ORDINANCE NO. 4840

An Ordinance adopting certain amendments to the McMinnville Urban Growth Management and Urbanization Plan (MGMUP), supporting Findings, Economic Opportunities Analysis, Comprehensive Plan and implementing ordinances.

RECITALS:

On October 14, 2003, the McMinnville City Council adopted the "McMinnville Growth Management and Urbanization Plan" and appendices (MGMUP), and Findings (ORD No. 4796), and the "Economic Opportunities Analysis," (ORD No. 4795), as part of the McMinnville Comprehensive Plan, Volume I. These documents were prepared in response to an analysis of the city's buildable lands and future land needs, which determined that there exists a shortfall of both residential and commercial land necessary to accommodate projected growth needs through the year 2023.

On October 20, 2003, the City provided notice of the ordinance adoptions and periodic review work task submittal to DLCD and interested parties. On April 20, 2004, the Director of the Department of Land Conservation and Development (DLCD) issued a response to written objections and exceptions filed by participants and the City pursuant to OAR 660-025-0160(3).

At the April 22 and September 10, 2004, Land Conservation and Development Commission (LCDC) hearings, the Commission heard oral argument from the City, DLCD staff and objectors and acknowledged certain elements of the MGMUP while remanding others. Portions of the MGMUP that pertain to efficiency measures and lands to be included within the urban growth boundary yet remain to be reviewed by the Commission.

In response to DLCD staff's position as regard these remaining elements, and consistent with the directives of the LCDC Remand Order, staff finds it prudent to propose certain amendments to the MGMUP, its supporting Findings document, the Economic Opportunities Analysis, and Comprehensive Plan and implementing ordinances. Those amendments are specific to the following issues: transit corridor enhancement policy; residential density within neighborhood activity centers (NACs); residential density definitions; amendment of NAC illustrative plans; rezoning of certain properties; accessory dwelling units and residential density; amendments to the C-1 (Neighborhood Business) zone; R-5 (Multifamily Residential) zone design standards; R-4 (Multi-family Residential) zone design reduction of buildable land need for parks.

The City Council held a public hearing on May 24, 2005, at 7:30 p.m. on these proposed amendments after due notice had been given in the local newspaper and to the Oregon Department of Land Conservation and Development. At that hearing, the McMinnville City Council, having received written and oral testimony relevant to these recommendations by City staff and testimony provided by interested parties, and having considered this information and testimony, found the amendments as proposed by staff to be appropriate. Now therefore,

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THE CITY OF McMINNVILLE ORDAINS AS FOLLOWS:

Section 1. That the McMinnville Growth Management and Urbanization Plan (MGMUP) shall be amended as follows:

(a) That Table 7 (page 5-15), Figure 12 (page 7-29), and Attachment 2 (page F-10) be amended by deleting all reference to properties identified as Map ID numbers 1, 2, 3, 8, 11, 12, 13, 14, 17, and 18. Totals within this table and attachment shall be adjusted as follows:

Gross Acres Existing Development Totals: 114.2524.42 96.468.68

Gross Vacant Buildable Acres 16.6715.65

Adjustment to Industrial Buildable Land Supply
Adjustment to Residential Buildable Land Supply
Adjustment to Mixed Use Buildable Land Supply
(2.85)

- (b) That text found in Appendix F in reference to Map ID numbers 1, 2, 3, 8, 11, 12, 13, 14, 17, and 18 be deleted in their entirety.
- (c) That the "Impact on Land Use Efficiency" paragraph, found on pages 5-14 and F-10 be amended to read as follows:

"This measure results in the rezoning of 2010 parcels totaling 114.25-24.42 acres. Of the 11424 total acres, over 96-eight acres were identified as developed in the City's buildable lands inventory. The proposed changes do not affectincrease the amount of buildable commercial land need by less than one acre. They increase the amount of buildable residential land by slightly moreless than 16 acres, while decreasing the amount of buildable industrial land supply be about 1413 acres."

(d) That Table 14 (page 6-16) be amended as follows:

Residential Gross Buildable Acres
Residential Deficit (Surplus)
Commercial Gross Buildable Acres
Commercial Deficit (Surplus)
Industrial Gross Buildable Acres
Industrial Deficit (Surplus)
Industrial Deficit (Surplus)
Industrial Deficit (Surplus)
Industrial Deficit (Surplus)

881.1 880.54
1019.2 1019.76
102.4 101.84
1019.2 106.49
1049.2 106.49
1049.2 106.49
1049.2 106.49
1049.2 105.49
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- (e) That Table 9 (page 5-24) be revised; the subsequent Tables within the MGMUP shall be sequentially renumbered; and that associated text on pages 5-22 and 5-24 be modified as follows:
 - (i) Page 5-22, paragraph three, "Transit Corridor Enhancement Policy, Description:"

"[..] More specifically, the City proposes to adopt policies that encourage higher density residential development within five hundred 1,320 feet of an identified potential transit route (1,000 feetone-half mile wide corridor). Such opportunities are identified as shown in Figure 4. In addition, the City proposes to take action to legislatively rezone certain vacant parcels that now exist within this corridor.

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In general, this policy should seek to realize an average density of ten (10) dwelling units per acre within the transit corridors. [..]"

(ii) Page 5-23 [MGMUP]

That Figure 3 ("Transit Corridor Buildable Lands") be supplanted with the "Residential Density Enhancement Corridor – Buildable Lands – Located outside NACs" map (Exhibit "A").

(iii) Page 5-24 [MGMUP]

"If the City adopts such policies and rezone actions, approximately 32 additional dwelling units (assuming gross density of 10 dwelling units per acre) could be accommodated within the current McMinnville urban growth boundary. A listing of the specific parcels that are proposed for rezoning, and map showing their location is provided in Table 9. The City intends to consider the rezoning of these parcels to permit higher density development as part of its Transportation System Plan analysis, for purposes of determining their potential impact on the City's transportation system and compliance with the State Transportation Planning Rule."

(iii) That Table 9 [MGMUP] be supplanted with the table below:

Table 9. Summary of proposed transit corridor parcel rezonings

Tax Lot No.	Gross Acres	Gross Vacant Buildable Acres	Existing Zone	Historic Density	DU's at historic density	Potential Density	DU's at Proposed Density	Increased DU's	Property Owner
R16BC03201	2.60	2.35	LDR-9000	3.5	8	10	23	15	John Culle
R16BD01600	1.00	0.57	R-3	5.4	3	10	5	2	John Fuller David Logsdon
R4420CB00301 Totals	1.59	1.59	C-3 PD	0.0	<u> </u>	10	15	15	Elton Thayer
Adjustment to Co	5.19	4.51	·····		11		43	32	mayer

Section 2. That Volume II of the McMinnville Comprehensive Plan (Goals and Policies) and Appendix "D" of the MGMUP be amended to read as follows:

a) Policy 71.01 [page D-6, MGMUP]

"The City shall plan for development of the property located on the west side of the City that is outside of designated Neighborhood Activity Centers or planned or existing transit corridors (500 feet either side of the route) to be limited to a density of six units per acre. Property that is located within a one-half mile wide corridor centered on existing or planned public transit routes, or within one-quarter mile from neighborhood and general commercial shopping areas is not subject to this density limitation, but shall be subject

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to other locational and density related policies contained elsewhere in the McMinnville Comprehensive Plan. In order to provide for higher density housing on the west side, sewer density allowances or trade-offs shall be allowed and encouraged."

b) Policy 71.09 [page D-8] and text under "Medium-Density Residential (R-3 and R-4)," page 7-24, MGMUP

"The majority of residential lands in McMinnville are planned to develop at medium-density range (4 — 8 dwelling units per net acre). Medium density residential development should be limited to the following uses include small lot single-family detached uses, single family attached units, duplexes and triplexes, and townhouses:"

c) Policy 71.11 [page D-9, MGMUP]

"High-Density Residential (R-5) — High density residential contains housing includes townhouses, condominiums, and apartments, with at densities of anywhere from 8 to 30 units per acre, depending on where the high-density dwellings are located (the highest densities being in the downtown commercial core." Typical uses include townhouses, condominiums, and apartments."

- d) Policy 71.13 [page D-10, MGMUP]
 - "6. Areas within a 1,000-foot <u>one-half mile</u> wide corridor centered on existing or planned public transit routes.
 - 7. Areas within ene-eighth one-quarter mile from neighborhood and general commercial shopping centers or designated activity centers; and"
- e) Policy 90.00 [page D-12, MGMUP]

"Greater residential densities shall be encouraged to locate within one-quarter mile from neighborhood and general commercial shopping centers, within neighborhood activity centers and within a one-half mile wide corridor centered on existing or planned public transit routes the corridors that connect them with densities decreasing as distances increase from these larger traffic capacity roads."

(f) That a new Plan Policy 163.05 be added as follows:

"The City of McMinnville shall locate future community and neighborhood parks above the boundary of the 100-year floodplain. Linear parks, greenways, open space, trails, and special use parks are appropriate recreational uses of floodplain land to connect community and other park types to each other, to neighborhoods, and services, provided that the design and location of such uses can occur with minimum impacts on such environmentally sensitive lands."

Section 3. That the McMinnville Zoning Ordinance and Appendix E of the MGMUP shall be modified to read as follows:

(a) Section 17.21.010(C) [MGMUP page E-16] shall be modified as follows:

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- "C. Multiple-family dwelling subject to the following:
 - 1. The property on which the use will be located has direct access from a major collector or arterial street; and
 - 2. The property is located within 5001.320-feet of a planned or existing transit route;
 - 3. The property is within one-quarter mile from a-planned or existing neighborhood or general commercial shopping areas.";-and
 - 4. Adjacent lower density residential development can be adequately buffered from the multiple-family dwelling(s) in order to maximize the privacy of established low-density neighborhoods.
- (b) That Section 17.22.055 [MGMUP page E-20] shall be deleted in its entirety.
- (c) That Section 17.33.010 (3) shall be amended to read as follows:
 - "[...] (3). Multiple-family dwelling subject to the provisions of the R-4 zone."
- (d) That Section 17.27.050, Lot Coverage, shall be deleted in its entirety.
- (e) That Section 17.27.030(A) shall be amended as follows:
 - "A. There shall be a <u>no required</u> front yard-of-not less than thirty-feet;"

Section 4. That the MGMUP Findings document shall be amended as follows:

- (a) That properties identified as Map ID numbers 1, 2, 3, 8, 11, 12, 13, 14, 17, and 18 be removed from Table 73 [MGMUP Findings page 147].
- (b) That the "Totals" provided in Table 73 [MGMUP Findings page 147] be consistent with those noted in Section 1 (a) of this ordinance.
- (c) That the "Impact on Land Use Efficiency" text (page 146) be amended to read as follows:

"The October 2003 MGMUP included the rezoning of 20 individual parcels as a means of adding additional residential or commercial land capacity to the city's inventory, and, in some cases, to simply correct inappropriately applied zoning (residence zoned for industrial use in an area of other residential zoning, for example). Information regarding these parcels is found in Appendix F of the October 2003 MGMUP.

In their April 20, 2004 staff report to LCDC, the DLCD noted their objection to the rezoning of these 20 parcels, citing the need for a traffic analysis for each parcel to demonstrate compliance with Goal 12 (Transportation) requirements.

On September 10, 2004, the LCDC approved the City's rezoning of seven of these parcels. This action was taken following DLCD staff's amended recommendation to their Commission and after DLCD's consultation with staff from 1000 Friends of Oregon during a recess occurring at the September 10th hearing. Subsequently, when the hearing reconvened, DLCD recommended to the Commission that seven of those 20 parcels,

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totaling 4.4 gross vacant buildable acres - for which no traffic analysis was either provided or requested - be so rezoned.

On February 8, 2005, the City took action to adopt additional traffic analysis and findings in support of the rezoning of three parcels that comprise the "brickyard properties" adjacent to South Davis Street. These three parcels were part of the 20 parcels originally objected to by DLCD and 1000 Friends as part of the MGMUP. In a letter dated October 4, 2005, DLCD approved the rezoning of these three properties as adopted by the McMinnville City Council.

In attempting to determine the standards under which the remaining rezoned parcels would be reviewed, the City requested clarification from DLCD. In a letter dated February 16, 2005, to the McMingville Planning Department, DLCD states that for the remaining 10 parcels, the City should compare the daily and peak hour trip generation of each parcel under both the existing and proposed zoning designations. If the result is lower (or equal) under the proposed zoning, the City can conclude there will be no significant traffic impacts on transportation facilities. If the traffic impact would be higher under the proposed zoning, the City will need to evaluate and conclude whether this increased traffic will create a significant impact on transportation facilities.

A much needed perspective on this issue is that of these remaining 10 parcels, eight are improved and yield no additional developable land. They include the publicly held Airport Park property, a portion of the former McMinnville Concrete Products business located on Highway 99W, the Evergreen Doe Humane Society property on Three Mile Lane, an extension of the Doran Auto Dealership property located on 3rd Street (to include an 8,200 square foot parcel), and one 13,000 square foot parcel on which is constructed a single-family home. The two remaining parcels (a one-half acre parcel located at the intersection of South Davis and College Avenue owned by Linfield College, and the rear portion of the McMinnville Concrete Products property) yield approximately a combined one-acre of vacant developable land, or some four times less than was approved by LCDC on September 10 following consultation between DLCD staff and 1000 Friends.

Given the amount of effort and expense necessary to conduct the requested traffic analysis, and uncertainty as to future objections regarding this issue, City staff asked DLCD as to the City's obligation to complete this work. In their letter dated March 14, 2005 DLCD concurs that the City is not required to rezone any of these properties as part of the MGMUP (See the letter from Geoff Crook, DLCD Regional Representative, to Doug Montgomery, McMinnville Planning Director, dated March 14, 2005). As such, the City has amended the October 2003 MGMUP by removing reference to those parcels not already approved by LCDC. Individual plan and zone change amendments as regard each of these properties may be processed at any time in the future as Post Acknowledgment Plan Amendment applications.

