



City of McMinnville
Planning Department
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STAFF REPORT

DATE: December 8, 2020
TO: Mayor and City Councilors
FROM: Heather Richards, Planning Director
SUBJECT: Public Hearing – Ordinance No. 5098 – UGB Amendment (Docket Number G 6-20)

STRATEGIC PRIORITY & GOAL:



GROWTH & DEVELOPMENT CHARACTER

Guide growth & development strategically, responsively & responsibly to enhance our unique character.

OBJECTIVE/S: Strategically plan for short and long-term growth and development that will create enduring value for the community



HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)

Create diverse housing opportunities that support great neighborhoods.

OBJECTIVE/S: Conduct thorough and timely planning and forecasting to ensure that regulatory frameworks for land supply align with market-driven housing needs



ECONOMIC PROSPERITY

Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors.

OBJECTIVE/S: Accelerate growth in living wage jobs across a balanced array of industry sectors



COMMUNITY SAFETY & RESILIENCY

Proactively plan for & responsively maintain a safe & resilient community.

OBJECTIVE/S: Provide exceptional police, municipal court, fire, emergency medical services EMS), utility services and public works

Report in Brief:

This is the consideration of the second reading of Ordinance No. 5098, an ordinance approving the McMinnville Growth Management and Urbanization Plan (MGMUP) 2020 UGB Update. The approval of Ordinance No. 5098 and the MGMUP 2020 UGB Update would result in an expansion of the McMinnville urban growth boundary (UGB) to add 662.40 gross buildable acres (862.40 gross acres) of additional land to the UGB to meet identified residential, commercial, industrial, and other public and semi-public land needs for a targeted population forecast of 44,055 people.

The MGMUP 2020 UGB Update also includes Comprehensive Plan Map Amendments that assign urban Comprehensive Plan map designations to all lands proposed to be included in the UGB and those that are currently in the UGB, as well as Comprehensive Plan Text Amendments to amend and/or create policies to guide the implementation of the MGMUP 2020 UGB Update.

This is the result of the work to respond to a Court of Appeals remand of the 2003 MGMUP adopted in 2003 by Ordinance No. 4796, and subsequently amended by Ordinances No. 4840, 4841 and 4961 respectively.

MAC Town Strategic Plan, 2032 Objectives Achieved:

GROWTH AND DEVELOPMENT CHARACTER F-3, Strategically plan for short and long-term growth and development that will create enduring value for the community.

Update long range land-use plans.

Set a policy for updating facilities plans

HOUSING G-2, Conduct thorough and timely planning and forecasting to ensure that regulatory frameworks and land supply align with market-drive housing needs.

Assess urban growth boundaries adjustment.

Background:

On January 22, 2020, staff conducted a work session with the City Council about growth planning, current efforts that were underway at the time, and options for the City to consider to move forward with planning for the growth of the City of McMinnville. At that time staff presented numerous options and paths for moving forward with growth planning, ranging from starting a new UGB study and analysis to doing nothing and waiting for a state-wide fix to the Oregon state-mandated land use planning program. After weighing the potential costs, timeframe, and appeal risk for each option, as well as the potential for each option to achieve land needs and achieve state planning goals, the City Council directed staff to pick up the previous UGB study and expansion work that the City had attempted to adopt in 2003 and to work on the remand issues. This previous UGB work is referred to as the McMinnville Growth Management and Urbanization Plan (MGMUP or “Plan”), and was subject to appeals that ultimately resulted in the MGMUP being remanded from the Oregon Court of Appeals in 2011 to the Land Conservation and Development Commission (LCDC) who eventually remanded it to the City on February 29, 2012.

The MGMUP was the product of ten years of community engagement, community visioning and planning by the City of McMinnville from 1994 – 2003. Based on a three year community visioning effort from 1997 – 1999 entitled McMinnville 2020, the MGMUP was first intended to plan for a future McMinnville, 2000 – 2020. However, after a couple of years of opposition and challenges from local and state land-use advocates, the City of McMinnville adjusted its planning horizon to 2003 – 2023, and adopted the MGMUP in 2003 via Ordinance No. 4796, while maintaining the values and vision of McMinnville 2020.

The Plan was progressive for its time, built upon the premise of smart growth planning of compact, mixed-used neighborhoods that provided residents with amenities, goods and services within a twenty minute walkshed in order to help alleviate pressure on the transportation network and to protect surrounding farmland. The hallmark of the Plan is the need to expand the city’s urban growth boundary to accommodate future population growth, where that expansion would take place, and how the land in the expansion area would develop.

As discussed above, the MGMUP encountered some opposition from 1000 Friends of Oregon, Friends of Yamhill County, Ilsa Perse and Mark Davis when it was reviewed by the Department of Land Conservation and Development and the Land Conservation and Development Commission. Eventually it was appealed to the Oregon Court of Appeals (COA) in 2007 by 1000 Friends of Oregon, Friends of Yamhill County and Ilsa Perse. In 2011, the COA issued a decision, which remanded the Plan to LCDC for additional analysis and to respond to one assignment of error. In 2012, LCDC remanded it to the City. Upon the receipt of the remand from LCDC, the City elected to pause on its effort to move forward with the Plan and adopted Ordinance No. 4961 which repealed certain aspects of the Plan that had been adopted into the Comprehensive Plan and the Zoning Ordinance.

Since January, 2020, staff has been working on the remanded assignment of error – which is essentially the analysis, process and methodology for selecting the land to include in the City’s UGB to meet the needs of 44,055 people (which is the targeted population forecast for the planning period). Throughout

the year, staff provided monthly updates to the City Council on the progress of this work during public work session meetings from April 2020 to November 2020.

Ordinance No. 5098, which is now before the City Council for consideration, adopts the proposed Comprehensive Plan Map Amendment for the new UGB, the proposed comprehensive plan map designations for land within the city's UGB, the MGMUP and its appendices, the proposed Comprehensive Plan policy amendments, the proposed Zoning Ordinance code amendments, and the Findings document for the MGMUP. The remand response is referred to within the documents associated with Ordinance No. 5098 as the "MGMUP 2020 UGB Update".

Since this is a remand of a decision that went through considerable public process and engagement for many years in McMinnville, including public hearings with the McMinnville Urban Area Management Committee, the Planning Commission and the City Council, the remand is being considered by City Council.

The City Council conducted three nights of public hearings on December 1, 2 and 3, closing the public hearing on December 3, 2020, and keeping the record open for additional written testimony to 12:00 PM on December 4, 2020.

Prior to the public hearing, the City also offered public information sessions as an additional opportunity for the public to learn more about the recommended UGB and Comprehensive Plan amendments associated with the MGMUP 2020 UGM Update. Those public information sessions were held on November 11th, November 13th, November 17th, and November 23rd.

After closing the public hearing on December 3, 2020, the City Council conducted the first reading of the Ordinance. Consideration of the second reading of Ordinance No. 5098 is scheduled for December 8, 2020. Should the City Council make a decision to approve Ordinance No. 5098, the proposal would then be forwarded to the Yamhill County Board of Commissioners for their consideration and review during another public hearing held by the County. The Yamhill County Board of Commissioners public hearing, deliberation, and decision is currently scheduled to occur on December 10, 2020, with a potential second date for continued hearing, deliberation, and/or decision on December 17, 2020.

Following review and decision by both the McMinnville City Council and the Yamhill County Board of Commissioners, the UGB amendment and associated Comprehensive Plan and Zoning amendments will be submitted to the Department of Land Conservation and Development (DLCD) for their review and acknowledgment, in the manner provided for periodic review under applicable Oregon Revised Statute (ORS).

Discussion:

The adoption of Ordinance No. 5098 would result in the adoption of the MGMUP 2020 UGB Update to the 2003 McMinnville Growth Management and Urbanization Plan – McMinnville's Remand Response to the COA.

Below is a summary of the major components of the MGMUP 2020 UGB Update. Much more detail is provided in the MGMUP and its associated appendices, which are included as attachments to this staff report.

Plan Components

The MGMUP 2020 UGB Update includes the following components:

- McMinnville Growth Management and Urbanization Plan (MGMUP or "Plan"), including:

- Appendix A – Population and Employment Forecast
- Appendix B – Buildable Lands Analysis
- Appendix C – Urbanization Report or the Alternatives Analysis
- Appendix D – Proposed Comprehensive Plan Policy Amendments
- Appendix E – Proposed Zoning Ordinance Amendments
- Appendix F – Proposed Comprehensive Plan Map Amendment
- Appendix G – The Framework Plan and Area Planning Process

How the Remand Work Interacts with the Original Planning Documents

Staff recommends that the City Council retain most of the original work and documents to honor the years of community visioning that formed the basis for the Plan and to build on the community's previous investment in this effort. The vast majority of this original work was also affirmed by the COA and not part of the remand or the assignment of error. The MGMUP 2020 UGB Update and its associated appendices all blend both the original work and any updated analysis that was necessary as part of this remand effort. Within the documents, new sections are included to note when the original elements are being retained and when new analysis is being introduced or the original elements are being affirmed with a verification of achievement.

Urban Growth Boundary Amendment

In the original planning work, the City of McMinnville had determined that, in order to accommodate future growth needs for housing, employment and livability, the urban growth boundary (UGB) needed to expand by approximately 1,538.45 gross acres and 880.66 gross buildable acres to accommodate a future planning horizon of 2003 – 2023. Again, staff is suggesting that the City Council retain this original work and land need. Since McMinnville is literally surrounded by high-value farmland, any discussion and analysis of urban expansion into the rural farm lands needs to be very carefully analyzed and thoughtful in terms of overall impact.

