

## City of MeMinnville

## Downtown Improvement Plan

Walker Macy<br>July 2000<br>Prepared by:<br>Walker Macy<br>111 S.W. Oak, Suite 200<br>Portland, Oregon 97204<br>(503) 228-3122

## Acknowledgements

City of McMinnville<br>Downtown Steering Committee<br>Walt Gowell, Chair<br>Jerry Hart, Vice-Chair<br>Rose Marie Caughran<br>Ruel Fish<br>Tricia Harrop<br>Steve Macy<br>Marcia Mikesh<br>Frank Nelson<br>Neil Reiter<br>Dale Tomlinson<br>Patti Webb<br>David Wiegen

McMinnville City Council
Ed Gormley, Mayor
Dave Hughes
Robert Payne
Rick Olson
Tino Aleman
Sandy Rabe
Richard Windle

## McMinnville Downtown Association

Patti Pierce-Webb

City of McMinnville
Kent Taylor, City Manager
Don Schut, Community Development Director
Doug Montgomery, Planning Director

## Consulting Team

| Walker Macy | Michael Zilis, Principal in Charge <br> Patrick Sweeney, Project Manager |
| :--- | :--- |
| Robert Mazany Associates | Robert Mazany, Arborist |
| Professional Advisors | Dave Leland, Economist |
| Leland Consulting Group | Mark Butorac, Engineer |

## Table of Contents

I. Executive Summary
II. Process and Participants
III. Previous Downtown Studies
IV. Goals
V. Opportunities and Constraints
VI. Concept Plan

Partnerships
Programs
Improvement Projects
Action Plan
Potential Funding Sources
VII. Appendix

Existing Vegetation
Third Street Tree Assessment
Financing Programs and Implementation Tools for Public/Private Development
Existing Parking Counts and Diagram
Sidewalks Assessment Diagram
Inventory of Existing Streetscape

## I. Executive Summary

The City of McMinnville, located in the heart of Yamhill County, has been built on a long history of civic pride and community cooperation. This pride and cooperation has directly resulted in a vital downtown that is people-oriented and continues to be the focus of the community. Today, downtown McMinnville has many benefits that other communities do not enjoy. The City's downtown core remains intact, with a complete block grid that encourages walking as well as driving. The grid is reinforced with buildings, especially along Third Street, which are of high quality, define the street edge, and add vitality. There are a good mix of uses downtown including office, civic, entertainment, recreation, housing and retail. The downtown is supported with on street parking, parking lots, and a public parking garage. It also retains an historic quality with many structures on the historic register.

As true in most communities, McMinnville's downtown is in competition with commercial, office, and residential development at the City's fringe. While key physical elements are in place, it will take specific and continual efforts to keep the downtown economically vital and prosperous into the future.

Through an interactive process, the Walker Macy consultant team assisted the City of McMinnville in preparing this strategic planning document. Working with the Downtown Steering Committee (DSC), the plan was crafted to set achievable goals and implementation measures formulated to build on the values of the community. The City of McMinnville Downtown Improvement Plan is intended to guide the downtown's economic, social and physical success well into the future.
The study area encompassed NE First Street to the south, NE Fifth Street to the north, the City Park and the library to the west and Johnson Avenue to the east. The goal of this effort was to formulate a plan to articulate the shared vision for the downtown and identify specific courses of action to achieve this vision.

The following sequence of tasks were undertaken:

1) Establish Goals \& Objectives
2) Analyze Existing Conditions and Identify Opportunities \& Constraints
3) Develop a Concept Plan
4) Identify Partnerships, Programs, Improvement Projects, and Funding Sources
5) Develop an Action Plan and Establish Priorities

## Recommendations:

The plan provides a balanced approach to the improvement of downtown McMinnville. The plan's recommendations are arranged into three categories:

- Partnerships - Agencies and organizations the City should cooperatively work with to achieve common goals.
- Programs - Programs to be developed or expanded to add vitality to downtown.
- Improvement Projects - Specific improvements to be implemented.


## Partnerships:

One of the primary reasons the downtown has been successful is its cooperative partnerships with the community and with governmental agencies. Through ongoing dialogue and cooperation, the downtown can tap the resources necessary to continue its success. The following partners are key to the success of McMinnville's Downtown Improvement Plan.

- Yamhill County- Retain county offices downtown and encourage the county to cooperatively plan the growth and development of its governmental facilities.
- Willamette and Pacific Railroad- Encourage the railroad to upgrade its facilities and work to develop future passenger service.
- Oregon Dept. of Transportation (ODOT)- Partner with ODOT to upgrade Adams Street and Baker Street to be more pedestrian friendly, easily crossed and developed to a similar standard as downtown streets.
- U.S. Bank- Negotiate with U.S. Bank to lease or acquire the plaza at Third Street and Davis Street for public use.
- McMinnville Downtown Association (MDA)- Continue to cooperate with the MDA to expedite the improvement of downtown.
- Chamber of Commerce- Continue to work with the Chamber of Commerce to attract businesses downtown.
- McMinnville Water \& Light - Coordinate streetscape and other improvements with future utility upgrades.
- City of McMinnville - Coordinate with future developments and implement improvement projects.


## Programs:

The following programs have been identified to guide improvement of downtown.

- Building Infill Programs - Building infill refers to the development of new building in areas that reinforce the structure and vitality of downtown. Develop building infill programs consistent with downtown's existing character that maintains high quality and good economic performance. Continue to encourage housing and office uses downtown to support businesses and add vitality.
- Parking Management- Implement a parking management program to balance the needs of residents, employees and visitors. Establish a shared parking system to efficiently utilize existing public and private parking downtown.
- Downtown Events and Activities- Expand activities to enliven downtown, encourage people to visit, and activate the public open spaces.
- Youth Programs-Establish programs for youth that provide opportunities for safe activities and positive interactions.
- Design Guidelines - Develop design guidelines to encourage appropriate and consistent downtown development. Guidelines should focus on achievable levels of improvement and management. Establish guidelines for: buildings, site development, signs, lighting, parking and other important components.
- Economic Programs - Establish an ongoing program to secure financial assistance to aid with the construction of new and redevelopment projects. Include sources in governmental agencies as well as private institutions.
- Physical Links and Connections - Accommodate opportunities for mass transit and expand pedestrian and bicycles networks. Discourage the development of one-way couplets or closure of any street portion of the downtown grid.


## Improvement Projects:

The following projects have been identified as specific improvements to downtown McMinnville.
District Streetscape - Streetscape refers to all of the physical elements which comprise the area within the public right of way. Elements such as pavements, lighting, furnishing, and planting are part of the downtown McMinnville streetscape. These elements are to be developed uniformly to establish recognizable patterns which are pleasant and identify the downtown. All of the streets, First Street through Fifth Street, as well as the north/south streets, are to be developed with this consistent and attractive streetscape.

Adams Street and Baker Street - Improve Adams Street and Baker Street to appear and function as downtown streets. Improvements include additional pedestrian crossings, consistent planting and lighting, as well as additional on-street parking.

Third Street - Third Street is the identifiable center of the City. Ensuring that the street is successful both functionally and aesthetically is important to the health of the entire downtown. Planned improvements for Third Street include:

1. Replace the street trees over a period of years with tree species that do not damage sidewalks.
2. Upgrade street furnishings, lighting, and pavements to the same standards of the entire downtown.
3. Reconstruct mid-block crossings to be more useable by pedestrians.

Public Plaza - Negotiate the lease or purchase of the plaza at Third Street and Davis Street for permanent public use. Redevelop the plaza to better accommodate gatherings by expanding the paving surface across Davis St. for use during large events, and add site furnishings, plantings, and other amenities.

District Parking - Establish a downtown parking district to manage the parking resources as a cohesive system. Establish shared parking arrangements to maximize parking utilization and minimize the need for expansion of parking lots.

East Gateway Development- Mixed-use developments (development that combines housing, office and retail uses) increase vitality and support healthy downtowns. Develop the eastern portion of downtown into a vibrant mixed-use area which will add residents, visitors, workers, and shoppers to downtown.