In summary, this measure results in the rezoning of 2010 parcels totaling 114.25 23.53 acres. Of the nearly 11421 total acres, 7.91 acres were identified as developed in the City's buildable lands inventory. The proposed changes do not affectincrease the amount of buildable commercial land need by less than one acre. They increase the amount of buildable residential land by 15.62 acres, while decreasing the amount of buildable industrial land supply by 12.77 acres."

ORD No. <u>4840</u> Page 6 (d) That certain text within the "Land Supply and Need, Comparison and Conclusions" section (page 14 – 17) be amended as follows:

"The redesignations add commercial and residential land, and remove land from the industrial and mixed-use designations."

"The land redesignations shown in Tables 11 and 12 will add approximately 16 acres of buildable land to residential uses. At an average density of 5.9 dwelling units per gross residential acre, the proposed land redesignations would accommodate approximately 925 new dwelling units."

(e) That Table 11 [page 15] be amended as follows:

 "Commercial Industrial
 0.40 0.00 (13.8212.77)

 Mixed Use Residential
 (2.85)

 16.18 15.62"

- (f) That Table 12 [page 15] be amended to read consistent with Table 14 of the MGMUP, as amended in Section 1 (d) of this ordinance.
- (g) That Table 75 [page 154] be revised, the subsequent Tables within the document shall be sequentially renumbered, and that associated text on page 154 be modified consistent with the amendment described in Section 1 (e) of this ordinance, and as follows:

"To further support this policy, the city finds the following:

The "transit corridor" referenced in the October 2003 McMinnville Growth

Management and Urbanization Plan (MGMUP) is centered on the transit routes as identified in the adopted McMinnville Transit Feasibility Study (June 1997). The residential density enhancement corridor adopted by the City as an efficiency measure of the October 2003 MGMUP is 1,000 feet in width (slightly less than one-quarter mile), centered on the adopted public transit route.

In DLCD's Responses to Objections (dated March 30, 2004), DLCD noted that the standard in the planning profession for transit supportive bus service is to utilize a residential density enhancement corridor width of 2,640 feet (1,320 feet on each side of the transit route). Due to the spacing of the City's existing and planned transit routes, a one-half mile wide residential density enhancement corridor would encompass some seventy percent of all land within McMinnville's existing Urban Growth Boundary (UGB). All land within these corridors would not, however, make them eligible, or appropriate for, higher density housing. Such final determinations would be based upon this transit supportive criterion, as well as other criteria found in Plan Policy 91.00, and other zone change criteria (to include compatibility). Application of such criteria, coupled with the limited supply of land inside the current urban growth boundary, will limit considerably the opportunities for increased density within these corridors (outside of NACs).

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As part of its recommendation, DLCD notes that a program must be implemented to achieve an average of 10 dwelling units per acre (du/ac) within the corridor by identifying additional vacant, underdeveloped, and redevelopable parcels that may be suitable for medium- and high-density housing within this half-mile wide corridor (emphasis added). The City conducted an exhaustive buildable lands analysis, which is thoroughly documented in the "McMinnville Residential Land Needs Analysis" as amended. As a result of this analysis six properties were identified within the current McMinnville UGB that are vacant, underdeveloped, or redevelopable and situated within a 500-foot distance of proposed and existing transit routes. Since the adoption of the MGMUP in October 2003, five of the six properties proposed for rezoning to allow higher density residential use have since developed leaving only one such opportunity.

Application of this policy to property located within one-quarter-mile of proposed and existing transit routes yields three additional higher density housing opportunities. If the City were to adopt this density enhancement policy, and find it appropriate to rezone these properties (consistent with TPR, zone change criteria, etc), approximately 32 additional dwelling units (assuming a gross density of 10 dwelling units per acre) could be accommodated within the current McMinnville urban growth boundary. When applying the locational criteria of Plan Policy 91.00, the small number of properties is further reduced. Based upon a thorough review of buildable and redevelopable lands within the previously described corridor, the City finds that a program to achieve an average density of 10 dwelling units per acre within the proposed corridor cannot be achieved.

Although opportunities do not exist to enable achievement of an average residential density of ten dwelling units per acre within one-quarter mile of transit routes, the City finds that the adoption of this policy as a means of encouraging such housing within one-quarter mile of a transit route, when coupled with other locational criteria, is an appropriate policy.

(h) That the "Goal 8 (Recreation Needs) findings be supplemented with the following text (pages 84 - 85):

LCDC's Remand Order (December 3, 2004) notes that testimony was provided at their September 10, 2004 hearing alleging that the city could accommodate a greater portion of its identified need for parks on land within the 100-year floodplain or on facilities shared with Linfield College or the school district, rather than on buildable lands. In response to this testimony, the City finds the following:

In DLCD's Responses to Objections (dated March 30, 2004), DLCD directs the City to take two actions to reduce community park land need: 1) assume future community parks will use floodplain land the same as has been used in the past; and, 2) reduce overall future parkland needs based upon the potential for sharing of such needs with the McMinnville School District and Linfield College.

By way of background, the City's Parks, Recreation and Open Space Master Plan was produced following a nearly two-year long citizen led planning process which included the direct involvement of over 500 McMinnville residents. This process included "in-house" departmental and inter-departmental workshops and interviews.

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a thorough inventory of existing facilities and services, stakeholder interviews, a community-wide survey mailed to each of the more than 10,000 households in McMinnville, patron surveys at the various City recreation facilities, two community workshops soliciting citizen participation, several working sessions with the Parks Citizens' Advisory Committee, and, ultimately, public hearings before the Planning Commission and City Council. This plan was adopted in 1999.

The Parks, Recreation and Open Space Master Plan includes land need projections for three of the seven identified park types currently found within McMinnville, those being for community parks, neighborhood parks, and greenspace/greenways. No additional land has been allocated for future mini-parks, linear parks, special use parks, or trails as no standards for such projections were provided in the Master Plan. Currently, these latter park types occupy approximately 45 acres of land in McMinnville, all of which are situated on buildable land outside of identified 100-year floodplains.

Based upon the wording of DLCD's recommendation, the only parkland need projection in question is for community parks. To address DLCD's concern regarding the community parkland need projection, the City observes the following:

- McMinnville currently has five community parks: Joe Dancer Park; Wortman Park; Kiwanis Park; Discovery Meadows Park; and, City Park. According to the McMinnville Parks and Recreation Director, all of these parks are fully developed.
- Three of these existing community parks have lands within the 100-year floodplain (Joe Dancer, Kiwanis, and City Park). Approximately 52 percent of these three park's total land area is constrained by floodplain.²
- The City finds, based upon its extensive history of maintaining parkland in the floodplain, that it is fiscally unsound, environmentally irresponsible, and not in the best interests of its citizens to continue past practices of locating community parks within areas prone to flooding. It also holds strongly to the belief that the City's past use of floodplain land for community park purposes should not, and does not, restrict its ability to modify such practice if in doing so it is fiscally sound, environmentally responsible, and in the best interests of the residents of McMinnville.

The City also finds that allocating additional floodplain land for community park purposes to be impractical given the location of future growth, dispersal pattern of existing community parks, recommendations contained in the Parks, Recreation and Open Space Master Plan, lack of such constrained land in areas most appropriate and likely to accommodate future community park use, and availability of land on which to construct such parks. The City does find, however, that linear parks and trails (additional parks types identified in the Master Plan for which additional land is needed but not projected as the Master Plan did not provide a projection ratio) are appropriate to locate along the edge of, or within,

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¹ Conversation with Jay Pearson, Parks and Recreation Director, April 7, 2005.
² Acreage figures based upon analysis of City GIS maps, April 2005.

identified floodplain areas for the reasons stated in the City's Parks, Recreation and Open Space Master Plan. More specifically:

- Extensive flooding occurred within the boundaries of Joe Dancer Park and Kiwanis Park in February, 1996. This flood caused thousands of dollars of damage to baseball backstops, benches, soccer goals, the concession stand, parking facilities, trails, accessways, irrigation system, and landscaping within the park. Similar flooding and damage occurred also to Lower City Park. Similar flooding and damage occurred also to Lower City Park. Based upon this event, and many others that have preceded this flood, the City finds it fiscally unsound to plan for future community parks that would occupy lands prone to flooding. In so dollar, expenses required to repair reoccurring flood related damage can be minimized, thereby allowing other preseling parkland needs to be addressed.
- Lands within floodplain areas are typically unsuitable for community park use for much of the year due to the presence of standing water or soggy conditions. McMinnville Parks and Recreation spring and fall soccer games scheduled on fields located within the 100-year floodplain are routinely cancelled during periods of heavy seasonal rain to prevent damage to the fields. Such conditions are not compatible with the needs of a community park or the residents of McMinnville.
- As a practical matter, use of floodplain land for community park purposes is predicated upon such lands being present and within the immediate vicinity of where community parks are needed or planned. Specific to McMinnville's situation, the Parks, Recreation and Open Space Master Plan identifies the location for a future community park. This site is generally situated within the west hills of McMinnville, far from any identified floodplain.⁴
- As regard DLCD's recommendation to adjust the City's allocation of parkland need based upon the potential for sharing park facilities with the School District and Linfield College, the City finds the following:
 - Linfield College is located in southern McMinnville, adjacent to a future elementary school site and existing industrial uses to the south, developed residential neighborhoods to the east, and commercial and residential uses to the west. This is a well-established neighborhood and there exists no additional vacant land on which to construct a neighborhood or community park. As indicated below, Linfield College intends to retain ownership of the balance of its currently vacant lands for its future campus needs.

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³ Similar damage has happened in prior years, but we are able to document this only through conversation with the Parks and Recreation Director; no photographs are available to document the extent of damage, however.

⁴ The Plan does not identify a specific site within the west hills on which this future community park would be located. Even so, the nearest floodplain lands are more than two miles away.

- The residents of McMinnville enjoy many of the athletic facilities available on McMinnville School District and Linfield College campus property. These include gymnasiums, track, stadiums (for football), and field house (swimming, diving). However, the City's parkland needs are specific to neighborhood parks, community parks, and greenway/greenspace/natural areas. These are not land needs of the School District or Linfield College and are specific to the City. The schools and Linfield College do not provide, nor, as observed below, is there potential for, sharing of such parkland needs.
- The City's adopted Parks, Recreation and Open Space Master Plan does not include a recommendation for a community park within or adjacent to the Limited campus. Other community parks exist to the west (Discovery Meadows Park, less than one mile distance) and Joe Dancer Park and Kiwanis Park to the northeast (approximately one rille distance). This area of McMinnville is already well served by such parks.
- City staff has consulted with the McMinnville Parks and Recreation Director, McMinnville School District Business and Finance Director, and Linfield College Vice-President of Finance as regard the potential of sharing park facilities.⁵ In summary, Linfield College intends to retain the balance of its campus property for its own use. Further, they express doubts that any joint use of facilities would work. The McMinnville School District provided a similar response.
- In addition to consulting with the above individuals, the City has looked to its
 own Parks, Recreation and Open Space Plan. Based upon this plan's review
 of such facilities, it finds the following: "It should be noted that the existing
 level of service for recreation facilities includes school facilities, many of
 which are in substandard condition and may not adequately meet community
 needs."

Section 5. That the McMinnville Comprehensive Plan Map shall be amended as follows:

(a) That Map ID numbers 1 and 2, as shown on Table 7, page 5-15, be amended from a Commercial designation to an Industrial designation.

(b) That Map ID number 3, as shown on Table 7, page 5-15, be amended from a Residential designation to an Industrial designation.

(c) That Map ID number 8, as shown on Table 7, page 5-15, be amended from an Industrial designation to a Mixed Use designation.

(d) That Map ID numbers 11, 12, 13 and 14, so shows a Tible 7.

That Map ID numbers 11, 12, 13 and 14, as shown on Table 7, page 5-15, be amended from a Commercial designation to a Mixed Use designation.

(e) That Map ID number 17, as shown on Table 7, page 5-15, be amended from a Commercial designation to a Residential designation.

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⁵ Conversations with Mr. Jay Pearson, McMinnville Parks and Recreation Director, April 13, 2005; and Mr. David Horner, McMinnville School District Director of Business Services, April 14, 2005; and email from Mr. Carl Vance, Linfield College Vice-President, Finance and Administration, April 15, 2005.

- (f) That Map ID number 18, as shown on Table 7, page 5-15, be amended from a Residential designation to an Industrial designation.
- (g) That Figure 13, page 7-30, be amended consistent with the above noted plan amendments.

Section 6. That the McMinnville Zoning Map shall be amended as follows:

- (a) That Map ID number 1 as shown on Table 7, page 5-15, be amended from a C-3 zone to an M-1 zone.
- (b) That Map ID number 2, as shown on Table 7, page 5-15, be amended from a C-3 zone to an M-1 zone.
- (c) That Map ID number 3, as shown on Table 7, page 5-15, be amended from an R-3 zone to an M-1 PD zone.
- (d) That Map ID number 8, as shown on Table 7, page 5-15, be amended from an M-2 PD zone to an A-H zone.
- (e) That Map ID numbers 11 and 14, as shown on Table 7, page 5-15, be amended from a C-3 zone to an A-H zone.
- (f) That Map ID numbers 12 and 13, as shown on Table 7, page 5-15, be amended from a C-3 PD zone to an A-H zone.
- (g) That Map ID number 17, as shown on Table 7, page 5-15, be amended from a C-3 PD zone to an R-4 zone.
- (h) That Map ID number 18, as shown on Table 7, page 5-15, be amended from an R-4 PD zone to an M-2 zone.

