



CITY OF OREGON CITY PLANNING COMMISSION AGENDA

Virtual
Monday, May 10, 2021 at 7:00 PM

This meeting will be held online via Zoom; please contact planning@orcify.org for the meeting link. In-person attendance will not be available.

CALL TO ORDER

PUBLIC COMMENT

Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The Citizen Involvement Committee does not generally engage in dialog with those making comments but may refer the issue to the City Manager. Complaints shall first be addressed at the department level prior to addressing the Citizen Involvement Committee.

PUBLIC HEARING

1. LEG-21-00001: Proposed Annexation Code Amendments

APPROVAL OF MINUTES

2. Approval of Minutes for July 13, 2020

COMMUNICATIONS

ADJOURNMENT

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments. Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: Planning Commission
From: Senior Planner Pete Walter

Agenda Date: 5/10/2021

SUBJECT:

LEG-21-00001: Proposed Annexation Code Amendments

STAFF RECOMMENDATION:

Provide direction on the proposed amendments.

EXECUTIVE SUMMARY:

City Commission directed staff to prepare amendments to Chapter 14.04 – City Boundary Changes and Extension of Services.

The City Commission held three work sessions on December 16th, 2020, January 12th, 2021, and March 3, 2021. The intent of the amendments is to provide greater specificity and clarity to the factors in OCMC 14.04.060 by which annexations are evaluated, while recognizing that annexations are highly discretionary decisions of the City Commission that change city boundaries and are not development applications in and of themselves.

Please refer to the legislative staff report for recommended findings, and the “Detailed Summary of Changes” document that presents a summary of the proposed amendments in tabular format.

BACKGROUND:

The Oregon City Municipal Code (OCMC) 14.04.040 sets out a series of “factors” that must be “considered” to approve an annexation request. These factors include:

1. Adequacy of access to the site;
2. Conformity of the proposal with the city's comprehensive plan;
3. Adequacy and availability of public facilities and services to service potential development;
4. Compliance with applicable sections of ORS 222, and Metro Code Section 3.09;
5. Natural hazards identified by the city, such as wetlands, floodplains and steep slopes;

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;
7. Lack of any significant adverse effects on the economic, social and physical environment of the community by the overall impact of the annexation;
8. Whether significant site grading or tree removal (greater than fifty percent of the "forest canopy"), excluding farm or forest practices as defined under ORS 30.930, has occurred on the property since the date when the annexation application was filed with the city.

Successful annexations must demonstrate a "positive balance" of factors. Adopted in 1999, these standards provide the City with a great deal of discretion, but can be problematic, not only because they offer "factors" for consideration rather than criteria, but also because they are quite vague. For example, the Commission has a great deal of latitude to determine the extent to which utilities must be adequate or available to satisfy this factor.

Annexations are highly discretionary decisions that are filed prior to or concurrently with other required and land use applications, such as zone changes, land divisions and site plan and design review. All annexation decisions are made through a recommendation by the Planning Commission with a final decision by the City Commission.

DIRECTION FROM CITY COMMISSION:

The following direction was provided to guide staff in amending the code:

- Identify precisely which public services and infrastructure must be analyzed;
- Assure that the impact of future development within the annexation is identified and has already been accounted for in the City's infrastructure master plans;
- Require the applicant to identify the funding sources for future infrastructure improvements;
- Emphasize the desire for timely and efficient annexations;
- Prioritize annexations by requiring the applicant to demonstrate a need for annexation;
- Provide more specificity within the annexation factors to identify the level of planning and infrastructure analysis required to determine that future development can be adequately served.
- Add more language regarding the funding sources for mitigation, such as public improvements.
- Lower the threshold size of annexation triggering the master planning (OCMC Chapter 17.65) requirement to five acres.
- Add a factor identifying all historically designated and potentially eligible historic structures be identified.
- Research other city codes such as the City of Sandy for additional criteria.
- Explore the "Concentric Circles" idea.
- Make explicit the option for the Commission to utilize development agreements.

The Planning Commission is encouraged to identify changes as needed for consideration by the City Commission.

OPTIONS:

1. Provide guidance on the proposed amendments.
2. Do not provide guidance on the proposed amendments.

BUDGET IMPACT:

Amount: N/A

FY(s):

Funding Source(s):



LEGISLATIVE STAFF REPORT AND RECOMMENDATION

A preliminary analysis of the applicable approval criteria for a legislative proposal is enclosed within the following report.

May 3, 2021

HEARING DATE: May 10, 2021 - Planning Commission

FILE NUMBER: LEG-21-00001

APPLICATION TYPE: Legislative (OCMC 17.50.170)

APPLICANT: City of Oregon City, c/o Planning Division, PO Box 3040, Oregon City, OR 97045
Laura Terway, AICP, Community Development Director
Pete Walter, AICP, Senior Planner

REQUEST: Amendments to Chapter 14.04 of the Oregon City Municipal Code - *City Boundary Changes and Extension of Services.*

LOCATION(S): City Wide

RECOMMENDATION: Approval.

PROCESS: 17.50.170 - *Legislative hearing process.*

A. Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use shall begin with a public hearing before the planning commission.

B. Planning Commission Review.

1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.

2. The Community Development Director's Report. Once the planning commission hearing has been scheduled and noticed in accordance with OCMC 17.50.090.C and any other applicable laws, the community development director shall prepare and make available a report on the legislative proposal at least seven days prior to the hearing.

3. Planning Commission Recommendation. At the conclusion of the hearing, the planning commission shall adopt a recommendation on the proposal to the city commission. The planning commission shall make a report and recommendation to the city commission on all legislative proposals. If the planning commission recommends adoption of some form of the proposal, the planning commission shall prepare and forward to the city commission a report and recommendation to that effect.

C. City Commission Review.

1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.

2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).

I. BACKGROUND:

File No. LEG-21-00001 amends Chapter 14.04 of the Oregon City Municipal Code, which contains the procedures and conditions for annexation. The amendment clarifies and expands the annexation criteria upon which the Planning Commission and City Commission evaluate proposed annexations.

Annexations in Oregon City are governed at local (city), regional (Metro), and State levels. 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.

Annexations are required to demonstrate a "positive balance of factors" to comply with the approval criteria in Chapter 14.04.060.

The City Commission directed staff to identify amendments to the annexation factors in Chapter 14.04 of the Oregon City Municipal Code to add clarity and a more detailed analysis of utilities and services necessary to serve annexed territory.

Adoption of the code amendments is a legislative action that requires review and recommendation from the Planning Commission prior to adoption by the City Commission following public hearings.

The Oregon City Municipal Code (OCMC) 14.04.040 sets out a series of "factors" that must be "considered" to approve an annexation request. As currently adopted, these factors include:

1. Adequacy of access to the site;
2. Conformity of the proposal with the city's comprehensive plan;
3. Adequacy and availability of public facilities and services to service potential development;
4. Compliance with applicable sections of ORS 222, and Metro Code Section 3.09;
5. Natural hazards identified by the city, such as wetlands, floodplains and steep slopes;
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;

7. Lack of any significant adverse effects on the economic, social and physical environment of the community by the overall impact of the annexation;
8. Whether significant site grading or tree removal (greater than fifty percent of the "forest canopy"), excluding farm or forest practices as defined under ORS 30.930, has occurred on the property since the date when the annexation application was filed with the city.

