



STAFF REPORT WITH FINDINGS AND RECOMMENDATION

FILE NO.: AN-16-0003

APPLICATION TYPE: Annexation of Oregon City Golf Course and Abutting Right-of-Way

HEARING DATES: *Planning Commission*
Monday, October 24th, 2016 - 7:00 p.m., Oregon City City Hall
625 Center Street, Oregon City, OR 97045

City Commission
Wednesday, November 16th, 2016 - 7:00 p.m., Oregon City City Hall
625 Center Street, Oregon City, OR 97045

APPLICANT: Brownstone Development, Inc., 47 South State St, Lake Oswego, OR 97934

OWNER(s): Multiple (See petition for all Owners).
Herberger Fam Ltd Ptnrshp / Herberger May Rose Co-Trste / Rosemary S Holden

REPRESENTATIVE: DOWL, 720 SW Washington Street, Ste. 750, Portland, OR 97205

REQUEST: Annexation of Oregon City Golf Course (117 acres) and approximately 2000 square feet of Abutting Beaver Creek Road Right-of-Way into Oregon City. The 117 acre site is within the Oregon City Urban Growth Boundary and has a Comprehensive Plan designation of FU- Future Urban. The property is within the area of the Beaver Creek Road Concept Plan. No zone change is proposed at this time, and no changes in use are proposed or will be authorized by this application.

LOCATION: No Situs Address, APN 3-2E-10D -03500 (63.82 ac);
(See Vicinity Map) 20124 S Beaver Creek Rd, APN 3-2E-15A -00290 (50.87 ac);
20118 S Beaver Creek Rd, APN 3-2E-15A -00201 (0.25 ac); and
20130 S Beaver Creek Rd, APN 3-2E-15A -00202 (0.29 ac).

STAFF REVIEWERS: Pete Walter, AICP, Planner

**COMPREHENSIVE
PLAN DESIGNATION:** FU - Future Urban

CURRENT ZONING: Clackamas County FU-10 (Future Urban - 10 Acre) and TBR (Timber District)

RECOMMENDATION: Approval.

PROCESS: The applicant and all documents submitted by or on behalf of the applicant are available for inspection at no cost at the Oregon City Planning Division, 221 Molalla Avenue, Oregon City, Oregon 97045, from 8:30am to 3:30pm Monday thru Friday. The staff report, with all the applicable approval criteria, will also be available for inspection 7 days prior to the hearings. Copies of these materials may be obtained for a reasonable cost in advance.

Please be advised that any issue that is intended to provide a basis for appeal must be raised before the close of the City Commission hearing, in person or by letter, with sufficient specificity to afford the City Commission and the parties an opportunity to respond to the issue. Failure to raise an issue with sufficient specificity will preclude any appeal on that issue. The City Commission will make a determination as to whether the application has or has not complied with the factors set forth in section 14.04.060 of the Oregon City Municipal Code.

I. INTRODUCTION	4
General Information.....	4
Summary of Proposal	5
Existing Conditions.....	5
Site History and Beaver Creek Road Concept Plan	8
II. APPLICABLE REGULATIONS AND APPROVAL CRITERIA.....	9
COMPLIANCE WITH Metro Code 3.09 – LOCAL GOVERNMENT BOUNDARY CHANGES	9
3.09.030 Notice Requirements.....	9
3.09.040 Requirements for Petitions.....	9
Consideration under Metro Code 3.09.045(D)(2) for Expedited Decisions.....	15
Compliance with Oregon City Municipal Code.....	16
OCMC Chapter 14.04.....	16
AVAILABLE PUBLIC FACILITIES AND SERVICES	18
OCMC 14.04.050(E)(7)(a) - (g) NARRATIVE STATEMENTS.....	18
Compliance with OCMC 14.04.060 – Annexation Factors	22
Compliance with Oregon City Comprehensive Plan	24
Compliance with OCMC 14.04.060 – Annexation Factors – Continued.....	30
Compliance with OCMC 14.04.060 – Annexation Factors – Continued.....	35
Compliance with applicable provisions of ORS 222	37
TRANSPORTATION PLANNING RULE (OAR 660-012-0060).....	38
III. PROPOSED FINDINGS, REASONS FOR DECISION,.....	39
AND RECOMMENDATIONS.....	39
IV. STAFF RECOMMENDATION.....	40

I. INTRODUCTION

GENERAL INFORMATION

Proposal No AN-06-00032 was initiated by consent petitions of owners of 100% of the acreage (117 acres acres), 100% of the owners, and owners of 100% of the total assessed value of the properties (\$3,387,749.00). The petitions meet the requirement for initiation set forth in ORS 222.170 (2) (triple majority annexation law) and Metro Code 3.09.040 (a) (Metro's minimum requirements for a petition).

10/06/2016

Assessor Values List Report

Page 1 of 1

APN	Address	Taxpayer	Zone	Acres	Land Mkt Value	Bldg Mkt Value	Net Mkt Value	Assessed Value	System Date
3-2E-10D -03500		HERBERGER FAM LTD PTNRSH	County	63.82	\$1,236,571	\$0	\$1,236,571	\$1,181,304	1/15/15
3-2E-15A -00201	20118 S BEAVERCREEK RD	HERBERGER MAY ROSE CO-TRSTE	County	0.25	\$111,243	\$143,770	\$255,013	\$210,779	1/5/16
3-2E-15A -00202	20130 S BEAVERCREEK RD	ROSEMARY S HOLDEN	County	0.29	\$111,243	\$287,220	\$398,463	\$381,097	1/5/16
3-2E-15A -00290	20124 S BEAVERCREEK RD	HERBERGER FAM LTD PTNRSH	County	50.87	\$1,099,799	\$514,770	\$1,614,569	\$1,614,569	1/15/15
TOTALS	Taxlot Count = 4			115.23	\$2,558,856	\$945,760	\$3,504,616	\$3,387,749	

SB 1573

If the City Commission decides the proposed annexations should be approved, the City Commission is required by the Charter to submit the annexation to the electors of the City. However, the passage of SB 1573 requires that the City 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;

Finding: The territory is included within the City's UGB adopted by the City and Metro.

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

The territory

(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.

Finding: As demonstrated within this report, the proposal meets items (a) through (d), with the conditions of approval.

If a necessary party raises concerns prior to or at the City Commission's public hearing, the necessary party may appeal the annexation to the Metro Appeals Commission within 10 days of the date of the City Commission's decision.

SUMMARY OF PROPOSAL

Brownstone Development, Inc. (applicant) is requesting annexation of four tax lots located on or near S. Beaver Creek Road. The subject properties are part of the Beaver Creek Road Concept Plan area and are within Oregon City's urban growth boundary (UGB). No development or City zoning or Comprehensive Plan designation is being proposed concurrent with this annexation request. The future application of zoning designations will be required concurrent or before a formal land division or development application can be submitted. All four private properties are under the same ownership or ownership representatives while the adjacent right-of-way is under the ownership of Clackamas County. Properties proposed for annexation are shown in Figure 1.

There is not a proposal to develop this site at the present time. Until issues regarding transportation planning impacting the Hwy. 213 corridor are resolved through adoption of alternative mobility standards, the City is unable to approve zone changes that would allow for increased traffic impacting this area. For this reason, the proposed annexation will bring the subject property into the city limits, but will leave the property with Clackamas County's Future Urbanizable 10 acre zoning (FU-10) on 51.42 acres and Timber (TBR) zoning on the northern 63.82 acres. The FU-10 zone is a holding zone that precludes creating parcels smaller than 10 acres until urban services can be provided by the City. The TBR zone is a resource zone district that predates the golf course use of the property. At such time as the traffic issues are resolved, a separate application to rezone the properties to an appropriate Oregon City residential and mixed use zoning will be filed. Zoning regulations to implement the Beaver Creek Road Concept Plan have not been developed at this time.

EXISTING CONDITIONS

The site is located in east Oregon City, on the east side of S. Beaver Creek Road within the southern limits of the Beaver Creek Road Concept Plan area. The site is comprised of four tax lots that total approximately 117 acres. The entire area is currently zoned FU-10 on 51.42 acres and TBR on 63.82 acres by Clackamas County. The site is the current location of the Oregon City Golf Club, which includes a club house facility with associated parking area and an 18-hole golf course. Two single-family homes and a number of accessory buildings are also located on the site. The eastern edge of the proposed annexation area is within a natural resource area associated with Thimble Creek and is undeveloped. Much of the site is relatively flat, with slopes ranging from 1% to 8% (there are limited areas of up to 15% slope).

Uses surrounding the site are described below.

North: Land uses to the north include a natural resource area associated with Thimble Creek and, further north, some low-density residential development. Although properties to the north are inside the city limits, no city plan or zoning designations have been applied to those properties. The area is zoned Timber (TBR) and Rural Residential Farm Forest (RRFF) by Clackamas County.

East: Land uses to the east include natural resource areas associated with Thimble Creek and, at the southeast corner, a residential subdivision. Lands to the east are zoned TBR, RRFF and Rural Residential 2-Acres (RA-2) by Clackamas County.

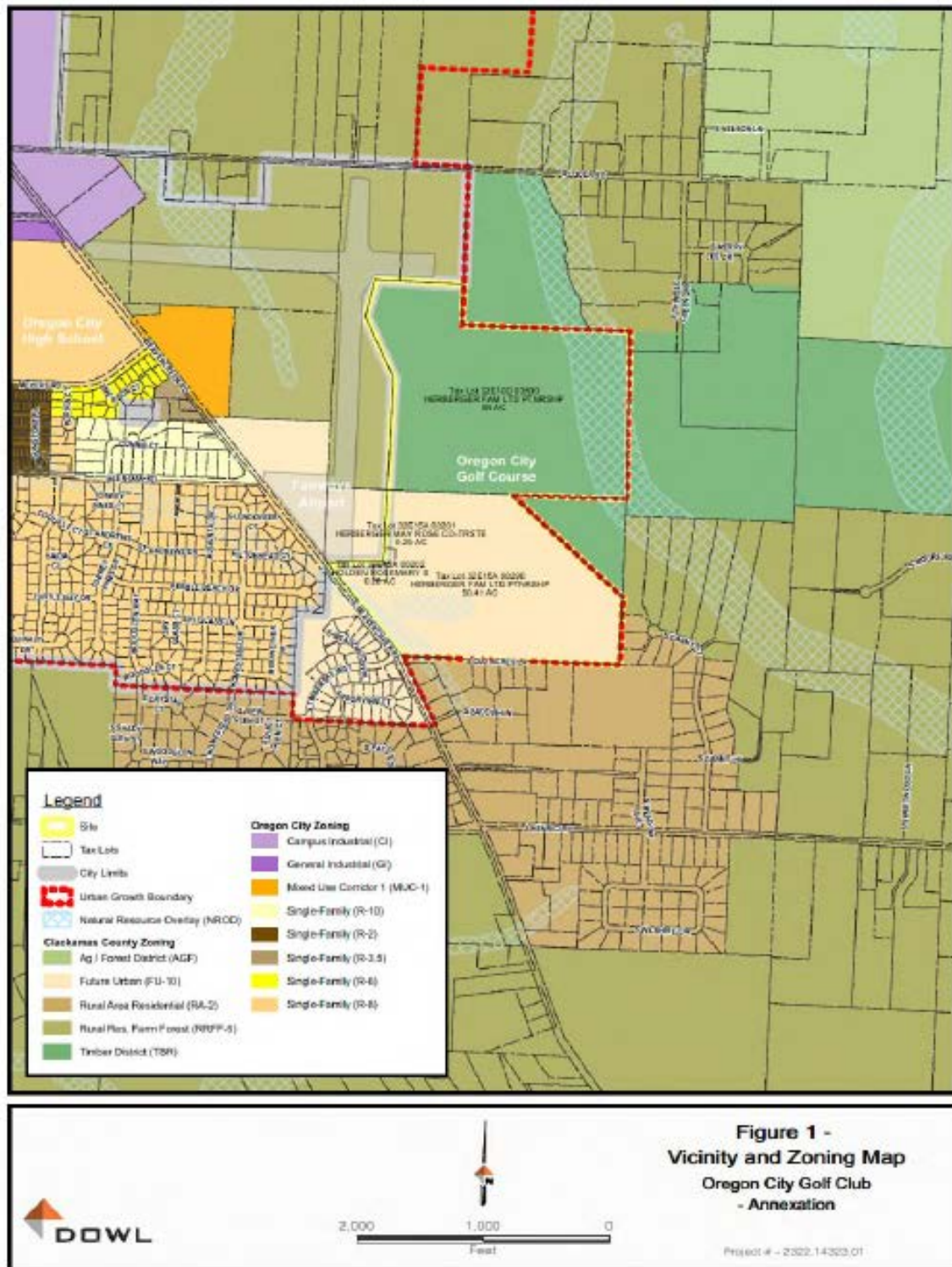
South: To the south, land is zoned RA-2 by Clackamas County and is comprised of single-family homes.

