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Planning Department  
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# MINUTES

July 18, 2019  
Planning Commission  
Regular Meeting

6:30 pm  
McMinnville Civic Hall, 200 NE 2<sup>nd</sup> Street  
McMinnville, Oregon

**Members Present:** Chair Roger Hall, Commissioners: Erin Butler, Martin Chroust-Masin, Susan Dirks, Christopher Knapp, Gary Langenwalter, Roger Lizut, Amanda Perron, and Lori Schanche

**Members Absent:** None

**Staff Present:** David Koch – City Attorney, Heather Richards – Planning Director, and Tom Schauer – Senior Planner

## 1. Call to Order

Chair Hall called the meeting to order at 6:30 p.m.

## 2. Citizen Comments

None

## 3. Public Hearings

### A. Quasi-Judicial Hearing. ROSTR 6-19 (Resident Occupied Short Term Rental) (Exhibit 1)

**Request:** Approval to allow for the operation of a resident occupied short term rental establishment within an existing residence.

**Location:** The subject site located at 331 NE 7<sup>th</sup> Street, and is more specifically described as Tax Lot 13100, Section 21BB, T. 4 S., R. 4 W., W.M.

**Applicant:** Heather Jordan

6:31 Chair Hall said the applicant had withdrawn this application.

### B. Quasi-Judicial Hearing. ZC 3-19 (Zone Change) & S 2-19 (Subdivision) (Exhibit 2)

**Request:** Approval to rezone the property from R-1 (Single-Family Residential) to R-3 (Two-Family Residential), and approval of a tentative subdivision plan, to allow for development of a 17-lot single-family residential subdivision.

Location: The subject site is located off NE Newby Street, between NE Grandhaven Dr and NE 27<sup>th</sup> St, and is more specifically described as Tax Lot 1100, Section 09DC, T. 4 S., R. 4 W., W.M.

Applicant: Leonard Johnson

6:31 Opening Statement: Chair Hall read the opening statement and described the application.

6:36 Disclosures: Chair Hall opened the public hearing and asked if there was any objection to the jurisdiction of the Commission to hear this matter. There was none. He asked if any Commissioner wished to make a disclosure or abstain from participating or voting on this application. There was none. Chair Hall asked if any Commissioner needed to declare any contact prior to the hearing with the applicant or any party involved in the hearing or any other source of information outside of staff regarding the subject of this hearing. There was none. Chair Hall asked if any Commissioner had visited the site. If so, did they wish to discuss the visit to the site? Several members of the Commission had visited the site, but had no comments to make on the visits.

6:37 Staff Presentation: Senior Planner Schauer explained the property was 2.93 acres located on NE Newby Street. The requested zone change was to change the zoning from R-1 to R-3 and the proposed subdivision was for 17 lots intended to provide lots for 15 single family detached homes and two single family attached homes. No additional written testimony had been received since the packet was prepared. He reviewed the criteria for the zone change. There was another property zoned R-3 that was across the street to the east. Everything in this area was residential zoning. In the code it stated when the proposed amendment concerned needed housing as defined in the Comprehensive Plan, criterion B would not apply to the rezoning of land designated as residential. In addition the housing policies in the Comprehensive Plan would be given added emphasis and the other policies in the plan would not be used to exclude or discourage needed housing. The definition of needed housing was all housing on land zoned for residential use or mixed residential and commercial use that was determined to meet the need shown for housing within an Urban Growth Boundary at price ranges and rent levels that were affordable to households within the County with a variety of incomes and included detached and attached single family housing. Since this application dealt with needed housing, they only had to look at criterion A and C, however the application would have met criterion B anyway. He discussed the applicable policies in the Comprehensive Plan including housing and residential development and where R-3 should occur. The areas where R-3 should be located were those areas not committed to low density, had a proximity to collector and arterial streets, no topographical constraints or poor drainage, existing public facilities with adequate capacity, proximity to public transportation, and provided opportunities for buffering low density areas. There were transit lines, commercial centers, and public open space nearby. Utilities and services were also nearby and adequate to serve the site. Staff recommended the Commission recommend approval of the zone change to the City Council with no conditions. He made one revision to the background information.