Adopted in 1999, these standards provide the City with a great deal of discretion, but can be problematic, not only because they offer "factors" for consideration rather than criteria, but also because they are quite vague. For example, the Commission has a great deal of latitude to determine the extent to which utilities must be adequate or available to satisfy this factor, creating uncertainty and lack of predictability.

Annexations are highly discretionary decisions that are filed prior to or concurrently with other required and land use applications, such as zone changes, land divisions and site plan and design review. All annexation decisions are made through a recommendation by the Planning Commission with a final decision by the City Commission.

DIRECTION FROM CITY COMMISSION

The following direction was provided to guide staff in further amending the code:

- Identify precisely which public services and infrastructure must be analyzed;
- Assure that the impact of future development within the annexation is identified and has already been accounted for in the City's infrastructure master plans;
- Require the applicant to identify the funding sources for future infrastructure improvements;
- Emphasize the desire for timely and efficient annexations;
- Prioritize annexations by requiring the applicant to demonstrate a need for annexation;
- Provide more specificity within the annexation factors to identify the level of planning and infrastructure analysis required to determine that future development can be adequately served.
- Add more language regarding the funding sources for mitigation, such as public improvements.
- Lower the threshold size of annexation triggering the master planning (OCMC Chapter 17.65) requirement to five acres.
- Add a factor identifying all historically designated and potentially eligible historic structures be identified.
- Research other city codes such as the City of Sandy for additional criteria.
- Explore the "Concentric Circles" idea.
- Make explicit the option for the Commission to utilize development agreements.

The Legislative Process as it relates to the Oregon City Comprehensive Plan

The applicable approval criteria for a legislative action are set forth in the applicable goals and policies of the Oregon City Comprehensive Plan, and any applicable statewide planning goals.

Section 2 – *Land Use* of the 2004 Oregon City Comprehensive Plan indicates that the regular review and updated of the Comprehensive Plan should consider the following:

1. Plan implementation process.

2. Adequacy of the Plan to guide land use actions, including an examination of trends.
3. Whether the Plan still reflects community needs, desires, attitudes and conditions. This shall include changing demographic patterns and economics.
4. Addition of updated factual information including that made available to the City of regional, state and federal governmental agencies.

Oregon City Comprehensive Plan (P.16)

Regular Review and Update

Plan maintenance and updating is a continuous technical review of the Plan by the Planning staff. This review and any subsequent recommendations for Plan updating should be presented to the Neighborhood Associations, Planning Commission and City Commission for input and discussion in the same manner as requested Plan changes. The continuous review should consider:

1. Plan implementation process;

The City Commission initiated the code amendment process starting with a series of work sessions held on December 16, 2020, January 12, 2021, and March 3, 2021. The feedback provided at these work sessions helped form the draft code amendments.

Staff presented the amendments to the Citizen Involvement Committee on April 5th, 2021.

The first evidentiary public hearing for the proposed amendments will be held with the Planning Commission and will follow the notice procedures for a legislative action per OCMC 17.50. The City Commission public hearing will be scheduled once the Planning Commission has completed their review and provided a recommendation on the proposed amendments.

The Department of Land Conservation and Development was notified as required by ORS 197.610 – 197.625. The Staff Report will be made available at least seven days prior to the public hearing and the application was processed according to the Legislative Hearing Process as required under Oregon City Municipal Code 17.50.170. Implementation of the Plan is discussed further in Criterion 2.

2. Adequacy of the Plan to guide land use actions, including an examination of trends.

One of the principal reasons for the proposed code amendments is so that the City can reduce the uncertainty associated with annexations and provide greater clarity about infrastructure costs and timing. “Concept Plans” pursuant to Metro Title 11 are required for areas brought into the UGB prior to annexation and the City has successfully completed three such plans for major portions of the UGB. These are the South End Concept Plan, Park Place Concept Plan, and Thimble Creek Concept Plan (formerly named the Beaver Creek Road Concept Plan). These plans are sufficient for initial public facility analysis in the context of general long-range planning but require further refinement in order to ensure adequate public utilities and services as additional detail about proposed development comes to light. Master planning review pursuant to OCMC 17.65 or a development agreement, as a condition of annexation are the means by which the City may ensure concurrency. Recent annexations approved in 2018 included a requirement for Master Plan / PUD applications to be submitted concurrently with any site development proposal.

Perhaps by virtue of being on the edge of the Portland Metro urban area, the number of annexation “factors” in Oregon City exceeds other cities. That said, annexation decisions in Oregon City have not been predictable. Rather, the high level of discretion and voter approval have led to very little predictability in the process.

3. *Whether the Plan still reflects community needs, desires, attitudes and conditions. This shall include changing demographic patterns and economics.*

The Commission emphasized a need to add greater certainty when analyzing the impact of development at the time of annexation and discomfort with the level of discretion associated with annexation decisions. The City Commission expressed the following concerns with the current annexation processes and factors:

- Adequate infrastructure (in particular, transportation infrastructure) is not in place at the time of development.
- There is a disconnect between the expectations in the community and the criteria that the city follows to build out infrastructure, and there is significant uncertainty about how to pay for infrastructure.
- There are inequalities in infrastructure, such as a lack of sidewalks in existing parts of the city, and new development cannot pay to correct all these deficiencies.
- Development is only required to pay for its direct impacts and its proportional share of off-site improvements, which may happen incrementally.
- County and other non-Oregon City vehicular traffic uses capacity within the city’s transportation system but does not pay for it.
- The City should not wait until infrastructure is failing to “fix” it.
- Cultural, natural, and historic resources on proposed annexation properties need to be more clearly identified in the process.

4. *Addition of updated factual information including that made available to the City by regional, state and federal governmental agencies.*

The annexation code was last updated in 2016 with the addition of Factor #8 relating to tree retention. Also, the passage of SB 1573, also in 2016, requires that annexation bypass voter approval if it meets certain criteria. No additional specific updated factual information from regional, state or federal agency policies has been identified that requires these code amendments. However, the following city projects currently underway are mentioned here as context due to their similar subject matter.

OC2040 Comprehensive Plan Update

The city is in the process of updating the Comprehensive Plan while this legislative process is underway (www.OC2040.com). Staff anticipates that the Comprehensive Plan update will result in new goals and policies that address many of the same infrastructure and growth issues that are discussed in this Staff Report.

Additional Studies Underway or Completed

As part of the background information for the update process, a city-wide Economic Study and Housing Needs Analysis are being prepared by consultants ECONorthwest. Early drafts of these documents indicate that there will be demand for a greater variety of housing types through the City and that this will affect how annexed areas are zoned and developed. Since 2002, a great deal of planning has already

been done to support annexation within the City's Urban Growth Boundary, including the adoption of three concept plans as mentioned previously, and the updates of the Transportation, Sewer, Water, and Stormwater Master Plans.

