

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING) RESOLUTION NO 98-2728C
COUNCIL INTENT TO AMEND THE)
URBAN GROWTH BOUNDARY TO) Introduced by Councilors McLain and
ADD URBAN RESERVE AREAS 51, 52,) Morissette
53, 54, AND 55, TO THE HILLSBORO)
REGIONAL CENTER AREA)

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Areas 51, 52, 53, 54, and the portion of 55 outside Metro's jurisdictional boundary; 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 Areas 51, 52, 53, 54, and a portion of 55 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 this area 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 the urban reserve area added to the Urban Growth Boundary is 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 staff report and process 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 51, 52, 53, 54, and the portion of 55 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.

/////

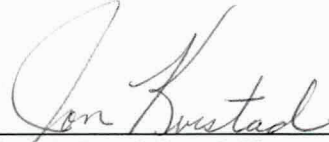
/////

/////

/////

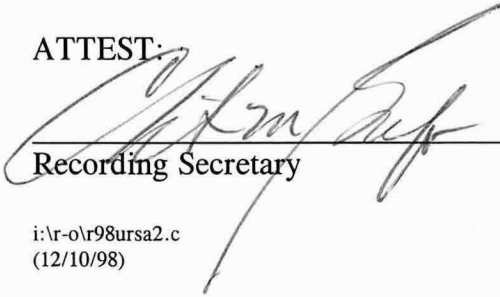
2. That the Metro Council approves and endorses the request by the owners of the land and electors residing on the land that the subject property be annexed to Metro.

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




Jon Kvistad, Presiding Officer

ATTEST:



Recording Secretary

Approved as to Form:



Daniel B. Cooper, General Counsel

i:\r-o\r98ursa2.c
(12/10/98)

Resolution #98-2728.c Urban Reserve #51

Non-First Tier
Outside Metro Boundary




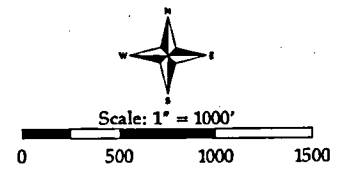
-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

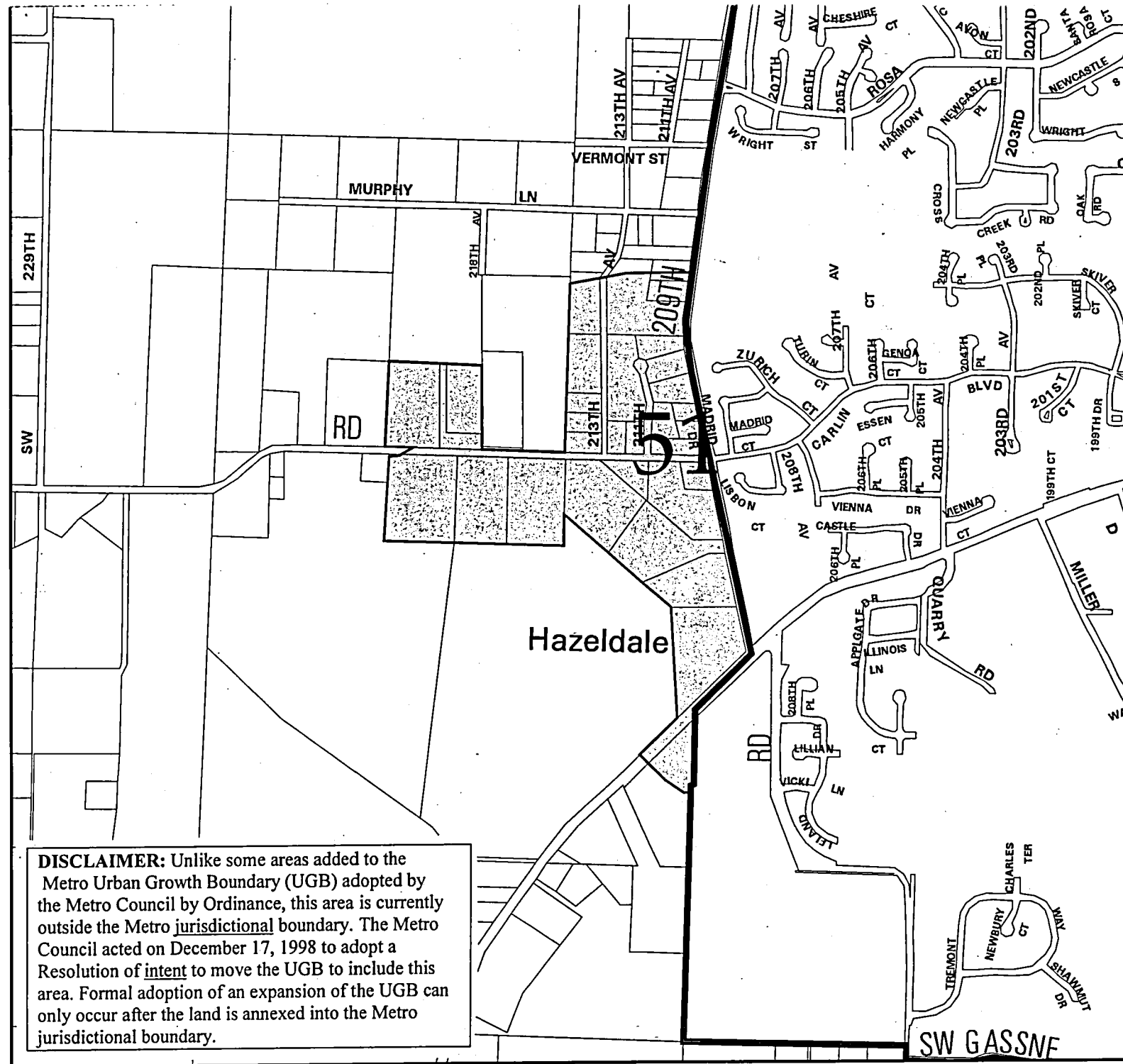
Exhibit A 1 of 5

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.



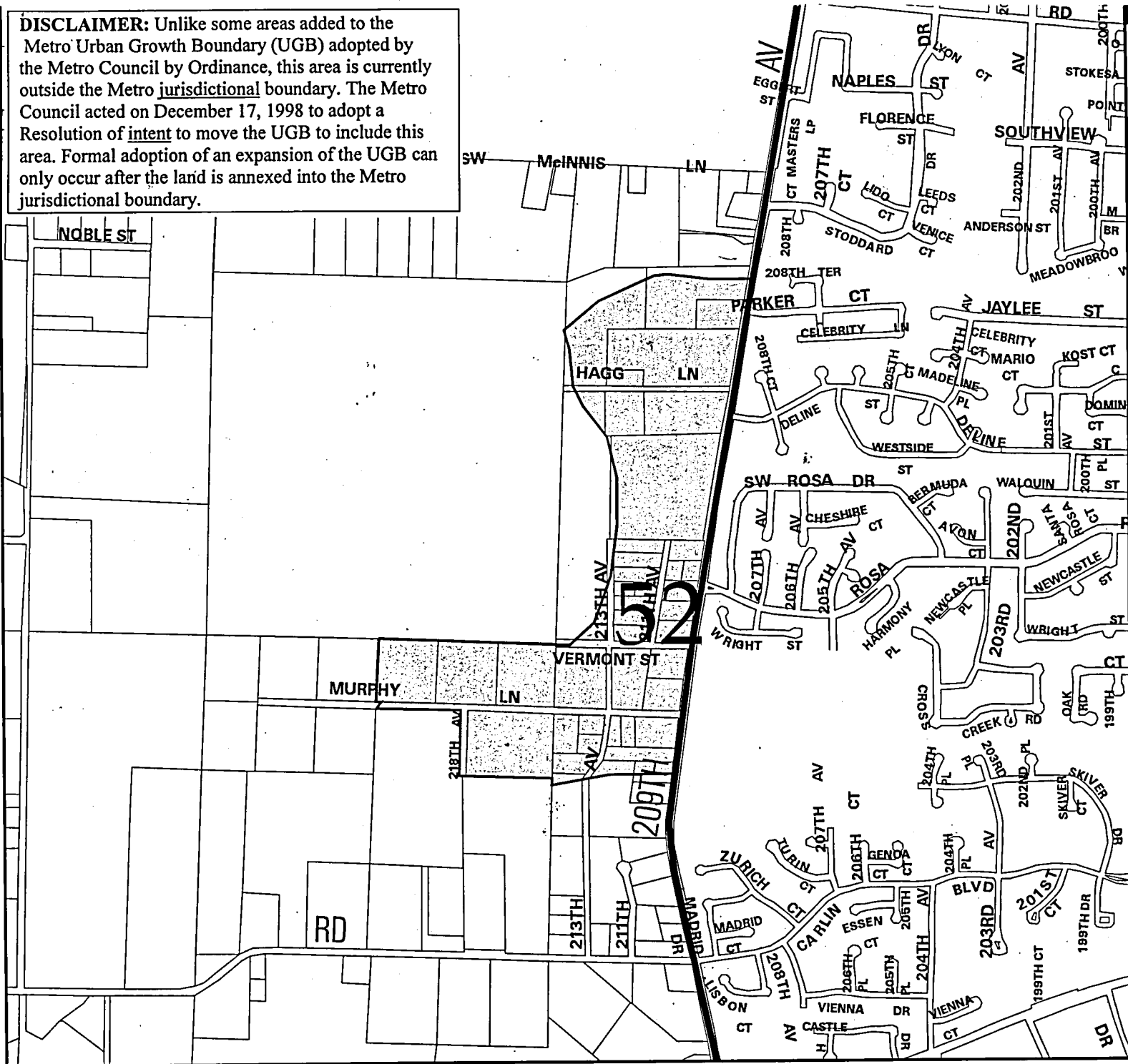
METRO

600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metro.dst.or.us



DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.

DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.



REGIONAL LAND INFORMATION SYSTEM

Resolution #98-2728 c

Urban Reserve #52

Non-First Tier
Outside Metro Boundary

- Area Considered by Council
- First Tier Urban Reserve
- Urban Growth Boundary

Exhibit A 2 of 5

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the suitability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.

Scale: 1" = 1000'

METRO
600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metro.dst.or.us

DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.

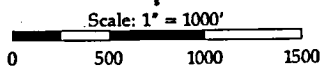
Resolution #98-2728C
Urban Reserve #53

Non-First Tier
 Outside Metro Boundary

- Area Considered by Council
- First Tier Urban Reserve
- Urban Growth Boundary

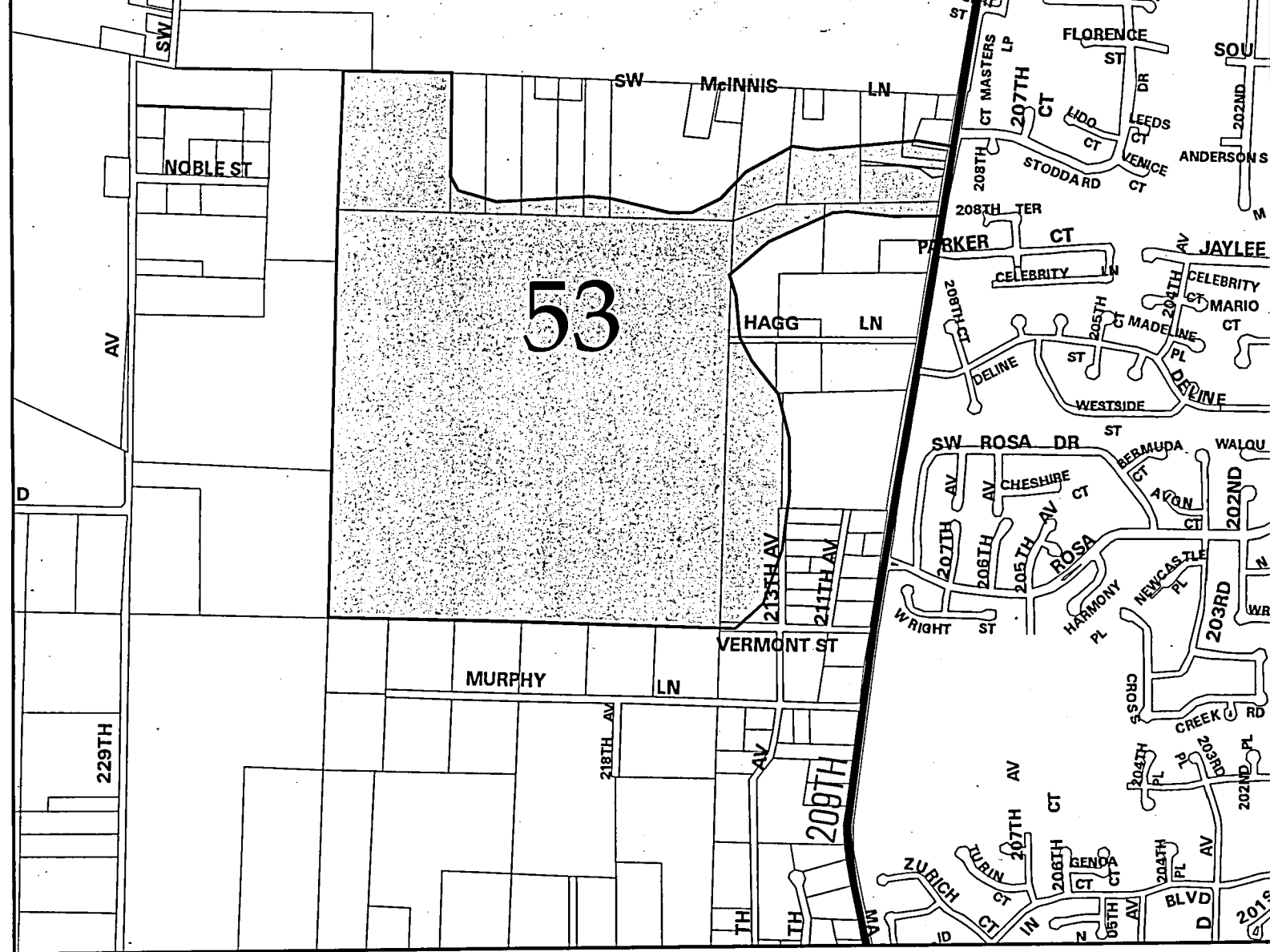
Exhibit A 3 of 5

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.

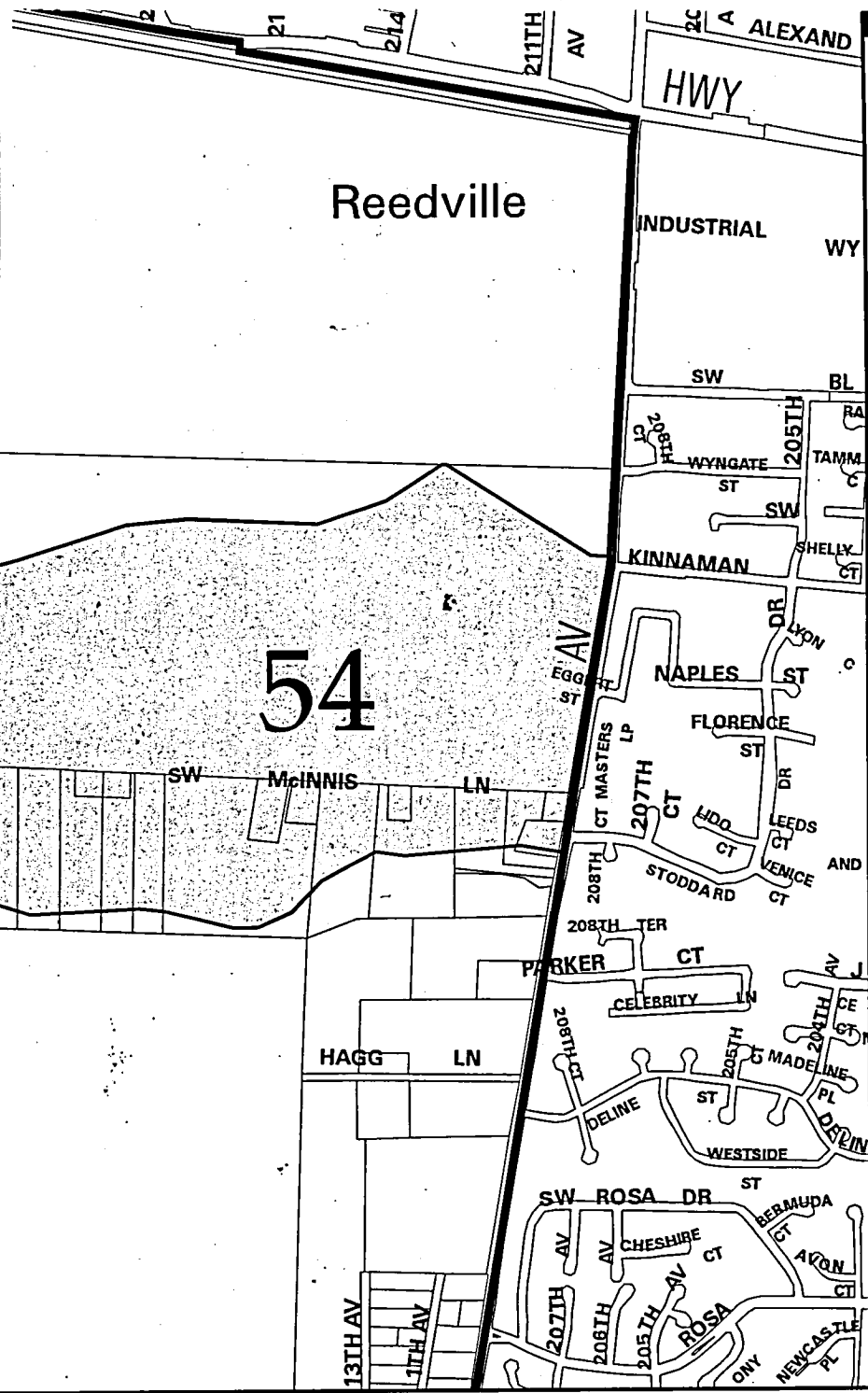


METRO

600 NE Grand Ave.
 Portland, OR 97232-2736
 Voice 503 797-1742
 FAX 503 797-1909
 Email drc@metro.dst.or.us



DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.



Resolution #98-2728 C
Urban Reserve #54




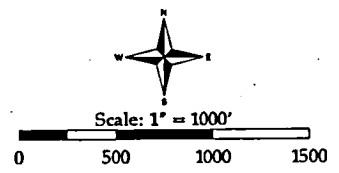
- Non-First Tier
Outside Metro Boundary
-  Area Considered by Council
 -  First Tier Urban Reserve
 -  Urban Growth Boundary

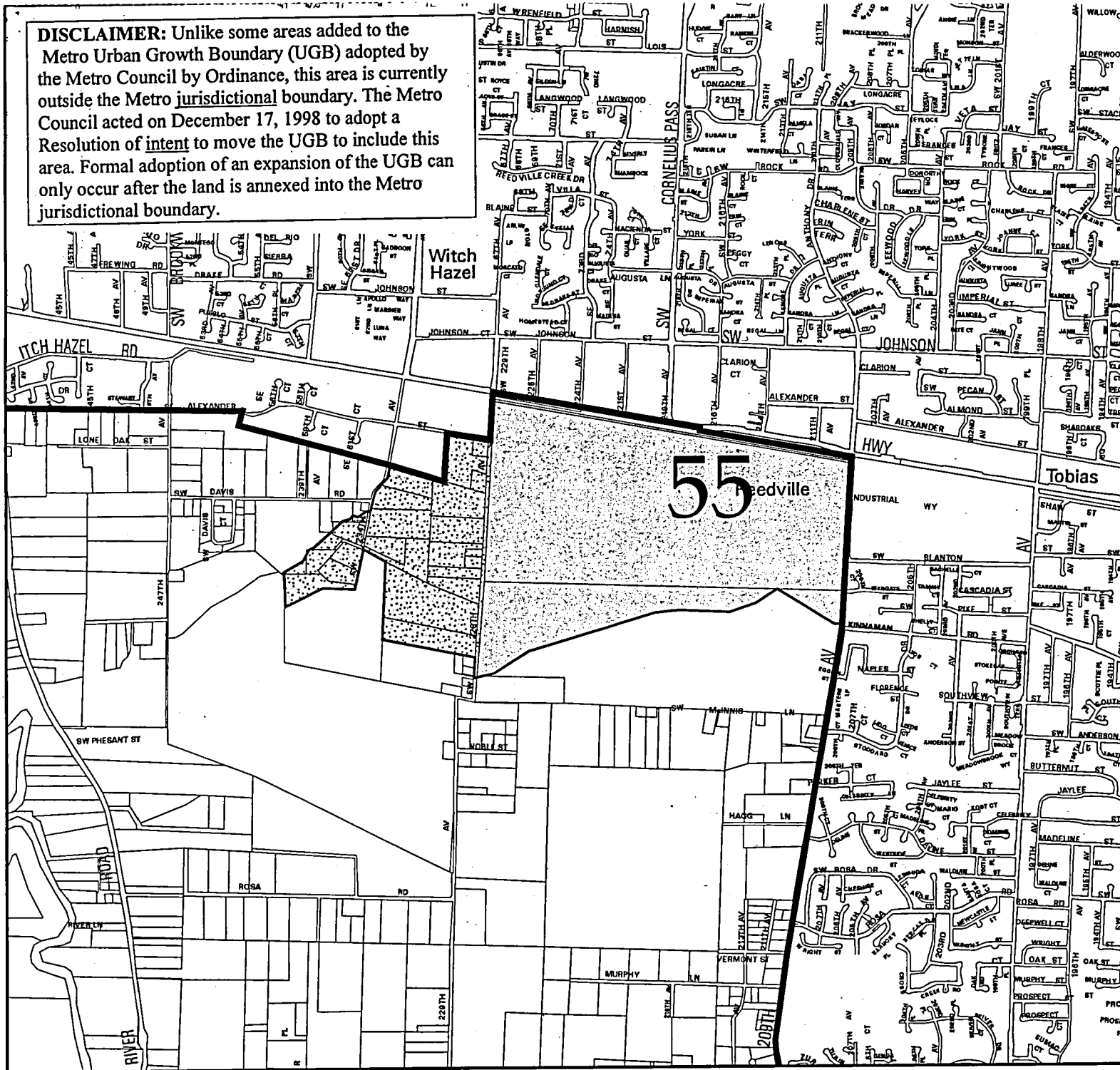
Exhibit A 4 of 5

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.



METRO
600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metrodst.or.us

DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.



Resolution #98-2728 c
Urban Reserve #55
(Partial)

First and Non-First Tier
Outside Metro Boundary




-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

Exhibit A 5 of 5

The information on the map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notice of any errors will be appreciated.



Scale: 1" = 2000'
0 500 1000 1500



METRO

600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metro.dst.or.us

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 Quasi-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

CITY OF HILLSBORO SOUTH URBAN RESERVES
CONCEPT PLAN TESTIMONY AND FINDINGS

RECEIVED
DEC 10 1998
TIME: 11:30 am
METRO SERVICE DISTRICT
OFFICE GENERAL COUNSEL

Introduction.

This testimony and proposed findings are submitted by the City of Hillsboro and the other proponents of amending the urban growth boundary to include the property designated in the *City of Hillsboro South Urban Reserve Concept Plan (Hillsboro Concept Plan)*. This document provides the necessary findings to demonstrate compliance with all applicable state and Metro criteria for approval of the *Hillsboro Concept Plan* and adoption of a legislative amendment of the urban growth boundary. These findings supplement the findings in a related matter, which findings are incorporated herein. Those findings are those relating to Metro Code 3.01.020(a) and (b)(2) in Metro Ordinance No. 98-788C (urban growth boundary change for portion of Urban Reserve 55).

The property covered by the *Hillsboro Concept Plan* includes Urban Reserve Areas 51-55, as previously designated by the Metro Council in Ordinance No. 96-655E, adopted March 6, 1997. The relevant findings from that document are attached hereto and incorporated herein. Despite the urban reserve status of the property proposed for inclusion in the urban growth boundary, these findings demonstrate that the property satisfies all applicable urban growth boundary amendment criteria without consideration of the property's urban reserve status.

The standards applicable to a legislative urban growth boundary amendment are set out at Metro Code ("MC") 3.01.020, which, in turn, implements the requirements of Statewide Planning Goals 14 and 2, Part II. There are a number of inter-related criteria for justifying an urban growth boundary amendment. In general, these approval factors can be grouped into standards related to the reasons or need for the urban growth boundary expansion, alternatives to the expansion in general or adding the specific property in particular, consequences of allowing urban uses of the property in question, and compatibility of those uses with nearby land uses.

The need to expand the urban growth boundary in general comes from Metro's obligations under ORS 197.296(4) and ORS 197.299(2). These statutes require Metro to inventory buildable land within the urban growth boundary, analyze housing need by type and density and determine the amount of needed buildable land to accommodate housing needs for 20 years. Once this determination is made, Metro may then either amend the urban growth boundary or adopt new measures to increase housing density to satisfy this need, or it may take both actions.

These statutory mandates alter the justification for an urban growth boundary amendment normally required by state administrative regulations. If a local government follows the steps set out in ORS 197.296, and determines that additional buildable land is needed, it is obliged to either expand the urban growth boundary or increase housing densities, or both. ORS 197.296(4). This statutory mandate presumably obviates the need to separately justify the urban growth boundary change based upon: Goal 14, factors one and two and MC 3.01.020(b)(1)(2); Goal 2, Part II (c)(1); OAR 660-04-0010(1)(c)(I); OAR 660-04-0020(2)(a); OAR 660-04-022(1)(a); and, OAR 660-014-0040(3)(a).

Similarly, because ORS 197.296(4) allows a local government to either expand its urban growth boundary or increase housing densities, or both, to meet its buildable land needs, it can choose to expand the urban growth boundary without adopting new measures to increase density.

Because of this, there is a limited need to consider regulatory alternatives to the urban growth boundary expansion under any analysis of alternatives.

The following justification, then, may prove too much. All potential approval criteria are referenced as a precaution. OAR ch. 660, division 14 applies only if the rule's applicability to "establishment of new urban development on undeveloped rural land" is construed to include amendment of an urban growth boundary.

Finally, the limited time to comply with the statutory mandate and the unresolved challenge to Metro's urban reserves decision creates practical constraints on the justification for all of the urban growth boundary amendments. Logically, an urban growth boundary expansion would await resolution of the challenges to the urban reserve designations. A predicate urban reserve decision obviates the need for full justification of the urban growth boundary change under local and state criteria.

It is not possible to completely recast the urban reserve decision and examine all of the potential expansion lands around the existing urban growth boundary and still meet the statutory deadlines under ORS 197.299. Thus, it is reasonable to assume that the areas under regional consideration for urban growth boundary amendments are those designated as urban reserves and that, alternatively, subregional justifications for urban growth boundary expansion have become more cogent.

Need and Reasons for the Urban Growth Boundary Amendment.

Applicable Criteria.

ORS 197.296(4): "If the determination required by subsection (3) of this section indicates that the urban growth boundary does not contain sufficient buildable lands to accommodate housing needs for 20 years at the actual developed density that has occurred since the last periodic review, the local government shall take one of the following actions:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for 20 years at the actual developed density during the period since the last periodic review or within the last five years, whichever is greater."

ORS 197.732(1)(c)(A), Goal 2, Part II(c)(1) (a) and OAR 660-04-020(2)(a): "Reasons justify why the state policy embodied in the applicable goals should not apply": The exception shall set forth the facts and assumptions used as the basis for determining that a state policy embodied in a goal should not apply to specific properties or situations including the amount of land for the use being planned and why the use requires a location on resource land;"

OAR 660-04-0010(1)(c)(i): "Reasons justify why the state policy embodied in the applicable goals should not apply (This factor can be satisfied by compliance with the seven factors of Goal 14.);"

OAR 660-04-0022(1): "For uses not specifically provided for in subsequent sections of this rule or OAR 660, Division 14, the reasons shall justify why the state policy embodied in the applicable goals should not apply. Such reasons include but are not limited to the following:

(a) There is a demonstrated need for the proposed use or activity, based on one or more of the requirements of Statewide Goals 3 to 19; and either

(b) A resource upon which the proposed use or activity is dependent can be reasonably obtained only at the proposed exception site and the use or activity requires a location near the resource. An exception based on this subsection must include an analysis of the market area to be served by the proposed use or activity. That analysis must demonstrate that the proposed exception site is the only one within that market area at which the resource depended upon can reasonably be obtained; or

(c) The proposed use or activity has special features or qualities that necessitate its location on or near the proposed exception site.”

OAR 660-014-0040(3)(a): “(a) That Goal 2, Part II(c)(1) and (c)(2) are met by showing the proposed urban development cannot be reasonably accommodated in or through expansion of existing urban growth boundaries or by intensification of development at existing rural centers;”

Goal 14, Urbanization factors one and two: “Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals” and “Need for housing, employment opportunities and livability.”

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 alternative sites, balancing factors 3 through 7.

“Factor 1: Demonstrated need to accommodate long-range urban population growth. [The code details a process for developing a 20-year forecast of population and employment needs, a demand for urban land, an examination of surplus land, review of land outside the present urban growth boundary to determine best suited areas, and a determination that the need cannot be met within the urban growth boundary.]

“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 urban growth boundary 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 urban growth boundary. For housing the proposed amendment must meet an unmet need according to statewide planning Goal 10 and its associated administrative rules. . . .

“(B) To assert a need for a urban growth boundary 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 urban growth boundary;

(iii) identify both positive and negative aspects of the proposed urban growth boundary on both the livability need and on other aspects of livability; and

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

Region-wide need and compliance with ORS 197.296.

The Metro Council adopted the *Urban Growth Report* on December 18, 1997 by Resolution No. 97-2559B, consistent with its obligations under ORS 197.296(3) and ORS 197.299(1). The *Urban Growth Report* identified an urban growth boundary capacity deficit of land for 29,350 to 32,370 dwelling units and 2,900 jobs.

This analysis has been updated through the *Urban Growth Report Addendum* and the *Urban Growth Boundary Assessment of Need*. These studies conclude that the projection of need for urban growth boundary expansion in the *Urban Growth Report* remains consistent with more current data. Moreover, additional expansions of the urban growth boundary may be necessitated by loss of development land because of the listing of the lower Columbia River steelhead as a threatened species under the Endangered Species Act and the development of Metro’s Fish and Wildlife Habitat planning.

Because of the directions of state law, then, Metro must expand the urban growth boundary to include additional land to include sufficient buildable lands to accommodate housing needs for a twenty year period. The issue becomes where to expand the boundary consistent with the requirements of state law. This locational decision is guided by a variety of factors. But in the context of addressing the subregional need in the Hillsboro area for a better jobs/housing balance, the alternative areas are those adjacent to the western urban growth boundary and within close proximity to the significant employment areas in the Industrial Sanctuary, Hillsboro Town Center and along the Westside Light Rail.

The prioritization of land to be included in this urban growth boundary amendment are established in ORS 197.298. The South Hillsboro sites qualify as first priority under that statute, pursuant to ORS 197.298(1)(a), because the sites have been designated as urban reserve land by Metro. Alternatively, in the absence of that urban reserve designation, these sites can also be justified for inclusion in the urban growth boundary amendment, pursuant to ORS 197.298(3)(a) and (c). As discussed below in response to MC 3.01.020(b)(2), the specific type of land need under ORS 197.298(3)(a) justifying the inclusion of the South Hillsboro 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 so-called St. Mary’s property is necessary in order to provide the adjoining exception land 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) below, as well as Metro’s findings adopted in support of the original urban reserve decision, which are attached hereto and incorporated herein.

