

## MINUTES

Members Present: Chair Butler; Commissioners Drabkin, Hall, Hillestad, Koch, Morgan, Stassens, Tiedge

Members Absent: Commissioner Chroust-Masin

Staff Present: Mr. Montgomery, Ms. Lynagh, Ms. Haines, Ms. Kindel

### **1. Approval of Minutes – April 18, 2013**

Chair Butler called the meeting to order at 6:31 p.m. He listed the names of the Commissioners who had been present at the April 18, 2013, Planning Commission meeting, and drew attention to a footnote on page one of the minutes from that meeting. Commissioner Hall MOVED to APPROVE the minutes as presented; SECONDED by Commissioner Koch. Motion PASSED unanimously by Commissioners who were present (Commissioners Stassens and Tiedge arrived after the vote; at 6:34 p.m. and 6:36 p.m., respectively.)

### **2. Public Hearing (Legislative)**

#### **◆ Docket G 1-13**

Request: The City of McMinnville is considering adoption of a planned development overlay for the Northeast Gateway district to guide future development within this area. If adopted, the draft ordinance would provide new and revised permitted and conditional uses; standards for review; non-conforming use provisions; and design standards consistent with the adopted vision for the Northeast Gateway area.

Applicant: City of McMinnville

Chair Butler opened the public hearing at 6:34 p.m. Commissioner Drabkin disclosed that she owned a business located in the Northeast Gateway area, but stated that would not influence her decisions on the request. Chair Butler called for the staff report.

Ms. Lynagh noted that the Commissioners had been provided a report that outlined the history behind the Northeast Gateway plan for future development of 75 acres of land encompassed by 3<sup>rd</sup> Street to the south, Riverside Drive to the north, the railroad tracks to the west, and Lafayette Avenue to the east. She said the Northeast Gateway Advisory Committee had recommended approval of an ordinance that would revise the Zoning Ordinance in order to guide the development of the area, a copy of which had been provided to the Planning Commissioners for their consideration and recommendation.

Chair Butler asked if there was any public testimony on the item.

Jim Van De Walle said he owned property in the subject area, and thought the planning that had gone into the Northeast Gateway project was a waste of money. He discussed his concerns with

regard to design standards in the proposed ordinance that would prohibit him from replacing portions of his building with the same materials if it was destroyed. He said his insurance company would not pay the difference in costs for the other building materials, which were very expensive. In addition, Mr. Van De Walle said that he was concerned the restrictions would negatively impact his property value as well as his ability to sell his property in the future. He questioned the wisdom of creating such a large-scale plan and suggested it would be better to implement a similar plan for a smaller area. He said that he was "100 percent opposed" to the plan and felt it would devalue his property.

In response to questions from Chair Butler, Mr. Van De Walle said he had not been invited to participate in group discussions about the proposed ordinance.

Shawn Rollins said he owned a piece of property located on the other side of the railroad tracks, and not part of the Northeast Gateway area; however, his mother owned rental property on the corner of 9<sup>th</sup> and Logan Streets, which was in the area. He said he was a lifelong resident of McMinnville, and stated that the proposed area was economically depressed with business owners struggling financially. He said that the restrictions in the proposed ordinance would be an additional hardship for businesses, and he did not want to see people he grew up with being forced out because "someone wants to put a 'Mini Pearl' in."

Commissioner Stassens asked Mr. Rollins whether he knew what had happened to property values in the "Pearl District."

Mr. Rollins stated that he realized the property values had increased due to the population density in and around the area; however, the subject area included a totally different dynamic of people and property values. He said he did not think the proposal was a bad idea; rather it was too big for McMinnville to absorb.

Commissioner Drabkin pointed out that the plan would be implemented in stages, rather than all at once.

Mr. Rollins admitted that was true, however, he noted that the ordinance for the entire area would be implemented immediately. He suggested implementing the plan one or two blocks at a time, and said that one of the biggest improvements that could be done for the area would be to pave Alpine Street.

Mr. Montgomery reminded the Planning Commissioners that the purpose of the hearing was to review the ordinance which included standards for development, permitted uses, conforming and nonconforming uses. He said that the time to debate whether the plan was a good one or not had long passed.

Commissioner Tiedge asked what would govern the sequence of implementation of the ordinance, and why the ordinance was being presented at this time.