Section 7. That pages 6-4 through 6-7 of the Economic Opportunities Analysis, and Appendix B, Table 14 of the MGMUP be amended consistent with the text found in Exhibit "B," a copy of which is attached hereto and incorporated herein by this reference.

Section 8. That, for purposes of administering the provisions of ordinance, the amendments described herein shall not take effect until and unless approved by the Land Conservation and Development Commission as part of the City's current periodic review work program related to the expansion of the McMinnville Urban Growth Boundary.

Section 9. That this ordinance shall be subject to the terms and conditions of Ordinance No. 3823 entitled "Initiative and Referendum" for a period of thirty (30) days.

Passed by the Council this 11th day of January, 2006, by the following votes:

Ayes: <u>Hansen, Hill, Menke, Olson,</u>	Yoder	·
Nays:		
Approved this 11th day of January	2008 ⁻	κ.

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COUNCIL PRESIDENT

ATTEST:

City Recorder

Approved as to form:

CITY ATTORNEY

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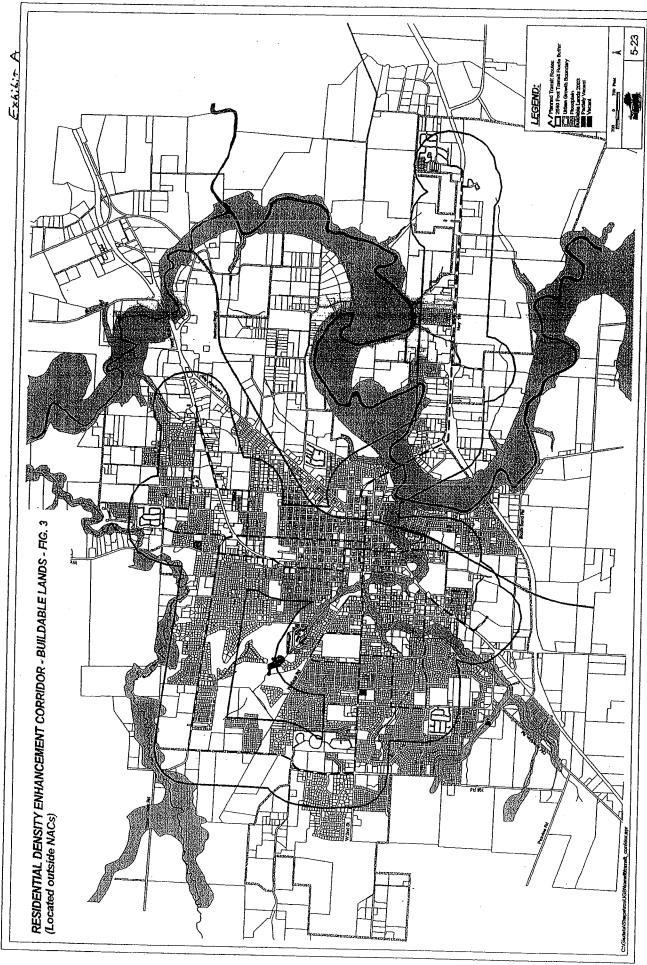


Exhibit B

McMinnville Economic Opportunities Analysis Addendum

An Element of the City of McMinnville Comprehensive Plan January 2006

ECONOMIC OPPORTUNITIES ANALYSIS

Background

The City of McMinnville and Yamhill County Commission adopted the *McMinnville Economic Opportunities Analysis* (EOA) as part of the overall Growth Management and Urbanization Plan. The City received comments from 1000 Friends and DLCD pertaining to the section of the plan as regard employee per acre and employee per square foot assumptions (Appendix B, pages B-17 and B-18) and the EOA (pages 6-4, 6-6 and 6-7).

The City notes that provision of a floor area ratio (FAR) analysis is not required by statute and is not utilized in the EOA land needs model or otherwise relied upon for calculation of projected land use needs. Discussion of FARs would more appropriately occur during the policy phase of this project.

Considerable debate concerning the employment land need revolved around employee per acre assumptions. Table 4 shows existing employee per acre assumptions for McMinnville in 2003. The data show that the City had about 18 employees per net acre for commercial development and about 4 employees per net acre for industrial. These figures are considerably lower than the assumptions made in the EOA and Appendix B of the MUGMP.

Table 4. Actual employee per acre ratios, 2001

			, , ,
Plan Designation	2001 Employment (est)	2001 Developed Acres	EPA
Commercial	8,863	482.7	18,4
Industrial	4,450	1226.9	3.6
Public	964	na	0.0
Total	14,277	1709.6	8.4

Source: Tables 5-7 and 6-4 of the McMinnville Economic Opportunities Analysis, 2001 employment figures extrapolated from 1999 base year.

The City of McMinnville makes the following findings based on the employee per acre analysis shown in Table 4:

 The actual employee acre ratios for commercial and industrial uses are lower than the assumptions to estimate commercial and industrial land need. The implications of this finding is that the assumptions may underestimate the amount of land needed for commercial and industrial uses if future development occurs at historical densities.

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 McMinnville's growth management policies are intended to encourage future commercial and industrial development at higher densities. Given this policy, the higher employee per acre assumptions used for the land need forecasts are appropriate.

Thus, the employee per acre analysis (Table 4) supports the assumptions used in the Economic Opportunities Analysis and Appendix B of the MUGMP.

Proposed Amendments

Economic Opportunities Analysis

The text that follows is taken from pages 6-4 through 6-7 of the EOA. The proposed amendments are consistent with testimony by City staff and ECONorthwest at the September 2004 Land Conservation and Development Commission hearing. That testimony underscored that the land needs estimates were based solely on the employee per acre assumptions. The proposed amendments that follow are consistent with the original methodology and are intended to clarify the methods.

These amendments are:

"The next step in the analysis is to convert employment into land demand. Several assumptions must be made to convert employment growth to demand for land by the four land use categories shown in Table 6-1:

• Percent of total employment growth that requires no commercial or industrial built space or land. Some new employment will occur outside commercial and industrial built space or land. For example, some construction contractors may work out of their homes, with no need for a shop or office space on non-residential land. The Census reports 4.4% of workers in McMinnville worked at home in 1990. Metro, in its September 1999 Urban Growth Report Update applies a sector-level "home occupation" factor in its analysis of land needed for non-residential uses. The factor ranges from 0% for the Government sector to 15% for the Service sector. We use an aggregate assumption of 5% for this study.

This figure is slightly higher than the 4.4% reported by the Census in 1990 for McMinnville, and lower than the aggregate assumption of 11% for Metro. Census data, however, indicate that cities tend to have much lower rates than the Metro assumptions. The statewide percentage of persons that worked at home was 3.6% in 1990 and ranged from a low of 0% in 18 incorporated cities to a high of 15% in Coburg. The assumption used in this report accounts for a slightly increased rate of home employment.

 Percent of employment growth on non-residential developed land currently developed. Some employment growth will be accommodated on existing developed land, as when an existing firm adds employees without expanding

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space. There is little empirical research on the amount of employment growth accommodated in existing developments. This factor overlaps with other assumptions: if a jurisdiction has high vacancy rates or large amounts of square footage per employee, then more of the future employment growth can be accommodated in existing buildings. We assume rates between 7% and 10% depending on the land use category.

- Vacancy rate. Some employment growth can be accommodated in vacant buildings on non-residential land; for example, a new business can open in a vacant store. Interviews with local realtors suggest that vacancy rates in McMinnville, as elsewhere, are cyclical. For example, while vacancy rates for commercial and industrial structures in McMinnville have been relatively low (less than 5%) in recent years, vacancy rates during a good portion of the 1980s were over 10%. Local realtors suggested that 5% is a good assumption for long-term commercial and industrial vacancy rates in McMinnville.
- Employees per acre. This variable is defined as the number of employees per acre on non-residential land that is developed to accommodate employment growth. There are few empirical studies of the number of employees per acre, and these studies report a wide range of results. Ultimately the employees/acre assumptions reflect a judgment about average densities and typically reflect a desire for increased density of development. Employees/acre ratios used in a recent analysis of land demand for the City of Salem were 22 for commercial and office, 11 for industrial, and 35 for government. The Lane Council of Governments assumed an aggregate employee per acre ratio of about 25 for the 1992 Eugene-Springfield Metropolitan Area Industrial Lands Study.

For this study we assume the same employee per acre ratios as the Salem study: 22 for commercial and office, 11 for industrial, and 35 for public.

Floor area per employee. The few studies that exist report a wide range of results for the amount of built space (square footage) per employee. This assumption reflects a judgment about average densities and typically reflects a desire for increased density of development. Square feet per employee assumptions used in a recent analysis of land demand for the City of Salem were 350 for commercial and office, 650 for industrial, and 400 for government.

For this study, we use the same floor area per employee assumptions as the Salem study: 350 sq. ft. for commercial and office, 650 sq. ft. for industrial, and 400 sq. ft. for public.

• Implied Floor Area Ratio (FAR). This is a measure of the floor area ratio (FAR) calculated by the assumptions of employees per acre and built space per

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¹ Salem Futures Bulldable Lands Analysis, Mid-Willamette Valley Council of Governments, October 2000.

employee. This measure is included to indicate the reasonableness of the assumptions for land and built space per employee.

Percent of employment growth on redeveloped land. Some employment
growth will be accommodated on land that is redeveloped—for example, an
existing building that is renovated or torn down and replaced with a new building.
Redevelopment potential can be estimated from the supply side or the demand
side.

Supply side methods typically use an improvement-to-land value ratio threshold to identify lands with redevelopment potential. Lands below the threshold are considered potentially redevelopable: the lower the value of improvements relative to the value of land, the more likely is redevelopment. An improvement-to-land value ratio of 1 to 1 is a common threshold. This method has several limitations, the chief of which is that a higher probability of redevelopment is not a certainty of redevelopment. Not all land (perhaps not even a majority of it) below the threshold will redevelop, and some of it above the threshold will redevelop. Many factors—for example, location, economic conditions, and technology—affect the functionality of land. The improvement-to-land value ratio only considers the value of improvements on the site.

More robust supply-side models look at the value of improvements on the site and nearby sites. This approach considers the broader character of the area and the relative value of improvements on the subject site compared to uses surrounding the site. This approach typically considers properties with improvement values 50% or less of surrounding sites as having redevelopment potential.

Less common, but in our opinion superior for the purposes of estimating future consumption of buildable land, are demand-side methods, which assume that a certain percentage of new employment will be accommodated on sites that are classified as developed. This approach considers complicating factors such as home employment, increases in the efficiency of space use, increases in employment density, as well as redevelopment. Metro uses this approach for its studies. The details are discussed in a 1999 Metro memorandum titled *Nonresidential Refill (Redevelopment and Infiil)*.

Based on conversations with local realtors and review of studies by Metro and the City of Salem, we assume that redevelopment will accommodate 5% of the forecasted growth in employment for all employment types.

Redeveloped land relative density. Redevelopment of land generally increases
the employment density on that land. An assumption of 50% indicates that
employment density on redeveloped land will be 50% greater than the
assumption of density applied to vacant land.

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Table 6-2 summarizes the assumptions used to develop non-residential land demand estimates.

Table 6-2. Assumptions for non-residential land demand

	Land Use Type				
Assumption	Commercial	Office	Industrial	Public	
% of total emp growth that requires no non-res				, apuc	
built space or land	5%	5%	5%	1%	
% of emp growth on existing developed land	5%	5%	7%	7%	
Vacancy rate	5%	5%	5%	5%	
Emp/ acre	22.0	22.0	11.0	35.0	
Sq. ft. floor area/ emp	350	350	6 5 0	400	
Implied Floor Area Ratio (FAR) Redeveloped Land	0.48	0:18	0,18	0.32	
% emp growth on redev. land	5%	5%	5%	5%	
Relative density increase (emp/acre,	50%	50%	50%	50%	

Source: ECONorthwest.

Table 6-3 shows the results of applying the relevant assumptions (summarized in Table 6-2) to allocate the projected employment growth to 2023. McMinnville will have approximately 6,141 employees to accommodate in new building space, with approximately equal shares (about 30% each) for commercial, office, and industrial uses. The assumptions lead to the result that about 18% of future employment growth (1,120 jobs) will be accommodated through expansions or redevelopment on existing lands, and by home based employment. This assumption is slightly lower than the 21% Metro uses for the redevelopment and infill in its buildable lands studies. Approximately 364 new jobs will be accommodated on redeveloped land.

Table 6-3. Allocation of employment growth in McMinnville, 1999-2020

Туре	Total emp growth	Requires no non-res built space or land	On existing developed land	On redev.	Requires vacant non- res land
Commercial	2,179	109	109	109	
Office	2,092	105	105		1,852
Industrial	2,212			105	1,777
Public	•	111	155	111	1,835
	778	8	54	39	677
Total	7,261	333	423	364	
Source: ECONorthur			750	- 004	6,141

Table 6-4 shows the amount of new land and built space needed for each land use type in McMinnville over the 2003-2023 period. The amount of land needed (in acres) is calculated by dividing employment growth that will require new space (the last column of Table 6-3) by the employees/acre assumption in Table 6-2 (middle row) for each land use type, with an adjustment for vacancy. Square feet of building

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space needed is calculated by multiplying employment growth that will require new building space by the square feet per employee assumption in Table 6-2 for each land use type, with an adjustment for vacancy.

Table 6-4. McMinnville <u>vacant</u> land and <u>new</u> built space need by land use type, 2003–2023

Land Use Type	Acres vacant of lan		Sq. Ft. of new building- space		
Commercial	88.6	24%	682,316	24%	
Office	85.0	23%	654,684	23%	
Industrial	175.6	48%	1,255,526	44%	
Public	20.4	6%	285,053	10%	
Total	369,6	100%	2,877,579	100%	

Source: ECONorthwest.

