



City of McMinnville
Planning Department
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MINUTES

December 20, 2018
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, Susan Dirks, Gary Langenwalter, Roger Lizut, Zach Geary, Lori Schanche, and Erica Thomas

Members Absent: None

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

1. Call to Order

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

2. Citizen Comments

None

3. Approval of Minutes

- **August 16, 2018** (Exhibit 1a)
- **November 15, 2018** (Exhibit 1b)

Chair Hall called for action on the Planning Commission minutes from the August 16 and November 15, 2018 meetings. Commissioner Dirks MOVED to APPROVE the minutes as presented; SECONDED by Commissioner Chroust-Masin. Motion CARRIED 9-0.

4. Public Hearings:

A. **Appeal of Historic Landmarks Committee Decision (AP 2-18)** - (Exhibit 2)

Request: Appeal of the Historic Landmarks Committee's decision on a recent Certificate of Approval for Alteration application (HL 10-18). The decision being appealed is a denial of a proposal to replace and install new railings around the front and side porches of a residential structure that is listed on the Historic Resources Inventory as a historic landmark. Specifically, the proposal was denied based on the proposed building materials not being compatible with the existing building materials of the historic landmark.

Applicant: Terry Hall, on behalf of property owner Jeff Sauter

Chair Hall opened the public hearing and read the hearing statement. He 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? All of the Commission had visited the site. There was no discussion regarding the visits.

Senior Planner Darnell presented the staff report. This was an appeal of a Historic Landmarks Committee decision on a recent Certificate of Approval for Alteration application for 219 SE Lincoln Street. He gave a background on the historic inventory of the City and applications that required a Certificate of Approval. He explained the definition of an alteration. The property had a residential structure that was designated as a significant resource, which was the second highest tier on the inventory. He discussed photos showing how the key architectural features were still on the house today. The Historic Landmarks Committee (HLC) discussed this application in September. It was after the project had been started that the contractor became aware it had to go the HLC. The project included improvements to the front porch and additional railings. The HLC had determined that the railings were an alteration because they were an addition to the structure that resulted in a larger change to the appearance and a Certificate of Approval was needed. The HLC had been concerned about the composite material being proposed. The contractor did submit an application and stated the railings had been in place at one point based on what he saw on the columns of the porch and was only proposing to add them back using the composite material. The Certificate of Approval application was reviewed in October and the HLC denied the application. The applicant was appealing that decision. He explained the review criteria for an alteration of a historic landmark and reviewed the findings made by the HLC for denial of the application. The Committee found that the proposed composite polymer material was not compatible with the original wood materials of the porch and the material was not visually compatible with the historic design of the porch. Overall the Committee did not have a problem with the addition of the railing because it fit with the form and style of the home, but it was the material that was the issue. The Committee thought the applicable treatment for the house was rehabilitation per the Guidelines for Historic Preservation as published by the Secretary of the Interior. Using the rehabilitation guidelines, their finding was that the proposed material was not compatible as a substitute material. The appellant thought the proposed material was physically and visually compatible. They thought the railing looked like wood and was virtually identical. They also stated wood was more difficult to maintain. They thought their application matched the old in composition, design, color, and texture. Regarding the Secretary of the Interior's Guidelines for Historic Preservation, the appellant thought it gave greater latitude to replacing missing features using the same or compatible material and they thought the material was compatible. Staff recommended denial of the appeal based on the HLC's interpretation and findings.

Commissioner Langenwaller asked from how far away did appearance matter? Was it a couple of feet or from the sidewalk?

Senior Planner Darnell said there was no specific measure of that. The criteria called for physical and visual compatibility. It was also about the materials being used and whether they were compatible with the historic materials on the building.

Commissioner Chroust-Masin asked if this was a unanimous decision of the HLC. Senior Planner Darnell said yes, it was.

