



City of McMinnville
Planning Department
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MINUTES

September 16, 2021
Planning Commission
Regular Meeting

6:30 pm
Zoom Online Meeting
McMinnville, Oregon

Members Present: Roger Hall, Robert Banagay, Gary Langenwalter, Sylla McClellan, Brian Randall, Beth Rankin, and Sidonie Winfield

Members Absent: Lori Schanche, Dan Tucholsky, and Ethan Downs – Youth Liaison

Staff Present: Heather Richards – Planning Director, Amanda Guile-Hinman – City Attorney, and Tom Schauer – Senior Planner

1. Call to Order

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

2. Approval of Minutes

- **August 19, 2021**

Commissioner Banagay moved to approve the August 19, 2021 minutes. The motion was seconded by Commissioner Winfield and passed 7-0.

3. Citizen Comments

None

4. Public Hearings:

A. **Quasi-Judicial Hearing: Comprehensive Plan Map Amendment (CPA 2-20) and Zone Change, including Planned Development Overlay Designation (ZC 3-20) – (Exhibit 2)**
(Continued from July 15, 2021 PC Meeting)

Continuance Requested to October 21, 2021, PC Meeting

Request: Approval to amend the Comprehensive Plan Map from Industrial to Commercial, and an amendment to the Zoning Map from M-2 (General Industrial) to C-3 PD (General Commercial with a Planned Development Overlay), for approximately 37.7 acres of a 90.4-acre property.

The 37.7 acres includes 4.25 acres intended for right-of-way dedication for a future frontage road. The application also shows a portion of the area subject to the map amendment intended for a north-south extension of Cumulus Avenue and future east-west street connectivity.

The request is submitted per the Planned Development provisions in Section 17.51.010(B) of the Zoning Ordinance, which allows for a planned development overlay designation to be applied to property without a development plan; however,

if approved, no development of any kind can occur on the portion of the property subject to the C-3 PD overlay until a final development plan has been submitted and approved in accordance with the Planned Development provisions of the Zoning Ordinance. This requires the application for the final development plan to be subject to the public hearing requirements again at such time as the final development plans are submitted.

Location: The subject site is located at 3310 SE Three Mile Lane, more specifically described at Tax Lot 700, Section 26, T.4S., R 4 W., W.M.

Application: Kimco McMinnville LLC, c/o Michael Strahs

Commissioner Langenwalter MOVED to CONTINUE the hearing for CPA 2-20/ZC 3-20 to October 21, 2021. The motion was seconded by Commissioner Rankin and PASSED 7-0.

B. Legislative Hearing: Proposed Amendments to the Zoning Ordinance and Establish a City Center Housing Overlay Zone (G 2-21) –(Exhibit 3)

Requests: This is a legislative amendment, initiated by the City of McMinnville, proposing amendments to the McMinnville Zoning Ordinance related to housing. The proposed amendments would (a) add provisions allowing existing single-family dwellings as a permitted use in the C-3 zone, (b) establish a City Center Housing Overlay Zone and associated provisions, and (c) add provisions allowing temporary use of an RV as a residence during construction of a permanent dwelling(s) on the same lot.

Applicant: City of McMinnville

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.

Staff Presentation: Senior Planner Schauer said this was a request to approve amendments to the Zoning Ordinance. Staff found that all the criteria were satisfied. One finding was revised regarding consistency with the purpose statement of the Zoning Ordinance. Staff also recommended adding a section to the findings regarding consistency with Goal 10: Housing and applicable state law. One of the amendments proposed was to allow existing single-family dwellings in the C-3 zone as a permitted use. Some of the questions/discussion from the Commission Work Session on this topic were: should this also apply to existing duplexes in the C-3 zone and should there be additional limitations on expansion or redevelopment. Since the Work Session, staff added provisions for existing duplexes and there was additional discussion in the staff report but no changes regarding limits on redevelopment or expansion. The next amendment proposed was to establish a City Center Housing Overlay Zone and associated provisions. The questions/discussion at the Work Session was the zone boundary and putting lower density residential within Urban Renewal and NE Gateway, 500 foot distance for off-street parking on separate property, shared driveways, and an additional parking reduction in the central core area. Since the Work Session, the boundary was left as it was per the discussion at the Work Session, the 500 foot off-site parking allowance was retained but additional information was provided, provisions were added for shared driveways, there was an additional parking reduction in the central core area for studios and 1-bedroom units, a copy of the parking utilization study was provided, and a provision added that allowed a nonconforming multi-family structure destroyed by calamity to be replaced based on C-3 rather than R-4 setbacks without the current restriction of limiting to the same number of units provided it didn't increase the extent of existing nonconformity. Another amendment was allowing temporary use of an RV as a residence on a property while a home was being constructed or manufactured home installed

on the same property. The questions/discussion at the Work Session were: if the requirement for gravel or paved surface was too onerous and questions about “self-contained.” Since the Work Session, the provisions were kept as-is regarding the gravel or paving for self-contained and provisions that exempted applicants from connecting to on-site services, clarification that “self-contained” would be motorized for that purpose, additional information from the City of Prineville that nearly all chose to connect to services/remain on site, and a minor change to allow an emergency extension for the timeframe on an active permit.