Table 6-4 shows that about 370 acres of <u>vacant non-residential land-new development</u> and 2.88 million square feet of building space are needed to accommodate the 6,141 new employees forecasted for the next 20 years to be accommodated in buildings that will be constructed on vacant land. Industrial uses are projected to need the most building space, almost 1.26 million square feet. About 1,120 new employees will be accommodated on existing developed or redeveloped land."

Staff also recommend amendments to Appendix B of the MUGMP. The specific pages are on B-17 and B-18. The recommended amendments are shown below. These amendments are:

"Land needed for employment, 2003-20232

Table 13 shows total employment growth by land use type in McMinnville for 2003, and 2023. The forecast of employment is derived from employment data shown in Table A-4 of the memorandum titled "Justification for Population and Employment Projections." The employment projection indicates McMinnville will add 7,420 new employees between 2003 and 2023.

² Land need includes lands designated for commercial and industrial uses needed for employment and for public and semi-public uses that will locate on commercial and industrial lands.

Table 13. Total employment growth by land use type in McMinnville UGB, 2003–2023

Land use			Growth	
category	2003	2023	2003-2023	Percent
Commercial	3,302	5,540	2,239	30%
Office	5,873	7,978	2,105	28%
Industrial	4,600	6,870	2,269	31%
Public	966	1,773	807	11%
Total	14,741	22,161	7,420	100%

Source: ECONorthwest.

The land need estimates that follow are based on the same set of assumptions described in Chapter 6 of the *McMinnville Economic Opportunities Analysis*.

Table 14 shows the amount of new land and built space needed for each land use type in McMinnville over the 2003–2023 period. The results indicate McMinnville will need approximately 367 gross acres to accommodate employment for the 2003–2023 period. An additional 122 acres of commercial and industrial land is needed for public and semi-public uses in addition to those needed for employment shown in Table 14.³

Table 14. McMinnville <u>vacant</u> land and <u>new built</u> space needed for employment by land use type, 2003–2023

Land Use Type	Acres vacant of lan		Sq. Ft. of new	•
Commercial	88.6	24%	682,316	24%
Office	85.0	23%	654,684	23%
Industrial	175.6	48%	1,255,526	44%
Public	20.4	6%	285,053	10%
Total	369,6	100%	2,877,579	100%

Source: ECONorthwest.*

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³ ECO estimates land needed for public and semi-public uses (not including parks) at 197.2 total acres. Not all of this land need will occur on commercial and industrial lands. ECO estimates that public and semi-public uses will require 75.2 residential acres. Thus, 197.2 – 75.2 = 122.0 non-residential acres).

ORDINANCE NO. 4841

An Ordinance adopting certain amendments to the McMinnville Urban Growth Management and Urbanization Plan (MGMUP), supporting Findings, Economic Opportunities Analysis, and Comprehensive Plan and implementing ordinances.

RECITALS:

On October 14, 2003, the McMinnville City Council adopted the "McMinnville Growth Management and Urbanization Plan" and appendices (MGMUP), and Findings (ORD No. 4796), and the "Economic Opportunities Analysis," (ORD No. 4795), as part of the McMinnville Comprehensive Plan, Volume I. These documents were prepared in response to an analysis of the city's buildable lands and future land needs, which determined that there exists a shortfall of both residential and commercial land necessary to accommodate projected growth needs through the year 2023.

On October 20, 2003, the City provided notice of the ordinance adoptions and periodic review work task submittal to DLCD and interested parties. On April 20, 2004, the Director of the Department of Land Conservation and Development (DLCD) issued a response to written objections and exceptions filed by participants and the City pursuant to OAR 660-025-0160(3).

At the April 22 and September 10, 2004, Land Conservation and Development Commission (LCDC) hearings, the Commission heard oral argument from the City, DLCD staff and objectors and acknowledged certain elements of the MGMUP while remanding others. Portions of the MGMUP that pertain to efficiency measures and lands to be included within the urban growth boundary yet remain to be reviewed by the Commission.

In response to DLCD staff's position as regard these remaining elements, and consistent with the directives of the LCDC Remand Order, staff finds it prudent to propose certain amendments to the MGMUP, its supporting Findings document, the Economic Opportunities Analysis, and Comprehensive Plan and implementing ordinances. Those amendments are specific to the following issues: Removal of floodplain lands from the 2004 urban growth boundary; use of floor area ratio for projecting future land needs; transit (residential) corridor enhancement policies; Neighborhood Activity Centers (NACs); support areas of illustrative plans; and, reduction of buildable land need for parks.

A joint public work session was held with the City Council, Yamhill County Board of Commissioners, and the McMinnville Urban Area Management Commission (MUAMC) on October 25, 2005, at 6:00 p.m. at which these proposed amendments were presented and discussed. Subsequent to that work session a public hearing was held with these same review bodies on December 6, 2005, after due notice had been given in the local newspaper. At that hearing, the review bodies received written and oral testimony, and having considered this testimony, the MUAMC recommended the adoption of the floodplain, floor area ratio, NAC, and alternative lands recommendations of City staff. The Council and Board closed this hearing and convened a second public to consider further these recommendations on January 11, 2006. At this hearing, having received written and oral testimony relevant to these recommendations and draft ordinance, the City Council found the amendments as herein described to be appropriate. Now therefore,

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THE CITY OF McMINNVILLE ORDAINS AS FOLLOWS:

Section 1. That the McMinnville Growth Management and Urbanization Plan (MGMUP) shall be amended as follows:

- (a) That Figure 5 ("Resource Land Subareas") be amended to exclude lands within the 100-year floodplain from the Three Mile Lane, Norton Lane (not to include the area within Joe Dancer Park), and Grandhaven subarea perimeters.
- (b) That page 6-13 (Resource Land Sub-Area Capacity) be modified as follows:

"Inclusion of the Grandhaven, Norton Lane, Three Mile Lane, Southwest, West Hills South, and Northwest sub-areas will provide an additional 653.15 663.4 acres of buildable land for urban development as detailed in Table 13 below."

(c) That Table 13 ("Resource land sub-area capacity analysis") be amended to reflect the removal of flood plain land from the Three Mile Lane, Norton Lane, and Grandhaven subareas; and the removal of certain parcels from the Northwest and Southwest subareas and addition of lands in the "West Hills South" subarea, as follows. Table 15 ("Sub-area capacity analysis, proposed UGB expansion areas") and Table 16 (Summary of land supply and capacity, existing McMinnville UGB and proposed UGB expansion areas) shall be amended to be consistent with Table 13, as modified:

Norton Lane	8	256.2 <u>142.24</u>	189.93 75.97	1 00.07		\cdot
Three Mile Lane	14	321.25 165.15	163.62 7.52	66.27	6.3	414
Northwest	<u> 5 2</u>	144.53 75.90	4.31-1.83	157.63	6.3	985
Grandhaven	8	227.63 <u>151.43</u>	90.57 14.37	140.22 74.07	6.3	876.4 <u>463</u>
Southwest	11 8	194.62 <u>133.66</u>		137.06	6.3	857
West Hills South*	2	125.23	4 2.65 <u>27.67</u>	151.97 <u>118.99</u>	6.3	949.8 <u>744</u>
Resource Area Subtotals	48 42	1144.23 793.61	15.85	109.38	6.3	684
		1144.20 733.01	491.08 130.21	653.15 <u>663.4</u>	6.30	4 082 4146

^{*} The West Hills South Sub-area includes the parcel previously identified as the Thompson Property.

(d) Page 7-28 shall be amended by adding the following to immediately proceed Table 16, as follows:

"With the amendments to the 2003 boundary, as described in this plan, there exists a match in acres of land need and gross vacant buildable acres (891.1 acres vs. 890.9 acres, respectively)."

- (e) That Figure 6 ("UGB Expansion Proposal") be amended as follows:
 - a. The boundaries of the Norton Lane, Three Mile Lane, and Grandhaven subareas shall be consistent with the amended Figure 5, relative to the exclusion of floodplain land.

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- b. Tax Lots R4418-00900, R4418-01000, R4418-01001, and a portion of R4418CC-00200 shall be removed from the Northwest subarea and adopted 2003 urban growth boundary.
- c. Tax Lots R4430-01000 and R4430-01100 shall be removed from the Southwest subarea.
- d. Tax Lots R4514-01300 (the "Thompson" property) and R4524-02000 shall be added to the urban growth boundary expansion proposal and be identified as "West Hills South" on the map.
- (f) That Figure 7 (Proposed Activity Centers), Figure 12 (Proposed Comprehensive Plan and Zoning Changes), and Figure 13 (Proposed Comprehensive Plan) shall be amended consistent with Section 1 (e) of this ordinance
- (g) That the illustrative plans for the Northwest, Grandhaven, Three Mile Lane, and Southwest Neighborhood Activity Centers be deleted from the MGMUP (Figures 8, 9, 10, and 11, respectively).

Section 2. That Volume II of the McMinnville Comprehensive Plan (Goals and Policies) shall be amended as follows:

(a) Policy 187.00 shall be amended to read as follows:

"187.00 The City of McMinnville shall adopt additional implementation ordinances and measures to carry out the goals and policies of the McMinnville Comprehensive Plan. These shall include, but not be limited to, Zoning Ordinance and Map, Annexation Ordinance, Mobile Home Development Ordinance, and Land Division Ordinance. In addition, the City shall, as funding permits and generally in the following order, prepare and implement plans for the Northwest, Grandhaven, Southwest, and Three Mile Lane Neighborhood Activity Centers (NACs). Such plans shall be consistent with the draft concepts, policies, and implementation ordinance contained in the McMinnville Growth Management and Urbanization Plan, as amended. The plans shall require, at a minimum, that all development be consistent with the requirements of the Transportation Planning Rule. The preparation and adoption of such plans shall occur within the current planning period (years 2003 – 2023).

(b) Policy 188.03 shall be amended to read as follows:

"188.03 Neighborhood activity centers shall-should be located and arranged according to the following guidelines: [...]

Maximum distance that nonresidential uses should may radiate outwards from the center of the activity center (along streets):[...]"

URD No.

¹ The size and configuration of the Northwest NAC has been modified in consideration of advisory comments and objections submitted by DLCD and 1000 Friends of Oregon during the review process of this project. In addition, as some three years have passed since the date of the buildable lands inventory (and more than two years since the adoption of the MGMUP), some opportunities originally envisioned within this NAC have now been lost due to ongoing development within this area. As such, the ability to implement the recommended NAC plan for the Northwest area should be assessed as part of the future planning for this area.

(c) Policies 188.10, 188.18, 188.26 and 188.34 are amended to read as follows:

"The overall residential density of this neighborhood is targeted at a minimum of 7.5 dwelling units per net acre.

Section 3. That the MGMUP Findings document shall be amended as follows:

(a) That the second paragraph on page 7 be amended to read as follows:

"The findings contained in this document support an expansion of the present UGB by approximately 1,539 1,188 gross acres of which one-quarter --- nearly 300 acres --- are unbuildable due to environmental constraints or existing development. This equates to a 15 percent increase in the gross land area contained within the present urban growth boundary to accommodate a 55% increase in population, and a 50% increase in employment for the period 2003-2023. This is the first significant amendment to the City's urban growth boundary to occur in the 22 25 years since its adoption in 1981."

- (b) That Table 8 (McMinnville vacant land and new built space needed for employment by land use type, 2003-2023) be amended by deleting in its entirety the column titled "Sq. Ft. of building space."
- (c) That Table 11 (Effect on proposed land redesignations on buildable land supply), Table 12 (Revised buildable land supply with land redesignations, McMinnville UGB, December 2002), and Table 14 (Comparisons of land supply and demand, McMinnville UGB, 2003-2023), and text which follows Table 10 (pages 14 17) be amended as follows:

Table 11. Effect of proposed land redesignations on buildable land supply

Plan Designation	Change in buildable acres
Commercial	0.49 0.0
Industrial	(13.82) (12.77)
Mixed Use	(2.85)
Residential	16.18 <u>15.62</u>

Source: City of McMinnville

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Table 12. Revised buildable land supply with land redesignations, McMinnville UGB, December 2002

Plan Designation	Gross Buildable Acres (Jan 2003)	Proposed land redesignations	Gross Buildable Acres (w/ redesignations; Jan 2003)
Residential	864.9	16.2 15.6	
Commercial	101.9 <u>102.4</u>	0.5 <u>0.0</u>	881.1 <u>880.5</u> 102.4
Industrial	339.8	-13.8 - <u>12.8</u>	326 <u>327.1</u>
Mixed Use	2.9	-2.9 <u>0.0</u>	0.0 2.9
Total Buildable Land	1309.5 <u>1310.0</u>	0.0 <u>2.9</u>	1309.5 <u>1312.9</u>

Source: City of McMinnville

Page 15: "At an average density of 5.9 dwelling units per gross residential acre, the proposed land redesignations would accommodate approximately $95\underline{92}$ new dwelling units."

Table 14. Comparison of land supply and demand, McMinnville UGB, 2003-2023

Plan Designation	Land Need (2003-2023)	Gross Buildable Acres (Jan 2003)	Deficit (Surplus)
Residential ^a	1,538.4	881.1 880.5	1019.2 <u>1019.8</u>
Commercial	219.1	102.4	106.0
Industrial Total Buildable Land	269.7	326 <u>327.1</u>	(44.7) <u>(46)</u>
Need Outside UGB	2,027.2	1309.5 <u>1312.9</u>	1125.2 <u>1125.8</u>

Source: ECONorthwest, 2003

"Notes: [...] McMinnville will maintain a 46 acre surplus of industrial land during the planning period."

- (d) That pages 50 53 be supplanted with the text contained in the "Goal 14, factor 6 Supplemental Findings," identified as Exhibit "A," a copy of which is attached hereto and incorporated herein by this reference.
- (e) That the following text be added to page 58 ("Resource Areas Recommended for Inclusion"), specific to the West Hills South subarea:

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^a Application of residential carrying capacity analysis produces an unmet residential need of 537 acres and does not allow a simple supply/demand calculation to occur.

