



**City of McMinnville**  
**Planning Department**  
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# Work Session

## EXHIBIT 1 - STAFF REPORT

**DATE:** August 17, 2017  
**TO:** McMinnville Planning Commission  
**FROM:** Ron Pomeroy, Principal Planner  
**SUBJECT:** **G 6-17 Accessory Dwelling Units** – Proposed Text Amendments to the McMinnville Zoning Ordinance (ORD 3380)

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### Report in Brief:

The purpose of this discussion item is to review draft amendments to the McMinnville Zoning Ordinance (Ordinance 3380) specific to Accessory Dwelling Units (ADUs).

### Background:

As part of their efforts to remove barriers for affordable housing in McMinnville, the McMinnville Affordable Housing Task Force has been reviewing the McMinnville Zoning Ordinance for affordable housing initiatives and efficiencies. They have been using the State of Oregon's Affordable Housing Measures checklist as a framework for their discussions. (Attachment A to this staff report).

The January 25, 2017 meeting of the McMinnville Affordable Housing Task Force (MAHTF) started their evaluation of the current McMinnville Zoning Ordinance to identify additional development code efficiency measures as they pertain to affordable housing. The discussion resulted in direction being provided to Planning Department staff to assemble an analysis evaluating comparable cities' development codes as they pertain to barriers and incentives to affordable housing with the goal of identifying potential efficiency measures that could be incorporated into the McMinnville Zoning Ordinance.

The multi-jurisdictional analysis included a review of development codes from the cities of Newberg, Ashland, Bend, Redmond, Corvallis, and Grants Pass.

At the February 22, 2017 MAHTF meeting an analysis of the first set of potential efficiency measures was provided and discussed. Those measures included:

- Accessory Dwelling Units
- Multi-Family Off-Street Parking Requirements
- Under Four Units Off-Street Parking Requirements
- Residential Street Standards
- Minimum Density Standards

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### Attachments:

*Attachment A: Affordable Housing Efficiency Measures*

*Attachment B: Accessory Dwelling Units Comparable Matrix*

- Limitations on Low Density Housing Types
- Amount of High Density Zoning Districts
- Duplexes in Low Density Zones, and
- Attached Units Allowed in Low Density Zones

That analysis showed that McMinnville's efficiency measures are generally better for affordable housing than similar sized cities. However, there are some opportunities for improvements. One of those opportunities would be to consider modifications to McMinnville's current ADU regulations. Staff was asked to bring proposed draft amendments to the Zoning Ordinance governing ADUs to the MAHTF for consideration potentially resulting in a MAHTF recommendation to the Planning Commission for review of those modifications.

On July 26, 2017, the recommended amendments were presented to the McMinnville Affordable Housing Task Force for review, comment and direction. At that meeting, the Task Force reviewed and discussed the proposed amendments and directed staff to move this recommendation forward for Planning Commission review at the August 17, 2017 work session.

### **Discussion:**

Planning Department staff conducted an analysis across six similarly sized Oregon cities regarding opportunities to accommodate Accessory Dwelling Units on otherwise developed residential lots. (See Attachment B for Comparable Matrix Summary). There were a few notable observations resulting from that comparative analysis. By allowing ADUs as a permitted use on otherwise already developed single-family lots in *all* of its residential zones, McMinnville is more lenient than some jurisdictions which require either conditional use approvals or employ other limitations such as establishing minimum lot sizes in certain zones before ADUs are allowed. Regarding dwelling type, McMinnville is fairly similar to other cities by allowing the ADU to be either attached to or part of the main home or to be designed as a detached dwelling as long as applicable zoning setbacks were met.

Where McMinnville is more restrictive than most other surveyed cities is that the current McMinnville regulations require that an ADU be a minimum of 300 square feet in size while most of the other cities have not established a minimum size requirement for such a dwelling. Additionally, McMinnville's regulations cap the maximum size of an ADU to either 800 square feet or 40% of the size of the main residence, whichever is smaller. While this size/percentage ratio relationship is not unique to McMinnville, those established by other cities commonly allow a maximum of 1,000 square foot or 50% of the main house as a maximum size limitation.

Another notable difference can be experienced as a disincentive, or even a barrier, to affordable housing as it directly impacts the economic viability of constructing the ADU. To point, McMinnville currently requires an ADU to be provided with independent services that include, but are not limited to, water, sewer, and electricity. This means that, unlike a residential duplex that shares a common private sanitary sewer line that connects both dwellings to the public right-of-way, an ADU in McMinnville must install a separate sanitary sewer line directly to the public sewer line located in the right-of-way. This results in two sanitary sewer laterals being extended from one lot rather than one shared lateral in the case of a duplex dwelling.

