



CITY OF CORNELIUS

August 8, 2011

Larry French, Urban and Rural Reserves Specialist
Department of Land Conservation and Development
635 Capitol Street NE, Suite 150
Salem, Oregon 97301

RE: Exception to DLCD Response to Cornelius Objection to 2011 Adoption of Urban Reserves

Dear Mr. French:

Please accept this Exception from the City of Cornelius to DLCD's staff response to our Objection to the Metro Urban Reserve Areas as amended by Metro and Washington County this April, 2011. Staff will find a brief narrative, three attachments, and an appeal to the Commission to review the City's Objection documents. Our remedy or solution to the problems of process and substance that Cornelius raises is again described in mapped simplicity. Our appeal to the Commission is for a reasonable compromise.

The issue of urban reserves north of Cornelius is absolutely vital to our community in order for us to grow into a balanced, livable and sustainable community. Please know that local government and citizen support for an Urban Reserve north of Cornelius exhibited in the public hearings and record last year and this spring applies also to this Exception action by the City. All of the information summarized in this Exception is contained in the long public record of the urban and rural reserves planning. Hopefully, the cumulative effect of the City's reports of findings, objections to decisions and exception to staff recommendations to which it disagrees will be a thorough and fair discussion of the facts related to reserve designations in Washington County.

City of Cornelius representatives look forward to a fair hearing and LCDC's consideration and decision at its meeting next week in Portland.

Thank you for your public service.

Richard Meyer
Development & Operations Director

Anne Davies, Attorney for Cornelius

Sheila Griffie
Cornelius Planning Commission Chair

Dick Reynolds, Cornelius Planning Manager

Copy: Brent Curtis, Washington County Planning Director
Dick Benner, Metro Land Use Attorney

City of Cornelius Exception to DLCD Director Staff Report & Recommendation
Concerning Metro Urban and Rural Reserves

Introduction

The City of Cornelius (the city or Cornelius) submits the following exception to the staff report and recommendation provided by DLCD regarding the urban and rural reserves “re-designation submittal” by the counties and Metro. The City acknowledges and appreciates the magnitude of this endeavor and the Commission’s efforts and energies spent on this issue thus far.

When this issue was first presented to the Commission last fall, the City supported the recommendations of DLCD to uphold the designation of urban reserve land north of the Council Creek tributary approved by Metro and Washington County. However, at those hearings, misinformation was provided, and certain procedures were followed that led the Commission in a different direction. Those actions have culminated in the staff report and recommendations now before the Commission, which is based on faulty information and procedural irregularities that have adversely impacted the City of Cornelius. Consequently, Cornelius must respectfully file this exception to the director’s staff report.

We ask that the Commission carefully review Cornelius’ full objection to the most recent amended decision by Washington County and Metro regarding urban and rural reserves. It is an accurate account of the exceptional and unfair way our economically distressed, but smart-growth, city has been treated in the last stage of this important long-range planning effort in our region.

Proposed (Simple and Straightforward) Remedy

We begin with the end and most important part of the City’s objection. Our proposed Community – Farmland Compromise is a fair solution to our (Cornelius) objections and also objections from Helvetia to the added Urban Reserve designation north of Sunset Highway. The staff report’s summary of Cornelius’ proposed solution is incorrect in several respects. First, the city did not ask specifically for a remand. Staff report, page 13. Nor did we ask for LCDC to revoke any Rural Reserve designation. Finally, the city did not ask for Metro to simply adopt a 360-acre urban reserve north of Cornelius.

Rather, we proposed a compromise, which moves the 352 acres of new Urban Reserve that is not wanted on prime farmland north of Sunset Highway in Helvetia to north of Cornelius on less than prime farmland where it is wanted and needed to build a complete and sustainable community. [The farmland north of Sunset Highway in Helvetia has one of the highest concentrations of Class 1 soils in Washington County compared to Area 71 north of Cornelius, as show in the maps in Attachment C.] The compromise cuts nearly in half the Urban Reserve approved last year north of Cornelius, leaves the newly designated Rural Reserve north of Cornelius as is, and changes the added Urban Reserve in Helvetia back to Undesignated. The better farmland is saved from development. A disadvantaged community gets some room to grow jobs.

We understand that the Commission may adopt this compromise by requiring it as a specific plan revision, or in the form of a remand to Metro and Washington County. We prefer the former which is clearer, quicker and less costly in time and money.

[The Community – Farmland Compromise Maps attached.]

Misinformed "Remand"

The Commission's October 2010 decision to send the reserves designations back to Metro and the counties was based on misinformation and was made under pressure at the 11th hour. The City has continuously objected to what it views as unfair procedures that left it without a venue to contradict false testimony. The Director's July 28 Reserves report attempts to refute the city's contention, stating that the Commission had Cornelius' Prequalified Concept Plans, maps and arguments for Urban Reserve designation presented to them and the Commission took them into account in their review of the "record as a whole" and decision to remand. This is simply not right.

When the Commission hearings on the reserves began on October xx, 2010, Washington County had submitted a summary set of findings for rural reserves for the Commission's review; Metro had submitted a summary of findings for urban reserve designations for the too. These summaries were necessary, as the full public record of findings of fact on the reserves planning endeavor was thousands of pages long. It was these summaries of findings that were found to be "thin" for several controversial areas, including Area 7-1 north of Cornelius.

After several objectors raised the issue of "thin" findings, the Commission asked for more extensive information from the public record to furnish to them at a reconvened meeting the next week. Metro submitted a 13-page brief including fuller factual justification, from the record of reserves designations in Washington County. That report would have given the Commission good information for an informed decision. However, the report was not available to the Commissioners until the night before and there was no evidence the next day when the Commission reconvened to deliberate and make a decision that the Commission had read the supplemental findings.

In fact, during its deliberation when the Commission was discussing the suitability of an urban designation north of Cornelius, Metro's attorney said to them, "Did you even read the supplemental findings?" There was no answer. The Commission instead listened to privileged testimony from 1000 Friends and Department of Agriculture that was not founded in and contrary to the public record of facts.

Erroneous Statements during Deliberation after public testimony was closed:

1. Land north of Cornelius (Council Creek) is the "best of the best" farmland – a "national treasure"
2. Land north of Cornelius "contains too much floodplain"
3. The Urban Reserve designation north of Cornelius "is an unreasonable protrusion into foundation farmland".
4. "Council Creek is the best buffer between urban and rural" land uses.

Facts in the Public Record (maps & narrative) at the time of Deliberation:

1. Land north of Cornelius (Council Creek tributary) is Second Tier land for agriculture uses, significantly less in value than other land designated Urban Reserve in the region.
2. Recommended Urban Reserve land north of Cornelius contains less than 5% floodplain
3. The Urban Reserve designation north of Cornelius is bounded by urban development and extensive Dairy Creek floodplain on three sides.
4. City limits, sub-urban zoning and over \$20 million investment in urban infrastructure extend north of Council Creek tributary; while Dairy Creek is 5-10 X wider and provides a wrap-around long term buffer recognized since 1980.

Unfair Process

A review of the minutes (tapes) of the October 2010 Commission hearing will refresh the Commission's memory regarding the course of events leading up to the Commission's verbal decision. The Commission will recall that DLCD staff had recommended approval of the Reserves Plan proposed by Metro and the counties. The parties were provided an opportunity to present support for and objections to the proposal. The record was then closed, and DLCD's attorney gave advice on deliberations. The Commission began to deliberate. Somehow a party was allowed to present testimony regarding the agricultural value of some of the land to be designated as urban reserve—specifically, land to the north of Cornelius. The Commission was leaning toward adopting the counties' and Metro's proposed designations prior to this testimony. However, based on this erroneous information, a commissioner switched her vote and the board chair then switched his vote also to avoid a tie vote. This resulted in the selective "remand" decision.

The staff report asserts that this egregious procedural error is either harmless or of no significance. First, it asserts that nothing requires the Commission to offer affected local governments the opportunity to participate "in its deliberations." Staff report, page 14. That may be true, but basic fairness and Oregon law requires that a party be afforded a full and fair opportunity to present its case. *See Fasano v. Washington Co. Comm.*, 264 Or 574, 588, 507 P2d 23 (1973). Where one party is allowed to present evidence during deliberations, after the record is closed, and that testimony, which turns out to be erroneous, changes the entire direction of the decision making body, then due process requires that a party be given an opportunity to address that testimony.

The staff report also asserts that the city has an opportunity to raise factual issues to the Commission in the hearing on the re-designation submittal. Staff report, page 14. Presumably, the staff report is contending here that any procedural error that may have been made last October can be cured by this second remand hearing. In a sterile, ideal world, this may be true. But given the facts of this circumstance, where the Commission chose to remand instead of approve the counties' and Metro's proposal as submitted, based on misinformation that was presented at the final hour, without an opportunity for rebuttal, and where the parties involved have now spent months of time and countless financial resources solidifying that erroneous action, the city doubts very much that this second hearing will come close to curing that outrageous defect.