Commissioner Chroust-Masin asked how they knew what the railing looked like if it was not in the pictures from the Inventory. Senior Planner Darnell agreed there were no previous historic pictures showing railings. There were two sections of railings present on the house prior to the work beginning. The appellant had proposed to add them back and they did not know if the railings were never there or removed at some point in time.

Commissioner Schanche asked if there was discussion about the wrought iron railing that went down the stairs that was in the pictures. Senior Planner Darnell said there was not discussion regarding the railing on the steps. There was a lot of discussion regarding the two sections that existed on the porch that were wood.

Commissioner Langenwaller said in the HLC minutes, it was originally staff's recommendation to approve the application with the condition that the paint matched appropriately. Now staff was recommending denial. What had changed staff's mind? Senior Planner Darnell said the original staff recommendation was based on the proposed materials and whether they could be designed to be compatible visually. The HLC focused on the materials and found that the polymer material was not compatible. That was the most important to them to maintain the historic character of the building. Staff was supporting that decision.

Planning Director Richards clarified staff was representing the HLC's recommendation based on the findings the HLC made.

Commissioner Butler asked if the appellant had already put the railings on. Senior Planner Darnell confirmed the work had already been done.

Appellant: Terry Hall, contractor, showed an example of the railing that had been used. It had already been installed. He had not tried to intentionally break the rules, but when he received a letter from staff he thought it meant that he could install and paint it. Everyone thought it looked like the original railings and that if the material had been available it would have been used by those who built the house. Wood was expensive and required more maintenance.

Commissioner Chroust-Masin asked if they had to change the railing, how much more would it cost and who would be responsible for the bill. City Attorney Koch explained the Commission was not allowed to take into consideration the cost if someone did something that was not permitted and they had to undo it. They could discuss the financial burden of complying originally with the requirements.

Mr. Hall said the cost for building a wood railing was twice as much initially and every three years something would have to be done to it that would continue to cost money. The material that was used would not need that maintenance.

Commissioner Schanche did not think the spacing of the new railing was the same as the spacing of the original railing.

Mr. Hall explained today's code did not allow the same spacing.

Proponents: Jeff Sauter, McMinnville resident, said he and his wife owned this property. The horizontal portions of the rails almost exactly matched the original. To install them with wood would require the rails to be milled which was very expensive. The only difference between the

original railings and the new ones was the vertical balustrades. They could tell where the original ones were by the markings on the posts and they had two original sections on the west side of the porch.

Opponents: None

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

Chair Hall closed the public hearing.

Commissioner Chroust-Masin said regarding the spacing of the railing, the spacing was directed by code. He had visited the site and did not think anyone could tell it was not wood unless they touched it. He thought it was foolish to make the appellant remove it. No one knew what was there originally and it would place a financial burden on the appellant.

Commissioner Butler agreed with Commissioner Chroust-Masin.

Commissioner Schanche said owning a historic property was a lot of responsibility and for historic homes it was typical to only use wood materials. She was in favor of denying the appeal.

Commissioner Lizut had served on historic preservation committees in the past and the real concern was setting a precedent. Ownership of historic homes came with burdens and it was clear what the code said. He also was in favor of denying the appeal.

Commissioner Chroust-Masin pointed out home owners could apply to opt-out from the historic inventory. Senior Planner Darnell explained the process that would be required to request a removal of an existing property from the inventory, and clarified that there were still review criteria that would apply to that type of request that must be satisfied.

Commissioner Geary did not want to pretend to do the work of the HLC. He would look at it as a policy decision. The applicant failed to meet five key criteria and allowing the decision to be appealed and allowing the use of this material set a dangerous precedent. They wanted to protect the City's historic homes and to keep with the policies that had been set. He was in favor of denying the appeal.

Based on the findings of fact, conclusionary findings for approval, and materials submitted by the applicant, Commissioner Lizut MOVED to DENY AP 2-18. SECONDED by Commissioner Schanche. The motion PASSED 6-3 with Commissioners Chroust-Masin, Langenwalter, and Butler opposed.

