

Final Documents
for
Annexation to
Oregon City

CL1306

Ordinance: 06-1015

Annexation: AN-06-02

DOR: 3-1777-2007

Secretary of State: AN 2007-0157



March 29, 2007

Metro
Linda Martin
600 NE Grand Ave
Portland, Oregon 97232-2736

Dear Ms. Martin:

Please be advised that we have received and filed, as of March 29, 2007, the following records annexing territory to the following:

Ordinance/Resolution Number(s)	Our File Number
2007-02 (Forest Grove)	AN 2007-0170
06-1015 (Oregon City)	AN 2007-0157
1229-07 (Tualatin)	AN 2007-0158
5725 (Hillsboro)	AN 2007-0159
5737 (Hillsboro)	AN 2007-0160
5708 (Hillsboro)	AN 2007-0161
5721 (Hillsboro)	AN 2007-0162
5723 (Hillsboro)	AN 2007-0163
06-1017 (Oregon City)	AN 2007-0164
06-1016 (Oregon City)	AN 2007-0165
06-1014 (Oregon City)	AN 2007-0166
07-18 (Clean Water Services District)	SD 2007-0044
07-40 (Clean Water Services District)	SD 2007-0045
07-19 (Tualatin Hills Parks & Recreation)	SD 2007-0046
2007-68 (Clackamas River Water District)	SD 2007-0047
2007-69 (Sunrise Water Authority)	SD 2007-0048
2007-84 (Tri-City Service District #4)	SD 2007-0049

For your records please verify the effective date through the application of ORS 199.519.

Our assigned file number(s) are included in the above information.

Sincerely,
Linda Bjornstad
Linda Bjornstad
Official Public Documents

cc: County Clerk(s)
Department of Revenue
ODOT
Population Research Center

Notice to Taxing Districts

ORS 308.225



Cadastral Information Systems Unit
 PO Box 14380
 Salem, OR 97309-5075
 (503) 945-8297, fax 945-8737

City of Oregon City
 Finance Director
 320 Warner-Milne Rd.
 Oregon City, OR 97045

Description and Map Approved
March 19, 2007
As Per ORS 308.225

Description Map received from: METRO
 On: 3/12/2007

This is to notify you that your boundary change in Clackamas County for

ANNEX TO CITY OF OREGON CITY; WITHDRAW FROM CLACK. CO. SERV DIST FOR ENHN. LAW ENFORCEMENT (CL1306)

ORD. #06-1015 (AN-06-02)

has been: Approved 3/19/2007
 Disapproved

Notes:

Department of Revenue File Number: 3-1777-2007

Prepared by: Carolyn Sunderman, 503-945-8882

Boundary: Change Proposed Change
 The change is for:

- Formation of a new district
- Annexation of a territory to a district
- Withdrawal of a territory from a district
- Dissolution of a district
- Transfer
- Merge



CITY OF OREGON CITY

Incorporated 1844

320 WARNER MILNE ROAD • PO BOX 3040 • OREGON CITY, OREGON 97045
TEL. 503-657-0891 FAX 503-657-7892

January 8, 2007

Joanna Mensher
Metro/DRC
600 NE Grand Ave
Portland, OR 97232

Re: Oregon City AN06-02 (CL1306) Final Packet

Dear Bob:

Enclosed is the final packet for the referenced City of Oregon City annexation proposal for your processing to the Secretary of State. This packet contains:

- Ordinance 06-1015
- Department of Revenue Final Approval
- Legal Description
- Findings of Fact with Conclusions and Reasons for Decision
- Annexation Map
- Certified copy of Election Results
- A check for the Metro Mapping Fee of \$400.00

Your prompt processing is appreciated.

If I can be of any further assistance, please call.

Sincerely,

Robert C. Cullison, E.I.T.
Development Engineering Manager

Encl: Documents as stated

ORDINANCE NO. 06-1015

AN ORDINANCE ANNEXING CERTAIN PROPERTY TO THE CITY OF OREGON CITY

OREGON CITY MAKES THE FOLLOWING FINDINGS:

WHEREAS, The City of Oregon City proposed that certain properties, more fully identified in Exhibit 'A' to this Ordinance, be annexed to the City; and

WHEREAS, the City found that the proposal complied with all applicable legal requirements, as detailed in the findings attached hereto and made a part of this ordinance as Exhibit 'B'; and

WHEREAS, Chapter I, section 3 of the Oregon City Charter of 1982 requires voter approval for annexations such as the one proposed; and

WHEREAS, the annexation of the identified properties was submitted to the voters of the City of Oregon City at a general election held on November 7, 2006; and

WHEREAS, the Clackamas County Clerk has returned the official figures indicating the results of the election held on November 7, 2006; and

WHEREAS, the official figures returned by the Clackamas County Clerk indicate that a majority of the voters of the City of Oregon City voted to approve the annexation of the identified properties; and

WHEREAS, the identified properties are currently in Clackamas County Rural Fire Protection District # 1; and

WHEREAS, if annexation is approved by the legal voters of Oregon City, CCFD#1 will continue to provide fire protection service to the identified property; and

WHEREAS, the identified properties are currently within the Clackamas County Service District for Enhanced Law Enforcement; and

WHEREAS, the Tri-City Service District requires the City's concurrence to annexations into the District; and

WHEREAS, the City Commission concurs that the Tri-City Service District can annex the identified properties into their sewer district.

NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

Section 1. That the area further identified in the legal description attached hereto as Exhibit "A", is hereby annexed to and made a part of the City of Oregon City.

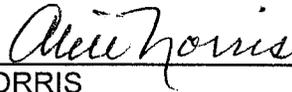
Section 2. That the findings attached hereto as Exhibit 'B' are hereby adopted.

Section 3. That the territory identified above is hereby withdrawn from the Clackamas County Service District for Enhanced Law Enforcement.

Section 4. The City hereby concurs with and approves the annexing of the territory identified above into the Tri-City Service District by the Clackamas County Board of Commissioners, to the extent allowed by law.

Section 5. That the effective date for this annexation is the date this ordinance is submitted to the Secretary of State, as provided in ORS 222.180.

Read for the first time at a regular meeting of the City Commission held on the 20th day of December 2006, and the foregoing ordinance was finally enacted by the City Commission this 3rd day of January 2007.



ALICE NORRIS
Mayor

ATTESTED this 3rd day of January 2007.



NANCY IDE
City Recorder

DOR 3-P224-2006
Preliminary Review



Cadastral Information Systems Unit
PO Box 14380
Salem, OR 97309-5075
(503) 945-8297, fax 945-8737

City of Oregon City
P.O. Box 3040
Attn: Robert Cullison
Oregon City, OR 97045

Date: 10/30/2006

This letter is to inform you that the map and description for your PLANNED annex to City of Oregon City (AN 06-02 CL1306) in Clackamas County have been reviewed per your request. They MEET the requirements for use with an Order, Ordinance, or Resolution which must be submitted in final form before March 31, 2007 per ORS 308.225.

Typos: 8th and 11th paragraph: corner, not comer.

✓ fixed

If you have any questions please contact: Carolyn Sunderman, 503-945-8882

Legal description for property to be annexed into the City of Oregon City
AN 06-02

Parcels of land being within Sections 12 & 13 of Township 3 South, Range 1 East and Section 7 of Township 3 South, Range 2 East of the Willamette Meridian, Clackamas County, Oregon and further described as follows:

Beginning at the most easterly corner of "Filbert Orchards" a duly recorded plat per Clackamas County subdivision records;

Thence South $42^{\circ} 30'$ West, 449.5 feet along the southeasterly boundary of said "Filbert Orchards" plat to a point on the northeasterly right-of-way of an unnamed public road;

Thence North $47^{\circ} 45'$ West along the north easterly right-of-way line of said unnamed public road 357.5 feet to the southeasterly right-of-way line of Central Point Road;

Thence South $42^{\circ} 15'$ West, along the southeasterly boundary of said Central Point right-of-way, 1176.51 feet to the northeasterly right-of-way line of White Lane;

Thence South $47^{\circ} 30'$ East along the northeasterly right-of-way line of said White Lane 1317.75 feet to the northerly boundary of that parcel described in Clackamas County deed records 94-34241;

Thence continuing South $47^{\circ} 30'$ East, 26 feet to the northerly boundary of that parcel described in Clackamas County deed records 2000-042382;

Thence South $42^{\circ} 15'$ West along the southeasterly right-of-way line of White Lane, 400 feet more or less to the boundary line of the Urban Growth Boundary in the most westerly corner of Tax Lot 280;

Thence South $47^{\circ} 30'$ East along the boundary line of the Urban Growth Boundary 450 feet more or less to a corner point in the Urban Growth Boundary line and in the most southerly corner of Tax Lot 280;

Thence North $42^{\circ} 15'$ East along the boundary line of the Urban Growth Boundary 400 feet more or less to the corner point in the Urban Growth Boundary line and the most easterly corner of Tax Lot 191;

Thence North $47^{\circ} 30'$ West along the boundary line of the Urban Growth Boundary, 50 feet more or less to a corner point in the boundary line of the Urban Growth Boundary and the most southerly corner of that parcel described in Clackamas County deed records 94-34241;

Thence North 42° 16' 28" East along the boundary line of the Urban Growth Boundary 1120.62 feet to a corner point in boundary line of said Urban Growth Boundary and the most easterly corner of that parcel of land described in deed 2004-103476 (Area #I);

Thence North 47° 45' 11" West along the boundary line of the Urban Growth Boundary 350 feet more or less to the southerly line of that parcel of land described in Clackamas County deed records 2004-103476 (Area #2);

Thence North 42° 30' East, 664.7 feet along the boundary line of said Urban Growth Boundary to the most easterly corner of that parcel of land described in said Clackamas County deed record 2004-103476 (Area #2) and also being on the southwesterly boundary of "Hazel Creek Farms" a duly recorded subdivision of Clackamas County;

Thence leaving said Urban Growth Boundary line North 47° 45' West along the boundary of said "Hazel Creek Farms", 100 feet;

Thence South 42° 30' West along the boundary of said "Hazel Creek Farms", 165 feet;

Thence North 47° 45' West along the boundary of said "Hazel Creek Farms", 932.5 feet to the point of beginning.

