

I. Staff Report & Decision Letter

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT

DATE: November 17, 2023

DOCKET NO.: C-14-23

REQUEST: A conditional use request for the operation of a commercial activity in conjunction with farm use to allow the tasting of locally produced wine and the sale of locally produced wine, beer, and other malt beverages, and cider at the existing approved onsite farmstand.

APPLICANT: Carlton Hub, LLC

OWNER: Carlton Hub, LLC

TAX LOT: 3409-00101

LOCATION: 15713 Highway 47, Yamhill

ZONE: Exclusive Farm Use (EF-80) zone.

CRITERIA: Sections 402.04(I), 1004.01, and 1202.02 of the *Yamhill County Zoning Ordinance* (YCZO). Comprehensive Plan policies may also be applicable.

COMMENTS: *Yamhill Fire Department:* No response to date.
County Sanitarian: No response to date.
Water Master: No response to date.
Public Works: No response to date.
Public Health: No response to date.
Soil & Water Conservation District (SWCD): No response to date.
Oregon Liquor & Cannabis Commission (OLCC): No response to date.
City of Yamhill: No response to date.
Oregon Department of Transportation (ODOT): "The proposal to add alcohol and wine sales at the existing farm stands will not trigger any requirements from ODOT. If they have any questions, they can contact me directly."
Friends of Yamhill County, P.O. Box 1083, McMinnville: Please see letter in opposition, received on September 25th, 2023.
Kim Lanyon, 15607 Highway 47, Yamhill: Please see letter expressing concerns regarding the proposed commercial activity in conjunction with farm use. The letter was received on September 25th, 2023.
Donna Lanyon, 15607 Highway 47, Yamhill: Please see letter expressing concerns regarding the proposed commercial activity in conjunction with farm use. The letter was received on September 25th, 2023.

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT

FINDINGS:

A. Background Facts

1. *Parcel Size:* Approximately 5.13-acres.
2. *Access:* The property has direct access to Highway 47(Tualatin Valley Highway, No. 029).
3. *On-site Land Use and Zoning:* The subject parcel is located within the EF-80 zone, the Exclusive Farm Use District. There are a variety of farm uses occurring on the property, including vineyards, livestock pasturage, the rearing of poultry, with what appears to be a few fruit or nut trees planted onsite. The western half of the property, measuring approximately 2.3-acres, is located within the 100-year floodplain and floodway of Yamhill Creek. The applicant states that there is a dwelling, barns, shop (used for poultry processing), garage, and tool shed located on the property. In 2007, the applicant received land use approval for the operation of a poultry and rabbit processing facility as well as for the sale of mead made on the premises. A farm stand was approved in 2020/2021, Docket C-20-20/SDR-24-20, for a previous owner. In 2023, a new conditional use permit was issued for the current owner to operate the onsite farmstand and bed and breakfast operation occurring on the subject parcel, Docket C-06-23/SDR-05-23.
4. *Surrounding Land Use and Zoning:* The surrounding parcels are all located within the EF-80 zone, the Exclusive Farm Use District. Land use in the area consists predominantly of larger agricultural operations, including nut orchards, grass seed and alfalfa hay cultivation, some scattered and infrequent livestock pasturage. The subject parcel is one of the smaller lots in the area, and the surrounding area is generally characterized by its larger lot sizes, ranging from approximately 5-acres to over 200-acres. Many of the surrounding properties also have a dwelling located onsite, with many of the homesites clustered along the Highway 47 frontage for each respective parcel.
5. *Water:* The Applicant has indicated that water is provided to the site by the City of Yamhill.
6. *Sewage Disposal:* The Applicant indicates that a septic system currently serves the existing plumbed structures.
7. *Fire Protection:* Yamhill Rural Fire Protection District.
8. *Previous Actions:* In 2023, a new conditional use permit was issued for the current owner to operate the onsite farmstand and bed and breakfast operation occurring on the subject parcel, Docket C-06-23/SDR-05-23. Also in 2023, a six event agri-tourism permit was approved, Docket E-24-23. In 2020, the prior owner received approval for a 2-guestroom bed and breakfast and a farmstand, Docket C-20-20/SDR-24-20. In 2007, the prior owner received approval for the operation of a poultry and rabbit processing

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

facility in addition to the sale of mead produced on the premises, Docket C-02-07/SDR-03-07. In 1991, a previous owner received approval for the operation of a home occupation, Docket C-76-90.

9. *Deferral:* The Assessor's office records indicate that 4.13 -acres of the property are receiving farm tax deferral.
10. *Overlay Districts:* Yamhill Creek flows through the applicant's property and there is a 100-year floodplain associated with Yamhill Creek, pursuant to FIRM Panel 41071C0183D. The existing structure the applicant has identified as the site of the farm stand is located approximately 140-feet from the 100-year floodplain. The tract is not within an identified sensitive wildlife habitat area, the Willamette River Greenway, or an airport overlay district.
11. *Explanation of Request:* The Applicant is requesting approval for the sale of alcohol and to provide wine-tasting service from the existing approved farmstand on the subject parcel. If approved, there will be minimal construction activities required to the farmstand and the Applicant notes that these improvements will be to the interior of the farmstand. On November 3rd, 2023, the Applicant submitted an addendum to the application which states that the Applicant is requesting the alcohol sales to include wine, beer, and other malt beverages, cider, and alcoholic drinks as approved by the OLCC. Because the Applicant has only explicitly defined these beverages to include wine, beer and other malt beverages, and cider that is what the Planning Department will evaluate and consider for approval, staff does not find that the Applicant has sufficiently defined or justified a carte blanche approach to approving alcohol sales from a farmstand or attempted to justify how every type of alcohol permitted by OLCC could be considered a commercial activity in conjunction with farm use [emphasis added]. On November 3rd, 2023, the Applicant submitted an addendum to the application which provided a farm impacts analysis.

B. Conditional Use Provisions and Analysis

1. Section 402.04(G) lists commercial activities that are conducted in conjunction with farm use as a conditionally permitted use subject to site design review in the Exclusive Farm Use District. These uses are defined in Section 402.10(B)(2) which lists uses that provide for the "*Retail sales and promotion of agricultural products, supplies and services directly related to the production, harvesting, and processing of agricultural products.*" The Applicant's proposed use is for the provision of wine tasting service and alcohol sales from an existing, approved farmstand on a parcel with no onsite wine production and no onsite vineyard. The Applicant indicates that livestock and poultry are farmed on the subject parcel. The Applicant's proposed use is for the retail sales and promotion of processed agricultural products, in the form of alcohol and wine produced by farmers in the local area. State law defines the local area as the State of Oregon. If approved, the farmstand will be limited to wine tasting and the sale of alcohol that has been produced in Oregon. As mentioned above, in Section A.11. of the staff report, the Applicant did not define what alcohols will be sold in addition to locally produced wine, so initially staff

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT

STAFF REPORT

had decided to limit the sales of alcohols that are permitted by statute in the Exclusive Farm Use and Agriculture/Forestry Districts which include ciders and beer. On November 3rd, 2023, the Applicant submitted an addendum to the application which states that the Applicant is requesting the alcohol sales to include wine, cider, beer, and other malt beverages, and alcoholic beverages as approved by the OLCC. Because the Applicant has only explicitly defined these beverages to include wine, cider, beer and other malt beverages, that is what the Planning Department will evaluate and consider for approval. Staff does not find that the Applicant has sufficiently defined or justified a carte blanche approach to approving all alcohol sales from a farmstand, nor has the Applicant justified how every type of alcohol permitted by OLCC could be considered a commercial activity in conjunction with farm use [emphasis added]. If the Applicant would like to have a venue at which any alcoholic beverage permitted by OLCC can be sold, then the Applicant may wish to consider pursuing a zone change for the subject parcel to a commercial zone, or consider another parcel either in an urban location or a parcel in one of the county's rural commercial districts which may allow for a use such as a resort or other drinking establishment that does not require justification as being an activity in conjunction with farm use that markets alcohols that are derived from farm products grown in the local area.

Friends of Yamhill County submitted comments regarding the Applicant's request and notes that a request for a commercial activity in conjunction with farm use must be directly related to farming and processing activities, and notes that the Applicant does not produce, harvest, or process wine grapes so the proposed use does not satisfy the definition of a commercial activity in conjunction with farm use.

Staff agrees with Friends of Yamhill County that Section 402.10(B)(2) of the YCZO states that a commercial activity in conjunction with farm use is authorized to include, *"Retail sales and promotion of agricultural products, supplies and services directly related to the production, harvesting, and processing of agricultural products. Such uses include, but are not limited to, the following ... livestock auctions or sale yards; farm equipment storage and repair facilities; storage, distribution and sale of feed, fertilizer, seed, chemicals, and other products used for commercial agriculture; veterinarian clinics; slaughtering of animals, including attendant retail and wholesale sales ..."*. Staff finds that Friends' analysis of this section of the county zoning ordinance is an incomplete reading and perhaps incorrectly assumes that a commercial activity in conjunction with farm use is a use permitted to only commercially market products derived from onsite farm uses when a more comprehensive reading of the ordinance makes it clear that a proposed commercial activity in conjunction with farm use is intended to promote or support farm activities occurring in the local area. Staff comes to this conclusion by reading that veterinarian clinics that only serve onsite livestock, or slaughterhouses that only process onsite livestock would not be viable commercial activities, and also that the plain reading of this section of the ordinance twice references commercial activities in conjunction with farm use that shall be directly related to promotion of a product harvested or processed on the site, and that is the, *"Rental or lease of facilities, with or without a fee, in conjunction with an agricultural use for events such as parties, receptions, and banquets with the primary intent of indirect promotion of*

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

the product harvested or processed on the site” and for, “Four or more promotional events in a calendar year that are directly related to the marketing of products harvested or processed on the site that are reasonably expected to attract more than 750 visitors daily. An “event” shall not exceed three consecutive days.” Staff finds that the Applicant’s request meets the definition of a commercial activity in conjunction with farm use because the other example uses authorized as commercial activities conducted in conjunction with farm use are deliberately not intended to serve only the onsite farm activities but to collectively serve the local farming community. As addressed in Section B.1. of this staff report, above, staff has found that the Applicant’s request meets the definition of a commercial activity in conjunction with farm use, which is a use that is conditionally permitted in the Exclusive Farm Use District. Staff finds that the Applicant’s request to provide a sales outlet to local wineries, breweries, and cideries is a valid request under Sections 402.04(G) and 402.10(B)(2) of the YCZO.

The conditional use criteria of YCZO Section 1202.02 are as follows:

(A) *The use is listed as a conditional use in the underlying zoning district;*

Regarding criterion (A), the Applicant is requesting a conditional use permit approval for the sale of alcohol and to provide wine-tasting service from an existing, approved farmstand as a commercial activity in conjunction with farm use. A commercial activity in conjunction with farm use is a conditionally permitted use in the Exclusive Farm Use zone, per Sections 402.04(G) and 402.10(B) of the YCZO subject to Site Design Review, Section 1101 of the YCZO. The Applicant states that the farmstand currently sells local farm products including pork, beef, poultry, lamb, and vegetables. The Applicant asserts that the sale of these farm products will be enhanced and promoted by pairing with alcohol sales, and the proposed sale of wine, cider, beer, and other malt beverages, will promote local agricultural uses (e.g., wineries, breweries, cideries, etc.). A condition of approval will limit wine-tasting service or wine, cider, beer, and other malt beverages, sales to alcohol produced in the State of Oregon.

2. (B) *The use is consistent with those goals and policies of the Comprehensive Plan which apply to the proposed use;*

Regarding criterion (B), the Yamhill County goals and policies do not provide specific standards or review criteria for a use that provides for the sale of alcohol or the provision of wine tasting service with no complementary onsite agricultural production from which the wine or other alcohols are produced. As noted above, the Applicant is requesting approval for the provision of wine tasting service and alcohol sales from an existing farmstand as a commercial activity in conjunction with farm use, per Sections 402.04(G) and 402.10(B) of the YCZO. The *County Comprehensive Plan* states that agriculture and forestry play a dominant role in the County’s economy and calls for preserving that role while increasing economic diversification and employment. The Applicant states that the request is consistent with Section II(A), Goal 1, Section II(A), Policy 1, and Section II(A), Goal 2 of the County’s *Comprehensive Plan* because the request will utilize an existing approved farmstand which will encourage customers to purchase local farm

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

products from the farmstand. Staff has defined the local area as the State of Oregon, and in the spirit of the Applicant's request, any wine, cider, beer, and other malt beverages, offered for sale at the farmstand shall be limited to those produced in Oregon.

3. (C) *The parcel is suitable for the proposed use considering its size, shape, location, topography, existence of improvements, and natural features.*

Regarding criterion (C), the application needs to demonstrate that the parcel is suitable for the proposed use considering its size, shape, location, topography, existence of improvements, and natural features. The subject parcel is approximately 5.17-acres in size with an existing single-family dwelling, a farm stand, and a poultry and rabbit meat processing facility. The area around the homesite is relatively flat and well-landscaped. The western portion of the subject parcel slopes downward towards the bank of Yamhill Creek, which runs north to south, near the center of the property. The western-half of the property is located within the 100-year floodplain and floodway of Yamhill Creek. The applicant has not proposed any improvements to the existing farmstand that would expand the footprint of the building to be within the identified 100-year floodplain boundaries.

County staff received some concerns from surrounding property owners regarding the driveway and access to the property from Highway 47. Surrounding property owners were concerned that the driveway was too narrow and that patrons visiting the farmstand would occasionally use a neighbor's driveway rather than the driveway serving the business. A surrounding property owner also noted that patrons visiting the farmstand would occasionally park offsite, on a neighbor's parcel, and were concerned that there is not sufficient onsite parking to serve the farmstand. An additional concern from a neighboring property owner was related to the onsite septic system serving the farmstand and were worried that the system was not designed to handle the potential increase in wastewater that would be generated from the additional services offered at the farmstand.

On November 3rd, 2023, the Applicant submitted an addendum to the application which provided, in part, a response to some of the concerns and comments submitted by surrounding property owners. The Applicant notes in this addendum that the driveway serving the farmstand was widened to accommodate two vehicles by removing landscaping and a large tree at the entrance to the subject parcel. The Applicant notes that the removal of landscaping also allowed for the development of three (3) additional parking spaces for patrons visiting the farmstand. Improvements to the parking area included an increase in area for patrons to turn vehicles around so that patrons would not inadvertently drive onto any of the neighboring properties. The Applicant addressed the wastewater concerns expressed by the neighbor by stating that a portable toilet unit has been placed on the property for use by patrons, and that the portable toilet will be pumped regularly so very little additional waste will be added to the septic system if the proposed additional services are approved at the farmstand.

The only comment that staff received from a government agency was from ODOT who stated that the proposed new services offered at the farmstand would not need any new

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

permits or inspections. Staff did not receive any comments or concerns from the City of Yamhill, the Yamhill Fire Department, District Watermaster, County Sanitarian, Public Health, or Public Works Department regarding the Applicant's proposed wine tasting service or alcohol sales negatively impacting the existing services on or adjacent to the subject parcel. Conditions of approval will require that the septic system receive approval from the Sanitarian prior to the implementation of the proposed new services. Additionally, access to the farmstand is inspected and approved by the Yamhill Fire Department prior to the implementation of the proposed new services. Another condition of approval will require that the Applicant establish and maintain a parking area that meets the parking requirements provided in Section 1007.02(C) of the YCZO. A condition of approval will prohibit the Applicant from providing parking along Highway 47 or on any neighbor's property.

4. (D) *The proposed use will not alter the character of the surrounding area in a manner which substantially limits, impairs, or prevents the use of surrounding properties for the permitted uses listed in the underlying zoning district.*

Regarding criterion (D), the Applicant is requesting approval for the sale of alcohol and the provision of wine tasting service from an existing, approved farmstand building. Surrounding parcels are all located within the EF-80 zone, the Exclusive Farm Use District. Staff found that land use in the area consists predominantly of larger agricultural operations, including nut orchards, grass seed and alfalfa hay cultivation, some scattered and infrequent livestock pasturage. The subject parcel is one of the smaller lots in the area, and the surrounding area is generally characterized by its larger lot sizes, ranging from approximately 5-acres to over 200-acres. Many of the surrounding properties also have a dwelling located onsite, with many of the homesites clustered along the Highway 47 frontage for each respective parcel.

