BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING) RESOLUTION NO 98-2726B
COUNCIL INTENT TO AMEND THE) Introduced by Growth Management
URBAN GROWTH BOUNDARY TO) Committee
ADD URBAN RESERVE AREA 65 IN)
WASHINGTON COUNTY)

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Area 65; and

WHEREAS, ORS 197.298(1)(a) requires that land designated as urban reserve land by Metro shall be the first priority land for inclusion in the Metro Urban Growth Boundary; and WHEREAS, the Metro Council has initiated a series of legislative amendments to the Urban Growth Boundary, including this resolution for lands outside the Metro jurisdictional boundary; and

WHEREAS, notice of hearings was published and mailed in compliance with Metro Code 3.01.050(b), (c) and (d); and

WHEREAS, a series of hearings was held before the Council Growth Management Committee on October 6, 13, 20 and 27, and before the full Metro Council on November 10, 12, 16, 17, 19 and December 3, 1998; and

WHEREAS, notice of Proposed Amendment for Urban Reserve Area 65, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the December 3, 1998 final hearing; and

WHEREAS, the staff report for these areas was available at least seven days prior to the December 3, 1998 final hearing; and

WHEREAS, the Metro Council considered all the evidence in the record, including

public testimony in October, November, and December, 1998 hearings to decide proposed amendments to the Urban Growth Boundary; and

WHEREAS, conditions of approval are necessary to assure that these urban reserve areas added to the Urban Growth Boundary are used to meet the need for housing consistent with the acknowledged 2040 Growth Concept; and

WHEREAS, Metro Code Section 3.01.065(f)(1) provides that action to approve a petition including land outside Metro shall be by resolution expressing intent to amend the Urban Growth Boundary if and when the affected property is annexed to Metro; now, therefore,

BE IT RESOLVED:

- 1. That the Metro Council, based on the process indicated in Exhibit B, attached herein, hereby expresses its intent to adopt an ordinance amending the Urban Growth Boundary to add land in Urban Reserve Area 65, outside the Metro jurisdictional boundary as shown on Exhibit A, within 30 calendar days of receiving notification that the property outside the jurisdictional boundary has been annexed to Metro, provided such notification is received within six (6) months of the date on which the resolution is adopted.
- 2. That the Metro Council approves and endorses the request by the owners of the land and electors residing on the land that the subject property be annexed to Metro.

ADOPTED by the Metro Council this 17th day of December 1998.

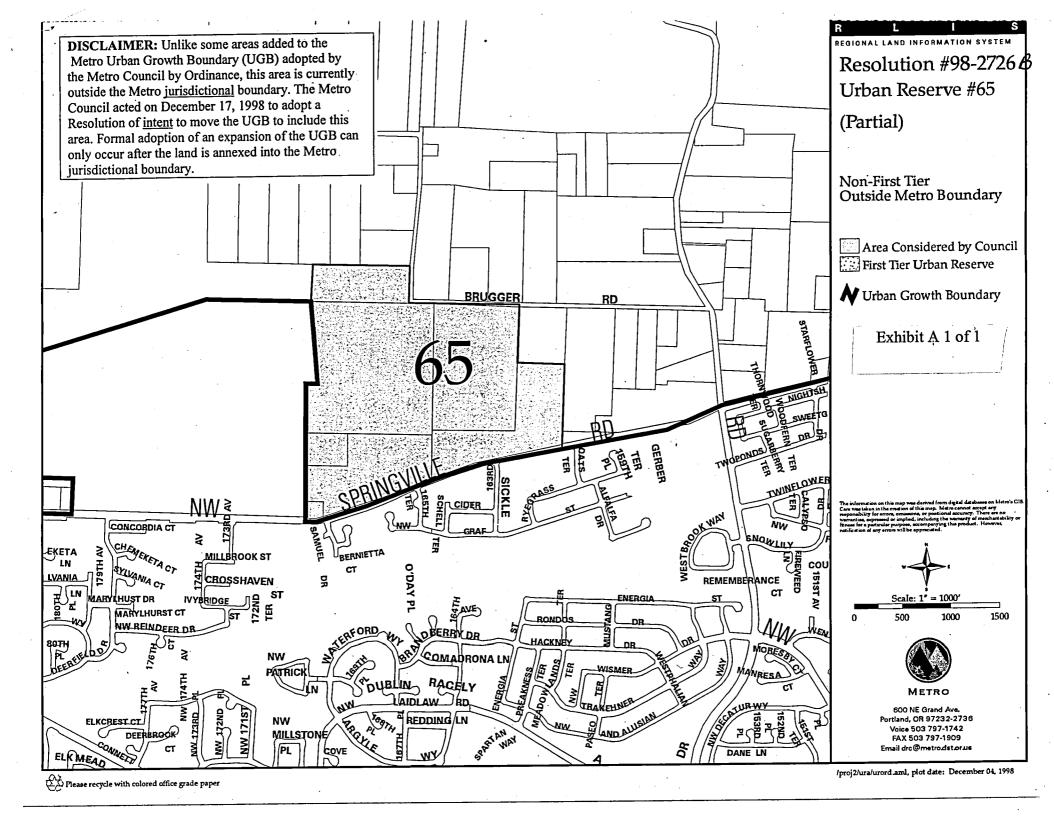
Jon Kvistad, Presiding Officer

Approved as to Form:

Recording Secretary

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Daniel B. Cooper, General Counsel



3.01.060 Exceptions to Hearing Officer Decision

- (a) Standing to file an exception and participate in subsequent hearings is limited to parties to the case.
- (b) Parties shall have 20 calendar days from the date that the proposed order and findings are mailed to them to file an exception to the proposed order and findings of the hearings officer with the district on forms furnished by the district.
- (c) The basis for an exception must relate directly to the interpretation made by the hearings officer of the ways in which the petition satisfies the standards for approving a petition for a UGB amendment. Exceptions must rely on the evidence in the record for the case. Only issues raised at the evidentiary hearing will be addressed because failure to raise an issue constitutes a waiver to the raising of such issues at any subsequent administrative or legal appeal deliberations.

(Ordinance No. 92-450A, Sec. 1)

3.01.065 Council Action On Ouasi-Judicial Amendments

- (a) The council may act to approve, remand or deny a petition in whole or in part. When the council renders a decision that reverses or modifies the proposed order of the hearings officer, then, in its order, it shall set forth its findings and state its reasons for taking the action.
- (b) Parties to the case and the hearings officer shall be notified by mail at least 10 calendar days prior to council consideration of the case. Such notice shall include a brief summary of the proposed action, location of the hearings officer report, and the time, date, and location for council consideration.
- (c) Final council action following the opportunity for parties to comment orally to council on the proposed order shall be as provided in Code section 2.05.045. Parties shall be notified of their right to review before the Land Use Board of Appeals pursuant to 1979 Oregon Laws, chapter 772.
- (d) Comments before the council by parties must refer specifically to any arguments presented in exceptions filed according to the requirements of this chapter, and cannot

not defined under ORS 255.012, the returns of the election shall be made to the county clerk. The clerk shall canvass the votes for members of the district board and issue certificates of election to the number of persons, equal to the number of board members named in the petition for formation, receiving the highest number of votes. [1971 c.727 §29; 1975 c.647 §1; 1983 c.350 §7]

198.830 Petition for formation by all landowners in proposed district. (1) If the owners of all real property within an area desire to form a district, they may sign and present a petition to the county board. The petition shall contain the information required by ORS 198.750 to 198.775 and shall be verified by the affidavit of one of the petitioners that the petitioner believes that the signers of the petition comprise all the owners, at the time of the verification, of all the land included within the proposed district. If members of the district board are generally elected to office, the petition shall also state the names of persons desired as the members of the first board and an acceptance in writing by each agreeing to serve as a member of the board.

- (2) The county board shall approve the petition for formation of the district if it finds:
- (a) That the owners of all the land within the proposed district have joined in the petition; and
- (b) That, in accordance with the criteria prescribed by ORS 199.462, the area could be benefited by formation of the district.
- (3) If formation is approved, any election required by ORS 198.810 to 198.825 shall be dispensed with. After the hearing on the petition, if the county board approves the petition, it shall enter an order creating the district. If the district board members generally are elected, the persons nominated by the petition and accepting nomination as members of the board shall constitute the first board of the district. [1971 c.727 §30]

198.835 Order for formation of district in single county; order for exercise of additional function by county service district; contents of order. (1) The county board may initiate the formation of a district, to be located entirely within the county, by an order setting forth:

- (a) The intention of the county board to initiate the formation of a district and citing the principal Act.
- (b) The name and boundaries of the proposed district.
- (c) The date, time and place of a public hearing on the proposal.

- (2) An order initiating the formation of a county service district may require dissolution, subject to a determination of public need for continued existence of the county service district as provided in ORS 451.620. The fiscal year in which dissolution will occur, not later than the 10th fiscal year after the date of the order, shall be specified.
- (3) If any part of the territory subject to formation of a district under this section is within a city, the order shall be accompanied by a certified copy of a resolution of the governing body of the city approving the order.
- (4) A county board that also serves as the governing body of a county service district established to provide sewage works may initiate a proceeding to authorize that county service district to also provide drainage works by adopting an order setting forth the information specified in subsection (1) of this section. The order must be accompanied by resolutions consenting to the additional function that are adopted by the governing bodies of not less than 70 percent of the cities located within the boundaries of the county service district. [1971 c.727 §31; 1987 c.504 §7; 1987 c.510 §1; 1989 c.374 §2]

198.840 Notice of hearing. Notice of the hearing set by the order shall be given in the manner provided by ORS 198.800 except that the notice shall state that the county board has entered an order declaring its intention to initiate formation. The hearing and election on the proposal, and election of board members, shall be conducted as provided by ORS 198.800 to 198.825. [1971 c.727 §32]

198.845 Costs. The county shall bear the cost of formation or attempted formation of a district under ORS 198.835 to 198.845. However, if a district is formed, the district shall reimburse the county for any expenses incurred by the county in making necessary preliminary engineering studies and surveys in connection with the formation of the district. [1971 c.727 §33]

(Annexation)

198.850 Annexation petition or resolution; delayed effective date for certain annexations. (1) When the electors of an area wish to annex to a district, they may file an annexation petition with the county board. Before the petition is filed with the county board, it shall be approved by indorsement thereon by the board of the affected district and by any other agency also required by the principal Act to indorse or approve the petition.

(2) ORS 198.800 to 198.820 apply to the proceeding conducted by the county board and the rights, powers and duties of peti-

tioners and other persons having an interest in the proceedings.

(3) In lieu of a petition, annexation may be initiated by resolution of the district board, or of the county board. Proceedings may also be initiated by any other public agency if authorized by the principal Act. If proceedings are initiated by the district board or another public agency, a resolution setting forth the matters described by ORS 198.835 shall be filed with the county board. The proceeding thereafter shall be conducted as provided by ORS 198.835 to 198.845. An annexation initiated by the district board may include an effective date which is not later than 10 years after the date of the order declaring the annexation. [1971 c.727 §34; 1991 c.637 §5]

198.855 Annexation election; annexation without election when petition signed by all landowners or by majority of electors and owners of more than half of land. (1) If the annexation petition is not signed by all the owners of all the lands in the territory proposed to be annexed or is not signed by a majority of the electors registered in the territory proposed to be annexed and by the owners of more than half of the land in the territory and an election is ordered on the proposed annexation as provided by ORS 198.815, the county board shall order an election to be held in the territory and the county board also shall order the board of the affected district to hold an election on the same day, both elections to be held for the purpose of submitting the proposed annexation to the electors. The district board shall certify the results of the election to the county board. The order of annexation shall not be entered by the county board unless a majority of the votes in the territory and a majority of the votes in the district are in favor of the annexation. If a majority of the votes cast in both elections do not favor annexation, the county board by order shall so declare.

- (2) Two or more proposals for annexation of territory may be voted upon at the same time. However, within the district each proposal shall be stated separately on the ballot and voted on separately and, in the territory proposed to be annexed, no proposal for annexing other territory shall appear on the ballot.
- (3) If the annexation petition is signed by all of the owners of all land in the territory proposed to be annexed or is signed by a majority of the electors registered in the territory proposed to be annexed and by the owners of more than half of the land in the territory, an election in the territory and district shall be dispensed with. After the hearing on the petition, if the county board

approves the petition as presented or as modified or, if an election is held, if the electors approve the annexation, the county board shall enter an order describing the boundaries of the territory annexed and declaring it annexed to the district. [1971 c.727 §35; 1987 c.818 §5]

198.860 Effect of annexation order. After the date of entry of an order by the county board annexing territory to a district, the territory annexed shall become subject to the outstanding indebtedness, bonded or otherwise, of the district in like manner as the territory within the district. [1971 c.727 §36]

198.865 [1971 c.727 §§37, 38; 1979 c.316 §7; repealed by 1983 c.142 §1 (198.866 and 198.867 enacted in lieu of 198.865)]

198.866 Annexation of city to district; approval of annexation proposal; election.
(1) The governing body of a city may adopt a resolution or motion to propose annexation to a district for the purpose of receiving service from the district. Upon adoption of an annexation proposal, the governing body of the city shall certify to the district board a copy of the proposal.

- (2) The district board shall approve or disapprove the city's annexation proposal. If the district board approves the proposal, the district board shall adopt an order or resolution to call an election in the district. The order or resolution of the district board shall include the matters specified in ORS 198.745. In addition the order or resolution may contain a plan for zoning or subdistricting the district as enlarged by the annexation if the principal Act for the district provides for election or representation by zone or subdistrict.
- (3) The district board shall certify a copy of the resolution or order to the governing body of the city.
- (4) Upon receipt of the resolution or order of the district board, the governing body of the city shall call an election in the city on the date specified in the order or resolution of the district board.
- (5) An election under this section shall be held on a date specified in ORS 255.345 that is not sooner than the 90th day after the date of the district order or resolution calling the election. [1983 c.142 §2 (enacted in lieu of 198.865); 1993 c.417 §1]

198.867 Approval of annexation to district by electors of city and district; certification; effect of annexation. (1) If the electors of the city approve the annexation, the city governing body shall:

(a) Certify to the county board of the principal county for the district the fact of the approval by the city electors of the proposal; and

AREA 65 UGB AMENDMENT APPROVAL

Findings of Fact and Conclusions of Law

Exhibit B to Resolution No. 98-2726B

This document ("Area 65 Findings" or "Findings") sets out the process that has been followed to establish the legal justification for the adoption of the Resolution of Intent to Amend the Urban Growth Boundary to include an approximately 106-acre portion of Urban Reserve Area 65, as that property is described in the Ryland Homes Urban Reserve Concept Plan for Site 65, which document is incorporated as part of these Findings. The Findings demonstrate that the Area 65 property proposed for the UGB expansion complies with all applicable state and Metro criteria for a legislative amendment of the boundary.

Consistent with Metro Code ("MC") 3.01.015(f)(5), these Findings are adopted to support the Resolution of Intent to Amend, and the simultaneous initiation by the Metro Council of a district boundary annexation to include the Area 65 property. The amendment of the UGB to include the Area 65 property will become effective after the finalization of the property's annexation into the district's boundary. These Findings, and the supporting evidence, provide the complete record to support both the subsequent annexation into the district's boundary and the effectuation of the UGB amendment. To the extent allowed by state law, it shall not be necessary for the Metro Council to consider further evidence or testimony directed at the legislative amendment criteria, because all applicable criteria have been addressed and satisfied as explained by these Findings and the adoption of the Resolution of Intent to Amend.

With the adoption of this Resolution of Intent to Amend, Metro is following the procedures set out in MC 3.01.015(f)(5), while recognizing that its Charter and recent changes to state law, particularly the adoption of ORS 197.296 and 197.299, in all likelihood authorize Metro to amend its UGB to include properties that are not yet within its district boundary. Because of the state mandates imposed upon Metro by ORS 197.296 and 197.299, Metro has determined that it is advisable, if not required, that this Resolution of Intent to Amend be supported by full findings and evidence sufficient to satisfy all applicable UGB amendment criteria.

The subject property has been considered for inclusion in the UGB, in part, because it was previously designated as an urban reserve area by Metro Council Ordinance No. 96-665E, March 6, 1997. As allowed by Metro Code, that portion of Urban Reserve Area 65 addressed by the Area 65 Concept Plan is proposed for inclusion in the UGB. Because the expansion property is an urban reserve area, it is not necessary for these Findings to address a number of Metro and state approval criteria. Nevertheless, as a precautionary matter, in order to ensure compliance with ORS 197.296 and 197.299, these Findings address all approval criteria that would be applicable even if the subject property had not been previously designated as urban reserve.

Also, if the Resolution of Intent to Amend the UGB includes other areas in addition to the Area 65 property, then separate findings will be adopted to justify the inclusion of the other property or properties. The inclusion of more than one area as part of a single Resolution will be a separate and severable part of the Resolution to ensure that, in the event of any legal challenges, the

justification for each property can stand on its own, although adopted as part of a single legislative action.

Region-Wide Need and Compliance with State Law.

The adoption of ORS 197.296 by the 1995 Legislature and the subsequent adoption of ORS 197.299 by the 1997 Legislature alters the findings and evidence that are needed to demonstrate that a sufficient "need" exists to justify an urban growth boundary amendment. This new statutory standard for establishing need streamlines and simplifies the required need analysis in contrast to the analysis required under prior regulations and case law.

Pursuant to the requirements of ORS 197.296, Metro prepared the Urban Growth Report ("UGR"), which report determined that land sufficient to accommodate approximately 32,370 dwelling units needs to be added to the UGB in order to ensure the Metro region has "sufficient buildable lands to accommodate housing needs for 20 years." ORS 197.296(4). On December 18, 1997, the Metro Council adopted the UGR by Resolution 97-2559B in order to comply with the requirement in ORS 197.299(1) that such a need determination be adopted by no later than January 1, 1998.

Having established the statutorily-mandated need to expand the UGB to accommodate about 32,000 housing units, Metro is then required by ORS 197.299(2) to expand its UGB to accommodate at least one-half of that land need by the end of 1998; any remaining land necessary to fulfill the need must be brought in by the end of 1999. Therefore, the prior adoption of the UGR, combined with the deadline imposed by ORS 197.299(2), provide all of the "need" justification necessary to support this legislative amendment of the UGB. The need analysis provided below in response to Metro Code ("MC") 3.01.020(b)(1) and (2) is not necessary to support Metro's decision to expand the UGB to include the Area 65. Nevertheless, adequate evidence and findings are presented herein to justify the decision under those Metro Code sections.

The prioritization of land to be included in this UGB amendment are established in ORS 197.298. The Area 65 property qualifies as first priority under that statute, pursuant to ORS 197.298(1)(a), because the site has previously been designated as urban reserve land by Metro. In the absence of that urban reserve designation, the site can also be justified for inclusion in the UGB amendment, pursuant to ORS 197.298(3)(a) and (c). As discussed below in response to MC 3.01.020(b)(1) and (2), the specific type of land need justifying the inclusion of the Area 65 property is the need to address the growing jobs/housing imbalance in the subregional area. Alternatively, inclusion of the property is also justified under ORS 197.298(3)(c), because including the property is necessary in order to provide the exception land to the north of the PCC campus with urban services in a manner that will achieve maximum efficiency of land uses in the area. The basis for this maximum efficiency finding is set out in response to MC 3.01.020(b)(6)(A)(i) below.

MC 3.01.020: Legislative Amendment Criteria.

MC 3.01.020(b)(1)

- (1) Factor 1: Demonstrated need to accommodate long-range urban population growth.
 - (A) The district shall develop 20-year Regional Forecasts of Population and Employment, which shall include a forecast of net developable land need, providing for review and comment by cities, counties, special districts and other interested parties. After deliberation upon all relevant facts the district shall adopt a forecast. This forecast shall be completed at least every five years or at the time of periodic review, whichever is sooner. Concurrent with the adoption of the district's growth forecast, the district shall complete an inventory of net developable land, providing the opportunity for review and comment by all cities and counties in the district.
 - (B) The forecast and inventory, along with all other appropriate data shall be considered by the district in determining the need for urban developable land. The results of the inventory and forecast shall be compared, and if the net developable land equals or is larger than the need forecast, then the district council shall hold a public hearing, providing the opportunity for comment. The council may conclude that there is no need to move the UGB and set the date of the next five-year review or may direct staff to address any issues or facts which are raised at the public hearing.
 - (C) If the inventory of net developable land is less than the need forecast, the district shall conduct a further analysis of the inventory to determine whether any significant surplus of developable land in one or more land use categories could be suitable to address the unmet forecasted need. Council shall hold a public hearing prior to its determination of whether any estimated deficit of net developable land is sufficient to justify an analysis of locations for a legislative amendment the UGB.
 - (D) For consideration of a legislative UGB amendment, the district council shall review an analysis of land outside the present UGB to determine those areas best suited for expansion of the UGB to meet the identified need.
 - (E) Consistent with 3.01.012(e) areas included in a legislative amendment of the UGB shall have completed an urban reserve conceptual plan. If suitable lands with completed urban reserve plans are not sufficient to meet the identified need, additional legislative amendments of the UGB may be adopted as urban reserve plans are completed. This

legislative review process for the regional UGB shall continue to consider legislative UGB amendments until the identified need is fully met.

- (F) The district must find that the identified need cannot reasonably be met within the UGB, consistent with the following considerations:
 - (i) That there is not a suitable site with an appropriate comprehensive plan designation.
 - (ii) All net developable land with the appropriate plan designation within the existing UGB shall be presumed to be available for urban use during the planning period.
 - (iii) Market availability and level of parcelization shall not render an alternative site unsuitable unless justified by findings consistent with the following criteria:
 - (I) Land shall be presumed to be available for use at some time during the planning period of the UGB unless legal impediments, such as deed restrictions, make it unavailable for the use in question.
 - (II) A parcel with some development on it shall be considered unavailable' if the market value of the improvements is not significantly less than the value of the land, as established by the most recent assessor records at the time of inventory. Standard measures to account for the capability of in-fill and redevelopment will be developed by the district to provide a means to define what is significant when comparing structure value and land values. When a city or county has more detailed or current gross redevelop able land inventory data, for all or a part of their jurisdiction, it can request that the district substitute that data in the district gross developable land inventory.
 - (III) Properly designated land in more than one ownership shall be considered suitable and available unless the current pattern or level of parcelization makes land assembly during the planning period unfeasible for the use proposed.

