Annexation & Zone Change Narrative

91 Acres, Holcomb Blvd./Livesay Rd.

Introduction:

This application requests approval of the annexation of approximately 91 acres of land within the Portland Metropolitan Urban Growth Boundary (“UGB”) to the City of Oregon City. This application also requests that City apply zoning to the annexed area in conformance with the land use designations in the adopted and acknowledged Oregon City Comprehensive Plan. The subject property is located on the south side of Holcomb Blvd. west of its intersection with Jada Way. Livesay Road forms the southerly border of the annexation area. Journey Drive, Shartner Drive, and Cattle Drive are all stubbed into the subject area from existing residential neighborhoods to the north.

The subject property is comprised of the following parcels: Tax Lots 1000 and 2000 of Clackamas County Assessor’s Map 22E27B, and Tax Lots 100, 190, 300, 301, 302, 303, 400, 500, 502, 3700 & 3701 of Assessor’s Map 22E28D.
There is no proposal to develop this site at the present time. Rather, the property is proposed to be annexed and re-zoned in accordance with the land use designations shown on the adopted Oregon City Comprehensive Plan Map.

The annexation area is located in a portion of the Oregon City planning area that relies upon streets that intersect with the Highway 213 corridor. In 2012, during the Transportation System Plan (TSP) update, it was determined that the intersection of Hwy 213 & Beavercreek Road would not meet Oregon Highway Plan mobility standards through the TSP planning horizon year of 2035. The TSP recommended that the City move forward with a project to address the need for a refinement plan at this intersection. The City is presently working with citizen groups and ODOT to consider options to improve traffic function at this intersection, as well as the Hwy. 213, Redland Rd. intersection. Ultimately, this process will lead to a refinement plan and the adoption of alternative mobility targets. Until issues regarding transportation planning impacting the Hwy. 213 corridor are resolved, it would not be possible for any development in this area to conform to the standards of Chapter 12 of the Oregon City Municipal Code. Therefore, the City is unable to approve any development that would allow for increased traffic in this area. As a result, a condition of approval will be applied to the zone change that would preclude further development until such time as the refinement plan and alternative mobility targets are adopted. At such time as the traffic issues are resolved, a separate application for land use approvals needed to adopt a master plan consistent with the Park Place Concept Plan will be filed.

**Site Characteristics:**

The properties included within this annexation proposal contain a total of 7 single-family homes developed at rural densities on acreage tracts. The properties are located in the North Village Neighborhood area identified in the Park Place Concept Plan. As discussed later in this report, the future development of the subject property will provide for a mixture of residential, park, natural open space areas, and neighborhood commercial development consistent with the Park Place Concept Plan. It will also provide a needed step in developing Holly Lane as a collector street extension that will eventually connect from S. Holcomb Blvd. to Redland Rd.

Slopes are varied, with most areas having between zero and 25 percent grade. Slopes adjacent to the drainageway that forms the northwest border of the annexation area exceed 35% grade in certain areas. The property slopes generally to the southwest, downhill from Holcomb Blvd.
Figure 2: Site Topography

Figure 3: Aerial Photograph
As shown Figure 2, an 2015 aerial photograph from the City’s GIS, the annexation area has mixed vegetation cover. The drainageway in the northwest corner of the area is wooded, as are some of the steeper grades, as well as Tax Lot 1000, on the eastern border of the annexation area. Open fields are found north of Livesay Road.

Compliance with Approval Criteria:

1. Concurrent Zoning Map Amendment from FU-10 to R-5, R-10 & NC.

The Site has acknowledged Oregon City Comprehensive Plan Map designations of Medium Density Residential (MR), Low Density Residential (LDR) and Mixed Use-Corridor (MUC). Oregon City Municipal Code ("OCMC") 17.68.025.A. provides that "notwithstanding any other section of this code", a concurrent zoning map application under OCMC Chapter 17.50 is required. Further, this section requires that the zoning map designation correlate to the corresponding Comprehensive Plan map designation for the site as shown in OCMC 17.68.025.A. The section is mandatory; it provides that "the property shall be rezoned upon annexation to the corresponding zoning designation as follows..."(emphasis added). In other words, there is no discretion to be applied to the zoning map amendment and not only is a concurrent zoning map amendment required, the outcome is automatic based on the acknowledged OCMC. Further, compliance with OCMC Chapter 17.50 requires a zoning map amendment application but does not require compliance with the discretionary zoning map amendment application criteria in OCMC 17.68.020.
In this instance, the zoning districts to be applied per the table in OCMC 17.68.025.A are R-5 for the MR area, R-10 for the LDR area, and Neighborhood Commercial (NC) for the MUC area. The Planning Commission can find that the Application satisfies the approval criteria in OCMC 17.68.025.A. and B. and the zoning map amendment shall be approved.

2. Transportation a Planning Rule ("TPR") Compliance.

OAR 660-012-0060(1) and (2) require land use regulation amendments, including amendments to zoning maps, to determine if the amendment will have a "significant affect" on transportation facilities and, if so, can it be mitigated. However, OAR 660-012-0060(9) provides that a zoning map amendment does not need to include this analysis, and the City can make a finding of no "significant affect", if:

a. A zoning map amendment is consistent with the existing comprehensive plan designation and does not change the map designation;

b. The City has an acknowledged Transportation System Plan ("TSP"); and

c. The area of the zoning map amendment was not exempted from the TPR at the time of the UGB amendment. OAR 660-012-0060(9)(a)-(c).

The subject property complies with these criteria as follows:

a. Oregon City’s Comprehensive Plan Land Use Map within the acknowledged Oregon City Comprehensive Plan designates the subject property Low Density Residential, Medium Density Residential, and Mixed Use Commercial. The proposed zoning amendment would not change the map designation and the R-10, R-5 and NC zoning are implementing zones for those designations.

b. An updated Transportation System Plan (TSP) and associated amendments to the Oregon City Municipal Code (OCMC) was approved by the City Commission and became effective August 16, 2013. Information provided by City staff at the pre-application conference on November 29, 2016 indicate that this TSP is based upon the application of the default zoning consistent with the adopted Comprehensive Plan designations for this area.

c. The subject property has been in the City’s UGB since the time of the adoption of the Comprehensive Plan and was not exempted from the Transportation Planning Rule.

The City can find that all three (3) of these requirements are met. Therefore, the City can find that the zoning map amendment does not "significantly affect" a transportation facility.

Finally, OCMC Title 12 does not apply to the concurrent annexation and zoning map amendments as they do not constitute "development" as that term is defined in the OCMC and ORS 227.160(2). The City will apply OCMC Title 12 when "development" is proposed for this
site. A condition of approval will be applied to the zone change application to ensure that development does not occur until such time as the requirements of Title 12 can be met.

Alternatively, the applicant would expect to propose that the City adopt a condition of approval based on OAR 660-012-0060(2)(e) similar to that in the Serres Farm annexation application.

Compliance with Title 14 – Annexations:

OCMC 14.04.050 Annexation Procedures

This section lists the submittal requirements and procedures to be followed in annexing property to the City of Oregon City.

A. Application Filing Deadlines. Annexation elections shall be scheduled for March, May, September and November of each year. Each application shall first be approved by the city commission, which shall provide a valid ballot title in sufficient time for the matter to be submitted to the voters as provided by the election laws of the state of Oregon.

Comment: SB 1573 is a validly enacted law. SB 1573 provides that, assuming certain conditions are met, charter and municipal code provisions requiring voter approval of annexations may not be applied. The requirements are that a site to be annexed must be within an Urban Growth Boundary (“UGB”), is subject to and complies with the acknowledged Comprehensive Plan and is contiguous to the City to which the real property is proposed to be annexed. In the case of this application, all of these conditions are met. The City has an acknowledged Comprehensive Plan. This application satisfies Plan Policies relevant to annexation and the concurrent Comprehensive Plan map and zoning map applications. Finally, the property to be annexed is contiguous to the City’s current boundaries.

B. Preapplication Review. Prior to submitting an annexation application, the applicant shall confer in the manner provided by Section 17.50.050(A) with the representative of the planning division appointed by the city manager.

Comment: The initial pre-application conference to discuss the annexation of the subject property was held on November 17, 2015 (PA 15-35). Because the application was not submitted within six months of the pre-app date, and because the size of the annexation area increased, a second pre-application conference was held on October 3, 2016 (PA 16-40). The notes from this second pre-application conference were included in the initial submittal package for the annexation application. An additional pre-application conference was held on November 29, 2016 to discuss a zone change in conjunction with annexation.

C. Neighborhood Contact. Prior to filing an annexation application, the applicant is encouraged to meet with the city-recognized neighborhood association or associations within which the property proposed to be annexed is located. If the city manager deems
that more than one such association is affected, the applicant is encouraged to meet with each such association, as identified by the city manager. Unwillingness or unreasonable unavailability of a neighborhood association to meet shall not be deemed a negative factor in the evaluation of the annexation application.