Subregional need for expansion of the Hillsboro urban growth boundary to remedy jobs/housing imbalance (ORS 197.298(3)(a)).

Factor 1, noted 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 *Urban*

Growth Report has established the regional need to expand the boundary to include enough land that is suitable and available to accommodate the development of around 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 urban growth boundary amendment. The subregional need justifying the inclusion of the South Hillsboro properties can be based individually or cumulatively on housing, employment opportunities, and/or livability. The primary subregional justification, however, is based on both the regional need analysis established in the *Urban Growth Report* and the subregional need to improve the jobs-housing balance in the Hillsboro Regional Center area under ORS 197.298(3)(a).

The *Residential Market Evaluation* (“RME”), dated November 18, 1998, prepared by Hobson Johnson & Associates is incorporated herein. It provides expert evidence demonstrating that it is necessary to include the South Hillsboro area in the urban growth boundary 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. When the Metro Council designated the South Hillsboro Urban Reserve Areas, it did so based on its determination that the land was needed for urbanization in order to correct the projected growing imbalance between jobs and housing in that subregional area. The updated RME presented with the *Hillsboro Concept Plan* confirms the same analysis and conclusion that justified the urban reserve designations for Urban Reserves 51-55.

The RME concludes that there are 870 acres of vacant buildable residential land in the Hillsboro region. That area includes Hillsboro, Forest Grove, Cornelius and portions of unincorporated Washington County. It is the area shown in Metro’s “Region 2040 Recommended Alternative Technical Analysis.”

Based on the density assumptions in the *Urban Growth Report*, and assuming implementation of the *2040 Growth Concept Plan* designations and increase in capacity due to redevelopment, the vacant and redevelopable land will support approximately 11,725 dwelling units. This is sufficient to meet the allocation of dwelling units assigned by Metro through 2006. An additional 18,500 dwelling units are necessary to meet the 2020 allocation (70,875 households).

The RME 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 Hillsboro 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 Beaverton 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 urban growth boundary in the Hillsboro Regional Center area to accommodate an additional 11,725 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 urban growth boundary.

- Metro's *Urban Growth Report* and other planning documents, as well as the best up-to-date evidence, concludes that there will be a need to accommodate an additional 30,250 housing units in the greater Hillsboro area by 2020. That means that, in order to accommodate the subregion's share of the regional growth, land capable of accommodating about 18,525 housing units must be added to the urban growth boundary 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.
- In addition to the projected need to accommodate about 30,250 additional housing units between 1998 and 2020 in the Hillsboro Regional Center area, the UGR and the other evidence analyzed in the RME projects that there will be employment growth of about 87,000 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 2.08, which would be a substantial increase over the current ratio of 1.59 jobs to each housing unit. The RME establishes that 1.50 is a reasonable ratio for defining the optimal jobs/housing balance the Hillsboro region should strive to maintain.
- 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 46,000 housing units (not just 30,250 units) must be added to the Hillsboro Regional Study area by the year 2020 in order to maintain an optimal jobs/housing ratio of 1.50.

The *Hillsboro Concept Plan* projects that these urban reserve areas will support approximately 8,600 dwelling units. This is consistent with the projections made in the *Productivity Analysis*. Thus, the addition of this land to the community's urbanizable lands will alleviate some of the projected jobs/housing imbalance and satisfy some of the projected future need for additional dwelling units in the Hillsboro region.

Livability need to expand the urban growth boundary to allow for planned community. _

The region is committed to particular growth and development forms. Under Metro's *2040 Growth Concept* it is the policy of the region to: focus upon the development of centers and corridors to seek greater land use efficiencies in development and redevelopment; develop a multimodal transportation system, create a jobs-housing balance at the regional, central city, centers and community levels, preserve green spaces, and enhance redevelopment in areas of substandard incomes and housing. Metro Resolution No. 94-2040-C, adopting the *2040 Growth Concept Plan*.

Most of these policies can be achieved through redevelopment of the areas within the urban growth boundary. Greater densities at existing town and neighborhood centers and at new station area planning areas will result in efficient use of land and the satisfaction of these standards.

But given the need to expand the urban growth boundary to comply with the buildable lands supply mandate of ORS 197.299(2)(a), there are livability consequences in expanding the urban growth boundary in a number of partially developed exception areas. This scenario contrasts with

the option of a significant expansion of the urban growth boundary onto a 1500 acre site, capable of being developed as a planned community.

Expansion of the urban growth boundary to include all of the adjacent exception areas in the western portion of the urban growth boundary will be insufficient to meet the subregional need for more housing. This is true whether the need is the 2017 housing targets for Hillsboro, Forest Grove and Cornelius, or the greater need for land to rectify the projected jobs/housing imbalance.

A larger type of urban growth boundary expansion allows creation of mixed use town and neighborhood centers. It allows the location of employment centers near residential areas, reducing the use of automobiles. It allows planning of the development patterns for the area, preservation of natural resource areas and property needed for schools and other governmental uses. A planned community can assure that jobs/housing balance is attained. A mixed residential community permits a range of different kinds of housing to be developed simultaneously. A number of different housing markets, including affordable housing, can be addressed in terms of household size, age of the head of household, incomes and lifestyles.

Moreover, the significant value added by inclusion of a large tract into the urban growth boundary justifies significant exactions and dedications. With a planned community a local government can exact open space around waterways and wetlands and dedication of property for school sites, roads, and civic centers.

By contrast, increasing densities in a number of exception areas will not enhance or create town and neighborhood centers. Annexation of several exception areas of partially developed land will not allow creation of new places of employment near residential land. It will not permit significant exactions from a limited number of property owners for open space and public uses.

Thus, assuming that a substantial urban growth boundary change is needed, livability factors affect the type of urban growth boundary change needed. A large urban growth boundary expansion for a planned community comes at some considerable costs. This quantity of land is not available in the Metro area without the conversion of agricultural land to urban uses. The impacts on road systems are more acute with concentration of development in one area, as opposed to a diffusion of impacts caused by the alternative scenario. Generally speaking, emphasizing redevelopment in centers over development of new areas of undeveloped land is a key strategy in the *2040 Growth Concept*.

But, on balance, these costs are offset by the positive attributes of developing a planned community in order to satisfy long-term buildable land needs. It will be immensely cheaper to service a single area with new sewers, water supply and stormwater management system than to retool these systems in a variety of areas. One reason for the strong support of the City of Hillsboro for the Hillsboro South urban growth boundary change is the cost differential on the provision of facilities and services, as contrasted with a more diffuse number of urban growth boundary expansions. *Compare*, urban reserve serviceability costs for Urban Reserves 53, 54, and 55 (approximately \$9,400 per dwelling unit) with Urban Reserves 61 – 65 (\$11,443, \$27,984, \$98,219, \$16,385, and \$14,309 respectively per dwelling unit). Thus, it is likely that the cost of housing will be cheaper in a planned community, than would be the case by infilling existing exception lands. Moreover, a planned community allows maximum protection of natural resources. Indeed, a planned community meets the policy aims of the *2040 Growth Concept* as stated on pages 6 – 7 of that policy,

Creating higher density centers of employment and housing is advantageous for several reasons. These centers provide access to a variety of goods and services in a relatively small geographic area, creating a[n] intense business climate. Having centers also makes sense from a transportation perspective, since most centers have an accessibility level that is conducive to transit, bicycling and walking. Centers also act as social gathering places and community centers, where people would find the “small town atmosphere” they cherish.

There is no question that the region has rejected development of new expansion areas at the expense of redevelopment and infilling of the existing urban area. But given the need to expand the urban growth boundary to meet statutory obligations and the particular needs for additional residential land in the Hillsboro area and the quantity of that need, livability factors suggest that these needs will best be satisfied by an urban growth boundary expansion of sufficient size to create a planned community that satisfies the urban design requirements of the *2040 Growth Concept Plan*.

Effect of Urban Reserve Plan requirement and compliance on livability determinations and need.

The Metro Code reflects a preference for expansion of the urban growth boundary onto planned community land. MC 3.01.012(e) generally requires an urban reserve plan as a precondition for expansion of the urban growth boundary. While adoption of an urban reserve plan is not a barrier to complying with statutory mandates under MC 3.01.012(e)(2), MC 3.01.015(e) prefers land subject to an urban reserve plan as a priority in ranking potential urban growth boundary expansions.

The Urban Reserve Areas at issue are soon to be regulated by the *Hillsboro Concept Plan*. The *Hillsboro Concept Plan* is being considered for recommendation by the Hillsboro Planning Commission and will shortly be considered by the Hillsboro City Council as an amendment to the Hillsboro Comprehensive Plan. The *Hillsboro Concept Plan* is the most sophisticated and complete urban reserve plan presently under review and the only plan being actively considered as an amendment to a local comprehensive plan.

Thus, MC 3.01.020(b)(1)(A), (B), (C) and (F) quoted above have all been addressed and satisfied with the adoption of the *Urban Growth Report* by Resolution 97-2559B. Subsections (1)(D) and (E) establish that Metro must choose the most suitable lands to bring inside the urban growth boundary in order to meet the need established by the *Urban Growth Report* 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 urban growth boundary 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 urban growth boundary 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 South Hillsboro Urban Reserve Concept Plan addresses and satisfies all of the pre-planning requirements of MC 3.01.012(e) and thus is justified for inclusion in this legislative amendment of the urban growth boundary.

Conclusions.

There are three components to the justification of the need to expand the urban growth boundary in this subregion. First, an urban growth boundary change is needed in order to comply

with the requirements of ORS 197.295 – ORS 197.299. A component of the determined need for additional residential land can be allocated to the western portion of the region based on its allocation of 2017 housing targets in the *Urban Growth Management Functional Plan*.

Second, it is reasonable to increase the allocation of additional buildable land to this subregion in order to address the projected jobs/housing imbalance. An additional 27,500 households are needed in this subregion in order to balance the supply of jobs and housing as of 2020. This affects the allocation of buildable land added to meet the ORS 197.299 mandate. Within the mandate of adding land for approximately 32,000 dwelling units during 1998 and 1999, it makes sense to allocate approximately 10,000 dwelling units to the lands around Hillsboro’s portion of the urban growth boundary.

Finally, to meet this need for an additional 10,000 dwelling units through urban growth boundary expansions in this area, there is a preference for land which can be developed as a planned community. Given that the need cannot be satisfied through expansion of the urban growth boundary onto exception areas alone, and that a conversion of resource land to urban uses is necessary in any event, there is a need for an expansion of land sufficient in size to accommodate much of the need and allow an urban design to meet *2040 Growth Concept Plan* policies.

Alternatives to Expansion of the Urban growth boundary.

Applicable Criteria.

ORS 197.296(4): “If the determination required by subsection (3) of this section indicates that the urban growth boundary does not contain sufficient buildable lands to accommodate housing needs for 20 years at the actual developed density that has occurred since the last periodic review, the local government shall take one of the following actions:

(a) . . .

(b) Amend its comprehensive plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for 20 years without expansion of the urban growth boundary.”

ORS 197.732(1)(c)(B), OAR 660-004-0010(c)(B)(ii) and Goal 2, Part II (c)(2): “Areas which do not require a new exception cannot reasonably accommodate the use;”

ORS 197.298: “Priority of land to be included within urban growth boundary. (1) In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities:

(a) First priority is land that is designated urban reserve land under ORS 195.145, rule or metropolitan service district action plan.

(b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Second priority may

include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710.

(c)

(d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both.

. . . .

(3) Land of lower priority under subsection (1) of this section may be included in an urban growth boundary if land of higher priority is found to be inadequate to accommodate the amount of land estimated in subsection (1) of this section for one or more of the following reasons:

(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;

(b) Future urban services could not reasonably be provided to the higher priority due to topographical or other physical constraints; or

(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.

MC 3.01.020(b)(1)(E): "The district must find that the identified need cannot reasonably be met within the urban growth boundary 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 urban growth boundary 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: [presumed availability during planning period of urban growth boundary unless precluded by legal impediments; developed parcels unavailable unless improvements of low value; more than one ownership is suitable unless current pattern or level of parcelization makes land assembly unfeasible]."

MC 3.01.020(c)(1): "The land need identified cannot be reasonably accommodated within the current urban growth boundary"

OAR 660-004-0020(2)(b): "Areas which do not require a new exception cannot reasonably accommodate the use:

(A) The exception shall indicate on a map or otherwise describe the location of possible alternative areas considered for the use, which do not require a new exception. The area for which the exception is taken shall be identified;

(B) To show why the particular site is justified, it is necessary to discuss why other areas which do not require a new exception cannot reasonably accommodate the proposed use. Economic factors can be considered along with other relevant factors in determining that the use cannot reasonably be accommodated in other areas. Under the alternative factor the following questions shall be addressed:

(i) Can the proposed use be reasonably accommodated on nonresource land that would not require an exception, including increasing the density of uses on nonresource land? If not, why not?

(ii) Can the proposed use be reasonably accommodated on resource land that is already irrevocably committed to nonresource uses, not allowed by the applicable Goal, including resource land in existing rural centers, or by increasing the density of uses on committed lands? If not, why not?

(iii) Can the proposed use be reasonably accommodated inside an urban growth boundary? If not, why not?

(C) This alternative areas standard can be met by a broad review of similar types of areas rather than a review of specific alternative sites. Initially, a local government adopting an exception need assess only whether those similar types of areas in the vicinity could not reasonably accommodate the proposed use. Site specific comparisons are not required of a local government taking an exception, unless another party to the local proceeding can describe why there are specific sites that can more reasonably accommodate the proposed use. A detailed evaluation of specific alternative sites is thus not required unless such sites are specifically described with facts to support the assertion that the sites are more reasonable by another party during the local exceptions proceeding.”

OAR 660-014-0040(3)(a): “(3) To approve an exception under this rule, a county must also show:

(a) That Goal 2, Part II(c)(1) and (c)(2) are met by showing the proposed urban development cannot be reasonably accommodated in or through expansion of existing urban growth boundaries or by intensification of development at existing rural centers;”

Introduction.

The subject property is comprised of Urban Reserves 51-55. Therefore, the subject amendment need not be accompanied by findings demonstrating compliance with Factor 6. Moreover, pursuant to ORS 197.298, the site is considered first priority land, and is to come into the urban growth boundary prior to other lands. The Metro Council adopted Ordinance 96-655E (the urban reserve decision) in March, 1997. Because the urban reserve decision is currently on appeal to LUBA, these findings demonstrate compliance with the agricultural land retention provisions of ORS 197.298 and MC 3.01.020(b)(6).

Under Metro’s acknowledged code, a legislative amendment to the urban growth boundary (urban growth boundary) 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 urban growth boundary 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. Metro Code 3.01.020(b)(6) states:

Compliance with ORS 197.296(4)(b) and regulatory alternatives.

As noted above, ORS 197.296(4) allows a choice of means to satisfy the projected need for buildable lands, expanding the urban growth boundary, adopting new density measures, or both. A decision to amend the urban growth boundary need not be justified by lack of regulatory alternatives. Even still, Metro has meticulously reviewed the region’s buildable land supply and assumed an aggressive redevelopment and infill rate in the projections made in the *Urban Growth Report* and *Urban Growth Report Addendum*. The *Urban Growth Management Functional Plan* allocates to each jurisdiction substantial housing targets to attain within the existing urban growth boundary. These ambitious targets allow little room for additional residential development, sufficient to obviate or minimize the need for the urban growth boundary expansions.

Based on the August, 1998 *City of Hillsboro Compliance Report*, the City of Hillsboro has adopted regulatory measures to increase housing densities. The City adopted new zoning for the light rail station areas that includes high density residential zoning, minimum residential densities, minimum floor area ratios, accessory dwelling unit provisions and other measures to increase infilling and higher residential densities. The City will be amending its Development Code to establish minimum residential densities and allow accessory dwelling units. Hillsboro currently has comprehensive plan provisions that require new residential development to attain a density of 10 units per acre and a 50/50 single family/multifamily split. The City is incorporating the applicable 2040 Growth Concept design types into its Comprehensive Plan.

The City of Hillsboro has determined that it can meet its Functional Plan new dwelling target of 14,812 new dwelling units by 2017 through the existing zoning, relying upon development in its mixed use areas. The City has limited vacant and redevelopable land in its Inner and Outer Neighborhoods.

It is not feasible, then, to take zoning measures beyond those prescribed in the *UGM Functional Plan* and those already taken by the City of Hillsboro to significantly increase the number of new dwelling units that can be accommodated within the Hillsboro urban growth boundary. The City has upzoned nearly all of the land along the new Westside Light Rail Line, including the downtown core area. These measures will allow the City to accommodate 14,896 new dwelling units, slightly more than its target.

Alternatives within the Urban growth boundary.

The *City of Hillsboro Compliance Report* determines that the City has barely sufficient land to meet its 2017 jobs target of 58,247 jobs, established by the *UGM Functional Plan*. The City's Industrial Sanctuary no longer has vacant sites available for new, high tech campus industrial users. Undeveloped portions of the existing campus industrial uses are being held in reserve for future expansion. Notwithstanding these factors, the City is relying upon the Industrial Sanctuary lands to generate nearly 30,000 jobs. An additional 13,305 jobs can be accommodated within the station community planning areas.

Given its allocation of future employment and the limited buildable land within the City of Hillsboro, it is not feasible to redesignate industrial land for residential uses in order to achieve a better jobs/housing balance. The City has generated 12,086 jobs within the past four years. The 2017 job target is an extrapolation of this employment generation rate. Given the concentration of industry and employment in Hillsboro, and the spinoff employment generated by these existing businesses, it would not be prudent to limit this employment potential and reconfigure the region's allocation of new employment. Moreover, Hillsboro has an ample supply of water for new industry and has clear understandings on responsibilities for public services and facilities with other service providers, in contrast with many areas of Clackamas County. There are limited alternative locations for significant new employment.

It is not necessary to re-justify the jobs needs determinations made in the *UGM Functional Plan*. It is not practical to recast the allocation of jobs to Hillsboro at this point and there may be problems in finding land for that employment elsewhere. Given the allocation, however, it is not practical to re-plan and re-zone existing industrial land to residential uses.

The City of Forest Grove does not offer an alternative source of land for housing. According to the *Forest Grove Compliance Plan Assistance Report*, Forest Grove has insufficient vacant land to meet its 2017 dwelling unit target of 2,873 residences, falling short by 1,035 dwelling units. Forest Grove also has a 2017 jobs target of 5,488 jobs, and will fail to provide land for 753 jobs. Although there are redevelopment options to attain these targets, there is not any land to meet the housing targets of another jurisdiction.

Cornelius has an ambitious dwelling unit target of 1,019 units and a jobs target of 2,812 jobs. Cornelius has added on 157 dwelling units since 1994, and at that rate will fall short of its dwelling unit target. According to the *Cornelius Compliance Plan Assistance Report*, Cornelius will fall short of its housing target by 208 dwelling units. Metro foresees that there is a potential for an additional 91 dwelling units. Even so, there is not any land to meet the additional housing demand for Hillsboro or to correct the subregional jobs/housing imbalance.

Type of land to satisfy need.

Based on the above findings, the type of land needed to satisfy the residential and livability needs, is an expansion of land sufficient in size to accommodate much of the need and allow an urban design to meet *2040 Growth Concept Plan* policies. The size should be that which would allow siting of a majority of the 10,000 dwelling unit need and sufficient to allow development of a planned community meeting the *2040 Growth Concept Plan* policies. Based on the *City of Hillsboro South Urban Reserve Concept Plan*, addition of Urban Reserves 51 – 55 will meet this need.

General analysis on lack of alternative sites to satisfy residential and livability need.

The urban reserve areas studied for initial designation as part of Metro's urban reserve decision included a number of alternatives in the areas around Hillsboro. Urban Reserves 56 – 60, located around the cities of Forest Grove and Cornelius, together could house 2,640 dwelling units, an insufficient amount of housing to meet the subregional need. None of these urban reserves contain a sufficient amount of buildable land to lay out a mixed use planned community. Urban Reserve 58 is 527 acres, but only 275 acres are buildable.

Former Urban Reserves 62, 64 and 65 are large urban reserves located to the north and northeast of Hillsboro. All contain significant amounts of agricultural land. Urban Reserves 64 and 65 are large tracts with substantial amounts of unbuildable land. Urban Reserve 62 is a 692 acre tract, with 590 acres of resource land, and 409 acres of buildable land. It has space for 4,089 dwelling units. This tract is sufficient in size to allow for a planned community. This tract is immediately adjacent to the Industrial Sanctuary and does not adjoin any residential neighborhood. It is better situated for industrial use because of this proximity. There are no buffers or barriers separating Urban Reserve 62 from agricultural lands to the north and west. Its development could encourage the premature conversion of these resource lands to urban uses.

Based on the urban reserves studied by Metro previously, there are no alternative locations in the Hillsboro region to expand the urban growth boundary to add land sufficient in size to accommodate 5,000 or more dwelling units to be developed in a planned community.

Alternative areas available to satisfy need (specific analysis).

This analysis and findings supplements those contained in the exceptions land report prepared by Glen Bolen, which is incorporated herein. They are based, in part, upon the *Alternative Site Analysis for Urban Reserve Sites 51 – 55 (Alternative Site Analysis)* attached hereto and incorporated herein. The following analysis justifies the urban growth boundary change under ORS 197.298(3)(a) as well as under the Metro Code.

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), OAR 660-04-0020(2)(b).

Approximately half of the total acreage of Urban Reserves 51-55 is exception land. These properties were designated as exception lands in 1986, and are documented in the Washington County Rural/Natural Resources Framework Plan as exception areas #93 and 94. Therefore, inclusion of approximately half of the total area of Urban Reserves 51-55 is justified under the first sentence of MC 3.01.020(b)(6)(A)(I).

Inclusion the remaining acreage in resource use 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 660-21-030(4)(c). Resource lands included pursuant to this sentence is limited to “the smallest amount of resource land necessary to achieve improved efficiency.” MC 3.01.020(b)(6)(A)(I).

The demonstrated need for housing in the Hillsboro region, including the special land need (jobs/housing imbalance) cannot be met by including only exception lands in the urban growth boundary. To comply with factor 6, these findings, and 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 An urban growth boundary expansion. The reasons why the Washington 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 Hillsboro 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 urban growth boundary, 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 urban growth boundary were not studied for inclusion in the urban growth boundary under the *Alternative Site Analysis*, because they could not comply with the *2040 Growth Concept* and the RUGGO mandate of a compact urban form, and would not promote the orderly and economic provision of urban services as required by Statewide Goal 11, and Goal 14, Factor 3. Urban development in these areas would have negative impacts on the environment, specifically air quality, resulting from increases in vehicle miles traveled. In addition, urban expansion in these areas would have a greater impact overall farm practices in the area. Finally, state law 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 Hillsboro region are not a reasonable alternative to the lands included in the South Hillsboro urban reserve concept plan. 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 Hillsboro region. 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 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).* 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 urban growth boundary. 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 urban growth boundary would create islands of non-urban land surrounded by the urban growth boundary. 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.

In the appeal of the urban reserve decision currently before LUBA, the primary petitioners (DLCD/ODOT/1000 Friends of Oregon /Farm Bureau) argued that Metro erred by rejecting certain adjacent areas as alternatives to the inclusion of resource land such as URA 54/55. The petitioners argued that even if each individual exception area site could not provide any significant number of housing units, that Metro erred by not considering them in combination. However, given the demonstrated need for 32,000 housing units, combined with the special land need for the Hillsboro region, the demonstrated need for housing would not be met even if the other adjacent exception areas outside of the South Hillsboro urban reserve concept plan were included into the urban growth boundary.

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 development plan. The South Hillsboro urban reserve concept plan is a good example of how this principle can work.

3. 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.

4. 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 Urban Reserves 51-55, 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. However, they are also considered EFU lands for purposes of ORS 215.213-215.337 under the county code. *See* CDC 340-1 and 344.1. Therefore, AF-20 lands do not fit the definition of secondary agricultural resource lands.

No matter how the term “secondary agricultural resource lands” is defined, there are no significant quantities of these lands adjacent to the Metropolitan Portland urban growth boundary that could provide both sufficient housing to met the demonstrated special land need in the Hillsboro region and comply with the RUGGOs.

There are only two major concentrations of AF-20 land in the region that are contiguous to the present urban growth boundary. The first occurs in the area directly west and north-west of downtown Hillsboro. These lands are not suitable for expansion of the urban growth boundary because they are designated as rural reserves, and because they 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.”

The only other significant concentration of AF-20 land is located directly south of Cooper Mountain. As noted in the alternative site analysis, it is part of the Beaverton - Washington Square Regional Center area as shown in Metro's Region 2040 Recommended Alternative Technical Appendix. Therefore, this area will not contribute to improving the jobs-to-housing ratio or decreasing VMTs in the Hillsboro regional center area.

The area, more commonly known as “Cooper Mountain,” is shown on the exception area map and Washington County's Rural/Natural Resource Plan as “Exception Area 97.” Except for three large undeveloped tax lots, the area is a densely developed rural residential area. The approximately 489 acre area was heavily parcelized with 80 percent of the lots in separate ownership at the time Washington County granted the exception. Review of the county's Rural/Natural Resource Plan shows that the area has become even more parcelized since the exception was granted. Only a few lots on the southern border of the exception area remain undeveloped. The developed portion of exception area #97 is fully improved and cannot provide a significant number of new housing units to satisfy Hillsboro's special land need. Development of Cooper Mountain has been fairly recent and the potential for substantial redevelopment and infill is remote. Thus, the developed portion of exception area #97 cannot reasonably accommodate the special land need identified for the Hillsboro area.

Under the soil classification system used by the Natural Resource Conservation Service (NRCS), any given soil type will be represented in a number of different soil “classes,” depending on the slope of the land where it is found. For example, Cascade Silt loams may be class III if found on lands with a slopes of 0-20%, but will be class IV if found on land with slopes of 20-60%. As a general rule, many of the lowest quality soil classes will be found on lands with the steepest slopes. Thus, MC 3.01.020(b)(6)(A)(iii) has the unintended effect of favoring lands (greater than 25% with steeper slopes for urban development. However, at it extreme, these steeply sloped lands are deemed unbuildable under the 2040 Growth Concept.) Even considering areas with slopes somewhat less

than 25%, the costs associated with building in these areas makes them inappropriate for the higher density development required under the 2040 growth concept. As the September 1998 Productivity Analysis demonstrates, areas with steeper slopes invariably require greater expenditures for provision of urban services. This, in turn, contributes to higher housing costs, which, in turn, compounds local governments abilities to provide affordable housing consistent with Statewide Planning Goal 10, ORS 197.295-197.307, and RUGGO Goal II.iii, and Obj. 17.

5. Primary Forest Resource Lands.

The fourth priority for inclusion into the urban growth boundary 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 urban growth boundary in the Hillsboro 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.

6. Primary Agricultural Resource Lands.

The fifth and last priority goes to primary agricultural resource lands, as defined by the state. Resource lands included in URA sites 51-55 are the logical choice over other similar resource lands. As Metro has already found, the exception areas in the South Hillsboro area cannot be provided with urban services without incorporating the resource lands within the subject area.

Second, when deciding between otherwise similar parcels of resource land, it is appropriate to consider whether the new urban growth boundary 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. Therefore, inclusion of the resource land in the South Hillsboro concept plan is preferred over inclusion of any other properties designated as "primary agriculture resource land" under state law. *See generally* RUGGO Objectives 16 and 22.

6. Specific Findings on Alternatives.

- ORS 197.298

The subject property is in an urban reserve. Therefore, it is first priority land pursuant to ORS 197.298(a).

In the alternative and in the event that the urban reserve status of any portion of the subject property is reversed or remanded by the Land Use Board of Appeals, based on the *Residential Market Evaluation* and the *Alternative Site Analysis*, the area has a specific land need for housing which cannot be reasonably accommodated on any higher priority lands. The inclusion of lower priority lands within the area of the proposed amendment is justified to provide maximum efficiency of land uses within the urban growth boundary. Therefore, the urban growth boundary amendment satisfies ORS 197.298(3)(a) and ORS 197.298(3)(c).

- ORS 197.732(1)(c)(b), OAR 660-004-0010(c)(b)(ii) and Goal 2, Part II (C)(2)

Based on the *Residential Market Evaluation* and the *Alternative Site Analysis*, there are no areas which would not require an exception which could reasonably accommodate the proposed use. Therefore the incorporation of any lands requiring an exception is justified pursuant to the above criteria.

- OAR 660-040-0020(2)(b)

The *Alternative Site Analysis* satisfies the requirements of OAR 660-004-0020(2)(b) as it has provided a thorough description of possible alternative areas. The *Alternative Site Analysis* discusses the reasons why other areas which should not require a new exception cannot reasonably accommodate the proposed use. Specifically, based on the *Alternative Site Analysis*, 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 Metro Ordinance 96-655E, 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.

Consequences of Expansion of the Urban growth boundary to Include the Hillsboro South Urban Reserves.

Applicable Criteria.

ORS 197.732(1)(c)(C), MC 3.01.020(c)(3), OAR 660-04-0010(1)(B)(c)(iii) and Goal 2, Part II(c)(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 areas requiring a goal exception other than the proposed site;”

OAR 660-04-0020(2)(c): “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 requiring a Goal exception. The exception shall describe the characteristics of each alternative areas considered by the jurisdiction for which an exception might be taken, the typical advantages and disadvantages of using the area for a use not allowed by the Goal, and the typical positive and negative consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts. A detailed evaluation of specific alternative sites is not required unless such sites are specifically described with facts to support the assertion that the sites have significantly fewer adverse impacts during the local exceptions proceeding. The exception shall include the reasons why the consequences of the use at the chosen site are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site. Such reasons shall include but are not limited to, the facts used to determine which resource land is least productive; the ability to sustain resource uses near the proposed use; and the long-term economic impact on the general area caused by irreversible removal of the land from the resource base. Other possible impacts include the effects of the proposed use on the water table, on the costs of improving roads and on the costs to special service districts.”

OAR 660-14-0040(3)(b): "That Goal 2, Part II(c)(3) is met by showing the long-term environmental, economic, social and energy consequences resulting from urban development 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 on other undeveloped rural lands, considering:

(A) Whether the amount of land included within the boundaries of the proposed urban development is appropriate, and

(B) Whether urban development is limited by the air, water, energy and land resources at or available to the proposed site, and whether urban development at the proposed site will adversely affect the air, water, energy and land resources of the surrounding area."

Goal 14, Urbanization factors three, five and six: "Orderly and economic provision for public facilities and services," "environmental, energy, economic and social consequences," and "retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority."

MC 3.01.020(b)(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."

MC 3.01.020(b)(5): "Factor 5: Environmental, energy, economic and social consequences. An evaluation of this fact 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.

(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 urban growth boundary.”

MC 3.01.020(b)(6): “(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.”

Description of the environmental consequences of the Hillsboro South urban growth boundary amendment.

Based upon the technical background memoranda to the *Hillsboro Concept Plan*, fish population within the urban reserve areas exists in the lower reach of Butternut Creek and there is potential for fish to exist in the upper reaches beyond the beaver dams. With preservation of riparian vegetation, this habitat should not be significantly degraded as a result of urbanization of the area.

The wetlands within the urban reserve area are found almost entirely within the riparian zones of the stream systems, or along the small side-drainages. These include Butternut Creek, Gordon Creek and Witch Hazel Creek, and to a lesser extent, Cross Creek. Development will be set back from these drainages and wetlands. Removal of vegetation from these wetlands, however, may

reduce the filtering effect of the vegetation on absorbing sediments and toxicants from stormwater. The Butternut Creek floodplain is especially important for stormwater detention and treatment and development should be limited in this floodplain.