The Planning Department received comments from Friends of Yamhill County regarding the Applicant's request for alcohol sales and wine tasting service from an existing, approved farmstand. Friends of Yamhill County notes that the Applicant's findings addressing this criterion are conclusory in nature with no analysis presented to support the conclusion that selling alcohol at the existing, permitted farmstand will not alter the character of the surrounding area in a way that limits use of surrounding properties. Friends also goes on to contend that numerous wineries in the surrounding area create issues that impede or negatively impact the character of the surrounding area and contends that numerous tasting rooms in the area places a heavier burden on the Applicant to show that an additional tasting room will cumulatively alter the character of the area. Friends of Yamhill County asserts that the Applicant did not adequately define or characterize the area surrounding the subject parcel in a manner that sufficiently evaluates the proposed use and how the surrounding area would or would not be negatively impacted by the addition of wine tasting and alcohol sales from the farmstand. Friends of Yamhill County argues that the proposed use should be denied, at least in part, based on the lack of findings to support the conclusion presented in the justifying narrative submitted with the application form.

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

The Applicant addresses this criterion by stating that the sale of alcohol, in this case wine, beer and other malt beverages, as well as cider, at the farmstand will not alter the character of the surrounding area in a way that substantially limits, impairs, or prevents the permitted uses of surrounding properties that are all zoned for Exclusive Farm use. The Applicant analyzed land uses occurring within 1/3 of a mile of the subject parcel. The Applicant found that there are twenty-two (22), please see Applicant's Table #1 and Exhibit #1 for greater details. The Applicant found that many of the lots in the surrounding area exhibited rural residential uses with small-scale garden uses and personal farming activities. The Applicant identified that feeding and pasturing of livestock, collection of eggs, small orchard management and harvesting, composting, planting, fertilizing, and harvesting would be activities commonly occurring in conjunction with these small-scale farming and gardening uses. The Applicant also found that there were several lots that were being exhibited commercial-scale farming use and those included Tax Lots 3404-01900, 3403-03300, 3409-00100, 3409-00400, and 3409-01201. The Applicant found that the farm uses occurring on these lots include grass seed cultivation, hazelnut orchards, as well as livestock production and pasturage. The Applicant identified that common farm practices associated with the commercial farm operations in the surrounding area include planting, irrigation, fertilization, flail mowing, disking, harvesting, pruning, pollination feeding, pasturing, herding, and grazing of livestock, the delivery of fodder, and the collection of eggs. The Applicant observes that many of these practices involve the use of heavy machinery and farm equipment, including tractors, dump trucks, flat bed trailers or hay wagons, and harvesters. In some cases, this equipment will be stored on the farm property and in other cases the farm equipment will be transported to one of the surrounding farming operations from offsite. These farming operations may see higher periods of traffic seasonally during harvest season and during this time of year there may be some slow down to the flow of traffic on Highway 47. Staff received a response from ODOT regarding traffic to the farmstand and ODOT did not express any concern regarding the proposed new wine tasting service or alcohol sales, but rather stated that the proposed use will not trigger any new requirements from ODOT. Staff finds that, with no concerns from ODOT regarding significant traffic impacts to the surrounding roadways that traffic to and from the farmstand will have a negligible impact to the farms operating in the surrounding area. Staff notes that the Applicant also responded to comments submitted by a surrounding property owner regarding the access driveway serving the farmstand and acted to improve and widen the driveway, and to also improve the parking area serving the farmstand to minimize negative impacts to surrounding property owners.

On November 3rd, 2023, the Applicant submitted an addendum to the application addressing comments submitted by Friends of Yamhill County. The Applicant notes that commercial activities in conjunction with farm use can include the selling of irrigation pipes, pumps, fertilizer, and chemicals even though farms obviously cannot manufacture those products in EF zones. The Applicant further notes that a veterinary clinic is allowed even if no animals are raised on site or by the operator. A farm equipment repair facility is allowed even if no farm equipment is otherwise used for farming on the site or by the operator. The Applicant goes on to point out that a commercial activity in conjunction with farm use can include wineries or tasting rooms that can sell wine

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

without having an onsite vineyard. The Applicant also argues that the primary purpose of the farmstand is to sell meat and vegetables and that the sale of alcohol and the provision of a wine tasting service is intended to be a small component of the farmstand's operation and also complementary in nature to the sale of locally produced meat and vegetables. The Applicant asserts that the sale of alcohol is not intended to broaden the customer base of the farmstand but rather provide additional goods and services to the existing customer base. The Applicant then concludes that the wine tasting service and the sale of wine, beer, and other malt beverages, and cider is similar to many of the surrounding winery and tasting room uses commonly found in the surrounding area and that the use will not adversely impact the surrounding area. As part of the addendum to the application submitted on November 3rd, 2023, the Applicant also submitted a map of area around the greater Yamhill and Carlton area that provides the locations of wineries and tasting rooms shown on a map created using the Google Earth website/application. The Applicant notes that the Yamhill-Carlton American Viticulture Area (AVA) includes more than 2,600-acres of vineyard and more than 50 wineries, and additional tasting rooms. On October 9th, 2023, the Applicant submitted a *Yamhill County Agri-Business Economic and Community Development Plan, Summary Report* prepared by a number of consultants that looked at the agricultural, tourism, and infrastructure of Yamhill County and presented some aspirational goals for growing or taking advantage of the agricultural uses occurring in the county.

The Applicant submitted a farm impacts analysis which identified and evaluated the farm and forest uses occurring the surrounding area, and the Applicant's findings will be presented in Section C. of this staff report, below. On November 3rd, 2023, the Applicant submitted a second addendum to the application which provided a farm impacts analysis in order to more comprehensively address section 402.07(A) of the YCZO, and this component of the application will be presented in Section C. of this staff report.

5. (E) *The proposed use is appropriate, considering the adequacy of the public facilities and services existing or planned for the area affected; and*

Regarding criterion (E), the Applicant states that offering a wine tasting service and selling alcohol at the existing, permitted farmstand will not change the burden on existing public facilities and services beyond the existing farmstand use. Access to the subject parcel is via Highway 47, and staff received a response from ODOT that conveyed to the county no concerns or comments regarding the addition of wine tasting service and alcohol sales from the existing farmstand. The Applicant noted that the driveway providing access to the farmstand was recently improved and widened to facilitate the passage of two vehicles simultaneously following the receipt of concerns submitted by a surrounding property owner. A condition of approval will require that the Yamhill Fire Department inspect and approve the access drive prior to commencement of wine tasting service or alcohol sales at the farmstand. The Applicant also submitted into the record that a portable toilet facility has been added to the site to provide additional toilet use by patrons, and that the portable toilet facility is pumped regularly. A condition of approval will require that the septic system is inspected prior to commencement of the wine tasting service and alcohol sales.

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

Friends of Yamhill County point out that the Applicant addressed this criterion by making a conclusory statement without submitting any supporting evaluatory statements. Friends of Yamhill County assert that an applicant should identify and address existing public facilities and services available or planned to serve the existing use and proposed modification to the existing onsite use of a farmstand. Friends of Yamhill County more specifically calls out potential negative impacts to local roadways due to the potential increase in traffic due to customers seeking out wine tasting service or alcohol sales who may not have visited the farmstand if local produce or meats were only being offered onsite. Friends of Yamhill County appears to suggest that a traffic impact analysis should have been conducted by the Applicant to fully evaluate the potential impacts to traffic on the surrounding roadways.

Ordinance 787 was adopted by the county to address public safety infrastructure standards for on-site and off-site traffic safety improvements in connection with commercial development, industrial development, and residential subdivision development in unincorporated Yamhill County. Ordinance 787 authorizes the Public Works Director to request that the planning department impose a condition of approval requiring county road and/or infrastructure improvements. Staff did receive a response from ODOT, who stated no concerns regarding the addition of the wine tasting service and alcohol sales. Staff notes that no comments or concerns were submitted by the Public Works Department regarding imposing such a condition, nor did staff receive any comments or concerns from the Yamhill Fire Department, from the District Watermaster, the County Sanitarian, or any other local government agency. Still, staff agrees with Friends of Yamhill County that the introduction of wine tasting, and alcohol sales may potentially lead to an increase in traffic to the site whether that increase in traffic is intentional or incidental to the existing meat and vegetable sales. As mentioned previously, ODOT did respond to the referral provided by the Planning Department and informed planning staff that ODOT has no concerns regarding the wine tasting service or alcohol sales from the farmstand. Staff finds that with the imposition of conditions of approval, and the recent improvements to the site by the Applicant, that the proposed use is appropriate, considering the adequacy of the public facilities and services existing or planned for the subject parcel and surrounding area.

6. (F) *The use is or can be made compatible with existing uses and other allowable uses in the area.*

Regarding criterion (F), the Applicant addresses this criterion by concluding that selling alcohol at the existing, permitted farmstand is entirely compatible with existing and allowed uses in the area. The Applicant observes that there are numerous wineries in the area that already sell alcohol and have wine tastings without any issue. On November 3rd, 2023, the Applicant submitted an addendum to the application which provides a more in-depth analysis of the existing and other allowable uses in the surrounding area. This analysis and staff's findings are presented in Section C. of this staff report.

Staff observes that notice of the Applicant's proposed wine tasting service and alcohol

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

sales was sent to neighboring property owners for comment, and the county did not receive any comments or concerns from surrounding property owners. Staff finds that following the submission of the more in-depth farm impacts analysis that the Applicant has sufficiently demonstrated that the use is or can be made compatible with existing and other allowable uses in the area through the imposition of fair and proportional conditions of approval. The farm impacts analysis is provided in greater detail in Section C. of the staff report below.

C. Exclusive Farm Use District Conditional Use Standards

Section 402.07(A) requires that prior to establishment of a conditional use; the applicant shall demonstrate compliance with the following criteria:

1. *The use will not force significant change in accepted farming or forest practices on surrounding lands devoted to farm or forest use.*
2. *The use will not significantly increase the cost of accepted farming or forest practices on surrounding lands devoted to farm or forest use.*

The Planning Department received comments from Friends of Yamhill County observing that these criteria direct an applicant to identify accepted farming and forestry practices occurring on surrounding lands and that an applicant should address potential negative effects, or lack thereof, on the practice(s) occurring on each of the farm and/or forest operations occurring on the individual surrounding parcels. Staff also received concerns from two neighboring property owners, Donna & Kim Lanyon, regarding a potential conflict in farming practices if the wine tasting service and sale of alcohol at the farmstand is approved due to a potential increase in water costs due to water usage at the farmstand.

The Oregon Supreme Court weighed in on the methodology for conducting a farm impacts test as outlined by these two conditional use criteria, and this decision was issued relatively recently, in the *Stop the Dump Coalition v. Yamhill County and Riverbend Landfill Co. (SC S064894)* decision issued in 2019. The Supreme Court stated that an applicant must first: properly identify the surrounding lands, the farms on those lands, the accepted farm practices on each farm, and the impacts of the proposed nonfarm use on each farm practice; second, that the local government to determine whether the proposed nonfarm use will force a "significant" change to, or cost increase in, an accepted farm practice, as that term is ordinarily used; and, thirdly, if there is a significant change, the local government to determine whether the applicant has demonstrated that, with conditions of approval imposed pursuant to subsection (2) of the statute, the nonfarm use meets the test.

The Applicant initially addressed these criteria by concluding that selling alcohol at an existing, permitted farmstand will not force any change on surrounding lands in the Exclusive Farm Use District. However, the Applicant submitted an addendum on November 3rd, 2023, that provided additional and more in-depth analysis of the potential

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

impacts to farm and/or forest operations in the surrounding area.

The Applicant addresses this criterion by stating that the sale of alcohol, in this case wine, cider, beer and other malt beverages, at the farmstand will not alter the character of the surrounding area in a way that substantially limits, impairs, or prevents the permitted uses of surrounding properties that are all zoned for Exclusive Farm use. The Applicant analyzed land uses occurring within 1/3 of a mile of the subject parcel. The Applicant found that there are twenty-two (22) lots, please see Applicant's Table #1 and Exhibit #1 for greater details. The Applicant found that many of the lots in the surrounding area exhibited rural residential uses with many lots having small-scale garden uses and personal farming activities. The Applicant identified that feeding and pasturing of livestock, collection of eggs, small orchard management and harvesting, composting, planting, fertilizing, and harvesting would be activities commonly occurring in conjunction with these small-scale farming and gardening uses. The Applicant also found that there were several lots that were being exhibited commercial-scale farming use and those included Tax Lots 3404-01900, 3403-03300, 3409-00100, 3409-00400, and 3409-01201. The Applicant found that the farm uses occurring on these lots include grass seed cultivation, hazelnut orchards, as well as livestock production and pasturage. The Applicant identified that common farm practices associated with the commercial farm operations in the surrounding area include planting, irrigation, fertilization, flail mowing, disking, harvesting, pruning, pollination feeding, pasturing, herding, and grazing of livestock, the delivery of fodder, and the collection of eggs. The Applicant observes that many of these practices involve the use of heavy machinery and farm equipment, including tractors, dump trucks, flat bed trailers or hay wagons, and harvesters. In some cases, this equipment will be stored on the farm property and in other cases the farm equipment will be transported to one of the surrounding farming operations from offsite. These farming operations may see higher periods of traffic seasonally during harvest season and during this time of year there may be some slow down to the flow of traffic on Highway 47. Staff received a response from ODOT regarding traffic to the farmstand and ODOT did not express any concern regarding the proposed new wine tasting service or alcohol sales, but rather stated that the proposed use will not trigger any new requirements from ODOT. Staff finds that, with no concerns from ODOT regarding significant traffic impacts to the surrounding roadways that traffic to and from the farmstand will have a negligible impact to the farms operating in the surrounding area. Staff notes that the Applicant also responded to comments submitted by a surrounding property owner regarding the access driveway serving the farmstand and acted to improve and widen the driveway, and to also improve the parking area serving the farmstand to minimize negative impacts to surrounding property owners.

The Applicant finds that an increase in traffic to the farmstand from the addition of alcohol sales and wine tasting will be in keeping with other uses permitted outright in the farm zone, including farmstands without alcohol sales and permitted use wineries. The Applicant finds that traffic to the subject parcel will not significantly increase the cost of the grass seed, hazelnut, or livestock farming operations, nor will it force a significant change in accepted farming practices associated with the farming operations identified in the analysis area that extends approximately 1/3 of a mile from the subject parcel. Staff

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

received a response from ODOT regarding the proposed changes to the existing farmstand and stated the changes to the farmstand would not trigger any new road improvement requirements. ODOT did not express any concerns regarding negative impacts to the surrounding roadways due to the changes to the farmstand activities.

Staff notes that the Applicant has addressed a comment submitted by an interested party regarding an initial lack of a farm impacts test. The Applicant's addendum provided an evaluation of the existing farm and/or forest uses occurring within 1/3 of a mile from the subject lot. Staff notes that no comments or concerns were submitted by any of the surrounding farmers regarding the Applicant's proposed use. Staff concurs with the farm impacts analysis and findings submitted by the Applicant in their November 3rd, addendum, and finds that the proposed wine tasting and alcohol sales at an approved farmstand can be mitigated by conditions of approval. Staff finds that, with the implementation of conditions, the Applicant's request will not force a significant change in accepted farming or forest practices on surrounding lands devoted to farm or forest use, nor will the proposed use significantly increase the cost of accepted farming or forest practices on surrounding lands devoted to farm or forest use.

D. Site Design Review

1. Section 1101.02(A) of the YCZO governs site design review.

Review of a site development plan shall be based upon consideration of the following:

Section 1101.02(A)(1): Characteristics of adjoining and surrounding uses;

Regarding standard (1) above, the surrounding parcels are all located within the EF-80 zone, the Exclusive Farm Use District. The City of Yamhill owns a nearby property, roughly 650-feet to the northwest of the subject parcel, and this land appears to be used in conjunction with the city's wastewater management system with four settling ponds located on the property. Most other properties in the surrounding area are larger lots, ranging in size from approximately 5-acres to over 200-acres. Land use in the area is characterized by predominantly larger agricultural operations, including nut orchards, grass seed and hay (alfalfa) cultivation, with some limited livestock pasturage. Many of the properties surrounding the subject parcel have a dwelling onsite, with many of the homesites clustered along the Highway 47 frontage for each respective parcel. Yamhill Creek meanders through the subject parcel, and there is a 100-year floodplain mapped on the tract. No portion of the farm stand will lie within, or near, the 100-year floodplain.

2. *Section 1101.02(A)(2): Economic factors relating to the proposed use;*

Regarding standard (2) above, a farmstand was approved on the subject parcel earlier this calendar year (2023) and the Applicant notes that that farmstand will market locally

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT

STAFF REPORT

produced meat and produce. The Applicant's request is to provide wine-tasting service at the farmstand and to allow for the sale of locally produced alcohol in the form of wine, cider, beer, and other malt beverages. Staff has defined the local area as the State of Oregon, so if approved, the Applicant would be able to sell locally produced wine, beer, and other malt beverages, and cider as complementary goods to the meats and vegetables sold at the farmstand. The onsite farmstand has been on-site, under previous ownership, going back to 2007. The farmstand appears to have been a positive economic addition to the Yamhill community and has a history of selling locally produced farm goods. A condition of approval will require that the farm stand only sell farm crops or livestock grown at the onsite farm operation or in the local agricultural area. A condition of approval will also be established limiting sale of incidental items and fees from promotional activities at the farm stand to no more than 25-percent of the total annual sales of the farm stand.