Subsections (1)(A), (B), (C) and (F) quoted above have all been addressed and satisfied with the adoption of the UGR by Resolution 97-2559B. Subsections (1)(D) and (E) establish that Metro must choose the most suitable lands to bring inside the UGB in order to meet the need established by

the UGR and the deadline imposed by ORS 197.299(2). Subsection (1)(E), along with MC 3.01.015(e), provide that the most suitable lands for inclusion in the UGB are those for which urban reserve conceptual plans have been completed. The Metro Council is required to include such lands in a legislative amendment of the UGB before including any properties that have not prepared and completed that level of pre-planning. The preparation of concept plans, in accord with MC 3.01.012(e), provides the best evidence of a property's suitability for expansion. The Ryland Homes Concept Plan for Area 65 addresses and satisfies all of the pre-planning requirements of MC 3.01.012(e) and thus must be included in this legislative amendment of the UGB. The complete record for all of the legislative amendments of the UGB being considered by Metro at this time demonstrates that a sufficient number of concept plans have not been prepared so as to enable Metro to fulfill its obligation under ORS 197.299 based solely on including properties for which there is a complete plan in accord with MC 3.01.012(e). The Area 65 Concept Plan, in addition to satisfying the pre-planning requirements of MC 3.01.012(e), also provides persuasive evidence that it is a more suitable site for expansion of the UGB at this time, based on MC 3.01.020, than those expansion areas that have not satisfied MC 3.01.012(e).

MC 3.01.020(b)(2)

Factor 2: Need for housing, employment opportunities and livability may be addressed under either subsection (A) or (B) or both, as described below.

(A) For a proposed amendment to the UGB based upon housing or employment opportunities the district must demonstrate that a need based upon an economic analysis can only be met through a change in the location of the UGB.

For housing, the proposed amendment must meet an unmet need according to statewide planning Goal 10 and its associated administrative rules. For employment opportunities, the proposed amendment must meet an unmet long-term need according to statewide planning Goal 9 and its associated administrative rules. The amendment must consider adopted comprehensive plan policies of jurisdictions adjacent to the site, when identified by a jurisdiction and must be consistent with the district's adopted policies on urban growth management, transportation, housing, solid waste, and water quality management.

- (B) To assert a need for a UGB amendment based on livability, the district must:
 - (i) factually define the livability need, including its basis in adopted local, regional, state, or federal policy;
 - (ii) factually demonstrate how the livability need can best be remedied through a 'change in the location of the UGB;
 - (iii) identify both positive and negative aspects of the proposed

UGB amendment on both the livability need and on other aspects of livability; and

(iv) demonstrate that, on balance, the net result of addressing the livability need by amending the UGB will be positive.

Factor 1 discussed above addresses the establishment of the regional need justifying an expansion of the boundary. Consistent with ORS 197.296 and MC 3.01.020(b)(1), the UGR has established the regional need to expand the boundary to include enough land that is suitable and available to accommodate the development of about 32,000 housing units. The Factor 2 "need" can be addressed and satisfied by demonstrating a subregional need that justifies the specific properties being included in the UGB amendment. The subregional need justifying the inclusion of the Area 65 property can be based on a housing need. The primary subregional justification, however, is based on both the regional need analysis established in the UGR and the subregional need to improve the jobshousing balance in the Beaverton Regional Center area.

The Residential Market Evaluation ("RME"), dated November 18, 1998, prepared by Hobson Johnson & Associates, provides expert evidence demonstrating that it is necessary to include Area 65 in the UGB in order to accommodate both the subregion's share of the regional need and also to address the specific subregional need for more residential land in order to maintain a favorable ratio of jobs to housing for the area during the next 20 years and beyond.

The RME for Area 65 provides persuasive expert evidence that supports the following:

- The area studied in the RME is consistent with the RUGGO and 2040 Growth Concept map delineation for the Beaverton Regional Center area. Moreover, it is consistent with the suggested study area in OAR 660-020-0030(4)(a), in that it includes a regional center and a population of at least 100,000. Moreover, it does not overlap with the designated Hillsboro Regional Center area that was studied in the related RME prepared by Hobson Johnson & Associates for that regional center area.
- The RME projects that there is capacity inside the UGB in the Beaverton Regional Center area to accommodate an additional 17,118 housing units. That capacity projection takes into account all of the infill, redevelopment, rezoning opportunities and other assumptions and requirements called for in the Functional Plan and other related land use policies and standards. The RME's analysis is based on that very optimistic assumption, even though the evidence indicates that in all likelihood fewer housing units than that will ultimately be built within the existing UGB.
- Metro's UGR and other planning documents, as well as the best up-to-date evidence, concludes that there will be a need to accommodate an additional 32,077 housing units in the greater Beaverton area by 2020. That means that, in order to accommodate the subregion's share of the regional growth, land capable of accommodating about 15,000 housing units must be added to the UGB in the subregional area as soon as possible in order to meet the requirement in ORS 197.296 to maintain a 20-year supply of buildable land at all times.

- The current jobs/housing ratio in the study area is 1.63 jobs to each housing unit. That ratio is higher than the optimal current ratio for all non-central city areas of 1.50. Thus, the Beaverton Regional Center area is already a more jobs-rich area than is desirable.
- In addition to the projected need to accommodate about 15,000 additional housing units between 1998 and 2020 in the Beaverton Regional Center area, the UGR and the other evidence analyzed in the RME projects that there will be employment growth of about 51,142 jobs in the subregional area during this same time period. Based on the projected housing and job growth, the resulting jobs/housing ratio in 2020 will be 1.63, which means that there will be very little improvement in the existing jobs/housing imbalance in the area. The RME establishes that 1.50 is a reasonable ratio for defining the optimal jobs/housing balance that the Beaverton region should strive to maintain. Therefore, land capable of accommodating additional housing units needs to be added to the area in order to begin improving the jobs/housing ratio.
- As noted in the RME, the geographic distribution of employment growth throughout the region is not just a function of land availability. As a result, the most efficient and reliable way in which to correct a jobs/housing imbalance is to create additional housing opportunities near existing and emerging employment areas. Therefore, the RME concludes that land capable of accommodating an additional 21,800 housing units (not just 15,000 units) must be added to the Beaverton Regional Study area by the year 2020 in order to move towards an optimal jobs/housing ratio of 1.50.

In summary, the land proposed for expansion into the UGB by the Area 65 Urban Reserve Concept Plan is suitable and available for accommodating approximately 613-819 housing units, which would satisfy only a portion of the subregional need for urbanizable land in the Beaverton Regional Center area.

- (3) Factor 3: Orderly and economic provision of public facilities and services. An evaluation of this factor shall be based upon the following:
 - (A) For the purposes of this section, economic provision shall mean the lowest public cost provision of urban services. When comparing alternative sites with regard to factor 3, the best site shall be that site which has the lowest net increase in the total cost for provision of all urban services. In addition, the comparison may show how the proposal minimizes the cost burden to other areas outside the subject area proposed to be' brought into the boundary.
 - (B) For the purposes of this section, orderly shall mean the extension of services from existing serviced areas to those areas which are immediately adjacent and which are consistent with the manner of service provision. For the provision of gravity sanitary sewers, this could mean a higher rating for an area within an already served

drainage basin. For the provision of transit, this would mean a higher rating for an area which could be served by the extension of an existing route rather than an area which would require an entirely new route.

Response:

The proposed UGB amendment provides a unique vehicle for the orderly and economic provision of public services to URA 65, and particularly the exception lands north of the PCC campus. URA 65 is one of the most cost-effective Urban Reserves to provide with public facilities, and the portion to be incorporated through the proposed amendment is the most orderly and cost-effective first step in incorporating URA 65.

The Metro Urban Reserve Productivity Analysis was prepared in September 1998, and had the following goal:

The goal of the Productivity Analysis was to estimate the productivity (number of dwelling units and employees) and serviceability (cost to provide water, wastewater, stormwater and transportation services) for each URA by applying a consistent set of methods and assumptions so that relative comparisons between the URAs could be made.¹

The Productivity Analysis noted that URA 65 was in the top 25% of all URAs for Service Cost per Dwelling Unit Equivalent.

The productivity analysis did not evaluate the site-specific advantages of the proposed amendment over the rest of URA 65, or the manner in which the proposed amendment facilitates the orderly provision of public services to the rest of the URA. As part of its Urban Reserve Concept Plan, Ryland Homes submitted a Conceptual Public Facilities Plan prepared by Consulting Engineering Services. The plan demonstrates that the proposed amendment is the key to the development of URA 65.

Sanitary Sewer

The Public Facilities Plan notes that sanitary sewer is immediately available to the area and will provided to the site by a trunk line which runs through a drainage area south of Springville Road. The trunk line has been extended north of Springville road at the location of the proposed expansion. Thus, the proposed expansion is the logical starting point for the orderly provision of public services to the area.

¹Productivity Analysis, P. 3

The Public Facilities Plan also notes that proposed amendment is the only feasible way to provide sanitary sewer service to the Exception Lands north of the PCC Campus. As noted in the report, any other route for sewer service would require the extension of thousands of feet of sewer line outside the UGB, and would require additional pump stations.

The proposed expansion will also avoid any inefficient "cherry-stem" expansions of public facilities. Ryland Homes has provided a letter dated November 30, 1998 from Consulting Engineering Services which indicates that a "cherry stem" approach to serving the exception areas north of PCC would be inefficient and costly. Moreover, a cherry stem approach would be *per se* inconsistent with the mandate of 3.01.012(3)(b) that "orderly" service provision means the extension of services from "existing serviced areas to those areas which are immediately adjacent."

Finally, the proposed amendment eliminates the need to extend sewer through the Rock Creek floodplain/wetland area north of the PCC Campus, which has been slated for preservation and environmental education in the approval of the PCC Master Plan.

The evidence shows that the proposed UGB expansion will allow for the efficient expansion of public facilities, and would provide additional efficiencies if allowed to develop before other portions of URA 65.

Storm Sewer

The site of the proposed UGB expansion is large enough to provide on-site stormwater detention and treatment. These on-site treatement and detention facilities will eliminate stormwater surge, and can minimize the potential for pesticide migration into local drainages

Water

The site can be served with water from a 24" water line located in Springville Road.

Transit

DKS Associates has provided a Conceptual Transportation Plan for the proposed amendment. Because of its location near the PCC campus, the site of the proposed amendment is currently served by two bus lines, which each provide convenient connections to the West Site Light Rail. Moreover, the applicant's conceptual transportation plan has identified a number of transportation improvements which will assure that the transportation system in the area of the proposed development will function adequately with a 2015 and 2020 planning horizon. We find that is will be feasible for the relevant local governments to amend their transportation service plans in a manner sufficient to provide for transportation system needs.

Schools

The Master Plan for the proposed development shows the potential location for a school within the site. The provision of a school site within the proposed development, combined with the location of the site adjacent to the PCC Rock Creek Campus provides several benefits not available on potential

alternative sites. First, the proposal helps achieve the RUGGO Objective 18 Goal of "minimizing public and private costs" of providing schools in the region. Second, pedestrian and bicycle network within the site will allow the students to easily walk or bicycle to school, and the school may provide additional capacity for other developments in the area.

- (4) Factor 4: Maximum efficiency of land uses within and on the fringe of the existing urban area. An evaluation of this factor shall be based on at least the following:
 - (A) The subject area can be developed with features of an efficient urban growth form including residential and employment densities capable of supporting transit service; residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and the ability to provide for a mix of land uses to the needs of residents and employees. If it can be shown that the above factors of compact form can be accommodated more readily in one area than others, the area shall be more favorably considered.
 - (B) The proposed UGB amendment will facilitate achieving an efficient urban growth form on adjacent urban land, consistent with local comprehensive plan policies and regional functional plans, by assisting with achieving residential and employment densities capable of supporting transit service; supporting the evolution of residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and improving the likelihood of realizing a mix of land uses to meet the needs of residents and employees.

Response:

The subject area will be developed in accordance with the Urban Reserve Concept Plan submitted by Rylan Homes. This means that the site can be developed from the ground up in compliance with the 2040 Growth Concept, the RUGGOs and the Functional Plan. The ability to master plan the site, and to master plan the site in a timely fashion sets it apart from potential alternative sites, including virtually all of the potentially available exception areas. This ability to develop the site with a compact form cause the site to be given greater consideration than any potential alternative without a master plan.

Densities To Support Transit

The site will be developed with at least 10 units per net developable acre, in accordance with the 2040 Growth Concept. This type of density will help support the two existing bus lines which serve the PCC Rock Creek Campus, and connect to the West Side Light Rail. The addition of potential riders to existing lines will help maximize efficiency of the transit system.

Development Patterns Supporting Pedestrian, Bicycle and Transit Use.

The master plan for the site reveals that there will be a substantial pedestrian and bicycle network both within the proposed development, and connecting the development to the PCC Campus and transit stops on Springville Road.

Mix of Land Uses

As shown in the Master Plan, the proposed development will provide a variety of housing types, and will provide parks, open space and a potential location for a school. Like many other facets of the locational factors of the Metro Code and Goal 14, the ability to master plan the area provides a distinct advantage to the proposed site over other alternatives.

Effect of Amendment on Adjacent Urban Land.

The proposed development will provide benefits to nearby urban land in several respects. First, the proposed amendment will provide numerous utility efficiencies by using existing utilities, thus spreading the capital cost of improvements over a broader base. Second, the proposed development will enhance the mix of land uses in the area by providing additional customers for two nearby neighborhood commercial centers.

- (5) Factor 5: Environmental, energy, economic and social consequences. An evaluation of this factor shall be based upon consideration of at least the following:
 - (A) If the subject property contains any resources or hazards subject to special protection identified in the local comprehensive plan and implemented by appropriate land use regulations, findings shall address how urbanization is likely to occur in a manner consistent with these regulations.

The subject property contains Water Areas and Wetlands and Fish and Wildlife Habitat as designated in the Washington County Rural/Natural Resource Plan. As noted in the Master Plan, these areas will be preserved outright. Based on the report submitted by Enviro Science, it is apparent that the subject property can provide opportunities for enhancement of the area.

(B) Complementary and adverse economic impacts shall be identified through review of a regional economic opportunity analysis, if one has been completed. If there is no regional economic opportunity analysis, one may be completed for the subject land.

(C) The long-term environmental, energy, economic, and social consequences resulting from the use at the proposed site. Adverse impacts shall not be significantly more adverse than would typically result from the needed lands being located in other areas requiring an amendment of the UGB.

Response:

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The proposed development will be designed from the ground up to implement the policies and guidelines contained in Metro's 2040 Growth Concept and the regional urban growth goals and objectives. The plan includes identifiable neighborhoods, a mix of housing types including affordable housing, proximity to existing Tri-Met bus lines and bike and pedestrian trails linking the site with major commercial centers in the Bethany area and with the Portland Community College (PCC) campus. The proposed development will provide about 15.5 acres of parks and open space, has made room for a proposed school site, and will yield a minimum of 10.4 dwelling units per net available acre.

EnviroScience, Inc. has prepared a natural resource evaluation and protection plan for the property. The plan and evaluation contain a thorough analysis of the environmental, habitat and water quality values of the site. The Washington County Rural/Natural Resource Plan designates the riparian corridor which runs through the property as Water Areas and Wetlands & Fish and Wildlife Habitat.

The concept plan provides substantial (200'+) buffers along the riparian corridor which runs through the property. This will provide numerous environmental benefits. First, the buffer provides substantial opportunities for restoration of the riparian area, which has been degraded through invasions of Himalayan blackberries, reed canary grass and through agricultural practices. The buffer will also provide a substantial benefit through allowing bio-filtration of runoff.

It is also important to note that PCC has committed to preserve the large wetland area and wooded buffer north of the PCC campus PCC has designated this area as an "educational hub for a regional environmental system".² This makes the northern boundary of the proposed development a natural stopping place for the first phases of the development of URA 65.

EnviroScience has also noted that the site does not contain the Willamette Valley Grasslands and Oak Woodlands Habitats noted in the draft staff report. Moreover, the EnviroScience report points out that the site does not contain elk winter range.

One important factor in favor of the proposed development is that there does not need to be any funding plan for acquisition of open space. Because the project is master planned, and on a property of approximately 115 acres, open space and environmental preservation goals will be satisfied through the set aside of existing natural areas. This stands in stark contrast to sites which are more heavily partition, where the preservation of riparian corridors, for example, would involve difficult, lengthy and expensive discussions and transactions, and/or the condemnation of property for parks or

²Application for Special Use Approval and Development Review, Portland Community College, August 1993.

open space.

Economics.

As noted in the farm impact analysis and farm practices report, the development of the subject property will have little impact on the economy of nearby farm uses. Farm uses within a one mile radius of the site are already impacted by the substantial number of existing dwellings and the small size of parcels.

As noted at the public hearing on November 10, the subject property will provide a substantial boost to two planned neighborhood commercial centers, one in Bethany and the planned commercial center at the northeast quadrant of 185th and West Union Road. The increase in the viability of these commercial centers will provide an economic boost that will more than offset any loss in farm related income from the development of the subject property. As noted in the staff report, construction is an important economic activity accounting for six percent (6%) of the gross state product. The build out of the subject property over a number of years will provide a significant economic boost to the area.

Social.

The subject property will be developed in complete accordance with Metro's 2040 Goals. This will provide a livable community with affordable housing and open space network and potential room for school services. In addition, the site is located close to two neighborhood commercial centers which will reduce the overall number of vehicle miles traveled as people who live in the site can satisfy most of their shopping needs within one mile of the subject property. It is also important to note that the site is served by two bus lines, making it one of the most transit friendly urban reserve areas in the region.

Thus, the negative energy, environmental, economic and social consequences of the proposed amendment are less than potential alternative sites.

- (6) Factor 6: Retention of agricultural land. This factor shall be addressed through the following:
 - (A) Prior to the designation of urban reserves, the following hierarchy shall be used for identifying priority sites for urban expansion to meet a demonstrated need for urban land:
 - (i) Expansion on rural lands excepted from statewide planning Goals 3 and 4 in adopted and acknowledged county comprehensive plans. Small amounts of rural resource land adjacent to or surrounded by those "exception lands" may be included with them to improve the efficiency of the boundary amendment. The smallest amount of resource land necessary to achieve improved efficiency shall be included;

- (ii) If there is not enough land as described in (i) above to meet demonstrated need, secondary or equivalent lands, as defined by the state, should be considered;
- (iii) If there is not enough land as described in either (i) or (ii) above, to meet demonstrated need, secondary agricultural resource lands, as defined by the state should be considered;
- (iv) If there is not enough land as described in either (i), (ii) or (iii) above, to meet demonstrated need, primary forest resource lands, as defined by the state, should be considered;
- (v) If there is not enough land as described in either (i), (ii), (iii) or (iv) above, to meet demonstrated need, primary agricultural lands, as defined by the state, may be considered.
- (B) After urban reserves are designated and adopted, consideration of factor 6 shall be considered satisfied if the proposed amendment is wholly within an area designated as an urban reserve.
- (C) After urban reserves are designated and adopted, a proposed amendment for land not wholly within an urban reserve must also demonstrate that the need cannot be satisfied within urban reserves.

Response:

1. Introduction.

In addition to Metro Code's Factor 6, there are numerous criteria throughout the statutes, and administrative rules which require an analysis of the availability of potential alternatives to an expansion of the Urban Growth Boundary in a particular location. These alternatives criteria are cited below. As noted above, there is both a general need for more housing in the Hillsboro area, and a special land need for housing to remedy a jobs/housing imbalance in the area. As discussed below, the evidence demonstrates that there are no alternative sites of higher priority which could reasonably accommodate either the general or the special land need in the Hillsboro area. Moreover, the "exception" standard in subsection (6)(A)(i) provides an alternative basis by which the Area 65 property satisfies Metro Factor 6.

2. <u>Applicable Criteria</u>.

The following statutes, administrative rules and sections of the Metro code each require an analysis of potential alternatives to the proposed UGB expansion.

Statutes.

- ORS 197.298
- ORS 197.732(1)(c)(b)

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Administrative Rules.

- OAR 660-004-0010(c)(d)(ii)
- OAR 660-004-0020(2)(b)
- OAR 660-014-0040(3)(a)

Metro Code Provisions.

- MC 3.01.020(b)(1)(E)
- MC 3.01.020(c)(1)
- MC 3.01.020(b)(6)

The subject property is comprised of about 106 acres within the previously designated URA 65. Therefore, the subject amendment need not be accompanied by findings demonstrating compliance with Factor 6. As a precautionary matter, these findings demonstrate compliance with the agricultural land retention provisions of ORS 197.298 and MC 3.01.020(b)(6), and the related criteria listed above.

Under Metro's acknowledged code, a legislative amendment to the urban growth boundary (UGB) requires the Council to apply and balance factors 3 through 7, as listed in MC 3.01.020(b). First, it must be emphasized that the MC 3.01.020(b), like the Goal 14 factors from which they were derived, are factors that must be balanced. See MC 3.01.020(b) ("For legislative amendments, if need has been addressed, the district shall demonstrate that the priorities of ORS 197.298 have been followed and that the recommended site was better than the alternative sites, balancing factors 3 through 7.") See also RUGGO 24.2 ("Criteria for amending the UGB shall be derived from statewide planning goals 2 and 14, other applicable goals, and relevant portions of the RUGGOs"); Halverson v. Lincoln County, 82 Or App 302, 728 P.2d 77 (1986) (requiring balancing of Goal 14 factors).

In some cases, application of each locational "factor" of MC 3.01.020(b) will lead to contradictory results. For example, application of factor 6 may favor including a parcel of heavily parcelized exception land with steep slopes, while application of factor 3 may indicate that this same exception land does not lend itself to "orderly and economic provision [of] public facilities and services." In such cases, the two factors essentially balance (or cancel) each other, and the local government must look towards the other two factors, along with relevant portions of the acknowledged RUGGOs, to resolve the conflict.

Similarly, state law requires that when the statewide goals are applied to a decision, the goals must be given equal weight. ORS 197.340.