These wetlands and riparian areas are important wildlife habitats. The plant community along Butternut Creek and Gordon Creek includes Oregon ash, red alder, western red alder, willows and native shrubs. These areas provide cover for refuge from predators, places to perch or reset, breeding habitat and corridors for movement. The agricultural land and developed properties in the urban reserve areas have more limited habitat values

There are beaver throughout Butternut Creek. A heron rookery exists on the western border of the urban reserve area on Butternut Creek. The Hagg property to the south is used by red-tail hawks, kestrels, quail, coyote and deer. Urbanization of the area will limit its general use by wildlife.

Mitigation measures to preserve the storm drainage and wildlife values for the wetlands and streams are outlined in the July 2, 1998 memorandum from Phil Quarterman (W&H Pacific) to Wink Brooks and are incorporated herein. Adoption of these mitigation measures will make the environmental consequences of development of these urban reserves no more serious than development of alternative urban growth boundary expansion areas.

Water quality and quantity issues will be addressed in the master planning process for any development. The just mentioned mitigation measures will help assure that development will not unduly impact water quality and quantity.

Resources subject to special protection.

There are four stream corridors in the urban reserve areas. Butternut Creek originates in the Aloha area and flows through the central part of the urban reserves. It has a flat floodplain varying from 100 feet to 250 feet wide. The channel has steep banks and a small in-stream pond exists just downstream from 229th Avenue. The headwaters of Gordon Creek are located on the east portion of Urban Reserve 55. Gordon Creek occupies a narrow floodplain within an extensive riparian and forested area. Cross Creek originates in a wetland swale in the residential area just to the east of 209th Avenue. Parts of the stream have been artificially channelized and the riparian vegetation has been removed. Witch Hazel Creek starts in a residential neighborhood north of the Hillsboro South urban reserves. The channel occupies a narrow riparian corridor which widens to the south, near River Road. Like Gordon Creek, Witch Hazel Creek occupies a narrow floodplain, with dense riparian vegetation and a less meandering channel form.

As noted earlier, the stormwater detention and treatment facilities will be incorporated into the natural drainage system. The developed areas will largely avoid significant natural resource impacts, due to the protection of stream corridors as open space. The street network will include three significant crossings of riparian corridors. Sewer construction will involve temporary impacts from stream crossings.

There are three cultural and historic sites in Hillsboro South: two rows of poplar trees which once led to the Reed Farm; the Southern Pacific Railroad line, located north of TV Highway; and, farm buildings which were once part of the Hagg Farm. When the area is developed, it may be possible to preserve the poplar trees. The historic residence on the Hagg Farm burned in 1998 and

the remaining buildings may lack significance. There may be Native American artifacts in this area, which can be inventoried and protected upon development.

Description of the economic consequences of the Hillsboro South urban growth boundary amendment.

Based on the public facilities impact report in the *Hillsboro Concept Plan*, the necessary water, sewer and stormwater improvements to serve Hillsboro South will cost \$46,780,380. The on-site road improvements will cost \$32,565,000 and the off-site transportation improvements will cost \$69,900,000. The park facilities on approximately 140 acres of park lands will require the expenditure of approximately \$18 million, in addition to the costs of land acquisition. Construction of new schools will probably be well over \$200 per square foot. The *Hillsboro Concept Plan* lays out a phasing schedule for this infrastructure, as well as financing alternatives.

Based upon the July 2, 1998 technical memorandum by Cornforth Consultants on geologic hazards evaluation, within the Hillsboro South Urban Reserve Areas: the risk of unstable slopes is low; the risk of erosive soils is low; special foundation considerations will be necessary in areas of low bearing capacity soils; risks of seismic hazards can be mitigated in the design of critical structures or life-support facilities; and, seismic hazards will be of highest concerns in slopes adjoining creeks, rivers or bodies of water. Thus, the economic costs of development will be low compared to other potential areas of urban growth boundary expansion with greater constraints and natural hazards.

Addition of this area to the urban growth boundary will increase the value of property and the ultimate tax base of the City of Hillsboro. There are significant economic efficiencies from adding land to the urban growth boundary that can ultimately be annexed by the provider of public services. This allows for the orderly and economic provision of public services supported by the general fund of the City, including police, fire, emergency services, planning and other municipal services. By contrast, addition of urban reserves not contiguous or proximate to the City of Hillsboro (e.g., Urban Reserves 63, 64, and 65) will not produce this synergy.

Description of the social consequences of the Hillsboro South urban growth boundary amendment.

Development of the Hillsboro South Urban Reserves as proposed in the *Hillsboro Concept Plan* will produce a residential mixed-use community with a town center and two satellite neighborhood/main street centers. The centers will accommodate a concentration of shops, services, employment facilities, civic uses, amenities and other public and private activities. The urban centers are distributed in a manner to protect and enhance the existing natural resources of the area. This distribution provides the maximum efficiency of non-automobile transportation. Development proposed in the Concept Plan will create new neighborhoods with a strong sense of community and that are pedestrian oriented.

The area is planned in a way that dedicates 35 acres to general employment uses. Additional employment will be provided within the three centers totaling 60 acres. Approximately 2,000 jobs can be accommodated within the site. This will allow integration of employment and residential areas, minimizing the need for lengthy commuting.

The development of Hillsboro South consistent with the principles and guidelines of Metro's *2040 Growth Concept* will produce significant social consequences. The *Growth Concept* document

at page 6 notes that creating high density centers of employment and housing provides access to a variety of goods and services in a small geographic area, creating an intense business climate. These town and neighborhood centers have an accessibility level that is conducive to transit, bicycling and walking. The centers act as social gathering places and community centers, producing a cherished “small town atmosphere.”

After accounting for land for streets, employment, community service and schools, parks and greenspaces, stream protection and pedestrian corridors and stormwater management, there will be approximately 850 acres available for residential uses. As planned, this will allow a variety of housing types. Multi-family housing will be concentrated around the three urban centers. Approximately 4,216 dwelling units are located in the Ladd-Reed town center. The Gordon Creek center will have around 1,892 dwelling units and the Butternut Creek neighborhood center will develop with 1,763 dwelling units. A majority of the housing types will be standard and small lot single family units. Senior housing will represent approximately 13% of the dwelling units and will be built at 39/units per acre. Approximately 55% of the units will be owner occupied and around 45% will be targeted to renter occupied households. Multi-family and attached units will be 65% of all units.

Based on the projections in the *Hillsboro Concept Plan*, around 30% of the dwelling units are expected to fall within a range requiring affordable housing at 60 to 80 percent of median income. The *Hillsboro Concept Plan* includes a range of housing densities within the single family and multi-family zones to allow for affordable ownership and rental opportunities. The need for affordable housing (i.e., one and two-bedroom units for households of two or fewer persons) can be satisfied by row housing or plex ownership opportunities in the lower density areas, and by multi-family rentals in the higher density areas. The presence of services and nearby employment will reduce the need for a car and allow more income available for housing for low-income residents.

There is currently a significant deficit of parklands in the area of the Hillsboro South Urban Reserves. All available park facilities in the vicinity of the urban reserves are for passive recreation, except for Rood Bridge Park that is under construction. Development of the entire Hillsboro South Urban Reserves as part of a coordinated plan will allow development of active and passive recreation sites. Under the *Hillsboro Concept Plan*, approximately 210 acres are designated for active recreation use. This includes a regional recreation/aquatic center in the heart of the Ladd-Reed town center, a multi-purpose community center along 229th Avenue, a community park west of River Road, five neighborhood parks, two linear parks along the BPA easement and near the regional water detention facility, natural and storm water areas in riparian areas and wetlands, and bike and pedestrian facilities. Development of the area as planned will add significant park land to serve the entire subregion. This will have positive social effects.

As noted in the *Preliminary Staff Report*, urbanization of the Hillsboro South Urban Reserves will eliminate its rural character. There may be pressure from increased urbanization to curtail farming activities and to develop additional agricultural land.

Description of the energy consequences of the Hillsboro South urban growth boundary amendment.

The urban reserve areas are expected to capture 67% of area household expenditures and support 465,000 square feet of retail and personal service related building space. Development of this area as a mixed use area will allow residents to shop in their neighborhood, reducing the need for automobile transportation and the length of marketing trips.

The Hillsboro South Urban Reserves are close to the two significant employment areas in Hillsboro, the downtown area and the industrial areas in the northeast section of the city. By rectifying the current jobs/housing imbalance, development of this area will reduce the need for long commuting trips to these workplaces. There will be significant energy savings by locating housing closer to places of employment.

By contrast, the energy costs of amending the urban growth boundary in areas most distant to places of employment are significant. Reduction in the number of miles to serve a developing area decreases fossil fuel consumption and costs and decreases the negative consequences of pollution from using automobiles.

Comparison of the ESEE consequences with the consequences of developing alternative sites.

Based on the *Metro Urban Reserve Productivity Analysis*, the serviceability costs for Urban Reserves 53 – 55 are approximately \$11,000 per dwelling unit. This estimate is based on an analysis of the costs of sanitary sewer, water, stormwater and transportation infrastructure costs. The costs per dwelling unit for Urban Reserves 51 and 52 are more expensive, \$19,826 and \$14,952 respectively. The infrastructure costs for Urban Reserves 53 – 55 are the lowest in the entire metropolitan area. Because these urban reserves are adjacent to already developed land, public facilities and services can be integrated into the existing facilities network in the surrounding urban area.

No similar level of analysis has been done to assess the costs of expanding the urban growth boundary in the Hillsboro area in other directions and onto agricultural lands. It is not likely that the costs would be cheaper. The infrastructure costs for Urban Reserves 61 – 65, alternative growth areas to the north or northeast of Hillsboro range from \$11,443 to \$98,219 per dwelling unit according to the *Metro Urban Reserve Productivity Analysis*. A large expansion onto agricultural land to the north could have comparable infrastructure costs, although the costs to upgrade Highway 26 interchanges would be extreme.

In September, 1996, as part of the *Executive Officer Recommendations – Urban Reserves, Background Data*, a ranking was made of urban reserve areas based on Urban Reserve Rule Factors 3 – 7. The factors including analysis of utilities, transportation, school proximity, efficiency of land use, environmental constraint, jobs/housing balance, agricultural retention and agricultural compatibility. The cumulative rankings for Urban Reserves 51 – 55 ranged from 51 – 78 (with the higher score indicating greater suitability). These rankings are quite comparable to alternative expansion areas onto agricultural land in the area. The proposed urban reserves around Forest Grove and Cornelius scored from 48 – 56, lower than the rankings for the Hillsboro South Urban Reserves. The rankings for former Urban Reserves 62, 64 and 65 were 54, 55 and 57 respectively. These scores are comparable to those of the Hillsboro south Urban Reserves. (Citation to the *Executive Officer Recommendations* is not intended to affirm all of the data in that report. For example, the analysis of jobs/housing balance for the Hillsboro subregion in the *Recommendations* is rejected in favor of the more specific analysis in the *Hobson Johnson Associates Report* discussed earlier.)

Based upon these ratings of the urban reserves, the environmental, social, economic and energy consequences of expanding the urban growth boundary to include the Hillsboro South Urban Reserves are no greater than the consequences of expanding the urban growth boundary onto resource lands in other locations.

The consequences of expanding the urban growth boundary onto other resource lands may be more severe than the Hillsboro South alternatives. Agricultural areas north of Evergreen Road and west of Urban Reserve 62 and east of Jackson School Road will be subject to increasing regulation to protect the Hillsboro Airport immediately to the south. Some of this area lies within the runway protection zone of the airport. *See*, OAR 660, div. 13 (airport planning rules to establish airport compatibility restrictions and use allowances).

There are only two areas adjacent to the City besides South Hillsboro (Urban Reserve Site Nos. 51-55), where there is enough land area where a 2040 planned community approximately 1,500 acres in size could be built, and where the City does not experience constraints due to 100-year floodplain designations. The first area is located north of Evergreen Road extending north to the fork of McKay Creek and east from Glencoe Road/McKay Creek to Shute Road (excluding Urban Reserve Site No. 62). This area consists of approximately 1,838 acres.

This first area is unsuitable for a 2040 planned community due to the following:

1. Most of the area is designated Exclusive Farm Use (EFU).
2. The majority of this area is surrounded by EFU farmland on three sides.
3. With the exception of the two sub-areas containing primarily rural residential development, contiguous large agricultural parcels characterize this area, as well as the surrounding area.
4. Within this area is about 252 acres of exception lands with 61 different owners. The acreage in this area is designated AF-5 (5-acre minimum lot size). These exception lands can be found in two areas. The first sub-area boundaries are Glencoe Road, the UGB and NW Evergreen Road as its southern boundary. The average lot size in this sub-area is 3.99 acres, with a range in lot size from 1 to 16 acres. The second sub-area is located north of the Hillsboro Airport and is just outside of the UGB. It is bounded by McKay Creek to the north and Sewell Road/NW 268th Ave. to the east. Lots in this sub-area range from 1 to 10 acres in size with the average lot size being 3.5 acres. Both these areas can be described as rural residential in nature. Both of these sub-areas are also surrounded by EFU agricultural uses on three sides, the only urban development located on the south side of Evergreen Road. *Due to the number of property owners and existing parcelization, both of these sub-areas would be difficult to develop as a single development area in conjunction with the larger agricultural parcels that surround them.*
5. The Hillsboro Airport -- the 2nd busiest airport in the state is located on the south side of Evergreen Road. This area is severely impacted by the runways of the Airport. In addition to existing runways, the flight path for the proposed third runway at the Hillsboro Airport would have a direct and severe impact on lands north of Evergreen Road. Because of the severe impacts due to the Airport, the majority of this area is highly unsuitable for residential development.
6. The eastern portion of this area (east of NW 278th Ave. to Shute Road) is adjacent to industrial development to the south and east, which would put residential uses next to these uses and could create land use conflicts between industrial and residential uses.
7. A Bonneville Power Administration easement runs through this area from the westernmost boundary east to Shute Road. This easement removes roughly 42 acres from potential urban development.
8. Existing water and sewer lines may be too small to serve large scale residential development and may require considerable upgrading.
9. The location of this area may entail construction of a new sewer trunk line over a great distance (about 4 miles) travelling over a circuitous route to the Rock Creek Treatment Plant.

10. Currently, there are three north-south roads that intersect with the Sunset Highway (US 26) in this area (Glencoe, Jackson School and Shute Roads). Glencoe and Shute Roads have interchanges where they intersect with US 26, whereas Jackson School Road intersects with US 26 with no interchange. An increase in population in this area of about 20,000 people would require major improvements to each of the interchanges and creation of an interchange at Jackson School Road due to the anticipated increase in the number of vehicles trying to access US 26 at these locations. An analysis of the proposed Seaport prison site – a 218-acre site located just north of US 26 between West Union and Jacobson Roads by ODOT stated that approximately \$15 million in roadway improvements were needed, with the majority of the improvements made to US 26. These improvements were based on an estimated 2,500 to 3,000 vehicular trips per day generated from the prison. For a 2040 community of 20,000 people, roughly 6,000 p.m. peak hour vehicular trips can be assumed, generating improvements easily exceeding \$15 million especially to these intersections with US 26. A planned community of this size also could require additional lanes on the Sunset Highway. Glencoe, Jackson School and Shute Roads would also need major improvements to increase capacity.
11. Existing pockets of rural residential development clearly do not inhibit agricultural uses in this area.

The second area where a 2040 planned community could be located is north of the Sunset Highway (excluding Urban Reserve Site Nos. 62, 63 and 64). The boundaries of this area would be east to the Burlington Northern RR tracks (just east of the southern portion of Dick Road), north to the Burlington Northern RR tracks and west to Groveland Road. This area is about 1,845 acres in size. See attached map.

This second area is unsuitable for a 2040 planned community due to the following:

1. With the exception of 2 small areas designated AF-5 and AF-10, this entire area is designated EFU.
2. Except for where this area abuts the 2 small areas designated AF-5 and AF-10 (10-acre minimum lot size), this area is surrounded by EFU farmland on all sides.
3. Within this area is a 77 acre exception area located near the intersection of Helvetia and West Union Roads. This area is designated AF-5 and has a small commercial zone near this intersection. It has 16 parcels in 14 different ownerships. Again because of parcelization and diverse ownership, it would be difficult to consolidate lots in this sub-area.
4. The existing small area of rural residential development clearly does not inhibit agricultural uses in this area.
5. There is only one east-west road that crosses the entire area – West Union Road, which would need major improvements to accommodate a 2040 planned community. Phillips Road located west of Helvetia Road connects to Old Cornelius Pass Road, which intersects with Cornelius Pass Road and then provides a connection to US 26, would also need improvements to provide an alternate east-west route.
6. Currently, only Helvetia Road intersects with the Sunset Highway (US 26) in this area. For people living in this area, the only other alternatives to accessing US 26 are via NW Jackson School Road or Cornelius Pass Road. There are interchanges where Helvetia and Cornelius Pass Roads intersect with US 26 however Jackson School Road just intersects with the Highway 26 at grade. An increase in population in this area of about 20,000 people would require major improvements to each of the interchanges and creation of an interchange at Jackson School Road due to the anticipated increase in the number of vehicles trying to access US 26 at these locations. As stated previously, an analysis of the proposed Seaport prison site by ODOT of a

much smaller site stated that approximately \$15 million in roadway improvements were needed, with the majority of the improvements made to US 26. For a 2040 community of 20,000 people, with almost three times the number of vehicular trips per day, transportation improvements would easily exceed \$15 million especially to these intersections with US 26. A planned community of this size also could require additional lanes on the Sunset Highway.

7. There are only two north-south routes in this area – Groveland Road and Helvetia Road. Both of these roads would also need major improvements to serve a 2040 planned community.
8. The southeast portion of this area adjacent to Jacobson Road abuts the City's Industrial Sanctuary. Potentially placing residential uses next to industrial uses may create land use conflicts.
9. Existing water and sewer lines may be too small to serve large scale residential development and may require considerable upgrading.
10. The location of this area may entail construction of a new sewer trunk line over a great distance (about 6 miles) travelling over a circuitous route to the Rock Creek Treatment Plant.
11. A Bonneville Power Administration easement runs through this area from Jacobson Road to the south, north past the Burlington Northern RR tracks. This easement removes about 110 acres from potential urban development.

When making a similar comparison of the suitability of South Hillsboro, South Hillsboro is more suitable for a 2040 planned community for the following reasons:

1. About 39% of the South Hillsboro urban reserves is designated EFU vs. the majority of the acreage in the other two areas being designated EFU. The majority of EFU land in South Hillsboro consists of the Sisters of St. Mary property (2 parcels) and 8 parcels ranging from 2 to 20 acres in size. The remaining acreage in this area is mainly designated AF-5, with small pockets of AF-10 and RR-5 (5-acre minimum lot size). Two parcels abutting the south side of Butternut Creek are designated AF-20 (20-acre minimum lot size).
2. The South Hillsboro area is surrounded by urban uses on three sides. The Reserve Vineyards & Golf Club separate the northern portion of the South Hillsboro area from EFU farmlands to the southwest. In The exception to this separation is small EFU parcels (most of the lots are about an acre in size or less) sandwiched between the Reserve Vineyards & Golf Club and the northern portion of the South Hillsboro area. South of Butternut Creek to Farmington Road, parcels designated AF-20 buffer this area from some small EFU parcels located on the east side of 229th Ave. These AF-20 parcels range from 0.55 to 19.55 acres in size, the exception being one-73.97 acre parcel.
3. In the South Hillsboro area, it is easier to establish clear urban expansion limits due to the increasing inability to provide sewer service downstream from the Rock Creek Treatment Plant located on the Tualatin River.
4. The South Hillsboro area is easy to serve with both water and sewer due to its proximity to the sewage treatment plant and current city limits relative to areas located adjacent to the northern limits of the city.
5. Existing rural residential development in the South Hillsboro area limits agricultural uses. The northern portion of the South Hillsboro Planning Area, west of 229th Ave. is considered exception lands, and in fact, the average lot size for lands designated AF-5 is 3.65 acres. Land designated AF-10 have also been parcelized, with an average lot size of 7.90 acres. South of the Sisters of St. Mary property abutting 209th Ave. is also designated AF-5, with an average lot size of 3.29 acres. This AF-5 area could also be considered as exception lands.

Provision of public services to the urban growth boundary expansion area.

Based on the *Hillsboro Concept Plan*, the recent enlargement of Barney Reservoir from 4000 acre-feet of storage to 20,000 acre-feet will assure adequate quantities of water for the Hillsboro area for the immediate future. Existing and planned water treatment facilities are adequate for the urban reserve areas without jeopardizing other City of Hillsboro or Joint Water Commission commitments. Recent expansion of JWC facilities is ahead of demand. There is a 42-inch water transmission line north of the urban reserve areas along TV Highway with capacity to serve the urban reserve areas. There are no known storage requirements needed to assure adequate water pressure to the urban reserve areas, although the City of Hillsboro plans to add storage to the overall system.

Sanitary treatment facilities for the area are owned and maintained by Unified Sewerage Agency. The Rock Creek Treatment Plant is immediately northwest of the urban reserve areas and can serve the area. There are two pump stations in or near these urban reserve areas, Butternut Creek and Cross Creek at 209th Avenue. Collection and transport facilities will be constructed as part of development.

Natural drainage swales, ditches and creeks form the existing stormwater drainage system in the area. The development of the Hillsboro South Urban Reserves as a whole and as part of single development plan allows significant opportunities to plan for regional detention and water quality facilities. As proposed in the Concept Plan, storm drainage and treatment facilities can be integrated into the natural drainage system and combined with wetland mitigation bank sites, riparian corridor restoration measures and other forms of habitat protection. Proposed storm water facilities in the Concept Plan include a large regional combined storm water detention and water quality site on Gordon Creek above Ettinger Pond along with various smaller detention and water quality facilities distributed proportionally throughout the area.

As noted elsewhere, there is a deficit of parkland in the area of the Hillsboro South Urban Reserves. Tualatin Hills Park and Recreation District serves approximately 150 acres in Urban Reserves 51 and 52. The remaining 1,455 acres in the urban reserve areas do not have a parks provider. Parks facilities serving this area include St. Mary's Woods Nature Park, Jenkins Estate, Noble Woods, and Rood Bridge Park.

The Hillsboro South Urban Reserve areas are presently served by Butternut and Witch Hazel Elementary Schools, Brown Middle School and Hillsboro High School. With full development, there will be the need for two or three elementary schools and a separate elementary/middle school campus. The development of the Hillsboro South Urban Reserve Areas as part of a single development plan will allow dedication of school sites and optimal location of these schools in safe settings, near other school facilities, and adjacent to compatible land.

The urban reserve area is presently served by Washington County Rural Fire Protection District No. 2 and Tualatin Valley Fire and Rescue. TVF&R has a fire station on the east side of 209th Avenue. With full development, fire and ambulance services will be provided by the Hillsboro Fire Department. This will require ultimately the relocation of the existing Brookwood station to the south side of Tualatin Valley Highway to the area at Century Boulevard and Davis Road. This station can provide fire protection during the initial phases of development, together with Tualatin Valley Fire. This relocated fire station will allow the Hillsboro Fire Department to supply first response to the South Hillsboro Urban Reserves, most SB 122 areas to the east and northeast, the

areas north of TV Highway, the Washington County RFPD No. 2 contract areas to the south and west and the western areas along TV Highway.

Police services will be provided by the Hillsboro Police Department from the emergency services complex at Century Boulevard and Davis Road. A civic center, including a recreation center and library, is planned to be located in the Ladd-Reed Town Center. Elementary school sites are planned in the mixed use areas of Gordon Creek and Butternut Creek. A middle or high school is sited in the Ladd-Reed town center.

Transportation impacts by development of the Hillsboro South urban growth boundary area.

Transportation impacts are analyzed in the *Hillsboro Concept Plan* and a July 2, 1998 transportation background memorandum authored by Dan Seeman of Kittelson & Associates. The surrounding transportation system includes: Tualatin Valley Highway (TV Highway), a regional arterial in the Washington County TSP (five lanes with paved shoulders and a designated trunk transit route); Farmington Road, a major arterial in the Washington County TSP which is planned to be widened to three lanes; River Road, a minor arterial in the Washington County TSP and with two existing and planned lanes of travel; Kinnaman Road, Blanton Road and Rosa Road, providing access to the east, are designated in the Washington County TSP as major collectors, to be improved to three lanes; Cornelius Pass Road, a minor arterial in the Washington County TSP, and planned for five lanes; 231st/234th Avenues (Century Boulevard), a potential connection to TV Highway and a designated collector in the draft Hillsboro TSP; Brookwood Avenue, a potential connection to TV Highway and a designated arterial in the draft Hillsboro TSP with planned three and five lanes of travel; 219th Avenue, a _____ in the draft Hillsboro TSP and planned for ___ lanes of travel. The draft Hillsboro TSP projects needed improvements to 219th Avenue, Brookwood Avenue, 231st/234th Avenues, Davis Road and TV Highway in the area of these urban reserves. Development of the Hillsboro South Urban Reserves will not change the functional classification of streets as presently identified in the Beaverton TSP and Washington County TSP, or as designated in the draft Hillsboro TSP.

There will likely be 5,200 additional peak hour vehicle trips generating and affecting this outside street system by full development of the South Hillsboro Urban Reserves as stated in the HSURP. TV Highway will experience a capacity deficiency in the Murray Boulevard to 10th Street section. Brookwood Avenue will experience a capacity deficiency between TV Highway and Cornell Road. The capacity deficiency on TV Highway has been identified in transportation plans prepared by Beaverton, Hillsboro and Washington County. The Beaverton TSP and the Washington County TSP recommend expanding TV Highway to seven lanes in the area of these urban reserves. The draft Hillsboro TSP recommends access management measures to forestall widening for another 20 years, but recognizes the need for widening shortly after the year 2015. Brookwood Avenue may need to be expanded to five lanes south of TV Highway in addition to its planned expansion to five lanes north of TV Highway.

Thus, TV Highway may need to be widened to seven lanes to accommodate the increased traffic generated by the Hillsboro South Urban Reserve, or a parallel east-west facility to TV Highway must be constructed to capture the equivalent demand. Two additional travel lanes of capacity will be needed in the Brookwood – 231st/234th Corridor. Development will generate a need to extend 219th Avenue and Brookwood Avenue south of TV Highway. Additional street improvements are listed in the Concept Plan.

The *Hillsboro Concept Plan* provides for an internal street network meeting the standards contained in the *UGM Functional Plan*: local streets are spaced at a minimum of 10 – 16 streets per mile; collector streets will be spaced at ¼ mile intervals; and arterials are spaced at ½ mile intervals. The system of streets includes a regional boulevard, community boulevards, community streets, minor collectors and local streets. The classification of these streets is set out in the Concept Plan.

Compatibility with Adjacent Uses.

Applicable Criteria.

ORS 197.732(1)(c)(D), MC 3.01.020(c)(2), OAR 660-04-0010(1)(c)(B)(iv) and Goal 2, Part II(c)(4): “The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.” “‘Compatible’ . . . is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses.”

OAR 660-04-0020(2)(d): “‘The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.’ The exception shall describe how the proposed use will be rendered compatible with adjacent land uses. The exception shall demonstrate that the proposed use is situated in such a manner as to be compatible with surrounding natural resources and resource management or production practices. ‘Compatible’ is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses.”

OAR 660-14-0040(3)(c): “That Goal 2, Part II(c)(4) is met by showing the proposed urban uses are compatible with adjacent uses or will be so rendered through measures designed to reduce adverse impacts considering:

(A) Whether urban development at the proposed site detracts from the ability of existing cities and service districts to provide services; and

(B) Whether the potential for continued resource management of land at present levels surrounding and nearby the site proposed for urban development is assured.

Goal 14, Urbanization factors four and seven: “Maximum efficiency of land uses within and on the fringe of the existing urban area” and “compatibility of the proposed urban uses with nearby agricultural activities.”

MC 3.01.020(b)(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 meet 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 urban growth boundary 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 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 resident and employees.”

MC 3.01.020(b)(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.”*

Description of adjacent uses and determination of compatibility.

The nearby land uses are described in the *Hillsboro Concept Plan*, as well as in the *Preliminary Staff Report* of October 30, 1998 which is incorporated herein. The majority of adjacent land uses are residential, with commercial and light industrial uses located along TV Highway. An unincorporated residential neighborhood is located east of the site. A commercial area is located north of TV Highway and east of 209th Avenue, containing a grocery store, drug store, services, specialty shops and several restaurants. Many service oriented and specialty shops and restaurants are located further west on TV Highway. There is a Fred Meyer store north of TV Highway and west of 229th Avenue. Century High School, a retirement facility and residential neighborhoods are located north of the Fred Meyer complex. There is light industrial and commercial development south of TV Highway and west of 229th Avenue, including a multi-screen theater, building supply store and other service uses. The Tualatin River borders the western part of Urban Reserve 55, across from a USA wastewater treatment facility, the Meriwether Golf Course and Rood Bridge Park. The southern boundary is adjacent to rural residential and farm uses, as well as the Reserve & Vineyards Golf Club. These uses are depicted in Figure D of the *Hillsboro Concept Plan*.

Determination that development will not detract for ability of service providers to provide services.

The development of Urban Reserves 51 – 55 will not inhibit the provision of urban services and facilities to existing urban areas. As noted above, there is sufficient and planned water supply and treatment capacity and wastewater treatment capacity to serve the area. There will be the need to make comparable transportation improvements to accommodate growth in this area, whether the urban growth boundary is expanded or not. Similarly, additional school capacity will be needed whether the boundary is expanded here or elsewhere. Police, fire and emergency services will be provided by the City of Hillsboro and will not undercut the ability of existing service districts to provide services to their territories. No objections have been raised by service districts to this planned urban growth boundary amendment. The Hillsboro School District is supportive.

Analysis of impacts on agricultural activities on nearby EFU land: effect on land and water resources, effect on farming practices, impact on local agricultural community.

These sites are bordered on two sides by developed urban communities. The only separation of the sites from the urbanized area to the north is Tualatin Valley Highway, one of the two main state highway facilities connecting Portland/Beaverton to the Hillsboro area. On the east, the Reedville and Aloha areas have undergone significant subdivision development and other forms of urbanization over the past 20 to 25 years.

The *Hillsboro Concept Plan* reflects the use of The Reserve & Vineyards golf course as a buffer between the actively farmed areas south and southwest of the sites. The golf course land use findings (which are incorporated by reference in these findings) demonstrate that the golf course is compatible with the surrounding agricultural uses and serves as an appropriate transition between the existing urban activity to the north and east. The Reserve is a recent development, reflecting the more recent land use policies and objectives for agricultural lands which are in relative close proximity to urban areas, especially those agricultural lands under active production. With respect to the urban reserve sites under consideration, The Reserve is an excellent transitional buffer and functions as an active open space recreational use. The Reserve is primarily utilized by the Portland Metro area's urban population and has meeting and food service facilities consistent with this patronage. As a result, there is already an urban-type presence existing south and southwest of the subject urban reserve sites.

Furthermore, The Reserve & Vineyards Golf Course is not the only golf course to the west of the urban reserve sites. The Meriwether Golf Course sits on the western edge of the one mile radius, directly west of the river. The golf course consists of approximately 318 acres, and occupies most of the parcels between Rood Ridge Road to the west, the one mile boundary to the south, the river to the east, and the urban growth boundary to the north. Exclusive farm use lands being actively farmed begin to appear to the west of the golf course, but the lands within the one mile radius are in significant contrast with the active farm parcels to the west and the southwest.

