### **ORDINANCE NO. 175-2019**

# AN ORDINANCE AMENDING THE CITY OF DONALD ZONE MAP, TO CHANGE THE ZONING ON 28 PROPERTIES ABUTTING MAIN STREET IN DOWNTOWN DONALD FROM C-COMMERCIAL ZONE TO DMU-DOWNTOWN MIXED USE ZONE, AND TO CHANGE THE ZONING ON THE TWO (2) CITY HALL PROPERTIES FROM R7-SINGLE FAMILY RESIDENTIAL ZONE TO P-PUBLIC ZONE.

**WHEREAS,** Oregon Revised Statute (ORS) 197.175 requires each Oregon city and county to have a comprehensive plan and the zoning and land-division ordinances needed to put the plan into effect; and

WHEREAS, Oregon Administrative Rules (OAR) 660-015-0000 Oregon's Statewide Planning Goals and Guidelines express the state's policies on land use and related topics; and

WHEREAS, the Donald Comprehensive Plan was updated in 2015 to include policies for a pedestrian-oriented central shopping area and design standards for downtown commercial development; and

**WHEREAS,** the City of Donald was awarded a Transportation and Growth Management (TGM) Grant from the Oregon Department of Transportation and Oregon's Department of Land Conservation and Development (DLCD) in 2017 to fund a package of legislative amendments to the Donald Development Ordinance which included a new Downtown Mixed Use Zone; and

**WHEREAS,** the Donald City Council voted to adopt Ordinance No. 172-2018 on September 11, 2018 to enact the new Downtown Mixed Use Zone; and

**WHEREAS,** the Donald City Council voted on September 11, 2018 to authorize the City Manager to initiate a Zone Change project to implement the new Downtown Mixed Use Zone; and

**WHEREAS,** the City of Donald also desired to correct the existing zoning and land use designation of the City Hall properties to reflect the long-term public use; and

WHEREAS, on February 21, 2019 the Donald Planning Commission conducted a duly noticed public hearing regarding concurrent planning files Comprehensive Plan Map Amendment #CPMA 2019-01 and Zone Change #ZC 2019-01. At the hearing the public was given full opportunity to be present and heard on the matter. The Donald City Planning Commission considered the information provided by City staff and the public. After deliberation, the Donald Planning Commission voted to recommend to the Donald City Council approval of the proposed Comprehensive Plan Map Amendments and Zone Changes, and to adopt the findings of the staff report with one minor revision; and

WHEREAS, on March 12, 2019 the Donald City Council conducted a duly noticed public hearing regarding concurrent planning files Comprehensive Plan Map Amendment #CPMA 2019-01 and Zone Change #ZC 2019-01. At the hearing the public was given full opportunity to be present and heard on the matter. The Donald City Council considered the information provided by City staff, the public, and the Planning Commission's recommendation to approve the concurrent

applications as amended; and voted to approve the concurrent files Comprehensive Plan Map Amendments #CPMA 2019-01 and Zone Changes #ZC 2019-01 and to adopt the findings included in the staff report dated March 6, 2019; and

**WHEREAS,** the Donald City Council conducted a first reading of Ordinance No. 174-2019 on April 9, 2019; and

**WHEREAS,** the Donald City Council conducted a second reading of Ordinance No. 174-2019 on May 14, 2019.

NOW THEREFORE, THE CITY OF DONALD ORDAINS AS FOLLOWS:

**Section 1.** The City Council of the City of Donald does hereby adopt the staff report to the City Council dated March 5, 2019.

**Section 2.** The City Council of the City of Donald does hereby adopt those certain findings of fact, conclusions, and supporting documentation included as Exhibit A attached hereto and by this reference made a part hereof.

**Section 3.** The City Council of the City of Donald does hereby amend the City of Donald Zone Map to rezone 30 properties abutting Main Street, as listed by tax lot in Table 1 of the Exhibit A Staff Report, and as shown in the revised City of Donald Zone Map attached as Exhibit B to this ordinance.

**Section 4.** The first reading of this Ordinance was conducted on April 9, 2019. The second reading of this ordinance was conducted on May 14, 2019 and was passed and adopted by the City Council on May 14, 2019 as follows:

| 6   | AYES    |
|-----|---------|
| Ø   | NAYS    |
| 100 | ADCTENT |

BISTENTIONS

**Section 5.** This Ordinance shall be effective on the thirtieth day after the date of enactment below, as per City Charter Chapter VIII, Section 36.

SIGNED and DATED this 14th day of May, 2019.

REDACTED FOR SECURITY REDACTEDREOSESCURITY

Brad Oxenford, Mayor



Heidi Bell, City Manager

PASSED by the City Council: May 14, 2019 SIGNED by the Mayor: May 14, 2019 EFFECTIVE: June 13, 2019

### STAFF REPORT TO THE DONALD CITY COUNCIL

| <b>REPORT DATE:</b> | March 6, 2019   |
|---------------------|---|
| HEARING DATE:       | March 12, 2019  |
| FILE NO.:           | CPMA 2019-01 / ZC 2019-01   |
| APPLICANT:          | City of Donald  |
| SUMMARY:            | Proposed Zone Change package to implement the Downtown Mixed-Use Zone (DMU)<br>Zone adopted into the Donald Development Ordinance (DDO) by City Council in 2018,<br>by rezoning 28 properties from C-Commercial Zone to DMU-Downtown Mixed Use<br>Zone. The proposal would also rezone the two small City Hall properties from R7-Single<br>Family Residential Zone to P-Public Zone, and re-designate the City Hall properties from<br>Residential to Public on the Donald Comprehensive Plan Map. |
| CRITERIA:           | Donald Development Ordinance Sections 3.110 Comprehensive Plan Map Amendments<br>and 3.111 Zone Changes, Donald Comprehensive Plan, Oregon Statewide Planning<br>Goals.   |
| EXHIBITS:           | Exhibit A: Donald Zoning Map with proposed DMU Zone & P Zone<br>Exhibit B: Side by Side Comparison of C Zone and DMU Zone Standards   |