West: Land to the west and north of the site is zoned RRFF and FU-10 and is largely undeveloped. There are two single-family homes and a private airport with associated runway strip and buildings. Land to the west and south of the site, across S. Beaver Creek Road, is developed with a residential subdivision.

Access to the site is from S. Beaver Creek Road via a private driveway that connects to the two homes and the golf club.

Figure 1 below indicates the current zoning designations on and adjacent to the property.

Figure 1: Zoning and Vicinity Map



SITE HISTORY AND BEAVERCREEK ROAD CONCEPT PLAN

The proposed annexation site has long been planned for urban levels of development. The southern portion of the site was included in the original UGB boundary when it was established by Metro in 1979.

The remainder of the site (along with rest of the Beavercreek Road Concept Plan area) was brought into the UGB in two separate expansions, one in 2002 and another in 2004.

In 2007, the city began the concept planning effort for the Beavercreek area; an effort which involved a significant amount of community engagement and ultimately resulted in adoption of the Beavercreek Road Concept Plan (Concept Plan) in September 2008. Although approved by the City Commission in 2008 and accepted by Metro, the decision to adopt the Concept Plan was appealed to the Land Use Board of Appeals (LUBA), and LUBA remanded the decision back to the city to address an issue associated with industrial land designations (not related to the proposed annexation site).

The adoption of the concept plan in 2007 was preceded by an annexation application for the Golf Course (AN-07-02). AN-07-02 was rejected by the voters following approval by the City Commission.

After resolution of the industrial land designation issue, the City Commission voted unanimously to re-adopt the Concept Plan in March 2016. That decision was again appealed (LUBA # 2016-044) and is currently under review at LUBA.

The Beavercreek Road Concept Plan is attached as an Exhibit.

The Concept Plan process did not include adoption of a Comprehensive Plan map, or associated implementation measure in the Oregon City Municipal Code. An additional public process is required to identify how the Concept Plan will be implemented prior to development occurring.

II. APPLICABLE REGULATIONS AND APPROVAL CRITERIA

This section of the staff report provides findings to demonstrate that the proposed annexation is consistent with applicable approval criteria. The findings are based largely on the applicant's submitted approval criteria narrative, with additional details and specificity provided where necessary.

Annexations in Oregon City are governed at both local (city) regional (Metro) and State level. Locally, annexations are regulated by Title 14 of the Oregon City Municipal Code, and by goals and policies in the adopted Comprehensive Plan. Regionally, annexations are regulated by Metro's Code Section 3.09, which establishes requirements for local government boundary changes.

COMPLIANCE WITH METRO CODE 3.09 – LOCAL GOVERNMENT BOUNDARY CHANGES

Metro Code Section 3.09 establishes requirements for local government boundary changes. The criteria for a minor boundary change are found in Section 3.09.050.D and are applicable to this annexation request. This annexation is considered an expedited decision pursuant to Metro code. Additional petition and notice requirements are also noted below.

3.09.030 Notice Requirements

B. Within 45 days after a reviewing entity determines that a petition is complete, the entity shall set a time for deliberations on a boundary change. The reviewing entity shall give notice of its proposed deliberations by mailing notice to all necessary parties, by weatherproof posting of the notice in the general vicinity of the affected territory, and by publishing notice in a newspaper of general circulation in the affected territory. Notice shall be mailed and posted at least 20 days prior to the date of deliberations. Notice shall be published as required by state law.

Finding: The proposal is consistent with this requirement. The City provided public notice to all property owners within 300 feet of the property on September 20, 2016. Notice was published in the Clackamas Review / Oregon City News on September 28, 2016. Notice was provided to affected agencies, utilities and affected parties, including all Oregon City Neighborhood Associations, the Hamlet of Beavercreek Community Planning Organization (CPO), the Holcomb-Outlook CPO and the Central Point / Leland Road / New Era CPO via email on September 20, 2016.

Due to a staff oversight, the Land Use Notice Sign was not posted on the property 21 days prior the public hearing. Subsequently staff requested a continuation of the publicly noticed October 24th, 2016 Public Hearing to the date certain of November 14th 2016 to allow for complete public notice.

3.09.040 Requirements for Petitions

A. A petition for a boundary change must contain the following information:

- 1. The jurisdiction of the reviewing entity to act on the petition;*
- 2. A map and a legal description of the affected territory in the form prescribed by the reviewing entity;*
- 3. For minor boundary changes, the names and mailing addresses of all persons owning property and all electors within the affected territory as shown in the records of the tax assessor and county clerk; and*

4. For boundary changes under ORS 198.855(3), 198.857, 222.125 or 222.170, statements of consent to the annexation signed by the requisite number of owners or electors.

Finding: The proposal is consistent with this requirement. Items 1-4 were submitted.

Consistency with Metro Code 3.09.04(D)(1) for Expedited Decisions

a. Any applicable urban service agreement adopted pursuant to ORS 195.065;

Finding: Not applicable. This criterion requires that annexations be consistent with applicable provision of annexation plans and/or agreements that have been adopted pursuant to ORS 195. Urban services are defined as: sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit, and have been addressed in the Statements of Availability of Facilities and Services findings of this report as required by under OCMC 14.04 .040 and Metro Code 3.09. There are no applicable urban service agreements adopted for the area at this time.

b. Any applicable annexation plan adopted pursuant to ORS 195.205;

Finding: This criteria is not applicable. There is no annexation plan applicable to the subject site. Therefore, this criterion does not apply.

c. Any applicable cooperative planning agreement adopted pursuant to ORS 195.020(2) between the affected entity and a necessary party;

Finding: The proposal is consistent with this requirement. The City and the County have an Urban Growth Management Agreement (UGMA) for portions of the property, which is a part of their Comprehensive Plans.

Clackamas County – City of Oregon City Urban Growth Management Agreement (UGMA, 1990)

The City and the County have an Urban Growth Management Agreement (UGMA), which is a part of their Comprehensive Plans. The territory to be annexed falls within the Urban Growth Management Boundary (UGMB) identified for Oregon City and is subject to the agreement. The County agreed to adopt the City's Comprehensive Plan designations for this area, which currently is Future Urban. When property is annexed to Oregon City, it will be zoned FU-10 and TBR until the Beavercreek Road Concept Plan is adopted and the appropriate comprehensive plan and zoning can be designated to implement the Concept Plan.

The Agreement presumes that all the urban lands within the UGMB will ultimately annex to the City. It specifies that the city is responsible for the public facilities plan required by Oregon Administrative Rule Chapter 660, division 11. The Agreement goes on to say:

- City and County Notice and Coordination

* * *

D. The CITY shall provide notification to the COUNTY, and an opportunity to participate, review and comment, at least 20 days prior to the first public hearing on all proposed annexations . . .

* * *

5. City Annexations

A. *CITY may undertake annexations in the manner provided for by law within the UGMB. CITY annexation proposals shall include adjacent road right-of-way to properties proposed for annexation. COUNTY shall not oppose such annexations.*

B. *Upon annexation, CITY shall assume jurisdiction of COUNTY roads and local access roads that are within the area annexed. As a condition of jurisdiction transfer for roads not built to CITY street standards on the date of the final decision on the annexation, COUNTY agrees to pay to CITY a sum of money equal to the cost of a two-inch asphaltic concrete overlay over the width of the then-existing pavement; however, if the width of pavement is less than 20 feet, the sum shall be calculated for an overlay 20 feet wide. The cost of asphaltic concrete overlay to be used in the calculation shall be the average of the most current asphaltic concrete overlay projects performed by each of CITY and COUNTY. Arterial roads will be considered for transfer on a case- by-case basis. Terms of transfer for arterial roads will be negotiated and agreed to by both jurisdictions.*

C. *Public sewer and water shall be provided to lands within the UGMB in the manner provided in the public facility plan . . .*

Finding: The proposal is consistent with this requirement. The required notice was provided to Clackamas County at least 20 days before the Planning Commission hearing. The UGMA requires that adjacent road rights-of-way be included within annexations. The Beavercreek Road right-of-way adjacent to the subject site is included in the initial legal description provided with this application. Since Beavercreek Road is an arterial, transfer of jurisdiction to the city would fall under the case-by-case basis, subject to negotiation. The County has agreed to consent to the annexation of the Beavercreek Road Right-of-Way and has signed the Petition and Land Use application, but the transfer in ownership of the roadway is not proposed with this application. Beavercreek Road shall be included in the final legal description for annexation.

d. Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services;

Finding: The proposal is consistent with this requirement. The proposed annexation is consistent with adopted public facility plans, as described below.

Water: The city's 2012 *Water Distribution System Master Plan* identifies recommended improvement projects intended to serve the proposed annexation area. Those projects include:

- Pipeline project no. F-CIP-4 – New 8-inch and 12-inch pipelines (total of 5,875 feet in length) that connect to the existing system along S. Beavercreek Road and travel north through the proposed annexation area. The project description states it is “intended to supply future growth in the area and will likely be developer driven.” Total estimated cost is \$1,133,720.
- Pipeline project no. F-CIP-14 – A new 2 MG water storage facility and 10,750 feet of 16-inch pipeline extending from the storage facility on S. Wilson Road to the Fairway Downs Pump Station along S. Beavercreek Road. This project is intended to create storage for a newly created pressure zone in the Fairway Downs areas. A siting study will be required prior to design. Total estimated cost is \$5,687,500.

More recently (May 2016), the city has provided an updated assessment of future water facilities that will be needed to serve the Concept Plan area. To serve areas above a ground elevation of 480 feet, which includes the subject annexation site, the city has identified the following future facilities: a reservoir, pump station, transmission main and main extensions to serve the Fairway Downs Pressure Zone. The city anticipates that a phasing plan for construction of these water facilities will be completed in the next two years (2016 – 2017).

Sewer: The *Oregon City Sanitary Sewer Master Plan* (2014) also identifies recommended improvements intended to accommodate future demand in the proposed annexation area. Those improvements consist of gravity sewer extensions throughout the annexation area connecting to an existing line in S. Beaver Creek Road.