District Lighting - Implement a comprehensive and coordinated lighting program throughout the downtown.
Directional Signage - Develop a sign program to direct visitors to and within downtown. Identify the downtown boundaries through uniform street improvements rather than monuments.

Access Development - Expand pedestrian and bicycle access connections to areas adjacent to downtown.

## II. Process and Participants

The Downtown Improvement Plan is intended to establish a shared vision to guide downtown McMinnville's success into the future. It was undertaken jointly by the City, the Downtown Steering Committee (DSC), and the consultant team. The DSC includes representatives from the McMinnville Downtown Association, downtown property owners and business people, the City of McMinnville, and Linfield College.

## Planning Process

Through an interactive process, the work resulted in this strategic planning document which establishes goals, development concepts, and phased action plans for implementation of downtown improvements.

The process began with the establishment of a definitive work program and review of existing plans, policies, and standards. Goals and initial priorities were then established. Through analysis of the existing downtown, opportunities and constraints were identified and initial development concepts discussed. Through interaction with the committee as well as the public, the concepts were refined, partnerships identified, and strategies and programs articulated. This strategic planning document is the result of the combined efforts of all participants.

## III. Previous Downtown Studies

In order to better understand the evolution of downtown McMinnville, previous planning efforts were reviewed that have influenced and chronicled the City's development. These studies demonstrate a long history of community interest and reflect the efforts of many volunteers who have enthusiastically contributed to the City's development.

Many of the recommendations made in the four previous reports were valid ideas that have been implemented. However, McMinnville is fortunate that some of the recommendations that were considered good ideas in earlier studies-such as developing superblocks and pedestrian bridges-were not implemented, preserving a downtown core that remains intact and vital today.

Following is a brief summary of pertinent issues from the four most recent downtown studies.

## Planning for the Central Area, 1968

The majority of the recommendations from this plan are already complete or are underway in Downtown thanks to strong leadership and a focused vision outlined in this plan. Second, Third, and Fourth Streets have established the City's Central Business District, existing multi-story buildings are being retained and improved to give character to downtown, upper floors of buildings are being redeveloped, and amenities such as benches, drinking fountains, garbage cans, trees, lighting, and planting boxes have been introduced. In addition, off street parking has been developed adjacent to Third Street, where possible.

Fortunately, the concept of establishing a pedestrian mall (a popular concept in the 1960's and 1970's that has since proven a detriment to many downtowns) between Adams and Ford, was not implemented.

## McMinnville AIA Report, 1973 (also referred to as the "RUDAT Report")

This report acknowledged McMinnville's active citizenry as key to the City's future. It built on the conclusions of the previous report in areas such as providing housing on second stories above businesses. In keeping with 1970's urban design practices, the report proposed creating a pedestrian mall with department store and plaza at the ends, a recommendation that was fortunately not implemented. Looking beyond the boundaries of downtown, the report expressed concern about strip development on Route 99 and suggested that direct connection to I-5 be avoided. It proposed an open space spine concept between Adams and Baker and lobbied for the development of future open space along Cozine Creek. Many of these concepts were carried further in later studies as well.

## McMinnville Planning Project, 1974

Key elements of the 1974 plan included reuse of downtown's Oregon Hotel, which has recently occurred, as well as establishing additional parking for downtown businesses. Similar to its predecessors, this plan continued to emphasize maintaining the historic character of downtown's architecture. The concepts of developing "superblocks" and pedestrian bridges between buildings (both of which would have disrupted the vitality of downtown) were introduced but never implemented. Many of the specific improvements that were proposed in this plan (street trees, additional parking, underground utilities, open space connections, etc.) have been successfully implemented and contribute to the City's current success.

## Task Force 2000 Plan, 1996

Though the study area extended well beyond the downtown area, its focus on downtown mirrors many of the same components discussed with the current improvement plan. The 2020 report called for multi-use development, establishment of a parking district, and abandonment of the proposed one-way street couplet through downtown. It also called for increased pedestrian orientation and improved bicycle routes. Downtown recommendations included restoration of historic structures and improvements to the streetscape throughout. Additional cultural events and better utilization of public spaces and sidewalks were also recommended for downtown.

## IV. Goals

Through an interactive process, the following goals were developed to guide downtown's improvement.

## Development

Goal: New development and redevelopment should enhance and preserve those qualities of the McMinnville downtown that make it an economically healthy, attractive, and unique environment in which to live, work, shop, and socialize.

- Identify properties with potential for redevelopment that is appropriate to downtown. Assist interested parties in establishing viable and integrated improvements downtown.
- Expand the downtown employment base with complementary businesses.
- Improve the physical connections between downtown and its adjacent neighborhoods.

Goal: Improve the pedestrian orientation of downtown.

- Establish and implement guidelines and standards for buildings, site development, streetscape, and signage that are of a pedestrian scale or orientation and encourage use of downtown.

Goal: Develop a downtown enviroment that provides cultural and civic activities in balance with a mix of high quality commercial office and residential uses.

- Extend the time of use of downtown by increasing residential development and attractions.
- Develop mixed-use zoning ordinances for downtown that encourage appropriate and complementary uses.


## Transportation and Parking

Goal: Develop a downtown transportation system that creates a safe, efficient, and pleasant environment for the pedestrian, bicyclist, and the driver.

- Prohibit the designation of additional one-way streets within the downtown area.
- Identify alternative west-east vehicular routes beyond downtown to provide a balance between the needs of the downtown and the surrounding community.
- Implement a comprehensive parking management plan for the downtown core.
- Improve pedestrian and bicycle connections to City Park, the Cozine, Linfield College, and adjacent neighborhoods. Such improvements should be directed at the Adams and Baker corridor, Evans Street, Davis Street, and other well-traveled downtown transportation corridors. In addition, sidewalks should be provided in those areas that currently lack such improvement (such as on Adams Street, between the former hospital and West 2nd Street).
- Accommodate future transit use in the downtown core.
- Maintain the existing grid of the City streets as a free flowing network of circulation of pedestrians, bicycles and vehicles.
- Encourage the reestablishment of passenger rail service to downtown.


## Buildings

Goal: Retain, adaptively reuse, and redevelop existing downtown buildings. Construct new buildings in a manner that respects the downtown's existing architectural context and patterns.

- Develop, adopt by ordinance and implement design standards and guidelines for use in the construction of new buildings and renovation of existing buildings.
- Adopt programs that encourage retention, adaptive reuse, or redevelopment of historic downtown buildings (such as the adoption and use of the "Code for Building Conservation").


## Streetscape

Goal: Develop a cohesive and attractive streetscape to encourage use of the streets, as well as continued investment and economic vitality.

- Develop financial strategies, improvement plans, and phasing scenarios to upgrade downtown's streetscape over time.
- Develop and implement a comprehensive lighting program.
- Expand flower basket program.
- Develop street tree management program and sidewalk repair strategy.
- Place utilities underground.


## Public Open Spaces

Goal: Develop a downtown environment that provides opportunity for public interaction, community events, and downtown activities.

- Negotiate with U.S. Bank to lease or acquire the open space at Third Street and Davis Street to expand its use as a public plaza. Utilize its prime location in the center of the downtown for an active, public open space which is effectively programmed and managed.
- Identify, acquire, and develop a variety of appropriate public open spaces throughout downtown to accommodate gatherings and festivals.
- Promote and schedule activities in downtown and in the City Park, Library, and the Aquatic Center in a mutually beneficial manner.


## V. Opportunities $\&$ Constraints

The existing conditions of downtown were assessed in order to determine opportunities and constraints for improvement. A summary of the assessments is included here with additional detailed information in the Appendix.

## Land Use

## Observations:

- Civic uses are distributed throughout the downtown area and beyond. Churches, city offices, private organizations, and schools are intermixed throughout and add to the health and vitality of downtown.
- Downtown McMinnville has a good mixture of land uses in proximity to each other. The existing land use districts form broader patterns that support each other. Downtown's pattern of land use is made up of the following districts adjacent to the Third Street retail core:
a) Industrial
b) Office
c) Civic
d) Yamhill County services
e) Church

Western Portion (Baker to the Cozine)

- The western end of downtown is anchored by the existing City Park, the Public Library and the McMinnville Aquatic Center. These civic amenities are difficult to reach for pedestrians given the limited number of crosswalks on Adams Street and Baker Street.