Senior Planner Schauer then discussed the subdivision application which was conditioned on the approval of the R-3 zone change. The proposal was for 17 lots, 15 single family detached homes and two single family attached homes. The property was generally square in shape and Buel and Hoffman Streets were stubbed to the property. Buel was a residential street that was 26 feet curb to curb and had a planter strip and street trees. Newby was a local street that connected between Grandhaven and 27<sup>th</sup> and was 34 feet curb to curb with curb tight sidewalks. Based on the existing development patterns, there was no option to provide street connections to the west or south. He then described the proposed layout of the subdivision. There would be

a new street connection to Buel and aligning with Hoffman. It would be a 28 foot cross section with planter strip and street trees on both sides and sidewalks behind them which was the current local street standard. Lots 3 and 4 were the lots for the attached housing. Lot 13 would have access by an easement that crossed Lot 14. He reviewed the subdivision criteria. One of the key issues on the site was that it was bisected by a natural drainageway that ran west to east. The applicant proposed to pipe it and reroute it within the public street. In order to do that, there had to be a review to see if there were any wetlands or jurisdictional waters that would be subject to permitting by the US Army Corps of Engineers and Department of State Lands. The first review was to look at the national wetland inventory which showed a rivering wetland and that led to the applicant doing a wetland delineation on the property. They found there were no wetlands, but there were 3,900 square feet of jurisdictional waters. They did not know yet if those could be mitigated off site. Before any development could occur, the applicant would need to get authorization to do the off site mitigation. While the Comprehensive Plan had provisions for the preservation of natural drainageways to the extent practical, this was the end of the open drainage and was an intermittent drainageway. Staff recommended deferring to the Department of State Lands and Corps of Engineers to determine whether the condition could be met. The standards for the street and lot layouts were met. The land division standards could be met through standardized conditions. The standards for the R-3 zone were met as well. There were some standards for providing solar access to lots. The applicant had done this to the extent possible by making half of the road going east to west. Staff thought the criteria had been satisfied with the conditions of approval in the staff report and recommended approval. He explained the revisions to the decision document including some repetitive language that needed to be deleted in the background information, clarification of Condition #22 that the street standards only applied to the new street, and revision to Condition #25 that access for Lot 13 did not have to be built to the same structural standard as a private street, but could be a driveway with a ten foot paved section within a 15 foot easement. The findings had been changed to reflect the changes to the conditions.

7:07 Commission Questions: Commissioner Langenwalter pointed out in the staff report the jurisdictional waters were listed as .7 acres instead of .07 acres. He referred to the subdivision decision document in the "other requirements" section, #27 said the applicant shall provide 25% of the single family lots for sale to the general public. He thought there were ways the applicant could get around that and he suggested adding a condition that the pricing of those lots be equivalent to the land value of the homes being built by the applicant. This would allow for a continued level playing field.

Commissioner Dirks said sometimes the conditions included the applicant submitting an architectural design book of the subdivision to the Planning Department. Was there a reason that was not included? Senior Planner Schauer stated the applications where that condition was included was for planned developments, and this was not a planned development.

Commissioner Dirks asked about the location of the jurisdictional waters. Was it a problem to move the water to pipes that would go under the street? Senior Planner Schauer clarified where the waters were located and how it would be piped to the street. It would be reviewed by the Engineering Department to make sure it was consistent with City standards.

7:16 Applicant's Testimony: Ron Pomeroy, representing the applicant, said this was a straightforward zone change and subdivision application. It would provide 17 new single family residential lots in town. It was in close proximity to commercial, an elementary school, and a park and would provide the last missing transportation link in this area. He discouraged the Planning Commission from adding a condition regarding the pricing of the lots as there should be a

broader policy discussion about the City getting involved in private pricing. They were in support of all of staff's conditions as amended. He requested approval of the applications.

Commissioner Dirks asked what the square footage and price point for the homes would be. Leonard Johnson, applicant, answered the homes would be 1,300 to 1,800 square feet and as many single stories as possible. The price range would be market driven.

Commissioner Butler asked why they were only doing two attached single family homes. Mr. Pomeroy explained it had to do with lot size and design of the subdivision. It offered a variety of housing in the neighborhood.

Commissioner Butler asked if this was the densest they could build for R-3 on this lot. Mr. Pomeroy stated they had not looked at what the densest design could be, however he did not think it could be much denser than what was proposed.

