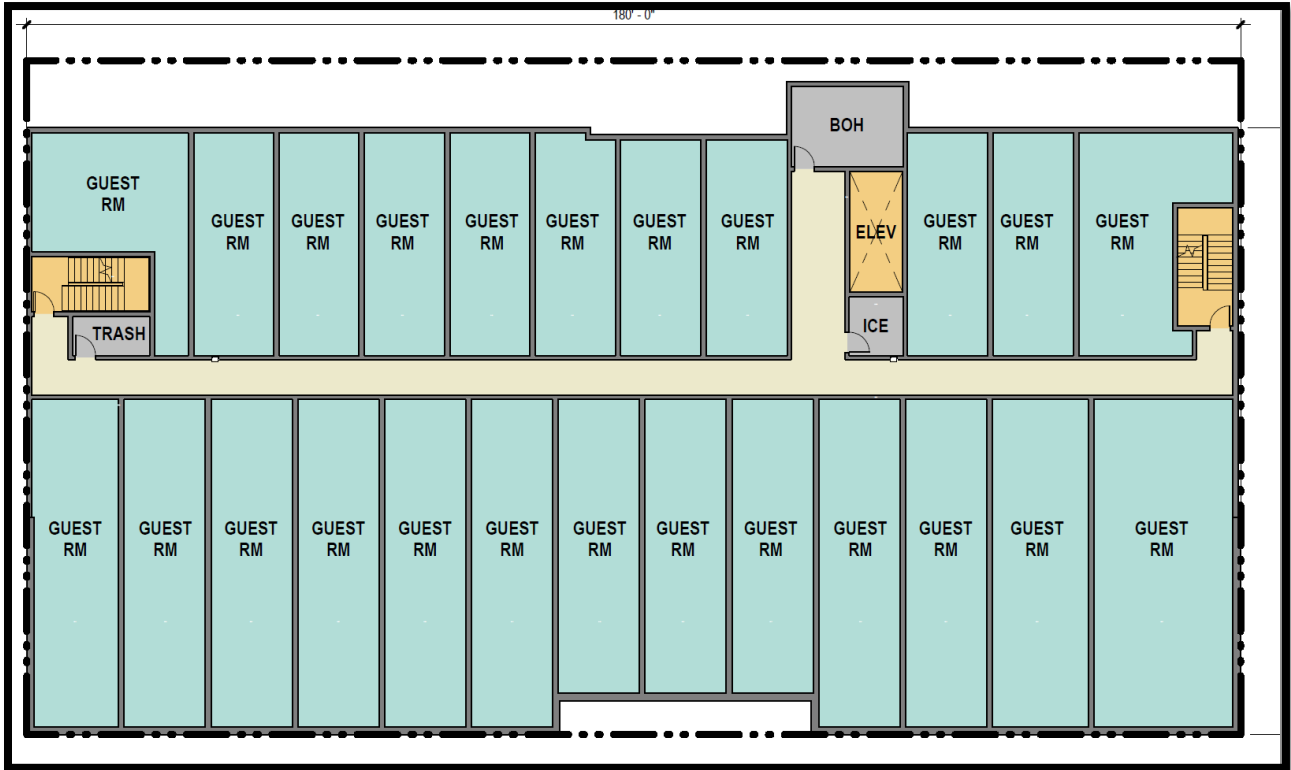
Basement – Underground Parking Structure