B. Comprehensive Plan Map Amendment, Zone Change, and Planned Development Amendment 600 SE Baker Street (CPA 2-18, ZC 4-18, & PDA 1-18) *(Exhibit 3)*

Request: Approval to amend the Comprehensive Plan Map designation of a property from Residential to Commercial, and to rezone the property from R-4 PD (Multiple-Family Residential Planned Development) to O-R (Office Residential) to allow for an office use and multiple family residential units to be developed on the property. The proposed zone change would also result in the removal of the property from the Linfield College Master Plan area and Planned Development Overlay District, which requires a Planned Development Amendment to adjust the Linfield College Master Plan boundary.

Location: The subject site is zoned R-4 PD (Multi-Family Residential Planned Development) and is located at 600 SE Baker Street. It is more specifically described as Tax Lots 101 & 200, Section 20DD, T.4 S., R. 4 W., W.M.

Applicant: Kathy Schlotfeldt, on behalf of MV Advancements

Chair Hall opened the public hearing and read the hearing statement. He 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.

Commissioner Chroust-Masin said he knew Mr. and Mrs. Haugeberg well, but would not be abstaining from the decision.

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? Most of the Commission had visited the site. There was no discussion regarding the visits.

Senior Planner Darnell provided the staff report. This was a request for a Comprehensive Plan amendment from residential to commercial, zone change from R-4 PD to O-R, and planned development amendment for 600 SE Baker Street. There was a flood plain designation on this property and the applicant was not proposing to change that area. The applicant submitted a concept plan showing the intended development of the site. This was not a development application, however, and did not require development review. The Comprehensive Plan amendment needed to be consistent with the goals and policies of the Comprehensive Plan and this application met that criterion by preserving natural resources, providing cultural and social services, providing economic opportunities, and providing needed land types. The surrounding area was focused on the Highway 99W corridor and commercial areas. Regarding the zone change, the application would provide affordable housing, promote a residential development pattern that was land intensive, and provide unique and innovative development techniques. In regard to taking away residential land, the applicant was requesting the O-R zone which would allow for a mix of office, small scale commercial, and multiple family residential uses. They intended to construct up to 24 residential units. The current owner of the property, Linfield College, was in support of limiting the number of units to 24 in addition to office use. They would also restrict the uses to residential uses that were in conjunction with MV Advancements services or for senior housing. The policies that applied to multiple family residential were that the property was not committed to low density development, it was buffered by topography or other means, it had direct access onto a major collector or arterial, it was not subject to development limitations, it had existing facilities for development, and it was located near transit, commercial uses, and open space. The application met most of these policies and the O-R zone had setbacks and building height restrictions that would allow for a transition to the residential uses that existed to the east. Some of the factors that were not being immediately achieved were access to a major collector or arterial as access would be off of Cows Street and it was not adjacent to public or private open space. The flood plain would be preserved as natural open space and it was up to the Commission if that would satisfy the requirement. The surrounding area was a mixture of zoning and commercial zones. The O-R zone was meant to be a transition zone between commercial and residential and the location of this property met that intent. Utilities and services were able to be provided on the site. The traffic impact analysis showed that most of the traffic was expected to go out on Baker. None of the nearby intersections would have reduced level of service and the Transportation Planning Rule had been satisfied. He explained how the traffic analysis included a worst case scenario of a 50,000 square foot office

building that would still not reduce the level of service and pointed out that the applicant was proposing a 10,000 square foot building plus the 24 residential units. Regarding the planned development amendment, he gave a background on the Linfield College Master Plan and how the boundary of the campus was being proposed to remove this property. Staff recommended approval of the application with the condition to change the boundary of the Linfield College Master Plan.

Commissioner Chroust-Masin asked if the property was always zoned R-4. Senior Planner Darnell said it had been zoned R-4 at least since 1981.

Commissioner Dirks asked if they could include a condition for landscaping between Baker and the parking spaces. Senior Planner Darnell said that the Planning Commission was not reviewing the proposed concept plan, and that type of condition would not be related to the zone change request or any applicable review criteria. He stated that there was landscaping criteria for development applications, which would be applied at the time of landscape plan review.