This informal remand created a circumstance where the City was forced to consider much less land for 50 years of development than originally justified and approved by the County and Metro and recommended by DLCD staff in 2010. (See the North Cornelius – Urban Reserves Area 7I in Attachment C.)

The damage to Cornelius from this procedural error was compounded by the Commission's subsequent decision to forego adopting a final order to which Cornelius could respond. Metro and Washington County treated the decision as an order and amended their plans to Cornelius' detriment, even though both entities had originally supported the proposed plan and even though the majority of Washington County Commissioners and Metro Councilors as individuals continued to voice agreement with an urban reserve designation north of Cornelius. See record of public hearings on this amended plan. This led Cornelius to challenge against the clout and will of Metro and Washington County instead of with them as partners.

Violation of Goal 2

The Commission's decision not to adopt an order following the October 2010 hearing enabled it to forego adopting findings supporting its decision, which, quite frankly, it would not have been able to do. Had it adopted an order, supported by findings, it would have been required to justify denying the proposal to designate urban reserves north of Cornelius. In short, it would have had to demonstrate that Area 7I did not satisfy the factors for urban reserves.

Lands that are to be designated as Urban Reserves must successfully address the factors identified in OAR 660-027-0050. The Urban Reserve reports that were initially prepared and supported by Metro, Washington County and the City of Cornelius addressed the Urban Reserves Factors for Area 7I and found that it met the factors and should be designated Urban Reserves. At the conclusion of the October 2010 hearing LCDC orally remanded the Urban & Rural Reserves back to Washington County with direction to address the protrusion into the "best of the best agriculture land in the state" north of Council Creek and Cornelius (Area 7I). The oral remand was a decision by LCDC to make changes to the Washington County Urban & Rural Reserves Map and the Urban designation of Area 7I. Therefore, the violation of Goal 2 is that there never was any finding of fact addressing non-compliance with the Urban Reserve Factors (OAR 660-027-0050) for Area 7I by supporting LCDC's decision to orally remand Washington County's reserves.

LCDC's oral remand did not identify the Urban Reserve Factors for Area 7I that were not met. Their conclusion was based on broad and general statements. As such the City of Cornelius, Washington County or Metro has never been informed what factors were deficient or non-compliant and therefore has had no opportunity to prepare, review or adequately object to LCDC's revision to Washington County's Urban Reserves. The Commission and DLCD's decision to proceed as it did, and not adopt an order following its October decision, changed the standards and burdens of the parties in a way that cannot be cured by the upcoming hearing unless it chooses to adopt Cornelius' reasonable compromise solution.

History of Informed Decisions Overturned by Politics

When the land use decision process is fair and open, our system works. Six times now within the past thirty years, Cornelius with a full hearing of the facts won approval for future urban development north of Council Creek, but then was rebuffed by political decisions closed to fair challenge.

1. The land between Cornelius and Dairy Creek was approved and mapped by Washington County as Urban Reserve in 1982. A map of this County Urban Reserve is in the record.
2. During the 1990's, approximately 200 acres of this land was zoned by the County and acknowledged by the State as Exception Land to recognize the sub-urban development north of Cornelius. Cornelius has annexed property and provided water and other urban services north of Council Creek for over twenty years.
3. In 2004, Metro approved and mapped 200 acres of land north of Council Creek as Urban Growth Boundary expansion, with Washington County support and unanimous support of MPAC. Eighteen months later our Community was shocked to see that UGB taken away at the last minute of a Farm Bureau appeal.
4. In 2007, Cornelius was given permission by Metro to apply for an amendment to the regional urban growth boundary mid-cycle. Again, when the facts were on the table and examined openly and

fairly, Metro's Hearings Officer approved a UGB expansion north of Cornelius. But when the Hearings Officer recommended approval to the Metro Council, the Council voted to deny the expansion after last minute testimony by the Farm Bureau, because they didn't want to encourage other cities to apply for UGB changes mid-cycle.

5. In 2010, at the end of two years of regional and local analysis, facts on the table and compromise, Washington County and Metro approved an Urban Reserve Designation for land north of Cornelius (approximately 624 acres) the only land suitable for future industrial growth. But in October, after last minute privileged testimony from the Farm Bureau, a misinformed LCDC decided to selectively remand the regional reserves agreement to omit the land north of Cornelius.
6. Four months later in 2011, Cornelius was given the opportunity to lay out the reserves suitability facts before the Washington County Planning Commission and the challenge the proposed County amendments (changing urban reserves to rural north of Cornelius) to its plans approved last summer. The County Planning Commission relied on public testimony to provide documentation of facts, findings and conclusions to address the Urban/Rural Reserve factors. As a result of this example of planning with open public participation and reference to findings of fact, the Washington County Planning Commission then approved a recommendation to amend Ord. No. 740, that reflected the Community-Farmland Compromise that included Urban Reserves north of Cornelius. However, the County Board of Commissioners did not even respond to the Planning Commission recommendation, as it felt compelled to abide by LCDCs informal October order and approved the comprehensive plan amendment. As the County Chair said, the decision was made before the public hearings.

Area 7I had clearly satisfied the 'factors' for designation as Urban Reserve as presented in the record to LCDC. The lack of a written order from LCDC's oral remand in October 2010 left Metro and Washington County without direction on how or what they were to address. The process turned political with discussion between County Commissioners and Metro Councilors on how to address the remand. At this point the process left the land use framework and became a series of non-public deliberations between County Commissioners and Metro Councilors on what to do with Area 7I and where to accommodate Urban Reserves at an alternative location.

The land use process returned and was put back in motion in February 2011, when Washington County had to comply with their legal requirements for notice and public hearings for ordinance adoption. Ordinance No. 740 proposed the changes to Area 7I (rural) and inclusion of Urban Reserves north of Highway 26 (Helvetia). The first review of Ordinance No. 740 was at public hearings before the Washington County Planning Commission. The Washington County Planning Commission approved Cornelius Farmland – Community Compromise and recommended amending the ordinance to designate Area 7I approximately 274 acres Rural Reserve and 352 acres as Urban Reserve. They also changed the approximately 352 acres on the north side of Highway 26 (Helvetia) back to Rural Reserves.

Despite overwhelming public testimony against Ordinance No. 740, Washington County Commission disregarded the County Planning Commission recommendation and without making findings they approved Ordinance No. 740.

Facts on the Land North of Council Creek Tributary

The staff report states, "The objection by the City of Cornelius does not identify evidence in the record that warrants a conclusion contrary to that made by the Commission at the October hearing. The consolidated findings describe why a portion of the area (7I) has been designated as a rural reserve (Findings at 124-130), and a portion left undesignated". Staff report, page 19. Further, the staff report states that the Commission in its deliberation in October, 2010, considered the "whole record" and, in its view, "the evidence of suitability (of the area north of Cornelius) for urbanization was at best weak." These statements confirm that the Commission did not have access to even the summary of the full record of relevant findings submitted to the Department by Metro and Washington County at the request of the Commission.

The city provides again with this exception document excerpts from the summary of findings related to the area north of Cornelius. This excerpt from the October 27, 2010 supplemental findings memo from Dick Benner to Richard Whitman is attached as Attachment A. With specific citations to the public record, this memo shows ample evidence related to the land in question north of Council Creek Tributary (Area 7I), supporting the counties' and Metro's initial proposal and/or Cornelius' proposed compromise solution, based on the applicable criteria.

Because the staff report specifically called out a lack of evidence in the City's objection addressing the rural factors that Washington County examined for their amendment their 2010 decision, the City has attached as Attachment B a summary of the ample evidence in the record that shows that Area 7I is not suitable for a Rural Reserve designation. These facts have been part of the record since the 2010 decisions to designate Area 7I Urban Reserve. It is distressing that this evidence was not in front of the Commission as it deliberated about this specific area at its October meeting. It is important that the decision LCDC makes this August is made in light of all the facts in the record.

Conclusion -- LCDC Decision is Place to Get This Right

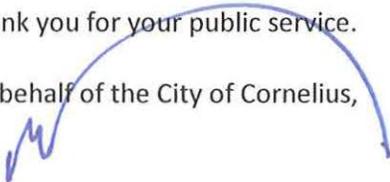
In several instances in the staff report, DLCD emphasizes the city's opportunity to present evidence and arguments at the upcoming hearing. While the city takes issue with the suggestion that the upcoming hearing, in and of itself, is sufficient to cure the procedural and substantive errors that have disenfranchised the City of Cornelius at every turn, Cornelius does hope that the Commission will study the evidence closely, specifically with regard to the city's evidence supporting urban reserves in Area 7I. The land is not precious farmland or foundation land, as 1000 Friends and the Department of Agriculture would have the Commission believe. Area 7I is not only poised for urban development, it is needed by the city as urban reserve to achieve a "livable community." See OAR 660-027-0005(2). The record makes this clear.