The one mile radius standard under the Metro Code has greatest applicability to areas south of these urban reserve sites. Recent aerial photographs and on-site observations indicate that this area has been broken into numerous small parcels, most of which are between 1 and 20 acres. Many of these parcels are rural home sites with little or no agricultural use. They represent lifestyle choices to those people who wish to live "on acreage." The area along S.W. Grabhorn Road is characterized by one acre home sites and was specially zoned to allow development to occur at one acre minimums. None of this area is EFU land. The area south of Farmington Road is on the flanks of Cooper Mountain. Cooper Mountain has been steadily urbanized over the past 20 years. The resulting home sites have been developed in a subdivision or a planned unit development format, resulting in urban residential usage. Directly south of the urban reserve sites are three exception land areas sitting both east and west of Farmington Road. These areas are zoned AF-5 and are developed with rural home sites on approximately 1 to 2 acre residential lots.

The area south of the urban reserve sites is also developed with quarries. Accommodations between residential uses in the vicinity and the quarry operations (to the extent they are active) have long ago been structured. Because of the quarrying operations, the quarry sites are not utilized for agricultural purposes. The area bordered by Farmington Road, the UGB, Grabhorn Road, and the one mile radius line is predominantly used for mining. At least seven large parcels zoned EFC are being actively mined at the present time. The parcels being actively mined are owned by the

following companies: Electra Partners, Inc., Baker Rock (Violet Baker), Hardrock Enterprises et al., and Cobb Rock, Inc. Hardrock Enterprises also owns several parcels which are presently not being mined, but are on farm deferral and are being used for a nursery. Due to the presence of these quarries, the traffic on Farmington Road is heavily populated with trucks traveling to and from the quarries. The mining activities are well-established and are a strong indicator that the land within the one mile radius is not exclusively active farm land, but is actually heavily used for both residential and mining purposes.

The principal agricultural uses in this area are nursery operations and field crops. These types of operations exist throughout Washington County in concert with surrounding urban uses. There are numerous examples of active nursery operations immediately adjacent to subdivision development (e.g. Cedar Mill area). Therefore, there is no inherent incompatibility between this type of agricultural use and urban uses, nor is there evidence that incompatibility will exist with urbanization. For example, Farmington Nursery, located south of the urban reserve sites in the southernmost portion of the one mile radius, is completely surrounded by non-agricultural uses. It is bordered on the north by a residential subdivision in exception lands zoned AF-5, on the east by Farmington Road and the quarry operations to the east of the road, on the south by large residential lots zoned EFU, and to the west by a forested area. The forested area to the west abuts several active farms. The Farmington Nursery remains successful even though it is bordered by residential and mining uses rather than agricultural uses.

Other agricultural uses south of the urban reserve sites should not be impaired by urbanization of the urban reserve areas. Retention of these rural uses was specifically taken into account in the *Hillsboro Concept Plan*. There are very few sites in excess of 20 acres, and many of the larger sites are actually being used for mining purposes rather than farming. The larger, active agricultural lands are further south of Farmington Road.

The Butternut Creek (Hanauer) property previously was utilized for agricultural purposes. However, as shown by the 1996 agricultural analysis previously provided to Metro during the urban reserve deliberations, the Hanauer property was allowed (prior to the present ownership) to grow into an unmaintained ornamental and Christmas tree farm. Efforts to resume an agricultural use were attempted and proved unsuccessful due to the highly adverse soil conditions which resulted from the prior attempt to grow ornamental nursery stock and Christmas trees on the property, including the widespread use of herbicides. The Hanauer property is not an active agricultural use nor is there any prospect that it will be so converted. As the agricultural analysis indicates, it is extremely ineffective to attempt to restore this use. The materials submitted to Metro in the urban reserve deliberations, detailing the agricultural conditions relating to the Hanauer property, are also incorporated by reference in these findings.

During the urban reserve deliberations, there was no evidence contradicting any of the materials submitted by the property owners describing the adverse agricultural circumstances existing on the property. The Hanauer property is in close proximity to the Sisters St. Mary's property. To the extent that either of these properties is incorporated into the UGB, this will be a significant influence over the level of agricultural usage which could feasibly occur on the other property. Metro recognized this at the time that both of these large properties were included in the urban reserves. Because these two parcels are the two largest parcels within this general area, they are most heavily impacted by agricultural use (or lack thereof) on the other property. During the public process relating to the consideration of the *Hillsboro Concept Plan*, there was no information submitted which indicated that adverse consequences to agricultural uses would result

from inclusion of these sites in the UGB. This is indicative of the significant level of parcelization, the relative lack of agricultural operations, and the existing home site pattern which exists in the areas south of the urban reserve sites.

Goal 14, Factor 7 and MC 3.01.020(b)(7), require the local government to consider the "[c]ompatibility of the proposed urban uses with nearby agricultural activities." Compatible is not intended to be an absolute term meaning no interference or adverse impacts of any type with adjacent uses. ORS 197.732(2).

"Agricultural activity," as used in Factor 7, corresponds with the term "farm use" as defined in ORS 215.203(2)(a). "Farm use" is defined as "the current employment of land for the primary purpose of obtaining a profit in money by raising, harvesting, and selling crops." Farm use also includes the use of land for "obtaining a profit in money by stabling or training equines." Thus, conflicts can exist only where farm use is actually occurring. Conflicts will not be present simply because adjacent lands are zoned for agricultural use.

The *Farm Impact Analysis* describes the types of agricultural activities generally within a mile of the subject property. The evidence demonstrates that there is very little agricultural activity in the vicinity of the subject property. As noted earlier, a "Farm Impact" study was conducted in 1991 for the Reserves & Vineyards Golf Course which is located immediately to the southwest of St. Mary's. That study examined all the parcels in the vicinity of the proposed golf course which includes all the properties in the vicinity of St. Mary's. Of the 33 parcels located along Butternut Creek and along 229th Avenue, 25 are improved with dwellings. Only eight of these parcels are in farm tax deferral. This indicates that the majority of the owners along 229th Avenue are not seeking a profit from their land through growing crops.

There are 13 houses along McInnis Lane in the Washington County exception area along the southern border of the subject property. Of these, only seven are in farm tax deferral. Four of the parcels along McInnis Lane are owned by the McInnis family and are used together to grow hay to feed their horses. There is no evidence that the McInnis family derives a profit from stabling or training horses.

The Reserves golf course is approximately 370 acres located immediately to the southwest of the St. Mary's property. Originally approved for 330 acres, the golf course has recently acquired 42 additional acres which the hearings officer, in his findings of fact, called the only farm parcel adjacent to the golf course. Although state statute allows for golf courses on EFU land, a golf course operation is not an agricultural use and is more consistent with urban activities than with rural farming.

There are only a few parcels in the vicinity of the subject property which have the potential for farm use. One is a parcel of EFU land farmed by an individual who farms portions of property. That parcel is approximately 20 acres and is located directly to the west of the southwest corner of the St. Mary's property. There are a few other parcels nearby which are planted in grass or hay that may also support agricultural activities. To the south of the subject property, larger parcels, which appear from aerial photos to be in farm use, become more common.

ORS 197.732 and OAR 660-04-020 state that the term compatible "is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses." The potential impact from adjacent housing on the nearby agricultural uses will be limited to traffic

congestion which can be mitigated. Potential nuisances from the adjacent farms on housing uses, such as dust and pesticide spraying, will be minimal because there are very few farming operations in the area. These considerations also bear on compliance with OAR 660-04-020(2)(d) which calls for compatibility with other adjacent uses. The only other adjacent uses besides the ones already discussed are the residential and commercial uses that exist inside the urban growth boundary to the north and east of the property. The uses proposed for the area will be similar to those uses, and through site design and traffic control improvements, the site will be made compatible with those urban uses. The future use of the area for residential and related urban purposes will be compatible with nearby agricultural activities and other adjacent uses.

Because it is located in an urbanized area, and because there are no active farm operations -- as that term is applied pursuant to ORS 215.203(2)(a) -- in the general vicinity, the future development of the subject property will not have any adverse impacts on surrounding properties that cannot be mitigated as part of the master-planning process.

Maximum efficiency of land uses within and on the fringe of the urban area: ability to be developed with features of an efficient urban growth form.

One of the principal advantages of inclusion of the South Hillsboro Urban Reserves within the urban growth boundary is its ability to be developed as an efficient planned community. If the area is developed as required by the *Hillsboro Concept Plan*, there will be a residential mixed-use community with a town center and two satellite neighborhood/main street centers. The centers will accommodate a concentration of shops, services, employment facilities, civic uses, amenities and other public and private activities. This distribution provides the maximum efficiency of non-automobile transportation. Development proposed in the *Hillsboro Concept Plan* will create new neighborhoods with a strong sense of community and that are pedestrian oriented.

As noted above, this type of a planned community can be accommodated better through addition of Urban Reserves 51 – 55 to the urban growth boundary than other alternatives around the Hillsboro area. The development densities will be comparable to the urban design of existing neighborhoods to the east and north. The Reserves & Vineyards Golf Course will operate as a buffer between Hillsboro South and agricultural lands to the south and west. Addition of these urban reserves is less likely to result in the conversion of additional resource lands than intrusions into resource lands to the north or west of Hillsboro.

Conclusions.

Consistency with Approval Criteria.

Based on the above analysis and findings, an amendment to the *Hillsboro Comprehensive Plan* to add the *Hillsboro Concept Plan* is justified under Goals 2 and 14 and MC 3.01.012(e). Amendment of the urban growth boundary to add Urban Reserves 51 – 55 is also justified under the relevant criteria. There is a need for a significant amount of urban land in the Hillsboro area to comply with ORS 197.296 and ORS 197.299, to correct a grow jobs/housing imbalance and to allow an urban design and arrangement of land uses consistent with the *2040 Growth Concept*. This need cannot be met by expanding the urban growth boundary to include existing exceptions lands. The consequences of expanding the urban growth boundary to include this land are no more severe than the consequences of expanding the boundary onto other resource lands. Finally, the land uses

allowed in this urban growth boundary expansion are not incompatible with nearby and adjacent land uses.

Alternative Justifications and Severability of Findings.

These findings and conclusions are severable. They are made to justify several alternative bases for approval of the *Hillsboro Concept Plan* and addition of Urban Reserves 51 – 55 to the urban growth boundary. Should any particular finding be determined on review to lack evidentiary support or be inconsistent with other findings, it should be disregarded and severed from the analysis. In the event of any inconsistency between these particular findings and those contained in any Metro general findings on the legislative amendment criteria, the general findings shall control.

K:\28483\00300\TJS\TJS_0204U

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING) RESOLUTION NO 98-2728BC
COUNCIL INTENT TO AMEND THE)
URBAN GROWTH BOUNDARY TO) Introduced by Councilors McLain and
ADD URBAN RESERVE AREAS 51, 52,) Morissette
53, 54, AND 55, TO THE HILLSBORO)
REGIONAL CENTER AREA)

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Areas 51, 52, 53, 54, and the portion of 55 outside Metro's jurisdictional boundary; 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 Areas 51, 52, 53, 54, and a portion of 55 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 this area 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 the urban reserve area added to the Urban Growth Boundary is 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 ~~findings indicated~~ staff report and process 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 51, 52, 53, 54, and the portion of 55 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

i:\r-olr98ursa2.c
(12/10/98)

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING) RESOLUTION NO 98-2728AB
COUNCIL INTENT TO AMEND THE)
URBAN GROWTH BOUNDARY TO) Introduced by ~~Growth Management~~
ADD URBAN RESERVE AREAS 51, 52,) ~~Committee~~Councilors McLain and Morissette
53, 54, AND 55, TO THE HILLSBORO)
REGIONAL CENTER AREA)

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Areas 51, 52, 53, 54, and the portion of 55 outside Metro's jurisdictional boundary; 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 Areas 51, 52, 53, 54, and a portion of 55 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 this area 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 the urban reserve area added to the Urban Growth Boundary is 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 findings 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 51, 52, 53, 54, and the portion of 55 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

i:\r-ovr98ursa2.b
(12/03/98)

Resolution #98-2728
Urban Reserve #51

Non-First Tier
Outside Metro Boundary




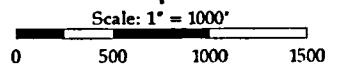
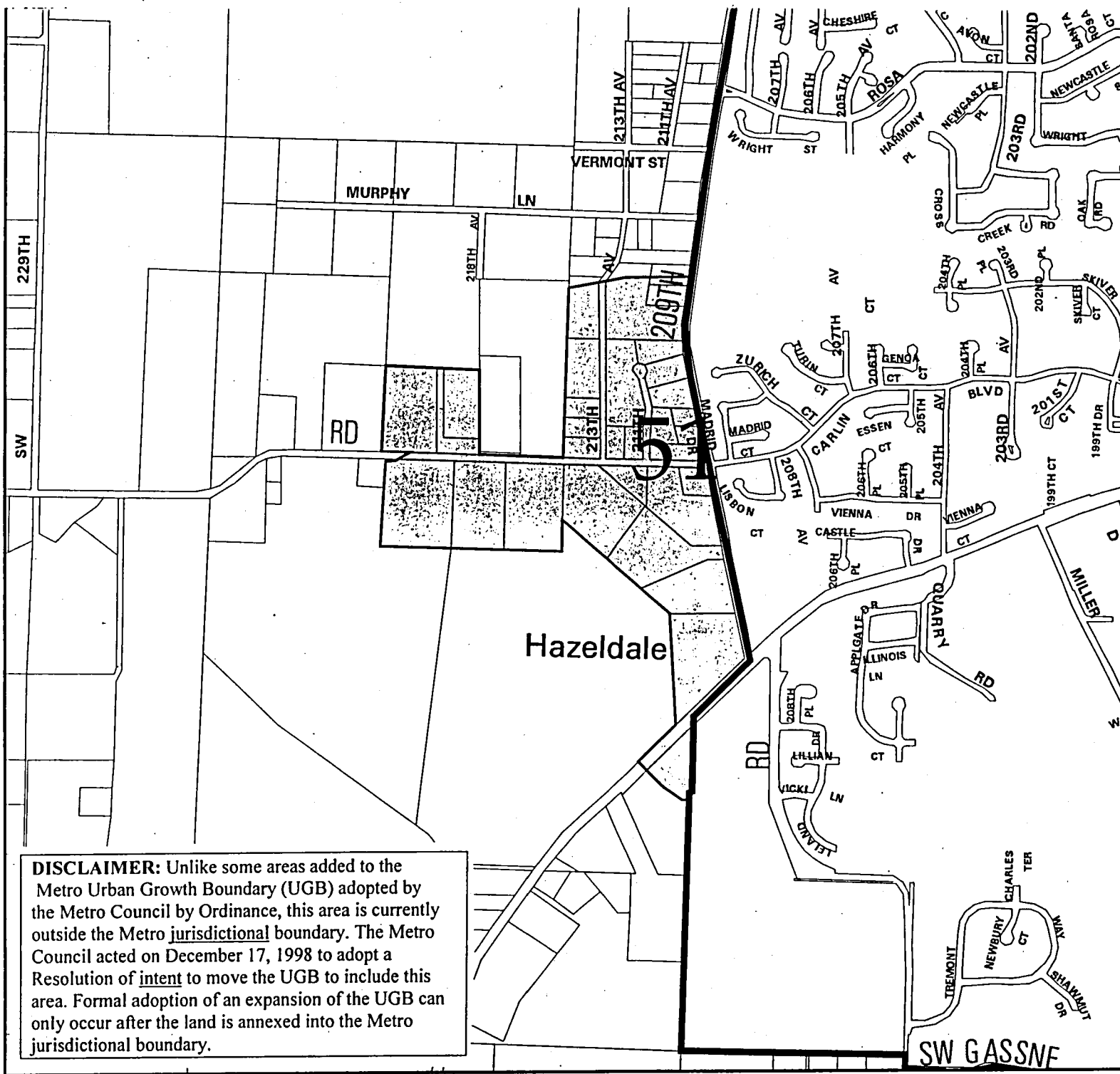
-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

Exhibit A 1 of 5

The information on the map was derived from digital databases on Metro's GIS. Care was taken in the creation of the map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.

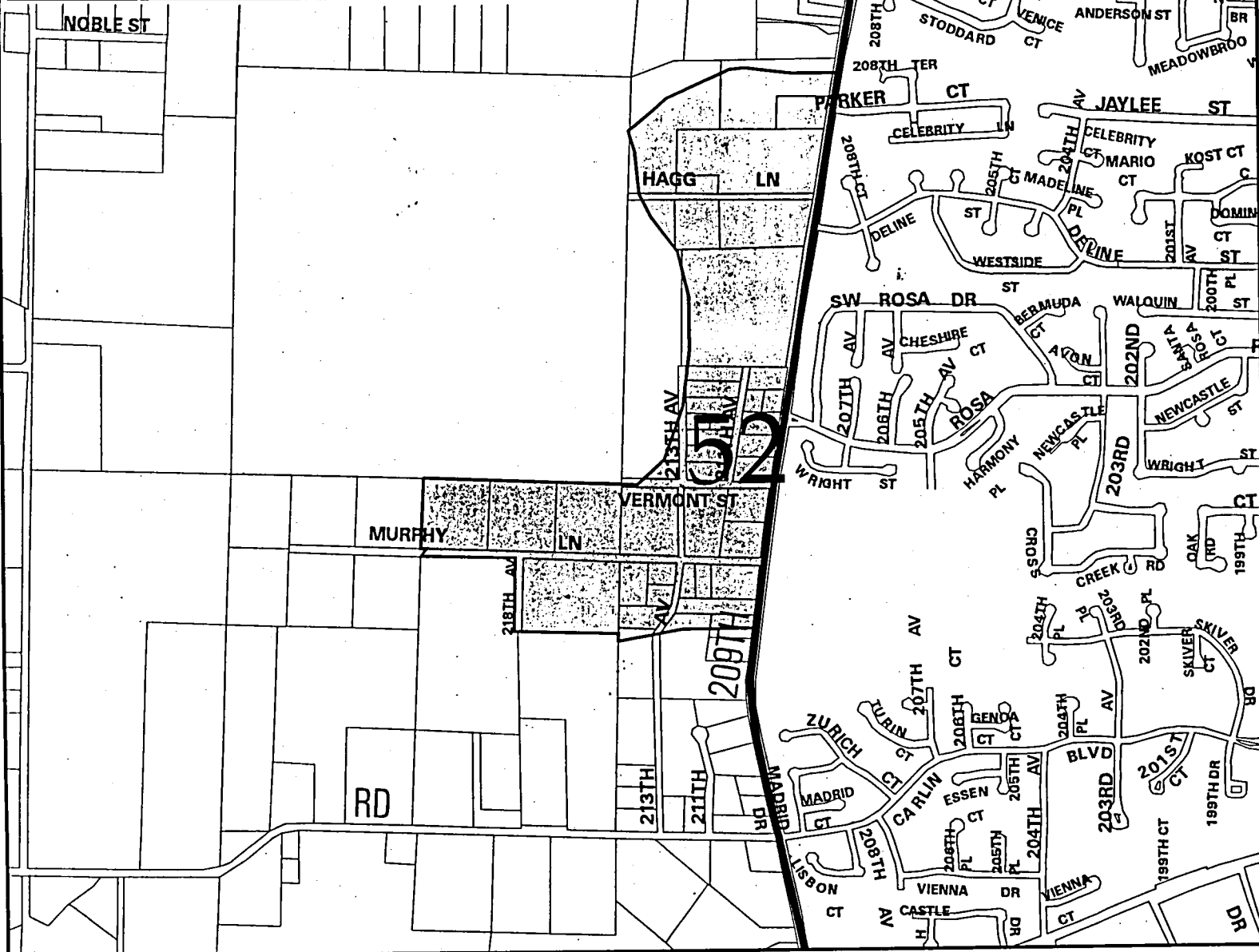


METRO
600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metrodst.or.us



DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.

DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.



Resolution #98-2728
Urban Reserve #52

Non-First Tier
Outside Metro Boundary




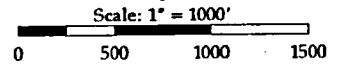
-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

Exhibit A 2 of 5

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or outdated accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.



METRO
600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metro.dst.or.us

DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.

Resolution #98-2728
Urban Reserve #53

Non-First Tier
Outside Metro Boundary




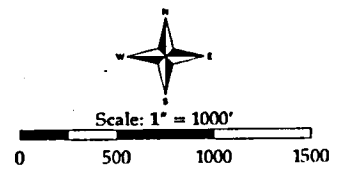
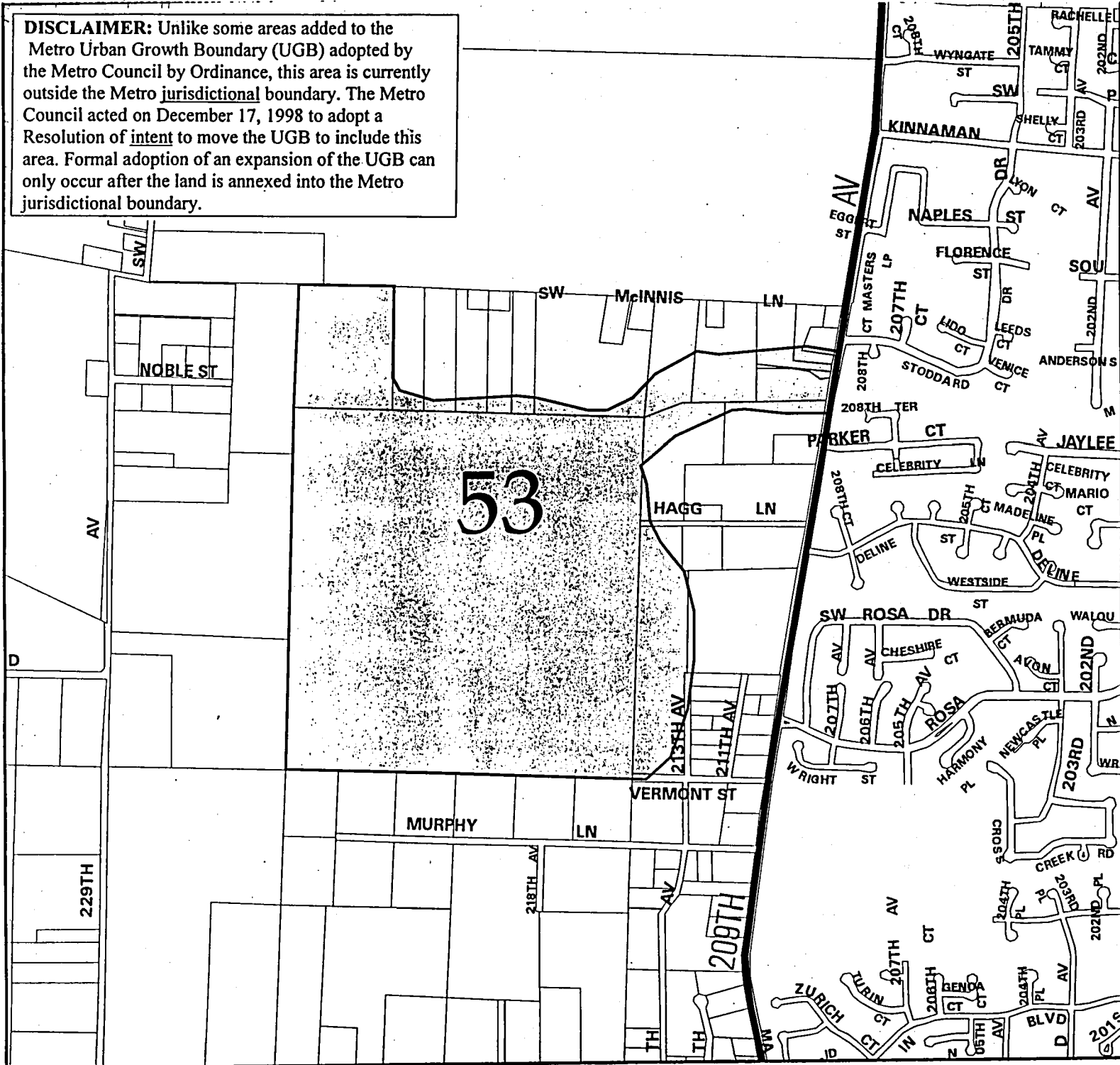
-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

Exhibit A 3 of 5

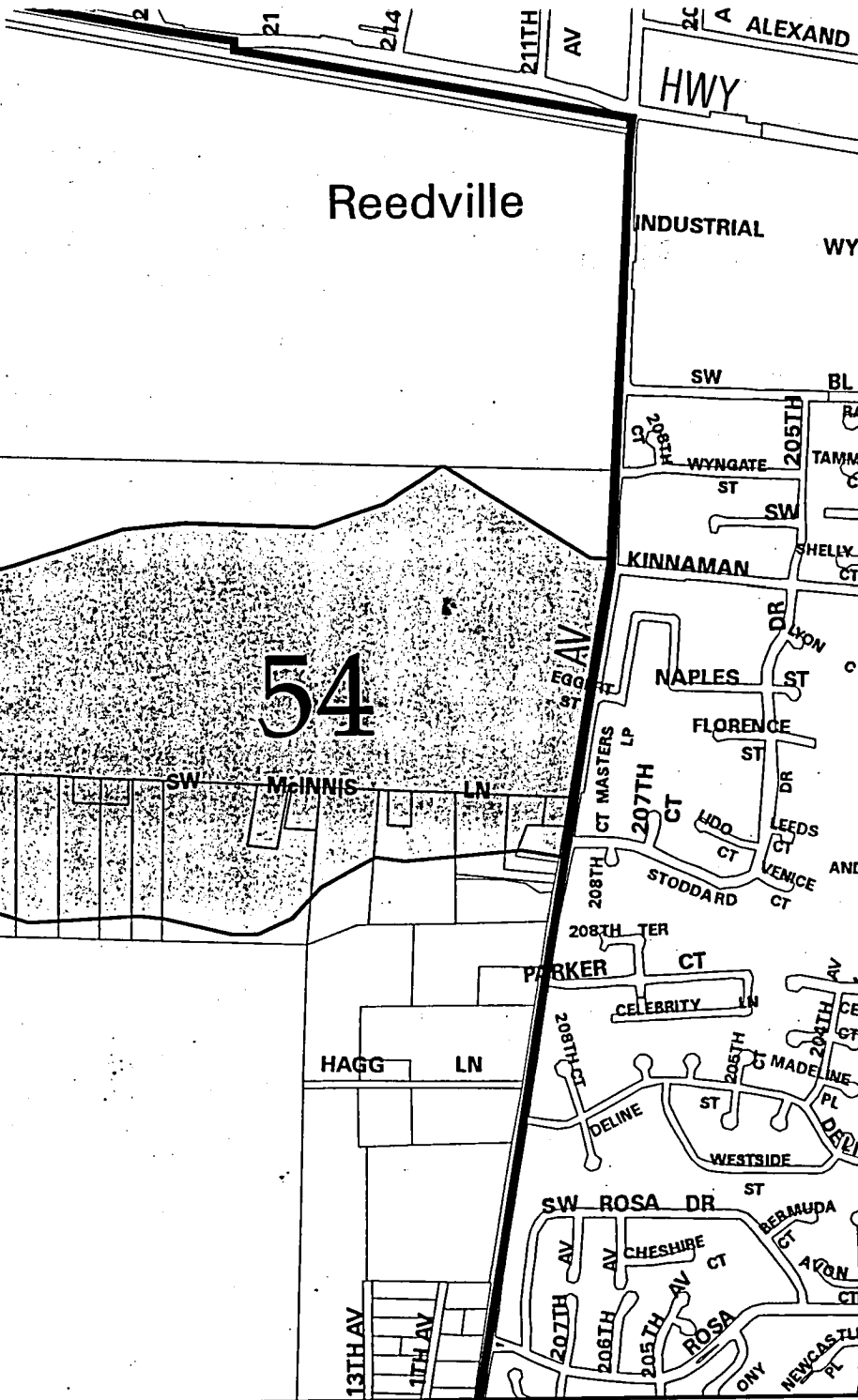
The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.



METRO
600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metrodot.or.us



DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.



Resolution #98-2728B
Urban Reserve #54

Non-First Tier
Outside Metro Boundary




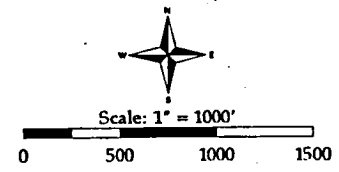
-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

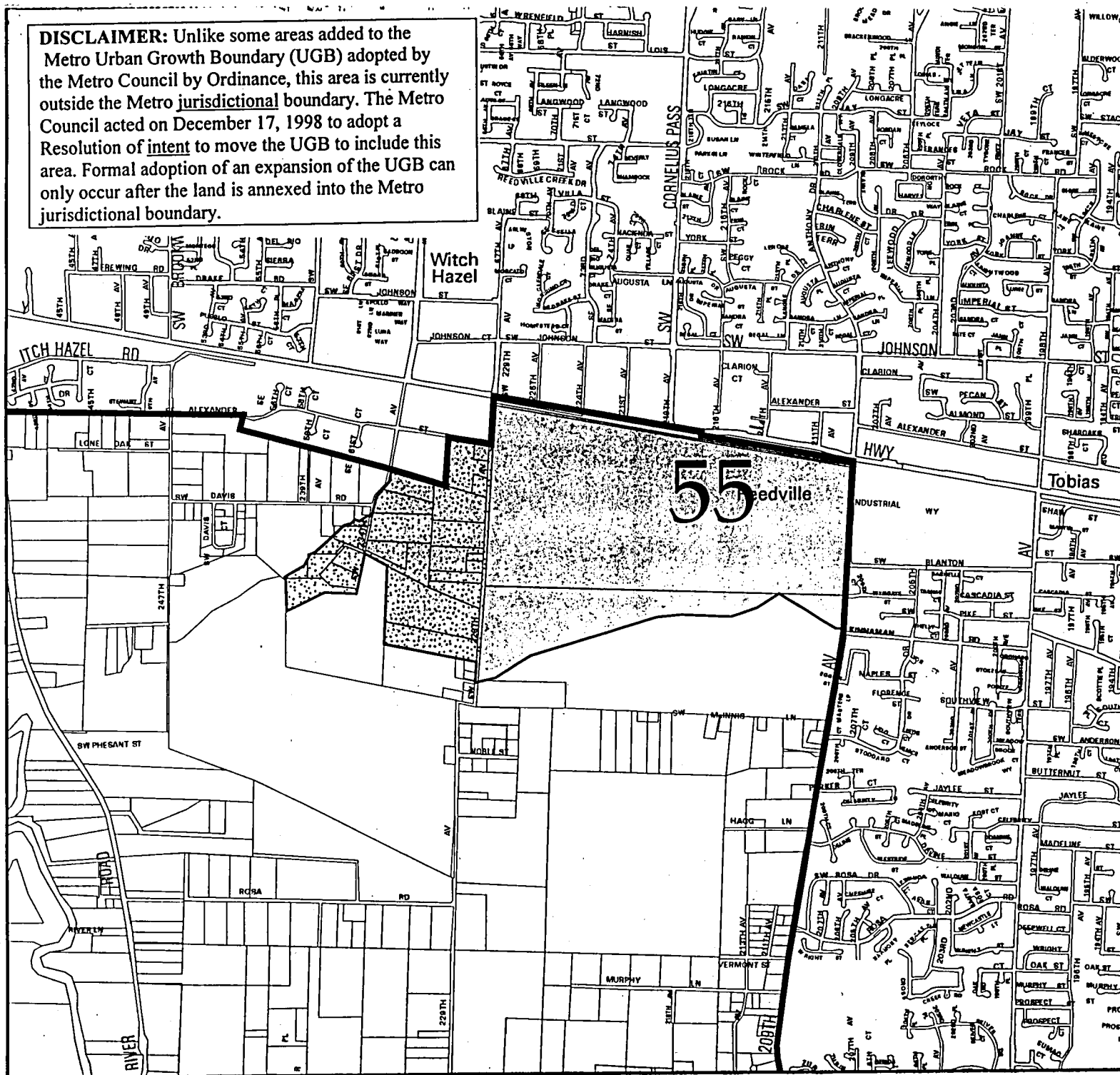
Exhibit A 4 of 5

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or post-serial accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.



