

Kent Taylor Civic Hall Council Chambers 200 NE Second Street McMinnville, OR 97128

City Council Meeting Agenda Tuesday, March 25, 2025 5:30 p.m. – Work Session Meeting 7:00 p.m. – City Council Regular Meeting

Welcome! The public is strongly encouraged to participate remotely but there is seating at Civic Hall for those who are not able to participate remotely. However, if you are not feeling well, please stay home and take care of yourself.

The public is strongly encouraged to relay concerns and comments to the Council in one of four ways: • Attend in person and fill out a public comment card

Email at any time up to noon on Monday, March 24th to <u>CityRecorderTeam@mcminnvilleoregon.gov</u>
 If appearing via telephone or ZOOM, please sign up prior by noon on Monday, March 24th by emailing the City Recorder at <u>CityRecorderTeam@mcminnvilleoregon.gov</u> as the chat function is not available when calling in Zoom;
 You will need to provide the City Recorder with your First and Last name, Address, and contact information (email or phone) for a public comment card.

You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331, Frontier 29 or webstream here: <u>mcm11.org/live</u>

CITY COUNCIL WORK SESSION & CITY COUNCIL REGULAR MEETING:

You may join online via Zoom Webinar Meeting: <u>https://mcminnvilleoregon.zoom.us/j/81264269958?pwd=yT5kSe8wijl0Q0VlhCSsPOX4ARBDPz.1</u> Or you can call in and listen via Zoom: 1-253- 215- 8782 Webinar ID: 812 6426 9958

5:30 PM – WORK SESSION MEETING – VIA ZOOM AND SEATING AT CIVIC HALL

- 1. CALL TO ORDER
- 2. CURRENT FINANCIAL STANDING-DISCUSSION AND ANALYSIS
- 3. ADJOURNMENT OF WORK SESSION

7:00 PM - REGULAR COUNCIL MEETING - VIA ZOOM AND SEATING AT CIVIC HALL

- 1. CALL TO ORDER & ROLL CALL
- 2. PLEDGE OF ALLEGIANCE
- 3. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT -

The Mayor will announce that any interested audience members are invited to provide comments. Anyone may speak on any topic other than: a matter in litigation, a quasi-judicial land use matter; or a matter scheduled for public hearing at some future date. The Mayor may limit comments to 4 minutes per person for a total of 32 minutes. The Mayor will read comments emailed to the City Recorder and then call on anyone who has signed up to provide public comment.

4. PRESENTATION

- a. Recycling Modernization Act (RMA) Funding Authorization by Geoff Hunsaker, Public Works Director.
- b. Housing Production Strategy (HPS) Action Plan by Heather Richards, Community Development Director.

5. ADVICE/ INFORMATION ITEMS

- a. Reports from Councilors on Committee & Board Assignments
- b. Department Head Reports
- c. Council Meeting Schedule Discussion
- 6. CONSENT AGENDA
 - a. Consider the Draft Minutes of the February 25, 2025, City Council Work Session & Regular Meeting.
 - b. Consider the request from The Bitter Monk for Limited on-premises sales, OLCC Liquor License located at 250 NE 3rd Street.
- 7. RESOLUTION
 - a. Consider **Resolution No. <u>2025-08</u>**: A Resolution of the Common Council of the City of McMinnville amending the allocation of American Rescue Plan Act (ARPA) Funds.
- 8. ORDINANCES
 - a. Consider the first reading with a possible second reading of Ordinance No. <u>5158</u>: An Ordinance Authorizing Amendment of 1978 Lease with the United Methodist Church of McMinnville, allowing for its Termination Upon 60 Days' Notice and Waiving the City's Right of First Refusal to Purchase the Property.
- 9. ADJOURNMENT OF REGULAR MEETING

From: Paul Smark

Sent: Friday, March 7, 2025 9:16 AM

To: Mayor Kim Morris <Kim.Morris@mcminnvilleoregon.gov>; Sal Peralta <Sal.Peralta@mcminnvilleoregon.gov>; chris.chenowith@mcminnvilleoregon.gov <chris.chenowith@mcminnvilleoregon.gov>; Daniel Tucholsky <Daniel.Tucholsky@mcminnvilleoregon.gov>; Zack Geary <Zack.Geary@mcminnvilleoregon.gov>; Jessica Payne <Jessica.Payne@mcminnvilleoregon.gov>; Scott Cunningham <Scott.Cunningham@mcminnvilleoregon.gov> Subject: Quarry Park

This message originated outside of the City of McMinnville.

Mayor Morris and City Council,

I am writing today to voice my concerns about the proposed development of Quarry Park and my support for the statement presented by the Friends of Quarry Park. As a homeowner who has lived adjacent to Quarry Park since moving to McMinnville in 1996, I have many concerns about how this proposal will impact the livability of our neighborhood. Quarry Park is an excellent natural space in a densely populated area. I know you have already heard about the benefits of wildlife, so I would like my letter to focus on other concerns.

I live on Regina Ct, a cul de sac off of NW Meadows that backs up to Quarry Park. While I do not claim to have any former knowledge about geography, I will say that my nearly 30 years of experience living in this area is that our neighborhood is already extraordinarily loud. My husband and I have always attributed this to our home between Quarry Park and the West Hills. Sound seems to reverberate in this area and can change based on the weather conditions. Sometimes, just a neighbor's radio or shutting a car door sounds like it is in our living room. Several years ago, there was a fire started by children playing in the quarry, and we could hear the activity before it happened. The proposal to add a potentially loud activity to the park would negatively impact the enjoyment of our neighborhood.

Additionally, Quarry Park is surrounded by houses that are very close to the entire perimeter; how will bicycle users access the property, and is there a plan for increased car traffic in our neighborhoods and on Second Street? Second Street between Cypress and Meadows has become increasingly treacherous in recent years as traffic has increased on this stretch of road; even traffic in and out of the Calvery Church parking lot on Sunday is difficult to navigate, but it is easy for neighbors to avoid one day a week, the possibility of traffic in and out at all times is troublesome.

I find it troubling that the City would consider this type of build-out when they are considering the replacement of other parks and rec buildings; one of the primary reasons given for replacement rather than refurbishment as given by the Parks and Recreation director was that the buildings were in such poor condition because of years of deferred maintenance. Currently, Quarry Park is in a natural state, and it takes very little time and funding for the City to maintain it. Several times, I have seen a brush hog mower in the park, but it has been relatively untouched. Is this the time to add an additional park that will remove maintenance funds from our existing parks?

The council should consider the intention of using neighborhood parks. I feel that our neighborhood parks should be used for the enjoyment of the surrounding neighborhood and not as a tourist attraction. Why is Visit McMinnville involved with this project if it is not intended to boost tourism? According to the Mission Statement on the Visit McMinnville website, their goal is to "guide the development of McMinnville as a year-round destination, responsibly promote its assets, and enrich the visitor experience while supporting livability for locals". Does Visit McMinnville have research to indicate how a biking facility will increase tourism? If tourism is the goal, this is not a good location because increasing traffic to this neighborhood does not "support liveability for locals." If Visit McMinnville has grant money for this build and feels it is a good idea to promote tourism then they should look for property which is better suited for the project.

Finally, I think this council must question the transparency of Visit McMinnville and Lisa Macy Baker, who are spearheading this project. Lisa and her husband Ron have been attempting to build a pump track in McMinnville for years, first as directors of Willamette Vally Cyclists and now as Yamhill County Cyclists. Having Lisa as the head of this project for Visit McMinnville appears to be a massive conflict of interest. A previous Rally Up fundraiser by WV Cyclists could only raise approximately \$7200 towards the project. A post by Ron Baker on the WV Cyclists Facebook page on April 8, 2021, stated that "WVC is still working with McMinnville Parks on building a pump track/bike park. We may need to show them that we have a dedicated group of volunteers willing to donate their time throughout the year to help maintain the pump track. Please comment if you're interested in helping". This post elicited one response. From an outsider's perspective, it appears that this is a pet project for which they could not raise funds or support, so they are using Visit McMinnville to push through.

I want to thank the council for taking the time to read this; I would also like to say that despite Baker's statements that McMinnville has no safe spaces for bike riding, my family has found this not the case. The City has done a fantastic job developing bike lanes and extending the Northside linear path my family uses regularly. We may not have a dirt track with bumps, berms, and jumps, but we have safe biking paths.

Sincerely, Jennifer Smark

McMinnville

From:	Jessica Payne
To:	<u>City Recorder Team</u>
Subject:	Fw: Concerns About Quarry Park Development
Date:	Tuesday, March 11, 2025 7:47:17 PM

From: Oliver Rokoff

Sent: Sunday, March 9, 2025 7:00 PM

To: Sal Peralta <Sal.Peralta@mcminnvilleoregon.gov>; Chris Chenoweth

<Chris.Chenoweth@mcminnvilleoregon.gov>; Daniel Tucholsky

<Daniel.Tucholsky@mcminnvilleoregon.gov>; Zack Geary <Zack.Geary@mcminnvilleoregon.gov>;

Jessica Payne <Jessica.Payne@mcminnvilleoregon.gov>; Scott Cunningham

<Scott.Cunningham@mcminnvilleoregon.gov>

Subject: Concerns About Quarry Park Development

This message originated outside of the City of McMinnville.

Dear Members of the City Council,

As a resident who enjoys Quarry Park regularly, I am deeply concerned about the proposed development and its potential to irreparably change the park. The conversation should focus not just on terms like '*bike facility*,' '*pump track*,' or '*BMX park*,' but on the fundamental shift in the park's character, its use, and its impact on the surrounding neighborhood.

Community Concerns and Transparency

There is significant and growing opposition to this project. Over 200 local residents have signed a petition opposing the proposed development, signaling widespread concern. Quarry Park has long been a treasured natural space for the community. It is a rare jewel—an oasis within our city, offering peace, beauty, and a connection to nature that is hard to find elsewhere within city limits. To many, it is an irreplaceable part of McMinnville's identity. Yet, it seems the proposed development is drastically changing the park's use and character forever, shifting its focus towards accommodating specific biking activities rather than maintaining its broad appeal as a natural retreat for all.

Many feel that this process has lacked transparency and meaningful public outreach, leaving them frustrated and concerned about the future of the park. I ask that the City Council genuinely seek and incorporate public input before any further steps are taken.

Impact on the Park and Community

The park's unique topography and peaceful natural environment make it a valuable space for McMinnville. Quarry Park is located in a quiet residential neighborhood surrounded by houses with backyards facing the park, many with low open fencing. It is a peaceful space, enjoyed for decades, away from the sounds of traffic—an accessible sanctuary for people of all ages and backgrounds. Beyond its tranquility, the park also serves as an important ecological area, home to naturally occurring ponds and a habitat for migratory birds. These natural features support local biodiversity and provide valuable wildlife viewing opportunities, making it a unique resource within the city.

The introduction of a large-scale bike facility will dramatically alter the park's use, focusing the space on biking as a primary activity rather than maintaining its balanced role as a peaceful retreat for the broader community. This shift would irreparably alter the park's character, displacing the wildlife that relies on its natural habitats, including the ponds and migratory bird population that depend on the park as a seasonal stopover. Beyond the environmental concerns, Quarry Park serves as a sanctuary for people of all ages —including elderly residents, children, nature enthusiasts, and those seeking a peaceful escape from city life. It is also one of the few easily accessible natural spaces for residents, particularly those in underserved neighborhoods, who may not have the means or ability to travel to larger natural parks outside the city. It fosters community well-being beyond recreation by providing a shared space for reflection, connection to nature, and quiet enjoyment. Any development that significantly shifts the park's purpose must ensure it remains accessible and welcoming to all, rather than prioritizing one recreational group at the expense of others.

Barriers to Access: The Need for Specialized Equipment and Safety Gear

Focusing the majority of the park on a bike facility creates inherent barriers to entry. Visitors would need a suitable bike for the terrain, along with safety gear like a helmet and possibly additional protective equipment such as gloves, knee pads, and elbow pads. These costs can quickly add up, making the facility less accessible to lower-income residents and those who don't already own the necessary gear.

It's important to consider whether this facility will serve all McMinnville residents or primarily cater to those with specialized equipment. Will it benefit underserved communities, or will it mainly serve a niche group able to afford the necessary gear? A bike-focused park inherently excludes those without the proper equipment. If the city is truly committed to providing equitable recreational opportunities, it should focus on enhancing Quarry Park in a way that remains accessible to all, not just those who can participate in a specialized sport.

Structural Maintenance, Drainage, Erosion, and Long-Term Sustainability

Some of McMinnville's existing park structures—such as walkways, bridges, and other amenities—have faced challenges due to insufficient ongoing maintenance. This raises concerns about the city's ability to properly manage a newly developed bike facility at Quarry Park without a clear, long-term maintenance plan. Deteriorating paths, steps, and structures within City Park provide a clear example of how neglecting long-term maintenance can impact the usability and safety of park features.

Beyond structural concerns, Quarry Park's natural topography already faces challenges with water runoff. Heavy bicycle traffic and extensive development could exacerbate drainage and erosion, further disrupting the landscape and possibly affecting underground streams, which are vital to local wildlife habitats and native plants. Disturbing these areas could have long-term impacts on the delicate ecosystem of the park. Without proactive solutions, the park's ecological health—and the usability of any new features—could be compromised in just a few years.

Preserving Quarry Park in its natural state would minimize these risks, offering long-term benefits with fewer maintenance demands. By maintaining it as a quiet, natural retreat, the park will continue to provide a valuable space for both wildlife and residents. Prioritizing conservation over costly development will help safeguard the park for generations to come.

What Is the City's Goal? Preserving Natural Space or Creating a Tourist Attraction? It is unclear whether the primary goal of this project is to enhance Quarry Park for local residents or to transform it into a regional tourist destination. Many aspects of the proposal including the scale, specialized nature of the bike facility, and references to grant funding for outdoor recreation—suggest that the city may be prioritizing attracting visitors and outside investment over maintaining the park as a natural retreat for McMinnville residents. Does this align with the city's park planning and commitment to preserving spaces for McMinnville's residents? Quarry Park has remained largely undeveloped and in its natural form for decades, serving the community as a peaceful local resource. Converting it into a tourist attraction could shift its primary purpose, with potential consequences for neighborhood livability. Residents deserve clarity on the project's true objectives and how it aligns with the city's mandates to protect and prioritize the needs of local communities. Alignment with City Planning Goals

This proposed development raises questions about whether it aligns with the City of McMinnville's own goals:

- Goal VI-1 of the Comprehensive Plan: "To preserve the natural environment, protect natural resources, and enhance the livability of the community." Quarry Park's natural character should be preserved, not altered. The proposed development threatens this goal by introducing changes that will drastically alter the park's peaceful and natural environment, shifting it from a quiet sanctuary to a destination focused on biking. This would compromise both the environmental integrity and the community's use of the park.
- Policy 156.00 of the Parks, Recreation, and Open Space Master Plan: "The City of McMinnville will ensure that parks are developed and maintained in a manner that protects natural resources and preserves the character of the land." This plan contradicts that policy by introducing a new use that changes the park's character, shifting it away from its peaceful, nature-focused identity to one centered around biking activities.
- Goal VII-4 of the Comprehensive Plan: "To develop a balanced system of parks, recreation facilities, and open spaces that meets the recreational and leisure needs of all residents, while ensuring that natural spaces are preserved." Quarry Park fits the definition of a natural space to be preserved and currently serves as a peaceful retreat. It already contributes to the balance of recreational opportunities in the city, and a large-scale bike facility would significantly disrupt that balance.
- Policy 164.00: "The City of McMinnville shall identify and preserve areas with natural beauty, unique ecological features, and historical significance for parkland development." Quarry Park is a prime example of such a space and must be preserved in its current form. Any development that threatens its ecological integrity would undermine the city's commitment to safeguarding these vital natural areas.

Transparency, Feasibility Study, and Potential Conflicts of Interest

The 2025 City Council Budget Review presentation highlights Cycle Yamhill County's involvement in securing grants and promoting bike-related projects throughout the region. Cycle Yamhill County is a 501(c)(3) nonprofit organization dedicated to advancing cycling initiatives across Yamhill County. The presentation also notes Lisa Macy-Baker's role as Destination Development Manager, where she leads outdoor recreation efforts. Additionally, her husband, Ron Baker, serves as a Director at Large for Cycle Yamhill County, which has been actively pursuing funding for regional cycling projects.

The budget presentation indicates that \$30,000 has been allocated for feasibility studies and economic impact analysis of the Quarry Park project, but there is limited clarity on how these funds are being used. It's important to question how these funding opportunities were identified and whether all potential sources of funding were fully explored. The lack of transparency makes it difficult for the public to understand how these resources are being applied, if they are being managed impartially, and whether all options were considered before seeking funding.

Given the relationships between key individuals involved in the project and the nonprofit organization, I urge the Council to ensure an independent and transparent review process that prioritizes the interests of McMinnville residents over external funding sources or tourismdriven goals.

Alternative Development Suggestions for Quarry Park

Rather than introducing a large-scale bike-focused facility, I encourage the City Council to consider alternative improvements that enhance Quarry Park's existing character while increasing accessibility and enjoyment for all visitors:

- More defined soft-surface walking trails
- Steps or terraced paths with natural railing for steep areas
- Educational signage on local plants and wildlife
- Fire risk awareness signs prohibiting open flames
- Benches at scenic viewpoints
- A nature play area made from natural materials
- Promoting school field trips, nature camps, or similar programs to engage children with nature and environmental education
- Wildlife observation areas with minimal disturbance
- Planting native plants to support biodiversity
- Invasive species management programs
- Community stewardship programs for trail maintenance
- Water management features such as rain gardens

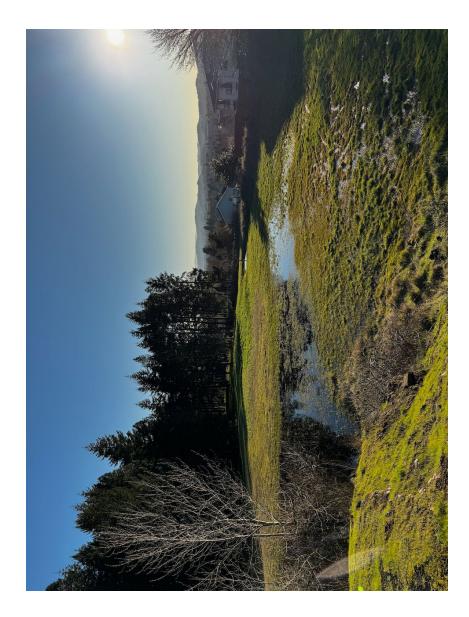
Bilingual Considerations:

It is essential that all signage, including educational, fire risk awareness, and safety signs, be provided in both English and Spanish. This will ensure Quarry Park remains inclusive and accessible to all residents, including Spanish-speaking community members.

Moving Forward

I strongly urge the City Council to communicate proposed changes transparently and provide ample opportunities for public review. I cannot support any plan that includes a bike facility regardless of its designation. I encourage you to visit the park to experience its current character and understand how it serves the community in its present form. Additionally, I encourage you to explore alternative locations that may be better suited for the development of this type of bike facility.