Staff finds that there are no identifiable economic factors that would prohibit the proposed project from being successfully implemented, if approved. Staff finds that, with conditions, the proposed bed and breakfast and farm stand will benefit the local economy.

3. *Section 1101.02(A)(3): Traffic safety, internal circulation and parking;*

Regarding standard (3) above, the wine tasting service and alcohol sales would be conducted from an existing farmstand that received site design review approval previously, including earlier this year. Friends of Yamhill County submitted comments regarding the current traffic levels and whether the addition of wine tasting service and alcohol sales will have a significant negative impact to projected traffic levels on surrounding roadways. Staff did receive concerns from two of the neighboring property owners regarding the width of the driveway providing access to the subject parcel and that patrons would occasionally park or turnaround on private party. The Applicant submitted into the record on November 3rd, 2023, that the width of the driveway was increased to allow for two vehicles to pass simultaneously on the driveway. Additionally, improvements were made to the parking area which led to an increase in capacity of three (3) parking spaces and also increased the area in which patrons can use to turn vehicles around so that patrons would no longer need to use a neighbor's driveway or property to effectively turn vehicles around and exit the parking area of the farmstand. Planning staff solicited comment from the Public Works Department and received no request for a traffic impact analysis under County Ordinance 787. Staff did not receive any concerns from ODOT, but rather a statement that the proposed change to the use of the farmstand did not require any new action from the Applicant. The matter of traffic and parking was discussed in greater detail in Section B.5. of this staff report, above. There is no evidence in the record that demonstrates that the roads in the surrounding area are operating above or close to planned traffic capacity levels. A condition of approval will require that the driveway providing access to the farmstand be inspected and approved by the Yamhill Fire Department prior to the issuance of building permits for improvements to the farmstand and/or prior to the commencement of wine tasting services and/or the sale of alcoholic beverages. A condition of approval will be part of any approval requiring the Applicant to establish and maintain a parking area that is sufficiently sized for all employees on a maximum working

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT

STAFF REPORT

shift, as well as one (1) parking space per 300-square feet of area open to the public in the farmstand, and one (1) parking space per 100-square feet of tasting room area open to the public. Staff finds that with conditions, the request complies with standard 1101.02(A)(3).

4. *Section 1101.02(A)(4): Provisions for adequate noise and/or visual buffering from noncompatible uses;*

Regarding standard (4) above, the wine tasting service and alcohol sales will occur within an existing farmstand on the subject parcel. The subject property is screened from Highway 47 and the adjacent properties to the north and south by existing and well-manicured landscaping. Properties to the west are screened by farm fields and riparian vegetation. Staff did not receive any comments or concerns regarding an increase in noise or visual blight from the farmstand or from the addition of wine tasting or alcohol sales to the farmstand. Staff will place a condition on any approval that prohibits the outdoor artificial amplification of voice or sound in conjunction with the farmstand use, the proposed wine tasting use, and/or the sale of alcohol from the farmstand. Staff also finds that visual buffering is not necessary for the proposed farmstand as staff did not identify any noncompatible uses in the surrounding area. While farming activities on-site may generate noise typical of farm uses, such noise is expected in the farm zone, is seasonal, and with conditions is compatible with surrounding uses. The surrounding land use appears to have been compatible with the farmstand for many years prior to the change in ownership, and the addition of wine tasting service and alcohol sales are unlikely to materially alter the visual or audible nature of the farmstand. Staff finds that with conditions the request is in compliance with this standard.

5. *Section 1101.02(A)(5): Retention of existing natural features on site;*

Regarding standard (5) above, there are no existing natural features of note located on the property that will be disturbed or lost due to the construction activities that will occur within the existing farmstand. Construction activities will occur within the farmstand and will not increase the footprint of the existing farmstand. Based upon the applicant's narrative and site plan, it appears as though there will be no farmland lost or sensitive natural features disturbed to facilitate the proposed remodeling activities. Staff finds that with conditions the request complies with this review standard.

6. *Section 1101.02(A)(6): Problems that may arise due to development within potential hazard areas.*

Regarding standard (6) above, while the western half of the property, measuring approximately 2.3-acres, is located within the 100-year floodplain and floodway of Yamhill Creek, the subject farmstand is not located within the mapped floodplain or other identifiable hazard area. Staff finds that there are no reasonably foreseeable problems that may arise due to the addition of wine tasting service and alcohol sales from the existing, approved farmstand.

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT

7. *Section 1101.02(A)(7): Comments and/or recommendations of adjacent and vicinity property owners whose interests may be affected by the proposed use.*

Regarding standard (7) above, this application was processed as a Type B application so comments and/or recommendations of vicinity property owners were solicited by staff. Staff received comments and concerns from two of the surrounding property owners, Kim and Donna Lanyon, and these concerns are provided in greater detail in Section E. of this staff report, below. Staff also received comments and concerns from Friends of Yamhill County that were addressed in Sections B. and C. of the staff report, along with the Applicant's response to the comments submitted by Friends of Yamhill County.

E. Surrounding Property Owner Comments

Water Use

The Lanyons note that water in this area is managed through the Southern Yamhill Water Company and note that they have family on the water board. The Lanyons are concerned that water usage, risk of repairs, and cost of water service will increase if the proposed wine tasting service and sale of alcohol is approved at the farmstand.

Water use is not under the jurisdiction of the Planning Department and is governed either by the Water Resources Department or, in this case, the Southern Yamhill Water Company. For this reason, water use is not a review criterion for a conditional use request. Any limitations on residents' use of water within the Southern Yamhill Water Company district are also outside of the jurisdiction of the county planning department and is not an applicable review criterion for a land use request of this nature.

Access & Parking

Kim and Donna Lanyon were also concerned about the suitability of the access drive and parking area serving the farmstand and noted that farmstand patrons would park on their land and use their personal farm drive.

The Applicant submitted a response to comments from surrounding property owners on this matter and stated that a large tree and other landscaped vegetation was removed to facilitate the expansion of the farmstand driveway access which can now accommodate the passage of two vehicles simultaneously. The Applicant also stated that the parking area was improved and expanded, adding three additional parking spaces and increasing the area within which patrons can maneuver vehicles so that no more patrons would be trespassing on the Lanyon's property. A condition of approval will be established on any approval that the parking area be maintained in accordance with Section 1007, the Off-Street Parking and Loading section of the county zoning ordinance. This condition of approval will require that the Applicant must maintain a parking area that is sufficiently sized for all employees on a maximum working shift, as well as one (1) parking space per

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

300-square feet of area open to the public in the farmstand, and one (1) parking space per 100-square feet of tasting room area open to the public. Another condition of approval will prohibit patrons from parking along Highway 47 or on any neighbor's property.

Winery Use and Events

Concerns were also submitted into the record regarding the potential operation of a winery or wine tasting events in conjunction with the farmstand use and the proposed addition of wine tasting service and alcohol sales.

The Applicant is not requesting the operation of a wine production facility (winery) as a commercial activity in conjunction with farm use but rather for the sale of alcohol and wine tasting services from the existing farmstand. If the Applicant wished to host events at this location, the Applicant would be required to submit an application for the hosting of an agri-tourism event(s) on the subject parcel. This would be a separate land use action from this request, and surrounding property owners within 750-feet would receive notice of this request. A condition of approval will prohibit the hosting of wine-related or agri-tourism events as part of this land use request that is solely regarding the use of the existing farmstand. A condition of approval will also prohibit the use of artificial amplification of voice or sound outdoors.

Potential Negative Farm Impacts

Donna and Kim Lanyon expressed concern that a potential increase in water usage at the farmstand would lead to an increase in the cost of the farming practices on their farming operation.

The Applicant responded to these concerns by stating that no additional water will be consumed as part of the wine tasting service or the sale of canned or bottled wine, cider, beer, and other malt beverages. There will be no wine, cider, beer or other malt beverage, production occurring at the farmstand which are all water intensive uses. Any such production activities would require the submission and approval of a separate request for the operation of a winery, cidery, brewery, distillery, or other alcohol production facility. Staff understands and appreciates the concerns surrounding water usage but finds the Applicant's reasoning that the sale of bottled or canned wine, cider, beer, and other malt beverages, and the provision of wine tastings at the farmstand does not entail a significant increase in water consumption at the farmstand than has been the case since the farmstand first began operation years ago, under the prior owner. Staff provided an analysis of the Applicant's farm impacts analysis in Section C.1. of this staff report, above.

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT

CONCLUSIONS FOR APPROVAL:

1. The request is for a conditional use and site design review for a commercial activity in conjunction with farm use for the provision of wine tasting service and sale of locally produced alcohol including wine, beer and other malt beverages, and cider from the existing farmstand. This request does not include any onsite wine, beer or other malt beverage, or cider production.
2. With conditions, the request can be made compatible with the applicable conditional use review criteria listed in Sections 1202.02, 402.04(G), and 402.07(A) of the *Yamhill County Zoning Ordinance*.
3. With conditions, the request can conform with the site design review standards listed in Section 1101.02 of the *Yamhill County Zoning Ordinance*.
4. The request complies with the goals and policies of the *Yamhill County Comprehensive Plan*.

DECISION:

Based upon the above findings and conclusions, the request by Carlton Hub, LLC for a conditional use permit and site design review approval for the provision of wine tasting service and the sale of wine, beer, and other malt beverages, and cider from the existing, approved onsite farmstand as a commercial activity in conjunction with farm use, on Exclusive Farm use zoned property has been approved with the following conditions:

1. The development shall substantially conform to the site maps submitted with this application (see enclosures).
2. The wine tasting service and alcohol sales shall occur within the existing farmstand building located on Tax Lot 3409-00101.
3. Alcohol sales at the farmstand shall be limited to locally produced wine, locally produced beer and other malt beverages, and locally produced cider. The local area is defined as all counties in Oregon.
4. The farmstand shall only sell farm crops and livestock grown on the Applicant's farm operation and other farm operations in the local agricultural area, including the retail sale of incidental items and fee-based activities to promote the sale of farm crops or livestock sold at the farmstand. The annual sale of incidental items and fees from promotional activities shall not make up more than one-quarter (25%) of the total annual sales of the farmstand. The "local agricultural area" is defined as all counties in Oregon.
5. Prior to issuance of building permits, the Applicant shall obtain authorization from the

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT STAFF REPORT

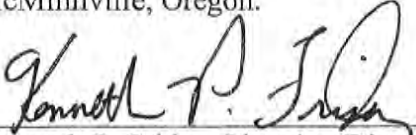
County Sanitarian for the farmstand to use the existing septic system or shall receive approval for a new septic system to serve the farmstand.

6. Parking shall be established and permanently maintained for as long as the farmstand is operating so that there is a minimum of one parking space for each employee on maximum working shift, and one (1) parking space per 100 square feet of wine tasting area, and one (1) parking space per 300 square feet of farmstand area pursuant to Section 1007 of the Yamhill County Zoning Ordinance. Parking shall not be permitted along the Highway 47 right-of-way. Parking shall not be permitted on any surrounding property not under the ownership of the Applicant.
7. The use of outdoor amplified music or sound shall not be permitted.
8. Prior to the provision of wine tasting service or sale of locally produced wine, locally produced beer and other malt beverages, and locally produced cider, the Applicant shall obtain all permits required by the Oregon Liquor Control Commission (OLCC).
9. Prior to issuance of building permits, the water supply and access driveway will be required to meet the Yamhill Fire Department standards.
10. Any lighting for the farmstand shall be shielded, deflected, or directed onto the Applicant's property, so it does not shine onto the county road or adjacent lots.
11. "Agri-tourism or other commercial events" shall not occur on the subject parcel without additional land use approval. "Agri-tourism or other commercial events" include outdoor concerts for which admission is charged, educational, cultural, health or lifestyle events, facility rentals, and celebratory gatherings.
12. This approval shall expire two years from the date of this letter unless the use has been initiated.
13. This approval shall be deemed personal to the Applicant (Carlton Hub, LLC), Frank Foti and the current property owner (Carlton Hub, LLC) and shall not run with the land.
14. This approval shall expire two years from the date of this letter unless the use has been initiated.
15. The construction of any additional structures or modification to the footprint of existing structure(s) used in conjunction with the farmstand shall require the submission and approval of a Site Design Review application.

YAMHILL COUNTY DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT

16. Modification of any of the above conditions requires approval under Section 1202.05 of the *Yamhill County Zoning Ordinance*. Violation of any of the above conditions may result in revocation of the conditional use permit with the process detailed in Section 1202.07 and 1202.08 of the *Yamhill County Zoning Ordinance*.

DATED AND SIGNED this 28th day of November, 2023, at
McMinnville, Oregon.



Kenneth P. Friday, Planning Director
Yamhill County Planning and Development

KF:lw

C-14-23
CARLTON HUB, LLC
R3409-00101
08/31/2023; REV. 01, 11/20/2023;

R3404 01301
YAMHILL CITY OF
205 S MAPLE ST
YAMHILL, OR 97148

R3404 01303
DUMDI STEVEN A & THERESA A TRUSTEES
FOR DUMDI FAMILY TRUST
PO BOX 95
YAMHILL, OR 97148

R3404 01700
MOLASH LEO A & TRACY A
16057 HIGHWAY 47
YAMHILL, OR 97148

R3404 01800
GARCIA ERIC J
16005 HIGHWAY 47
YAMHILL, OR 97148

R3404 01900 R3403 03300
VAN DYKE RIVERVIEW FARMS LLC
8456 NW MCSWEEN LN
YAMHILL, OR 97148

R3409 00100
WYFFELS TERRY E
8000 NW PIKE RD
YAMHILL, OR 97148

R3409 00101
ZAERPOOR KOOROSH ZAERPOOR CHRISSE
15713 HIGHWAY 47
YAMHILL, OR 97148

R3409 00200
LUNDGREN ROBERT F LUNDGREN LORIE L
15670 HIGHWAY 47
YAMHILL, OR 97148

R3409 00300
KAHL ROBERT S KAHL BARBARA J
15500 HIGHWAY 47
YAMHILL, OR 97148

R3409 01100
MYRICK SANDRA & LARRY LIVING TRUST
MYRICK SANDRA CO-TRUSTEE
MYRICK LARRY CO-TRUSTEE
15483 HIGHWAY 47
YAMHILL, OR 97148

R3409 01200 R3409 01300
LANYON KENNETH TRUSTEE LANYON DONNA
TRUSTEE
LANYON FAMILY TRUST
15607 HIGHWAY 47
YAMHILL, OR 97148

R3409 01201
LANYON KENNETH W TRUSTEE LANYON
DONNA F TRUSTEE
LANYON FAMILY TRUST
15607 HIGHWAY 47
YAMHILL, OR 97148

CARLTON HUB, LLC
ATTN: FRANK FOTI
15990 NW RED SHOT LN
CARLTON, OR 97111

KIM LANYON
15713 HIGHWAY 47
YAMHILL, OR 97148

FRIENDS OF YAMHILL COUNTY
P.O. BOX 1083
MC MINNVILLE, OR 97128

APPLICANT: Carlton Hub
Frank Foti
15990 Red shot Ln, Carlton, OR. 97111

I, Alicia Lisle, on the 30th day of November, 2023
sent the attached public notice of Docket No. C-14-23 to the property owners identified by the PIN
numbers listed above, and interested persons listed on this sheet.

STATE OF OREGON
County of Yamhill

The foregoing instrument was acknowledged before me this 30th day of November, 2023
by Alicia Lisle.



Danielle Marie Paasch
Notary Public For Oregon
My Commission Expires 2/23/27

Yamhill County

DEPARTMENT OF PLANNING AND DEVELOPMENT

COPY

525 NE 4TH STREET • McMINNVILLE, OREGON 97128

Phone: 503-434-7516 • Fax: 503-434-7544 • TTY: 800-735-2900 • Internet Address: <http://www.co.yamhill.or.us/planning>

November 30, 2023

MEMORANDUM

To: Interested parties

From: Ken Friday, Planning Director

Re: **Docket C-14-23, Tax Lot 3409-00101**
Frank Foti approval to allow the sale of locally produced wine, cider, beer and other malt beverages at an existing farmstand.

The land use approval letter mailed November 29, 2023, listed incorrect information on the regarding line. It should have listed:

Re: **Docket No. C-14-23, Tax Lot 3409-00101**

A corrected first page is attached. I apologize for any confusion this may have caused.