### I. BACKGROUND:

The Donald City Council adopted legislative amendments to the text of the Donald Development Ordinance (DDO) in September of 2018, by City Ordinance #172-2018 (planning file #LA 2018-01). The package of amendments to the DDO included the introduction of a new zone, the DMU - Downtown Mixed Use Zone. While the zone exists in the adopted DDO text, it has not yet been applied to the Donald Zone Map. This package of Zone Changes proposes to implement the DMU Zone, as intended by city leadership, by applying it to properties abutting Main Street in the downtown core of the community. A total of 28 properties are proposed for the DMU Zone. They are located immediately abutting Main Street, on both sides of the intersection with Butteville Road NE on the west to the BNSF Railroad tracks (Matthieu Street) on the east.

In addition to the proposed DMU Zone changes, the City is also proposing to rezone the property upon which City Hall currently sits. The City of Donald began leasing the subject properties for the purpose of a City Hall in September of 2006. The City of Donald purchased the subject properties for the continued use of City Hall in February of 2012. The Donald City Hall occupies two lots totaling 7,500 square feet (SF) which are zoned R7 – Single Family Residential Zone. The appropriate zoning for the City Hall would be P - Public Zone. To rezone the property from R7 Zone to P Zone also requires a Comprehensive Plan Map Amendment (CPMA) to change the underlying land use designation from Residential to Public.

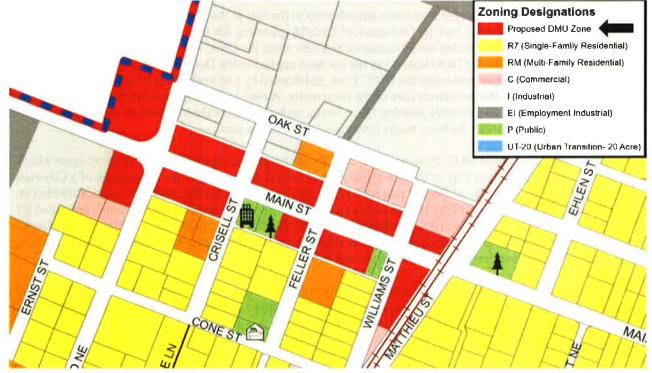
This package proposes to change the zoning on 30 properties totaling approximately 5.56 acres. Before and after maps of the proposed Zone Change package are provided in Figure 1 on the following page. A complete list of the impacted properties follows in Table 1.

Figure 1: Before and after maps depicting the proposed Zone Changes



### CURRENT ZONING BEFORE THE PROPOSED ZONE CHANGES:

FINAL ZONING AFTER THE PROPOSED ZONE CHANGES:



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**Table 1**: Properties impacted by the proposed zone change package, listed by tax lot

|    | TAXLOT        | SITUS ADDRESS            | ACR  | SQ.FT. | CURRENT<br>ZONE | PROPOSED<br>ZONE |
|----|---------------|--------------------------|------|--------|-----------------|------------------|
| 1  | 041W17CA02500 | 10821 MAIN ST NE         | 0.13 | 5,535  | С               | DMU              |
| 2  | 041W17CA02600 | 10801 MAIN ST NE         | 0.08 | 3,640  | С               | DMU              |
| 3  | 041W17CA02700 | 10791 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 4  | 041W17CA03000 | 10781 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 5  | 041W17CA03200 | 10771 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 6  | 041W17CA03500 | 10761 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 7  | 041W17CA03600 | 10751 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 8  | 041W17CA03700 | 10741 MAIN ST NE         | 0.29 | 12,500 | С               | DMU              |
| 9  | 041W17CA04200 | 10721 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 10 | 041W17CA04300 | 10741 MAIN ST NE         | 0.17 | 7,500  | С               | DMU              |
| 11 | 041W17CA04400 | 0 MAIN ST NE             | 0.06 | 2,450  | С               | DMU              |
| 12 | 041W17CA04500 | 10750 MAIN ST NE         | 0.06 | 2,500  | С               | DMU              |
| 13 | 041W17CA04600 | 10760 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 14 | 041W17CA04601 | NOT ADDRESSED            | 0.06 | 2,500  | С               | DMU              |
| 15 | 041W17CA05900 | 10780 MAIN ST NE         | 0.17 | 7,500  | С               | DMU              |
| 16 | 041W17CA06200 | 20972 WILLIAMS ST NE     | 0.46 | 20,038 | С               | DMU              |
| 17 | 041W17CB00400 | 10663 MAIN ST NE         | 0.16 | 6,970  | С               | DMU              |
| 18 | 041W17CB00500 | 10661 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 19 | 041W17CB00600 | 10671 MAIN ST NE         | 0.14 | 6,000  | С               | DMU              |
| 20 | 041W17CB00800 | 10691 MAIN ST NE         | 0.21 | 9,130  | С               | DMU              |
| 21 | 041W17CB00900 | 20981-20985 FELLER ST NE | 0.17 | 7,500  | С               | DMU              |
| 22 | 041W17CB01000 | 10740 MAIN ST NE         | 0.06 | 2,500  | С               | DMU              |
| 23 | 041W17CB02300 | (not addressed)          | 0.06 | 2,500  | R7              | P*               |
| 24 | 041W17CB02400 | 10710 MAIN ST NE         | 0.11 | 5,000  | R7              | Р*               |
| 25 | 041W17CB02500 | 10690 MAIN ST NE         | 0.11 | 5,000  | С               | DMU              |
| 26 | 041W17CB02600 | 10680 MAIN ST NE         | 0.16 | 6,999  | С               | DMU              |
| 27 | 041W17CB03600 | 10670 MAIN ST NE         | 0.18 | 8,000  | С               | DMU              |
| 28 | 041W17CB03700 | 10650 MAIN ST NE         | 0.15 | 6,400  | С               | DMU              |
| 29 | 041W17CB03800 | 20985 BUTTEVILLE RD NE   | 0.55 | 23,958 | С               | DMU              |
| 30 | 041W17BC00400 | 21005 BUTTEVILLE RD NE   | 1.11 | 48,457 | С               | DMU              |

