BEFORE THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

In the Matter of a Comprehensive Plan Amendment from Very Low Density Residential to Industrial and a Zone Change From VLDR-2.5, Very Low Density Residential to LI, Light Industrial, and Imposition of a Limited Use Overlay; Planning Docket PAZ-01-20; Tax Lots 4411-1000 and 4411-1001; Applicant: AAA Group LLC; and Declaring an Emergency	)	Ordinance 914

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the Board) sat for the transaction of county business on April 22, 2021, Commissioners Mary Starrett, Lindsay Berschauer and Casey Kulla being present.

IT APPEARING TO THE BOARD as follows:

A. AAA Group LLC requested a plan amendment (from Very Low Density Residential to Industrial) and zone change (from Very Low Density Residential-2.5 to Light Industrial) for an approximately 4.12-acre parcel, Tax Lots 4411-1000 and 4411-1001, located at 3100 Lone Oak Road, McMinnville; and

B. This matter came before the Planning Commision for public hearing on February 4, 2021, without opposition, and the Planning Commission voted 7-0 to recommend approval of the application by the Board of Commissioners; NOW, THEREFORE

THE BOARD ORDAINS AS FOLLOWS:

Section 1. The findings attached as Exhibit "A" and incorporated herein by reference are hereby adopted in support of this ordinance.

Section 2. The Comprehensive Plan Map and Zoning Map of Yamhill County are hereby amended to reflect a Plan Map designation of "Industrial" and a Zoning Map designation of "LI-Light Industrial" for the approximately 4.12-acre Tax Lots 4411-1000 and 4411-1001 identified on the attached Exhibit "B" map, incorporated herein by reference.

Section 3. A Limited Use Overlay District (YCZO section 904) is hereby applied to

the subject property, limiting allowed uses to those specified in the attached Exhibit "A."

Section 4. This Ordinance being necessary for the health, safety and welfare of the citizens of Yamhill County, and an emergency having been declared to exist, is effective immediately.

DONE this 22nd day of April, 2021, at McMinnville, Oregon.

ATTEST:

BRIAN VAN BERGEN
County Clerk

By: Carolina Rook
Deputy Carolina Rook

FORM APPROVED BY:

Timothy S. Sadlo
Office of County Counsel

YAMHILL COUNTY BOARD OF COMMISSIONERS

Chair MARY STARRETT

Commissioner LINDSAY BERSCHAUER

Commissioner CASEY KULLA

Exhibit A

Ordinance 914; Board Order 21-137
Findings in Support of Approval of Planning
Docket No. PAZ-01-20 and Conditions of Approval

FINDINGS OF FACT:

A. Background Facts

1. The subject parcel (Tax Lot 4411-1000 and Tax Lot 4411-1001) is approximately 4.1 acres located at 3100 Lone Oak Road, McMinnville. The property is zoned Very Low Density Residential (VLDR 2.5), and currently has two manufactured homes, a large storage barn and a small office. The property is located approximately 1/2-mile northeast of the McMinnville city limits, and has access to Highway 99W through NE Lone Oak Road, a county road. The property is bordered on the south by Highway 99W, on the west by Lone Oak Rd and on the east by a railroad right-of-way. The lots that comprise the subject parcel are part of the *St. Joe Orchard Homes Subdivision* which was platted in 1910.

2. AAA Group, LLC ("Applicant") filed applications seeking a plan amendment from VLDR to Industrial and a zone change from VLDR-2.5 to LI, Light Industrial.

3. The parcels to the north, northwest and south are zoned VLDR-2.5, Very Low Density Residential and consists of rural residential lots. The property immediately to the north of the subject parcel contains a storage facility. To the southwest, south of Highway 99W, is zoned NC, Neighborhood Commercial. This area contains a furniture store and a car dealership and further southwest is an area known as "Bunn's Village" and is a mix of different multi-tenant commercial business uses. To the southeast is zoned LI, Light Industrial and has Oregon Vineyard Supply and McMinnville Gas. Further southeast is zoned EF-80, Exclusive Farm use and is predominantly larger parcels in farm uses. To the northeast is zoned AF-10, Agriculture/Forestry and contains parcels with rural residences as well as some farm uses. Farm uses occurring in the surrounding area include grass seed/hay, hazelnuts, and nursery crops.