Transportation: The TSP identifies the following planned improvements intended to serve the Beaver Creek area:

- Project D39 – A new roundabout at the intersection of S. Beaver Creek Road and Glen Oak Road.
- Project D47 – Extension of Meyers Road (planned minor arterial) through the Beaver Creek area, north of the proposed annexation site.
- Project D55 – Extension of Glen Oak Road through the annexation area from Beaver Creek Road to the Meadow Lane extension. Street will be built to the Residential Collector cross section, which has three travel lanes, sidewalk/landscape strip on both sides, on-street parking and a 6-foot bike lane.
- Project D56 – New east-west collector (Timbersky Way extension) connecting Beaver Creek Road to the Meadow Lane extension. Street will be built to the Residential Collector cross section.
- Project D59 – New north-south collector (Holly Lane extension) through the annexation area, parallel to S. Beaver Creek Road. Street will be built to the Mixed-Use Collector cross section, which has three travel lanes, 10.5-foot sidewalks with tree wells on both sides, on-street parking and a 6-foot bike lane.
- Project D60 – new north-south collector (Meadow Lane extension) through the annexation area. Street will be built to the Mixed-Use Collector cross section.
- Project D82 – Planned street upgrade to S. Beaver Creek Road from Meyers Road south to the edge of the UGB. Beaver Creek will be improved to the Residential Major Arterial cross-section, which has five travel lanes, sidewalk/landscape strip on both sides, on-street parking, a median and a 6-foot bike lane.

With the exception of the roundabout in Project D39, all improvements are designated as Likely to be Funded System Projects. The TSP also identifies a shared-use path extending throughout the annexation area and generally following the collector street alignments. That project is considered a Not Likely to be Funded System Project but it could be provided as development occurs.

Stormwater: On-site or sub-regional stormwater drainage, water quality, and detention facilities will be required at the time of development. The Beaver Creek Road Concept Plan has extensive language on the recommended methodology to capture and treat stormwater. Additionally, the City has adopted new a Stormwater and Grading Design Standard Manual and Low Impact Development (LID) standards. When development is proposed for the subject site, the owner will be required to design a stormwater drainage plan that is consistent with these standards.

Police, Emergency and Fire Protection:

The area to be annexed lies within the Clackamas County Service District for Enhanced Law Enforcement, which provides additional police protection to the area. The combination of the county-wide service and the service provided through the Enhanced Law Enforcement CSD results in a total level of service of approximately 1

officer per 1000 population. According to ORS 222.120 (5) the City may provide in its approval ordinance for the automatic withdrawal of the territory from the District upon annexation to the City. If the territory were withdrawn from the District, the District's levy would no longer apply to the property.

Upon annexation, the Oregon City Police Department will serve the subject site. Oregon City fields approximately 1.41 officers per 1,000 people. The Police Department has a goal of four-minute emergency response, 7 to 9 minute actual, and twenty-minute non-emergency response times. As no zone change or additional development is proposed as part of this annexation application, this annexation will have a minimal impact on police services.

The proposed annexation area is currently, and will remain, within the Clackamas Fire District #1. The Clackamas Fire District provides all fire protection for Oregon City since the entire city was annexed into their district in 2007. As no zone change or additional development is proposed as part of this annexation application, this annexation will have no impact on fire protection services. Oregon Revised Statute 222.120 (5) allows the City to specify that the territory be automatically withdrawn from the District upon approval of the annexation; however, based on the November 2007 fire district annexation approval, staff recommends that the properties remain within the fire district.

Emergency Medical Services to the area are provided through American Medical Response (AMR) through a contract with Clackamas County. Oregon City and the unincorporated areas surrounding Oregon City are all part of the AMR contract service area. Clackamas Fire District#1 provides EMS service to all areas they serve include ALS (advanced life support) staffing. This means all fire apparatus are staffing with a minimum of one firefighter/paramedic; usually there are more than one. Additionally, Clackamas Fire does provide ambulance transport when an AMR unit is not readily available. Therefore EMS services are provided from Clackamas Fire #1 with AMR being dispatched as well.

e. Any applicable comprehensive plan;

Finding: The proposal is consistent with this requirement. The Beavercreek Road Concept Plan will ultimately be the concept plan that will guide future development in the proposed annexation area, once acknowledged by State Department of Land Conservation and Development and following the resolution of the current LUBA appeal. The Concept Plan has been adopted by the city and has been adopted as an ancillary document to the Comprehensive Plan, but is not yet effective and therefore does not provide any applicable approval criteria. The Beavercreek Road Concept Plan serves as the principal guiding land use document for annexation and urbanization of the area, and as mentioned in this report, has been relied upon and incorporated into the legislative review and approval of four recent major public facilities master plan updates; the Water System Master Plan (2012), the Sanitary Sewer Master Plan (2014), the Transportation System Plan (2014), and the Stormwater and Grading Design Standards (2015). The applicant has not applied for a comprehensive plan amendment or zone change at this time, but has relied upon and referenced the status of the concept plan and acknowledges the land use designations within the Beavercreek Road Concept Plan. In the meantime the current adopted Oregon City Comprehensive Plan for the area is addressed below:

Clackamas County Comprehensive Plan Finding: The annexation area zoning designation of FU-10 and TBR is consistent with Clackamas County's Comprehensive Plan. The Clackamas County Comprehensive Plan implements the Oregon City Comprehensive Plan for lands within the Urban Growth Boundary. The plan

designation for these properties on the County's Urban Area Land Use Plan the properties as Urban. According to the County's Plan,

"Urban areas include all land inside urban growth boundaries. Urban areas are either developed or planned to be developed with adequate supportive public services provided by cities or by special districts. Urban areas have concentrations of people, jobs, housing, and commercial activity."

The Land Use section of the Clackamas County Comprehensive Plan, Chapter 4, further distinguishes Urban Areas into Immediate Urban Areas and Future Urban Areas.

Immediate Urban Areas: Immediate urban areas are lands that are within urban growth boundaries, are planned and zoned for urban uses, and meet at least one of the following conditions:

1. Served by public facilities, including sanitary sewage treatment, water, storm drainage, and transportation facilities;
2. Included within boundaries of cities or within special districts capable of providing public facilities and planned to be served in the near future; or
3. Substantially developed or surrounded by development at urban densities.

The County's plan and map 4-1 identifies the territory proposed for annexation as a future urban area, which is defined as:

"Future urbanizable areas are lands within the Urban Growth Boundaries but outside Immediate Urban areas. Future Urbanizable areas are planned to be served with public sewer, but are currently lacking a provider of sewer service. Future Urbanizable areas are substantially underdeveloped and will be retained in their current use to insure future availability for urban needs.

Section 4.A of the County's Plan includes several policies that address the conversion of Future Urbanizable lands to Immediate Urban lands to "Provide for an orderly and efficient transition to urban land use." and "Encourage development in areas where adequate public services and facilities can be provided in an orderly and economic way."

Further, County Land Use Policy 4.A.1 requires that the County "Coordinate with Metro in designating urban areas within Metro's jurisdiction. Recognize the statutory role of Metro in maintenance of and amendments to the Portland Metropolitan Urban Growth Boundary."

Finally, 4.C. the County's Future Urban Policy 4.C.1. requires that the County control premature development (before services are available) by:

4.C.1.1. Applying a future urban zone with a 10-acre minimum lot size within the Portland Metropolitan UGB except those lands identified in Subsection 7.1.b.

The subject site is adjacent to the City limits of Oregon City. As demonstrated within this report, public facilities and urban services can be orderly and economically provided to the subject site. Nothing in the County Plan speaks directly to criteria for annexation of property from the County to the City, although the Urban Growth

Management Agreement (UGMA) between the City and the County does address these requirements as discussed above.

f. Any applicable concept plan; and

Finding: The proposal is consistent with this requirement. As discussed above, the Beavercreek Road Comprehensive Plan will ultimately be the concept plan that will guide future development in the proposed annexation area. The Concept Plan has been adopted by the city but due to a current second appeal at LUBA is not yet effective and therefore does not provide any applicable approval criteria. The appeals notwithstanding, the Beavercreek Road Concept Plan has served as the principal guiding land use document for annexation and urbanization of the area, and as mentioned in this report, has been relied upon and incorporated into the legislative review and approval of four recent major public facilities master plan updates; the Water System Master Plan (2012), the Sanitary Sewer Master Plan (2014), the Transportation System Plan (2014), and the Stormwater and Grading Design Standards (2015).

The applicant has not applied for a comprehensive plan amendment or zone change at this time, but has relied referenced the status of the concept plan and acknowledges the land use designations within the Beavercreek Road Concept Plan.

Consideration under Metro Code 3.09.045(D)(2) for Expedited Decisions

a. Promote the timely, orderly and economic provision of public facilities and services;

Finding: The proposal is consistent with this requirement. The proposed annexation site is inside the UGB, contiguous with the city limits, and directly adjacent to developed areas that currently receive public facilities and services. Public facilities (water, sewer and transportation) are available near the proposed annexation site and the city has adopted public facilities plans that provide for extension of those facilities to serve the site to accommodate future development.

b. Affect the quality and quantity of urban services; and

Finding: The proposal is consistent with this requirement. The city has updated its sewer, water and transportation facilities master plans to plan for future extension of those services into the proposed annexation area. Fire protection is provided by Clackamas Fire District #1; the fire district will continue to serve this area after annexation and will need to adjust service levels as development occurs. Parks and open spaces will be provided in accordance with the city's parks requirements and the guidance provided in the Concept Plan, which identifies an interconnected system of green corridors, parks, and natural areas. Transit service within the annexation area is currently not available; however, transit is available near the subject site at Clackamas Community College, and the Concept Plan anticipates transit-supportive levels of development for the Beavercreek area and anticipates eventual extension of transit service.

c. Eliminate or avoid unnecessary duplication of facilities or services.

Finding: The proposal is consistent with this requirement. The city notified all applicable service providers of this annexation request for their review and comment. Annexation to, or withdrawal from, service provider districts has been addressed in this report as part of the final recommendations, and will be done concurrent or subsequent to this proposed annexation.

The Metro Code also contains a second set of 10 factors that are to be considered where: 1) no ORS 195 agreements have been adopted, and 2) a necessary party is contesting the boundary change. Those 10 factors are not applicable at this time to this annexation because no necessary party has contested the proposed annexation. **This criterion is not applicable.**

COMPLIANCE WITH OREGON CITY MUNICIPAL CODE

OCMC Chapter 14.04

14.04.050 - Annexation Procedures

A. Application Filing Deadlines

Finding: The proposal is consistent with this requirement. Annexation of these properties may not be subject to vote provided that the application meets all of the requirements of SB 1573. Should an annexation approval require subsequent approval by the Voters of Oregon City, staff will prepare the necessary ballot title and resolution scheduling an election pursuant to this requirement and in sufficient time for the matter to be submitted to the voters as provided by the election laws of the State of Oregon.

B. Pre-Application Review

Finding: The proposal is consistent with this requirement. The applicant and applicant's representative attended a pre-application review meeting with city staff on June 29, 2016. Pre-application meeting notes are included with the application.

C. Neighborhood Contact

Finding: The proposal is consistent with this requirement. The applicant held a neighborhood meeting on Tuesday, June 28 at 7:00 PM to discuss the proposed annexation with surrounding neighbors. An invitation to the meeting was sent to a mailing list of approximately 2,000 households, including the Caufield Neighborhood Association mailing list and property owners surrounding the subject site. In addition to the mailing, representatives of the Caufield Neighborhood Association and the Hamlet of Beavercreek were notified about the meeting. The Hamlet of Beavercreek sent out a notice of the meeting to its members. Approximately 75 people attended the meeting. Exhibit C of the application contains a map of the mailing list and a copy of the meeting invitation that was mailed.

D. Signatures on Consent Form and Application.

Finding: The proposal is consistent with this requirement. The application submittal package includes the application form and consent form signed by the owners of the subject properties.