\* Indicates properties proposed for a Comprehensive Plan Map designation change as well as a Zone Change.

### **II. PROCEDURE & AUTHORITY:**

The City's request is being processed as two concurrent applications for a Comprehensive Plan Map Amendment and Zone Change package. The Donald Development Ordinance (DDO) states that a Comprehensive Plan Map Amendment (CPMA) affecting five (5) or fewer adjacent parcel ownerships shall be reviewed as a Type III action. The DDO states that a Zone Change request affecting more than five (5) different property ownerships shall be processed as a Type IV Action. Therefore, the two concurrent applications are being processed together as a Type IV [legislative] action. Type IV actions are processed pursuant to the DDO Section 3.203.02, and noticed pursuant to the provisions of Section 3.204.03. The public hearings on this matter are conducted in accordance with the rules of the DDO Sections 3.205 and 3.206.

Type IV actions must be initiated by a vote of either the Planning Commission or the City Council. The Donald City Council initiated this project when it voted to authorize the City Manager to proceed with the project on September 11, 2018. Type IV actions require public hearings before both the Planning Commission and City Council. The role of the Planning Commission is to make a recommendation to the City Council for final decision. Appeals of the City Council decision are to the Oregon Land Use Board of Appeals (LUBA). A 21-day appeal period follows the mailing of a notice of decision (ordinance) to all individuals who established standing during the public hearings process, and notice of adoption to the Department of Land Conservation and Development (DLCD). An enacting ordinance, per Donald Charter, would include a 30-day delay on the effective date of the proposed CPMA and ZC actions.

There are a number of specific public noticing steps that need to be followed for a Type IV action, including a notice to the Oregon Department of Land Conservation and Development (DLCD), a "Measure 56" notice to impacted property owners, a courtesy notice to property owners within 200 feet of the impacted properties, and a published newspaper notice. Prior to the noticed public hearings before the Planning Commission and City Council, the Donald Planning Commission convened a work session to consider and revise the proposed boundaries of the DMU Zone. The City of Donald hosted a public open house to share information with local residents and business owners, answer questions, and collect feedback. The City also created a webpage in order to make information about the DMU Zone Change Project available to the public, and to collect feedback.

### III. ANALYSIS OF APPLICABLE CRITERIA: COMPREHENSIVE PLAN MAP AMENDMENT

### A. DDO SECTION 3.110 COMPREHENSIVE PLAN MAP AMENDMENTS

### 3.110.03 Criteria for Approval

Comprehensive Plan Map Amendment proposals shall be approved if the applicant provides evidence substantiating the following:

A. Compliance is demonstrated with the Statewide Land Use Goals that apply to the subject properties or to the proposed land use designation. If the proposed designation requires an exception to the Goals, the applicable criteria in the LCDC Administrative Rules for the type of exception needed shall also apply.

<u>FINDINGS</u>: No exception to the Oregon Statewide Planning Goals is required. The Goals criteria are addressed following this DDO Section 3.110 criteria later in this staff report. Staff finds that this criterion is met.

B. Consistency with the applicable goals and policies in the Comprehensive Plan is demonstrated.

<u>FINDINGS</u>: The Donald Comprehensive Plan was most recently updated in 2015. At that time, the Plan was acknowledged to be consistent with the Statewide Planning Goals.

Among the goals and policies listed within the Donald Comprehensive Plan, the City's Commercial Development Policy states:

"It is the policy of the city to encourage development of a wide variety of businesses and employment opportunities for the citizens of Donald. It is important that the city is able to provide adequate infrastructure for existing and incoming business developments. To create a central downtown shopping district in Donald, efforts should be made to recruit commercial businesses to the downtown core. Downtown development design standards could be implemented, to ensure a uniform pedestrianoriented central shopping area that is accessible to all citizens. The following are the city of Donald's Commercial Development policies and goals:

- 1. Discourage strip mall-type development
- 2. Promote the preservation and development of the central business district.

CPMA 2019-01 / ZC 2019-01 City Council Public Hearing 03-12-19 Encourage and provide for pedestrian-oriented central shopping area.
 Develop design standards for downtown commercial development
 Efforts should be made to encourage and support commercial businesses in the downtown core."

While the Comprehensive Plan Map Amendments criteria only pertain to the request to re-designate the two small City Hall properties, it is clear that the larger Zone Change package directly supports the intention of the City to promote, preserve, and support the central commercial district as a pedestrian-oriented shopping area with applicable design standards. The City's overall proposal does just that.