This comparatively small amount of partially urbanized land north of Cornelius is in fact the only place suitable for this "boot-strap" community to grow the industry we need to balance housing and jobs, and become the livable and sustainably smart urban center we seek to be. Our record of land use planning and responsible development is good. It is not fair to single out our community to make a point that we all support. Balanced communities and industries including agriculture, and conservation of our natural environment are paramount to our collective future. Cornelius' plans, policies and cooperation are intended to achieve that balance.

The Commission is the guardian of Oregon’s Land Use System. This has never been truer than in this case. After months, even years, of debate over these issues, it is ultimately this Commission that will review and weigh the evidence and make the final decision that has huge potential to preserve certain agricultural lands, and to impact the economic future of Oregon cities in the Metro area. We urge you to look at Cornelius’ case carefully. Consider the factors that have led seven public bodies in the past 30 years to plan this area for urban development. Approve a compromise in an age that requires compromise to make our systems work. Adopt the Community – Farmland Compromise for the areas north of Cornelius and north of Sunset Highway.

Thank you for your public service.

On behalf of the City of Cornelius,

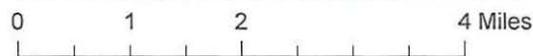
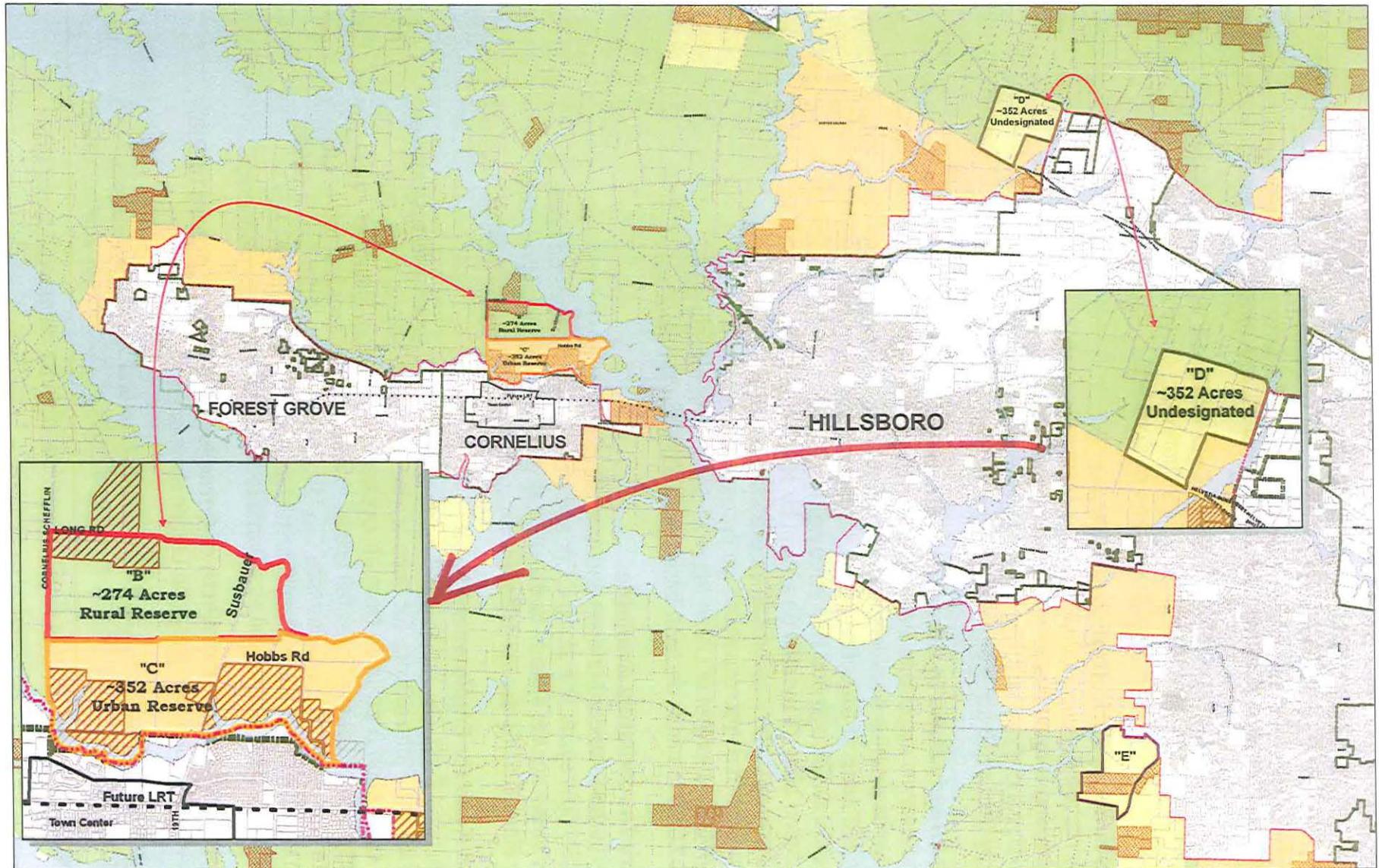
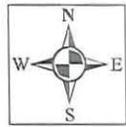


Richard Meyer
Development & Operations Director

Also: Anne Davies, Attorney Representing Cornelius
Dick Reynolds, Cornelius Planning Manager

Copy: Sheila Griffie, Cornelius Planning Commission Chair
Paul Rubenstein, Cornelius Acting City Manager
Brent Curtis, Washington County Land Use Planning Manager
Dick Benner, Metro Land Use Attorney

Draft Community - Farmland Compromise



Simple Trade

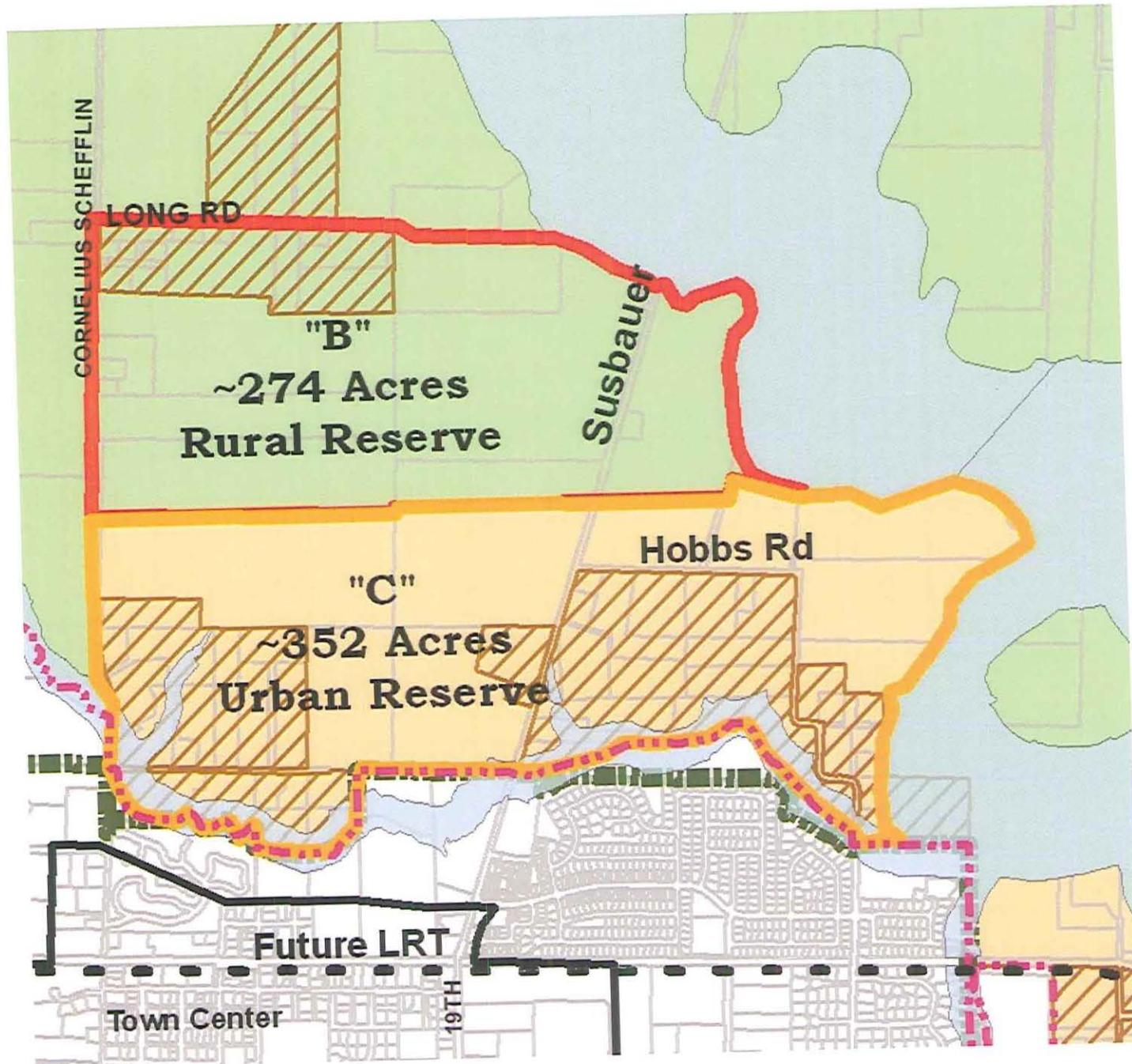
* 352 Acres of Urban Reserve
North of Sunset HWY. (Not wanted by Save Helvetia)