Public Notice and Comments

This is a legislative action that requires public notice pursuant to OCMC 17.50.090.C. - *Notice of Public Hearing on a Legislative Proposal*. The Community Development Director provided the required Post Acknowledgement Plan Amendment (PAPA) notice to the Oregon Department of Land Conservation and Development on March 26, 2021. Notice of the May 10, 2021 Planning Commission public hearing was also provided to the Citizen Involvement Committee, Natural Resources Committee, Neighborhood Associations, and affected service districts, agencies and parties by email on April 20, 2021.

II. DECISION-MAKING CRITERIA

The remainder of this staff report provides additional findings to demonstrate that the proposed annexation code amendments are consistent with applicable approval criteria.

Chapter 17.68 - Zoning Changes and Comprehensive Plan Amendments

17.68.010 - Initiation of the amendment.

A text amendment to the comprehensive plan, or an amendment to the zoning code or map or the Comprehensive Plan map, may be initiated by:

- A. A resolution request by the City Commission;*
- B. An official proposal by the Planning Commission;*
- C. An application to the Planning Division; or.*
- D. A Legislative request by the Planning Division.*

All requests for amendment or change in this title shall be referred to the Planning Commission.

Finding: The proposal qualifies as initiated as a legislative request by the Planning Division at the direction of the City Commission.

17.68.015 –Procedures.

Applications shall be reviewed pursuant to the procedures set forth in Chapter 17.50.

17.50.170 - Legislative hearing process.

A. Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use shall begin with a public hearing before the planning commission.

B. Planning Commission Review.

1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.

C. City Commission Review.

1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.

2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).

Finding: This legislative action followed the procedures found in OCMC 17.50.170 including meetings with the Citizen Involvement Committee, Planning Commission, and City Commission.

17.68.020 - Criteria.

The criteria for comprehensive plan amendment or text or map amendment in the zoning code are set forth as follows:

A. The proposal shall be consistent with the applicable goals and policies of the comprehensive plan;

Finding: This legislative action is consistent with the applicable goals and policies of the comprehensive plan as detailed in the responses below. Therefore, the proposed amendments are consistent with Criterion (A).

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

Goal 1: Citizen Involvement

Goal 1.1 – Citizen Involvement Program

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

Goal 1.4 – Community Involvement

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

Finding: This proposal makes no changes to the City's citizen involvement program or public notification procedures. Citizens will continue to receive notification about annexations through the procedures in OCMC 17.50.170 for a legislative action. Residents and taxpayers within 300 feet of the annexation property will continue to receive public notice of annexation.

Comprehensive Plan Section 2 Land Use

Goal 2.1 Efficient Use of Land

Ensure that property planned for residential, commercial, office, and industrial uses is used efficiently and that land is developed following principles of sustainable development.

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

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in achieving more efficient land use (Goal 2.1).

Goal 2.4 Neighborhood Livability

Provide a sense of place and identity for residents and visitors by protecting and maintaining neighborhoods as the basic unit of community life in Oregon City while implementing the goals and policies of the other sections of the Comprehensive Plan.

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

Policy 2.4.2 *Strive to establish facilities and land uses in every neighborhood that help give vibrancy, a sense of place, and a feeling of uniqueness; such as activity centers and points of interest.*

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

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

Policy 2.4.5

Ensure a process is developed to prevent barriers in the development of neighborhood schools, senior and childcare facilities, parks, and other uses that serve the needs of the immediate area and the residents of Oregon City.

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in achieving more livable neighborhoods (Goal 2.4).

Goal 2.5 Retail and Neighborhood Commercial

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

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

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

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

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

Finding: This proposal makes no changes to the Comprehensive Plan, zoning map, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in promoting retail and neighborhood commercial development while meeting the (Goal 2.4).

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.

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

- Low Density Residential (LR)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Commercial (C)
- Mixed Use Corridor (MUC)
- Mixed Use Employment (MUE)
- Mixed Use Downtown (MUD)
- Industrial (I)
- Public and Quasi-Public (QP)
- Parks (P)
- Future Urban Holding (FUH)

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposal will maintain the existing Oregon City Land Use Map as the official long range planning guide for land use development of the city by types, density and location (Goal 2.7).

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

Goal 5.1 – Open Space

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

Policy 5.1.2 Manage open space areas for their value in linking citizens and visitors with the natural environment, providing solace, exercise, scenic views and outdoor education. Built features in open space sites should harmonize with natural surroundings.

Finding: This proposal makes no changes to the existing inventories of open space, scenic and historic areas, and natural resources or the adopted maps, code and policies pertaining thereto. The proposal will assist in the identification, conservation and management of new resources that will be brought into the city limits during the annexation review process (Goal 5.1).

Goal 5.2 Scenic Views and Scenic Sites

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

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

Finding: This proposal makes no changes to the existing inventories of open space, scenic and historic areas, and natural resources or the adopted maps, code and policies pertaining thereto. The proposal will assist in the identification, conservation and management of new resources that will be brought into the city limits during the annexation review process (Goal 5.1 and 5.2).

Goal 5.3 Historic Resources

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

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

Finding: This proposal makes no changes to the existing inventories of open space, scenic and historic areas, and natural resources or the adopted maps, code and policies pertaining thereto. The proposal will assist in the identification, conservation and management of new resources that will be brought into the city limits during the annexation review process (Goal 5.1 – 5.3).

Goal 5.4 Natural Resources

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

Policy 5.4.5 *Ensure that riparian corridors along streams and rivers are conserved and restored to provide maximum ecological value to aquatic and terrestrial species. This could include an aggressive tree and vegetation planting program to stabilize slopes, reduce erosion, and mitigate against invasive species and stream impacts where appropriate.*

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

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

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

Policy 5.4.16 Protect surfacewater quality by:

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

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

Finding: This proposal makes no changes to the existing inventories of open space, scenic and historic areas, and natural resources or the adopted maps, code, policies, or regulations pertaining thereto. The proposal will assist in the identification, conservation and management of natural resources that will be brought into the city limits during the annexation review process (Goal 5.4).

Goal 6: Quality of Air, Water, and Land Resources

Goal 6.1 Air Quality

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

Goal 6.2 Water Quality

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

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

Goal 6.3 Nightlighting

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

Goal 6.4 Noise

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

Goal 7: Natural Hazards

Policy 7.1.1 *Limit loss of life and damage to property from natural hazards by regulating or prohibiting development in areas of known or potential hazards.*

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

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

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

Finding: This proposal makes no changes to the City’s development regulations or inventories of air, water, and land resources, nightlighting, noise or natural hazards. The proposed annexation code amendments may assist in identifying potential impacts to these resources at the time of annexation application (Goal 6).

Goal 8: Parks and Recreation

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

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

Policy 8.1.6 *Provide land for specialized facilities such as sports fields and indoor recreational facilities.*

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

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

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

Finding: The proposed annexation code amendments may assist in identifying potential parks and recreation lands at the time of annexation application. All such lands that have been identified as potential parks and recreation areas have been identified in the various concept plans adopted for urban growth expansion areas (Goal 8).

