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IN 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 an Ordinance Amending )  
the Yamhill County Comprehensive Plan )  
(1974) to Change the Designation from )  
"Agriculture/Forestry Small Holding" to )  
"Industrial", to Amend the Official Zoning )  
Map from "AF-10 Agriculture/Forestry" )  
to "RI Resource Industrial" on )  
Approximately 2.75 Acres, Tax Lot )  
3301-505; Applicant Milton Teegarden; )  
Planning Docket PAZ-04-99; )  
and Declaring an Emergency. )

ORDINANCE 680

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the Board) sat for the transaction of county business in formal session on March 23, 2000, Commissioners Ted Lopuszynski, Thomas E. E. Bunn, and Robert Johnstone being present.

THE BOARD MAKES THE FOLLOWING FINDINGS:

A. An application was made by Milton Boyd Teegarden ("Applicant") to the Department of Planning and Development (Planning Docket PAZ-5-93) for a Comprehensive Plan amendment from Agriculture Forestry Small Holding to Industrial and a zone change from AF-10 to RI Resource Industrial for 2.75 acres of a 14.53 acre parcel identified as Tax Lot 3301-505, subject to a Limited Use Overlay that limits the use to a winery.

B. On February 3, 2000, the Yamhill County Planning Commission held a public hearing to consider the application. The Commission voted unanimously to recommend to the Board of Commissioners that the application be approved with a limited use overlay that limited the use to a winery, with production no more than 600 cases a year, and limiting public tasting activities to four per year.

C. On March 9, 2000 the Yamhill County Board of Commissioners held a duly noticed public hearing to consider the application, at which testimony and evidence was received. The applicant spoke in favor of the application, and no opponents appeared or submitted evidence of any kind. Following the close of the hearing and the record, the Board deliberated and voted unanimously to approve the application for the comprehensive plan amendment and zone change, and directed staff to prepare an Ordinance and Findings in support of approval.

WHEREAS, the attached Exhibit "A" demonstrates that the proposed amendment to the Yamhill County Comprehensive Plan, Plan Map, and Official Zoning Map of Yamhill County are in the best interests of the citizens of Yamhill County; Now Therefore,

THE YAMHILL COUNTY BOARD OF COMMISSIONERS ORDAINS AS FOLLOWS:

Section 1. The Yamhill County Comprehensive Plan and Plan Map (1974) are hereby amended as specified in the attached Exhibit "B", made part of this ordinance by reference, to reflect a plan designation of from Agriculture Forestry Small Holding to Industrial and a zone change from AF-10 to RI Resource Industrial for 2.75 acres of a 14.53 acre parcel identified as Tax Lot 3301-505, subject to a Limited Use Overlay that limits the use to a winery, as more particularly described and shown in Exhibit "B".

Section 2. The Official Zoning Map of Yamhill County is hereby amended to add the limited use overlay as specified in the attached Exhibit "B" to reflect a zoning designation of "RI Resource Industrial".

Section 3. The Findings attached as Exhibit "A" and incorporated herein by reference are hereby adopted in support of this ordinance.

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 upon passage.

DONE at McMinnville, Oregon this 23rd day of March, 2000.

ATTEST

YAMHILL COUNTY BOARD OF COMMISSIONERS

CHARLES STERN  
County Clerk

Ted Lopuszynski  
Chairman  
TED LOPUSZYNSKI

By: Kellye H. Fetters  
Deputy Kellye Fetters

Thomas E.E. Bunn  
Commissioner  
THOMAS E.E. BUNN

FORM APPROVED BY:

Rick Sanai  
Rick Sanai  
Assistant County Counsel

Robert Johnstone  
Commissioner  
ROBERT JOHNSTONE

Exhibit "A"

FINDINGS OF APPROVAL FOR APPLICATION PAZ-04-99

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**HEARING DATE:** March 9, 2000

**DOCKET:** PAZ-04-99

**REQUEST:** Approval of a Comprehensive Plan amendment from Agriculture Forestry Small Holding to Industrial; a zone change from AF-10 to RI Resource Industrial; for 2.75 acres of a 14.53 acre parcel in order to allow a winery.

**APPLICANT:** Milton Boyd Teegarden

**OWNER:** Theresa A. Jensen and Michael R. Koch

**TAX LOT:** 3301-505

**LOCATION:** 16825 Chehalem Drive, Newberg

**REVIEW CRITERIA:** Sections 701 and 1208 of the Yamhill County Zoning Ordinance. Section 904, Limited Use Overlay may also be applied.