4. The property was found to be a committed exception to Goals 3 (Agricultural) and 4 (Forestry) in Code Area 4.5 (St. Joe's), adopted by Exception's Statement II, April 23, 1980 and was plan designated VLDR, Very Low Density Residential. The exception area is not within an 'unincorporated community' as that term is defined by OAR 660-022-0010(10).

B. Procedural Findings

1. On August 19, 2020, Applicant filed an application for a plan amendment and zone change. In a letter dated September 18, 2020 staff informed the Applicant that further justification

regarding the zone change criteria was needed, specifically with regard to Yamhill County Zoning Ordinance ("YCZO") Section 1208.02(B). In response, Applicant submitted on December 18, 2020 an assessment of demand and supply of Light Industrial land in Yamhill County prepared by Johnson Economics, LLC. The application was deemed complete on December 18, 2020 and staff began processing the application as a Type C review under YCZO 1208.01(B). On February 26, 2021 Applicant provided supplemental findings showing compliance with Goal 14 and YCZO 1208.02(B) and (D) review criteria.

2. Staff scheduled a public hearing before the Planning Commission on March 4, 2021.

3. The Planning Commission held a public evidentiary hearing on March 4, 2021. At the hearing, Planning Commission considered the report from staff, and Applicant's presentation and testimony. The staff report originally recommended approval of the application subject to a condition that "uses shall be limited to: *Farm equipment or materials manufacture, storage, sales repair or service*." In its February 26, 2021 supplemental submission and in its testimony, Applicant provided additional information showing that this condition was unnecessarily restrictive and proposed an alternative condition of approval allowing all uses permitted in the LI zone but requiring Applicant to demonstrate compliance with Goal 14 for any "similar uses" listed in YCZO 702.02. Staff expressed support for the Applicant's position and proposed condition of approval and recommended approval subject to the condition proposed by Applicant. After receiving public testimony, the Planning Commission closed the record and deliberated on the decision. Following deliberations, the Planning Commission concluded that the evidence in the record supported approval of the applications and unanimously approved the applications subject to conditions. The Planning Commission incorporated by reference the staff report and applicant's materials as findings to support the Planning Commission decision.

4. Following the Planning Commission hearing, staff issued notice for a public hearing in front of the Board for April 8, 2021.

5. The Board held a public hearing on April 8, 2021. The Board accepted testimony from Applicant, closed the record, and deliberated. Considering the staff report and the Planning Commission's decision, the Board concluded that the evidence in the record supported affirming the Planning Commission's decision approving the application for a comprehensive plan amendment from Very Low Density Residential to Industrial and zone change from VLDR-2.5, Very Low Density Residential to LI, Light Industrial. The Board moved to affirm the Planning Commission's decision to approve Applicant's application subject to conditions of approval. The motion was unanimously approved. The Board directed staff and county counsel to prepare findings of fact and conclusions to document the decision, and on April 22, 2021, the Board adopted the presented findings of fact and conclusions of law.

C. Substantive Findings

1. The applicable approval criteria and review standards are set forth in YCZO 502, 702, and 1208.02. Comprehensive Plan policies are applicable as stated in these findings. OAR 660-

12-060, the Transportation Planning Rule, applies.

2. YCZO 1208.01, General Requirements

A. An amendment may be initiated by the Board, the Commission, or by application of an owner of land.

B. An application for such a change by an owner of land shall be made in accordance with the Type C application procedure.