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;

Finding: The proposal is consistent with this requirement. The written consent signed by the property owners or property owner representatives has been provided as part of the boundary change petition packet

submitted with this application. Specifically, under ORS 222.125, all of the owners of land and not less than 50 percent of the electors residing in the territory to be annexed have consented in writing to the annexation.

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;

Finding: The proposal is consistent with this requirement. A legal description of the territory to be annexed has been provided as part of the boundary change petition packet submitted with this application.

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;

Finding: The proposal is consistent with this requirement. A list of property owners within 300 feet of the annexation property has been provided as part of the boundary change petition packet submitted with this application. No property owners will be "islanded" by the proposed annexation.

4. Two full quarter-section county tax assessor's maps, with the subject property(ies) outlined;

Finding: The proposal is consistent with this requirement. Two full quarter-section county tax assessor's maps have been provided as part of this application submittal package.

5. A site plan, drawn to scale (not greater than one inch = fifty feet), indicating:

a. The location of existing structures (if any);

b. The location of streets, sewer, water, electric and other utilities, on or adjacent to the property to be annexed;

c. The location and direction of all water features on and abutting the subject property. Approximate location of areas subject to inundation, stormwater overflow or standing water. Base flood data showing elevations of all property subject to inundation in the event of one hundred year flood shall be shown;

d. Natural features, such as rock outcroppings, marshes or wetlands (as delineated by the Division of State Lands), wooded areas, identified habitat conservation areas, isolated preservable trees (trees with trunks over six inches in diameter—as measured four feet above ground), and significant areas of vegetation;

e. General land use plan indicating the types and intensities of the proposed, or potential development;

Finding: The proposal is consistent with this requirement. The required site plan is provided in Exhibit B of the application.

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.

Finding: The proposal is consistent with this requirement. The double-majority worksheet is not applicable.

AVAILABLE PUBLIC FACILITIES AND SERVICES

OCMC 14.04.050(E)(7)(a) - (g) NARRATIVE STATEMENTS

The applicant's narrative statements and findings that follow provide additional factual basis for a determination of a "positive balance of factors" required for approval of an annexation petition, as required under OCMC 14.04.060, which section follows this one.

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;

Finding: The proposal is consistent with this requirement. Overall, the land proposed for annexation is largely undeveloped and located within a future urban zone at the edge of urban/rural development. As such, public facilities are available near the area but will require further development as planned by the city in its adopted capital facilities plans, as described elsewhere in this report and in further detail below. The following is a brief summary of existing facilities.

Water: Currently, there is a 16-inch public water service line along S. Beavercreek Road and a pump station (Fairway Downs) located near the intersection of S. Beavercreek Road and Glen Oak Road. The city has identified several future capital improvement projects in the vicinity of the proposed annexation that are intended to serve future growth in the area. More detail about planned public facility improvements, specific to the approval criteria for an annexation request, is provided in subsequent sections of this narrative.

Sewer: Existing sanitary sewer service in the vicinity of the proposed annexation consists of a 2,400-foot trunk sewer in S. Beavercreek Road. The trunk sewer terminates near the Oregon City High School, approximately 0.5 miles north of the subject site. The Oregon City Sanitary Sewer Master Plan (2014) identifies a number of recommended future capital improvement projects intended to serve the Concept Plan area. More detail about planned public facility improvements, specific to the approval criteria for an annexation request, is provided in subsequent sections of this narrative.

Stormwater: The proposed annexation site slopes in several directions with two central drainages: Beavercreek Road to the west and Thimble Creek to the east. There are no existing stormwater treatment facilities currently serving the site. Future stormwater facilities to serve anticipated development will be consistent with the city's updated stormwater master plan and design standards and will be constructed concurrently with site development after the Concept Plan becomes effective and city zoning is applied to the annexed property.

Transportation: The transportation network currently serving the proposed annexation area consists of Beavercreek Road and a private driveway connecting to the Oregon City Golf Club and two residences on the property. Just north and west of the proposed annexation area is a private airport (Fairways Airport). The nearest available public transit (TriMet bus lines) is located at the Clackamas County Community College transit center

approximately 1.4 miles from the proposed annexation area. The Oregon City Transportation System Plan (2013) (TSP) identifies future collector streets serving the proposed annexation area consistent with the network recommended in the Concept Plan. Those collector streets are designated as “Likely to be Funded System Projects.” More detail about planned transportation improvements is provided in the applicant’s narrative and this report.

Parks and Schools: Oregon City High School and Clackamas County Community College are both in the vicinity of the proposed annexation area. There are currently no Oregon City parks in the vicinity of the proposed annexation area. The nearest park is Hillendale Park, which is about 2.8 miles from the proposed annexation area. There is an existing community trail along Glen Oak Road, extending east from OR Highway 213. That trail currently does not connect with Beavercreek Road or the proposed annexation area. The Beavercreek Road Concept Plan has identified open space and park locations to serve the community. No specific park size, location or ownership is required to be identified at the time of annexation, however this will be required at the time an application for the development of the property is submitted.

Oregon City School District received notice of the application and did not comment. The school district was involved with the initial development of the Beavercreek Road Concept Plan and also submitted testimony during the recent re-adoption process for the Concept Plan. The superintendent for Oregon City School District indicated at that time (November 17, 2015) that the district owns property adjacent to the Beavercreek Road Concept Plan and believes this is probably adequate for the near term. The District has some current capacity at the elementary school K-5 level and high school 9-12 level. The District is near capacity at the middle school 6-8 level. The School District indicated that even with existing school property adjacent to the Beavercreek Road Concept Plan, public financing support will be required to develop the additional capacity in the future. The District is embarking on a long-range facilities planning process to study existing and future capital needs.

b. Statement of increased demand for such facilities to be generated by the proposed development, if any, at this time;

Finding: The proposal is consistent with this requirement. The above item applies to development being proposed at this time and anticipates that no development may be proposed as part of an annexation application. No development is being proposed as part of this annexation application; therefore, the above item is not applicable. As discussed elsewhere in this report, all applicable public facilities and services to serve future development of the site have been or will be made available pursuant to the adopted Public Facilities plans that the City has adopted, which take future development within the Urban Growth Boundary into account based on estimates of growth capacity for the area in question.

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;

Finding: The proposal is consistent with this requirement. The above item applies to development being proposed at this time and anticipates that no development may be proposed as part of an annexation application. No development is being proposed as part of this annexation application; therefore, the above item is not applicable. As discussed elsewhere in this report, all applicable public facilities and services to serve future development of the site have been or will be made available pursuant to the adopted Public Facilities plans that the City has adopted, which take future development within the Urban Growth Boundary into account based on estimates of growth capacity for the area in question. Although not required for approval of the annexation, the

City is required by law to assure that System Development Charges commensurate with the projected level of demand for public facilities are applicable and payable by new development. The Beavercreek Road Concept Plan serves as the principal guiding land use document for annexation and urbanization of the area, and as mentioned in this report, has been relied upon and incorporated into the legislative review and approval of four recent major public facilities master plan updates which are part of the City's Capital Improvement Program; the Water System Master Plan (2012), the Sanitary Sewer Master Plan (2014), the Transportation System Plan (2014), and the Stormwater and Grading Design Standards (2015). These facilities are mainly funded, part of the City's Capital Improvement Program, and the City is collecting System Development Charges.

d. Statement outlining method and source of financing required to provide additional facilities, if any;

Finding: The proposal is consistent with this requirement. The above item applies to development being proposed at this time and anticipates that no development may be proposed as part of an annexation application. No development is being proposed as part of this annexation application; therefore, the above item is not applicable. However, the Beavercreek Road Concept Plan, as required for compliance with Metro Title 11 of the Urban Growth Functional Management Plan, includes a similar requirement to identify methods and sources of financing to provide additional facilities. Likewise, each of the City's recently adopted public facilities for Transportation, Sewer, and Water include a discussion of methods and sources of financing required to provide such facilities to the proposed annexation area. Specific funding mechanisms are not required to be identified until the time a development is proposed. Although not required for approval of the annexation, the City is required by law to assure that System Development Charges commensurate with the projected level of demand for public facilities are applicable and payable by new development. The Beavercreek Road Concept Plan serves as the principal guiding land use document for annexation and urbanization of the area, and as mentioned in this report, has been relied upon and incorporated into the legislative review and approval of four recent major public facilities master plan updates which are part of the City's Capital Improvement Program; the Water System Master Plan (2012), the Sanitary Sewer Master Plan (2014), the Transportation System Plan (2014), and the Stormwater and Grading Design Standards (2015). These facilities are mainly funded, part of the City's Capital Improvement Program, and the City is collecting System Development Charges.

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;

Finding: The proposal is consistent with this requirement. The above item applies to any development being proposed as part of the annexation application. No development is being proposed as part of this annexation application. Future development and the application of Oregon City zoning and Comprehensive Plan designations will be reviewed for consistency with the Beavercreek Road Concept Plan, which was developed through two-year intensive public involvement process and guided by a citizen advisory group comprised of a wide variety of stakeholders of the surrounding community.

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;

Finding: The proposal is consistent with this requirement. As noted previously, no development is being proposed at this time and this application requirement anticipates that no development may be proposed as part of an annexation application. Ultimately, the proposed annexation area is intended to be developed in the plan as mixed-use neighborhood concepts established in the Concept Plan, but that development cannot occur until the Concept Plan is effective and the implementing zoning is applied to the property.

In terms of physical effects of potential development, the annexation area will eventually be developed with a mix of housing types and densities, and possibly some neighborhood-scale commercial uses. A new street network will be developed, along with trails, open spaces and parks. Public facilities will be extended to serve the site. The annexation site will be subject to existing city code requirements related to impacts of new development, including protection of natural resources, street design, and buffering and landscaping.

Aesthetically, future development in the Beavercreek area is intended to emphasize and protect existing natural resources and view corridors, and link them to green open spaces and active parks via a connected system of biking and walking trails. Streets will be developed using green street designs with street trees, landscape strips and integrated stormwater treatment.

Socially, the proposed annexation site will ultimately be developed to be part of a complete community, one that integrates a diverse mix of uses, including housing, services, and public spaces that are necessary to support a thriving employment center. Future development will provide a mix of housing types at a range of prices, with multi-modal connections within the site and to surrounding activity centers, including the Oregon City High School and Clackamas Community College. New streets and street improvements will be designed to maximize safety and convenience for all users, including pedestrians and cyclists. Natural resources will be managed for optimum ecological health to help protect watersheds.

Overall, the annexation site will be developed in accordance with a carefully crafted vision identified in the Beavercreek Road Concept Plan that was the result of a vigorous public process and was adopted by the city to guide future growth in a way that will contribute to Oregon City as a whole.

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;

Finding: The proposal is consistent with this requirement. The applicant is not requesting a comprehensive plan text amendment or zone change for the proposed annexation properties at this time. Ultimately, in order for the properties to develop, land use plan and zoning designations will need to be applied. It is anticipated that zoning designations consistent with the Concept Plan will be developed and applied to the site. However, until such time, existing County FU-10 and TBR zoning will continue apply.

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;

Finding: The proposal is consistent with this requirement. The applicable application fee has been provided as part of this application submittal.

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

Finding: The proposal is consistent with this requirement. Paper and electronic copies of this narrative have been included as part of this submittal package.