Factor 6 generally establishes a preference for expanding urban development into areas which are not useful for agricultural or forestry uses because of their soil types, or because the land has previously been parcelized and developed in a fashion which makes it unlikely that agricultural or forestry uses would ever resume on these lands.

3. General Findings on Alternative Locations

a. Maximum Efficiency

Under MC 3.01.020(b)(6)(A)(i), the first priority for inclusion into the urban growth boundary are "rural lands excepted from statewide planning Goals 3 and 4 in adopted and acknowledged county comprehensive plans." See also ORS 197.298(1)(a). Inclusion of non-exception lands in the Ryland Homes site is justified under the second sentence of MC 3.01.020(b)(6)(A)(I), which states that "small amounts of rural resource land adjacent to or surrounded by those "exception lands" may be included with them to improve the efficiency of the boundary amendment." This efficiency-enhancing provision is similar to the "maximum efficiency" exception to the priority system created for the designation of urban reserves. See ORS 197.298(3)(c), OAR 660-21030(4)(c). Metro has previously found that it is necessary to include the resource land in URA 65 to achieve maximum efficiency for this urban reserve area.

As detailed in the Consulting Engineering Services, Inc. letter, dated October 27, 1998, inclusion of the Ryland Homes site will create service efficiencies for the provision of urban facilities and service, including transportation, water, sanitary sewer, and stormwater drainage—for the exception areas to the north of the PCC campus. In fact, there is no other practical and economical alternative to serve the exception area to the north of the Ryland Homes Site. Sewer and stormwater services can most efficiently be provided utilizing the existing natural swale/creek the runs north across Springville Road. This swale veers to the east across the EFU zoned parcels in the south-central section of URA 65. The requisite oversized sewer lines are already in place, and no further public investment is needed.

Improved efficiency of land uses means servicing the exception lands via the resource lands in the Ryland Homes site. This includes taking full advantages of the topography for gravity sewer systems and storm-water drainage, exploiting the utility investments that have already been made in the area, developing the proposed expansion property in a manner that supports a compact urban growth boundary and interconnectivity of utilities and roads, and locating urban growth in an area that is near schools, shopping areas, town centers, and transit corridors.

Metro recognizes that with the inclusion of the resource property within the Ryland concept plan area, the potential for efficient development is extremely high. First, sewer services are already in place. In fact, when the trunk line was built, it was designed, constructed and extended specifically to include the necessary gravity flow and access needed to serve the to the north. Therefore, sewer service extensions may now be installed to serve site 65 at no additional cost to the public. In addition, the Springville road right-of-way already contains a 24 inch DI water main with adequate water and pressure to serve the entire URA 65. Finally, this same right of way also contains a new N.W. Natural Gas main line, GTE Fiber optics telephone trunk lines, and cable TV lines. For these reasons, the productivity Analysis rated URA 65 as one the least expensive sites to serve with urban services.

In addition to the ready availability of utility services, there are other reasons why the three EFU-zoned tax lots located in the middle of URA 65 are needed to improve efficiencies of the adjacent exception land. Because of their central location, including these parcels greatly enhances the interconnectivity of the entire site, especially with regard to transportation and utility services. In fact, without the connection provided by these sites, the two peninsulas of exception land suffer from lack of interconnectivity, funneling both traffic and utilities services south along narrow corridors. Finally, a high voltage transmission line runs north/south across these EFU parcels. These lines create the

opportunity for bike paths and open space, as has already been done in the residential neighborhoods to the south of URA 65. Improved efficiency of land uses occurs when a compact urban form is maintained. When the boundaries of URA 65 were drawn, it was intended to maintain a compact urban form by including the small pockets of adjacent EFU, AF-20, AF-10, and AF-5 lands between the higher exception lands to the north and the existing UFB to the south. This was a preferred alternative to creating two peninsulas of urban land by incorporating only the isolated groups of exception land on URA 65. As a result, the increase in size of the UGB's overall perimeter is lessened, while interconnectivity within the urban reserve is greatly enhanced.

Improved efficiency of land uses is also achieved by including the Ryland Homes site in the UGB because of the presence of the large, relatively flat parcels of land in single ownership. Although URA 65 is devoid of big parcels suitable for farming, it has also not been heavily parcelized, and few parcels smaller than 5 acres exist outside of the exception areas. Thus, the existing parcels are uniquely suited to master planning, which will greatly increase the likelihood that these sites will exceed or achieve Metro's 2040 growth concept density goals.

b. <u>Exception Lands</u>.

The demonstrated need for housing in the Beaverton Regional Center sub-regional area, including the special land need (jobs/housing imbalance) for 6800 housing units cannot be met by including only exception lands in the urban growth boundary. To comply with factor 6, these findings, as supplemented by the alternative site analysis, detail why other sites with less impact on higher priority resource lands are unavailable, unsuitable, or insufficient in quantity to satisfy a particular need which justifies a UGB expansion. The reasons why the Washington County and Multnomah County exception areas are not sufficient to meet the demonstrated need are listed below. Exception lands not adjacent to the existing urban growth boundary are considered and rejected first. Second, exception lands in the Beaverton Sub-region adjacent to the existing urban growth boundary are considered for their ability to meet the current unmet housing need.

1. Exception Lands Not Adjacent to Existing Urban Growth Boundary.

Of the existing exception lands in Washington County, most are not adjacent to the existing urban growth boundary. These exception areas are not suitable because they do not meet the requirements of the RUGGO and the 2040 Growth Concept. Although nothing specifically requires that proposed urban reserve areas be adjacent to the present UGB, as a practical matter, only adjacent lands allow for efficient urban expansion, maximum connectivity, proximity to regional and town centers, and compact urban form. Exception lands greater than one full mile from the present UGB were not even studied for inclusion in the urban growth boundary under the alternative site analysis, because they categorically could not comply with the 2040 Growth Concept and the RUGGOs under any given circumstances. Urban development in these areas would have negative impacts on the environment, specifically air quality; resultant from increases in vehicle miles traveled (VMT). In addition, urban expansion in these areas would have a greater impact overall farm practices in the area. Finally, state law even reflects the general policy that urban expansion should be focused on adjacent lands: when selecting urban reserve areas, OAR 660-21-030(2) requires local governments to study adjacent lands before including lands further than ½ a mile from an existing urban growth boundary.

2. Exception Lands Adjacent to Existing Urban Growth Boundary.

As detailed in the alternative site analysis, exception areas adjacent to the present urban growth boundary in the Beaverton Regional Center sub-regional area are not a reasonable alternative to URA 65. The alternative site analysis demonstrates that none of the adjacent exception areas could provide enough housing units, either individually or cumulatively, to meet the special land need in the Beaverton Regional Center sub-regional area. These exception areas are designated as AF-5 and AF-10 on the Washington County Rural/Natural Resources Plan Map (Side 2). The primary reasons that these exception lands were are rejected as reasonable alternatives is summarized below.

Some of the adjacent exception areas within this category are located within green corridors, as designated on the acknowledged 2040 Growth Concept Map. These areas could not be brought into the urban growth boundary without violating Regional Urban Growth Goals and Objectives (RUGGO) 22.3.3 and 26.1, which require "separation of communities."

In addition, many of these exception lands are located on lands with steep slopes (over 25%), FEMA 100 year flood plains, or other environmental constraints. These lands are not suitable for urban development because they are not efficiently served, because they cause damage to the environment and, in some cases, are hazardous to human health. Moreover, RUGGO subgoal II.4 (the 2040 Growth Concept), which lists certain steeply sloped and flood-prone lands as unbuildable. *See* 2040 Growth Concept Maps: (Slopes) and (Environmentally Constrained Lands).

And additional reasons exist in some cases. For example, lands in the flight path of the Hillsboro Airport were excluded from consideration, in part because it would be imprudent to develop these lands to the density levels required in either Inner or Outer Neighborhoods under Metro 2040 Growth Concept.

Exception areas which form peninsulas of high-priority land protruding out into areas of productive farmland are also excluded from consideration because urbanizing these areas will result in a major incursions into the surrounding EFU lands. Transportation problems are compounded on these sites, because collector street are invariably funneled through the thin strip of land connecting the exception area with the UGB. This violates RUGGO Goals II.i, II.3.iii, 19.I, 19.iv, 19.v, 19.vii and RUGGO Objectives 19.2.2 and 3.1 because it does not allow for interconnectivity or an integrated transportation network. Moreover, providing services through the narrow strip of land in these exception area violates RUGGOs 18.I, 18.ii. and 18.v because of its inefficiencies. These inefficiencies arise because developing into thin fingers of exception land requires large quantities of trunk and collection lines while on providing a few localized connections. It is more efficient to have as many local connections to water, sewer, and roads as possible, thereby reducing the overall amount of these services that must be built. Therefore, if roads, water mains, and sewage pipes are going to be extended any distance to reach the higher priority exception land, then maximum efficiency is achieved by also allowing local connections along the full length of the trunk lines.

In some cases, the addition of these peninsulas to the UGB would create islands of non-urban land surrounded by the UGB. In all cases, adding peninsulas of exception land would create a greater percentage of land where prime farmland is contiguous to urban development. These farmlands become more vulnerable to trespass, vandalism, and other impacts of urban development. Choosing

options which increase the amount of farmland contiguous to urban uses contravenes RUGGO 16.3, which requires Metro to "protect and support the ability for farm and forest practices to continue." In addition, such an approach is inconsistent with Objective 1.7 (Urban/Rural transition) from the Regional Framework Plan, and violates RUGGO Goal II.i, which makes achieving a compact urban form a Metro goal.

Finally, the vast majority of the existing exception areas are highly parcelized and the lots are predominately in separate ownership. This situation inhibits the ability to consolidate parcels into larger blocks of land which could provide housing densities consistent with the 2040 Growth Concept and RUGGOs. These lands are difficult to master plan, do not have enough large vacant lots that are readily usable as schools, parks, and town centers, and do not have well structured transportation networks.

Even so, Metro is taking a broader view of how development should occur, by seeking to regulate and steer growth via the 2040 Growth Concept. In part, this means developing new town centers, corridors, main streets and neighborhood centers. This type of integrated, development could not occur on lands that are heavily parcelized and in separate ownerships. None of the heavily parcelized areas mentioned by the petitioners in the appeal of the urban reserve decision could be effectively or realistically master planned. These areas could at best be subdivided on a piecemeal, haphazard basis. Rather than form communities with integrated transportation networks, and well designed neighborhoods with adequate parks, schools, and other public services, relying on a few exception areas to meet the land development need only results in the creation of small housing subdivisions. However, when developed in conjunction with limited quantities of larger vacant land, exception areas which might normally be of little development value to the region can be integrated into a highly productive and workable develop plan. URA 65 will be a master planned community, not just a collection of small, uncoordinated subdivisions.

c. <u>Secondary Lands.</u>

MC 3.01.020(b)(6)(A)(ii) requires Metro to give second priority to secondary lands, as defined by the state. The term "secondary lands" is a term of art, which is no longer part of the Oregon land use system. The term is not defined by statute. In fact, ORS 215.304(1) prevents LCDC from "adopting or implementing any rule to identify or designate small-scale farmland or secondary land." Thus, there can exist no lands adjacent to the Metropolitan Portland urban growth boundary that can be defined as secondary lands.

d. Secondary Agricultural Resource Lands.

In the event that there are not sufficient secondary lands to meet the demonstrated need, MC 3.01.020(b)(6)(A)(iii) requires Metro to give third priority to secondary agricultural resource lands, as defined by the state. The term "secondary agricultural resource lands" is not defined under state law. With regard to property in the Willamette valley, LCDC defines "agricultural land" as those lands with class I-IV soils, as identified by the NRCS. "High-value farmland" is agricultural land that contains soils that are prime, unique, class I or class II, or which contain certain crops, such as orchards. Quite possibly, the reference to "secondary agricultural resource lands" in MC 3.01.020(b)(6)(A)(iii) is intended to mean all agricultural lands not considered to be "high-value"

under state law.

Washington County is one of two counties that designated certain lands as "marginal" under ORS 197.247 and ORS 215.288(2). Most of lands county's "marginal" lands are zoned AF-5 and AF-10 and are in exception areas. These lands have been rejected as viable alternatives to URA 65, as discussed above and in the alternative site analysis. Lands zoned AF-20 can also be considered "marginal" lands under the county's comprehensive plan.

URA 65 consists mostly of marginal agricultural lands, the land is not ideally suited for agriculture. Most of the lands are class III soil types, which have severe limitations that reduce the choice of plants and require special conservation practices. Only a small section of URA 65 contains class II soils, and these are partially located in the exception area on the northern boundary of the site. Ironically, the lands zoned EFU consist entirely of class III and IV soil types, which are more difficult to farm. Also, all of the current agricultural use is dry land farming, because no groundwater rights are available for much of the area. However, even the best soils in the area, the class II Helvatia series soils, require irrigation for viable crop production. The few existing surface ponds are inadequate to serve as sources of irrigation water.

Moreover, the transportation infrastructure that makes this area such a prime location for development also hinder the ability to farm the area. Specifically, urban traffic makes using roads for transporting farm machinery, crops, and equipment is highly dangerous. This problem will exacerbate as additional urban growth occurs in the area. Finally, the small lot sizes inhibit economical use of the land for farming. Noxious weeds invade the fields from adjacent lands, competing for water an sunlight. This causes the fields' peripheries to be virtually useless unless subjected to heavy chemical spraying regime. Besides increasing costs, neighboring home owners living in adjacent suburban development frequently object to this spraying.

e. <u>Primary Forest Resource Lands.</u>

The fourth priority for inclusion into the UGB includes primary forest lands, as defined under state law. MC 3.01.020(b)(6)(A)(iv). Under OAR 629-24-101(21), "forest lands" are defined as "land for which a primary use is the growing and harvesting of forest species." Statewide Planning Goal 4 defines forest lands as those "lands acknowledged as forest lands as of the date of adoption of this goal." Lands zoned for exclusive forest uses are designated as Exclusive Forest and Land Conservation Land Use District (EFC) in the Washington County Rural/Natural Resources plan. To the extent that there are any lands adjacent to the existing UGB in the Beaverton sub-region that meet this definition, there are no significant amounts of forest land that could provide enough housing units to alter the region's current jobs to housing imbalance.

f. Primary Agricultural Resource Lands.

The fifth and last priority goes to primary agricultural resource lands, as defined by the state. There are only a few areas on land in URA 65 which contain class II soils. As Consulting Engineering Services has noted, the exception areas in the South Hillsboro area cannot be provided with urban services without incorporating the resource lands within the subject area.

When deciding between otherwise similar parcels of resource land, it is appropriate to consider whether the new UGB will create more (or less) direct contact between urban uses and high-value resource land. This so-called "edge effect," represents the reality that the greatest incompatibilities between urban and rural farm arises arise from parcels that are contiguous to one another. Because of its location, its compact shape, and homogeneous composition, the net amount of resource land in URA 65 that is contiguous to other resource land not considered for inclusion in the urban growth boundary is extremely low. In fact, the URA 65 is unique in that it is virtually surrounded by natural buffers such as wetlands, so that continued expansion to the north is unlikely, and enough distance separates the site from adjacent agricultural activities. Therefore, inclusion of the resource land in URA 65 is preferred over inclusion of any other properties designated as "primary agriculture resource land" under state law. See generally RUGGO Objectives 16 and 22.

4. OAR 660-040-0200(2)(b)

We find that the Alternatives Analysis satisfies the requirements of OAR 660-004-0020(2)(b) as it has provided a thorough description of possible alternative areas. We also find that the Alternatives Analysis has discussed the reasons why other areas which should not require a new exception cannot reasonably accommodate the proposed use. Specifically, we find, based on the Alternatives Analysis that the proposed use and the specific land need cannot be reasonably accommodated on non-resource land or land already irrevocably committed to non-resources. Based on the record in this case and the record of decision in ordinance 96-655E, we find that there is not sufficient land that is already irrevocably committed to non-resource uses to satisfy the special land need for the area or to accommodate for the proposed use.

(7) Factor 7: Compatibility of proposed urban development with nearby agricultural activities.

The record shall include an analysis of the potential impact on nearby agricultural activities including the following:

- (i) A description of the number, location and types of agricultural activities occurring within one mile of the subject site;
- (ii) An analysis of the potential impacts, if any, on nearby agricultural activities taking place on lands designated for agricultural use in the applicable adopted county or city comprehensive plan, and mitigation efforts, if any ,impacts are identified. Impacts to be considered shall include consideration of land and water resources which may be critical to agricultural activities, consideration of the impact on the farming practices of urbanization of the subject land, as well as the impact on the local agricultural economy.

Response:

The applicant has described agricultural activities in this area in a detailed report, which includes a description of each type of farm activity within the one mile area., with tax lot location and farming practices for each type of farming activity. (See Farming Practices Report.)

The area within one mile of the subject property is the northern remainder of a Bethany farming area that has been largely lost to urban development south of Springville Road. What remains is squeezed by the western slopes of the West Hills, to the north and east and the urban area to the south.

The EFU area is also reduced and confined by another natural buffer, the Abbey Creek lowlands, which create an unfarmable swath just south of Germantown Road across this area. The only use made of this lowland is a wet pasture. There is a corresponding dip in terrain that is noticeable when using either Kaiser Road on the east or 185th on the west. When these roads dip down between Springville and Germantown, the land use on either side of the road tends to be wet, scrubby forest. The land owners have made an effort to use the ground, and pasture is the only use that has been made of it.

This land is better suited to urban development than rural development, because the area is already urbanized. Located on the eastern edge of Washington County's farm lands, this area is no longer a viable farming area for full time farmers. The close proximity of urban development, the enclosing nature of the West Hills and the Abbey Creek lowlands combine to reduce the area to a few scattered farm sites, and a dwindling interest by those who make a living farming.

The rapid housing development south of Springville caused the loss of hundreds of acres of farm land that was used by people who also farmed within this one mile area. As a result, the remaining acreage is insufficient for local farmers to make a living. There are more than 20 dwellings on the 40 EFU parcels that are farmed within the one-mile area. The average parcel size of EFU land that is farmed is 29.45 acres. (Estimates based on Farming Practices Report, Table 3.) The largest parcel in the area -- 247 acres --is owned by Portland Community College, and is already located within the UGB. Nearly half of that parcel remains in farm use, growing grass seed, but it is urban ground planned for urban uses by Washington County.

(ii) An analysis of the potential impacts, if any, on nearby agricultural activities taking place on lands designated for agricultural use in the applicable adopted county or city comprehensive plan, and mitigation efforts, if any impacts are identified.

Impacts to be considered shall include:

1) consideration of land and water resources which may be critical to agricultural activities

Response:

The lands designated for agricultural use in the Washington County comprehensive plan are those designated EFU and AF-20. (See Farming Practices, Table 3)

There is not enough land is this one-mile area to support full time farming. The man who still farms more land than any other in this area - Keith Fishback-- was raised on the family land just east of Kaiser on the north side of Springville Road. The Fishback nursery business has now moved to Roy in the Banks area. Mr. Fishback is still grass seed farming (including about 100 acres on the east side of 185th --1N1 18 100 and a smaller area north of Springville Road in Multnomah County 1N1 17A 100 & 200) on more land than anyone else in this area, but he is leaving when his commitments to farm are finished.

Area farming is dry land farming that does not take water from other uses. Dwellings in this area use wells to supply domestic water. They have co-existed with farming activities for many years without water problems. Many of the dwellings are immediately adjacent to agricultural activities, and have been for years.

2) consideration of the impact on the farming practices of urbanization of the subject land

Response:

There will be minimal impact on farming practices in this one-mile area if this land is urbanized. The site is in the middle of the area where there are no large farming parcels except the already-urbanized PCC parcel. The Graf parcel farm is accessed from Springville Road now. The largest farms within one mile of this site are on closer the perimeter of that one mile area, while the site itself is in the core, separated from the larger farms by exception land, roadways and the Abbey Creek lowlands.

Road System Conflicts

Most of the impact of urbanization has already hit this area. The rapid urbanization of the Bethany area has brought an explosion of people and their vehicles to the land and road system south of Springville Road. There have been conflicts on Bethany Boulevard, Kaiser Road, 185th, West Union and Germantown Road. As detailed in the farm use report, most of the slow-moving farm traffic comes from western Washington County, and uses the best available road (least traffic/most direct route), usually West Union Road, to reach the area. Some farmers do use Highway 26 and the approaches to this area on 185th or Bethany/Kaiser.

Based on the Farm Impact Analysis, we find that the proposed development will not create unacceptable traffic impacts on nearby farms. If there are 800 new homes on this site, most of the traffic will use 185th and Bethany/Kaiser, and it is likely that the remaining farmers will avoid those roads as much as possible because of the increased traffic. There are several large farms on West Union Road west of this area, so there is already farm traffic on West Union.

Some farmers already use trucks or trailer to haul their tractors and other farm equipment to work this area. Trucks are a normal part of urban traffic. While there are road conflicts, it is important to recognize that these are occasional, not daily occurrences, and should not be overemphasized. In this area of low key dry land farming, there are perhaps ten trips a year to the each field. Much of the land area is planted in grass for seed, which is a long-term (up to ten years) crop on a single planting.

The largest EFU farms in this area are on 185th (1N1 18 Lot 100, lot size 129 acres; 1N2 13 Lots 2100, 2102 & 2N2 24 Lot 200, combined lot size of 114 acres). They are least likely to be affected by traffic from this project, because the farm vehicles will likely move via West Union up 185th, and avoid most of the Springville Road traffic.

The only large farm adjacent to the site is the PCC grass seed farm on the eastern half of 1N1 18 Lot 200, lot size 247.06 acres. However, this land is already inside the UGB and has been designated for urban use by Washington County.

For these reasons, the approval of this site for residential use will not significantly increase conflicts on the public roads in this area between farm vehicles and residential traffic.

Dust, Odor, Noise

The dry land farming practiced in this area will have minimal impact on the proposed housing area. Most of the farming areas are on the outer edge of the one-mile are centered on the site, which means there is little direct contact between these farms and the proposed housing units. (See Farming Practices Report in general.)

The farm use on EFU land in the immediate vicinity of the site includes grain farming four lots (1N1 17B Lot 400 --14.76 acres, Lot 600-- 4.84 acres with dwelling; 1N1 17C Lot 100-- 14.47 acres and 1N1 18A Lot 900 -- 9.85 acres with dwelling). The fact that two of the parcels include dwellings indicates that the farming practices are compatible with residential use.