Comment: The subject property is within the Park Place Neighborhood Association boundaries. The applicant contacted the Park Place Neighborhood Association, as required by city standards, and a meeting was held on June 7, 2016 at Alliance Charter Academy. A second neighborhood meeting was held on December 6, 2016 at 7:00pm at Alliance Charter Academy to discuss the application of city zoning to the annexation area.

D. Signatures on Consent Form and Application. The applicant shall sign the consent form and the application for annexation. If the applicant is not the owner of the property proposed for annexation, the owner shall sign the consent form and application in writing before the city manager may accept the same for review.

Comment: The consent form and the application for annexation are signed by the owners of record for the subject property.

E. Contents of Application. An applicant seeking to annex land to the city shall file with the city the appropriate application form approved by the city manager. The application shall include the following:

1. Written consent form to the annexation signed by the requisite number of affected property owners, electors or both, provided by ORS 222, if applicable;
2. A legal description of the territory to be annexed, meeting the relevant requirements of the Metro Code and ORS Ch. 308. If such a description is not submitted, a boundary survey may be required. A lot and block description may be substituted for the metes and bounds description if the area is platted. If the legal description contains any deed or book and page references, legible copies of these shall be submitted with the legal description;
3. A list of property owners within three hundred feet of the subject property and, if applicable, those property owners that will be "islanded" by the annexation proposal, on mailing labels acceptable to the city manager;
4. Two full quarter-section county tax assessor's maps, with the subject property(ies) outlined;
5. A site plan, drawn to scale (not greater than one inch = fifty feet), indicating;
6. If applicable, a double-majority worksheet, certification of ownership and voters. Certification of legal description and map, and boundary change data sheet on forms provided by the city.

Comment: The materials required in items 1 through 6 are included in our application submittal. Note that the applicant has paid the required fee for the City of Oregon City to provide the list and mailing labels for properties within three hundred feet of the subject property.
property and that this will include those property owners who will be “islanded” by the annexation proposal. The owners of the three islanded properties are as follows:

22E27B 00600: John & Joanne Miller, Kevin R. & Linda S. Miller
15030 S Holcomb Blvd.
Oregon City, OR 97045

22E27B 00800: Tod R. & Deanna L. Townsend
15050 S. Holcomb Blvd.
Oregon City, OR 97045

22E27B 00900: Mickey & Barbara Clift
15076 S. Holcomb Blvd.
Oregon City, OR 97045

7. *A narrative statement explaining the conditions surrounding the proposal and addressing the factors contained in the ordinance codified in this chapter, as relevant, including:*
   a. *Statement of availability, capacity and status of existing water, sewer, drainage, transportation, park and school facilities;*
   b. *Statement of increased demand for such facilities to be generated by the proposed development, if any, at this time;*
   c. *Statement of additional facilities, if any, required to meet the increased demand and any proposed phasing of such facilities in accordance with projected demand;*

Comment: There is no proposal to develop the subject property at the present time. Development cannot occur because it is not possible to meet the criteria of Chapter 12 of the OCMC until such time as Alternative Mobility Standards are adopted by the City of Oregon City. However, services are available to allow for the future development of this site at such time as the transportation issues are resolved. A condition of approval will be applied to the zone change to prohibit development beyond what is allowed under existing County zoning until such time as it is possible to meet the Alternative Mobility Standards.

The following information describes the existing availability, estimate of increased demand, and notes improvements that may be required to provide these services:

**Water:** There is an existing 16-inch City of Oregon City water main in Holcomb Blvd. along the subject property’s frontage on that street. A 6 to 4-inch line is located in Livesay Road at the lower end of the subject property. Water service in this area is also provided by Clackamas River Water District. According to the pre-application conference notes:

*The City of Oregon City and Clackamas River Water have an active agreement in place for water service within the proposed annexation area, titled the Holcomb-Overlook-Park Place*
(HOPP) Agreement. The HOPP Agreement will guide how the proposed annexation area is served domestic water.

We estimate that at full build-out the future development of the annexation properties will yield between 400 and 450 residential dwelling units. The City and Clackamas River Water District have adequate water storage capacity to service the proposed annexation area. At the most recent pre-application conference (PA-16-40) information was presented by Clackamas River Water District indicating that there is presently an issue in meeting the required fire flow standard of 1,000 gallons per minute. That issue is expected to be resolved with system upgrades that include replacing approximately 4,000 lineal feet of substandard water main within S Bradley Road with 8-inch or 12-inch pipe. This improvement would be provided in conjunction with the construction of the Abernethy Landing subdivision (TP 16-0001). The details of water service for the subject property will be worked out at the time of future development, but there is an adequate water supply available in the area to service this site. For the immediate future, the existing homes will continue to make use of private wells and Clackamas River Water service.

Sanitary Sewer: The existing homes within the annexation area are served with private septic systems and these facilities will remain in place until such time as the area is developed in the future. The Oregon City Sanitary Sewer Master Plan calls for service to this area to be provided in accordance with the figure below:

As a practical matter, the sewer master plan was prepared absent knowledge of the order in which the North Village area would be developed. It is practicable to service all of the proposed annexation area either from the Livesay Road sewer main or from the easterly sewer main. It would not be necessary to construct both of the off-site sewer lines in order to service the annexation area. Since the Livesay Road sewer is largely to be located within existing public road right-of-way, that would be the most likely route to be used in the future.
development of this area. The cost of this off-site sewer would be borne by the future developer, likely with a pay-back provision for a proportionate contribution for use by others as downhill properties are developed in the future. The estimated cost for the off-site sewer, based upon the sewer construction cost analysis prepared by Theta Engineering and attached to this narrative, is as follows:

<table>
<thead>
<tr>
<th>SIZE</th>
<th>LENGTH</th>
<th>COST PER FOOT</th>
<th>ESTIMATED COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>12” PVC</td>
<td>1,000 ft.</td>
<td>$110.00</td>
<td>$110,000</td>
</tr>
<tr>
<td>15” PVC</td>
<td>1,960 ft.</td>
<td>$116.00</td>
<td>$227,360</td>
</tr>
<tr>
<td>TOTAL:</td>
<td></td>
<td></td>
<td>$337,360</td>
</tr>
</tbody>
</table>

It is also possible to service a significant portion of the annexation area from an existing sewer line in Oak Valley Drive, as shown in Figure 5, below:

This option may be discussed with City staff at such time as the future development plan application is being prepared.

**Storm Drainage:** An existing storm sewer system drains across a portion of the subject property serving the Trail Ridge subdivision to the north of this site. Based upon natural topography, storm water run-off generated from future development will generally flow in a southerly direction from Holcomb Blvd. and will need to be conveyed to natural drainage channels as shown on the map below.
Figure 7: Storm Drainage

The future development of the site will require the construction of a storm sewer system that will collect runoff from the development. Storm water treatment and detention facilities will be required in accordance with City standards prior to release of storm water to the natural drainageways. The detention facilities will maintain the rate of runoff at predevelopment rates per City standards.

Transportation: No development of this property is being proposed at this time. No development may occur until such time as the requirements of OCMC Title 12 can be met. This will not be feasible until Alternative Mobility standards are adopted by the City and approved by the ODOT. It is understood by the applicant that there are on-going regional transportation discussions between the City, Metro and ODOT affecting the larger Park Place Neighborhood area that will need to be resolved before development may be approved. Because no development will occur as a direct result of this annexation, the transportation analysis will be deferred until the time of a future development application. A condition of approval is proposed to be added to the zone change that would prohibit development until the transportation issues are resolved. Please see the discussion under the zone change portion of this application.
The primary access to the subject property will be from Holcomb Blvd., an arterial street. The Park Place Concept Plan calls for the future extension of Holly Lane as a collector street through the annexation area from Redland Road through to Holcomb Blvd. Local streets are stubbed to the annexation area from adjacent single-family neighborhoods at Journey Drive, Shartner Drive, and Cattle Drive and in the future development of this site, connections to these streets will be made. Livesay Road forms the lower border of the subject property and will be tied into the future development plan. Please refer to the Transportation Impact Analysis prepared by Lancaster Engineering, Inc. for more details on the transportation system.

