

# MINUTES

**January 5, 2023**  
**Historic Landmarks Committee**  
**Regular Meeting**

**4:00 pm**  
**Hybrid Meeting**  
**McMinnville, Oregon**

**Members Present:** Mary Beth Branch, Eve Dewan, Mark Cooley, Christopher Knapp, and John Mead

**Members Absent:**

**Staff Present:** Heather Richards – Community Development Director, Adam Tate – Associate Planner, John Swanson – Senior Planner, and Carrie Richter – Bateman Seidel, Legal Counsel

**Others Present:**

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## 1. Call to Order

Chair Mead called the meeting to order at 4:00 p.m.

## 2. Election of Chair and Vice Chair

The Committee elected John Mead as Chair and Mary Beth Branch as Vice Chair for 2023.

## 3. Citizen Comments

None

## 4. Action Items

### A. Quasi-Judicial Public Hearing: Gwendolyn Hotel

**Request:** Request to demolish three historic resources and build a new five-story hotel with ground floor commercial, roof deck and underground parking structure.

**Docket:** **HL 6-22**, (Certificate of Approval for Demolition, 609 NE Third Street) - Property Owner – Jon Bladine, Oregon Lithoprint Inc.

**HL 7-22**, (Certificate of Approval for Demolition, 611 NE Third Street) - Property Owner – Jon Bladine, Bladine Family Limited Partnership

**HL 8-22**, (Certificate of Approval for Demolition, 619 NE Third Street) - Property Owner - Philip Frischmuth, Wild Haven LLC

**DDR 2-22**, (Downtown Design Review – New Construction)

**Applicant:** Mark Vuong, HD McMinnville LLC

Disclosures: Chair Mead opened the public hearing and read the hearing statement. He asked if any Committee member wished to make a disclosure or abstain from participating or voting on this application. There was none. He asked if any Committee member needed to declare any contact prior to the hearing with the applicant or any party involved in the hearing or any other source of information outside of staff regarding the subject of this hearing. There was none.

Staff Presentation: Community Development Director Richards discussed the demolition applications including the subject site and Third Street context, McMinnville Downtown Historic District, historic significance, McMinnville Historic Resources Inventory, structures requested to be demolished, historic significance vs. historic integrity, architectural assessment, quasi-judicial decision making process, demolition criteria for state and local compliance, supplemental materials, and city process. She explained the concerns about demolition jeopardizing the integrity of the historic district, recommended changes to the conditions of approval, and precedence for demolition. She then reviewed the proposal for replacement with the Gwendolyn Hotel, criteria for the underlying C3 zone and downtown design, supplemental materials, exterior façade changes, findings, height perspective and study, corner perspective, precedence, criteria that was not met, findings, waivers for guidelines, recommended changes to the conditions of approval, and public testimony.

Engineering Project Manager Gooden explained the conclusions of the Contaminated Media Management Plan.

Community Development Director Richards described the traffic impact analysis that was done.

Applicant's Testimony: Andrew Clark, developer, discussed why they had chosen McMinnville for this project. They wanted to fit well into the community.

Garrett Stephenson, legal counsel, discussed the various studies that had been done and findings that had been prepared for the project, which were thorough and rigorous. He explained how the historic value of the buildings had been lost through the years and how this was a great opportunity economically that would be lost by forcing their continued preservation. The criteria for demolition called for a balancing of the factors, and he thought the substantial deferred maintenance, lack of historic integrity, age, less historic significance, less value to the community, and no design or construction rarity—all were in favor of demolition, especially balanced against the economic opportunity of this project. They were fine with the conditions of approval for demolition and he encouraged the HLC to follow staff's recommendation for approval. He also recommended approving the proposed design of the new building.

There was discussion regarding seismic upgrades and potential uses for the buildings, analysis of the residual historic elements, salvaging building materials and Contaminated Media Management Plan, ownership, and making a decision tonight.

Gary Reddick, architect, discussed the concerns that had been raised by the public regarding the design. He discussed the study of the buildings on Third, layout of the proposed hotel, renderings of the new design, pedestrian experience, examples of materials that would be used, street trees, and other pedestrian amenities.

There was discussion regarding impact on lines of sight other than pedestrian and vehicles, adjustment to the setbacks, height of the building, examples of projects that involved historic

rehabilitation, and size and scale of the new building in relation to the other buildings in the historic downtown.