#### Public Testimony:

7:23 Proponents: None

7:23 Opponents: Kelly Bird, McMinnville resident, lived on the west side of this lot and his property directly abutted this property. This used to be an untamed natural area. He asked if any two story homes were going to be built directly abutting his property. He did not want people looking directly down into his backyard. He would prefer any homes on the west side be limited to single story dwellings. He was also concerned about the headlights shining onto his property from cars coming into the development.

Commissioner Schanche said the applicant had shown that the two stories were on the north side of the property.

Vanessa Hadick and Jason Petredis, McMinnville residents, said their property also abutted this property on the northwest side. They received notification of this hearing in the mail on July 2 and had gone to the Planning Department to look at all of the documents. The narrative was not available until the packet was posted online. They asked if this was something they should have access to earlier or should they have specifically asked for it. It would have been nice to have more time to review it.

Planning Director Richards explained the narrative was done by the applicant and should have been in the file. Senior Planner Schauer thought it might be because there were two folders, one for the zone change and one for the subdivision. Mr. Petredis clarified he had only seen one folder.

Ms. Hadick was also concerned about privacy, and thought there should be privacy screening. There was not arborvitae around all four sides of the property line. Mr. Petredis said another concern was safety due to increased traffic flow onto Grandhaven. There was a slight curvature where Buel connected to Grandhaven and across the street was the school where the buses made turn arounds. There was no safety crosswalk there. People parked on both sides of Grandhaven during pick up and drop offs and other school activities. It was dangerous for those on Buel turning onto Grandhaven because visibility was decreased. More traffic flow would only exacerbate the problem. Regarding the open drainage, the Storm Drainage Master Plan stated open waterways needed to be kept open and had specific criteria for where it opened and where it went back to daylight. Whenever they piped water, it increased the velocity and flow of the

water which had a cascading downward effect. He thought downstream neighbors would have an issue with that.

Senior Planner Schauer said typically an applicant submitted a set of drawings showing the proposed piping that were reviewed by the Engineering Department.

Planning Director Richards said there were a number of conditions applicants had to meet, and those for engineering were done after the land use decision was made but occurred before an applicant could move forward with any infrastructure improvements.

Mr. Petredis said it was a natural waterway and not seasonal as there was always water there. Ms. Hadick said it was discouraging to think this was one of the few remaining natural resources that existed on this property and it would be piped and covered. There were no plans to include green space in this subdivision.

Mr. Petredis asked about the solar access reference. He mentioned an article by Dr. Joshua Rhodes regarding the best orientation for solar access. Senior Planner Schauer explained the standard in the code.

Ms. Hadick said if east-west was the best orientation to maximize solar exposure, only half of the proposed street was east-west. Instead they could have two cul-de-sacs that were facing east-west and would maximize solar output and potentially provide an easement for the open waterway.

Mr. Petredis asked that a temporary privacy fence be put up along the property boundaries during construction and to add a condition that the primary ingress and egress for all construction activity be from Newby and not Buel.

Commissioner Schanche asked about the lack of a crosswalk by the school. Mr. Petredis stated it was a high traffic area during peak times and there were kids out with no designated crosswalk.

Ms. Hadick thought they should add the condition regarding the pricing for the homes.

7:42 Rebuttal: None

7:42 Chair Hall closed the public hearing.

The applicant waived the 7 day period for submitting final written arguments in support of the application.

7:43 Commission Deliberation: Commissioner Dirks suggested adding a condition to put in temporary fencing and to use Newby as the primary access during the construction period. She also suggested adding to Conditions #10, 11, and 12 to ask the Engineering Department to look at the problems with the water eroding downstream or potential problems the new drainage system might cause downstream.

Planning Director Richards clarified they wanted to ensure that when Engineering reviewed the stormwater plan, that they needed to look at what was occurring downstream as well. She was not sure if looking downstream was part of the Storm Drainage Master Plan standards and they could amend the conditions.

City Attorney Koch wanted to make sure it was tied to specific criteria. Commissioner Dirks did not think it needed to go beyond what was required in the Storm Drainage Master Plan.

City Attorney Koch stated Condition #10 already captured what was required in the Storm Drainage Master Plan. Planning Director Richards added that all of the City's plans and policies related to waterways and how they were impacted by development were reviewed by the respective state agencies that oversaw those waterways and were responsive to federal regulations.

Senior Planner Schauer said the drainage would be diverted into storm drainage pipes and be discharged into an existing pipe that opened up into a natural drainage area. He thought anyone with concerns about downstream issues of erosion related to velocities could discuss them with Engineering.