METRO
600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metro.dst.or.us

DISCLAIMER: Unlike some areas added to the Metro Urban Growth Boundary (UGB) adopted by the Metro Council by Ordinance, this area is currently outside the Metro jurisdictional boundary. The Metro Council acted on December 17, 1998 to adopt a Resolution of intent to move the UGB to include this area. Formal adoption of an expansion of the UGB can only occur after the land is annexed into the Metro jurisdictional boundary.



Resolution #98-2728B
Urban Reserve #55
(Partial)

First and Non-First Tier
Outside Metro Boundary




-  Area Considered by Council
-  First Tier Urban Reserve
-  Urban Growth Boundary

Exhibit A 5 of 5

The information on the map was derived from digital databases on Metro's GIS Core system in the creation of the map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the accuracy of merchantability or fitness for a particular purpose, accompanying this product. However, notice of any errors will be appreciated.



Scale: 1" = 2000'
0 500 1000 1500



METRO

600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
Email drc@metrodet.ors.us

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.

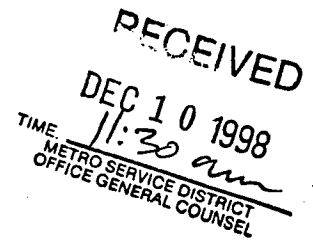
(4) Upon receipt of the resolution or order of the district board, the governing body of the city shall call an election in the city on the date specified in the order or resolution of the district board.

(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

CITY OF HILLSBORO SOUTH URBAN RESERVES
CONCEPT PLAN TESTIMONY AND FINDINGS



Introduction.

This testimony and proposed findings are submitted by the City of Hillsboro and the other proponents of amending the urban growth boundary to include the property designated in the *City of Hillsboro South Urban Reserve Concept Plan (Hillsboro Concept Plan)*. This document provides the necessary findings to demonstrate compliance with all applicable state and Metro criteria for approval of the *Hillsboro Concept Plan* and adoption of a legislative amendment of the urban growth boundary. These findings supplement the findings in a related matter, which findings are incorporated herein. Those findings are those relating to Metro Code 3.01.020(a) and (b)(2) in Metro Ordinance No. 98-788C (urban growth boundary change for portion of Urban Reserve 55).

The property covered by the *Hillsboro Concept Plan* includes Urban Reserve Areas 51-55, as previously designated by the Metro Council in Ordinance No. 96-655E, adopted March 6, 1997. The relevant findings from that document are attached hereto and incorporated herein. Despite the urban reserve status of the property proposed for inclusion in the urban growth boundary, these findings demonstrate that the property satisfies all applicable urban growth boundary amendment criteria without consideration of the property's urban reserve status.

The standards applicable to a legislative urban growth boundary amendment are set out at Metro Code ("MC") 3.01.020, which, in turn, implements the requirements of Statewide Planning Goals 14 and 2, Part II. There are a number of inter-related criteria for justifying an urban growth boundary amendment. In general, these approval factors can be grouped into standards related to the reasons or need for the urban growth boundary expansion, alternatives to the expansion in general or adding the specific property in particular, consequences of allowing urban uses of the property in question, and compatibility of those uses with nearby land uses.

The need to expand the urban growth boundary in general comes from Metro's obligations under ORS 197.296(4) and ORS 197.299(2). These statutes require Metro to inventory buildable land within the urban growth boundary, analyze housing need by type and density and determine the amount of needed buildable land to accommodate housing needs for 20 years. Once this determination is made, Metro may then either amend the urban growth boundary or adopt new measures to increase housing density to satisfy this need, or it may take both actions.

These statutory mandates alter the justification for an urban growth boundary amendment normally required by state administrative regulations. If a local government follows the steps set out in ORS 197.296, and determines that additional buildable land is needed, it is obliged to either expand the urban growth boundary or increase housing densities, or both. ORS 197.296(4). This statutory mandate presumably obviates the need to separately justify the urban growth boundary change based upon: Goal 14, factors one and two and MC 3.01.020(b)(1)(2); Goal 2, Part II (c)(1); OAR 660-04-0010(1)(c)(I); OAR 660-04-0020(2)(a); OAR 660-04-022(1)(a); and, OAR 660-014-0040(3)(a).

Similarly, because ORS 197.296(4) allows a local government to either expand its urban growth boundary or increase housing densities, or both, to meet its buildable land needs, it can choose to expand the urban growth boundary without adopting new measures to increase density.

Because of this, there is a limited need to consider regulatory alternatives to the urban growth boundary expansion under any analysis of alternatives.

The following justification, then, may prove too much. All potential approval criteria are referenced as a precaution. OAR ch. 660, division 14 applies only if the rule's applicability to "establishment of new urban development on undeveloped rural land" is construed to include amendment of an urban growth boundary.

Finally, the limited time to comply with the statutory mandate and the unresolved challenge to Metro's urban reserves decision creates practical constraints on the justification for all of the urban growth boundary amendments. Logically, an urban growth boundary expansion would await resolution of the challenges to the urban reserve designations. A predicate urban reserve decision obviates the need for full justification of the urban growth boundary change under local and state criteria.

It is not possible to completely recast the urban reserve decision and examine all of the potential expansion lands around the existing urban growth boundary and still meet the statutory deadlines under ORS 197.299. Thus, it is reasonable to assume that the areas under regional consideration for urban growth boundary amendments are those designated as urban reserves and that, alternatively, subregional justifications for urban growth boundary expansion have become more cogent.

Need and Reasons for the Urban Growth Boundary Amendment.

Applicable Criteria.

ORS 197.296(4): "If the determination required by subsection (3) of this section indicates that the urban growth boundary does not contain sufficient buildable lands to accommodate housing needs for 20 years at the actual developed density that has occurred since the last periodic review, the local government shall take one of the following actions:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for 20 years at the actual developed density during the period since the last periodic review or within the last five years, whichever is greater."

ORS 197.732(1)(c)(A), Goal 2, Part II(c)(1) (a) and OAR 660-04-020(2)(a): "Reasons justify why the state policy embodied in the applicable goals should not apply": The exception shall set forth the facts and assumptions used as the basis for determining that a state policy embodied in a goal should not apply to specific properties or situations including the amount of land for the use being planned and why the use requires a location on resource land;"

OAR 660-04-0010(1)(c)(i): "Reasons justify why the state policy embodied in the applicable goals should not apply (This factor can be satisfied by compliance with the seven factors of Goal 14.);"

OAR 660-04-0022(1): "For uses not specifically provided for in subsequent sections of this rule or OAR 660, Division 14, the reasons shall justify why the state policy embodied in the applicable goals should not apply. Such reasons include but are not limited to the following:

(a) There is a demonstrated need for the proposed use or activity, based on one or more of the requirements of Statewide Goals 3 to 19; and either

(b) A resource upon which the proposed use or activity is dependent can be reasonably obtained only at the proposed exception site and the use or activity requires a location near the resource. An exception based on this subsection must include an analysis of the market area to be served by the proposed use or activity. That analysis must demonstrate that the proposed exception site is the only one within that market area at which the resource depended upon can reasonably be obtained; or

(c) The proposed use or activity has special features or qualities that necessitate its location on or near the proposed exception site.”

OAR 660-014-0040(3)(a): “(a) That Goal 2, Part II(c)(1) and (c)(2) are met by showing the proposed urban development cannot be reasonably accommodated in or through expansion of existing urban growth boundaries or by intensification of development at existing rural centers;”

Goal 14, Urbanization factors one and two: “Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals” and “Need for housing, employment opportunities and livability.”

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 alternative sites, balancing factors 3 through 7.

“Factor 1: Demonstrated need to accommodate long-range urban population growth. [The code details a process for developing a 20-year forecast of population and employment needs, a demand for urban land, an examination of surplus land, review of land outside the present urban growth boundary to determine best suited areas, and a determination that the need cannot be met within the urban growth boundary.]

“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 urban growth boundary 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 urban growth boundary. For housing the proposed amendment must meet an unmet need according to statewide planning Goal 10 and its associated administrative rules. . . .

“(B) To assert a need for a urban growth boundary 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 urban growth boundary;

(iii) identify both positive and negative aspects of the proposed urban growth boundary on both the livability need and on other aspects of livability; and

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

Region-wide need and compliance with ORS 197.296.

The Metro Council adopted the *Urban Growth Report* on December 18, 1997 by Resolution No. 97-2559B, consistent with its obligations under ORS 197.296(3) and ORS 197.299(1). The *Urban Growth Report* identified an urban growth boundary capacity deficit of land for 29,350 to 32,370 dwelling units and 2,900 jobs.

This analysis has been updated through the *Urban Growth Report Addendum* and the *Urban Growth Boundary Assessment of Need*. These studies conclude that the projection of need for urban growth boundary expansion in the *Urban Growth Report* remains consistent with more current data. Moreover, additional expansions of the urban growth boundary may be necessitated by loss of development land because of the listing of the lower Columbia River steelhead as a threatened species under the Endangered Species Act and the development of Metro’s Fish and Wildlife Habitat planning.

Because of the directions of state law, then, Metro must expand the urban growth boundary to include additional land to include sufficient buildable lands to accommodate housing needs for a twenty year period. The issue becomes where to expand the boundary consistent with the requirements of state law. This locational decision is guided by a variety of factors. But in the context of addressing the subregional need in the Hillsboro area for a better jobs/housing balance, the alternative areas are those adjacent to the western urban growth boundary and within close proximity to the significant employment areas in the Industrial Sanctuary, Hillsboro Town Center and along the Westside Light Rail.

The prioritization of land to be included in this urban growth boundary amendment are established in ORS 197.298. The South Hillsboro sites qualify as first priority under that statute, pursuant to ORS 197.298(1)(a), because the sites have been designated as urban reserve land by Metro. Alternatively, in the absence of that urban reserve designation, these sites can also be justified for inclusion in the urban growth boundary amendment, pursuant to ORS 197.298(3)(a) and (c). As discussed below in response to MC 3.01.020(b)(2), the specific type of land need under ORS 197.298(3)(a) justifying the inclusion of the South Hillsboro 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 so-called St. Mary’s property is necessary in order to provide the adjoining exception land 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) below, as well as Metro’s findings adopted in support of the original urban reserve decision, which are attached hereto and incorporated herein.

Subregional need for expansion of the Hillsboro urban growth boundary to remedy jobs/housing imbalance (ORS 197.298(3)(a)).

Factor 1, noted 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 *Urban*

Growth Report has established the regional need to expand the boundary to include enough land that is suitable and available to accommodate the development of around 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 urban growth boundary amendment. The subregional need justifying the inclusion of the South Hillsboro properties can be based individually or cumulatively on housing, employment opportunities, and/or livability. The primary subregional justification, however, is based on both the regional need analysis established in the *Urban Growth Report* and the subregional need to improve the jobs-housing balance in the Hillsboro Regional Center area under ORS 197.298(3)(a).

The *Residential Market Evaluation* (“RME”), dated November 18, 1998, prepared by Hobson Johnson & Associates is incorporated herein. It provides expert evidence demonstrating that it is necessary to include the South Hillsboro area in the urban growth boundary 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. When the Metro Council designated the South Hillsboro Urban Reserve Areas, it did so based on its determination that the land was needed for urbanization in order to correct the projected growing imbalance between jobs and housing in that subregional area. The updated RME presented with the *Hillsboro Concept Plan* confirms the same analysis and conclusion that justified the urban reserve designations for Urban Reserves 51-55.

The RME concludes that there are 870 acres of vacant buildable residential land in the Hillsboro region. That area includes Hillsboro, Forest Grove, Cornelius and portions of unincorporated Washington County. It is the area shown in Metro’s “Region 2040 Recommended Alternative Technical Analysis.”

Based on the density assumptions in the *Urban Growth Report*, and assuming implementation of the *2040 Growth Concept Plan* designations and increase in capacity due to redevelopment, the vacant and redevelopable land will support approximately 11,725 dwelling units. This is sufficient to meet the allocation of dwelling units assigned by Metro through 2006. An additional 18,500 dwelling units are necessary to meet the 2020 allocation (70,875 households).

The RME 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 Hillsboro 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 Beaverton 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 urban growth boundary in the Hillsboro Regional Center area to accommodate an additional 11,725 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 urban growth boundary.

- Metro's *Urban Growth Report* and other planning documents, as well as the best up-to-date evidence, concludes that there will be a need to accommodate an additional 30,250 housing units in the greater Hillsboro area by 2020. That means that, in order to accommodate the subregion's share of the regional growth, land capable of accommodating about 18,525 housing units must be added to the urban growth boundary 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.
- In addition to the projected need to accommodate about 30,250 additional housing units between 1998 and 2020 in the Hillsboro Regional Center area, the UGR and the other evidence analyzed in the RME projects that there will be employment growth of about 87,000 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 2.08, which would be a substantial increase over the current ratio of 1.59 jobs to each housing unit. The RME establishes that 1.50 is a reasonable ratio for defining the optimal jobs/housing balance the Hillsboro region should strive to maintain.
- 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 46,000 housing units (not just 30,250 units) must be added to the Hillsboro Regional Study area by the year 2020 in order to maintain an optimal jobs/housing ratio of 1.50.

The *Hillsboro Concept Plan* projects that these urban reserve areas will support approximately 8,600 dwelling units. This is consistent with the projections made in the *Productivity Analysis*. Thus, the addition of this land to the community's urbanizable lands will alleviate some of the projected jobs/housing imbalance and satisfy some of the projected future need for additional dwelling units in the Hillsboro region.

Livability need to expand the urban growth boundary to allow for planned community.

The region is committed to particular growth and development forms. Under Metro's *2040 Growth Concept* it is the policy of the region to: focus upon the development of centers and corridors to seek greater land use efficiencies in development and redevelopment; develop a multimodal transportation system, create a jobs-housing balance at the regional, central city, centers and community levels, preserve green spaces, and enhance redevelopment in areas of substandard incomes and housing. Metro Resolution No. 94-2040-C, adopting the *2040 Growth Concept Plan*.

Most of these policies can be achieved through redevelopment of the areas within the urban growth boundary. Greater densities at existing town and neighborhood centers and at new station area planning areas will result in efficient use of land and the satisfaction of these standards.

But given the need to expand the urban growth boundary to comply with the buildable lands supply mandate of ORS 197.299(2)(a), there are livability consequences in expanding the urban growth boundary in a number of partially developed exception areas. This scenario contrasts with

the option of a significant expansion of the urban growth boundary onto a 1500 acre site, capable of being developed as a planned community.

Expansion of the urban growth boundary to include all of the adjacent exception areas in the western portion of the urban growth boundary will be insufficient to meet the subregional need for more housing. This is true whether the need is the 2017 housing targets for Hillsboro, Forest Grove and Cornelius, or the greater need for land to rectify the projected jobs/housing imbalance.

A larger type of urban growth boundary expansion allows creation of mixed use town and neighborhood centers. It allows the location of employment centers near residential areas, reducing the use of automobiles. It allows planning of the development patterns for the area, preservation of natural resource areas and property needed for schools and other governmental uses. A planned community can assure that jobs/housing balance is attained. A mixed residential community permits a range of different kinds of housing to be developed simultaneously. A number of different housing markets, including affordable housing, can be addressed in terms of household size, age of the head of household, incomes and lifestyles.

Moreover, the significant value added by inclusion of a large tract into the urban growth boundary justifies significant exactions and dedications. With a planned community a local government can exact open space around waterways and wetlands and dedication of property for school sites, roads, and civic centers.

By contrast, increasing densities in a number of exception areas will not enhance or create town and neighborhood centers. Annexation of several exception areas of partially developed land will not allow creation of new places of employment near residential land. It will not permit significant exactions from a limited number of property owners for open space and public uses.

Thus, assuming that a substantial urban growth boundary change is needed, livability factors affect the type of urban growth boundary change needed. A large urban growth boundary expansion for a planned community comes at some considerable costs. This quantity of land is not available in the Metro area without the conversion of agricultural land to urban uses. The impacts on road systems are more acute with concentration of development in one area, as opposed to a diffusion of impacts caused by the alternative scenario. Generally speaking, emphasizing redevelopment in centers over development of new areas of undeveloped land is a key strategy in the *2040 Growth Concept*.

But, on balance, these costs are offset by the positive attributes of developing a planned community in order to satisfy long-term buildable land needs. It will be immensely cheaper to service a single area with new sewers, water supply and stormwater management system than to retool these systems in a variety of areas. One reason for the strong support of the City of Hillsboro for the Hillsboro South urban growth boundary change is the cost differential on the provision of facilities and services, as contrasted with a more diffuse number of urban growth boundary expansions. *Compare*, urban reserve serviceability costs for Urban Reserves 53, 54, and 55 (approximately \$9,400 per dwelling unit) with Urban Reserves 61 – 65 (\$11,443, \$27,984, \$98,219, \$16,385, and \$14,309 respectively per dwelling unit). Thus, it is likely that the cost of housing will be cheaper in a planned community, than would be the case by infilling existing exception lands. Moreover, a planned community allows maximum protection of natural resources. Indeed, a planned community meets the policy aims of the *2040 Growth Concept* as stated on pages 6 – 7 of that policy,

Creating higher density centers of employment and housing is advantageous for several reasons. These centers provide access to a variety of goods and services in a relatively small geographic area, creating a[n] intense business climate. Having centers also makes sense from a transportation perspective, since most centers have an accessibility level that is conducive to transit, bicycling and walking. Centers also act as social gathering places and community centers, where people would find the "small town atmosphere" they cherish.

There is no question that the region has rejected development of new expansion areas at the expense of redevelopment and infilling of the existing urban area. But given the need to expand the urban growth boundary to meet statutory obligations and the particular needs for additional residential land in the Hillsboro area and the quantity of that need, livability factors suggest that these needs will best be satisfied by an urban growth boundary expansion of sufficient size to create a planned community that satisfies the urban design requirements of the *2040 Growth Concept Plan*.

Effect of Urban Reserve Plan requirement and compliance on livability determinations and need.

The Metro Code reflects a preference for expansion of the urban growth boundary onto planned community land. MC 3.01.012(e) generally requires an urban reserve plan as a precondition for expansion of the urban growth boundary. While adoption of an urban reserve plan is not a barrier to complying with statutory mandates under MC 3.01.012(e)(2), MC 3.01.015(e) prefers land subject to an urban reserve plan as a priority in ranking potential urban growth boundary expansions.

The Urban Reserve Areas at issue are soon to be regulated by the *Hillsboro Concept Plan*. The *Hillsboro Concept Plan* is being considered for recommendation by the Hillsboro Planning Commission and will shortly be considered by the Hillsboro City Council as an amendment to the Hillsboro Comprehensive Plan. The *Hillsboro Concept Plan* is the most sophisticated and complete urban reserve plan presently under review and the only plan being actively considered as an amendment to a local comprehensive plan.

Thus, MC 3.01.020(b)(1)(A), (B), (C) and (F) quoted above have all been addressed and satisfied with the adoption of the *Urban Growth Report* by Resolution 97-2559B. Subsections (1)(D) and (E) establish that Metro must choose the most suitable lands to bring inside the urban growth boundary in order to meet the need established by the *Urban Growth Report* 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 urban growth boundary 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 urban growth boundary 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 South Hillsboro Urban Reserve Concept Plan addresses and satisfies all of the pre-planning requirements of MC 3.01.012(e) and thus is justified for inclusion in this legislative amendment of the urban growth boundary.

Conclusions.

There are three components to the justification of the need to expand the urban growth boundary in this subregion. First, an urban growth boundary change is needed in order to comply

with the requirements of ORS 197.295 – ORS 197.299. A component of the determined need for additional residential land can be allocated to the western portion of the region based on its allocation of 2017 housing targets in the *Urban Growth Management Functional Plan*.

Second, it is reasonable to increase the allocation of additional buildable land to this subregion in order to address the projected jobs/housing imbalance. An additional 27,500 households are needed in this subregion in order to balance the supply of jobs and housing as of 2020. This affects the allocation of buildable land added to meet the ORS 197.299 mandate. Within the mandate of adding land for approximately 32,000 dwelling units during 1998 and 1999, it makes sense to allocate approximately 10,000 dwelling units to the lands around Hillsboro's portion of the urban growth boundary.

Finally, to meet this need for an additional 10,000 dwelling units through urban growth boundary expansions in this area, there is a preference for land which can be developed as a planned community. Given that the need cannot be satisfied through expansion of the urban growth boundary onto exception areas alone, and that a conversion of resource land to urban uses is necessary in any event, there is a need for an expansion of land sufficient in size to accommodate much of the need and allow an urban design to meet *2040 Growth Concept Plan* policies.

Alternatives to Expansion of the Urban growth boundary.

Applicable Criteria.

ORS 197.296(4): "If the determination required by subsection (3) of this section indicates that the urban growth boundary does not contain sufficient buildable lands to accommodate housing needs for 20 years at the actual developed density that has occurred since the last periodic review, the local government shall take one of the following actions:

(a) . . .

(b) Amend its comprehensive plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for 20 years without expansion of the urban growth boundary."

ORS 197.732(1)(c)(B), OAR 660-004-0010(c)(B)(ii) and Goal 2, Part II (c)(2): "Areas which do not require a new exception cannot reasonably accommodate the use;"

ORS 197.298: "Priority of land to be included within urban growth boundary. (1) In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities:

(a) First priority is land that is designated urban reserve land under ORS 195.145, rule or metropolitan service district action plan.

(b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Second priority may

include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710.

(c)

(d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both.

. . . .

(3) Land of lower priority under subsection (1) of this section may be included in an urban growth boundary if land of higher priority is found to be inadequate to accommodate the amount of land estimated in subsection (1) of this section for one or more of the following reasons:

(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;

(b) Future urban services could not reasonably be provided to the higher priority due to topographical or other physical constraints; or

(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.

MC 3.01.020(b)(1)(E): "The district must find that the identified need cannot reasonably be met within the urban growth boundary 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 urban growth boundary 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: [presumed availability during planning period of urban growth boundary unless precluded by legal impediments; developed parcels unavailable unless improvements of low value; more than one ownership is suitable unless current pattern or level of parcelization makes land assembly unfeasible]."

MC 3.01.020(c)(1): "The land need identified cannot be reasonably accommodated within the current urban growth boundary"

OAR 660-004-0020(2)(b): "Areas which do not require a new exception cannot reasonably accommodate the use:

(A) The exception shall indicate on a map or otherwise describe the location of possible alternative areas considered for the use, which do not require a new exception. The area for which the exception is taken shall be identified;

(B) To show why the particular site is justified, it is necessary to discuss why other areas which do not require a new exception cannot reasonably accommodate the proposed use. Economic factors can be considered along with other relevant factors in determining that the use cannot reasonably be accommodated in other areas. Under the alternative factor the following questions shall be addressed:

(i) Can the proposed use be reasonably accommodated on nonresource land that would not require an exception, including increasing the density of uses on nonresource land? If not, why not?

(ii) Can the proposed use be reasonably accommodated on resource land that is already irrevocably committed to nonresource uses, not allowed by the applicable Goal, including resource land in existing rural centers, or by increasing the density of uses on committed lands? If not, why not?

(iii) Can the proposed use be reasonably accommodated inside an urban growth boundary? If not, why not?

(C) This alternative areas standard can be met by a broad review of similar types of areas rather than a review of specific alternative sites. Initially, a local government adopting an exception need assess only whether those similar types of areas in the vicinity could not reasonably accommodate the proposed use. Site specific comparisons are not required of a local government taking an exception, unless another party to the local proceeding can describe why there are specific sites that can more reasonably accommodate the proposed use. A detailed evaluation of specific alternative sites is thus not required unless such sites are specifically described with facts to support the assertion that the sites are more reasonable by another party during the local exceptions proceeding."

OAR 660-014-0040(3)(a): "(3) To approve an exception under this rule, a county must also show:

(a) That Goal 2, Part II(c)(1) and (c)(2) are met by showing the proposed urban development cannot be reasonably accommodated in or through expansion of existing urban growth boundaries or by intensification of development at existing rural centers;"

Introduction.

The subject property is comprised of Urban Reserves 51-55. Therefore, the subject amendment need not be accompanied by findings demonstrating compliance with Factor 6. Moreover, pursuant to ORS 197.298, the site is considered first priority land, and is to come into the urban growth boundary prior to other lands. The Metro Council adopted Ordinance 96-655E (the urban reserve decision) in March, 1997. Because the urban reserve decision is currently on appeal to LUBA, these findings demonstrate compliance with the agricultural land retention provisions of ORS 197.298 and MC 3.01.020(b)(6).

Under Metro's acknowledged code, a legislative amendment to the urban growth boundary (urban growth boundary) 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 urban growth boundary 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. Metro Code 3.01.020(b)(6) states:

Compliance with ORS 197.296(4)(b) and regulatory alternatives.

As noted above, ORS 197.296(4) allows a choice of means to satisfy the projected need for buildable lands, expanding the urban growth boundary, adopting new density measures, or both. A decision to amend the urban growth boundary need not be justified by lack of regulatory alternatives. Even still, Metro has meticulously reviewed the region’s buildable land supply and assumed an aggressive redevelopment and infill rate in the projections made in the *Urban Growth Report* and *Urban Growth Report Addendum*. The *Urban Growth Management Functional Plan* allocates to each jurisdiction substantial housing targets to attain within the existing urban growth boundary. These ambitious targets allow little room for additional residential development, sufficient to obviate or minimize the need for the urban growth boundary expansions.

Based on the August, 1998 *City of Hillsboro Compliance Report*, the City of Hillsboro has adopted regulatory measures to increase housing densities. The City adopted new zoning for the light rail station areas that includes high density residential zoning, minimum residential densities, minimum floor area ratios, accessory dwelling unit provisions and other measures to increase infilling and higher residential densities. The City will be amending its Development Code to establish minimum residential densities and allow accessory dwelling units. Hillsboro currently has comprehensive plan provisions that require new residential development to attain a density of 10 units per acre and a 50/50 single family/multifamily split. The City is incorporating the applicable 2040 Growth Concept design types into its Comprehensive Plan.

The City of Hillsboro has determined that it can meet its Functional Plan new dwelling target of 14,812 new dwelling units by 2017 through the existing zoning, relying upon development in its mixed use areas. The City has limited vacant and redevelopable land in its Inner and Outer Neighborhoods.

It is not feasible, then, to take zoning measures beyond those prescribed in the *UGM Functional Plan* and those already taken by the City of Hillsboro to significantly increase the number of new dwelling units that can be accommodated within the Hillsboro urban growth boundary. The City has upzoned nearly all of the land along the new Westside Light Rail Line, including the downtown core area. These measures will allow the City to accommodate 14,896 new dwelling units, slightly more than its target.

Alternatives within the Urban growth boundary.

The *City of Hillsboro Compliance Report* determines that the City has barely sufficient land to meet its 2017 jobs target of 58,247 jobs, established by the *UGM Functional Plan*. The City's Industrial Sanctuary no longer has vacant sites available for new, high tech campus industrial users. Undeveloped portions of the existing campus industrial uses are being held in reserve for future expansion. Notwithstanding these factors, the City is relying upon the Industrial Sanctuary lands to generate nearly 30,000 jobs. An additional 13,305 jobs can be accommodated within the station community planning areas.

Given its allocation of future employment and the limited buildable land within the City of Hillsboro, it is not feasible to redesignate industrial land for residential uses in order to achieve a better jobs/housing balance. The City has generated 12,086 jobs within the past four years. The 2017 job target is an extrapolation of this employment generation rate. Given the concentration of industry and employment in Hillsboro, and the spinoff employment generated by these existing businesses, it would not be prudent to limit this employment potential and reconfigure the region's allocation of new employment. Moreover, Hillsboro has an ample supply of water for new industry and has clear understandings on responsibilities for public services and facilities with other service providers, in contrast with many areas of Clackamas County. There are limited alternative locations for significant new employment.

It is not necessary to re-justify the jobs needs determinations made in the *UGM Functional Plan*. It is not practical to recast the allocation of jobs to Hillsboro at this point and there may be problems in finding land for that employment elsewhere. Given the allocation, however, it is not practical to re-plan and re-zone existing industrial land to residential uses.

The City of Forest Grove does not offer an alternative source of land for housing. According to the *Forest Grove Compliance Plan Assistance Report*, Forest Grove has insufficient vacant land to meet its 2017 dwelling unit target of 2,873 residences, falling short by 1,035 dwelling units. Forest Grove also has a 2017 jobs target of 5,488 jobs, and will fail to provide land for 753 jobs. Although there are redevelopment options to attain these targets, there is not any land to meet the housing targets of another jurisdiction.

Cornelius has an ambitious dwelling unit target of 1,019 units and a jobs target of 2,812 jobs. Cornelius has added on 157 dwelling units since 1994, and at that rate will fall short of its dwelling unit target. According to the *Cornelius Compliance Plan Assistance Report*, Cornelius will fall short of its housing target by 208 dwelling units. Metro foresees that there is a potential for an additional 91 dwelling units. Even so, there is not any land to meet the additional housing demand for Hillsboro or to correct the subregional jobs/housing imbalance.

Type of land to satisfy need.

Based on the above findings, the type of land needed to satisfy the residential and livability needs, is an expansion of land sufficient in size to accommodate much of the need and allow an urban design to meet *2040 Growth Concept Plan* policies. The size should be that which would allow siting of a majority of the 10,000 dwelling unit need and sufficient to allow development of a planned community meeting the *2040 Growth Concept Plan* policies. Based on the *City of Hillsboro South Urban Reserve Concept Plan*, addition of Urban Reserves 51 – 55 will meet this need.

General analysis on lack of alternative sites to satisfy residential and livability need.

The urban reserve areas studied for initial designation as part of Metro's urban reserve decision included a number of alternatives in the areas around Hillsboro. Urban Reserves 56 – 60, located around the cities of Forest Grove and Cornelius, together could house 2,640 dwelling units, an insufficient amount of housing to meet the subregional need. None of these urban reserves contain a sufficient amount of buildable land to lay out a mixed use planned community. Urban Reserve 58 is 527 acres, but only 275 acres are buildable.

Former Urban Reserves 62, 64 and 65 are large urban reserves located to the north and northeast of Hillsboro. All contain significant amounts of agricultural land. Urban Reserves 64 and 65 are large tracts with substantial amounts of unbuildable land. Urban Reserve 62 is a 692 acre tract, with 590 acres of resource land, and 409 acres of buildable land. It has space for 4,089 dwelling units. This tract is sufficient in size to allow for a planned community. This tract is immediately adjacent to the Industrial Sanctuary and does not adjoin any residential neighborhood. It is better situated for industrial use because of this proximity. There are no buffers or barriers separating Urban Reserve 62 from agricultural lands to the north and west. Its development could encourage the premature conversion of these resource lands to urban uses.

Based on the urban reserves studied by Metro previously, there are no alternative locations in the Hillsboro region to expand the urban growth boundary to add land sufficient in size to accommodate 5,000 or more dwelling units to be developed in a planned community.

Alternative areas available to satisfy need (specific analysis).