COPY Yamhill County

DEPARTMENT OF PLANNING AND DEVELOPMENT

525 NE 4TH STREET • McMINNVILLE, OREGON 97128

Phone: 503-434-7516 • Fax: 503-434-7544 • TTY: 800-735-2900 • Internet Address: <http://www.co.yamhill.or.us/planning>

November 29, 2023

Carlton Hub, LLC
Attn: Frank Foti
15990 NW Red Shot Lane
Carlton, OR 97111

Re: Docket No. C-14-23, Tax Lot 3409-00101

In reference to the conditional use permit and site design review request for a commercial activity in conjunction with farm use to allow the sale of locally produced wine, beer, cider, and other malt beverages at the existing onsite farmstand, with no onsite wine, beer, or cider production, Planning staff has reviewed your application and finds that it complies with the requirements of the Yamhill County Zoning Ordinance. Your application has been approved with the following conditions:

1. The development shall substantially conform to the site maps submitted with this application (see enclosures).
2. The wine tasting service and alcohol sales shall occur within the existing farmstand building located on Tax Lot 3409-00101.
3. Alcohol sales at the farmstand shall be limited to locally produced wine, beer and other malt beverages, and cider. The local area is defined as all counties in Oregon.
4. The farmstand shall only sell farm crops and livestock grown on the Applicant's farm operation and other farm operations in the local agricultural area, including the retail sale of incidental items and fee-based activities to promote the sale of farm crops or livestock sold at the farmstand. The annual sale of incidental items and fees from promotional activities shall not make up more than one-quarter (25%) of the total annual sales of the farmstand. The "local agricultural area" is defined as all counties in Oregon.
5. Prior to issuance of building permits, the Applicant shall obtain authorization from the County Sanitarian for the farmstand to use the existing septic system or shall receive approval for a new septic system to serve the farmstand.
6. Parking shall be established and permanently maintained for as long as the farmstand is operating so that there is a minimum of one parking space for each employee on maximum working shift, and one (1) parking space per 100 square feet of wine tasting area, and one (1) parking space per 300 square feet of farmstand area pursuant to Section 1007 of the Yamhill County Zoning Ordinance. Parking shall not be permitted along the Highway 47 right-of-way. Parking shall not be permitted on any surrounding property not under the ownership of the Applicant.

COPY

7. The use of outdoor amplified music or sound shall not be permitted.
8. Prior to the provision of wine tasting service or sale of locally produced wine, locally produced beer and other malt beverages, and locally produced cider, the Applicant shall obtain all permits required by the Oregon Liquor Control Commission (OLCC).
9. Prior to issuance of building permits, the water supply and access driveway will be required to meet the Yamhill Fire Department standards.
10. Any lighting for the farmstand shall be shielded, deflected, or directed onto the Applicant's property, so it does not shine onto the county road or adjacent lots.
11. "Agri-tourism or other commercial events" shall not occur on the subject parcel without additional land use approval. "Agri-tourism or other commercial events" include outdoor concerts for which admission is charged, educational, cultural, health or lifestyle events, facility rentals, and celebratory gatherings.
12. This approval shall expire two years from the date of this letter unless the use has been initiated.
13. This approval shall be deemed personal to the Applicant (Carlton Hub, LLC), Frank Foti and the current property owner (Carlton Hub, LLC) and shall not run with the land.
14. This approval shall expire two years from the date of this letter unless the use has been initiated.
15. The construction of any additional structures or modification to the footprint of existing structure(s) used in conjunction with the farmstand shall require the submission and approval of a Site Design Review application.
16. Modification of any of the above conditions requires approval under Section 1202.05 of the *Yamhill County Zoning Ordinance*. Violation of any of the above conditions may result in revocation of the conditional use permit with the process detailed in Section 1202.07 and 1202.08 of the *Yamhill County Zoning Ordinance*.

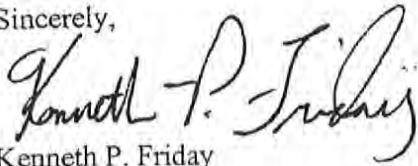
The Yamhill County Zoning Ordinance provides for appeal of any action or ruling of the Planning Director to the Board of Commissioners within fifteen (15) days of the decision on a proposed action. Anyone wishing to appeal the Director's decision must file an appeal form, together with a \$250.00 fee, with this department no later than **5:00 p.m., December 14, 2023**. If no appeal is filed, the Director's decision will be final and this letter will serve as your official notice of approval of your application.

COPY

Docket 0-1-22
Carlton Hill LLC
Page 3

If you have any questions, please contact this office.

Sincerely,



Kenneth P. Friday
Planning Director

Enclosure

cc: Board of Commissioners
Public Works
ODOT
Assessor
SPOs and Interested parties
Public Health
Yamhill Fire Department
Sanitarian
Watermaster
Soil & Water Conservation District

Property Information

Last Update: August 31, 2023

[illegible][illegible]

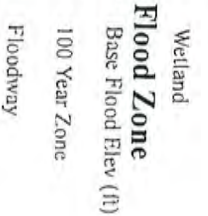
Docket: C-14-23

 Subject Parcel(s)

Lot Acreage: 5.13



Yamhill Urban
Growth Boundary



COPY

RECEIVED
AUG 01 2023
YAMHILL COUNTY
PLANNING DEPARTMENT



C-14-23
CARLTON HUB, LLC
R3409-00101
08/31/2023; REV. 01, 11/20/2023;

R3404 01301
YAMHILL CITY OF
205 S MAPLE ST
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R3404 01303
DUMDI STEVEN A & THERESA A TRUSTEES
FOR DUMDI FAMILY TRUST
PO BOX 95
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R3404 01700
MOLASH LEO A & TRACY A
16057 HIGHWAY 47
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R3404 01800
GARCIA ERIC J
16005 HIGHWAY 47
YAMHILL, OR 97148

R3404 01900 R3403 03300
VAN DYKE RIVERVIEW FARMS LLC
8456 NW MCSWEEN LN
YAMHILL, OR 97148

R3409 00100
WYFFELS TERRY E
8000 NW PIKE RD
YAMHILL, OR 97148

R3409 00101
ZAERPOOR KOOROSH ZAERPOOR CHRISSIE
15713 HIGHWAY 47
YAMHILL, OR 97148

R3409 00200
LUNDGREN ROBERT F LUNDGREN LORIE L
15670 HIGHWAY 47
YAMHILL, OR 97148

R3409 00300
KAHL ROBERT S KAHL BARBARA J
15500 HIGHWAY 47
YAMHILL, OR 97148

R3409 01100
MYRICK SANDRA & LARRY LIVING TRUST
MYRICK SANDRA CO-TRUSTEE
MYRICK LARRY CO-TRUSTEE
15483 HIGHWAY 47
YAMHILL, OR 97148

R3409 01200 R3409 01300
LANYON KENNETH TRUSTEE LANYON DONNA
TRUSTEE
LANYON FAMILY TRUST
15607 HIGHWAY 47
YAMHILL, OR 97148

R3409 01201
LANYON KENNETH W TRUSTEE LANYON
DONNA F TRUSTEE
LANYON FAMILY TRUST
15607 HIGHWAY 47
YAMHILL, OR 97148

CARLTON HUB, LLC
ATTN: FRANK FOTI
15990 NW RED SHOT LN
CARLTON, OR 97111

KIM LANYON
15713 HIGHWAY 47
YAMHILL, OR 97148

FRIENDS OF YAMHILL COUNTY
P.O. BOX 1083
MCMINNVILLE, OR 97128

APPLICANT: Carlton Hub LLC - Frank Foti
15990 NW Red Shot Lane
Carlton, OR 97111

I, Alicia Lisle, on the 29th day of November, 2023

sent the attached public notice of Docket No. C-14-23 to the property owners identified by the PIN numbers listed above, and interested persons listed on this sheet.

STATE OF OREGON
County of Yamhill

The foregoing instrument was acknowledged before me this 29th day of November, 2023
by Alicia Lisle



[Signature]
Notary Public For Oregon
My Commission Expires 2/23/27

Yamhill County

DEPARTMENT OF PLANNING AND DEVELOPMENT

COPY

525 NE 4TH STREET • McMINNVILLE, OREGON 97128

Phone: 503-434-7516 • Fax: 503-434-7544 • TTY: 800-735-2900 • Internet Address: <http://www.co.yamhill.or.us/planning>

November 29, 2023

Carlton Hub, LLC
Attn: Frank Foti
15990 NW Red Shot Lane
Carlton, OR 97111

Re: **Docket No. C-15-23, Tax Lot 3523-02400**

In reference to the conditional use permit and site design review request for a commercial activity in conjunction with farm use to allow the sale of locally produced wine, beer, cider, and other malt beverages at the existing onsite farmstand, with no onsite wine, beer, or cider production, Planning staff has reviewed your application and finds that it complies with the requirements of the Yamhill County Zoning Ordinance. Your application has been approved with the following conditions:

1. The development shall substantially conform to the site maps submitted with this application (see enclosures).
2. The wine tasting service and alcohol sales shall occur within the existing farmstand building located on Tax Lot 3409-00101.
3. Alcohol sales at the farmstand shall be limited to locally produced wine, beer and other malt beverages, and cider. The local area is defined as all counties in Oregon.
4. The farmstand shall only sell farm crops and livestock grown on the Applicant's farm operation and other farm operations in the local agricultural area, including the retail sale of incidental items and fee-based activities to promote the sale of farm crops or livestock sold at the farmstand. The annual sale of incidental items and fees from promotional activities shall not make up more than one-quarter (25%) of the total annual sales of the farmstand. The "local agricultural area" is defined as all counties in Oregon.
5. Prior to issuance of building permits, the Applicant shall obtain authorization from the County Sanitarian for the farmstand to use the existing septic system or shall receive approval for a new septic system to serve the farmstand.
6. Parking shall be established and permanently maintained for as long as the farmstand is operating so that there is a minimum of one parking space for each employee on maximum working shift, and one (1) parking space per 100 square feet of wine tasting area, and one (1) parking space per 300 square feet of farmstand area pursuant to Section 1007 of the Yamhill County Zoning Ordinance. Parking shall not be permitted along the Highway 47 right-of-way. Parking shall not be permitted on any surrounding property not under the ownership of the Applicant.

COPY

7. The use of outdoor amplified music or sound shall not be permitted.
8. Prior to the provision of wine tasting service or sale of locally produced wine, locally produced beer and other malt beverages, and locally produced cider, the Applicant shall obtain all permits required by the Oregon Liquor Control Commission (OLCC).
9. Prior to issuance of building permits, the water supply and access driveway will be required to meet the Yamhill Fire Department standards.
10. Any lighting for the farmstand shall be shielded, deflected, or directed onto the Applicant's property, so it does not shine onto the county road or adjacent lots.
11. "Agri-tourism or other commercial events" shall not occur on the subject parcel without additional land use approval. "Agri-tourism or other commercial events" include outdoor concerts for which admission is charged, educational, cultural, health or lifestyle events, facility rentals, and celebratory gatherings.
12. This approval shall expire two years from the date of this letter unless the use has been initiated.
13. This approval shall be deemed personal to the Applicant (Carlton Hub, LLC), Frank Foti and the current property owner (Carlton Hub, LLC) and shall not run with the land.
14. This approval shall expire two years from the date of this letter unless the use has been initiated.
15. The construction of any additional structures or modification to the footprint of existing structure(s) used in conjunction with the farmstand shall require the submission and approval of a Site Design Review application.
16. Modification of any of the above conditions requires approval under Section 1202.05 of the *Yamhill County Zoning Ordinance*. Violation of any of the above conditions may result in revocation of the conditional use permit with the process detailed in Section 1202.07 and 1202.08 of the *Yamhill County Zoning Ordinance*.

The Yamhill County Zoning Ordinance provides for appeal of any action or ruling of the Planning Director to the Board of Commissioners within fifteen (15) days of the decision on a proposed action. Anyone wishing to appeal the Director's decision must file an appeal form, together with a \$250.00 fee, with this department no later than **5:00 p.m., December 14, 2023**. If no appeal is filed, the Director's decision will be final and this letter will serve as your official notice of approval of your application.

COPY

If you have any questions, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth P. Friday". The signature is fluid and cursive, with the first name "Kenneth" being the most prominent.

Kenneth P. Friday
Planning Director

Enclosure

cc: Board of Commissioners
Public Works
ODOT
Assessor
SPOs and Interested parties
Public Health
Yamhill Fire Department
Sanitarian
Watermaster
Soil & Water Conservation District

Docket: C-14-23

Subject Parcel(s)

Tax Lot: R3409 00101

Lot Acreage: 5.13



Yamhill City Limits



Yamhill Urban
Growth Boundary



Wetland



FEMA Flood Zone

Base Flood Elev (ft)



100 Year Zone



Floodway

1 inch = 300 feet



Last Update: August 1

3

RECEIVED

AUG 01 2023

YAMHILL COUNTY
PLANNING DEPARTMENT



CO

YAMHILL COUNTY DEPARTMENT OF PLANNING & DEVELOPMENT

LAND USE APPLICATION

525 NE Fourth Street, McMinnville, OR 97128 • Tel: 503-434-7516 • Fax: 503-434-7544

Docket

Date

Rec'd by

Receipt #

Fee

C-14-23

SDR-17-23

7-6-23

K

68084

1317.00

97A-23-000215-PLUG

APPLICANT			LEGAL OWNER (IF DIFFERENT)		
Carlton Hub, LLC					
Last name	First	MI	Last name	First	MI
c/o Frank Foti, Member/Manager					
Mailing address (Street or PO Box)			Mailing address (Street or PO Box)		
15990 NW Red Shot Lane					
City	State	Zip	City	State	Zip
Carlton, OR 97111					
Telephone			Telephone		
503-852-9030					
E-mail address			E-mail address		
admin@theground.love					
If the applicant is not the legal owner, state interest in property:					
PROPERTY INFORMATION					
Tax Lot(s): 3.4.09 TL 101 Zone: EF-80					
Size of Tract (include all adjacent tax lots) 5.17 acres					

1. TYPE OF APPLICATION (what is requested?): Site design review for use of existing, approved farmstand
2. JUSTIFICATION FOR REQUEST YCZO Section(s): see attached

A Planner will assist you in identifying the review criteria that apply to your request. The review criteria are used to determine whether your application will be approved or denied. It is your responsibility to provide adequate written justification and any other evidence you feel is relevant to explain how your request complies with the review criteria. Failure to provide adequate justification may result in your application being denied or deemed incomplete until additional information is provided.
3. Present use of property: see attached
4. Please list the type of buildings that are currently on the property (i.e. manufactured home, pole building, agricultural barn, etc.):
see attached
5. Is there a septic system on the property? ☒ Yes ☐ No
How will water be provided? ☐ Well ☒ City ☐ Other _____
7. What road and/or easement is the property accessed from? HWY 47

8. To your knowledge, do any of the following natural hazards exist on the property?



Floodplain



Areas of erosion



Steep slopes



Fish or wildlife habitat



Soil limitations for building or septic

THE APPLICANT MUST SUBMIT:

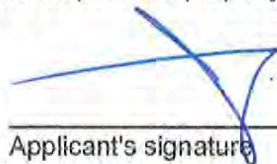
1. Completed application form, signed by the applicant and property owner (if different). The owner's signature must be notarized.
2. Site plan drawn to scale showing property lines, location and size of all existing buildings, existing and proposed access roads, and location and size of any proposed new buildings.
3. Written justification of how the application complies with the approval criteria. Attach additional sheets to this form.
4. Filing fee (make check payable to Yamhill County).

General land use application used for Conditional Use, Variance, Site Design Review, Floodplain, Willamette River Greenway, Comprehensive Plan Amendment and Zoning District Boundary Amendment, Comprehensive Plan Amendment, and Zone Change.

NOTE: Fees are not transferrable or refundable.

I hereby declare under penalties of false swearing (ORS 162.075 and 162.085) that the above information is true and correct to the best of my knowledge. I understand that issuance of an approval based on this application will not excuse me from complying with other effective ordinances and laws regulating the use of the land and buildings.

I hereby grant permission for and consent to Yamhill County, its officers, agents, and employees coming upon the above-described property to gather information and inspect the property whenever it is reasonably necessary for the purpose of processing this application.



Applicant's signature

7/16/23

Date

Property owner's signature (if different)

Date

State of OregonCounty of YamhillSigned before me on this 16 day of July, 20 23by Frank Foti

Notary Public for Oregon

My Commission expires April 2, 2027

Request: The Ground has two approved farm stands for selling its Source Farms farm products, including pork, beef, poultry, and lamb, along with its Market Garden fresh vegetables. Now The Ground seeks to add alcohol sales and wine tasting (both subject to OLCC approval) at these farm stands along with its other farm products. No changes to agricultural land are required as the only minor changes needed will be to interior arrangement of products inside existing, approved farm stands.