The initial MGMUP submittal in 2003 resulted in 259 gross buildable acres of residential land being amended into the UGB boundary in 2004 (hereinafter referred to as "Phase I"). This amendment was substantially less than what was required to meet the City's identified need for housing, employment and livability needs. The remainder of the land need and UGB amendment was appealed by 1000 Friends of Oregon, Friends of Yamhill County and Ilsa Perse to the Court of Appeals which eventually remanded the effort back to LCDC and subsequently to the City of McMinnville for one assignment of error – the analysis of lands to include within the proposed UGB amendment per the provisions of ORS 197.298, Goal 14, ORS 197.732(1)(c)(B), Goal 2, Part II (c), and OAR 660-004-0020.

This remand effort focuses on the remaining land need identified by the City of McMinnville for housing, employment and livability (parks, public facilities, etc.) as a "Phase II" effort of the MGMUP UGB amendment. The remand effort also updates the analysis of lands for potential inclusion in the UGB as directed within the COA decision.

The focus of this remand effort is the alternatives analysis evaluating where the city's UGB should expand. That analysis is what the COA determined the City needed to evaluate again. City Council will find that analysis in Appendix C of the MGMUP.

Summary of Future Growth Need

As discussed above, staff is suggesting that the City Council decide to continue to utilize all of the data that informed the original Plan – in terms of the Coordinated Population Forecast, Buildable Land Inventory, Housing Needs Analysis and Economic Opportunity Analysis, as these were all challenged in

the past and have since been affirmed. A summary of those evaluations and outcomes can be found in Appendix A and Appendix B of the MGMUP.

Planning Horizon Data*

*See Appendix A, *Population and Employment Forecast*, and Appendix B, *Buildable Lands Analysis*, for details.

Planning Horizon = 2003 – 2023
Population Forecast = 44,055
Increase in Population in Planning Horizon = 15,545
Housing Needed to Accommodate Population Growth = 6,014 Dwelling Units
Housing Supply Target = 60% single-family, 40% multi-family
Housing Density Target = 5.7 dwelling units/gross buildable residential acre
Employment Forecast in 2023 = 22,161 Employees
Increase in Employees in Planning Horizon = 7,420 Employees

Land Need in UGB Expansion*

*Please see Appendix B, *Buildable Lands Analysis*, for details.

Table 1: Total additional acres needed in the McMinnville UGB, 2003-2023 (Phases I and II)

Category of Land Need	Needed Gross Buildable Acres
Residential	818.00
Commercial	106.00
Industrial¹	(46.00)
Total	924.00²

¹ The City of McMinnville will retain its surplus in Industrial Land to achieve its economic development strategy.

²The overall land need has increased from the original 880.66 gross buildable acres in 2003 to 924.00 gross buildable acres in 2020 due to the application of a Conservation Easement on 81 acres of buildable land within the city's existing urban growth boundary that prohibits any future development on the property in perpetuity. This effort though was able to find another 40 acres of land efficiency to decrease that overall impact to 43 acres.

In 2004, 259 gross buildable acres were amended into McMinnville's UGB as Phase I of this effort. The remaining acres in the proposed UGB amendment were appealed to the Court of Appeals which eventually remanded the work back to the City of McMinnville for further evaluation and refinement. Table 2 below identifies the Phase I UGB amendment, as well as the remaining land need proposed to be achieved by the Phase II UGB amendment.

Table 2: Phase II total additional acres needed in the McMinnville UGB, 2003-2023

Category of Land Need	Phase I Amendment (Gross Buildable Acres)	Phase II Amendment Need (Gross Buildable Acres)
Residential	259.00	559.00
Commercial		106.00
Industrial¹		(46.00)
Total	259.00	665.00

¹ The City of McMinnville will retain its surplus in Industrial Land to achieve its economic development strategy.

Comprehensive Plan Map Amendments (Phase II)

The City Council's adoption of this Ordinance No. 5098 would result in a Comprehensive Plan Amendment to expand the city's existing urban growth boundary by 862.40 gross acres with 662.40 gross buildable acres, which is just under the 665.00 gross buildable acres identified in Table 2 as necessary to accommodate the city's future land need. (See Appendix C, *Urbanization Report*, for more details).

Staff is recommending that the City use an Urban Holding (UH) Comprehensive Plan Designation for most land in the UGB until Area Planning and Master Planning is completed that enables the adoption of urban land use designations. This will allow for maximum efficiencies of land use within the UGB expansion areas and guarantee that the City's need for housing types, commercial uses and public amenities is achieved. These future Area Planning and Master Planning processes will be described in more detail below.

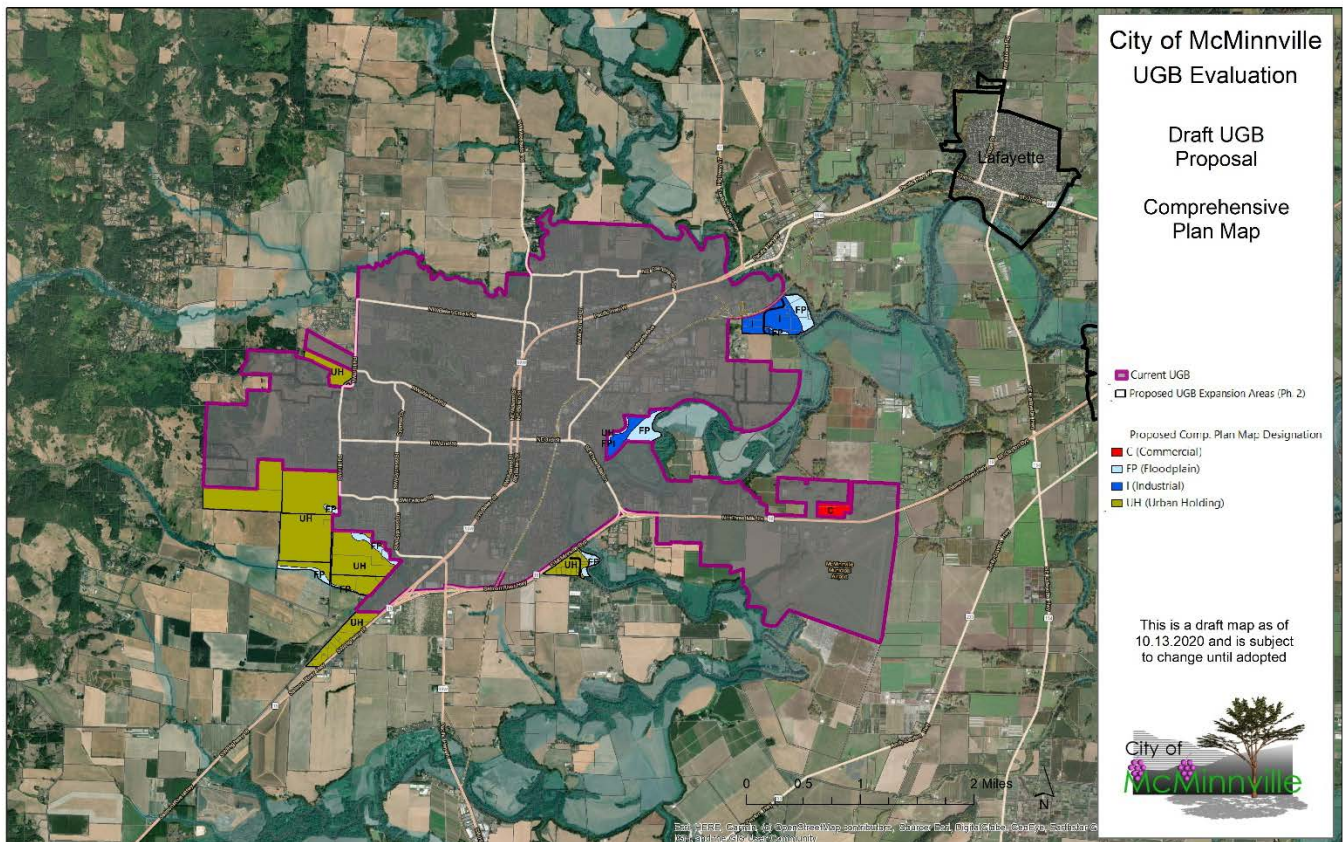
Table 3: Comprehensive Plan designations in the McMinnville UGB, 2003-2023, gross buildable acres, (Phase II)

Comprehensive Plan Designation	Gross Buildable Acres
Urban Holding	595.40
Commercial	26.70
Industrial ¹	40.30
Total	662.40

¹ As a land-use efficiency, the City of McMinnville will rezone 40 acres of industrially zoned property within the existing UGB to a commercial zone, and amend its UGB with an exception area that will be designated industrial to preserve more higher value, higher priority farmland within the UGB expansion study area.

Map 1 below is the proposed comprehensive plan map amendment for the Phase II lands. *Note: Included on the map is land within the City of McMinnville's floodplains that are not considered buildable and therefore do not meet an identified land need, but which are being included in the UGB amendment as a means to protect the riparian habitat and to mitigate negative agricultural conflicts between urban and rural uses.*

Map 1: McMinnville MGMUP Remand UGB Comprehensive Plan Map Amendment (Phase II)



Comprehensive Plan Designations (Phase I and II)

The final UGB amendment to support the MGMUP 2020 UGB Update (Phase I and Phase II) will be 1,280.30 gross acres, and 921.40 gross buildable acres, which is just under the 924.00 gross buildable acres identified in Table 1 as necessary to accommodate the city's future land need. Table 4 describes the gross buildable acres needed to accommodate the City's identified housing, employment and livability needs for the entire UGB amendment (both Phase I and Phase II).

Table 4: Comprehensive Plan designations in the McMinnville UGB, 2003-2023, gross buildable acres, (Phase I and Phase II)

Comprehensive Plan Designation	Gross Buildable Acres (to satisfy land need)
Urban Holding	854.40
Commercial	26.70
Industrial ¹	40.00
Total	921.40

Some of the proposed UGB expansion includes acreage that is not buildable, such as floodplains, land with slopes that are greater than 25%, and land that already has development on it. Table 5 describes the total gross acres of UGB expansion land needed to accommodate the City's identified housing, employment and livability needs for the entire UGB amendment (both Phase I and Phase II).

