

MINUTES

September 7, 2023
Planning Commission
Regular Meeting

6:30 pm
Hybrid Meeting
McMinnville, Oregon

Members Present: Sidonie Winfield, Dan Tucholsky, Beth Rankin, Rachel Flores, Megan Murray, Brian Randall, Gary Langenwalter, and Matt Deppe

Members Absent: Sylla McClellan

Staff Present: Heather Richards – Community Development Director, Tom Schauer – Senior Planner, Bill Kabeiseman – Bateman Seidel, Contracted Legal Counsel, and Beth Goodman – ECONorthwest, Consultant

1. Call to Order

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

2. Swear In New Commissioner – Rachel Flores

Chair Winfield administered the oath of office to new Commissioner Rachel Flores.

3. Citizen Comments

None

4. Minutes

- **May 4, 2023**

Commissioner Tucholsky MOVED to APPROVE the May 4, 2023 minutes. The motion was seconded by Commissioner Murray and passed 8-0.

5. Public Hearings

- A. Legislative Hearing: Proposed Amendments to the Comprehensive Plan to adopt: A New Housing Needs Analysis (G 1-20) and A New Economic Opportunities Analysis (G 3-20)**

(Continued from May 18, 2023)

Requests: G 1-20 - This is a legislative amendment, initiated by the City of McMinnville, to the Comprehensive Plan to adopt a new Housing Needs Analysis, including a residential buildable land inventory.

G 3-20 - This is a legislative amendment, initiated by the City of McMinnville, to the Comprehensive Plan to adopt a new Economic Opportunities Analysis, including a buildable land inventory for employment and other non-residential land use.

Applicant: City of McMinnville

Chair Winfield opened the public hearing and read the hearing statement. She asked if there was any objection to the jurisdiction of the Commission to hear this matter. There was none. She asked if any Commissioner wished to make a disclosure or abstain from participating or voting on this application. There was none.

Staff Report: Community Development Director Richards gave a background on the work that had been done for growth planning in the City. Tonight's public hearing would review draft results of the Housing Needs Analysis, Economic Opportunities Analysis, and Public Land Need Analysis. She explained the value of planning for growth. Affordability was critical and an increasing problem in McMinnville. Housing supply contributed to affordability, and supply was an increasing problem. The City was considered severely rent burdened. She discussed the population forecast for the City. They should not assume all multi-family housing was low income. As lots got smaller, access to open space was more important. She then reviewed the documents, which had recently been updated. This included the process to develop them, Buildable Lands Inventory, mix of housing types, deficit of land for new housing, Mac Town 2032 Economic Development Strategic Plan, land need for housing and employment, land added to the UGB in 2020 for public uses compared with estimated public land needs through 2041, how they were going to meet the need, public testimony received, assertions and conclusions made by 1,000 Friends of Oregon and Friends of Yamhill County, park land need, how the Project Advisory Committee and Public Lands Work Group elected to move forward with the existing levels of service in the adopted Parks Master Plan of six acres per 1,000 capita, and where parks should be located. She recommended the Parks Department update the Parks System Table to reflect the classifications in the Master Plan. The 6-acre LOS for greenspaces, greenways, and natural areas could be located on either buildable land or unbuildable land and should reflect the values and objectives of the Master Plan and could be a land use efficiency that was evaluated in 2024. She also recommended inviting Parks and Recreation Director Muir to the next Commission meeting to address these issues and give an update on the Master Plan process. She gave perspective for discussion on expansion to meet the land deficiency that had been identified. They needed 484 acres, which was one-tenth of one percent of the total acreage in Yamhill County. That was smaller than many of the farm tracts in the County. She recommended continuing the public hearing.

There was discussion regarding the need to update the data, questioning the assumptions and not think the past was a good predictor of the future, trend of home based offices and not as much need for office space, being more proactive, how if the forecasts were wrong and they brought in too much land there would be less land to bring in the next time, parkland need and levels of service, definition of park, how the additional acres of Joe Dancer Park that came into the UGB with the last effort was classified, how they could not rely on using school property in the calculations for parks as there was no agreement, talking to vacant property owners about developing, incentives for workforce housing, and how smaller lots were not less expensive due to the supply issue.

Proponents: None

Opponents: Mark Davis, McMinnville resident, did not think they needed to add more land to the UGB in the next 20 years, especially after the recent UGB approval. They were being asked to approve another EOA even though the last one was only ten years old and additional parkland when the parkland just added exceeded the acreage of all the parks that had been developed in the history of the City. The urban reserve process would sequester even more land ending in 2067, all the while the need for affordable housing continued. He thought the priorities were misplaced and there was no justification for the acreage requested, especially the land for parks. The 1999 Parks Master Plan had expired without reaching the goal of 14 acres of parks per 1,000 population. They had less park acreage per 1,000 residents than they did in 1999. He thought the City had all the land it needed for park development for the next 50 years.

There was discussion regarding how much land to set aside in developments for parks and lack of funding for parks.

Rob Hallyburton, Friends of Yamhill County, said they were in favor of the City adopting the documents, however they were in opposition to some of the elements of the plan. They had submitted a letter with suggestions to make sure the HNA contributed positively. The HNA did not account for the existing deficiencies in the housing options today. They needed to avoid over-estimation of land, especially to reduce the potential conversion of excellent farmland to urban uses before it was truly needed. Compact development was better for the City as it made more efficient use of public infrastructure and helped with housing affordability. They recommended the City take a more aggressive approach to planning for higher density development. Regarding economic development, the EOA, like the HNA, assumed less efficient use of land than the existing plan. This created an inflated forecast for both residential and employment lands. He thought changes could be implemented quickly and cheaply through the use of allowed safe harbors.

