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Planning Department
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MINUTES

September 19, 2019
Planning Commission
Regular Meeting

6:30 pm
McMinnville Civic Hall, 200 NE 2nd Street
McMinnville, Oregon

Members Present: Chair Roger Hall, Commissioners: Erin Butler, Martin Chroust-Masin, Roger Lizut, and Lori Schanche
Members Absent: Susan Dirks, Christopher Knapp, Gary Langenwalter, and Amanda Perron
Staff Present: Heather Richards – Planning Director and Chuck Darnell – Senior Planner

1. Call to Order

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

2. Citizen Comments

None

3. Approval of Minutes

- **July 18, 2019 Planning Commission Minutes**
- **August 15, 2019 Work Session Minutes**
- **August 15, 2019 Planning Commission Minutes**

6:31 Committee Member Butler moved to approve the July 18 and August 15, 2019 minutes. The motion was seconded by Committee Member Schanche and passed 5-0.

4. Public Hearing:

A. Quasi-Judicial Hearing. Variance (CU 3-19 & TML 2-19)- (Exhibit 2)

Request: Approval of a conditional use permit and Three Mile Lane design review to allow for the construction of a new memory care residential facility. The memory care facility would be a single story building that contains 44 resident beds, and would provide residential facilities for elderly individuals who suffer from Alzheimer's, dementia, and other age-related mental ailments.

Location: The subject site is zoned R-4PD (Multiple Family Residential Planned Development) and is located at 235 NE Dunn Place. It is more specifically described as Tax Lot 1700, Section 22CD, T.4 S., R. 4 W., W.M.

Applicant: Sam Thomas, on behalf of property owner McMinnville Senior Living, LLC

6:32 **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 Darnell said this was a request for a Conditional Use Permit for the development of a memory care facility and Three Mile Lane design review for the exterior design of the building. He described the subject site and surrounding area. There was a history of planned developments and overlays on this property. In 2000 there was a Planned Development that included property to the west and south of the subject site and the subject site was rezoned to R-2. In 2012 another Planned Development was put in place on the subject site only which rezoned the property to R-4 to allow for a memory care facility. It included a master plan for the layout of the site as well. The applicant had also applied for a partition that was approved by the Planning Director with conditions. The partition was consistent with the master plan and included the dedication of a new street and created a larger parcel to the north of the new street and a smaller parcel to the south of the new street. The new street would go through the property and provided access to the property to the west. The memory care facility would go on the northern parcel. There was some floodplain on the northwest corner of the site as well as a steep slope. The Conditional Use plan that was submitted was based on and consistent with the master plan that was binding on the site.

Senior Planner Darnell reviewed the criteria for the Conditional Use. The application was consistent with the Comprehensive Plan policies including providing a housing type and use that was necessary in the community, occurring in an area of urban development with services, and preserving natural features of the property. The application was also subject to the Great Neighborhood Principles policies including natural feature preservation, parks and open space, pedestrian and bike friendly, and connected streets. He then discussed the site plan. The access would be on the new proposed street, there would be a parking and loading area, and the building was set back from the top of bank. It would be a one story building with a unique roof pattern and building design to blend in with the surrounding single family residential. It would serve as a transition between the commercial uses to the south and residential uses to the north and east. Staff had suggested some conditions of approval regarding the site design. The applicant had requested a reduction of two off-street parking spaces based on the proposed use and the fact that the residents would not be using vehicles. The landscape plan would need to be reviewed by the Landscape Review Committee and street trees would need to be planted along the entire site where they were building a new street and along Dunn Place. The natural features would need to be preserved. The applicant provided a geotechnical report that took into account the steep slope and recommended a 60 foot setback from the top of the slope. There were a number of trees and a wooded area that would also be preserved. An easement would need to be dedicated for the future development of the Yamhill River Greenway Trail. Prior to a building permit, all of the partition process would need to be completed.