The City has requested that we address the potential impacts of the future development of the proposed annexation area upon projects identified in the TSP for the area in proximity to the annexation. The applicable TSP projects are listed in the table below:
<table>
<thead>
<tr>
<th>Proj. Number</th>
<th>Project Description</th>
<th>Project Extent</th>
<th>Project Elements</th>
<th>Phase</th>
<th>Likely to be funded?</th>
</tr>
</thead>
<tbody>
<tr>
<td>D15</td>
<td>Holcomb Boulevard Curve Warning System</td>
<td>Holcomb Boulevard just to the west of the OR 213 overcrossing</td>
<td>Install a curve warning system on Holcomb Boulevard that activates when a motorist approaches the curve at a high speed.</td>
<td>Long-term Phase 3</td>
<td>No</td>
</tr>
<tr>
<td>D16</td>
<td>Holcomb Boulevard Speed Warning System</td>
<td>Holcomb Boulevard east of Jada Way</td>
<td>Install a speed warning system that activates when a motorist approaches at high speed.</td>
<td>Long-Term Phase 4</td>
<td>No</td>
</tr>
<tr>
<td>D35</td>
<td>Redland Road/Anchor Way Operational Enhancement</td>
<td>Redland Road/Anchor Way</td>
<td>Install a traffic signal</td>
<td>Long-Term Phase 4</td>
<td>No</td>
</tr>
<tr>
<td>D36</td>
<td>Redland Road/Holly Lane Operational Enhancement</td>
<td>Redland Road/Holly Lane</td>
<td>Install a single-lane roundabout</td>
<td>Long-Term Phase 4</td>
<td>No</td>
</tr>
<tr>
<td>D43</td>
<td>Holcomb Boulevard/Holly Lane North Extension Operational Enhancement</td>
<td>Holcomb Boulevard/Holly Lane North Extension</td>
<td>Install a single-lane roundabout</td>
<td>Long-term</td>
<td>Yes</td>
</tr>
<tr>
<td>D48</td>
<td>Holly Lane North extension</td>
<td>Redland Road to Holcomb Blvd</td>
<td>Extend Holly Lane from Redland Road to Holcomb Boulevard as a Residential Minor Arterial. Create local street connections to Cattle Drive and Journey Drive.</td>
<td>Long-term</td>
<td>Yes</td>
</tr>
<tr>
<td>D49</td>
<td>Swan Avenue extension</td>
<td>Livesay Road to Redland Road</td>
<td>Extend Swan Avenue from Livesay Road to Redland Road as an Residential Collector</td>
<td>Long-term</td>
<td>Yes</td>
</tr>
<tr>
<td>D50</td>
<td>Swan Avenue extension</td>
<td>Redland Road to Morton Road</td>
<td>Extend Swan Avenue from Redland Road to Morton Road as an Residential Collector</td>
<td>Long-term</td>
<td>Yes</td>
</tr>
<tr>
<td>D86</td>
<td>Livesay Road Upgrade</td>
<td>Redland Road to Swan Avenue</td>
<td>Improve to Residential Collector cross-section.</td>
<td>Long-term Phase 3</td>
<td>No</td>
</tr>
<tr>
<td>D87</td>
<td>Livesay Road Upgrade</td>
<td>Swan Avenue to Holly Lane extension</td>
<td>Improve to Mixed-Use Collector cross-section.</td>
<td>Long-term Phase 3</td>
<td>No</td>
</tr>
<tr>
<td>D91</td>
<td>Redland Road Upgrade</td>
<td>Holcomb Boulevard to Holly Lane</td>
<td>Improve to Minor Arterial cross-section, as a constrained street</td>
<td>Long-term Phase 2</td>
<td>No</td>
</tr>
</tbody>
</table>

Figure 8: TSP Projects in Vicinity

Comment: The future development of the subject property will increase traffic on S. Holcomb Blvd. Projects D15 and D16 would provide safety improvements on this roadway. These improvements are not required from a capacity standpoint, but would improve the safety of this roadway. Transportation SDCs from the future development of the property should reasonably be applied to the provision of these improvements.
Project D35 involves the Redland Rd/Anchor Way intersection. Traffic from the future development of the subject property would not be expected to contribute significantly to the need for these improvements due to distance from the site.

Project D43 calls for a future roundabout at the intersection of Holly Lane and Redland Rd. This improvement will not be needed until such time as Holly Lane is completed down to Redland Rd. from the subject property. That improvement will not occur until there is future development of intervening properties.

Project D48 calls for the extension of Holly Lane from Redland Rd. north to Holcomb Blvd. A significant portion of this project will be provided with the future development of the subject property.

Projects D49 and D50 relate to the future extension of Swan Avenue south from Livesay Rd. to the south, across Redland Road, to Morton Rd. This future planned extension is west of the subject property. Given that the majority of site-generated traffic will eventually make use of the Holly Lane connection to Redland Rd., the impact of future site traffic on the need for these improvements is negligible.

Projects D86 and D87 call for future upgrades to Livesay Road. The future development of the subject property will bring about frontage improvements on Livesay Road for a significant stretch of this roadway.

Project D91 relates to planned future upgrades to Redland Road from Holcomb Blvd. to Holly Lane. The need for these improvements will not be impacted by the future development of the subject property until such time as Holly Lane is connected from the subject property to the south to Redland Road. This will not happen until additional properties are annexed and developed.

**Parks:**

There is a need for additional parks in the Park Place neighborhood. The closest developed City park to the subject property is Park Place Park, a mile to a mile and half to the northwest of the site at the intersection of Hiram Avenue and Cleveland Street. The Park Place Concept Plan calls for a new community park to be developed between Redland Road and Holcomb Blvd., partially within the proposed annexation area. The map below shows the proposed annexation area overlaid on Figure 32 from the Park Place Concept Plan, which shows the North Village area of the plan. The proposed park site is situated on the western border of the annexation area and continues to the west.
Figure 9: Park Place North Village Plan

Figure 10: Park Place North Village Detail

Park Place Property Annexation
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The Park Place Concept Plan says the following about the community park in the North Village:

“The parks are intended to provide basic recreational opportunities for residents and may include amenities such as play equipment, athletic fields, picnic tables or shelters, walking trails, and other features. The neighborhood park in the North Village is approximately eight to ten acres and within walking distance of the Livesay Main Street.”

(Final Concept Plan, Page 31)

Comments in the City’s letter of May 12, 2017 from Community Services Director Phil Lewis state that “we would ideally have a 12-15 acre community park in that location which would allow appropriate sizing for sports fields and parking.” In a phone call with Mr. Lewis, he indicated his opinion that there is a need for a larger park in order to provide for soccer and other athletic fields. This comment, while indicative of the Director’s assessment of City park needs, is not consistent with the park size called for by the adopted Park Place Community Plan. Further, topographic constraints associated with a drainageway to the northwest of the proposed park location, as well as the constraint of the proposed alignment of Holly Lane right-of-way, would limit the ability to provide a park of that size at this location with level enough areas for more athletic fields.

The North Village Concept Plan also calls for a system of trails and paths to be included in the master plan for this area, as shown on the map below:

![Figure 11: North Village Trails and Paths](image)

It is understood by the applicants that the future master plan for the annexation area will need to incorporate park area and trails consistent with the Park Place Concept Plan. The most likely scenario for the funding of the dedications would be through Systems Development Credits (SDCs). The Plan states the following regarding funding mechanisms:

“Once the Park Place Concept Plan is adopted, Oregon City and the regional agencies that fund or own elements of the services will have to amend their master plans and systems development charges.”

(Final Concept Plan, Page 6)
Parks: The two parks identified in the Concept Plan have to be integrated into Oregon City’s parks master plan and at that time decide how to fund the proposed parks. It may be funded entirely from system development charges or as an integral part of the master plan’s financing strategies.

(Final Concept Plan, Page 6)

Schools:

The subject property is served by Oregon City Public Schools. The schools serving this site are Redland Elementary School, Ogden Middle School, and Oregon City High School. Although there will be no immediate development of this site that would impact the school system, discussions with School District staff indicate that there are no immediate capacity problems with these schools.

A letter dated March 13, 2017 from Mr. Wes Rogers, Director of Operations for Oregon City Public Schools, regarding school capacity associated with the Serres property annexation (File AN-16-0004, ZC 16-0001) makes the following comments regarding the subject annexation of approximately 92 acres:

“As to the larger 92 acre Park Place/Holcomb annexation mentioned by Mr. Givens but is not a direct part of this file, the District has always known that as the Park Place Concept Plan was significantly developed, additional elementary and middle school capacity would have to be constructed. Currently the elementary school of attendance for this area would be Redland Elementary.

Forecasted enrollment growth is not new to the District and the Oregon City School Board and administration have been studying facility needs for the past several years. Although well maintained, District facilities do not support current educational practice and all District facilities are in need of serious renovation or replacement and in some cases minor expansion. Preliminary plans to ask for a school construction bond have not been finalized but the current draft scenario shows that the District (with voter support) would have additional middle school capacity within 5 years and additional elementary school capacity within 5-10 years. In the meantime the District has several other tools to help with over capacities by installing semi-permanent buildings and/or redrawing attendance boundaries.”

The anticipated time frame to begin construction within the annexation area, dependent upon resolution of the alternative mobility standards issue, would be in approximately two to three years. Full build-out is expected to be in the range of five to ten years. This schedule is consistent with the School District’s stated timeline to provide additional school capacity.

Fire Protection: Fire protection services will be provided by Clackamas Fire District #1. The closest station is located at 300 Longview Way, off of Holcomb Blvd.