FINDINGS

Based on the application material provided by the applicant and the information provided at the public hearing the Commission found:

1. The territory in Proposal No. AN 06-02 contains approximately 61.73 acres, has nine single-family residences with a population of 22, and is valued at \$1,232,044.
2. The property within the territory proposed for annexation would be able to receive city services. The applicants have not supplied a layout for the record but did supply a map of connectivity within the annexed area to existing City streets.
3. The 21 Tax Lot properties off Central Point Road and White Lane generally are larger lots that have single-family homes on them and gently slope toward the southwest. All home lots have typical residential landscaping. At least 28 acres of Christmas trees are currently planted within the proposed annexed area. The property is in the Beaver Drainage Basin.
4. This territory is inside Metro's jurisdictional boundary and inside the regional Urban Growth Boundary (UGB).

The Legislature directed Metro to establish criteria that must be used by all cities within the Metro boundary. The Metro Code states that a final decision shall be based on substantial evidence in the record of the hearing and that the written decision must include findings of fact and conclusions from those findings. The City finds the proposal meets the following minimum criteria:

- A. Consistency with directly applicable provisions in ORS 195 agreements or ORS 195 annexation plans.
- B. Consistency with directly applicable provisions of urban planning area agreements between the annexing entity and a necessary party.
- C. Consistency with directly applicable standards for boundary changes contained in Comprehensive land use plans and public facility plans. The inclusion of the five-lot island is in line with this item.
- D. Consistency with directly applicable standards for boundary changes contained in the Regional framework or any functional plans.
- E. Whether the proposed boundary change will promote or not interfere with the timely, orderly and economic provision of public facilities and services. The inclusion of the five-lot island is in line with this item.
- F. If the boundary change is to Metro, determination by the Metro Council that the territory should be inside the UGB shall be the primary criteria.

G. Consistency with other applicable criteria for the boundary change in question under state and local law.

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

5. The law that requires Metro to adopt criteria for boundary changes specifically states that those criteria shall include "... compliance with adopted regional urban growth goals and objectives, functional plans ... and the regional framework plan of the district [Metro]." The Regional Framework Plan, which includes the regional urban growth goals and objectives, the Growth Management Functional Plan and the Regional Transportation Plan were examined and found not to contain specific criteria applicable to boundary changes.
6. The Metro Code states that the Commission's decision on this boundary change should be "... consistent with specific directly applicable standards or criteria for boundary changes contained in comprehensive land use plans, public facility plans, ..."

The Clackamas County Comprehensive Plan designation for this site is Low Density Residential (LR) on the County's Oregon City Area Land Use Plan (Map IV-5). Zoning on the property is FU-10, Future Urban, and 10-acre minimum lot size.

Policy 5.0 of the Land Use Chapter provides that land is converted from "*Future Urbanizable to Immediate Urban when land is annexed to either a city or special district capable of providing public sewer.*" Policy 6.0 contains guidelines that apply to annexations, such as this one, that convert Future Urbanizable to Immediate Urban land:

- a. *Capital improvement programs, sewer and water master plans, and regional public facility plans should be reviewed to insure that orderly, economic provision of public facilities and services can be provided.*
- b. *Sufficient vacant Immediate Urban land should be permitted to insure choices in the market place.*
- c. *Sufficient infilling of Immediate Urban areas should be shown to demonstrate the need for conversion of Future Urbanizable areas.*
- d. *Policies adopted in this Plan for Urban Growth Management Areas and provisions in signed Urban Growth Management Agreements should be met (see Planning Process Chapter.)*

The capital improvement programs, sewer and water master plans and regional plan were reviewed and are addressed elsewhere in these Findings.

7. The City and the County have an Urban Growth Management Agreement (UGMA), which is a part of their Comprehensive Plans. The territory to be annexed falls within the Urban Growth Management Boundary (UGMB) identified for Oregon City and is subject to the agreement. The County agreed to adopt the City's Comprehensive Plan designations for this area that is Low Density Residential. Consequently, when property is annexed to Oregon City, it already has a City planning designation of R-10 single family.

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

4. City and County Notice and Coordination

* * *

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

* * *

5. City Annexations

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

* * *

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

* * *

The required notice was provided to the County at least 45 days before the City Commission hearing. The provision of public sewer and water are addressed below.

8. The Oregon City acknowledged Comprehensive Plan covers this territory. The City prepared a plan for its surrounding area and the County has adopted its plan designations in this area. Certain portions of the City Plan have some applicability and these are covered here.

Section 14 of the Plan is entitled *Urbanization*. Several policies in this section are pertinent to proposed annexations. The following excerpts expand on the City's annexation philosophy and requirements.