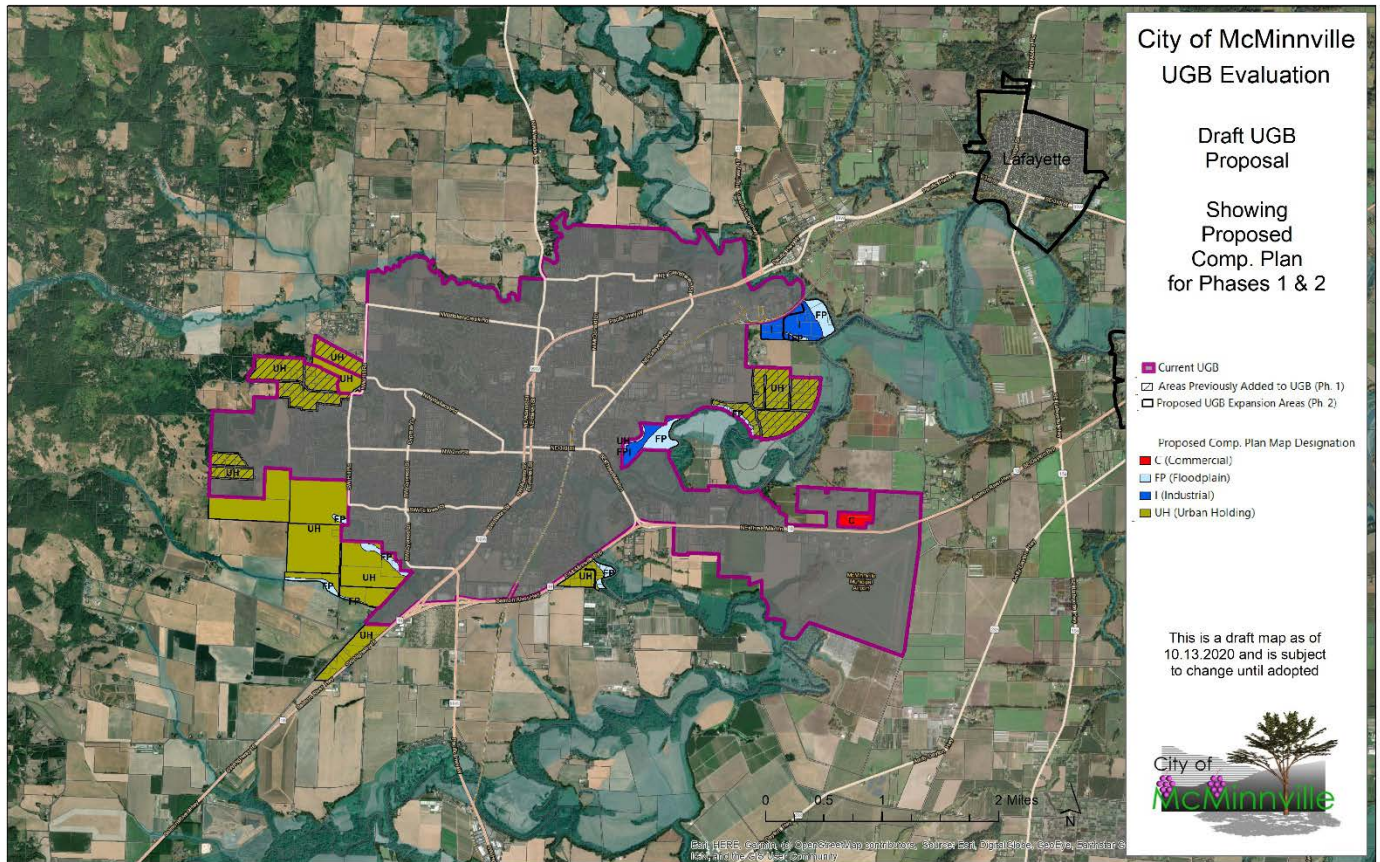
Table 5: Comprehensive Plan designations in the McMinnville UGB, 2003-2023, gross acres, (Phase I and Phase II)

Comprehensive Plan Designation	Gross Acres
Urban Holding	1039.50
Commercial	27.50
Industrial	92.30
Floodplain	121.00
Total	1280.30

Comprehensive Plan Map Amendment (Phase I and Phase II)

Map 2 below identifies the proposed McMinnville MGMUP 2020 UGB Update comprehensive plan map amendment for both Phase I and Phase II. Staff is recommending that the City Council amend the Comprehensive Plan Map designations of the land that was included in 2004 to the new Urban Holding designation, in order to accommodate more detailed Area Planning and Master Planning (which will be discussed in more detail below). *Note: Included on the map is land within the City of McMinnville's floodplains that are not considered buildable and therefore do not meet an identified land need, but which are being included in the UGB amendment as a means to protect the riparian habitat and to mitigate negative agricultural conflicts between urban and rural uses.*

Map 2: MGMUP Remand UGB Comprehensive Plan Map Amendment, 2003-2023, (Phase I and Phase II)



Implementation Plan - Proactive Planning Prior to Annexation

The success of the MGMUP 2020 UGB Update is predicated on comprehensive strategic community planning of the UGB expansion land prior to annexation to the City of McMinnville and development. The Plan depends upon the successful implementation of many different Comprehensive Plan proposals (see Appendix D, Proposed Comprehensive Plan Policy Amendments for more details), Zoning Ordinance Amendments (see Appendix E, Proposed Zoning Ordinance Amendments for more details), and a Framework Plan, Area Planning and Master Planning process (see Appendix G – Framework Plan and Area Planning Process for more details). Staff recommends this Framework Plan, Area Planning, and Master Planning process to provide a mechanism that the City can use to ensure that all of the city's future land needs for housing, employment and livability for the planning horizon of 2003-2023 can be accommodated within the principles of smart growth planning that is the hallmark of the McMinnville 2020 community visioning effort, and can also be supported with the appropriate infrastructure systems.

Comprehensive Plan Policy Amendments

With the adoption of the MGMUP 2020 UGB Update, the City Council would be committing to the necessary planning work to support the appropriate development in the UGB expansion area. Staff recommends several proposed policies and proposals to update the appropriate public facility plans to serve this expansion area (Parks and Recreation, Wastewater, Transportation, Water, etc.), which are contemplated to occur within 5 years after adoption of any major UGB amendment.

The staff-recommended Comprehensive Plan Policy Amendments also include the development and adoption of several new comprehensive plan and zoning designations to clarify land uses per the adopted maps of the City of McMinnville. These proposals include an Open Space and Recreation comprehensive plan designation and Parks Zone, a Public Facilities Zone, an Airport Zone, etc.

The staff-recommended Comprehensive Plan Policy Amendments are included in detail in Appendix D.

Zoning Ordinance Amendments

Staff is also recommending zoning ordinance amendments to carry out the MGMUP 2020 UGB Update. These include a new high density residential zone (R-5) to help the City achieve its affordable housing and density needs for housing, a neighborhood activity center overlay district that enables the smart growth planning that is the hallmark of the Plan, and master planning guidelines to help ensure that new developments on parcels of 10 acres or more are master planned in a thoughtful and coherent manner in relationship with each other to achieve the community's overall future vision for itself.

The staff-recommended zoning amendments are included in detail in Appendix E.

Implementation through Future Planning Processes

Staff recommends that the City Council implement a three-step planning process for those lands that are included in the UGB expansion areas. This implementation and planning process includes the following steps, listed in the order in which they must be completed:

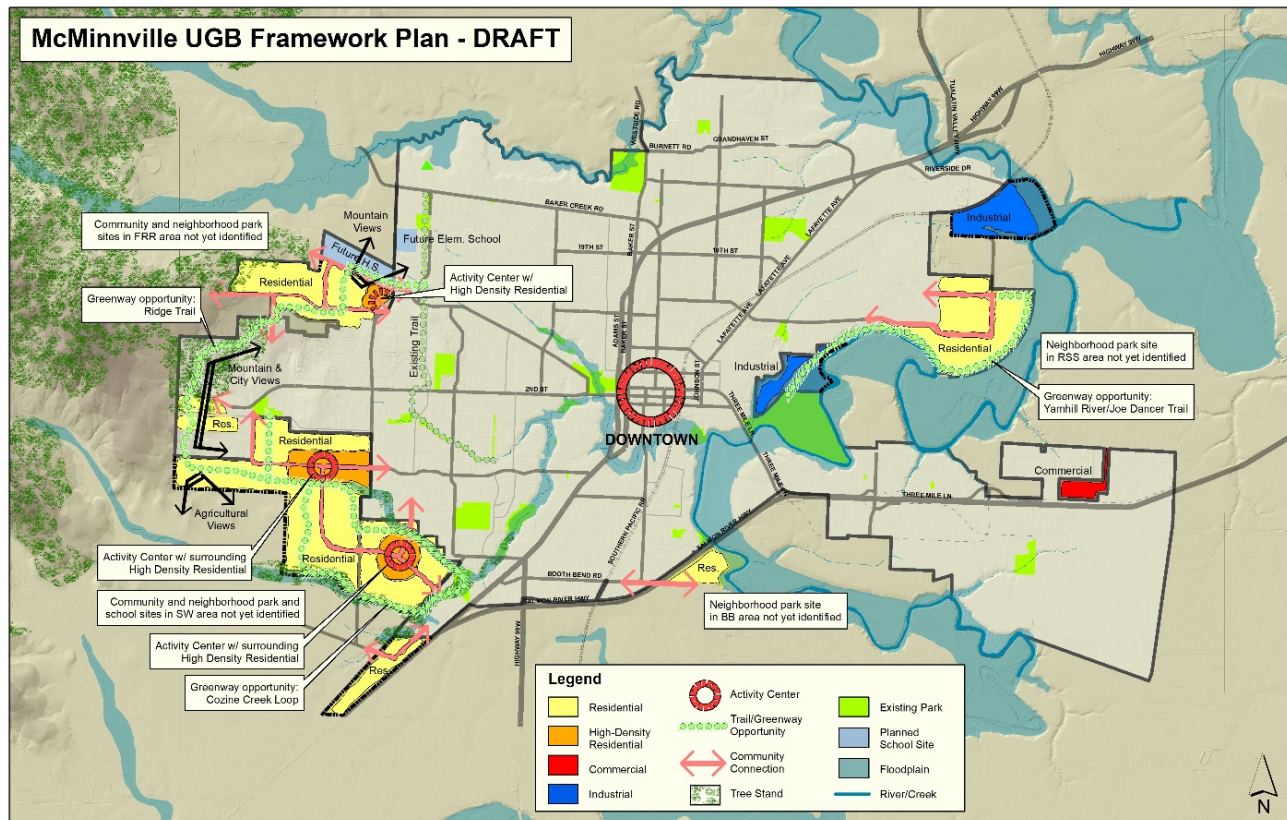
- Framework Plan
- Area Plan
- Master Plan