Senior Planner Darnell said the applicant had requested some amendments. One was for the signage at the corner of the property to be able to be illuminated. Staff thought the sign could be illuminated as the applicant proposed and had included a condition regarding the sign. The other amendment was related to the project timing. The applicant was requesting to move forward with the construction of the building, street, and public improvements at the same time. Staff was comfortable with that as long as they tied the completion of the partition work to the certificate of occupancy.

Senior Planner Darnell then reviewed the Three Mile Lane design standards. Mixed housing residential type developments were encouraged in this area. The proposed development was trying to be compatible with the surrounding area and was incorporating some architectural features at the entrance such as a double roof pattern that was similar to the Three Mile Lane area. Staff thought the building would blend in with the architectural and scale of the surrounding neighborhood. The size and location of the sign was also compatible as the sign was smaller than the maximum allowed. Staff recommended approval of the applications with conditions.

6:55 Commission Questions: Commissioner Schanche asked if the condition for the easement for the Greenway Trail was in Condition 1. Senior Planner Darnell said it was.

6:56 Applicant's Testimony: Sam Thomas, Lenity Architecture in Salem, was representing the applicant. He gave a background on Mosaic Management who operated seven senior care facilities in Oregon. This project was previously proposed and approved for a partition, zone change, and conditional use. Based on market conditions, the project was put on hold and now they were coming back with the same project with modified conditions. He described a typical memory care resident profile and the memory care operations that would be at this facility. It would be a safe and secure environment. He then reviewed the site plan and proposed improvements.

Commissioner Schanche asked what the property owner planned to do with Parcel 2. Mr. Thomas said at this point there were no plans for that parcel.

Commissioner Schanche said in one of the plans it said that parcel would be a construction staging area. She wanted to make sure it would be grass seeded and not just left when the construction was completed.

Commissioner Butler asked if the property would be fenced off from the trail. Mr. Thomas explained the location of the proposed fence.

Public Testimony:

7:02 Proponents: Mike Full, resident of McMinnville, thought a memory care facility was a good fit with the neighborhood. He was concerned about the bank stability as Dunn Place was the old McMinnville dump road. At that time the garbage was dumped into the Yamhill River, and there was still evidence of it. The bank was cut and full of compacted trash. He wanted to make sure the drainage ditch that ran between his property and this property would not be affected. If the drainage ditch was filled in, it would flood his house and might exacerbate the unstable slope. The drains should not be obscured or buildings be built too close to the slope as it was a dangerous situation. He was also concerned about fencing the line from the top of the bank across the property before construction began. He was in favor of the development and would work with them, but he did not plan to give up his right-of-way on this property until he knew that these concerns were addressed.

Senior Planner Darnell said one of the conditions was for the applicant to provide a detailed storm drainage plan as well as an engineering capacity analysis of the existing public storm drainage system downstream from the site to incorporate the surrounding area and make sure that the storm drainage was being adequately planned for. The conditions for the partition included ensuring the properties to the west would be able to access the public infrastructure in the right-of-way.

7:14 Opponents: None

- 7:14 Rebuttal: Mr. Thomas clarified they would be providing engineering plans for both on-site and off-site improvements related to storm and sewer infrastructure, run-off, and erosion control.

Senior Planner Darnell said in the plan the applicant would be providing fencing on the west property line along the building that stopped at the courtyard. There could be erosion control fencing during construction.

- 7:16 Chair Hall closed the public hearing.

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

- 7:16 Commission Deliberation: Commissioner Schanche was in support of the application. It was a good project, but she wished the sidewalk would go all the way to the highway.

Commissioner Butler thought the smaller parcel from the partition could become a blighted area. She thought there should be a condition to add landscaping there.

Planning Director Richards clarified that parcel was not part of the Conditional Use application. It was a 15,000 square foot lot in the R-4 zone and there were many possibilities for the parcel.