Sincerely, Oliver Rokoff



From:	Zack Geary
То:	<u>Claudia Cisneros</u>
Cc:	Jeff Towery; Cord Wood
Subject:	Fw: Action: Violent Dogs - Violent Owners
Date:	Wednesday, March 12, 2025 3:57:32 PM

From: john cunningham

Sent: Wednesday, March 12, 2025 1:10 PM

To: Mayor Kim Morris <Kim.Morris@mcminnvilleoregon.gov>; Sal Peralta
<Sal.Peralta@mcminnvilleoregon.gov>; Chris Chenoweth
<Chris.Chenoweth@mcminnvilleoregon.gov>; Daniel Tucholsky
<Daniel.Tucholsky@mcminnvilleoregon.gov>; Zack Geary <Zack.Geary@mcminnvilleoregon.gov>;
Jessica Payne <Jessica.Payne@mcminnvilleoregon.gov>; Scott Cunningham
<Scott.Cunningham@mcminnvilleoregon.gov>
Subject: Action: Violent Dogs - Violent Owners

This message originated outside of the City of McMinnville.

Dear Council members,

Thank you for your service and the sacrifice of your time with your family.

I am a property owner across the street from Memorial School. I have the pleasure of watching loading and unloading of buses, families dropping off children and picking them up. In the evenings and weekends I have the pleasure of meeting all my neighbors who walk their dogs in this traffic free zone. After school hours and weekends children and families come to play at the playground at Memorial school. This spot is a gathering place for the community.

After many years of complaints to the city and police about the dangerous dogs on Birch street and by extension the dangers dog owners, it appears that the city council and the police department have sided with the dangerous dogs and dangerous dog owners. What the city is communicating through it's many years of inaction and I fear now again after the recent multiple incidents of violence in the neighborhood, on the grounds of Memorial School is, 'The City Council of McMinnville chooses to condone violence of it's citizens'. When the City Council condones violence through its inaction rest assured those prone to violence and those prone to standing up to violence are on an escalating path. The City is now responsible for this unnecessary escalation due to inaction after many complaints over many years.

The remedy offered at the March 11 meeting for the chief of police to come back with a "Time Schedule" was inadequate and continues the condoning of violence.

- 'Time Schedule' for what?
 - What does that even mean?
 - So far it has been over 3 years.
- What are you doing now to assure the community that the city and police are in the lead for dealing with dangerous people?
 - If the City and Police do not visibly, overtly and behaviorally lead with action this

situation is at high risk of escalation. Take action now, do not delay.

Please consider:

- If a parent abuses a child with restraints, and malnourishment and the child comes to school and assaults others, we quickly take that child away from that parent.
 - However, if a dog owner chains up their wolf dogs with malnourishment and the dogs assault people and kill pets, we give the animals back to the owner with a citation.
 - Really?
- If a dog gets out and threatens people and kills pets we give a citation.
 - If someone shoots the violent dog, the shooter is charged with a felony.

To the City Council and Police of McMinnville:

- Stop condoning violence through inaction
- Place the safety of the community and our children over the rights of irresponsible dog owners
- Stop the political 'kick the can' with things like, "Chief bring us a Time Schedule"
- Risk a lawsuit from the violent dog owner over a lawsuit from an injured or dead citizens family from your inaction.

I am deeply grateful for your commitment to the community of McMinnville through your service. This is not a personal attack on any of you working hard to do the right thing within the limitations of government.

This situation needs to be fast tracked as much as humanly possible.

Deepest of gratitude, John Cunningham

From:	Zack Geary
То:	Claudia Cisneros
Subject:	Fw: Request For Wolf-Dog Situation Update
Date:	Thursday, March 13, 2025 12:07:40 PM

From: Jonathan Jacoby

Sent: Thursday, March 13, 2025 10:47 AM

To: Cord Wood <Cord.Wood@mcminnvilleoregon.gov>; Mayor Kim Morris <Kim.Morris@mcminnvilleoregon.gov>; Sal Peralta <Sal.Peralta@mcminnvilleoregon.gov>; Chris Chenoweth <Chris.Chenoweth@mcminnvilleoregon.gov>; Daniel Tucholsky <Daniel.Tucholsky@mcminnvilleoregon.gov>; Zack Geary <Zack.Geary@mcminnvilleoregon.gov>; Jessica Payne <Jessica.Payne@mcminnvilleoregon.gov>; Scott Cunningham <Scott.Cunningham@mcminnvilleoregon.gov>; Mike Strickland Jill Shenefield sslaughter@katu.com Subject: Request For Wolf-Dog Situation Update

This message originated outside of the City of McMinnville.

Hello McMinnville City Officials,

As you are well aware of the wolf-dog issue, I am reaching out to you for updates on the matter.

I was happy to hear that yesterday (3/12) the owner was addressed at her property by the City Attorney and Law Enforcement. And given the response team, I was also under the assumption that they were there to finally confiscate the dogs and give the community some reprieve. However, and disappointingly, the dogs remain with her and on her property, from which we already know they can and do easily escape.

Aside from the public safety ramifications, one of my main concerns is the committed and adamant legwork that the community has been forced to do in order to emphasize this situation's severity, only to receive vague and uninspiring "we're working on it" responses. If the only hurdle currently is that there isn't an immediate local option to which to relocate these dogs, then are we looking for options outside of McMinnville? Are we partnering with other animal-focused agencies for support? If these dogs had attacked a person, I would assume and sincerely hope that they would've already been removed. And because of the heightened risk of an attack on a human, I would also hope and assume that the city would take more proactive measures to ensure that doesn't happen.

Since the dogs were not seized yesterday, specifically why did this not happen?

As such, we are going to continue to escalate this issue to the city, media outlets, advocacy groups, legal representation and any other relevant parties until serious and satisfactory action has been taken. And I want to be clear that I do not want this to come across as an "us versus you" ultimatum but rather to showcase how important this safety issue is to our community. We are mourning our losses and processing our emotions, but we also want to work with you. We want to find the best solution for everyone (including the wolf-dogs), but we need more

action and more transparency from the city. What do you need? What do you need from us to help you? Tell us, talk to us, give us some kind of detailed reassurance that you have our safety in mind, not just in this matter but also toward a sustainable solution so that this doesn't happen again.

In late February of this year the Yamhill County Board of Commissioners approved an update to the Yamhill County Code (YCC) Chapter 4.05 pertaining to the County's regulation of dogs. Below are relevant sections from the code that the wolf-dog owner has directly violated and the subsequent penalties that come with those violations. Knowing that the owner has a court date on 4/16 (which we intend on attending), are we waiting for the court's decision to hand down the entire punishment? Has the owner been cited for these violations already? Are there charges that can result in the revocation of the owner's ability to own pets in the future? Before the wolf-dogs, she owned pit bulls that were confiscated and euthanized for attacking a person. What will she possess next that could be a danger to the community?

Our pets were members of our families and we miss them so much and we are fighting to ensure that nobody else has to go through what we did/are. Please, help us help you to make this happen.

Sincerely,

Jonathan Jacoby



It shall be a violation of this Chapter for any person to allow a dog to become a public nuisance.

a) A dog is a "public nuisance" if it:

(i) Bites or nips a person or domestic animal, or its clothing or effects, unless the person is illegally assaulting the dog or the dog's owner, or if the person provokes the dog and is illegally trespassing on premises legally occupied by the dog's owner;

(iv) Trespasses on private property of persons other than the owner or keeper of the dog;(v) Disturbs a resident from each of three or more households within sight or sound of the complainant's residence or business by excessive noise;

4.05.07.03 Menacing Dog:

It shall be a violation of this Chapter for any person to keep a menacing dog.

a) A "menacing dog" is a dog which acts in a threatening manner that would cause a reasonable person to fear for the person's safety, the safety of another person, or the safety of a domestic animal or livestock, or that otherwise exposes them to possible injury or harm, regardless of whether it was done in a playful or hostile manner.

b) A violation of this provision is punishable as a Class A dog code violation.

4.05.07.04 Dangerous Dog:

It shall be a violation of this Chapter for any person to keep a dangerous dog. a) A "dangerous dog" means:

(i) A dage that approach the provided in the p

(i) A dog that causes physical injury to and/or kills a human being, livestock, or a domestic animal

without serious provocation;

(ii) A dog that law enforcement records indicate has previously caused injury to a human without

provocation or has injured or killed a domestic animal or livestock while off the property of its owner or keeper;

(iv) A menacing dog, as defined under Section 4.05.07.03, that is also out of the immediate physical control of its owner or keeper; or

(v) Any dog having a demeanor, fault, flaw, or defect that causes it to act in an unreasonably aggressive manner

b) A violation of this provision is punishable as a Class A dog code violation.

4.05.07.05 Destruction of Property:

"It shall be a violation of this Chapter for the owner or keeper of a dog to allow the dog to damage or destroy property, including livestock or a domestic pet, that does not belong to the owner or keeper of the dog. A violation of this provision is punishable as a Class B dog code violation."

04.05.08.02 When a Dog May Be Impounded:

a) In addition to impoundments otherwise required under ORS 609, a dog may be impounded by a Dog Control Officer, or other authorized agent of Dog Control, if:

(iv) The dog has been cited for being dangerous

(v) The dog has been previously convicted of being menacing and/or dangerous, and is subsequently found to be outside the immediate physical control of an owner or keeper in violation of this Chapter

(vi) The County has probable cause to believe the dog has bitten a person or animal

4.05.14.13 Penalties:

a) Fines. Any person or entity found to have violated a provision of this Chapter shall be subject to the following

fines:

(i) Minimum Fines. - <u>https://oregon.public.law/statutes/ors_153.021</u>

1. Class A Dog Code Violation. The minimum fine for a Class A dog code violation under this Chapter is as provided in ORS 153.021(a).

2. Class B Dog Code Violation. The minimum fine for a Class B dog code violation under this Chapter is as provided in ORS 153.021(b).

(ii) Maximum Fines. - https://oregon.public.law/statutes/ors 153.018

1. Class A Dog Code Violation. The maximum fine for a Class A dog code violation under this

Chapter is as provided in ORS 153.018(a).

2. Class B Dog Code Violation. The maximum fine for a Class B dog code violation under this Chapter is as provided in ORS 153. 018(b).

b) Court Fee. In addition to the fine provided in subsection (a), a conviction under this Chapter shall be

accompanied by an automatic court assessment of \$100. This revenue shall be paid to Yamhill County Dog

Control for maintenance, upgrade, or purchase of buildings, vehicles, equipment, or personnel expenses

associated with dog control in Yamhill County.

c) Disposition of a Dog.

(i) In addition to other sanctions allowed by law, if the dog has been found to be menacing or dangerous, or has been found to be a habitual offender or public nuisance as defined in this Chapter, the court may order whatever disposition of the dog that the court considers advisable or

necessary for the safety, health, or protection of the public, including euthanasia of the dog

From:	<u>Jeff T</u>
To:	City Recorder Team
Subject:	Request to add more info to my prior packet I submitted on or before the 3/11/25 meeting
Date:	Wednesday, March 12, 2025 10:05:08 PM

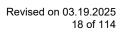
This message originated outside of the City of McMinnville.

If you read the New Register from this morning, I am the neighbor that is noted on page two at the bottom of column one. I was the one who had to beat off two wolves, along with the help of a contractor, and luckily, I was home during the attack. I also made sure a police report was created. Before this December '22 attack, I had emailed the Mayor at the time, the state representative, and the Sheriff. I also tried to get the Humane Society in Portland involved since I felt the wolves were being mistreated. I again emailed all of the above and the Yamhill County Supervisors, before the August meeting, asking they bring back Animal Control. They stated they would look at it for fiscal 2026 budget.

I am also the one who has probably submitted over 20 noise complaints, called the nonemergency number 10 times, and spoken to several sergeants, and Tim (Captain) about this problem. Now, besides just my dog being disabled for 6 weeks and a bill of \$3500, the City of McMinnville finds itself in a storm. Social media has gone crazy (though I don't use it), and besides the paper, I saw the top story on KUSA Portland ABC station, had it as the #1 lead story at 5pm and 6. I also want to make sure we involve the police about Sandra's bullying to anyone who has complained or posted a negative comment about her animals. Since the meeting, I have already submitted several more pictures and hopefully long enough noise recordings to code enforcement. (Darcy has tried to do her best with what is in the law).

I realize we have a newer Mayor and Police Chief Ward, but we have to look at the past. Everything Ms. Atwood has done regarding animals. The conditions are unfair to them as well. There was a person who posted on Facebook that he has a 100-acre property with hybrid wolves, but out of city limits. I let Chief Ward know about my police report from 12'22. I also let him know we would be happy to contribute to more dog poles, and see if we can find a jail cell for the animals when they are out, vs. calling Sandra to come deal with them. If you read the letter of the contractor, I had help me save my dog, we feared of being attacked also. I also let the Chief know, the <u>Oregon Humane Society could possibly assist in this</u> <u>situation if the McMinnville PD just confirms or uses the pictures the neighbors have sent, that</u> <u>it is inhumane conditions for the wolves.</u>

I am not sure if you will have another chance to speak to the committee, or even if it would help short term, but please reach out to the State Police or the Humane Society. Either way these animals need to be removed and hopefully sent elsewhere, but she can't be allowed to have any more pets. I can't get another dog or outdoor cat, as I fear for what happened 3/7. Regards, Jeff Tucker



From:	Jeff T
To:	City Recorder Team
Cc:	Darcy Reynolds
Subject:	Hoping you can still get this email request for the meeting 3/11/25. Thought the cut off was noon the date of the meeting
Date:	Monday, March 10, 2025 6:16:59 PM

This message originated outside of the City of McMinnville.

I am Jeff Tucker and live at **Control of Second Sec**

During the last 3+ years we have been working with Code Enforcement on noise (10 mins in an hour), and Darcy with Code enforcement can offer a summary of complaints and citations. Sandra claims nobody has put things on record, but Code enforcement and the non-emergency phone log should make it evident that there is an issue. The wolves have also got out several times over the last year, including most recently, Friday night 3/7, where it killed a dog and a few cats. This was right near Memorial Elementary. Many families are worried about their small children as well as being sick of the howling and noise.

I have also written the Sherrif, Mayor, and Police Chief about the wolves, and tried pushing for the Yamhill County Supervisors to bring back animal control. With over 100,000 residents in the County, and probably that many animals, we shouldn't be relying on our police officers, who have on dog catching pole, and have to run any catch to Newberg's holding area, is a waste of resources. Then look at the licensing fee tax revenue that could be raised. Overall, many people are frustrated and concerned with this matter, and it isn't a "Us vs. Sandra", it is the fact her wolves shouldn't be in a backyard the size of a house. I am hopeful that the wolves can find a property where they can run and howl in the middle of nowhere.

I am also open to speak. Jeff Tucker

From:	Jeff Tucker
To:	Claudia Cisneros
Subject:	Fwd: Not sure if you got this one.
Date:	Tuesday, March 11, 2025 2:49:25 PM
Attachments:	We sent you safe versions of your files.msg
	Police Report 12152022.pdf
	Statement .pdf

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

This message originated outside of the City of McMinnville.

Told Darcy how amazing you were with after hour communication! Not sure if you can submit this or print it out for tonight. It was the event on December '23 where my dog was attacked. Here is the statement the worker gave as well.



----- Forwarded message ------From: **Darcy Reynolds** <<u>Darcy.Reynolds@mcminnvilleoregon.gov</u>> Date: Tue, Mar 11, 2025 at 2:30 PM Subject: RE: Not sure if you got this one. To: Jeff Tucker

Here's the police report

From: Jeff Tucker Sent: Monday, March 10, 2025 7:42 PM
To: Darcy Reynolds <<u>Darcy.Reynolds@mcminnvilleoregon.gov</u>>
Subject: Not sure if you got this one.

This message originated outside of the City of McMinnville.

December 15th 2022 started off like any normal day, working for my employer RHS. We were painting the interior of the home throughout the whole day. My Boss Merrick, left the home to pick up more supplies that were needed to finish the Job, and left me with the homeowner to finish painting. Then around 1:00-1:15 Pm me and the homeowner began to hear whimpering and screeching sounds. After about 30 seconds Jeff (the homeowner) proceeded to walk out the front doors to see what the commotion was. I continue to paint the walls at this time. Then I see Jeff through one of the side windows walking around the side of the house headed towards the backyard. Then through the next window I see the terror on his face and him to begin yelling. At this point I stop what I'm doing and run out the front doors and around the side of the house to the backyard, following the same path he took. As I get to the back left side of the house I see two massive wolf-dogs. These dogs were very wolf-like and seemed as if they were wild animals. Standing on all fours they seemed to be about the height of my waist (I'm 6ft). I witnessed these two dogs one black, one brownish, attacking very aggressively Manny (the homeowners dog). These dogs were the neighbor directly left of Jeff's home. They were playing with Manny like a ragdoll throwing him around and what it seemed like tearing him to shreds. Jeff is still yelling and screaming at these dogs and picks up a wooden plank and begins to hit one of the dogs to get it to release manny from its mouth. The dog does release manny and the other one begins to charge manny, trying to attack him as well, but the homeowner gets manny and is trying to get him away from the wolf-dogs. At this point I am screaming and yelling and in the middle of the chaos. I see the two dogs begin to look, and position themselves as if they were going to attack Jeff. I grab the wooden plank that Jeff was using, off of the ground and get in the middle of the dogs and Jeff and manny. I start smacking the wood on the ground screaming and yelling to try to get the dogs to leave. At this point they start growling and lowering their bodies, looking as if they were going to attack me. One of them gets scarily close to me and I hit it on the head with the wooden plank to get it to back away. Then they both start walking very slowly and corner towards the fence. During this time I feel as if my life is in serious danger, thinking of all the ways I can protect myself if attacked. Then I see I a slight gap between the deck, and the fence and I start backing up through this gap. At this point I am scared for my life thinking these wolf-dogs are going to brutally attack me. I get to the end of the fence and deck as they are still walking towards me growling. I am still hitting the plank on the ground yelling at the top of my lungs as if my life depended on it. The homeowner is still on the deck with manny and tells me to hop over the end of the deck to get away from these dogs. I get on the deck and then they circle back around onto the top of the deck. We frantically go into the home through the sliding glass door. This door was at the time off its tracks(something me and merrick were going to fix at the end of the day) As Manny, Jeff, and I ge into the home, Jeff tries shutting the door as best as he can and the dogs are still on the deck looking like they are about to charge inside the home. As we are in the home I look at Jeff and his hands are covered In blood, and Manny is dripping blood through the house, barely able to walk hobbling through the home. Jeff Begins to shut the front door in case they came around to try to get into the house. . Manny was whimpering as Jeff took him into the car, seeming like he was in the most pain of his

life. Overall these two dogs were the most aggressive dogs I've ever seen. They very much resemble wolves, and acted on the behalf of wild animals. During this experience I was scared for my life and truly thought I was going to be very injured from these dogs. These dogs were very pressitant on killing something that day, and it was truefully horrifying and traumatic experience for me. I do believe if I didn't have that wood plank, and gotten out of reach from them when I did, this would be a very different story and I would have been severely injured or dead.