Police Protection: Police protection will be provided by the Oregon City Police Dept.
d. Statement outlining method and source of financing required to provide additional facilities, if any;

Comment: The required improvements to public services will be made by the developer concurrently with the future development of this property.

e. Statement of overall development concept and methods by which the physical and related social environment of the site, surrounding area and community will be enhanced;

Comment: The majority of the subject property is within the boundaries of the Park Place Concept Plan, specifically, the North Village Plan, and the eventual development of this site will be subject to the land uses and densities set forth in that document. The future development application will provide for a master plan consistent with the design concept of the North Village Plan. The future development application will likely need to include proposals to rezone the property to resolve apparent conflicts between the North Village Plan and the existing Oregon City Comprehensive Plan Map. One property, Tax Lot 2000 on Map 22E27B and which fronts on Holcomb Blvd., is located outside of the North Village Plan, is designated MR by the Comprehensive Plan and will be zoned R-5. That property will be developed in conjunction with the rest of the properties included in this annexation and zone change. The future development of this property will provide a mixture of approximately 400 to 450 single-family detached and attached housing units, as well as neighborhood commercial, park and community uses as shown on the North Village Plan. It will also aid in providing a needed collector road connection from the Holcomb Blvd. area down to Redland Road. It is anticipated that the development will occur in several phases over an approximate 10 year development plan.

f. Statement of potential physical, aesthetic, and related social effects of the proposed, or potential development on the community as a whole and on the small subcommunity or neighborhood of which it will become a part; and proposed actions to mitigate such negative effects, if any;

Comment: There will be no immediate physical, aesthetic, or related social effects from the annexation of this property because there will be no development at this time. Future development of the property will result in typical residential development impacts on traffic, schools, and public infrastructure, but these impacts have been anticipated by the City’s Comprehensive Plan. No mitigation measures are anticipated to be needed.

g. Statement indicating the type and nature of any comprehensive plan text or map amendments, or zoning text or map amendments that may be required to complete the proposed development;

Comment: No change to the comprehensive plan text or map designation is proposed for this site. No zone change is proposed at this time, but a future application will be required to
apply City zoning to the subject property at such time as the regional transportation issues are resolved.

8. The application fee for annexations established by resolution of the city commission and any fees required by metro. In addition to the application fees, the city manager shall require a deposit, which is adequate to cover any and all costs related to the election;

9. Paper and electronic copies of the complete application as required by the community development director.

Comment: The required application fee and paper and digital copies of the application are included in the application submittal.

**OCMC 14.04.060 - Annexation factors.**

A. When reviewing a proposed annexation, the commission shall consider the following factors, as relevant:

1. Adequacy of access to the site;

Comment: The site has direct access onto Holcomb Blvd., an arterial street. This street would serve as the primary access for the future development of the property. Additional accesses are available from the local streets stubbed to the property: Journey Drive, Shartner Drive, and Cattle Drive as well as Livesay Road. Future development of the property will provide for the construction of a north extension of Holly Lane from Holcomb Blvd. to Livesay Road. Future development of properties to the south will eventually extend this street to Redland Road.

2. Conformity of the proposal with the city's comprehensive plan;

Comment: The proposed annexation is consistent with the comprehensive plan in that the property is within the UGB, is designated for residential and mixed use development, and is intended to be served by the City of Oregon City. Compliance with specific plan policies is discussed below in this report.

3. Adequacy and availability of public facilities and services to service potential development;

Comment: The adequacy and availability of public facilities and services is discussed in the preceding section of this report. Please refer to our comments there.

4. Compliance with applicable sections of ORS Ch. 222, and Metro Code Section 3.09;

ORS Ch. 222 was amended in 2016 with the adoption of Senate Bill 1573 as follows:
SECTION 1. Section 2 of this 2016 Act is added to and made a part of ORS 222.111 to 222.180.

SECTION 2. (1) This section applies to a city whose laws require a petition proposing annexation of territory to be submitted to the electors of the city.

(2) Notwithstanding a contrary provision of the city charter or a city ordinance, upon receipt of a petition proposing annexation of territory submitted by all owners of land in the territory, the legislative body of the city shall annex the territory without submitting the proposal to the electors of the city if:

(a) The territory is included within an urban growth boundary adopted by the city or Metro, as defined in ORS 197.015;

(b) The territory is, or upon annexation of the territory into the city will be, subject to the acknowledged comprehensive plan of the city;

(c) At least one lot or parcel within the territory is contiguous to the city limits or is separated from the city limits only by a public right of way or a body of water; and

(d) The proposal conforms to all other requirements of the city’s ordinances.

Comment: The Oregon City Municipal Code requires annexations to be approved through an election. However, in this instance, the proposed annexation meets the requirements of the new State law in that it includes a petition that is signed by all owners of land in the territory, the area is within the adopted urban growth boundary, is within an area subject to the adopted and acknowledged Oregon City Comprehensive Plan, and the property is contiguous to the existing city limits. As demonstrated in this narrative, this proposal conforms to all other requirements of the city’s ordinances.

(3) The territory to be annexed under this section includes any additional territory described in ORS 222.111 (1) that must be annexed in order to locate infrastructure and right of way access for services necessary for development of the territory described in subsection (2) of this section at a density equal to the average residential density within the annexing city.

Comment: No such additional territory is required for this property.

(4) When the legislative body of the city determines that the criteria described in subsection (2) of this section apply to territory proposed for annexation, the legislative body may declare that the territory described in subsections (2) and (3) of this section is annexed to the city by an ordinance that contains a description of the territory annexed.

Comment: The required ordinance will be adopted by the City upon approval of this annexation proposal.

5. Natural hazards identified by the city, such as wetlands, floodplains and steep slopes;

Comment: The subject property does have areas of potential natural hazards associated with steep slopes, primarily along ravines associated with drainageways and areas of steeper hillside grades. The map below from the City’s GIS system shows these areas:
When the property is developed in the future, the natural drainageways will remain undeveloped as open space. A geotechnical report will be prepared at the time of future development application to assess the safety of other potential hazard areas and the recommendations of that report will be followed in designing the future development plan.

6. Any significant adverse effects on specially designated open space, scenic, historic or natural resource areas by urbanization of the subject property at time of annexation;

Comment: No development will occur at this time and a condition of approval will preclude development until such time as the Alternative Mobility standards are adopted. Thus, there will be no impacts upon resource areas associated with this annexation. Assessment of impacts upon resource and hazard areas will be examined in detail at the time that the development plan is prepared for compliance with the standards set forth in the Oregon City Municipal Code.

7. Lack of any significant adverse effects on the economic, social and physical environment of the community by the overall impact of the annexation.

Comment: Because there will be no development on this site until off-site transportation issues are resolved, there will be no immediate impact upon the economic, social and physical environment of the community by the annexation. At such time as the site is
developed, it will be in a manner consistent with the planned residential designation set for the property in the Park Place Concept Plan. This land use has been determined by the City, through the adoption of the Park Place Concept Plan, to be consistent with the surrounding land use pattern. Required public utilities and services are available or will be made available concurrently with the development of the site. The future development application for this property will provide a geotechnical report and the site plan will be designed to comply with the recommendations of that report so that the safety of future residents is assured. As such, the future development of the property will not have any significant impact upon the economic, social and physical environment of the community.

**Metro Code 3.09.045.A-D (Boundary Change Criteria)**

The applicable approval criteria under the Metro Code are:

- *Whether the proposed boundary change will promote the timely, orderly and economic provision of public facilities and services.*

  Comment: As discussed above, all required public facilities and services will be available at the time of development. No development will occur until such time as the Alternative Mobility standards are adopted and compliance with Article 12 can be met. Upon approval of a future development plan, the developer will provide for the installation of needed public facilities and services.

- *Whether the proposed boundary change will affect the quality and quantity of urban services*

  Comment: The annexation of this property will have no immediate impact upon the quality or quantity of urban services since development of the property will be prohibited until such time as the Alternative Mobility standards are adopted and compliance with Article 12 can be met. At such time as the site is developed in the future, it will be in a manner consistent with the North Village Concept Plan. The City has planned for the provision of necessary public facilities and services in this area in its Public Facilities Plan and Transportation Systems Plan. Since the future development will conform to the anticipated level of development, it will not have a negative impact upon the quality or quantity of urban services.

- *Whether the proposed boundary change would eliminate or avoid unnecessary duplication of facilities or services.*

  Comment: With the exception of water, all services in this area will be provided by the City of Oregon City so there will be no unnecessary duplication of facilities and services. Water services in this area are provided by the City and Clackamas River Water District. These agencies have a plan and agreement that governs the provision of water services so as to avoid unnecessary duplication of facilities and services.
Oregon City Comprehensive Plan – Applicable Goals and Policies

Goal 1: Citizen Involvement

Goal 1.1 – Citizen Involvement Program

Policy 1.1.1 Utilize neighborhood associations as the vehicle for neighborhood-based input to meet the requirements of the Land Conservation and Development Commission (LCDC) Statewide Planning Goal 1, Citizen Involvement. The Citizen Involvement Committee (CIC) shall serve as the officially recognized citizen committee needed to meet LCDC Statewide Planning Goal 1.