C. Such amendments shall be made only by the Board, after review and recommendation by the Commission. When the request includes a Comprehensive Plan map amendment, both the Commission and Board shall hold public hearings, pursuant to Section 1402 of this Ordinance, prior to the Board making a final decision. When the request does not include a Comprehensive Plan map amendment, the Commission shall hold a public hearing to review and make a decision on the proposed zone map amendment. The Board is not required to hold an additional public hearing, but may make a decision based upon the record of the Commission hearing. In either case, the zone map amendment shall not be final until the Board has adopted the amendment by ordinance.

The application for a plan amendment and zone change was processed through a Type C review and consistent with the procedure requirements of YCZO 1208.01.

3. YCZO 1208.02, Plan Amendment and Zone Change

(A) The proposed change is consistent with the goals, policies, and any other applicable provisions of the Comprehensive Plan.

Regarding criterion (A) above, the applicant addressed applicable goals and policies in pages 3-4 of the application narrative and those findings are incorporated here by reference. The Board agrees with the incorporated findings and finds that this criterion is met.

(B) There is an existing demonstrable need for the particular uses allowed by the requested zone, considering the importance of such uses to the citizenry or the economy of the area, the existing market demand which such uses will satisfy, and the availability and location of other lands so zoned and their suitability for the uses allowed by the zone.

Regarding the need for the proposed use, criterion (B), the applicant submitted an assessment of the demand and supply of light industrial land in Yamhill County prepared by Johnson Economics, LLC, in order to demonstrate the need for the use requested by the zone change and the availability of other land currently zoned Light Industrial. The assessment focuses its analysis on the uses which are only allowed in the Light Industrial zone and that cannot also be provided in the Resource Industrial or Heavy Industrial zones. Those uses are:

702.02 (A) Manufacture of machine tools, medical and dental equipment, electronic instruments,

mobile homes, and food products not generating noxious odors;

702.02 (B) Farm, industrial or contractor's equipment or materials manufacture, storage, sales, repair or service, including automobile repair garage;

702.02 (C) Warehousing, wholesale storage and distribution, and motor freight terminals contained only within a building;

The analysis shows that these uses have experienced growth in recent decades, with overall growth of over 250 jobs or 39%, based on data provided by the Oregon Employment Department (OED). The analysis also states that the OED forecasts that all of the above sectors will continue to see an increase in growth, which in turn will lead to a demand in these sectors over the coming years. Additionally, the types of businesses locating on LI zoned property are often dependent on the agricultural uses in the County and agriculture continues to be a major contributor to the local economy.

The analysis includes a review of other lands zoned LI within the County and it found that approximately 19% or 31.4 acres of LI land are currently vacant. Page 16 of the analysis lists the vacant LI tax lot numbers that make up the 31.4 acres. In addition to the limitations of each of these sites discussed in the analysis (Figure 9, page 11), staff notes that Site 1 is located entirely within the floodplain and floodway, Site 2 is partially developed with RV storage, Site 3 has the septic system for the adjacent business (Oregon Vineyard Supply) and Site 4, approximately 4 acres along the western boundary, are planned for the Newberg-Dundee Bypass. In its February 26, 2021 supplemental submission, Applicant provided additional findings showing the need for additional LI zoned land.

Given the market demand, the importance of such uses to the economy, and the lack of other available lands already zoned for such uses, there is a need for additional LI zoned property. For these reasons, the Board finds that this criterion is met.

(C) The proposed change is appropriate considering the surrounding land uses, the density and pattern of development in the area, any changes which may have occurred in the vicinity to support the proposed amendment and the availability of utilities and services likely to be needed by the anticipated uses in the proposed district.

The subject property is bordered on the south by Highway 99W, Lone Oak Road to the west and the railroad to the east. To the north is a storage business. The surrounding area is made up of residentially zoned parcels with home-based businesses as well as larger commercial and industrial uses. The surrounding land uses are further outlined in Section A.3. of this report and in the applicant's February 26, 2021 supplemental submission. The existing surrounding uses indicate that the subject parcels are located in an area that will be low impact for conversion to a light industrial designation. The location adjacent to the highway is an advantage for locating a business (visibility and accessibility), but less valuable for locating a dwelling. The proposed uses will rely on the current level of services provided (fire and police). An applicant for a subsequent

development will be required to address other services needed such as septic, water and site drainage through the Site Design Review process. For these reasons, the Board finds that this criterion is met.