Sincerely, Parker Thompson

INCIDENT REPORT COVER SHEET

Followup	FILE COPY	
COURTS:	OTHER AGENCIES:	CAS 2200
DISTRICT Attorney	Yamhill County Community Corrections PO:	CASE NU 22004672
 Entire Case File Follow-up/Supplemental only 	Yamhill County Juvenile Department	22004672
Municipal Court	DHS - Child Welfare Program Case Worker:	2
	Mental Health	
LAW ENFORCEMENT AGENCIES: McMinnville Police Department Officer:	Senior Services Department of Motor Vehicles Crime Victims Advocate Office	
Detectives	Juliette's House	
Info Only For Possible Assignment	Parks Department	
SRO Parking Enforcement	ATTACHED / COMPLETED FORMS:	
Property/Evidence	Evidence Receipt	
Yamhill County Sheriff's Office Deputy:	LEDS Entry/Clearance	
Carlton Police Department Officer:	Citations	25
Newberg/Dundee Police Department	PHOTOS	
Officer:	Uploaded to RMS	
Yamhill Police Department	Submitted to Evidence	
Officer: Oregon State Police	Attached to original case file (graffiti & crash photos w/no suspect info)	
Trooper: Federal Bureau of Investigation	CONNECTING CASE NUMBERS:	
Oregon Department of Justice	Submitting Officer: C. Harrison (159	l/Z

BW10343 Revised on 03.19.2025 24 of 114 NA

Case Report

121 SW Adams St. McMinnville, OR 97128

1/7/2023 2:11:38 PM

Case Number: 22004672

Description: ANIMAL NUISANCE

Report Date/Time:	12/15/2022 2:16:00 PM	Related Cases:	
Occurred Date/Time:	Beg DT: 12/15/2022 14:16		
	End DT: 12/15/2022 15:03		
Location	, MCMINNVILLE 97128	-	Grid: 21
Case Status:	Administratively Closed		
Case Disposition:	Exceptional Clearance		

Offenses:

M6.04.150 M6.04.150 DOG VIOLATION

Case Number: 22004672

Case Report

121 SW Adams St. McMinnville, OR 97128

1/7/2023 2:11:38 PM

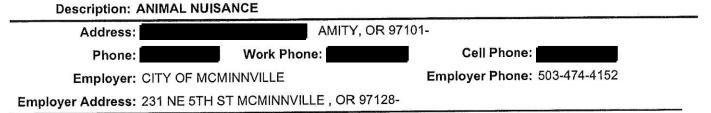
Description: ANIMAL NUISANCE OTHERS INVOLVED Involvement Type: SUSPECT Name: ATWOOD, SANDRA MARIE AKA: FRIEDRICH DOB: Age: Sex: Ethnicity: Race Height: Weight: Address: MCMINNVILLE, OR 97128 Work Phone: Phone: Cell Phone: **Employer Phone:** Employer: **Employer Address:** MCMINNVILLE, OR 97128-Involvement Type: OTHER Name: TUCKER, JEFF DOB Age: Ethnicity: Race: Sex: Address: MCMINNVILLE, OR 97128 Work Phone: Cell Phone: Involvement Type: OTHER Name: BLUM, OFFICER TAYLOR AKA: Age: Ethnicity: Race: Sex: Height: Address: 121 SW ADAMS ST MCMINNVILLE, OR 97128 Phone: Work Phone: 503-434-7307 Cell Phone: Employer: MCMINNVILLE POLICE DEPARTMENT Employer Phone: 503-434-7307 Employer Address: 121 SW ADAMS ST MCMINNVILLE, OR 97128-Involvement Type: OTHER Name: MILES, NICHOULAS SCOTT AKA: DOB: Age: Race: Sex: Ethnicity: Height: Initial Reporting Officer: HARRISON, CALEB Officer ID: 61592 Investigative Officer: Officer ID: Page 3

Case Report

1/7/2023 2:11:38 PM

121 SW Adams St. McMinnville, OR 97128

Case Number: 22004672



Initial Reporting Officer: HARRISON, CALEB Investigative Officer: Officer ID: 61592

Officer ID:

Page 4

Case Report

121 SW Adams St. McMinnville, OR 97128

1/7/2023 2:11:38 PM

Case Number: 22004672

Description: ANIMAL NUISANCE

NARRATIVE

Initial Report by : CALEB HARRISON

OFFICERS INVOLVED:

Officer Harrison: Primary, Video #323358, 323359, 323871 Officer Blum: Cover

ACTION TAKEN:

On 12/15/2022, at approximately 1416 hours, I took a report of an animal nuisance that occurred at Alder Street located in McMinnville, Yamhill County, Oregon. Merrick Worrell, who was a contractor at the above address, reported the neighbor's dogs from Alder Street had gotten into the back yard and attacked the homeowners dog.

When I spoke to Merrick I learned the following: The homeowner of Alder Street was Jeff Tucker, and he had to take his dog to an emergency pet center in Salem due to injuries sustained from the neighbor's dog. The neighbor had three dogs that looked to be wolves and had made claims that they were pure bred wolves. The dogs had gotten into the back yard of Jeff's residence by either jumping the fence or digging underneath it, and they began chasing Jeff's dog. One of the wolf dogs grabbed ahold of Jeff's dog and began dragging it around the outside of the house. It took the wolf dog getting hit with a stick to get it to let go of Jeff's dog.

At around 1510 hours I went and spoke with the homeowner at Alder Street, Sandra Atwood. Sandra told me the dogs dug a hole into Jeff's backyard and the dogs were a Huskey Malamute mix. She heard her neighbors yelling outside and saw her dogs were out so she helped get them back to her yard. Sandra allowed me to go and see the dogs in her backyard. I noticed a multicolored dog had blood on its fur near its mouth. When I asked Sandra about it, she said it must have been when her dog attacked her neighbor's. Sandra also pointed out a hole in the backyard where her dogs have gotten out in the past. She also had a black dog and a white dog, which appeared similar to wolves, in a cage in the yard. Sandra showed me the genetic makeup of the dogs via an app called My Embark, and said the dogs had Greywolf in them. The multicolored dog was about 32 percent grey wolf, the white dog was about 63 percent Greywolf, and the black dog was about 53 percent Greywolf. Sandra also made admissions that the multicolored dog attacked the neighbor's dog, and she knew it was her responsibility to contain the dogs.

At around 1542 hours I spoke to Jeff Tucker who was at an animal clinic in Salem. Jeff said that he went outside because he heard some yelping and saw the multicolored dog had his dog by the front of the neck and the black dog had it by the leg. Jeff started hitting the multicolored dog with a stick and it let go, then he hit the black dog to get it off. The multicolored dog bit Jeff's dog again and pulled it along the fence line of the property. Jeff was able to get the two dogs away and pick up his dog. He also stated her dogs had gotten into his backyard about two days prior to this incident. Jeff told me his dog had a pneumothorax and a broken clavicle.

On 12/21/2022 at approximately 1150 hours I conducted follow up at Alder Street with Nick Miles who works for McMinnville Code Enforcement. Sandra was cited for Dog Running at Large 1st Occurrence. Nick also warned Sandra that if he received more reports of the dogs getting out, she would be cited again, and he provided her with a written notice. I also followed up with Jeff at Alder Street. I was able to photograph Jeff's dog and uploaded the photographs to evidence. Nick advised to report to him if the dogs got out again.

Initial Reporting Officer: HARRISON, CALEB Investigative Officer:

Officer ID: 61592

Officer ID:

Page 5

12 of 15

Revised on 03.19.2025 28 of 114

Case Report

121 SW Adams St. McMinnville, OR 97128

- 1

Case Number: 22004672

•

Description: ANIMAL NUISANCE

Action Recommended: Sandra was issued a citation. Continue to report dogs running at large to code enforcement.

Revised on 03.19.2025 29 of 114

97128 1/7/20

1/7/2023 2:11:38 PM

OREGON UNIFORM CITATION AND COMPLAIN Use for All Violations or Crimes Where Separate Complaint Will Not be Filed/ORS 153.045 or 133.069 □ CRIME(S) OR See A below) (Not Both) (see B below) OTHER	COMPLAINT/S			DM\			61592C3
□ CRIME(S) OR ¥ VIOLATION(S) Type: OR SUBJECT SUBJECT OR SUBJECT SUBJECT <td>NT/SUMMONS</td> <td></td> <td></td> <td>FIONS BU</td> <td>REAU</td> <td>JUSTICE COURT COURT APPEARANCE</td> <td></td>	NT/SUMMONS			FIONS BU	REAU	JUSTICE COURT COURT APPEARANCE	
	ರ ಸ		COMPLAINT FI	LED			
ID Type: ODL ID No: 6901240 State: OR Ph.: 503-883-1308	Reserved		WRITTEN RES	PONSE R	ECEIVED		
Name: Last: ATWOOD	Ved A. Use		ARRAIGNED				
First: SANDRA MI: MARIE	0					(REDUCTION)	
City: MCMINNVILLE State: OR Zip: 97128 Passenger:			SECURITY REL	EASE AT	\$ REC	EIPT NO.	
Sex Race: DOB: Hgt. Hgt. Wgt.: Hair: Hair: Hgt. Sex Lic. Exp.: 2026 Juv.: Lic.Class: C Emp.to Drive:			COURT/JURY		N)
TIME/PLACE At the following time and place in the above-mentioned state and county:					OSB#:		2
On or About Date/Time: 12/15/2022 04:11 PM			ATTORNEY:		USB#.		″
At or Near City			WARRANT OR	DERED	ISSUED:	<u> </u>	
MCMINNVILLE			DIVERSION AG	REEMEN	Т		
NB: SB: EB: WB: Highway: Premise Open to Public; X Other:			CONTINUED T	0	REASON:		
VEHICLE Involving the following:			ORS 135.355	CONDITI	ONAL PLEA		
Year: Make: Model: Color: Type:					RECORD/REGIS		ORATED
Regis/Vin/ID#: State: OR				personal records	BMIT ABSTRACT		COMPANY STREET, STREET
Accident: Prop. Damage: Injury: Endanger Other: Com'i Veh: Haz Mat: Driver Not Reg. Owner: Com	ת מ	OFF RESPO # PLEA	DNSE/ CHANGE PLEA	FINDING	DETERMINATION	OFFENSE TYPE	CLASS
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OFFENSE(S) Did then and there commit the following offense(s):	Reserved	2 G NG N	C FTA	GNG	C A DISM	VMA	всоотн
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Radar: Pace: Laser: Other: Alleged Speed: Designated Speed: Posted Limit:		1 1	1 1	5			
Offense #: 6.04.150A		DISPOSITIO			SENTENCE SE		
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Presumptive Fine1: \$250.00		JAIL:					
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Offense #:					JUDGMENT ARE I		av.
Warning:); □ 2 (BY_		
Presumptive Fine2:		MONEY JU		FFENSE			ENSE 3
Intentional: Knowing: Reckless: Criminal Negligence: No Culpable Mental State:			BLIGATION IMP	OSE SUS	PEND IMPOSE SU	JSPEND IMPOSE	SUSPEND
Offense #:		FINE					
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Presumptive Fine3:		RESTITUTIC	N				
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I certify under ORS 153.045 and 153.990 and under other applicable law and under penalties for false swearing, do swear/affirm that I have sufficient grounds to and do		. <u></u>					
believe that the above-mentioned defendant/person committed the above offense(s) and I have served the defendant/person with this complaint.					NDED MONEYS		EDIATELY
Signature of Officer:			DANCE WITH TE			TO NOT FAID IN	
Officer name1:HARRISON,CALEB. Officer ID: 61592		*1.1120 (1222) 10 1976 (1022) 45			S MONEY JUDGN		1000 AT V SHE CONTRACTOR
Officer name2: Officer ID:		1					
Agency Name: MCMINNVILLE POLICE DEPARTMENT Issue Date: 12/21/2022			IT CREDITOR:		OREGON DOTH		
YOUR COURT APPEARANCE DATE, TIME AND LOCATION ARE	E	DATE:					ALLOWED)
02/01/2023 01:30 PM							
Location: MCMINNVILLE MUNICIPAL COURT 230 NE SECOND STREET							
	14 of	15			Revised o	n 03 19 2025	

CMinnville Police Department Property Report

Case Number: 22004672

Case Officer: HARRISON, CALED

BarCode Item #		!tem Type		Description				
183116	1	VIDEO	(I.	HARRISON'S PATROL VIDEO #323358				
SUSPECT: ATWOOD, SAM	NDRA							
183117	2	VIDED	2 (F -	HARRISON'S PATROL VIDEO #323359				
SUSPECT: ATWOOD, SAM	IDRA		8 - 1917	A				
183118	3	VICEO	8	HARRISON'S PATROL VIDEO #323871				
SUSPECT: ATWOOD, SAM	IDRA	, , , , , , , , , , , , , , , , , , , ,						
183119	4.	F.40TO		PHOTOGRAPHS OF SANDRA'S AND JEFF'S DOGS.				
SUSPECT: ATWOOD, SAM	IDRA							

V

Printed: Saturday, January 7, 2023 from EvidenceOnQ®



City of McMinnville Community Development 231 NE Fifth Street McMinnville, OR 97128 (503) 434-7311 www.mcminnvilleoregon.gov

STAFF REPORT

DATE:	March 25, 2025
TO:	Mayor and City Councilors
FROM:	Evan Hietpas, Associate Housing Planner
	Heather Richards, Community Development Director
	David Berniker, Planning Manager
SUBJECT:	Presentation: Housing Production Strategy (HPS) Action Plan

STRATEGIC PRIORITY & GOAL:



HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)

Create diverse housing opportunities that support great neighborhoods.

OBJECTIVES:

Collaborate to improve the financial feasibility of diverse housing development opportunities Conduct thorough and timely planning and forecasting to ensure that regulatory frameworks for land supply align with market-driven housing needs

Report in Brief

This is the third City Council presentation for the development of the 2025 McMinnville Housing Production Strategy (HPS). At this meeting, the City Council will focus on reviewing the final HPS actions to be included in the HPS document. These actions have financial implications in terms of staff resources, program funding and consultant investments. Per state law the City needs to commit to an action plan that will help us achieve our housing need in the next twenty years, as determined by our Housing Needs Analysis adopted in February, 2024. This action plan is meant to be an 8-year action plan with a progress evaluation in four years.

Based on the discussion at this meeting, staff will determine if additional Work Sessions are needed with the City Council, and whether or not there will be an additional Joint Work Session with the Planning Commission, or if the Planning Commission will hold an independent Work Session. As a reminder, McMinnville's future housing needs for the planning horizon of 2021-2041 as determined by the Housing Needs Analysis is that 59% of future homes built in McMinnville need to serve households making 120% area median income or less. Currently in the private development market, most homes for sale cater to household incomes greater than 120% area median income due to low supply and high demand, and housing for households at 120% area median income or less is restricted to multi-unit developments. The City though has a goal of providing rental and home ownership opportunities for as many income levels as possible to provide equal opportunity for generational real estate wealth and equity, and ensure long-term enduring value in all McMinnville neighborhoods. The actions in this Housing Production Strategy reflect those future housing needs and goals.

Twenty-two percent of McMinnville's future households will have incomes at or below 50% of McMinnville's median household income (MHI).

Thirty-six percent will have incomes between 50% and 120% of McMinnville's MHI.

Forty-one percent will have incomes greater than 120% of McMinnville's MHI. Exhibit 96. Future (New) Households, by Median Household Income (MHI) for McMinnville (\$50,300), McMinnville UGB, 2021 to 2041 Source: US Department of Housing and Urban Development and US Census Bureau, 2012-2016 ACS Table 19001 and B25119.

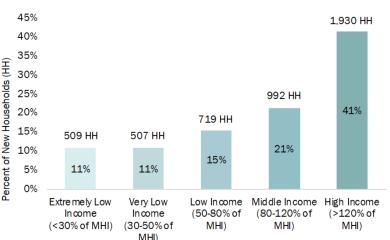


Exhibit 97. Future (New) Households in 5-, 10-, 20-, and 46-years, by Median Household Income (MHI) for McMinnville (\$50,300), McMinnville UGB, 2021–2026, 2021–2031, 2021–2041, and 2021–2067

Source: US Department of Housing and Urban Development and US Census Bureau, 2012–2016 ACS Table 19001 and B25119.

		-			
Market Segment by Income	5-Year (2021 to 2026)	10-Year (2021 to 2031)	20-Year (2021 to 2041)	46-Year (2021 to 2067)	% of Households
High Income (>120% of MFI)	471	955	1,930	4,552	41%
Middle Income (80-120% of MFI)	242	491	992	2,340	21%
Low Income (50-80% of MFI)	176	356	719	1,697	15%
Very Low Income (30-50% of MFI)	124	251	507	1,196	11%
Extremely Low Income (<30% of MFI)	124	253	509	1,200	11%
Total New Households	1,137	2,306	4,657	10,985	100%

Page 103, McMinnville Housing Needs Analysis, adopted February 27, 2024, Ordinance No. 5141

The City's tentative adoption schedule is to start the public hearing process at a Planning Commission meeting on May 15th, followed by City Council consideration and adoption at a meeting on June 10th. This work is partially funded by a grant from the Department of Land Conservation and Development that requires that a final draft of the document be finished by May 31, 2025.

Background

Requirements

In Oregon, cities have a long-standing requirement to study and plan for their community's housing needs. In 2019, the Oregon Legislature passed **House Bill 2003** which aims to help communities meet the housing needs of Oregonians. The law requires Oregon's cities over 10,000 population to study the future housing needs of their community members and to develop strategies that encourage the production of the housing they need. Per HB 2003 (2019 Legislature) the City of McMinnville must study and plan for the housing needs of both current and future residents every eight (8) years as part of the **Housing Needs Analysis (HNA)** and **Housing Strategy** under the Oregon Land Use Planning System. The study needs to be for a twenty year planning horizon.

The Housing Production Strategy (HPS) contains specific and meaningful plans, tools, actions, and policies to address housing needs identified in the HNA, along with a timeline for adopting and executing each strategy. The Department of Land Conservation and Development (DLCD) will review and approve each city's HPS to ensure it effectively meets housing needs, encourages necessary housing production, and promotes fair and equitable housing outcomes.

McMinnville Local Planning Efforts

At the December 10, 2024, meeting, staff provided the "Updated McMinnville Urbanization Report" within Ordinance No. 5141 and the DRAFT "City of McMinnville Housing Strategy". The Updated McMinnville Urbanization Report was a culmination of several years of work and was updated in 2023 to account of changes in McMinnville in recent years. It summarizes the results of two longer technical reports and a series of memoranda that evaluated different elements of land need and supply in McMinnville, including:

- City of McMinnville <u>Housing Needs Analysis</u> (HNA)¹ (available on City's website)
- McMinnville Economic Opportunities Analysis (EOA)² (available on City's website)
- Public and Institutional Land Needs
- City of McMinnville Housing Strategy

Prior to the passage of HB 2003, the City of McMinnville had drafted a the "City of McMinnville Housing Strategy" (2019) which identified recommendations and implementation actions intended to result in policy changes that provide opportunities for development of housing to meet McMinnville's identified housing needs. During the time that the City was completing this work, the Oregon Legislature passed House Bill 2003, which required a specific "Housing Production Strategy (HPS)" process and product. The City is using that 2019 draft as a baseline for this work to satisfy HB 2003 but has needed to revise it to meet the guidelines provided by the state.