For

* 352 Acres North of Cornelius (Wanted by Cornelius)

Legend

- Area "B" to Rural
- Area "C" to Urban
- Area "D" to Undesignated
- Area "E" to Undesignated
- Rural Reserve areas
- Urban Reserve areas
- Undesignated
- Exception Land
- UGB
- Town Center
- Floodplain
- Future LRT



Attachment A
 North of Cornelius Record of Findings
 Pertaining to Urban and Rural Factors

(Excerpt from October 27, 2010 Supplemental Findings memo of Dick Benner to Richard Whitman)

III. Urban Reserve 7I

As initially recommended by Washington County, the North Cornelius pre-qualified concept plan area contained 2639 gross acres and 1319 net developable acres (Wash Co Rec. at 2388 and 2400). In contrast, the urban reserve adopted for north Cornelius in Areas 7I contains 623 gross and 453 net developable acres (Table 1; see also WashCo Rec. at 2388 and 2400). This reduction has significantly reduced targeted general employment and residential uses in north Cornelius (Table 1). Even with this reduction, as demonstrated below, these areas will provide opportunities for industrial uses as well as housing and other uses that contribute to livable communities. The area south of Dairy Creek (currently Area 7I) was envisioned primarily for employment purposes in Cornelius' Pre-Qualified Concept Plan (Wash Co Rec. at 2400). Expected uses within Area 7I are consistent with those depicted in the PQCP (compare Attached Map with Wash Co Rec. at 2400).

Table 1: Comparison of Capacity of Pre-Qualified Concept Plan (PQCP) Targets to Areas 7I

2040 Design type	Gross Acres		School/Park Acres		Net Developable Acres		Target Dwelling Units/Net Acre		Target Dwelling Unit Capacity		Target Jobs Capacity	
	PQCP	7I	PQCP	7I	PQCP	7I	PQCP	7I	PQCP	7I	PQCP	7I
Outer Neighborhood	882.5	153	264	-	441	76.5	10	10	4,410	765	-	-
Industrial	1756.5	470	219	50	879	376	20	20	-	-	17,580	7520
Total	2639	623	483	50	1319	452.5	-	-	4,410	765	17,580	7520

URBAN RESERVE FACTORS

(1) Can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments

Cornelius' Pre-Qualifying Concept Plan (PQCP) for Area 7I describes the city's infrastructure service availability (WashCo Rec. at 2389).

Major infrastructure systems are in place ready to be extended for development into this area. The water, sewer and transportation systems in and around Cornelius have regional growth capacity. Clean Water

Services sanitary and storm sewer lines are located to serve north of Cornelius to Dairy Creek. (Wash Co. Rec. at 2389)

Cornelius' utility master plans and rates studies ensure development pays for extensions and maintenance of all new utilities and street improvements. (Wash Co. Rec. at 2389)

Two new bridges across Council Creek include urban amenities. Over \$21 million in recent public infrastructure investment by Cornelius, Washington county, State of Oregon and U.S. government provide extra capacity for urban expansion to north of Cornelius. (Wash Co. Rec. at 2389)

Infrastructure is planned to support growth of Cornelius, including streets & pathways, schools & institutional uses and a generous 10% for parks. The city does not allow development in the floodplain. (Wash Co. Rec. at 2389)

Area 7I was mapped by Washington County showing urban suitability for water, sewer and transportation (Wash Co Rec. at 3004-3010). Area 7I also is mapped by NAIP as constrained land for urban development and employment, based upon factors including flat land, water availability, parcelization and proximity to workers and existing industry (Wash Co Rec at 3002)

(2) Includes sufficient development capacity to support a healthy economy;

Land within 7I north of the current UGB/City limits along the improved Cornelius-Schefflin Road is suitable for employment uses because of the good connection with the rest of the urban region for industrial development. A sustainable, healthy Cornelius center is important to County, Regional and State economic health. (Wash Co Rec. at 2389.) A recent study by Johnson Reid indicated that, over the next 20 years, West Washington County will need approximately 1200 acres for large lot industrial use (e.g., 50 acres or more) (Metro Rec. at 1641; WashCo Rec. at 3208-3216). This is consistent with Metro's forecast need for 3,000 acres of industrial land region-wide over 50 years. The need for large lot industrial uses is further supported by inquiries fielded by the city's Economic Development Department between 2007 and 2009, which includes inquiries for 11 sites of 50 acres or more (Metro Rec. at 1860). The Johnson-Reid Economic Opportunity Analysis conducted for Cornelius projects demand for over 782 acres for industrial development within the next 50 years. (Wash Co. Rec. at 2450)

Metro's MPAC Employment Subcommittee recently acknowledged that "attracting and retaining traded-sector industrial companies is critical to the region's economic prosperity" (Metro Rec. at 172-178). Likewise, in their comments into the record, the State agencies emphasized "the need for an adequate supply of employment lands in the Metro urban growth boundary" noting that the region "often 'seeds' traded-sector technologies and businesses that disperse throughout the state" (WashCo Rec. at 1988-1989).

The PQCP illustrates the potential for industrial development within Area 7I. As noted above, the uses proposed for Area 7I under the PQCP have not changed. The Economic Productivity of Employment Land, Economic Mapping Pilot Project, prepared by the Oregon Business Development Department (June 2009; WashCo Rec. at 3429-3450), demonstrates the contribution of industrial uses to the economy. Economic benefits of industrial lands, such as those currently located in the area studied, include:

- Double the County average of market value/acre for industrial lands;

- Annual payroll yield of \$616,150 per net usable acre;
- Annual Property Tax Revenue of an average \$6,220/acre tax assessment land value as a result of State Measure 47/50 valuation constraints.
- Creation of high wage jobs in the existing industry clusters (pre State Employment data, the 2008, the average payroll per employee working in the three industry clusters was \$77,275.00) and each direct job in this traded sector generated 2.0-2.5 indirect jobs in the Regional/Statewide Economies (WashCo Rec. at 3126 & 3429-3450).

A comparatively large number of large, flat, seismically stable parcels of land are characteristics that the NAIOP study of urban (particularly industrial) suitability noted in the area north of Cornelius – 7I. (Wash Co Rec. at 3002-3004). Area 7I is also suitable for urban development, particularly industrial development because of its proximity to and connections to the high tech and solar clusters of industry in western Washington County (Wash Co Rec. 2411-13; 2452). Urban development is also suited in Area 7I in order for Cornelius to meet all the factors of Metro's Great Communities; for example the area is within walking distance from the center of town and transit (Wash Co Rec. 2395-2399).