West Hills South

Sewer:

While there are topographic conditions that serve to make extending public sanitary sewer service to this sub-area costly, there are no other known reasons that would preclude the provision of such service. There currently exists a public sanitary sewer line in Redmond Hill Road, which borders the subject site at the northeast corner. The topography of the subject site would allow gravity flow to the east and south; the eastern portion of the site may require a pump station due to its elevation, however. According to the City of McMinnville Engineering Department, costs associated with providing public sanitary sewer service to this sub-area are estimated to be slightly above average.

Water:

Individual, private wells currently serve as the source of domestic water for the lands within this sub-area. As described in the McMinnville Water and Light "Water System Master Plan," with the exception of the extreme western edge of this subject site, this area is located within the current water service area and could be provided public water without construction of an upper level system. Public water currently extends to the Hillsdale residential subdivision, a relatively short distance to the northeast.

Electric:

McMinnville Water and Light estimates the costs for providing electric service to the West Hills South sub-area as low (ranging from \$0 to \$200,000). Existing feeders on Hill Road may have to be upgraded to accommodate the additional projected load, however.

Transportation:

As noted previously, Redmond Hill Road is the only public road serving this subarea. This Yamhill County road extends west from Hill Road and through the Hillsdale residential subdivision a distance of approximately 2,600 feet where it then crosses the sub-area's northern edge. As it fronts the subject site, this road is gravel surfaced and has a right-of-way dimension of thirty feet and is under the jurisdiction of Yamhill County. No other public roads or rights-of-way exist within this sub-area. Extending from both Redmond Hill Road and Hill Road are narrow private drives that afford access to the parcels that are located within the subarea.

- (f) That the following text be added to page 68 ("Factor 5; Environmental, energy, economic and social consequences"), specific to the West Hills South subarea:
 - West Hills South. Development of this area will require provision of water, sewer and transportation systems. The inclusion of this area within the UGB would have economic impacts by removing lands from agricultural production and converting them to urban uses.

Section 4. That the McMinnville Comprehensive Plan Map shall is amended to reflect a revised urban growth boundary consistent with the boundary as depicted in Exhibit "B," a copy of which is attached hereto and incorporated herein by this reference. The plan map is further

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amended to designate lands within the newly adopted urban growth boundary for residential, commercial, or industrial purposes, as depicted in Exhibit "C," a copy of which is attached hereto and incorporated herein by this reference. The plan map is also amended to add a "Neighborhood Activity Center" planned development overlay to the Grandhaven, Norton Lane, Southwest, Northwest, and Three Mile Lane subareas, as depicted on Exhibit "C," a copy of which is attached hereto and incorporated herein by this reference:

Section 5. That, for purposes of administering the provisions of ordinance, the amendments described herein shall not take effect until and unless approved by the State of Oregon as part of the City's current periodic review work program related to the expansion of the McMinnville Urban Growth Boundary.

Section 6. That this ordinance shall be subject to the terms and conditions of Ordinance No. 3823 entitled "Initiative and Referendum" for a period of thirty (30) days.

Passed by the Council this 11th day of Ja	inuary, 2006, by the following votes:
Ayes: Hansen, Hill, Menke, Olson	
Nays:	
Approved this 11th day of January, 2006.	
	Pick Or
	COUNCIL PRESIDENT

ATTEST:

City Recorder

Approved as to form:

CITY ATTORNEY

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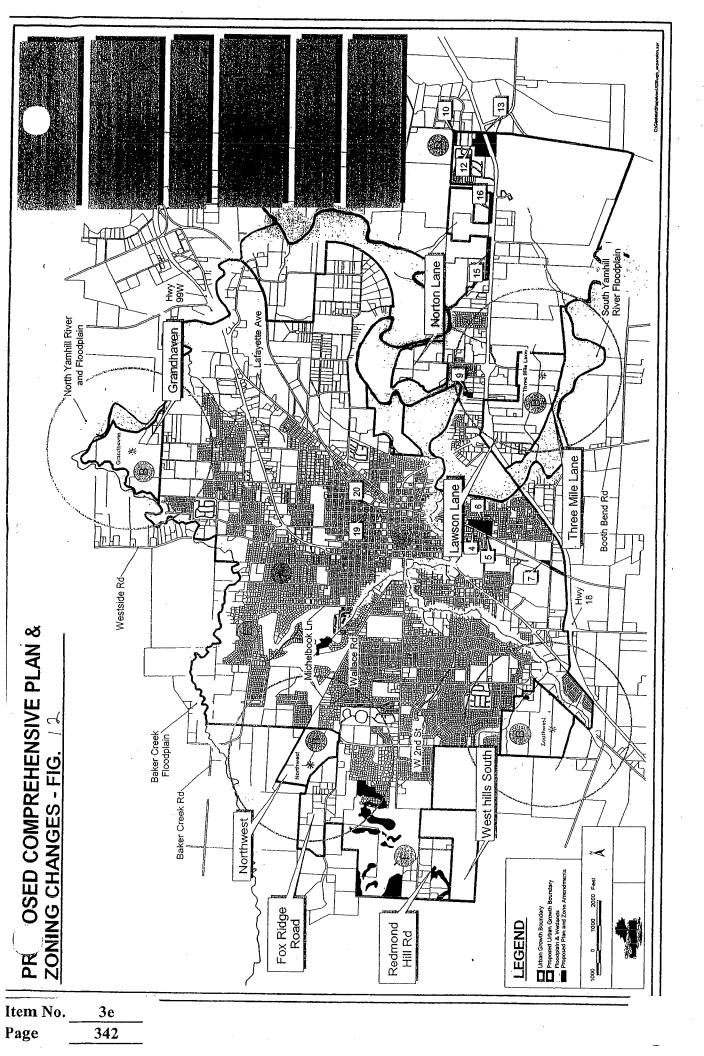


Exhibit A

Addendum to the McMinnville Growth Management and Urbanization Plan Findings Document

An Element of the City of McMinnville Comprehensive Plan January 2006

EXHIBIT A

Amend the Findings Document by supplanting the "Goal 14, factor 6" findings (pages 50 - 53) with the following:

Goal 14, factor 6, requires consideration of the following:

Retention of agricultural land as defined; with Class I being the highest priority for retention and Class VI the lowest priority."

In addition, ORS 197.298(2) requires that land of "lower capability as measured by the [U.S. Natural Resources Conservation Service (NRCS) agricultural soil] capability classification system or by cubic foot site class, whichever is appropriate for the current use," be given higher priority for inclusion in a UGB. Also, ORS 197.298 (3) allows land of lower priority to be included in an urban growth boundary if land of higher priority is found to be inadequate to accommodate the amount of land needed for one or more of the following reasons:

- (a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;
- (b) Future urban services could not reasonably be provided to the higher priority lands due to topographical or other physical constraints; or
- (c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.

Findings: In 2003, the Council carefully considered impacts on agricultural and forestlands when deciding which direction to expand the UGB. The methods used in conducting this analysis, and the findings of this analysis, are detailed in the MGMUP and in the Findings document (pages 50 - 53). In its review of the MGMUP in March

Resource lands that are surrounded by the existing urban growth boundary, and the Yamhill River, Baker Creek, or Panther Creek;

Resource land held by public entities.

Lands not meeting these criteria were assumed to be less appropriate for meeting the City's identified land needs due primarily to their greater distance from existing and planned public facilities (more expensive to serve), and surrounding uses (surrounded almost entirely by other resource land, thereby increasing the potential for urban and agricultural conflict). This prioritization scheme is consistent with the guiding principles described in the McMinnville Growth Management and Urbanization Plan—specifically, principles #2, Historical Development Patterns -- Respect existing land use and development patterns and build from

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¹ In its 2003 analysis, the City looked first at all resource lands within one mile of the current urban growth boundary that met the following criteria:

^{2.} Resource land surrounded on at least three sides by the existing UGB and/or non-resource lands, and/or other significant natural or man-made edge (e.g., slope, floodplain, arterial street);

Resource land needed to allow extension of public facilities to serve land within the existing UGB; and

and April of 2004, the Oregon Department of Land Conservation and Development (DLCD) concluded that the City's analysis was deficient and recommended to its commission (LCDC) that additional work be done to support the prior decisions relative to which resource lands should be included --- or excluded --- from the proposed urban growth boundary. Specifically, the DLCD recommended the following:

"Using maps provided by the US Natural Resource Conservation Service and the Oregon Department of Agriculture, identify areas with class 3 and 4 agricultural soils and either (1) include them in the UGB instead of areas with class 1 and 2 soils, if any, or (2) explain why they should not be included based on the standards in ORS 197.298(3). Areas with class III and IV soils east of the airport are excluded from this requirement."

Consistent with this recommendation, the City has mapped areas surrounding the McMinnville urban area, extending outward a distance of one mile from its 1981 urban growth boundary, for the purpose of identifying the existence and location of soils rated by the US Natural Resource Conservation Service as Class III or Class IV. The locations of these soils were depicted at the October 25, 2005, joint City Council, Yamhill County Board of Commissioners, McMinnville Urban Area Management Commission, public work session on slide 18 ("Soil Class") of a PowerPoint presentation and in the work session packets provided to decision makers.

Generally, lands composed predominantly of Class II soils surround McMinnville's urban area. In lesser proportions, there exists a linear band of Class I soil that parallels Baker Creek in northwest McMinnville; threads of Class III soils, which appear to follow historical creek and drainage courses are found in various isolated locations around the city's perimeter; Class III, IV, and VI and VIII soils primarily in the moderately to steeply sloped hills of west McMinnville; and some additional Class IV soils found east and north of the McMinnville Municipal Airport.

Further direction is provided in Statewide Planning Goal 14 (Urbanization), which states that the location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:²

- (1) Efficient accommodation of identified land needs;
- (2) Orderly and economic provision of public facilities and services;
- (3) Comparative environmental, energy, economic and social consequences; and

them, and #7, UGB Expansions -- Contain urban expansion within natural and physical boundaries, to the extent possible.

Application of criteria 1-4 listed above, as well as the guiding principles described in Section III of the McMinnville Growth Management and Urbanization Plan, resulted in resource lands north of Baker Creek and the North Yamhill River, east and south of the South Yamhill River, and south of Highway 18 being excluded from initial consideration. This left five geographically distinct resource sub-areas for analysis: Grandhaven; Norton Lane; Three Mile Lane; Southwest; and, Northwest. As a result of testimony provided during the public hearing process regarding this plan amendment, a sixth resource land sub-area was added, referred to as the "Thompson" property. To accommodate this addition, the southern third of the Southwest sub-area was removed from further consideration.

² Responses to these factors are found in pages 66 – 73 of the Findings document.

(4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.
That Goal continues by stating that in determining need, local governments may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need. ³
Specific to the MGMUP, McMinnville's future land needs specific to commercial and residential uses (to include parks, schools, and similar "residential" uses) are described at some length in the plan, the key elements of which are summarized in the following:
Residential Land Need -
At its core, the MGMUP proposes the use of "Neighborhood Activity Centers" to promote pedestrian-friendly, compact development. These centers are selected due to their location, distribution, proximity to vacant buildable lands, ability to accommodate higher intensity and density development, and their context and ability to foster the development of a traditional, or complete, neighborhood. These centers need to be located at major street intersections.
To address issues of land use efficiency and minimizing rural / urban conflict, the MGMUP is based in part upon urban containment and the concentration of development in areas that have adequate carrying capacity to support Neighborhood Activity Center development. Urbanization of areas that are contrary to these principles should be avoided.
The MGMUP encourages the principles of "smart growth" to create walkable, mixed- use communities. This means smaller single-family lot sizes, a higher percentage of multi-family housing, and mixing of neighborhood scale commercial uses.
All planning should be in the form of complete and integrated communities containing housing, shops, work places, schools, parks and civic facilities essential to the daily life of the residents.
Future development should respect the area's historical development patterns and natural and man-made constraints that have and are proposed to continue to shape McMinnville's growth and sense of place. In so doing, potential urban and rural land use conflicts are kept to a minimum, as is the speculative pressure to develop rural lands beyond the urban edge for urban uses. To the extent possible, urban expansion should: • Stay west and north of the South Yamhill River;
Beyond the requirements of law, for purposes of good planning, land should be suitable for the intended use. Both the Oregon Land Use Board of Appeals and the Oregon Court of Appeals have indicated that where the need identified by the local government can be satisfied only by land with certain characteristics, only lands that have those characteristics should be evaluated under ORS 197.298. As DLCD stated in its

staff report to its Commission in May of 2002, regarding the City of North Plains Periodic Review Task: "[...] to require a local government to do otherwise would be to require it to evaluate (and possibly include within its UGB) lands that can't satisfy the identified land need for additional lands. Neither the statutes nor Goal

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14 require or even suggest this result."