Eastern Portion (Galloway Street to Johnson Street)

- The eastern portion of downtown is characterized by the Willamette Pacific railroad corridor and underdeveloped industrial and commercial parcels. Currently the railroad's unattractive appearance is a detriment to downtown.


## Southern Portion (First - Second Streets):

- The First Street area has a mixture of residential, office, and commercial uses. It is currently serving as the seam between downtown and the adjacent residential neighborhoods to the south. The renovated houses along First Street with some businesses act as a good buffer between downtown and the neighborhood to the south.
- The area adjacent to Second Street currently provides significant parking to serve the downtown businesses. It has limited pedestrian and business activity given its openness and lack of other uses. City facilities along and adjacent to Second Street add to the street's vitality.




## Central Portion (Third Street):

- With the majority of downtown's commercial businesses concentrated on Third Street, it is the focus retail core for downtown McMinnville. It is the identifiable center of the City and is important to the health of the entire downtown. This area currently has high quality buildings and streetscape and is the most vital downtown area.

Northern Portion (Fourth/Fifth Street):

- The Fourth Street area also has considerable open parking lots. East of Davis Street, buildings are in mixed condition but provide character to the street. The new bank development between Adams Street and Baker Street, while a positive addition economically, does nothing to reinforce the character of downtown and appears very much out of place given its open parking lots and angled building placement.
- Yamhill County offices, insurance companies, and other professional offices are located in the northern portion of downtown. The mixture of building and site development types, sizes, and functions are varied and do not have a cohesive appearance. Fifth Street acts as the seam between downtown and the neighborhood to the north.


## Opportunities:

- Downtown enjoys a healthy mixture of commercial, office, civic, and housing. There is a variety of underutilized area available downtown within which to expand on the existing mix of uses.
- The high quality character of the historic downtown can be used as the design basis for new development.


## Constraints:

- Redevelopment of existing structures can be more difficult for certain uses.
- The economic viability of downtown businesses is directly affected by development at the fringe of the City. The development along 99 W and other areas tend to pull economic strength away from downtown limiting investment downtown.
- The size of the community and location within the region will continue to limit the number of visitors and downtown users.


## Parking

## Observations:

- Currently there is a considerable quantity of parking provided on street, in lots, and in the public parking garage at Fifth Street.
- Many of the existing lots are not screened and detract from the visual quality of downtown.
- Second Street and Fourth Street corridors supply considerable parking resource for downtown commercial uses. (See Appendix)
- The parking garage is not easily recognizable as a public facility and is currently used heavily by office workers.
- There are few shared parking arrangements downtown between public and private parking lot owners.


## Opportunities:

- Providing adequate and convenient parking is critical to the downtown. The need for parking must be balanced with providing a quality experience for downtown users.
- Development of a downtown parking program can utilize the available parking resources more effectively. Establishing shared parking agreements will efficiently utilize existing parking lots and minimize the need for expansion.
- Development of a comprehensive directional and identification signage system for public parking will encourage more convenient use of downtown.
- Reconfiguration and screening of parking lots will result in parking lots that visually incorporate better into downtown and are more visually pleasing.


## Constraints:

- Landscaping and screening improvements may reduce the number of off-street parking spaces available within a given property.



## Streetscape

## Observations:

Streets form the primary public open space of downtown. They are the places that accommodate everyone who lives in, visits, works, or shops downtown. The configuration and character of the streetscape - the physical components that compromise the streets - are therefore critical to the function and feeling of downtown. (See Appendix)

## First Street:

With a mixture of residential, office, and commercial uses, First Street has a varied appearance and function. The streets and walkways are consistent and provide clear circulation for vehicles and pedestrians. Street trees are inconsistent and there is little street furnishing.

## Second Street:

With many open parking lots, Second Street does not have a good sense of visual enclosure and therefore does not encourage pedestrian use. The perceived width of the space is over $150^{\circ}$. Street trees and site furnishings are inconsistent. There have been some successful attempts to provide small seating areas and planting areas along the street.

## Third Street:

Third Street has the highest quality streetscape downtown. The buildings provide a consistent edge to the street and add activity and vitality. The buildings' historic quality and two-story height further add to the character of the street. The street trees along Third Street provide a consistent and pleasant canopy over the walks. Unfortunately, some of the trees' root systems are destroying the sidewalks (see Third Street Tree Assessment in the Appendix). The pedestrian system is clear and direct without interruptions. The street furnishings, benches, kiosks, trash receptacles, etc., are generally in disrepair.

The mid-block crossings, while good for encouraging pedestrian connections and providing additional sidewalk space, are poorly configured and uninviting. Lighting through cobra head fixtures is consistent and provides a cohesive character. The elimination of overhead utilities and the addition of flower baskets enhance the character of the street. The street configuration provides on street parallel parking and intersection extensions which encourage pedestrian crossing.

## Fourth Street:

The east end of Fourth Street has some older buildings that bracket the street, providing character and a feeling of enclosure. At the west end of the street, parking lots are dominant, curb cuts for automobiles interrupt sidewalks and the street loses its pedestrian friendly feeling. Parking lots lack screening or separation from the sidewalk and the street. In addition, overhead utilities and building services, such as dumpsters, are visible from the street. The street grid is planned to be broken by closing the railroad crossing at Fourth Street. This is an unfortunate condition which should not be repeated elsewhere.

## Fifth Street:

As the seam between downtown and the residential neighborhood to the north, Fifth Street has a varied character. The variety of institutional buildings and parking lots disrupt the continuity of the street. Street trees and site furnishings are also inconsistent. However, pedestrian and vehicular circulation remains generally clear and direct.

## Adams and Baker Streets:

Adams and Baker Streets are configured as one-way couplet streets which are designated as State of Oregon Highway 99W and are operated by the Oregon Department of Transportation (ODOT). These high volume roadways, while more pedestrian friendly than other portions of 99 W , have been impacted by the significant traffic counts. Pedestrian crossings have been minimized, thereby limiting access to the Library, Aquatics Center, and City Park, as well as other uses to the west. Existing on-street parking and street trees do not form in consistent patterns. The sidewalks along the street are continuous, but given the volume of traffic on the street could benefit with additional plant material along their edges.


Section: 2nd Street


Section: 3rd Street


Section: 4th Street

Davis and Evans Streets:
Davis and Evans Streets provide good connections north and south to adjacent neighborhoods, civic and commercial uses and Linfield College. Bike routes are designated on Davis Street. Given these connections, Davis Street and Evans Street are important corridors in downtown.

The character of both streets is varied given the mix of uses along them. The pedestrian and vehicular routes are direct but the pattern of the street trees and furnishings vary.

## Opportunities

- McMinnville is fortunate to have a functioning grid of streets which provide circulation for pedestrians, bicyclists, and drivers. As the primary system of public open space, the streetscape has the potential to be the identifiable signature of downtown and provide pleasant and active corridors to and through downtown.
- Given the width of the public right of ways ( $60^{\circ}$ ) there is considerable opportunity to improve the streetscape including: street trees, pavements, site furnishings, and lighting.


## Constraints

- Closed portions of the street grid including Cowls Street from Fourth to Fifth Streets and the planned railroad crossing at Fourth Street break the continuity of the street system and increase traffic on adjacent streets. These closures will continue to constrain the street grid system from operating to its fullest potential.
- Public improvement of the streetscape is an expensive undertaking. Securing funding which does not overly burden property owners will be critical to the success of downtown.


## Existing Vegetation

## Observations:

Plant material downtown primarily consists of trees along the streets and shrub plantings along buildings and parking lots. The street trees, while inconsistent along most streets, do provide a lush quality to downtown in addition to the seasonal color and shade they provide. Street trees on Third Street provide the most consistent and effective planting downtown. While these trees add to a pleasant streetscape, the maple tree roots are buckling the walks and causing considerable damage.