(3) Can be efficiently and cost-effectively served with public school and other urban-level public facilities and services by appropriate and financially capable service providers;

Cornelius schools and utilities, including Clean Water Services, Joint Water commission, local fire districts and school districts are informed and already invested in greater capacity and planning for future development. For example, the Hillsboro School district owns a 40 acre school site southeast of the UGB and plans to build the first high school in Cornelius in 4-5 years. Also the CWS has existing and planned capacity for development of land north to Dairy Creek with its facility along Council Creek. (Wash Co. Rec. at 2389-2390)

Cornelius has an existing array of funding mechanisms, including systems development charges, construction excise taxes, and up-to-date utility rates to assure the financial capability of these urban service providers to extend and operate services to recommended areas. Expansion of urban services and infrastructure to new development will make existing facilities services more efficient and affordable with more people served by each facility. (Wash Co. Rec. at 2390)

Most importantly, new development within an expanded UGB is planned by Cornelius for a greater mix of housing options and more jobs (primarily industrial) to balance and stimulate a community whose housing stock is limited (95% low/moderate income appropriate), has 4,000 too few local family wage jobs (causing substantial long commutes that are expensive to families and environment), and is in need of more property taxes to provide basic city services (Cornelius now has half the city employees per capita as most cities in the region). (Wash Co. Rec. at 2390)

(4) Can be designed to be walkable and served with a well-connected system of streets, bikeways, recreation trails and public transit by appropriate service providers;

Existing streets in Cornelius are being improved for multi-modal transportation with federal, state and county grants along with private development charges. Planned pedestrian/bike trail system for recreation and local commuting will replace many of the congest commutes in the region. A key light rail extension from Hillsboro to Forest Grove is on the regional table. (Wash Co. Rec. at 2390)

The City of Cornelius Transportation System Plan (TSP) identifies the need to plan and develop complementary infrastructure for pedestrians, bicycles, vehicles and transit to provide a diverse range of choices for transportation. The city has adopted Code language and design standards that require connectivity, accessibility and enhance transit service in order to implement this direction from the TSP. All City streets are required to be constructed with ADA compliant sidewalks. All City collector and arterial streets are required to have bike lanes. The City Development code also provides incentives for developers to provide pedestrian connections from commercial structures to public transit stops. (Wash Co. Rec. at 2390) Cornelius' TSP also provides guidance for connection and development to the regional trails and greenways (Council Creek, Tualatin River and Dairy Creek) that abut or are adjacent to the City. (Wash Co. Rec. at 2390.)

(5) Can be designed to preserve and enhance natural ecological systems;

Cornelius has inventoried and determined the significant natural resources within the current City boundary. The City has also adopted protection measures for the inventoried significant natural resources within its boundary that are identified in the Cornelius Natural Resource Protection Plan. The development of our Natural Resource Protection Plan has also resulted in a new zoning overlay district, Natural Resource Overlay Zone that protects the current inventoried significant natural resources in the City. New lands brought into the City are inventoried, assessed and protection measures are established and implemented consistent with these Code provisions. The Natural Resource Protection Plan is a policy program that protects, conserves and helps restore the significant natural resources that are in and about the City. The implementation of this plan works hand in hand with the Tualatin Basin coordinating Committee and with Metro's Title 13. (Wash Co. Rec. at 2390-2391.)

Cornelius has adopted Clean Water Services Design and Construction standards that require the treatment of surface water from development for water quality and quantity, and that also address Title 3, Metro Functional Plan. The city completed its periodic Review Work Program in 2005. Work Program Task #3 Environmental Policies required the City of address Title 3, Metro Functional Plan. Compliance with Task #3 was approved by the State. (Wash Co. Rec. at 2391)

Cornelius has a Floodplain District Overlay zone that protects and regulated proposed development in the floodplain. The City Coordinates with Clean Water Services, Division of State Lands and US Army Corps of Engineers to restrict the uses and regulate development in the floodplain. (Wash Co. Rec. at 2391)

Cornelius has shown commitment to preservation and enhancement of ecological systems in its plans, advocacy and use parks, green space and trails, acquisition and improvement of natural areas, and in many organized park and open space planting and educational events. (Wash Co. Rec. at 2391)

All these policies, plans, zones, regulations, standards and commitments are applied to additions to the UGB and city limits by city code and now tradition. (Wash Co. Rec. at 2391)

(6) Includes sufficient land suitable for a range of housing types;

Cornelius housing is predominately low value and would be affordable if the considerable cost of transportation from having to commute to jobs out of town was not included. With more jobs available from both infill and UGB expansion, approximately 95 percent of housing stock in the city is low-moderate income appropriate. However affordable housing alone is problematic for a community. A community limited to 'started homes' limits property tax revenue available for decent city services and housing options for a healthy diversity of people. (Wash Co. Rec. at 2391)

Because of this, it is a City goal to develop medium and even upper income level housing to provide a full range of housing options, integrate different people into local culture, and attracts healthy economic and community development. Recent housing development (2002-2007) is better quality and higher in value than the bulk of City housing, and constructs green along an outstanding stream corridor. But there is no more room currently within the UGB for any housing except some infill when higher densities become marketable. Land is necessary to provide for a full healthy range of housing options and income levels. At least 200 acres of land expansion of the UGB is needed immediately to produce an adequate mix and balance of housing options over the next ten years (at an average of 10 units/acre). Over the next 50 years, there will be the opportunity to develop a healthier diverse mix of single-family and multi-family residences (based on 10 units/net acres) located near and connected by protected stream corridors. (Wash Co. Rec. at 2391-2392.)

A comparatively large number of large, flat, seismically stable parcels of land are characteristics that the both the Washington County mapping of Urban Suitability and the NAIOP study of urban suitability noted in the area north of Cornelius – 7I. (Wash Co Rec. 3006-3009; 3002-3004). Such land characteristics present a relatively low cost environment for development of diverse and affordable housing. The availability of urban infrastructure referenced under Factor 1 makes housing development easier than in areas with poor infrastructure. Housing development is suitable in Area 7I both because of and to better leverage Cornelius meeting all the factors of Metro's Great Communities; for example housing in this area is would be within walking distance from the center of town, transit and local jobs if this area (Wash Co Rec. 2395-2399).

(7) Can be developed in a way that preserves important natural landscape features included in urban reserves

The natural landscape around the City of Cornelius is heavily influenced by the floodplains of the Tualatin River Basin, with its tributaries of Council Creek and Dairy Creek. The City of Cornelius has a floodplain district overlay zone designed to protect the public health, welfare and safety that helps preserve the wide buffer of the Dairy Creek floodplain, which ranges from .25 to .65 miles in width. (Wash Co Record at 3028). City has adopted specific protection measures for significant natural resources identified in the Natural Resource Protection Plan. When properties annex into the City our preservation measures for inventory, assessment and protection are implemented. (WashCo Record at 2392.)

Cornelius' Natural Resource Protection Plan has resulted in a new zoning overlay district, Natural Resource Overlay Zone that protects the current inventoried significant natural resources in the City. New lands brought into the City are inventoried, assessed and protection measures are established and implemented consistent with these strong Code provisions. The Natural Resource Protection Plan is a policy program that protects, conserves and helps restore the significant natural resources that are in and

about the City. This helps preserve important natural landscape features in the Urban Reserve. (WashCo Record at 2391)

Cornelius believes that natural features and areas are much better protected inside the UGB than outside the UGB where there are more conflicts without protection and fewer resources with which to restore and conserve the land. The City also believes that managed public access, like trails, to natural resources encourages outdoor education and public by-in to conservation ethics. (WashCo Record at 2392)

(8) Can be designed to avoid or minimize adverse effects on farm and forest practices and on important natural landscape features on nearby resource land, including land designated as rural reserves

Dairy Creek floodplain provides a quarter to half a mile wide buffer along the east and north of Area 7-1 North of Cornelius and farmland in Rural Reserves. (Wash Co Record 2391-2392) The Dairy Creek floodplain divides Tier 2 and 1 rural lands as ranked by Washington County (Wash Co. Record 2024-2025). Council Creek is already breached by urban development. (Wash Co Record at 3004). Cornelius-Schefflin Road is the approved western boundary of 7-1 industrial land and can become an adequate buffer with the application of Cornelius City development requirements. (WashCo Record at 2392-2393)

The City Development Code currently has language that provides the City with tools to design/implement buffers and setbacks for abutting conflicting uses. The existing City Code provides for the separation of uses with greater buffer/setback protection between uses with different intensity (i.e. residential and industrial). The City currently has industrial and residential zoned/developed property that abuts rural land with existing agricultural practices. The City and its neighboring farmers currently work and live in harmony without negative impacts. (WashCo Record at 2392)

Cornelius currently has tools in its Code that require development proposals to assure compatibility and reduce impacts on use of neighboring properties (rural and urban). The Code also applies buffers, setbacks, access, traffic generation, landscaping, fencing and lighting of a site through implementation of the City design review process. These development code processes and provisions provide tools to help prevent and mitigate any conflicts with neighboring farm and forest practices. (WashCo Record at 2392)

The City Transportation System Plan (TSP) provides guidance through Chapter 8 - Motor Vehicle Plan specifically goals and strategies that effectively provide a supportive transportation network for safe public roads and streets. Street networks are coordinated with Washington County, Metro and Oregon Department of Transportation so as to have minimum impact and reduce congestion on out-of-town routes. (WashCo Record at 2392)