Comment: The applicant attended neighborhood meetings with the Park Place Neighborhood Association to present the proposed annexation and zone change applications. The City’s procedures for review of the application provided notice to Park Place Neighborhood Association and allow opportunity for public comment on the application.

Goal 1.4 – Community Involvement

Policy 1.4.1 Notify citizens about community involvement opportunities when they occur.

Comment: The City’s procedures for review of the proposed annexation and zone change provide for notice to owners of affected properties and will provide opportunities for citizen input regarding the applications.

Goal 2: Land Use

Goal 2.1 – Efficient Use of Land

Policy 2.1.3 Encourage sub-area master planning for larger developments or parcels, including re-development, where it may be feasible to develop more mixed uses, or campus-style industrial parks, with shared parking and landscaping areas. Allow developments to vary from prescriptive standards if planned and approved under this provision.

Comment: The subject property is located within the Park Place Concept Plan, which provides sub-area master planning for this area. The future development of this property will provide mixed uses, including various types of residential development, parks, open spaces, commercial and institutional uses consistent with the North Village concept plan.

Goal 2.4 Neighborhood Livability

Policy 2.4.1 Develop local neighborhood plans to strengthen and protect residential neighborhoods and historic areas from infill development; such as development along linear commercial corridors.

Comment: The Park Place Concept Plan provides for a unified neighborhood plan that will serve as a guide to development of a desirable and diverse community in this area of the city.
Policy 2.4.2 Strive to establish facilities and land uses in every neighborhood that help give vibrancy, a sense of place, and a feeling of uniqueness; such as activity centers and points of interest.

Comment: The Park Place Concept Plan includes parks, natural open space areas, trails, neighborhood commercial and institutional uses that will provide vibrancy and a sense of place in the future development of this property.

Policy 2.4.3 Promote connectivity between neighborhoods and neighborhood commercial centers through a variety of transportation modes.

Comment: The Park Place Concept Plan encourages connectivity and diverse modes of transportation. The plan calls for the construction of Holly Lane to provide a much needed connection between Holcomb Blvd. and Redland Road. The plan also encourages an internal circulation system within the future neighborhood that will ensure connectivity and minimize out of direction travel. A trail system is planned that will provide greater opportunity for bicycle and pedestrian modes of transportation.

Policy 2.4.4 Where environmental constraints reduce the amount of buildable land, and/or where adjacent land differs in uses or density, implement Comprehensive Plan and zoning designations that encourage compatible transitional uses.

Comment: The subject property includes environmentally sensitive areas associated with drainageways. The Park Place Concept Plan and City ordinances provide for these water resource areas to be preserved as natural open spaces.

Goal 2.5 Retail and Neighborhood Commercial

Policy 2.5.1 Encourage the redevelopment of linear commercial corridors in ways that encourage expansion of existing businesses and infill development, and at the same time reduces conflicting traffic movements, improves the aesthetic character of these commercial areas, and encourages trips by transit, bicycling and walking.

Comment: Not applicable. The subject property does not contain any linear commercial corridors. The Park Place Concept Plan calls for limited neighborhood commercial development, but there is no existing commercial development within the area.

Policy 2.5.2 Allow and encourage the development of small retail centers in residential neighborhoods that provide goods and services for local residents and workers. Generally, these centers should be located at the intersections of two or more streets that are classified as neighborhood collectors or higher.

Comment: As shown on Figure 10 on page 12 of this report, the North Village Concept Plan calls for a small area of neighborhood commercial zoning in the southwest corner of the annexation area. This area is identified in the Park Place Concept Plan as a part of “Livesay Main Street”. The Plan (page 25) states the following regarding anticipated uses within this area of neighborhood commercial development:
Small-scale commercial businesses, like a coffee shop, bookstore, dry cleaners, or café, are proposed to anchor the intersection of Holly Lane Extension and Livesay Main Street and surround the Village Green.

**Policy 2.5.3** Review design standards and the sign code to ensure compatibility with existing neighborhoods.

Comment: Design standards for single family development in the Park Place Concept Plan area are implemented by OCMC 17.21. The future development of this area will be reviewed for compliance with these standards prior to construction.

**Policy 2.5.4** Encourage the development of successful commercial areas organized as centers surrounded by higher density housing and office uses, rather than as commercial strips adjacent to low-density housing.

Comment: The commercial development in this area is intended to be small in scale and service-oriented. It is seen by the Park Place Concept Plan as helping to provide a neighborhood identity rather than providing for the full range of commercial needs that are available elsewhere in Oregon City, as discussed in the following quote from page 18 of the Concept Plan:

“Commercial development in the planning area is not seen as necessary for the success of the area, which is expected to be developed largely as residential. The commercial needs of the planning area can be met outside of the concept planning area by existing and planned developments. However, commercial development can serve to organize the Park Place Concept Plan by providing a “center” to the community. In addition, commercial development can meet some of the needs of the community, providing a marketable amenity for residential development while reducing trips out of the neighborhood.”

**Policy 2.5.5** Encourage commercial and industrial development that enhances livability of neighborhoods through the design of attractive LEEDTM-certified buildings and environmentally responsible landscaping that uses native vegetation wherever possible, and by ensuring that development is screened and buffered from adjoining residential neighborhoods and access is provided by a variety of transportation modes.

Comment: These provisions are implemented by design standards within the OCMC that will be reviewed prior to site development.

**Goal 2.7 Oregon City Comprehensive Plan Land-Use Map**

**Policy 2.7.2** Use the following 11 land-use classifications on the Oregon City Comprehensive Plan Land-Use Map to determine the zoning classifications that may be applied to parcels:

- Low Density Residential (LR)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Commercial (C)
- Mixed Use Corridor (MUC)
- Mixed Use Employment (MUE)
- Mixed Use Downtown (MUD)
- Industrial (I)
- Public and Quasi-Public (QP)
- Parks (P)
- Future Urban Holding (FUH)
Comment: The cropped section from the Oregon City Comprehensive Plan Land Use Map below shows the designations applicable to the subject area (outlined in blue):

![Comprehensive Plan Map](image)

Figure 13: Comprehensive Plan Designations

The majority of the area is designated Medium Density Residential, which is implemented by the R-5 zone. There is a small area of Low Density Residential designation in the northwest corner of the annexation area. The R-10 through R-6 zones implement this designation, but R-10 is proposed. There is also a portion of the site that is designated Mixed Use-Corridor. The proposed zoning is consistent with the adopted comprehensive land use plan.

**Goal 5: Open Spaces, Scenic and Historic Areas, and Natural Resources**

**Goal 5.1 – Open Space**

**Policy 5.1.1** Conserve open space along creeks, urban drainage ways, steep hillsides, and throughout Newell Creek Canyon.

Comment: There is one major drainageway in the northwest corner of the proposed annexation area and the top of a drainageway in the southeast corner. Consistent with this policy, at the time of development these areas will be retained as open space.
Policy 5.1.2 Manage open space areas for their value in linking citizens and visitors with the natural environment, providing solace, exercise, scenic views and outdoor education. Built features in open space sites should harmonize with natural surroundings.

Comment: Future open space areas will be provided at the time of development to assist in meeting this policy.

Goal 5.2 Scenic Views and Scenic Sites

Policy 5.2.1 Identify and protect significant views of local and distant features such as Mt. Hood, the Cascade Mountains, the Clackamas River Valley, the Willamette River, Willamette Falls, the Tualatin Mountains, Newell Creek Canyon, and the skyline of the city of Portland, as viewed from within the city.

Comment: The site is located on a hillside with some nice vistas. These will be considered in the development of the future master plan for this area.

Policy 5.2.2 Maximize the visual compatibility and minimize the visual distraction of new structures or development within important viewsheds by establishing standards for landscaping, placement, height, mass, color, and window reflectivity.

Comment: Not applicable to this annexation and zone change application and not directly applicable to the future development of this site. This policy is a guide to city action in developing standards to protect visual compatibility.

Goal 5.3 Historic Resources

Policy 5.3.3 Promote the designation of qualifying properties outside Historic and Conservation Districts as historic.

Comment: The applicants are not aware of any historic resources within the annexation area and none are identified in the Park Place Concept Plan or Oregon City Comprehensive Plan. The Oregon State Historic Preservation Office will be contacted during the development of the future master plan in order to determine if there are any significant archeological sites within the annexation area.

Policy 5.3.8 Preserve and accentuate historic resources as part of an urban environment that is being reshaped by new development projects.

Comment: The applicants are not aware of any historic resources within the annexation area.

Goal 5.4 Natural Resources

Policy 5.4.1 Conserve and restore ecological structure, processes and functions within the city to closely approximate natural ecosystem structure, processes, and functions.