The City is required to refer all proposed annexations to the voters. Rather than having voter approval of individual property owners' requests to annex, the City should prepare and implement an annexation plan and program. The City could then annex large blocks of properties (with voter approval) at one time, rather than in a piecemeal fashion. Annexation would be tied more directly to the City's ability to provide services efficiently, maintain regular city boundaries, and help the city meet Metro targets for housing and employment. The zoning of the property should be decided at the time the Planning Commission and City Commission review and approve the annexation request.

Applications for annexation, whether initiated by the City or by individuals, are based on specific criteria contained in the City's municipal code. Metro and state regulations promote the timely and orderly provision of urban services, with which inappropriate annexations can conflict. Therefore, an annexation plan that identifies where and when areas might be considered for annexation can control the expansion of the city limits and services to help avoid those conflicts and provide predictability for residents and developers. Other considerations are consistency with the provisions of this comprehensive plan and the City's public facility plans, with any plans and agreements of urban service providers, and with regional annexation criteria.

The City has not prepared an annexation plan and program to facilitate wholesale large block area annexations. Until such a methodology and process is in place, annexation will continue in a piecemeal fashion such as this proposal. This annexation is still sufficiently tied directly to the City's ability to provide services efficiently with the logical extension of physical utility lines as it is adjacent to two new subdivisions, Hazel Creek Farms and Payson Farms, that have utilities and seven street stubs or logical intersections into the properties on Orchard Grove Drive, Hazel Creek Drive, Hazel Park Drive, Skellenger Way, Hazel Nut Avenue, Renee Way, and White Lane. This annexation does maintain regular city boundaries as about 4,900 feet (63 percent) of the boundary of the properties touches the city boundary. The city boundary is irregular due to the resulting island. This annexation could help the city meet Metro targets for housing, but not employment. The zoning of these properties upon annexation is already set for R-10 by the municipal code as stated below in the Land Use section.

The City Public Safety Director, Chief Huiras, states (Exhibit C) that "*the Oregon City Police Department lacks the capacity to provide services to additional property or development and any additional demand for service will negatively impact already inadequate police resources. Our community has already experienced an elimination of police response to some types of 911 calls, as growth has outpaced our ability to provide police services.*" The police and fire response times both exceed national standards. The applicant has recognized the service shortcomings of police and fire and has proposed

supplemental funding via annexation agreements with the city to remedy these shortcomings. The agreements require any future development of lots to incur a one-time payment of \$3,500 per single-family residential building permit for police services. These agreements have an expiration date in 2018 so that if no homes are built then no payments will be provided. The City Commission chooses to not withdraw the annexed territory from the Clackamas County Fire District #1.

The following Plan annexation policies are approval criteria for annexations under Criteria 3 of Metro Code. They provide that the City's Comprehensive Plan designations will apply upon annexation, how zoning will be changed (either automatically or after annexation) and that annexations are to be processed according to quasi-judicial procedures.

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.

The city annexation process is set out in Chapter 14 of the Municipal Code. By requiring compliance with that code, the Metro code, and the statewide Planning Rules, the city is applying their consideration of the effects this annexation will have on public services and any benefits to the city as a whole.

Policy 14.4.1 In order to promote compact urban form to support efficient delivery of public services, lands to be annexed must be within the City's Urban Growth Boundary, and must be contiguous to the existing City limits. Long linear extensions, such as cherry stems and flag lots, shall not be considered contiguous to City limits.

The proposed properties are contiguous to the city limits along 63 percent of the perimeter by touching the city boundary. The shape of the properties is fairly uniform in a complete block on one side of Central Point Road and White Lane with multiple existing City street connections or logical intersections. There are no flag lots involved in this proposed annexation.

Policy 14.4.2 Concept Plans and Sub-area Master Plans for unincorporated areas within the Urban Growth Boundary shall include an assessment of the fiscal impacts of providing public services to the area upon annexation, including the costs and benefits to the city as a whole.

This is neither a Concept Plan nor a Sub-area Master Plan.

Policy 14.4.3 When an annexation is requested, the Commission may require that parcels adjacent to the proposed annexation be included to:

- a) *avoid creating unincorporated islands within the city;*

- b) *enable public services to be efficiently and cost-effectively extended to the entire area; or*
- c) *implement a Concept Plan or Sub-area Master Plan that has been approved by the Commission.*

This proposed annexation does create two unincorporated islands within the city.

The first county island consists of five lots (3.6 acres) in the north central area of the proposed annexed area as depicted on Figure 1. The applicant tried to include these properties in their annexation and even arranged to meet with these property owners, but only one person attended the meeting and then declined to join the application. The applicant group do not want to cause hard feelings with their neighbors on these five lots, so they decided to submit the application without the five properties. These five lots could potentially be developed into about 12 lots notwithstanding existing homes. This county island is clearly well within the city boundaries if the proposed annexation is approved. The City Commission considered requiring these five lots be added into the annexed area but chose not to include them in the annexation.

The second county island consists of four lots (3.4 acres) in the south west corner of the proposed annexed area as depicted in Figure 1. The applicant discussed this area with staff at the pre-application meeting and staff assessed this area as a "technical" island due to it being caused by a cherry stem annexation of the Payson Farms property in the 1990's that wouldn't be allowed today under current guidelines in Policy 14.4.1. The only reasons these four properties are considered an island is the fact that Parrish Road is in the city and blocks this area from touching county area. The City Commission supports this assessment and does not consider this an island.