Mr. Montgomery explained that the reason it was coming up now, was because it supported the adopted vision for the Northeast Gateway area. For example, he said that it proposed a different mix of uses for the area than the current zoning, as well as a different design vision. He said that it would permit uses currently not allowed, but that there was demand for. He also explained that a proposed tax increment financing project was presently moving forward, which would be a vehicle to provide seed money for projects in the area.

Commissioner Hillestad noted that the ordinance would not affect property owners unless one of three things happened: new construction; a significant change to the exterior of an existing business; or 100 percent destruction of an existing structure. He asked whether that was correct.

Mr. Montgomery said that was correct, other than what future plans might allow property owners to do.

Mr. Rollins gave a number of examples of improvements that might be done to a business that would trigger a requirement for further property improvements if the ordinance was approved. He said that such a requirement would make it financially prohibitive in many instances to upgrade or improve buildings, because of the cost of required additional improvements. He pointed out that many of the required improvements, while attractive, would cost money and not add anything to a business. Further, Mr. Rollins said that businesses in the Northeast Gateway Area were located there to make money, not look pretty, and consisted of warehouses, storage facilities, and mechanics' shops. He stated that the ordinance was "too much, too fast, and too draconian."

Kelly McDonald said he was a property owner in the area, managing partner of the Granary District, and also a member of the Northeast Gateway Advisory Committee and Urban Renewal District Citizens' Task Force Advisory Committee. He said that the Northeast Gateway project had been ongoing for about two years and had been a big undertaking, which included extended discussions on design standards and impact to existing property owners in the area. He gave an overview of the history and development process of the Granary District area. He said there were tools available to protect business owners from costs associated with mandatory upgrades not covered by insurance companies after a loss, as had been a point of concern by Mr. Rollins, and said that he carried insurance with a provision to cover additional construction costs that might result from zoning changes. Mr. McDonald said he had put a lot of time and effort into the draft ordinance, which he believed was a good plan for the City of McMinnville and its citizens. He said he was present to voice his support for the plan, and pointed out that it would be necessary to increase property values and increase the tax base in order for tax increment financing to work. He expressed his opinion that he believed the plan would accomplish that over time, and help pay for some of the infrastructure and other improvements in the subject area.

Chair Butler said it appeared the ordinance would not allow an auto shop or a business like Mr. Rollins' business in the area, and stated it appeared that might eliminate existing businesses in order to bring in new ones.

Mr. McDonald said he did not believe anything in the ordinance would displace existing businesses, but rather would prohibit the new establishment of certain types of businesses.

Commissioner Hall said that it seemed as if each time a plan such as this was proposed, one of the objections was invariably an assumption that the plan would change everything instantly. He confirmed with staff that the implementation of the standards of the ordinance could take months, years, or even decades; and stated, for that reason, some of the objections lost a lot of weight.

Discussion ensued about the process for obtaining conditional use permits, and what circumstances might occur that could void such a permit.

Chair Butler said that the establishment of the Northeast Gateway Area, and the creation and implementation of the ordinance, was an effort to improve a run-down area of the city, and to improve property values by improving the looks, design, and standards of properties in the area over time. He pointed out that there were allowances in the ordinance for Planning Director discretion in considering a waiver request for some of the standards.

Mr. Montgomery explained to the Planning Commissioners that the tax increment financing plan would require them to make a finding that the Northeast Gateway Plan was consistent with the Comprehensive Plan. Part of that, he said, required an established zoning scheme that supported the adopted vision for the plan.

Chair Butler closed the public hearing at 7:43 p.m., and requested that the Planning Commissioners review each individual section of the proposed ordinance.

#### Section 1 – Definitions

Ms. Lynagh explained that the definitions listed in Section 1 were not currently in the Zoning Ordinance, and would be added if the ordinance passed.

Commissioner Hillestad said he had been unable to find a definition for “commercial recreation center,” and Ms. Lynagh stated that such a definition would be added to Section 1.

#### Section 2 – Purpose

Ms. Lynagh explained that this section was, in essence, a vision statement for the Northeast Gateway area.

There were no changes to Section 2.