Comment: During the development of the future master plan for the annexation area, care will be taken to identify any sensitive ecological areas within the site boundaries.
Policy 5.4.5 Ensure that riparian corridors along streams and rivers are conserved and restored to provide maximum ecological value to aquatic and terrestrial species. This could include an aggressive tree and vegetation planting program to stabilize slopes, reduce erosion, and mitigate against invasive species and stream impacts where appropriate.

Comment: The riparian corridors along the natural drainageways within the annexation boundary will be protected as open space.

Policy 5.4.9 Protect and enhance riparian corridors along streams in Oregon City to increase shade, reduce streambank erosion and intrusion of sediments, and provide habitat for a variety of plants, animals, and fish.

Comment: There are no streams within the annexation area, but there are seasonal drainageways with areas of sensitive steep slopes. These areas will be protected as open space in the future master plan.

Policy 5.4.12 Use a watershed-scale assessment when reviewing and planning for the potential effects from development, whether private or public, on water quality and quantity entering streams.

Comment: Consistent with this policy and City standards regarding storm water treatment and detention, during development of the future master plan the project engineer will look at the regional watershed in determining appropriate methods of handling storm drainage.

Policy 5.4.13 Adopt and/or establish standards for all new development that promote the use of pervious surfaces and prevent negative ecological effects of urban stormwater runoff on streams, creeks and rivers.

Comment: This policy is fully implemented by the City’s adopted storm water management standards. The project engineer will comply with these standards during preparation of the future master plan for this area.

Policy 5.4.16 Protect surfacewater quality by:
- providing a vegetated corridor to separate protected water features from development
- maintaining or reducing stream temperatures with vegetative shading
- minimizing erosion and nutrient and pollutant loading into water
- providing infiltration and natural water purification by percolation through soil and vegetation

Comment: A vegetated corridor will be preserved in the future master plan along drainageways in the annexation area to accomplish the objectives of this policy.

Policy 5.4.18 Encourage use of native and hardy plants such as trees, shrubs and groundcovers to maintain ecological function and reduce maintenance costs and chemical use.

Comment: Not applicable to this application for annexation and zoning. Landscape plans for future commercial and/or multi-family development will be reviewed in accordance with adopted City standards that implement this policy.
Goal 6: Quality of Air, Water, and Land Resources

Goal 6.1 Air Quality

Policy 6.1.1 Promote land-use patterns that reduce the need for distance travel by single occupancy vehicles and increase opportunities for walking, biking and/or transit to destinations such as places of employment, shopping and education.

Comment: The future master plan will be designed with a system of interconnected streets and pathways that will satisfy this policy.

Goal 6.2 Water Quality

Policy 6.2.1 Prevent erosion and restrict the discharge of sediments into surface- and groundwater by requiring erosion prevention measures and sediment control practices.

Comment: Consistent with this policy and adopted City storm water standards, the future master plan for this project will include plans for erosion and sediment control to mitigate for site grading and other development activities.

Policy 6.2.2 Where feasible, use open, naturally vegetated drainage ways to reduce stormwater and improve water quality.

Comment: The natural drainageways and a vegetated corridor abutting them will be protected as open space in the future master plan for this area.

Goal 6.3 Nightlighting

Policy 6.3.2 Encourage new developments to provide even and energy-efficient lighting that ensures safety and discourages vandalism. Encourage existing developments to retrofit when feasible.

Comment: The future development of this site will employ street lighting consistent with City and PGE standards that satisfy this policy.

Goal 6.4 Noise

Policy 6.4.1 Provide for noise abatement features such as sound-walls, soil berms, vegetation, and setbacks, to buffer neighborhoods from vehicular noise and industrial uses.

Comment: There are no significant noise sources that impact this annexation site.

Goal 7: Natural Hazards

Policy 7.1.1 Limit loss of life and damage to property from natural hazards by regulating or prohibiting development in areas of known or potential hazards.
Comment: City GIS mapping of natural hazards shows a couple of small areas of mapped landslide hazards and other areas with steep slopes. These areas are associated with the drainageways on portions of the property. The majority of this area will be preserved as open spaces in the future master plan. Where development will occur in proximity to these areas, appropriate geotechnical studies will be performed to determine site stability.

Policy 7.1.8 Provide standards in City Codes for planning, reviewing, and approving development in areas of potential landslides that will prevent or minimize potential landslides while allowing appropriate development.

Comment: This policy is implemented in Chapter 17.44 – Geologic Hazards. The future master plan will address the standards of this chapter.

Policy 7.1.9 Locate, design, and construct structures in conformance with current building codes and standards for seismic-resistant design.

Comment: Not applicable to this application for annexation and zone change. All future structures to be built on this site will obtain required building permits that include provisions to address this policy.

Policy 7.1.11 Prioritize roadways needed for public service, medical, and emergency vehicles during emergencies.

Comment: The future connection of Holly Lane through to Redland Road will be provide a much-needed route connecting the Holcomb Blvd. area to medical, emergency and public services. At the present time access is limited to Holcomb Blvd. and, to a lesser degree, Forsythe Road. The future development of this site will aid in meeting this policy.

Goal 8: Parks and Recreation

Policy 8.1.1 Provide an active neighborhood park-type facility and community park-type facility within a reasonable distance from residences, as defined by the Oregon City Park and Recreation Master Plan, to residents of Oregon City

Comment: There are presently no parks within convenient walking distance of the annexation area. The future development of this site will provide for a community park, consistent with this policy and the Park Place Concept Plan.

Policy 8.1.5 Identify and construct a network of off-street trails throughout the city for walking and jogging.

Comment: The Park Place Concept Plan calls for a system of off-street trails through the proposed annexation area. The future master plan for this site will address this requirement.

Policy 8.1.6 Provide land for specialized facilities such as sports fields and indoor recreational facilities.
Comment: It is anticipated that the community park that will be developed on a portion of the annexation area will provide for sports fields.

**Policy 8.1.9** Emphasize retaining natural conditions and the natural environment in proposed passive recreation areas.

Comment: The future master plan will provide open spaces associated with the drainageway areas within the annexation area and these will be preserved in their natural condition.

**Policy 8.1.12** Identify and protect land for parks and recreation within the Urban Growth Boundary.

Comment: The Park Place Concept Plan calls for a community park that is mostly within the proposed annexation area. The future master plan for this site will address this requirement.

**Policy 8.1.14** Require or encourage developers to dedicate park sites as part of the subdivision review process. When possible, require or encourage developers to build parks to City standards and give them to the City to operate and maintain.

Comment: The future master plan will provide for the dedication of a community park consistent with this policy and other City standards.

**Goal 10: Housing**

**Policy 10.1.1** Maintain the existing residential housing stock in established older neighborhoods by maintaining existing Comprehensive Plan and zoning designations where appropriate.

Comment: Not applicable. The subject property is not located within an established older neighborhood. There are a few homes on large acreage tracts and most of these will be removed to allow for redevelopment.

**Policy 10.1.3** Designate residential land for a balanced variety of densities and types of housing, such as single-family attached and detached, and a range of multi-family densities and types, including mixed-use development.

Comment: The North Village Plan within the Park Place Concept Plan calls for a mixture of housing types and densities, as well as neighborhood commercial and institutional uses within the annexation area. The future master plan will implement these land uses.

**Policy 10.1.4** Aim to reduce the isolation of income groups within communities by encouraging diversity in housing types within neighborhoods consistent with the Clackamas County Consolidated Plan, while ensuring that needed affordable housing is provided.

Comment: The Park Place Concept Plan calls for a variety of types of housing that will help in addressing this policy.
Policy 10.1.7 Use a combination of incentives and development standards to promote and encourage well-designed single-family subdivisions and multi-family developments that result in neighborhood livability and stability.

Comment: The City has adopted design standards in Chapter 17.21 that implement this policy. The future development will conform to these standards.

Policy 10.2.2 Allow increases in residential density (density bonuses) for housing development that would be affordable to Oregon City residents earning less than 50 percent of the median income for Oregon City.

Comment: Not directly applicable to this application or the future master plan.

Goal 11: Public Facilities

Policy 11.1.1 Ensure adequate public funding for the following public facilities and services, if feasible: Transportation infrastructure • Wastewater collection • Stormwater management • Police protection • Fire protection • Parks and recreation • Water distribution • Planning, zoning and subdivision regulation • Library services • Aquatic Center • Carnegie Center • Pioneer Community Center • City Hall • Buena Vista House • Ermatinger House

Comment: Not applicable to this application for annexation and zone change.

Policy 11.1.2 Provide public facilities and services consistent with the goals, policies and implementing measures of the Comprehensive Plan, if feasible.

Comment: As discussed above in this application, public facilities and services are available or will be provided concurrently with future development of this site to allow development consistent with this policy.