There is no existing approved Concept Plan or Sub-area Master Plan for this area.

Policy 14.4.4 The City may, as provided by state law, provide sewer service to adjacent unincorporated properties when a public health hazard is created by a failing septic tank sewage system; the Commission may expedite the annexation of the subject property into the city, subject to any voter approvals of annexations.

No public health hazard exists at this time.

The *Public Facilities* Section of the Comprehensive Plan contains the following pertinent Goals and Policies.

Goal 11.1: Provision of Public Facilities

Serve the health, safety, education, welfare, and recreational needs of all Oregon City residents through the planning and provision of adequate public facilities.

Policies

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

- a. *Streets and other roads and paths*
- b. *Wastewater collection*
- c. *Storm water management services*
- d. *Police protection*
- e. *Fire protection*
- f. *Parks and recreation*
- g. *Water distribution*
- h. *Planning, zoning and subdivision regulation*

South Central Point Road and White Lane are city-maintained roads. This annexation will immediately add nine homes to the city's police and fire protection coverage. Upon annexation, these nine homes will start paying the current stormwater utility fee of \$4/month. Any future development of these properties will fall under the city planning, zoning, and land division regulations.

* * *

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 general public will be centrally located and accessible, preferably by multiple modes of transportation.

Policy 11.1.4 Support development on underdeveloped or vacant buildable land within the City where urban facilities and services are available or can be provided and where land use compatibility can be found relative to the environment, zoning, and comprehensive plan goals.

Policies 11.1.3 and 11.1.4 encourage development on sites within the City where urban facilities and services are either already available or can be provided. This policy implies that lands that cannot be provided urban services should not be annexed. The proposed lands in this annexation can easily be provided urban services with the possible exception of staff-limited police resources. Future development will definitely require further analysis of this service area.

The applicant has recognized the service shortcomings of police and fire and has proposed supplemental funding with the city to remedy these shortcomings. The future agreements will require any future development of lots to incur a one-time payment of

\$3,500 per single-family residential building permit for police services. These agreements would have an expiration date in 2018 so that if no homes are built then no payments will be provided. The City Commission chose to not withdraw the annexed territory from the Clackamas County Fire District #1.

Policy 11.1.3 prevents the City from extending services outside the City limits. Consequently, lands outside the City are required to annex to use urban public facilities

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

Policy 11.1.5 requires that the installation of a major urban facility or service should be coordinated with the provision of other urban facilities or services. No major urban facility or service is required here; rather, it simply requires normal extension of water and sanitary sewer from the existing utility stubs in Hazel Creek Farms and Payson Farms subdivisions and from logical extensions available in Central Point Road.

Read together, these policies suggest that when annexing lands, the City should consider whether a full range of urban facilities or services are available or can be made available to serve the territory to be annexed. Oregon City has implemented these policies with its Code provisions on processing annexations, which requires the City to consider adequacy of access and adequacy and availability of public facilities and services. Overall, it appears that the city can provide urban services to these nine homes. It is quite clear that future development will incur more scrutiny, especially in the area of police protection.

Goal 11.2: Wastewater

Seek the most efficient and economic means available for constructing, operating, and maintaining the City's wastewater collection system while protecting the environment and meeting state and federal standards for sanitary sewer systems.

Policies

Policy 11.2.2 Plan, operate and maintain the wastewater collection system for all current and anticipated city residents within the existing urban growth boundary. Strategically plan for future expansion areas.

Since all new development on annexed lands is required to connect to the sanitary sewer system, this policy suggests that a measure of the adequacy of the sanitary system should be whether it could serve the potential level of development provided for by the Comprehensive Plan and Zoning designations. The sanitary sewer is available to these properties through the sanitary connections in Hazel Creek Farms and Payson Farms subdivisions and from logical extensions available in Central Point Road.

Policy 11.2.3 Work with Tri-City Service District to provide enough capacity in its collection system to meet standards established by the Oregon Department of Environmental Quality (DEQ) to avoid discharging inadequately treated sewage to surface waters.

The Tri-City Service District was provided notice of this annexation. The district did not respond to the notice. No response is interpreted as no opposition. Before sanitary sewers can be extended to lands annexed to the City, those lands will need to annex to the District. The property owner must initiate that annexation. The City Commission must concur with Tri-City Service District's annexation of the subject property in the enacting ordinance upon voter approval of the city annexation.

Goal 11.3: Water Distribution

Seek the most efficient and economic means available for constructing, operating, and maintaining the City's water distribution system while protecting the environment and meeting state and federal standards for potable water systems.

Policies

Policy 11.3.1 Plan, operate and maintain the water distribution system for all current and anticipated city residents within its existing urban growth boundary and strategically plan for future expansion areas.