Goal 10: Housing

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

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

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

Policy 10.1.7 Use a combination of incentives and development standards to promote and encourage well-designed single-family subdivisions and multi-family developments that result in neighborhood livability and stability.

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

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in achieving preservation of existing housing stock, promoting a greater and more balanced variety of housing, reducing the isolation of income groups, providing incentives for better designed development, and promoting more affordable housing (Goal 10).

Goal 11: Public Facilities

Policy 11.1.1 Ensure adequate public funding for the following public facilities and services, if feasible:

Transportation infrastructure • Wastewater collection • Stormwater management • Police protection • Fire protection • Parks and recreation • Water distribution • Planning, zoning and subdivision regulation • Library services • Aquatic Center • Carnegie Center • Pioneer Community Center • City Hall • Buena Vista House • Ermatinger House

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

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

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

Policy 11.1.6 Enhance efficient use of existing public facilities and services by encouraging development at maximum levels permitted in the Comprehensive Plan, implementing minimum residential densities, and adopting an Accessory Dwelling Unit Ordinance to infill vacant land.

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

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

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

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

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

Policy 11.4.5 *Design stormwater facilities to discharge surface water at pre-development rates and enhance stormwater quality in accordance with criteria in City of Oregon City Public Works Stormwater and Grading Design Standards.*

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in ensuring adequate public funding for the public facilities and services listed above (Goal 11).

Goal 12: Transportation

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

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

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

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

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

Policy 12.3.2 *Provide an interconnected and accessible pedestrian system that links residential areas with major pedestrian generators such as employment centers, public facilities, and recreational areas.*

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

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

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

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

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

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

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

Policy 12.6.4 *Identify and prioritize improved connectivity throughout the city street system.*

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in ensuring that annexations are consistent with the City's transportation system plan and achieving greater functionality of the transportation system for all uses, whether vehicular, pedestrian, transit, and bicycle (Goal 12).

Goal 13 – Energy

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

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

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

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

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in promoting renewable energy and more efficient use of energy in public transit, land use, daily living, and business (Goal 13).

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.

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.

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.

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.

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: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in assuring the orderly provision of services to growth areas (Goal 14.3).

Goal 14.4 Annexation of Lands to the City

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

Policy 14.4.1 *Promote compact urban form and support efficient delivery of public services by ensuring that lands to be annexed are within the City's Urban Growth Boundary, and contiguous with the city limits. Do not consider long linear extensions, such as cherry stems and flag lots, to be contiguous with the city limits.*

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.*

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.*

Policy 14.4.4

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

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments assure that the impacts of development after annexation are properly evaluated in accordance with the Comprehensive Plan, city ordinances and the City Charter (Goal 14.4).

Goal 14.5 Urbanization

Policy 14.5.2

Coordinate public facilities, services and land-use planning through intergovernmental agreements with the school district, Clackamas Community College, Clackamas County Fire District #1, Tri-Cities Services District and other public entities as appropriate.

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. The proposed annexation code amendments may assist in coordination of public facilities and services with other government agencies and service districts as appropriate.

Statewide Planning Goals

Finding: This proposal makes no changes to the Comprehensive Plan, zoning, or land use designations for lands within the Urban Growth Boundary. Since the City's Comprehensive Plan and its ancillary documents are already acknowledged by the Oregon Department of Land Use and Conservation (DLCD), no further analysis for consistency with Statewide Planning Goals is required.

Chapter 17.50 Administration and Procedures

17.50.050 – Pre-application conference.

- A. *Pre-application Conference. Prior to a Type II – IV or Legislative application, excluding Historic Review, being deemed complete, the applicant shall schedule and attend a pre-application conference with City staff to discuss the proposal, unless waived by the Community Development Director. The purpose of the pre-application conference is to provide an opportunity for staff to provide the applicant with information on the likely impacts, limitations, requirements, approval standards, fees and other information that may affect the proposal.*
- 1. To schedule a pre-application conference, the applicant shall contact the Planning Division, submit the required materials, and pay the appropriate conference fee.*
 - 2. At a minimum, an applicant should submit a short narrative describing the proposal and a proposed site plan, drawn to a scale acceptable to the City, which identifies the proposed land uses, traffic circulation, and public rights-of-way and all other required plans.*
 - 3. The Planning Division shall provide the applicant(s) with the identity and contact persons for all affected neighborhood associations as well as a written summary of the pre-application conference.*
- B. *A pre-application conference shall be valid for a period of six months from the date it is held. If no application is filed within six months of the conference or meeting, the applicant shall schedule and attend another conference before the City will accept a permit application. The Community Development Director may waive the pre-application requirement if, in the Director's opinion, the development has not changed significantly and the applicable municipal code or standards have not been significantly amended. In no case shall a pre-application conference be valid for more than one year.*

- C. *Notwithstanding any representations by City staff at a pre-application conference, staff is not authorized to waive any requirements of this code, and any omission or failure by staff to recite to an applicant all relevant applicable land use requirements shall not constitute a waiver by the City of any standard or requirement.*

Finding: Staff held a pre-application conference meeting (File PA-20-00052), on December 18, 2020. The pre-application conference notes are attached to the application.

17.50.055 - Neighborhood association meeting.

Neighborhood Association Meeting. The purpose of the meeting with the recognized neighborhood association is to inform the affected neighborhood association about the proposed development and to receive the preliminary responses and suggestions from the neighborhood association and the member residents.

- A. *Applicants applying for annexations, zone change, comprehensive plan amendments, conditional use, Planning Commission variances, subdivision, or site plan and design review (excluding minor site plan and design review), general development master plans or detailed development plans applications shall schedule and attend a meeting with the City-recognized neighborhood association in whose territory the application is proposed no earlier than one year prior to the date of application. Although not required for other projects than those identified above, a meeting with the neighborhood association is highly recommended.*
- B. *The applicant shall request via email or regular mail a request to meet with the neighborhood association chair where the proposed development is located. The notice shall describe the proposed project. A copy of this notice shall also be provided to the chair of the Citizen Involvement Committee.*
- C. *A meeting shall be scheduled within thirty days of the date that the notice is sent. A meeting may be scheduled later than thirty days if by mutual agreement of the applicant and the neighborhood association. If the neighborhood association does not want to, or cannot meet within thirty days, the applicant shall host a meeting inviting the neighborhood association, Citizen Involvement Committee, and all property owners within three hundred feet to attend. This meeting shall not begin before six p.m. on a weekday or may be held on a weekend and shall occur within the neighborhood association boundaries or at a City facility.*
- D. *If the neighborhood association is not currently recognized by the City, is inactive, or does not exist, the applicant shall request a meeting with the Citizen Involvement Committee.*
- E. *To show compliance with this section, the applicant shall submit a copy of the email or mail notice to the neighborhood association and CIC chair, a sign-in sheet of meeting attendees, and a summary of issues discussed at the meeting. If the applicant held a separately noticed meeting, the applicant shall submit a copy of the meeting flyer, postcard or other correspondence used, and a summary of issues discussed at the meeting and submittal of these materials shall be required for a complete application.*

Finding: staff presented the amendments to the Citizen Involvement Committee on April 5th, 2021. A copy of the PowerPoint presentation is attached to the application.