Policy 11.1.3 Confine urban public facilities and services to the city limits except where allowed for safety and health reasons in accordance with state land-use planning goals and regulations. Facilities that serve the public will be centrally located and accessible, preferably by multiple modes of transportation.

Comment: The proposed future development of this site will occur only after annexation to the City of Oregon City. Although sanitary sewer from Redland Road will have to pass through unincorporated areas, no service connections will be provided to areas outside of the city limits in conjunction with the development of this site.

Policy 11.1.5 Design the extension or improvement of any major public facility and service to an area to complement other public facilities and services at uniform levels.

Comment: Public services will be provided in accordance with adopted plans and standards that conform to this policy.
Policy 11.1.6 Enhance efficient use of existing public facilities and services by encouraging development at maximum levels permitted in the Comprehensive Plan, implementing minimum residential densities, and adopting an Accessory Dwelling Unit Ordinance to infill vacant land.

Comment: The future development of this site will be at densities planned in the Park Place Concept Plan. This development will be dense enough to make efficient use of existing and planned public facilities and services.

Policy 11.2.4 Seek economical means to reduce inflow and infiltration of surface- and groundwater into the wastewater collection system. As appropriate, plant riparian vegetation to slow stormwater, and to reduce erosion and stream sedimentation.

Comment: The sanitary sewer system that will serve the future development of this site will be installed in accordance with City standards and will be pressure tested to ensure that surface and ground waters do not enter the system. Storm water will be collected via a storm sewer system that will drain to storm water treatment and detention facilities that will be designed to City standards that include measures to slow stormwater to reduce erosion and stream sedimentation.

Policy 11.3.3 Maintain adequate reservoir capacity to provide all equalization, operational, emergency, and fire flow storage required for the City’s distribution system.

Comment: Information provided at the pre-application conference indicates that the City and Clackamas River Water District have adequate water storage capacity to service the proposed annexation area.

Policy 11.4.1 Plan, operate, and maintain the stormwater management system for all current and anticipated city residents within Oregon City’s existing Urban Growth Boundary and plan strategically for future expansion areas.

Comment: The future master plan will provide for a stormwater management system that conforms to City standards.

Policy 11.4.2 Adopt “green streets” standards to reduce the amount of impervious surface and increase the use of bioswales for stormwater retention where practicable.

Comment: The City has adopted standards for Low Impact Development streets that implement this policy. Where appropriate grades exist, the future master plan can employ these standards to provide for stormwater management consistent with this policy.

Policy 11.4.4 Maintain existing drainageways in a natural state for maximum water quality, water resource preservation, and aesthetic benefits.

Comment: The existing drainageway areas within the annexation area will be maintained as natural open spaces in the future master plan, in accordance with this policy.
**Policy 11.4.5** Design stormwater facilities to discharge surface water at pre-development rates and enhance stormwater quality in accordance with criteria in City of Oregon City Public Works Stormwater and Grading Design Standards.

Comment: This policy is implemented by the City’s stormwater standards. The future master plan will be designed to conform to these standards.

**Goal 12: Transportation**

**Policy 12.1.1** Maintain and enhance citywide transportation functionality by emphasizing multi-modal travel options for all types of land uses.

Comment: The future development of this site will provide for a connected system of roadways and pathways that will provide for multi-modal forms of travel.

**Policy 12.1.2** Continue to develop corridor plans for the major arterials in Oregon City, and provide for appropriate land uses in and adjacent to those corridors to optimize the land use-transportation connection.

Comment: The future master plan will provide for the extension of Holly Lane, consistent with the Park Place Concept Plan and this policy.

**Policy 12.1.3** Support mixed uses with higher residential densities in transportation corridors and include a consideration of financial and regulatory incentives to upgrade existing buildings and transportation systems.

Comment: Not applicable. The subject property is not located in a transportation corridor.

**Policy 12.1.4** Provide walkable neighborhoods. They are desirable places to live, work, learn and play, and therefore a key component of smart growth.

Comment: The future master plan will include a network of sidewalks and pathways that will provide for a walkable neighborhood with access to residential, commercial, parks and natural open space areas.

**Policy 12.3.1** Provide an interconnected and accessible street system that minimizes vehicle-miles-traveled and inappropriate neighborhood cut-through traffic.

Comment: The future master plan will be designed with a network of interconnected streets. Primary access through the neighborhood will be via Holly Lane, which will discourage neighborhood cut-through traffic.

**Policy 12.3.2** Provide an interconnected and accessible pedestrian system that links residential areas with major pedestrian generators such as employment centers, public facilities, and recreational areas.
Comment: There are no employment centers in the vicinity of the subject property, but the future master plan will provide for pedestrian connectivity to both parks and open space recreational areas.

Policy 12.3.3 Provide a well-defined and accessible bicycle network that links residential areas, major bicycle generators, employment centers, recreational areas, and the arterial and collector roadway network.

Comment: The future master plan will include a bicycle lane on Holly Lane, bicycle/pedestrian trails, as well as a network of bicycle-friendly local streets.

Policy 12.3.4 Ensure the adequacy of pedestrian and bicycle connections to local, county, and regional trails.

Comment: The future master plan will provide for connections to planned trails depicted in the Park Place Concept Plan.

Policy 12.3.5 Promote and encourage a public transit system that ensures efficient accessibility, mobility, and interconnectivity between travel modes for all residents of Oregon City.

Comment: There is presently no bus service in the vicinity of the subject property. The completion of the Holly Lane north extension may provide for a logical bus route in this area in the future.

Policy 12.3.6 Establish a truck route network that ensures efficient access and mobility to commercial and industrial areas while minimizing adverse residential impacts.

Comment: Not applicable. There are no commercial or industrial areas in the vicinity of the subject property.

Policy 12.6.1 Provide a transportation system that serves existing and projected travel demand.

Comment: Please refer to the Lancaster Engineering traffic study included with this application.

Policy 12.6.2 Identify transportation system improvements that mitigate existing and projected areas of congestion.

Comment: The future completion of the Holly Lane north extension will provide for another access route from the Holcomb area that will be consistent with this policy.

Policy 12.6.3 Ensure the adequacy of travel mode options and travel routes (parallel systems) in areas of congestion.

Comment: The future completion of the Holly Lane north extension will provide for another access route from the Holcomb area that will be consistent with this policy.
Policy 12.6.4 Identify and prioritize improved connectivity throughout the city street system.

Comment: The future master plan will be designed to provide connectivity consistent with this policy.

Goal 13 – Energy

Policy 13.1.2 Encourage siting and construction of new development to take advantage of solar energy, minimize energy usage, and maximize opportunities for public transit.

Comment: The subject property is located on a south-facing hill that will afford opportunities in the design of the future master plan for taking advantage of solar energy. A network of connected neighborhood streets will also be consistent with this policy.

Policy 13.2.1 Promote mixed-use development, increased densities near activity centers, and home-based occupations (where appropriate).

Comment: The Park Place Concept Plan proposes a mixed-use development pattern for the north village area that will include commercial, recreational and institutional uses, as well as a variety of residential types. The densities proposed in the Park Place Concept Plan are higher than other areas of the City, which is consistent with this policy.

Policy 13.2.2 Create commercial nodes in neighborhoods that are underserved to reduce vehicle miles traveled.

Comment: The Park Place Concept Plan includes the provision of a small amount of neighborhood commercial development near Livesay Road, which is consistent with this policy.

Policy 13.2.3 Plan for complementary mixed uses when considering annexation of new, under- or undeveloped areas so that new urban residential areas have closer access to jobs and services.

Comment: The Park Place Concept Plan includes some neighborhood commercial development that will provide for some commercial services in the neighborhood, consistent with this policy.

Goal 14.3 Orderly Provision of Services to Growth Areas

Plan for public services to lands within the Urban Growth Boundary through adoption of a concept plan and related Capital Improvement Program, as amendments to the Comprehensive Plan.

Policy 14.3.1 Maximize new public facilities and services by encouraging new development within the Urban Growth Boundary at maximum densities allowed by the Comprehensive Plan.

Comment: The proposed zoning is consistent with the adopted and acknowledged Oregon City Comprehensive Plan Map. A condition of approval will temporarily prohibit urban-density development due to on-going traffic policy considerations. At such time as the Alternative
Mobility standards are adopted and the requirements of Article 12 can be met, development will take place at densities consistent with the Park Place Concept Plan and the City’s Comprehensive Plan. The proposed development will be reviewed for compliance with maximum and minimum density standards at the time of application for subdivision approval.

**Policy 14.3.2**
*Ensure that the extension of new services does not diminish the delivery of those same services to existing areas and residents in the city.*

Comment: As discussed above in this report, all required urban services will be available to serve this property concurrently with its future development. The City’s Public Facilities Plan and Transportation Systems Plan will ensure that there are adequate supplies of services so that services to existing areas and residents in the city are not diminished.