As part of the Downtown Improvement Plan consulting team, Robert Mazany, Registered Consulting Arborist, conducted a tree and site condition review for the Third Street study area. (See Appendix for complete report.) Key findings follow:

There are 133 trees in the Third Street study area. Trees at each end of center block crosswalks are European Hornbeam with Little Leaf Linden and columnar Maples interspersed throughout the study area. European Hornbeam and Little Leaf Linden are good choices for close urban street tree areas because of their finer root zone development and good response to pruning. The most seriously stressed trees (first priority trees) will likely not survive more than five years and are recommended highest priority for removal and replacement. The moderately stressed trees and those causing the most serious sidewalk upheaval are the second priority group for replacement.

Trees along other streets are a mix of types, and ages, and are in a variety of locations relative to other improvements. While establishing a positive effect, these plantings would benefit from consistency. Shrub planting downtown is very divergent dependent upon location. Used sometimes along foundations of buildings or along parking lots, these plants provide a range of effectiveness.

The flower basket program is a positive addition to downtown providing color and seasonal variety.

## Opportunities:

- There is the opportunity to develop a street tree management program which will assess the viability of the existing street trees downtown and establish a systematic approach to the management, replacement, and care of the existing tree resources. This program should address technical considerations such as appropriate tree species, installation techniques and phasing, as well as aesthetic considerations such as establishing consistency of appearance and maintenance techniques.
- Street tree adjustments should be undertaken in coordination with other street and utility improvements.

- Establishing shrub planting in appropriate locations to screen parking areas and utilities, as well as at building foundations, can greatly improve the appearance of downtown.
- Expanding the flower basket program will assist in adding visual cohesion to the entire downtown area.


## Constraints:

- The existing trees are a valuable resource to downtown. Their replacement where necessary should be considered a long-term, phased process. The cost of new trees and their long-term care must be funded properly.
- Overhead utilities will limit the tree selection available given the potential conflicts between tree branches and power lines.


## Transportation System

## Observations:

Currently, downtown McMinnville enjoys a balance of pedestrian and vehicular circulation systems downtown. Streets generally circulate two ways and have on street parking. The street grid is relatively intact giving many route options to drivers. The pedestrian circulation is consistent and clear and provides good access to and through downtown, with few exceptions. The bicycle system is not evident and there are few accommodations for bicycle use. There is a moderate transit system through a bus stop at Third Street and Davis Street. The City is currently updating the Transportation Master Plan, which will include issues related to downtown.

## One-Way Couplet Concept:

It is important that the downtown's transportation system work in balance with the needs of downtown businesses, as well as commuters into and through the downtown. The Downtown Steering Committee and the consultant team discussed many options, including the one-way couplet concept for downtown. It was determined that such a system will likely:

- Increase volumes and speeds of traffic on the couplet streets in downtown.
- Make the streets more difficult for pedestrians to cross.
- Change the character of the streets, creating the perception of separation between the couplet streets and the adjacent neighborhoods.
- Limit future opportunities to expand the downtown.

It is the firmly held belief of the Downtown Steering Committee that the Adams and Baker street couplet that now forms the downtown's western edge provides a clear demonstration of the problems that may be created with the implementation of an east-west couplet through the downtown (difficult pedestrian crossing, perceived separation of the downtown from City Park and other properties to the west). Several of the goals and actions recommended by this plan are directed at correcting the problems created by the Adams and Baker couplet. The Committee does not believe it prudent to repeat history and create these same problems along the downtown's southern edge.

Experience in other communities has shown that couplet streets also negatively impact pedestrian oriented commercial uses, as well as residential uses. For these reasons, the Downtown Improvement Plan does not support the couplet concept.

Currently rail service to downtown is limited to freight service only. There has been discussions related to development of passenger service to downtown with a stop at the newly renovated train station.

## Opportunities:

- The primary opportunity facing downtown is to maintain and strengthen the existing fabric of its transportation system. Ensuring a complete uninterrupted street grid system, not constructing a couplet through downtown, and continuing to encourage pedestrian use by providing a direct and pleasant system of sidewalks and street crossings will create a successful downtown transportation system.
- Planning for and encouraging increased bus transit service will increase the use of downtown while minimizing additional traffic.


Transportation

- Increasing bicycle systems and facilities will encourage bike use to downtown and potentially lessen vehicle trips.
- Development of passenger rail service will allow connections to surrounding communities without increasing traffic impacts.


## Buildings

## Observations:

McMinnville is fortunate to have a stock of high quality buildings in its downtown. Most notable are the historic structures, some of which are on the historic register. The two- and three-story buildings provide a sense of quality and history which most people identify with McMinnville. The structures, which align the streets, provide a pleasant and active edge to the street corridor. The mixture of building types adds to the variety of downtown.

## Opportunity:

- Utilize the character and scale of the existing structures downtown as a model for future buildings and development guidelines.


## Constraint:

- Renovation and updating of older structures is expensive and often times very difficult. Given the tight economics of operating commercial business in downtown, often times the cost of renovation can be prohibitive.


## VI. Concept Plan

The City of McMinnville Downtown Improvement Plan is organized to provide a balanced approach to the improvement of downtown. The plan is comprised of three main components:

1. Partnerships - Agencies and organizations that the City should collaboratively work with to achieve common goals.
2. Programs - Programs to be developed or expanded to add vitality to downtown.
3. Improvement Projects - Specific improvements to be undertaken.

## Partnerships

The City has been built on a long history of civic pride and community cooperation. Maintaining and building upon the City's ongoing cooperation with public agencies, private businesses, and the community is the key to the success of the downtown improvement plan. The concept plan begins with a summary of partnerships that will continue downtown's success and will encourage future improvement and vitality.

The following partners have been identified:

## Yamhill County

McMinnville is the county seat for Yamhill County and enjoys the benefit of having many county services located downtown. These services provide a consistent volume of employees and visitors to downtown who support its businesses and services. In addition, there are a number of businesses that are located adjacent to the County office downtown in support of services provided there. Currently, the County offices are in diverse structures and there is little known about the County's future plans. It is important to the City to retain the County services downtown. The City should encourage the County to plan the use and improvement of their facilities in a coordinated manner to better incorporate facilities and to balance needs for facilities and parking.

## Willamette and Pacific Railroad

This privately owned railroad provides freight service to local industry. The rail ownership runs north/south through downtown, is currently unsightly with stored materials and debris, and perceptually divides the downtown. The train station has been restored and is a positive element along Third Street. The City should encourage the railroad to upgrade its corridor and to develop future passenger rail service to McMinnville.

## ODOT

Adams Street and Baker Street form the Highway 99 couplet which passes through the western edge of downtown. The couplet brings large amounts of traffic through the area. It is critical to the downtown improvement plan that this corridor is attractive, convenient and pedestrian friendly. The City should work with ODOT to add pedestrian crossings, especially at Third Street to better connect the Library, Aquatics Center, and City Park to downtown. In addition, improving the streetscape to be visually part of the downtown should be encouraged.

The following strategy may be effective in working with ODOT.

- Request and review all existing data from ODOT related to the project to develop a complete understanding of the agency's pertinent issues.
- Identify interested people from businesses and government to create a group of constituents who can participate in a concerted, coordinated dialogue with ODOT related to traffic and circulation improvements for the community.
- Retain a traffic engineer to provide analytical and design work, and to participate in meetings with ODOT.
- When developing design improvements in partnership with ODOT, it is helpful to present a strategy of incremental improvements to roadways, as well as financial strategies for implementation.


## US Bank

Located at Third Street and Davis Street in the center of the downtown, the plaza owned by US Bank is an important open space which has been enjoyed by the community during festivals and gatherings, as well as on a daily basis. It is important that this space remains available for public use. The existing plaza would benefit from reconfiguration to better accommodate use. The MDA should continue to negotiate to lease or purchase the plaza for public use. Negotiations should also explore the lease or purchase of the bank building if it becomes available for use as a public facility such as a community arts center.