#### Section 3 – Applicability of NE Gateway PDO

Ms. Lynagh suggested there should be clarification to this section to make it clear that standards would only apply to the specific proposed development project, and not the entire building. For instance, she said the roofing standards would apply to the installation of a new roof, and no other portion of the building or site would be required to conform to the development standards.

Commissioner Hillestad questioned the standard in Section 3. D. that “any expansion of an existing development or structure involving the addition of 15 percent or more of the existing square footage of the building” and whether a business owner could get around the requirement by, for instance, completion of a 14 percent expansion, and then expanding another 14 percent after a short period of time had lapsed.

Ms. Lynagh said the standard would be modified to make the expansion percentage cumulative over a three-year time period, so that if an individual reached a total of 15 percent expansion or more within a three-year time period, the regulations would apply.

#### Section 4 – Submittal Requirements

Ms. Lynagh said that the submittal requirements for plans were a little more comprehensive due to the design requirements.

Following discussion about the possible interpretation of the standards to mean that all submittal requirements were required, regardless of the project, Ms. Haines suggested that the second sentence in Section 4 A. be amended to read “The following information, as applicable, must be clearly demonstrated...”

### Section 5 – Review Process and Waiver Process

Ms. Lynagh said that an important part of this section was the waiver process which would provide a method for an individual to meet the intent of the ordinance, without actually meeting all of the standards. It was noted that the Planning Director would review waiver requests.

There were no changes to Section 5.

### Section 6 – Permitted and Conditionally Permitted Uses and Section 7 – Table 1

Ms. Lynagh explained that the two sections outlined permitted and conditionally permitted uses for the area. She said that uses not listed were not permitted, and noted that the advisory committee wanted drive-through food and beverage establishments listed as permitted uses in Zones 2 and 3. In addition, she said the committee had added public parking lot as a permitted use, in recognition of the fact that parking might be an issue in the future.

Commissioner Drabkin expressed concerns about drive-throughs, and said that, although a drive-through could meet the design standards, it seemed contrary to what was planned to be achieved.

Ms. Lynagh stated that drive-throughs would be limited to no more than 200 square feet in size. In response to a question by Commissioner Hillestad, she said that food trucks had not been included as either permitted or prohibited.

Commissioner Drabkin asked whether there was a size limitation for parking lots. Ms. Lynagh said there was no size limitation, and Commissioner Drabkin suggested that might be something to consider.

Commissioner Stassens said that there was considerable discussion with the committee about balancing the pedestrian feel of the area with the reality of parking needs. She said that the members of the committee did not want to create a parking problem because of an idealistic view of an area that was pedestrian friendly.

Chair Butler pointed out that there was no permitted use for the area that would allow any kind of communication call center, or studio. He asked whether that use would be a fit for the area.

Mr. Montgomery said he believed that use would fall under the light industrial category, but could be added as a permitted use if there was a consensus of the Planning Commission members.

Commissioner Tiedge said he agreed with Chair Butler, and thought there was a missing element in terms of “cubicle dwelling, general business” that was not necessarily professional.

Ms. Lynagh stated that staff would add the appropriate permitted use.

Mr. Montgomery asked for clarification on Commissioner Drabkin’s concern about drive-up or drive-through service businesses, and Commissioner Hillestad’s question about the permissibility of mobile food vehicles. He asked whether “drive-throughs” should be eliminated and food trucks added, or if the Commissioners wanted to leave it without any changes.

Following discussion about “food trucks,” no change to the ordinance was recommended. Discussion ensued as regard drive-through food and beverage establishments, and there was a consensus that the use be prohibited.

### Section 8 – Development Standards

Ms. Lynagh stated that, although there was testimony that indicated the proposed development standards were very restrictive, she did not believe they were. With regard to the requirement to locate parking in the rear of buildings and situate buildings next to the street, she explained that the intent was to create a pedestrian-oriented neighborhood.

Commissioner Hillestad suggested that commercial uses be required on the ground floor of parking structures in order to provide visual interest for pedestrians.

Commissioner Morgan expressed his opinion that the development standard with regard to the rear parking lot requirement was too restrictive, and the ordinance needed variability to allow for some front parking as well. He said he thought a mix would be better.

Commissioner Drabkin said she thought that would defeat part of the purpose, which was to create a pedestrian friendly area where individuals could move from shop to shop without large interruptions.