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Stay south and west of the North Yamhill River; Stay south of Baker Creek; and Not cross south of Highway 18, west of the South Yamhill River. Housing mix will shift markedly toward historically higher percentages of multi-family housing (duplexes, commonwalls, and apartment complexes). Larger concentrations of such housing types, and in particular, apartment development, will require locations on arterial or collector streets, consistent with adopted plan policy.4 Further, based upon long-standing policy (since 1978), multi-family housing will not be concentrated in any one neighborhood, but will, instead, be distributed throughout the city. ☐ Based upon recent experience, City polices propose to limit future neighborhood and community park types to lands outside of the 100-year floodplain. Commercial Land Need -Commercial land uses should not extend in a manner that would promote autooriented, commercial "strip" development. Commercial uses should form the center, or active component, of planned Neighborhood Activity Centers. The City finds three geographic areas within one mile of the McMinnville urban growth boundary that exhibit Class III or Class IV soils. These areas are shown in Figures 1, 2 and 3, and are identified as: Lands North and East of the McMinnville Municipal Airport; o Lands in the McMinnville West Hills; and o Lands West of Old Sheridan Road (Southwest McMinnville). A description of each area follows. Lands North and East of the McMinnville Municipal Airport To the north and east of the approximately 500-acre McMinnville Municipal airport are areas of Class III and Class IV soils that immediately abut the existing McMinnville urban growth boundary. They are generally described as follows: Lands North of Olde Stone Village -To the immediate north of Olde Stone Village, a manufactured home park constructed in the mid-1980's, are found two parcels that are predominantly composed of Class III soils. These parcels are identified as Assessor Map R4414-03601 and R4423-00400 and total approximately 197 acres. Topographically, this land is relatively flat and is absent any physical development. The properties are ⁴ The McMinnville Residential Land Needs Analysis concluded that McMinnville's housing need is for 25 percent multi-family housing (tri-plex and larger).

owned by Evergreen Agricultural Enterprises, and Dora Bansen; each property has a long history of active farm use. The parcels are bordered to the north, west and east by other lands that are actively farmed. The previously described manufactured home park, and the Evergreen Aviation Museum campus border the parcels to the south. Reid Road, an unimproved County road that has a right-of-way dimension of 40 feet in width, provides access to this area. This property borders the existing McMinnville urban growth boundary along its southern edge.

This property sits immediately west of the protection zone for Runway 17/35, a zone used to minimize incompatible development within the area critical for safe aircraft landings and departures. A portion of this property lies within the downwind leg of the Runway 4 traffic pattern.

Lands North of McMinnville Municipal Airport

There exists to the north of the airport, south of the Evergreen Aviation Museum property, and west of Olde Stone Village, some 35 acres of land that is comprised of predominantly Class III soils. The property is owned by Evergreen Agricultural Enterprises and is actively farmed. Cirrus Avenue terminates at the site's southwest corner; no other improvements are found within the site.

Lands East of McMinnville Municipal Airport

Situated east and parallel to Runway 17/34 a distance of approximately 800 feet is an area of Class IV soils, which are surrounded by Class II soils. This land is actively farmed and borders the McMinnville city limits and urban growth boundary to the west.

For the following reasons, the City finds that the above-described lands are inappropriate for use in satisfying the identified residential and commercial land needs. As such, they are not included in the amended McMinnville urban growth boundary.

Land use compatibility -

"Aviation is a nearly \$50 billion national industry that provides a vital transportation and economic element to our country. However, this essential service is continually threatened by the perpetual encroachment of incompatible land uses."⁵

The City finds that inclusion of this land would result in further residential encroachment adjacent to the airport; some of this land is less than ¼ mile of Runway 17/34, while other land is immediately adjacent to the airport approach zone or under the downwind leg of the Runway 4/22 traffic pattern. Development of these lands at urban residential densities would be incompatible with the long range plans for the airport, as described in the McMinnville Municipal Airport Master Plan, and

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⁵ Excerpts relative to airport safety and land use compatibility are taken from the Oregon Department of Aviation's, "Airport Land Use Compatibility Guidebook," dated January 2003.

would potentially threaten the airport's viability and ability to serve the local and regional economy. According to the McMinnville Municipal Airport Master Plan, updated December 2004, aircraft operations are forecast to increase from 65,961 (2003 levels) to 109,440 by the year 2023.

Safety -

"Safety issues are a significant consideration for pilots, airports, and land uses surrounding airports. From an off-airport land use planning perspective, the characteristics of accidents near airports are of the greatest concern. [...] three geographic areas should be considered when addressing incompatible land use: land use under the airport traffic pattern, within one-quarter mile of an airport, and off the approach ends to the runways."

The City finds that aircraft on the downwind leg of Runway 4 fly directly over the subject land. Placing residential development on this property would potentially jeopardize the safety of those on the ground and pilots and passengers in the aircraft (need for open space in which to land in the event of emergency). In addition, noise from such aircraft operations would not be conducive to residential development within the subject site. This property is also immediately adjacent to the airport approach zone for Runway 17. Limiting development within the zone, and on lands adjacent to it, is critical for safe operation of the airport.

As noted in the airport master plan, within the planning period (extending to the year 2023) there will be increased numbers of aircraft based at this facility, as well as increased numbers of aircraft operations. The City finds it prudent and responsible to take measures necessary to minimize risk to individuals in the vicinity of the airport, especially given the expected increase in activity. The City, therefore, does not believe it to be good planning to include this property within the urban growth boundary.

Agricultural land compatibility -

This land, if brought into the urban growth boundary, would be bordered by actively farmed land on three of its four sides. Its inclusion would also increase the perimeter of land that would be in direct proximity to farmed land. Extension of public utilities to serve residential or commercial development within these lands would add pressure to urbanize adjacent resource lands in the future.

Complete neighborhoods -

"A primary means of limiting the risks of damage or injury to persons or property on the ground due to near-airport aircraft accidents is to limit the density of land use development in these areas."

The cornerstone of the MGMUP is the creation of complete neighborhoods that are achieved through the implementation of Neighborhood Activity Centers. Densities within these centers are expected to be higher than historically realized in McMinnville and

would include higher percentages of multi-family housing. Needed low-density residential development can be accommodated within the existing McMinnville urban growth boundary and in exception land areas recently added to the boundary (Fox Ridge Road, Redmond Hill Road, and Riverside South). To address safety concerns, higher density housing is not an appropriate use for the subject site.



For the above noted reasons, the City concludes that specific types of land needs as identified in the MGMUP cannot be reasonably accommodated on the lands north and east of the McMinnville Municipal Airport, on which are found predominantly Class III or Class IV soils. The City, therefore, has not included these lands in its expanded urban growth boundary, as permitted by ORS 197.298 (3)(a).

Lands West of Hill Road

Specific to the hills west of McMinnville, this area is steeply sloped, and is further marked by several ravines that cross through the area. The area is largely vacant any physical development, covered in native grasses and trees, and has a history of primarily forest related use (tree farms, open space). Generally, agricultural soils within this area decrease in quality (from Class III to Class VIII) the greater the distance west of the current McMinnville UGB.

Topographically, there exists to the immediate north, west and south of the current urban growth boundary a wide band of steeply sloping land that forms a crescent touching on the Fox Ridge Road at its northern tip and the Redmond Hill Road area to the south. Slopes within this crescent shaped area are 25 percent and greater; soil types are predominantly comprised of Yamhill silt loam (YaE and YaF) and Willakenzie silty clay loam soil (WeE), which have severe slopes, ranging from 20 percent to 50 percent. These soils, and others found within this crescent, are Class IV, VI, VII, and VIII agricultural soils. Although not highly rated for agricultural use, the Willakenzie soil and Yamhill soil have woodland capability class ratings of II (high) and III (moderately high), making them significant Goal 4 (Forest Land) resource lands.

Parcels of predominantly soil class III and above located farther west, northwest, and southwest of the above described steeply sloping lands were found to be inappropriate for use in meeting McMinnville's identified future residential land needs due primarily to the following reasons:

- Expensive to provide with public services
 McMinnville's current water distribution system is designed as a single-level pressure
 system providing service to those properties situated between 100 feet and 275 feet
 in elevation. These areas are situated at elevations that extend upward from some
 320 feet. Provision of public water to this area will require considerable expense,
 estimated to exceed \$3.4 million.
- Physically separated from other planned urban development
 For purposes of conducting a buildable lands analysis, lands with slopes 25 percent or greater would be excluded from further consideration. As such, in this case, there would exist a wide continuous band of "unbuildable land" that, by its location and topography, would physically separate this area from lands within the current (and

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proposed) UGB. This separation would not be conducive to development patterns that are efficient, economical, or consistent with the City's MGMUP.

Resource use

These lands exhibit qualities and physical characteristics of forest resource lands as evidenced by the presence of Yamhill silt loam and Willakenzie silty clay loam soils, tree cover, and historical use (tree farms). Use of this area for residential or commercial development would be incompatible with management of this area for forest related uses.

Within the balance of the west hills outside of the current UGB and east of the previously described steeply sloping lands are lands that are comprised predominantly of Class III agricultural soils. Generally, these areas are located immediately north of the Fox Ridge Road subarea, west of the Redmond Hill Road subarea; and south and west of the "Thompson Property" subarea. These areas are depicted on the attached map, and are described in further detail in the following text.

Area North of Fox Ridge Road -

Three parcels, which abut the existing urban growth boundary north of Fox Ridge Road, are dominated by Class III and IV soils. The westerly parcel is Assessor Map No. R4513-00100, a 94.73-acre piece owned by the Abrams family and is part of their larger farm and timber operation. The central parcel is a 16-acre portion of the larger tax lot 200, the southern portion of which is a former exception area that was approved for addition to the urban growth boundary in 2004 by LCDC. The easterly parcel is the approximately 34-acre parcel (Assessor Map R4418-00700, owned by Mark Smith.

Topographically, this area immediately adjacent to Hill Road is generally flat, but rises abruptly at the southwest where it merges with the foothills (the "West Hills"), which rise up to the west along Fox Ridge Road. The Class III and IV soils comprise the flat portions of the Smith parcel, and a small portion (northern edges) of the other parcels. Predominantly, these Class III and IV soils are consistent with the steeply sloped areas in the southern portions of the westerly two parcels where gradients can exceed 25 percent.

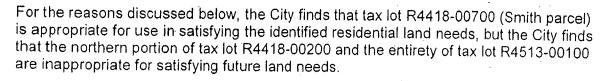
The flatter portions of these parcels have historically been farmed for field crops, although the sloped areas at the south are managed for timber production, and a small area within the unincorporated portion of tax lot 200 has been cultivated for Christmas trees. The parcels border the current McMinnville urban growth boundary at the south, southwest, and east.

The abutting parcels to the southwest are under County jurisdiction and tend to be small acreage residential properties, with mixed oak/Douglas fir forest and some livestock pasture. The McMinnville Water and Light reservoirs are within this cluster of parcels. At the west and to the north of the central parcel are additional parcels within the Abrams farm operation. At the north, tax lot 701 is a 42-acre piece, which was just recently approved by the State for inclusion to the urban growth boundary; this parcel is owned by the McMinnville School District No. 40 and is slated as a future high school site.

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Land use compatibility -

Tax lot 700 lies between low-density residential housing to the south and southwest and a future high school site to the north. Because this parcel abuts the school property, it would be ideal for medium to high-density residential development, which would also provide a reasonable transition between the school and the low-density development to the south/southwest. In addition, medium-density residential development on this parcel would be consistent with ongoing development on the east side of Hill Road, which includes a future elementary school site and a mixture of medium- and low-density residential development.

Agricultural land compatibility -

Tax lot 700, if brought into the urban growth boundary, would be bordered by actively farmed land (the northern portion of tax lot 200) along an approximately 350-foot length of its western boundary, but would otherwise abut the school site at the north, Hill Road at the east, Fox Ridge Road at the south, and the urban growth boundary at the southwest. Development of tax lot 700 would remove farmland from production which is a long, narrow piece wedged between the school site and the existing urban growth boundary; the City believes there is more likelihood of conflicts between urban and farm uses if tax lot 700 is left as agricultural land. The preliminary plans for the future high school site indicate that the westerly portion will be used for outdoor activities and athletic events; these uses can provide a buffer between agricultural activities to the west and north and residential development on tax lot 700.

If the northern portion of tax lot 200 were brought into the urban growth boundary, it would abut the agricultural tax lot 100 at the west for a distance of approximately 1,100 feet, and tax lot 1000 at the north for about 500 feet. Although the southern portion of this piece of land would be unlikely to develop due to the steepness of the slopes, the northern portion could develop, resulting in a "prong" of residential development between the agricultural uses to the north and west, and the school property at the east.

Tax lot 100, if brought into the urban growth boundary, would be bordered by actively farmed land on two sides and along a portion of a third. This would leave an island of farm parcels bordered by the school property at the south, residential development at the southwest and west, Hill Road at the east, and Baker Creek Road at the north. This would also cut off tax lots R44 18 1000 and 1100, also owned by the Abrams family, from the remaining portions of the farm operation.

Complete neighborhoods -

Tax lot 700 lies within the preliminary boundaries of the Northwest Neighborhood Activity Center (NAC). As discussed elsewhere in this document, NACs are intended to provide medium- and high-density housing close to neighborhood scale commercial development and transit corridors, because low-density housing needs are already met

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within the existing urban growth boundary. Hill Road is designated as a transit corridor and planned transit route in the MGMUP; since tax lot 700 abuts Hill Road at the east; this provides an excellent opportunity to plan for development that can take full advantage of transit opportunities. The NAC plan in the MGMUP (Figure 8) calls for medium-density (R-3 and R-4) residential development on tax lot 700; the City stands by this recommendation.

Tax lot 100 and the northern portion of tax lot 200 also lie within the Northwestern NAC boundaries. However, the City now finds that these two properties should be excluded from the urban growth boundary and the NAC because they will have limited connectivity with Hill Road and with development of tax lot 700 (absent the addition of other lands to the north and west, as proposed in the 2003 MGMUP): the steep slopes in the southern portions of these two properties leave only perhaps a 200-foot wide buildable corridor extending across tax lots 700, 200 and 100. Although such a corridor could potentially be developed with a 60-foot wide local street right-of-way lined by homes on each side, the City finds that this would be an inefficient use of tax lots 200 and 100. Since the street could not make a connection to the north, it would have to be designed as a deadend street, which would be an inefficient system.

For the reasons cited above, the City concludes that specific types of land needs as identified in the MGMUP cannot be reasonably accommodated by the areas of Class III and Class IV soils within tax lot R4513-00100 or the northern portion of tax lot R4418-00200. The City, therefore, has not included these lands in its expanded urban growth boundary, as permitted by ORS 197.298 (3) (a).