¹ <u>https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/community_development/page/9081/mcminnville_hna_final_draft_08.30.23.pdf</u>

² <u>https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/community_development/page/9081/mcminnville_eoa_final_draft_08.30.23.pdf</u>

The Housing Production Strategy (HPS) builds directly from the DRAFT "City of McMinnville Housing Strategy" (2019) when it comes to proposing policies, actions, and strategies to address housing needs. There are eight (8) actions from the work in 2019 that are being carried forward now, and eight (8) new actions that are proposed for inclusion. A summary table is provided:

Proposed Housing Production Strategy Action	Year Proposed
1. Use more land in the Urban Holding Plan Designation for housing	2019
2. Rezone land to R-5 within the existing city limits for housing	2019
3. Develop area plans for Urban Growth Boundary areas	2019
4. Infrastructure planning to support residential development	2019
5. Implement and codify Great Neighborhood principles	2019
6. Require a mix of housing types for to-be-annexed land	2024
7. Adopt code amendments to support transitional housing	2024
8. Incentivize and promote accessible design	2024
9. Establish a Multiple-unit tax exemption (MUPTE) program	2024
10. Scaling of systems development charges (SDCs)	2024
11. Partner with Community Land Trusts (CLT)	2019
12. Support affordable housing development through provision of land	2019
13. Develop and adopt a Strategic Housing Opportunities Plan	2024
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	2024
15. Implement a fee for demolition of existing affordable homes	2019
16. Preserve and Support Development of Manufactured Home Parks	2024

Existing and Previous Housing Production Actions

The sixteen (16) actions listed above provide a "future Work Plan" that the City is committing to in order to address local housing needs and barriers. However, it is also worth noting that the City has taken many steps to address the housing crisis in recent years. These efforts will be memorialized in the final HPS document as a precursor to the proposed future actions to ensure that this meaningful work is recognized and valued. Some examples include:

- Waiving transportation and wastewater SDCs for qualifying affordable housing projects
- Reducing permitting fees by 50% for qualifying affordable housing projects
- Amending the development code to allow SROs and Tiny Homes
- Amending the development code to allow small lot subdivisions
- Amending the development code to reduce parking requirements for qualifying affordable housing projects.
- Adopting the Great Neighborhood Principles requiring a variety of housing products serving a variety of income levels in all housing developments.
- Adopting a Construction Excise Tax to support affordable housing programs
- Hiring a dedicated Housing Planner

Discussion

City staff have been working with a consultant team and project advisory committee to inform this work and have been meeting periodically with the City Council and Planning Commission for feedback and direction.

At the first work session with City Council, the staff and consultant team reviewed what was required of cities for a Housing Production Strategy and the 2019 draft that the City had initiated asking if there were any actions that the City Council wanted to add or delete. From that work session, the staff and consultant team then worked with the PAC to develop a list of suggested actions that would meet the state guidelines and respond to the city's housing needs for the City Council to consider at the second work session. Based on the feedback at that work session, this presentation provides the final list of actions recommended, describes each action, its impact on the city's housing needs and the financial impact for each action.

Attachment 1 to this staff report is a memorandum that outlines the actions the City is planning for inclusion in its HPS to address the City's housing needs. The project team developed these proposed actions through discussions with City staff, community stakeholders, the Project Advisory Committee, Affordable Housing Committee, Planning Commission, and City Council. The listed actions will undergo further refinement based on final discussions with the Project Advisory Committee, Affordable Housing Committee, Planning Commission, and City Council before the local adoption process begins in May.

Staff has organized the sixteen (16) HPS actions into five (5) different "Action Groups", and proposed an initial implementation schedule, based on priorities and resources and time required to complete the actions.

- **Exhibit 1** provides the complete list of the 16 actions proposed for inclusion in the HPS.
- **Exhibit 2** provides a summary of the 16 actions proposed for inclusion in the HPS, including the identification of 5 different categories that the actions fall within.
- **Exhibit 3** provides a proposed implementation schedule based on priority actions and logical timing based on anticipated budget and time and resources limitations.

A	A shien News	Imple	ement	ation \	/ears_	Impact on Housing
Action Group	Action Name	1-2	3-4	5-6	7-8	
	 Use more land in the Urban Holding Plan Designation for housing 					High
Long-Range	2. Rezone land to R-5 within the existing city limits for housing					Medium
Planning	3. Develop area plans for Urban Growth Boundary areas	SW		RSS		High
	4. Infrastructure planning to support residential development		On-0	Going		High
	5. Implement and codify Great Neighborhood principles					Medium
Regulatory Amendments	6. Require a mix of housing types for to-be-annexed land	On-Going		Medium		
Amenuments	7. Adopt code amendments to support transitional housing					Medium
Incentives	8. Incentivize and promote accessible design					Medium
for New	9. Establish a Multiple-unit tax exemption (MUPTE) program					Medium
Housing	10. Scaling of systems development charges (SDCs)					Medium
Land-Based	11. Partner with Community Land Trusts (CLT)					Medium
Programs	12. Support affordable housing development through land provision	On-Going		Medium		
	13. Develop and adopt a Strategic Housing Opportunities Plan					Medium
Housing	 Mitigate displacement through the adoption of anti- displacement policies and strategies 					Medium
Choice and Preservation	15. Implement a fee for demolition of existing affordable homes					Low
Fleseivation	16. Preserve and Support Development of Manufactured Home Parks					High

Exhibit 3. Implementation Schedule for the 8-year work plan

Staff Recommendation

Staff recommend that the City Council reviews the proposed HPS actions and provide direction to staff on the refinement and prioritization of actions leading up to the adoption process.

Attachments:

1. Memorandum on Proposed Housing Production Strategy (HPS) Actions

Helpful Links:

- 2. Department of Land Conservation and Development, Housing Capacity and Production page³
- 3. Example HPS: City of Hillsboro submitted HPS⁴

³ https://www.oregon.gov/lcd/Housing/Pages/Capacity-Production.aspx

⁴ https://www.hillsboro-oregon.gov/home/showpublisheddocument/31321/638682948285100000



Attachment 1 - McMinnville HPS Proposed Actions Memo

Exhibit 1 provides the complete list of the 16 actions proposed for inclusion in the HPS.

Exhibit 2 provides a summary of the 16 actions proposed for inclusion in the HPS, including the identification of 5 different categories that the actions fall within: Long-Range Planning, Regulatory Amendments, Incentives for New Housing, Land-Based Programs, Housing Choice and Preservation.

 Following Exhibit 3 (Pages 7-46) this Memo provides details on each of the 16 actions, covering: Timeline, Rationale, Description, City role, Partners and their Role, Anticipated Impacts, Implementation Steps, and Funding or Revenue Implications

Exhibit 1: List of Actions in the HPS

- 1. Use more land in the Urban Holding Plan Designation for housing
- 2. Rezone land to R-5 within the existing city limits for housing
- 3. Develop area plans for Urban Growth Boundary areas
- 4. Infrastructure planning to support residential development
- 5. Implement and codify Great Neighborhood principles
- 6. Require a mix of housing types for to-be-annexed land
- 7. Adopt code amendments to support transitional housing
- 8. Incentivize and promote accessible design
- 9. Establish a Multiple-unit tax exemption (MUPTE) program
- 10. Scaling of systems development charges (SDCs)
- 11. Partner with Community Land Trusts (CLT)
- 12. Support affordable housing development through provision of land
- 13. Develop and adopt a Strategic Housing Opportunities Plan
- 14. Mitigate displacement through the adoption of anti-displacement policies and strategies
- 15. Implement a fee for demolition of existing affordable homes
- 16. Preserve and Support Development of Manufactured Home Parks

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Exhibit 2. Summary	of Actions in the HPS

Na	ame	Action Description
Lo	ong-Range Planning	
1.	Use more land in the Urban Holding Plan Designation for housing	Amend the MGMUP Framework Plan outlining the land allocation for the UGB Urban Holding Designation to add 171 gross buildable acres of housing land to the 393 acres already allocated for housing for a total of 564 acres of residential land.
2.	Rezone land to R-5 within the existing city limits for housing	Identify land to rezone within the existing city limits for housing. Opportunities may include re-zoning underutilized employment land such as industrial and commercial land that is better suited to housing, as well as upzoning lower density residential land to higher density residential zones.
3.	Develop area plans for Urban Growth Boundary areas	Complete the Southwest Area Plan and the Riverside South Area Plan.
4.	Infrastructure planning to support residential development	Identify areas to prioritize infrastructure development to support residential development.
Re	egulatory Amendments	
5.	Implement and codify Great Neighborhood principles	Develop clear and objective standards for implementing the Great Neighborhood Principles.
6.	Require a mix of housing types for to-be-annexed land	Implement a mix of housing types that is consistent with Area Plans and the <u>Great Neighborhood</u> <u>Principles¹</u> .
7.	Adopt code amendments to support transitional housing*	Adopt code amendments that will enable transitional housing development at a standard of site development that is less expensive than traditional housing development to try and offset the costs of transitional housing development without compromising life safety regulations. *Transitional housing is for people experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services to transition residents to permanent living arrangements.

¹ <u>https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles</u>

Name	Action Description
Incentives for New Housing	
8. Incentivize and promote accessible design	Provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, or other similar standards.
9. Establish a Multiple-unit tax exemption (MUPTE) program	Work with overlapping taxing districts to adopt MUPTE.
10. Scaling of systems development charges (SDCs)	Adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale of housing.
Land-Based Programs	
11. Partner with Community Land Trusts (CLT)	Support the formation of community land trusts by researching, evaluating and supporting partnerships with community land trust organizations. The City will also support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development through state affordable housing land acquisition or the City's affordable housing CET fund.
12. Support affordable housing development through provision of land	Establish and maintain a land banking system. The land banking process would entail prioritizing housing on City-owned surplus land, purchasing land in key opportunity areas for new housing development, conducting parcel assembly, and partnering with local institutions and organizations.
Housing Choice and Preservat	ion
13. Develop and adopt a Strategic Housing Opportunities Plan	The primary goal of this action will be to identify gaps that are present in McMinnville's housing market and develop a plan with prioritized strategies to fill these gaps, providing housing opportunities for different household compositions, ages, and income ranges.
14. Mitigate displacement through the adoption of anti- displacement policies and strategies	Conduct a displacement risk assessment that will be based on relevant contributing factors including sociodemographic indicators, transportation factors, neighborhood characteristics, housing indicators, measures of civic engagement, social vulnerability, demographic change, and market prices. Based on the results of this work, the City will adopt Comprehensive Plan text amendments.

Name	Action Description
15. Implement a fee for demolition of existing affordable homes	Assess additional fees for certain demolitions.
16. Preserve and Support Development of Manufactured Home Parks	Work with owners of manufactured home parks to understand redevelopment plans and reach out to residents of the manufactured home park to understand interest for purchasing the manufactured home park. The City will help connect residents of the manufactured home park to nonprofits who may help manufactured home park residents purchase the park. The City will identify barriers to manufactured home park development and develop code amendments to remove those barriers.

Exhibit 3 provides a proposed implementation schedule based on priority actions and logical timing based on anticipated budget and time and resources limitations.

	Action Name	Imple	ement	ation \	/ears	Impact on
Action Group	Action Name	1-2	3-4	5-6	7-8	Housing
	 Use more land in the Urban Holding Plan Designation for housing 					High
Long-Range	2. Rezone land to R-5 within the existing city limits for housing					Medium
Planning	3. Develop area plans for Urban Growth Boundary areas	SW		RSS		High
	4. Infrastructure planning to support residential development		On-G	oing		High
	5. Implement and codify Great Neighborhood principles					Medium
Regulatory Amendments	6. Require a mix of housing types for to-be-annexed land	On-Going		Medium		
Amendments	7. Adopt code amendments to support transitional housing					Medium
Incentives	8. Incentivize and promote accessible design					Medium
for New	9. Establish a Multiple-unit tax exemption (MUPTE) program					Medium
Housing	10. Scaling of systems development charges (SDCs)					Medium
Land-Based	11. Partner with Community Land Trusts (CLT)					Medium
Programs	12. Support affordable housing development through land provision	On-Going		Medium		
	13. Develop and adopt a Strategic Housing Opportunities Plan					Medium
Housing	 Mitigate displacement through the adoption of anti- displacement policies and strategies 					Medium
Choice and Preservation	15. Implement a fee for demolition of existing affordable homes					Low
	16. Preserve and Support Development of Manufactured Home Parks					High

Exhibit 3. Implementation Schedule for the 8-year work plan

 Following Exhibit 3 (Pages 7-46), this memo provides details on each of the 16 actions, covering: Timeline, Rationale, Description, City role, Partners and their Role, Anticipated Impacts, Implementation Steps, and Funding or Revenue Implications

Action Groups Index

The sixteen actions have been organized into the following 5 "action groups".

Section 1: Long-Range Planning, page 7

- Section 2: Regulatory Amendments, page 16
- Section 3: Incentives for New Housing, page 23
- Section 4: Land-Based Programs, page 30

Section 5: Housing Choice and Preservation, page 36

Section 1: Long-Range Planning Actions

- 1. Use more land in the Urban Holding Plan Designation for housing
- 2. Rezone land to R-5 within the existing city limits for housing
- 3. Develop area plans for Urban Growth Boundary areas
- 4. Infrastructure planning to support residential development

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1. Use More Land in the Urban Holding Plan Designation for Housing

Work Plan

In	Implementation Years			Impact
1-2	3-4	5-6	7-8	High

<u>Rationale</u>

The City's Housing Needs Analysis (2023) showed a deficit of 202 acres of land for housing. The City expanded its UGB in 2020 to add more land for residential needs identified in the 2001 (amended 2003) Housing Needs Analysis for the planning period of 2003 – 2023. This land brought into the UGB was designated as an Urban Holding Plan Designation. Recent changes to the City's parks planning for the planning horizon of 2021 - 2041 reduced park land need, allowing for opportunity of development of more land for residential uses.

Description

The City's Housing Needs Analysis (2023) assumed that 392.90 gross buildable acres in its Urban Holding Plan Designation will be used for residential uses, with an additional 425 gross buildable acres for public and semi-public uses and 39 acres for neighborhood commercial uses. Of the land for public uses, 254 gross buildable acres were designated for park and open space uses. This land need and allocation was memorialized in the adoption of the McMinnville Growth Management and Urbanization Plan (MGMUP) Framework Plan as part of the McMinnville Comprehensive Plan via Ordinance No. 5098 (December 8, 2020).

Since that time, the City has taken two actions that have reduced the amount of land in the UGB Urban Holding Designation allocated to parks and open space:

- On September 24, 2024, the City of McMinnville adopted Ordinance No. 5148, amending Appendix C of the McMinnville Economic Opportunities Analysis (2023), and creating a surplus of public and institutional land need of 44 gross buildable acres which could then be reallocated to fulfill the City's residential, commercial or industrial land need.
- On January 28, 2025, the City of McMinnville adopted Ordinance No. 5157 reducing the amount of land in the MGMUP Framework Plan dedicated to park and open space land to 127 gross buildable acres

These two actions amount to 171 gross buildable acres of land in the UGB Urban Holding Designation that can be reallocated to other land needs for the 2021 – 2041 planning horizon. The City will use a portion of the land in Urban Holding that was expected to be used for parks and public/institutional needs to meet some of the City's unmet need for residential land (202 acres).

<u>City Role</u>

The City's action will be to amend the MGMUP Framework Plan outlining the land allocation for the UGB Urban Holding Designation to add 171 gross buildable acres of housing land to the 393 acres already allocated for housing for a total of 564 acres of residential land. This additional allocation of housing land will be reflected in the City's adopted area plans for the UGB Urban Holding comprehensive plan designated land.

Partners and Their Role

Landowners and development community.

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All income levels	Renter, owner	About 975 new dwelling units ²

Implementation Steps

The implementation steps for identifying more land in the Urban Holding for residential uses are:

- The City will amend the MGMUP Framework Plan to adopt a policy goal about how much land in the Urban Holding will be used for residential uses through a comprehensive plan amendment process.
- The City will develop and adopt area plans for each of the identified areas in the MGMUP Framework Plan, as part of Action 3. Each area plan will need to reflect the land need identified in the Framework Plan for that specific area. The City adopted an area plan for the Fox Ridge Road Area Plan in 2024. The City will work on the Southwest Area Plan in 2025 and 2026 with a goal of adopting the Area Plan by December 2026.

Funding or Revenue Implications

Amending the MGMUP Framework Plan can be completed by existing staff. There are no funding requirements for this action. The costs of developing areas plans is discussed in Action 3.

² Assumes 171 gross buildable acres at 5.7 units per acre, per 2023 Housing Needs Analysis.

2. <u>Rezone Land to R-5 within the Existing City Limits for Housing</u>

<u>Work Plan</u>

In	Implementation Years			Impact
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

This action will evaluate residential land within the existing city limits for opportunities to rezone the land into a R5, High Density Residential Zone. Currently no land within the existing city limits is zoned R5, High Density Residential.

The City's Housing Needs Analysis (2023) showed a deficit of 202 acres of land for housing, based on current land use designations and zoning. As part of the McMinnville Growth Management and Urbanization Plan adopted in December 2020 (Ordinance No. 5098), the City developed and adopted a R-5, High Density Residential Zone. The R-5 zoning district is limited to higher-density residential housing, such as apartments, multifamily (five units or more), condominiums and boarding houses, and does not allow single dwelling units, duplexes, triplexes and quadplexes.

The only other residential zone that allows apartments and multifamily dwellings (five units or more) is the R-4 zoning district. However, the R-4 zoning district also allows single dwelling units, duplexes, triplexes and quadplexes, and much of the housing development in the R-4 zone is a variety of housing products resulting in a lesser density than the R-5 zone would require. There may be opportunities for the City to rezone some of the land within the city limits that is currently R-4 to R-5.

Description

The City created an R-5 zoning designation intended to provide areas for high-density residential dwelling units and other closely related uses in designated Neighborhood Activity Centers, the downtown, and other appropriate locations within the city, consistent with comprehensive plan policies. Residential densities within this zone are typically 14 to 26 dwelling units per acre.

The City established this zoning district in 2020, however, no property within the city limits has been designated as R-5 yet. Re-zoning property that is best suited for the purpose of R-5 could enable the development of high-density housing types.

The City will identify land to rezone within the existing city limits for housing. Opportunities may include re-zoning underutilized employment land such as industrial and commercial land that is better suited to housing,³ as well as upzoning lower

³ The McMinnville Economic Opportunities Analysis found that the City has a deficit of land for Commercial and Industrial uses. The City will want to carefully select commercial or industrial land to re-zone, focusing on areas where residential development would make more sense that commercial or industrial development. The City may need to re-zone other land, such as land within Urban Holding, to commercial or industrial uses, to ensure there is enough land for these employment uses.

density residential land to higher density residential zones. The types of land rezoned for housing are vacant or partially vacant, low-density residential and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location.

<u>City Role</u>

Evaluate and rezone if appropriate, underutilized industrial, commercial and lower density residentially zoned land for rezoning to the R-5 zoning district within the existing city limits.

Partners and Their Role

Landowners, market-rate developers, nonprofit developers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All income levels	Renter, owner	Depends on the amount of land re- zoned and the achieved density on rezoned land. ⁴

Implementation Steps

- Evaluate opportunities for land to re-zone within the exiting city limits.
- Work with landowners to understand their interest in re-zoning and determine what zone will be most appropriate to apply to the land.
- Work with McMinnville's Planning Commission and City Council to get public input on and adopt zoning map revisions.

Funding or Revenue Implications

Rezoning land can be done by existing city staff. Rezoning land will have implications for property tax revenue, depending on what is built under the new regulations for allowed uses and housing types. There are no funding requirements for this action.

⁴ The McMinnville Housing Needs Analysis (2023) states that densities in R-5 are expected to average between 14 and 26 dwelling units per acre.

3. <u>Develop Area Plans for Urban Growth Boundary areas</u>

Work Plan

In	Implementation Years			Impact
1-2	3-4	5-6	7-8	High

<u>Rationale</u>

Completing area planning assures that areas newly brought into the UGB develop in an orderly way, addressing the City's housing, economic development, and other land needs identified in the land needs analysis and memorialized in the McMinnville Growth Management and Urbanization Plan (MGMUP) Framework Plan per the McMinnville Municipal Code requires area plans to meet the requirements of the adopted framework plan. Property owners that want to annex their property into the city limits must show how their proposed development meets the adopted area plan that governs their property through a master planning process or development plan depending upon the size of the property. This ensures that the housing needs are identified in the needs analysis, that is then memorialized in the MGMUP Framework Plan, and then adopted into the respective area plan is met with the annexation and development of the property.

Description

McMinnville's planning system for areas within the Urban Holding designation is to develop area plans, which result in an area plan map that identifies land uses, public facilities, natural resources, and existing urban uses.