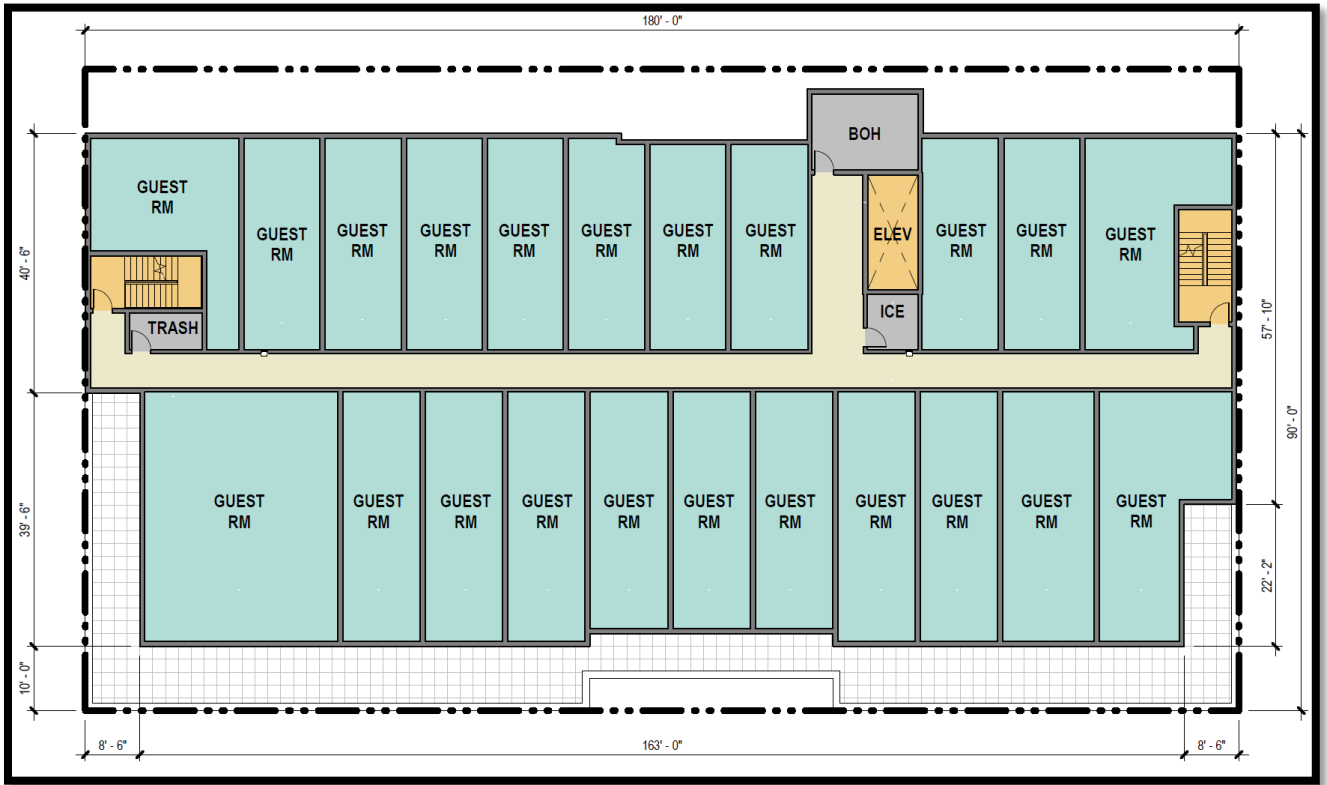
Ground Floor – Restaurant, Retail, Hotel Lobby