However, the City also concludes that identified residential land needs can be accommodated by tax lot R4418-00700, which is predominately Class III and Class IV soils. The City, therefore, recommends its inclusion into the expanded urban growth boundary.

West Hills Area west of Fox Ridge Road and Redmond Hill Road -

It should be noted that the Fox Ridge Subarea proposed in the MGMUP was acknowledged by LCDC for inclusion into the urban growth boundary in 2004, as was the Redmond Hill Road Subarea at the terminus of Redmond Hill to the south. Adjacent to the west of this newly expanded westerly urban growth boundary is a concentration of Class III and IV soils. This area is characterized by moderate to steeply sloping terrain, with slopes ranging from approximately seven percent to more than 25 percent.

Class IV soils in the West Hills Area are essentially confined to the most severe slopes including those over 25 percent gradient; these soils tend to be located further west and do not adjoin the existing urban growth boundary. Class III soils dominate the area adjacent to the urban growth boundary. The concentration of Class III soils adjacent to the westerly urban growth boundary is approximately 200 acres.

The parcels in the West Hills area have been managed primarily for timber production, although farming of field crops and Christmas trees is also evident. These lands,

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3e 353 because of their elevation and tree cover, give visual form and edge to the City's western perimeter.⁶



For the following reasons, the City finds that the above-described lands are inappropriate for use in satisfying the identified residential and commercial land needs. As such, they are not included in the amended McMinnville urban growth boundary.

Development constraints -

Slopes

This area of Class III soils abuts the existing urban growth to the east. The City's housing needs are for medium- and high-density; it is generally accepted that higher elevation lands with views, such as the West Hills area, tend to be developed for low-density residential housing. This has been the case in McMinnville, as is evident elsewhere in the west hills. Further, in conversations with local engineers, City staff are advised that sloped land areas can cost anywhere from \$5,000 to \$15,000 per lot in additional development costs, depending on site-specific conditions. They also note that the construction of multi-family housing on such sloped land is problematic, from an environmental perspective, in that it requires extensive grading to accommodate the larger building footprint and off-street parking areas. This is not consistent with the housing type (more affordable) or density needed, as described in the MGMUP.

Water

As discussed elsewhere in the MGMUP, McMinnville's current water distribution system is designed as a single-level pressure system that can only provide service to those properties situated between 100 feet and 275 feet in elevation. The West Hills area west of the urban growth boundary has a low elevation of approximately 300 feet, and rises westward to a high of 560 feet and sits entirely above the current water service level. Provision of public water to this area would require considerable expense. It appears from the McMinnville Water & Light Water Master Plan that the agency has contemplated construction of an additional pressure zone system that could provide water service up to a high elevation of 415 feet; this elevation occurs at roughly the midpoint of the Class III soils in the West Hills area. However, even if an additional pressure system were constructed at some point in the future, for reasons of slope and market, the City envisions that it would only enable the development of low-density single-family residential within the West Hills area. Since the City is in need of medium- and high-density residential development, construction of an additional pressure system will not help in this endeavor.

Transportation

Two public streets stub to the existing urban growth boundary at the east edge of the West Hills area: Fox Ridge Road at the north terminates in a series of private driveways and easements serving residences on acreages; Redmond Hill Road at the south is a

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⁶ Development of the West Hills area that is situated inside the current McMinnville urban growth boundary is encumbered by the West Hills Planned Development Overlay Ordinance. In part, this overlay was established in recognition of the "scenic values unique to this area, and topographical features which are not conducive to the standard development practices normally employed in residential designs in the City."

public street all the way through to its existing stub at the urban growth boundary. For development to occur in the West Hills area west of the current urban growth boundary, Redmond Hill Road could be extended, but a secondary access road would have to be created in order to provide reasonable circulation and needed emergency vehicle access. For extension of Fox Ridge Road, right-of-way dedication would have to occur either along the existing privately held driveways or along a new alignment. A third option would be the extension of West 2nd Street, which currently stubs approximately 3,000 feet to the east of the existing urban growth boundary. Of further consideration, Peavine Road lies to the southwest of the West Hills area; however, a wide band of severe slopes (exceeding 25 percent gradient) lies between Peavine Road and the area of Class III soils, which are adjacent to the existing urban growth boundary, creating an impediment to a street connection. Extension of any of these three streets would require expensive design and construction measures because of the relatively steep grades present across this area.

The City finds that the relatively steep grades of the Class III and IV soils in the West Hills area, coupled with distance from services and from the city center, will make the provision of public access and transportation more difficult and expensive; public transportation will be integral to the medium- and high-density housing which the City is planning for.

Land use compatibility -

The area within the western portion of the existing urban growth boundary is above the 275-foot elevation mark for service under the existing municipal water system. To the east of that elevation marker, the area is rapidly undergoing development with low-density single-family residential subdivisions. Preliminary indications are that this development pattern will continue. If needed medium- and high-density housing were placed in the West Hills area through westward expansion of the urban growth boundary, it would lie between low-density housing at the east and resource land at the west. From a planning perspective, this is not a logical scenario as it increases the potential for conflicts between residential uses and farm/forest resource management.

This area's distance to commercial development also adds to its infeasibility for mediumand high-density residential development. The goal of higher-density residential development is that residents will not have to travel far to obtain services, and that public transportation will be most accessible. The West Hills area is a significant distance (more than a mile and a half) from any existing or proposed concentration of services.

Agricultural land compatibility -

The West Hills area borders on farm and forestry lands to the north, west, and south. If brought into the urban growth boundary and developed with needed medium- or high-density housing, the potential for conflicts between the residential development and surrounding farming or forestry operations would increase significantly: the expansion would increase the number of dwelling units and residents adjacent to these farm and forestry operations.

Further, the bulk of the Class III soils within this portion of the West Hills are parts of larger parcels which are managed for farm or forestry uses, and comprise the best soils

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of those parcels; development on these soils would leave the residual parcels dominated by Class IV or lesser quality soils.



Complete neighborhoods -

The Class III soils adjacent to the existing urban growth boundary at the west edge of McMinnville are concentrated outside the boundaries of the nearest Neighborhood Activity Center (NAC). Development of medium- to high-density housing in this area would create a "satellite" area extending out into the resource land areas.

In accordance with ORS 197.298 (3) (a), (b), and (c), the City concludes that the concentration of Class III soils within the West Hills area adjacent to the existing westerly urban growth boundary are inadequate to accommodate the specific types of land needs identified in the MGMUP, for the reasons cited above. Accordingly, the City has not included these lands within its expanded urban growth boundary.

West Hills South

This area consists of two parcels which adjoin the south edge of the existing westerly urban growth boundary south of Redmond Hill Road, and which are predominantly Class III soils. The more easterly of these two parcels, tax lot R4524-01300 (hereafter referred to as "the Thompson property"), is approximately 37.23 acres and is almost entirely composed of Class III soils; two small inclusions of Class II soils are located at the extreme east edge of this parcel. The westerly of the two parcels is tax lot R4424-02000, which is 88 acres in size. This parcel includes pockets of Class II soils as well as pockets of Class IV and VIII soils.

Topographically, these two parcels lie at the base of the West Hills (Coast Range foothills). The western portion of tax lot 2000 exhibits a seven percent slope where it rises upward toward the West Hills; however, the bulk of the parcel is essentially flat. The Thompson property is flat throughout, with the exception that a portion of the base of a small knoll on the neighboring parcel to the east extends within the extreme east edge of the parcel. These parcels are situated within the current limits of the McMinnville Water and Light water service area, unlike the majority of other West Hills properties described previously.

Development constraints -

Both parcels feature intermittent streams: two streams converge at the northeast corner of tax lot 2000 and a single stream flows to the east across the site; a single drainage ditch flows from north to south across the eastern portion of the Thompson property. Intermittent streams such as these are considered as linear wetlands pursuant to the Division of State Lands (DSL) classification system; assuming a 25-foot no-build buffer along each side of these stream segments within these two parcels in accordance with DSL guidelines, this would remove approximately 12.6 acres from the buildable land area of tax lot 2000 and approximately 2.0 acres from the buildable land area of the Thompson property. The resulting gross buildable acreages would tentatively be estimated at approximately 75 acres for tax lot 2000 and 34 acres for the Thompson property.

Land use compatibility -

Inclusion of these two parcels into the urban growth boundary would enable their development with medium- and high-density housing in keeping with the City's identified land use needs.

Agricultural land compatibility -

The inclusion of these two parcels would reduce slightly the length of perimeter that would abut actively farmed land.

Based upon the above findings, the City also concludes that identified residential land needs can be accommodated on these two parcels (R4524-01300, referred to as "the Thompson property," and R4424-02000, which are predominately Class III and Class IV soils. The City, therefore, recommends their inclusion into the expanded urban growth boundary,

Lands West of Old Sheridan Road

Forming a crescent in the area southwest of McMinnville are lands comprised of Class III soils identified as Dayton Silt Loam, thick surface ("Dc" on US Department of Agriculture soil maps). This band generally parallels Old Sheridan Road to the northwest and Durham Road to the south; Highway 18 crosses through the subject site's geographic mid-point. These lands appear to follow historic drainage ways, which is consistent with the description for Dayton soils. Topographically, the area is relatively flat; physical improvements are few and consist of single-family residences on large-parcel, actively farmed holdings. The northern most tip of these lands is situated several hundred feet southwest of the existing McMinnville urban growth boundary (it does touch, however, on a portion of the Southwest subarea, which is proposed to be added to the urban growth boundary) and extends to the south a distance of nearly two miles. Of note, a portion of the Redmond family Century farm is located within this area.

This geographic area also includes a small, isolated area of Class IV soils, identified as Dayton silt loam ("Da").

For the following reasons, the City finds that the above-described lands are inappropriate for use in satisfying the identified residential and commercial land needs. As such, they are not included in the amended McMinnville urban growth boundary.

Agricultural land compatibility -

This land, if brought into the urban growth boundary, would be bordered by actively farmed land on all sides, and would include lands that are an integral part of the Redmond family Century farm. Its inclusion would also increase significantly the perimeter of land that would be in direct proximity to farmed land. Extension of public utilities to serve residential or commercial development within these lands would add pressure to urbanize adjacent resource lands in the future.

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Residential use limitations -

The Soil Survey for Yamhill County classifies the Dayton soils as "severe" for the siting of residences and playgrounds, noting poor drainage, and high water table in winter and spring. Further, this survey states that, for foundations for low buildings the soil has "low shear strength; medium to high compressibility; high shrink-swell potential in subsoil; water table may rise to surface in winter; 12 to 24 inches depth to claypan; and very slow permeability." For "highway location," it notes that the "water table may rise to surface in winter; high shrink-swell potential in subsoil; and difficult to excavate." Because of these characteristics, the City finds that it is poor planning to direct future urban development to such lands.

Neighborhood Activity Centers -

A cornerstone of the MGMUP is to apply "activity center" planned developments in appropriate locations in order to create support for neighborhood scale commercial and transit supportive development. Under this concept, neighborhoods are each centered or organized around a center that would provide a range of land uses within walking distance of neighborhoods --- preferably within a one-quarter mile area --- including neighborhood scale retail, office, recreation, civic, school, day care, places of assembly, public parks and open spaces, and medical offices. These centers have been selected due to their location, distribution, proximity to vacant buildable lands, ability to accommodate higher intensity and density development, and their context and ability to foster the development of a traditional, or complete, neighborhood. These centers have been equally spaced around the edge of the McMinnville urban area, with the downtown serving as the geographic hub. These centers need to be located at major street intersections:

As to this particular area, the area is not contiguous to the existing urban growth boundary. Major streets that currently exist to serve this area include Peavine Road and South Hill Road, both of which are under Yamhill County jurisdiction. Peavine Road is located more than one-half mile from the current urban growth boundary; Hill Road is a short distance south of the boundary. The nearest existing urban residential development is located more than one mile from where Peavine Road crosses through the Class III soil lands. It may be possible to locate an activity center upon these Class III soil lands, but it would be relatively isolated from other existing McMinnville residential development and services.

Based upon these distribution and location criteria, and the physical form that such an expansion would take, the City finds that these lands are not supportive of a "neighborhood activity center" and, as such, should not be included in the expanded urban growth boundary.

Existing Development Patterns -

Urban development in this area has been kept east of Hill Road, north of the North Fork of Cozine Creek, and east of Old Sheridan Road due to the presence of the McMinnville urban growth boundary, adopted in 1981. As noted previously, this area of Class III and

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⁷ As regard siting for residences, a "severe" rating is associated with soils that exhibit poor stability, or that are poorly drained or subject to flooding, and have high shrink-swell potential and low shear strength.

Class IV soils is not contiguous to the existing urban growth boundary and extends away from the boundary in a relatively narrow band to the southwest before turning eventually to the east. In order to permit this area's urbanization, and for reasons of efficiency, some amount of land with Class II soils would need to be included in order to make it contiguous to the existing McMinnville urban growth boundary. Even so, the City finds that such a boundary --- a finger extending into actively farmed lands --- would not be conducive to an efficient development pattern, nor to the criteria supportive of the activity center concept, as summarized previously and described more fully in the MGMUP. It would also partially, or completely, surround other actively farmed areas, thereby putting increased pressure on them for future urbanization, and, in the meantime, creating rural / urban conflict.

The City has considered the lands west and southwest of the existing UGB and is recommending that some of them be included in the proposed expansion (Northwest, Southwest, and the Thompson property sub-areas), as well as sub-areas to the north and southeast (Grandhaven and Three Mile Lane, respectively). The other areas referenced are located farther to the west and southwest and are not included for reasons related to the cost and feasibility of providing necessary urban services (elevation and distance), transportation, distance to planned and existing services (schools, commercial development), and housing need (elevation, slope, and cost of development will make it less likely that these would support smaller lot development). Also, lands east of the airport were not given consideration due to their location adjacent to the airport and weapons training facility and their land use incompatibilities with urban residential development

For the above noted reasons, the City concludes that specific types of land needs as identified in the MGMUP can be accommodated within lands south of the future high school site, and south of the Redmond Hill subarea. The City concludes that all other resource lands of predominantly Class III or greater soils cannot reasonably accommodate such land needs. The City, therefore, has not included these lands in its expanded urban growth boundary, as permitted by ORS 197.298 (3)(a - c).