Commissioner Schanche said the applicant would not be able to build this unless the state approved.

Planning Director Richards said the Department of State Lands would look at the impact of the development to the waterway and the other lands that would be affected by the waterway.

Commissioner Dirks thought the proposed conditions covered these concerns.

City Attorney Koch said when the Storm Drainage Master Plan was put together they mapped out the existing flow rates for this water basin from where the water flow began to where it flowed to the next water basin. Each of the major basins had been broken into sub basins and this flowed through four different sub basins. There were projections for future flow as well. When the applicant submitted their plans to Engineering, they would have to demonstrate that their stormwater plan would not increase velocity or volume of the water that would have normally been deposited off of the property based on the modeling that had been done.

Commissioner Perron clarified the water was piped into the property and then piped out of the property. She thought some of the path of the water or the shape of the land had been influenced by that fact. She did not see it as a waterway in its natural shape because it had a pipe terminus on each end. There could be things put in place to mitigate the risks that came with piping water.

Senior Planner Schauer said the applicant was getting water from point a to point b through a defined route that would go through the street into the point of discharge that was already there. The question would be if there were issues with the cumulative impacts of what was there now and what was proposed. They did not want to increase flows that increased velocity and created more stream erosion. If it was problematic, mitigation would be identified.

Commissioner Langenwalter suggested adding a condition that permanent evergreen be planted on the west and north boundaries for privacy screening.

Commissioner Dirks asked if they could add a condition for open space.

Planning Director Richards said no, the standards did not require open space. Regarding the screening, they would need to know the zoning ordinance criteria or Comprehensive Plan policy for that condition.

Commissioner Langenwalter withdrew his suggestion.

Based on the findings of fact, conclusionary findings for approval, materials submitted by the applicant, and evidence in the record, Commissioner Langenwalter MOVED to RECOMMEND

the City Council APPROVE ZC 3-19. SECONDED by Commissioner Lizut. The motion PASSED 9-0.

There was discussion regarding possible landscape buffering from the low density residential. Planning Director Richards said they would let the Council know this was a concern of the Planning Commission and if there was a way to recommend something outside of what was voted on tonight, staff would add it to the recommendations to Council. They were not able to include a condition for construction buffering or using Newby as the construction access, although she thought the applicant would be willing to use Newby as the access.

Commissioner Langenwalter was willing to withdraw the idea for a condition regarding the pricing of the homes, however he would like it to be a conversation in the future.

Based on the findings of fact, conclusionary findings for approval, materials submitted by the applicant, and evidence in the record, Commissioner Butler MOVED to RECOMMEND the City Council APPROVE S 2-19 subject to the conditions of approval provided in the decision document and amendments made by staff at this meeting. SECONDED by Commissioner Perron. The motion PASSED 9-0.

8:10-8:18 The Commission took a short break.

**C. Legislative Hearing. G 3-19 (Zoning Ordinance Amendment “Floating Zone)” (Continued from June 27, 2019) (Exhibit 3)**

Request: Amendment to the McMinnville Zoning Ordinance to add a new Section, Chapter 17.49: Innovative Housing Pilot Project Floating Zone. This amendment would establish provisions for the Innovative Housing Pilot Project Floating zone, but it would not rezone any properties. It would establish a designated eligibility area. Only property owners within this area would be eligible to apply to have the floating zone designation applied to a property through a future land use application, which would require a separately noticed public hearing process.

Applicant: City of McMinnville

8:18 Opening Statement: Chair Hall read the opening statement and described the application.

8:18 Disclosures: Chair Hall opened the public hearing and asked if there was any objection to the jurisdiction of the Commission to hear this matter. There was none. He asked if any Commissioner wished to make a disclosure or abstain from participating or voting on this application. There was none.