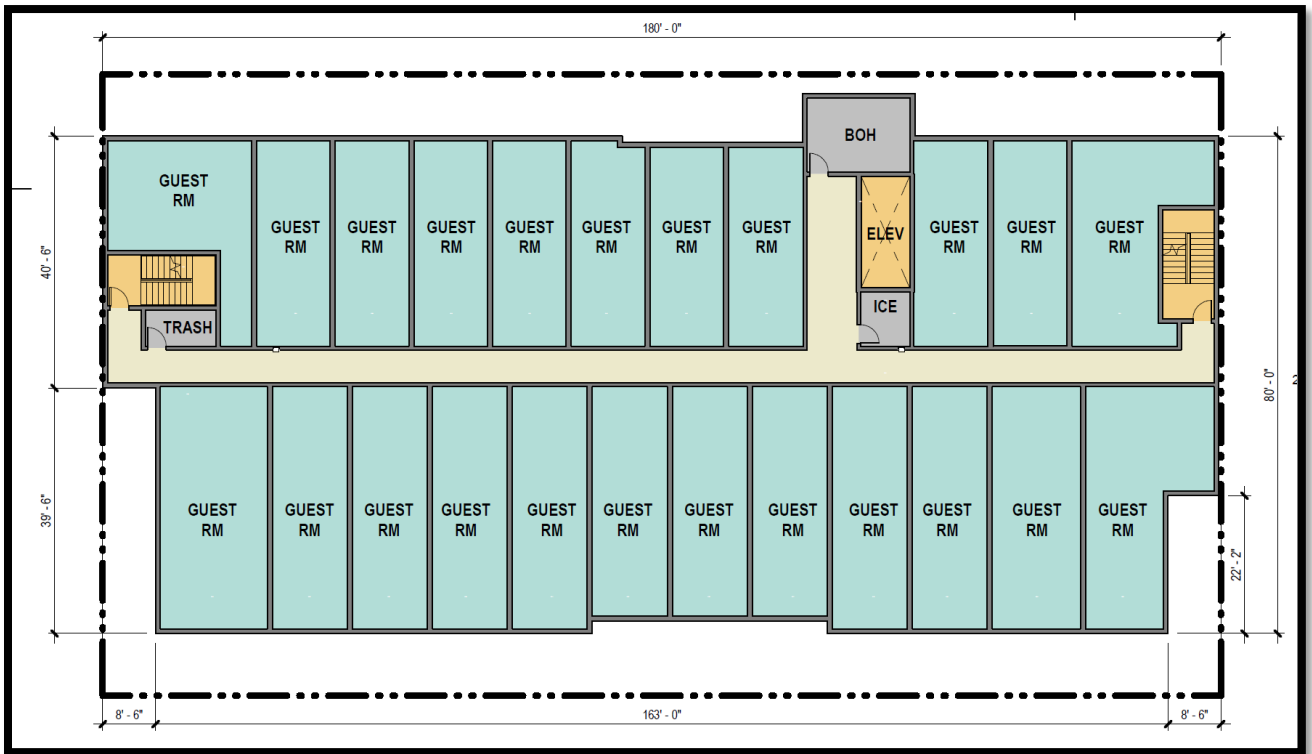
Second Floor – Hotel Rooms



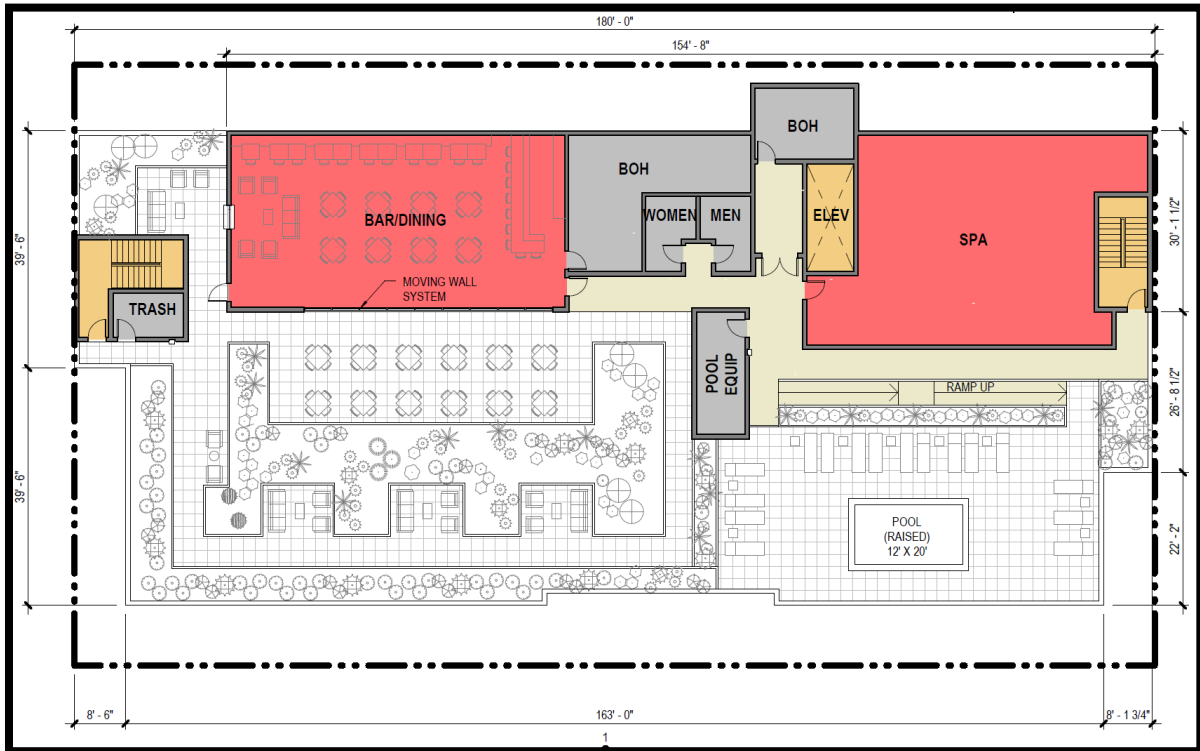
Third Floor – Hotel Rooms



Fourth Floor – Hotel Rooms



Fifth Floor – Hotel Rooms



Roof Deck with Pool, Spa and Dining

The total width of the building is 180 feet on the ground floor and 98 feet in depth on the ground floor.
Please See Third Street Elevation below.

Third Street Elevation



View of Gwendolyn Hotel from Ford Street and Third Street



Mid-Block Street Perspective Along Third Street



Discussion:

The Historic Landmarks Committee must consider several different regulations when deliberating on whether to approve, approve with conditions or deny the applications.

For the Certificate of Demolition Approvals, the regulations are:

Oregon Administrative Rule, 660-023-0200, which states the following for considering the demolition of properties that are on the National Register of Historic Places

Oregon Administrative Rule 660-203-0200 (Section 8(a)) states that:

- (8) *National Register Resources are significant historic resources. For these resources, local governments are not required to follow the process described in OAR 660-023-0030 through 660-023-0050 or sections (4) through (6). Instead, a local government:*
- (a) *Must protect National Register Resources, regardless of whether the resources are designated in the local plan or land use regulations, by review of demolition or relocation that includes, at minimum, a public hearing process that results in approval, approval with conditions, or denial and considers the following factors: condition, historic integrity, age, historic significance, value to the community, economic