## McMinnville Downtown Association (MDA)

This coalition of downtown businesses has played a key role in the City's success. The group is well organized to provide assistance to downtown business owners. The MDA also helps downtown businesses communicate with the Community Development Department. Continued cooperation with this group will help expedite and coordinate improvements for the downtown.

## Chamber of Commerce

The Chamber works closely with the City of McMinnville and McMinnville Industrial Promotions to ensure continued business activity with the City. To facilitate a healthy downtown, the City should continue to work with the Chamber of Commerce to attract businesses and other appropriate uses to downtown.

## McMinnville Water and Light

As serving utility, all streetscape improvements should be coordinated with future utility upgrades and infrastructure improvements.

## City of McMinnville

The City of McMinnville plays a critical role in bringing stakeholders together to coordinate and implement improvement projects. The City will be the point of coordination through the Public Works and Planning Departments during the phased implementation of downtown improvements.

## Programs

The following programs will guide improvements to downtown McMinnville. The management of these programs should be determined based on establishing appropriate partnerships between organizations within the community.


## Building Infill Programs

Programs which encourage building development within the existing downtown on vacant or underutilized parcels.

- Develop infill consistent with the existing character of the community, expectations of quality, and economic performance.
- Determine the most appropriate types of infill development through economic and demographic analysis.
- Prioritize development of appropriate housing to support existing and new downtown businesses.


## Parking Management

- Develop a parking management plan which balances the needs of customers, residents, workers and visitors. The plan should examine opportunities for shared parking arrangements between all parking area owners to efficiently accommodate demand without the impacts of major parking expansion.


## Downtown Events and Activities

- Provide continual programming to activate downtown and to manage public spaces
- Enhance existing and develop additional public celebrations
- Develop and distribute an annual schedule of events
- Coordinate and support promotions of local business and industry


## Youth Programs

- Provide activities programming that considers the needs and wishes of the community's youth
- Provide opportunities for safe youth activities and interaction in the downtown


## Design Guidelines

- Establish specific design guidelines to ensure a consistent, quality downtown experience.
- Encourage active storefronts, tasteful displays, pedestrian oriented architecture and comfortable sidewalks as elements of a quality downtown experience.
- Guidelines should include: buildings, signs, lighting, parking areas, and site development.
- Determine the best methods of implementing and enforcing guidelines.
- Establish property owner assistance programs to facilitate implementation of design guidelines.


## Economic Programs

- Investigate and secure sources for financial assistance from the Federal Government, State Redevelopment Agencies, County assistance programs and from other agencies and businesses to support downtown improvement.
- Produce improvement strategies to meet the requirements of specific funds as necessary.


## Physical Links and Connections

- Discourage the development of one way couplets or closure of any street portion of the grid downtown.
- Accommodate future opportunities for mass transit where appropriate downtown.
- Continue to expand linkages for pedestrians and bicyclists between downtown and adjoining neighborhoods.
- Provide future connections from downtown to the Cozine and to Linfield College.


## Improvement Projects

The following projects have been identified as specific improvements to downtown McMinnville.

## District Streetscape

McMinnville's streetscape can be a key identifier of downtown. Improved in a cohesive manner, the streets will establish a sense of quality to the most highly used open space downtown. Improvements to all downtown streets include:

- Systematically replace the existing sidewalks as needed with new concrete sidewalks with historic $2^{\prime} \times 22^{\prime}$ scoring patterns. Replacement sidewalks should include stamped street name at street intersection. Install in replacement sidewalks a unit paver zone for street tree planting.


PLAN:

Illustrative Street Improvements

- Implement a comprehensive street tree program throughout downtown which establishes coordinated patterns of tree types, placement and maintenance.
- To preserve and maintain street trees, and the ambiance they create in the downtown, establish a system for tree rotation that periodically replaces trees as they begin to decline. To maintain the character of downtown, remove no more than 10 percent of existing trees in any given year, replacing them with trees with a high branching pattern and that reach a height at maturity equal to the downtown building rooflines. The minimum replacement size tree will be 4 inch caliper. In addition, care should be taken to plant trees in such a manner that minimizes the risk that they will conflict or interfere with other downtown improvements, both public and private. Such standards should be drafted and implemented by the City.
- Expand the flower basket program throughout the downtown.
- Install a matched system of street furnishings including benches, bike racks, trash receptacles, and bollards.
- Develop and install a district wide street lighting system.
- Develop midblock crossings at 3rd Street only.


## Adams Street and Baker Street Streetscape

Proposed improvements for Adams Street and Baker Street include:

- Pedestrian crosswalks with curb walks and extensions at all intersections
- A consistent street tree pattern.
- Consistent planting beds with shrubs and groundcovers between the curb and sidewalk.
- Historic light fixtures, with traffic arms, pedestrian buttons and banner holders as appropriate.
- Additional on-street parking spaces where appropriate.


## Proposed Public Plaza

The plaza at Third Street and Davis Street should be leased or purchased by the City. Once secured, the following improvements should be made:

- Reconfigure the plaza to better accommodate gatherings as well as daily use.
- Repave the plaza and extend paving across Davis Street so the streets can be temporarily used during large events.
- Establish a focal point, such as a fountain.
- Install site furnishings, trees, and lighting.


## District Parking

Surface parking lots throughout downtown should be improved to be more visually pleasant, provide an edge to streets, screen the views of parked vehicles, and be accessed through driveways which are safe and minimize conflicts with pedestrians and traffic on the street.

Improvements include:

- Tree and shrub planting internal to lot to visually interrupt views of expansive pavement, to provide shade, and to screen utilities and storage areas.
- Install hedges or masonry walls at the boundaries to screen view of parked vehicles and visually reinforce the edge of the street.
- Establish access points away from street corners that do not conflict with pedestrian and vehicular circulation.
- Install matched lighting where possible.
- Implement a uniform signage program to identify public parking.


## East Gateway Development

- The eastern portion of Downtown between Galloway Street and Johnson Street is currently underutilized. With the appropriate type of mixed-use development including residential, office and commercial uses, this area could provide a significant asset to the success of downtown.


Proposed Adams \& Baker Streetscape


Proposed Plaza Concept
MeMinnsille Downtown Improvement Plan Walker-Macy


SECTION: PARKING LOT BUFFER - ALTERNATIVE A


SECTION: PARKING LOT BUFFER - ALTERNATIVE B


Parking Lot Design

## District Lighting

- Establish a comprehensive lighting program for downtown.


## Directional Signage

- Establish a sign system at appropriate locations directing people to the downtown. Develop a simple, direct system which is easily identified by visitors.
- Let the district streetscape identify downtown rather than large monuments.
- Develop a comprehensive system of signs which also directs visitors to public parking and other key designations within downtown.


## Davis Street and Evans Street

- Given their linkages to other key areas outside of downtown, Davis Street and Evans Street streetscapes should be improved beyond First Street and Fifth Street.


## Action Plan

The City of McMinnville Downtown Improvement Plan provides the structure to guide the downtown's economic, social, and physical success into the future. The plan is crafted to have achievable goals and phased implementation measures formulated to build on the values of the community.

The desired outcome of this effort was to develop the following action plan and to set priorities for phased implementation of improvements. The Downtown Steering Committee and the consultant team worked collaboratively to prepare the following Action Plan prioritizing projects by phase.

Phase 1 Projects are targeted to start July 1, 2000 with completion targeted for Spring of 2002. Timeframes have been estimated for accomplishing each individual task, and responsibility for each task has been assigned to the Downtown Steering Committee (DSC), McMinnville Downtown Association (MDA), the City of McMinnville (City), and/or the Consultants.

Phase 2 Projects have also been outlined. Timeframes and responsibilities for each Phase 2 Project task will be established at a later date.

## Potential Funding Sources

Below is a list of funding sources and what types of improvements they are best applied to. For more detailed financing information, please see the Appendix.