8:19 Staff Presentation: Senior Planner Schauer said this was a continuation from the hearing in June. The proposal would add a chapter to the zoning ordinance to create a Floating Zone. There was a map with the eligible boundaries for the designation and a Request For Proposals process for projects to address housing needs. If a project was successful, a neighborhood meeting would be held, an application would be submitted, and the designation would be applied to the property. There would be up to two pilot projects and the property owner and applicant would be requesting the designation. This idea came from the Affordable Housing Task Force to make progress on some vulnerable populations including seniors, veterans, unaccompanied youth, and victims of domestic violence. They were looking at an area that included industrial land because there was a deficit of residential land in the City but there was some surplus of industrial land. This was a way to respond to a critical need, but not through a process that would

waive standards and respond without considering the impacts. They wanted to ensure there would be high quality development and management of a transitional housing project. He discussed how this was consistent with the Comprehensive Plan in the economy, housing, transportation, and citizen involvement policies. There was a lot of unmet need for the lowest income residents in the community. Siting needed to occur near transportation and the transitional housing and services could be located on the same site. In looking at the consistency with the zoning ordinance, they had to look at the purpose of the ordinance and any applicable chapters. This would be a new chapter in the ordinance. There would also be design development standards to mitigate conflicts. The testimony that had been heard so far had to do with conflicts between residential and industrial uses, concern the industrial area should remain industrial, question if there were any feasible sites in the eligible area, how any mitigation should be done by the non-industrial property, avoidance of nuisance law suits by having an applicant sign a covenant that declared the right to the adjoining industry to continue their normal practices, and concern that there had been a neighborhood meeting to discuss a specific development proposal on a site within the boundary and how that application could go forward as a planned development application whether or not the floating zone was enacted. If the floating zone didn't go through, that application could still be submitted with the current zoning. Staff had provided a map that showed the existing businesses in the area, vacant sites, and those that were currently being marketed. Another letter had been submitted from a residential neighbor that asked if notice was sent beyond the minimum requirements. Since the last hearing, staff had sent notices to additional property owners who were bordering this area and received inquiries and one letter. The issues that had been brought up were mitigation of conflicts and approach to right to industry. Staff thought the applicable criteria were met. He asked the Commission if this was the best approach to address the policy objectives. There were suggestions for revisions at the last hearing and staff thought they should be added to the recommendation and reviewed by the City Attorney.

8:33 Commission Questions: Commissioner Chroust-Masin asked if they could limit the size of projects so it would not take a lot of industrial land. Senior Planner Schauer explained it was set up to only select two pilot projects. There was no acreage limitation currently.

Commissioner Langenwaller asked if they could use the 2019 homeless count figures. He also pointed out a spelling error in the staff report. Senior Planner Schauer said the homeless count numbers had not been published yet.

Commissioner Perron asked about the vacant properties that were listed. Senior Planner Schauer clarified they were properties for sale. The map showed the properties that were available for the floating zone designation.

Commissioner Butler asked if a property had to be vacant to apply. Planning Director Richards said someone could submit a proposal for a site with a building already on it to retrofit the building for a transitional housing project. It did not have to be a vacant property.

Commissioner Langenwaller asked what kind of public transportation was available on Riverside Drive. Senior Planner Schauer said that would be one of the considerations for the pilot projects, whether it was suitable in terms of transportation. Planning Director Richards said Yamhill County Transit Authority did not have a fixed route serving the industrial zone, but did set up relationships with housing projects that had need.

Commissioner Lizut asked if all of the vacant properties were owned by property owners or by an outside group or agency. One of the significant issues was only current property owners were allowed to participate in this program. Planning Director Richards said the pilot projects could



happen anywhere within the boundary. It was the property owner's choice to be part of the application, whether they were local or out of town owners.

Public Testimony:

- 8:43 Proponents: Mark Davis, McMinnville resident, was a member of the Affordable Housing Task Force. It was not a unanimous decision of the Task Force to forward the floating zone idea to the Planning Commission. They wanted to deal with the homeless issue in the community and there were three ways to go about it. They could try to find some residential land for a facility, although there was none available now and they would have to wait at least three years for the Urban Growth Boundary expansion. They could declare an emergency and put in a facility wherever they could. Staff had suggested the floating zone idea and it seemed the most reasonable as there was opportunity for public input and it could only happen if a property owner was willing to sign off on it. It also had an RFP process where proposals could be vetted to make sure there was someone to oversee the project and be responsible for it. He thought the suggestions made by the public at the last hearing were reasonable. There might be no proposals, but they wanted to see if it would work.