17.50.070 - Completeness review and one hundred twenty-day rule.

- C. *Once the Community Development Director determines the application is complete enough to process, or the applicant refuses to submit any more information, the City shall declare the application complete. Pursuant to ORS 227.178, the City will reach a final decision on an application within one hundred twenty calendar days from the date that the application is determined to be or deemed complete unless the applicant agrees to suspend the one hundred twenty calendar day time line or*

unless State law provides otherwise. The one hundred twenty-day period, however, does not apply in the following situations:

- 1. Any hearing continuance or other process delay requested by the applicant shall be deemed an extension or waiver, as appropriate, of the one hundred twenty-day period.*
 - 2. Any delay in the decision-making process necessitated because the applicant provided an incomplete set of mailing labels for the record property owners within three hundred feet of the subject property shall extend the one hundred twenty-day period for the amount of time required to correct the notice defect.*
 - 3. The one hundred twenty-day period does not apply to any application for a permit that is not wholly within the City's authority and control.*
 - 4. The one hundred twenty-day period does not apply to any application for an amendment to the City's comprehensive plan or land use regulations nor to any application for a permit, the approval of which depends upon a plan amendment.*
- D. A one-hundred day period applies in place of the one-hundred-twenty day period for affordable housing projects where:*
- 1. The project includes five or more residential units, including assisted living facilities or group homes;*
 - 2. At least 50% of the residential units will be sold or rented to households with incomes equal to or less than 60% of the median family income for Clackamas County or for the state, whichever is greater; and*
 - 3. Development is subject to a covenant restricting the owner and successive owner from selling or renting any of the affordable units as housing that is not affordable for a period of 60 years from the date of the certificate of occupancy.*
- E. The one hundred twenty-day period specified in OCMC 17.50.070.C or D may be extended for a specified period of time at the written request of the applicant. The total of all extensions may not exceed two hundred forty-five calendar days.*
- F. The approval standards that control the City's review and decision on a complete application are those which were in effect on the date the application was first submitted.*

Finding: Legislative actions are not subject to the 120-day deadline.

III. RECOMMENDATION

Based on the findings in this report, staff recommends amendments to OCMC 14.04 to provide greater clarity and predictability within the annexation review process. Staff will prepare an Ordinance when the matter is before the City Commission for its consideration and adoption.



Oregon City Municipal Code

Chapter 14.04 – City Boundary Changes and Extension of Services

14.04.010 - Purpose.

It is the purpose and general intent of the ordinance codified in this chapter to delineate the appropriate procedures to be followed to annex territory to the City and to undertake other major and minor boundary changes. It is recognized that annexations to the corporate limits are major land use actions affecting all aspects of city government, and that other boundary changes and extensions of services shall also be regulated.

- A. With respect to annexations, the procedures and standards established in this chapter are required for review of proposed annexations in order to:
 1. Provide adequate public information and sufficient time for public review before an annexation election, where applicable;
 2. Maximize citizen involvement in the annexation review process;
 3. Establish a system for measuring the physical, environmental, fiscal and related social effects of proposed annexations; and
 4. Ensure adequate time for staff review.
- B. With respect to major and minor boundary changes or extensions of services other than annexations, it is the purpose and general intent of this chapter to provide a method by which such changes or extensions may be reviewed in a rational way and in accordance with applicable comprehensive plans.

14.04.020 - State and regional regulations regarding annexations, other boundary changes and extensions of services.

The regulations and requirements of ORS Ch. 222, and Metro Code Section 3.09, are concurrent obligations for annexation and are not affected by the provisions of this chapter.

14.04.030 - Definitions.

Unless the context requires otherwise, the following definitions and their derivations shall be used in this chapter:

"City" means the City of Oregon City, Oregon.

"Commission" or "City Commission" means the City Commission of Oregon City, Oregon.

"District" means an entity described in ORS 198.010, 198.710(1) to (4) or 199.420.

"Major boundary change" means the formation, merger, consolidation or dissolution of a city or district.

"Minor boundary change" means an annexation or withdrawal of territory to or from a city or district or from a city-county to a district. "Minor boundary change" also means an extra-territorial extension of water or sewer service by a city or district.

"Planning Commission" means the Oregon City Planning Commission.

"Withdrawal" means the detachment, disconnection, or exclusion of territory from the City or service district.

14.04.040 - Procedures for major boundary changes and for minor boundary changes other than annexations.

- A. With respect to major boundary changes and for minor boundary changes other than for annexations, the procedures that shall be followed shall be those provided by the laws of the State of Oregon.
- B. The City Commission may provide for the withdrawal of territory from a district described in ORS 222.111, when land is annexed into the City. Any such withdrawal shall be specifically set forth in the final order of the City Commission approving the annexation.

14.04.050 - Annexation procedures.

- A. Application Filing Deadlines. ~~If applicable, a~~ Annexation elections shall be scheduled for March, May, September and November of each year. Each application shall first be approved by the City Commission, which shall provide a valid ballot title in sufficient time for the matter to be submitted to the voters as provided by the election laws of the state of Oregon.
- B. Pre-application Review. Prior to submitting an annexation application, the applicant shall confer in the manner provided by OCMC 17.50.050 with City staff.
- C. Neighborhood Contact. Prior to filing an annexation application, the applicant shall meet with the City-recognized neighborhood association or associations within which the property proposed to be annexed is located. ~~Unwillingness or unreasonable unavailability~~ Proactive efforts by the applicant to meet with a ~~neighborhood association to meet~~ shall ~~not~~ be deemed a ~~negative~~ positive factor in the evaluation of the annexation application.
- D. Signatures on Consent Form and Application. The applicant shall sign the consent form and the application for annexation. If the applicant is not the owner of the property proposed for annexation, the owner shall sign the consent form and application in writing before the Community Development Director may accept the same for review.
- 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 Community Development Director. The application shall include the following:
 1. Written consent form to the annexation signed by the requisite number of affected property owners, electors or both, provided by ORS 222, if applicable;
 2. A legal description of the territory to be annexed, meeting the relevant requirements of the Metro Code and ORS 308. If such a description is not submitted, a boundary survey may be required. A lot and block description may be substituted for the metes and bounds description if the area is platted. If the legal description contains any deed or book and page references, legible copies of these shall be submitted with the legal description;
 3. A list of property owners within three hundred feet of the subject property and, if applicable, those property owners that will be "islanded" by the annexation proposal, on mailing labels acceptable to the City Manager;
 4. Two full quarter-section county tax assessor's maps, with the subject property(ies) outlined;
 5. A site plan, drawn to scale (not greater than one inch = fifty feet), indicating:
 - 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; and
 - e. General land use plan indicating the types and intensities of the proposed, or potential development.
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.
 7. ~~A-n~~Narrative statements explaining the conditions surrounding the proposal and addressing each of the annexation factors contained in ~~the ordinance codified in this chapter section 14.04.060~~, as relevant, including:
 - a. Statement of availability, capacity and status of existing water, sewer, drainage, transportation, park and school facilities;
 - b. Statement of increased demand for such facilities to be generated by the proposed development, if any, at this time;
 - c. Statement of additional facilities, if any, required to meet the increased demand and any proposed phasing of such facilities in accordance with projected demand;
 - d. Statement outlining method and source of financing required to provide additional facilities, if any;
 - 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;
 - 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; and
 - 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.
 - h. The narrative statements described above, and the analyses contained therein should be based on the reasonably “worst case development scenario”. This means that the required analysis of impacts on city services and utilities should assume the most reasonably intense development scenario given the anticipated city zoning for the annexation area using commonly accepted measures such as number of residential units, overall residents, commercial floor area, etc.
 8. The application fee for annexations established by resolution of the City Commission and any fees required by Metro. In addition to the application fees, the City Manager shall require a deposit, which is adequate to cover any and all costs related to the election.
 9. Paper and electronic copies of the complete application as required by the community development director.