(D) Other lands in the county already designated for the proposed uses are either unavailable or not as well-suited for the anticipated uses due to location, size, or other factors.

The application evaluates all other tax lots currently zoned LI in the County and found that 4 sites were either vacant or partially vacant. These sites are evaluated based on market area, neighboring uses, access, and visibility as compared to the subject site per Figure 9, page 11 of the analysis prepared by Johnson Economics, LLC. The analysis shows that other lands zoned LI in the County are not as well-suited for the proposed uses. For these reasons, the Board finds that this criterion is met.

(E) The amendment is consistent with the current Oregon Administrative Rules for exceptions, if applicable.

The property was found to be a committed exception to Goals 3 (Agricultural) and 4 (Forestry) in Code Area 4.5 (St. Joe's), adopted by Exception's Statement II, April 23, 1980 and was plan designated VLDR, Very Low Density Residential. Goal 14 (Urbanization) requires a limitation on the intensity of development to that which is rural in nature, otherwise, an exception to the Goal is required. Section 702.07(C) in the LI zone states: *The maximum parcel coverage shall be thirty (30) percent for any use.* The parcels are approximately 2 acres each, allowing a maximum of approximately 26,100 square feet of structures per parcel, thus limiting the scale to rural. The uses allowed in the LI zone primarily serve rural communities and would not be better suited for location inside the UGBs. Applicant expects that most of its customers would be located outside the UGBs. Uses allowed in the LI zone would not require an extension of urban services. While Applicant's property is located in proximity to the UGBs of McMinnville and Lafayette, it is also uniquely located to serve rural communities due to easy access from Highway 99W, a central corridor for rural industries in the County. For these reasons, the Board finds that this criterion is met.

4. Goal 12 (Transportation Rule) Provisions and Analysis and OAR 660-12-060

(1) If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would significantly affect an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:

(a) Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);

(b) Change standards implementing a functional classification system; or

(c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.

(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;
(B) Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan; or
(C) Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.

Regarding (a) and (b), the applicant submitted a traffic study (Attachment 5 to the application narrative) which concludes the request will not impact, alter or change the functional classification of any existing or planned facility. The County Public Works Department and the Oregon Department of Transportation were sent referrals for comment on the application. No comments were received. For these reasons, the Board finds that this criterion is met.

DECISION:

The Board accepts the Planning Commission's recommendation to approve a comprehensive plan amendment from Very Low Density Residential to Industrial and zone change from VLDR-2.5, Very Low Density Residential to LI, Light Industrial. The Board finds that AAA Group LLC's proposal complies with the applicable criteria in the YCZO as discussed above and is approved subject to the following condition.

CONDITIONS:

1. An application for site design review shall be submitted by the applicant and approved by the county prior to any new development or change in use of any existing structures. For any "Similar Use" listed in YCZO 702.02, applicant shall demonstrate in the site design review how the proposed use is consistent with Goal 14.

END

EXHIBIT MAP FOR ORDINANCE NO. 914
ZONE CHANGE
ADOPTED BY THE YAMHILL COUNTY BOARD OF COMMISSIONERS
APRIL 22, 2021
FOR A PLAN AMENDMENT FROM
VERY LOW DENSITY RESIDENTIAL
TO
INDUSTRIAL
AND
A ZONE CHANGE FROM
VLDR-2.5, VERY LOW DENSITY RESIDENTIAL
TO
LI, LIGHT INDUSTRIAL

CHANGE APPLIES TO TAX LOTS 4411-1000 AND 1001 AS HIGHLIGHTED ABOVE. APPROXIMATE SCALE - 1 INCH = 180 FEET

Ordinance 914
B.O. 21-137
Exhibit "B"