Since new development on annexed lands may connect to the city water distribution system, this policy suggests that a measure of the adequacy of the water distribution system should be whether it could serve the potential level of development provided for by the Comprehensive Plan and Zoning designations. The City has an adequate water supply in the general area of this annexation in Central Point Road from the existing water stubs in Hazel Creek Farms and Payson Farms subdivisions and from logical extensions available in Central Point Road. Some of these nine homes are on the public Clackamas River Water system in Central Point Road and in the unimproved public right-of-way northerly of Tax Lots 1700 and 1701 as indicated in the map at Figure 1 and will remain on their billing system until such time as the City annexes the properties.

Goal 11.4: Stormwater Management

Seek the most efficient and economical means available for constructing, operating, and maintaining the City's stormwater management system while protecting the environment and meeting regional, state, and federal standards for protection and restoration of water resources and fish and wildlife habitat.

Policies

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 strategically plan for future expansion areas.

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

Since new development on annexed lands may connect to the city stormwater management system, this policy suggests that a measure of the adequacy of the stormwater management system should be whether the city (or the county stormwater management system in the event that drainage goes to the county) could serve the potential level of development provided for by the Comprehensive Plan and Zoning designations. New development may also have opportunities to provide further protection to preserve water quality. This annexation will not result in any changes to the stormwater drainage. Future development will require connection to the existing stormwater connections in the stub streets in Hazel Creek Farms and Payson Farms, the existing City system in Central Point Road, and conformance with city stormwater design standards.

Goal 11.9: Fire Protection

Maintain a high level of fire suppression and emergency medical services capacity.

Policies

Policy 11.9.1 Ensure that all areas, including newly annexed areas, receive fire protection and emergency medical services.

The City should provide the same level of fire protection to newly annexed areas that it provides to other areas within the City. The City may consider whether it will be possible to do so when it decides an annexation proposal. The applicant has recognized the service shortcomings of police and fire and has proposed supplemental funding with the city to remedy these shortcomings. The future agreements will require any future development of lots to incur a one-time payment of \$3,500 per single-family residential building permit for police services. These agreements would have an expiration date in 2018 so that if no homes are built then no payments will be provided. The City Commission chose to not withdraw the annexed territory from the Clackamas County Fire District #1.

Section 2, of the City's Comprehensive Plan identifies land use types. Low Density Residential is identified as follows:

1. Low Density Residential [LR]: Areas in the LR category are primarily for single-family detached homes.

The City/County urban growth management agreement specifies that the County's acknowledged Comprehensive Plan and implementing regulations shall apply until annexation and the City adopts subsequent plan amendments. The Oregon City Code requires the City Planning Division to review the final zoning designation within sixty days of annexation, utilizing a chart and guidelines in OCMC Section 17.06.050. Those

provisions specify that territory with a plan designation of Low Density Residential will be zoned R-10.

The City's Code contains provisions on annexation processing. Section 6 of the ordinance requires the City Commission "to consider the following factors, as relevant":

1. *Adequacy of access to the site;*

The site access is discussed below in Finding 15. Any future development of the property will need to include connections to existing street stubs, half-street/full street improvements to the minor arterial, South Central Point Road, and to new interior streets, as appropriate.

2. *Conformity of the proposal with the City's Comprehensive Plan;*

As demonstrated in this section of the staff report, the City's Comprehensive Plan is satisfied.

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

Findings 10-16 and the property owner's application indicate that necessary services can be made available to this area at adequate levels.

4. *Compliance with applicable sections of Oregon Revised Statutes Chapter 222, and Metro Code 3.09;*

The only criterion in ORS 222 is that annexed lands be contiguous to the City. The site is contiguous at its border with city property on about 4,900 feet of the boundary touching the city boundary. The Metro Code criteria are set out on page 2 of this report. This report considers each factor and the Conclusions and Reasons in the attached Findings and Reasons demonstrate that these criteria are satisfied.

The Metro Code criteria are set out in Finding # 4. As discussed in other findings it does appear that these criteria can be met by the proposal.

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

There are minimal natural hazards identified by the City Comprehensive Plan located on or adjacent to the subject site. Tax Lot 1200 does have some steep slopes on it at the outside edge next to the canyon outside of the UGB as shown on Exhibit D.

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

The property is in the Beaver Drainage Basin. Several of the properties off of White Lane are mapped under the Water Quality Resource Area Overlay District on Oregon City's Water Quality and Flood Management Areas Map as shown on Exhibit D. The source of this overlay does not appear to exist based on visual observation and property owner reports. If it does exist, it will probably have a 15-foot buffer on either side of it due to the flat ground, but that will be determined at the time of development by a water resource determination report.

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

The only significant adverse effect is on the lack of police officers and to some minor degree, a lack of funds for replacing fire apparatus. The applicant has recognized the service shortcomings of police and fire and has proposed supplemental funding with the city to remedy these shortcomings. The future agreements will require any future development of lots to incur a one-time payment of \$3,500 per single-family residential building permit for police services. These agreements would have an expiration date in 2018 so that if no homes are built then no payments will be provided. The City Commission chose to not withdraw the annexed territory from the Clackamas County Fire District #1.