**COMMENTS:** Newberg Fire District - Access to all structure must be inspected and approved by the fire department.  
City of Newberg - Certain properties in this area are connected to water lines that are fed by the City's municipal water system. Please consider carefully the water requirements of the proposed use, and the groundwater impacts it may cause.  
Sanitarian - Any grape waste discharge must be approved by DEQ. Soils are not very good for drainfields in this area. Small discharge of black waste probably O.K.  
Public Works - We have reviewed the file and find no conflicts with our interests.

**FINDINGS:**

**A. Background Facts:**

1. Property size: 14.53 acres, of which the northern 2.75 acres is proposed for the zone change.
2. Access: Chehalem Drive.
3. On-site Land Use: The property is developed with a residence and contains an open field with some trees along the northern boundary.

4. Surrounding Land Use: The surrounding area is predominantly devoted to agricultural and rural residential uses. The area contains orchards and livestock which include cattle and llamas.
5. Surrounding Zoning: All adjacent parcels are zoned AF-10. The zoning in the area is generally EF-20 and 80.
6. Water: On-site well.
7. Sewage Disposal: Subsurface sewage disposal.
8. Fire Protection: Newberg Rural Fire District
9. Soils: Sheet 16 of the Yamhill County Soil Survey shows that the parcel is predominantly composed of Willakenzie silty clay loam (WeE) and Woodburn silt loam (WuB) which are agricultural Class II and IV and are classified as high-value farmland. The property also has some small areas with Jory (JrF) and Nekia (NcD) soils, which are not high-value farmland.
10. Taxes: Farm deferral
11. Previous Actions: There have been a number of lot-line adjustments that have created the current parcel size. They include Dockets L-1-93, L-3-93, L-4-93, and L-4-99. The property has approval for a guest house above the garage a per Docket C-14-92.

**B. Zone Change and Plan Amendment Provisions and Analysis**

1. The Plan Amendment portion of the request is not subject to local review criteria.
2. The zone change portion of the request must comply with the standards and criteria in YCZO Section 1208.02. These provisions are:
  - (A) *The proposed change is consistent with the goals, policies, and any other applicable provisions of the Comprehensive Plan.*
  - (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.*

- (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.*
- (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.*

3. Regarding criterion (A) above, we find Comprehensive Plan goals and policies related to agricultural and forest lands are not applicable. We find that the proposed use complies with YCZO 1208.02(A). A "committed" exception to Statewide Planning Goal 3 has already been taken for the subject parcel, Comprehensive Plan goals and policies related to agricultural and forest lands are not applicable. Other Plan goals and policies which are not applicable (as the Yamhill County Zoning Ordinance implements the Comprehensive Plan) but which are appropriate to discuss are:

*Goal I.B.1. To provide an adequate amount of land, development areas and sites to accommodate those uses which are customarily found in rural areas or require or are better suited to rural locations, without compromising the basic goal relating to urban containment and orderly urban development.*

Wineries with associated vineyards are customarily found in rural agricultural areas. Although some wineries and wine tasting rooms are located in urban centers, with grapes transported to the winery from vineyards outside the urban area, we find they are not specifically an urban use and do not compromise the goal of urban containment.

*Policy I.H.1.g. Agricultural, forestry and mineral resource-oriented industry will be accommodated in areas close to the resources utilized, provided that such industrial uses are compatible with any nearby urban development, city water supply and sewerage are not required, and waste discharges constitute no threat to the environment.*

There is no urban scale of development in the vicinity, and no city water or sewer available or required by the winery. DEQ handles permits for waste water discharges from wineries, so presumably DEQ will require a system that will not cause a threat to the environment.

*Policy I.H.1.m. The county will encourage industrial development which bases its products on renewable and indigenous raw materials.*

Grapes are a renewable raw material.

*Policy I.H.1.n. The county will recognize and encourage small scale industries as viable alternatives to larger, conventional enterprises.*

The site design review for the winery has not yet been applied for so the exact scale of the building is unknown. The applicant indicates he would like to establish a small family-run winery with a total production of 500 to 600 cases. We find this size of facility would be considered small scale.