It was the consensus of the Planning Commissioners to leave the parking lot requirement as written.

Following discussion about percentage of window glazing, permitted roofing materials, and building sizes, Mr. Montgomery suggested that staff could provide a report every two to four years to assess the effectiveness of the ordinance. He said that the report would allow an opportunity to evaluate and reassess those standards that seemed to be problematic. There was no directive from the Planning Commissioners on the suggestion.

### Section 9 – Off-Street Parking and Loading – Location and Standards

Ms. Lynagh said that it had been recognized early on that there were a lot of problems with parking in the neighborhood. She noted that the ordinance included a waiver process for the parking requirements.

Mr. Montgomery explained that the conceptual evolution of parking in the Northeast Gateway area was envisioned to be similar to downtown McMinnville where public parking spaces or lots serve the businesses. He said it would be impractical to require every business located there to put in a parking lot, something that would take away from the available commercial and industrial space in the area.

Commissioner Morgan discussed his concerns about off-street parking requirements, and stated that the vision of a pedestrian oriented area was good, but it should be tied in with public parking somewhere so visitors to the area could park their vehicles and then walk to the businesses. He noted he did not see any public parking associated with the overall plan, and said “everyone drives wherever they are going.” He said that he had misgivings, unless a viable parking plan was part of the development plan. Commissioner Morgan stated that this type of pedestrian oriented process should incorporate parking facilities; which was incumbent upon the city to do, if not done by the property owners.

Chair Butler concurred, and said he thought this section of the ordinance was of concern. He shared an example of a parking issue that developed on streets near the high school after a large parking lot was approved there, and said that they should plan for the eventuality that people would still have cars in the future.

Commissioner Drabkin expressed approval of the development goal of a pedestrian friendly area, and said it was unrealistic to expect an available parking space for every person in every car visiting every business. She pointed out that she had walked to high school, and before the construction of the larger parking lot, students walked, took the bus, or rode bikes, and simply did not plan to drive. She agreed that there was a need to plan for parking, but said it should be possible to make the area thrive as a pedestrian oriented development.

Chair Butler disagreed with the suggestion that the parking problem at the high school developed as a result of the enlargement of the parking lot. He expressed his opinion that, in fact, the problem with cars parking in the adjacent neighborhoods grew as more people started to drive, which created a need for the larger parking lot. He stated that he did not want to push the parking out into the community as a result of the parking standards, and said he wanted the development to be inclusive of parking. He said this might mean that, for instance, a business owner would need to forego their business plan in order to create a parking lot for everyone to share. He admitted he did not have the answer, but reiterated that there should be a plan for parking and he felt the ordinance did not address the issue.

Commissioner Hillestad observed that “millenials” were having fewer cars per person, and if a development was pedestrian friendly, it would tend to attract individuals who wanted to live near where they worked. For that reason, he suggested that the plan was a good idea, and “let’s encourage that sort of person coming to this area.”

Commissioner Drabkin said that parking would still be allowed on the side streets. She gave an example of several other jurisdictions that had “angle-in” parking in their commercial areas, which she said she personally liked and could accommodate more vehicles. She said she thought they should “think outside the box” and explore options other than a plan for a huge parking lot or parking structure.

Commissioner Hillestad wondered whether they were anticipating a problem that may not occur, because it would depend on how and when individual parcels were developed. He suggested the issue be left alone for now and see how it worked out.

Commissioner Morgan said he thought that if they deferred the issue for a couple of years they would only be procrastinating.

Mr. Montgomery said that the committee that had reviewed the ordinance, which was composed of a number of property owners in the Northeast Gateway area, had indicated some development plans were stymied by the current parking regulations. He pointed out that this ordinance would provide some relief from the current parking requirements by eliminating the burden of providing parking on smaller sites. Mr. Montgomery said that the longer-range plan was to work on a parallel path to identify parcels for purchase through urban renewal monies to develop public parking lots to serve the area. That goal, he said, could give some parking relief and still maintain the vision of a pedestrian-way through the core of the area; thereby serving both needs.

Chair Butler stated that it did not look as if they would be able to resolve the parking issue at this time.

There were no changes made to Section 9.