COMPLIANCE WITH 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;

Finding: The proposal is consistent with this requirement. The site currently has adequate access opportunities from S. Beaver Creek Road (a designated major arterial in the Oregon City Transportation System Plan) in the form of a driveway from Beaver Creek Road that serves the two residences and the golf club. No zone change or additional development is proposed as part of this annexation application. The current access, then, will remain adequate for the existing development and existing zoning until new zoning is proposed for the property. Once the property is rezoned consistent with the Concept Plan and development consistent with the Concept Plan is proposed, a primary street network will be developed in accordance with the connectivity concept identified in Figure 14 of the Concept Plan and Figure 17 of the TSP. See Images 1-2 below. In the vicinity of the subject site, the Concept Plan identifies three parallel north-south routes (the existing Beaver Creek Road and two new parkways) connected by east-west extensions of Glen Oak Road, Old Acres Lane and the south golf club entrance. Additional local streets will supplement this street network as required by Oregon City Code section 12.04. The specific design of the local street system is intentionally flexible in the Beaver Creek Road Concept Plan, and subject to additional master plan and subdivision review by the city.

The City's adopted TSP has incorporated the street network from the Concept Plan that will serve the proposed annexation area. These improvements are designated as "Likely to be Funded System Projects." More detail about TSP projects is provided in the discussion of public facilities in item (3) below.

Figure 14 from the Beavercreek Road Concept Plan

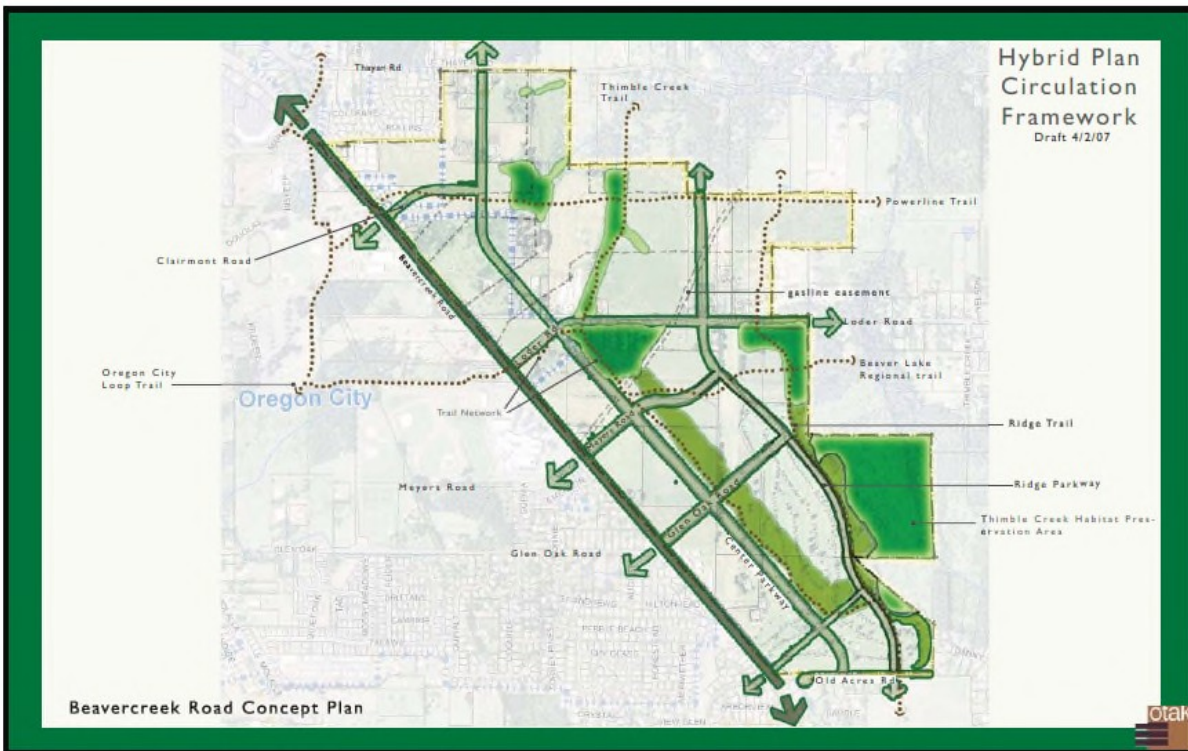
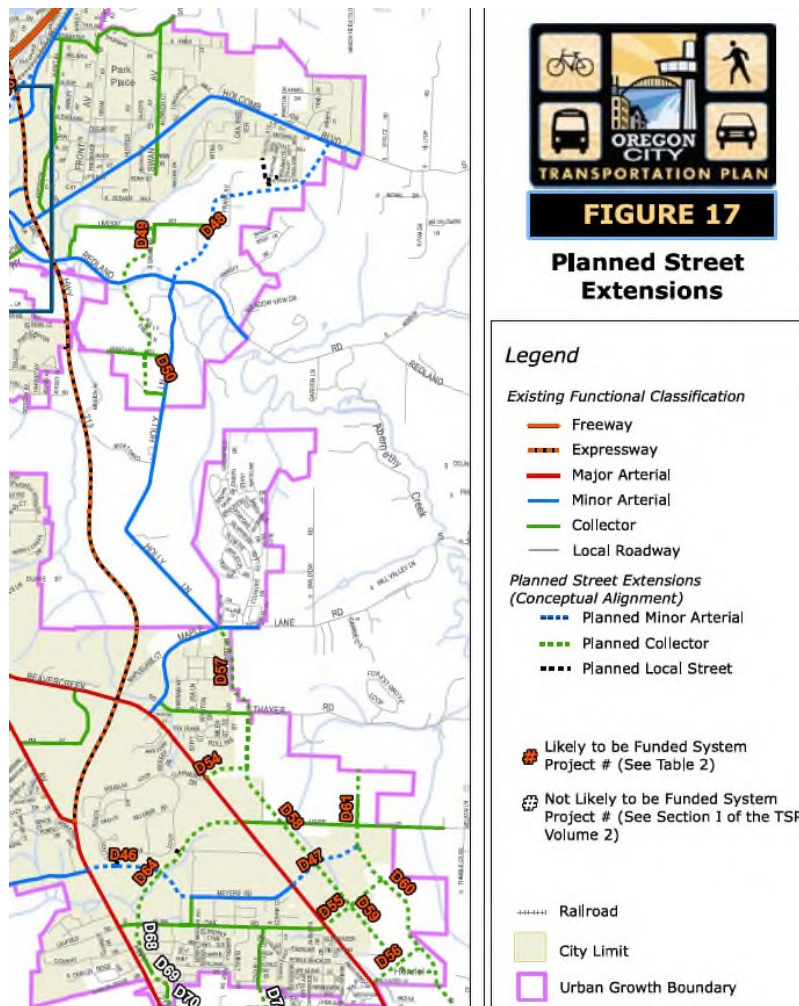


Figure 14 - Circulation Framework

Image 2: Figure 17 from the Oregon City Transportation System Plan



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

Finding: The proposal is consistent with this requirement. The conformity of this proposal with applicable goals and policies in the city's Comprehensive Plan is addressed in the following section of this report and in Section II.B of the Applicant narrative.

Compliance with Oregon City Comprehensive Plan

Applicable goals and policies from the Comprehensive Plan were identified in the Pre-Application Conference Notes (Exhibit A). This section demonstrates how the proposed annexation is consistent with applicable goals and policies.

Section 2 Land Use

Goal 2.6 Industrial Land Development *Ensure an adequate supply of land for major industrial employers with family wage jobs.*

Finding: The proposal is consistent with this requirement. The proposed annexation site is part of the larger Beaver Creek Road Concept Plan area, which has been planned for a complete mix of uses, including

employment, industrial, commercial and residential. Per the Concept Plan, the lands north of the subject site will be designated for employment uses and are intended to provide a mix of industries, research and development facilities, large corporate headquarters, office and retail, and some civic uses. This northern area (called the North Employment Campus and Mixed Employment Village in the Concept Plan) has been determined to be the most appropriate location for major industrial employers with family wage jobs, while the southern part of the Concept Plan area (where the subject site is located) has been determined to be most appropriate for residential uses that support the nearby employment areas. As a whole, the Concept Plan area will support the goal of ensuring adequate supply of land for employment uses, but the territory subject to this annexation application has no impact on the city's supply of land for major industrial employers either before or after annexation.

Policy 2.6.8 *Require lands east of Clackamas Community College that are designated as Future Urban Holding to be the subject of concept plans, which if approved as an amendment to the Comprehensive Plan, would guide zoning designations. The majority of these lands should be designated in a manner that encourages family-wage jobs in order to generate new jobs and move towards meeting the city's employment goals.*

Finding: The proposal is consistent with this requirement. As noted in the response above, the proposed annexation area is part of the larger Beaver Creek Road Concept Plan area, which has been adopted by the city but is not yet acknowledged or effective. In accordance with this policy, the Concept Plan will ultimately guide zoning designations for the lands east of Clackamas Community College that are designated as Future Urban Holding, as well as for the larger plan area. Consistent with this policy, the majority of the lands east of Clackamas Community College that are designated as Future Urban Holding have been identified in the Concept Plan for employment uses. This employment area is intended to provide for a mix of industries, research and development facilities, large corporate headquarters, office and retail, and some civic uses. The northern location of this employment area is important, because its proximity to Clackamas Community College and Oregon City High School is intended to foster connections and relationships among the employers that site in the employment area and these two educational institutions. The proposed annexation site is located in the southern portion of the Concept Plan area and is identified for mixed use residential neighborhoods that will support the nearby employment uses. Therefore, the territory subject to this annexation application has no impact on the city's ability to meet its employment goals under this policy either before or after annexation.

Goal 2.7 Oregon City Comprehensive Plan Land-Use Map *Maintain the Oregon City Comprehensive Plan Land-Use Map as the official long-range planning guide for land-use development of the city by type, density and location.*

Finding: The proposal is consistent with this requirement. The Oregon City Comprehensive Plan Land-Use Map remains the long-range planning guide for development in the city. Ultimately, the Comprehensive Plan Map will be updated to apply land use designations to the proposed annexation area, consistent with land use designations identified in the Concept Plan. Therefore, this annexation application has no impact on this policy.

Policy 2.7.3 *Recognize the design types of Metro's 2040 Growth Concept. Establish boundaries for the Regional Center in Downtown Oregon City; Corridors along 7th Street, Molalla Avenue, Beaver Creek Road, and Highway 99; Industrial areas; and for Inner and Outer Neighborhoods.*

Finding: The proposal is consistent with this requirement. The proposed annexation area is within the boundaries of the Concept Plan which is consistent with the Metro 2040 Growth Concept. The Beavercreek Road Concept Plan supports the provision of a variety of housing types and income levels, creation of mixed use zones to encourage more employment and housing, and the designation of Metro Design Types (Industrial and Employment). The revised Industrial and Other Employment Areas map adopted by Metro in 2010 by Ordinance 10-1244B, Exhibit D is consistent with the North Employment Campus (NEC) plan area on the BRCP. The remaining plan areas – the Mixed Employment Village, Main Street, and West and East Mixed Use Neighborhoods, are consistent with the Metro Outer Neighborhoods design type designation.

Section 14 Urbanization

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.*

Finding: The proposal is consistent with this requirement. This policy contains a requirement that the city plan for public services to lands within the urban growth boundary through concept plans and a related capital improvement program. This policy, then, is not directly applicable to this annexation request, because this annexation request has no impact on the city's ability to plan for such public services. In any event, the proposed annexation area is part of the Beavercreek Road Concept Plan, which has been adopted by the city (adopted originally in 2008 and re-adopted in 2016). Since the 2008 adoption, the city has updated its water, sewer and transportation master plans to include new projects intended to serve the Concept Plan area. Details regarding planned capital improvements to provide public services to the annexation site are below.