14.04.060 - Annexation factors.

- A. When reviewing a proposed annexation, the commission shall consider the following factors, as relevant and approve an annexation only when it finds that on balance these factors are satisfied:
 1. Adequacy of access to the site;

2. Conformity Consistency of the proposal with the City's adopted Comprehensive Plan, including but not limited to goals and policies for urbanization, housing, cultural, historic and natural resources, infrastructure, and provision of public infrastructure and community services;
3. Adequacy and availability of the following public facilities and services to serve potential development at time of development;
 - a. Transportation. The urbanization of the site is accounted for in the Transportation System Plan. The application demonstrates that the annexation is consistent with the Transportation Planning Rule (TPR) or explain why a TPR analysis is not required;
 - b. Sewer. The urbanization of the site is accounted for in the Sewer Master Plan;
 - c. Water. The urbanization of the site is accounted for in the Water Master Plan;
 - d. Stormwater. The urbanization of the site is accounted for in the Stormwater Master Plan;
 - e. Police, Fire, and Emergency Services. Police, fire, and emergency services can adequately serve the site;
 - f. Parks. The urbanization of the site is accounted for in the Parks and Recreation Master Plan; and
 - g. Schools. The urbanization of the site is analyzed for school capacity in a Concept Plan or in a school forecast approved by Oregon City School District.
4. Demonstration of how the impacts of future development to City public facilities and services will be mitigated. Mitigation may include on-site or off-site infrastructure or improvements to existing infrastructure to City standards and specifications, payment of system development charges, etc. Funding for the mitigation must be identified. The City Commission reserves the right to An applicant may enter into a development agreement with the City-applicant that governs the extent and timing of infrastructure improvements.
5. Annexations over 5 acres shall obtain Master Plan approval at a public hearing before the Planning Commission prior to or concurrent with a Land Division or Site Plan and Design Review application. The Master Plan will identify the details of development including the overall impact of development on the city infrastructure and mitigating improvements.
6. The annexation is in the best interest of the City. Generally, the Commission may consider the annexation is in the best interest of the city if it meets two or more of the following criteria:
 - a. It provides a needed solution for existing problems, resulting from insufficient sanitation, water service, or other urban service-related problems; or
 - b. It provides land for development to meet urban needs in an orderly and logical growth pattern; or
 - c. It provides needed routes for utility and transportation networks.
74. Compliance with applicable sections of ORS 222, and Metro Code Section 3.09 including a demonstration that the proposed annexation is timely, orderly, and efficient;
85. All Natural hazards identified by the City, such as wetlands, floodplains and steep slopes, including those mapped and unmapped by the City, County, State or other government agencies are identified;
9. All historically designated and potentially eligible historic structures are identified;
10. 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 are identified;
117. Lack of any significant adverse effects on the economic, social and physical environment of the community by the overall impact of the annexation.
128. The extent to which the proposed annexation territory includes preservation of natural features, landforms and significant tree canopy since the date when the annexation application was filed

~~with the City Whether significant site grading or tree removal (greater than fifty percent of the "forest canopy"), excluding properties under farm or forest tax deferral or farm or forest practices as defined under ORS 30.930. Annexations which demonstrate efforts to avoid significant site grading or tree removal will be viewed more favorably than those upon which such activities have occurred. , has occurred on the property since the date when the annexation application was filed with the City.~~

14.04.070 - Action by the Planning Commission.

The Planning Commission shall conduct a public hearing in the manner provided by OCMC 17.50.170(B) to evaluate the proposed annexation and make a recommendation to the City Commission regarding how the proposal has or has not complied with the factors set forth in OCMC 14.04.060 of this chapter. The Planning Commission shall provide findings in support of its recommendation.

14.04.080 - Action by City Commission.

A. Upon receipt of the Planning Commission's recommendation, the City Commission shall hold a public hearing in the manner provided by OCMC 17.50.170(C). The City Commission shall endeavor to review all proposals prior to the City application deadline for submitting ballot measures to the voters, if applicable. The City Commission shall only set for an election annexations consistent with a positive balance of the factors set forth in OCMC 14.04.060. The City Commission shall make findings in support of its decision to schedule an annexation for an election.

B. ~~The City Commission may reserves the right to enter into~~ adopt a development agreement with the owners of property that is proposed for annexation to the City.

14.04.090 - Legal advertisement of pending election.

After City Commission review and approval, the Community Development Director shall cause a legal advertisement describing the proposed annexation and pending election to be published in at least one newspaper of general circulation in the City in the manner provided by state election law. The advertisement shall be placed at least fourteen days prior to the election. The size of the advertisement shall be determined by the City Manager. The advertisement shall contain: a description of the location of the property, size of the property, its current zoning and any proposal for zone changes upon annexation, a general description of the potential land uses allowed, any required comprehensive plan text or map amendment or zoning ordinance text or map amendment, and where the City Commission's evaluation of the proposed annexation may be found. Any statement regarding development of the property proposed for annexation that is dependent upon future action by the City shall be accompanied by a disclaimer to the effect that such development would not be affected by the annexation vote.

14.04.100 - Election procedures.

- A. Pursuant to ORS 222.130(1), the ballot title for a proposal for annexation shall contain a general description of the boundaries of each territory proposed to be annexed. The description shall use streets and other generally recognized features. Notwithstanding ORS 250.035, the statement of chief purpose shall not exceed one hundred fifty words. The City Attorney shall prepare the ballot title wording.
- B. Pursuant to ORS 222.130(2), the notice of an annexation shall be given as provided in ORS 254.095 and 254.205, except that in addition the notice shall contain a map indicating the boundaries of each territory proposed to be annexed.

- C. Pursuant to ORS 222.111(7), two or more proposals for annexation of territory may be voted upon simultaneously; however, each proposal shall be stated separately on the ballot and voted on separately.

14.04.110 - Setting of boundaries and proclamation of annexation.

Upon approval by the voters of the proposed annexation, the City Commission, by ordinance, shall set the boundaries of the area to be annexed by a legal description, adopt findings, and proclaim the results of the election.