4. Regarding the need for the proposed use, criterion (B), we find the wine industry is important to both tourism and economic development in the county. Some existing wineries are willing to make and bottle wine for private vineyards. It is unknown whether wineries exist in the local area which will produce wine for other private labels. The availability and suitability of other RI zoned lands will be discussed in Finding B.6.
5. Regarding criterion (C), the surrounding land uses are a combination of farm uses and rural residences, with most of the lots in the surrounding AF-10 zoned area developed with residences. We find the production aspect of the winery is compatible with and similar to other farm uses in the vicinity, which may involve noise and dust from harvesting and storing crops. A wine-tasting room or other on-site retail marketing might be less compatible because of the surrounding residential uses. The applicant indicated that the plan was to not have a tasting room but only be open to the public on Memorial and Thanksgiving weekends.

The primary change that has occurred in the vicinity that would support the proposed amendment is the development of the wine industry. The applicant discusses this in his request.

We find that the winery, as proposed, would not require any additional utilities and services than already exist in the area or that could be provided by a private well and septic system. The property is served by a private gravel road that connects with Chehalem Drive. We find the road could handle the traffic for occasional events but, if at a later date a wine tasting room was opened or on-site marketing events occurred, both of which are permitted under the definition of a winery, the road access might need to be upgraded.

6. Regarding criteria (D), we find there is little, if any, vacant Resource Industrial land in the county where the applicant could locate his winery. There are two RI zoned parcels in a 3 mile radius of the subject parcel. The first is a portion of Tax Lot 2336-3600 which is part of the Adelsheim Vinyards and is in use. The second is Tax Lot 3321-2101 and is in use by Willamette Valley Filbert growers as a processing plant. Neither of these appear to be "available" for the anticipated uses. Wineries are also allowed in agricultural zones, either permitted outright if there is a minimum of 15 acres of planted vineyard, or as a conditional use for a commercial activity in conjunction with farm use. The applicant has

correctly stated however that not all of the agricultural land in the county is suitable for grape production.

**C. Limited Use Overlay Provisions**

1. Section 904.03 of the YCZO contains provisions for limited use overlays. It states:

- (A) *When the Limited Use Overlay District is applied, the uses permitted in the underlying zone shall be limited to those specifically referenced in the ordinance adopting the Limited Use Overlay District.*
- (B) *The Limited Use Overlay District may be used to require conditional use approval for uses normally permitted outright.*
- (C) *Reasonable conditions may be imposed in the Limited Use Overlay District as are necessary to assure compliance with the provisions of the Comprehensive Plan and this ordinance.*
- (D) *Until the overlay has been removed or amended, the only permitted uses in an LU district shall be those specifically referenced in the adopting ordinance.*

2. Since the RI zone allows other industrial uses which may not be appropriate to the area, such as fruit, nut and vegetable packing, processing, warehousing and cold storage operations, we find it is appropriate to apply a Limited Use Overlay to limit uses on the rezoned area to the winery. Furthermore, since the property is served by a private easement the Board finds that this easement is inadequate to handle the traffic from a wine tasting room open daily. Thus the Board finds that the public tasting activities must be limited to no more than four per year.

**CONCLUSIONS FOR APPROVAL:**

- 1. The request is for a Plan amendment from AFSH Agriculture Forestry Small Holding to I Industrial and a zone change from AF-10 to RI Resource Industrial.
- 2. We find the proposed zone change is consistent with Comprehensive Plan goals and policies, as implemented through the Yamhill County Zoning ordinance. There are no other lands in the immediate vicinity that would allow a winery. With an approval of a site design review, we find the winery will be compatible with surrounding agricultural and residential uses.
- 3. We find a Limited Use overlay is appropriate in order to avoid conflicts with surrounding uses. The approved use should be limited to a winery limited to no more than four public

wine tastings per year.