The order in which the planning process occurs is critical, because each step in the process builds upon the previous step and provides guidance for the future step. The ultimate result of the implementation and planning process is the development of the UGB in a manner that is consistent with the MGMUP and consistent with the land development and urban design concepts that the McMinnville community has embraced. The planning process will also provide future opportunities for the City to demonstrate how it will achieve the overall need for the variety of housing types and land uses as described in Appendix B.

A brief description of the Framework Plan, Area Planning, and Master Planning processes is provided below, but more detail on each planning process is included in Appendix G.

Framework Plan

The McMinnville Framework Plan is recommended to be included as part of the Plan, and would provide general overall guidance for future development in the UGB expansion area. While the Framework Plan is included in the MGMUP and is referenced in it, the Framework Plan is not formally adopted with the MGMUP and is not binding on land owners, developers, or the City. The Framework Plan is intended to be conceptual in nature, but it will serve as an advisory plan that informs and provides guidance for more detailed Area Planning and Master Planning that will be required for lands before they are annexed into the City.



Area Plans

Staff is suggesting that the City create an Area Planning process to allow the City and the community to engage in a thoughtful and intentional area planning process for all of the distinctive areas of the UGB expansion land. The Area Planning process would ensure that the proposed future development in those areas serves the city's needs and values. Area Plans would be required to follow the overall guidance of the Framework Plan. These Area Plans will be informed through a community engagement process and adopted by the City Council. The Area Plans will describe where and what type of housing will be allowed in the area, location of neighborhood serving commercial and office development, major road networks necessary to serve the area, and the general location of parks, trails and public facilities. The Area Plans will be based on the identified land needs in Appendix B, and will also need to be consistent with the City's adopted Great Neighborhood Principles.

Master Plans

Prior to annexation into the City of McMinnville, any parcel larger than 10 acres will need to submit a concept master plan to the McMinnville City Council for review as part of an annexation agreement. The concept master plan will need to demonstrate how the proposed development achieves the covenants of the adopted Area Plan for that specific area, and how it achieves the City's adopted Great Neighborhood Principles.

This concept master plan will become part of the annexation agreement with the City of McMinnville and will need to be successfully adopted as a Final Master Plan land-use decision with a public review and engagement process prior to city zoning and development entitlements being granted for the property.

Discussion:

The City Council hosted a public hearing for three consecutive nights of testimony and elected to receive written testimony in advance of the hearing, during the hearing and after the hearing closed on December 3, 2020, elected to keep the public record open until December 4, 2020. Below is a summary of the testimony received.

Written Public Testimony Received:

Received From:	Date:
<i>Morris Eagleman</i> , 1886 NW Wallace Road	November 13, 2020
<i>Ruby Troncin</i> , no address provided	November 19, 2020
<i>AWT LLC</i> representing Thompson Property	November 23, 2020
<i>Kari Moser</i> , 2256 SW Redmond Hill Road	November 23, 2020
<i>Dan Fricke</i> , ODOT	November 25, 2020
<i>Susan Dirks</i> , no address provided	November 28, 2020
<i>Steve Leonard</i> , Fox Ridge Road	November 29, 2020
<i>Mark Davis</i> , 652 SE Washington Street	November 30, 2020
<i>R. Scott Trent</i> , 5423 Bow Canyon Way, Meridian, ID 83642	November 28, 2020
<i>Aaron and Jennifer Wood</i> , no address provided	November 30, 2020
<i>McMinnville Industrial Promotions</i> , PO Box 328	November 30, 2020
<i>Jenny Stolarz</i> , 1301 SW Hill Road	November 30, 2020
<i>Alexis Biddle / Sid Friedman</i> , 1000 Friends of Oregon / Friends of Yamhill County	December 1, 2020
<i>Abigail Neilan</i> , 2461 SW Hannah Circle	December 1, 2020
<i>Dennis McGanty</i> , no address provided	December 1, 2020
<i>Melanie Byer-Jones</i> , 6151 NE Riverside Drive, 6331 NE Riverside Dr.	December 1, 2020
<i>Gene Baty</i> , 5760 SW Parma Drive	December 1, 2020
<i>Peg Hegna</i> , no address provided	December 1, 2020
<i>Al Ashcroft</i> , 2280 Redmond Hill Road	December 1, 2020
<i>Charles Walker</i> , 10315 SW Old Sheridan Road	December 1, 2020
<i>Christine Anderson</i> , 4714 NE Riverside Loop	December 2, 2020
<i>MEDP</i> , 231 NE Fifth Street	December 2, 2020
<i>Perkins Coie</i> representing McMinnville Properties LLC	December 2, 2020
<i>Patty O'Leary</i> , no address provided	December 2, 2020
<i>Cristi Mason-Rivera</i> , 7135 Red Prairie Road, Sheridan	December 3, 2020
<i>Mara Pauda</i> , no address provided	December 3, 2020
<i>Janet Redmond</i> , 13700 SW Peavine Road	December 3, 2020
<i>Alexis Biddle / Sid Friedman</i> , 1000 Friends of Oregon / Friends of Yamhill County	December 3, 2020
<i>Mark Fery</i> , 3850 NE Arnold Lane	December 3, 2020
<i>Travis Johnson</i> , 2325 NW Cemetery Road	December 4, 2020
<i>Mark Davis</i> , 652 SE Washington Street	December 4, 2020
<i>Patty O'Leary</i> , no address provided	December 4, 2020
<i>Ramsey McPhillips</i> , 1300 SW McPhillips Road	December 4, 2020

Verbal testimony received at the public hearing:

Provided By:	Date:
Ezra Hammer , Homebuilders Association	December 1, 2020
Sid Friedman , Friends of Yamhill County	December 1, 2020
Al Ashcroft , 2280 Redmond Hill Road	December 1, 2020
Jennifer Redmond-Noble , 13500 SW Peavine Road	December 2, 2020
Joseph Wain , 463 SW Heath Street	December 2, 2020
Christine Anderson , 4714 NE Riverside Loop	December 2, 2020
Kari Moser , 2256 SW Redmond Hill Road	December 2, 2020
Jerri Solan , 2166 SW Alexandria Street	December 2, 2020
Mark Davis , 652 SE Washington Street	December 3, 2020
R. Scott Trent , 5423 Bow Canyon Way, Meridian, ID 83642	December 3, 2020
Donnie Mason , 20901 Caleb Payne Road	December 3, 2020
Alexis Biddle , 1000 Friends of Oregon	December 3, 2020
Barbara Boyer , 12255 Boyer Road	December 3, 2020
David S. Wall , PO Box 756, Newberg	December 3, 2020
Ramsey McPhillips , 1300 SW McPhillips Road	December 3, 2020
Patricia Lea Trent , 3587 S. Veranda Way, Boise, ID 83706	December 3, 2020
John F. Porter II , 340 NE Hill Street, Sheridan	December 3, 2020
Steve Langer , 4025 NE Arnold Lane	December 3, 2020
Susanne Beukema , 1164 NW Sunrise Court	December 3, 2020
Debbie Robertson , 2964 SW Redmond Hill Road	December 3, 2020
Joe Rivera , 7135 Red Prairie Road, Sheridan	December 3, 2020

Summary of Issues Raised and Response:

The following does not represent all of the issues raised, but it highlights the themes of testimony heard that were relevant to the proceedings.

GENERAL:**ISSUE: GENERAL STATEMENTS OF SUPPORT OR OPPOSITION**

Some testimony was presented in general support or opposition to the proposal overall, or relating to inclusion or exclusion of certain areas or properties. If the testimony included specific reasons for support or opposition relating to the criteria for the locational analysis, that testimony is addressed as a separate issue within these findings.

RESPONSE:

Testimony expressing a preference for the City not to grow is inconsistent with state law that requires cities to plan for growth and provide a 20-year buildable land supply within the UGB. The City is responding to the one assignment of error in the Court of Appeals decision regarding its locational analysis. The remand must base the locational analysis on the amount of growth and land needs provided in the acknowledged population and employment forecasts, and provided in the acknowledged land needs analysis based on those forecasts.

The amount of land proposed for inclusion is determined by those acknowledged documents, and the location of the areas proposed for inclusion resulted from the analysis required by state law and the Court of appeals "roadmap" based on evaluation and inclusion of higher priority lands found to be adequate and suitable for the identified land needs.