14.04.120 - Exceptions.

The City Commission may authorize an exception to any of the requirements of this chapter. An exception shall require a statement of findings that indicates the basis for the exception. Exceptions may be granted for identified health hazards and for those matters which the City Commission determines that the public interest would not be served by undertaking the entire annexation process. All annexations, however, shall be referred to the voters of the City except those exempted by state law. An exception referring to an annexation application that meets the approval criteria to an election cannot be granted except as provided for in the Oregon Revised Statutes.

Summary of Proposed Draft Amendments to Oregon City Municipal Code Chapter 14.04 – City Boundary Changes and Extension of Services <i>For Planning Commission – 5/3/2021 Draft</i> <i>This is a summary. Please notify staff of any errors or omissions.</i>		
Page Number / Section	Summary	Explanation
Page 1 - OCMC 14.04.010.A	Added “where applicable”	The statement refers to annexations and adding “where applicable” acknowledges not all annexations go to a vote.
Page 2 – OCMC 14.04.050.A	Added “If applicable”	The statement refers to annexations and adding “where applicable” acknowledges not all annexations go to a vote.
Page 2 – OCMC 14.04.050.C.	Deleted “Unwillingness or unreasonable availability of a [neighborhood association] to meet..shall be deemed a negative...” Added “Proactive efforts by an applicant to meet with a [neighborhood association] shall be deemed a positive...”	City Commission directed staff to rephrase this section of code to be positive in tone rather than negative. Note that contact with the neighborhood association is a procedural requirement for a complete annexation application, but not a factor for approval of an annexation.
Page 3- OCMC 14.04.050.E.7	Rewording and added a direct reference to the annexation factors.	Reworded for clarity
Page 3 – OCMC 14.04.050.E.7.(h)	Added (h) to assure that narrative statements of impact be based on a “reasonably worst case scenario”.	Include specific language that requires that the required infrastructure analysis prepared for annexation applications be based on the “reasonably worst case scenario”. This means that the required analysis of impacts on city services and utilities must assume the most reasonably intense development scenario given the anticipated city zoning for the annexation area in terms of numbers of residential units, commercial floor area, etc.
Page 3 - OCMC 14.04.060.A	Added “and approve an annexation only when it finds that on balance these factors are satisfied”	Clarified that the annexation factors require a positive balance. As factors and not criteria, the Commission has an opportunity to weigh each factor
Page 3 - OCMC 14.04.060.A.2	Added references to topics of goals and policies which are applicable in the Comprehensive Plan.	Adds more clarity about the types of goals and policies which are analyzed in this factor.
Page 3 - OCMC 14.04.060.A.3	Clarified that adequacy and availability of public facilities applies to future availability at time of development. Listed the public facilities to be	Clarifies the time of impact as well as the specific services which should be analyzed. The services identified have been consistently analyzed in annexation reports. The extent to which each service or facility must be analyzed was added for clarity.

	analyzed: transportation, sewer, water, stormwater, police, fire, emergency services, parks, and schools. Identified threshold for analysis.	
Page 4 – OCMC 14.04.060.A.4	<p>Demonstration of how the impacts of future development to City public facilities and services will be mitigated, including funding sources.</p> <p>Added “The City Commission reserves the right to enter into...[a development agreement]. Removed “An applicant may...”</p>	<p>Required applicant to clearly demonstrate anticipated impacts of development and associated funding sources.</p> <p>Development agreements that govern the extent and timing of infrastructure improvements, and which specify who pays for them, may be required as a condition of annexation.</p>
Page 4 - OCMC 14.04.060.A.5	<p>Added new factor “Annexations over 5 acres shall obtain Master Plan approval prior to or concurrent with a Land Division or Site Plan and Design Review application”.</p>	<p>Adds a new factor that large annexation applications (over 5 acres) secure a Master Plan approval prior to development. This will allow for a robust evaluation of the impacts and timing of infrastructure needs through a public hearing procedure at the time when there is more certainty of the development proposed for construction.</p> <p>Development includes a series of steps as land is planned, annexed, construction occurs. A summary of the general steps is attached. Infrastructure is analyzed throughout the process to ensure that the city services can be provided in a timely and efficient manner as development occurs. Due to market conditions, property transactions, cost associated with furthering plans, and others, applicants may have an idea that they would like a particular use in the future, but may not know exactly the intensity or design of the use at time of annexation.</p> <p>Annexation itself does not result in any substantial physical change on the ground, but rather transfers the land to different taxing and service districts. Annexations thus focus on whether the City has updated infrastructure master plans, and potentially capital improvement plans that contemplate the service demands. Annexations may also include a request to change the zoning to an urban scale density which would not authorize construction onsite, but would eventually allow higher-density development which would put significantly more</p>

		<p>demand on city infrastructure. Thus, the analysis of impacts on the infrastructure at each stage of development will become gradually more detailed as it becomes clear what is being proposed for construction.</p> <p>The Oregon City Municipal Code sets forth regulations for a Master Plan (synonymous with a Planned Unit Development) in chapter 17.65. The purpose of the Master Plan is to foster the growth of major institutions, phased residential, commercial or mixed-use development, and other large-scale development, while identifying and mitigating the impacts of such growth on surrounding properties and public infrastructure. The master plan or planned unit development process is intended to facilitate an efficient and flexible review process for major developments, support innovative and creative land development, and to provide long-term assurance to plan for and execute developments in a phased manner. In addition, Master Plans allow infrastructure adequacy and timing to be analyzed holistically at a public hearing before the Planning Commission with citizen participation.</p> <p>Master Plans are currently an option for applicants to choose, but are not required for large annexations which will likely be constructed in a phased manner over time. If applicants for annexations volunteer to have a Master Plan prior to a land division or site plan and design review application, a condition of approval would be placed on the annexation. If applicants do not, the Commission could weigh that against the application when considering the factor.</p>
<p>Page 4 – OCMC 14.04.060.A.6</p>	<p>Added factor identifying if the annexation is in the best interest of the City if it meets one<u>two</u> of three needs:</p> <ul style="list-style-type: none"> a. <u>A needed solution for existing problems, resulting from insufficient sanitation, water service, or other urban service-related problems; or</u> b. <u>Land for development to meet urban needs in an orderly and logical growth pattern; or</u> 	<p>Responds to prioritization, timelessness, and order of annexation. Prioritize annexations by requiring the applicant to demonstrate a need for the annexation.</p> <p>City Commission directed on 3.1.2021 that this section be revised to specify that two of the three needs must be satisfied in order to determine that the factor is met.</p>