The City Hall properties specifically were identified by name in an inventory of approximately two acres of public and semi-public uses, also including the post office, fire hall, community center, parks, and public works facilities. As such, it is clear that the intention of the City was/is for the City Hall properties to remain in public use. For this reason, staff did not include any Comprehensive Plan goals or policies pertaining to residential land use. Goal 10 Housing criteria is discussed later in this staff report.

Overall, staff found that the proposed CPMA to designate the two small City Hall properties would not be detrimental to the adopted goals and policies of the Donald Comprehensive Plan. Staff finds that this criterion is met.

*C.* The Plan does not provide adequate areas in appropriate locations for uses allowed in the proposed land use designation and the addition of this property to the inventory of lands so designated is consistent with projected needs for such lands in the Comprehensive Plan.

<u>FINDINGS</u>: The Donald City Hall initially occupied the current location through a property lease in September of 2006. The City subsequently purchased the property in February of 2012 for the long term use of the subject properties as the location of City Hall, indefinitely. At the time of the relocation to the subject properties, City operations had outgrown the previous property which remains in public use today as the Donald Community Center, available for a variety of community functions. At the time of the City Hall relocation, no other available properties were zoned or designated for public use to meet the needs of the City. While public uses are permitted conditionally in the R7 zone, the City could have pursued the zone change and CPMA concurrent with the relocation. This was not discussed at that time to staff's knowledge, and so is being performed at this time. Staff finds that this criterion is met.

### D. The Plan provides more than the projected need for lands in the existing land use designation.

<u>FINDINGS</u>: The adopted 2015 BLI and HNA projected a residential land need of 76.7 acres prior to the year 2034. The City addressed this adopted residential land need in 2018 with a 87.6-acre UGB expansion, which included 76.7 acres of residential land. Staff determined that the two subject properties were not included in the residential land supply inventory conducted in 2014 due to the long term commitment of the City to maintain tax lot 2400 in public use as City Hall, as well as the 2,500 SF substandard size of adjacent tax lot 2300. The City's 2018 UGB was determined to satisfy the City's 20-year residential land need. As the subject properties were not anticipated to contribute to the available supply, staff finds that removing them from this designation does not result in a deficit of available residential land. Staff finds this criterion is met.

# *E.* The proposed land use designation will not allow zones or uses that will destabilize the land use pattern in the vicinity or significantly adversely affect existing or planned uses on adjacent lands.

<u>FINDINGS</u>: The proposed Public land use designation of these two small lots is only large enough to accommodate the current footprint of City Hall. The only zoning available under the Public land use designation is the P-Public Zone. For these reasons, staff does not foresee any potential zones or uses that could destabilize the land use pattern in the vicinity. As the City Hall has been in operation at the current location since 2006, staff does not anticipate any adverse impacts to adjacent lands. Staff finds that this criterion is met.

*F.* Public facilities and services necessary to support uses allowed in the proposed designation are available or will be available in the near future.

<u>FINDINGS</u>: According to Marion County Assessor records, the City Hall structure was constructed in 1993. The City has no plans for significant expansions or alterations to the existing structure which might necessitate changes or upgrades to the facilities and services currently available. Staff finds that this criterion is met.

### B. OREGON'S STATEWIDE PLANNING GOALS

GOAL 1: CITIZEN INVOLVEMENT OAR 660-015-0000(1) "To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process."

<u>FINDINGS</u>: The City's concurrent CPMA and ZC applications have been conducted pursuant to the DDO's required public noticing procedures for a Type IV action. Public hearings were scheduled before the Donald Planning Commission on February 21, 2019 and the Donald City Council on March 12, 2019, both of which were regularly-scheduled meeting dates.

Notice of the public hearings was provided to the Oregon Department of Land Conservation and Development (DLCD) initially on January 17, 2019, which was 35 days prior to the first public hearing, consistent with the minimum 35-day requirement.

In Oregon, Measure 56 notices are required to be mailed to property owners whose property values could potentially be impacted by a change to a local zoning designation or development code regulation between 20 - 40 days prior to the first public hearing (ORS 227.186). In this Zone Change package, a total of 30 properties would be rezoned. A Measure 56 notice was mailed to 24 impacted property owners (after redundant addresses were consolidated) on January 31, 2019, which was 21 days prior to the first public hearing, consistent with the 20-day minimum requirement.

The City mailed a Notice of Public Hearings to all property owners within 200 feet of the 30 impacted properties. This mailing list included 50 unique addresses (after redundant addresses were consolidated). This public notice was also mailed on January 31, 2019, which is consistent with the 20-day minimum requirement.

Public notice was published in the *Woodburn Independent* newspaper which is a regional newspaper with weekly circulation on Wednesday, February 6<sup>th</sup>, which was 15 days prior to the first public hearing, consistent with the minimum 10-day requirement.

Notice for the public hearing dates before the Planning Commission and City Council were also posted in the community and on the City's website. The City built a new web page dedicated to the DMU Zone Change Project in order to provide information to the public as it became available. The page is: www.donaldoregon.gov/downtown-mixed-use-zoning-project.