Consistent with ORS 197.298, and other applicable planning laws and goals, the City next analyzed Class II lands to determine their suitability to accommodate identified land needs. The details of this analysis are found in the MGMUP, and Appendix C of the MGMUP. Such soils are generally contained within the following geographic subareas:

- o Grandhaven:
- o Three Mile Lane:
- o Norton Lane;
- o Southwest; and
- o Northwest,

A summary of soil types for each of these sub-areas follows.

Norton Lane. Soil classification within the eastern portion of this sub-area (the portion east of Joe Dancer Park) was field investigated and mapped in 1999 by a private soil scientist.⁸ That investigation found that some 1.9 percent (3.73 acres) of the soils within the area are classified as SCS Class I. This soil is located primarily

⁸ Jack Parcell, Certified Soil Scientist, #19574 CPSC – June, 1999. (MGMUP, Appendix C, Attachment 3)

west of the location of the milking barns of the Shurig Dairy that was in operation on this site in the recent past. Class II soils comprise nearly 75 percent of the site. The balance of this area is composed of Class III (14.5 percent), Class IV (1.8 percent), and Class VI (7 percent) soils. The majority of the western portion of this sub-area (Joe Dancer Park area) is identified as Class II and contains no Class I soils.

- Three Mile Lane. Soils within this sub-area are almost entirely Class II with a small amount of Class III and Class VI found mainly within the 100-year floodplain of the South Yamhill River. A relatively small occlusion of Class I soil extends east from the Lawson Lane sub-area.⁹
- Northwest. Soils within this sub-area are predominantly Class III and IV with a smaller amount of Class II soils located along the area's northern perimeter. There are no Class I soils within this sub-area.
- Grandhaven. Soil classification within this sub-area is almost entirely Class II and Class III. There also exist a few isolated areas of Class IV soil located throughout the sub-area.¹¹
- Southwest. Soil classification within this sub-area is almost entirely Class II soil with a very small amount of Class IV and Class VI along the edge of and within the 100year floodplain of the adjacent waterways.¹²
- West Hills South. Soil classification within this sub-area is almost entirely Class III.
 Lesser amounts of Class II and Class IV soils are found in the southern, and extreme western edges of the site, respectively.

Conclusion:

Based upon the above findings, the City has concludes that resource lands within the Northwest, Southwest, Grandhaven, Norton Lane, Three Mile Lane, and West Hills South subareas are, on balance, best suited to accommodate the residential and commercial land needs as identified in the MGMUP. In summary, other areas analyzed and not included were found to be unable to reasonably accommodate such needs for reasons related to the cost and feasibility of providing necessary urban services (elevation and distance), transportation, distance to planned and existing services (schools, commercial development), potential rural/urban conflict, public safety, and inconsistency with growth management planning concepts and goals, as stated in the MGMUP.

The Council concludes that ORS 197.298(2) and (3) and Factor 6 are satisfied because areas with higher capability agricultural land are being retained outside the UGB and other areas with lower capability agricultural are proposed for inclusion. Where higher priority lands are proposed for inclusion, the City has provided sufficient reasons to satisfy ORS 197.298 (3) (a - c).

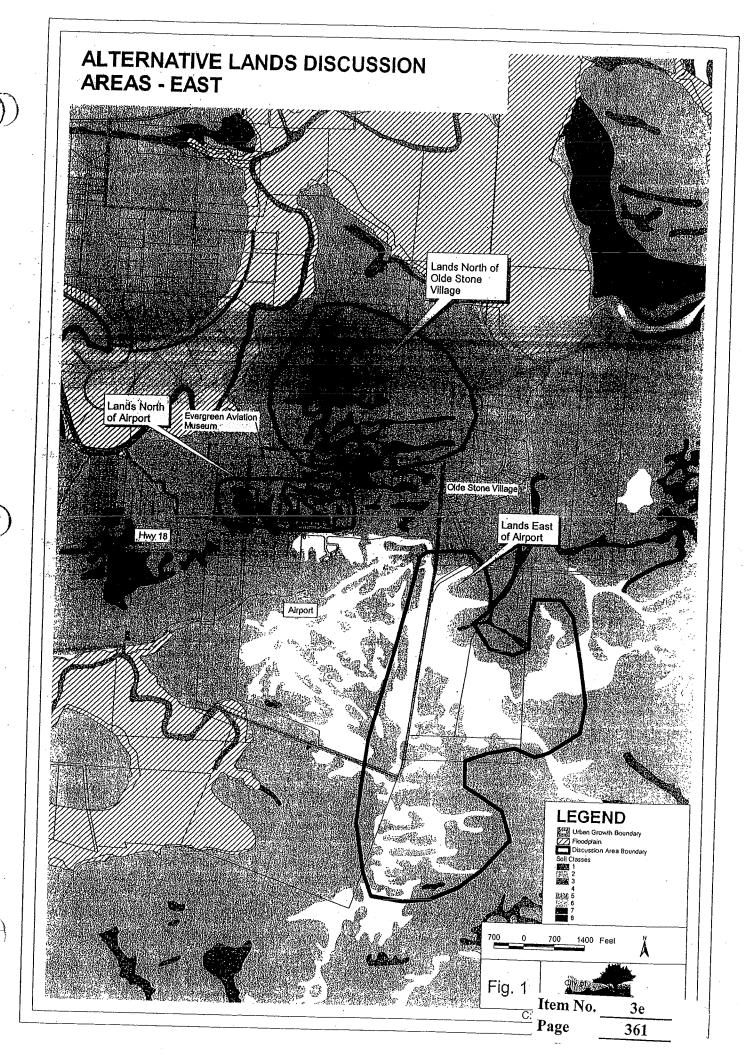
² Natural Resources Conservation Service (NRCS) - http://www.nrcs.usda.gov

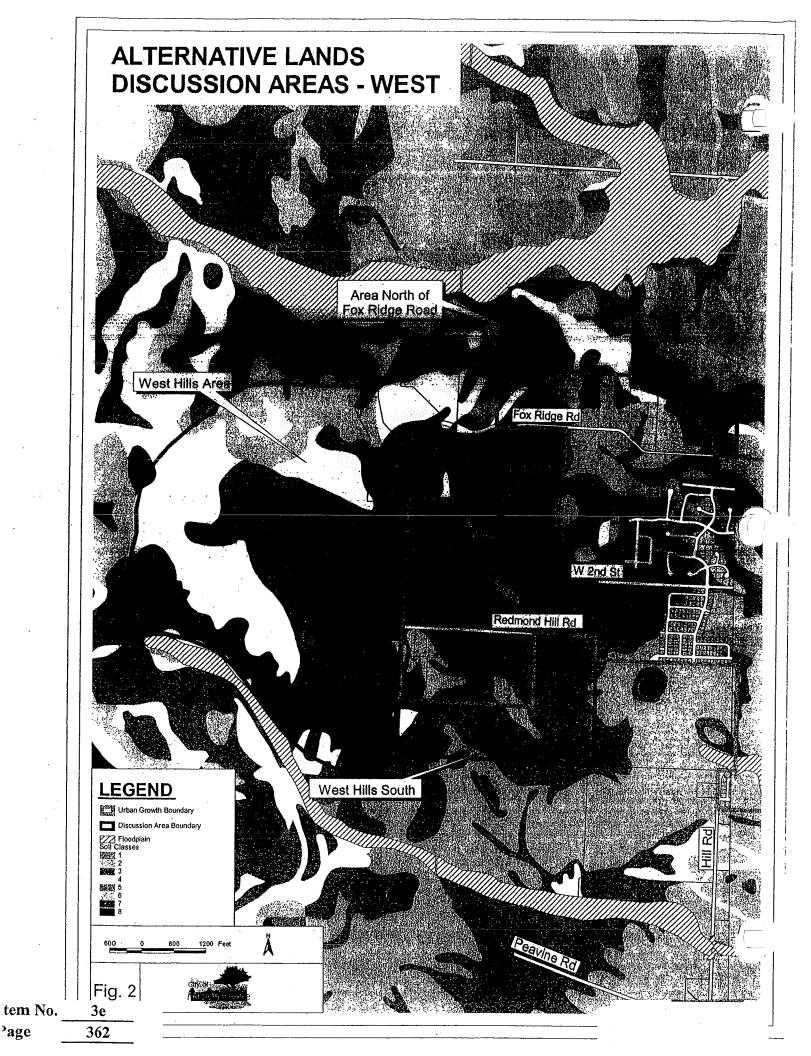
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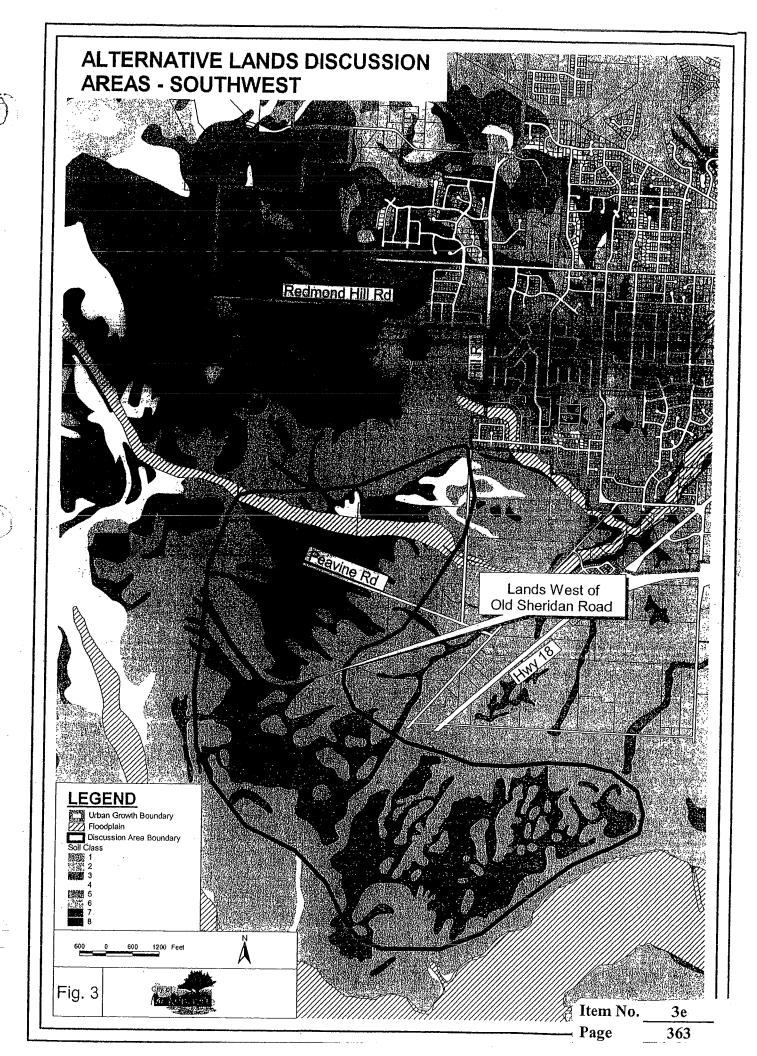
⁹ Natural Resources Conservation Service (NRCS) - http://www.nrcs.usda.gov

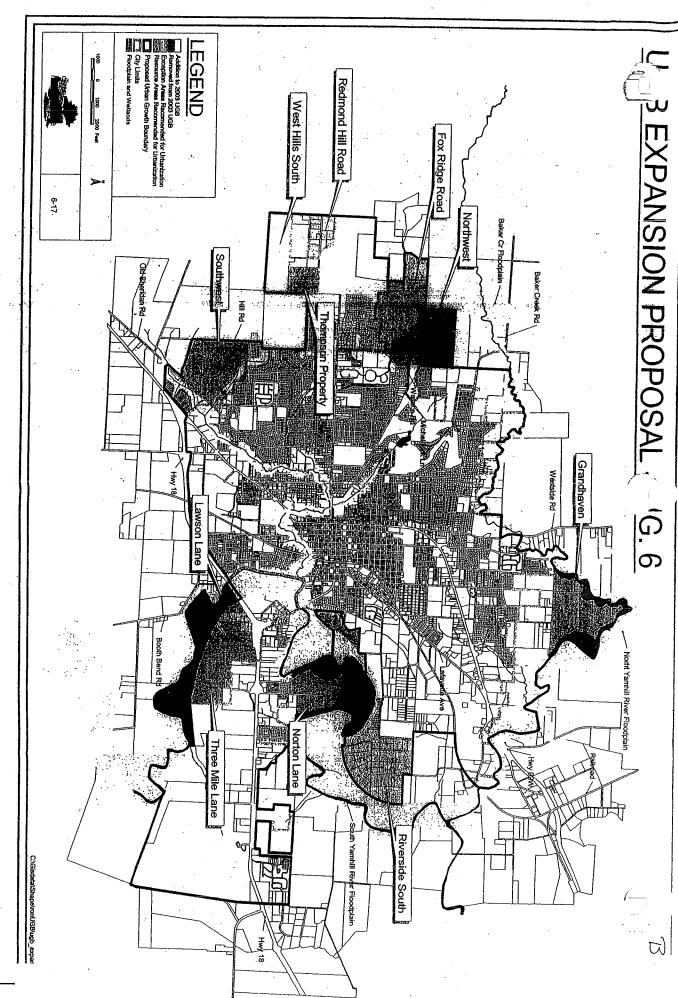
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