The testimony did not include findings in conflict with the findings in the locational analysis or the conclusory findings with the applicable criteria.

ISSUE: EFFECT OF UGB AMENDMENT AND COMPREHENSIVE PLAN MAP AMENDMENT ON CONTINUATION OF CURRENT USE OF PROPERTY

Testimony was presented expressing questions or concerns about how the proposal would affect continuation of the current use of property. This testimony included questions relating to properties previously added to the UGB in Phase 1, for which the current proposal includes a Comprehensive Plan Map Amendment from “R” Residential to “UH” Urban Holding. This testimony also included questions relating to properties proposed for addition to the UGB and the Comprehensive Plan designations applied to them.

RESPONSE:

The current proposal doesn’t include rezoning or annexation of property. The county zoning applicable to the properties continues to apply, and land use regulations continue to be administered by Yamhill County under their zoning ordinance and rural zoning regulations, allowing for continuation of allowed uses.

Testimony presented regarding this issue doesn’t affect the conclusory findings that the applicable criteria are satisfied. Testimony presented regarding this issue didn’t include additional facts that conflict with the findings of fact in support of the conclusory findings. No errors were alleged in the City’s remand response to the assignment of error identified in the Court of Appeals decision or LCDRC’s subsequent remand to the City.

Staff recommends applying a Comprehensive Plan designation of Urban Holding instead of Residential for certain Phase I and Phase II areas because these areas will accommodate uses beyond residential housing, including, but not limited to, parks, public and semi-public uses, religious uses, and more.

AMOUNT OF GROWTH

ISSUE: LESS GROWTH IN MCMINNVILLE

Testimony was presented expressing that McMinnville should not grow more, or should grow less than the amount of growth upon which this proposal is based.

RESPONSE:

Testimony presented regarding this issue didn’t include additional facts that conflict with the findings of fact in support of the conclusory findings. No errors were alleged in the City’s remand response to the assignment of error identified in the Court of Appeals decision or LCDRC’s subsequent remand to the City. Moreover, the testimony is inconsistent with state law that requires cities to plan for growth and provide a 20-year buildable land supply within the UGB.

The proposal is submitted in respond to the remand, and is based on the applicable acknowledged population forecast, employment forecast, housing needs analysis, and economic opportunities analysis which apply to the remand. The MGMUP 2020 remand does not recommend any changes to Appendix A of the MGMUP which provided the population and employment forecasts, and the remand continue to use the same data. Changing the population forecast for McMinnville would be outside the scope of the remand.

ISSUE: REALLOCATION OF GROWTH TO OTHER SMALL CITIES IN YAMHILL COUNTY

Testimony was presented expressing that some of the growth in McMinnville’s acknowledged forecasts should be reallocated to other smaller communities in Yamhill County.

RESPONSE:

The proposal is submitted in response to the remand, and is based on the applicable acknowledged population forecast, employment forecast, housing needs analysis, and economic opportunities analysis which apply to the remand. The MGMUP 2020 remand does not recommend any changes to Appendix A of the MGMUP which provided the population and employment forecasts, and the remand continues to use the same data. Changing the population forecast for McMinnville or allocating a portion of that forecast population to another city would be outside the scope of the remand.

Testimony presented regarding this issue doesn't affect the conclusory findings that the applicable criteria are satisfied. Testimony presented regarding this issue didn't include additional facts that conflict with the findings of fact in support of the conclusory findings. No errors were alleged in the City's remand response to the assignment of error identified in the Court of Appeals decision or LCDC's subsequent remand to the City.

ISSUE: LOCATION POLICIES REGARDING MEDIUM AND HIGH DENSITY HOUSING

Testimony was submitted expressing that locational policies with guidelines regarding medium and high density residential use should be less restrictive. (Policy 188.03, also Zoning Ordinance 17.06.425, p. 88 and p. 100 of the record.

RESPONSE:

With the findings, the City has demonstrated that the proposal provides land supply to meet the identified land needs, including sufficient land for medium and high density housing, as well as lower densities, to meet the land needs for needed housing types.

The proposed locational policies provide guidance on how the City will achieve other related policies, including its policy for dispersal of multi-family housing described in Policy 86.00, amended as part of the proposal. Policy 86.00 addresses multi-family housing, and does not explicitly address the density of multifamily housing. Multi-family housing includes a variety of housing forms from smaller-scale "middle housing" types to larger multi-family structures, which occur within a range of densities. The City has proposed additional policies and amendments to provide further clarifications and internal consistency among policies.

It is within the City's discretion to adopt policies and implementing provisions that address the urban form for how it will meet its identified housing needs. Staff prepared a separate memo, "Public Comment Response, December 1, 2020 Ordinance No. 5098 Public Hearing" entered into the record, which explains how the multiple policies and implementing provisions relate to one another regarding this issue.

The memo clarifies the proposed policies and some misconceptions presented in testimony regarding this issue. In part, testimony provided states there is an inconsistency between certain policies, including transit-supportive development and Great Neighborhood Principles. However, some of the testimony conflates multi-family housing and R-5 high-density zoning. The testimony incorrectly suggests that densities allowed within moderate density zones would also be subject to the same locational policies of the high density R-5 zone, which is incorrect. Multi-family uses are not limited to the R-5 zone, and are permitted in other zones, including moderate density zones.

The memo further clarifies that some policies describe the locational pattern of certain residential density ranges and urban form within NACs and other policies provide city-wide locational policies. The policies that described the urban form of uses within NACs do not exclude where land uses may occur outside of NACs.

The testimony further commented on zoning locational policies relative to HB 2001. The current proposal is responsive to the assignment of error on remand. The City will address compliance with the requirements with HB 2001 consistent with the statutory schedule for implementation of HB 2001,

which is June 30, 2022 (Section 3 of HB 2001). The City is not required to address the requirements of HB 2001 at this time as part of the remand, which relates to issues broader than the assignment of error of the remand.

ISSUE: ORIGINAL LAND NEED FOR UGB EXPANSION AREA IS 72 ACRES OF R5 LAND

Testimony was presented suggesting that the amount of R5 land in the UGB expansion area should be 72 acres and not 36 acres.

RESPONSE:

The original 2003 MGMUP Plan identified the need for 36 acres of R5 zoned land in the UGB expansion area (Table 11 of Appendix B and Table 71 of the Findings Document). Increasing the amount of R5 zoned land in the UGB expansion area to 72 acres would double the amount of R5 zoned land first identified for the UGB expansion area and would overdevelop apartment units within the City of McMinnville since it is the only housing type allowed in the R5 zone.

The adopted 2001 Housing Needs Analysis identified the need for 1,685 apartment units as part of the 6,014 new housing units projected to serve the future population forecast. Per ORS 197.296(6) and (7), the City needs to determine the housing types and number of housing types needed to meet the future population's housing. 900 apartment units have been built within the existing city limits since the original adoption of the plan in 2003, leaving a remainder 47% of the housing type needed to be achieved in the UGB expansion area. The original MGMUP identified that this housing type would be achieved through both R4 and R5 zoned land as multifamily is allowed in both zones. What is unique about the proposed R5 zone is that only multifamily is allowed in that zone. With half of the apartment units needed in the Housing Needs Analysis already built within the existing city limits as originally projected and forecasted by the Plan, the remaining need will be achieved with the proposed 36 acres of R5 zoned land and 80.40 acres of R4 zoned land proposed in the UGB expansion area (Table 11 of Appendix B and Appendix G).

The amount of acreage dedicated to the R5 zone in the UGB expansion area was an argument of the opponent's petition to the Court of Appeals and was rejected by the Court of Appeals decision. Therefore, the testimony presented regarding this issue doesn't affect the conclusory findings that the applicable criteria are satisfied for identifying land to be included in the UGB.

ISSUE: MGMUP PLAN LANGUAGE STATES THAT R5 ZONED LAND CAN ONLY OCCUR IN NACs

Testimony was presented suggesting that since the original language of the MGMUP states that R5 zoned land can only occur within the NACs that it would prohibit R5 zoned land from being located anywhere else within the city limits despite Comprehensive Plan policies that state otherwise.

RESPONSE:

On the page following this original language in the MGMUP is an MGMUP 2020 Remand update stating that the R5 zoned land is meant to occur throughout the community. However, since this is not as clear as it could be, staff recommends that the language be changed to the amended language included in this staff report to clarify the intention of the comprehensive plan policies which encourage integration and dispersal of high density residential development throughout the community.

ISSUE: PROPOSED COMPREHENSIVE PLAN POLICY 86.00

Policy 86.00 expresses the City's policy for dispersal of multifamily housing throughout the urban area, rather than concentrating it in areas that are disconnected from neighborhoods, or in areas lacking high quality amenities, public facilities, and services.

The intent of the original policy was to also encourage multi-family housing in the vicinity of areas rich in amenities and services, including the area around the urban core and Linfield University. The proposal

included an amendment to Policy 86.00 to add language indicating proximity to core areas with amenities in Neighborhood Activity Centers to also be a desirable location for multi-family housing.

Testimony was presented expressing that part of Policy 86.00 appeared to be in conflict with the policy of dispersal.

RESPONSE:

The City concurred that the language in Policy 86.00 was unclear and could be read in a way that was counter to the intent, requiring clarification. Policy 86.00 has been amended to clearly express the policy objective and the updated Policy 86.00 is part of the proposal. This provides clarification regarding the policy and internal consistency within the planning documents in support of the proposal amendment.

This amendment provides clarification and doesn't affect the conclusory findings that the applicable criteria are satisfied.

ISSUE: PARK LAND NEED IS OVERSTATED

Testimony was presented suggesting that there was too much park land need in the proposal, that greenways was not part of the overall stated park land need and that based on past performance the city would not be able to financially achieve the park land need stated in the proposal.