Commissioner Butler asked if part of the Linfield College Trail was on this parcel. Senior Planner Darnell said the trail was west of the property line.

Applicant: Dave Haugeberg, president of MV Advancements, gave a history of how MV Advancements was started in order to provide social services and housing and employment opportunities for the disabled. Recently they were trying to provide clients with community based employment. They had grown with the community's needs and had about 270 clients and 160 employees. This application would help provide a facility for their work as they were bursting at the seams.

Kathy Schlotfeldt, Executive Director of MV Advancements, said they were proud of the fact that every person employed made minimum wage or higher. They were in need of having all of the administrative and programming staff under one roof for better efficiencies and communication. This property was unique in the community and would be a statement about how McMinnville felt about people with disabilities. They were citizens like everyone else.

Commissioner Schanche suggested making sure there would be a safe entry off of Cows and a bike rack.

Commissioner Dirks asked if they would be the only ones in the office building. Ms. Schlotfeldt said at this point they did not intend to rent out any of the office building. They wanted to offer their training room as a community space. Developing the property was a priority and the first phase would be the needed office space. The residential units would be later after research and funding was secured.

Proponents: None

Opponents: Mark Davis, McMinnville resident, was supportive of what was being proposed, however he was concerned about land use. The City needed more R-4 land and he thought this proposal was taking the City in the wrong direction by taking away R-4 land and making it commercial land. It was difficult to find sites for multiple family projects and this was a perfect site for R-4. He thought the application was incorrect in the interpretation of the economic opportunities analysis and deficit of commercial land. He did not think in any of the discussions there was agreement to use residential land to make up the deficit. He read the purpose of the Office-Residential zone from the code and explained how he did not think it was the appropriate

zone for this property. This was not the appropriate place for the MV Advancements project and did not meet the requirements of the zoning ordinance.

Rebuttal: Mr. Haugeberg said there was also a shortage of commercial land in the City. If this project was going to go forward, MV would be very constrained in opportunities if they could not use this land.

Ms. Schlotfeldt said they had looked at other sites and had found nothing that was as suitable as this property. This would bring housing for seniors and people with disabilities and the Office-Residential was a buffer between residential and commercial. She thought it met the code requirements.

Mr. Haugeberg said if they drove down the highway and looked at the property and the surrounding area, the property looked like it should be commercial. He agreed there was a shortage of R-4, but the City was conducting a study on the need to expand the Urban Growth Boundary and this piece would not make a difference to residential. It would have a critical impact on the social services in this community and MV's opportunity to provide those services.

Commissioner Geary asked since MV was consolidating their operations to this space, what other places would they no longer be using that could be available for another use.

Ms. Schlotfeldt explained the properties in the City that they would be vacating and how they were zoned industrial and commercial.

Commissioner Chroust-Masin asked if any of those properties could be zoned R-4. Ms. Schlotfeldt did not think so as none of them would be ideal residential sites.

Commissioner Chroust-Masin asked if they could split zone the property to be both commercial and residential. Senior Planner Darnell said possibly, but the City was moving away from encouraging split zoning, and that the current request before the Commission did not include that split zoning.

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

Chair Hall closed the public hearing.

Commissioner Chroust-Masin said Baker Street was ideal for commercial use. However, Mr. Davis had a good point and he thought they should look to see if there was a property that could be changed to R-4 in exchange.

Planning Director Richards said the housing needs analysis showed a deficiency in R-4. There had been some rezoning of properties to R-4. There was also a deficit of commercial properties. Staff would continue to encourage R-4 zoning when it came forward as a request from an applicant. The request before the Commission was rezoning from R-4 to Commercial.

Commercial Dirks asked because this had been zoned R-4 for a long time, had any building permit requests been submitted to build residential on this property?