Commission Questions: Commissioner Langenwaller asked about the intention of providing adequate off street parking. Senior Planner Schauer said the City Center Housing Strategy recommended the parking reduction within the City Center area. At the Work Session there was interest in further reducing the parking requirements in the most central core area. The proposal was for .75 spaces for one bedroom units or studios in the central core area and 1 space per unit in the broader City Center Housing Overlay District.

Commissioner Langenwaller questioned whether .75 spaces would be sufficient.

Commissioner Randall asked about the 1 space per unit for units with more than one bedroom. Senior Planner Schauer said the City Center Housing Strategy was focused on removing barriers to more dense development and there was proximity to services where the parking needs would be less in the core area.

Commissioner Randall did not know if it would be enough in the future, especially since mass transit was not available and there was a lack of City owned parking lots in downtown.

Planning Director Richards said the recent parking utilization study showed there were sufficient public parking lots currently. There was a project in the Urban Renewal Plan to acquire and build more inventory.

Commissioner Winfield thought the changes would allow the flexibility for increased density, but were still narrow enough that they would not get multi-storied tall apartment buildings that would compound the parking issues. It was a small corridor and she did not think it would be a problem.

Commissioner Langenwaller asked if RVs had to leave when demolition started. Senior Planner Schauer said the intention was not to have someone indefinitely live in the RV. They would have to concurrently get a building permit at the same time as the demolition permit. They could keep the RV on the property while the home was being built.

Commissioner Langenwaller asked how the southern boundary would be described. Senior Planner Schauer explained the boundary.

Public Testimony:

Proponents: Nate Ball, property owner, spoke in favor of the amendments. The apartment complex he owned in this area had burned down. It was workforce and Section 8 housing, and he planned to rebuild for the same demographic but increase the energy efficiency of the building as well as add two more units. He would make more efficient use of the building footprint so it would not get any bigger, but be able to fit a few more units. Regarding parking, many of the tenants biked and about a third drove cars.

Mark Davis, McMinnville resident, was on the Project Advisory Committee and supported the recommendations. He thought there could be even further reductions in parking. There were people who lived without vehicles and had other ways to get around. They needed to have a

vision for the future that would make downtown inviting. He did not think they should support more cars in downtown as it would add to the problem, not solve the problem.

Commissioner Randall asked if the one space per dwelling unit was the requirement regardless of how many bedrooms the units had. Senior Planner Schauer said that was correct.

Opponents: None

Chair Hall closed the public hearing.

Commission Deliberation: Commissioner McClellan thought they should further reduce the parking in the central area. The difference would be small and it would encourage more housing. Many who lived in this area did not have vehicles.

Commissioner Randall asked what kind of units people wanted to develop in this area and how many bedrooms. Planning Director Richards said the private market was not currently responding to building housing in the city center area because they could get more money from a lodging use and it was cost prohibitive to provide the parking requirements.

Commissioner Randall said based on those facts, he could support what was being proposed.

Commissioner Rankin suggested having a loading zone in front of the residential structures.

Based on the findings and conclusions, Commissioner McClellan MOVED to RECOMMEND APPROVAL of G 2-21 to the City Council with the amendment that the parking in the central area be reduced from .75 to .5 per studio and one bedroom units. SECONDED by Chair Hall.

There was discussion regarding the pros and cons of requiring a loading zone and how reducing parking might make housing development more competitive with lodging development.

The motion PASSED 7-0.

C. Legislative Hearing: Proposed Annexation Requirements and Procedures (G 3-21) – (Exhibit 4)

Request: This is a legislative amendment, initiated by the City of McMinnville, proposing amendments to Title 16 and Title 17 of the McMinnville Municipal Code to establish requirements and procedures for annexation of lands to the City of McMinnville for compliance with the McMinnville Growth Management and Urbanization Plan (MGMUP) and ORS 222, which governs annexations of land into cities in Oregon.

Applicant: City of McMinnville

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.

Commissioner Langenwalter left the meeting.