Staff recommends that the Commission interpret the "community" as including the City of Oregon City and the lands within its urban service area. The City will obtain land use jurisdiction over the territory. The City will have service responsibilities including police, parks, etc. Otherwise, annexation should have no negative effect on the economic, social or physical environment of the community.

Section 8 of the Ordinance states that:

"The City Commission shall only set for an election annexations consistent with a positive balance of the factors set forth in Section 6 of this ordinance. The City Commission shall make findings in support of its decision to schedule an annexation for an election."

Staff recommends that the Commission accept the results of this set of Findings as consistent with a positive balance of the preceding factors in Section 6 of the Ordinance.

9. ORS 195 requires agreements among providers of urban services. Urban services are defined as: sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit. There are no adopted urban service agreements in this part of Clackamas County.
10. The City of Oregon City provides sanitary sewer service. The applicant reports that there are 8-inch sewer lines in the street stubs in the adjacent Hazel Creek Farms and Payson

Farms subdivisions as well as along Central Point Road at Skellenger Way and Hazel Nut Drive that can serve this area. Any future development or individual home connection in the area will require the lines be extended to serve the requested area.

The Tri-City County Service District provides sewage transmission and treatment services to the cities of Oregon City, West Linn and Gladstone. Each city owns and maintains its own local sewage collection system. The District owns and maintains the sewage treatment plant and interceptor system. The three cities are in the District and as provided in the intergovernmental agreement between the District and the City, the District does not serve territories outside Oregon City, with one exception.

Before January 1, 1999, state statute (ORS 199) provided that when territory was annexed to a city that was wholly within a district, the territory was automatically annexed to the district as well. That statute no longer applies in this area. Therefore, each annexation to Oregon City needs to be followed by a separate annexation of the territory to the Tri-City Service District. The City Commission concurs with Tri-City Service District's annexation of the subject property in the enacting ordinance upon voter approval of the city annexation.

11. The City and Clackamas River Water (CRW) do not have an urban service agreement for this area. There are existing City 8-inch ductile iron waterlines in the street stubs in the adjacent Hazel Creek Farms and Payson Farms subdivisions. There is also a 12-inch City water line in Central Point Road. CRW has water lines in Central Point Road and the unimproved public right-of-way north of Tax Lots 1700 and 1701 serving some of the existing homes. CRW will continue to serve these properties until such time as the City has adequate service in this area.

Oregon City, with West Linn, owns the water intake and treatment plant, which the two cities operate through a joint intergovernmental entity known as the South Fork Water Board (SFWB). The ownership of the Board is presently divided with Oregon City having 50 percent and West Linn 50 percent ownership of the facilities.

The water supply for the South Fork Water Board is obtained from the Clackamas River through an intake directly north of the community of Park Place. Raw water is pumped from the intake up to a water treatment plant located within the Park Place neighborhood. The treated water then flows south through a pipeline and is pumped to a reservoir in Oregon City for distribution to both Oregon City and West Linn. The SFWB also supplies surplus water to Clackamas River Water District South Section.

Both the river intake facility and the treatment plant have a capacity of twenty million gallons per day (MGD). There is an intertie with Lake Oswego's water system that allows up to five MGD to be transferred between Lake Oswego and SFWB (from either system to the other).

Oregon City has four functional reservoirs with a capacity of 16.0 million gallons, which is adequate to serve the City through the Water Master Plan planning period to year 2015 if other systems are not supplied.

12. On-site stormwater drainage, water quality, and detention facilities will be required upon future development. Any future development would have to convey site stormwater runoff to the stormwater system in the adjacent Hazel Creek Farms and Payson Farms subdivisions, Central Point Road, or other appropriate drainage ways.

This territory is currently within Clackamas County Fire District (CCFD) # 1. Oregon City provides fire service within the City under a contract with CCFD #1. A portion of the City's property tax levy goes toward payment of this service. Oregon Revised Statute 222.120 (5) allows the City to specify that the territory be automatically withdrawn from CCFD #1 upon approval of the annexation. The applicant has recognized the service shortcomings of police and fire and has proposed supplemental funding with the city to remedy these shortcomings. The future agreements will require any future development of lots to incur a one-time payment of \$3,500 per single-family residential building permit for police services. These agreements would have an expiration date in 2018 so that if no homes are built then no payments will be provided. The City Commission chose to not withdraw the annexed territory from the Clackamas County Fire District #1.

13. The Clackamas County Sheriff's Department currently serves the territory. Subtracting out the sworn officers dedicated to jail and corrections services, the County Sheriff provides approximately 0.5 officers per thousand population for local law enforcement services.

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

Upon annexation, the Oregon City Police Department will serve the territory. Oregon City fields approximately 1.17 officers per 1000 population. The City is divided into three patrol districts with a four-minute emergency response and a twenty-minute non-emergency response time. There will be minimal impact to police services upon annexation, however, any future development would negatively impact already strained police services. The applicant has recognized the service shortcomings of police and fire and has proposed supplemental funding with the city to remedy these shortcomings. The future agreements will require any future development of lots to incur a one-time payment of \$3,500 per single-family residential building permit for police services. These agreements would have an expiration date in 2018 so that if no homes are built then no

payments will be provided. The City Commission chose to not withdraw the annexed territory from the Clackamas County Fire District #1.