Marcie Rosensweig, McMinnville resident, was working with the Community Wellness Collective on solutions to homelessness. There was a housing and homeless emergency in the City. She was in favor of the floating zone, however she was concerned that they not make it look like a permanent zone when it was a temporary solution to a larger problem. She did not think it was fair to site two projects in this industrial area, for both the property owners and nearby residential owners. She would like to see it broadened to look across Highway 18 and at Booth Bend Road where there were other industrial areas. There needed to be more urgency from everyone around this issue. She gave an example of the unseen homeless who were working at jobs and living in their cars. Dustin Court and Marsh Lane were the tip of the iceberg. She asked that they proceed with this as expeditiously as possible. She did not think there needed to be interior landscaping with ten foot arborvitae for screening as it was expensive for a temporary shelter. This was a pilot project and emergency measure. They did not want to take over industrial land and make it residential land. She did not think this should be high quality development, but emergency development. She thought they should make sure that public lands could also be used for these types of projects if they were available.

Commissioner Chroust-Masin said they could not move the process along faster if there were no projects. Ms. Rosensweig thought there might not be any willing property owners in this area, and all of the industrial sites should be included. It would take some pressure off of this area and spread it around town.

- 9:02 Opponents: Rebecca Majors Thrash, McMinnville resident, had to deal with the homeless on Marsh Lane. They had trespassed on her property. She asked what security would be given to the home owners that abutted these project sites. She had concerns about the cleanliness, running water, and toilets needed by the future residents. Putting in something temporary wasn't going to help. Some homeless wanted money and to be left alone to do their drugs or drink their alcohol. She did not want it near her, and one of the vacant sites on the map was right next to her property.

Charlene McCreight, McMinnville resident, was sympathetic to this problem. She gave an example of a homeless person looking into her house windows and verbally abused her. She was concerned about safety and theft as people were also walking in her yard. She was also concerned about the property values and other people coming to these sites to make use of the

services. This was an area where property owners had been dealing with this for over a year and they were talking about bringing more people into the area to live.

Commissioner Perron asked about the kind of transitional housing they were talking about. This would be more of an apartment building style, not a campground. Planning Director Richards stated transitional housing was anything from 2 weeks to 2 years and for people who were trying to achieve permanent housing who were working and in case management. There was the ability to bring in shelters that were movable and temporary. The intent was that they would be managed by a service provider. It was never conceptualized as a campground that was not managed or a low barrier shelter. The reason for the landscaping and fencing requirements was for security and buffering so it would not decrease the value of nearby properties.

Ms. McCreight said if this did pass, they needed to be in contact with the Yamhill County Sheriff's Department because not all of the residents would abide by the rules.

City Attorney Koch reassured her that the McMinnville police would respond to emergency calls as well.

Aaron Orta, McMinnville resident, appreciated all of the work and thought that had gone into this. He was opposed because he didn't know what the projects might be. He also did not think this would be temporary, but the facilities would become permanent. In his previous job he drove to Dustin Court and was able to help some people and others did not want help. He did not think there was any planning for the logistics for how it would work and the agencies involved and it would fail.

Planning Director Richards said the way this program was written was the zone was an overlay to the underlying zone. If a project came in and built a residential building and was successful for 20 years, but the decision was made to take it back to the industrial zone and use the same building for industry, it would be able to revert back to industrial. There was a very specific order to the program and the logistical piece had been built into the system in terms of the RFP process. She then explained the RFP process and how the projects would be reviewed by a committee of community members to make sure this was the right project for McMinnville. No project could take place unless the land use allowed it. This was the first step in the process and the second step would be the RFP process. This had been in discussion for two years at the Affordable Housing Task Force and a lot had been put into it as a means to bring a solution to the table.

Tom Vale, Yamhill County resident, was a property owner in the industrial area. He thought this would not be temporary; it would be the same as rezoning the property. The rezoning to a residential use in the industrial area would have many problems including safety and loss of use of the property as it was originally designated. He questioned whether the property labeled #3 on the boundary map should be included in the eligible properties because of the Kelly McDonald project. Typically industrial and residential were separated because they were totally different uses. They were trying to solve a problem by creating another much larger problem. There had been a lot of effort to bring jobs and industrial land to the City. If the tables were turned and there was excess residential land, they would not move industrial proposals into residential.

Commissioner Knapp said if a property was assigned, the property owner had the right to take back their land at any time. Planning Director Richards said it was not a rezone, but adding an additional zone to the property. The industrial zone did not go away, but an additional zone was placed on the property. The property owner always had the right to revert back to the industrial zone. Regarding property #3, it was in the area. There was a suggestion that this program was

being put together to enable the project that was presented at the neighborhood meeting for that property to move forward. These were two entirely separate things.