RESPONSE:

The amount of park land in the proposed UGB expansion area was an area of challenge and opposition for the MGMUP throughout its development and adoption phases, and was also part of the petitioners appeal to the Court of Appeals. It was rejected by the state and the court of appeals as not having merit since the City had an adopted Comprehensive Plan policy that relied on the adopted Parks Master Plan to determine the number of acres required to serve the community for neighborhood parks, community parks and greenways. (Table 23 of Appendix B and Appendix G outlines the amount of acreage that the adopted Parks Master Plan identifies for near park land need specific to population targets. This table includes 102.50 acres of Greenways/Greenspaces/Natural Areas of the overall identified 313.76 park land need. (See pages 101 – 105 of the Findings Document.)

The City's past performance for acquisition and development of parks does not negate the adopted levels of service in the Parks Master Plan and the comprehensive plan policies. A Parks Master Plan is recommended as part of proposed Comprehensive Plan Policy 182.50. This plan update should identify different types of resources to acquire and develop parks.

The park land need in the UGB expansion area was an argument of the opponent's petition to the Court of Appeals and was rejected by the Court of Appeals decision. Therefore, testimony presented regarding this issue doesn't affect the conclusory findings that the applicable criteria are satisfied for identifying land to be included in the UGB.

ISSUE: LEGALITY OF REMAND WORK

Testimony was presented questioning how the remand response, rather than new work, was consistent with state law due to the time since the remand decision was issued.

RESPONSE:

Legal Counsel and staff explained there are separate regulations governing periodic review and urban growth boundary amendments, and further explained that the Court of Appeals decision resulted in new case law with a different interpretation of the inter-relationship between the applicable state goals, statutes, and administrative rules than was commonly understood by practitioners. As a result, the legislature subsequently amended the applicable statutes, and LCDC subsequently amended the applicable Administrative Rules governing UGB amendments. Within the amended statutes and

administrative rules, they included explicit authorization for cities that had initiated a UGB amendment prior to the new statute and rule to continue to use the regulations in effect at the time. DLCD concurred that this procedure for the City's response to the remand is in compliance with applicable state law.

Testimony presented regarding this issue doesn't affect the conclusory findings that the applicable criteria are satisfied. Testimony presented regarding this issue didn't include additional facts that conflict with the findings of fact in support of the conclusory findings.

ISSUE: COUNCIL SHOULD DELAY ACTION AND ENGAGE CITY COMMITTEES/COMMISSIONS

Testimony was presented that the City Council should delay action, and that the City should provide for more public involvement and Planning Commission involvement before adopting the proposal. Other testimony suggested insufficient public involvement leading to the preparation of the original MGMUP which was locally adopted and approved by DLCD and DLCD before being remanded by the Court of Appeals on the one remaining assignment of error.

RESPONSE:

This is a discretionary decision and does not affect compliance with applicable law. The action is to address the one remaining assignment of error upheld in the Court of Appeals decision, consistent with the "roadmap" and LCDC's remand order.

The following is excerpted from Page 13 of the MGMUP 2020 remand document:

"The Court of Appeals decision focused on the City of McMinnville's alternatives analysis for identifying suitable land in an UGB amendment to satisfy the City's identified land need housing, employment, and livability in the planning horizon of 2003-2023.

Since the original MGMUP was based on ten (10) years of community engagement and decision-making, the City of McMinnville has chosen to respond to the remand by maintaining the majority of the existing MGMUP and its appendices, where possible, that were originally provided as part of that legal record..."

The prior local community engagement and decision-making is summarized below. This is excerpted from the summaries provided in the preambles for the respective ordinances and the findings in the MGMUP documents.

- The preamble for Ordinance 4795 on page 1609 of the Court of Appeal Record,
- The preamble for Ordinance 4796 on page 911 of the Court of Appeals Record,
- The Findings for the MGMUP on pages 1093-1094 of the Court of Appeals Record,
- The preamble for Ordinance 4840 on page 313 of the Court of Appeals Record,
- The preamble for Ordinance 4841 on page 335 of the Court of Appeals record, and
- The preamble for Ordinance 4961 which followed the Court of Appeals decision.

- **Residential Lands Analysis**
 - January 23, 2001 public work session with Planning Commission and City Council
 - Joint Planning Commission and City Council public hearings on February 27, 2001 and April 10, 2001
 - Citizens' Advisory Committee public hearing on March 20, 2001
 - Joint Planning Commission and City Council public hearing on May 22, 2001
- **Economic Opportunities Analysis**
 - December 11, 2001 joint public work session. City Council, Planning Commission, and Citizens' Advisory Committee
 - January 8, 2002 joint public hearing. City Council, Planning Commission, and Citizens' Advisory Committee

- February 12, 2002 joint public hearing City Council, Planning Commission, and Citizens' Advisory Committee voted to adopt.
 - October 14, 2003 City Council adoption
- Community-wide public forums to solicit input on McMinnville's future growth and how it should be managed on June 3, 2002 and July 8, 2002, at which approximately 150 people participated
- Joint work session held on September 17, 2002 with the City Council, Planning Commission, McMinnville Urban Area management Commission, Citizens' Advisory Committee, and Yamhill County Board of Commissioners to review the results of the forums and provide direction to staff regarding preparation of the MGMUP.
- **MGMUP**
 - June 18, 2003 public work session with City Council, Planning Commission, Citizens' Advisory Committee, County Commissioners, and McMinnville Urban Area Management Commission
 - July 21, 2003 public work session with City Council, Planning Commission, Citizens' Advisory Committee, County Commissioners, and McMinnville Urban Area Management Commission
 - Joint public hearings August 4 and 5, 2003
 - August 12, 2003 public hearing
 - Recommendation by the McMinnville Citizens' Advisory Committee, Planning Commission, McMinnville Urban Area Management Commission, and Yamhill County Board of Commissions to City Council that the plan be adopted, subject to certain amendments described on Page 912 of the COA record.
 - Adopted, as amended, by the City Council on October 14, 2003
- **MGMUP, amended to address remanded items**
 - May 24, 2005 City Council public hearing
 - October 25, 2005 Joint work session of City Council, Yamhill County Board of Commissioners, and the McMinnville Urban Area Management Commission
 - December 6, 2005 public hearing of City Council, Yamhill County Board of Commissioners, and the McMinnville Urban Area Management Commission
 - January 11, 2006 City Council adoption
- Following a series of subsequent appeals and remands, LCDC issued an order approving the MGMUP on November 8, 2006
- On December 22, 2006 this action was appealed to the Court of Appeals
- Following attempts at reaching a negotiated settlement with the appellants that proved unsuccessful, DLCD drafted amendments to the Commission's 2006 approval order to address interpretations of law. LCDC approved the revised Order in November 2008
- After multiple time extensions were granted, the appellants filer their opening brief with the Court of Appeals in October 2009. Oral arguments were presented to the Court in September 2010.
- On July 13, 2011, the Court issued its decision to reverse and remand LCDC's approval of portions of the MGMUP. This decision became effective on January 13, 2012. On February 28, 2012, LCDC issued an order reversing and remanding its prior decision to the City consistent with the court's final opinion and order.
- The City Council determine that the prudent course of action at that time was to delay further work necessary to satisfy the LCDC Order, and to remove from the adopted MGMUP those elements that were no longer relevant.
- The City Council held a public hearing to take testimony to consider those proposed amendments on November 27, 2012. At the conclusion fo the hearing, the City Council held the record open and directed staff to provide a written response to comment offered during public testimony fro review at the December 11, 2012 City Council meeting.
- At the December 11, 2012 City Council meeting, City Council reviewed staff's response and received and considered additional public testimony. Following thorough deliberation, the

Council found the amendments proposed by staff appropriate and consistent with the referenced LCDC order and directed staff to prepare an amended ordinance for their consideration and adoption.

- On January 8, 2013, the City Council adopted those amendments.

ISSUE: CITY SHOULD GROW TO THE NORTH AND/OR NORTHEAST

Testimony was submitted expressing a preference for the City to grow to the north and/or northeast.

RESPONSE:

The City established study areas and evaluated land consistent with the priority requirements established in state law and the Court of Appeals “roadmap.” The City found that it could not grow into areas with farm zoning in those directions because of the land priority requirements for evaluation under state law. Those were lower priority lands for inclusion and were not required to meet needs after inclusion of higher priority lands. Lands to the north and northeast which are classified as higher priority exception areas were evaluated consistent with the priority requirements established in state law and the Court of Appeals “roadmap.” Those exception areas were found to be inadequate and/or unsuitable for the identified needs. High priority exception areas at other locations were found to be adequate and suitable for the identified needs and were included in the UGB. There was insufficient acreage in those exception areas to meet all identified land needs, so next priority lands were then evaluated for inclusion.

The City evaluated the areas and made findings as to why they are inadequate and/or unsuitable, and therefore not included. The findings of fact and conclusory findings reflect this analysis and remain unchanged.

ISSUE: IMPACT OF GROWTH ON QUALITY OF LIFE

The City received testimony from several City and area residents concerned about the impact of growth on infrastructure, traffic, community character, crime, and general quality of life. None of the persons testifying on this issue presented evidence of expected increases in crime or traffic or degradation to other quality of life measures tied to growth.

RESPONSE:

The need to expand the Urban Growth Boundary is determined by state law and local rules that require the City to adopt a land use plan that will accommodate a future population that has been adopted in coordination with Yamhill County. The testimony did not address the locational factors for expanding the UGB, which is the single assignment of error the Court of Appeals upheld that is the subject of the remand. The testimony did not address the regulatory framework that the City is adopting for the lands added to the UGB. The proposed MGMUP includes requirements in Appendix G for additional land use planning to occur before areas added to the UGB can develop, including requirements to update public facility plans. These updates must occur prior to approving annexation and assigning zoning to urbanizable land that would allow urban development to take place. The concern of citizens is noted but none of the testimony provided is relevant to the approval criteria for this proposal, nor is it actionable within the existing structure and requirements of state law.