- 7:19 Based on the findings of fact, conclusionary findings for approval, and materials submitted by the applicant, Commissioner Chroust Masin MOVED to APPROVE CU 3-19 & TML 2-19 subject to the conditions of approval provided in the decision document and the amended conditions as submitted in the memorandum by staff. SECONDED by Commissioner Butler. The motion PASSED 5-0.

5. Commissioner/Committee Member Comments

None

6. Staff Comments

- 7:23 Planning Director Richards said they were in discussion with the City Council regarding public hearing processes. The Council was still in discussions about the options and she was working on scheduling training on land use hearings.

- 7:26 **HB 2001 presentation**

Planning Director Richards said this House Bill had been approved at the last legislative session to address missing middle housing. It had impacts to the City's land use program and she would walk through what was in the bill and how to move it forward. Compliance to the bill was required by June 30, 2022. Missing middle housing was smaller, higher density housing between single family and mid-rise apartment complexes. These were duplexes, triplexes, fourplexes, townhomes, and cottage clusters. Accessory Dwelling Units and skinny homes had also become part of the discussion. The bill mandated that all cities with a population of 25,000 or more needed to adopt regulations to allow duplexes, triplexes, fourplexes, cottage clusters, and townhouses in all zones that allowed detached single family dwelling units. In McMinnville, that was all of the residential zones. The purpose was to create inclusive neighborhoods with a mixture of housing and housing types, income levels, and generations. They needed to decide how the City would support this with infrastructure and what it would look like. There were several strategies in the Housing Strategy that dovetailed into this work including creating a diverse housing zone, promoting infill development and allowing flexibility with appropriate design development standards, updating infrastructure plans for infill developments, assessing

infrastructure capacity to support infill, developing an infrastructure allocation policy, and updating residential design and development standards for compatibility. The market would drive the infill development and it could be nestled in easily into neighborhoods with the appropriate design development standards. Staff was working with a consultant on Development Code amendments on setbacks, minimum lot sizes, and design standards for these units. The biggest issue was infrastructure capacity as both the water and transportation public facilities plans had planned for a density level that was less than the maximum allowed in the existing code let alone what they had been asked to add to it. The actual fix for wastewater is fairly easy by putting bigger pipes in the ground and there was capacity for growth at the Wastewater Treatment Plant. However, costs associated with those improvements are an issue. The cost to update the infrastructure plans alone would be \$250,000 to \$400,000 for consultants and \$250,000 for internal staffing dedication. The bill allocated \$3.5 million to help with the work and 53 cities were subject to this mandate which would be \$66,000 for each city. However when she talked with the State, they said they were intending to use a substantial amount of these funds for doing model codes for communities and did not anticipate the infrastructure planning would be a big issue. There was an application process for an extension if they could not meet the June 30, 2022 deadline. It had to be turned in by June 30, 2021 so the infrastructure plans analysis would need to be done in time to understand whether they needed the extension. They would also need to show how they intended to fix the problem. With this timeline, the infrastructure plans would need to be done by February 2021 and the State did not intend to release funds until May 2020. She was encouraging the State to release the funds earlier. They would also need to determine how the infrastructure capital improvements would be funded. The other mandates in the bill included fixing some of the issues with ADUs. Cities could no longer require ADUs to be owner occupied or to have off-street parking. The City also had to explore policies and programs to encourage affordable housing, such as waiving or deferring SDCs. They had to adopt or amend criteria for local property tax exemptions and look at assessing a Construction Excise Tax on all new residential and commercial construction to help pay for affordable housing. There would be new annual reporting requirements on all new middle housing units built in the previous year. For the next steps, there would be public engagement on the new residential development standards. She planned for those standards to be adopted by February 2021. The date for the infrastructure planning analysis to be completed was also February 2021. They might be able to combine the infrastructure planning with the growth analysis they were already doing and she would be applying for a grant to help with that work.

There was discussion regarding the existing infrastructure network and needed improvements and achieving the intent of the bill through local decisions instead of State rulemaking.

7. Adjournment

Chair Hall adjourned the meeting at 7:57 p.m.



Heather Richards
Secretary