	c. <u>Needed routes for utility and transportation networks.</u>	
Page 4 – OCMC 14.04.060.A.7	Added “including a demonstration that the proposed annexation is timely, orderly, and efficient”	Emphasizes the specific language in the annexation factors that requires an affirmative determination that the proposed annexation is “timely, orderly and efficient”. This language or variations upon it are embodied by reference in ORS 222 and Metro Code 3.09, but the specific phrase is now part of Oregon City’s code.
Page 4 – OCMC 14.04.060.A.8	Added “are identified” Added “County, State or other government agencies”.	Clarified that natural hazards should be identified in the annexation application. Review and identify hazard information available from other government agencies to the extent it is available.
Page 4 – OCMC 14.04.060.A.9	Added factor to identify historically designated and potentially eligible historic structures in the annexation application.	Allow the property owner and public to be aware of potential local historic designation.
Page 4 – OCMC 14.04.060.A.10	Added “are identified”	Clarified that significant adverse effects on specially designated open space, scenic, historic or natural resource areas by urbanization should be identified in the annexation application.
Page 4 – OCMC 14.04.060.A.12	Added “properties under farm or forest tax deferral”	Adds language to factor #12, the factor that addresses significant site grading and tree removal, to mention that the exclusion applies to properties which have forest and/or farm tax deferral or assessment status, not just those properties on which “forest or farm practices” are occurring. Note that the current reference to ORS 30.930 will be retained.
Page 4 – OCMC 14.04.060.A.12	Modify and reorganize factor to be a positive incentive rather than a negative penalization.	Modifies the language in factor #12, the factor that addresses significant site grading and tree removal, to make it a positive incentive rather than a negative penalization. In other words, the criterion has been restated so that that efforts to preserve the natural landform and preserve significant trees prior to annexation will be viewed favorably, as opposed to the current language which implies a negative determination because of significant grading or tree removal.
Page 5 – OCMC 14.04.080	Added “A” and “B” sections. Added “if applicable behind voter approval. Added language acknowledging potential for development agreement.	Reorganized for clarity and added language that the City Commission “reserves the right” to enter into a development agreement with an applicant.

This is a summary. Please notify staff of any errors or omissions. Please refer to complete code amendment chapters for all changes.



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City of Oregon City

Meeting Minutes - Draft

Planning Commission

Commission Chambers

Monday, July 13, 2020

7:00 PM

1. Convene Regular Meeting and Roll Call

Chair Mitchell called the meeting to order at 7:00 PM.

Present: 6 - Chair Mike Mitchell, Commissioner Tom Geil, Commissioner Vern Johnson, Commissioner Dirk Schlagenhauser, Commissioner Patti Gage, and Commissioner Christopher Staggs

Absent: 1 - Commissioner Gregory Stoll

Staffers: 3 - Community Development Director Laura Terway, City Attorney Carrie Richter, and Assistant Planner Diliانا Vassileva

2. Public Comment – None

3. Public Hearing

GLUA-20-00014/SP-20-00025/VAR-20-00005/WRG-20-00001/N ROD-20-00008/FP-20-00001: I-205 Widening and Abernethy Bridge Seismic Upgrades

Chair Mitchell opened the public hearing and read the hearing statement. He asked if any Commissioner had ex parte contacts, conflicts of interest, bias, or any other statements to declare including a visit to the site.

Commissioner Geil drove by the site regularly.

Commissioner Schlagenhauser visited the site where the parking would be added and drove over the bridge.

Commissioner Staggs knew where the site was.

Chair Mitchell visited the site multiple times but not intentionally in advance of this hearing.

Diliana Vassileva, Assistant Planner, presented the staff report. She described the subject site and explained the project included seismic improvements to the bridge over Main Street and Abernethy Bridge as well as widening of I-205 for additional travel lanes and a northbound auxiliary lane. Additional parking would be added to Jon Storm Park. New bridge piers would be installed to accommodate the widening and the Abernethy Creek outfall into the Willamette River would be rerouted. She discussed the Natural Resource Overlay District review and condition for a revised mitigation plan to recalculate the disturbance area and provide mitigation at a 2:1 ratio. She also discussed the Willamette River Greenway review, Floodplain Overlay review, site plan and design review for parking and alternative landscaping plan, variance review for the height of the bridge piers, and tree removal review. She noted corrections to the staff report for Conditions 12, 21, 26, and 29. Staff recommended approval with the revised conditions.

There was discussion regarding rerouting Abernethy Creek, protection of fish, effect on Oregon City Shopping Center and future hotel site, detours during construction, Natural Resources Committee review, and traffic impact to downtown.

Della Mosier, Deputy Director of ODOT's Office of Urban Mobility, and Brian Bauman, environmental consultant with HDR, said they had presented this information to the Natural Resources committee and the Parks and Recreation Advisory Committee. This project was included in HB 2017 to bring seismic resiliency and operational improvements to the I-205 corridor. They explained the scope of the project, update on the initial portion that was underway, funding for the project, community engagement, and voter support for Ballot Measure 3-539. The minor realignment of Abernethy Creek would be a shift of a few feet. The fish passage would be upgraded. There would be no right-of-way impacts in the vicinity of the hotel or shopping center. There was a potential noise wall to be constructed on the north side of I-205 to accommodate the new development in that area. Work still had to be done to verify the wall would be constructed. Regarding the traffic control plan, there would be robust outreach to the community and they would work with the City to minimize the impacts as much as possible.

There was discussion regarding the timeline for the project which would be completed in three years, need for the noise wall on both the north and south sides of the corridor, how the City had no noise criteria to require a wall on the south side, using the ODOT right-of-way for the parking lot, what the new piers would look like, and preserving the view of Willamette Falls from Jon Storm Park.

Karen Tatman, Quincy Engineering, explained the retaining wall on Main Street would be in the State right-of-way. If Main Street was ever widened for standard shoulders or sidewalks, it could accommodate those. They would replace the sidewalks underneath the Main Street Bridge and the City had requested that the sidewalk connect from underneath the bridge from the Cove to McLoughlin Boulevard.

Mike Bertram from HDR explained the work that would be done for the new bridge piers and the closures of I-205. They would maintain as much capacity and accessibility from the freeway and local street networks as possible.

Chair Mitchell closed the public hearing.

Commissioner Geil and Chair Mitchell expressed concern about the traffic impacts, especially to downtown.

A motion was made by Commissioner Johnson, seconded by Commissioner Schlagenhauser, to approve GLUA-20-00014/SP-20-00025/VAR-20-00005/WRG-20-00001/NROD-20-00008/FP-20-00001: I-205 Widening and Abernethy Bridge Seismic Upgrades with the conditions as amended. The motion carried by the following vote:

Aye: 6 - Chair Mike Mitchell, Commissioner Vern Johnson, Commissioner Tom Geil, Commissioner Dirk Schlagenhauser, Commissioner Patti Gage, and Commissioner Chris Staggs

4. Communications

Support for Diversity, Equity, and Inclusion

Chair Mitchell asked for feedback on the letter he had drafted regarding Diversity, Equity, and Inclusion.

A motion was made by Commissioner Geil, seconded by Commissioner Gage, to approve the letter as written. The motion carried by the following vote:

Aye: 6 - Chair Mike Mitchel, Commissioner Vern Johnson, Commissioner Tom Geil, Commissioner Dirk Schlagenhauser, Commissioner Patti Gage, and Commissioner Chris Staggs

Laura Terway, Community Development Director, gave an update on the OC 2040 Comprehensive Plan project.

5. Adjournment

Chair Mitchell adjourned the meeting at 8:40 PM.