The Committee took a short break.

#### Public Testimony:

**Proponents:** Rachel Flores Juarez, Henderson House, talked about the economic benefit and direct benefits of this project to their clients. These included investment in supporting their work and Construction Excise Tax monies for affordable housing as well as Transient Lodging Tax to the City. She thought there was potential for consumers and work force opportunities.

**Opponents:** Daniel Kiezer, McMinnville resident, thought the massing was still too large for the historic district. The east elevation of the building had no windows. The underground parking might not be done if costs were too high. The only valid argument for this project was the economic benefit, however it would not be a locally run hotel. Retention of the current buildings was in the best interest of citizens.

Margaret Cross, McMinnville resident, wanted to make sure they were not setting a precedent that the best way to gain demolition approval was to let properties deteriorate to the point that rehabilitation was not possible. She was not in favor of the proposed project based on the disproportionate size and possible negative impacts on locally owned small businesses. She did not think the project met Goal 4 of the Comprehensive Plan. The City's requirements were weak in ensuring the architectural integrity of historic downtown, particularly for height. She thought the project should be reduced by one story and the north and east sides needed to be improved. Many projects seemed to be approved on technical grounds based on what they could do rather than what they should do.

Nathan Cubrider, McMinnville resident, talked about the should and shall language in the guidelines and standards. He had in previous testimony asked for a waiver to the should criteria, especially for the glazing. He discussed the guideline waiver process and he thought it should be applied as it had been in the past to this application. He didn't find a definition for block and block frontage in the code but gave definitions from other sources. The reason the criteria and idea of block matter was because this was about scaling development in relationship to existing, historic buildings downtown. He explained how he had scaled two downtown projects, the Chaos project and the Atticus, to this block. He did not think the application met the massing criteria.

Ernie Munch, McMinnville resident, was opposed to the demolition. He discussed the role of the HLC. The buildings being requested for demolition had made a broad contribution to McMinnville's history. He explained how the buildings were important to the history of the automobile industry and had architectural merit. They strengthened the historic district. He thought there would be issues of queuing of guests at the hotel, traffic on surrounding streets, and there was no fenestration, Juliette balconies, or French casement windows in the district but were proposed on the hotel. There might be economic impact, but that could happen in other places more successfully than in this location. He thought the current building on the corner should be documented and recreated. The other two buildings could be restored.

There was discussion regarding the economic viability of restoring the buildings and how this was an important site that showed the true history of the town.

Community Development Director Richards explained how the application was in compliance with Goal 4.

The Committee took a short break.

Rebuttal: Mr. Stephenson responded to the concerns about the process, precedent, and whether the rules and regulations were sufficient. These were not the decisions before the HLC. What was before them was whether or not the project met the applicable criteria. He did not hear testimony that the applications did not meet the criteria. Regarding the massing and bulk, architects handled height, frontage, and breaking up the façade in many different ways. In this case he thought they clearly demonstrated the lengths they had gone to making sure the building emulated on the frontage the width and style of the original buildings. There was no restriction that they could not build more than two stories and they did not need a waiver. The corner building had the appearance of two stories. Preserving the current buildings would be difficult and would not generate enough economic value to be maintained as they should. They also had fairly limited historical value. He thought they met the criteria for demolition.

Mr. Clark discussed how local companies would own and operate the new hotel. They would be putting in the parking garage.

There was discussion regarding adding a condition for architectural salvage, how taking the building down one story was not a consideration at this time due to budget, discretion of the Committee to decide on scale and massing, reasonable basis for approval, height including the elevator shaft, possible changes to the design, design changes imposed as conditions, scale of context elevations, length of time properties were on the real estate market, when partnership with Henderson House started, contributing to affordable and workforce housing, branding the hotel, history of the beams, design negotiables, and recreating a mural on the new building.

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

Community Development Director Richards said originally the applicant submitted a waiver for the height and massing and staff had created a finding that it was not satisfied. The applicant came back with an argument that it was a guideline and not a standard and they did not need a waiver. Staff looked at other decision documents and found waivers were not required for buildings that did not meet that guideline in the past. The other buildings that had been approved met the massing and configuration except for the Chaos building.

Mr. Stephenson said their position as the applicant was that they met that standard.

Chair Mead closed the public hearing.

Deliberation: The Committee deliberated on HL 6-22, Certificate of Approval for Demolition, 609 NE Third Street.