ISSUE: ADEQUACY OF SERVICES TO SUPPORT GROWTH

The City received testimony from City and area residents concerned about the adequacy of existing infrastructure to accommodate the additional demand that urban expansion will place on urban services. Specific concerns were raised about additional traffic congestion on the existing road network. One person asked if the impact of stormwater runoff had been analyzed.

RESPONSE:

A serviceability analysis was performed for candidate study areas. Appendix C, Attachment 3b includes a report by Jacobs Engineering re: its analysis of serviceability impacts for 31 study areas. Page 7 of

the report outlines the analysis assumptions that were used for assessing infrastructure needs in each study area and anticipated “downstream” effects from urbanization. A stormwater analysis was conducted using National Resource Conservation Service (NRCS) Curve Number method. Table 3 of the report lists the outcome of that analysis, which indicated that all study areas were considered to contribute “Moderate” stormwater runoff impacts given the level of urban development modeled.

The Jacobs report also reviewed its conclusions re: the impact of urbanization in study areas on the transportation system. Table 3 shows that the resource areas in the southwest that are recommended for inclusion in the UGB rated “Good” or “Moderate” for transportation impacts relative to both cost and feasibility. While this analysis was not conducted to a level that would meet requirements for system master planning, it did provide comparative cost and feasibility ratings for study areas. All areas recommended for inclusion in the UGB received adequate ratings for serviceability.

The MGMUP 2020 Plan includes a new plan policy 182.50 (see Appendix D, page 10) that calls on the City to update master plans for public facilities and services within five years of a major UGB expansion. The list of plan effected includes the Transportation System Plan (TSP), airport plan, water, sewer, storm drainage plans, the Park and Recreation Master Plan, and planning related to Goal 5 resources and Goal 7 natural hazards.

ISSUE: NEEDED HOUSING – FOR COMMUTERS OR “RESIDENTS”

The City received testimony from people concerned about the City expanding in order to provide housing for commuters rather than for residents employed in the City.

RESPONSE:

The need to expand the Urban Growth Boundary is determined by state law and local rules that require the City to adopt a land use plan that will accommodate a future population that has been adopted in coordination with Yamhill County. The proposed MGMUP was predicated on population, housing land needs, and employment land needs that are presented in Attachment A – Population and Employment Forecast, and Attachment B – Land Need Analysis. The methodology of these forecasts was performed consistent with state rules that were in effect at the time the plan was submitted to LCDC for approval in 2003. There is no provision in the rules governing the preparation of these forecasts that permit the City to discriminate between resident workers, retirees, or commuters. The City is obligated to plan for and include sufficient lands to accommodate the forecast population and employment totals. Neither the Department of Land Conservation and Development nor the Oregon Court of Appeals took issue with the adopted population or employment forecast on which the MGMUP is based. The adopted population and employment forecast has been acknowledged as the planning basis for the MGMUP. The concern of citizens is noted but none of the testimony provided is relevant to the approval criteria for this proposal, nor is it actionable within the existing structure and requirements of state law.

ISSUE: EMPLOYMENT FORECASTS HAVE NOT BEEN REALIZED YET

The City received testimony from people concerned that the City expanding in order to provide land for employment growth that has not been achieved.

RESPONSE:

The adopted Economic Opportunity Analysis, which includes forecast employment levels, was prepared consistent with the rules that were in place at that time. Neither the Department of Land Conservation and Development nor the Oregon Court of Appeals took issue with the adopted employment forecast on which the MGMUP is based. The adopted employment forecast has been acknowledged as the planning basis for the MGMUP. The concern of citizens is noted but none of the testimony provided is relevant to the approval criteria for this proposal, nor is it actionable within the existing structure and requirements of state law.

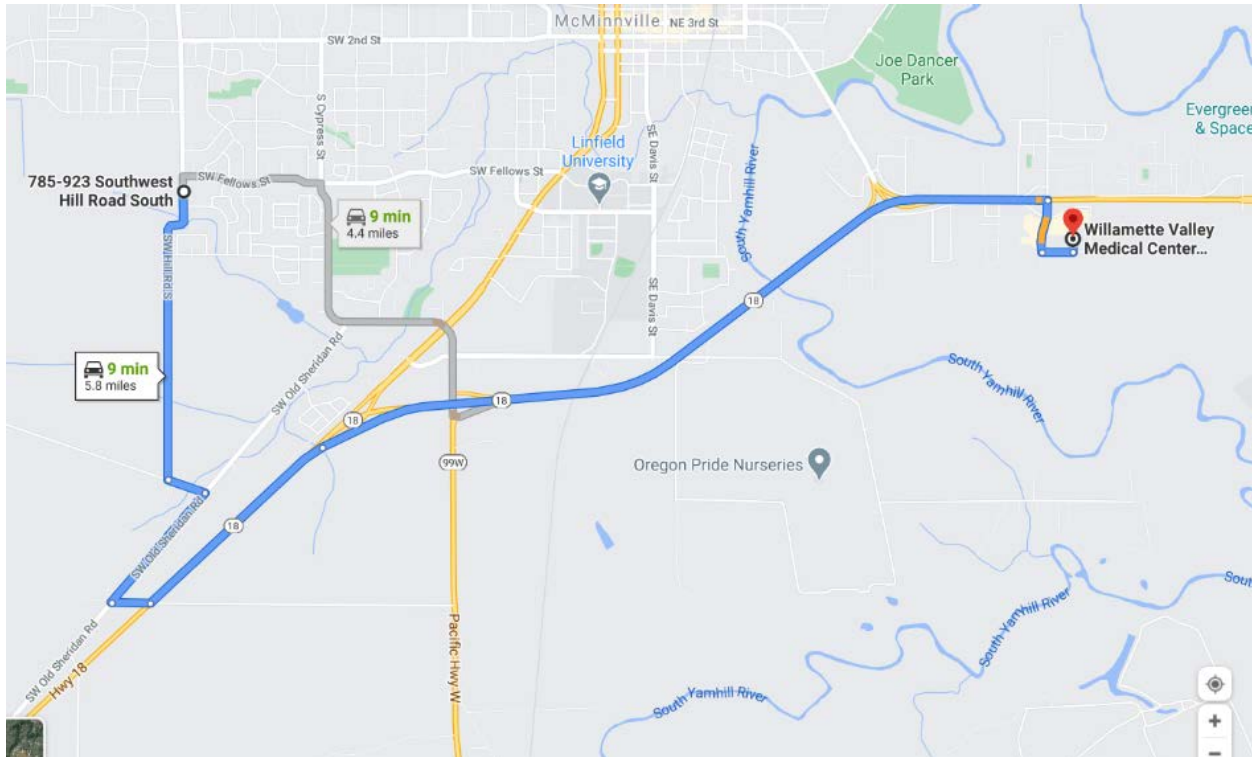
ISSUE: LOCATION OF UGB EXPANSION AREA AND DISTANCE TO HOSPITAL

The City received testimony from people concerned that the recommended areas for inclusion in the UGB are too far removed from essential facilities. Specific concerns were raised about travel time to reach the hospital - Willamette Valley Medical Center.

RESPONSE:

Consideration of areas to include in an urban growth boundary involves balancing how well study areas perform in meeting the five location factors under Goal 14, as provided in the Court of Appeals' "roadmap." The analysis of candidate study areas included an analysis of Goal 14 Location Factor 4 – Maximum efficiency of land uses within and at the fringe of the existing urban area. One of the criteria used in the evaluation of this factor was distance to services, which is documented in Appendix C, Technical Memorandum #5. One area recommended for inclusion in the UGB rated "poor" under this criteria because of its distance to existing transit, residential services, and a grocery store. The intent in the plan to expand transit and to locate Neighborhood Activity Centers in the southwest over time is expected to mitigate this locational disadvantages. The other study areas recommended for inclusion in the UGB received moderate ratings for distance to services. On balance, distance to services was not considered significant enough to rule out any of the recommended study areas.

The analysis did not consider travel time to the hospital as a criteria. The comment noted expected delays getting to the hospital via 2nd Avenue through downtown. A travel time search using a mapping direction tool starting at SW Fellows/SW Hill Road, which is the northwest edge of the areas in the southwest that are recommended for inclusion, shows that travel time to the medical center is ~9 minutes and the recommended route is not through downtown. The concern of citizens on this issue is noted but the testimony provided is not supported evidence that would alter the objective analysis that is in the record nor does it rise to a level that would alter the recommendation.



ISSUE: NATURAL AND CULTURAL RESOURCE PROTECTION

The City received testimony from people concerned that the MGMUP lacks sufficient information about cultural resource sites, heritage trees, and other significant resources that should be protected from development.

RESPONSE:

The proposed MGMUP includes policies in Appendix D, and planning requirements outlined in Appendix G, that require additional land use planning to occur in areas added to the UGB. These include requirements under MGMUP 2020 Plan policy 182.50 (see Appendix D, page 10) for the City to update master plans within five years of a major UGB expansion. The list of documents to be updated includes plans related to Goal 5 resources, which include natural, historic, and cultural resources, and Goal 7 - natural hazards. These interim planning steps must take place before urban development can take place in areas added to the UGB.

ISSUE: ADJACENCY OF URBAN DEVELOPMENT ON AGRICULTURAL USES

Property owners within the proposed Urban Growth Boundary expansion area engaged in agricultural uses are concerned about impacts of urbanization adjacent to their property.