Sid Friedman, 1,000 Friends of Oregon, thought the changes they suggested would better serve the needs of those who lived and worked in the City, both now and in the future. McMinnville had larger minimum lot sizes than other cities, which affected their ability to provide housing at different price points. Another land capacity issue was the parkland projections. The UGB analysis assumed that half of the residential land added in 2020 would be used for parkland and churches. The City could use the safe harbor rule that 25% of additional residential land would account for streets, parks, and schools. There was a reduction in density from 5.7 units per acre to 5.46, which did not meet the City's needs. They suggested instead to use the safe harbor of 8 units per acre. The HNA assumed no new housing on C-3 land after the year 2021, which was incorrect. Regarding the EOA, there were too many jobs that needed new vacant employment land. The EOA assumed that only 5% of new jobs would occur on residential land around existing employment sites, but the census data said people working from home far surpassed the 5% and home occupations didn't begin to count all the people working in residential zones. Regarding the large Linfield site, if the land wasn't sold it would either be student housing or new employment.

There was discussion regarding how changing lot minimums would affect housing density and prices, farmland preservation, and parkland.

Rebuttal: Community Development Director Richards clarified the impact of 484 acres of EFU land in the County for an UGB expansion was about two-tenths of one percent. About half the County land was EFU. In the last UGB amendment, 56% of the acreage was EFU land and 44% was not. There were two phases of the last UGB amendment, and phase 1 did not have any parkland assigned to it. Phase 2 was making up for that deficit, but it was meant to be distributed

across all the acreage. Median home prices in Newberg were \$575,000. Their market rate housing was still at a higher level than McMinnville.

Commissioner Flores MOVED to CONTINUE the hearing for Proposed Amendments to the Comprehensive Plan to adopt: A New Housing Needs Analysis (G 1-20) and A New Economic Opportunities Analysis (G 3-20) to September 21, 2023, with the record open. SECONDED by Commissioner Langenwalter. The motion PASSED 8-0.

B. Quasi - Judicial Hearing: Planned Development Amendment (Docket G 3-23)

Requests: Review and approval of a Planned Development Amendment (PDA 3-23) for a mixed-use development on a 6.63-acre property located at the NE corner of Baker Creek Road and Hill Road. The application includes a request to amend provisions of Planned Development Ordinance #5086 and to approve the proposed master plan for the property.

The proposed master plan includes: four mixed use buildings with two stories of residential use above ground floor commercial use, three 3-story buildings with multi-dwelling residential use, and on-site green space, plaza, and bicycle and pedestrian amenities. This includes 30,000 total square feet of commercial space and 144 total residences (72 above the ground-floor commercial in the four mixed-use buildings and 24 in each of the three-story residential buildings).

Applicant: Baker Creek 2, LLC, c/o Mark DeLapp

Chair Winfield opened the public hearing and read the hearing statement. She asked if there was any objection to the jurisdiction of the Commission to hear this matter. There was none. She asked if any Commissioner wished to make a disclosure or abstain from participating or voting on this application. There was none. She asked if any Commissioner had visited the site. All commissioners present raised their hands. Chair Winfield asked if any Commissioner needed to declare any contact prior to the hearing with the applicant or any party involved in the hearing or any other source of information outside of staff regarding the subject of this hearing. There was none.

Staff Report: Senior Planner Schauer said this was a request for amendments to the Planned Development conditions of approval and request for approval of the Planned Development Master Plan. He discussed the 6.63 acre subject site at the NE corner of Baker Creek Road and Hill Road, zoning map, proposed mixed use development, site plan, applicable criteria, additional information entered into the record, summary of the requested changes to the conditions which were more restrictive than C-3 standards, alternative design components with submittal of development plans, proposed master plan cross section, proposed master plan site plan, trail and greenspace, renderings and elevations of the proposed development, adjacent hazelnut orchard, and landscape plan. Staff found the criteria were satisfied with conditions and recommended approval with conditions.

There was discussion regarding bike storage, hours of operation for the commercial activity, configuration of the site, and adequate parking.

Applicant's Testimony:

Kevin Grant and John Wright, C2K Architecture, discussed how they came up with the design for the Baker Creek North project and creating a neighborhood activity center with gathering spaces and

main street concept. They thought it was an efficient parking plan with adequate parking for the units. They did not have bike storage planned. There would be a cover over the bike corral on the plaza.

Mark DeLapp, applicant, said in order to get the commercial space with this kind of look and feel, they had to have enough residential income to support the construction budget, which was why there was three story residential buildings.

Mr. Grant thought it was important architecturally to have the three stories to replicate a main street look.

There was discussion regarding shared parking with the residential and commercial uses, how they were using the data and requirements for the number of parking spots, encouraging bicycle and pedestrian activity, parking for second and third vehicles assigned further away, use of permeable pavement, stormwater retention, how the commercial uses would be businesses that could provide services to the neighborhood, the work/live units would be residential until there was demand for retail and then they would be used for retail, making it fit with the look of McMinnville, special events that might close the street, marketing to businesses, how the project could pencil with the number of residential units without the commercial, all the residential would be market rate housing, mitigation for the hazelnut orchard, approval criteria, laundry facilities, and garbage units.

The Commission had no issues with the proposed setbacks, three story buildings, and live/work spaces.

{The recording of the meeting ended at this point}

Commissioner Deppe MOVED to RECOMMEND APPROVAL of PDA 3-23 to the McMinnville City Council. SECONDED by Commissioner Murray. The motion PASSED 7-1.

6. Commissioner Comments

7. Staff Comments

8. Adjournment