Planning Director Richards said the Housing Authority had been looking for additional property for projects in the last two years, and had looked at this property. There were reasons they did

not go after it. Since there was limited land, people had been looking at property for different uses.

Commissioner Chroust-Masin thought the original plan was for Linfield to put more dormitories on this property.

Commissioner Butler thought this project was needed in the community, however there was also a need for R-4 and housing in the City. This property had more of a neighborhood feel and she did not think it was the right place for this project. She was not in favor of the zone change.

Commissioner Langenwaller said the applicant would eventually be building housing. He was not in favor of restricting the housing height to two stories and thought there should be more stories with an elevator as long as it did not destroy the feel of the neighborhood.

Commissioner Geary thanked Mr. Davis for standing up for R-4. He thought those concerns were relevant. The City was working on creating more R-4 and he thought they would be successful in doing so. This project was a fantastic use of the property and he was in favor of the project.

Commissioner Dirks clarified after reading the letter from Linfield that they had been approached by other buyers, but would not sell the property if it resulted in the development of maximum capacity high density housing.

Commissioner Butler did not think that was a reason to rezone the property.

Commissioner Dirks suggested adding conditions to the application. One was to preserve the two large trees in the corner of the property and the other was that the greenspace percentage be counted as a percentage of only the O-R zoned property and not counting the flood plain area.

Senior Planner Darnell read the potential condition staff had written requiring 7% of the site to be open space for the multiple family residential development not including the flood plain area.

Commissioner Langenwaller thought using the flood plain as open space was acceptable.

Planning Director Richards clarified they would not allow any structural improvements in the flood plain such as playground equipment. They would allow paths.

Commissioner Dirks agreed the flood plain was open space, but nothing could be installed, such as picnic tables or benches, for people to enjoy the outdoors.

There was consensus to preserve the trees and not include the flood plain in the open space calculation.

Based on the findings of fact, conclusionary findings for approval, and materials submitted by the applicant, Commissioner Geary MOVED to recommend approval of CPA 2-18, ZC 4-18, & PDA 1-18 to the City Council subject to the conditions of approval provided in the decision document and as proposed in the staff presentation and to add preservation of the two trees per Comprehensive Plan Policy 80. SECONDED by Commissioner Langenwaller. The motion PASSED 8-1 with Commissioner Butler opposed.

The Commission took a short break. Commissioner Thomas left the meeting.

5. Discussion Items

- Economic Development Strategic Plan (*Exhibit 4*)

Planning Director Richards gave an update on the Economic Development Strategic Plan. The Plan would go to the City Council on January 8 for adoption. There were three large goals in the Plan and five subset goals that were industry specific. If the Plan was approved, an Economic Development Leadership Committee would be formed and a representative from the Planning Commission would be a member of the Committee. She explained the potential tasks and projects from the Plan that would include the Planning Commission. She encouraged the Commission to review the Plan and upcoming tasks.

Commissioner Schanche asked about the task of building a county facility outside of downtown. Planning Director Richards explained there had been discussion regarding whether that would be the best use downtown in an environment where there were housing and office needs. County facilities were large destination users and if there was an opportunity to relocate them and instead put in a mixed use housing project it would be a better asset to downtown.

Commissioner Langenwaller discussed the need for attracting living wage jobs to the City. Planning Director Richards said the industry specific goals were focused on bringing in those types of jobs. There were many locally owned businesses that were good wage jobs as well.

6. Old/New Business

None

7. Commissioner/Committee Member Comments

None

8. Staff Comments

Planning Director Richards said there had been four open Commission positions and Commissioners Hall and Lizut had been reappointed. Commissioner Thomas was leaving the Commission to spend more time with her family and Commissioner Geary was leaving to serve on the City Council. She then discussed the two new Planning Commissioners that had been appointed.

There was discussion regarding the items that would be on the next agenda.

Planning Director Richards gave an update on the Three Mile Lane project.

9. Adjournment

Chair Hall adjourned the meeting at 9:00 p.m.



Heather Richards
Secretary