This analysis and findings supplements those contained in the exceptions land report prepared by Glen Bolen, which is incorporated herein. They are based, in part, upon the *Alternative Site Analysis for Urban Reserve Sites 51 – 55 (Alternative Site Analysis)* attached hereto and incorporated herein. The following analysis justifies the urban growth boundary change under ORS 197.298(3)(a) as well as under the Metro Code.

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), OAR 660-04-0020(2)(b).

Approximately half of the total acreage of Urban Reserves 51-55 is exception land. These properties were designated as exception lands in 1986, and are documented in the Washington County Rural/Natural Resources Framework Plan as exception areas #93 and 94. Therefore, inclusion of approximately half of the total area of Urban Reserves 51-55 is justified under the first sentence of MC 3.01.020(b)(6)(A)(I).

Inclusion the remaining acreage in resource use 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 660-21-030(4)(c). Resource lands included pursuant to this sentence is limited to “the smallest amount of resource land necessary to achieve improved efficiency.” MC 3.01.020(b)(6)(A)(I).

The demonstrated need for housing in the Hillsboro region, including the special land need (jobs/housing imbalance) cannot be met by including only exception lands in the urban growth boundary. To comply with factor 6, these findings, and 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 An urban growth boundary expansion. The reasons why the Washington 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 Hillsboro 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 urban growth boundary, 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 urban growth boundary were not studied for inclusion in the urban growth boundary under the *Alternative Site Analysis*, because they could not comply with the *2040 Growth Concept* and the RUGGO mandate of a compact urban form, and would not promote the orderly and economic provision of urban services as required by Statewide Goal 11, and Goal 14, Factor 3. Urban development in these areas would have negative impacts on the environment, specifically air quality, resulting from increases in vehicle miles traveled. In addition, urban expansion in these areas would have a greater impact overall farm practices in the area. Finally, state law 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 Hillsboro region are not a reasonable alternative to the lands included in the South Hillsboro urban reserve concept plan. 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 Hillsboro region. 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 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).* 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 urban growth boundary. 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 urban growth boundary would create islands of non-urban land surrounded by the urban growth boundary. 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.

In the appeal of the urban reserve decision currently before LUBA, the primary petitioners (DLCD/ODOT/1000 Friends of Oregon /Farm Bureau) argued that Metro erred by rejecting certain adjacent areas as alternatives to the inclusion of resource land such as URA 54/55. The petitioners argued that even if each individual exception area site could not provide any significant number of housing units, that Metro erred by not considering them in combination. However, given the demonstrated need for 32,000 housing units, combined with the special land need for the Hillsboro region, the demonstrated need for housing would not be met even if the other adjacent exception areas outside of the South Hillsboro urban reserve concept plan were included into the urban growth boundary.

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 development plan. The South Hillsboro urban reserve concept plan is a good example of how this principle can work.

3. 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.

4. 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 Urban Reserves 51-55, 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. However, they are also considered EFU lands for purposes of ORS 215.213-215.337 under the county code. *See* CDC 340-1 and 344.1. Therefore, AF-20 lands do not fit the definition of secondary agricultural resource lands.

No matter how the term “secondary agricultural resource lands” is defined, there are no significant quantities of these lands adjacent to the Metropolitan Portland urban growth boundary that could provide both sufficient housing to met the demonstrated special land need in the Hillsboro region and comply with the RUGGOs.

There are only two major concentrations of AF-20 land in the region that are contiguous to the present urban growth boundary. The first occurs in the area directly west and north-west of downtown Hillsboro. These lands are not suitable for expansion of the urban growth boundary because they are designated as rural reserves, and because they 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.”

The only other significant concentration of AF-20 land is located directly south of Cooper Mountain. As noted in the alternative site analysis, it is part of the Beaverton - Washington Square Regional Center area as shown in Metro's Region 2040 Recommended Alternative Technical Appendix. Therefore, this area will not contribute to improving the jobs-to-housing ratio or decreasing VMTs in the Hillsboro regional center area.

The area, more commonly known as “Cooper Mountain,” is shown on the exception area map and Washington County's Rural/Natural Resource Plan as “Exception Area 97.” Except for three large undeveloped tax lots, the area is a densely developed rural residential area. The approximately 489 acre area was heavily parcelized with 80 percent of the lots in separate ownership at the time Washington County granted the exception. Review of the county's Rural/Natural Resource Plan shows that the area has become even more parcelized since the exception was granted. Only a few lots on the southern border of the exception area remain undeveloped. The developed portion of exception area #97 is fully improved and cannot provide a significant number of new housing units to satisfy Hillsboro's special land need. Development of Cooper Mountain has been fairly recent and the potential for substantial redevelopment and infill is remote. Thus, the developed portion of exception area #97 cannot reasonably accommodate the special land need identified for the Hillsboro area.

Under the soil classification system used by the Natural Resource Conservation Service (NRCS), any given soil type will be represented in a number of different soil “classes,” depending on the slope of the land where it is found. For example, Cascade Silt loams may be class III if found on lands with a slopes of 0-20%, but will be class IV if found on land with slopes of 20-60%. As a general rule, many of the lowest quality soil classes will be found on lands with the steepest slopes. Thus, MC 3.01.020(b)(6)(A)(iii) has the unintended effect of favoring lands (greater than 25% with steeper slopes for urban development. However, at it extreme, these steeply sloped lands are deemed unbuildable under the 2040 Growth Concept.) Even considering areas with slopes somewhat less

than 25%, the costs associated with building in these areas makes them inappropriate for the higher density development required under the 2040 growth concept. As the September 1998 Productivity Analysis demonstrates, areas with steeper slopes invariably require greater expenditures for provision of urban services. This, in turn, contributes to higher housing costs, which, in turn, compounds local governments abilities to provide affordable housing consistent with Statewide Planning Goal 10, ORS 197.295-197.307, and RUGGO Goal II.iii, and Obj. 17.

5. Primary Forest Resource Lands.

The fourth priority for inclusion into the urban growth boundary 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 urban growth boundary in the Hillsboro 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.

6. Primary Agricultural Resource Lands.

The fifth and last priority goes to primary agricultural resource lands, as defined by the state. Resource lands included in URA sites 51-55 are the logical choice over other similar resource lands. As Metro has already found, the exception areas in the South Hillsboro area cannot be provided with urban services without incorporating the resource lands within the subject area.

Second, when deciding between otherwise similar parcels of resource land, it is appropriate to consider whether the new urban growth boundary 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. Therefore, inclusion of the resource land in the South Hillsboro concept plan is preferred over inclusion of any other properties designated as "primary agriculture resource land" under state law. *See generally* RUGGO Objectives 16 and 22.

6. Specific Findings on Alternatives.

- ORS 197.298

The subject property is in an urban reserve. Therefore, it is first priority land pursuant to ORS 197.298(a).

In the alternative and in the event that the urban reserve status of any portion of the subject property is reversed or remanded by the Land Use Board of Appeals, based on the *Residential Market Evaluation* and the *Alternative Site Analysis*, the area has a specific land need for housing which cannot be reasonably accommodated on any higher priority lands. The inclusion of lower priority lands within the area of the proposed amendment is justified to provide maximum efficiency of land uses within the urban growth boundary. Therefore, the urban growth boundary amendment satisfies ORS 197.298(3)(a) and ORS 197.298(3)(c).

- ORS 197.732(1)(c)(b), OAR 660-004-0010(c)(b)(ii) and Goal 2, Part II (C)(2)

Based on the *Residential Market Evaluation* and the *Alternative Site Analysis*, there are no areas which would not require an exception which could reasonably accommodate the proposed use. Therefore the incorporation of any lands requiring an exception is justified pursuant to the above criteria.

- OAR 660-040-0020(2)(b)

The *Alternative Site Analysis* satisfies the requirements of OAR 660-004-0020(2)(b) as it has provided a thorough description of possible alternative areas. The *Alternative Site Analysis* discusses the reasons why other areas which should not require a new exception cannot reasonably accommodate the proposed use. Specifically, based on the *Alternative Site Analysis*, 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 Metro Ordinance 96-655E, 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.

Consequences of Expansion of the Urban growth boundary to Include the Hillsboro South Urban Reserves.

Applicable Criteria.

ORS 197.732(1)(c)(C), MC 3.01.020(c)(3), OAR 660-04-0010(1)(B)(c)(iii) and Goal 2, Part II(c)(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 areas requiring a goal exception other than the proposed site;"

OAR 660-04-0020(2)(c): "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 requiring a Goal exception. The exception shall describe the characteristics of each alternative areas considered by the jurisdiction for which an exception might be taken, the typical advantages and disadvantages of using the area for a use not allowed by the Goal, and the typical positive and negative consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts. A detailed evaluation of specific alternative sites is not required unless such sites are specifically described with facts to support the assertion that the sites have significantly fewer adverse impacts during the local exceptions proceeding. The exception shall include the reasons why the consequences of the use at the chosen site are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site. Such reasons shall include but are not limited to, the facts used to determine which resource land is least productive; the ability to sustain resource uses near the proposed use; and the long-term economic impact on the general area caused by irreversible removal of the land from the resource base. Other possible impacts include the effects of the proposed use on the water table, on the costs of improving roads and on the costs to special service districts."

OAR 660-14-0040(3)(b): "That Goal 2, Part II(c)(3) is met by showing the long-term environmental, economic, social and energy consequences resulting from urban development 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 on other undeveloped rural lands, considering:

(A) Whether the amount of land included within the boundaries of the proposed urban development is appropriate, and

(B) Whether urban development is limited by the air, water, energy and land resources at or available to the proposed site, and whether urban development at the proposed site will adversely affect the air, water, energy and land resources of the surrounding area."

Goal 14, Urbanization factors three, five and six: "Orderly and economic provision for public facilities and services," "environmental, energy, economic and social consequences," and "retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority."

MC 3.01.020(b)(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."

MC 3.01.020(b)(5): "Factor 5: Environmental, energy, economic and social consequences. An evaluation of this fact 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.

(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 urban growth boundary.”

MC 3.01.020(b)(6): “(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.”

Description of the environmental consequences of the Hillsboro South urban growth boundary amendment.

Based upon the technical background memoranda to the *Hillsboro Concept Plan*, fish population within the urban reserve areas exists in the lower reach of Butternut Creek and there is potential for fish to exist in the upper reaches beyond the beaver dams. With preservation of riparian vegetation, this habitat should not be significantly degraded as a result of urbanization of the area.

The wetlands within the urban reserve area are found almost entirely within the riparian zones of the stream systems, or along the small side-drainages. These include Butternut Creek, Gordon Creek and Witch Hazel Creek, and to a lesser extent, Cross Creek. Development will be set back from these drainages and wetlands. Removal of vegetation from these wetlands, however, may

reduce the filtering effect of the vegetation on absorbing sediments and toxicants from stormwater. The Butternut Creek floodplain is especially important for stormwater detention and treatment and development should be limited in this floodplain.

These wetlands and riparian areas are important wildlife habitats. The plant community along Butternut Creek and Gordon Creek includes Oregon ash, red alder, western red alder, willows and native shrubs. These areas provide cover for refuge from predators, places to perch or reset, breeding habitat and corridors for movement. The agricultural land and developed properties in the urban reserve areas have more limited habitat values

There are beaver throughout Butternut Creek. A heron rookery exists on the western border of the urban reserve area on Butternut Creek. The Hagg property to the south is used by red-tail hawks, kestrels, quail, coyote and deer. Urbanization of the area will limit its general use by wildlife.

Mitigation measures to preserve the storm drainage and wildlife values for the wetlands and streams are outlined in the July 2, 1998 memorandum from Phil Quarterman (W&H Pacific) to Wink Brooks and are incorporated herein. Adoption of these mitigation measures will make the environmental consequences of development of these urban reserves no more serious than development of alternative urban growth boundary expansion areas.

Water quality and quantity issues will be addressed in the master planning process for any development. The just mentioned mitigation measures will help assure that development will not unduly impact water quality and quantity.

Resources subject to special protection.

There are four stream corridors in the urban reserve areas. Butternut Creek originates in the Aloha area and flows through the central part of the urban reserves. It has a flat floodplain varying from 100 feet to 250 feet wide. The channel has steep banks and a small in-stream pond exists just downstream from 229th Avenue. The headwaters of Gordon Creek are located on the east portion of Urban Reserve 55. Gordon Creek occupies a narrow floodplain within an extensive riparian and forested area. Cross Creek originates in a wetland swale in the residential area just to the east of 209th Avenue. Parts of the stream have been artificially channelized and the riparian vegetation has been removed. Witch Hazel Creek starts in a residential neighborhood north of the Hillsboro South urban reserves. The channel occupies a narrow riparian corridor which widens to the south, near River Road. Like Gordon Creek, Witch Hazel Creek occupies a narrow floodplain, with dense riparian vegetation and a less meandering channel form.

As noted earlier, the stormwater detention and treatment facilities will be incorporated into the natural drainage system. The developed areas will largely avoid significant natural resource impacts, due to the protection of stream corridors as open space. The street network will include three significant crossings of riparian corridors. Sewer construction will involve temporary impacts from stream crossings.

There are three cultural and historic sites in Hillsboro South: two rows of poplar trees which once led to the Reed Farm; the Southern Pacific Railroad line, located north of TV Highway; and, farm buildings which were once part of the Hagg Farm. When the area is developed, it may be possible to preserve the poplar trees. The historic residence on the Hagg Farm burned in 1998 and

the remaining buildings may lack significance. There may be Native American artifacts in this area, which can be inventoried and protected upon development.

Description of the economic consequences of the Hillsboro South urban growth boundary amendment.

Based on the public facilities impact report in the *Hillsboro Concept Plan*, the necessary water, sewer and stormwater improvements to serve Hillsboro South will cost \$46,780,380. The on-site road improvements will cost \$32,565,000 and the off-site transportation improvements will cost \$69,900,000. The park facilities on approximately 140 acres of park lands will require the expenditure of approximately \$18 million, in addition to the costs of land acquisition. Construction of new schools will probably be well over \$200 per square foot. The *Hillsboro Concept Plan* lays out a phasing schedule for this infrastructure, as well as financing alternatives.

Based upon the July 2, 1998 technical memorandum by Cornforth Consultants on geologic hazards evaluation, within the Hillsboro South Urban Reserve Areas: the risk of unstable slopes is low; the risk of erosive soils is low; special foundation considerations will be necessary in areas of low bearing capacity soils; risks of seismic hazards can be mitigated in the design of critical structures or life-support facilities; and, seismic hazards will be of highest concerns in slopes adjoining creeks, rivers or bodies of water. Thus, the economic costs of development will be low compared to other potential areas of urban growth boundary expansion with greater constraints and natural hazards.

Addition of this area to the urban growth boundary will increase the value of property and the ultimate tax base of the City of Hillsboro. There are significant economic efficiencies from adding land to the urban growth boundary that can ultimately be annexed by the provider of public services. This allows for the orderly and economic provision of public services supported by the general fund of the City, including police, fire, emergency services, planning and other municipal services. By contrast, addition of urban reserves not contiguous or proximate to the City of Hillsboro (e.g., Urban Reserves 63, 64, and 65) will not produce this synergy.

Description of the social consequences of the Hillsboro South urban growth boundary amendment.

Development of the Hillsboro South Urban Reserves as proposed in the *Hillsboro Concept Plan* will produce a residential mixed-use community with a town center and two satellite neighborhood/main street centers. The centers will accommodate a concentration of shops, services, employment facilities, civic uses, amenities and other public and private activities. The urban centers are distributed in a manner to protect and enhance the existing natural resources of the area. This distribution provides the maximum efficiency of non-automobile transportation. Development proposed in the Concept Plan will create new neighborhoods with a strong sense of community and that are pedestrian oriented.

The area is planned in a way that dedicates 35 acres to general employment uses. Additional employment will be provided within the three centers totaling 60 acres. Approximately 2,000 jobs can be accommodated within the site. This will allow integration of employment and residential areas, minimizing the need for lengthy commuting.

The development of Hillsboro South consistent with the principles and guidelines of Metro's *2040 Growth Concept* will produce significant social consequences. The *Growth Concept* document

at page 6 notes that creating high density centers of employment and housing provides access to a variety of goods and services in a small geographic area, creating an intense business climate. These town and neighborhood centers have an accessibility level that is conducive to transit, bicycling and walking. The centers act as social gathering places and community centers, producing a cherished "small town atmosphere."

After accounting for land for streets, employment, community service and schools, parks and greenspaces, stream protection and pedestrian corridors and stormwater management, there will be approximately 850 acres available for residential uses. As planned, this will allow a variety of housing types. Multi-family housing will be concentrated around the three urban centers. Approximately 4,216 dwelling units are located in the Ladd-Reed town center. The Gordon Creek center will have around 1,892 dwelling units and the Butternut Creek neighborhood center will develop with 1,763 dwelling units. A majority of the housing types will be standard and small lot single family units. Senior housing will represent approximately 13% of the dwelling units and will be built at 39/units per acre. Approximately 55% of the units will be owner occupied and around 45% will be targeted to renter occupied households. Multi-family and attached units will be 65% of all units.

Based on the projections in the *Hillsboro Concept Plan*, around 30% of the dwelling units are expected to fall within a range requiring affordable housing at 60 to 80 percent of median income. The *Hillsboro Concept Plan* includes a range of housing densities within the single family and multi-family zones to allow for affordable ownership and rental opportunities. The need for affordable housing (i.e., one and two-bedroom units for households of two or fewer persons) can be satisfied by row housing or plex ownership opportunities in the lower density areas, and by multi-family rentals in the higher density areas. The presence of services and nearby employment will reduce the need for a car and allow more income available for housing for low-income residents.

There is currently a significant deficit of parklands in the area of the Hillsboro South Urban Reserves. All available park facilities in the vicinity of the urban reserves are for passive recreation, except for Rood Bridge Park that is under construction. Development of the entire Hillsboro South Urban Reserves as part of a coordinated plan will allow development of active and passive recreation sites. Under the *Hillsboro Concept Plan*, approximately 210 acres are designated for active recreation use. This includes a regional recreation/aquatic center in the heart of the Ladd-Reed town center, a multi-purpose community center along 229th Avenue, a community park west of River Road, five neighborhood parks, two linear parks along the BPA easement and near the regional water detention facility, natural and storm water areas in riparian areas and wetlands, and bike and pedestrian facilities. Development of the area as planned will add significant park land to serve the entire subregion. This will have positive social effects.

As noted in the *Preliminary Staff Report*, urbanization of the Hillsboro South Urban Reserves will eliminate its rural character. There may be pressure from increased urbanization to curtail farming activities and to develop additional agricultural land.

Description of the energy consequences of the Hillsboro South urban growth boundary amendment.

The urban reserve areas are expected to capture 67% of area household expenditures and support 465,000 square feet of retail and personal service related building space. Development of this area as a mixed use area will allow residents to shop in their neighborhood, reducing the need for automobile transportation and the length of marketing trips.

The Hillsboro South Urban Reserves are close to the two significant employment areas in Hillsboro, the downtown area and the industrial areas in the northeast section of the city. By rectifying the current jobs/housing imbalance, development of this area will reduce the need for long commuting trips to these workplaces. There will be significant energy savings by locating housing closer to places of employment.

By contrast, the energy costs of amending the urban growth boundary in areas most distant to places of employment are significant. Reduction in the number of miles to serve a developing area decreases fossil fuel consumption and costs and decreases the negative consequences of pollution from using automobiles.

Comparison of the ESEE consequences with the consequences of developing alternative sites.

Based on the *Metro Urban Reserve Productivity Analysis*, the serviceability costs for Urban Reserves 53 – 55 are approximately \$11,000 per dwelling unit. This estimate is based on an analysis of the costs of sanitary sewer, water, stormwater and transportation infrastructure costs. The costs per dwelling unit for Urban Reserves 51 and 52 are more expensive, \$19,826 and \$14,952 respectively. The infrastructure costs for Urban Reserves 53 – 55 are the lowest in the entire metropolitan area. Because these urban reserves are adjacent to already developed land, public facilities and services can be integrated into the existing facilities network in the surrounding urban area.

No similar level of analysis has been done to assess the costs of expanding the urban growth boundary in the Hillsboro area in other directions and onto agricultural lands. It is not likely that the costs would be cheaper. The infrastructure costs for Urban Reserves 61 – 65, alternative growth areas to the north or northeast of Hillsboro range from \$11,443 to \$98,219 per dwelling unit according to the *Metro Urban Reserve Productivity Analysis*. A large expansion onto agricultural land to the north could have comparable infrastructure costs, although the costs to upgrade Highway 26 interchanges would be extreme.

In September, 1996, as part of the *Executive Officer Recommendations – Urban Reserves, Background Data*, a ranking was made of urban reserve areas based on Urban Reserve Rule Factors 3 – 7. The factors including analysis of utilities, transportation, school proximity, efficiency of land use, environmental constraint, jobs/housing balance, agricultural retention and agricultural compatibility. The cumulative rankings for Urban Reserves 51 – 55 ranged from 51 – 78 (with the higher score indicating greater suitability). These rankings are quite comparable to alternative expansion areas onto agricultural land in the area. The proposed urban reserves around Forest Grove and Cornelius scored from 48 – 56, lower than the rankings for the Hillsboro South Urban Reserves. The rankings for former Urban Reserves 62, 64 and 65 were 54, 55 and 57 respectively. These scores are comparable to those of the Hillsboro south Urban Reserves. (Citation to the *Executive Officer Recommendations* is not intended to affirm all of the data in that report. For example, the analysis of jobs/housing balance for the Hillsboro subregion in the *Recommendations* is rejected in favor of the more specific analysis in the *Hobson Johnson Associates Report* discussed earlier.)

Based upon these ratings of the urban reserves, the environmental, social, economic and energy consequences of expanding the urban growth boundary to include the Hillsboro South Urban Reserves are no greater than the consequences of expanding the urban growth boundary onto resource lands in other locations.

The consequences of expanding the urban growth boundary onto other resource lands may be more severe than the Hillsboro South alternatives. Agricultural areas north of Evergreen Road and west of Urban Reserve 62 and east of Jackson School Road will be subject to increasing regulation to protect the Hillsboro Airport immediately to the south. Some of this area lies within the runway protection zone of the airport. *See*, OAR 660, div. 13 (airport planning rules to establish airport compatibility restrictions and use allowances).

There are only two areas adjacent to the City besides South Hillsboro (Urban Reserve Site Nos. 51-55), where there is enough land area where a 2040 planned community approximately 1,500 acres in size could be built, and where the City does not experience constraints due to 100-year floodplain designations. The first area is located north of Evergreen Road extending north to the fork of McKay Creek and east from Glencoe Road/McKay Creek to Shute Road (excluding Urban Reserve Site No. 62). This area consists of approximately 1,838 acres.

This first area is unsuitable for a 2040 planned community due to the following:

1. Most of the area is designated Exclusive Farm Use (EFU).
2. The majority of this area is surrounded by EFU farmland on three sides.
3. With the exception of the two sub-areas containing primarily rural residential development, contiguous large agricultural parcels characterize this area, as well as the surrounding area.
4. Within this area is about 252 acres of exception lands with 61 different owners. The acreage in this area is designated AF-5 (5-acre minimum lot size). These exception lands can be found in two areas. The first sub-area boundaries are Glencoe Road, the UGB and NW Evergreen Road as its southern boundary. The average lot size in this sub-area is 3.99 acres, with a range in lot size from 1 to 16 acres. The second sub-area is located north of the Hillsboro Airport and is just outside of the UGB. It is bounded by McKay Creek to the north and Sewell Road/NW 268th Ave. to the east. Lots in this sub-area range from 1 to 10 acres in size with the average lot size being 3.5 acres. Both these areas can be described as rural residential in nature. Both of these sub-areas are also surrounded by EFU agricultural uses on three sides, the only urban development located on the south side of Evergreen Road. *Due to the number of property owners and existing parcelization, both of these sub-areas would be difficult to develop as a single development area in conjunction with the larger agricultural parcels that surround them.*
5. The Hillsboro Airport -- the 2nd busiest airport in the state is located on the south side of Evergreen Road. This area is severely impacted by the runways of the Airport. In addition to existing runways, the flight path for the proposed third runway at the Hillsboro Airport would have a direct and severe impact on lands north of Evergreen Road. Because of the severe impacts due to the Airport, the majority of this area is highly unsuitable for residential development.
6. The eastern portion of this area (east of NW 278th Ave. to Shute Road) is adjacent to industrial development to the south and east, which would put residential uses next to these uses and could create land use conflicts between industrial and residential uses.
7. A Bonneville Power Administration easement runs through this area from the westernmost boundary east to Shute Road. This easement removes roughly 42 acres from potential urban development.
8. Existing water and sewer lines may be too small to serve large scale residential development and may require considerable upgrading.
9. The location of this area may entail construction of a new sewer trunk line over a great distance (about 4 miles) travelling over a circuitous route to the Rock Creek Treatment Plant.

10. Currently, there are three north-south roads that intersect with the Sunset Highway (US 26) in this area (Glencoe, Jackson School and Shute Roads). Glencoe and Shute Roads have interchanges where they intersect with US 26, whereas Jackson School Road intersects with US 26 with no interchange. An increase in population in this area of about 20,000 people would require major improvements to each of the interchanges and creation of an interchange at Jackson School Road due to the anticipated increase in the number of vehicles trying to access US 26 at these locations. An analysis of the proposed Seaport prison site – a 218-acre site located just north of US 26 between West Union and Jacobson Roads by ODOT stated that approximately \$15 million in roadway improvements were needed, with the majority of the improvements made to US 26. These improvements were based on an estimated 2,500 to 3,000 vehicular trips per day generated from the prison. For a 2040 community of 20,000 people, roughly 6,000 p.m. peak hour vehicular trips can be assumed, generating improvements easily exceeding \$15 million especially to these intersections with US 26. A planned community of this size also could require additional lanes on the Sunset Highway. Glencoe, Jackson School and Shute Roads would also need major improvements to increase capacity.
11. Existing pockets of rural residential development clearly do not inhibit agricultural uses in this area.

The second area where a 2040 planned community could be located is north of the Sunset Highway (excluding Urban Reserve Site Nos. 62, 63 and 64). The boundaries of this area would be east to the Burlington Northern RR tracks (just east of the southern portion of Dick Road), north to the Burlington Northern RR tracks and west to Groveland Road. This area is about 1,845 acres in size. See attached map.

This second area is unsuitable for a 2040 planned community due to the following:

1. With the exception of 2 small areas designated AF-5 and AF-10, this entire area is designated EFU.
2. Except for where this area abuts the 2 small areas designated AF-5 and AF-10 (10-acre minimum lot size), this area is surrounded by EFU farmland on all sides.
3. Within this area is a 77 acre exception area located near the intersection of Helvetia and West Union Roads. This area is designated AF-5 and has a small commercial zone near this intersection. It has 16 parcels in 14 different ownerships. Again because of parcelization and diverse ownership, it would be difficult to consolidate lots in this sub-area.
4. The existing small area of rural residential development clearly does not inhibit agricultural uses in this area.
5. There is only one east-west road that crosses the entire area – West Union Road, which would need major improvements to accommodate a 2040 planned community. Phillips Road located west of Helvetia Road connects to Old Cornelius Pass Road, which intersects with Cornelius Pass Road and then provides a connection to US 26, would also need improvements to provide an alternate east-west route.
6. Currently, only Helvetia Road intersects with the Sunset Highway (US 26) in this area. For people living in this area, the only other alternatives to accessing US 26 are via NW Jackson School Road or Cornelius Pass Road. There are interchanges where Helvetia and Cornelius Pass Roads intersect with US 26 however Jackson School Road just intersects with the Highway 26 at grade. An increase in population in this area of about 20,000 people would require major improvements to each of the interchanges and creation of an interchange at Jackson School Road due to the anticipated increase in the number of vehicles trying to access US 26 at these locations. As stated previously, an analysis of the proposed Seaport prison site by ODOT of a

much smaller site stated that approximately \$15 million in roadway improvements were needed, with the majority of the improvements made to US 26. For a 2040 community of 20,000 people, with almost three times the number of vehicular trips per day, transportation improvements would easily exceed \$15 million especially to these intersections with US 26. A planned community of this size also could require additional lanes on the Sunset Highway.

7. There are only two north-south routes in this area – Groveland Road and Helvetia Road. Both of these roads would also need major improvements to serve a 2040 planned community.
8. The southeast portion of this area adjacent to Jacobson Road abuts the City's Industrial Sanctuary. Potentially placing residential uses next to industrial uses may create land use conflicts.
9. Existing water and sewer lines may be too small to serve large scale residential development and may require considerable upgrading.
10. The location of this area may entail construction of a new sewer trunk line over a great distance (about 6 miles) travelling over a circuitous route to the Rock Creek Treatment Plant.
11. A Bonneville Power Administration easement runs through this area from Jacobson Road to the south, north past the Burlington Northern RR tracks. This easement removes about 110 acres from potential urban development.

When making a similar comparison of the suitability of South Hillsboro, South Hillsboro is more suitable for a 2040 planned community for the following reasons:

1. About 39% of the South Hillsboro urban reserves is designated EFU vs. the majority of the acreage in the other two areas being designated EFU. The majority of EFU land in South Hillsboro consists of the Sisters of St. Mary property (2 parcels) and 8 parcels ranging from 2 to 20 acres in size. The remaining acreage in this area is mainly designated AF-5, with small pockets of AF-10 and RR-5 (5-acre minimum lot size). Two parcels abutting the south side of Butternut Creek are designated AF-20 (20-acre minimum lot size).
2. The South Hillsboro area is surrounded by urban uses on three sides. The Reserve Vineyards & Golf Club separate the northern portion of the South Hillsboro area from EFU farmlands to the southwest. In The exception to this separation is small EFU parcels (most of the lots are about an acre in size or less) sandwiched between the Reserve Vineyards & Golf Club and the northern portion of the South Hillsboro area. South of Butternut Creek to Farmington Road, parcels designated AF-20 buffer this area from some small EFU parcels located on the east side of 229th Ave. These AF-20 parcels range from 0.55 to 19.55 acres in size, the exception being one-73.97 acre parcel.
3. In the South Hillsboro area, it is easier to establish clear urban expansion limits due to the increasing inability to provide sewer service downstream from the Rock Creek Treatment Plant located on the Tualatin River.
4. The South Hillsboro area is easy to serve with both water and sewer due to its proximity to the sewage treatment plant and current city limits relative to areas located adjacent to the northern limits of the city.
5. Existing rural residential development in the South Hillsboro area limits agricultural uses. The northern portion of the South Hillsboro Planning Area, west of 229th Ave. is considered exception lands, and in fact, the average lot size for lands designated AF-5 is 3.65 acres. Land designated AF-10 have also been parcelized, with an average lot size of 7.90 acres. South of the Sisters of St. Mary property abutting 209th Ave. is also designated AF-5, with an average lot size of 3.29 acres. This AF-5 area could also be considered as exception lands.

Provision of public services to the urban growth boundary expansion area.

Based on the *Hillsboro Concept Plan*, the recent enlargement of Barney Reservoir from 4000 acre-feet of storage to 20,000 acre-feet will assure adequate quantities of water for the Hillsboro area for the immediate future. Existing and planned water treatment facilities are adequate for the urban reserve areas without jeopardizing other City of Hillsboro or Joint Water Commission commitments. Recent expansion of JWC facilities is ahead of demand. There is a 42-inch water transmission line north of the urban reserve areas along TV Highway with capacity to serve the urban reserve areas. There are no known storage requirements needed to assure adequate water pressure to the urban reserve areas, although the City of Hillsboro plans to add storage to the overall system.