Water: Recommended future water service improvements identified in the 2012 *Water Distribution System Master Plan* include:

- Pipeline project no. F-CIP-4 – new 8-inch and 12-inch pipelines (total of 5,875 feet in length) that connect to the existing system along S. Beavercreek Road and travel north through the proposed annexation area. The project description states it is “intended to supply future growth in the area and will likely be developer driven.” Total estimated cost is \$1,133,720.
- Pipeline project no. F-CIP-14 – a new 2 MG water storage facility and 10,750 feet of 16-inch pipeline extending from the storage facility on S. Wilson Road to the Fairway Downs Pump Station along S. Beavercreek Road. This project is intended to create storage for a newly created pressure zone in the Fairway Downs areas. A siting study will be required prior to design. Total estimated cost is \$5,687,500.

More recently (May 2016), the city has provided an updated assessment of future water facilities that will be needed to serve the Concept Plan area. For the areas above a ground elevation of 480 feet, which includes the subject annexation site, the city has identified the following future facilities: a reservoir, pump station, transmission main and main extensions to serve the Fairway Downs Pressure Zone. The city anticipates that a phasing plan for construction of these water facilities will be identified in the next two years (2016 – 2017).

Sewer: The *Oregon City Sanitary Sewer Master Plan* (2014) identifies recommended improvements intended to accommodate future demand in the proposed annexation area. Those improvements consist of 8-inch, 10-inch and 12-inch gravity sewer line extensions throughout the annexation area connecting to an existing line in S. Beavercreek Road.

Transportation: The TSP identifies the following planned improvements intended to serve the Beavercreek area:

- Project D39 – A new roundabout at the intersection of S. Beavercreek Road and Glen Oak Road.
- Project D47 – Extension of Meyers Road (planned minor arterial) through the Beavercreek area, north of the proposed annexation site.
- Project D55 – Extension of Glen Oak Road through the annexation area from Beavercreek Road to the Meadow Lane extension. Street will be built to the Residential Collector cross section, which has three travel lanes, sidewalk/landscape strip on both sides, on-street parking and a 6- foot bike lane.
- Project D56 – New east-west collector (Timbersky Way extension) connecting Beavercreek Road to the Meadow Lane extension. Street will be built to the Residential Collector cross section.
- Project D59 – New north-south collector (Holly Lane extension) through the annexation area, parallel to S. Beavercreek Road. Street will be built to the Mixed-Use Collector cross section, which has three travel lanes, 10.5-foot sidewalks with tree wells on both sides, on-street parking and a 6-foot bike lane.
- Project D60 – New north-south collector (Meadow Lane extension) through the annexation area. Street will be built to the Mixed-Use Collector cross section.
- Project D82 – Planned street upgrade to S. Beavercreek Road from Meyers Road south to the edge of the UGB. Beavercreek will be improved to the Residential Major Arterial cross-section, which has five travel lanes, sidewalk/landscape strip on both sides, on-street parking, a median and a 6-foot bike lane.

With the exception of the roundabout in Project D39, all improvements are designated as Likely to be Funded System Projects. The TSP also identifies a shared-use path extending throughout the annexation area and generally following the collector street alignments. That project is considered a “Not Likely to be Funded System Project.”

As evidenced above, the city has planned for public services to the lands within the urban growth boundary through the adoption of the Concept Plan and the amendment of its related public facilities plans that detail how those lands will be served. This annexation application does not affect that.

The Beavercreek Road Concept Plan serves as the principal guiding land use document for annexation and urbanization of the area, and as mentioned in this report, has been relied upon and incorporated into the legislative review and approval of four recent major public facilities master plan updates which are part of the City’s Capital Improvement Program; the Water System Master Plan (2012), the Sanitary Sewer Master Plan (2014), the Transportation System Plan (2014), and the Stormwater and Grading Design Standards (2015).

Further analysis of the adequacy of the public facilities to serve the site without diminishing service to existing customers is required prior to any subsequent development proposal of the annexed property, including any zone changes, land divisions, or other development approvals required. Future development of the annexed properties will be required to construct or pay fee-in-lieu of construction of all necessary city public facilities to serve the subject site, as well as paying applicable System Development Charges.

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.*

Finding: The proposal is consistent with this requirement. The proposed annexation site is inside the urban growth boundary and will ultimately be designated for residential uses consistent with the Comprehensive Plan designations for medium- and high-density residential land use categories. Those land use designations will be implemented by city zoning, consistent with the densities identified in the Concept Plan for the West (R-2 zoning) and East (R- 5 zoning) Mixed Use Neighborhoods. The city's water, sewer and transportation master plans (as described previously) have been updated to reflect those land use designations and associated densities. As noted earlier, no zone change or additional development is proposed as part of this annexation application. Until land use plan and zoning designations are applied to the site and future development approvals are obtained, uses on the affected property will remain as they are. Therefore, this annexation application will not hinder the city's ability to maximize new public facilities and services at maximum densities per the direction of the Concept Plan.

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.*

Finding: The proposal is consistent with this requirement. As noted previously, the city has updated its water, sewer and transportation master plans to plan for extension of services to the annexation area. The updated public facility master plans take into account the demand for services from both existing and planned development in the city. The master plans identify future capital improvement projects intended to ensure that public services can be maintained and extended as needed to meet demand. Further, as no zone change or additional development is proposed as part of this annexation application, the proposed annexation does not affect the ability of the city to deliver services to existing areas, at existing densities, and residents in the city. The service demand on city systems will be the same if the property develops under the existing FU-10 zone if annexed to the city as it would be if development occurred today when the land is in the county. Further analysis of the adequacy of the public facilities to serve the site without diminishing service to existing customers is required prior to any subsequent development proposal of the annexed property, including any zone changes, land divisions, or other development approvals required. Future development of the annexed properties will be required to construct or pay fee-in-lieu of construction of all necessary city public facilities to serve the subject site, as well as paying applicable System Development Charges.

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.*

Finding: Not applicable. The proposed annexation does not involve formation of a new urban service or utility 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.*

Finding: The proposal is consistent with this requirement. As noted previously, the city's water, sewer and transportation master plans have been updated to plan for extension of those services to the proposed annexation area. Capital improvement projects needed to provide those services are identified in the master plans and the city's system development charges (SDCs) have been updated accordingly. The updated SDCs

will ensure that new development in the annexation area will fund those public improvements to the maximum extent allowed under state law.

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.*

Finding: The proposal is consistent with this requirement. This annexation application will be reviewed through a process that considers the effects on public services and benefits to the city. Consistency with the Comprehensive Plan and applicable city ordinances is required for annexation approval and has been demonstrated in this narrative and in the supporting materials provided with the application package. Further, as no zone change or additional development is proposed as part of this annexation application, the proposed annexation will have no greater effect on public services that it currently does with the lands located outside city boundaries but within the UGB. By approving this annexation, the city takes the next step in urbanizing this area, realizing the objectives identified in the Beavercreek Concept Plan.

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.*

Finding: The proposal is consistent with this requirement. This application supports this policy by proposing annexation of property that is within the city's urban growth boundary and is contiguous with the southeastern edge of existing city limits. This application does not propose long linear extensions such as cherry stems or flag lots.

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.*

Finding: The proposal is consistent with this requirement. This policy contains a requirement that the city include a fiscal impact assessment as part of the preparation of concept plans. This policy, then, is not directly applicable to this annexation request, because this annexation request is not a concept plan. In any event, the Concept Plan does provide the required assessment of the fiscal impacts of providing public services to the proposed annexation area when it develops, including potential costs and benefits to the city. As part of the Concept Plan preparation and adoption process, associated city master plans have also been updated to include projects identified in the Concept Plan. Those plans include the Transportation System Plan (2013), Water System Master Plan (2012) and Sanitary Sewer Master Plan (2014) – all of which have been adopted by the city and acknowledged by the State of Oregon. The infrastructure requirements and cost estimates contained in those master plans were used to update the city's system development charges and have been included as part of the city's capital improvement program.

Policy 14.4.3 *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.*

Finding: The proposal is consistent with this requirement. The proposed annexation will not create an unincorporated island within the city. As demonstrated in the Concept Plan and adopted public facility plans, public services can be efficiently and cost-effectively extended to serve the Beavercreek area without including additional parcels with this annexation. This proposed annexation will facilitate implementation of the Concept Plan, which has been adopted by the city.

Compliance with OCMC 14.04.060 – Annexation Factors – Continued

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

Finding: The proposal is consistent with this requirement. The adequacy and availability of public facilities and services to service the potential development of the property was discussed earlier under the applicant's statements section, and is further discussed here. No zone change or additional development is proposed as part of this annexation application. The current public facilities and services, then, will remain adequate for the existing development and existing zoning until new zoning is proposed for the property. The Concept Plan identifies this area as a future location for mixed-use neighborhoods that include a variety of residential types (at densities similar to the city's R-2 and R-5 zones), smaller-scale employment and retail uses, and parks and pedestrian ways. Public facilities plans have been updated and adopted by the city to anticipate and accommodate urban levels of development on the subject site upon the Concept Plan becoming effective. The following is a summary of how public facility improvements are being addressed to service potential development in the annexation area.

Water

Beavercreek Road Concept Plan: According to the Concept Plan, a network of water supply pipelines will be created to serve as the "backbone" system. In addition, as individual parcels are developed, a local service network of water mains will be needed to serve individual lots. Figure 22 in the Concept Plan identifies this "backbone" system comprised of 8- and 12-inch pipelines along the proposed new north-south collector streets, and connected by east-west pipelines at the north and south ends of the annexation area.

Adopted Public Facilities Plan: Recommended future water service improvements identified in the 2012 *Water Distribution System Master Plan* implement the water supply network envisioned in the Concept Plan and include:

- Pipeline project no. F-CIP-4 – new 8-inch and 12-inch pipelines (total of 5,875 feet in length) that connect to the existing system along S. Beavercreek Road and travel north through the proposed annexation area. The project description states it is "intended to supply future growth in the area and will likely be developer driven."
- Pipeline project no. F-CIP-14 – a new 2 MG water storage facility and 10,750 feet of 16-inch pipeline extending from the storage facility on S. Wilson Road to the Fairway Downs Pump Station along S. Beavercreek Road. This project is intended to create storage for a newly created pressure zone in the Fairway Downs areas. A siting study will be required prior to design.

More recently (May 2016), the city has provided an updated assessment of future water facilities that will be needed to serve the Concept Plan area. For the areas above a ground elevation of 480 feet, which

includes the subject annexation site, the city has identified the following future facilities: a reservoir, pump station, transmission main and main extensions to serve the Fairway Downs Pressure Zone. The city anticipates that a phasing plan for construction of these water facilities will be prepared in the next two years (2016 – 2017).

Sewer

Beavercreek Road Concept Plan: The Concept Plan notes that the majority of the southern half of the concept area (which includes the proposed annexation area) will be served by a gravity sanitary sewer system that will convey waste water to the existing 2,400-foot long trunk sewer in Beavercreek Road. This portion of the system can be built in the planned roadways and in the existing Beavercreek Road right-of-way. The Concept Plan also notes that, “The approximate elevation of 490 ft (MSL) is important in the southern half of the concept plan area relative to gravity sewer service. Roadways and development constructed above 490 ft will most likely allow for gravity sewer service. If land uses requiring sanitary sewer service (or roadways with sewer underneath) are located lower than 490 ft, individual pump stations and pressurized services may be required.”

Adopted Public Facilities Plan: The *Oregon City Sanitary Sewer Master Plan* (2014) implements the sanitary sewer network envisioned in the Concept Plan and identifies recommended improvements intended to accommodate future demand in the proposed annexation area. Those improvements consist of gravity sewer extensions throughout the annexation area connecting to the existing line in S. Beavercreek Road. Image 3 below provides additional detail.