Section 402.04(G) allows as a conditional use in EFU "Commercial activities that are in conjunction with farm use as defined in Section 402.10(B) . . . subject to Section 1101, Site Design Review." In turn, Section 402.10(B), includes "Retail sales and promotion of agricultural products . . . directly related to the production, harvesting, and processing of agricultural products."

Proposed Finding: The farm stands already sell local farm products. Sales of those farm products will be enhanced and promoted by paring with alcohol sales. Sales will include wine from local wineries, which further promotes local agricultural products.

Section 1202.02 requires conditional uses to meet the following general criteria:

"A. The use is listed as a conditional use in the underlying zoning district;"

Proposed Finding: Section 402.04(G) lists commercial activities in conjunction with farm use as a conditional use in EFU.

"B. The use is consistent with those goals and policies of the Comprehensive Plan which apply to the proposed use;"

Proposed Finding: Yamhill County's goals for agricultural lands include conserving land "for production of crops and livestock" (Sec. II(A), Goal 1); conserving energy in production and delivery of agricultural products through farmer's markets (Sec. II(A), Policy I); and conserve soil resources for agriculture (Sec. II(A), Goal 2). This request is consistent with all of these goals as it utilizes existing farm stand approvals so as to minimize footprint on agricultural lands and also conserving energy by encouraging customers to buy local farm products locally.

"C. The parcel is suitable for the proposed use considering its size, shape, location, topography, existence of improvements and natural features;"

Proposed Finding: The County already determined that the parcels are suitable for a farm stand by approving the farm stands. Adding alcohol sales does not change that.

"D. The proposed use will not alter the character of the surrounding area in a manner which substantially limits, impairs or prevents the use of surrounding properties for the permitted uses listed in the underlying zoning district;"

Proposed Finding: Selling alcohol at existing, permitted farm stands will not alter the character of the surrounding area in a way that limits use of surrounding properties. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

"E. The proposed use is appropriate, considering the adequacy of public facilities and services existing or planned for the area affected by the use; and"

Proposed Finding: Selling alcohol at existing, permitted farm stands will not change the burden on existing public facilities and services beyond the existing farm stands.

"F. The use is or can be made compatible with existing uses and other allowable uses in the area."

Proposed Finding: Selling alcohol at existing, permitted farm stands is entirely compatible with existing and allowed uses in the area. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

Section 402.07(A) requires conditional uses to demonstrate that they:

(1) "will not force significant change in accepted farming or forest practices on surrounding lands devoted to farm or forest use" and

Proposed Finding: Selling alcohol at existing, permitted farm stands will not force any change on surrounding lands in EFU. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

(2) "will not significantly increase the cost of accepted farming or forest practices on surrounding lands devoted to farm or forest use."

Proposed Finding: Selling alcohol at existing, permitted farm stands will not increase costs of farming or forestry on surrounding lands in EFU. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

Section 1101.02(A) provides for review of site development plans based upon the following:

"1. Characteristics of adjoining and surrounding uses;"

Proposed Finding: Selling alcohol at existing, permitted farm stands is consistent with area uses. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

"2. Economic factors relating to the proposed use;"

Proposed Finding: Selling alcohol at existing, permitted farm stands will help promote sales of Source Farms and Market Garden farm products, as well as of local wineries.

"3. Traffic safety, internal circulation and parking;"

Proposed Finding: Selling alcohol at existing, permitted farm stands will have no impact on traffic or parking beyond current farm stand impacts.

"4. Provisions for adequate noise and/or visual buffering from noncompatible uses;"

Proposed Finding: Selling alcohol at existing, permitted farm stands will have no impact on noise or buffering beyond current farm stand impacts.

"5. Retention of existing natural features on site;"

Proposed Finding: Selling alcohol at existing, permitted farm stands will have no impact on noise or buffering beyond current farm stand impacts.

"6. Problems that may arise due to development within potential hazard areas."

Proposed Finding: Selling alcohol at existing, permitted farm stands will have no interaction with hazard areas beyond any current farm stand interaction.

"7. Comments and/or recommendations of adjacent and vicinity property owners whose interests may be affected by the proposed use."

Proposed Finding: The Ground owns much of the surrounding properties and supports this application. Other owners can speak for themselves but should not be impacted by merely adding a few more products to existing, approved farm stands.

Tiffanie Willis

From: Tiffanie Willis
Sent: Friday, July 28, 2023 12:09 PM
To: 'admin@theground.love'; Ken Friday; Stephanie Curran
Subject: SDR-17-23 and SDR-18-23 Application
Attachments: General Land Use Application.pdf

Dear Mr. Frank Foti,

I am reaching out to you regarding the above applications we received. After reviewing the applications, our office needs to change the type of application from Site Design Review to a **Conditional Use Permit**. You have already included the pertinent review criteria for the conditional use permit, section 1202.02 and 402.07A of the Yamhill County Zoning Ordinance, however you have not provided any site plans.

Please submit site plans for both applications and contact our office to pay the additional fees associated for the change in application. The difference in fees is \$1716 per application, totaling \$3432. If you could please call the planning department to make the payment, and so that our office staff can assign a new docket identification number for the conditional use applications.

Land Use Application

Page 2 of 2

8. To your knowledge, do any of the following natural hazards exist on the property?

- | | | |
|---|--|---------------------------------------|
| ☐ Floodplain | ☐ Areas of erosion | ☐ Steep slopes |
| ☐ Fish or wildlife habitat | ☐ Soil limitations for building or septic | |

THE APPLICANT MUST SUBMIT:

1. Completed application form, signed by the applicant and property owner (if different). The owner's signature must be notarized.
2. Site plan drawn to scale showing property lines, location and size of all existing buildings, existing and proposed access and location and size of any proposed new buildings.
3. Written justification of how the application complies with the approval criteria. Attach additional sheets to this form.
4. Filing fee (make check payable to Yamhill County).

Your application will be considered incomplete until you submit the fees and additional information indicated above. Pursuant to ORS 215.428, you have 180 days from the date the application was first submitted in which to submit the fees and information requested in order to have your application considered under the land use regulations in effect at the time the application was first submitted.

If you have any questions, please feel free to call this office.

Sincerely,

Tiffanie Willis
Associate Planner
Yamhill County Planning Department
McMinnville, OR 97128
Phone (503)434-7516
Fax (503)434-7544

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AUG 01 2023

YAMHILL COUNTY
PLANNING DEPARTMENT



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NOV 03 2023

YAMHILL COUNTY
PLANNING DEPARTMENT

FARM PRACTICES IMPACT STUDY FOR
ADDITION OF ALCOHOL SALES USE AT APPROVED FARMSTAND
15713 HIGHWAY 47 YAMHILL COUNTY, OREGON
C-14-23

Purpose

ORS 215.296 is incorporated within the Yamhill County Planning Ordinance and is referenced as approval criteria 1202.02.D and 402.07.A.1-2, copied below.

1202.02.D. The proposed use will not alter the character of the surrounding area in a manner which substantially limits, impairs or prevents the use of surrounding properties for the permitted uses listed in the underlying zoning district;

402.07 ADDITIONAL STANDARDS FOR APPROVAL OF CONDITIONAL USES In the Exclusive Farm Use District, prior to establishment of a conditional use, the applicant shall demonstrate compliance with the following criteria in addition to other requirements of this ordinance:

- 1. The use will not force significant change in accepted farming or forest practices on surrounding lands devoted to farm or forest use.*
- 2. The use will not significantly increase the cost of accepted farming or forest practices on surrounding lands devoted to farm or forest use.*

Analysis Area

The analysis area includes properties within a radius of approximately 1/3 mile. The size of the analysis area is based on the limited size and nature of the proposed farmstand alcohol sales activity. The area encompasses properties adjacent to the farmstand site with primary access along Highway 47 as shown in Exhibit 1.

A total of twenty-two tax lots are included in this analysis. The attached Property Inventory (Table 1) provides the zoning, property size, apparent use and other information used in the analysis, and is accompanied by Exhibit 1, an aerial photograph with a map overlay showing the location of the subject site as it relates to the surrounding uses.

This analysis seeks to provide evidence that the proposed alcohol sales activity will not force any significant change in accepted farm and forest practices, or increase in the costs of those practices, on surrounding lands devoted to farm or forest use. The Yamhill County Zoning Ordinance Subsection 402.10 and ORS 215.203 define typical "farm use" as "the employment of land for the primary purpose of obtaining a profit in money."

Properties located within the analysis area include predominantly rural residential properties, many with

small-scale gardening or personal farming activities, and several with for-profit farming activities. In addition, the City of Yamhill employs one property in its Public Works department. Although stands of trees are present in analysis area, no for-profit forestry operations were identified. The uses identified within the analysis area and listed in Table 1 are described below and a summary of potential impacts is provided.

Primary access for the farmstand is provided by a driveway located at 15713 Highway 47.

Notably, alcohol sales and tasting is not foreign to farm lands at all; they are a type of use specifically allowed on EFU lands. YCZO 402.02(H); 401.10(I)(2)-(4) (on-site winery sales). There are numerous wineries and tasting rooms in the general area. Thus, this proposed use should not have an important influence or effect on the farm or forest practices on surrounding lands.

Highway 47 is always going to have a lot of traffic by virtue of being a busy thoroughfare of statewide significance that crosses multiple counties and links McMinnville, Carlton, and Yamhill with the Forest Grove-Cornelius-Hillsboro area.

Rural Residential Use with Hobby Farming

As shown in Table 1, many parcels in the analysis area are rural residential homes, in some cases with apparent minor farming-related activities on the property that are accessory to the single-family residence. As these are small-scale home-based activities, they do not appear to constitute typical "farm use" activities operated for profit. The activities present on these residential properties could be characterized as "hobby farm" activities for personal use. While these activities would not be defined as farm use, due to the prevalence of these residential-based activities within the analysis area we have addressed them in this report.

Hobby farming activities include, but are not limited to raising livestock, growing small-scale vegetable gardens, maintaining small orchards, and keeping grazing animals for personal use or to maintain low grass. Aerial images show barns, pastures and various ancillary farming structures present on the properties, all for personal use.

Practices that would be typical of small-scale farming for personal use, or hobby farming, include:

- Feeding
- Pasturing
- Egg collection
- Small Orchards
- Composting
- Planting
- Fertilizing
- Harvesting

The alcohol sales and tasting will take place at an existing farmstand to complement the core meat and veggie sales. This should not impact traffic levels beyond those normally expected to be generated by other allowable uses within the EF-80 zone, including the on-farm product sales already allowed at nearby

properties. Hobby farming activities can continue with no interference to planting or harvesting activities throughout the year.

In summary, the alcohol sales will not reduce adjacent property owners' ability pursue their established hobby farming, or increase costs associated with such uses.

Large Scale, For Profit Production

Multiple large lots located in the analysis area appear to be utilized for grass seed or similar and hazelnut production.

Common practices associated with large-scale production that take place onsite are:

- Planting
- Irrigation
- Fertilization
- Flail Mowing
- Disking
- Harvesting
- Pruning
- Pollination

Customarily, most of the practices listed above are done with large-scale heavy machinery, such as tractors, dump trucks and harvesters. Some of this equipment may be located or stored on site, and occasionally such equipment may be brought to the property from an off-site source. Periodically, the harvested crops will be transported from the site. When these activities take place, Highway 47 will be used to deliver the heavy machinery to the site or transport harvested materials from the site. These practices take place only a few times a year and so the demand for open roadways is greatest during those times. In addition, some of these practices may be better conducted at night, so the minimal traffic generated by the farmstand during those hours would not be expected to have impact on the production's cost or practice.

The farmstand activities are not likely to interfere with the occasional roadway demands of the production activities. As mentioned, traffic from the alcohol sales and tasting is expected to be roughly equivalent to the level generated by other allowed uses in the EF-80 zone, and very little if any traffic will be generated by the farm stand during the overnight hours when the farm stand will be closed.

Livestock Production and Grazing:

Some lots included in this analysis exhibit evidence of for-profit livestock production and/or grazing, as shown in the attached Table 1 and Exhibit 1.

Livestock production and grazing include the following common practices:

- Feeding
- Pasturing
- Grazing

- Egg Retrieval
- Herding

Periodically, some large machinery may be required by these livestock-related uses and it is expected that there will be occasional machinery and/or trucks moving to and from the site for the transport of produce (eggs), supplies and livestock.

The farmstand activity, including any traffic it will generate, is not expected to hinder any of the existing practices of the livestock and grazing uses in the surrounding area. Guest activities at the farmstand will occur primarily within the farmstand and will not inhibit the practices employed in the raising of livestock, listed above.

Conclusion

Based on our findings, farm uses identified within the analysis area include grass seed and similar crop and hazelnut production, open cattle grazing. Farm uses, as defined in the Yamhill County Planning Ordinance Subsection 402.10 and ORS 215.203, are uses that employ land for "the primary purpose of profit in money."

The proposed alcohol sales at the farmstand at 15713 Highway 47 will not create any significant conflicts or detriments to the existing adjacent farm uses. Traffic generated by customers travelling to and from the farm stand is expected to be roughly equivalent to what would be generated by other allowable uses in the EF-80 zone. Primary access to the farmstand is provided by a driveway located at 15713 Highway 47.

This analysis provides evidence that the proposed use will not conflict with the surrounding farm uses and, therefore, will not force a significant change in accepted farm or forest practices, and does not significantly increase the cost of accepted farming or forest practices on surrounding lands devoted to farm or forest use (YCPO 402.07). Further, no significant impacts to other surrounding uses, including residential and hobby farms are evident.

This, coupled with YCPO 1202.02.D, ensures that the surrounding area, including established farm uses and residential hobby farms will not be altered or impaired substantially or preclude the use of those properties for the primary uses allowed in their zone.

Exhibit 1 Property Analysis Map



Legend

- Parcel Lines
- Analysis Property
- Subject Site

Property Inventory Table 1

Property Key	Tax Lot	Property Owner Name	SITE ADDRESS	ZONE DISTRICT	ACRES	Notes
1	R3409 01300	Donna Lanyon Trustee	15607 Highway 47	EF-80	37.5	rural residential home, small scale farming, grass seed or for profit farming
2	R3404 01500	Richard Hayes, Mary Domingo	16281 Highway 47	EF-80	3.02	rural residential home, small scale farming
3	R3404 01700	Leo & Tracy Molash	16057 Highway 47	EF-80	4	rural residential home, small scale farming
4	R3404 01600	Luther & Mary Crossman	16201 Highway 47	EF-80	1	rural residential home
5	R3404 01303	Dumdi Family Trust	not available	EF-80	0.66	forested land
6	R3404 01501	Richard Hayes, Mary Domingo	16281 Highway 47	EF-80	1.78	rural residential home, small scale farming
7	R3404 01500	Richard Hayes, Mary Domingo	16281 Highway 47	EF-80	3.02	rural residential home, small scale farming
8	R3404 01301	City of Yamhill	not available	EF-80	34.17	City of Yamhill Public Works
9	R3404 01400	Widing Construction Co	16301 Highway 47	EF-80	0.52	rural land
10	R3404 01401	Widing Construction Co	16355 Highway 47+G12	EF-80	0.14	rural land
11	R3404 01402	John & Joanne Pitfido	16357 Highway 47	EF-80	6.21	rural residential home, small scale farming
12	R3404 01900	Van Dyke Riverview Farms LLC	not available	EF-80	101	grass seed or similar for profit farming
13	R3403 03300	Van Dyke Riverview Farms LLC	not available	EF-80	146.5	grass seed or similar and hazelnut for profit farming
14	R3409 00100	Terry Wyffels	not available	EF-80	20.6	hazelnut for profit farming
15	R3409 00200	Robert & Lori Lundgren	15670 Highway 47	EF-80	5	rural residential home, small scale farming
16	R3409 00300	Robert & Barbara Kahl	15500 Highway 47	EF-80	19.53	rural residential home, small scale farming
17	R3409 00400	Charles Swingle Estate	15000 Highway 47	EF-80/AF-10	80.61	grass seed or similar for profit farming
18	R3409 01101	Victor Knutz	15015 Highway 47	EF-80	43	rural residential home, grass seed or similar for profit farming
19	R3409 01100	Larry & Sandra Myrick	15483 Highway 47	EF-80	53	rural residential home, grass seed or similar for profit farming
20	R3409 01200	Donna Lanyon Trustee	15607 Highway 47	EF-80	17	rural residential home, grass seed or similar for profit farming, cattle grazing
21	R3409 01201	Donna Lanyon Trustee	not available	EF-80	57.5	grass seed or similar for profit farming
22	R3409 00101	Carlton Hub LLC	15713 Highway 47	EF-80	5.13	rural residential home (operating B&B), operating farm stand, regenerative farm focused on raising animals and poultry processing for profit

III. Comments



P.O. Box 1083
McMinnville, Oregon 97128

RECEIVED

SEP 25 2023

YAMHILL COUNTY
PLANNING DEPARTMENT

Helping to shape the use of our natural resources to protect the quality of life in Yamhill County

September 25, 2023

Lance Woods, Associate Planner
Yamhill County Planning & Development Department
525 NE 4th Street
McMinnville, Oregon 97128

RE: C-14-23, Carlton Hub, LLC
C-15-23, Ground 152, LLC

Mr. Woods,

Friends of Yamhill County (FYC) works to protect natural resources through the implementation of land use planning goals, policies, and laws that will maintain and improve the present and future quality of life in Yamhill County for both urban and rural residents.