## Section 10 – Signage

Ms. Lynagh said that signage for Zone 1 would be subject to the standards in the “Downtown Design Standards and Guidelines” chapter of the zoning ordinance, and businesses in Zones 2 and 3 would be required to comply with Chapter 17.62 (“Signs”) of the zoning ordinance, with three exceptions as detailed in the ordinance. She drew attention to the height limit for signs on properties with Lafayette Avenue frontage, and said that the intent was to reduce the height.

Commissioner Stassens proposed the height limit be reduced further from 16 feet to 12 feet, in order to give the feeling of entering a unique place and to create more of a pedestrian feel. She said that the committee had agreed to the 16 foot height limitation because some of the current property owners already had signs of that height. She said she thought it would be best for the community to make the signage more pedestrian friendly along Lafayette Avenue.

Chair Butler said he would rather allow a 16-foot sign with multiple tenant signs on it, than one 12 or 16-foot sign with a single business sign; something that would create visual clutter. He pointed out the “clutter” created in the vicinity of 8<sup>th</sup> Street and Lafayette Avenue by the placement of numerous sandwich board signs.

Commissioner Hillestad suggested that this was an opportunity for a fresh start if sandwich board signs were prohibited in the Northeast Gateway area. He said that the ones currently in existence could be grandfathered in until such time they had outlived their usability, and then they would not be allowed to be replaced. He noted that sandwich board signs were “not friendly to people in wheelchairs.”

Commissioner Tiedge said he believed there was a jurisdictional issue with sandwich board signs; that it was not a land use issue. He said he was not certain there was jurisdiction to regulate a moveable object.

Mr. Montgomery said that there was an allowance for sandwich board signs on sidewalks in the McMinnville downtown area, and that they were managed by the Director of the McMinnville Downtown Association. As regard such signs clustered at 8<sup>th</sup> Street and Lafayette Avenue, he said they were currently regulated by, and in violation of, the existing sign ordinance. He noted that there had been intermittent attempts to bring those signs into compliance. Mr. Montgomery said that the ordinance under review would regulate the same type of sign through the temporary sign provisions of the sign ordinance, and pointed out that no signs were permitted in the public right-of-way.

Commissioner Hillestad said he was unable to find a definition for “monument” sign in the sign ordinance, and Mr. Montgomery explained that a parallel term for such a sign was “ground mount” which was defined.

Commissioner Stassens again asked to reduce the sign height limit from 16 feet to 12 feet.

Chair Butler polled the members of the Commission, and it was the consensus to change the sign height limit to 12 feet in Zones 2 and 3. Chair Butler commented that he would prefer multiple tenant signs, regardless of the height.

## Section 11 – Landscaping

Ms. Lynagh said that the Landscaping section of the ordinance was similar to the landscaping section of the Zoning Ordinance.

Following a brief discussion, there were no changes made to Section 11.



Section 12 – Non-Conforming Uses and Section 13 – Non-Conforming Development

Ms. Lynagh noted a correction to Section 13 B., and said the very last word, “parking,” should be eliminated.

There was no discussion, and no other changes to Sections 12 and 13.

Commissioner Drabkin MOVED to forward the Northeast Gateway Planned Development Overlay Ordinance to the City Council with a recommendation of APPROVAL as recommended by the Northeast Gateway Advisory Committee, as amended; SECONDED by Commissioner Hall. Motion PASSED by majority vote with six Commissioners voting in FAVOR of the motion, and two in OPPOSITION (Butler and Morgan).

### **3. Old/New Business**

Mr. Montgomery advised the Planning Commission members that the draft Urban Renewal Plan and Urban Renewal Report would be presented for review at their June 20, 2013, meeting. He said that their task would be to determine whether the plan was consistent with the comprehensive plan. Also scheduled for the June meeting would be a hearing for a conditional use permit for an Alzheimer’s and senior housing project on Cumulus Avenue, he explained.

Mr. Montgomery informed the Commissioners that an appeal had been submitted of their denial for a zone change request (ZC 2-13) to amend a planned development ordinance to remove a current restriction on the removal of certain trees. That application, he explained, had been presented at their April 18, 2013, meeting.

### **4. Adjournment**

Commissioner Hillestad MOVED to adjourn the meeting; SECONDED by Commissioner Hall. Motion PASSED unanimously. Chair Butler adjourned the meeting at 9:27 p.m.

---

Doug Montgomery  
Secretary