consequences, design or construction rarity, and consistency with and consideration of other policy objectives in the acknowledged comprehensive plan. Local jurisdictions may exclude accessory structures and non-contributing resources within a National Register nomination;*

This states that the HLC must factor into their decision a consideration of a series of factors but it does not state how the HLC uses those factors to render a decision and provides some discretion.

McMinnville Comprehensive Plan Goals and Policies, specifically the following chapters:

- Natural Resources (Chapter II)
- Cultural, Historical, and Educational Resources (Chapter III)
- Economy of McMinnville (Chapter IV)
- Transportation (Chapter VI)
- Citizen Involvement and Plan Amendment (Chapter X)

McMinnville Municipal Code, Section 17.65.040 and 17.65.050, Historic Preservation, which considers the following guiding principles:

17.65.050 Demolition, Moving, or New Construction. The property owner shall submit an application for a Certificate of Approval for the demolition or moving of a historic resource, or any resource that is listed on the National Register for Historic Places, or for new construction on historical sites on which no structure exists. Applications shall be submitted to the Planning Department for initial review for completeness as stated in Section 17.72.040 of the McMinnville Zoning Ordinance. The Historic Landmarks Committee shall meet within thirty (30) days of the date the application was deemed complete by the Planning Department to review the request. A failure to review within thirty (30) days shall be considered as an approval of the application.