Image 3: Figure 5-4 from the Oregon City Sanitary Sewer Master Plan

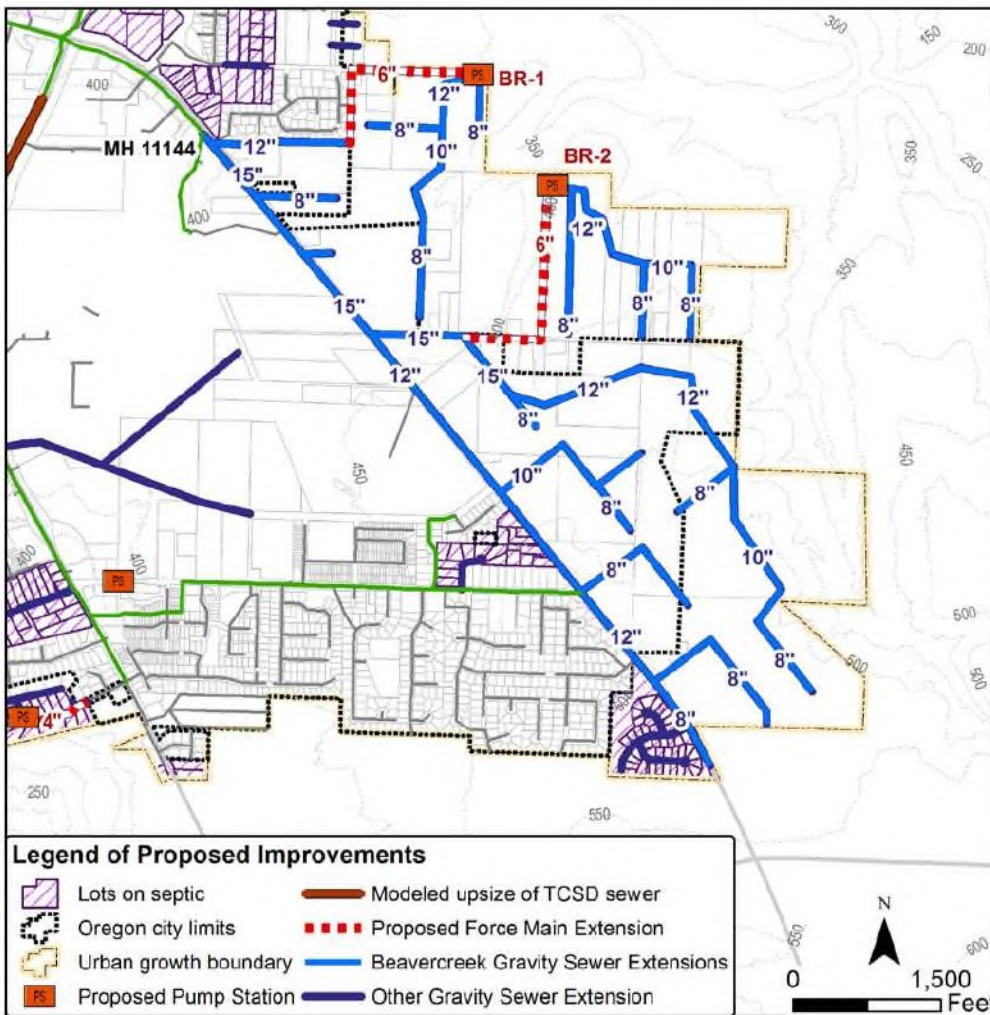


Figure 5-4. Beaver Creek Road Concept Area improvements

Transportation

Beaver Creek Road Concept Plan: As noted previously (and shown in Image 1 above), the Concept Plan identifies recommended improvements to the street network intended to serve future development in the annexation area.

Adopted Public Facilities Plan: The TSP identifies future improvements to the street network serving the proposed annexation site and implements the transportation network envisioned in the Concept Plan. See Image 2 above for future street extensions. Specific projects are summarized as follows:

- **Project D39** – A new roundabout at the intersection of S. Beaver Creek Road and Glen Oak Road.
- **Project D47** – Extension of Meyers Road (planned minor arterial) through the Beaver Creek area, north of the proposed annexation site.
- **Project D39** – A new roundabout at the intersection of S. Beaver Creek Road and Glen Oak Road.
- **Project D47** – Extension of Meyers Road (planned minor arterial) through the Beaver Creek area, north of the proposed annexation site.

- **Project D55** – Extension of Glen Oak Road through the annexation area from Beavercreek Road to the Meadow Lane extension. Street will be built to the Residential Collector cross section, which has three travel lanes, sidewalk/landscape strip on both sides, on-street parking and a 6-foot bike lane.
- **Project D56** – New east-west collector (Timbersky Way extension) connecting Beavercreek Road to the Meadow Lane extension. Street will be built to the Residential Collector cross section.
- **Project D59** – New north-south collector (Holly Lane extension) through the annexation area, parallel to S. Beavercreek Road. Street will be built to the Mixed-Use Collector cross section, which has three travel lanes, 10.5-foot sidewalks with tree wells on both sides, on-street parking and a 6-foot bike lane.
- **Project D60** – New north-south collector (Meadow Lane extension) through the annexation area. Street will be built to the Mixed-Use Collector cross section.
- **Project D82** – Planned Street upgrade to S. Beavercreek Road from Meyers Road south to the edge of the UGB. Beavercreek will be improved to the Residential Major Arterial cross-section, which has five travel lanes, sidewalk/landscape strip on both sides, on-street parking, a median and a 6-foot bike lane. The roadway section in the Beavercreek Road Concept Plan calls for a 3-lane section in this location with flaring and turn lanes where needed, in order to minimize ROW impacts to adjacent properties.

With the exception of Project D39, all improvements are designated as “Likely to be Funded System Projects.” The TSP also identifies a shared-use path extending throughout the annexation area and generally following the collector street alignments. That project is considered a “Not likely to be Funded System Project.” Please note that projects listed as “Not Likely to be Funded” still qualify as meeting the requirements for adequate Transportation Facilities planning under in compliance with OAR 660-012-0060(4)(b)(A).

The Beavercreek Road Concept Plan serves as the principal guiding land use document for annexation and urbanization of the area, and as mentioned in this report, has been relied upon and incorporated into the legislative review and approval of four recent major public facilities master plan updates which are part of the City’s Capital Improvement Program; the Water System Master Plan (2012), the Sanitary Sewer Master Plan (2014), the Transportation System Plan (2014), and the Stormwater and Grading Design Standards (2015).

Further analysis of the adequacy of the transportation system is required prior to any subsequent development proposal of the annexed property, including any zone changes, land divisions, or other development approvals required. Future development of the annexed properties will be required to construct or pay fee-in-lieu of construction of all necessary city public facilities to serve the subject site, as well as paying applicable System Development Charges.

Stormwater

Beavercreek Road Concept Plan: The Concept Plan identifies a stormwater infrastructure plan that emphasizes the use of low impact development (LID) practices throughout the proposed annexation area. The Plan organizes stormwater facilities into three tiers, which are summarized below:

- **Tier 1 site-specific facilities** – Each property within the annexation area will need to utilize on-site best management practices to control and treat runoff. The Plan recommends the use of low impact facilities such as rain gardens, swales and pervious surface treatments over structural solutions such as underground tanks and filtration systems.
- **Tier 2 green street facilities** – Green street designs are recommended for the entire annexation area to collect and convey stormwater runoff to regional facilities.

- **Tier 3 regional facilities** – Seven regional facilities are identified for the Beavercreek plan area, including one regional detention pond located within the proposed annexation site.

City Stormwater Management Requirements: New development on the annexation site will be required to meet the city's *Stormwater and Grading Design Standards* (2015). Those standards are intended to meet federal and state requirements, reduce stormwater runoff volumes, maintain pre-development characteristics to protect drainage-ways, and encourage the use of low-impact development practices. Per the standards, post-development runoff rates must match pre-development rates at existing discharge locations. According to the Concept Plan, there are several small discharge locations to Thimble Creek and flow control may not be feasible at all locations. In that case, over-detention will be required in order to meet the city's standards.

Schools and Parks

Oregon City High School and Clackamas County Community College are both in the vicinity of the proposed annexation area.

The Concept Plan provides a conceptual open space network including parks, trails, open spaces and natural areas that link together and connect with the environmentally sensitive resource areas. In the vicinity of the proposed annexation area, the Concept Plan identifies the following:

- A linear open space park linking the neighborhoods south of Loder Road, consistent with Metro's Goal 5 mapping efforts.
- Thimble Creek conservation and habitat preservation areas.
- South Ridge Overlook habitat preservation area.

The Plan also notes that park space will need to be provided consistent with the city's parks standard of 6 to 10 acres per 1,000 people. This requirement is applied during master planning and/or other land use process, such as a subdivision, to approve future development.

As no zone change or additional development is proposed as part of this annexation application, this annexation will have no impact on the provision of schools or parks.

Police, Emergency and Fire Protection:

The area to be annexed lies within the Clackamas County Service District for Enhanced Law Enforcement, which provides additional police protection to the area. The combination of the county-wide service and the service provided through the Enhanced Law Enforcement CSD results in a total level of service of approximately 1 officer per 1000 population. According to ORS 222.120 (5), the City may provide in its approval ordinance for the automatic withdrawal of the territory from the District upon annexation to the City. If the territory were withdrawn from the District, the District's levy would no longer apply to the property.

Upon annexation, the Oregon City Police Department will serve the subject site. Oregon City fields approximately 1.33 officers per 1,000 people. The Police Department has a goal of four-minute emergency response, 7 to 9 minute actual, and twenty-minute non-emergency response times. As no zone change or additional development is proposed as part of this annexation application, this annexation will have a minimal impact on police services.

The proposed annexation area is currently, and will remain, within the Clackamas Fire District #1. The Clackamas Fire District provides all fire protection for Oregon City since the entire city was annexed into their

district in 2007. As no zone change or additional development is proposed as part of this annexation application, this annexation will have no impact on fire protection services. Oregon Revised Statute 222.120 (5) allows the City to specify that the territory be automatically withdrawn from the District upon approval of the annexation; however, based on the November 2007 fire district annexation approval, staff recommends that the properties remain within the fire district.

Emergency Medical Services to the area are provided through American Medical Response (AMR) through a contract with Clackamas County. Oregon City and the unincorporated areas surrounding Oregon City are all part of the AMR contract service area. Clackamas Fire District#1 provides EMS service to all areas they serve include ALS (advanced life support) staffing. This means all fire apparatus are staffing with a minimum of one firefighter/paramedic; usually there are more than one. Additionally, Clackamas Fire does provide ambulance transport when an AMR unit is not readily available. Therefore EMS services are provided from Clackamas Fire #1 with AMR being dispatched as well.

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

Finding: The proposal is consistent with this requirement. See findings earlier in this report for Metro 3.09. ORS 222 requires the proposed annexation property be contiguous with the city and provides several options for annexing land into a city. As noted in 14.04.050(E)(1), this annexation relies on ORS 222.125, annexation by consent of all land owners and a majority of electors. The requirements of ORS 222, then, are met. Metro Section 3.09 is addressed separately in earlier in this report.

Compliance with OCMC 14.04.060 – Annexation Factors – Continued

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

Finding: The proposal is consistent with this requirement. The Concept Plan has identified water resource and steep slope areas that will require further investigation at time of development to demonstrate compliance with Oregon City's overlay district zoning; OCMC Chapter 17.49 regulating water resource and habitat protection and OCMC Chapter 17.44 regulating development in and near geologic hazards and steep slopes. Future development of the site will be required to meet all applicable city, state and federal requirements, which will be addressed through the land development processes (site plan and design review, land divisions, etc.). As no zone change or additional development is proposed as part of this annexation application, this annexation will have no impact on identified natural hazards to any greater degree than development that is currently permitted.