Improvements
Streetscape:

- 3rd Street, Adams/Baker,
- Evans/Davis, Plaza,
- Parking Lot Screening

East Gateway Development:

- Redevelop Buildings and

Develop Vacant Land on
East Third Street

- Railway Corridor Rehabilitation

Potential Funding Source

- Local Improvement District
- Tax Increment Financing
- TEA-21
- General Obligation Bond
- Street (State Gas Tax) Fund
- Community Development Block Grants
- TEA-21 ODOT
- Transportation and Growth Management
- Tax Increment Financing

Jurisdiction
City/Private
City
ODOT
City
State/City
State

ODOT
City


| 10 | Task Name | $\frac{\mathrm{er}}{\text { jun }}$ | $\frac{\text { ist } \text { Quarter }}{\text { Jui }}$ Aug ${ }^{\text {Sep }}$ | 2 nd Quarter |  |  | 3 3rd Guarter |  | 4 4th Quarer |  | 1st Quanter | 2nd Quarter |  | 3 rdquarar | 4th Quarer |  |  |  |  | $$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | Oct | [Nov] | Dec | Jan | Feb Mar | Apr | May Jun | Jui Augi Sep | Ot | \| Nov Dec | $\mathrm{Jan}^{\text {Feb }}$ / Mar | Aor | May | Jun |  |  |  |  |
| ${ }^{38}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{39}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 40 | Adams/Baker Street Design Improvements |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{41}$ | Fom Adams/Baker Stuet Dasign Commitee |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{42}$ | Orat Comicor Improvement Plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{43}$ | Dratt implementation plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{4}$ | Council a doption of plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 45 | Fundirg and inplemertation |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{46}$ | Evans / Davis Street Design Improvements |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 47 | Form EvansiDavis Street Design Committee |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{48}$ | Drat Corridor improvement Plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{49}$ | Drati implementation pian |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 50 | Council adoption of plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 51 | $F$ unding and inplementation |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 52 | East Gateway Development Plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 53 | Fom Gateway Development Committee |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 54 | Drat Development/ / mplementation Plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 55 | Councili doption of plan |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 56 | Funding and implementation |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |


|  | - HUD Section 108 <br> - Local Improvement District <br> - Multiple Unit Housing for Core, Rail and Transit Areas | HUD <br> City/Private <br> State |
| :---: | :---: | :---: |
| Historic Building Improvements | - $10 \%$ Historic Rehabilitation Tax Credit <br> - $20 \%$ Historic Rehabilitation Tax Credit <br> - Revolving Loan Program <br> - Tax Increment Financing | NPS/State NPS/State City/Private City |
| Design Guidelines, Code Assistance | - Transportation \& Growth Management <br> - General Fund <br> - McMinnville Downtown Association |  |
| Public Parking <br> Management | - General Fund <br> - McMinnville Downtown Association | City <br> MDA |
| Directional Signage | - General Fund <br> - Donations <br> - Street (State Gas Tax) Fund | City <br> Private <br> State/City |
| Legend: <br> HUD - (Department of Housing <br> MDA - McMinnville Downtown <br> NPS - National Park Service <br> ODOT - Oregon Department of | rban Development iation <br> ortation |  |

## VII. Appendix

# Third Street Tree Study Area McMinnville, Oregon <br> Preliminary Tree and Site Condition Review September 25, 1999 

Prepared For:
Walker-Macy
Mike Zilis - Patrick Sweeney
111 Southwest Oak Street
Suite 200
Portland, Oregon 97204
Tel: 503-228-3122
FAX: 503-273-8878

Prepared By:
Robert Mazany and Associates
Robert Mazany, ASCA, ACFE
Registered Consulting Arborist \#133
Post Office Box 1305
Beaverton, Oregon 97075
Phone (503) 646-0897

MEMORANDUM

TO：Mike Zilis／Patrick Sweeney<br>Walker－Macy<br>FROM：Robert Mazany，ASCA\＃133，ACFE<br>Consulting Arborist<br>DATE：September 25， 11999<br>RE：Third Street Tree Study Area－McMinnville，Oregon

I have completed my preliminary tree and site condition review of the Third Street Study Area as requested．I conducted a site review with my associate，Jan Michael DeRuyter，on September 5， 1999 to provide preliminary information relative to our observations．A subsequent，more definitive site visit was conducted on April 15,1999 to produce the information attached and identify trees by number on the plan provided．General observations，field notes and numbered tree location plan are included in this report．

Please contact me if additional information is required or when I may be of further assistance on this project．

Third Street Tree Study Area - McMinnville, Oregon Preliminary Tree and Site Condition Review - 9/5/99 \& 9/15/99

## General Observations

1. There are 133 trees in this study area including cross street intersection corner trees.
2. Trees at each end of center block crosswalks are European Hornbeam.
3. There are 19 Little Leaf Linden interspersed throughout the study area, most of which are concentrated at the east two blocks. May have been mistakenly supplied as Maple cultivars.

NOTE: European Hornbeam and Little Leaf Linden are good choices for close urban street tree areas. They both have finer root zone development with little or no larger buttress flair roots. They respond well to pruning and are used as hedges in many European countries.
4. Not all the columnar Maples are the same cultivar.
5. The most recent plantings appear to be the same Columnar Red Maple cultivar.
6. The most serious sidewalk upheaval is with the older cultivars which were not planted deep enough and have a large buttress flair support root system.
7. It is my opinion the tree well layout was not as well planned as it might have been. Trees, in many instances, are too closely spaced and obscure street lights and traffic signals. Some consideration should be given to a street lighting design using shorter, more aesthetically acceptable poles and fixtures.
8. The most seriously stressed trees likely will not survive the long term, more than five years, therefore should be given consideration for priority removal and replacement, this given the pianting locations are redesigned where necessary to best serve the intent of this streetscape. The moderately stressed trees and those causing the most serious sidewalk upheaval should be considered the second priority group.
9. The root zone growth area must be enlarged under the hard surfaces using interiocking pavers to cover a portion of this enlarged area to the greatest extent possible. Where possible, perhaps the sidewalk could be gently contoured over the root zones. Some sidewalk contouring has already been done.
10. Currently empty planter areas should have the root zone growth area expanded prior to replanting. This should be done only after the location is checked for verification for proper spacing and other considerations.

## General Observations (continued)

11. Tree numbers are noted on the plan provided east from Adams to Johnson.
12. The plan provided has been updated to locate and identify trees not currently shown. Two empty planting spaces west of Evans Street have also been noted on the plan.

## Field Notes

Tree 1-Katsura located on First Federal Bank property.
Trees 3-6-19-20-21-38-39-40-41-42-45-68-72-80-Moderately stressed.
Trees 57-62-69-70-71-75-128-Most seriously stressed.
Trees 5-26-31-61-87-99-114 through 121-124 through 128 are Linden.
Trees $8 \& 10$ - Planted high - some cracking of curb and walk.
Tree 11 - Obscures sign and street light.
Trees $12 \& 13-43-53-82-94-97$ are new trees.
Trees 13A-22-23 are Dogwood.
Trees 17-18-36-37-55-56-73-74-92-93 are Hornbeam.
Tree 34A is a different Maple cultivar from the others.
Tree 92 - Obscures street light.
Tree 45 - Too close to adjacent tree and partially obscures traffic signal and sign.
Tree 89 - Is a bronze foliage cultivor, possible Fassens Black Maple, causing serious sidewalk upheaval.

Tree 96 - Serious sidewalk upheaval.
Tree 98-Has a mishapen crown from utiiity pruning. There is serious sidewalk upheaval between Galloway and the RR tracks.

Tree 104 - Has utility pole guywire running through and rubbing tree trunk.
Tree 129 - Is a Perrotia persica.


Legend
B. Street Tree Referenced in Sept. 1999 Report

$$
\begin{array}{llll}
\text { Street Tree Reterenced in Sept. } 1999 \text { Report } \\
\circ & \text { Dogwood } & \circ & \text { Maple Cultivar } \\
\circ & \text { Linden } & \circ & \text { Other } \\
\circ & \text { Hornbcam } & &
\end{array}
$$


Tree roots heaving sidewalks
Conflict with utility pole guywire 104

McMinnville, Oregon

## Financing Programs and Implementation Tools for Public/Private Development



HUD's Section 202 program provides low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transpontation, etc. repaid if project serves low income eldely for a least 40 years.