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**CONCLUSION:**

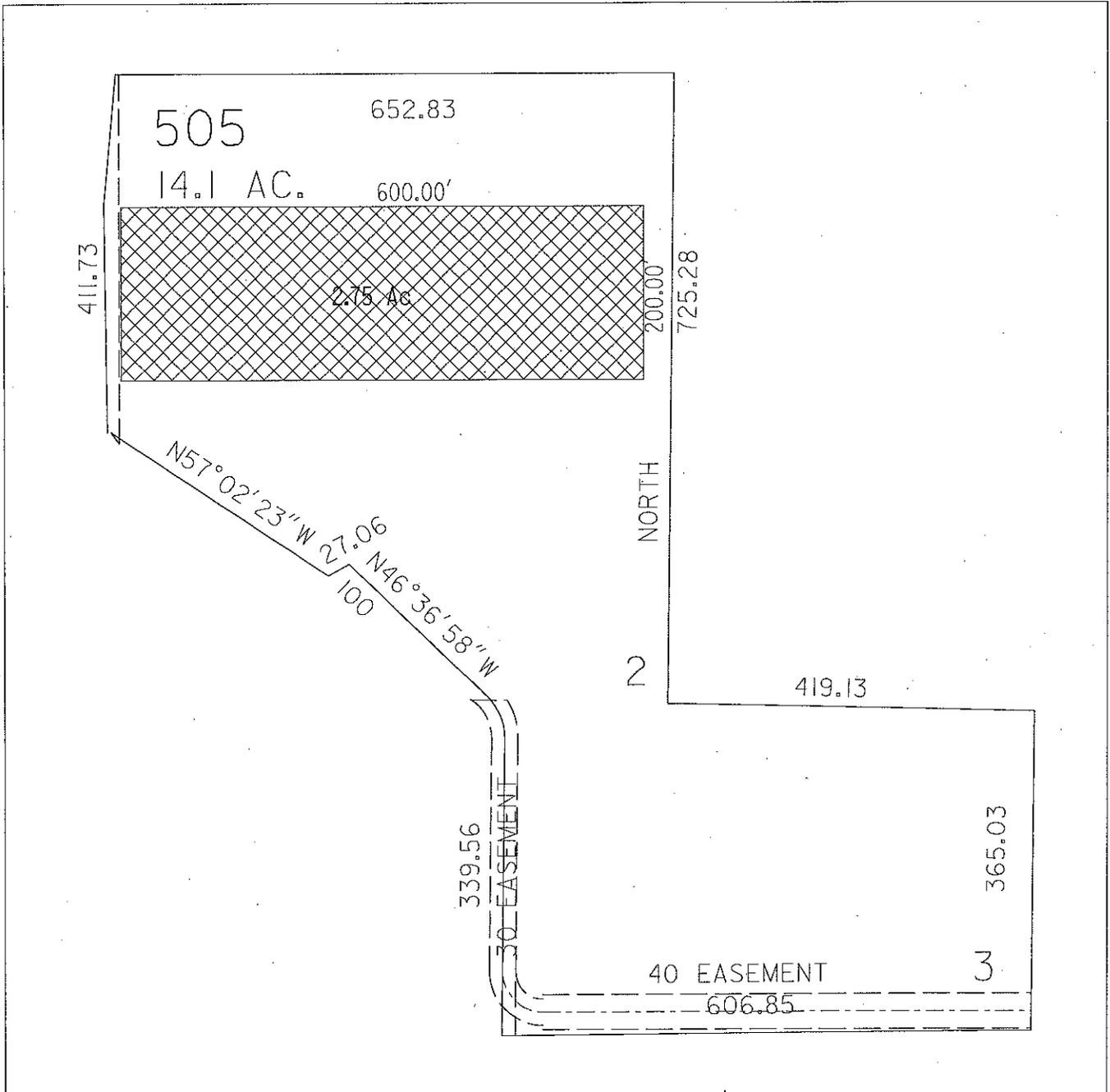
Based on the above findings, analysis and conclusions, we find that the request by Milton Boyd Teegarden for a Comprehensive Plan amendment from Agriculture Forestry Small Holding to Industrial, and a zone change from AF-10 to RI Resource Industrial for 2.75 acres of a 14.53 acre parcel identified as Tax Lot 5423-506, is suitable and appropriate, subject to a Limited Use Overlay that limits the use to a winery limited to no more than four public wine tastings per year.

# EXHIBIT "B" FOR ORDINANCE No. 680

COMPREHENSIVE PLAN AMENDMENT FROM  
AGRICULTURE/FORESTRY SMALL HOLDING (AFSH)  
INDUSTRIAL

ZONING MAP AMENDMENT FROM  
AF-10 (AGRICULTURE/FORESTRY SMALL HOLDING) TO  
RI (RESOURCE INDUSTRIAL)  
AND TO APPLY A LIMITED USE (LU) OVERLAY ZONE

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Prepared by Yamhill County Department of Planning and Development



AREA SUBJECT TO AMENDMENT

ORDINANCE No. 680  
EXHIBIT "B"