Area plans are high level concept planning for defined geographic areas in the Urban Holding Comprehensive Plan Designation land within the City's urban growth boundary. Area plans will identify the location of major infrastructure, public amenities and housing density that is expected to develop in that area. Area plans generally include an implementation section about the steps necessary to provide needed urban services, address natural hazards, needed Comprehensive Plan Amendments and zoning code amendments.

The City has completed areas plans for the Three Mile Lane and Fox Ridge Road Area Plans and is now beginning the Southwest Area Plan. Within the HPS period, **the City will complete the Southwest Area Plan and the Riverside South Area Plan.**

<u>City Role</u>

The City will lead development of the area plans, with assistance from consultant teams selected through a Request for Proposal (RFP) process.

Partners and Their Role

The City will engage with the community through broad public participation and Project Advisory Committees (PACs). to get input for the area plans.

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All Households	All Incomes	Rent and Ownership	No units directly produced

Implementation Steps

- The City will initiate the area planning process and hire a consulting team to develop the plan.
- Through the planning process, the City will engage the community, including have a project advisory committee, to get input into the planning process.
- The City will develop the preferred area plan and work with the Planning Commission and City Council on public hearings.

Funding or Revenue Implications

Each Area Plan costs the City of McMinnville approximately \$350,000 in consultant fees and approximately \$100,000 in staff time.

The adoption of area plans allows for the land to annex into the city for development. Each area plan will identify the type of housing identified for that area based on a highdensity, medium-density and low-density scenario.

Annexation of the land from the area into the city allows for urban density development, increasing the city limits and eventually generating property tax revenue to help pay for services for that urbanized area.

4. Infrastructure Planning to Support Residential Development

Work Plan

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

Cities support urban density housing development with public infrastructure for efficiency. Public infrastructure is planned to support the proposed zoning and densities identified on the City's Comprehensive Plan Map and Zoning Map. With the recent urban growth boundary amendments associated with the McMinnville Growth Management and Urbanization Plan adopted December 2020, the City needs to evaluate and plan for the necessary public infrastructure to support the development of that land at a planned urban density. The City also will analyze public infrastructure services for any proposed property to be rezoned into a higher density residential zoning district.

Description

The City will identify areas to prioritize infrastructure development to support residential development. The City will:

Evaluate and adopt plans for public infrastructure (transportation, wastewater and water) to support the land within the Urban Holding Comprehensive Plan Designation for the land uses identified in the adopted Framework Plan.

Identify areas within the city limits that are suitable for housing but have underutilized infrastructure capacity. These areas may be evaluated as candidates for additional development intensity of vacant lands or infill and redevelopment opportunities in developed areas.

Adopt "to and through" policies to ensure infrastructure extensions are sized to serve development as well as to extend beyond the development in the future to serve outlying properties.

City Role

The City will lead the process for the public infrastructure planning, including the analysis, evaluation and adoption of the public infrastructure plans (transportation, wastewater and water).

Partners and Their Role

McMinnville Water and Light will lead the process for the Water master planning.

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

Implementation Steps

- Develop a transportation, wastewater and water public facility plan for the Urban Holding Comprehensive Plan Designation areas, and any identified areas within the city that will be rezoned for higher density residential development.
- Adopt the public facility plans through a comprehensive plan amendment process including notice to the Department of Land Conservation and Development, a public hearing with the Planning Commission and final adoption by the City Council.

Funding or Revenue Implications

This action will require both consultant expenses and staff resources to implement.

It is estimated that the consultant expenses will be approximately \$300,000 - \$500,000 and approximately \$100,000 - \$200,000 of staff resources for each public facility plan update (transportation, wastewater and water).

Section 2: Regulatory Amendments

- 1. Implement and codify Great Neighborhood principles
- 2. Require a mix of housing types for to-be-annexed land
- 3. Adopt code amendments to support transitional housing

5. Implement and Codify Great Neighborhood Principles

<u>Workplan</u>

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

Every community member deserves to live in a "great neighborhood". In April 2019, the City adopted <u>Great Neighborhood Principles</u>⁵ (GNP) and associated policies as part of the Comprehensive Plan. The goal of the Great Neighborhood Principles was to identify specific principles (elements or characteristics) that should be achieved in every neighborhood. These principles include things like walkability, access to open spaces, connections to commercial uses, etc.

Description

Ordinance No. 5066 approved Comprehensive Plan Text Amendments to incorporate the Great Neighborhood Principles into the City's land use planning program. The City of McMinnville amended Chapter IX (Urbanization) of the Comprehensive Plan by adding a new section titled "Great Neighborhood Principles" to the chapter, which falls under Goal IX 2, which is "To establish a land use planning framework for application of the goals, policies, and proposals of the McMinnville Comprehensive Plan". This new section of Chapter IX (Urbanization) includes policies and proposals related to the Great Neighborhood Principles.

Some of the policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone and A13 to promote infill development with appropriate design and development standards.

The City will develop clear and objective standards for implementing the Great Neighborhood Principles. The City can also establish guidance on the implementation of the Great Neighborhood Principles that will inform the land uses for the Urban Reserve and Urban Growth Boundary areas. This action will be considered complete once there are clear and objective standards in the McMinnville Zoning Ordinance to implement the Great Neighborhood Principles.

City Role

City drafts and adopts code regulations to implement the Great Neighborhood Principles.

Partners and Their Role

City-led effort that will include the Planning Commission.

⁵ <u>https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles</u>

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

Implementation Steps

- Conduct code audit to identify potential existing conflicts with the intent of the Great Neighborhood Principles.
- Draft proposed code language for the implementation of the Great Neighborhood Principles.
- Adopted code language for the implementation of the Great Neighborhood Principles.

Funding or Revenue Implications

This action will require both consultant expenses and staff resources to implement.

It is estimated that the consultant expenses will be approximately \$150,000 and approximately \$100,000 of staff resources.

6. Require a Mix of Housing Types for to-be Annexed Land

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

The City has approximately 590 acres of gross buildable acres in its current urban growth boundary for residential development. To annex into the city, property owners must enter into an annexation agreement with the City. The City has the opportunity to require a mixture of housing types be provided as a condition of the annexation agreement. This would allow the City to ensure that all needed housing is being built as part of new housing developments.

Past history demonstrates that most developers tend to focus on either detached single dwelling units in their neighborhood developments or apartment projects as stand-alone developments. With the adoption of the City's "Great Neighborhood Principles", the City identified the importance of having a variety of housing types serving a variety of generations and household incomes contributes to overall enduring value of the neighborhood and quality of life for the residents. Requiring a mix of housing types in tobe-annexed land could help lead to more diverse and inclusive neighborhoods that attempt to avoid the socio-economic segregation of neighborhoods that have led to detrimental effects on communities across the country.

Description

When property owners are seeking annexation into the City of McMinnville, there could be requirements in place that require the annexed land to be developed with a mix of housing types to promote diverse housing opportunities. This avoids newly annexed land to develop in a monotonous matter (such as a subdivision that is all single detached homes that are generally the same size and layout).

This strategy will ensure there are mixed housing types in urban growth boundary (UGB) expansion areas through both clear and objective standards and discretionary processes. Requiring some housing variety, rather than just allowing various housing types and leaving the mix entirely up to market forces, ensures a range of housing types will be provided in a given area —including middle housing (plexes, townhomes, and cottage clusters). This can meet the housing needs of a wider variety of people and contribute to the creation of inclusive neighborhoods.

The City will implement a mix of housing types that is consistent with Area Plans and the Great Neighborhood Principles. Planned Development applications may be a path to achieve a variety of housing types and lot sizes within a larger area of land.

<u>City Role</u>

Development of annexation agreement language and development code regulations to require to-be-annexed land to provide a variety of housing types.

Partners and Their Role

Partners. Landowners and development community.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

Implementation Steps

- Evaluate needed housing types, based on current housing stock, pipeline projects, and future projections.
- Maintain consistency with recommendations of Area Plans.
- Develop an annexation agreement template and process to ensure that a mixture of housing types is part of the requirements of annexation for land that is designated for residential development.

Funding or Revenue Implications

This action will rely mostly on staff resources to implement and will allow annexation of property into the city limits that will develop at an urban density providing tax base to support urban services for the development.

7. Adopt Code Amendments to Support Transitional Housing

<u>Workplan</u>

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

Transitional housing is not a housing type that is typically produced by market actors due to the lack of revenue generated from this housing type. Transitional housing though does provide a phase of housing for individuals experiencing houselessness that is affordable and stable for a longer time than emergency shelter allowing for the time to necessary to stabilize and achieve permanent housing.

Description

Transitional housing is intended to house individuals and families experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services designed to eventually transition the residents to permanent independent living arrangements. Transitional housing is a key component to the housing spectrum, and it provides a place for people who are both working their way into stable housing or it may be a safety net for those who have fallen out of stable housing, but it can help prevent them from needing to sleep on the streets or in emergency shelters. There is a significant need for transitional housing in McMinnville, especially due a variety of factors including housing shortages, lack of affordability, limited non-profit and government agency capacity, and houselessness for a variety of other reasons (healthcare costs, unemployment, disability or injury, fleeing domestic violence or abuse).

Oregon Revised Statutes (ORS) 197.746 – sets the parameters of which a local government may choose to regulate transitional housing accommodations, "Inside an urban growth boundary, a local government may authorize the establishment of transitional housing accommodations used as individual living units by one or more individuals... Transitional housing accommodations are intended to be used by individuals or families on a limited basis for seasonal, emergency or transitional housing purposes and may include yurts, huts, cabins, fabric structures, tents and similar accommodations, as well as areas in parking lots or facilities for individuals or families to reside overnight in a motor vehicle, without regard to whether the motor vehicle was designed for use as temporary living quarters."

The City will adopt code amendments that will enable transitional housing development at a standard of site development that is less expensive than traditional housing development to try and offset the costs of transitional housing development without compromising life safety regulations. The City's Planning Commission is currently reviewing proposed code amendments that would allow transitional housing development that utilizes unique building types that would not qualify as "dwelling units".

<u>City Role</u>

- Develop a clear permitting procedure for applicants proposing transitional housing
- Provide relief for transitional housing development to lower barriers and allow more flexible building models. This "relief" focuses on development and design standards for things like building design and landscaping requirements.

Partners and Their Role

Developers of affordable housing and service providers for people experiencing homelessness

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households and people experiencing homelessness	Generally households with incomes below 60% AMI, likely below 30% AMI	Renters	Will not directly produce housing

Implementation Steps

- Research, evaluate and develop draft code amendments with the Affordable Housing Committee.
- Invite other successful transitional housing developers to speak at McMinnville decision-making bodies for examples of what works and what doesn't work to overcome fear of impact within the community.
- Work with the Planning Commission on refining the proposed design and development standards to ensure that the proposed code amendments are in compliance with the McMinnville Comprehensive Plan goals and policies.
- Adopt the proposed code amendments via the City Council with the proper notice, and public hearing process.

Funding or Revenue Implications

This action will rely mostly on staff resources to implement, estimated to be approximately \$75,000.

Section 3: Incentives for New Housing

- 8. Incentivize and promote accessible design
- 9. Establish a Multiple-unit tax exemption (MUPTE) program
- 10. Scaling of systems development charges (SDCs)

8. Incentivize and Promote Accessible Design

<u>Workplan</u>

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

Growth in McMinnville's senior population, as well as other age cohorts, will continue to shape the city's housing needs. Growth in the number of seniors will result in demand for housing types specific to seniors, such as small and easy-to-maintain small dwellings (such as without yards), assisted living facilities, or age-restricted developments. Housing that is accessible to older people and others with disabilities will be essential to meet the housing needs of this growing population.

Description

Housing that is accessible for seniors and people with disabilities is a growing need, generally. This strategy would encourage accessible units through development code, regulatory, or financial incentives and through education to the development community.

The City will provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, or other similar standards. Examples of incentives include development code incentives, planning and building fee reductions, or density or building height bonuses. Additionally, the City will make efforts to increase developer capacity through education and outreach.

Potential requirements to receive the incentives could include:

- Visitability in specific housing types to ensure anyone using a wheelchair can visit the subject homes.
- Requiring housing that receives public funding to provide more accessible units or more accessibility features than required under federal standards.
- Stepless entrances
- Single-level units
- Minimum interior widths (32" doorways, 36" inch hallways)
- Mobility accommodations (such as ramps to entrances)

<u>City Role</u>

Evaluate incentive options for accessibly-designed housing and determine incentive parameters. Once determined, draft amendments to the land use ordinance and work with McMinnville's Planning Commission and City Council to adopt the revised standards.

Partners and Their Role

Market-rate developers, nonprofit developers, and local service providers.

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Seniors and protected classes	All income levels	Renter, owner	ХХ

Implementation Steps

- Organize a focus group made up of people with disabilities and local service providers to understand the most important features to prioritize, and if accessibility requirements should be tied to specific housing types.
- Evaluate costs and design implications associated with accessible design measures to assess the feasibility and potential effectiveness of these options, and to ensure that they do not create barriers to production of needed housing.
- Identify code amendments that would incentivize accessible housing development.
- Identify available funding resources to provide to developers.

Funding or Revenue Implications

This action will require both consultant costs and staff resources for code amendments, as well as potentially financial resources to support development programs.

It is estimated that the code amendments would be approximately \$75,000 of consultant costs and \$50,000 of staff resources.

Program support is unknown at this time.

9. Establish a multiple-unit tax exemption (MUPTE) program

<u>Workplan</u>

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

The Multiple-Unit Property Tax Exemption (MUPTE) program is flexible, and eligibility criteria can be set locally, allowing the City to target the exemption to meet its needs. It offers an incentive for preservation and development of housing for low to moderateincome households. It can offer an incentive for mixed-income housing, providing a way to leverage private, market-rate development to expand affordable housing.

Description

MUPTE allows cities to offer a partial property tax exemption (limited to the value of the housing, not the land) for multi-unit development that meets specific locally established criteria, such as having an affordability agreement with a public agency. The terms of the affordability agreement can be set by the City—there are no specific income/affordability requirements in the state statute that enable the program. The City can cap the number of MUPTE exemptions it allows and can approve projects on a case-by-case basis. MUPTE can be used in several ways:

- As an incentive for new housing in targeted locations with particular features that the market is not producing today and where the incentive is needed to make development with those features viable.
- To make mixed-income or fully regulated affordable housing anywhere financially feasible.
- As an incentive for rehabilitating and preserving affordability in older multiple-unit housing.

The property tax exemption only applies to city property taxes unless the City gets affirmative support from at least 51 percent of overlapping taxing districts for the exemption to apply to their tax collections. Typically, the tax exemption from MUPTE is only large enough to provide an incentive for affordable housing development with support of the overlapping taxing districts (so that all property taxes are exempted by MUPTE). **The City will work with overlapping taxing districts to adopt MUPTE**.

<u>City Role</u>

- Work with other taxing districts to leverage their support for MUPTE.
- Implement the exemption and execute on annual reporting and administration procedures.

Partners and Their Role

Yamhill County, School District, and other overlapping taxing districts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Low- and middle- income households	60% to 80% MFI	Renter	If this incentive was used for one to two apartment buildings at about 50 units each, and if 20% of the units were affordable, this strategy could result in about 20 units below- market rate.

Implementation Steps

To implement the exemption, the City would take the following steps:

- Conduct outreach to stakeholders
- Seek agreement from taxing districts representing 51% or more of the combined levying authority on the property to include all the taxing jurisdictions in the abatement. If the City is unable to get agreement from other taxing districts, the abatement will only apply to the City's portion of property taxes.
- Determine desired eligibility criteria (percentage of affordable or workforce housing or other public benefits, where the program applies, etc.) for granting MUPTE, within input from the City Council.
- Research partner organizations that may assist with program administration and income verification (if any).
- Work with City Council to establish a MUPTE program via resolution or ordinance
- Establish annual reporting and administration procedures.

Funding or Revenue Implications

The development and ongoing implementation of a MUPTE program will require significant staff time. Revising the development code will also require staff time. MUPTE reduces general fund revenues for all overlapping taxing districts. Administration of this action may require partnerships to verify incomes, which may require funding.

10. <u>Scaling of Systems Development Charges (SDCs)</u>

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

One of the main ways a city can influence project costs is changing the size or timing of Systems Development Charges (SDCs) that developers must pay. SDCs can represent a substantial portion of development costs. When cities reduce these fees, especially SDCs, it can increase the financial feasibility of a project and facilitate more affordable housing production. Deferring SDC payments until projects are completed also reduces the amount that developers must finance during construction.

Description

Scaling fees for smaller units would reduce development costs and may serve as a development incentive for smaller units, which are usually lower cost. When SDCs are scaled to unit size, their share of development costs is more consistent across housing types and unit sizes. Scaling reduces costs for smaller units while remaining revenue neutral for the jurisdiction.

When it updates its SDC methodologies, the City will adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale of housing. The City may want to report annually about information about number of units that were developed in each tier of the scale of SDCs.

The City could also create an application-based allowance to modify permitting and development review procedures so that System Development Charges (SDCs) are deferred until occupancy or final inspection can remove a barrier to housing development by allowing the developer to use a wider range of financing tools to pay for the SDCs. This action is unlikely to directly stimulate development of new housing projects on its own. However, in combination with other actions in the HPS it can potentially increase the number of units proposed with each project and speed up the development process.

<u>City Role</u>

Evaluate updates to the City's SDC methodology. Implement SDC methodology change by ordinance or resolution.

Partners and Their Role

Market-rate developers, nonprofit developers.

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	120% MFI and below	Renter, owner	Will not directly produce housing

Implementation Steps

- As the City updates its transportation, wastewater and parks SDC methodologies, add an analysis on allocation relative to size and scale of the built product.
- Adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale.

Funding or Revenue Implications

This action will rely on both consultant costs associated with the SDC methodologies for the public facilities – transportation, wastewater and parks (approximately \$250,000) and staff resources to implement (approximately \$100,000).

Section 4: Land-Based Programs

- 11. Partner with Community Land Trusts (CLT)
- 12. Support affordable housing development through provision of land

11. Partner with Community Land Trusts (CLT)

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

Land prices in McMinnville continue to surge, meaning that opportunities for affordable homeownership becomes more and more limited due to the land costs associated with development. Encouraging Community Land Trusts (CLTs) models within city limits could help promote affordable homeownership opportunities for people and help them build equity for future housing needs by eliminating the costs of land from their housing purchase price.

Description

A community land trust (CLT) is a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. While CLTs develop all types of projects, the main part of their work is the creation of affordable homes. CLTs make these homes affordable by taking the cost of land out of the purchase price of the home. They remain affordable because the resale of the house is controlled by a resale formula which keeps the price of the house low. When a family or individual purchases a house that is on land owned by a community land trust, they are only purchasing the house, not the land that the house sits on. This makes the house much more affordable. The homeowners then lease the land their house sits on from the CLT. The lease is long term, often a 99-year renewable lease. If and when the homeowner(s) decide to sell the home, they agree to sell it at a restricted price in order to keep the house affordable. The homeowner may realize appreciation from improvements they made on the house.

The City will support the formation of community land trusts and funding for land acquisition in the following ways:

- The City can research, evaluate and support the formation of, or partnership with a community land trust organization.
- The City will also support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development (see Action 12) through state affordable housing land acquisition or the City's affordable housing construction excise tax fund.

<u>City Role</u>

The City will establish CLT partnerships and identify funding to support CLT development.

Partners and Their Role

Community Land Trust. Community Land Trust. Market-rate and affordable housing providers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households	Households with income below 120% AMI and likely below 80% AMI	Homeowners	Depends on CLT capacity and funding. Over the 8-year period, likely fewer than 75 dwellings.