- A. *The Historic Landmarks Committee may approve, approve with conditions, or deny the application.*
- B. *The Historic Landmarks Committee shall base its decision on the following criteria:*
1. *The City's historic policies set forth in the comprehensive plan and the purpose of this ordinance;*
 2. *The economic use of the historic resource and the reasonableness of the proposed action and*

- their relationship to the historic resource preservation or renovation;*
3. *The value and significance of the historic resource;*
 4. *The physical condition of the historic resource;*
 5. *Whether the historic resource constitutes a hazard to the safety of the public or its occupants;*
 6. *Whether the historic resource is a deterrent to an improvement program of substantial benefit to the City which overrides the public interest in its preservation;*
 7. *Whether retention of the historic resource would cause financial hardship to the owner not outweighed by the public interest in the resource's preservation; and*
 8. *Whether retention of the historic resource would be in the best interests of a majority of the citizens of the City, as determined by the Historic Landmarks Committee, and, if not, whether the historic resource may be preserved by an alternative means such as through photography, item removal, written description, measured drawings, sound retention or other means of limited or special preservation.*
- C. *If the structure for which a demolition permit request has been filed has been damaged in excess of seventy percent (70%) of its assessed value due to fire, flood, wind, or other natural disaster, the Planning Director may approve the application without processing the request through the Historic Landmarks Committee.*
- D. *The Historic Landmarks Committee shall hold a public hearing to consider applications for the demolition or moving of any resource listed on National Register consistent with the procedures in Section 17.72.120 of the McMinnville Zoning Ordinance.*
- E. *Any approval may be conditioned by the Planning Director or the Historic Landmarks Committee to secure interior and/or exterior documentation of the resource prior to the proposed action. Required documentation shall consist of no less than twenty (20) black and white photographs with negatives or twenty (20) color slide photographs. The Historic Landmarks Committee may require documentation in another format or medium that is more suitable for the historic resource in question and the technology available at the time. Any approval may also be conditioned to preserve site landscaping such as individual plants or trees or to preserve selected architectural features such as doors, windows, brackets, mouldings or other details.*
- F. *If any proposed new construction is located in the downtown core as defined by Section 17.59.020 (A) of the McMinnville Zoning Ordinance, the new construction shall also comply with the requirements of Chapter 17.59 (Downtown Design Standards and Guidelines).*

Just like the Oregon Administrative Rules, the City's code does not provide a basis on how to consider the different elements of the code. The HLC has in the past rendered a decision for approval of demolition for projects that do not meet each principle and standard.

Staff has prepared a decision document that examines each of these regulations for each land-use application. The decision documents show where the factors, guiding principles and criterion are not met, where more information would be needed to make a determination, and where conditions of approval should be imposed to ensure compliance if the HLC approves the applications.

More Information Needed to Make a Determination:

OAR 660-023-0200 (Section 8(a)) Factors:

- **Condition of Property:** Structural evaluation was based on observations and no testing. An analysis with load testing should be conducted if considered a basis for demolition.
- **Historic Integrity:** Although it is clear from the pictures provided that all three properties have lost a significant amount of historic integrity, a memorandum identifying the different elements lost and retained should be provided if considered a basis for demolition.

- Age of Property: the applicant determined that all three properties are showing signs of their age. A report documenting how and why this is a consideration for demolition should be provided.

McMinnville Comprehensive Plan Policies:

- Specific to HL 6-22. There is a known contamination on the property at 609 NE Third Street. The property owner has drafted a Contaminated Media Management Plan and Site Investigation Summary Report which considers mitigation of the contamination in a variety of different scenarios. But does not consider the demolition of the structure on the property and the construction of a new underground parking structure as a scenario. The applicant should provide more information relative to the scenario specific to their project.