**Policy 14.3.3**
*Oppose the formation of new urban services districts and oppose the formation of new utility districts that may conflict with efficient delivery of city utilities within the Urban Growth Boundary.*

Comment: Not applicable. No new urban services or utility districts are proposed. Services will be provided by the City of Oregon City, with the exception of any water services that may be appropriate to be provided by Clackamas River Water District pursuant to an agreement between the City and Water District.

**Policy 14.3.4**
*Ensure the cost of providing new public services and improvements to existing public services resulting from new development are borne by the entity responsible for the new development to the maximum extent allowed under state law for Systems Development Charges.*

Comment: All utilities that will be provided to serve the future development of this site will be the responsibility of the developer. The future homes to be built on this property will pay required Systems Development Charges at the time of application for building permits.

**Goal 14.4 – Annexation of Lands to the city**

*Annex lands to the city through a process that considers the effects on public services and the benefits to the city as a whole and ensures that development within the annexed area is consistent with the Oregon City Comprehensive Plan, City ordinances, and the City Charter.*

**Policy 14.4.1**
*Promote compact urban form and support efficient delivery of public services by ensuring that lands to be annexed are within the City’s Urban Growth Boundary, and contiguous with the city limits. Do not consider long linear extensions, such as cherry stems and flag lots, to be contiguous with the city limits.*
Comment: The subject property is entirely within the City’s Urban Growth Boundary and is contiguous with the existing city limits along its entire northern border and its frontage on Holcomb Blvd.

**Policy 14.4.2**

*Include an assessment of the fiscal impacts of providing public services to unincorporated areas upon annexation, including the costs and benefits to the city as a whole as a requirement for concept plans.*

Comment: The proposed annexation will have no immediate fiscal impacts upon the cost of providing public services because no development will be allowed until such time as transportation planning issues are resolved. The City’s Public Facilities Plan and Transportation System Plan anticipate the future development of the subject property at densities consistent with the Comprehensive Plan and provide an analysis of the costs of providing adequate levels of services in this area of the city. The future development of this property will contribute to these costs by providing on-site infrastructure, as well as potential off-site sanitary sewer improvements, at the cost of the developer. Each home will be assessed appropriate System Development Charges to cover the proportionate impact of the future development of this site.

**Policy 14.4.3**

Comment: Creation of an island does not violate an applicable, mandatory Oregon City Comprehensive Plan policy. Oregon City Comprehensive Plan Policy 14.4.3 provides in its entirety:

> “Evaluate and in some instances require that parcels adjacent to proposed annexations be included to:

- avoid creating unincorporated islands within the city;
- enable public services to be efficiently and cost-effectively extended to the entire area; or
- implement a concept plan or sub-area master plan that has been approved by the Planning and City Commissions.”

Comprehensive Plan Policy 14.4.3 is an aspirational policy and not a mandatory policy. *Spiering v. Yamhill County*, 25 Or LUBA 695 (1993) (Aspirational comprehensive plan goals are not mandatory approval criteria). Had the City Commission wanted to prohibit the creation of islands, it would have used the word “shall”, which is mandatory. *See Terra v. City of Newport*, 36 Or LUBA 582 (1999) (the word “shall in a comprehensive plan policy makes the policy a mandatory approval criteria). Moreover, nothing in ORS Chapter 222, or Metro Chapter 3.09 governing annexations, prohibits creation of an island. The Planning Commission can find that the creation of an island is not relevant to a mandatory approval standard.
The annexation area is contiguous to the existing city limits along its northern boundary. The proposed annexation will create a small unincorporated island within the city. The island area is shown in pink on the map below. The owners of three parcels along Holcomb Blvd., Tax Lots 22E27B 600, 800 & 900, were contacted, but preferred not to join the annexation proposal at this time.

Figure 14: Annexation Area and Island

It is important to note that although this policy discourages island formation, it does not preclude them and they may be allowed when it is otherwise reasonable to do so. In fact implementing submittal language listed in OCMC 14.050.C3 clearly envisions that proposals may create islands in that it requires that public notification mailing labels include those property owners that will be "islanded" by the annexation proposal.

The language of this policy calls for an evaluation of whether the creation of an island, by itself or in conjunction with the other listed factors, would be sufficiently problematic that the annexation proposal must be altered to include the area of the potential island. The island itself is not problematic for the City in any significant way. It is small in size at 3.7 acres, and involves only three properties. All of these properties are developed with single-family homes. The island
would only be separated from other unincorporated land by approximately 180 feet along Holcomb Blvd. No further development of these properties would be allowed until such time as they are annexed to the City in the future. Rising land values and the provision of urban services to these properties are likely to bring an incentive for future development that will result in the voluntary annexation of these properties.

The creation of this island will have no impact upon the efficient provision of public services. Storm sewer and sanitary sewer drain to the south, away from the island area, and will be provided with the development of the annexation area. Holcomb Blvd. along the frontage of these properties is entirely within the city limits and access to water service is available in that right-of-way. While there will be a need for additional right-of-way to be dedicated from the islanded properties in order for Holcomb Blvd. to be developed to full City arterial standards. Such dedication and improvement of the road will likely not occur until such time as the owners of these properties choose to annex and develop their land. On the other hand, should the City desire to make these improvements on its own, the creation of an island at this time would have no impact on the City’s ability to do so. It has the ability to annex islanded properties on its own motion and to acquire needed right-of-way either by purchase or by condemnation.

The inclusion of the island area in the annexation proposal is not needed to implement a concept plan or sub-area master plan that has been approved by the Planning and City Commissions. The three properties that would be islanded in this proposal are not a part of the Park Place Concept Plan or any other sub-area master plan.

**Policy 14.4.4**

*Expedite the annexation of property as provided by state law in order to provide sewer service to adjacent unincorporated properties when a public health hazard is created by a failing septic tank sewage system.*

Comment: Not applicable. The subject property is not subject to a public health hazard associated with a failing septic system.

**Park Place Concept Plan**

With the exception of 1.45 acres that fronts on Holcomb Blvd. (Tax Lot 22E27B 02000), all of the subject property lies within the boundaries of the Park Place Concept Plan. The proposed annexation and concurrent zone change are a first step towards implementing this plan.

The Park Place Concept Plan’s Figure 3-2 “North Village Neighborhood”, bears a note stating, “This map is for concept planning purposes only. The specific locations of natural resource boundaries, open space, parks, land uses, roads, trail, infrastructure and related improvements may change and is subject to on-site verification and design at the time of development.” The Park Place Concept Plan is an ancillary document to the City’s Comprehensive Plan. However, designations depicted on the Oregon City Comprehensive Plan Map, as adopted by Ordinance No. 08-1014, are authoritative for purposes of the requested zone change in conjunction with annexation of this property. It is understood that a future zone change/comprehensive plan map amendment application will be necessary at the time of preparation of the future master plan in order to implement the general conceptual design called for by the North Village Plan.
The plan for the North Village area includes commercial development along a new main street along Upper Livesay Road. This area is shown in red on the map above and impacts a small area of the subject property. The orange color depicts Medium/High-Density Residential (R-3.5, minimum 9 units/acre) which would likely be developed with a mix of townhouse and duplex units. The yellow area is planned for Low/Medium-Density Residential (proposed R-5, minimum 6 units/acre) that would be a mix of single-family detached and single-family attached dwellings. A community park is also called for in the Plan. A collector road called the Holly Lane north extension would provide a roadway corridor tying Holcomb Blvd. through to Redland Road, which would be a significant improvement for the Park Place neighborhood that presently is restricted to the Holcomb Blvd. corridor for access.

The key components of the Park Place Concept Plan are listed on page 1 of that document:

- Two primary north-south connections between Holcomb Boulevard and Redland Road (Swan Avenue and Holly Lane)
- Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units
- Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land uses, and public open space
- An area for a new civic institution, like a library or community center
- An 8-10 acre community park and a 3-5 acre neighborhood park
- A mix of housing types and ranges of affordability
- An extensive system of off-street and on-street trails and pedestrian/bicycle connections
- Innovative, green on-site stormwater treatment methods
- Protected sensitive areas, including drainages and steep slopes
- Streets and buildings oriented for solar access
- The use of green edges to define neighborhoods and buffer developments
- Integration of parks and open spaces into existing and future neighborhoods

The subject property includes part of the Holly Lane north extension, but is not involved in the Swan Avenue connection. The area of the annexation site along Livesay Road includes neighborhood commercial development, some of the civic institution uses and a major portion of the planned community park. As shown on the North Village Neighborhood plan, there are areas of sensitive land associated with drainageways that will need to be protected as open space. The plan will also include trails that will tie open spaces to residential and commercial components.

The present application involves only the annexation and application of the zoning that is consistent with the adopted Comprehensive Plan Map. It is not appropriate to discuss the goals and policies of the Park Place Community Plan in detail at this early stage. The future zone change and development applications will be reviewed for compliance with all relevant goals and objectives of the Park Place Concept Plan at such time as those applications are submitted.