Project has to serve low income elderly for at leas 40 years.

This program provides capital advances to fmance property
acquisition, site improvernent, conversion, demolition, relocation, and other expenses associated with supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very low income elderly persons for 40 years. Project Rental Assistance is used to cover the difference between the HUD-approved operating cost per unit and the tenant's rent. Project Rental Assistance contract payments can be approved up to 5 years.
However, contracts are renewable based on the availability of funds. Construction on projects must start within 18 months of the date of fund reservation, with limited exceptions up to 24 months. Funds are advanced on a monthly basis during construction

To be eligible for funding under Section 202 the applicant must be a private, nonprofit organization with prior experience in housing or related social service activities. As a minimum capital investment, the owner must deposit in a special escrow account 0.5 percent of the HUD-approved capital advance, up to a maximum of $\$ 25,000$ for national sponsors or $\$ 10,000$ for other sponsors. Government entities are not eligible for funding under this program

Criteria for allocation of program funding include the number of elderly rental households served, the number of very low-income elderly renters in the area, and the number of very low-income elderly renters with housing problems who pay more than 30 percent of their incomes for rent

| Financing Program | Jurisdiction | Description | Arlvantage(s) | Disadvantage(s) |
| :---: | :---: | :---: | :---: | :---: |
| HUD Section 8 | HUD | Section 8 has two programs: certificate and vouch | Allows low income families to obtain | Households on the certified program may not |
|  |  | The certificate program gives eligible households centificates to find housing that is within rent limits (established by IIUD) and in good coudition. The tenant leases directly from the owner and pays a pontion of the rent based on income. The local Housing Authority enters into a contract with the owner to pay the difference between the tenant's share and the actual rent. IIUD pays the Authority a management fee to cover administrative expenditures. Some certificates are allocated to families in the Family Self-Sufficiency Program. These families develop goals and a plan to work towards cconomic independence. Rent increases resulting from increased income are placed in an escrow account which is given to the family when it no longer needs any public assistance. | housing. Provides tenants for low income housing projects. | be able to find housing in tight (low vacancy) markets. Households on voucher program may be cut if market rents tise too rapidly, shrinking the amount of funds available; or rapidly rising rents may eventually price households out of the market. |
|  |  | The voucher program resembles the certificate program except that there is no upper limit on the total rent which is paid for units. The housing assistance which is paid on behalf of an assisted family is limited to the difference between the fair market rent (established by HUD for each unit size) and $30 \%$ of the family's income. The Authority earns a monthly management fee. The Authority receives a set dollar amount which is estimated to be sufficient to assist a certain number of families for a period of five years. The Authority must adjust the number assisted so that the maximum amount is not exceeded. Not having an upper rent limit gives the family more flexibility in locating a unit that meets its needs. On the other hand, the rent paid by the family may exceed $30 \%$ and not be affordable. |  |  |
| Oregon Housing Trust Fund | Oregon Housing and Community Services Department | Designed to provide grants (up to $\$ 100,000$ ) to construct new housing, or to acquire and/or rehabilitate existing structures devoted to serve very-low (below $50 \%$ of median area income) and low income ( $50 \%-80 \%$ of median area income) households. Program has three primary objectives: 1) to facilitate the creation and preservation for the longest use ( min .25 years), safe and decent affordable housing for low and very low income households, including special needs housing, by providing grants needed to close a financial gap; 2) to encourage the coupling of ancillary social services (e.g., child care, counseling. health care, etc.) with housing; and 3) to increase the "leverage" of Trust Fund dollars through the use of other public and private resources. Seventy-five percent of funds are devoted to verylow income and 25 percent is devoted to low income. | Flexibility of use of funds. | Project has to serve very low and low income houscholds for a minimum 25 years. |

Loan

American Communities Fund

Community Development Financial Institutions (CDFIs)

American Communities Fund was created in 1996 as a community development venture capital fund with an initial capitalization of $\$ 100$ million. It is dedicated to making equity investments in neighborhoods that lack adequate access to traditional equity capital for the developnsent of affordable housing and related facilities. The ACFs mission is to make high-impact investments that will have a substantial, catalytic effect on the vitality of the neighborhood in which the investment is located. Eligible transactions include rental housing and homeownership opportunities, as well as mixed-use projects, commercial, retail, and other facilities that directly support projects, commercial commities. Investunents made by the fund generally range in size from $\$ 1$ million to $\$ 5$ million. The locations sought by the American Communities Fund are primarily areas in which Fannie Mae is already working with the community to implement a local housing strategy. These include cities or states where Fannie Mae has a Regional or Partnership Office or has formed a Community Partnership.

Community Development Financial Institutions (CDFIs) are important patners for Fannie Mae. The goals of the CDFI investments include stimulating economic development and increasing affordable housing opportunities in low-income areas; promoting fair lending and increasing the participation of minorityand women-owned lenders; serving as a catalyst that attracts the financing of other potentiat investors; and forging new relationships financing of other potentiat investors, and forging enew fannie Mae to be more effective in serving unmet that will enable Fannie Mae to be more effective in serving unmet
housing needs. Funding is based on recommendations from Fannie Mae's regional office and completion of due diligence leading to the conclusion that the investment is a prudent economic decision based on Fanni Mae's COFI investment guidelines.

Provides nedided equity for long-term financing

Fannic Mae expects a market rate of return on equity and wants to exit project within 7 to 10 years. Therefore, project has to be financially sound from a market (private) investment perspective. Community has to be actively working with Fannie Mae and have a housing strategy.
Benefits low-income
households and minority

[^0]Oregon Housing and The Oregon Housing and Community Services Department uses taxCommunity Services exempt General Obligation Bonds to provide long-term financing for Department the development of multi-mit housing for elderly and disabled households. The department sells $\$ 10$ million in bonds (at a
minimum) to fund a group of projects. Qualifying projects can receive belween $\$ 100,000$ to $\$ 7.0$ million. To qualify as Elderly, the head of the household must be 58 years of age or older. Disabled is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities. Eligible Developments include new construction as well as acquisition with substantial rehabilitation. Substantial rehabilitation is defined as rehabilitation costs $15 \%$ or more than the amount of bond financing used toward the acquisition. Projects at a minimum must be two attached dwelling units or more. All facilities must qualify as low income projects according to Section 42 of the IRS code. Loans are for 30 year terms and there is no pre-payoff, therefore projects must remain low income during pay back.
Housing Impact Fund was created by Fannie Mae as a short-term Ioan fund to invest in ventures that have siguificant housing impact value but that cannot be easily accommodated within their standard lines of business. HIFs lending authority currently is $\$ 200$ million. Its primary goals are (1) to support unique development or financing opportunities for rental or ownership housing primarily for lowerincome houscholds and (2) to encourage the development of innovative housing finance products and services. The financing provided through the HIF may take many forms, including direct loans, loan participations, loan guarantees, and lines of credit. Any credit worthy borrower, whether nonprofit or for-profit, may apply for assistance through the fund. Funding decisions are based on demonstrated financial and organizational viability and on proposals that meet IIIFs investment guidelines.
This program leverages CDBG funds (up to 5 times latest grant) for economic development, housing rehabilitation, public facilities, and large scale physical development projects. Communities (with state authorization) apply to HUD for a long-term, fixed, low interest rate toan committing current CDBG funds. Cities may re-loan funds to developers, which may allow riskier projects that may not obtain market rate financing to do so at a lower cost of developinent. Defaulted loans are paid back with future CDBG grants.

Source of shot temm
fimancing.

Financially matginal projects may wot le ahle to meet HIF investment guidelines.

Maximizes use of CDBG funds and could provide needed capital for a larger project that otherwise would not occur.