Cornelius has approved Master Plans for all of its utilities (water, sanitary sewer & storm water). The construction and extension of utilities in the City have been developed and sized for its current and future use. The urban utilities are provided through a network of subsurface contained transmission lines. Therefore, City water use does not affect the abutting rural water table used for farm and forest operations. Sanitary sewer and storm water is treated in urban facilities and does not adversely affect farm and forest practices or natural features. Clean Water Services sanitary and storm water lines are located in Council Creek to serve north to Dairy Creek. (WashCo Record at 2392)

Construction of a whole complete community reduces the impacts of traffic and recreation to and through farm and forest lands outside the City. (WashCo Record at 2393.) The City currently provides protection buffers and setbacks from stream corridors with the implementation of its Natural Resource Protection Plan and the Natural Resource Overlay Zone. These buffers help protect streams for water quality/quantity function and downstream use by farm and forest owners. (WashCo Record at 2393)

In Cornelius' Urban Reserve Concept planning, the City located future residential neighborhoods where broad streams and floodplains separate and offer a natural buffer between housing and rural land uses. Cornelius has located future industrial (employment) parks next to rural uses, because industrial uses are generally the most compatible urban use with rural land uses. The City has buffer requirements in its Development Code to insure industrial use compatibility with surrounding uses. (WashCo Record at 2393 and 2400)

Of the approximately 620 acres in Area 7-I, over 200 acres are designated Exception Lands by Washington County and the State of Oregon. Therefore 33% of Area 7-I has already been designated for more urban uses than rural uses. (Washington County Zoning Map). (Wash Co Record at 3021-22)

Rural Reserves Factors

(See discussion of Rural Reserves factors as applied to all three areas below.) Specific references for Urban Reserve 7B:

- Foundation Farm Land (Oregon Department of Agriculture's Agricultural Lands Inventory, *WashCo Rec* at 2996).
- Washington County Farm Lands Tiers Analysis -- Tier 2, Subarea #18 - High Urbanization, Higher Productivity Rating, Physical Features help define the area, High Dwelling density (*WashCo Rec* at 2979 [table] and 3025 [map]).
- Washington County Urban Reserve Recommendation -- Urban Reserve (*WashCo Rec* at 3034 [map]), adjusted by IGA (*WashCo Rec* at 7998 to 8010).

Attachment B
North of Cornelius Record of Findings
Pertaining Specifically to Rural Factors

OAR 660-027-0060(2) - Rural Reserve Factors: When identifying and selecting lands for designation as rural reserves intended to provide long-term protection to the agricultural industry or forest industry, or both, a county shall base its decision on consideration of whether the lands proposed for designation:

(a) Are situated in an area that is otherwise potentially subject to urbanization during the applicable period described in OAR 660-027-0040(2) or (3) as indicated by proximity to a UGB or proximity to properties with fair market values that significantly exceed agricultural values for farmland, or forestry values for forest land.

Area 7I is potentially subject to urbanization by its proximity to a UGB and to properties with fair market values that significantly exceed agricultural values for farmland. Area 7I abuts the City of Cornelius Urban Growth Boundary and City Limits boundary. A random search of 'fair market land value' assessed by Washington County provides results that indicate land value in Area 7I is higher than agricultural land abutting and outside of Area 7I.

Six parcels located inside of Area 7I with 'land market value/acre':

1N333A001200	\$257,190 Mkt. Value/4.25 Ac. = \$60,515/acre
1N3340000503	\$205,000 Mkt. Value/4.80 Ac. = \$42,708/acre
1N3340000605	\$225,500 Mkt. Value/0.95 Ac. = \$234,263/acre
1N3340000604	\$264,030 Mkt. Value/2.12 Ac. = \$124,542/acre
1N334A000400	\$215,520 Mkt. Value/1.87 Ac. = \$115,251/acre
1N333DA00200	\$273,240 Mkt. Value/1.45 Ac. = \$188,441/acre

Three parcels located outside and abutting Area 7I with 'land market value/acre':

1N3270000500	\$896,850 Mkt. Value/139 Ac. = \$6,452/acre
1N3280000300	\$555,200 Mkt. Value/71 Ac. = \$7,819/acre
1N3270001200	\$349,600 Mkt. Value/41 Ac. = \$8,526/acre

There is a drastic difference in land value per acre between the predominately small parcels inside of Area 7I and the larger parcels outside of Area 7I. Lands located inside of Area 7I have a fair market land value per acre that reflect its potential for urbanization and not for continued future agricultural use.

(b) Are capable of sustaining long-term agricultural operations for agricultural land, or are capable of sustaining long-term forestry operations for forest land.

Land inside of Area 71 has been designated as Exception Lands by Washington County for over 30 years. The 'exception' was designated due to the small parcel sizes, rural residential use and lack of high production agricultural operations. Area 71 also has a number of approved Measure 37 and 49 claims that, as they are developed, will increase residential density and even further decrease agricultural use. See the attached photographs of residential homes built in Area 71 on Hobbs Road on substandard Measure 37 and/or 49 claims.

(c) Have suitable soils where needed to sustain long-term agricultural or forestry operations and, for agricultural land, have available water where needed to sustain long-term agricultural operations.

Area 71 has predominately Class II soils as identified on the USDA-NRCS Soil Maps that were submitted with the City of Cornelius objection. The larger parcels in Area 71 are dry land farmed with field crops and are not irrigated.

(d) Are suitable to sustain long-term agricultural or forestry operations, taking into account:

(A) for farm land, the existence of a large block of agricultural or other resource land with a concentration or cluster of farm operations, or, for forest land, the existence of a large block of forested land with a concentration or cluster of managed woodlots.

(B) The adjacent land use pattern, including its location in relation to adjacent non-farm uses or non-forest uses, and the existence of buffers between agricultural or forest operations and non-farm or non-forest uses.

(C) The agricultural or forest land use pattern, including parcelization, tenure and ownership patterns.

(D) The sufficiency of agricultural or forestry infrastructure in the area, whichever is applicable.

Area 71 is approximately 623 acres in size and over 99 acres of this land is designated as Exception Land by Washington County and the State of Oregon. The Exception Lands have been developed and are operated for uses closer to urban rather than primarily used for agriculture production. (Wash Co Record at 3021-3022)

The majority of the parcels in Area 71 are not large block agricultural land; rather, they are smaller and have been parcelized for other more urban uses (residential) through the Exception Lands process. (Wash Co Record at 3019-3021). The implementation of Measure 49 claims in Area 71 has increased urban residential use and decreased land for agricultural uses.

Dairy Creek and its associated floodplain provide an existing and wide buffer between Area 71 and the large block agricultural uses north of Dairy Creek. The Dairy Creek floodplain varies in width between .25 miles to over .65 miles, 5-10 times the width of Council Creek. (Wash Co Record at 2400)

Natural Landscape Features Under Factor OAR 660-027-0060(3)

(3) Rural Reserve Factors: When identifying and selecting lands for designation as rural reserves intended to protect important natural resource features, a county must consider those areas identified in Metro's February 2007 "Natural Landscape Features Inventory" and other pertinent information, and shall base its decision on consideration of whether the lands proposed for designation:

(a) Are situated in an area that is otherwise potentially subject to urbanization during the applicable period described in OAR 660-027-0040(2) or (3);

The parcel sizes, flat topography, existing residential development, developed road system, land values, and proximity to urban services/infrastructure makes Area 7I subject to further urbanization in the next 20 years or less.

(b) Are subject to natural disasters or hazards, such as floodplains, steep slopes and areas subject to landslides;

Area 7I does not protrude into the Dairy Creek corridor and, except for agricultural uses in the floodplain, would not be subject to urban uses.

(c) Are important fish, plant or wildlife habitat;

The Dairy Creek corridor is only fish and wildlife habitat that has remained relatively intact. The agricultural and residential uses have eliminated any other habitat. The Dairy Creek floodplain forms the northern boundary of Area 7I, and it does not protrude into the Dairy Creek corridor.

(d) Are necessary to protect water quality or water quantity, such as streams, wetlands and riparian areas;

Agricultural practices such as seasonal field crops, irrigation, chemical application, livestock and dairy operations typically take place in floodplains and riparian areas. These agricultural practices negatively affect water quality and quantity through erosion, elimination of native plants, pollution of streams and water temperature increases. These agricultural uses currently occur on both sides of Dairy Creek. Urbanization of Area 7I will be required by local, regional and state law to keep urban uses and development out and setback (buffers) of the Dairy Creek floodplain and corridor.

(e) Provide a sense of place for the region, such as buttes, bluffs, islands and extensive wetlands;

There are no buttes, bluffs or islands located in Area 7I. Extensive wetlands are associated with Council Creek and Dairy Creek. These wetlands are provided no protection from agricultural uses and therefore are degraded. The current agricultural uses do not provide a sense of place. When land is annexed into the City of Cornelius as part of the concept and comprehensive planning a natural resource assessment would be completed to determine significance and protection measures establishing a sense of place.