Dust is minimized by the relative small parcel size which reduces the time spent on any given activity that could raise dust. Plowing and planting are usually done in the spring, which in western Oregon means at least damp ground and little chance of dust.

Odor is minimal because fertilizing is applied by scattering pellets of fertilizer, and spraying is locally applied, either by tractor pulled low-to-the-ground spraying heads. Farmers do not spray on windy days.

The possible impact of noise is limited by the relatively small size and number of EFU farming operations adjacent to the site. The small size means whatever the farming practice -- plowing, planting spraying, harvesting -- the time spent will be short and the effect of any tractor noise will likewise be short. Fences and other buffers will be created during site development.

For these reasons, area farming practices will not interfere with the proposed project in terms of dust, odor or noise.

Trespass/Vandalism

For the reasons already discussed, housing development of this site should not significantly increase trespass problems for farmers in this area. In general terms, the area has already been exposed to the effects of urbanization because of the dense housing development south of Springville Road. Most of the farm use within one mile of the site is located on the outer edge of that one-mile area, and

for this reasons should not be exposed to increased urban impacts from this proposal. (See Farm Use Map.)

As shown on Table 4, there is little farm use immediately adjacent to this housing site. In addition, there is relatively little farm use with access from Brugger Road. The housing development provide fencing and other buffer between the residential land and the adjacent farm land.

3) consideration of the impact on the local agricultural economy.

Response:

The local agricultural economy is a part of the overall Washington County agricultural economy, because most of the larger farm parcels are worked by farmers from elsewhere in the county. The loss of the farming output from this 115 acres area is a minor part of the Washington County farm economy. The Joss farm is planted in wheat and oats (1N1 18 Lot 800 39.32 acres) and hay (1N1 17C Lot 600, 23.83 acres). The Graf parcel (1N1 18 Lot 690, 16.79 acres) has been farmed for grains. According to OSU Extension Service information³, 25,000 acres of wheat were planted in 1996, 7,000 acres of oats, 21,000 acres of hay, and 33,100 acres in all types of grain.

The major remaining farmer in this area, Keith Fishback, is in the process of leaving this area, because it does not make economic sense to farm there. Fishback said he and his brother need at least 500 acres to make a living. Joss figures a farmer needs at least 200 acres to make a living.

As discussed above, the urbanization of the land south of Springville Road has already created the conflicts that affect farming in this area. The addition of these 115 acres to the urban area will not have a further significant impact.

For these reasons, the proposed urbanization of the Ryland Homes site will not have a significant effect on the local agricultural economy.

(c)(2) The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts; and

Response:

See farm impact analysis and the concept plan.

(3) The long-term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in other areas than the proposed site and requiring an exception.

³ "Agricultural Commodity Sales, Washington County, 1996p" Economic Information Office, Oregon State University, March 14, 1997.

Response:

See discussion of Factor 5.

(d) The proposed location for the UGB shall result in a clear transition between urban and rural lands, using natural and built features, such as roads, drainage divides, flood plains, power lines, major topographic features, and historic patterns of land use or settlement.

Response:

As noted in the concept plan and the legal description included in the Appendix, the proposed UGB Amendment will provide a clear transition between urban and rural lands. The eastern boundary will be demarcated by a power line and the northern boundary will generally be demarcated by the top of the ridge line, and the existing open space buffer north of the PCC campus.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING	•)	RESOLUTION NO 98- <u>2726B</u>
COUNCIL INTENT TO AMEND THE)	
URBAN GROWTH BOUNDARY TO)	Introduced by Growth Management
ADD URBAN RESERVE AREA S 39, 62,)	Committee
63-AND 65 IN WASHINGTON COUNTY)	•

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including these-Urban Reserve Areas 39, 62, 63 and 65; and

WHEREAS, ORS 197.298(1)(a) requires that land designated as urban reserve land by Metro shall be the first priority land for inclusion in the Metro Urban Growth Boundary; and

WHEREAS, the Metro Council has initiated a series of legislative amendments to the Urban Growth Boundary, including this resolution for lands outside the Metro jurisdictional boundary; and

WHEREAS, notice of hearings was published and mailed in compliance with Metro Code 3.01.050(b), (c) and (d); and

WHEREAS, a series of hearings was held before the Council Growth Management

Committee on October 6, 13, 20 and 27, and before the full Metro Council on November 10, 12,

16, 17, 19 and December 3, 1998; and

WHEREAS, notice of Proposed Amendment for these-Urban Reserve Areas 39, 62, 63 and 65, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the December 3, 1998 final hearing; and

WHEREAS, the staff report for these areas was available at least seven days prior to the December 3, 1998 final hearing; and

WHEREAS, the Metro Council considered all the evidence in the record, including public testimony in October, November, and December, 1998 hearings to decide proposed amendments to the Urban Growth Boundary; and

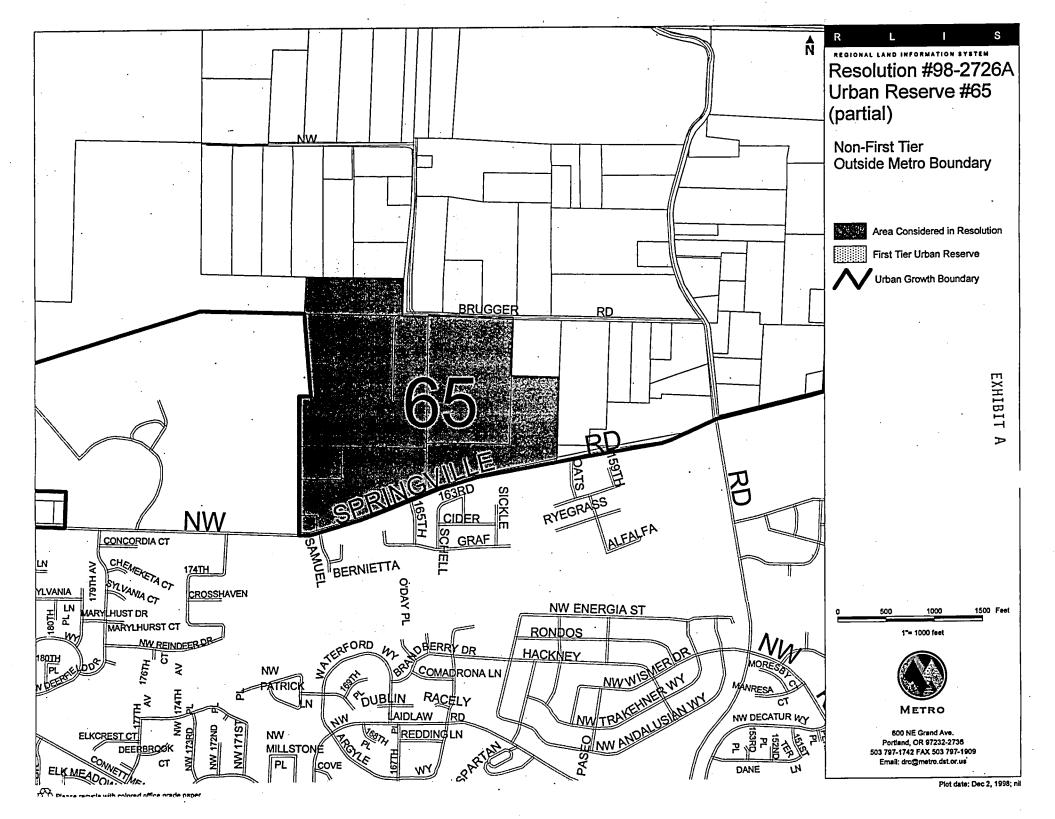
WHEREAS, conditions of approval are necessary to assure that these urban reserve areas added to the Urban Growth Boundary are used to meet the need for housing consistent with the acknowledged 2040 Growth Concept; and

WHEREAS, Metro Code Section 3.01.065(f)(1) provides that action to approve a petition including land outside Metro shall be by resolution expressing intent to amend the Urban Growth Boundary if and when the affected property is annexed to Metro; now, therefore,

BE IT RESOLVED:

- 1. That the Metro Council, based on the process indicated in Exhibit B, attached herein, hereby expresses its intent to adopt an ordinance amending the Urban Growth Boundary to add land in Urban Reserve Areas 39, 62, 63 and 65, outside the Metro jurisdictional boundary as shown on Exhibit A, within 30 calendar days of receiving notification that the property outside the jurisdictional boundary has been annexed to Metro, provided such notification is received within six (6) months of the date on which the resolution is adopted.
- 2. That the Metro Council approves and endorses the request by the owners of the land and electors residing on the land that the subject property be annexed to Metro.

ADOPTED by the Metro Co	ouncil this day of 1998.
	Jon Kvistad, Presiding Officer
ATTEST:	Approved as to Form:
Recording Secretary .	Daniel B. Cooper, General Counsel
i:\r-o\r98gman.b (12/09/98)	



3.01.060 Exceptions to Hearing Officer Decision

- (a) Standing to file an exception and participate in subsequent hearings is limited to parties to the case.
- (b) Parties shall have 20 calendar days from the date that the proposed order and findings are mailed to them to file an exception to the proposed order and findings of the hearings officer with the district on forms furnished by the district.
- (c) The basis for an exception must relate directly to the interpretation made by the hearings officer of the ways in which the petition satisfies the standards for approving a petition for a UGB amendment. Exceptions must rely on the evidence in the record for the case. Only issues raised at the evidentiary hearing will be addressed because failure to raise an issue constitutes a waiver to the raising of such issues at any subsequent administrative or legal appeal deliberations.

(Ordinance No. 92-450A, Sec. 1)

3.01.065 Council Action On Ouasi-Judicial Amendments

- (a) The council may act to approve, remand or deny a petition in whole or in part. When the council renders a decision that reverses or modifies the proposed order of the hearings officer, then, in its order, it shall set forth its findings and state its reasons for taking the action.
- (b) Parties to the case and the hearings officer shall be notified by mail at least 10 calendar days prior to council consideration of the case. Such notice shall include a brief summary of the proposed action, location of the hearings officer report, and the time, date, and location for council consideration.
- (c) Final council action following the opportunity for parties to comment orally to council on the proposed order shall be as provided in Code section 2.05.045. Parties shall be notified of their right to review before the Land Use Board of Appeals pursuant to 1979 Oregon Laws, chapter 772.
- (d) Comments before the council by parties must refer specifically to any arguments presented in exceptions filed according to the requirements of this chapter, and cannot

not defined under ORS 255.012, the returns of the election shall be made to the county clerk. The clerk shall canvass the votes for members of the district board and issue certificates of election to the number of persons, equal to the number of board members named in the petition for formation, receiving the highest number of votes. [1971 c.727 §29; 1975 c.647 §1; 1983 c.350 §7]

198.830 Petition for formation by all landowners in proposed district. (1) If the owners of all real property within an area desire to form a district, they may sign and present a petition to the county board. The petition shall contain the information required by ORS 198.750 to 198.775 and shall be verified by the affidavit of one of the petitioners that the petitioner believes that the signers of the petition comprise all the owners, at the time of the verification, of all the land included within the proposed district. If members of the district board are generally elected to office, the petition shall also state the names of persons desired as the members of the first board and an acceptance in writing by each agreeing to serve as a member of the board.

- (2) The county board shall approve the petition for formation of the district if it
- (a) That the owners of all the land within the proposed district have joined in the petition; and
- (b) That, in accordance with the criteria prescribed by ORS 199.462, the area could be benefited by formation of the district.
- (3) If formation is approved, any election required by ORS 198.810 to 198.825 shall be dispensed with. After the hearing on the petition, if the county board approves the petition, it shall enter an order creating the district. If the district board members generally are elected, the persons nominated by the petition and accepting nomination as in connection with the formation of the dismembers of the board shall constitute the trict. [1971 c.727 §33] first board of the district. [1971 c.727 §30]

198.835 Order for formation of district in single county; order for exercise of additional function by county service district; contents of order. (1) The county board may initiate the formation of a district, to be located entirely within the county, by an order setting forth:

- (a) The intention of the county board to initiate the formation of a district and citing the principal Act.
- (b) The name and boundaries of the proposed district.
- (c) The date, time and place of a public hearing on the proposal.

- (2) An order initiating the formation of a county service district may require dissolution, subject to a determination of public need for continued existence of the county service district as provided in ORS 451.620. The fiscal year in which dissolution will occur, not later than the 10th fiscal year after the date of the order, shall be specified.
- (3) If any part of the territory subject to formation of a district under this section is within a city, the order shall be accompanied by a certified copy of a resolution of the governing body of the city approving the or-
- (4) A county board that also serves as the governing body of a county service district established to provide sewage works may initiate a proceeding to authorize that county service district to also provide drainage works by adopting an order setting forth the information specified in subsection (1) of this section. The order must be accompanied by resolutions consenting to the additional function that are adopted by the governing bodies of not less than 70 percent of the cit-ies located within the boundaries of the county service district. [1971 c.727 §31; 1987 c.504 §7; 1987 c.510 §1; 1989 c.374 §2]

198.840 Notice of hearing. Notice of the hearing set by the order shall be given in the manner provided by ORS 198.800 except that the notice shall state that the county board has entered an order declaring its intention to initiate formation. The hearing and election on the proposal, and election of board members, shall be conducted as provided by ORS 198.800 to 198.825. [1971 c.727 §32]

198.845 Costs. The county shall bear the cost of formation or attempted formation of a district under ORS 198.835 to 198.845. However, if a district is formed, the district shall reimburse the county for any expenses incurred by the county in making necessary preliminary engineering studies and surveys

(Annexation)

198.850 Annexation petition or resolution; delayed effective date for certain annexations. (1) When the electors of an area wish to annex to a district, they may file an annexation petition with the county board. Before the petition is filed with the county board, it shall be approved by indorsement thereon by the board of the affected district and by any other agency also required by the principal Act to indorse or approve the petition.

(2) ORS 198.800 to 198.820 apply to the proceeding conducted by the county board and the rights, powers and duties of petitioners and other persons having an interest in the proceedings.

(3) In lieu of a petition, annexation may be initiated by resolution of the district board, or of the county board. Proceedings may also be initiated by any other public agency if authorized by the principal Act. If proceedings are initiated by the district board or another public agency, a resolution setting forth the matters described by ORS 198.835 shall be filed with the county board. The proceeding thereafter shall be conducted as provided by ORS 198.835 to 198.845. An annexation initiated by the district board may include an effective date which is not later than 10 years after the date of the order declaring the annexation. [1971 c.727 §34; 1991 c.637 §5]

198.855 Annexation election; annexation without election when petition signed by all landowners or by majority of electors and owners of more than half of land. (1) If the annexation petition is not signed by all the owners of all the lands in the territory proposed to be annexed or is not signed by a majority of the electors registered in the territory proposed to be annexed and by the owners of more than half of the land in the territory and an election is ordered on the proposed annexation as provided by ORS 198.815, the county board shall order an election to be held in the territory and the county board also shall order the board of the affected district to hold an election on the same day, both elections to be held for the purpose of submitting the proposed annexation to the electors. The district board shall certify the results of the election to the county board. The order of annexation shall not be entered by the county board unless a majority of the votes in the territory and a majority of the votes in the district are in favor of the annexation. If a majority of the votes cast in both elections do not favor annexation, the county board by order shall so declare.

- (2) Two or more proposals for annexation of territory may be voted upon at the same time. However, within the district each proposal shall be stated separately on the ballot and voted on separately and, in the territory proposed to be annexed, no proposal for annexing other territory shall appear on the ballot.
- (3) If the annexation petition is signed by all of the owners of all land in the territory proposed to be annexed or is signed by a majority of the electors registered in the territory proposed to be annexed and by the owners of more than half of the land in the territory, an election in the territory and district shall be dispensed with. After the hearing on the petition, if the county board

approves the petition as presented or as modified or, if an election is held, if the electors approve the annexation, the county board shall enter an order describing the boundaries of the territory annexed and declaring it annexed to the district. [1971 c.727 §35; 1987 c.818 §5]

198.860 Effect of annexation order. After the date of entry of an order by the county board annexing territory to a district, the territory annexed shall become subject to the outstanding indebtedness, bonded or otherwise, of the district in like manner as the territory within the district. [1971 c.727 §36]

198.865 [1971 c.727 §§37, 38; 1979 c.316 §7; repealed by 1983 c.142 §1 (198.866 and 198.867 enacted in lieu of 198.865)]

198.866 Annexation of city to district; approval of annexation proposal; election. (1) The governing body of a city may adopt a resolution or motion to propose annexation to a district for the purpose of receiving service from the district. Upon adoption of an annexation proposal, the governing body of the city shall certify to the district board a copy of the proposal.

- (2) The district board shall approve or disapprove the city's annexation proposal. If the district board approves the proposal, the district board shall adopt an order or resolution to call an election in the district. The order or resolution of the district board shall include the matters specified in ORS 198.745. In addition the order or resolution may contain a plan for zoning or subdistricting the district as enlarged by the annexation if the principal Act for the district provides for election or representation by zone or subdistrict.
- (3) The district board shall certify a copy of the resolution or order to the governing body of the city.
- (4) Upon receipt of the resolution or order of the district board, the governing body of the city shall call an election in the city on the date specified in the order or resolution of the district board.
- (5) An election under this section shall be held on a date specified in ORS 255.345 that is not sooner than the 90th day after the date of the district order or resolution calling the election. [1983 c.142 §2 (enacted in lieu of 198.865); 1993 c.417 §1]

198.867 Approval of annexation to district by electors of city and district; certification; effect of annexation. (1) If the electors of the city approve the annexation, the city governing body shall:

(a) Certify to the county board of the principal county for the district the fact of the approval by the city electors of the proposal; and

AREA 65 UGB AMENDMENT APPROVAL

Findings of Fact and Conclusions of Law

Exhibit B to Resolution No. 98-2726B

This document ("Area 65 Findings" or "Findings") sets out the process that has been followed to establish the legal justification for the adoption of the Resolution of Intent to Amend the Urban Growth Boundary to include an approximately 106-acre portion of Urban Reserve Area 65, as that property is described in the Ryland Homes Urban Reserve Concept Plan for Site 65, which document is incorporated as part of these Findings. The Findings demonstrate that the Area 65 property proposed for the UGB expansion complies with all applicable state and Metro criteria for a legislative amendment of the boundary.

Consistent with Metro Code ("MC") 3.01.015(f)(5), these Findings are adopted to support the Resolution of Intent to Amend, and the simultaneous initiation by the Metro Council of a district boundary annexation to include the Area 65 property. The amendment of the UGB to include the Area 65 property will become effective after the finalization of the property's annexation into the district's boundary. These Findings, and the supporting evidence, provide the complete record to support both the subsequent annexation into the district's boundary and the effectuation of the UGB amendment. To the extent allowed by state law, it shall not be necessary for the Metro Council to consider further evidence or testimony directed at the legislative amendment criteria, because all applicable criteria have been addressed and satisfied as explained by these Findings and the adoption of the Resolution of Intent to Amend.

With the adoption of this Resolution of Intent to Amend, Metro is following the procedures set out in MC 3.01.015(f)(5), while recognizing that its Charter and recent changes to state law, particularly the adoption of ORS 197.296 and 197.299, in all likelihood authorize Metro to amend its UGB to include properties that are not yet within its district boundary. Because of the state mandates imposed upon Metro by ORS 197.296 and 197.299, Metro has determined that it is advisable, if not required, that this Resolution of Intent to Amend be supported by full findings and evidence sufficient to satisfy all applicable UGB amendment criteria.

The subject property has been considered for inclusion in the UGB, in part, because it was previously designated as an urban reserve area by Metro Council Ordinance No. 96-665E, March 6, 1997. As allowed by Metro Code, that portion of Urban Reserve Area 65 addressed by the Area 65 Concept Plan is proposed for inclusion in the UGB. Because the expansion property is an urban reserve area, it is not necessary for these Findings to address a number of Metro and state approval criteria. Nevertheless, as a precautionary matter, in order to ensure compliance with ORS 197.296 and 197.299, these Findings address all approval criteria that would be applicable even if the subject property had not been previously designated as urban reserve.

Also, if the Resolution of Intent to Amend the UGB includes other areas in addition to the Area 65 property, then separate findings will be adopted to justify the inclusion of the other property or properties. The inclusion of more than one area as part of a single Resolution will be a separate and severable part of the Resolution to ensure that, in the event of any legal challenges, the

justification for each property can stand on its own, although adopted as part of a single legislative action.

Region-Wide Need and Compliance with State Law.

The adoption of ORS 197.296 by the 1995 Legislature and the subsequent adoption of ORS 197.299 by the 1997 Legislature alters the findings and evidence that are needed to demonstrate that a sufficient "need" exists to justify an urban growth boundary amendment. This new statutory standard for establishing need streamlines and simplifies the required need analysis in contrast to the analysis required under prior regulations and case law.

Pursuant to the requirements of ORS 197.296, Metro prepared the Urban Growth Report ("UGR"), which report determined that land sufficient to accommodate approximately 32,370 dwelling units needs to be added to the UGB in order to ensure the Metro region has "sufficient buildable lands to accommodate housing needs for 20 years." ORS 197.296(4). On December 18, 1997, the Metro Council adopted the UGR by Resolution 97-2559B in order to comply with the requirement in ORS 197.299(1) that such a need determination be adopted by no later than January 1, 1998.

Having established the statutorily-mandated need to expand the UGB to accommodate about 32,000 housing units, Metro is then required by ORS 197.299(2) to expand its UGB to accommodate at least one-half of that land need by the end of 1998; any remaining land necessary to fulfill the need must be brought in by the end of 1999. Therefore, the prior adoption of the UGR, combined with the deadline imposed by ORS 197.299(2), provide all of the "need" justification necessary to support this legislative amendment of the UGB. The need analysis provided below in response to Metro Code ("MC") 3.01.020(b)(1) and (2) is not necessary to support Metro's decision to expand the UGB to include the Area 65. Nevertheless, adequate evidence and findings are presented herein to justify the decision under those Metro Code sections.