Sanitary treatment facilities for the area are owned and maintained by Unified Sewerage Agency. The Rock Creek Treatment Plant is immediately northwest of the urban reserve areas and can serve the area. There are two pump stations in or near these urban reserve areas, Butternut Creek and Cross Creek at 209th Avenue. Collection and transport facilities will be constructed as part of development.

Natural drainage swales, ditches and creeks form the existing stormwater drainage system in the area. The development of the Hillsboro South Urban Reserves as a whole and as part of single development plan allows significant opportunities to plan for regional detention and water quality facilities. As proposed in the Concept Plan, storm drainage and treatment facilities can be integrated into the natural drainage system and combined with wetland mitigation bank sites, riparian corridor restoration measures and other forms of habitat protection. Proposed storm water facilities in the Concept Plan include a large regional combined storm water detention and water quality site on Gordon Creek above Ettinger Pond along with various smaller detention and water quality facilities distributed proportionally throughout the area.

As noted elsewhere, there is a deficit of parkland in the area of the Hillsboro South Urban Reserves. Tualatin Hills Park and Recreation District serves approximately 150 acres in Urban Reserves 51 and 52. The remaining 1,455 acres in the urban reserve areas do not have a parks provider. Parks facilities serving this area include St. Mary's Woods Nature Park, Jenkins Estate, Noble Woods, and Rood Bridge Park.

The Hillsboro South Urban Reserve areas are presently served by Butternut and Witch Hazel Elementary Schools, Brown Middle School and Hillsboro High School. With full development, there will be the need for two or three elementary schools and a separate elementary/middle school campus. The development of the Hillsboro South Urban Reserve Areas as part of a single development plan will allow dedication of school sites and optimal location of these schools in safe settings, near other school facilities, and adjacent to compatible land.

The urban reserve area is presently served by Washington County Rural Fire Protection District No. 2 and Tualatin Valley Fire and Rescue. TVF&R has a fire station on the east side of 209th Avenue. With full development, fire and ambulance services will be provided by the Hillsboro Fire Department. This will require ultimately the relocation of the existing Brookwood station to the south side of Tualatin Valley Highway to the area at Century Boulevard and Davis Road. This station can provide fire protection during the initial phases of development, together with Tualatin Valley Fire. This relocated fire station will allow the Hillsboro Fire Department to supply first response to the South Hillsboro Urban Reserves, most SB 122 areas to the east and northeast, the

areas north of TV Highway, the Washington County RFPD No. 2 contract areas to the south and west and the western areas along TV Highway.

Police services will be provided by the Hillsboro Police Department from the emergency services complex at Century Boulevard and Davis Road. A civic center, including a recreation center and library, is planned to be located in the Ladd-Reed Town Center. Elementary school sites are planned in the mixed use areas of Gordon Creek and Butternut Creek. A middle or high school is sited in the Ladd-Reed town center.

Transportation impacts by development of the Hillsboro South urban growth boundary area.

Transportation impacts are analyzed in the *Hillsboro Concept Plan* and a July 2, 1998 transportation background memorandum authored by Dan Seeman of Kittelson & Associates. The surrounding transportation system includes: Tualatin Valley Highway (TV Highway), a regional arterial in the Washington County TSP (five lanes with paved shoulders and a designated trunk transit route); Farmington Road, a major arterial in the Washington County TSP which is planned to be widened to three lanes; River Road, a minor arterial in the Washington County TSP and with two existing and planned lanes of travel; Kinnaman Road, Blanton Road and Rosa Road, providing access to the east, are designated in the Washington County TSP as major collectors, to be improved to three lanes; Cornelius Pass Road, a minor arterial in the Washington County TSP, and planned for five lanes; 231st/234th Avenues (Century Boulevard), a potential connection to TV Highway and a designated collector in the draft Hillsboro TSP; Brookwood Avenue, a potential connection to TV Highway and a designated arterial in the draft Hillsboro TSP with planned three and five lanes of travel; 219th Avenue, a _____ in the draft Hillsboro TSP and planned for ____ lanes of travel. The draft Hillsboro TSP projects needed improvements to 219th Avenue, Brookwood Avenue, 231st/234th Avenues, Davis Road and TV Highway in the area of these urban reserves. Development of the Hillsboro South Urban Reserves will not change the functional classification of streets as presently identified in the Beaverton TSP and Washington County TSP, or as designated in the draft Hillsboro TSP.

There will likely be 5,200 additional peak hour vehicle trips generating and affecting this outside street system by full development of the South Hillsboro Urban Reserves as stated in the HSURP. TV Highway will experience a capacity deficiency in the Murray Boulevard to 10th Street section. Brookwood Avenue will experience a capacity deficiency between TV Highway and Cornell Road. The capacity deficiency on TV Highway has been identified in transportation plans prepared by Beaverton, Hillsboro and Washington County. The Beaverton TSP and the Washington County TSP recommend expanding TV Highway to seven lanes in the area of these urban reserves. The draft Hillsboro TSP recommends access management measures to forestall widening for another 20 years, but recognizes the need for widening shortly after the year 2015. Brookwood Avenue may need to be expanded to five lanes south of TV Highway in addition to its planned expansion to five lanes north of TV Highway.

Thus, TV Highway may need to be widened to seven lanes to accommodate the increased traffic generated by the Hillsboro South Urban Reserve, or a parallel east-west facility to TV Highway must be constructed to capture the equivalent demand. Two additional travel lanes of capacity will be needed in the Brookwood – 231st/234th Corridor. Development will generate a need to extend 219th Avenue and Brookwood Avenue south of TV Highway. Additional street improvements are listed in the Concept Plan.

The *Hillsboro Concept Plan* provides for an internal street network meeting the standards contained in the *UGM Functional Plan*: local streets are spaced at a minimum of 10 – 16 streets per mile; collector streets will be spaced at ¼ mile intervals; and arterials are spaced at ½ mile intervals. The system of streets includes a regional boulevard, community boulevards, community streets, minor collectors and local streets. The classification of these streets is set out in the Concept Plan.

Compatibility with Adjacent Uses.

Applicable Criteria.

ORS 197.732(1)(c)(D); MC 3.01.020(c)(2), OAR 660-04-0010(1)(c)(B)(iv) and Goal 2, Part II(c)(4): "The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts." "'Compatible' . . . is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses."

OAR 660-04-0020(2)(d): "'The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.' The exception shall describe how the proposed use will be rendered compatible with adjacent land uses. The exception shall demonstrate that the proposed use is situated in such a manner as to be compatible with surrounding natural resources and resource management or production practices. 'Compatible' is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses."

OAR 660-14-0040(3)(c): "That Goal 2, Part II(c)(4) is met by showing the proposed urban uses are compatible with adjacent uses or will be so rendered through measures designed to reduce adverse impacts considering:

(A) Whether urban development at the proposed site detracts from the ability of existing cities and service districts to provide services; and

(B) Whether the potential for continued resource management of land at present levels surrounding and nearby the site proposed for urban development is assured.

Goal 14, Urbanization factors four and seven: "Maximum efficiency of land uses within and on the fringe of the existing urban area" and "compatibility of the proposed urban uses with nearby agricultural activities."

MC 3.01.020(b)(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 meet 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 urban growth boundary 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 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 resident and employees."

MC 3.01.020(b)(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."*

Description of adjacent uses and determination of compatibility.

The nearby land uses are described in the *Hillsboro Concept Plan*, as well as in the *Preliminary Staff Report* of October 30, 1998 which is incorporated herein. The majority of adjacent land uses are residential, with commercial and light industrial uses located along TV Highway. An unincorporated residential neighborhood is located east of the site. A commercial area is located north of TV Highway and east of 209th Avenue, containing a grocery store, drug store, services, specialty shops and several restaurants. Many service oriented and specialty shops and restaurants are located further west on TV Highway. There is a Fred Meyer store north of TV Highway and west of 229th Avenue. Century High School, a retirement facility and residential neighborhoods are located north of the Fred Meyer complex. There is light industrial and commercial development south of TV Highway and west of 229th Avenue, including a multi-screen theater, building supply store and other service uses. The Tualatin River borders the western part of Urban Reserve 55, across from a USA wastewater treatment facility, the Meriwether Golf Course and Rood Bridge Park. The southern boundary is adjacent to rural residential and farm uses, as well as the Reserve & Vineyards Golf Club. These uses are depicted in Figure D of the *Hillsboro Concept Plan*.

Determination that development will not detract for ability of service providers to provide services.

The development of Urban Reserves 51 – 55 will not inhibit the provision of urban services and facilities to existing urban areas. As noted above, there is sufficient and planned water supply and treatment capacity and wastewater treatment capacity to serve the area. There will be the need to make comparable transportation improvements to accommodate growth in this area, whether the urban growth boundary is expanded or not. Similarly, additional school capacity will be needed whether the boundary is expanded here or elsewhere. Police, fire and emergency services will be provided by the City of Hillsboro and will not undercut the ability of existing service districts to provide services to their territories. No objections have been raised by service districts to this planned urban growth boundary amendment. The Hillsboro School District is supportive.

Analysis of impacts on agricultural activities on nearby EFU land: effect on land and water resources, effect on farming practices, impact on local agricultural community.

These sites are bordered on two sides by developed urban communities. The only separation of the sites from the urbanized area to the north is Tualatin Valley Highway, one of the two main state highway facilities connecting Portland/Beaverton to the Hillsboro area. On the east, the Reedville and Aloha areas have undergone significant subdivision development and other forms of urbanization over the past 20 to 25 years.

The *Hillsboro Concept Plan* reflects the use of The Reserve & Vineyards golf course as a buffer between the actively farmed areas south and southwest of the sites. The golf course land use findings (which are incorporated by reference in these findings) demonstrate that the golf course is compatible with the surrounding agricultural uses and serves as an appropriate transition between the existing urban activity to the north and east. The Reserve is a recent development, reflecting the more recent land use policies and objectives for agricultural lands which are in relative close proximity to urban areas, especially those agricultural lands under active production. With respect to the urban reserve sites under consideration, The Reserve is an excellent transitional buffer and functions as an active open space recreational use. The Reserve is primarily utilized by the Portland Metro area's urban population and has meeting and food service facilities consistent with this patronage. As a result, there is already an urban-type presence existing south and southwest of the subject urban reserve sites.

Furthermore, The Reserve & Vineyards Golf Course is not the only golf course to the west of the urban reserve sites. The Meriwether Golf Course sits on the western edge of the one mile radius, directly west of the river. The golf course consists of approximately 318 acres, and occupies most of the parcels between Rood Ridge Road to the west, the one mile boundary to the south, the river to the east, and the urban growth boundary to the north. Exclusive farm use lands being actively farmed begin to appear to the west of the golf course, but the lands within the one mile radius are in significant contrast with the active farm parcels to the west and the southwest.

The one mile radius standard under the Metro Code has greatest applicability to areas south of these urban reserve sites. Recent aerial photographs and on-site observations indicate that this area has been broken into numerous small parcels, most of which are between 1 and 20 acres. Many of these parcels are rural home sites with little or no agricultural use. They represent lifestyle choices to those people who wish to live "on acreage." The area along S.W. Grabhorn Road is characterized by one acre home sites and was specially zoned to allow development to occur at one acre minimums. None of this area is EFU land. The area south of Farmington Road is on the flanks of Cooper Mountain. Cooper Mountain has been steadily urbanized over the past 20 years. The resulting home sites have been developed in a subdivision or a planned unit development format, resulting in urban residential usage. Directly south of the urban reserve sites are three exception land areas sitting both east and west of Farmington Road. These areas are zoned AF-5 and are developed with rural home sites on approximately 1 to 2 acre residential lots.

The area south of the urban reserve sites is also developed with quarries. Accommodations between residential uses in the vicinity and the quarry operations (to the extent they are active) have long ago been structured. Because of the quarrying operations, the quarry sites are not utilized for agricultural purposes. The area bordered by Farmington Road, the UGB, Grabhorn Road, and the one mile radius line is predominantly used for mining. At least seven large parcels zoned EFC are being actively mined at the present time. The parcels being actively mined are owned by the

following companies: Electra Partners, Inc., Baker Rock (Violet Baker), Hardrock Enterprises et al., and Cobb Rock, Inc. Hardrock Enterprises also owns several parcels which are presently not being mined, but are on farm deferral and are being used for a nursery. Due to the presence of these quarries, the traffic on Farmington Road is heavily populated with trucks traveling to and from the quarries. The mining activities are well-established and are a strong indicator that the land within the one mile radius is not exclusively active farm land, but is actually heavily used for both residential and mining purposes.

The principal agricultural uses in this area are nursery operations and field crops. These types of operations exist throughout Washington County in concert with surrounding urban uses. There are numerous examples of active nursery operations immediately adjacent to subdivision development (e.g. Cedar Mill area). Therefore, there is no inherent incompatibility between this type of agricultural use and urban uses, nor is there evidence that incompatibility will exist with urbanization. For example, Farmington Nursery, located south of the urban reserve sites in the southernmost portion of the one mile radius, is completely surrounded by non-agricultural uses. It is bordered on the north by a residential subdivision in exception lands zoned AF-5, on the east by Farmington Road and the quarry operations to the east of the road, on the south by large residential lots zoned EFU, and to the west by a forested area. The forested area to the west abuts several active farms. The Farmington Nursery remains successful even though it is bordered by residential and mining uses rather than agricultural uses.

Other agricultural uses south of the urban reserve sites should not be impaired by urbanization of the urban reserve areas. Retention of these rural uses was specifically taken into account in the *Hillsboro Concept Plan*. There are very few sites in excess of 20 acres, and many of the larger sites are actually being used for mining purposes rather than farming. The larger, active agricultural lands are further south of Farmington Road.

The Butternut Creek (Hanauer) property previously was utilized for agricultural purposes. However, as shown by the 1996 agricultural analysis previously provided to Metro during the urban reserve deliberations, the Hanauer property was allowed (prior to the present ownership) to grow into an unmaintained ornamental and Christmas tree farm. Efforts to resume an agricultural use were attempted and proved unsuccessful due to the highly adverse soil conditions which resulted from the prior attempt to grow ornamental nursery stock and Christmas trees on the property, including the widespread use of herbicides. The Hanauer property is not an active agricultural use nor is there any prospect that it will be so converted. As the agricultural analysis indicates, it is extremely ineffective to attempt to restore this use. The materials submitted to Metro in the urban reserve deliberations, detailing the agricultural conditions relating to the Hanauer property, are also incorporated by reference in these findings.

During the urban reserve deliberations, there was no evidence contradicting any of the materials submitted by the property owners describing the adverse agricultural circumstances existing on the property. The Hanauer property is in close proximity to the Sisters St. Mary's property. To the extent that either of these properties is incorporated into the UGB, this will be a significant influence over the level of agricultural usage which could feasibly occur on the other property. Metro recognized this at the time that both of these large properties were included in the urban reserves. Because these two parcels are the two largest parcels within this general area, they are most heavily impacted by agricultural use (or lack thereof) on the other property. During the public process relating to the consideration of the *Hillsboro Concept Plan*, there was no information submitted which indicated that adverse consequences to agricultural uses would result

from inclusion of these sites in the UGB. This is indicative of the significant level of parcelization, the relative lack of agricultural operations, and the existing home site pattern which exists in the areas south of the urban reserve sites.

Goal 14, Factor 7 and MC 3.01.020(b)(7), require the local government to consider the "[c]ompatibility of the proposed urban uses with nearby agricultural activities." Compatible is not intended to be an absolute term meaning no interference or adverse impacts of any type with adjacent uses. ORS 197.732(2).

"Agricultural activity," as used in Factor 7, corresponds with the term "farm use" as defined in ORS 215.203(2)(a). "Farm use" is defined as "the current employment of land for the primary purpose of obtaining a profit in money by raising, harvesting, and selling crops." Farm use also includes the use of land for "obtaining a profit in money by stabling or training equines." Thus, conflicts can exist only where farm use is actually occurring. Conflicts will not be present simply because adjacent lands are zoned for agricultural use.

The *Farm Impact Analysis* describes the types of agricultural activities generally within a mile of the subject property. The evidence demonstrates that there is very little agricultural activity in the vicinity of the subject property. As noted earlier, a "Farm Impact" study was conducted in 1991 for the Reserves & Vineyards Golf Course which is located immediately to the southwest of St. Mary's. That study examined all the parcels in the vicinity of the proposed golf course which includes all the properties in the vicinity of St. Mary's. Of the 33 parcels located along Butternut Creek and along 229th Avenue, 25 are improved with dwellings. Only eight of these parcels are in farm tax deferral. This indicates that the majority of the owners along 229th Avenue are not seeking a profit from their land through growing crops.

There are 13 houses along McInnis Lane in the Washington County exception area along the southern border of the subject property. Of these, only seven are in farm tax deferral. Four of the parcels along McInnis Lane are owned by the McInnis family and are used together to grow hay to feed their horses. There is no evidence that the McInnis family derives a profit from stabling or training horses.

The Reserves golf course is approximately 370 acres located immediately to the southwest of the St. Mary's property. Originally approved for 330 acres, the golf course has recently acquired 42 additional acres which the hearings officer, in his findings of fact, called the only farm parcel adjacent to the golf course. Although state statute allows for golf courses on EFU land, a golf course operation is not an agricultural use and is more consistent with urban activities than with rural farming.

There are only a few parcels in the vicinity of the subject property which have the potential for farm use. One is a parcel of EFU land farmed by an individual who farms portions of property. That parcel is approximately 20 acres and is located directly to the west of the southwest corner of the St. Mary's property. There are a few other parcels nearby which are planted in grass or hay that may also support agricultural activities. To the south of the subject property, larger parcels, which appear from aerial photos to be in farm use, become more common.

ORS 197.732 and OAR 660-04-020 state that the term compatible "is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses." The potential impact from adjacent housing on the nearby agricultural uses will be limited to traffic

congestion which can be mitigated. Potential nuisances from the adjacent farms on housing uses, such as dust and pesticide spraying, will be minimal because there are very few farming operations in the area. These considerations also bear on compliance with OAR 660-04-020(2)(d) which calls for compatibility with other adjacent uses. The only other adjacent uses besides the ones already discussed are the residential and commercial uses that exist inside the urban growth boundary to the north and east of the property. The uses proposed for the area will be similar to those uses, and through site design and traffic control improvements, the site will be made compatible with those urban uses. The future use of the area for residential and related urban purposes will be compatible with nearby agricultural activities and other adjacent uses.

Because it is located in an urbanized area, and because there are no active farm operations -- as that term is applied pursuant to ORS 215.203(2)(a) -- in the general vicinity, the future development of the subject property will not have any adverse impacts on surrounding properties that cannot be mitigated as part of the master-planning process.

Maximum efficiency of land uses within and on the fringe of the urban area: ability to be developed with features of an efficient urban growth form.

One of the principal advantages of inclusion of the South Hillsboro Urban Reserves within the urban growth boundary is its ability to be developed as an efficient planned community. If the area is developed as required by the *Hillsboro Concept Plan*, there will be a residential mixed-use community with a town center and two satellite neighborhood/main street centers. The centers will accommodate a concentration of shops, services, employment facilities, civic uses, amenities and other public and private activities. This distribution provides the maximum efficiency of non-automobile transportation. Development proposed in the *Hillsboro Concept Plan* will create new neighborhoods with a strong sense of community and that are pedestrian oriented.

As noted above, this type of a planned community can be accommodated better through addition of Urban Reserves 51 – 55 to the urban growth boundary than other alternatives around the Hillsboro area. The development densities will be comparable to the urban design of existing neighborhoods to the east and north. The Reserves & Vineyards Golf Course will operate as a buffer between Hillsboro South and agricultural lands to the south and west. Addition of these urban reserves is less likely to result in the conversion of additional resource lands than intrusions into resource lands to the north or west of Hillsboro.

Conclusions.

Consistency with Approval Criteria.

Based on the above analysis and findings, an amendment to the *Hillsboro Comprehensive Plan* to add the *Hillsboro Concept Plan* is justified under Goals 2 and 14 and MC 3.01.012(e). Amendment of the urban growth boundary to add Urban Reserves 51 – 55 is also justified under the relevant criteria. There is a need for a significant amount of urban land in the Hillsboro area to comply with ORS 197.296 and ORS 197.299, to correct a grow jobs/housing imbalance and to allow an urban design and arrangement of land uses consistent with the *2040 Growth Concept*. This need cannot be met by expanding the urban growth boundary to include existing exceptions lands. The consequences of expanding the urban growth boundary to include this land are no more severe than the consequences of expanding the boundary onto other resource lands. Finally, the land uses

allowed in this urban growth boundary expansion are not incompatible with nearby and adjacent land uses.

Alternative Justifications and Severability of Findings.

These findings and conclusions are severable. They are made to justify several alternative bases for approval of the *Hillsboro Concept Plan* and addition of Urban Reserves 51 – 55 to the urban growth boundary. Should any particular finding be determined on review to lack evidentiary support or be inconsistent with other findings, it should be disregarded and severed from the analysis. In the event of any inconsistency between these particular findings and those contained in any Metro general findings on the legislative amendment criteria, the general findings shall control.

K:\28483\00300\TJS\TJS_O204U

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING) RESOLUTION NO 98-2728A
COUNCIL INTENT TO AMEND THE)
URBAN GROWTH BOUNDARY TO) Introduced by ~~Councilors McLain, Morissette~~
ADD URBAN RESERVE AREAS 53, 54,) ~~and McFarland~~ Growth Management
AND 55, 62 AND 63 TO THE) Committee
HILLSBORO REGIONAL CENTER)
AREA)

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Areas 53, 54, and the portion of 55 outside Metro's jurisdictional boundary, 62 and 63; 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 Areas 53, 54, and a portion of 55, 62 and 63 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 this area 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 the urban reserve area added to the Urban Growth Boundary is 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~~findings 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 53, 54, and the portion of 55, 62 and 63 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

i:\r-olr98ursa2.doc
(11/4/98)

Resolution #98-2728A
Urban Reserve #53
Non-First Tier
Outside Metro Boundary




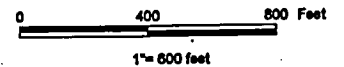
-  Area Considered in Resolution
-  First Tier Urban Reserve
-  Urban Growth Boundary

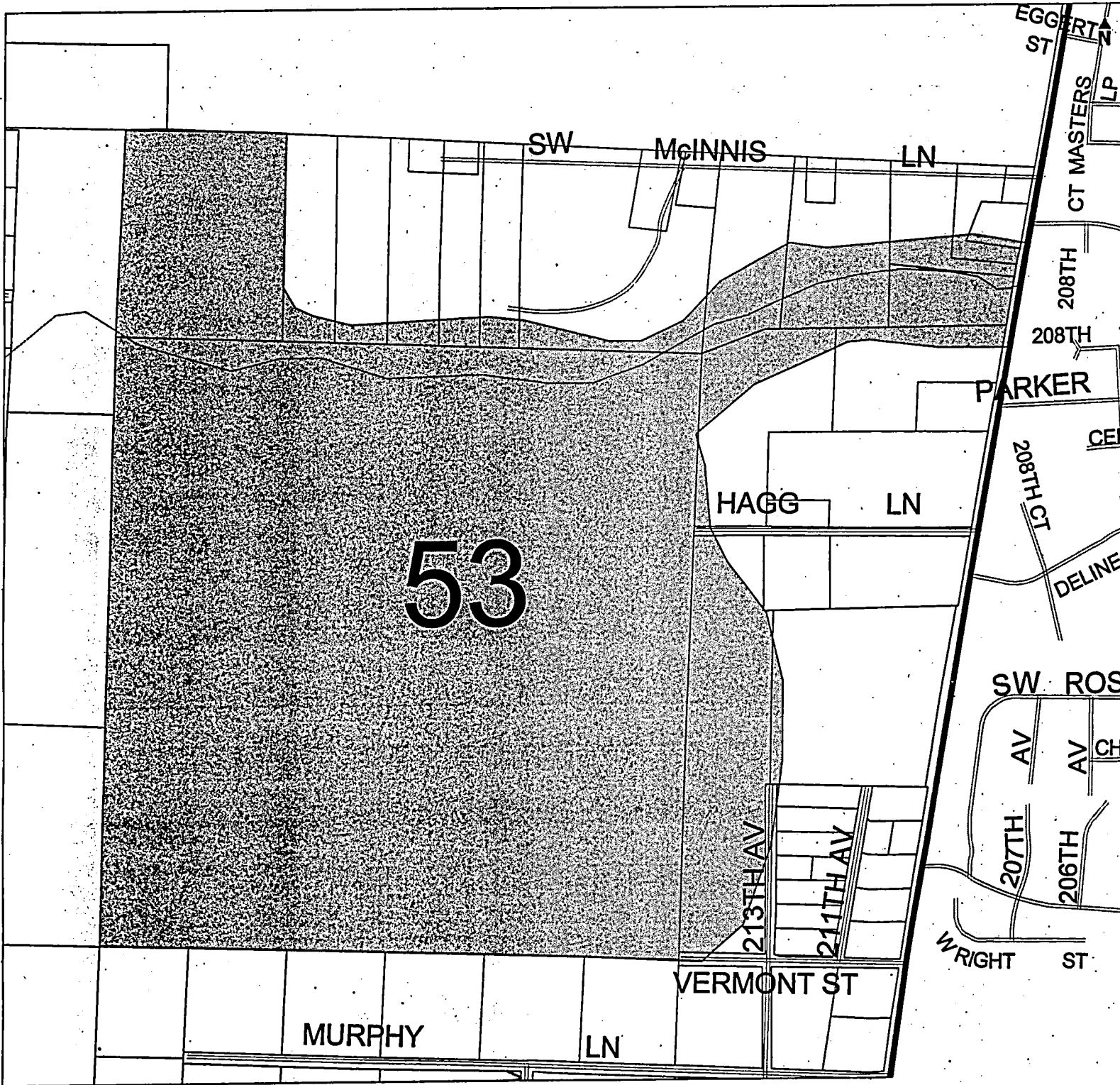
EXHIBIT A

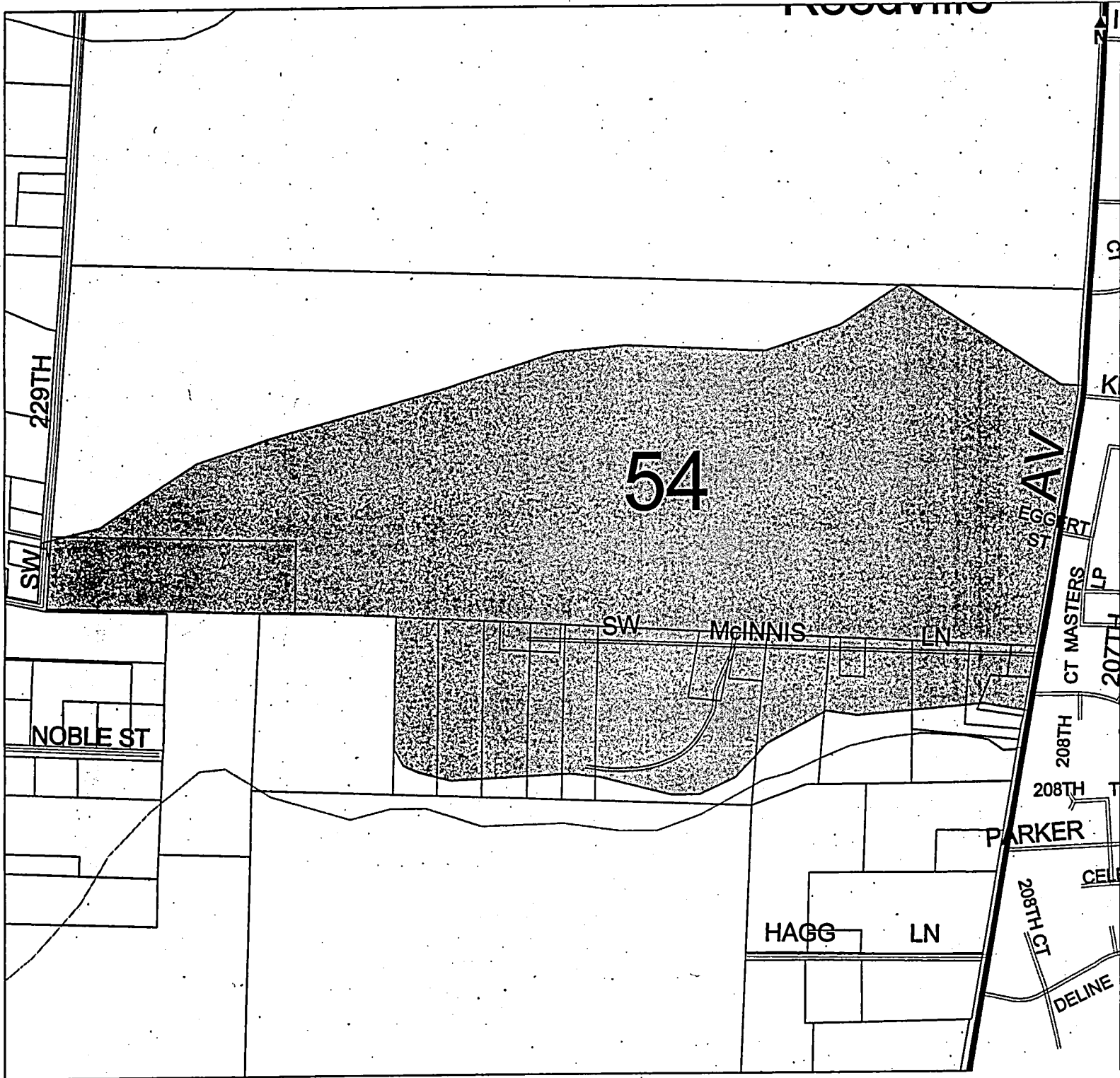


METRO

600 NE Grand Ave.
Portland, OR 97232-2736
503 797-1742 FAX 503 797-1909
Email: drc@metro.dst.or.us

Plot date: Nov 17, 1998; c:\projects\litemaps.apr





R L I S

REGIONAL LAND INFORMATION SYSTEM

Resolution #98-2728A Urban Reserve #54

Non-First Tier
Outside Metro Boundary

- Area Considered in Resolution
- First Tier Urban Reserve
- Urban Growth Boundary