Thank you for the opportunity to participate in these conditional use permit applications requesting commercial activities in conjunction with farm use consisting of wine sales and tasting at existing farm stands. The applications appear to be identical except for the tax lot, and our comments on each are the same, so please enter this letter into the records of each application.

Permitted Use

The application states that the request is for "alcohol sales and wine tasting," and other parts of the application narrative appear to limit the alcohol sales to local wines, we assume to be by the bottle. The application goes on to state that the proposed use is listed as a conditional use in Yamhill County Zoning Ordinance (YCZO) 402.04(G), "Commercial activities that are in conjunction with farm use as defined in Section 402.10(B)...."

The portion of the definition in YCZO 402.10(B) that the applicant relies on states:

As authorized under subsection 402.04(G), a commercial activity in conjunction with farm use is:

* * *

2. Retail sales and promotion of agricultural products, supplies and services directly related to the production, harvesting, and processing of agricultural products. * * *

The applicant has not established that it produces wine grapes (the application states, "The Ground has two approved farm stands for selling its Source Farms farm products, including pork, beef, poultry, and lamb, along with its Market Garden fresh vegetables." The aerial photos included in the application do not show any vineyards.). The definition includes only those retail sales that are "directly related" to farming and processing activities. The applicant does not produce, harvest, or process wine grapes.

The proposed use does not satisfy the definition of a commercial activity in conjunction with farm use and is therefore not permitted under YCZO 402.04(G). The application does not satisfy YCZO 1202.02(A) ("The use is listed as a conditional use in the underlying zoning district").

Conditional Use Approval Criteria

If the county disagrees and finds that the proposed use satisfies the definition of a commercial activity in conjunction with farm use, please consider the following comments.

None of the proposed findings in the application demonstrate compliance with the applicable criteria. We call out the following as particularly relevant.

YCZO 1202.02(D). This criterion provides:

The proposed use will not alter the character of the surrounding area in a manner which substantially limits, impairs or prevents the use of surrounding properties for the permitted uses listed in the underlying zoning district.

The application provides the following in response to this criterion:

Selling alcohol at existing, permitted farm stands will not alter the character of the surrounding area in a way that limits use of surrounding properties. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

The first sentence is not a finding, it is a conclusion. The second sentence raises more questions than it answers. What is "the area"? How many wineries constitute "numerous"? If numerous wineries are without issues, are there others that *do* create issues? The application does not demonstrate compliance with this criterion.

We contend that having numerous tasting rooms in the area places a heavier burden on the applicant to show that more of them will not alter the character of the area. In order to show compliance with this criterion, the applicant needs to define the area and describe the character of the area. There then needs to be analysis of whether the proposed use, added to the other existing non-farm uses in the area, will alter the area in a way that substantially affects permitted uses, such as farming, adversely.

YCZO 1202.02(E). This criterion provides: "The proposed use is appropriate, considering the adequacy of public facilities and services existing or planned for the area affected by the use."

The application provides the following in response to this criterion: "Selling alcohol at existing, permitted farm stands will not change the burden on existing public facilities and services beyond the existing farm stands."

Again, this is not a finding, it is a conclusion. At a minimum the application needs to identify and address existing public facilities and services, available and planned, for the site. We know that public roads is one of them, and the *intent* of providing alcohol sales and tasting is to increase traffic to the business, so to say there will be no change stretches credibility. The applicant needs to address current and forecast traffic on affected roads and highways and the effect of new wine-tasting traffic. Other public facilities and services to the site need to be similarly considered.

YCZO 402.07(A). These criteria provide:

In the Exclusive Farm Use District, prior to establishment of a conditional use, the applicant shall demonstrate compliance with the following criteria in addition to other requirements of this ordinance:

1. The use will not force significant change in accepted farming or forest practices on surrounding lands devoted to farm or forest use.

2. The use will not significantly increase the cost of accepted farming or forest practices on surrounding lands devoted to farm or forest use.

The application provides the following in response to these criteria, respectively:

Selling alcohol at existing, permitted farm stands will not force any change on surrounding lands in EFU. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

Selling alcohol at existing, permitted farm stands will not increase costs of farming or forestry on surrounding lands in EFU. There are numerous wineries in the area that already sell alcohol and have wine tastings without any issue.

The applicant needs to identify accepted farming and forestry practices on surrounding lands and address effects practice-by-practice and farm-by-farm. The county must determine whether these effects are "significant" as that term is used in the criteria. The county must also determine whether there are cumulative impacts, each of which may not individually be significant, that, when combined, have a significant effect on farm or forest practices or the cost of operating these concerns.

Conclusion

The proposed use is not permitted in the Exclusive Farm Use Zone and the application should be denied. Even if the use is permitted, the applicant has not demonstrated compliance with relevant criteria.

Thanks again for the opportunity to comment on the applications. Please enter this letter into the records and notify us of the county's decision.

Yours truly,



Rob Hallyburton
Vice President

cc: Kathryn Jernstedt and Sid Friedman, FYC
Andrew Mulkey, 1000 Friends of Oregon

Yamhill County

DEPARTMENT OF PLANNING AND DEVELOPMENT

525 NE FOURTH STREET | McMINNVILLE, OREGON 97128

Phone: (503) 434-7516 | Fax: (503) 434-7544 | TTY: (800) 735-2900 | Internet Address: <http://www.co.yamhill.or.us/planning>

NOTICE OF PENDING ADMINISTRATIVE ACTION

Notice is hereby given that the Director of the Yamhill County Department of Planning and Development has received an application to approve the request described below. For further information, please contact Lance Woods (woods1@co.yamhill.or.us) at the Yamhill County Department of Planning and Development.

DOCKET NO.: C-14-23

REQUEST: Conditional use approval for the operation of a commercial activity in conjunction with farm use to allow the sale and tasting of locally produced wine at the existing approved onsite farmstand.

APPLICANT: Carlton Hub, LLC

TAX LOT: 3409-00101

LOCATION: 15713 Highway 47, Yamhill

ZONE: The EF-80, Exclusive Farm Use zone.

REVIEW CRITERIA: Sections 402.02(B), 402.04(G), 402.07(A), 1101, and 1202.02 of the *Yamhill County Zoning Ordinance*.



Interested parties are invited to review the application and make comments or suggestions regarding the proposed use. Provide comments in the following space or attach additional sheets as necessary.

** Please see attached **

Signature

Kim D. Ramsey

Alternatively, you may request that the application be considered at a public hearing before the Planning Commission. A request for hearing must state the basis for the request and be accompanied by a \$250.00 hearing fee. Public notice dated September 8, 2023.

COMMENTS OR REQUESTS FOR HEARING MUST BE RECEIVED NO LATER THAN
5:00 p.m., September 25, 2023

NOTICE TO MORTGAGEE, LIENHOLDER, VENDOR, OR SELLERS: ORS Chapter 215 requires that if you receive this notice, it must be promptly forwarded to the purchaser.

RECEIVED
AUG 01 2023
YAMHILL COUNTY
PLANNING DEPARTMENT



Parking?

unsafe
Hwy access
↓

LANCE WOODS

Re: DOCKET. : C- 14- 23 Carlton Hub, LLC (Source Farms)

15713 Highway 47, Yamhill

15921 HWY 47 CONCERNS:

I live on the north side of Source Farms and have had several issues that I have brought to your attention. Today I will only address those specific to the wine tasting even though the previous issues have NOT been resolved.

1. Safety of traffic coming on and off of a public highway into a narrow single lane driveway. Are cars going to stop on the hwy waiting for a car to pull out so they can pull in? If you measure from the official in ground property tag, the driveway only measures 17 feet across at the hwy entrance. Plus I don't agree with encouraging drinking and driving.
2. Water use. We (14 residents) pay and maintain a water line from the City of Yamhill, who is going to drastically increase the cost of water because the system does not produce sufficient quantities of water for the number of people in Yamhill. If the water has to be limited use, which it has in the past, there is nothing to protect residential over business use. Many of us have wells to use for produce, crop or animal use. Source farm does not have a well.
3. Septic use: Bed & breakfast and inn keeper that lives on site, employees and customers, meaning setting for an hour or two drinking wine.
4. Parking... where are all these people supposed to park?
5. Fences- respect your neighbors privacy and keep all customers and contractors on the business property

6. Events and noise are not addressed or welcomed by any of the neighbors! We've spent our lives working hard to have a quiet county property, choosing not to live in the city with businesses as your neighbors.

To conclude first and foremost is to be a good faith neighbor, whether it's a barn on fire, an accident on the highway or the waterline needs updates/ repairs those of us that live and have lived for 20+ yrs on this hwy have to work together, unfortunately this has not been the case with communication or actions from the owners, so yes we are concerned!

Sincerely,

Kim Lanyon

A handwritten signature in cursive script that reads "Kim Lanyon". The signature is written in dark ink and is positioned to the right of the printed name "Kim Lanyon".

Yamhill County

DEPARTMENT OF PLANNING AND DEVELOPMENT

525 NE FOURTH STREET | McMinnville, OREGON 97128

Phone: (503) 434-7516 | Fax: (503) 434-7544 | TTY: (800) 735-2900 | Internet Address: <http://www.co.yamhill.or.us/planning>

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APPLICANT: Carlton Hub, LLC

TAX LOT: 3409-00101

LOCATION: 15713 Highway 47, Yamhill

ZONE: The EF-80, Exclusive Farm Use zone.

REVIEW CRITERIA: Sections 402.02(B), 402.04(G), 402.07(A), 1101, and 1202.02 of the *Yamhill County Zoning Ordinance*.



Interested parties are invited to review the application and make comments or suggestions regarding the proposed use. Provide comments in the following space or attach additional sheets as necessary.

Please see attached.

Signature

A handwritten signature in cursive script, appearing to read "Donna L. Larson".

Alternatively, you may request that the application be considered at a public hearing before the Planning Commission. A request for hearing must state the basis for the request and be accompanied by a \$250.00 hearing fee. Public notice dated September 8, 2023.

COMMENTS OR REQUESTS FOR HEARING MUST BE RECEIVED NO LATER THAN
5:00 p.m., September 25, 2023

NOTICE TO MORTGAGEE, LIENHOLDER, VENDOR, OR SELLERS: ORS Chapter 215 requires that if you receive this notice, it must be promptly forwarded to the purchaser.

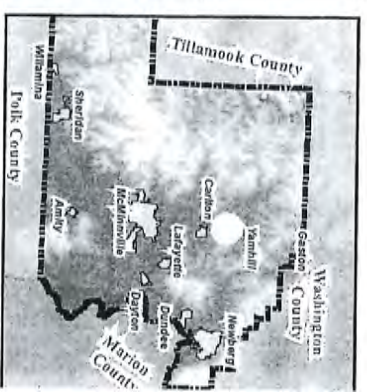
RECEIVED

AUG 01 2023

VAHILL COUNTY
PLANNING DEPARTMENT



YAMHILL COUNTY TAX LOT INFORMATION & CONTEXTUAL MAP



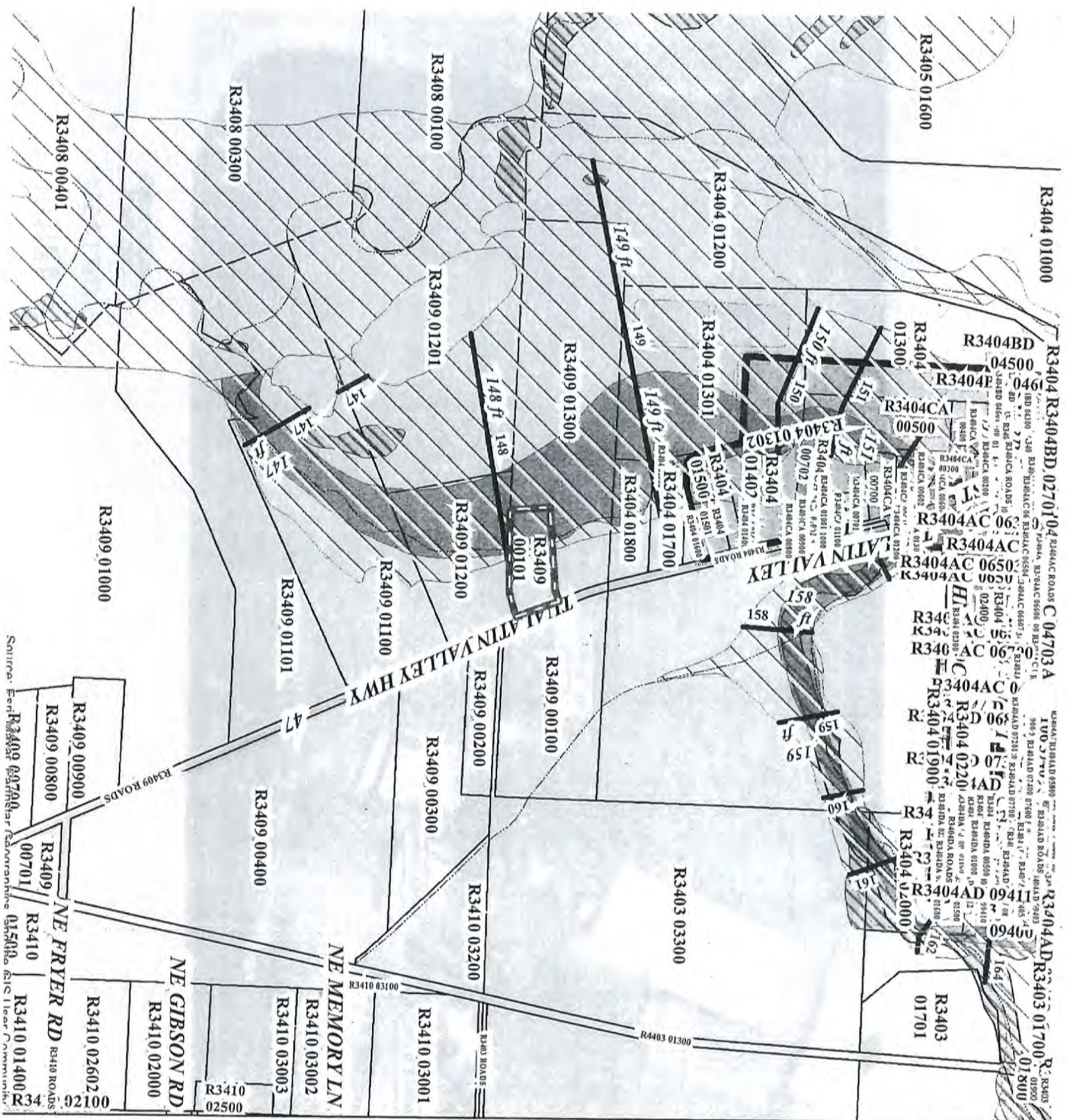
Property Information Docket: C-14-23

15713 Highway 47
Subject Parcel(s)
Tax Lot: R3409 00101
Lot Acreage: 5.13

- Yamhill City Limits
- Yamhill Urban Growth Boundary

- Wetland
- FEMA Flood Zone
- Base Flood Elev (ft)
- 100 Year Zone
- Floodway

1 inch = 900 feet



- Water usage along this stretch of highway 47 is managed through the Southern Yamhill Water Company. Our family is a part of this water board via my granddaughter, Katlyn Gaddis. It has been brought to our attention that in order to provide sufficient facilities for the proposed events, water usage is drastically going to increase at Source Farms. This is concerning to my family, as well as all of the residents along this water line because residents share the cost of water line repairs and the drastic increase in water usage will increase the risk of damage and need for repairs.

Section 402.04 (G)

The definition of commercial activities listed in section 402.10(B) (2) clearly lists that Wineries are not a permitted use for this type of farm stand. I understand that they may not fall under the definition of a winery, but please be sure to carefully evaluate this as they have multiple properties which may be better suited for their wine tasting and events.