The rationale behind this requirement is to proactively address the potential future partitioning of the residential lot into two lots enabling the sale of each dwelling unit separately. In this instance, the utilities would already be separate making the partitioning effort easier and less costly. However, this requirement does add costs to the project, and the costs are borne by the ADU applicant based upon a potential effort in the future and not in response to that effort. So the question to consider is if this requirement should be modified to allow an ADU to connect to the existing sanitary sewer lateral of the

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#### *Attachments:*

*Attachment A: Affordable Housing Efficiency Measures*

*Attachment B: Accessory Dwelling Units Comparable Matrix*

main residence and, in that manner, operate similarly to a duplex. The cost of extending a separate sewer lateral would then only be borne by those choosing to later move forward with a request to partition the units onto their own separate lots.

The City's Engineering Department has been consulted on this matter and is supportive of removing this requirement, noting that the costs for separation will need to be incurred at the time of a partition. While this is accurate, there are only a minor number of such properties that would, or could, actually partition the dwelling units on to their own lots while meeting all of the necessary remaining planning requirements relative to lot size, setbacks, etc. So, on balance, most ADU owners would experience a development savings over this life of the ADU as they are likely to remain on the same parcel. The Engineering Department concurs with this observation.

A third efficiency that could be provided would be to remove the current local zoning requirement that the property owner must reside on site within the primary dwelling unit. While this requirement was most likely adopted for reasons related to neighborhood social stability, the question of who lives in any given residential unit has no actual land use impact as they would yet remain two dwelling units regardless of who lives in each dwelling. There was some discussion of this by the MAHTF but no clear direction provided. That said, staff is supportive of this amendment and is comfortable bringing it forward as a proposed amendment for consideration.

### Recommended Amendments:

The amendments being proposed are as follows. As the requirements for ADU's are found in the R-1 (Single-Family Residential) chapter of the zoning ordinance (Chapter 17.12) and referenced by the other residential zones, the proposed amendments are specific to Chapter 17.12. Text to be deleted is identified with a **bold strikeout** font and text to be added is identified with a **bold underlined** font.

McMinnville Zoning Ordinance (Ordinance 3380)

"Chapter 17.12.010 (Permitted Uses) – (D) Accessory dwelling unit (ADU) subject to the following standards."

1. The accessory dwelling unit may be established by:
  - a. Conversion of an attic, basement, or garage or any other portion of the primary dwelling;
  - b. Adding floor area to the primary dwelling, including a second story; or
  - c. Construction of a detached accessory dwelling unit on a lot with a primary single-family dwelling.
2. The square footage of the accessory dwelling shall not exceed **4050** percent of the primary dwelling exclusive of the garage, or **8001,000** square feet, whichever is less. **The minimum area shall be as determined by the State of Oregon Building Codes Division.** ~~The minimum area shall not be less than 300 square feet.~~
3. The accessory dwelling shall meet all applicable standards for this zone including, but not limited to, setbacks, height, and building codes in effect at the time of construction.
4. The structure's appearance, including siding, roofing, materials, and color shall coincide with that used on the primary dwelling unit.
5. One additional off-street parking space shall be provided (in addition to any off-street parking required for other uses on the same parcel or lot).
- ~~6. The accessory dwelling unit must have independent services that include but are not limited to water, sewer, and electricity.~~
- 6.** Not more than one accessory dwelling unit shall be allowed per lot or parcel.
7. The accessory dwelling unit shall contain a kitchen, bathroom, living, and sleeping area that are completely independent from the primary dwelling.
- ~~8. The property owner shall reside on site within the primary dwelling unit.~~

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#### Attachments:

Attachment A: Affordable Housing Efficiency Measures

Attachment B: Accessory Dwelling Units Comparable Matrix

- 8.** Manufactured homes, recreational vehicles, motor vehicles, travel trailers and all other forms of towable or manufactured structures shall not be used as an accessory dwelling unit.

**Fiscal Impact:**

None to Municipality  
Reduced private utility construction cost

**Recommendation:**

The McMinnville Affordable Housing Task Force contends that these amendments would be beneficial to future residential development by reducing some identified barriers to affordable housing opportunities in McMinnville. The McMinnville Affordable Housing Task Force recommends that the McMinnville Planning Commission review these proposed legislative amendments in a public work session to be held on August 17, 2017, and to direct staff to present these proposed legislative amendments for review and consideration at a Planning Commission public hearing to be held on September 21, 2017, and to recommend approval to the City Council.

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*Attachments:*

*Attachment A: Affordable Housing Efficiency Measures*

*Attachment B: Accessory Dwelling Units Comparable Matrix*