RESPONSE:

To establish priority for lands to be included in the UGB, impact on adjacent agricultural uses was a consideration in the analysis and selection process as part of Step 3 of the Court of Appeals' "roadmap" – determining suitability. Nearby Agricultural Use Conflicts and Agricultural Adjacency were two screening factors that, by state law, had to be weighed in consideration with many other factors to determine the suitability of land for inclusion in the UGB. Please see Technical Memorandum #3: Nearby Agricultural Use Conflicts and Technical Memorandum #4: Agricultural Adjacency Screening Process for further detail regarding the analysis of lands for impact on adjacent agricultural uses.

There is an existing Great Neighborhood Principle (in existing Comprehensive Plan Policy 187.50 as Great Neighborhood Principle #10) that speaks to urban-rural interface and buffering between those uses. That existing Great Neighborhood Principle is identified below:

10. Urban-Rural Interface. Great Neighborhoods complement adjacent rural areas and transition between urban and rural uses.
 - a. Buffers or transitions in the scale of uses, buildings, or lots shall be provided on urban lands adjacent to rural lands to ensure compatibility.

The currently proposed Zoning text amendments would require that Area Plans and Master Plans be developed to be consistent with the Great Neighborhood Principles. Proposed Section 17.10.50(B)(1) (also can be seen on page E-17 of Appendix E) states that "Area Plans must embody the development principles of the applicable Framework Plan, UGB expansion plan, McMinnville Comprehensive Plan, and any other City land use policies and standards." More specifically, proposed Section 17.10.50(B)(1)(a)(3) specifies that "...Area Plans for UH areas within the MGMUP areas will be developed to be consistent with: ... The City's adopted Great Neighborhood Principles, as described in Comprehensive Plan Policies 187.10 through 187.50." Further, at the Master Plan level, proposed Section 17.10.80(4) (also can be seen on page E-20 of Appendix E) describes one of the review criteria for the consideration of a Master Plan as "Whether the Master Plan is consistent with the City's adopted Great Neighborhood Principles" (and then goes on to list all of the Great Neighborhood Principles). Therefore, the "Urban-Rural Interface" Great Neighborhood Principle and its requirements for buffers or transitions between urban lands and rural lands will need to be addressed through the development of Area Plans and Master Plans, which would occur prior to any development and would ultimately need to be reviewed and approved by the City Council. Management of growth within the UGB through the Area Planning and Master Planning process is discretionary to manage the impacts of growth on surrounding areas.

The Area Planning and Master Planning process established by the MGMUP-Appendix G will provide opportunity for public participation in the urbanization of UGB land and will require demonstration of consistency with Comprehensive Plan policies, including the Great Neighborhood Principle requirement for buffers or transitions between urban lands and rural lands.

RECOMMENDED AMENDMENTS BASED ON PUBLIC TESTIMONY:

Amend proposed Comprehensive Plan Policy #86.00 to:

Dispersal of new-multi-family housing development will be encouraged throughout the City in areas designated for residential and mixed-use development to encourage a variety of housing types

throughout the community and to avoid an undue concentration of multi-family development in specific areas of the community leading to a segregation of multi-family development in McMinnville from residential neighborhoods. Dispersal policies will be consistent with the Great Neighborhood Principles

In areas where there are the amenities, services, infrastructure and public facilities to support a higher density of multi-family development, and the area is commensurate with a higher concentration of multi-family development without creating an unintended segregation of multi-family development, such as McMinnville's downtown, the area surrounding Linfield University and Neighborhood Activity Centers, a higher concentration of multi-family development will be encouraged.

New Proposed Amendment to Existing Policy 71.09

Medium and High-Density Residential (R-3 and R-4) - 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 uses include small lot single-family detached uses, single family attached units, duplexes and triplexes, and townhouses. High density residential development (8 – 30 dwelling units per net acre) uses typically include townhouses, condominiums, and apartments:

1. Areas that are not committed to low density development;
2. Areas that have direct access from collector or arterial streets; or a local collector street within 600' of a collector or arterial street; or (similar to proposed MMC Amendment 17.21.010(C))
3. Areas that are not subject to development limitations such as topography, flooding, or poor drainage;
4. Areas where the existing facilities have the capacity for additional development;
5. Areas within one-quarter mile of existing or planned public transportation; and
6. ~~Areas that can be buffered from low density residential areas in order to maximize the privacy of established low density residential areas.~~

Amend page 54 of the MGMUP, replacing the MGMUP 2020 Remand update text box with:

MGMUP 2020 Remand:

The MGMUP 2020 Remand retains the R-5 zone as a means of helping to provide the 1,685 apartment housing units identified in the Housing Needs Analysis (Table 3 of this Plan and Table 8 of Appendix B). However in order to meet the City's housing policies of integrated neighborhoods and encouraging a dispersal of high density residential housing throughout the community, the MGMUP 2020 Remand update amends the statement that the R5 zone will only occur in the Neighborhood Activity Centers. Per proposed Comprehensive Plan policy 71.12, if there are other appropriate locations identified for the R5 zone both within the existing city limits and within the UGB during the Area Planning process, the R5 zone should be utilized.

This remand update will maintain the same 36 acres of R5 zoned land need within the UGB expansion area as originally proposed in the 2003 Plan (Table 11 of Appendix B and Table 71 of the Findings Document) based on the analysis identified in Technical Memorandum #17B, that identifies 900 apartment units that were built within the existing city limits after the adoption of the 2003 Plan, meeting the need for half of the overall apartment unit housing identified in the adopted Housing Needs Analysis, leaving only half of that overall need that still remains to be developed.

Originally the City proposed to rezone 72 acres of land to the R5 zone, 36 acres within the existing UGB as part of two planned Neighborhood Activity Centers (Grandhaven and the Northwest) and 36 acres in two planned Neighborhood Activity Centers in the UGB expansion area, as a means of achieving the stated apartment unit housing need in the Housing Needs Analysis. The only housing type that the R5 zone allows is multifamily dwellings. However, in McMinnville, the R4 zone also allows multifamily development and when the Grandhaven Neighborhood Activity Center and the

Northwest Neighborhood Activity Center did not move forward following the Petitioners successful appeal to the Court of Appeals, the City rezoned land to the R4 zone to work towards meeting the city's apartment unit housing need within the existing UGB. This land-use measure was successful in generating 900 apartment units, (53% of the overall need). While the R-5 rezone did not occur, the housing type that the R5 zone is meant to realize, apartment units, (which is the only housing type allowed in the R5 zone) did develop per the locational policies of high density residential development in Comprehensive Plan policy #71.09. In effect, the planned R-5 housing was achieved through other land use actions.

See Technical Memorandum #17B of Attachment 2 to Appendix C of the MGMUP.

The 2020 MGMUP Remand does not identify specific locations in the expansion areas for the R-5 zone to be applied, but the Framework Plan does identify potential locations where higher density residential R-5 zoning could be implemented based on potential locations for Neighborhood Activity Centers, along with other land uses that are envisioned for these districts. Specific locations, sizes, and uses within the NACs, including R-5 zoned areas, will be further defined through Area Planning and Master Planning processes.

Comprehensive Plan Policies are proposed to describe the R-5 zone, how it should be developed and where it should be located. These Policies are proposed to be included in Chapter IX (Urbanization) of the McMinnville Comprehensive Plan. The specific Comprehensive Plan amendments are identified in Appendix D of the MGMUP.

Replace Technical Memorandum #17 with Technical Memorandum #17B.

Attachments:

- Ordinance No. 5098

Link to Documents:

Please note that due to document size, all of the documents below can be located at the following link:
<https://www.mcminnvilleoregon.gov/planning/page/mgmup-2003-ugb-remand-project> or at
www.growingmcminnvillemindfully.com

McMinnville Growth Management and Urbanization Plan (MGMUP or “The Plan”)

- Appendix A – Population and Employment Forecast
- Appendix B – Buildable Lands Analysis
- Appendix C – Urbanization Report or the Alternatives Analysis, including:
 - Attachment 1 – Alternative Analysis Screening Criteria Workbook
 - Attachment 2 – Technical Memorandums
 - Attachment 3 – Reference Materials
 - Attachment 4 – Maps Repository
 - Attachment 5 – Legal Documents
 - Attachment 6 – Phase 1 Expansion Land Study Areas
- Appendix D – Proposed Comprehensive Plan Policy Amendments
- Appendix E – Proposed Zoning Ordinance Amendments
- Appendix F – Proposed Comprehensive Plan Map Amendment

- Appendix G – The Framework Plan and Area Planning Process
- MGMUP Findings Document
- Public Notices
 - Notice Mailed to Property Owners within UGB Expansion, dated November 10, 2020
 - Notice Mailed to Property Owners within 300 feet of UGB Expansion, dated November 10, 2020
 - Notice Mailed to all Property Owners with Hearing Time Correction, dated November 19, 2020
 - Public Hearing Notice Published in *News Register*, included in November 24, 2020, November 27, 2020 and December 1, 2020 Publications of the *News Register*
- Public Testimony (*all written testimony received*)

Alternative Courses of Action:

1. ADOPT Ordinance No. 5098, **APPROVING** G 6-20 and adopting the MGMUP 2020 UGB Update.
2. DO NOT ADOPT Ordinance No. 5098 by providing a motion to **DENY**.

Recommendation:

Staff recommends that the Council adopt Ordinance No. 5098, with the recommended amendments provided in this Staff Report, which would approve G 6-20 and adopt the MGMUP 2020 UGB Update. If adopted, the MGMUP 2020 UGB Update would then be forwarded to the Yamhill County Board of Commissioners for their consideration and action before being submitted to the Department of Land Conservation and Development (DLCD).

“THAT BASED ON THE FINDINGS OF FACT, THE CONCLUSIONARY FINDINGS FOR APPROVAL, AND THE MATERIALS INCLUDED IN THE RECORD, I MOVE TO ADOPT ORDINANCE NO. 5098, including the recommended amendments provided in the December 8, 2020 Staff Report.”