Staff Presentation: Planning Director Richards said this was a proposal to amend the Municipal Code to establish requirements and procedures for annexation. This would make the Code compliant with state regulations, City Charter, and local ordinances. It was a navigable path for land to be annexed into the City based on the framework outlined in the McMinnville Growth Management and Urbanization Plan (MGMUP). It would also be a tool to ensure that future new

development was responding to the community's needs. To implement the new annexation process, the amendments to the Code, draft Annexation Agreement, and annexation fees would need to be adopted. The amendments would be to Titles 16 and 17 of the Municipal Code and Chapter IX of the Comprehensive Plan. She discussed the definition of annexation and what annexation was governed by, McMinnville's Urban Growth Boundary, history of annexation in McMinnville, how there were six different ordinances regarding annexation and staff recommended that the process become part of the code instead, past requirement that annexations be approved by a vote of the electorate and how SB 1573 took away that requirement, and how the current ordinance in effect required the vote of the people for approval or denial. She explained how the amendments would bring them in compliance with the MGMUP which would require the process for an area plan, concept master plan, annexation agreement, master plan, and annexation. If the property was less than ten acres, no master plan would be required, but the development needed to be consistent with the area plan and other applicable zoning processes. She described the differences between the proposed and previous process, designations on the UGB amendment map, and UGB Framework Plan. Area plans were adopted as part of the MGMUP. They were needed prior to annexation for all properties with a UH Comprehensive Plan Map designation. The Framework Plan was a guiding document of assigned land needed for the area plans. The area plans would be adopted as a supplemental document to the Comprehensive Plan. After the area plan was adopted, a property could apply for annexation. The process outlined in Title 16 captured all the elements required in ORS 222 and Ordinance No. 4636 that were not clear and objective land use elements. If applicable, it would include a Concept Master Plan. A Concept Master Plan was not a land use application but was an advisory document for the annexation agreement. All properties that wanted to annex into the City would need a City Council approved Annexation Agreement. This was a written agreement between the City and land owners requesting annexation that stated the terms, conditions, and obligations of the parties for the annexation to be approved. These provisions included: public facilities and services to mitigate impacts to the City associated with the annexation and future development of the property, process for ensuring that the annexation was consistent with the Comprehensive Plan, and any other provisions that the City deemed necessary for the annexation to meet the City's ordinances and the community's identified needs. This would give the City the ability to negotiate the dedication and build-out of public facilities and amenities and negotiate community values such as affordable housing, school funding, or public art. Annexation agreements were negotiated on a case-by-case basis and were considered a contract between the property owners and the City. A draft Concept Master Plan was provided with the Annexation Application and would be used as the basis for the negotiations in the review with the Area Plan and community needs at the time. The Concept Master Plan was not a land-use decision. It was a draft plan that showed what the property owner wanted to do and set the stage for the Annexation Agreement. In the end, the applicant would need to submit a Final Master Plan for consideration that not only showed compliance with the Comprehensive Plan goals and policies, but also compliance with the Annexation Agreement. The amendments to Title 17 had to do with the Comprehensive Plan compliance for annexations. All properties that wanted to annex that had a UH Comprehensive Plan Map designation would need to submit a Concept Master Plan with the Annexation Agreement. Those that were 10 acres or more would be required to submit for a Master Plan review and approval as a Type IV land use process. Residential properties 10 acres or less would need to go through a Zone Map amendment process to achieve City zoning upon annexation. Area plans and master plans were not required for lands identified as either industrial or commercial Comprehensive Plan Map designations in the UGB, but a Zone Map Amendment application and approval was required. The City Council would approve annexations by ordinance in compliance with ORS 222. Annexation would not take effect until compliance with all of the components of the Annexation Agreement was achieved. Concerns had been raised about the

process, such as not enough opportunity for public influence on the decision-making process and the end results of the development and some of the language was problematic in terms of what was described as a land-use decision and what was not described as a land-use decision. Staff had amended the language for clarity.

Public Testimony:

Proponents: Mark Davis, McMinnville resident, had reservations about these changes when they were first explained. However, what was in front of the Commission was much improved. The City needed to deal with the islands of un-annexed property in the City limits. He thought the ten acre cut off might incentivize people to only bring in ten acres at a time of their property to avoid the master plan process. He was also concerned about potentially losing park land and how they had failed to build parks over the last 20 years. He wanted to make sure the parks were built as promised.

Planning Director Richards explained that was the purpose of the Area Plan process, to make sure the parks were developed as identified. The likelihood that there would be a property that could partition down to ten acres while in the County zoning was minimal. Most of the significantly larger parcels were in EFU or other zoning that would not allow that partitioning. That was why staff felt comfortable with the ten acres.

Opponents: None

Chair Hall closed the public hearing.

Planning Director Richards pointed out a typo in the proposed amendments.

Based on the findings and conclusions, Commissioner Randall MOVED to RECOMMEND APPROVAL of G 3-21 to the City Council. SECONDED by Commissioner Banagay. The motion PASSED 6-0.

5. Commissioner Comments

None

6. Staff Comments

Planning Director Richards said Senior Planner Darnell had resigned and the recruitment process for his position was moving forward. A new planner would begin work on October 1. Staff was still working under a heavy work plan to meet state deadlines. She then discussed upcoming agenda items.

7. Adjournment

Chair Hall adjourned the meeting at 9:05 p.m.



Heather Richards
Secretary