In an effort to incorporate public participation and feedback, the City conducted a Planning Commission Work Session open to the public on January 24, 2019. Several members of the public were present during this meeting. Planning Commission discussions on this date resulted in a slightly amended proposed boundary of the DMU zone, extending it to include two additional properties on the west side of Butteville Road NE. This revision acknowledged that the intersection of Butteville Road and Main Street truly is a gateway to the new DMU district, and that first impressions were important. During that meeting, public feedback was provided by a property owner at the intersection of Butteville Road NE and Oak Street, observing that the new DMU standards would prohibit drive-throughs such as fast food and ATMs. He stated that there would not be interest by major chains in locating in Donald anyways due to the size of the market and traffic counts, so the local economy would need to balance a mix of small businesses, start-ups, and home occupations. Another observation made was that the DMU text adopted into the DDO prohibited stores retailing used merchandise, which would prohibit antique shops along Main Street. Members of the Planning Commission commented that this should perhaps be revisited during a future round of code amendments. Also during this meeting, it was discussed whether Oak Street properties should be considered for the DMU zone change. Staff explained that while the intention of the DMU zone was to enhance the pedestrian environment, many of the properties abutting Oak Street were zoned Industrial, which is not typically the most compatible zone for foot traffic. Further, rezoning properties from the I Zone to the DMU Zone would require extensive Comprehensive Plan Map Amendments as well, in order to change the underlying land use designation from Industrial to Commercial. Depending upon the findings of the adopted 2015 Economic Opportunities Analysis (EOA) and subsequent development since its adoption, it might be hard to justify (through findings) a significant shift in supply of industrial land to commercial land. Staff suggested that such a project could certainly be considered in the future as the next phase of the DMU project.

On February 4, 2019, the City hosted a Public Open House as an opportunity for local residents and business owners to gain more information, ask questions, and provide feedback to the City about the DMU Zone Change Project. Several local residents, business owners, and local appointed leaders attended the Open House to participate in the discussion. Staff fielded inquiries about the design standards, and what steps impacted property owners would need to take to comply with the proposed DMU zone. Staff explained that, if approved, the new DMU Zone standards would only apply design standards to new construction and significant remodels of existing buildings; if a property owner proposed neither of the above, then no action would be necessary.

Staff received a question about how "frontage" should be determined for corner lots in the DMU. An example was given as the property located in the northwestern corner of the intersection of Butteville Road and Main Street. The new DMU Zone language states that a property's Main Street frontage is the primary frontage.

During the Public Open House there was some discussion about the DMU Zone's prohibition of "used merchandise stores" which are permitted as a special use in the C Zone. The concern was that this would preclude antique stores from locating along Main Street. It was thought that local decision-makers decided this was too difficult to regulate in terms of quality. This could be something that is reviewed in a future round of Development Code amendments. There was also discussion about whether an antique shop could actually be allowed outright permitted as a "furniture store."

Another public question pertained to off-street parking provision. Staff stated that they would research this to verify the answer. Pursuant to the DDO Section 2.105.05, the C Zone states that "all property located along Main Street, between Butteville Road and Matthieu Road, shall be exempt from off-street parking..." whereas the new DMU Zone DDO Section 2.108.03(L) states "Non-residential uses in the DMU zone are not subject to the off-street parking requirements of Section 2.303. Residential uses in the DMU must comply with the off-street parking requirements of Section 2.303." So what that means is 1) all existing structures in the proposed DMU Zone with residential dwelling units are grandfathered in without the requirement to provide parking, and 2) all new development or significant remodels are required to provide parking for residential units at the ratio of 2 spaces per dwelling unit. Non-residential uses continue to be exempt from providing off-street parking.

The City of Donald received no related citizen feedback forms from the webpage or written testimony prior to the Planning Commission public hearing.

The Donald Planning Commission held a public hearing on these concurrent files on February 21, 2019. No members of the public were in attendance. No testimony was received either for or against the proposed CPMA and ZC applications. One amendment was requested by City Manager Heidi Bell to be made to the Staff Report findings, and that was to correct the statement that municipal water, sewer, and stormwater services were already in place serving the two City Hall properties. Only tax lot #2400, containing the City Hall structure itself, is serviced. The other smaller lot is not serviced. Staff has corrected that statement in this revised staff report to City Council. Following deliberation, the Planning Commission voted 5-0-0 to recommend adoption of the findings contained in the staff report dated February 14, 2019, as amended, and approval of the proposed CPMA and ZC.

Between the scheduled and noticed Planning Commission and City Council public hearings, staff received two public inquiries regarding the DMU zone. Of note, there was a clarifying question about the permitted residential uses before and after the proposed ZC, particularly in light of how many dwellings are currently located in the proposed DMU zone. Staff responded that there was no change in the permitted residential uses; they would still be allowed either above or behind a commercial use. Staff also referred the inquiry to Section 2.204 of the DDO, Non-Conforming Structures and Uses, which contains provisions for the continuation of existing non-conforming residences within the proposed DMU zone. The second inquiry pertained to a specific property and their ability to develop and/or move property boundaries. Neither of the inquiries were considered testimony, and therefore, have not been included in the City Council packet. Neither was considered to establish standing.

Staff finds that the Goal 1 criterion for citizen involvement is met.

GOAL 2: LAND USE PLANNING OAR 660-015-0000(2) "To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions."

<u>FINDINGS</u>: The proposal does not require exceptions to the Statewide Goals. Goal 2 supports clear and thorough local procedures. The DDO Sections 3.110 and 3.111 establish the decision process and criteria for the CPMA and ZC applications, which are being processed concurrently as a Type IV action. Type IV actions require public hearings before both the Planning Commission and City Council with sufficient public notice, as detailed in DDO Section 3.204.03. The public hearings before the Planning Commission and City Council will be conducted in accordance with DDO Sections 3.205 and 3.206 respectively. Staff finds that this criterion is met.