Implementation Steps

- Research and evaluate existing community land trusts for potential partnerships
- Visit with local housing providers for their interest in establishing a community land trust.
- Support applications to the Oregon Housing and Community Services state agency for funding for land acquisitions for community land trusts.
- Establish an opportunity to utilize construction excise tax funds for land acquisition for community land trusts.

Funding or Revenue Implications

This action will rely on state and local resources for land acquisition and staffing resources for implementation.

12. Support affordable housing development through provision of land

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

With limited land supply for housing and current economic market conditions, land costs in McMinnville have escalated exponentially. Further, the timing of land availability and funding availability for affordable housing development does not often align. Removing or reducing land costs can make the development of affordable housing more achievable. The City can support development of income-restricted affordable housing (housing affordable at or below 60% of MFI) or moderate-income housing (housing affordable between 60% and 120% of MFI) through the provision of land.

Description

The primary focus of this action relates to policies and strategies that the City could implement to establish and maintain a land banking system. The land banking process would entail prioritizing housing on City-owned surplus land, purchasing land in key opportunity areas for new housing development, conducting parcel assembly, and partnering with local institutions and organizations.

Land banking is the acquisition and holding of properties with the intent that properties be used for affordable housing. Land banks are effective because they hold land over time, controlling costs associated with appreciation, and ensure there is land available for housing developers to respond quickly to funding opportunities. Public land banks are created to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties for conversion into productive use.

The City could manage its own land bank and work with other partners to manage a portfolio of properties to support affordable housing development. There is funding available through the Oregon Community and Housing Services state agency as well as the City's Construction Excise Tax (CET) affordable housing fund to utilize to support this effort if the eventual development results in housing that serves populations earning 80% AMI or below.

The magnitude of impact depends on how many acres of surplus land the City has or acquires. At the time of creating the HPS in 2023, the City had few surplus properties and thus this action would need to focus on the acquisition of land to make meaningful impact. The City could then leverage its land bank to work with non-profit and for-profit affordable housing developers.

Additionally, a unique concept was proposed through the Project Advisory Committee (PAC). The concept is to work directly with individuals who would like the opportunity to develop their own home, independent of subdivision developers and production home

builders. The City would help future homeowners obtain land control so that they could hire their own contractor and negotiate the price of the home, eliminating the unknown fluctuations associated with a high demand housing market. Another benefit is that independent contractors hired by property owners could build houses to the scale and with the characteristics needed by the particular household, which may lead to a more diverse housing stock.

<u>City Role</u>

The City's role may vary on different projects, such as contributing City-owned surplus land, assisting with land purchase and assembly, or partnering in an affordable housing development project that includes land banking. Specific City roles could include:

- The City could maintain an inventory of land, publicly owned or otherwise, that is available and properly zoned for affordable housing development.
- Surplus City-owned land that is not needed for public facilities or uses could be prioritized for housing through the inclusion of the land into a land bank. Owning land provides the City with leverage to encourage development of high priority housing needs. By prioritizing the use of surplus land to meet housing needs, the City would be directly supporting a reduction of development costs in the form of land. The City could offer surplus property that is suitable for affordable housing development through a Master-planning or RFP process.
- Fragmented, smaller parcels of land can pose an obstacle to development, especially in the short term, however, efforts by the City to coordinate development opportunities between landowners may help to facilitate new projects over time. The City would likely support parcel assembly between private property owners and affordable housing developers that may own or be interested in purchasing nearby property. Having access to more land through parcel assembly can lead to more impactful development sites. Additionally, the City could also pursue purchasing smaller parcels of land to add to the land bank with the purpose of future parcel assembly.
- The City could partner with other institutions and organizations that may own land that could be developed for residential uses. For example, over the past few decades, faith institutions across the country have been declining. This has prompted conversations within different faith communities about how to refocus their mission of social change. The housing affordability crisis in many cities around the country has brought these institutions into the work of creating affordable housing in their communities. The City could identify faith and community-based organizations that are interested in offering their available property to the affordable housing land bank, particularly for short-term development opportunities.

Partners and Their Role

Affordable housing developers, mission-driven landowners, local faith and communitybased organizations, people wanting to develop their own housing, local contractors.

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Low income, moderate income	120% of MFI and below	Renter, owner	Depends on the amount of available/surplus land

Implementation Steps

- Get policy direction from City Council on the role the City should take in this action.
- Determine if grant funding or consultant support is needed.
- Support the work of local and regional housing organizations by helping to convene or otherwise support organizations, charities, foundations, or other stakeholders that may be interested in founding a local land bank.
- Create an inventory of suitable sites for housing development, based on infrastructure conditions, location, and other factors.
- Evaluate current inventory of City-owned land and determine if any sites are not needed for public uses and appropriate for housing development, and continually monitor inventory of City-owned sites over time as new land is acquired.
- When a site is not needed for public use, evaluate the most appropriate method for dedicating the land for housing development. This could include executing a land lease with developer as part of a public-private partnership, donating the land, or selling the land at a discounted rate.
- Facilitate connections with local developers that may be interested in partnering to build on property in land bank.
- Identify interested parties who would like to develop their own housing.
- Acquire land or maintain existing land until it can be made available to developers through a Request for Proposals to develop as affordable housing.

Funding or Revenue Implications

Partnering is the most administratively efficient and cost-efficient approach to implementing this strategy. If the City is contributing land to the land bank at low or no cost, then the City is forgoing realizing the value of the land if it was sold on the open market. If the City contributes funds to a land bank, the City will need to identify a source of funding for the contributions.

Section 5: Housing Choice and Preservation

13. Develop and adopt a Strategic Housing Opportunities Plan

14. Mitigate displacement through the adoption of antidisplacement policies and strategies

15. Implement a fee for demolition of existing affordable homes

16. Preserve and Support Development of Manufactured Home Parks

13. <u>Develop and adopt a Strategic Housing Opportunities Plan</u>

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

<u>Rationale</u>

As a part of the City's Housing Needs Analysis, a specific Section was dedicated to "Demographic and Other Factors Affecting Residential Development in McMinnville". This action is intended to be responsive to specific contextualized housing needs or populations that may have unique preferences and barriers.

To address the community's housing needs now and in the future, the City has committed to establishing a roadmap toward a more equitable housing system. While housing affordability is a key component of housing equity, providing more rent-restricted affordable housing without also taking other actions will not achieve the full potential of an equitable housing approach. Equitable housing means that all people are able to find a home that meets their location, price, space requirements, and desired amenities. It requires a strategy that not only accounts for new units and price points, but also other features needed by the people who will occupy them.

Residents have expressed concern about being displaced or having to move out of the city in search of more affordable rental and homeownership opportunities. Residents have also expressed an interest in encouraging a broader range of housing types to be built, including more single-level homes with accessibility or adaptability features, accessory dwelling units and entry-level homes.

A key source of information to inform this action is based on a focus group conducted during the HPS process held by a trusted Spanish-speaking facilitator who invited twenty-five Latinx community members representing a range of perspectives, occupations, and ages.

Description

The primary goal of this action will be to identify gaps that are present in McMinnville's housing market and develop a plan with prioritized strategies to fill these gaps, providing housing opportunities for different household compositions, ages, and income ranges.

One known priority of the Strategic Housing Opportunities Plan, will be increasing housing equity for historically marginalized groups.⁶

⁶ Historically marginalized groups in McMinnville include Latinos and other People of Color, people with disabilities, immigrants and refugees, and other groups.

This proposed action focuses on four key areas of effort:

- Zoning and Land Use Regulations. The City will assess the unmet housing needs of historically marginalized groups, based on information in the Housing Production Strategy and engagement with the groups. Some housing needs discussed in the HPS include: need for multigenerational housing, need for housing that is accessible for people with disabilities, a wider range of housing types for small households (e.g., cottage cluster units or single-room occupancies), housing near services and amenities. The City will complete an analysis of residential zoning ordinances to identify areas of opportunities to allow the housing types identified in this analysis.
- 2. Local Funding and Incentives. Local funding availability will prioritize furthering equitable housing outcomes, whenever possible, with a particular focus on investing in providing opportunities for historically marginalized groups. The City will prioritize funding for proposals that specifically serve historically marginalized populations.
 - Offer incentives to developers for creating affordable housing options in underserved areas, or priority housing types.
 - Allocate more funding to programs specifically targeting historically marginalized households.
 - Introduce "equity zones" in historically redlined neighborhoods, offering tax credits, affordable housing initiatives, and community development grants.
- 3. **Fair Housing Partnerships and Policy Advocacy.** The City will identify partnership opportunities to promote and enforce Fair Housing laws. Potential partners include Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill Community Action Partnership, and Unidos Bridging Community (a Latinx-led nonprofit that promotes integration, participation, and success of Latinx individuals and families in Yamhill County).
- 4. **Culturally Competent and Accessible Outreach and Support.** The City will work with its Diversity Equity and Inclusion Advisory Committee (DEIAC) to develop a campaign to promote housing information to a wide range of audiences that are reflective of McMinnville's community demographics, particularly Spanish-speakers.

<u>City Role</u>

The City will develop the Strategic Housing Opportunities Plan, working with partners to provide input into the plan.

Partners and Their Role

<u>Partners.</u> Local service providers, local affordable housing providers, Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill County Action Partnership, non-profit organizations serving historically underserved communities.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Latino and other People of Color, People with disabilities, Veterans, Seniors, Houseless	All Incomes	Renter or Homeowners	Will not directly produce housing

Implementation Steps

- Working with the Affordable Housing Committee, develop an engagement plan to guide engagement with representatives from historically marginalized groups, such as Latinos, People of Color, people with disabilities, and other groups with underrepresented housing needs.
- Develop analysis of needed changes to City policies, considering the four topic areas described in the actions.
- Work with the Affordable Housing Committee, the Planning Commission, and the City Council to develop the new or revised policies to address the findings of the analysis and increase equitable access to housing.
- Adopt the new or revised policies.

Funding or Revenue Implications

The City anticipates working with a consultant team who was expertise in this area. An estimated amount for this contract has not yet been set, and it may fluctuate considering the City must still determine the scope of work for a contract, and is not anticipating beginning this action until about 5 years from now. However, a general estimate is \$200,000-\$300,000. Staffing resources for evaluation and implementation (\$100,000).

14. <u>Mitigate displacement through the adoption of anti-displacement</u> policies and strategies

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Medium

Rationale

As McMinnville's demographics change over time and access to affordable housing becomes less attainable, it is important to analyze and address displacement risks in the city. Many variables can lead to displacement of current community members, including cost of housing, rising property taxes, change in housing needs, new residents moving in with higher purchasing power than current residents, employment opportunities, changing in work culture (remote working availability), and rising costs of living (food, healthcare, transportation, etc.).

Description

Displacement can happen in many ways, but the three most identified categories are:

- **Direct Displacement** occurs when residents can no longer afford to remain in their homes due to rising housing costs. Residents may also be forced out by lease non-renewals, evictions, or physical conditions that render homes uninhabitable as investors await redevelopment opportunities.
- Indirect Displacement refers to changes in who is moving into a neighborhood. Indirect displacement occurs when units being vacated by low-income residents are no longer affordable to other low-income households because rents and sales prices have increased
- **Cultural Displacement** occurs as the scale of residential change advances. Businesses and services shift to focus on new residents, institutions become separated from the communities they serve, the character of the neighborhood is transformed (can include changes to building typologies), and the remaining residents may feel a sense of dislocation despite remaining in the neighborhood.

Displacement is a problem with serious consequences for communities. For affected individuals and groups, being displaced can often mean being forced to move from their current neighborhoods to areas with a worse quality of life. Displacement can also result in increased regional inequality, as newly gentrified areas are often characterized by an influx of higher-income households and reduced socio-economic diversity.

Anti-displacement strategies are policies, regulations, or programs that intend to counteract the displacement pressures felt by some households and are measured based on their ability to reduce displacement either directly or indirectly. Anti-displacement strategies are critical roadmaps for cities interested in stabilizing neighborhoods because they not only outline and prioritize locally tailored solutions, but when drafted in collaboration with other local organizations, help build capacity in local communities through ongoing education about displacement.

The City will conduct a displacement risk assessment that will be based on relevant contributing factors including sociodemographic indicators, transportation factors, neighborhood characteristics, housing indicators, measures of civic engagement, social vulnerability, demographic change, and market prices. Based on the results of this work, the city will adopt Comprehensive Plan text amendments to implement anti-displacement policies and preservation of naturally occurring affordable housing. These policy changes may lead to code updates, forming additional housing programs or policies, or partnerships to address displacement in McMinnville.

<u>City Role</u>

Lead the displacement analysis and work with the Affordable Housing Committee and Planning Commission on legislative updates, including Comprehensive Plan amendments.

Partners and Their Role

<u>Partners.</u> Service providers for populations that may be displaced, and local affordable housing providers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Latinos, People of Color, people with disabilities, low-income households	Generally households with income below 100% AMI	Renter or homeowner	Will not directly produce housing

Implementation Steps

- Set goals and priorities for displacement concerns to include in anti-displacement work and identify key areas of displacement concerns to include in analysis.
- Develop a report that analyzes potential and existing displacement risks.
- Integrate relevant practices from the "Anti-Displacement and Gentrification Toolkit Project⁷⁷ developed by Portland State University for the Department of Land Conservation and Development (DLCD).
- Propose Comprehensive Plan amendments that are responsive to the findings.
- Implement adopted Comprehensive Plan policies through additional code changes, housing programs, or partnerships.

Funding or Revenue Implications

This action will rely on consultant resources for the initial report (\$75,000), and staffing resources for evaluation and implementation (\$75,000). Actions may require additional funding for implementation. **This work could be included as a part of Action 13: Strategic Housing Opportunities Plan.**

⁷ https://www.oregon.gov/lcd/Housing/Documents/AttachmentA_PSU_Toolkit.pdf

15. Implement a Fee for Demolition of Existing Affordable Homes

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	Low

<u>Rationale</u>

To help reduce the potential loss of existing affordable homes in the community, it could be beneficial to incentivize the retention of affordable housing stock. A fee for the demolition of existing affordable housing units could help prevent redevelopment of sites into unaffordable housing types.

Description

The City will assess additional fees for demolitions of housing that is comparatively affordable. The tax would not apply to properties that must be demolished due to uninhabitability, or in cases where the structure will be replaced with housing subject to affordability covenants. The purpose of this fee is to slow the loss of naturally occurring affordable housing and generate a source of funding to support preservation and development of new affordable housing.

The City should establish what housing would be subject to this fee and the specific fees for demolishing existing housing. In addition, the City should determine what type of development, if any, may be exempt from the fee, including the development of new affordable housing units, certain density thresholds for infill development (if existing home is replaced by a minimum amount of density), or other exceptions.

<u>City Role</u>

Establish a fee for demolition of existing affordable housing.

Partners and Their Role

Developers and stakeholders involved with affordable housing provision.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households	Households with incomes below 120% AMI	Renter or homeowners	Will not result in production of new units

Implementation Steps

- Develop criteria to identify the types of demolitions subject to the fees and identify exceptions, if any.
- Set the amount of the fee.
- Determine how funds from this fee will be used, such as to preserve existing affordable housing or support development of new affordable housing.
- Work with the Affordable Housing Committee and City Council to adopt this policy.

Funding or Revenue Implications

This action will rely mostly on staff resources to implement, assuming \$50,000.

16. Preserve and Support Development of Manufactured Home Parks

<u>Workplan</u>

Implementation Years			Impact	
1-2	3-4	5-6	7-8	High

<u>Rationale</u>

Manufactured home parks provide a form of naturally occurring affordable housing stock but are particularly vulnerable to redevelopment pressures because residents rent the land underneath their homes from the property owner. More broadly, modern manufactured and prefab housing is often a more affordable form of housing than sitebuilt construction, but development codes usually limit where manufactured housing can be located.

Description

In order to preserve safe, affordable options into the future, manufactured home parks may be protected through assistance that allows community purchase of the underlying land and provides funds to maintain upkeep of these dwelling units. This strategy can be implemented through use of land trusts, resident-owned communities, public ownership of land, or condominium conversion of the real estate assets to preserve the communities. Oregon Housing and Community Services (OHCS) has regularly received lottery bonds or general funds from the Oregon Legislature to preserve manufactured home parks through either resident-owned communities or nonprofit ownership.

Oregon regulates closure of manufactured home parks (in ORS 90.645). The State requires owners of manufactured home parks to give notice of closure or conversion of a manufactured home park. Manufactured home park owners are required to pay households a fee (of between about \$6,000 and \$10,000) when closing manufactured home parks.

In the face of closure or sale of a manufactured home park, preservation of manufactured home parks can be accomplished through a range of approaches, such as resident owned cooperatives or non-profit ownership. Since 2007, 30 manufactured home parks have been preserved statewide. In 2019, the Legislature funded a manufactured dwelling park loan program through OHCS specifically preserve manufactured home parks. Oregon Housing and Community Services (OHCS) works with Community Development Financial Institutions (CDFI) to preserve manufactured home parks through this loan fund.

The City will work with owners of manufactured home parks to understand redevelopment plans and reach out to residents of the manufactured home park to understand interest for purchasing the manufactured home park. The City will help connect residents of the manufactured home park to nonprofits who may help manufactured home park residents purchase the park. The City may offer financial, technical, or legal assistance were possible. The City has an existing partnership with Yamhill County that provides funding to repair manufactured homes, which can help allow people to make needed improvements to their existing manufactured homes. The City could incentivize development of manufactured home parks to create a more affordable path to homeownership. The City would identify barriers to manufactured home park development and develop code amendments to remove those barriers. The City may provide incentives for manufactured home park development.

City Role

The City's role may vary on different projects, such as assisting with manufactured home park purchase or providing funding to support a park purchase, including technical or legal assistance to form a resident-owned community or land trust. The City would revise development code to remove barriers to manufactured home park development.

Partners and Their Role

OHCS, CASA of Oregon (local Resident-Owned Communities USA affiliate); residents of manufactured home parks; manufactured home park owners.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower income households	80% MFI and below	Primarily owners of manufactured homes*	Will not directly produce new housing

* Owners of manufactured homes rent land. Some manufactured home residents also rent the structure.

Implementation Steps

To support preservation of existing manufactured home parks:

- Work with manufactured park owners to identify owners who want to sell or redevelop their manufactured home parks
- Work with resident of the manufactured home parks to understand interest in purchasing the manufactured home park.
- Partner with nonprofits, the housing authority, and manufactured home park owners to support preservation efforts. Offer financial support where possible

To support incentivize the development of new manufactured home parks:

- Draft code amendments that remove barriers and provides incentives for manufactured home park developments as a permitted use.
- Work with Affordable Housing Committee, Planning Commission and City Council to get public input on and adopt the code revisions.

Funding or Revenue Implications

Preserving existing manufactured home parks will require staff time. If the City offers financials support, it will need to identify a source of funding for that support. Revising the development code to incentivize manufactured housing will require staff time. Providing incentives for manufactured housing development may require a source of funding or a source to "backfill" foregone revenue.

CITY OF McMINNVILLE MINUTES OF CITY COUNCIL WORK SESSION Held via Zoom Video Conference and at the Kent L. Taylor Civic Hall on Gormley Plaza McMinnville, Oregon

Tuesday, February 25, 2025, at 5:30 p.m.