The prioritization of land to be included in this UGB amendment are established in ORS 197.298. The Area 65 property qualifies as first priority under that statute, pursuant to ORS 197.298(1)(a), because the site has previously been designated as urban reserve land by Metro. In the absence of that urban reserve designation, the site can also be justified for inclusion in the UGB amendment, pursuant to ORS 197.298(3)(a) and (c). As discussed below in response to MC 3.01.020(b)(1) and (2), the specific type of land need justifying the inclusion of the Area 65 property is the need to address the growing jobs/housing imbalance in the subregional area. Alternatively, inclusion of the property is also justified under ORS 197.298(3)(c), because including the property is necessary in order to provide the exception land to the north of the PCC campus with urban services in a manner that will achieve maximum efficiency of land uses in the area. The basis for this maximum efficiency finding is set out in response to MC 3.01.020(b)(6)(A)(i) below.

MC 3.01.020: Legislative Amendment Criteria.

MC 3.01.020(b)(1)

- (1) Factor 1: Demonstrated need to accommodate long-range urban population growth.
 - (A) The district shall develop 20-year Regional Forecasts of Population and Employment, which shall include a forecast of net developable land need, providing for review and comment by cities, counties, special districts and other interested parties. After deliberation upon all relevant facts the district shall adopt a forecast. This forecast shall be completed at least every five years or at the time of periodic review, whichever is sooner. Concurrent with the adoption of the district's growth forecast, the district shall complete an inventory of net developable land, providing the opportunity for review and comment by all cities and counties in the district.
 - (B) The forecast and inventory, along with all other appropriate data shall be considered by the district in determining the need for urban developable land. The results of the inventory and forecast shall be compared, and if the net developable land equals or is larger than the need forecast, then the district council shall hold a public hearing, providing the opportunity for comment. The council may conclude that there is no need to move the UGB and set the date of the next five-year review or may direct staff to address any issues or facts which are raised at the public hearing.
 - (C) If the inventory of net developable land is less than the need forecast, the district shall conduct a further analysis of the inventory to determine whether any significant surplus of developable land in one or more land use categories could be suitable to address the unmet forecasted need. Council shall hold a public hearing prior to its determination of whether any estimated deficit of net developable land is sufficient to justify an analysis of locations for a legislative amendment the UGB.
 - (D) For consideration of a legislative UGB amendment, the district council shall review an analysis of land outside the present UGB to determine those areas best suited for expansion of the UGB to meet the identified need.
 - (E) Consistent with 3.01.012(e) areas included in a legislative amendment of the UGB shall have completed an urban reserve conceptual plan. If suitable lands with completed urban reserve plans are not sufficient to meet the identified need, additional legislative amendments of the UGB may be adopted as urban reserve plans are completed. This

legislative review process for the regional UGB shall continue to consider legislative UGB amendments until the identified need is fully met.

- (F) The district must find that the identified need cannot reasonably be met within the UGB, consistent with the following considerations:
 - (i) That there is not a suitable site with an appropriate comprehensive plan designation.
 - (ii) All net developable land with the appropriate plan designation within the existing UGB shall be presumed to be available for urban use during the planning period.
 - (iii) Market availability and level of parcelization shall not render an alternative site unsuitable unless justified by findings consistent with the following criteria:
 - (I) Land shall be presumed to be available for use at some time during the planning period of the UGB unless legal impediments, such as deed restrictions, make it unavailable for the use in question.
 - (II) A parcel with some development on it shall be considered unavailable' if the market value of the improvements is not significantly less than the value of the land, as established by the most recent assessor records at the time of inventory. Standard measures to account for the capability of in-fill and redevelopment will be developed by the district to provide a means to define what is significant when comparing structure value and land values. When a city or county has more detailed or current gross redevelop able land inventory data, for all or a part of their jurisdiction, it can request that the district substitute that data in the district gross developable land inventory.
 - (III) Properly designated land in more than one ownership shall be considered suitable and available unless the current pattern or level of parcelization makes land assembly during the planning period unfeasible for the use proposed.

Subsections (1)(A), (B), (C) and (F) quoted above have all been addressed and satisfied with the adoption of the UGR by Resolution 97-2559B. Subsections (1)(D) and (E) establish that Metro must choose the most suitable lands to bring inside the UGB in order to meet the need established by

the UGR and the deadline imposed by ORS 197.299(2). Subsection (1)(E), along with MC 3.01.015(e), provide that the most suitable lands for inclusion in the UGB are those for which urban reserve conceptual plans have been completed. The Metro Council is required to include such lands in a legislative amendment of the UGB before including any properties that have not prepared and completed that level of pre-planning. The preparation of concept plans, in accord with MC 3.01.012(e), provides the best evidence of a property's suitability for expansion. The Ryland Homes Concept Plan for Area 65 addresses and satisfies all of the pre-planning requirements of MC 3.01.012(e) and thus must be included in this legislative amendment of the UGB. The complete record for all of the legislative amendments of the UGB being considered by Metro at this time demonstrates that a sufficient number of concept plans have not been prepared so as to enable Metro to fulfill its obligation under ORS 197.299 based solely on including properties for which there is a complete plan in accord with MC 3.01.012(e). The Area 65 Concept Plan, in addition to satisfying the pre-planning requirements of MC 3.01.012(e), also provides persuasive evidence that it is a more suitable site for expansion of the UGB at this time, based on MC 3.01.020, than those expansion areas that have not satisfied MC 3.01.012(e).

MC 3.01.020(b)(2)

Factor 2: Need for housing, employment opportunities and livability may be addressed under either subsection (A) or (B) or both, as described below.

(A) For a proposed amendment to the UGB based upon housing or employment opportunities the district must demonstrate that a need based upon an economic analysis can only be met through a change in the location of the UGB.

For housing, the proposed amendment must meet an unmet need according to statewide planning Goal 10 and its associated administrative rules. For employment opportunities, the proposed amendment must meet an unmet long-term need according to statewide planning Goal 9 and its associated administrative rules. The amendment must consider adopted comprehensive plan policies of jurisdictions adjacent to the site, when identified by a jurisdiction and must be consistent with the district's adopted policies on urban growth management, transportation, housing, solid waste, and water quality management.

- (B) To assert a need for a UGB amendment based on livability, the district must:
 - (i) factually define the livability need, including its basis in adopted local, regional, state, or federal policy;
 - (ii) factually demonstrate how the livability need can best be remedied through a 'change in the location of the UGB;
 - (iii) identify both positive and negative aspects of the proposed

UGB amendment on both the livability need and on other aspects of livability; and

(iv) demonstrate that, on balance, the net result of addressing the livability need by amending the UGB will be positive.

Factor 1 discussed above addresses the establishment of the regional need justifying an expansion of the boundary. Consistent with ORS 197.296 and MC 3.01.020(b)(1), the UGR has established the regional need to expand the boundary to include enough land that is suitable and available to accommodate the development of about 32,000 housing units. The Factor 2 "need" can be addressed and satisfied by demonstrating a subregional need that justifies the specific properties being included in the UGB amendment. The subregional need justifying the inclusion of the Area 65 property can be based on a housing need. The primary subregional justification, however, is based on both the regional need analysis established in the UGR and the subregional need to improve the jobshousing balance in the Beaverton Regional Center area.

The Residential Market Evaluation ("RME"), dated November 18, 1998, prepared by Hobson Johnson & Associates, provides expert evidence demonstrating that it is necessary to include Area 65 in the UGB in order to accommodate both the subregion's share of the regional need and also to address the specific subregional need for more residential land in order to maintain a favorable ratio of jobs to housing for the area during the next 20 years and beyond.

The RME for Area 65 provides persuasive expert evidence that supports the following:

- The area studied in the RME is consistent with the RUGGO and 2040 Growth Concept map delineation for the Beaverton Regional Center area. Moreover, it is consistent with the suggested study area in OAR 660-020-0030(4)(a), in that it includes a regional center and a population of at least 100,000. Moreover, it does not overlap with the designated Hillsboro Regional Center area that was studied in the related RME prepared by Hobson Johnson & Associates for that regional center area.
- The RME projects that there is capacity inside the UGB in the Beaverton Regional Center area to accommodate an additional 17,118 housing units. That capacity projection takes into account all of the infill, redevelopment, rezoning opportunities and other assumptions and requirements called for in the Functional Plan and other related land use policies and standards. The RME's analysis is based on that very optimistic assumption, even though the evidence indicates that in all likelihood fewer housing units than that will ultimately be built within the existing UGB.
- Metro's UGR and other planning documents, as well as the best up-to-date evidence, concludes that there will be a need to accommodate an additional 32,077 housing units in the greater Beaverton area by 2020. That means that, in order to accommodate the subregion's share of the regional growth, land capable of accommodating about 15,000 housing units must be added to the UGB in the subregional area as soon as possible in order to meet the requirement in ORS 197.296 to maintain a 20-year supply of buildable land at all times.

- The current jobs/housing ratio in the study area is 1.63 jobs to each housing unit. That ratio is higher than the optimal current ratio for all non-central city areas of 1.50. Thus, the Beaverton Regional Center area is already a more jobs-rich area than is desirable.
- In addition to the projected need to accommodate about 15,000 additional housing units between 1998 and 2020 in the Beaverton Regional Center area, the UGR and the other evidence analyzed in the RME projects that there will be employment growth of about 51,142 jobs in the subregional area during this same time period. Based on the projected housing and job growth, the resulting jobs/housing ratio in 2020 will be 1.63, which means that there will be very little improvement in the existing jobs/housing imbalance in the area. The RME establishes that 1.50 is a reasonable ratio for defining the optimal jobs/housing balance that the Beaverton region should strive to maintain. Therefore, land capable of accommodating additional housing units needs to be added to the area in order to begin improving the jobs/housing ratio.
- As noted in the RME, the geographic distribution of employment growth throughout the region is not just a function of land availability. As a result, the most efficient and reliable way in which to correct a jobs/housing imbalance is to create additional housing opportunities near existing and emerging employment areas. Therefore, the RME concludes that land capable of accommodating an additional 21,800 housing units (not just 15,000 units) must be added to the Beaverton Regional Study area by the year 2020 in order to move towards an optimal jobs/housing ratio of 1.50.

In summary, the land proposed for expansion into the UGB by the Area 65 Urban Reserve Concept Plan is suitable and available for accommodating approximately 613-819 housing units, which would satisfy only a portion of the subregional need for urbanizable land in the Beaverton Regional Center area.

- (3) Factor 3: Orderly and economic provision of public facilities and services. An evaluation of this factor shall be based upon the following:
 - (A) For the purposes of this section, economic provision shall mean the lowest public cost provision of urban services. When comparing alternative sites with regard to factor 3, the best site shall be that site which has the lowest net increase in the total cost for provision of all urban services. In addition, the comparison may show how the proposal minimizes the cost burden to other areas outside the subject area proposed to be' brought into the boundary.
 - (B) For the purposes of this section, orderly shall mean the extension of services from existing serviced areas to those areas which are immediately adjacent and which are consistent with the manner of service provision. For the provision of gravity sanitary sewers, this could mean a higher rating for an area within an already served

drainage basin. For the provision of transit, this would mean a higher rating for an area which could be served by the extension of an existing route rather than an area which would require an entirely new route.

Response:

The proposed UGB amendment provides a unique vehicle for the orderly and economic provision of public services to URA 65, and particularly the exception lands north of the PCC campus. URA 65 is one of the most cost-effective Urban Reserves to provide with public facilities, and the portion to be incorporated through the proposed amendment is the most orderly and cost-effective first step in incorporating URA 65.

The Metro Urban Reserve Productivity Analysis was prepared in September 1998, and had the following goal:

The goal of the Productivity Analysis was to estimate the productivity (number of dwelling units and employees) and serviceability (cost to provide water, wastewater, stormwater and transportation services) for each URA by applying a consistent set of methods and assumptions so that relative comparisons between the URAs could be made.¹

The Productivity Analysis noted that URA 65 was in the top 25% of all URAs for Service Cost per Dwelling Unit Equivalent.

The productivity analysis did not evaluate the site-specific advantages of the proposed amendment over the rest of URA 65, or the manner in which the proposed amendment facilitates the orderly provision of public services to the rest of the URA. As part of its Urban Reserve Concept Plan, Ryland Homes submitted a Conceptual Public Facilities Plan prepared by Consulting Engineering Services. The plan demonstrates that the proposed amendment is the key to the development of URA 65.

Sanitary Sewer

The Public Facilities Plan notes that sanitary sewer is immediately available to the area and will provided to the site by a trunk line which runs through a drainage area south of Springville Road. The trunk line has been extended north of Springville road at the location of the proposed expansion. Thus, the proposed expansion is the logical starting point for the orderly provision of public services to the area.

¹Productivity Analysis, P. 3

The Public Facilities Plan also notes that proposed amendment is the only feasible way to provide sanitary sewer service to the Exception Lands north of the PCC Campus. As noted in the report, any other route for sewer service would require the extension of thousands of feet of sewer line outside the UGB, and would require additional pump stations.

The proposed expansion will also avoid any inefficient "cherry-stem" expansions of public facilities. Ryland Homes has provided a letter dated November 30, 1998 from Consulting Engineering Services which indicates that a "cherry stem" approach to serving the exception areas north of PCC would be inefficient and costly. Moreover, a cherry stem approach would be *per se* inconsistent with the mandate of 3.01.012(3)(b) that "orderly" service provision means the extension of services from "existing serviced areas to those areas which are immediately adjacent."

Finally, the proposed amendment eliminates the need to extend sewer through the Rock Creek floodplain/wetland area north of the PCC Campus, which has been slated for preservation and environmental education in the approval of the PCC Master Plan.

The evidence shows that the proposed UGB expansion will allow for the efficient expansion of public facilities, and would provide additional efficiencies if allowed to develop before other portions of URA 65.

Storm Sewer

The site of the proposed UGB expansion is large enough to provide on-site stormwater detention and treatment. These on-site treatement and detention facilities will eliminate stormwater surge, and can minimize the potential for pesticide migration into local drainages

Water

The site can be served with water from a 24" water line located in Springville Road.

Transit

DKS Associates has provided a Conceptual Transportation Plan for the proposed amendment. Because of its location near the PCC campus, the site of the proposed amendment is currently served by two bus lines, which each provide convenient connections to the West Site Light Rail. Moreover, the applicant's conceptual transportation plan has identified a number of transportation improvements which will assure that the transportation system in the area of the proposed development will function adequately with a 2015 and 2020 planning horizon. We find that is will be feasible for the relevant local governments to amend their transportation service plans in a manner sufficient to provide for transportation system needs.

Schools

The Master Plan for the proposed development shows the potential location for a school within the site. The provision of a school site within the proposed development, combined with the location of the site adjacent to the PCC Rock Creek Campus provides several benefits not available on potential

alternative sites. First, the proposal helps achieve the RUGGO Objective 18 Goal of "minimizing public and private costs" of providing schools in the region. Second, pedestrian and bicycle network within the site will allow the students to easily walk or bicycle to school, and the school may provide additional capacity for other developments in the area.

- (4) Factor 4: Maximum efficiency of land uses within and on the fringe of the existing urban area. An evaluation of this factor shall be based on at least the following:
 - (A) The subject area can be developed with features of an efficient urban growth form including residential and employment densities capable of supporting transit service; residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and the ability to provide for a mix of land uses to the needs of residents and employees. If it can be shown that the above factors of compact form can be accommodated more readily in one area than others, the area shall be more favorably considered.
 - (B) The proposed UGB amendment will facilitate achieving an efficient urban growth form on adjacent urban land, consistent with local comprehensive plan policies and regional functional plans, by assisting with achieving residential and employment densities capable of supporting transit service; supporting the evolution of residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and improving the likelihood of realizing a mix of land uses to meet the needs of residents and employees.

Response:

The subject area will be developed in accordance with the Urban Reserve Concept Plan submitted by Rylan Homes. This means that the site can be developed from the ground up in compliance with the 2040 Growth Concept, the RUGGOs and the Functional Plan. The ability to master plan the site, and to master plan the site in a timely fashion sets it apart from potential alternative sites, including virtually all of the potentially available exception areas. This ability to develop the site with a compact form cause the site to be given greater consideration than any potential alternative without a master plan.

Densities To Support Transit

The site will be developed with at least 10 units per net developable acre, in accordance with the 2040 Growth Concept. This type of density will help support the two existing bus lines which serve the PCC Rock Creek Campus, and connect to the West Side Light Rail. The addition of potential riders to existing lines will help maximize efficiency of the transit system.

Development Patterns Supporting Pedestrian, Bicycle and Transit Use.

The master plan for the site reveals that there will be a substantial pedestrian and bicycle network both within the proposed development, and connecting the development to the PCC Campus and transit stops on Springville Road.

Mix of Land Uses

As shown in the Master Plan, the proposed development will provide a variety of housing types, and will provide parks, open space and a potential location for a school. Like many other facets of the locational factors of the Metro Code and Goal 14, the ability to master plan the area provides a distinct advantage to the proposed site over other alternatives.

Effect of Amendment on Adjacent Urban Land.

The proposed development will provide benefits to nearby urban land in several respects. First, the proposed amendment will provide numerous utility efficiencies by using existing utilities, thus spreading the capital cost of improvements over a broader base. Second, the proposed development will enhance the mix of land uses in the area by providing additional customers for two nearby neighborhood commercial centers.

- (5) Factor 5: Environmental, energy, economic and social consequences. An evaluation of this factor shall be based upon consideration of at least the following:
 - (A) If the subject property contains any resources or hazards subject to special protection identified in the local comprehensive plan and implemented by appropriate land use regulations, findings shall address how urbanization is likely to occur in a manner consistent with these regulations.

The subject property contains Water Areas and Wetlands and Fish and Wildlife Habitat as designated in the Washington County Rural/Natural Resource Plan. As noted in the Master Plan, these areas will be preserved outright. Based on the report submitted by Enviro Science, it is apparent that the subject property can provide opportunities for enhancement of the area.

(B) Complementary and adverse economic impacts shall be identified through review of a regional economic opportunity analysis, if one has been completed. If there is no regional economic opportunity analysis, one may be completed for the subject land.

(C) The long-term environmental, energy, economic, and social consequences resulting from the use at the proposed site. Adverse impacts shall not be significantly more adverse than would typically result from the needed lands being located in other areas requiring an amendment of the UGB.

Response:

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The proposed development will be designed from the ground up to implement the policies and guidelines contained in Metro's 2040 Growth Concept and the regional urban growth goals and objectives. The plan includes identifiable neighborhoods, a mix of housing types including affordable housing, proximity to existing Tri-Met bus lines and bike and pedestrian trails linking the site with major commercial centers in the Bethany area and with the Portland Community College (PCC) campus. The proposed development will provide about 15.5 acres of parks and open space, has made room for a proposed school site, and will yield a minimum of 10.4 dwelling units per net available acre.

EnviroScience, Inc. has prepared a natural resource evaluation and protection plan for the property. The plan and evaluation contain a thorough analysis of the environmental, habitat and water quality values of the site. The Washington County Rural/Natural Resource Plan designates the riparian corridor which runs through the property as Water Areas and Wetlands & Fish and Wildlife Habitat.

The concept plan provides substantial (200'+) buffers along the riparian corridor which runs through the property. This will provide numerous environmental benefits. First, the buffer provides substantial opportunities for restoration of the riparian area, which has been degraded through invasions of Himalayan blackberries, reed canary grass and through agricultural practices. The buffer will also provide a substantial benefit through allowing bio-filtration of runoff.

It is also important to note that PCC has committed to preserve the large wetland area and wooded buffer north of the PCC campus PCC has designated this area as an "educational hub for a regional environmental system". This makes the northern boundary of the proposed development a natural stopping place for the first phases of the development of URA 65.

EnviroScience has also noted that the site does not contain the Willamette Valley Grasslands and Oak Woodlands Habitats noted in the draft staff report. Moreover, the EnviroScience report points out that the site does not contain elk winter range.

One important factor in favor of the proposed development is that there does not need to be any funding plan for acquisition of open space. Because the project is master planned, and on a property of approximately 115 acres, open space and environmental preservation goals will be satisfied through the set aside of existing natural areas. This stands in stark contrast to sites which are more heavily partition, where the preservation of riparian corridors, for example, would involve difficult, lengthy and expensive discussions and transactions, and/or the condemnation of property for parks or

²Application for Special Use Approval and Development Review, Portland Community College, August 1993.

open space.

Economics.

As noted in the farm impact analysis and farm practices report, the development of the subject property will have little impact on the economy of nearby farm uses. Farm uses within a one mile radius of the site are already impacted by the substantial number of existing dwellings and the small size of parcels.

As noted at the public hearing on November 10, the subject property will provide a substantial boost to two planned neighborhood commercial centers, one in Bethany and the planned commercial center at the northeast quadrant of 185th and West Union Road. The increase in the viability of these commercial centers will provide an economic boost that will more than offset any loss in farm related income from the development of the subject property. As noted in the staff report, construction is an important economic activity accounting for six percent (6%) of the gross state product. The build out of the subject property over a number of years will provide a significant economic boost to the area.

Social.

The subject property will be developed in complete accordance with Metro's 2040 Goals. This will provide a livable community with affordable housing and open space network and potential room for school services. In addition, the site is located close to two neighborhood commercial centers which will reduce the overall number of vehicle miles traveled as people who live in the site can satisfy most of their shopping needs within one mile of the subject property. It is also important to note that the site is served by two bus lines, making it one of the most transit friendly urban reserve areas in the region.

Thus, the negative energy, environmental, economic and social consequences of the proposed amendment are less than potential alternative sites.