Ties up CDBG funds for at least 10 years.
Defaulted projects wipe out future CDBG projects during repayment period.

|  | Jurisdiction | Description | Advantage(s) | Disadvantage(s) |
| :---: | :---: | :---: | :---: | :---: |
| Loan Gustantee Program | Oregon Housing and Commmuity Sevices Department | The Ioan Guarantee Program provides loan guarantees to construct new housing or acquire and/or rechatilitate existing struclures for low and very low income housing units. Loan guarantes can guarantee up to $25 \%$ of the original principal balance of a loan. To participate, a lender submits a request for a loan guarantee for a project that needs a credit enhancement in order to obtain a loan. Preference is given to those projects insuring the longest possible use of the units for the targeted group and providing a service program that addresses many of their specific needs, such as, health care, child care, and alcolol and drug treatments. The annual fee for a loan guarantee is $0.25 \%$ of the loan balance. | Marginally feasible or high risk projects can obtain financing | Annual loan fee for large projects could make this polititive Example, $\$ 100,(k) 0$ toan balance would generate a $\$ 25,000$ loan fee. |
| OEDD Special Public Works Fund | Oregon Economic <br> Development <br> Department (OEDD) | Program provides fimancing to local governments to constract, improve and repair public infrastructure in order to support local economic development and create new jobs, especially family wage jobs, locally. In order to be eligible: a) the existing infrastructure must be in alficient to support current or future eligible developments and b) there must be a high probability that family wage jots will be created or retained. | Improvements to deficient infrastucture | Criteria may limit eligible projects |
| Risk Sharing Program | Oregon Housing and Community Services Department | The Risk Sharing Program is a partnership between the U.S. Department of Ilousing and Urban Development (HUD) and Oregon Housing and Community Services Department for the crealit enhancerment of tax exempt bond financing to provide permanent 30 year fixed first mortgage or construction (with participating lender who has letter of credit to guarantee loan with rating of A or better) financing for affordable multi-family rental housing. The Department will issue tax exempt bonds for the Risk Sharing Program within its annual allocation of private activity bond cap for the State of Oregon. There is a $\$ 1,500$ non-refundable application fee that can be applied toward loan commitment fee of $2 \%$. Borrower is also required to pay a pro-rata share of bond issuing costs, but can finance costs by proceeds of mortgage loan. Funds can be used for new construction, acquisition, or substantial rehabilitation. Project must have a minimum 1.10 to 1 debt service coverage ration, maximum loan to value ratio lesser of development cost or $85 \%$ of appraised value, and for-profit borrowers must have an $8 \%$ net equity investment. Minimum project size is 5 units and land must be owned fee simple. A market analysis is required. | Riskier projects are able to obtain financing. Zewo to $8 \%$ equity required by borrower. | Financing charges and $\$ 1,500$ non-refundable application fee may be viewed as prohibitive. |

## Leland Consulting Group

Real Estate Economics, Development Advisory Services and Project Managment

## Financing Program

Seed Money Advance Loan Program

Oregon llousing and The Seed Money Advance Loan Program is a revolving loan fund Community Services which provides no－interest loans to qualified nonprofits and interest－ Deparment $\quad$ bearing loans to qualified for profit sponsors from a $\$ 250,000$ revolving loan fund．The maximum loan amount is $\$ 40,000$ or $2 \%$ of
the project cost，whichever is less．The loans are used to pay recoverable preconstruction costs before construction loan proceeds beconic available．The maximum loan term is nine months unless extended by the Department．Nonprofit sponsors are not chatged an interest rate；however，for－profit sponsors are charged $50 \%$ of the set prime lending rate established by New York commercial banks at the time of closing．A $2 \%$ processing fee is charged to all borrowers．

## Tax Credit



National Park Service／State Historic Preservation Office

National Park Service／State Historic Preservation Office
（LIHTC）

Tax credit if for rehabilitation of non－historic non－residential structures built before 1936．Tax credit equals $10 \%$ of the amount spent in rehabilitation．Credit reduces the amount of income tax owed dollar for dollar．Rehabilitation must be substantial，greater than $\$ 5,000$ ．At least $50 \%$ of existing wall must remain in place as external walls， $75 \%$ of existing external walls must remain，and $75 \%$ of buildings internal structural framework must remain．

Tax credit if for certified rehabilitation of certified historic structures． Tax credit equals $20 \%$ of the amount spent in a certified rehabilitation．Credit reduces the amount of income tax owed dollar for dollar．Credit is available for commercial，industrial，agricultural， or rental residential．Long－term lessees may apply if lease for residential is 27.5 years or 39 years for non－residential．Preliminary fee is $\$ 250$ ．Final fee，charge to accepted projects，ranges from $0 \$$ to $\$ 2,500$ depending on cost of rehabilitation．Owner must hold the building for 5 full years，or repay whole or partial tax credit（repay reduced by $20 \%$ for each full year building remain in original ownership）．
The Low－fncome llousing Tax Credit（LIITC）Program provides federal tax credits to sponsors of low－income rental housing projects． Sponsors can use these tax credits to directly reduce the amount of federal income tax they owe，or they can sell these tax credits to one or more purchasers（sometimes through transactions known as tax credit syndications）who can use the tax credits to reduce their tax liability．The sponsor uses the proceeds of the sale of the tax credits as equity for their project．The amount of tax credits for which a sponsor is eligible represents a fixed percentage of eligible costs of developing the low－income housing project．However，the actual amount of tax credits awarded to the sponsor cannot exceed the amount the Department deems necessary for the project＇s financial feasibility．

Guaranteed maximum $15 \%$ developer fee or ROI in a market producing lower returns．
Building does not have to
be a certified historic
place．Reduction of
income taxes owed．
Reduction of income taxes
owed．
Guaranteed maximumi
$15 \%$ developer fee or ROI
in a market producing
lower returns．

Cannot exceed $15 \%$ developer foes or ROI in markets producing higher returns；demonstrate housing need；and project has to provide low－income rental housing for a minimum of 30 years．

| Tinancing Program | Jurisdiction | Description | Advantage(s) | Disadvantage(s) |
| :---: | :---: | :---: | :---: | :---: |
| Multiple-Unit Itmsing in Core Areas. Light Rail Station Aıeas and Thamsit Oricuted Areas | State of Orcpon | Property tax exemption (up to 10 consecutive years) for multi-fanily mits constuctes! in Conc Areas, Light Rail Station Acas, mud Thansit Otiented Areas that emphasize vacant and undentilized sites, inchude gromod level commercial, development of existing surface panking lols (sec ORS 307.600 ). Unit pricing (rental or ownership) shall be nvailable to a bumb amge of genemi public. Govemad by cities and commies. Must be lacated in locally desiguated areas and meet lucal adopted criteria. Exemption only applies to city or comnty tax levies, muless otherwise agreed upon by 51 percent of other taxing jurisdictions (i.e. fax levy). | Property tax exemption for up 1010 consecntive years. | Must mect local adtopted pmidelines, which may off sel tax henefit. |
| Multiple-Unit Housing Tax Incentive Program | City | Pioperty tax exemption (up to 10 comsecutive years) for multi-family mits constucled in Core Area. | Property tax exemption for up to 10 conseculive years. |  |
| Oregon Affordable Housing Tax Credit Program (OAHTC) | Oregon Housing and <br> Conmmunity Services <br> Department | Though the use of tax credits, lending institutions are ahle to lower the cost of financing by as much as $4 \%$ for housing projects or community rehabilitation programs. Tax credils may be claimed for the term of the loan, or a period not to exceed 20 years. Must be used to lower rents after all other subsidies have been applied. For example, if an applicant applies for a Federal Low-Income Housing Tax Credit and indicates they are targeting $60 \%$ median income rents, the applicalion must show the project is feasible at the $60 \%$ median rents without this subsidy. This subsidy will then be applied to reduce rents below the $60 \%$ level. The applicant is required to slow two Income Statements, one showing the project at market interest rate and one showing the project at the OAHTC reduced rate (the Expense Statement should not change). | Reduction or loan interest rate. | Possibility of reduced rental incone not covering costs (e.g operating, debt scrvice, replacement reserves, etc.) |




[^0]:    COFI investment
    guidelines may be prohibitive to project funding.