Mr. Vale thought there was no set of circumstances where an investment would be made in the infrastructure to put forward anything that would fit the RFP they would be looking for that could be turned back to an economic use without many years going by to pay for that initial infrastructure investment. He still thought it would change the effective zoning of these properties.

Senior Planner Schauer read the proposed language regarding the removal of the floating zone designation which stated that the property owner could submit a written request to remove the floating zone from the property and no further action was required to remove the designation.

Mr. Vale said there would be a huge economic cost and the likelihood of it happening was slim. If one of these projects was his neighbor, it would affect how he could use his industrial property or safely operate it that would not change for a long time. The infrastructure needed for residential was a higher cost than what was needed for industrial use.

Gary Van Der Veen, McMinnville resident, asked if the floating zone would be transferable if the ownership changed. He was concerned that if there was a new owner, they could do something entirely different under the floating zone. Planning Director Richards said yes, the use stayed with the land and would transfer with ownership.

City Attorney Koch said if there were conditions of approval imposed when the floating zone was approved, and the ownership transfer would have to comply with the same terms and conditions that were originally approved. Any change in use would require a new application. They could state in the requirements that a change in ownership so long as they kept the same use could continue or a change in ownership required a new application.

Senior Planner Schauer said the way it was written now was that the project and the site would go together and be a good fit for the site. It was not a generic zone that could change uses over time. Any change would need to be reviewed.

Bob Emerick, McMinnville resident, owned property in the industrial area. He was concerned about the eligibility area and if there were criteria that established that to know what it really meant.

Senior Planner Schauer said the pilot projects in the floating zone limited the eligible number of projects to two. They would advertise the RFP and anyone in that area could apply. It would be a property owner partnering with an applicant for a project. He explained the RFP process and land use approval which included a neighborhood meeting and public hearing process.

Mr. Emerick was not opposed to this idea, but his business was a waste facility and could be viewed as a nuisance. That was why he had built it as far away from residential as possible. He was concerned about nuisance complaints and possible law suits with residential uses and how it could impact his business. Industrial businesses made a lot of noise and smells at all times of the day and night which were not conducive to residential use.

Planning Director Richards said the right to industrial use had been raised at the last meeting and the suggested language that had been provided to mitigate it would be included.

Commissioner Schanche said they wanted to have both uses exist and she thought anything on the edge of the industrial area would work. If this was passed, an industrial area owner would be included on the committee that would review the RFP projects.

Mr. Emerick agreed the edges would be the best location for this type of project as opposed to inside the industrial area. He wanted to make sure the existing businesses were protected as part of the criteria.

Andy Tyssen, Yamhill County resident, owned a business in this area. He thought this was a good program, but this was the wrong place. The City also needed to take care of its businesses. Businesses were making investments in the community and if they were going to allow programs like this in an industrial area it would affect property values. If they wanted to continue to build up the industrial area, this program would send the opposite message. He did not think this would be short term and it would be better done in a different area.

Alan Amerson, McMinnville resident, clarified the uses of the properties on the boundary map. He was not in favor of putting housing in an industrial area. There were not many properties in this area that would be available for this type of project. Also there was not much industrial land left and it needed to remain industrial. He thought it would be better to put these projects out by the airport or by the hospital.

Jeff Madison, Tigard resident, owned property in this area. He agreed with the comments made by Mr. Vale. He asked if the City had the ability to revoke the designation if the project introduced crime and complaints in the area.

City Attorney Koch said they could write in a condition that would address that. It would be at the discretion of the Planning Commission and Council to incorporate it in as a condition for the projects. The property owner had the right to be done with the zoning at any time. The question would be if a neighboring property owner was having problems with people breaking in to their facility and if they could complain to the City and the City in enforcing the conditions of approval could revoke it. That affect could be crafted into the ordinance.

Mr. Madison thought they should include a reasonable process for revocation and a complaint process.

Commissioner Chroust-Masin asked if they were tied to using this area only or could they explore other industrial areas. Planning Director Richards stated the area could be changed. They could also send this back to the Affordable Housing Task Force with the concerns that had been raised to see if they had a suggestion for a different area.

Commissioner Chroust-Masin thought they should make a condition that the sites only be on the fringes of the industrial area and not in the middle of the area.