- (6) Factor 6: Retention of agricultural land. This factor shall be addressed through the following:
 - (A) Prior to the designation of urban reserves, the following hierarchy shall be used for identifying priority sites for urban expansion to meet a demonstrated need for urban land:
 - (i) Expansion on rural lands excepted from statewide planning Goals 3 and 4 in adopted and acknowledged county comprehensive plans. Small amounts of rural resource land adjacent to or surrounded by those "exception lands" may be included with them to improve the efficiency of the boundary amendment. The smallest amount of resource land necessary to achieve improved efficiency shall be included;

- (ii) If there is not enough land as described in (i) above to meet demonstrated need, secondary or equivalent lands, as defined by the state, should be considered;
- (iii) If there is not enough land as described in either (i) or (ii) above, to meet demonstrated need, secondary agricultural resource lands, as defined by the state should be considered;
- (iv) If there is not enough land as described in either (i), (ii) or (iii) above, to meet demonstrated need, primary forest resource lands, as defined by the state, should be considered;
- (v) If there is not enough land as described in either (i), (ii), (iii) or (iv) above, to meet demonstrated need, primary agricultural lands, as defined by the state, may be considered.
- (B) After urban reserves are designated and adopted, consideration of factor 6 shall be considered satisfied if the proposed amendment is wholly within an area designated as an urban reserve.
- (C) After urban reserves are designated and adopted, a proposed amendment for land not wholly within an urban reserve must also demonstrate that the need cannot be satisfied within urban reserves.

Response:

1. Introduction.

In addition to Metro Code's Factor 6, there are numerous criteria throughout the statutes, and administrative rules which require an analysis of the availability of potential alternatives to an expansion of the Urban Growth Boundary in a particular location. These alternatives criteria are cited below. As noted above, there is both a general need for more housing in the Hillsboro area, and a special land need for housing to remedy a jobs/housing imbalance in the area. As discussed below, the evidence demonstrates that there are no alternative sites of higher priority which could reasonably accommodate either the general or the special land need in the Hillsboro area. Moreover, the "exception" standard in subsection (6)(A)(i) provides an alternative basis by which the Area 65 property satisfies Metro Factor 6.

2. Applicable Criteria.

The following statutes, administrative rules and sections of the Metro code each require an analysis of potential alternatives to the proposed UGB expansion.

Statutes.

- ORS 197.298
- ORS 197.732(1)(c)(b)

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Administrative Rules.

- OAR 660-004-0010(c)(d)(ii)
- OAR 660-004-0020(2)(b)
- OAR 660-014-0040(3)(a)

Metro Code Provisions.

- MC 3.01.020(b)(1)(E)
- MC 3.01.020(c)(1)
- MC 3.01.020(b)(6)

The subject property is comprised of about 106 acres within the previously designated URA 65. Therefore, the subject amendment need not be accompanied by findings demonstrating compliance with Factor 6. As a precautionary matter, these findings demonstrate compliance with the agricultural land retention provisions of ORS 197.298 and MC 3.01.020(b)(6), and the related criteria listed above.

Under Metro's acknowledged code, a legislative amendment to the urban growth boundary (UGB) requires the Council to apply and balance factors 3 through 7, as listed in MC 3.01.020(b). First, it must be emphasized that the MC 3.01.020(b), like the Goal 14 factors from which they were derived, are factors that must be balanced. See MC 3.01.020(b) ("For legislative amendments, if need has been addressed, the district shall demonstrate that the priorities of ORS 197.298 have been followed and that the recommended site was better than the alternative sites, balancing factors 3 through 7.") See also RUGGO 24.2 ("Criteria for amending the UGB shall be derived from statewide planning goals 2 and 14, other applicable goals, and relevant portions of the RUGGOs"); Halverson v. Lincoln County, 82 Or App 302, 728 P.2d 77 (1986) (requiring balancing of Goal 14 factors).

In some cases, application of each locational "factor" of MC 3.01.020(b) will lead to contradictory results. For example, application of factor 6 may favor including a parcel of heavily parcelized exception land with steep slopes, while application of factor 3 may indicate that this same exception land does not lend itself to "orderly and economic provision [of] public facilities and services." In such cases, the two factors essentially balance (or cancel) each other, and the local government must look towards the other two factors, along with relevant portions of the acknowledged RUGGOs, to resolve the conflict.

Similarly, state law requires that when the statewide goals are applied to a decision, the goals must be given equal weight. ORS 197.340.

Factor 6 generally establishes a preference for expanding urban development into areas which are not useful for agricultural or forestry uses because of their soil types, or because the land has previously been parcelized and developed in a fashion which makes it unlikely that agricultural or forestry uses would ever resume on these lands.

3. General Findings on Alternative Locations

a. <u>Maximum Efficiency</u>

Under MC 3.01.020(b)(6)(A)(i), the first priority for inclusion into the urban growth boundary are "rural lands excepted from statewide planning Goals 3 and 4 in adopted and acknowledged county comprehensive plans." See also ORS 197.298(1)(a). Inclusion of non-exception lands in the Ryland Homes site is justified under the second sentence of MC 3.01.020(b)(6)(A)(I), which states that "small amounts of rural resource land adjacent to or surrounded by those "exception lands" may be included with them to improve the efficiency of the boundary amendment." This efficiency-enhancing provision is similar to the "maximum efficiency" exception to the priority system created for the designation of urban reserves. See ORS 197.298(3)(c), OAR 660-21030(4)(c). Metro has previously found that it is necessary to include the resource land in URA 65 to achieve maximum efficiency for this urban reserve area.

As detailed in the Consulting Engineering Services, Inc. letter, dated October 27, 1998, inclusion of the Ryland Homes site will create service efficiencies for the provision of urban facilities and service, including transportation, water, sanitary sewer, and stormwater drainage—for the exception areas to the north of the PCC campus. In fact, there is no other practical and economical alternative to serve the exception area to the north of the Ryland Homes Site. Sewer and stormwater services can most efficiently be provided utilizing the existing natural swale/creek the runs north across Springville Road. This swale veers to the east across the EFU zoned parcels in the south-central section of URA 65. The requisite oversized sewer lines are already in place, and no further public investment is needed.

Improved efficiency of land uses means servicing the exception lands via the resource lands in the Ryland Homes site. This includes taking full advantages of the topography for gravity sewer systems and storm-water drainage, exploiting the utility investments that have already been made in the area, developing the proposed expansion property in a manner that supports a compact urban growth boundary and interconnectivity of utilities and roads, and locating urban growth in an area that is near schools, shopping areas, town centers, and transit corridors.

Metro recognizes that with the inclusion of the resource property within the Ryland concept plan area, the potential for efficient development is extremely high. First, sewer services are already in place. In fact, when the trunk line was built, it was designed, constructed and extended specifically to include the necessary gravity flow and access needed to serve the to the north. Therefore, sewer service extensions may now be installed to serve site 65 at no additional cost to the public. In addition, the Springville road right-of-way already contains a 24 inch DI water main with adequate water and pressure to serve the entire URA 65. Finally, this same right of way also contains a new N.W. Natural Gas main line, GTE Fiber optics telephone trunk lines, and cable TV lines. For these reasons, the productivity Analysis rated URA 65 as one the least expensive sites to serve with urban services.

In addition to the ready availability of utility services, there are other reasons why the three EFU-zoned tax lots located in the middle of URA 65 are needed to improve efficiencies of the adjacent exception land. Because of their central location, including these parcels greatly enhances the interconnectivity of the entire site, especially with regard to transportation and utility services. In fact, without the connection provided by these sites, the two peninsulas of exception land suffer from lack of interconnectivity, funneling both traffic and utilities services south along narrow corridors. Finally, a high voltage transmission line runs north/south across these EFU parcels. These lines create the

opportunity for bike paths and open space, as has already been done in the residential neighborhoods to the south of URA 65. Improved efficiency of land uses occurs when a compact urban form is maintained. When the boundaries of URA 65 were drawn, it was intended to maintain a compact urban form by including the small pockets of adjacent EFU, AF-20, AF-10, and AF-5 lands between the higher exception lands to the north and the existing UFB to the south. This was a preferred alternative to creating two peninsulas of urban land by incorporating only the isolated groups of exception land on URA 65. As a result, the increase in size of the UGB's overall perimeter is lessened, while interconnectivity within the urban reserve is greatly enhanced.

Improved efficiency of land uses is also achieved by including the Ryland Homes site in the UGB because of the presence of the large, relatively flat parcels of land in single ownership. Although URA 65 is devoid of big parcels suitable for farming, it has also not been heavily parcelized, and few parcels smaller than 5 acres exist outside of the exception areas. Thus, the existing parcels are uniquely suited to master planning, which will greatly increase the likelihood that these sites will exceed or achieve Metro's 2040 growth concept density goals.

b. <u>Exception Lands</u>.

The demonstrated need for housing in the Beaverton Regional Center sub-regional area, including the special land need (jobs/housing imbalance) for 6800 housing units cannot be met by including only exception lands in the urban growth boundary. To comply with factor 6, these findings, as supplemented by the alternative site analysis, detail why other sites with less impact on higher priority resource lands are unavailable, unsuitable, or insufficient in quantity to satisfy a particular need which justifies a UGB expansion. The reasons why the Washington County and Multnomah County exception areas are not sufficient to meet the demonstrated need are listed below. Exception lands not adjacent to the existing urban growth boundary are considered and rejected first. Second, exception lands in the Beaverton Sub-region adjacent to the existing urban growth boundary are considered for their ability to meet the current unmet housing need.

1. Exception Lands Not Adjacent to Existing Urban Growth Boundary.

Of the existing exception lands in Washington County, most are not adjacent to the existing urban growth boundary. These exception areas are not suitable because they do not meet the requirements of the RUGGO and the 2040 Growth Concept. Although nothing specifically requires that proposed urban reserve areas be adjacent to the present UGB, as a practical matter, only adjacent lands allow for efficient urban expansion, maximum connectivity, proximity to regional and town centers, and compact urban form. Exception lands greater than one full mile from the present UGB were not even studied for inclusion in the urban growth boundary under the alternative site analysis, because they categorically could not comply with the 2040 Growth Concept and the RUGGOs under any given circumstances. Urban development in these areas would have negative impacts on the environment, specifically air quality; resultant from increases in vehicle miles traveled (VMT). In addition, urban expansion in these areas would have a greater impact overall farm practices in the area. Finally, state law even reflects the general policy that urban expansion should be focused on adjacent lands: when selecting urban reserve areas, OAR 660-21-030(2) requires local governments to study adjacent lands before including lands further than ½ a mile from an existing urban growth boundary.

2. Exception Lands Adjacent to Existing Urban Growth Boundary.

As detailed in the alternative site analysis, exception areas adjacent to the present urban growth boundary in the Beaverton Regional Center sub-regional area are not a reasonable alternative to URA 65. The alternative site analysis demonstrates that none of the adjacent exception areas could provide enough housing units, either individually or cumulatively, to meet the special land need in the Beaverton Regional Center sub-regional area. These exception areas are designated as AF-5 and AF-10 on the Washington County Rural/Natural Resources Plan Map (Side 2). The primary reasons that these exception lands were are rejected as reasonable alternatives is summarized below.

Some of the adjacent exception areas within this category are located within green corridors, as designated on the acknowledged 2040 Growth Concept Map. These areas could not be brought into the urban growth boundary without violating Regional Urban Growth Goals and Objectives (RUGGO) 22.3.3 and 26.1, which require "separation of communities."

In addition, many of these exception lands are located on lands with steep slopes (over 25%), FEMA 100 year flood plains, or other environmental constraints. These lands are not suitable for urban development because they are not efficiently served, because they cause damage to the environment and, in some cases, are hazardous to human health. Moreover, RUGGO subgoal II.4 (the 2040 Growth Concept), which lists certain steeply sloped and flood-prone lands as unbuildable. *See* 2040 Growth Concept Maps: (Slopes) and (Environmentally Constrained Lands).

And additional reasons exist in some cases. For example, lands in the flight path of the Hillsboro Airport were excluded from consideration, in part because it would be imprudent to develop these lands to the density levels required in either Inner or Outer Neighborhoods under Metro 2040 Growth Concept.

Exception areas which form peninsulas of high-priority land protruding out into areas of productive farmland are also excluded from consideration because urbanizing these areas will result in a major incursions into the surrounding EFU lands. Transportation problems are compounded on these sites, because collector street are invariably funneled through the thin strip of land connecting the exception area with the UGB. This violates RUGGO Goals II.i, II.3.iii, 19.I, 19.iv, 19.v, 19.vii and RUGGO Objectives 19.2.2 and 3.1 because it does not allow for interconnectivity or an integrated transportation network. Moreover, providing services through the narrow strip of land in these exception area violates RUGGOs 18.I, 18.ii. and 18.v because of its inefficiencies. These inefficiencies arise because developing into thin fingers of exception land requires large quantities of trunk and collection lines while on providing a few localized connections. It is more efficient to have as many local connections to water, sewer, and roads as possible, thereby reducing the overall amount of these services that must be built. Therefore, if roads, water mains, and sewage pipes are going to be extended any distance to reach the higher priority exception land, then maximum efficiency is achieved by also allowing local connections along the full length of the trunk lines.

In some cases, the addition of these peninsulas to the UGB would create islands of non-urban land surrounded by the UGB. In all cases, adding peninsulas of exception land would create a greater percentage of land where prime farmland is contiguous to urban development. These farmlands become more vulnerable to trespass, vandalism, and other impacts of urban development. Choosing

options which increase the amount of farmland contiguous to urban uses contravenes RUGGO 16.3, which requires Metro to "protect and support the ability for farm and forest practices to continue." In addition, such an approach is inconsistent with Objective 1.7 (Urban/Rural transition) from the Regional Framework Plan, and violates RUGGO Goal II.i, which makes achieving a compact urban form a Metro goal.

Finally, the vast majority of the existing exception areas are highly parcelized and the lots are predominately in separate ownership. This situation inhibits the ability to consolidate parcels into larger blocks of land which could provide housing densities consistent with the 2040 Growth Concept and RUGGOs. These lands are difficult to master plan, do not have enough large vacant lots that are readily usable as schools, parks, and town centers, and do not have well structured transportation networks.

Even so, Metro is taking a broader view of how development should occur, by seeking to regulate and steer growth via the 2040 Growth Concept. In part, this means developing new town centers, corridors, main streets and neighborhood centers. This type of integrated, development could not occur on lands that are heavily parcelized and in separate ownerships. None of the heavily parcelized areas mentioned by the petitioners in the appeal of the urban reserve decision could be effectively or realistically master planned. These areas could at best be subdivided on a piecemeal, haphazard basis. Rather than form communities with integrated transportation networks, and well designed neighborhoods with adequate parks, schools, and other public services, relying on a few exception areas to meet the land development need only results in the creation of small housing subdivisions. However, when developed in conjunction with limited quantities of larger vacant land, exception areas which might normally be of little development value to the region can be integrated into a highly productive and workable develop plan. URA 65 will be a master planned community, not just a collection of small, uncoordinated subdivisions.

c. Secondary Lands.

MC 3.01.020(b)(6)(A)(ii) requires Metro to give second priority to secondary lands, as defined by the state. The term "secondary lands" is a term of art, which is no longer part of the Oregon land use system. The term is not defined by statute. In fact, ORS 215.304(1) prevents LCDC from "adopting or implementing any rule to identify or designate small-scale farmland or secondary land." Thus, there can exist no lands adjacent to the Metropolitan Portland urban growth boundary that can be defined as secondary lands.

d. Secondary Agricultural Resource Lands.

In the event that there are not sufficient secondary lands to meet the demonstrated need, MC 3.01.020(b)(6)(A)(iii) requires Metro to give third priority to secondary agricultural resource lands, as defined by the state. The term "secondary agricultural resource lands" is not defined under state law. With regard to property in the Willamette valley, LCDC defines "agricultural land" as those lands with class I-IV soils, as identified by the NRCS. "High-value farmland" is agricultural land that contains soils that are prime, unique, class I or class II, or which contain certain crops, such as orchards. Quite possibly, the reference to "secondary agricultural resource lands" in MC 3.01.020(b)(6)(A)(iii) is intended to mean all agricultural lands not considered to be "high-value"

under state law.

Washington County is one of two counties that designated certain lands as "marginal" under ORS 197.247 and ORS 215.288(2). Most of lands county's "marginal" lands are zoned AF-5 and AF-10 and are in exception areas. These lands have been rejected as viable alternatives to URA 65, as discussed above and in the alternative site analysis. Lands zoned AF-20 can also be considered "marginal" lands under the county's comprehensive plan.

URA 65 consists mostly of marginal agricultural lands, the land is not ideally suited for agriculture. Most of the lands are class III soil types, which have severe limitations that reduce the choice of plants and require special conservation practices. Only a small section of URA 65 contains class II soils, and these are partially located in the exception area on the northern boundary of the site. Ironically, the lands zoned EFU consist entirely of class III and IV soil types, which are more difficult to farm. Also, all of the current agricultural use is dry land farming, because no groundwater rights are available for much of the area. However, even the best soils in the area; the class II Helvatia series soils, require irrigation for viable crop production. The few existing surface ponds are inadequate to serve as sources of irrigation water.

Moreover, the transportation infrastructure that makes this area such a prime location for development also hinder the ability to farm the area. Specifically, urban traffic makes using roads for transporting farm machinery, crops, and equipment is highly dangerous. This problem will exacerbate as additional urban growth occurs in the area. Finally, the small lot sizes inhibit economical use of the land for farming. Noxious weeds invade the fields from adjacent lands, competing for water an sunlight. This causes the fields' peripheries to be virtually useless unless subjected to heavy chemical spraying regime. Besides increasing costs, neighboring home owners living in adjacent suburban development frequently object to this spraying.

e. <u>Primary Forest Resource Lands.</u>

The fourth priority for inclusion into the UGB includes primary forest lands, as defined under state law. MC 3.01.020(b)(6)(A)(iv). Under OAR 629-24-101(21), "forest lands" are defined as "land for which a primary use is the growing and harvesting of forest species." Statewide Planning Goal 4 defines forest lands as those "lands acknowledged as forest lands as of the date of adoption of this goal." Lands zoned for exclusive forest uses are designated as Exclusive Forest and Land Conservation Land Use District (EFC) in the Washington County Rural/Natural Resources plan. To the extent that there are any lands adjacent to the existing UGB in the Beaverton sub-region that meet this definition, there are no significant amounts of forest land that could provide enough housing units to alter the region's current jobs to housing imbalance.

f. Primary Agricultural Resource Lands.

The fifth and last priority goes to primary agricultural resource lands, as defined by the state. There are only a few areas on land in URA 65 which contain class II soils. As Consulting Engineering Services has noted, the exception areas in the South Hillsboro area cannot be provided with urban services without incorporating the resource lands within the subject area.

When deciding between otherwise similar parcels of resource land, it is appropriate to consider whether the new UGB will create more (or less) direct contact between urban uses and high-value resource land. This so-called "edge effect," represents the reality that the greatest incompatibilities between urban and rural farm arises arise from parcels that are contiguous to one another. Because of its location, its compact shape, and homogeneous composition, the net amount of resource land in URA 65 that is contiguous to other resource land not considered for inclusion in the urban growth boundary is extremely low. In fact, the URA 65 is unique in that it is virtually surrounded by natural buffers such as wetlands, so that continued expansion to the north is unlikely, and enough distance separates the site from adjacent agricultural activities. Therefore, inclusion of the resource land in URA 65 is preferred over inclusion of any other properties designated as "primary agriculture resource land" under state law. See generally RUGGO Objectives 16 and 22.

4. OAR 660-040-0200(2)(b)

We find that the Alternatives Analysis satisfies the requirements of OAR 660-004-0020(2)(b) as it has provided a thorough description of possible alternative areas. We also find that the Alternatives Analysis has discussed the reasons why other areas which should not require a new exception cannot reasonably accommodate the proposed use. Specifically, we find, based on the Alternatives Analysis that the proposed use and the specific land need cannot be reasonably accommodated on non-resource land or land already irrevocably committed to non-resources. Based on the record in this case and the record of decision in ordinance 96-655E, we find that there is not sufficient land that is already irrevocably committed to non-resource uses to satisfy the special land need for the area or to accommodate for the proposed use.

(7) Factor 7: Compatibility of proposed urban development with nearby agricultural activities.

The record shall include an analysis of the potential impact on nearby agricultural activities including the following:

- (i) A description of the number, location and types of agricultural activities occurring within one mile of the subject site;
- (ii) An analysis of the potential impacts, if any, on nearby agricultural activities taking place on lands designated for agricultural use in the applicable adopted county or city comprehensive plan, and mitigation efforts, if any impacts are identified. Impacts to be considered shall include consideration of land and water resources which may be critical to agricultural activities, consideration of the impact on the farming practices of urbanization of the subject land, as well as the impact on the local agricultural economy.

Response:

The applicant has described agricultural activities in this area in a detailed report, which includes a description of each type of farm activity within the one mile area., with tax lot location and farming practices for each type of farming activity. (See Farming Practices Report.)

The area within one mile of the subject property is the northern remainder of a Bethany farming area that has been largely lost to urban development south of Springville Road. What remains is squeezed by the western slopes of the West Hills, to the north and east and the urban area to the south.

The EFU area is also reduced and confined by another natural buffer, the Abbey Creek lowlands, which create an unfarmable swath just south of Germantown Road across this area. The only use made of this lowland is a wet pasture. There is a corresponding dip in terrain that is noticeable when using either Kaiser Road on the east or 185th on the west. When these roads dip down between Springville and Germantown, the land use on either side of the road tends to be wet, scrubby forest. The land owners have made an effort to use the ground, and pasture is the only use that has been made of it.

This land is better suited to urban development than rural development, because the area is already urbanized. Located on the eastern edge of Washington County's farm lands, this area is no longer a viable farming area for full time farmers. The close proximity of urban development, the enclosing nature of the West Hills and the Abbey Creek lowlands combine to reduce the area to a few scattered farm sites, and a dwindling interest by those who make a living farming.

The rapid housing development south of Springville caused the loss of hundreds of acres of farm land that was used by people who also farmed within this one mile area. As a result, the remaining acreage is insufficient for local farmers to make a living. There are more than 20 dwellings on the 40 EFU parcels that are farmed within the one-mile area. The average parcel size of EFU land that is farmed is 29.45 acres. (Estimates based on Farming Practices Report, Table 3.) The largest parcel in the area -- 247 acres --is owned by Portland Community College, and is already located within the UGB. Nearly half of that parcel remains in farm use, growing grass seed, but it is urban ground planned for urban uses by Washington County.

(ii) An analysis of the potential impacts, if any, on nearby agricultural activities taking place on lands designated for agricultural use in the applicable adopted county or city comprehensive plan, and mitigation efforts, if any impacts are identified.