Within this same-section, it states that they would be allowed to rent or lease their facilities for events, parties, receptions or banquets, and that they can hold 4 or more promotional events with upwards of 750 visitors daily, each lasting up to three days per event. This is extremely concerning to my family's farming business due to the unmet requirements outlined in Section 402.02 (B). If Source Farms were allowed to host events with upwards of 750 people per day, this translates to more than 94 people coming and going each hour of a typical 8 hour day. This is NOT compatible with the farming activities and practices which our family has established on the surrounding Northern, Western and Southern properties. This drastic increase in traffic would be extremely detrimental to farming practices, as demonstrated by their current unauthorized use of our Northern farm driveway. It should also be noted that unless they provide a secondary driveway or significantly widen their current driveway for their customers to use, approval of large events would be extremely hazardous to those driving on highway 47, including myself and my family.

Section 402.07 (A)

As previously explained, Source Farms (Carlton Hub LLC) has not demonstrated compliance with either requirements outlined within this section. The proposed use will force significant change in my family's well established farming practices on the land surrounding Source Farms. The proposed use will very likely increase the cost of accepted farming practices for my surrounding farm as well as for other farms along the south Yamhill water line of highway 47 due to increased water usage.

I urge you to strongly consider Section 1101.02 (A) regarding the below subsections which I feel are clearly not met by this applicant.

1. Characteristics of adjoining and surrounding uses; quiet and productive farmland.

Donna Lanyon
15607 Highway 47
Yamhill OR, 97148

Sep 24, 2023

Yamhill County Department of Planning and Development
525 NE 4th Street
McMinnville OR, 97148

RE: Notice of Pending Administrative Action for Docket NO. C-14-23 (Carlton Hub LLC)

As the land owner of the lots bordering Source Farms (AKA Carlton Hub LLC) along their North, West and South property lines, my family and I would like to formally voice our concerns regarding this pending administrative approval. The zoning ordinances which have been listed in the review criteria will be specifically referenced in regards to our below concerns.

Section 402.02 (B)

Subsection 2 states that the farm stand shall not be used for activities such as banquets, public gatherings or public entertainment if the site design is not able to meet health and safety requirements for access, parking and sewage disposal. Currently these requirements are not being met for the proposed increase in activities.

- Access to their private driveway from the public road (highway 47) is not safely established, as their driveway opening is less than 18 feet wide according to the most recent survey data. Our farm's Northern driveway, which borders their only driveway, has already been detrimentally impacted by their inability to meet this requirement. The Source Farm customers and staff consistently utilize our driveway despite multiple conversations with the owners. Increased signage was agreed upon but they never fulfilled this agreement, thus we have been forced to block off our driveway to prevent unauthorized use by their customers. Our farm's northern driveway has been used by large agricultural equipment and semi-trucks for over 30 years now without any issue, and now we have been forced to cease use of our own driveway because of their inability to safely provide sufficient entry and exit points for their customers on highway 47.
- Parking on their property is not sufficient for the proposed influx of traffic.
- Sewage disposal for the farm stand was sufficient for the previous owners, who installed the current septic tank, but this is likely not able to support the proposed drastic increase of people which would accompany their commercial activities and promotional events.

2. Economic factors relating to the proposed use; increased cost of water due to higher risk for damage.
3. Traffic safety, internal circulation and parking; garbage trucks cannot safely turn around in their driveway, therefore this becomes a safety hazard for emergency vehicles.
4. Provisions for adequate noise and/or visual buffering from noncompatible uses; no fencing or buffering has been done.

While we would like to be supportive of fellow farmers, the activities outlined in the zoning ordinances listed above would force significant change to the farming practices which our family has established over the past 40 years. Source Farms (Carlton Hub LLC) does not meet the requirements outlined within the given review criteria and zoning ordinances.

Thank you for reviewing my comments,

Donna Lanyon
Trustee of Kenneth Lanyon
Lazy As "L" Ranch

IV. Applicant's Response to Comments

RECEIVED
NOV 03 2023
YAMHILL COUNTY
PLANNING DEPARTMENT

APPLICANT AMENDMENT AND RESPONSES TO COMMENTS RECEIVED FOR
ADDITION OF ALCOHOL SALES USE AT APPROVED FARMSTAND
15713 HIGHWAY 47 YAMHILL COUNTY, OREGON
C-14-23

Application Clarification and Amendment

As mentioned in our phone discussion, the intent for both of our farmstand applications was that they cover alcohol generically, and local wine was an example provided as the most likely (but not only) alcohol product. Our intent was to cover whatever alcohol sales are approved by the OLCC under the license for which we qualify, and that county approval would be aligned with OLCC approval. Due to that, we would like to clarify our request as follows:

Request: The Ground has two approved farm stands for selling its Source Farms farm products, including pork, beef, poultry, and lamb, along with its Market Garden fresh vegetables. We now seek to add alcohol sales and alcohol tasting (subject to OLCC approval) at these farm stands along with its other farm products. No changes to agricultural land are required as the only minor changes needed will be to interior arrangement of products inside existing, approved farm stands. This request includes wine, beer and other malt beverages, cider, and alcoholic drinks as approved by OLCC.

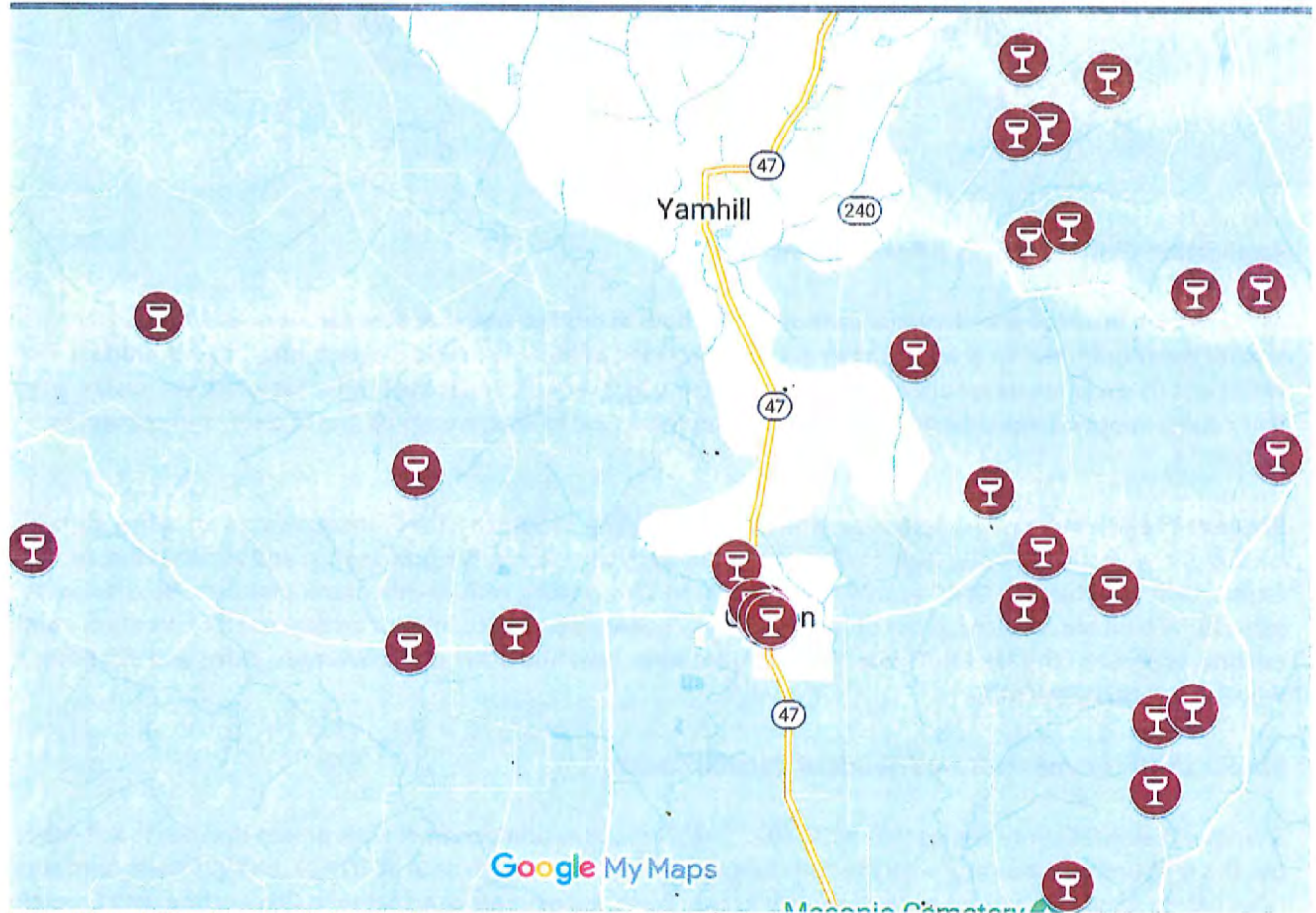
Response to comments from Friends of Yamhill County

Friends of Yamhill County argues that YCZO 402.10(B)(2) requires production of wine grapes in order to sell wine, but this is entirely inconsistent with the code language and context. Nothing in YCZO 402.10(B)(2) limits farm stand sales only to what is produced by the operator's farm. Further, Commercial Activities in Conjunction with Farm Use can include selling irrigation pipe, pumps, fertilizer, and chemicals even though farms obviously cannot manufacture those products in EF zones. A veterinary clinic is allowed even if no animals are raised on the site or by the operator. A farm equipment repair facility is allowed even if no farm equipment is otherwise used for farming on the site or by the operator. Further, wineries not otherwise permitted are allowed, which can include selling alcohol without having a vineyard.

Friends of Yamhill County also appears to question the strength and importance of the many wineries and tasting rooms in the Carlton area. Friends appears to contend that allowing a small amount of alcohol sales and tasting at an existing farmstand to complement the core meat and veggie sales will somehow adversely alter the character of the entire area. Such concerns are simply unfounded. This secondary use is not intended to attract a larger quantity of customers visiting the farmstand, but to expand offering to our existing customers. A secondary, low-volume use that is similar to many surrounding uses does not adversely impact the surrounding area. Rather, this application furthers the local economic synergy of the wine industry.

For decades, expanding wine-related agriculture and tourism has been a core goal for Yamhill County. https://www.co.yamhill.or.us/sites/default/files/Summary_Report_-_Yamhill_County_Agri-Business.pdf Carlton is the self-proclaimed Wine Capital of Oregon, and the area's economy is driven by wine-related business. <https://www.visitcarlton.com/> The immediately surrounding Yamhill-Carlton AVA includes more than 2,600 acres of vineyard. <https://www.oregonwine.org/regions/willamette-valley/yamhill-carlton-ava/> The

Yamhill-Carlton AVA has over 50 wineries, not to mention many additional tasting rooms. <https://yamhillcarlton.org/> Many are near to the application site, as shown by the map showing some of the many nearby wineries below:



<https://yamhillcarlton.org/wineries/>

Below are some of the many tasting rooms in the local area:



Friends of Yamhill County is also incorrect when it argues that the intent of providing alcohol sales and tasting is to increase traffic. Actually, the intent is to provide more high-margin sales to support farm stand operations. The focus of the farm stands will always be the meat and veggie sales.

Response to comments from Kim Lanyon and Donna Lanyon

The application is not proposing an influx in traffic or water use by simply requesting alcohol sales and tastings as secondary farm stand products. The focus of the farm stand will always be the meat and veggie sales.

Source Farms has taken several concrete steps in response to neighbor concerns:

- Widened the driveway entrance to accommodate two vehicles by removing landscaping and a large tree at the entrance.
- Removed landscaping to add an additional 3 parking spaces.
- Removed landscaping to increase vehicle turn around area to prevent inadvertent customer use of neighboring property for such.
- Using a portable luxury bathroom on-site that meets the sewage concerns. No additional sewage is being added to the system. The luxury bathroom is pumped for disposal.

To the extent that most concerns appear to be about hypothetical future agritourism events, this application does not approve any such events. Rather, such events would need to go through their own, separate approval process, which is the appropriate place to consider such matters.

Traffic concerns also appear primarily related to hypothetical events that are not part of the application. The farm stand has adequately handled customer visits for a long time (including under the prior owner) and will continue to do so. There is no basis to think that allowing a long-time farm stand to add a few secondary products will create a big traffic increase. Regardless of what is or is not sold as a secondary product at the farm stand, Highway 47 is always going to have a lot of traffic by virtue of being a busy thoroughfare of statewide significance that crosses multiple counties and links McMinnville, Carlton, and Yamhill with the Forest Grove-Cornelius-Hillsboro area.

V. Appeal Application

RECEIVED

DEC 14 2023

YAMHILL COUNTY
PLANNING DEPARTMENT



P.O. Box 1083
McMinnville, Oregon 97128

Helping to shape the use of our natural resources to protect the quality of life in Yamhill County

December 14, 2023

Yamhill County Planning and Development Department
525 NE 4th Street
McMinnville, Oregon 97128

RE: Appeal of Docket C-14-23
Carlton Hub LLC

You will find a completed appeal form with accompanying justification from the Friends of Yamhill County (FYC), attached. Please schedule this matter for a hearing according to the county's procedures.

Thank you for your consideration of this matter.

Your truly,

Rob Hallyburton
Vice President

APPEAL APPLICATION

TTY: 800-735-2900 • Website: <http://www.co.yamhill.or.us/planning>

Date of filing 12/14/23
 Rec'd by su
 Receipt # 928267
 Fee **270.00**

This form must be completed and submitted to the Planning Office within 15 days of the date of the decision being appealed, as indicated on the notice of decision. Please complete the application fully, and with as much detail as possible. Please type or print carefully.

Appellant's Name Friends of Yamhill County

Address PO Box 1083, McMinnville, OR 97128

Telephone: 503-560-0599

Email: friendsofyamhillcounty@gmail.com
rob.a.hallyburton@gmail.com

Docket number of decision being appealed: C-14-23

The Docket request is: Carlton Hub LLC's CU application for a commercial activity in conjunction with farm use consisting of alcohol tasting and sales.

☒ Planning Director☐ Planning Commission

The decision being appealed is a(n):

☒ Approval☐ Denial

Condition of Approval

Person appealing the decision is:

☐ Applicant

☒ Affected party

If you are an affected party, please explain how you are aggrieved or adversely affected by the decision:
See attachment

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Please describe the basis upon which the decision is being appealed. Indicate which ordinance, Comprehensive Plan, or other regulatory provisions have not been satisfied or have been violated by the decision. Use extra paper if necessary.

See attachment

I have completed the above information fully and accurately. I understand my rights and responsibilities as described on this form.

Rob Hallyburton

Digitally signed by Rob Hallyburton
Date: 2023.12.13 16:35:08 -08'00'

Signature

Date

All appealed decisions of the Planning Director and Planning Commission are brought before the Board of County Commissioners at a public hearing. The Board may affirm, modify, or reverse all or part of the action by the Director or Planning Commission.

Submittal of this appeal form must be accompanied by the appropriate appeal fee (make check payable to Yamhill County) to offset the cost of the hearing.

ATTACHMENT – Appeal of C-14-23

If you are an affected party, please explain how you are aggrieved or adversely affected by the decision:

Friends of Yamhill County (FYC) works to protect natural resources through the implementation of land use planning goals, policies, and laws. FYC is particularly interested in protecting farmland for continued farm use to produce food and fiber for existing and future generations. Continued proliferation of non-farm uses in the exclusive farm use and farm/forest zones creates conflicts with and is otherwise detrimental to farm use, and is therefore adverse to FYC's interests.

Please describe the basis upon which the decision is being appealed. Indicate which ordinance, Comprehensive Plan, or other regulatory provisions have not been satisfied or have been violated by the decision.

The November 17, 2023, staff report supporting the approval of this application (hereafter, "staff report") states, on page 1, that the request is for:

A conditional use request for the operation of a commercial activity in conjunction with farm use to allow the tasting of locally produced wine and the sale of locally produced wine, beer, and other malt beverages, and cider at the existing approved onsite farmstand.

There is some discussion in the application addendum regarding the breadth of alcohol serving and sales proposed, but that is not relevant to our appeal. The conditionally permitted use for which the application was made is Yamhill County Zoning Ordinance (YCZO) 402.04(G), "Commercial activities that are in conjunction with farm use as defined in YCZO Section 402.10(B)." There is no disagreement that the relevant portion of the definition for this use is in YCZO 402.10(B)(2), which states:

As authorized under subsection 402.04(G), a commercial activity in conjunction with farm use is:

* * *

2. Retail sales and promotion of agricultural products, supplies and services directly related to the production, harvesting, and processing of agricultural products. * * *

See staff report at pages 3-4. FYC pointed out, in September 25, 2023, comments to the planning department prior to the decision, that the applicant has not established that it

produces the materials for the beverages or the beverages themselves. The staff report does not refute this. The definition quoted above includes only those retail sales that are "directly related" to farming and processing activities. Since the applicant does not produce, harvest, or process the fruit for alcoholic beverages or the beverages themselves, the proposed use does not satisfy the definition of a commercial activity in conjunction with farm use and is therefore not permitted under YCZO 402.04(G). The application does not satisfy YCZO 1202.02(A) ("The use is listed as a conditional use in the underlying zoning district").