Presiding:	Sal Peralta, Council President : Claudia Cisneros			
Recording Secretary:				
Councilors:	Present Jessica Payne Zack Geary Chris Chenoweth (via Zoom) Scott Cunningham Dan Tucholsky	Absent Kim Morris, Mayor		
	Susan Muir, Finance Director Katie Director Heather Richards, City Er Manager Steve Ganzer, Communit Center Manager Erin Guinn, Aqua Works Operations Superintendent Director Vicki Hedges (via zoom), (via zoom), Parks Maintenance Sup	tenberg, Parks and Recreation Director e Henry, Community Development agineer James Lofton, Recreation Sports y Center Manager Katie Noyd, Senior tic Center Manager Rob Portor, Public David Renshaw, Human Resources Communications Director Noelle Amaya pervisor Liz Fliszar (via zoom) and <i>e Dauterman McMinnville Community</i>		
1.CALL TO ORDER: Council President Peralta of 5:31 p.m. and welcomed all in attendance.				
2.	CULTURE PARKS AND RECRE	ATION PROJECT		
	the project team, including Recreat Community Center Manager Katie	an Muir presented the topic and introduced ion Sports Manager Steve Ganzer, Noyd, Senior Center Manager Erin ob Portor, and Public Works Operations		
	history of the project, followed by renovating and constructing new fa community center, and senior center	Presentation and discussed the financial a discussion on cost estimates for acilities, including the aquatic center, er. The need for updated and modernized ong with the importance of providing a		

The discussion included the challenges posed by Oregon's property tax system. Ms. Muir acknowledged difficult past budget decisions and their impact on facility maintenance. A proposed three-phase plan aims to restore park maintenance and fund a joint recreation center's operation, including maintenance staff and capital replacement.

The proposed recreation center's fee structure and operating costs were discussed, including a proposed 25% discount for city residents due to their property tax contributions. Concerns were raised about affordability for those funding the construction. Ms. Muir expressed openness to exploring alternative fee models and revenue sources, including partnerships with neighboring communities. The cost of placing the bond measure on the ballot was discussed. There were also questions about the cost estimates for construction and maintenance. Further financial discussions focused on distinguishing real market value from assessed value. There were concerns about tax measures' effects on property values and potential fluctuations. Ms. Muir acknowledged these concerns and mentioned that the feasibility study had already considered potential project partners. She also highlighted the importance of partnerships, such as the one with the Friends of the Senior Center, and the ongoing conversations with potential partners like Linfield.

Location and phasing options for the new community center project were also reviewed, considering past site analyses, including the current pool location and school district property. The Miller property emerged as the preferred site. Various phasing and scaling options were explored, including renovations with seismic retrofitting and ADA compliance, as well as phased construction and funding.

Safety concerns were raised, particularly the current community center's proximity to a jail and a potential detox facility. Staff will be making recommendations on safety enhancements and future plans for existing facilities should a new center be constructed.

ADJOURNMENT: Council President Peralta adjourned the meeting at 6:58 p.m.

Daniel Ruiz, Deputy City Recorder

CITY OF McMINNVILLE MINUTES OF CITY COUNCIL MEETING Held via Zoom Video Conference and at the Kent L. Taylor Civic Hall on Gormley Plaza McMinnville, Oregon

Tuesday, February 25, 2025, at 7:00 p.m.

Presiding:	Sal Peralta, Council President				
Recording Secretary:	Claudia Cisneros				
Councilors:	Present	Absent			
	Jessica Payne Zack Geary Chris Chenoweth (via Zoom) Scott Cunningham Dan Tucholsky	Kim Morris, Mayor			
	Cisneros, City Attorney David Susan Muir, Finance Director Director Heather Richards, Ci Manager Steve Ganzer, Comm Center Manager Erin Guinn, H Renshaw, Human Resources I Maintenance Supervisor Liz F	ger Jeff Towery, City Recorder Claudia I Ligtenberg, Parks and Recreation Director Katie Henry, Community Development ty Engineer James Lofton, Recreation Sports nunity Center Manager Katie Noyd, Senior Public Works Operations Superintendent David Director Vicki Hedges (via zoom), , Parks liszar (via zoom) and <i>members of the News</i> <i>Minnville Community Media, and Scott Unger</i>			
1.	CALL TO ORDER: Council President Peralta called the meeting to order at 7:02 p.m. and welcomed all in attendance.				
2.	PLEDGE OF ALLEGIANCE				
	Aquatic Center Manager Rob	Portor led the pledge of allegiance.			
3.	INVITATION TO COMMUN Mayor Morris invited the pub	ITY MEMBERS FOR PUBLIC COMMENT: ic to comment.			
	emails from Friends of Quarry	os stated the City received public comment y Park, Tara & Corey Rich and Steve Caldwell ity Council and will be entered into the record tomorrow.			
	Kevin Chambers, community support for the PROS Plan Bo	member and MAC PAC member, provided nd.			
	Camden Parson, community n Bond.	nember, provided support for the PROS Plan			

Olivia Johnson, community member, provided support for the PROS Plan Bond.

Amanda Pewonka, community member, provided support for the Quarry Park Plan and

Marianne Brendemuhl, community member, provided opposition for the Quarry Park Plan.

Emily Linnertz, community member, provided support for the PROS Plan Bond.

Brian Branch, community member, provided support for the PROS Plan Bond.

Miranda Morton, community member, provided support for the PROS Plan Bond.

Todd Severson, community member, provided support for the PROS Plan Bond.

Matt Weinrich, community member, provided opposition for the Quarry Park Plan.

Jackie Weisenberger, community member, provided opposition for the Quarry Park Plan.

Craig Weinrich, community member, provided opposition for the Quarry Park Plan.

Valerie Anton, community member, provided opposition for the Quarry Park Plan.

Pearl Shan, community member, provided opposition for the Quarry Park Plan.

Steve Kossman, community member, provided opposition for the Quarry Park Plan.

4. ADVICE/ INFORMATION ITEMS

4.a.

Reports from Councilors on Committee & Board Assignments

Councilor Payne reported that the Audit Committee is scheduled to meet on March 11th. The Local Public Safety Coordinating Council has not convened since the last city council meeting; their next meeting is planned for March 5th. The Yamhill County Equity Action Workgroup met and discussed emergency preparedness. Lasty DEIAC met and got public meeting training from City Attorney Ligtenberg. They also discussed federal immigration

policies, meeting safety and promoting the access Red Cards, which can be found at the Public Library and Community Center.

Councilor Cunningham reported that The Historic Landmarks Committee recently met and reviewed the application from the Hanley Oaks Apartments for the demolition of the Hanley Homestead. This property, a significant historic resource for our community, has unfortunately been neglected over time. After thorough discussion, the committee approved the demolition of the Hanley Homestead to facilitate the development of the Hanley Oaks Apartments. The proposed project includes the construction of 28 affordable housing units, addressing a critical need in our community. Additionally, the committee reviewed applications from The Ground for The Pub. Additionally, In related housing initiatives, the Housing Production Strategy meeting continued discussions from the previous work session, focusing on the housing needs assessment. The Affordable Housing Committee is scheduled to meet tomorrow, and McMinnville Community Media (MCM) will reconvene next month.

Councilor Chenoweth reported that the McMinnville Economic Vitality Leadership Council (EVLC) met and established their objectives for the upcoming year. Key initiatives include advancing the Innovation Campus and the Third Street redesign. They emphasized housing development, particularly focusing on improvements along Alpine Avenue to facilitate residential growth. Additionally, attention is directed toward the airport master plan and land use considerations to ensure alignment with the envisioned structure of the Innovation Campus. The EVLC plans to conduct a post-evaluation of grant expenditures from recent years, notably funds secured through the efforts of Representative Ron Noble. The Parkway Committee met and observed that clearing activities have commenced at the end of the bypass where it connects in Newberg, preparing for the interchange redesign. This work is expected to begin in earnest shortly and is projected to be completed by early 2027. All time-sensitive funding is anticipated to be utilized within the established deadlines.

Councilor Geary reported that the Visit McMinnville Board met and covered financial and staffing updates, a review of the "Flavors of the Foothills" winter passport program, update on Travel Oregon grants including helping with the McMinnville Downtown Association's Art Alley Phase 2 project and other projects such as gravel routes on Panther Creek, the Parks and Recreation bond, pickleball and tennis development, and Yamhill River access. They reviewed the annual retreat and goal setting of VM, where the goal is to return to the mission vision values. aiming to position McMinnville as a year-round destination by targeting specific markets like Seattle, establishing clear key performance indicators (KPIs), enhancing financial stability by restoring reserve funds and settling outstanding obligations, increasing local awareness of Visit McMinnville's role, fostering community cohesion, and developing a unified voice for promoting McMinnville. Plans are underway to launch a new Visit McMinnville website. Stormwater/Wastewater PAC met and reviewed previous discussions and talked specifics of a tiered rate structure for the stormwater utility assessment. The committee also discussed rate calculations for commercial versus residential properties, overall revenue requirements, and received updates on the master plans for stormwater and wastewater systems. As these master plans near completion, the PAC anticipates formulating policy recommendations for the City Council.

Council President Peralta reported that the Mid-Willamette Valley Council of Governments (MWVCOG) will hold its Annual Dinner on Wednesday, March 5, 2025, at the Willamette Heritage Center in the Spinning Room. The Planning Commission discussed amending the Water System Master Plan, with the issue to be revisited in a future meeting. They also reviewed a request to extend a land use decision related to a minor partition change near a property at Redmond Hill. Additionally, a work session on land use efficiencies—a current step in the sequential Urban Growth Boundary work plan—was held. These efficiencies need to be adopted by March 1, 2026, and will come back to the Council for further consideration. Lastly, Council President Peralta had the honor of hosting Senator Jeff Merkley's Town Hall this past weekend and thanked Commissioner Kit Johnson and Councilors Geary and Tucholsky for attending.

4.b. Department Head Reports

Community Development Director Richards reminded the Council about the recent joint work session focused on land use efficiencies. She noted that due to time constraints, there wasn't an opportunity to gather individual feedback during the session. She encouraged councilors to share any concerns or suggestions for further analysis by sending their thoughts and comments to the planning department.

Finance Director Henry provided an update on the implementation of the new budget and financial transparency software. The initial data validation for 2023 has been completed successfully, and the team is working closely with consultants to progress further. Additionally, a budget amendment is scheduled for presentation on the 11th, followed by the overall budget. Director Henry invited councilors to meet with her to discuss priorities, the budget process, or any questions they might have.

Human Resources Director Hedges reported that the Parks & Rec Director position has been posted, and the city is accepting applications through March 9th.

5. CONSENT AGENDA

a. Consider the request from Copious Cellars, LLC for Wholesale, OLCC Liquor License located at 1421 NE Alpha Drive.

Councilor Geary MOVED to approve the consent agenda; SECONDED by Councilor Payne.

AYE: Cunningham, Tucholsky, Chenoweth, Payne, Geary, Peralta NAY: NONE

Motion **PASSED** unanimously.

6. ADJOURNMENT: Council President Peralta adjourned the meeting at 7:54 p.m.

Daniel Ruiz, Deputy City Recorder

City Recorder Use



Final Action: Approved Disapproved

Liquor License Recommendation

BUSINESS NAME / INDIVIDUAL: The Bitter Monk BUSINESS LOCATION ADDRESS: 250 NE 3rd Street LIQUOR LICENSE TYPE: Limited on-premises sales Is the business at this location currently licensed by OLCC Yes No If yes, what is the name of the existing business: The Bitter Monk – changing ownership Proposed business operations: Retail off-premises sales Retail on-premises sales & consumption Indoor consumption Outdoor consumption Tritech Records Management System Check: Yes 🗹 No 🗖 Criminal Records Check: Yes No Recommended Action: Approve 🚺 Disapprove

Tim Symons

Chief of Police / Designee

City Manager / Designee



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Annual Liqu	uor License Types			
Off-Premises Sales	Brewery-Public Ho	ouse		
Limited On-Premises Sales	Brewery			
Full On-Premises, Caterer	Distillery	Laterative and the second s		
Full On-Premises, Commercial	Grower Sales Privi	llege		
Full On-Premises, For Profit Private Club	Winery Wholesale Malt P	overage & Wine		
Full On-Premises, Non Profit Private Club Full On-Premises, Other Public Location	Wholesale Malt B Warehouse	everage & wille		
Full On-Premises, Public Passenger Carrier	Warehouse			
Section 1 – Submission –	To be completed by Appl	icant:		
License	e Information			
Legal Entity/Individual Applicant Name(s): Hopp	y Dreams LLC			
Proposed Trade Name: The Bitter Monk				
Premises Address: 250 NE Third Street		Unit: 147 NW 17th St		
City: McMinnville	County: OR	Zip: 97128		
Application Type: • New License Application	Change of Ownership	O Change of Location		
License Type: Limited On-Premise Sales	Additional L	ocation for an Existing License		
Application C	Contact Information			
Contact Name: Rebecca Tucker	Phor	ne:		
Mailing Address:				
City: McMinnville	State: OR	Zip: 97128		
Email Address:				
Busin	ness Details			
Please check all that apply to your pr	oposed business operations at t	his location:		
Manufacturing/Production				
Retail Off-Premises Sales				
Retail On-Premises Sales & Consumption				
	es Consumption at this location			
Indoor Consumption	Outdoor Consumpt	tion		
Proposing to Allow Minors				
Section 1 cont	inued on next page			

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Section 1 Continued – Submission - To be completed by Applicant:

Legal Entity/Individual Applicant Name(s): Hoppy Dreams LLC

Proposed Trade Name: The Bitter Monk

IMPORTANT: You MUST submit this form to the local government PRIOR to submitting to OLCC. Section 2 must be completed **by the local government** for this form to be accepted with your CAMP application.

Section 2 – Acceptance - To be completed by Local Government:

Local Government Recommendation Proof of Acceptance

After accepting this form, please return a copy to the applicant with received and accepted information

City or County Name: McMinnville

Optional Date Received Stamp

Date Application Received: March 13, 2025

Received by: Tim Symons

Section 3 – Recommendation - To be completed by Local Government:

O Recommend this license be granted

Recommend this license be denied (Please include documentation that meets OAR 845-005-0308)

No Recommendation/Neutral

Name of Reviewing Official:

Title:

Date:

Signature:

After providing your recommendation and signature, please return this form to the applicant.



STAFF REPORT

DATE:	March 25, 2025
TO:	Mayor and City Councilors
FROM:	Katie Henry, Finance Director
SUBJECT:	2025 Resolution Amending the Allocation of ARPA funds

Report in Brief: In response to some questions from Council at the March 3rd discussion of an amendment to the allocation of ARPA funds, staff has prepared a new attachment showing additional details of the ARPA projects. Staff has completed a thorough review of projects funded with American Rescue Plan Act (ARPA) funds since funds were received and projects were approved. Changes to project budgets have taken several different forms as estimates have changed over the years. This resolution is to document in one place the various adjustments that have been made and to provide both Council and Staff a clear overall status of the funds and all projects to make fully informed decisions moving forward.

Discussion of Amendment

- Funds originally assigned to Finance to use for a Grant Manager for the ARPA funds have been reallocated to pay for the new transparency and budget software (\$201,496)
- 2) The 30% Design of Third Street Improvements projects is approaching completion. The overall project will require significantly more funding than originally anticipated and is requiring some legislative work. The project also now includes Stormwater and Wastewater utilities which have expanded the scope (\$125,182).
- The Navigation Center project has seen cost overruns due to legal action.
 \$135,000 for settlement costs and anticipated legal fees are being requested for the project budget.
- 4) Added since March 3 presentation: Requesting repurpose of funds allocated to Library HVAC project to Community Center repairs. The elevator is not currently working, and we are requesting use of ARPA funds to keep all levels of the community center open and available to the public. No net impact.
- 5) Stormwater work at 13th and Galloway is coming in higher than originally estimated (\$79,166).
- 6) Staff time was not included in the original estimate for the ADA Transition Plan project and has been added (\$50,000).
- 7) Funds for Broadband Access and Datacenter Move have been repurposed for other projects (-\$305,000).
- 8) Final cost estimates for the Discovery Meadows Splash Pad Renovation exceed the original projections (\$96,384).
- 9) Other projects were completed very close to the estimated amounts with the Park Maintenance Fleet and Equipment Upgrades coming in with a savings of -\$2,845 and the Firewall/VPN system coming in just slightly over projections by \$754.

Fiscal Impact:

This action increases total ARPA funds allocated to projects by \$178,641. This leaves a total of \$512,653 in unallocated funds from the total \$7,204,286 received.

Council Options:

- 1. Adopt the 2025 ARPA project amendment as presented. This is staff's recommendation.
- 2. Propose changes to the amendment prior to adoption.
- 3. Do not adopt the proposed 2025 ARPA project amendment. This would require clear direction to staff as to next steps for the use of ARPA funding as the original estimates are outdated and project scopes inevitably change over time.

Documents:

- 1. **Resolution 2025-08** ARPA Amendment of Allocation of ARPA Funds
 - a. Exhibit A Amendment to the Allocation of ARPA

RESOLUTION NO. 2025 - 08

A Resolution of the Common Council of the City of McMinnville amending the allocation of American Rescue Plan Act (ARPA) Funds.

RECITALS:

Whereas, on November 9, 2021, Council approved Resolution 2021-54 approving the allocation of ARPA funds; and

Whereas, at the time of adoption the exact amount of funds to be received was not yet known but now is; and

Whereas, the proposed projects had yet to be designed and undertaken and costs were therefore estimated; and

Whereas, over three years of significant economic changes with unanticipated price fluctuations have passed since that time; and

Whereas, on April 25, 2023, Council approved Resolution 2023-19 amending nearly all the individual project budgets; and

Whereas, on August 8, 2023, Council approved Resolution 2023-50 allocating additional ARPA funds to the Third Street Improvement Project; and

Whereas, several projects have been completed; and

Whereas, revised estimates are now available for other projects that will require additional funding; and

Whereas, a clear amendment to the amounts approved by project is necessary for staff to prepare upcoming budget proposals; and

Whereas, staff have prepared a thorough list of all projects with associated project budgets, which list is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

- 1. **Approve the amendment to the allocation of ARPA funds:** The Common Council of the City of McMinnville adopts the following amendment to the Allocation of ARPA based on the list that is provided in Exhibit A attached hereto and incorporated by reference herein.
- 2. **Effective date:** This resolution shall take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 25th day of March 2025 by the following votes:

Ayes:_____

Nayes:_____

Approved this 25th day of March 2025.

MAYOR

Approved as to form:

Attest:

CITY RECORDER

CITY ATTORNEY

EXHIBITS: A. Amendment to the Allocation of ARPA.