Impacts to be considered shall include:

1) consideration of land and water resources which may be critical to agricultural activities

Response:

The lands designated for agricultural use in the Washington County comprehensive plan are those designated EFU and AF-20. (See Farming Practices, Table 3)

There is not enough land is this one-mile area to support full time farming. The man who still farms more land than any other in this area - Keith Fishback-- was raised on the family land just east of Kaiser on the north side of Springville Road. The Fishback nursery business has now moved to Roy in the Banks area. Mr. Fishback is still grass seed farming (including about 100 acres on the east side of 185th --1N1 18 100 and a smaller area north of Springville Road in Multnomah County 1N1 17A 100 & 200) on more land than anyone else in this area, but he is leaving when his commitments to farm are finished.

Area farming is dry land farming that does not take water from other uses. Dwellings in this area use wells to supply domestic water. They have co-existed with farming activities for many years without water problems. Many of the dwellings are immediately adjacent to agricultural activities, and have been for years.

2) consideration of the impact on the farming practices of urbanization of the subject land

Response:

There will be minimal impact on farming practices in this one-mile area if this land is urbanized. The site is in the middle of the area where there are no large farming parcels except the already-urbanized PCC parcel. The Graf parcel farm is accessed from Springville Road now. The largest farms within one mile of this site are on closer the perimeter of that one mile area, while the site itself is in the core, separated from the larger farms by exception land, roadways and the Abbey Creek lowlands.

Road System Conflicts

Most of the impact of urbanization has already hit this area. The rapid urbanization of the Bethany area has brought an explosion of people and their vehicles to the land and road system south of Springville Road. There have been conflicts on Bethany Boulevard, Kaiser Road, 185th, West Union and Germantown Road. As detailed in the farm use report, most of the slow-moving farm traffic comes from western Washington County, and uses the best available road (least traffic/most direct route), usually West Union Road, to reach the area. Some farmers do use Highway 26 and the approaches to this area on 185th or Bethany/Kaiser.

Based on the Farm Impact Analysis, we find that the proposed development will not create unacceptable traffic impacts on nearby farms. If there are 800 new homes on this site, most of the traffic will use 185th and Bethany/Kaiser, and it is likely that the remaining farmers will avoid those roads as much as possible because of the increased traffic. There are several large farms on West Union Road west of this area, so there is already farm traffic on West Union.

Some farmers already use trucks or trailer to haul their tractors and other farm equipment to work this area. Trucks are a normal part of urban traffic. While there are road conflicts, it is important to recognize that these are occasional, not daily occurrences, and should not be overemphasized. In this area of low key dry land farming, there are perhaps ten trips a year to the each field. Much of the land area is planted in grass for seed, which is a long-term (up to ten years) crop on a single planting.

The largest EFU farms in this area are on 185th (1N1 18 Lot 100, lot size 129 acres; 1N2 13 Lots 2100, 2102 & 2N2 24 Lot 200, combined lot size of 114 acres). They are least likely to be affected by traffic from this project, because the farm vehicles will likely move via West Union up 185th, and avoid most of the Springville Road traffic.

The only large farm adjacent to the site is the PCC grass seed farm on the eastern half of 1N1 18 Lot 200, lot size 247.06 acres. However, this land is already inside the UGB and has been designated for urban use by Washington County.

For these reasons, the approval of this site for residential use will not significantly increase conflicts on the public roads in this area between farm vehicles and residential traffic.

Dust, Odor, Noise

The dry land farming practiced in this area will have minimal impact on the proposed housing area. Most of the farming areas are on the outer edge of the one-mile are centered on the site, which means there is little direct contact between these farms and the proposed housing units. (See Farming Practices Report in general.)

The farm use on EFU land in the immediate vicinity of the site includes grain farming four lots (1N1 17B Lot 400 --14.76 acres, Lot 600-- 4.84 acres with dwelling; 1N1 17C Lot 100-- 14.47 acres and 1N1 18A Lot 900 -- 9.85 acres with dwelling). The fact that two of the parcels include dwellings indicates that the farming practices are compatible with residential use.

Dust is minimized by the relative small parcel size which reduces the time spent on any given activity that could raise dust. Plowing and planting are usually done in the spring, which in western Oregon means at least damp ground and little chance of dust.

Odor is minimal because fertilizing is applied by scattering pellets of fertilizer, and spraying is locally applied, either by tractor pulled low-to-the-ground spraying heads. Farmers do not spray on windy days.

The possible impact of noise is limited by the relatively small size and number of EFU farming operations adjacent to the site. The small size means whatever the farming practice — plowing, planting spraying, harvesting — the time spent will be short and the effect of any tractor noise will likewise be short. Fences and other buffers will be created during site development.

For these reasons, area farming practices will not interfere with the proposed project in terms of dust, odor or noise.

Trespass/Vandalism

For the reasons already discussed, housing development of this site should not significantly increase trespass problems for farmers in this area. In general terms, the area has already been exposed to the effects of urbanization because of the dense housing development south of Springville Road. Most of the farm use within one mile of the site is located on the outer edge of that one-mile area, and

for this reasons should not be exposed to increased urban impacts from this proposal. (See Farm Use Map.)

As shown on Table 4, there is little farm use immediately adjacent to this housing site. In addition, there is relatively little farm use with access from Brugger Road. The housing development provide fencing and other buffer between the residential land and the adjacent farm land.

3) consideration of the impact on the local agricultural economy.

Response:

The local agricultural economy is a part of the overall Washington County agricultural economy, because most of the larger farm parcels are worked by farmers from elsewhere in the county. The loss of the farming output from this 115 acres area is a minor part of the Washington County farm economy. The Joss farm is planted in wheat and oats (1N1 18 Lot 800 39.32 acres) and hay (1N1 17C Lot 600, 23.83 acres). The Graf parcel (1N1 18 Lot 690, 16.79 acres) has been farmed for grains. According to OSU Extension Service information³, 25,000 acres of wheat were planted in 1996, 7,000 acres of oats, 21,000 acres of hay, and 33,100 acres in all types of grain.

The major remaining farmer in this area, Keith Fishback, is in the process of leaving this area, because it does not make economic sense to farm there. Fishback said he and his brother need at least 500 acres to make a living. Joss figures a farmer needs at least 200 acres to make a living.

As discussed above, the urbanization of the land south of Springville Road has already created the conflicts that affect farming in this area. The addition of these 115 acres to the urban area will not have a further significant impact.

For these reasons, the proposed urbanization of the Ryland Homes site will not have a significant effect on the local agricultural economy.

(c)(2) The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts; and

Response:

See farm impact analysis and the concept plan.

(3) The long-term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in other areas than the proposed site and requiring an exception.

³ "Agricultural Commodity Sales, Washington County, 1996p" Economic Information Office, Oregon State University, March 14, 1997.

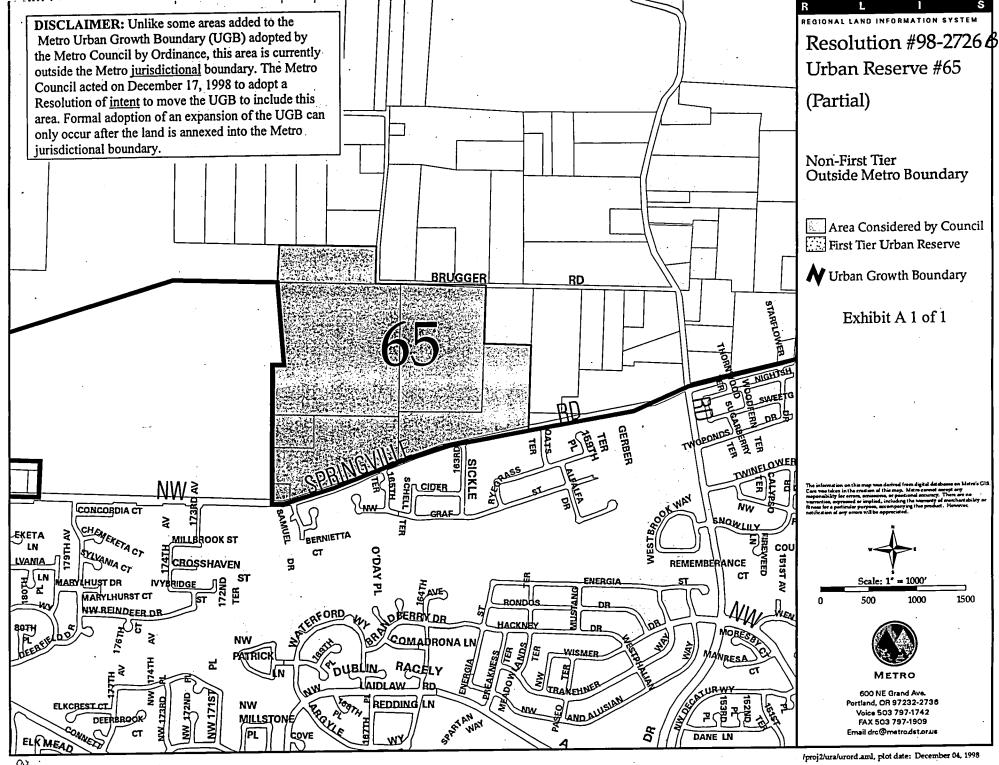
Response:

See discussion of Factor 5.

(d) The proposed location for the UGB shall result in a clear transition between urban and rural lands, using natural and built features, such as roads, drainage divides, flood plains, power lines, major topographic features, and historic patterns of land use or settlement.

Response:

As noted in the concept plan and the legal description included in the Appendix, the proposed UGB Amendment will provide a clear transition between urban and rural lands. The eastern boundary will be demarcated by a power line and the northern boundary will generally be demarcated by the top of the ridge line, and the existing open space buffer north of the PCC campus.



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING)	RESOLUTION NO 98-2726 <u>A</u>
COUNCIL INTENT TO AMEND THE)	
URBAN GROWTH BOUNDARY TO)	Introduced by Growth Management
ADD URBAN RESERVE AREAS 39, 62,)	Committee
63 AND 65 IN WASHINGTON COUNTY)	•

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including these Urban Reserve Areas 39, 62, 63 and 65; and

WHEREAS, ORS 197.298(1)(a) requires that land designated as urban reserve land by Metro shall be the first priority land for inclusion in the Metro Urban Growth Boundary; and

WHEREAS, the Metro Council has initiated a series of legislative amendments to the Urban Growth Boundary, including this resolution for lands outside the Metro jurisdictional boundary; and

WHEREAS, notice of hearings was published and mailed in compliance with Metro Code 3.01.050(b), (c) and (d); and

WHEREAS, a series of hearings was held before the Council Growth Management Committee on October 6, 13, 20 and 27, and before the full Metro Council on November 10, 12, 16, 17, 19 and December 3, 1998; and

WHEREAS, notice of Proposed Amendment for these Urban Reserve Areas 39, 62, 63 and 65, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the December 3, 1998 final hearing; and

WHEREAS, the staff report for these areas was available at least seven days prior to the December 3, 1998 final hearing; and

WHEREAS, the Metro Council considered all the evidence in the record, including public testimony in October, November, and December, 1998 hearings to decide proposed amendments to the Urban Growth Boundary; and

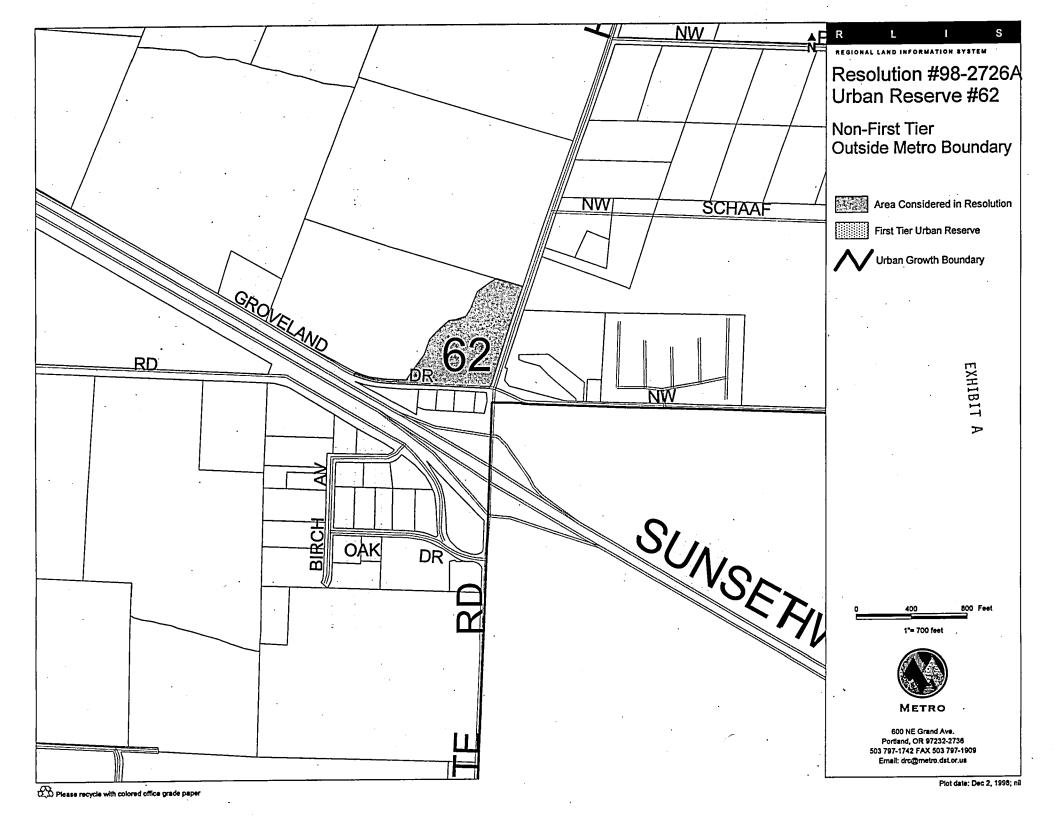
WHEREAS, conditions of approval are necessary to assure that these urban reserve areas added to the Urban Growth Boundary are used to meet the need for housing consistent with the acknowledged 2040 Growth Concept; and

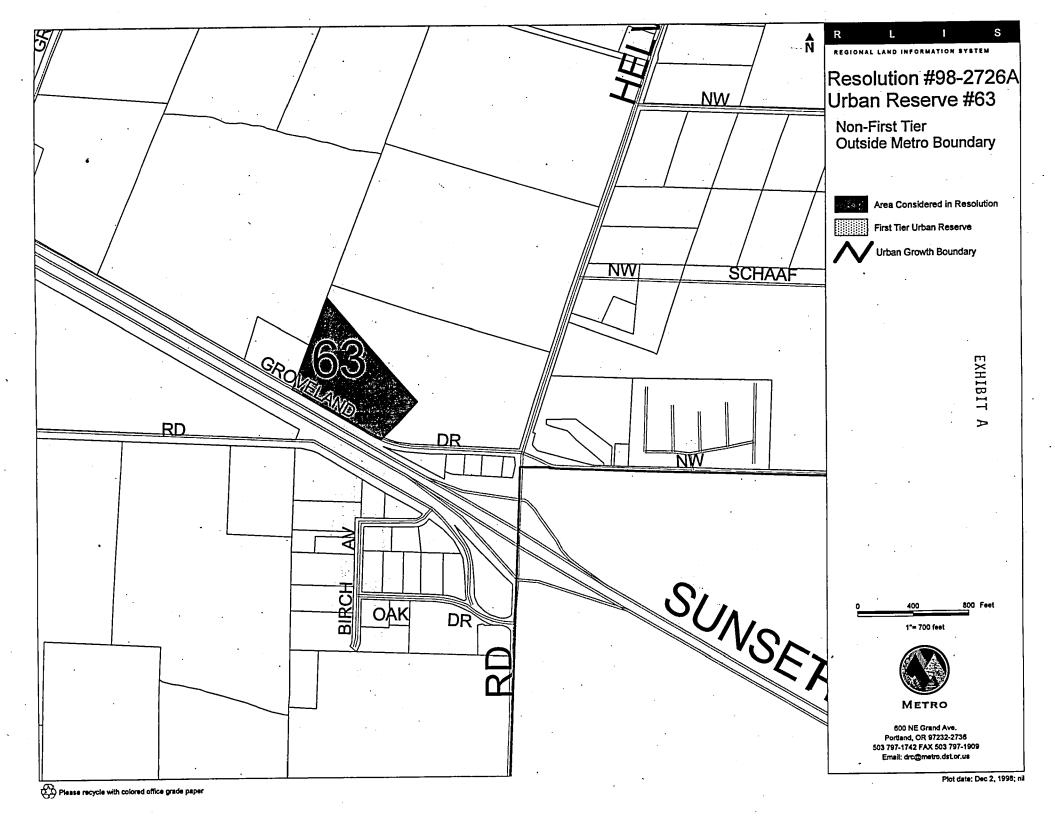
WHEREAS, Metro Code Section 3.01.065(f)(1) provides that action to approve a petition including land outside Metro shall be by resolution expressing intent to amend the Urban Growth Boundary if and when the affected property is annexed to Metro; now, therefore,

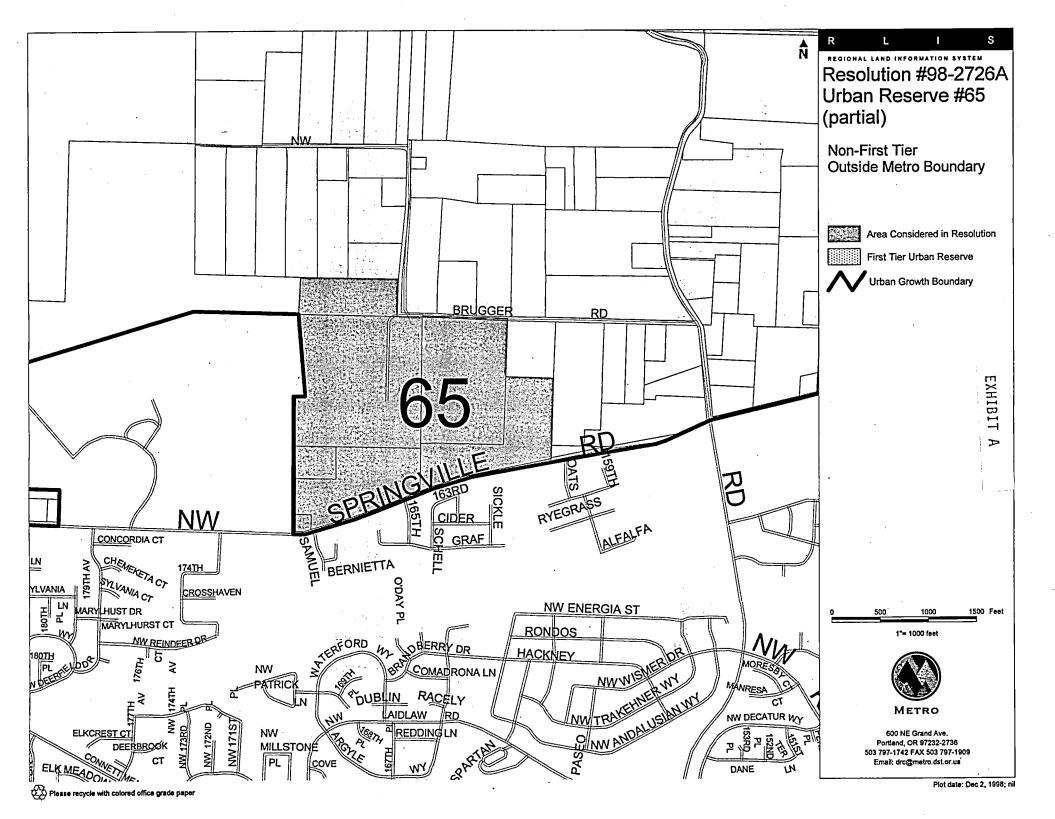
BE IT RESOLVED:

- 1. That the Metro Council, based on the process indicated in Exhibit B, attached herein, hereby expresses its intent to adopt an ordinance amending the Urban Growth Boundary to add land in Urban Reserve Areas 39, 62, 63 and 65, outside the Metro jurisdictional boundary as shown on Exhibit A, within 30 calendar days of receiving notification that the property outside the jurisdictional boundary has been annexed to Metro, provided such notification is received within six (6) months of the date on which the resolution is adopted.
- 2. That the Metro Council approves and endorses the request by the owners of the land and electors residing on the land that the subject property be annexed to Metro.

ADOPTED by the Metro	Council this day of 1998.
	Jon Kvistad, Presiding Officer
ATTEST:	Approved as to Form:
Recording Secretary	Daniel B. Cooper, General Counsel







EXHIBITS AVAILABLE PRIOR TO DECEMBER 3, 1998

<u>Please Note:</u> Maps included in agenda packet are from the Urban Reserves decision made on March 6, 1997, and are for discussion purposes only. Exact boundaries may change.