GOAL 3: AGRICULTURAL LANDS OAR 660-015-0000(3) "To preserve and maintain agricultural lands."

<u>FINDINGS</u>: As the Donald Comprehensive Plan Map and Zone Map designations only apply to properties within the incorporated city limits where urban densities, uses, and facilities are available and required, staff finds that this criterion does not apply.

GOAL 4: FOREST LANDS OAR 660-015-0000(4) "To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture."

<u>FINDINGS</u>: As the Donald Comprehensive Plan Map and Zone Map designations only apply to properties within the incorporated city limits where urban densities, uses, and facilities are available and required, staff finds that this criterion does not apply.

GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES OAR 660-0150000(5) "To protect natural resources and conserve scenic and historic areas and open spaces."

<u>FINDINGS</u>: Staff finds no evidence that the CPMA and ZC package proposed herein could impact natural resources, scenic and historic areas, or open spaces. There is one property located within the proposed DMU Zone which is currently listed on the Oregon State Historic Preservation Office (SHPO) inventory as "eligible but not listed" for the historic registry. The Oregon Electric Substation located on Main Street between Williams and Matthieu was constructed in 1907. It is currently in private ownership by Wilco and the property is used for storage of goods. This property is not proposed to be impacted by the CPMA. Staff anticipates no adverse impacts to this eligible building as a result of the proposed CPMA and ZC package. Staff finds that this criterion does not apply.

GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY OAR 660-015-0000(6) "To maintain and improve the quality of the air, water and land resources of the state."

<u>FINDINGS</u>: Staff finds no evidence that the CPMA and ZC proposed herein could impact air, water, and land resources quality. Staff finds that this criterion does not apply.

GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS "To protect people and property from natural hazards."

<u>FINDINGS</u>: Staff finds no evidence that the CPMA and ZC proposed herein could impact areas subject to natural hazards. Staff finds that this criterion does not apply.

GOAL 8: RECREATIONAL NEEDS OAR 660-015-0000(8) "To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts."

<u>FINDINGS</u>: Staff finds no evidence that the CPMA and ZC proposed herein could impact recreational amenities or opportunities. There is one public park located within the proposed DMU zone. The zoning and designation of that city park is not proposed to change. No impact to the recreational amenity is anticipated from the proposal. Staff finds that this criterion does not apply.

GOAL 9: ECONOMIC DEVELOPMENT OAR 660-015-0000(9) "To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens."

**<u>FINDINGS</u>**: The re-designation of the two small City Hall properties to Public land use supports the long term location of the local government jobs in the downtown district of the community, providing customers for local businesses, and readily accessible services to support the local business community.

While not subject to the CPMA criteria, the overall Zone Change package is anticipated to have a positive impact upon Goal 9 Economic Development. Included within the new DMU zone language adopted in September of 2018 are design standards guiding new development within Donald's downtown. While the design standards do provide an extra layer of review at the local government level, it was the intention of City leaders not to make the standards excessively onerous for new development. The standards are intended to produce quality developments downtown which contribute toward an inviting pedestrian environment, inviting customers to linger longer in the new DMU district, supporting local businesses. The standards also provide property owners an added layer of certainty that their investments [property values] are supported by enforceable standards for quality development on neighboring properties.

Staff finds that Goal 9 Economic Development is supported and not harmed by the proposed CPMA and ZC package.

GOAL 10: HOUSING OAR 660-015-0000(10) "To provide for the housing needs of citizens of the state."

<u>FINDINGS</u>: The 2015 adopted Housing Needs Analysis (HNA) projected a residential land need of 76.7 acres prior to the year 2034. The City addressed this adopted residential land need in 2018 with an 87.6-acre UGB expansion, which included 76.7 acres of residential land. The UGB expansion satisfied the city's full 20-year residential land need. Due to the developed public use of City Hall on lot 2400 during the 2014 Buildable Land Inventory (BLI) process, as well as the substandard size of lot 2300 (2,500 SF), the subject parcels containing City Hall were not inventoried in the 2014 HNA process as contributing to Donald's residential land supply. As such, staff finds that re-designating the two small City Hall lots from Residential to Public would not be detrimental to local housing provision. Staff finds that Goal 10 Housing provision is not harmed by the proposed CPMA and ZC package; this criterion is met.

GOAL 11: PUBLIC FACILITIES AND SERVICES OAR 660-015-0000(11) "To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development."

<u>FINDINGS</u>: The two small City Hall properties totaling 7,500 SF are located within the incorporated city limits, they are developed, and the existing structure is serviced by municipal water, sewer, and stormwater facilities. The City has no plans for significant expansions or alterations to the existing structure which might necessitate changes or upgrades to the public facilities and services currently available. Staff finds that the Goal 11 criterion is met.

GOAL 12: TRANSPORTATION OAR 660-015-0000(12) "To provide and encourage a safe, convenient and economic transportation system."

<u>FINDINGS</u>: The two small City Hall properties totaling 7,500 SF are already developed with the Donald City Hall. No additional development is proposed with this CPMA and ZC package. Staff does not anticipate any additional trips generated from the subject properties with the proposed CPMA. No significant impacts to adjacent roadways are anticipated. Staff reached out to Marion County Transportation staff for comments on the package. No concerns were received. Staff finds that this Goal 12 criterion is met.

GOAL 13: ENERGY CONSERVATION OAR 660-015-0000(13) "To conserve energy. Land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based upon sound economic principles."