(f) Can serve as a boundary or buffer, such as rivers, cliffs and floodplains, to reduce conflicts between urban uses and rural uses, or conflicts between

urban uses and natural resource uses;

The Dairy Creek floodplain is a defining natural boundary.

(g) Provide for separation between cities;

There are large rural, agricultural lands to the north, east and west separating the cities of Cornelius, Forest Grove, Banks and Hillsboro.

(h) Provide easy access to recreational opportunities in rural areas, such as rural trails and parks.

Agricultural use in Area 71 will not provide, and in most cases will conflict with, recreational opportunities. Washington County does not provide recreational opportunities (i.e. trails, parks, etc). Recreational amenities have to be planned, constructed and maintained by urban, regional or state agencies.

In conclusion, Area 71 does not satisfy the Rural Reserve Factors and it is subject to continued urbanization over the next 20 years or less. Area 71 has been planned and has grown more urban over the past 20 years. Agricultural operations have decreased and urban development and uses have increased.

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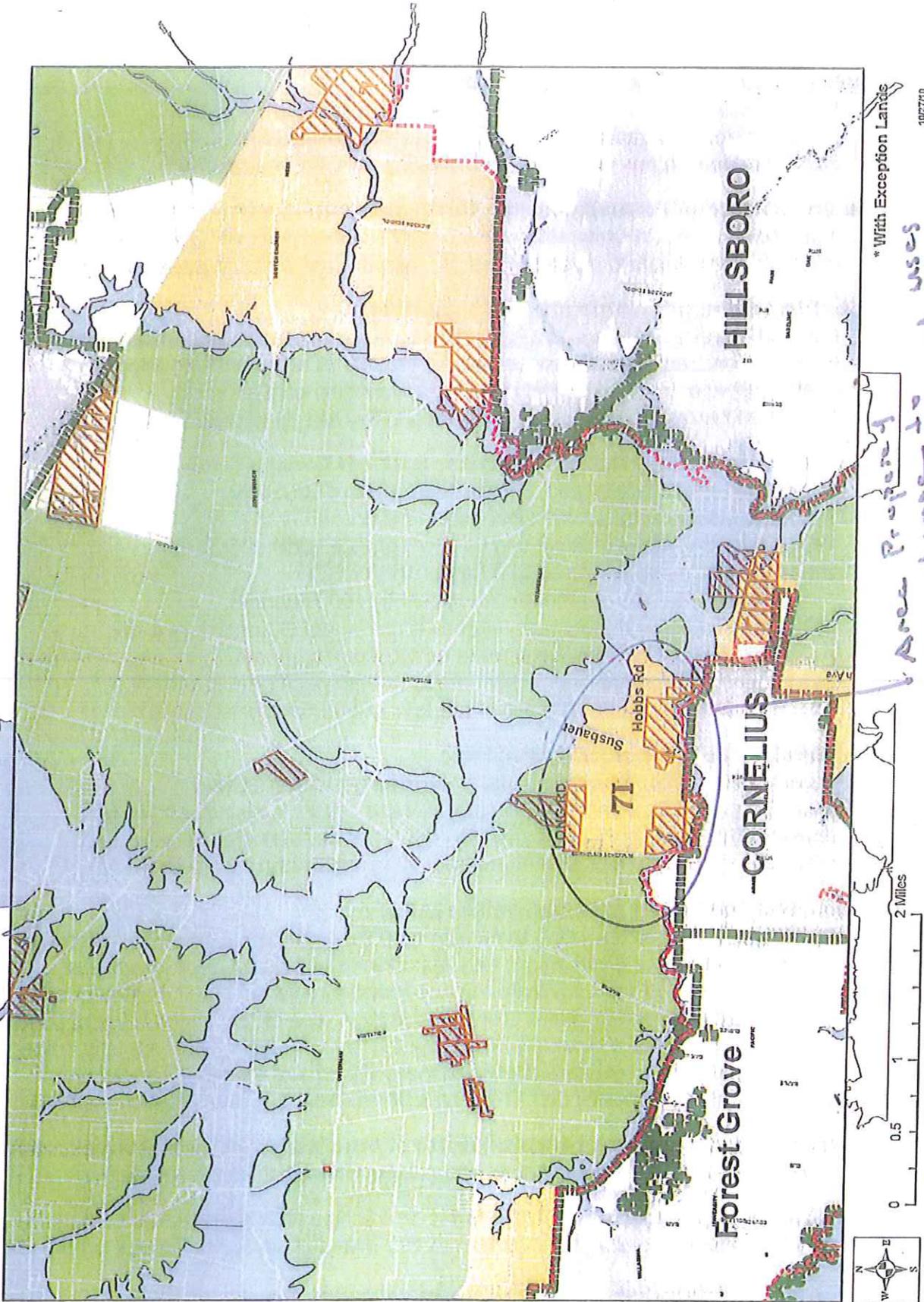