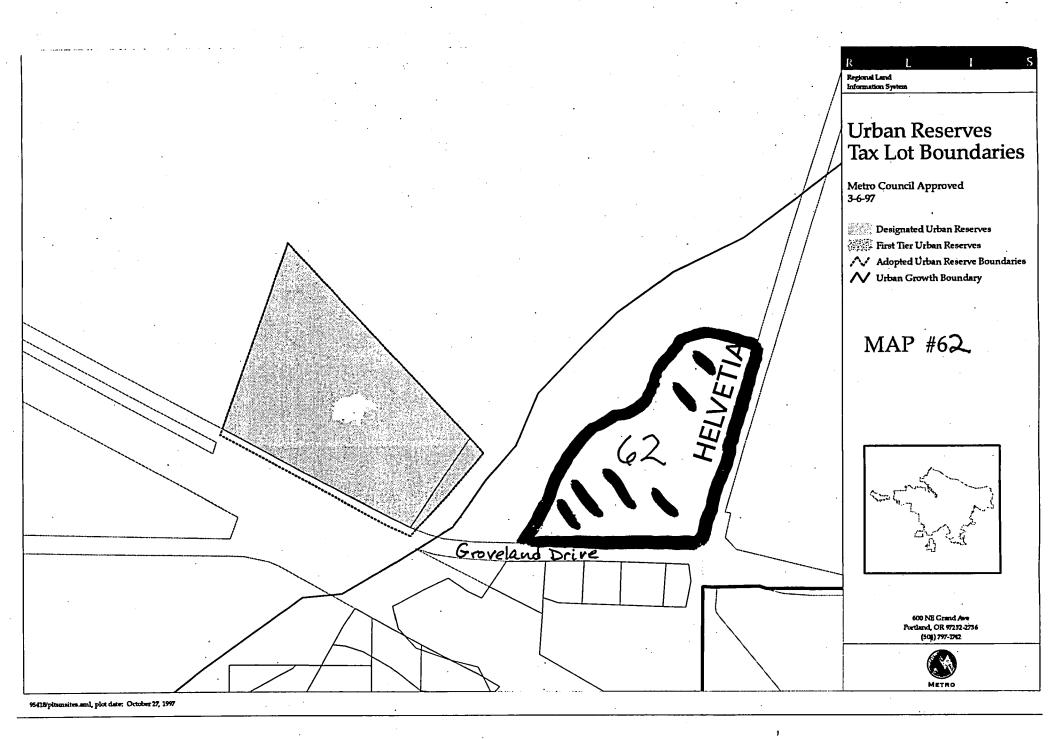
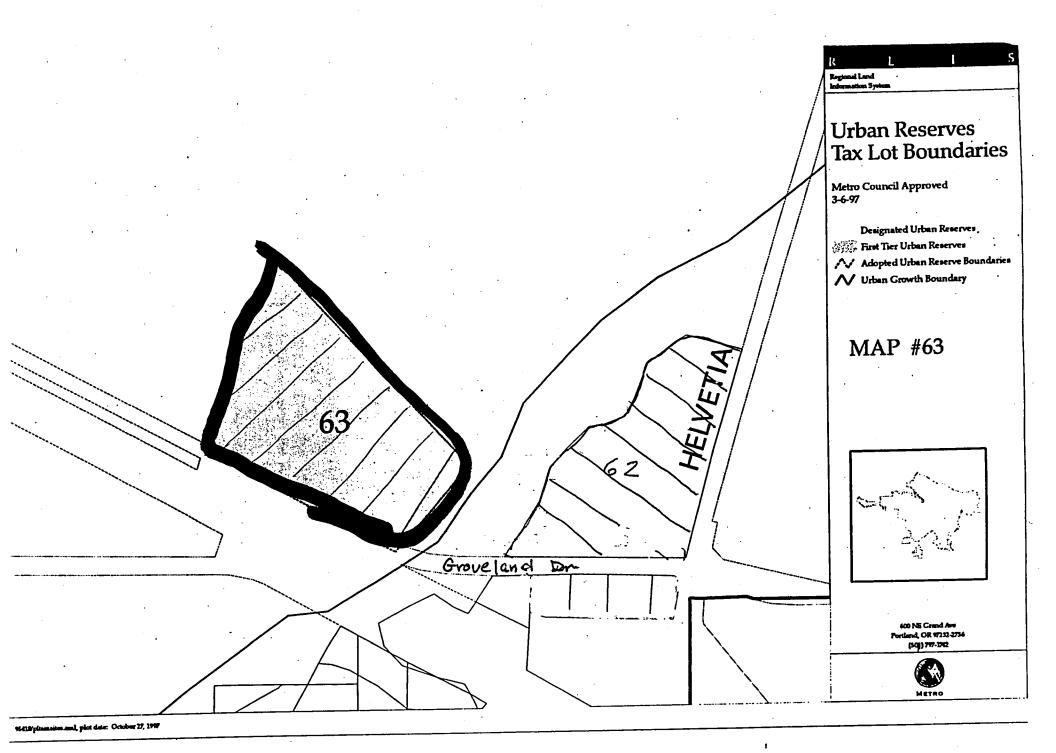
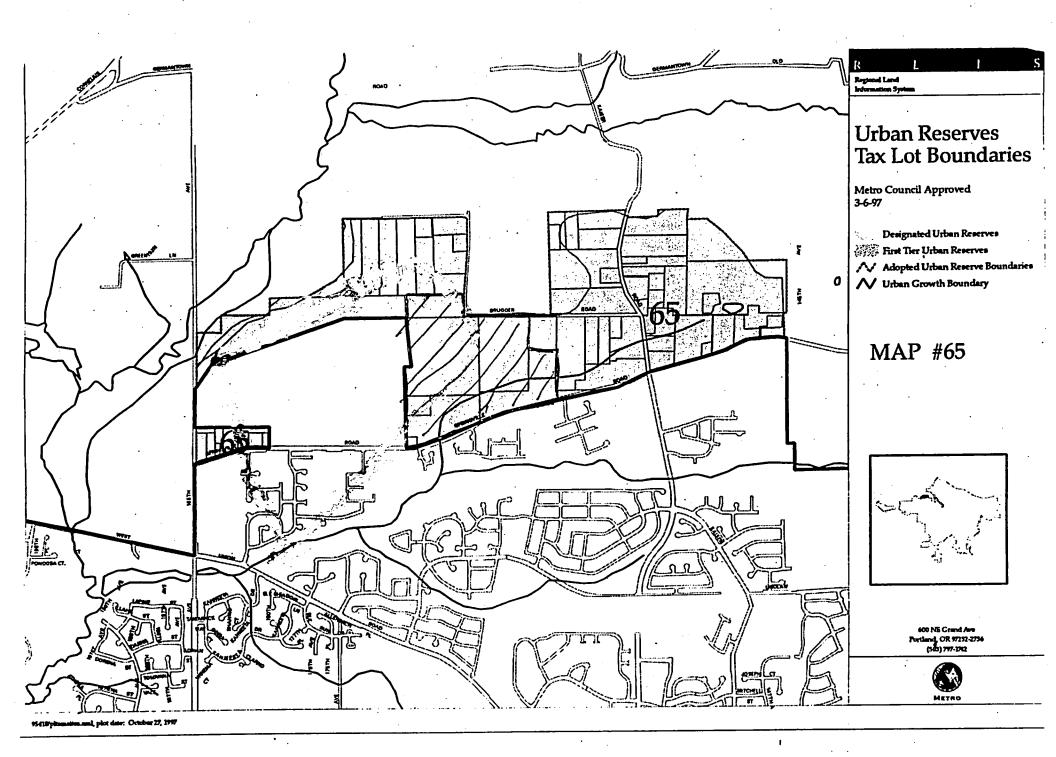


Exhibit A, p. 1





GROWTH MANAGEMENT COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 98-2726A, FOR THE PURPOSE OF EXPRESSING COUNCIL INTENT TO AMEND THE URBAN GROWTH BOUNDARY TO ADD URBAN RESERVE AREAS 62, 63 AND 65 IN WASHINGTON COUNTY.

Date: November 23, 1998

Committee Action: At its November 3, 1998 meeting, the Growth Management Committee voted 2-1 to recommend Council adoption of Resolution No. 98-2692A. Voting in favor: Councilors Monroe and Kvistad. Voting no: Councilor Morissette

Council Issues/Discussion: Resolution No. 98-2726A includes urban reserve sites 62, 63 and 65. They contain approximately 142 acres which can accommodate approximately 1,155 dwelling units and 430 jobs according to Metro's productivity analysis.

Councilor Morissette moved to remove areas 62 and 63 from this resolution and include them with areas 31, 41 and 42. Chair Kvistad directed that discussion proceed with the main motion from Councilor Monroe, to adopt the resolution without amendment.

Councilor McLain said she felt this resolution coupled sites that do not belong together geographically, or with respect to governance. She also did not think it advisable to link a controversial site (65) with sites 62, and 63. Chair Kvistad said he feels that site 65 meets all requirements, understands that Beaverton intends to take on governance, feels that the package in this resolution makes sense.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING)	RESOLUTION NO 98-2726
COUNCIL INTENT TO AMEND THE)	
URBAN GROWTH BOUNDARY TO)	Introduced by Growth Management
ADD URBAN RESERVE AREAS 39, 62,)	Committee
63 AND 65 IN WASHINGTON COUNTY)	

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including these Urban Reserve Areas 39, 62, 63 and 65; and

WHEREAS, ORS 197.298(1)(a) requires that land designated as urban reserve land by Metro shall be the first priority land for inclusion in the Metro Urban Growth Boundary; and

WHEREAS, the Metro Council has initiated a series of legislative amendments to the Urban Growth Boundary, including this resolution for lands outside the Metro jurisdictional boundary; and

WHEREAS, notice of hearings was published and mailed in compliance with Metro Code 3.01.050(b), (c) and (d); and

WHEREAS, a series of hearings was held before the Council Growth Management Committee on October 6, 13, 20 and 27, and before the full Metro Council on November 10, 12, 16, 17, 19 and December 3, 1998; and

WHEREAS, notice of Proposed Amendment for these Urban Reserve Areas 39, 62, 63 and 65, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the December 3, 1998 final hearing; and

WHEREAS, the staff report for these areas was available at least seven days prior to the December 3, 1998 final hearing; and

WHEREAS, the Metro Council considered all the evidence in the record, including public testimony in October, November, and December, 1998 hearings to decide proposed amendments to the Urban Growth Boundary; and

WHEREAS, conditions of approval are necessary to assure that these urban reserve areas added to the Urban Growth Boundary are used to meet the need for housing consistent with the acknowledged 2040 Growth Concept; and

WHEREAS, Metro Code Section 3.01.065(f)(1) provides that action to approve a petition including land outside Metro shall be by resolution expressing intent to amend the Urban Growth Boundary if and when the affected property is annexed to Metro; now, therefore,

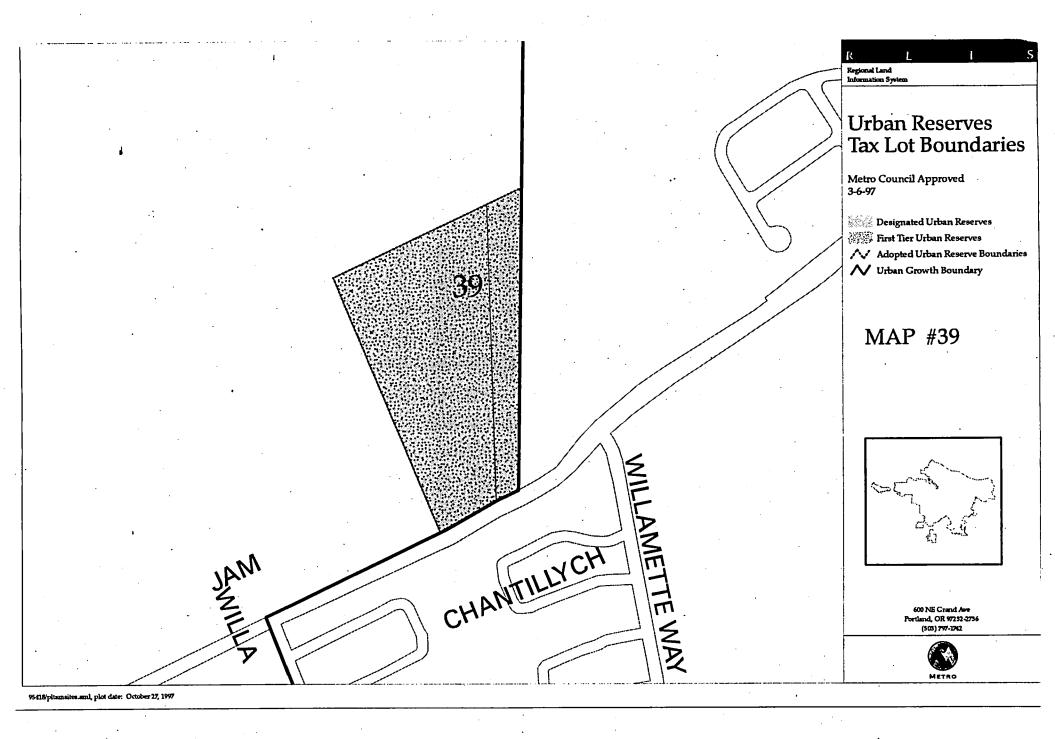
BE IT RESOLVED:

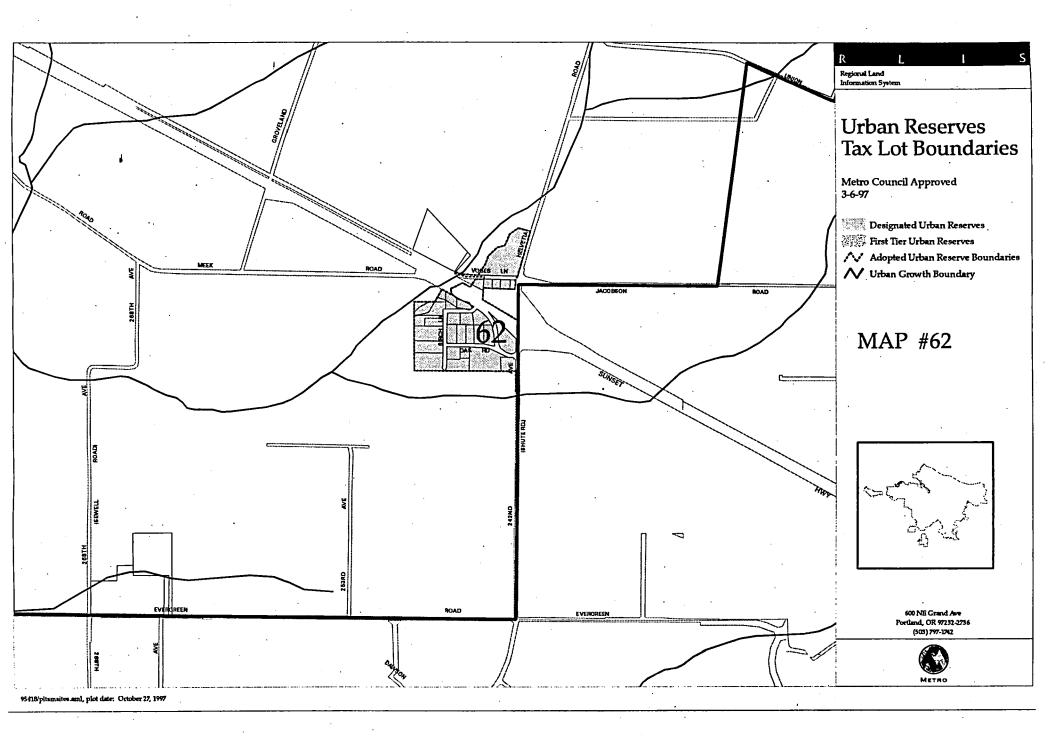
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- 2. That the Metro Council approves and endorses the request by the owners of the land and electors residing on the land that the subject property be annexed to Metro.

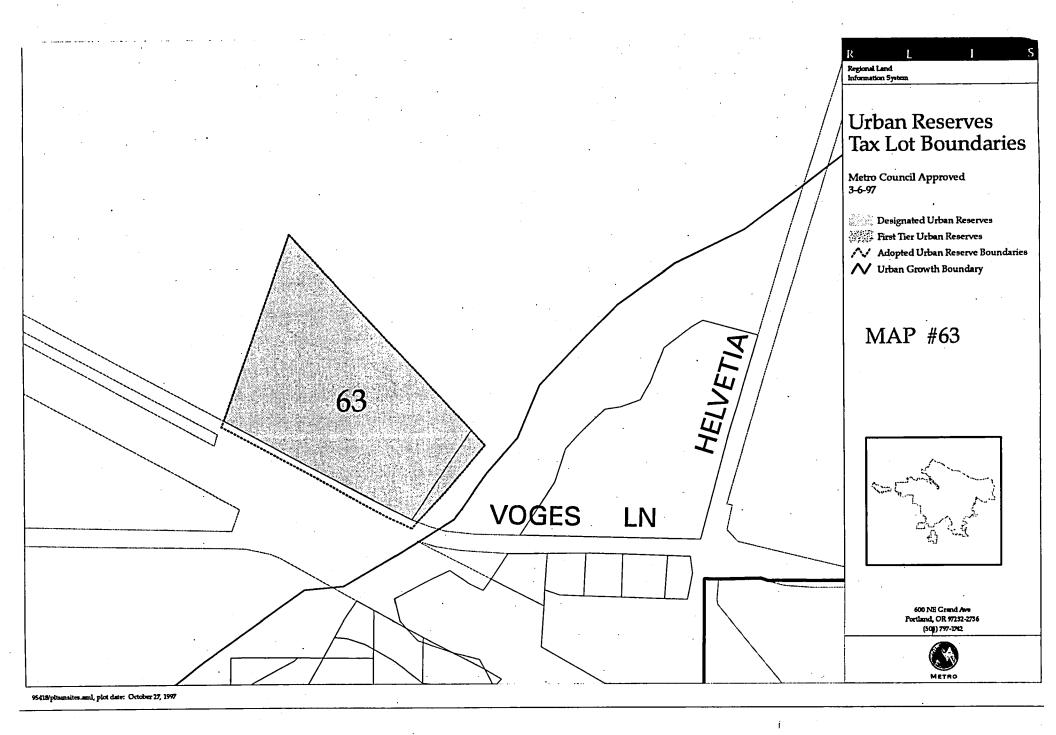
ADOPTED by the Metro	Council this day of 1998.
	Jon Kvistad, Presiding Officer
ATTEST:	Approved as to Form:
Recording Secretary	Daniel B. Cooper, General Counsel

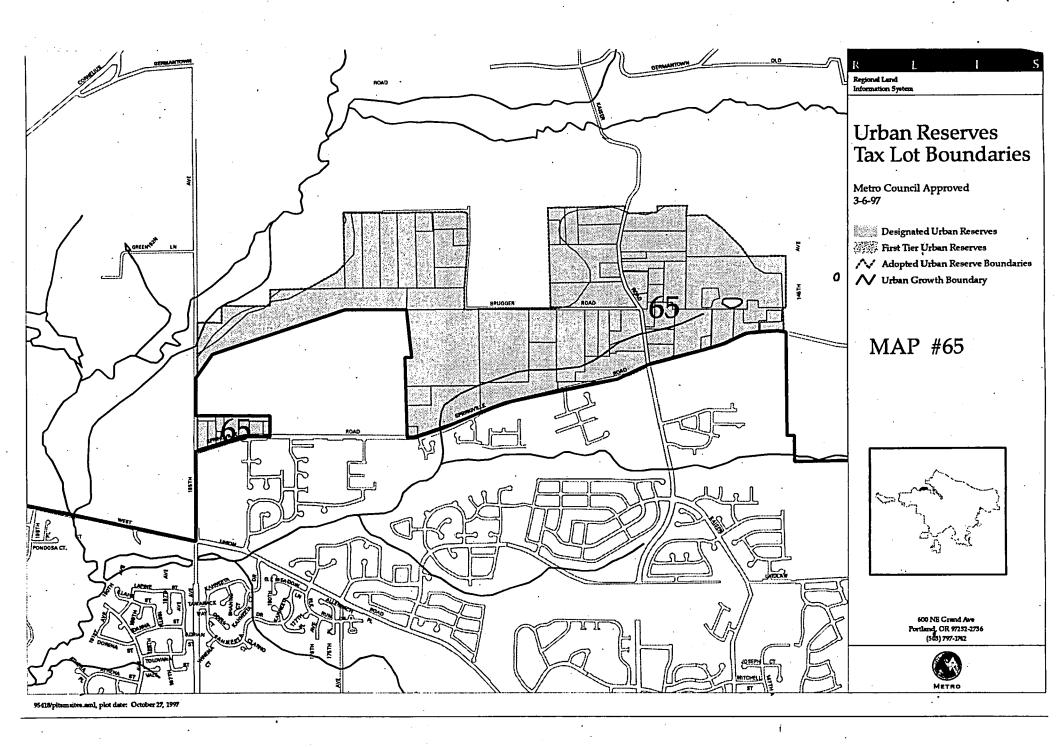
RESOLUTION NO. 98-2726 EXHIBITS WILL BE AVAILABLE PRIOR TO DECEMBER 3, 1998

<u>Please Note:</u> Maps included in agenda packet are from the Urban Reserves decision made on March 6, 1997, and are for discussion purposes only. Exact boundaries may change.

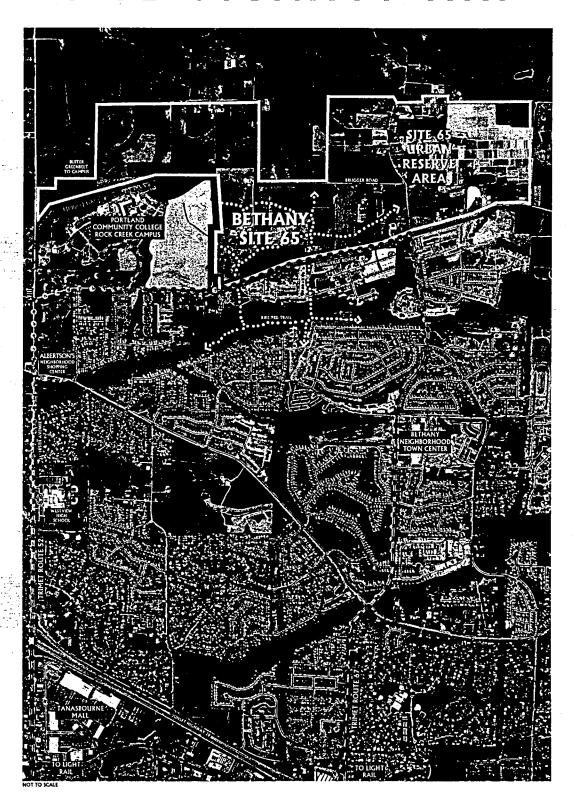








-SITE VICINITY MAP-







Site#	Acres	Dwelling Units	Jobs
4	123.4	375	125
5	1,382	6,210	2,883
14	307.2	1,062 (+187)	347 (+61)
	(+54)	•	
15	315.5	1,879	506
sub total	2,128.1	9,526	3,861
31	736.8	3,352	1,590
32	87.3	436	145
33	338.4	1,176	436
34	756.5	1,902	1,859
sub total	1,919	6,839	4,030
39	13.1	0	0
43	10	45	15
47	82	361	120
sub total	92	406	135
62	54.4	264	142
63	10.5	71	38
65	114	800	250??
		•	Ryland
sub total	178.9	1,135	430
grand total	4,331.1	17,906	8,456

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