FINDINGS: Staff finds that this criterion does not apply.

GOAL 14: URBANIZATION OAR 660-015-0000(14) The purpose of Goal 14 is to provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

<u>FINDINGS</u>: As all the properties impacted by the proposed CPMA and ZC package are located within the Donald City Limits, are predominantly developed, and are already serviced by municipal infrastructure, staff finds the Goal 14 criterion does not apply.

GOAL 15: WILLAMETTE RIVER GREENWAY OAR 660-015-0005; GOAL 16: ESTUARINE RESOURCES OAR 660-015-0010(1); GOAL 17: COASTAL SHORELANDS OAR 660-015-0010(2); GOAL 18: BEACHES AND DUNES OAR 660-015-0010(3); GOAL 19: OCEAN RESOURCES OAR 660-015-0010(4) STAFF

<u>FINDINGS</u>: The proposed CPMA and ZC do not involve land within the Willamette Greenway, identified estuarine, coastal shorelands, beach, or ocean areas. Staff finds that Statewide Goals 15 through 19 do not apply.

### IV. ANALYSIS OF APPLICABLE CRITERIA: ZONE CHANGES

### A. DDO SECTION 3.111 ZONE CHANGE

### 3.111.03 Criteria for Approval

Zone change proposals shall be approved if the applicant provides evidence substantiating the following:

A. The proposed zone is appropriate for the Comprehensive Plan land use designation on the property and is consistent with the description and policies for the applicable Comprehensive Plan land use classification.

<u>FINDINGS</u>: The proposed DMU Zone for 28 properties is appropriate and consistent with the underlying Commercial Comprehensive Plan Map land use designation. The proposed P Zone for the two City Hall properties is not consistent with the current underlying Residential land use designation, but would be consistent with the Public land use designation which is proposed with the City's concurrent CPMA application, as detailed above. Staff finds that this criterion is met if the concurrent CPMA proposal is approved.

*B.* The uses permitted in the proposed zone can be accommodated on the proposed site without exceeding its physical capacity.

<u>FINDINGS</u>: The uses permitted in the proposed DMU Zone are more restrictive than the current C Zone uses permitted. The uses permitted in the P Zone can be accommodated on the proposed City Hall property, as the existing development was constructed in 1993 and is not proposed to be expanded or altered with this application. Staff finds that this criterion is met.

*C.* Allowed uses in the proposed zone can be established in compliance with the development requirements in this Ordinance.

<u>FINDINGS</u>: The uses permitted in the DMU Zone can be established in compliance with the development requirements in the DDO. Staff finds that this criterion is met.

*D.* Adequate public facilities, services, and transportation networks are in place or are planned to be provided concurrently with the development of the property.

<u>FINDINGS</u>: No development is proposed with this application. As this CPMA and ZC package proposes to rezone 30 properties total within the central commercial core of the community, many of which are already developed, staff finds that adequate public facilities, services, and networks are already in place for the continued operation and potential expansion of the uses permitted within the proposed DMU and P Zones. Staff finds that this criterion is met.

*E.* For residential zone changes, the criteria listed in the purpose statement for the proposed zone shall be met.

FINDINGS: As no residential zones are proposed, staff finds that this criterion does not apply.

### V. CONCLUSIONS & RECOMMENDATION:

The above findings demonstrate that the proposed Comprehensive Plan Map Amendment and Zone Change package meets the pertinent review criteria included within the Donald Development Ordinance, the Donald Comprehensive Plan Goals and Policies, and the Oregon Statewide Planning Goals.

Staff and the Donald Planning Commission recommend that the Donald City Council adopt the findings included in the staff report dated March 6, 2019, and approve the proposed concurrent Comprehensive Plan Map Amendment and Zone Change applications, referenced as city planning files # CPMA 2019-01 and ZC 2019-01.

### VI. CITY COUNCIL ACTION:

The City Council may take one of the following actions:

- A. Motion to adopt the findings outlined in the staff report, and <u>approve</u> the concurrent CPMA and ZC applications, directing staff to prepare enacting ordinances for City Council consideration.
- B. Motion to adopt the findings outlined in the staff report, and <u>approve</u> the concurrent CPMA and ZC applications, <u>as modified</u> by the City Council, directing staff to prepare enacting ordinances for City Council consideration.
- C. Motion to <u>continue the public hearing</u> to a date and time certain and state the additional information that is needed to allow for a future decision.
- D. Motion to deny the proposed concurrent CPMA and ZC applications.