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	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
ARPA Grant Manager	Hire a full time grant professional for the term of the grant (3 yrs) to work on financial, compliance, program manage ement and community engagement activities associated with the portfolio of SLFRF-ARPA grants. Discontinued after 1 year and funds were repursed to Budget Software below.	394,000	(201,496)	192,504	158,804	Ongoing Finance Staffing costs to administer the ARPA funds into future years.
Budget Software	Purchase and implement a software to increase transparency and improve efficiencies in the budget process.	_	201,496	201,496	39,396	Ongoing software costs into future years
Third Street Improvement Project	This is the development of construction documents for the public infrastructure improvements needed on Third Street to support the recovery and future resiliency of McMinnville's local business community downtown.	733,109	125,182	858,291	630,297	Expected to complete FY25
Navigation Center - Operating Funds	Originally for operating costs but evolved into construction costs of a low barrier shelter with onsite services	500,000	135,000	635,000	410,408	Expected to complete FY25

	Totals	7,025,645		7,204,286	3,726,479	
Project Name Financial Forecasting Software	Description Invest in software for financial	Adopted with FY24 Budget 43,854	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget 43,854	Total spent thru Dec 31, 2024 22,239	Status Ongoing software costs into future
Thancial Torecasting Software	forecasting	43,854	_	43,854	22,239	years
Stratus Village - Affordable Housing Project	Stratus Village is a planned 200- unit affordable housing mutlifamily complex to be developed on seven acres of land off of Stratus Avenue. This project is intended to serve households of 80% area median income or less and will be comprised of studios, and a range of one-bedroom to four-bedroom apartments.	300,000	-	300,000	300,000	Completed
Park Maintenance Fleet and Equipment Upgrades	This project is to fundneeded fleet and equipment replacements for Park Maintenance operations to equip staff to adequately maintain increased acreage in the park system and to improve maintenance levels in established parks. These units have all reached the end of useful life.	400,000	(2,845)	397,155	397,155	Completed

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
Ambulance Replacement	Ambulances are being surplused due to equipment failures. The addition of this ambulance will move a high mileage ambulance to reserve. The FD has been responding to COVID patients since the pandemic started and continues to support COVID response.	285,000	-	285,000	285,000	Completed
Innovation Center - Public Infrastructure Feasibility Analysis	This is a feasibility analysis of the necessary public infrastructure needed to support an Innovation Center on 140 acres of vacant industrial land on Highway 18 and at the Evergreen Campus. The feasibility analysis will evaluate the type and size of broadband, water, wastewater, power and transportation infrastructure needed to serve a high-density research and development industrial/business office district.	293,464	-	293,464	76,686	Expected to complete FY26

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
First Responders for Mental Health Crises	Community-based public safety system to provide mental health first responders for crises involving mental illness, homelessness, and addiction	25,000	-	25,000	-	Final payment FY26
Library HVAC Replacement	The Library HVAC is over 40 years old and requires frequent maintenance and replacement of parts, often costing the City \$35,000 - \$50,000 annually. Parts are hard to find due to the age of the equipment, and at least once a year the Library is left without heating or air conditioning while parts are researched and ordered.	150,000	(142,750)	7,250	7,250	Repurpose to Community Center
Community Center	Repurpose funds from Library HVAC for Community Center repairs like the elevator.		142,750	142,750		Projects needed in FY25

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
IS - Replace Firewall / VPN system	The current City firewall / VPN system will go end of life in FY 2024. This project will allow us to pull the replacement forward and get improved technology in place where it is needed most, especially for Covid-19: improving remote access tools for all City employees and improving the City's security posture for years to come.	130,000	754	130,754	130,754	Completed
Storm Water Capacity Projects	This request is for engineering and construction funds for stormwater capacity projects to address areas of flooding and insurance claims.	553,750	79,166	632,916	/5 468	Include in FY26 budget
Update to Parks and Open Space Master Plan	Update to Parks and Open Space Master Plan	200,000		200,000	103,779	Expected to complete FY27
Emergency Manager	The City of McMinnville has been without a dedicated staffer to focus on the community Airport. This would fund .5 FTE of a position to focus on this city asset for 3 years.	242,000	-	242,000	77,586	Ongoing Emergency Manager cost into FY27

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
Park Maintenance: System Wide Irrigation Renovations	This project is to fund needed renovations irrigation renovations in multiple irragation systems throughout the park system. Work will focus on sports turf, neighborhood parks and heavily used turf stands in community parks.	263,000		263,000	118,370	Include in FY26 budget
ADA Transition Plan	Contract with a consultant to develop an ADA transition plan to address ADA access issues and become compliant with the Federal ADA Act - to improve access and remove barriers to participation (Objective 5 under Engagement and Inclusion of MacTown 2032 Strategic Plan)	300,000	50,000	350,000	-	Include in FY26 budget
Backlog in court cases	Implement COVID-19 safety measures to facilitate court operations, expand current staffing model to increase speed of case resolution and address backlog of case counts and projects due to pandemic.	67,100	-	67,100	61,164	Expected to complete FY25

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
Mobile Rec Station	2021 Transit 350 Cargo van with bench seat, branded/wrapping, retractable awning to take out to neighborhood parks for free activities.	82,000	-	82,000	53,967	Expected to complete FY25
IS - Technology in Conference Rooms	Technology upgrades to the Civic Hall and other City conference rooms to allow for high quality, easy to use and equitable public meeting tools.	148,895	-	148,895	59.330	Include in FY26 budget
Culturally competent communication and translations	Approximately 20% of McMinnville residents do not speak english at home. The City of McMinnville has made an effort to translate some documents into Spanish but only in very discrete and specific situations. Translation services can be provided when requested, but many studies show that people who do not speak the host nation language are often reluctant to request translation of government documents into their native language.	100,000	-	100,000	70 075	Include in FY26 budget

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
Broadband access and technology training	Address 2 of 3 barriers to highspeed internet: cost of service for people who can't afford it and training on how to effectively use the internet.	200,000	(200,000)	-	-	Repurposed
Park Maintenance: Neighborhood Park Renovations	This project is to fund needed playground replacements in several neighborhood parks, replace deficient fall attenuation material and renovate sport court surfaces.	262,600		262,600	13,200	Include in FY26 budget
Electric vehicle for Library home delivery	At the beginning of the COVID 19 pandemic, the Library developed a system for delivery of Library materials within the City limits of McMinnville. The service was a success with both patrons and staff, and was soon expanded to include Lafayette, Yamhill, and Carlton. Purchasing a new or used electric vehicle will save the City on fuel, and enable the Library to continue home delivery for many more years.	53,196	-	53,196	53,196	Completed

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
HR - DEI Implementation	Through December 2024 approximately \$133K has been spent from the ARPA fund for committee recruitment costs, the organizational assessment, and NEOGOV Learn. Since then, we have spent an additional \$3K for committee recruitment. That balance for the project is approximately \$89K, which we plan to spend on NEOGOV Learn, training recommended in the organizational assessment, translation services, committee recruitment, and city signage improvements related to ADA compliance and translation needs.	225,000		225,000	133,147	Include in FY26 budget
Park Maintenance: Discovery Meadows Splash Pad Renovation	This project is to fund needed renovations to the Discovery Meadows splash pad. Constructed in 2005, this park feature is heavily visited and attracts multiple visitors to Discovery Meadows Park. The work would include renovating the mechanical system, filtration, water quality components, control elements and plaza.	574,900	96,384	671,284	55,432	Expected to complete FY25

	Totals	7,025,645		7,204,286	3,726,479	
Project Name	Description	Adopted with FY24 Budget	March 2025 Project Budget Amendment Resol. #2025-08	Requested Project Budget	Total spent thru Dec 31, 2024	Status
IS - Datacenter Move (CC to WWS)	The City currently has two main datacenters at the Community Center and Police Department. Recent investments to the WWS facility combined with an uncertain future for the Community Center make this a highly beneficial project to position City infrastructure for years to come.	105,000	(105,000)	-	_	Repurposed
Remodel: Muni Court more accessible	Allows for improved social distancing for both members of the doing business with court staff as well as the staff themselves.	29,605	-	29,605	29,605	Completed
General Covid costs		364,172	-	364,172	364,172	Completed
Total Amendment Total allocation Amount unallocated	Total Amendment Total allocation Amount unallocated	7,716,939 691,293	178,641	7,716,939 512,653		



STAFF REPORT

DATE:March 25, 2025TO:Mayor and City CouncilorsFROM:David Ligtenberg, City Attorney

SUBJECT: Ordinance 5158 authorizing amendment of 1978 Lease with the United Methodist Church of McMinnville, allowing for its termination upon 60 days' notice and waiving the City's Right of First Refusal to purchase the property.

Report in Brief:

In 1978 the City entered into a lease agreement with the United Methodist Church of McMinnville regarding the parking lot at their property at 544 NE 2nd St. The City contributed toward the parking lot's construction at the time and has performed its maintenance since then, allowing for most of the space to be used as public parking throughout the week. The church now desires to develop the property for its own operations as well as ground lease a portion of the property to a developer for a mixed-use commercial and residential housing structure and desires to amend the existing lease, allowing for its eventual termination in advance of lease and construction.

Discussion:

Under the 1978 lease, the City paid the Church the cost of constructing and landscaping the parking lot property. The construction occurred according to engineering and landscaping specifications required by the City and the City has conducted necessary maintenance on the parking lot since the time of its construction. In return, aside from certain reserved spaces and dates, the parking lot has been available to public use.

The lease's term is perpetual, except in the event that the church desires to sell the subject property (parking lot) or expand the church structure onto the subject property. The lease contemplated that if such desire were realized in the first ten years of the lease, the Church would compensate the City at an agreed-upon rate. After the 10 year mark, there would be no payment required by the Church. Additionally, the City holds a right of first refusal to purchase the parking lot if the Church intends to proceed with its sale.

Now the Church wishes to develop the property, including the ground lease of a portion of the property to a developer for a mixed-use commercial and residential housing structure. This eventuality does not fit the current terms for termination of the lease—and the existence of the lease is preventing the Church from moving their plans forward with their developer. Accordingly, the Church has requested that the City amend the lease, allowing for either party to terminate the lease by 60-days' written notice to the other party. They also desire the City to waive its Right of First Refusal.

Considering that the lease appears to consider its value recouped after ten years (around 1989), and considering the value to the community of the proposed ground lease on the site, staff believes the request is reasonable and, in balance, beneficial to the interests of the community.

Attachments:

- 1. 1978 Lease with the United Methodist Church of McMinnville
- 2. Ordinance 5158: Authorizing the City Manager to execute an amendment to the 1978 lease with the United Methodist Church of McMinnville, allowing for its termination upon 60-days' notice and waiving the City's Right of First Refusal to purchase the property.

Fiscal Impact:

N/A

Page |2

1 LEASE 2 The United Methodist Church of McMinnville, hereinafter referred to as Church, and the City of McMinnville, hereinafter referred to as City, do 3 4 hereby enter into a lease agreement for certain real property as described 5 below in exchange for the consideration stated herein. 6 1. DESCRIPTION OF PROPERTY. 7 Lots 3, 4, 5, and 6, Block 4, Rowlands Addition to the Town of McMinnville 8 LEASE PAYMENT. The City, as payment for this lease, shall pay 2. 9 to the Church the cost of constructing and landscaping the property at such 10 times as are appropriate and relate to the amount of construction work com-11 The McMinnville Director of Public Works shall verify the amount of pleted. 12 work done and upon the approval of the McMinnville City Manager the City shall 13 monthly pay an amount to the Church which is equal to the percentage of the 14 work completed. 15 The City shall not be liable for any additional payments to a. - 16 the Church for the use of the property regardless of the length of time the 17 property is used for parking purposes. 18 3. DURATION OF LEASE. The term of this lease is perpetual subject 19 to the conditions specifically set forth in this lease agreement. The City of 20 McMinnville may terminate the lease of the property at any time subsequent to 21 payment to the Church for construction of the original parking facilities. In 22 the event the parking lot is not built and ready for use prior to July 1, 1979 23 this lease agreement shall be null and void. 24 4. CONSTRUCTION OF PARKING LOT. The Church agrees to build the park-25 ing lot according to the engineering specifications required by the City and to 26 landscape according to City specifications. As near as practicable the time 27 schedule for construction established by the contract documents shall be met. 28 Page 1 of <u>5</u> pages

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1 The Church shall provide the property clear of all structures and if any delays 2 occur as a result of the Church's action or inaction to clear the property, 3 then the Church is liable for any increase in costs. In the event the City 4 delays construction on this parking lot project, any resulting cost increases 5 shall be paid by the City. The Church may specify that construction activity 6 will not occur during regularly scheduled church activities on Sundays.

7 5. <u>CHURCH USE OF PARKING LOT</u>. The Church and City agree that the
8 parking lot may be used exclusively for Church use according to the following
9 schedule:

a. Five parking spaces shall be permanently reserved for Churchuse only.

b. Ten times a year fourteen (14) parking spaces may be reserved
for exclusive Church use for one day at a time. This use shall be exercised
by the Church first applying to the City Manager to mark or otherwise indicate
the parking spaces to be reserved. The request shall be made at least seven
(7) days prior to the required date. The spaces referred to shall be in addition to those five (5) spaces exclusively reserved to the Church.

Two (2) times a year one-half the parking spaces in the lot c. 18 may be reserved for exclusive Church use for one day at a time. This use shall 19 be exercised by the Church first applying to the City Manager to mark or other-20 wise indicate the ones to be reserved. The request shall be made at least 21 seven (7) days prior to the required date. The exact number of parking spaces 22 reserved by this section may include the five (5) exclusive parking spaces and 23 will be in part dependent upon the traffic flow and logical segregation of 24 parking spaces according to the design characteristics of the overall parking 25 lot. The Church and City agree to implement this clause in a practical manner. 26

27 6. <u>SUNDAY PARKING</u>. The Church enters into this agreement to secure
28 Page 2 of <u>5</u> pages

additional parking, especially on Sunday. In the event general use of the lot
 by the public on Sundays precludes the Church's use of the lot, then the Church
 and the City agree to meet and resolve the problem within the spirit and intent
 of this agreement, recognizing the needs of both parties hereto.

5 7. <u>PUBLIC USE OF PARKING LOT</u>. Except as specifically set forth 6 herein the City may open the parking lot to the general use of the public at 7 all times other than those specified above, subject to such rules and regula-8 tions it may deem appropriate.

8. MAINTENANCE. The City agrees to maintain the parking lot to City
standards for the duration of this lease. Maintenance shall include the surface
of the lot, sweeping, landscaping, signing, and payment of any utilities.

9. <u>INSURANCE</u>. The City shall name the Church as an insured in its liability insurance policy for the parking lot.

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10. <u>SALE OF PROPERTY/EXPANSION OF CHURCH STRUCTURE</u>. In the event the Church desires to sell the subject property or expand the church structure.onto the subject property, then during the first ten (10) years of the lease, as computed from the date the parking lot is completed and ready for use, the Church shall compensate the City for the cost of building the parking lot based upon a double declining balance of the actual construction costs. The remaining balance shall be deducted in the tenth year. The City shall inform the Church by letter the date the lot is complete and ready for use. This letter shall then become a part of the lease agreement.

a. After the ten (10) year period the Church may terminate the lease agreement if and only if the property is sold or the church expands its structure onto the leased property. Acquisition of a building permit shall be proof of the intent to expand and the City shall forthwith surrender the premises actually required for the building site. An executed deed transferring Page 3 of 5 pages

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the premises shall be proof of sale and the City shall forthwith surrender the property which is the subject of the sale.

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b. In the event a fraction of the property is sold or used by 3 the Church for expansion of its structure then this fractional portion shall be 4 the basis for computing the compensation owed the City. (For example, if one-5 quarter is sold in the first year, the amount due the City will be one-fourth times the balance [after the depreciation based upon the double declining schedule has been computed and deducted for the year].)

PLANNING AND ZONING REGULATIONS. The City agrees to execute and 11. apply for any comprehensive plan or zone changes that may be necessary to build this parking lot without cost to the Church.

RICHT OF FIRST REFUSAL TO PURCHASE PROPERTY. The Church hereby 12. grants to the City the right of first refusal to purchase the property owned by the Church consisting of Lets 3, 4, 5, and 6, Block 4, Rowlands Addition to the Town of McMinnville. The City shall be notified by certified mail from the Church that a binding earnest money has been received from a third party. A copy of this earnest agreement shall be enclosed. The City shall have twenty (20) days from receipt of the certified letter in which to exercise this option at a price equal to or greater than the price offered. Failure of the City to make a counter offer shall be a waiver of the right herein granted.

a. Each earnest money agreement received by the Church shall be sub-21 ject to the procedure herein set forth unless the Church has rejected said offer. 22 This right of first refusal is subordinate to any other rights of ь. 23 first refusal which may exist upon said property unless the holder thereof re-24 linquishes said right. 25

The City agrees that if it purchases the real property described с. 26 in Section 1, City will continue to use said parcel for parking lot purposes. 27 Page 4 of 5 pages 28

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1	13. LOSS OF TAX EXEMPT STA	TUS OF LEASEHOLD. In the event the property
2	described in Section 1 is declared n	ot to be exempt from taxation and is taxed
3	then the City may declare this lease	terminated; or in the alternative the City
4	may negotiate and enter into an agre	ement with the Church for a sharing of the
5	taxes payable based upon use of the 1	lot (the other terms and conditions of the
6	lease to continue in effect).	
7	Dated this 3^{3} day of	<u>(c. r. B. R.</u> , 1978.
8	(CJRPORATE SEAL)	CITY OF McMINNVILLE, a municipal
9		
10		By derman Acata
11		
12		By <u>Marquie & Kertur</u> Recorder
13		UNITED METHODIST CHURCH OF MCMINNVILLE
14		S. C. P. A.
15		By Ring of The Board of Trustees
16	STATE OF OREGON)) ss.	
17	COUNTY OF YAMHILL)	<u>(270868 3</u> , 1978
18	sworn, stated that he is the Mayor, a	ott and Marjorie E. Kerber, who, being nd she, the Recorder of the City of McMinn-
19	voluntarily signed and sealed in beha	to is its seal and that this Lease was lf of the corporation by authority of the
20	City Council of the City of McMinnvil	le. Before me:
21		Notary Public for Oregon
22	STATE OF OREGON)	My Commission expires: 10-15-82-
23) ss. COUNTY OF YAMHILL)	<u>CLIOBER 3</u> , 1978
24	Personally appeared SANFORD	L. BROWN , who, being sworn, stated
25	that he is the Chairman of the Board o	of Trustees of the United Methodist Church ixed hereto is its seal and that this Lease
26	was voluntarily signed and sealed in b McMinnville by authority of its Board	behalf of the United Methodist Church of
27		S. Alton Pon
28	Page 5 of 🧊 pages	Notary Public for Oregon My Commission Expires: 10-15-82
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ORDINANCE NO. 5158

AN ORDINANCE AUTHORIZING AMENDMENT OF 1978 LEASE WITH THE UNITED METHODIST CHURCH OF MCMINNVILLE, ALLOWING FOR ITS TERMINATION UPON 60 DAYS' NOTICE AND WAIVING THE CITY'S RIGHT OF FIRST REFUSAL TO PURCHASE THE PROPERTY.

RECITALS:

WHEREAS, in 1978 the City entered into a lease agreement with the United Methodist Church of McMinnville regarding the parking lot at 544 NE 2nd St. ("1978 Lease"); and

WHEREAS, McMinnville Ministries, Inc. ("Church"), is an Oregon nonprofit corporation, successor in interest to United Methodist Church of McMinnville and Trinity Evangelical Lutheran Church of McMinnville ; and

WHEREAS, in exchange for City contributions toward construction of the lot, the City has performed maintenance since its construction in exchange for availability of the lot for limited public parking; and

WHEREAS, the Church now desires to develop the property for its own operations as well as ground lease a portion of the property to a developer for a mixed-use commercial and residential housing structure; and

WHEREAS, such development requires termination of the 1978 Lease with the City, and waiver of the City's right of first refusal to purchase the property.

NOW, THEREFORE, THE COMMON COUNCIL FOR THE CITY OF MCMINNVILLE ORDAINS AS FOLLOWS:

- 1. The City Manager is authorized to execute an amendment to the 1978 Lease, allowing for termination of the lease upon 60-days' notice by either party.
- 2. The City Manager is additionally authorized to execute a Waiver of Right of First Refusal, waiving the City's right of first refusal to purchase the property.
- 3. This Ordinance will take effect 30 days after passage by the City Council.

Passed by the McMinnville City Council this 25th day of March, 2025 by the following votes:

Ayes:		
Nays:		
MAYOR		
Approved as to form:	Attest:	

City Attorney

City Recorder