McMinnville Municipal Code

- Section 17.65.050(B)(2) – Economics: the applicant asserts that it is too expensive to rehabilitate the existing structures but does not provide the background data to support it. The basis for the calculations in the renovation/change of use discussion was not provided. Local lease market rates were not provided. Property purchase price versus a determination of property value was not provided. The applicant could have provided the purchase price of the property, the property tax statement showing the assessed value, real market value and property taxes for the past two years, a current fair market value as determined by an appraisal in the past twelve months, a profit and loss statement for the property as is, rehabilitated and fully leased and new construction as proposed, any expenditures associated with the property's structural maintenance in the past ten years, an estimate of the cost of rehabilitation of the property from a third-party licensed contractor, a report from a real estate professional exploring the viability of alternative uses of the property if rehabilitated, and a report of available economic incentives, including any federal tax credits available for rehabilitation of the property.
- Section 17.65.050(B)(4) – Physical Condition: Structural evaluation was based on observations and no testing. An analysis with load testing should be conducted if considered a basis for demolition.
- Section 17.65.050(B)(6) – Preservation is a deterrent to an improvement program. The applicant did not show how their planned improvement program could not be achieved by preserving the existing buildings.
- Section 17.65.050(B)(7) – Financial hardship to the Property Owner: The applicant has not provided enough information to demonstrate that preserving the property is a financial hardship for the property owner. The basis for the calculations in the renovation/change of use discussion was not provided. Local lease market rates were not provided. Property purchase price versus a determination of property value was not provided. The applicant could have provided the purchase price of the property, the property tax statement showing the assessed value, real market value and property taxes for the past two years, a current fair market value as determined by an appraisal in the past twelve months, a profit and loss statement for the property as is, rehabilitated and fully leased and new construction as proposed, any expenditures associated with the property's structural maintenance in the past ten years, an estimate of the cost of rehabilitation of the property from a third-party licensed contractor, a report from a real estate professional exploring the viability of alternative uses of the property if

rehabilitated, and a report of available economic incentives, including any federal tax credits available for rehabilitation of the property.

- Section 17.65.050(B)(8) – Economic and physical conditions of the property make a preservation project unfeasible: The applicant claims that rehabilitation of the existing structures is financially unfeasible due to the physical conditions of the properties, but did not provide a report that provided the basis for that assertion.

Recommended Conditions of Approval

If the Historic Landmarks Committee wants to move forward with approval, staff has provided a list of conditions of approval that should be considered for each application:

Specific to HL 6-22

These are conditions specific to the issues associated with the known underground storage tanks leaks that have occurred on the property and need to be mitigated with any demolition or construction

1. The applicant must demonstrate how construction activities regarding known pollutants residing under the structures onsite will not negatively affect development onsite, and not negatively affect the adjoining properties, including the city's right of ways. (Comprehensive Plan Policy 2.00)
2. The Applicant must demonstrate that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties. (Comprehensive Plan Policy 8.00)
3. The Applicant must demonstrate compliance with the Department of Environmental Quality and other appropriate agencies that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties. (Comprehensive Plan Policy 10.00)
4. The Applicant shall demonstrate its design and construction methods will avoid, and then minimize negative impacts related to water and air quality given the onsite and off-site hazards caused by the known hazardous spills associated with the site. (Comprehensive Plan Policy #132.46.00)
5. The Applicant shall demonstrate that storm water collection, detention, and drainage is constructed and maintained to restrict negative consequences and minimize adverse effects from the known underground pollution onsite and off-site areas caused by the owner of the site. (Comprehensive Plan Policy #142.00)
6. The Applicant shall demonstrate how it will comply with all federal, state and local water and wastewater quality standards, given the DEQ LUST case regarding a hazardous gasoline spill on the site and the deficiencies noted in the Record. (Comprehensive Plan Policy 151.00)

Specific to HL 6-22, HL 7-22 and HL 8-22:

7. The Certificate of Approval for Demolition is contingent upon a project that meets all of the city's local regulations, state regulations and federal regulations. A demolition permit will not be issued until that has been established. The penalty for demolition without a permit will be equal to the real market value of the most recent assessor's statement for both the structure and the land paid to the City's Historic Preservation Fund. (OAR 660-023-0200(8)(a))
8. Each historic resource will be automatically removed from the McMinnville Historic Resource Inventory when the extant structure on the subject property is demolished. (OAR 660-023-0200(9))
9. The applicant shall evaluate the existing sanitary sewer system onsite for defects that allow inflow and infiltration (I&I) of rainwater into the sanitary sewer system. The city has an aggressive I&I program that specifically targets aging sewer laterals. Prior to the issuance of a building permit, the applicant shall revise the plans to show that the existing sewer laterals that serve the buildings, will be video inspected and any defects found in the lateral, will be repaired or replaced. Contact the City Engineering Department for further information and assistance. (Comprehensive Plan Policy #25.00)
10. The applicant shall enter into an agreement with the City to perform a sewer capacity analysis. The cost of this analysis shall be borne by the developer. (Comprehensive Plan Policy #25.00)
11. The applicant provided a Transportation Impact Analysis with their application for the replacement project. Several items need to be updated in the Transportation Impact Analysis prior to the issuance of building permits which may then require transportation improvements. They are as follows: (Comprehensive Plan Policy #25.00)
 - a. Provide a TIA of the intersections of NE Ford Street and NE Third Street, and NE Galloway Street and NE Third Street.
 - b. The Narrative mentions in section 2. C. under Project Description a 90-95 room boutique hotel, the TIA calls out an 85-room hotel and the plans submitted show 92 rooms. The TIA should accurately reflect the number of rooms being proposed.
12. The Transportation Impact Analysis shows that queue lengths exceed storage length at the eastbound thru and westbound all on Second Street at Baker Street. Queue lengths also exceed storage lengths at the westbound thru and southbound left at the intersection of Johnson Street/Lafayette St. and Third Street. Prior to the issuance of building permits, the applicant will need to provide a mitigation plan for these intersections. (Comprehensive Plan Policy #25.00)
13. Provide detailed plans for the parking structure, email correspondence has been provided by the developers engineer mentioning a possible encroachment into the city right-of-way for the structure of the underground parking. This needs to be reviewed prior to permit issuance. (Comprehensive Plan Policy #33.00)
14. Provide details for valet parking so the City can review the location and the size of the parking for approval prior to building permit issuance. (Comprehensive Plan Policy #33.00)

15. Prior to the approval of a demolition permit, the applicant will commission a study on what needs to happen in McMinnville relative to market costs to achieve the community value of historic property rehabilitation/restoration with low lease rates to support local businesses. (McMinnville Municipal Code, 17.65.010(B)).
16. The replacement plan project must not only meet the minimum standards of Section 17.59, Downtown Design Guidelines, McMinnville Municipal Code, but it must enhance the overall historic sense of place of downtown McMinnville by replicating the form and design of the building stock on Third Street. (McMinnville Municipal Code 17.65.010(D))
17. The demolition of the historic resource will be delayed for one hundred twenty (120) days in the interest of exploring reasonable alternatives that include preservation of the buildings and a fair market sale for the property owner. The property will be posted with the pending demolition during the delay period to seek community engagement about reasonable alternatives. (McMinnville Municipal Code 17.65.050(B)(7))

Specific to DDR 2-22:

18. The applicant must demonstrate how construction activities regarding known pollutants residing under the structures onsite will not negatively affect development onsite, and not negatively affect the adjoining properties, including the city's right of ways. (Comprehensive Plan Policy 2.00)
19. The Applicant must demonstrate that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties. . (Comprehensive Plan Policy 8.00)
20. The Applicant must demonstrate compliance with the Department of Environmental Quality and other appropriate agencies that its onsite excavation and building demolition activities do not degrade water quality in the area of the site, adjoining properties, the LUST site, the City's Right of Way and downstream users and properties. (Comprehensive Plan Policy 10.00)
21. The applicant shall evaluate the existing sanitary sewer system onsite for defects that allow inflow and infiltration (I&I) of rainwater into the sanitary sewer system. The city has an aggressive I&I program that specifically targets aging sewer laterals. Prior to the issuance of a building permit, the applicant shall revise the plans to show that the existing sewer laterals that serve the buildings, will be video inspected and any defects found in the lateral, will be repaired or replaced. Contact the City Engineering Department for further information and assistance. (Comprehensive Plan Policy #25.00)
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23. The applicant provided a Transportation Impact Analysis with their application for the replacement project. Several items need to be updated in the Transportation Impact Analysis prior to the issuance of building permits which may then require transportation improvements. They are as follows: (Comprehensive Plan Policy #25.00)