## SIDE-BY-SIDE COMPARISON OF COMMERCIAL ZONE VS. DOWNTOWN MIXED USE ZONE, LAND USES & DIMENSIONAL STANDARDS

### **Uses Key**

**P** = Permitted outright S = Special Permitted Use **CU = Conditional Use Permit required** N = Not permitted / listed

| LAND USES   | C ZONE<br>COMMERCIAL ZONE<br>(EXISTING)   | DMU ZONE<br>DOWNTOWN MIXED USE<br>(PROPOSED)   |
|---|---|--|
| Residential on second or upper story  | Р   | Р  |
| Residential on ground floor   | P – behind the commercial<br>portion of the building, provided<br>the residence does not face the<br>same street as the commercial<br>portion of the building, and, the<br>setbacks of the residential portion<br>of the building is no less than the<br>setbacks on the commercial<br>portion. | S – behind a street-facing<br>commercial use. Residential<br>entrances shall not face the street.<br>Shall not exceed 50 percent of the<br>total ground floor gross square<br>footage. |
| Home occupation   | S   | S  |
| Child daycare center  | N not listed  | CU   |
| Non-profit member organizations, such as<br>business associations, labor unions,<br>political organizations or fraternal lodges | Р   | CU   |
| Off-street parking: public & commercial   | P – public<br>N – commercial not listed   | CU   |
| Public and semi-public buildings,<br>community services, municipal offices,<br>libraries  | Р   | Р  |
| Emergency services: police, fire, ambulance   | Р   | CU   |
| Parks and open space  | Р   | CU   |
| Religious institutions, places of worship   | N   | CU   |
| Schools: pre-school, kindergarten   | Р   | CU   |
| Schools: college, vocational  | N – not listed  | CU   |
| Hotels & motels   | Р   | CU   |
| Utility structures and facilities   | P – public utility structures and<br>buildings, such as pump stations,<br>reservoirs, electric substations,<br>and necessary right-of-way for<br>public utilities.  | <ul> <li>P – when identified in an adopted</li> <li>City master plan</li> <li>CU – when not identified in an adopted master plan</li> </ul>  |
| Amusement, entertainment, commercial recreation:  | P – entertainment facilities.   | P – fully enclosed in building<br>CU – not fully enclosed in building  |
| Commercial retail sales and services  | P – including, but not limited to,<br>food stores, pharmacy, furniture<br>store, hobby or photography<br>store, florist and garden supply<br>including greenhouse, liquor<br>store, hardware store, appliance<br>or stereo equipment store, pet   | Р  |

|   | shop, sporting goods, department<br>store, jewelry, gift, and other<br>types retail activities.  |                                      |
|---|--|--------------------------------------|
| Retail and service related stores   | P – TV and radio sales and<br>service, bicycle shop, equipment<br>rental or other similar activities<br>where a service department is<br>customarily a secondary activity<br>to the retail use.                        | Р                                    |
| Service related businesses  | P – barber shops, beauty shops,<br>advertising agencies, laundry or<br>dry cleaning, printing or<br>photocopying, or other activities<br>which provide a service to retail<br>customers.                               | Р                                    |
| Eating and drinking establishments -  | P – restaurants, drive-through and<br>drive-ins, taverns, snack shops<br>and other types of eating and<br>drinking establishments.   | P – without drive-through facilities |
| Drive-through and drive-ins   | Р  | N                                    |
| Food carts Office uses  | S<br>P – Professional offices  | S P                                  |
|   | P – Business offices including,<br>but not limited to, insurance, real<br>estate and title insurance; credit<br>agencies, newspaper, periodical,<br>publishing and printing offices,<br>and, similar business offices. |                                      |
| Bank services, brokerages, loan<br>companies, investment companies and<br>other financial institutions.   | Р  | P – office uses, including banks     |
| Medical clinics (outpatient)  | N – not listed   | Р                                    |
| Marijuana dispensary or retail  | S  | S                                    |
| Marijuana processing, wholesaling, or production.   | N  | N                                    |
| Mortuary.   | P  | N                                    |
| Automobile service station, including<br>towing service and vehicle washing and<br>polishing facilities, and services.  | р  | N                                    |
| Automobile, truck, motorcycle, trailer,<br>agricultural equipment, recreational<br>vehicle and boat sales.  | Р  | Ν                                    |
| Part and accessory sales for automobiles,<br>trucks, motorcycles, trailers, agricultural<br>equipment, recreational vehicles and<br>boats, including retail tire sales; but,<br>specifically prohibiting junk yards,<br>wrecking yards, or auto salvage and<br>restoration yards. | Р  | N                                    |
| Accessory structures and uses prescribed<br>in Section 2.203 and subject to the<br>provisions in Section 2.309.   | S  | N                                    |
| Used Merchandise Store  | S  | N                                    |

| DIMENSIONAL<br>STANDARDS & OTHER  | C ZONE<br>COMMERCIAL ZONE<br>(EXISTING)   | DMU ZONE<br>DOWNTOWN MIXED USE<br>(PROPOSED)  |
|---|---|---|
| Lot size  | Adequate to comply with setbacks & development stnds.   | None  |
| Maximum Building Height   | 45 feet   | 45 feet<br>or 60 feet with height bonus: at least<br>75% of gross floor area of the upper<br>story must be used for residential<br>dwellings. |
| Minimum Yard Setbacks <ul> <li>Front</li> </ul>   | None, provided no building shall<br>project beyond a line formed by<br>the fronts of the existing<br>buildings on the same side of the<br>street within the same block. | 0 feet  |
| Minimum Yard Setbacks <ul> <li>Side &amp; Rear</li> </ul>                                     | None, provided the setback shall<br>be no less than the minimum rear<br>yard setback of the zone on the<br>adjacent property.   | 0 feet, unless adjacent to residential.<br>10 feet setback when adjacent to<br>residentially-zoned property or<br>residential alley           |
| Maximum Lot Coverage  | None  | None  |
| Minimum Landscaping   | None  | None  |
| Minimum Off-Street Parking Provided   | None  | Non-Residential Uses: None<br>Residential Uses: Per DDO 2.303   |
| Minimum Frontage Occupancy  | None  | 75% of front lot line occupied by<br>building (within between 0 - 10 feet<br>of front property line).   |
| Minimum Civic Space<br>with pedestrian amenities (plaza,<br>courtyard, benches, planter, etc) | None  | 3% gross area of lot  |
| Building Design Standards   | None  | Yes. Apply to all new development<br>and substantial redevelopment of<br>existing bldgs.  |