Attachment C - Maps

North Cornelius - Urban Reserve Area 7I



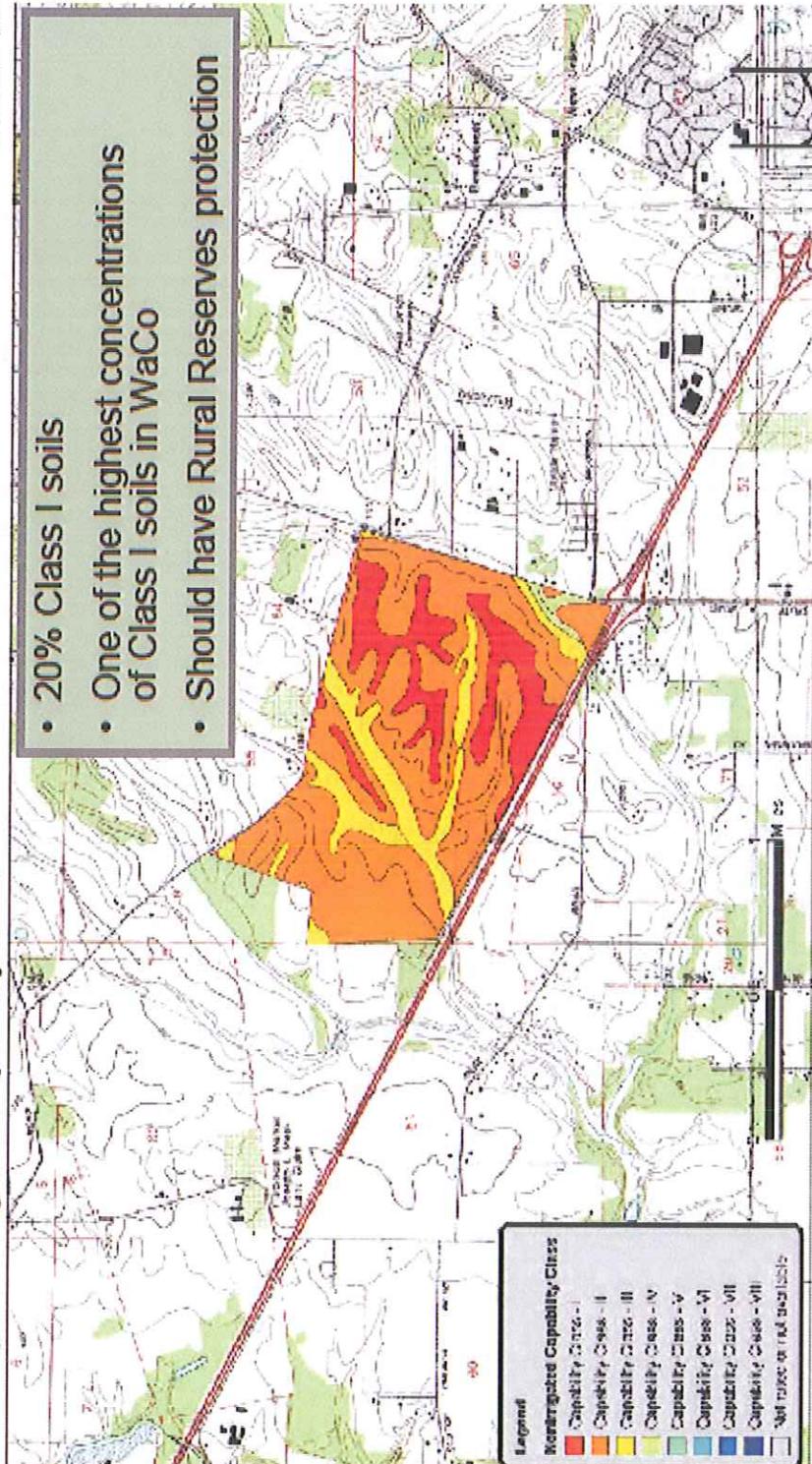
* With Exception Lands
1027710

Area Proposed for change to Rural uses
50 years of

Proposed Urban Reserves – Area D

Helvetia N of 26 proposed Urban Reserve Soils by nonirrigated capability class

Assisted By: Nathan P. Acelmann
USDA-NRCS
08 March 2011

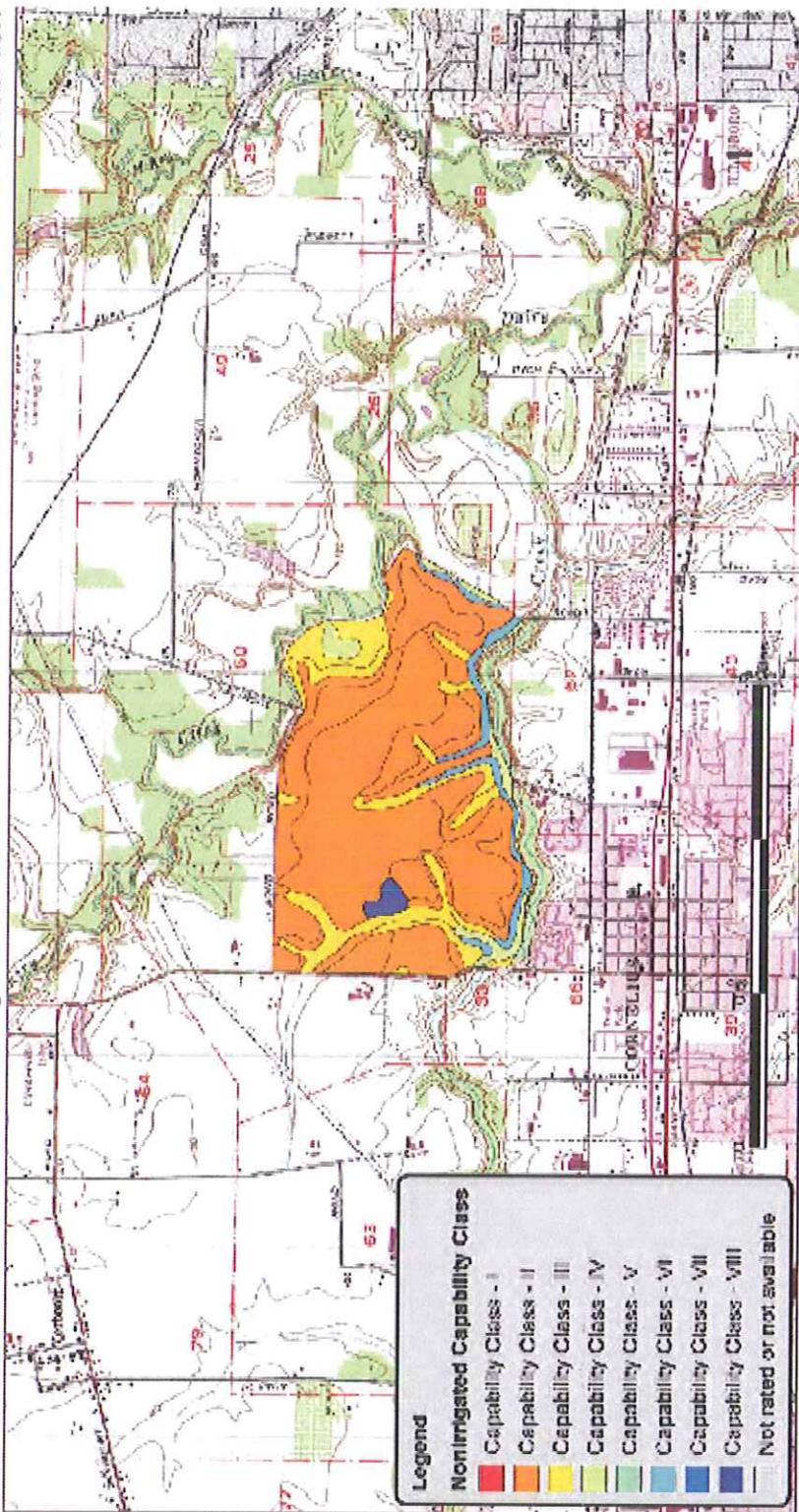


This map is for general planning purposes only.

Cornelius north of Council Creek

Cornelius N. of Council Creek Soils by nonirrigated capability class

Assisted By: Nathan P. Abelman
USDA-NRCS
08 March 2011

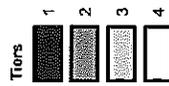


This map is for general planning purposes only.

Washington County

Farm Analysis Tiers and Sub-Areas

DRAFT



Tier Sub-Areas (White Dashed Line)

Extent of Reserves Study Area

County Boundary

Disclaimer:

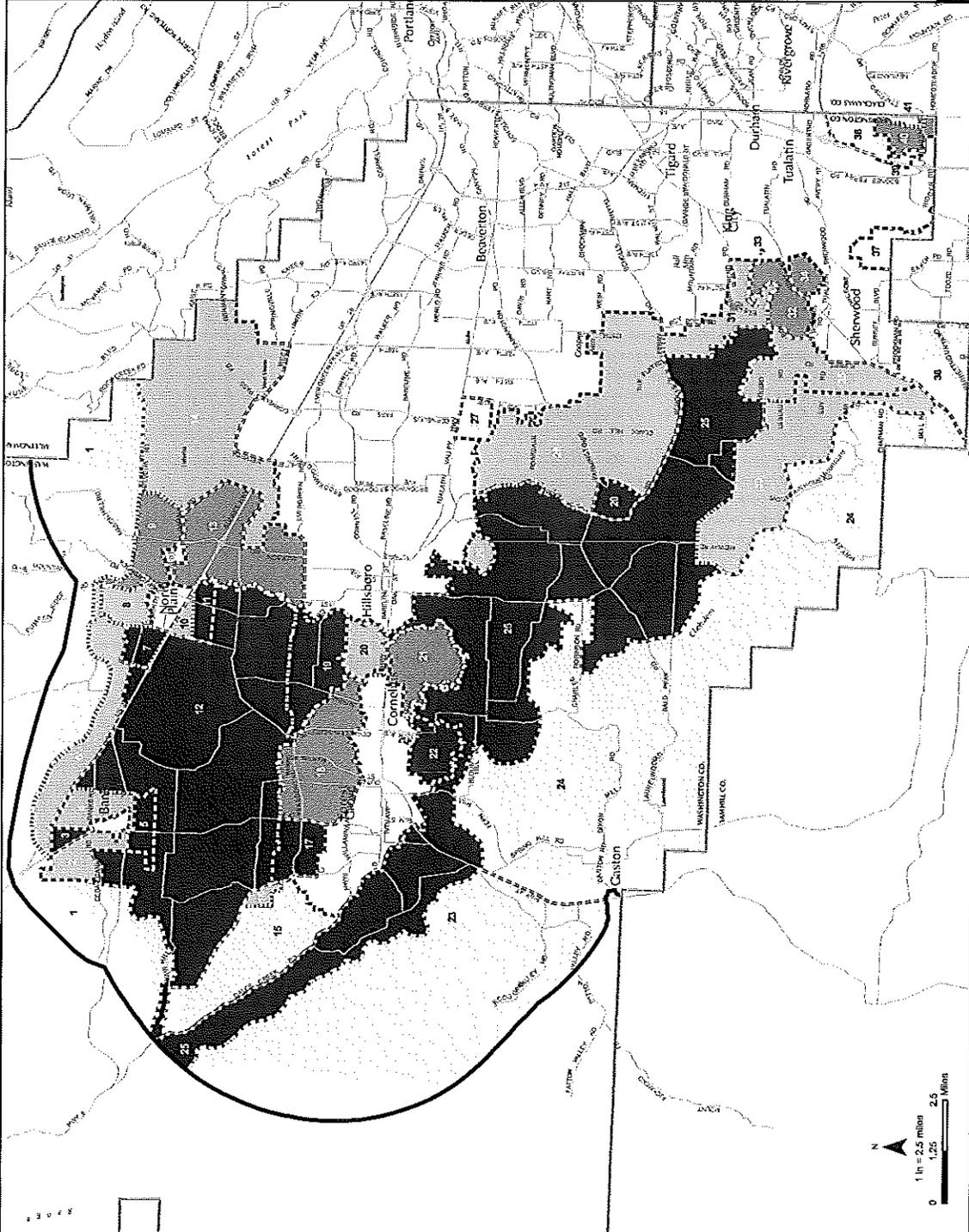
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Map 27

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Urban and Rural Reserves Staff Report