The staff report addresses this contention on pages 4-5. It states that "a more comprehensive reading of the ordinance makes it clear that a proposed commercial activity in conjunction with farm use is intended to promote or support farm activities occurring in the local area." The staff report further states:

(T)he plain reading of this section of the ordinance twice references commercial activities in conjunction with farm use that shall be directly related to promotion of a product harvested or processed on the site, and that is the, *"Rental or lease of facilities, with or without a fee, in conjunction with an agricultural use for events such as parties, receptions, and banquets with the primary intent of indirect promotion of the product harvested or processed on the site"* and for, *"Four or more promotional events in a calendar year that are directly related to the marketing of products harvested or processed on the site that are reasonably expected to attract more than 750 visitors daily. An "event" shall not exceed three consecutive days."* (Italics in original.)

The staff report goes on to state:

Staff finds that the Applicant's request meets the definition of a commercial activity in conjunction with farm use because the other example uses authorized as commercial activities conducted in conjunction with farm use are deliberately not intended to serve only the onsite farm activities but to collectively serve the local farming community.

However, few or none of the farm products sold on the subject property are "harvested or processed on the site," so the comparisons made in the staff report do not support the conclusion. The drafters of the ordinance included "rental and lease of facilities" and "four or more promotional events" as permitted activities, and did not include "liquor store," "wine shop," or "tasting room." We can infer that the drafters intentionally left them out.

Since the staff report compared the proposed use with activities ancillary to the primary commercial activity, it should also be noted that the proposed alcohol sales would be at a

farm stand. A farm stand is a permitted use in the zone. YCZO 402.02(B) provides that farm stands are permitted outright in the EF zone when:

The structures are designed and used for the sale of farm crops or livestock grown on the farm operation, or grown on the farm operation and other farm operations in the local agricultural area, *including the sale of retail incidental items and fee-based activity to promote the sale of farm crops or livestock sold at the farm stand if the annual sale of incidental items and fees from promotional activity do not make up more than 25 percent of the total annual sales of the farm stand*; and * * * (Italics added.)

Alcohol tasting and sales would seemingly be permitted under the farm stand approval as long as they do not exceed 25 percent of overall sales. The approved conditional use permit allows alcohol sales to surpass the sale of actual farm products, resulting in the proverbial tail wagging the dog.

Furthermore, what is permitted as a “commercial activity in conjunction with farm use” by statute has been refined by the Land Use Board of Appeals and the courts. It has been established that such uses are permitted when they are “exclusively or primarily a customer or supplier of farm uses.”¹ Sale of alcoholic beverages would clearly not be a supplier of farm uses, and it would be a customer of those who manufactured the beverages, not farms. The staff report does not address this standard, and the proposed use does not satisfy this test.

An additional inquiry is required for a commercial activity in conjunction with farm use. The products and services provided must be “essential to the practice of agriculture.”² A finding that the activities at a commercial activity in conjunction with farm use are essential to the practice of agriculture must show that the connection is not “speculative or remote.”³ The staff report does not address these points. We contend that alcohol tasting and sales are not essential to the practice of agriculture.

Conclusion: The proposed use is not permitted in the Exclusive Farm Use Zone and the application should be denied.

¹ See *City of Sandy v. Clackamas County*, 28 Or LUBA 316 (1994)

² Ibid.

³ See *Friends of Marion County v. Marion County*, slip op 23:20-23:22, (LUBA No. 2021-088/089, Opinion, Apr 21, 2022)

VI. Public Notice

Yamhill County

DEPARTMENT OF PLANNING AND DEVELOPMENT

525 NE FOURTH STREET | McMinnville, Oregon 97128

Phone: (503) 434-7516 | Fax: (503) 434-7544 | TTY: (800) 735-2900 | Internet Address: <http://www.co.yamhill.or.us/planning>

NOTICE OF PENDING ADMINISTRATIVE ACTION

Notice is hereby given that the Director of the Yamhill County Department of Planning and Development has received an application to approve the request described below. For further information, please contact Lance Woods (woods1@co.yamhill.or.us) at the Yamhill County Department of Planning and Development.

DOCKET NO.: C-14-23

REQUEST: Conditional use approval for the operation of a commercial activity in conjunction with farm use to allow the sale and tasting of locally produced wine at the existing approved onsite farmstand.

APPLICANT: Carlton Hub, LLC

TAX LOT: 3409-00101

LOCATION: 15713 Highway 47, Yamhill

ZONE: The EF-80, Exclusive Farm Use zone.

REVIEW CRITERIA: Sections 402.02(B), 402.04(G), 402.07(A), 1101, and 1202.02 of the *Yamhill County Zoning Ordinance*.

Interested parties are invited to review the application and make comments or suggestions regarding the proposed use. Provide comments in the following space or attach additional sheets as necessary.

Signature _____

Alternatively, you may request that the application be considered at a public hearing before the Planning Commission. A request for hearing must state the basis for the request and be accompanied by a \$250.00 hearing fee. Public notice dated September 8, 2023.

COMMENTS OR REQUESTS FOR HEARING MUST BE RECEIVED NO LATER THAN
5:00 p.m., September 25, 2023

NOTICE TO MORTGAGEE, LIENHOLDER, VENDOR, OR SELLERS: ORS Chapter 215 requires that if you receive this notice, it must be promptly forwarded to the purchaser.

RECEIVED

AUG 01 2023

VALENTI COUNTY
PLANNING DEPARTMENT

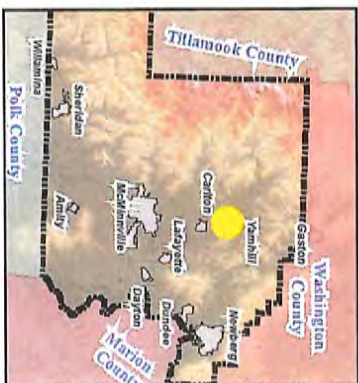


YAMHILL COUNTY

TAX LOT INFORMATION

&

CONTEXTUAL MAP



Property Information

Docket: C-14-23

15713 Highway 47



Subject Parcel(s)

Tax Lot: R3409 00101

Lot Acreage: 5.13



Yamhill City Limits



Yamhill Urban Growth Boundary



Wetland

FEMA Flood Zone

Base Flood Elev (ft)

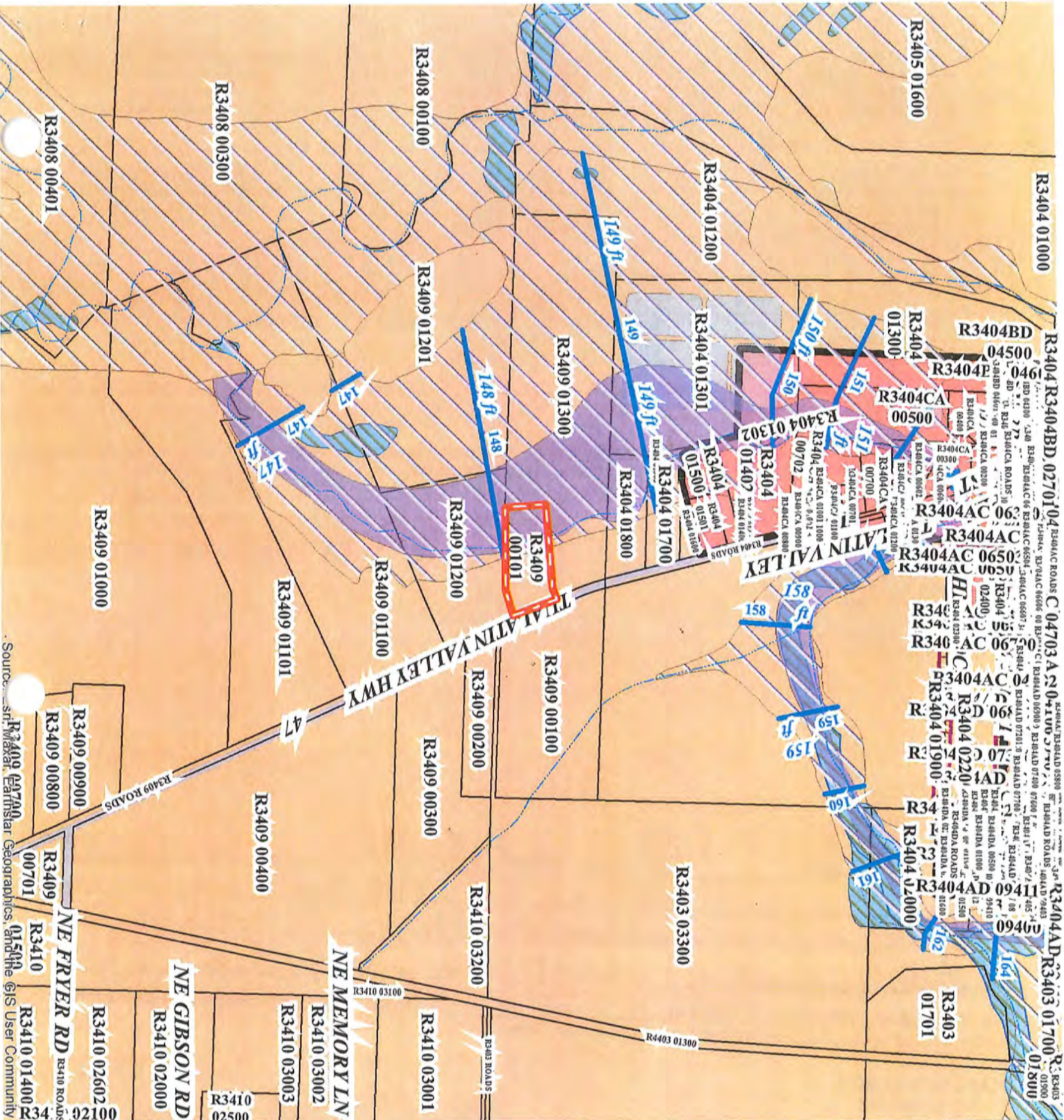


100 Year Zone



Floodway

1 inch = 900 feet



Source: Mr. Mark Earls, Geographics, and the GIS User Community

C-14-23
CARLTON HUB, LLC
R3409-00101
08/31/2023

R3404 01301
YAMHILL CITY OF
205 S MAPLE ST
YAMHILL, OR 97148

R3404 01303
DUMDI STEVEN A & THERESA A TRUSTEES
FOR DUMDI FAMILY TRUST
PO BOX 95
YAMHILL, OR 97148

R3404 01700
MOLASH LEO A & TRACY A
16057 HIGHWAY 47
YAMHILL, OR 97148

R3404 01800
GARCIA ERIC J
16005 HIGHWAY 47
YAMHILL, OR 97148

R3404 01900 R3403 03300
VAN DYKE RIVERVIEW FARMS LLC
8456 NW MCSWEEN LN
YAMHILL, OR 97148

R3409 00100
WYFFELS TERRY E
8000 NW PIKE RD
YAMHILL, OR 97148

R3409 00101
ZAERPOOR KOOROSH ZAERPOOR CHRISSIE
15713 HIGHWAY 47
YAMHILL, OR 97148

R3409 00200
LUNDGREN ROBERT F LUNDGREN LORIE L
15670 HIGHWAY 47
YAMHILL, OR 97148

R3409 00300
KAHL ROBERT S KAHL BARBARA J
15500 HIGHWAY 47
YAMHILL, OR 97148

R3409 01100
MYRICK SANDRA & LARRY LIVING TRUST
MYRICK SANDRA CO-TRUSTEE
MYRICK LARRY CO-TRUSTEE
15483 HIGHWAY 47
YAMHILL, OR 97148

R3409 01200 R3409 01300
LANYON KENNETH TRUSTEE LANYON DONNA
TRUSTEE
LANYON FAMILY TRUST
15607 HIGHWAY 47
YAMHILL, OR 97148

R3409 01201
LANYON KENNETH W TRUSTEE LANYON
DONNA F TRUSTEE
LANYON FAMILY TRUST
15607 HIGHWAY 47
YAMHILL, OR 97148

CARLTON HUB, LLC
ATTN: FRANK FOTI
15990 NW RED SHOT LN
CARLTON, OR 97111

APPLICANT:

Carlton Hub LLC
15990 NW Red Shot Ln
Carlton OR 97111

I, Stephanie Curran, on the 8th day of September, 2023
sent the attached public notice of Docket No. C-14-23 to the property owners identified by the PIN
numbers listed above, and interested persons listed on this sheet.

STATE OF OREGON
County of Yamhill

The foregoing instrument was acknowledged before me this 1st day of September, 2023
by Danielle M Paasch



Danielle M Paasch
Notary Public For Oregon
My Commission Expires 2/23/27



Yamhill County's News-Register.com

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KEEPING YOU CONNECTED

PO BOX 727 503-472-5114 www.newsregister.com

00 "EXHIBIT A"

PUBLIC NOTICE

PUBLIC NOTICE IS HEREBY GIVEN that the following applications are being reviewed by the Yamhill County Department of Planning and Development: **DOCKET C-14-23**, a request by Carlton Hub LLC for conditional use approval for the operation of a commercial activity in conjunction with farm use to allow the sale and tasting of locally produced wine at the existing approved onsite farmstand. The parcel is identified as Tax Lot 3409-101 and is located at 15713 Highway 47, Yamhill. **DOCKET C-15-23**, a request by Ground 152 LLC for conditional use approval for the operation of a commercial activity in conjunction with farm use to allow the sale of locally produced wine at the existing approved onsite farmstand. The farmstand was approved on June 20, 2023 by Docket SDR-12-23. The parcel is identified as Tax Lot 3523-2400 and is located at 15250 NW Panther Creek Rd, Carlton. These applications are being reviewed based on criteria from Sections 402.02(B), 402.04(G), 402.07(A), 1101 and 1202.02 of the Yamhill County Zoning Ordinance. DOK-

ET CTS-19-23, a request by Natasha Worden for conditional use approval for a travel trailer to be used as a temporary health hardship dwelling for the care of Kenneth Eggers, by his relative, Natasha Worden, during the term of his health hardship. The parcel is identified as Tax Lot 4317-1200 and is located at 14101 Foster Rd, Dayton. This application is being reviewed based on criteria from Sections 502.03(A) and 1202.02 of the Yamhill County Zoning

Ordinance. Interested persons may respond in writing by 5 p.m., September 25, 2023, to comment on, or to request the above applications be considered at a public hearing. A request for a hearing must state the basis for the appeal and must be accompanied by a \$270 fee. Dated September 8, 2023 by Ken Friday, Planning Director.
NR Published September 8, 2023

AFFIDAVIT OF PUBLICATION

STATE OF OREGON } ss.

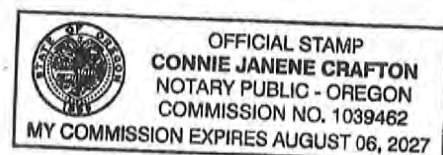
County of Yamhill

I, Terri Hartt

being first duly sworn, depose and say that I am the Legal Clerk, of the NEWS-REGISTER, a newspaper of general circulation as defined by O.R.S. 193.010 and O.R.S. 193.020 published two times each week at McMinnville, County of Yamhill, State of Oregon, and that **Yamhill County Department of Planning & Development - Public Notice Dockets C-14-23 C-15-23 CTS-19-23- - September 8, 2023**

Subscribed and sworn before me this 9/12/2023 .

Notary Public for Oregon
My Commission Expires 08/06/2027



VII. Public Agency Reports

Lance Woods

From: Stephanie Curran
Sent: Thursday, October 05, 2023 12:03 PM
To: Lance Woods
Subject: FW: ODOT Comments for Yamhill County C-14-23 - Source Farms

Stephanie Curran
Yamhill County Building & Planning
525 NE 4th St.
McMinnville, OR 97128
[503-434-7516](tel:503-434-7516)

From: KNECHT Casey <Casey.KNECHT@odot.oregon.gov>
Sent: Thursday, October 5, 2023 12:00 PM
To: Stephanie Curran <currans@co.yamhill.or.us>
Cc: WILLIAMS Brandon <Brandon.WILLIAMS@odot.oregon.gov>
Subject: ODOT Comments for Yamhill County C-14-23 - Source Farms

Caution: This email originated outside of the Yamhill County email system

Hi Stephanie,

The proposal to add alcohol and wine sales at the existing farm stands will not trigger any requirements from ODOT. If they have any questions, they can contact me directly.

Thanks,

Casey Knecht, P.E.
Development Review Coordinator
ODOT Region 2