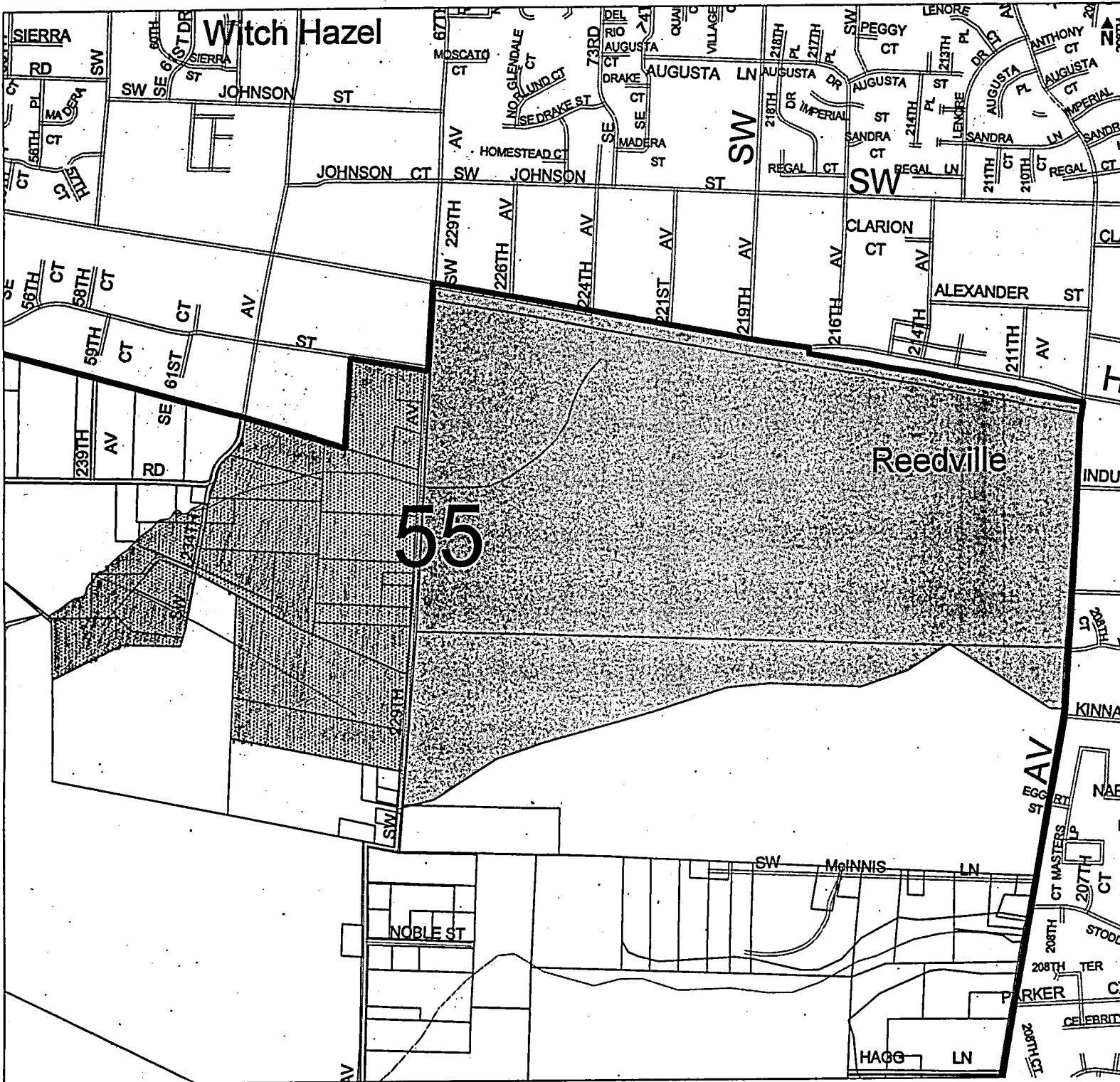
EXHIBIT A

1" = 700 feet

METRO

600 NE Grand Ave.
Portland, OR 97232-2736
503 797-1742 FAX 503 797-1909
Email: drc@metro.or.us

Plot date: Nov 17, 1998; c:\projects\altmaps.apr



**Resolution #98-2728A
Urban Reserve #55
(partial)**

**First and Non-First Tier
Outside Metro Boundary**




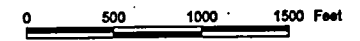
-  Area Considered in Resolution
-  First Tier Urban Reserve
-  Urban Growth Boundary

EXHIBIT A



1" = 1100 feet

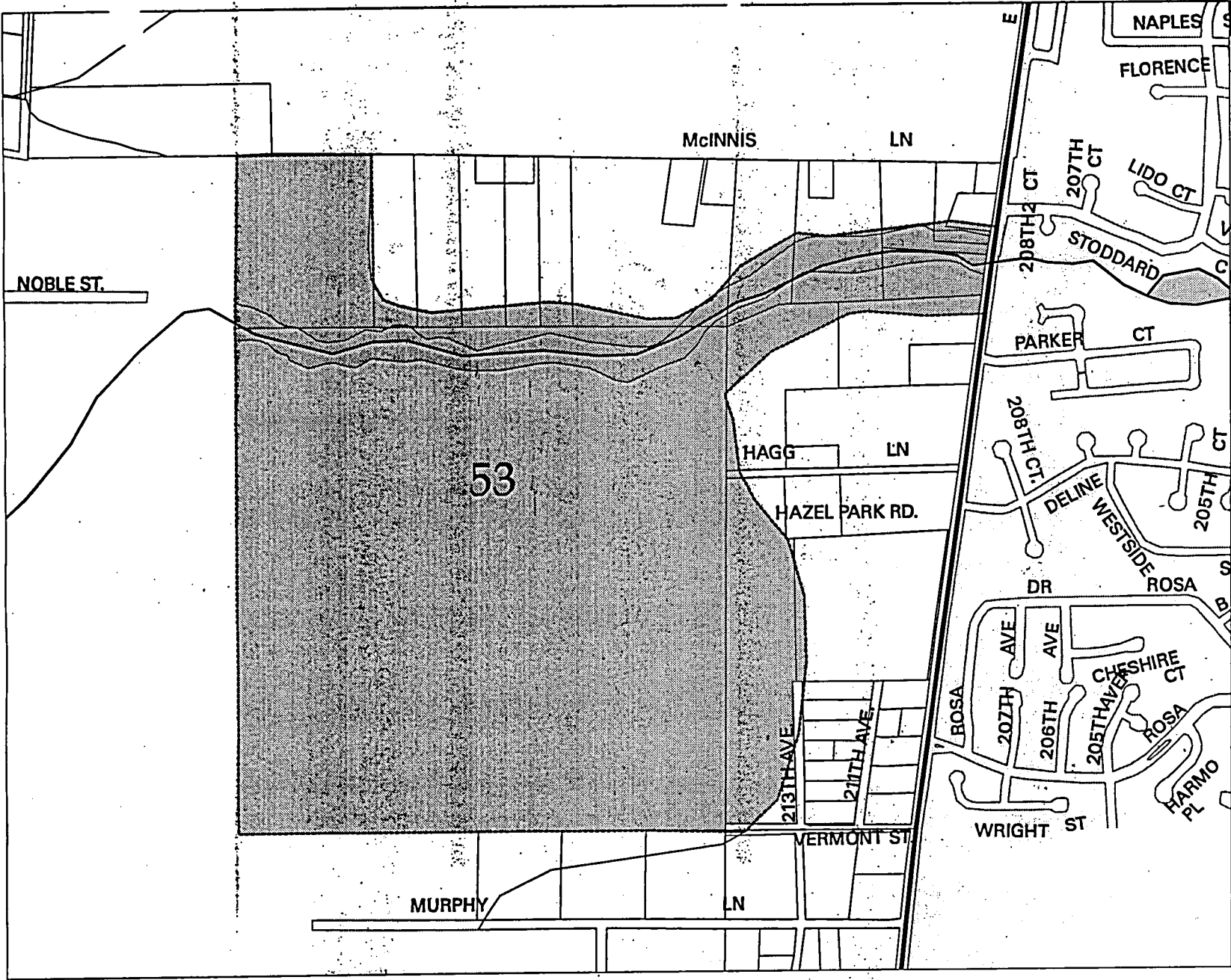


METRO

600 NE Grand Ave.
Portland, OR 97232-2736
503 797-1742 FAX 503 797-1909
Email: drc@metro.dst.or.us

EXHIBITS AVAILABLE PRIOR TO
DECEMBER 3, 1998

Please Note: 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.



Regional Land Information System

Urban Reserves Tax Lot Boundaries

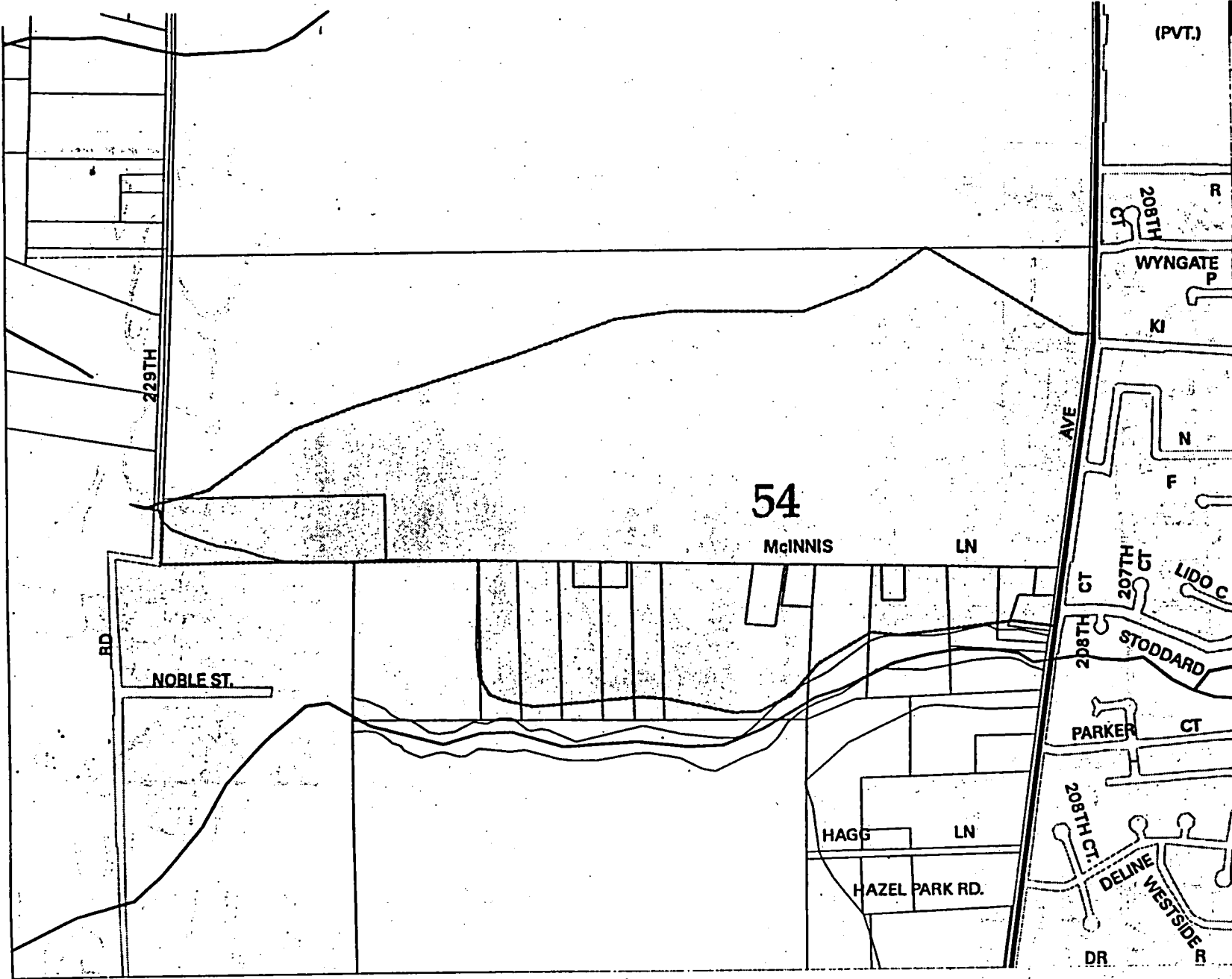
Metro Council Approved
3-6-97

- Designated Urban Reserves
- First Tier Urban Reserves
- Adopted Urban Reserve Boundaries
- Urban Growth Boundary

MAP #53

600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1242

95419\plb\mstiles.mxd, plot date: October 27, 1997

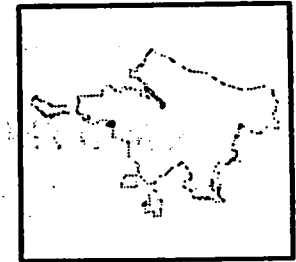


Urban Reserves Tax Lot Boundaries

Metro Council Approved
3-6-97

- Designated Urban Reserves
- First Tier Urban Reserves
- Adopted Urban Reserve Boundaries
- Urban Growth Boundary

MAP #54







600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1262



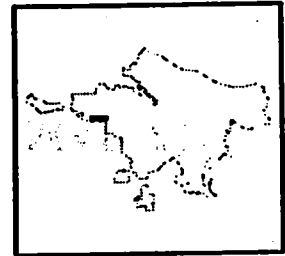
W:\GIS\planmima.mxd, plot date: October 27, 1997

Urban Reserves Tax Lot Boundaries

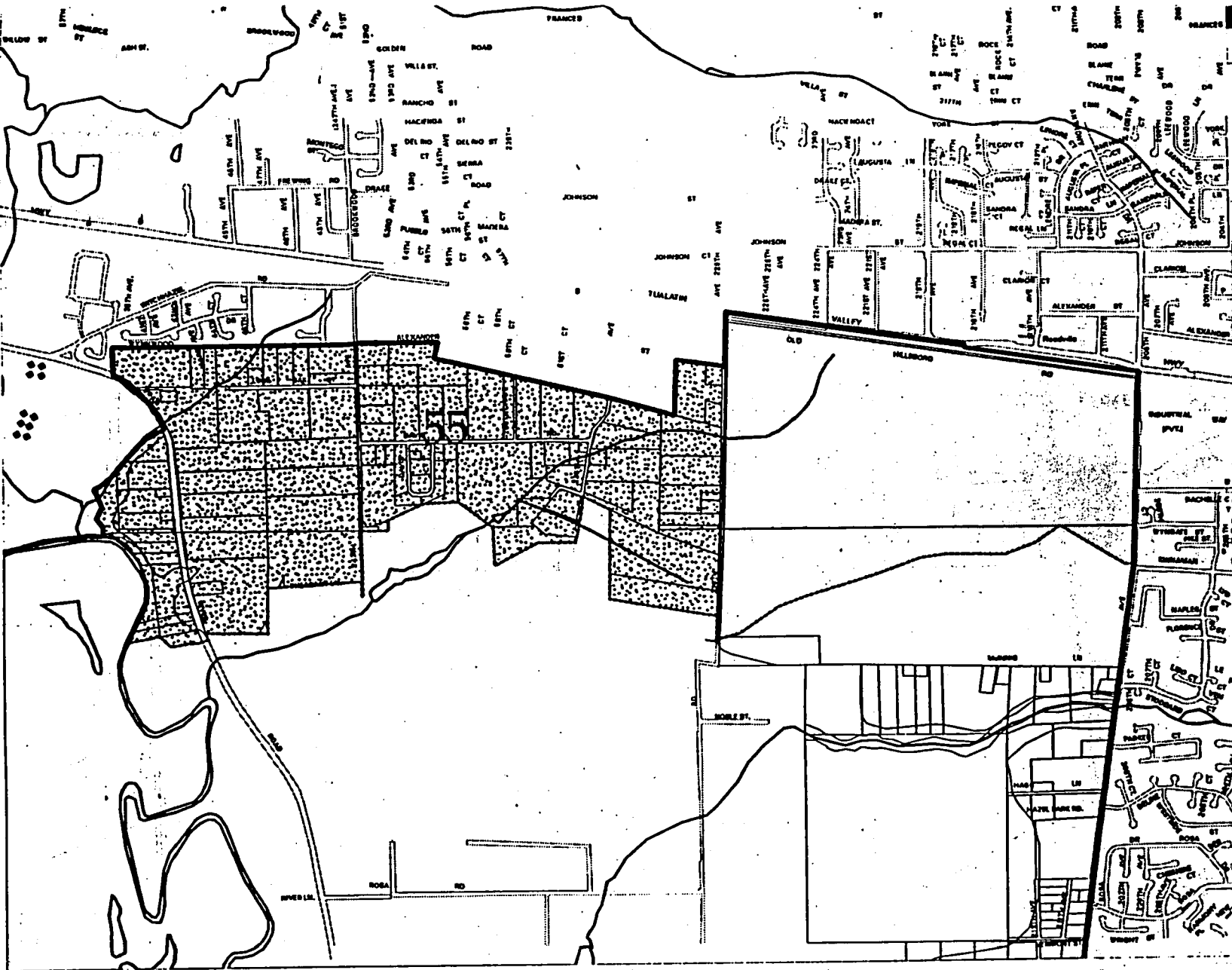
Metro Council Approved
3-6-97

-  Designated Urban Reserves
-  First Tier Urban Reserves
-  Adopted Urban Reserve Boundaries
-  Urban Growth Boundary

MAP #55



600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1742



95418plmnotes.mxd, plot date: October 27, 1997

GROWTH MANAGEMENT COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 98-2728A, FOR THE PURPOSE OF EXPRESSING COUNCIL INTENT TO AMEND THE URBAN GROWTH BOUNDARY TO ADD URBAN RESERVE AREAS 53, 54 AND 55 TO THE HILLSBORO REGIONAL CENTER AREA.

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. 98-2728A. Voting in favor: Councilors Morissette and Kvistad. Voting no: Councilor Monroe.

Council Issues/Discussion: As introduced in committee, Resolution 98-2728 included the portion of site 55 outside the Metro boundary, and sites 54, 62 and 63. A corresponding resolution contained sites 62, 63 and 65. Chair Kvistad moved to amend the resolution by removing sites 62 and 63 and adding 53. A great deal committee discussion focused on the proper geographical, need related and governance issues for these sites. Councilors McLain and Morissette explained that 54, 55, 62 and 63 were in the same geographical area and could be tied together in terms of jobs calculation and transportation networks. Furthermore, with regard to governance, sites 54, 55, 62 and 63 relate to Hillsboro, whereas site 65 relates to Beaverton.

With regard to adding site 53, Councilor Monroe supported that amendment. He felt it was not farmable, and should be included in the package.

Chair Kvistad said he felt that sites 62, 63 and 65 would best be bundled together in a later action. Councilor Morissette felt that was risky because sites 62 and 63 were under one ownership, and if site 65 was not successfully passed with them, they could have problems with the one ownership rule.

The amendment passed 2-1 with Morissette voting no.

Monroe moved to send this package to Council with no recommendation. When this failed, the resolution was moved to council with a recommendation to pass, and Monroe voted no.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF EXPRESSING) RESOLUTION NO 98-2728
COUNCIL INTENT TO AMEND THE)
URBAN GROWTH BOUNDARY TO) Introduced by Councilors McLain, Morissette
ADD URBAN RESERVE AREAS 54, 55,) and McFarland
62 AND 63 TO THE HILLSBORO)
REGIONAL CENTER AREA)

WHEREAS, The Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Areas 54, a portion of 55, 62 and 63; 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 Areas 54, a portion of 55, 62 and 63 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 this area 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 the urban reserve area added to the Urban Growth Boundary is 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 54, a portion of 55, 62 and 63 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:

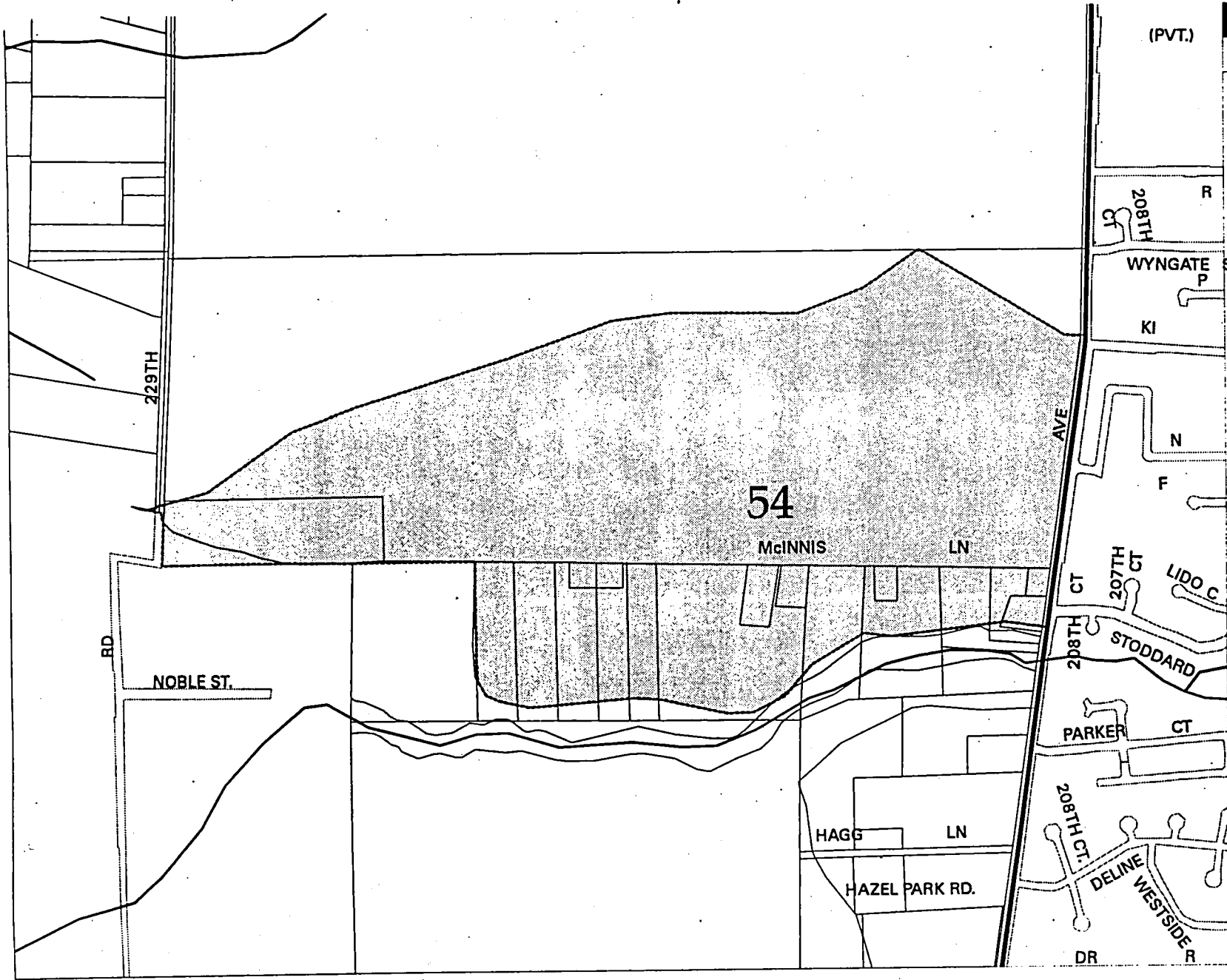
Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

RESOLUTION NO. 98-2728 EXHIBITS WILL BE
AVAILABLE PRIOR TO DECEMBER 3, 1998

*Please Note: 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.*



R L I S
 Regional Land Information System

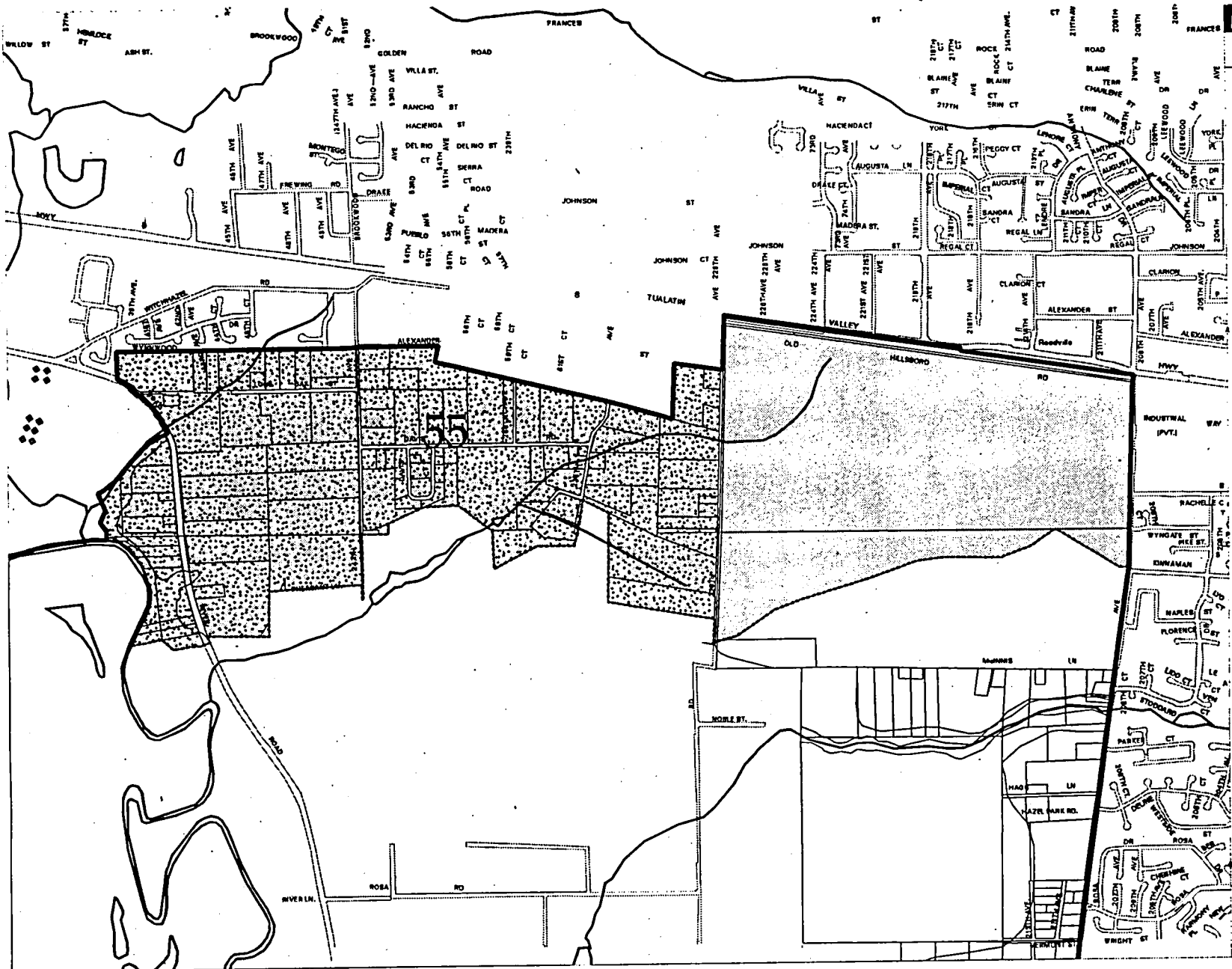
Urban Reserves Tax Lot Boundaries

Metro Council Approved
 3-6-97

- Designated Urban Reserves
- First Tier Urban Reserves
- Adopted Urban Reserve Boundaries
- Urban Growth Boundary

MAP #54

600 NE Grand Ave
 Portland, OR 97232-2736
 (503) 797-1262

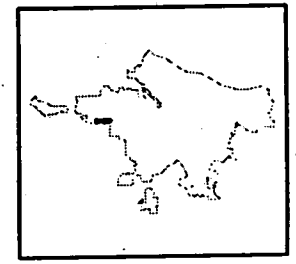


Urban Reserves Tax Lot Boundaries

Metro Council Approved 3-6-97

- Designated Urban Reserves
- First Tier Urban Reserves
- Adopted Urban Reserve Boundaries
- Urban Growth Boundary

MAP #55







600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1242



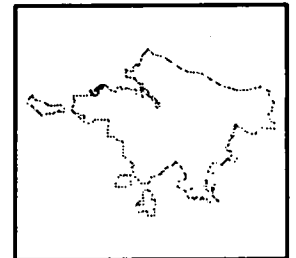
95418/ptsmasites.mxd, plot date: October 27, 1997

Urban Reserves Tax Lot Boundaries

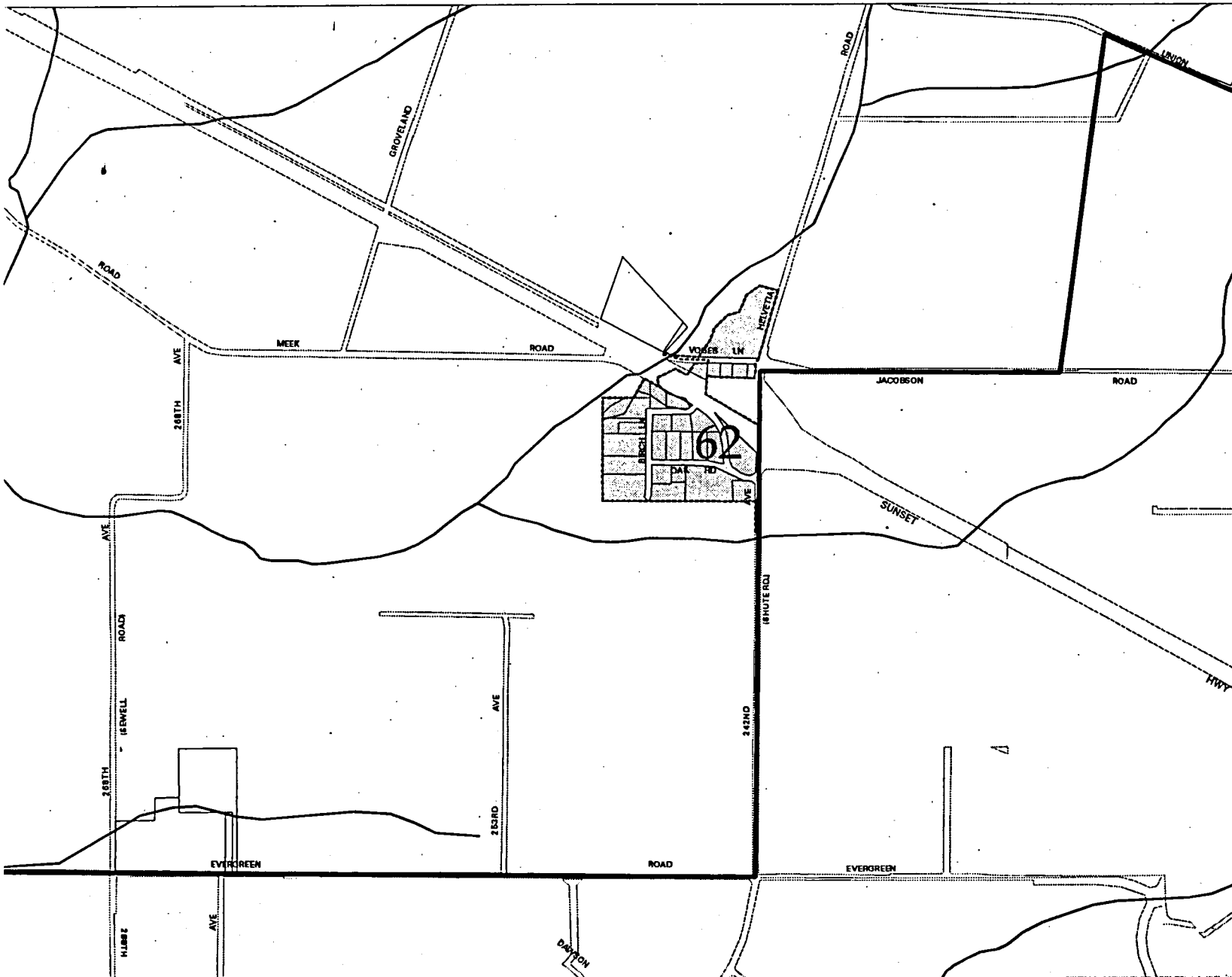
Metro Council Approved
3-6-97

-  Designated Urban Reserves
-  First Tier Urban Reserves
-  Adopted Urban Reserve Boundaries
-  Urban Growth Boundary

MAP #62



600 NE Grand Ave
Portland, OR 97232-2756
(503) 997-1742

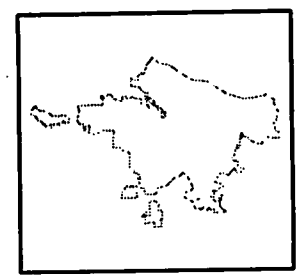


Urban Reserves Tax Lot Boundaries

Metro Council Approved
3-6-97

- Designated Urban Reserves
- First Tier Urban Reserves
- Adopted Urban Reserve Boundaries
- Urban Growth Boundary

MAP #63



600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1762