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;

Finding: The proposal is consistent with this requirement. The above resources are Goal 5 resources within the Beavercreek Road Concept Plan that were addressed in detail in the Natural Resource Inventory which was part of the existing conditions analysis required by Metro Title 11. A detailed review of the Goal 5 resources within the study area was conducted, including wetlands, streams, riparian area, wildlife habitat and historic and cultural resources. The inventory consisted of two parts: 1) An examination of existing resource information for the Plan area; and 2) A field study to verify the location and evaluate resource habitat quality.

Once the land is annexed, the Beavercreek Road Concept Plan will protect Goal 5 natural resource areas by guiding the designation of Natural Resource Overlay District areas and the restriction of development in those areas pursuant to OCMC 17.49. The code requires that further on-site analysis be conducted to determine the current extent of the protected resources which initially was done with the concept plan. More detailed, site specific delineations of the resources and the required associated vegetated corridors is required prior to development, along with impact analysis and mitigation for impacts. These existing restrictions will adequately protect natural resource areas and to the extent necessary serve as a natural resource protection plan.

A Goal 5 resource inventory that was conducted with the plan included a review of cultural and historic resources on any known state, county or local lists which, if found, would potentially be protected and included in the City's inventory and regulated under Chapter 17.40 of the City Municipal Code, when properties are annexed to the City.

No inventoried historic resources were documented within the Plan boundaries at the time of concept planning. Staff confirmed this through communication with County planning staff. If property owners seek designation for any eligible historic resources, or if any inventory reveals eligible landmarks in the future, those landmarks could potentially be protected and included in the City's inventory and regulated through the designation process described in Chapter 17.40 of the Oregon City Municipal Code, when properties are annexed to the City.

Open Space:

The Beavercreek Road Open Space Framework plan provides a network of green spaces that are intended to provide a system of connected parks, opens spaces and natural areas, provide access to nature, preserve existing natural resources and provide green spaces near the system of trails and pedestrian connections. The power line corridors comprise approximately 52 acres of land north of Loder Road and have been utilized to provide publicly accessible opens space, trails and links to the broader open space network. The standard of 16-acres per 1,000 population was amended to a standard of 6 to 10 acres per 1,000 population as discussed at the Planning Commission. The extent and location of the park is conceptual, flexible and the costs associated with acquisition and development will need to be determined through more detailed parks master planning processes, similar to the Glen Oak Road park site and the Hazel Grove parks site master planning that was conducted in 2014. The parks master planning process will refine the locations and costs of parks infrastructure. Existing parks SDCs do not reflect the cost of providing parks in this area, and will require further study to account for the amount of parks acreage envisioned in the concept plan but they may be updated or lands could be obtained by private developers as development occurs. A park is proposed to extend through the central and southern areas of the BRCP. The location and linearity of the park was first indicated by Metro's Goal 5 mapping. This open space feature is intended as a continuous green space that links the districts and neighborhoods south of Loder Road.

The open space plan envisions establishing a publicly accessible resource area as the eastern edge of the community that is free from development, and accessible by low impact trails, known as the East Ridge. This vantage point is located at 490' elevation with views to the east into the Trimble Creek area (See pages 22-23). The plan provides very specific measures to preserve the East Ridge open space and conservation area.

The code will allow flexibility in the width, shape and acreage of the open space, provided there remains a clearly identifiable and continuous open space. The buildable lands identified 292 acres of Tier A or 'unconstrained' lands, 28 acres of Tier B or "Low Impact Development Allowed with Review" and 131 acres of Tier C or "Constrained". The Low Impact area was later evaluated and recommended for conservation under an Environmentally Sensitive and Resource Area designation on the BRCP. New development will be required to comply with the City's Natural Resources Overlay District in compliance with this goal.

The proposed annexation area is in the Newell and Thimble drainage basins according to the Drainage Master Plan. The Concept Plan has identified natural and water resources, as well as geologic and steep slope areas that will require further investigation. Prior to development, an applicant would be required to study and delineate these resource areas to ensure compliance with Oregon City requirements and standards, including:

- Chapter 16.08 Subdivision Standards
- Chapter 17.40 Historic Overlay District
- Chapter 17.41 Tree Protection Standards
- Chapter 17.42 Flood Management Overlay District
- Chapter 17.44 Geologic Hazards
- Chapter 17.47 Erosion and Sediment Control
- Chapter 17.49 Natural Resource Overlay District

As no zone change or additional development is proposed as part of this annexation application, this annexation will have no significant adverse effect on any specially designated open space, scenic, historic or natural resource areas.

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

Finding: The proposal is consistent with this requirement. As no zone change or additional development is proposed as part of this annexation application, this annexation will have no significant adverse effects on the economic, social or physical environment of the community. This narrative interprets the "community" as including the city of Oregon City and the lands within its urban service area. The city will obtain a small increase in property tax revenues from adding assessed value to its tax roll as a result of annexing the territory. The city will also obtain land use jurisdiction over the territory. Finally, it will have service responsibilities including fire, police, and general administration. The increases in service responsibilities to the area that result from the annexation will be insignificant.

The proposed annexation area has not been subdivided or partitioned and the zoning must be changed before development at any density other than FU-10 can be approved. Further, conditions of approval prohibit any zone changes or land divisions until the zone change occurs. As a result, any impacts on the community resulting from development permits will be a direct consequence of a zone change, subdivision and development permit approval sometime in the future and are not the result of this annexation. Before any urban development can occur, the applicant must show compliance with the State's Transportation Planning Rule for the desired re-zoning, and the territory must also be annexed to the Tri-City Service District.

COMPLIANCE WITH APPLICABLE PROVISIONS OF ORS 222

Finding: The proposal is consistent with this requirement. ORS 222 requires the proposed annexation property be contiguous with the city and provides several options for annexing land into a city. As noted in 14.04.050(E)(1), this annexation relies on ORS 222.125, annexation by consent of all land owners and a majority of electors. The requirements of ORS 222, then, are met.

TRANSPORTATION PLANNING RULE (OAR 660-012-0060)

Finding: The proposal is consistent with this requirement. The city requires a transportation discussion to determine whether or not the proposed annexation complies with the Transportation Planning Rule (TPR). The primary “test” of the TPR is to determine if an amendment to a functional plan, acknowledged comprehensive plan, or a land use regulation will significantly affect an existing or planned transportation facility. Per an email from John Replinger, the city’s traffic engineer, dated July 6, 2016:

“As long as no zone change is being requested in connection with the annexation, you can delay the need to address compliance with the Transportation Planning Rule (specifically, OAR 660-12-0060). You may state in your application that the annexation has no significant transportation impact and that the compliance with the TPR will be addressed by a traffic engineer in connection with a transportation analysis at the time of a zone change and/or a specific development proposal.”

Because no changes to plan or zoning designations are being requested at this time, no significant impacts to the surrounding transportation system will occur as a result of the proposed annexation. Further, the City's acknowledged TSP includes the area to be annexed and contemplates full build-out of the area in accordance with the Concept Plan. Therefore, the TPR test is met and no further analysis is necessary with this annexation request.

III. PROPOSED FINDINGS, REASONS FOR DECISION, AND RECOMMENDATIONS

Based on the Findings provided above, the Commission determines:

1. The Metro Code calls for consistency of the annexation with the Regional Framework Plan or any functional plan. The Commission concludes the annexation is not inconsistent with this criterion because there were no directly applicable criteria for boundary changes found in the Regional Framework Plan, the Urban Growth Management Function Plan, or the Regional Transportation Plan.
2. Metro Code 3.09.050(d)(1) requires the Commission's findings to address consistency with applicable provisions of urban service agreements or annexation plans adopted pursuant to ORS 195. As noted in the Findings, there are no such plans or agreements in place. Therefore the Commission finds that there are no inconsistencies between these plans/agreements and this annexation.
3. The Metro Code, at 3.09.050(d)(3), requires the City's decision to be consistent with any "directly applicable standards or criteria for boundary changes contained in comprehensive land use plans and public facilities plans." The County Plan also states that conversion of future urban lands to immediate urban lands "Provide for an orderly and efficient transition to urban land use" and "encourage development in areas where adequate public services and facilities can be provided in an orderly and economic way." The applicant has demonstrated that the City can provide all necessary urban services. Nothing in the County Plan speaks directly to criteria for annexation. Therefore the Commission finds this proposal is consistent with the applicable plan as required Metro Code 3.09.050 (d)(3).
4. The Commission concludes that the annexation is consistent with the City Comprehensive Plan that calls for a full range of urban services to be available to accommodate new development as noted in the Findings above. The City operates and provides a full range of urban services. Specifically with regard to water and sewer service, the City has both of these services available to serve some of the area from existing improvements due to the Beavercreek Road improvements from Carrington Place and Fairway Downs subdivisions.
5. Water service is available in large water mains in both Beavercreek and Glen Oak Roads; the existing homes will continue to be serviced by Clackamas River Water (CRW) or wells until such time as the City and CRW confer on the issue or development provides water main extensions and connections.
6. With regard to storm drainage to the Newell and Thimble Basins, the City has the service available in the form of regulations to protect and control stormwater management. The specifics of applying these will be a part of the development review process.
7. The Commission notes that the Metro Code also calls for consistency of the annexation with urban planning area agreements. As stated in the Findings, the Oregon City-Clackamas County Urban Growth Management Agreement specifically provides for annexations by the City.
8. Metro Code 3.09.050(d)(5) states that another criterion to be addressed is "Whether the proposed change will promote or not interfere with the timely, orderly, and economic provision of public facilities and services." Based on the evidence in the Findings, the Commission concludes that the annexation will not interfere with the timely, orderly, and economic provision of services.
9. The Oregon City Code Chapters 14 and 17 contains provisions on annexation processing. Section 6 of the ordinance requires that the City Commission consider seven factors if they are relevant. These

factors are covered in the Findings and on balance the Commission believes they are adequately addressed to justify approval of this annexation.

10. The City Commission concurs with Tri-City Service District's annexation of the subject property in the enacting City ordinance upon voter approval of the city annexation.
11. The Commission determines that the property should be withdrawn from the Clackamas County Service District for Enhanced Law Enforcement as allowed by statute since the City will provide police services upon annexation.
12. The Commission determines that the property should not be withdrawn from the Clackamas Fire District #1 as allowed by statute.
13. The Commission determines that the property should be not be withdrawn from the Clackamas River Water District at this time and remain in the District until such time as the City and CRW confer on the issue or development provides water main extensions and connections.
14. The City Commission recommends that the properties remain zoned Clackamas County FU-10 and TBR until such time as a city zoning designation is applied to the properties and that the City apply and administer the zones.
15. The City Commission recognizes that the applicant has not applied for a zone change or amendment to the Oregon City comprehensive plan map to implement the Beaver Creek Road Concept Plan at this time.

IV. STAFF RECOMMENDATION

Based on the study and the Proposed Findings and Reasons for Decision for this annexation, the staff recommends that the Planning Commission:

Make a recommendation on Proposal No. AN-16-0003 to the City Commission regarding how the proposal has or has not complied with the factors set forth in Section 14.04.060. Staff has prepared draft Findings and stands ready to adjust them as needed.

If the Planning Commission sends forward a positive recommendation, then the staff further recommends that the Planning Commission:

- Recommend withdrawing the territory from the County Service District for Enhanced Law Enforcement as allowed by statute.
- Recommend that the City Commission concur with Tri-City Service District's annexation of the subject property in the enacting ordinance upon voter approval of the city annexation.
- Recommend that the City apply and administer the County FU-10 and TBR zones until Oregon City zone districts are applied to the subject properties.
- Recommend that no land division or changes of land use may occur on the properties until Oregon City Comprehensive Plan designations and zoning associated with the concept plan are applied to the subject properties.