Committee Member Dewan thought the compelling argument to deny was the historic significance.

Committee Member Cooley said they had to take into account economic development as it related to underlying rents to owners of resources, particularly owners of properties in need of significant rehabilitation if they were to be preserved. There was not sufficient financing available for the kinds of rehab necessary given the potential rents. He would like to see the buildings preserved, as he would all the designated buildings, but the struggle was to figure out how. He was concerned that they were reaching a point in time where the costs of preservation and increasing rents made it difficult to keep these buildings. He was not sure if the level of economic development that was already occurring was adequate to preserve the historic buildings.

Committee Member Branch thought the building had a current economic use. Deciding if another use might have more profit was a difficult comparison and not necessarily what the Committee had been tasked with. The financial hardship was specific to the property owners and the property

owners were not the applicant. The building had been under its current ownership for a number of decades. It was not defined by what could make a higher profit to replace an existing property with something else entirely. If they decided that would qualify as financial hardship, she questioned what property downtown would not fall into that category. She did not think it was impossible to bring these buildings up to seismic standards. There was value to historic properties that was not easy to put a dollar sign on, but this was a historic district and the buildings were designated as significant. She did not think it met the financial hardship in criteria 7 or economic use in criteria 2. She thought alternative improvements could be done to the building to make it more profitable that was not so grand. She did not think they should set a precedent for someone to not take care of buildings for years to justify the demolition of not just one, but three buildings that were the only historic buildings left on that block on Third Street. They had to weigh the public interest, which was substantial.

Committee Member Knapp said when they started taking away the historic buildings, they lost an important part of the City. He didn't see any evidence that the buildings could not be repaired. He did not think the application met all the criteria.

Chair Mead thought without the type of investor like the one for the Taylor Dale building that would invest in the buildings and bring them back, these buildings would fall victim to the absence of maintenance. He questioned what was reasonable to expect.

Committee Member Branch said the Committee had to look further out than current market conditions and had to be careful about making decisions too specific to the current conditions of today. Taking three buildings down would change the entire landscape and fabric of the historic district. There were a lot of different things that could be done with these buildings.

There was consensus to deny this application.

Committee Member Dewan was concerned that demolition of these three buildings would affect the eligibility of their national register designation. Also demolishing these buildings would mean there were no remaining original structures on that side of the street and would impact the continuity of the district. She thought they needed to preserve the integrity of the district. Even though the buildings had changed from the original construction, there were still ways to tell on the façade where the automobile bays were located and the stucco job was done before the listing on the national register. Mr. Munch had provided a picture with a Christianson sign on one of the buildings and that connected to Christianson Auto Sales that was now on 99W.

The Committee discussed findings for denial for 609 NE Third Street. The criteria not satisfied were: 2, economic use; 3, value and significance; 4, physical condition; 5, hazard to safety; 6, substantial benefit outweighed the public interest for preservation; 7, economic hardship; and 8, historic resource could be preserved by alternative means.

The Committee discussed HL 7-22, Certificate of Approval for Demolition, 611 NE Third Street.

There was consensus to deny this application based on the same findings as 609 NE Third Street, except that the architectural significance of the structure and design was higher than 609.

The Committee discussed HL 8-22, Certificate of Approval for Demolition, 619 NE Third Street.

There was consensus to deny this application based on the same findings as the two previous applications. There was discussion regarding the length of ownership and economic hardship as well as the structure's significance to the historic district.

The Committee discussed DDR 2-22, Downtown Design Review – New Construction.

There was discussion regarding the height of the proposed building and how the context elevations were shorter, how the Committee did not agree that it had the appearance of two story due to the massing and configuration and the appearance did not mean just at the corner but from all viewpoints, whether the guideline or standard needed to be waived, how using landscaping to reduce the appearance was not enough, proportionality of the bays, and comparison to other new construction projects that had been approved.

There was consensus to deny this application based on the scale and massing as well as proportionality, the applicant did not seek a waiver, it was one building with minimal variations in roof height and design elements, and did not have the appearance of a two story building.

Committee Member Knapp moved to continue the hearing to January 26, 2023. The motion was seconded by Committee Member Dewan and passed 5-0.

#### **5. Committee Member Comments**

None

#### **6. Staff Comments**

None

#### **7. Adjournment**

Chair Mead adjourned the meeting at 11:19 p.m.