Commissioner Langenwaller thought it should be left as it was and the location be part of the RFP scoring process.

10:05 Chair Hall closed the public hearing.

10:05 Commission Deliberation: Commissioner Langenwaller said many people were worried about crime. He thought the people who would be in the transitional housing would not be the kind of people who were using drugs and alcohol and doing crimes.

Commissioner Butler agreed. These were not the same people that were causing problems on Dustin Court and Marsh Lane. It would be those who had jobs and were living in their cars. Homeless numbers were going up because of domestic violence. She agreed this was an emergency and this program created an opportunity.

Based on the findings and conclusions, Commissioner Butler MOVED to RECOMMEND the City Council APPROVE G 3-19 as presented in Attachment 1 of the decision document. SECONDED by Commissioner Langenwalter.

Commissioner Dirks suggested amending the motion to add language that would protect industrial rights and add a revocation process.

Commissioner Chroust-Masin wanted to add another amendment, that only Parcels 1, 2, 3, and 7 be considered for this program.

Commissioner Butler did not agree with limiting the parcels for the program as that would be vetted through the RFP process.

Commissioner Lizut stated this was an outline for a process that looked like a good process to him. The property owner had to agree to the project, there would be 2 pilot projects, and there would be an RFP process to make sure the projects fit. He thought they should go forward with the program as it was written.

Commissioner Langenwalter suggested amending the motion to broaden the potential sites outside of the current boundaries to add the other industrial areas in the City.

Planning Director Richards said the reason this area was chosen was because of proximity to services. If they wanted to spread it to more industrial land they could.

Commissioner Chroust-Masin voiced concern that those other areas had not been notified and would not be able to testify on this issue.

Commissioner Butler thought they needed to stick with the current boundary area and if this program was successful, include other industrial areas. She also was not comfortable with adding more areas without notice.

Commissioner Langenwalter withdrew his suggestion.

Commissioner Butler agreed as the maker of the motion to the amendments made by Commissioner Dirks, to add language that would protect industrial rights and add a revocation process. Commissioner Langenwalter agreed as the second. The motion PASSED 9-0.

City Attorney Koch said this would go to the City Council in August.

#### **4. Action Item:**

##### **A. MP 1-17 (Minor Partition) Approval Extension Request - (Exhibit 4)**

Request: Approval of a request for an extension of a previously approved tentative partition plan (MP 4-17). The tentative partition was originally approved by the Planning Director on June 26, 2017. The applicant was not able to complete the required conditions of approval prior to submitting a final plat, and requested a one year

extension of the tentative partition approval on May 31, 2018. That one year extension request was approved by the Planning Director with a new deadline of June 26, 2019. Due to the original engineer hired to provide the improvement plans not completing the work required, the applicant was not able to complete the required conditions of approval, and has requested an additional extension of the tentative partition approval to June 26, 2020. The applicant has hired a new engineering firm to address the condition of approval requirements. Additional extensions beyond one year require the approval of the Planning Commission.

Location: The subject parcel is identified as Parcel 3 of Partition Plat 2001-35 and is also identified as Tax Lot 3402, Section 15, T. 4 S., R. 4 W.

Applicant: Bryce Roberts

10:18 Chair Hall introduced the application.

Planning Director Richards stated this was a request for an extension on a land use decision for a minor land partition. It was coming to the Commission after two years from approval because the property owner was working with an engineer on the project and there were some issues with the engineering firm being able to produce the product. The applicant had chosen to move on to a different engineer. Staff recommended approval.

Commissioner Lizut MOVED to APPROVE the additional extension of the tentative partition plan approval to June 26, 2020. SECONDED by Commissioner Knapp. The motion PASSED 9-0.

Commissioner Langenwaller asked that staff look into language for fair pricing for situations when there was a 25% allowance to make lots available to the public. The price should be no more than a similar house that the developer was building.

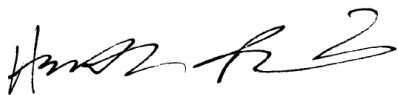
There was consensus for staff to look into the issue.

## 5. Staff Comments

10:22 Planning Director Richards said there would be a joint Work Session with the City Council and County Commission on August 21 to discuss the results of the Housing Needs Analysis and Buildable Lands Inventory and discuss next steps.

## 6. Adjournment

Chair Hall adjourned the meeting at 10:23 p.m.



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Heather Richards  
Secretary