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 - b. The Narrative mentions in section 2. C. under Project Description a 90-95 room boutique hotel, the TIA calls out an 85-room hotel and the plans submitted show 92 rooms. The TIA should accurately reflect the number of rooms being proposed.
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 25. Provide detailed plans for the parking structure, email correspondence has been provided by the developers engineer mentioning a possible encroachment into the city right-of-way for the structure of the underground parking. This needs to be reviewed prior to permit issuance. (Comprehensive Plan Policy #33.00)
 26. Provide details for valet parking so the City can review the location and the size of the parking for approval prior to building permit issuance. (Comprehensive Plan Policy #33.00)
 27. The Applicant shall demonstrate its design and construction methods will avoid, and then minimize negative impacts related to water and air quality given the onsite and off-site hazards caused by the known hazardous spills associated with the site. (Comprehensive Plan Policy #132.46.00)
 28. The Applicant shall demonstrate that storm water collection, detention, and drainage is constructed and maintained to restrict negative consequences and minimize adverse effects from the known underground pollution onsite and off-site areas caused by the owner of the site. (Comprehensive Plan Policy #142.00)
 29. The Applicant shall demonstrate how it will comply with all federal, state and local water and wastewater quality standards, given the DEQ LUST case regarding a hazardous gasoline spill on the site and the deficiencies noted in the Record. (Comprehensive Plan Policy #151.00)
 30. That the applicant shall include window details in the construction plans submitted for building permit review that depict how all of the windows on the building will be recessed. (McMinnville Municipal Code, 17.59.050(B)(6))
 31. That the applicant shall provide samples or examples of the exterior building colors to the Planning Department for review and approval by the Planning Director prior to application on the building. (McMinnville Municipal Code, 17.59.050(C)(3))
 32. The applicant will need to submit a sign permit for review and approval prior to the application of any signs to the project. (McMinnville Municipal Code, 17.59.080)

Attachments:

- Letter from Hugh Development, dated September 22, 2022, via Garrett H. Stephenson, Schwabe, Williamson & Wyatt (provided)
- Draft Decision Document – HL 6-22, Certificate of Approval for Demolition of Historic Resource at 609 NE Third Street (provided)
- Draft Decision Document – HL 7-22, Certificate of Approval for Demolition of Historic Resource at 611 NE Third Street (provided)
- Draft Decision Document – HL 8-22, Certificate of Approval for Demolition of Historic Resource at 619 NE Third Street (provided)
- Draft Decision Document – DDR 2-22, Downtown Design Review for New Construction (provided)
- Public Testimony Received (provided)

The following items, due to size, are provided on the project webpage at: [Gwendolyn Hotel \(HL 6-22, HL 7-22, HL 8-22, and DDR 2-22\) - 609, 611 and 619 NE Third Street | McMinnville Oregon](#)

- Department Comments
- Application and Attachments
 - Application Narrative
 - Plan Set for the Gwendolyn Hotel
 - Appendix A: Neighborhood Meeting Information
 - Appendix B: Traffic Impact Analysis dated July 27, 2022 by Otak, Inc.
 - Appendix C: Structural Evaluation dated July 19, 2022 by HHPR
- McMinnville Downtown Historic District National Register of Historic Places Nomination

Recommendation:

Staff recommends continuing the public hearing to November 30, 2022, to provide the applicant the opportunity to provide additional information for the record per the discussion above.