14. Access is provided from Central Point Road, Orchard Grove Drive, Hazel Creek Drive, Hazel Park Drive, Skellenger Way, Hazel Nut Avenue, Renee Way, White Lane, and the unimproved public right-of-way north of Tax Lots 1700 and 1701. Central Point Road is a City minor arterial. Orchard Grove Drive and its extension into this area is a City Collector. Skellenger Way is a future Minor Arterial within this area. Any future development of these properties must take this into consideration and the applicant has shown these future streets in their Possible Future Access Plan submission (Exhibit E).

The applicant has not completed a traffic impact analysis (TIA) study for any future project. Several major intersections will be impacted by future development of this site: Central Point Road at Partlow Road/McCord Road (a future realigned 4-leg stop sign-controlled), Central Point at Warner-Parrott Road, and the Linn Avenue/Warner-Parrott Road/Warner-Milne Road/Leland Road intersection (four way light). Staff's review of a recent 2004 traffic study (for Filbert Run subdivision) concerning these intersections showed a left turn Level of Service issue for left turns from Central Point to Warner-Parrott. Future development of this area will have to address this issue. Staff surmises that the potential increase in traffic from any future development of these properties will not deteriorate any of these intersections to a critical or failing situation. Again, any future development will incur a new traffic study of these conditions.

15. Planning, building inspection, permits, and other municipal services will be available to the territory from the City upon annexation.
16. The recent approval of Measure 37 concerning governmental rules and regulations and how they affect property rights leads the City to require a waiver to Measure 37 upon annexation into the City. This is based on the following factors from the City's Annexation Code Section 14.04.060:

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

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

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.

Subsection (2) requires conformity with the existing City plan; the condition to waive Measure 37 claims ensures that the City won't see a claim to waive or remove any requirement that was put in place to implement the plan.

Subsection (3) requires adequate public facilities; the City plans for public facilities based on the code and plan in place; if a potential waiver could occur, it would place unexpected demands on public facilities and could result in this factor not being adequate.

Subsection (5) could play a role, if the site has any natural hazards - if there are natural hazards, then annexation into the City could prevent the City from enforcing those provisions without a waiver.

Subsection (6), again could play a role if there are any of the designations (open space, scenic, historic or natural resources) that would be affected by the annexation.

Subsection (7) requires a lack of adverse effects on the various aspects of the City's environment. By requiring the waiver of Measure 37 claims, the City ensures that development not in conformance with the current code and plan will not occur and, because the code and plan were written to protect those aspects of the City's environment, requiring the waiver will ensure that there are not significant adverse effects of the annexation.

CONCLUSIONS AND REASONS FOR DECISION

Based on the Findings, the Commission determined:

1. The Metro Code calls for consistency of the annexation with the Regional Framework Plan or any functional plan. Because there were no directly applicable criteria for boundary changes found in the Regional Framework Plan, the Urban Growth Management Function Plan or the Regional Transportation Plan (see Finding No. 5) the Commission concludes the annexation is not inconsistent with this criterion.
2. Metro Code 3.09.050(d)(1) requires the Commission's findings to address consistency with applicable provisions of urban service agreements or annexation plans adopted pursuant to ORS 195. As noted in Finding No. 9 there are no such plans or agreements in place. Therefore the Commission finds that there are no inconsistencies between these plans/agreements and this annexation.
3. The Metro Code, at 3.09.050(d)(3), requires the City's decision to be consistent with any "directly applicable standards or criteria for boundary changes contained in comprehensive land use plans and public facilities plans." The County Plan also says annexation which converts *Future Urbanizable* lands to *Immediate Urban* lands should ensure the "orderly, economic provision of public facilities and services." The property owner has demonstrated that the City can provide all necessary urban services. Nothing in the County Plan speaks directly to criteria for annexation. Therefore the Commission finds this proposal is consistent with the applicable plan as required Metro Code 3.09.050 (d)(3).
4. The Commission concludes that the annexation is consistent with the City Comprehensive Plan that calls for a full range of urban services to be available to accommodate new development as noted in the Findings above. The City operates and provides a full range of urban services. Specifically with regard to water and sewer service, the City has both of these services available from existing improvements due to the Hazel Creek Farms and Payson Farms subdivisions as well as connections from Central Point Road developments. Water service for the existing homes will continue to be furnished by Clackamas River Water (CRW) until such time as the City can serve that section of the city through extension of the city waterlines from Hazel Creek Farms, Payson Farms, and Central Point Road. The question of which specific method/route is chosen will be made as a part of the development review process. With regard to storm drainage to the Beaver Basin, the City has the service available in the form of regulations to protect and control. The specifics of applying these will be a part of the development review process.
5. The Commission notes that the Metro Code also calls for consistency of the annexation with urban planning area agreements. As stated in Finding No. 7, the Oregon City-Clackamas County Urban Growth Management Agreement specifically provides for annexations by the City.

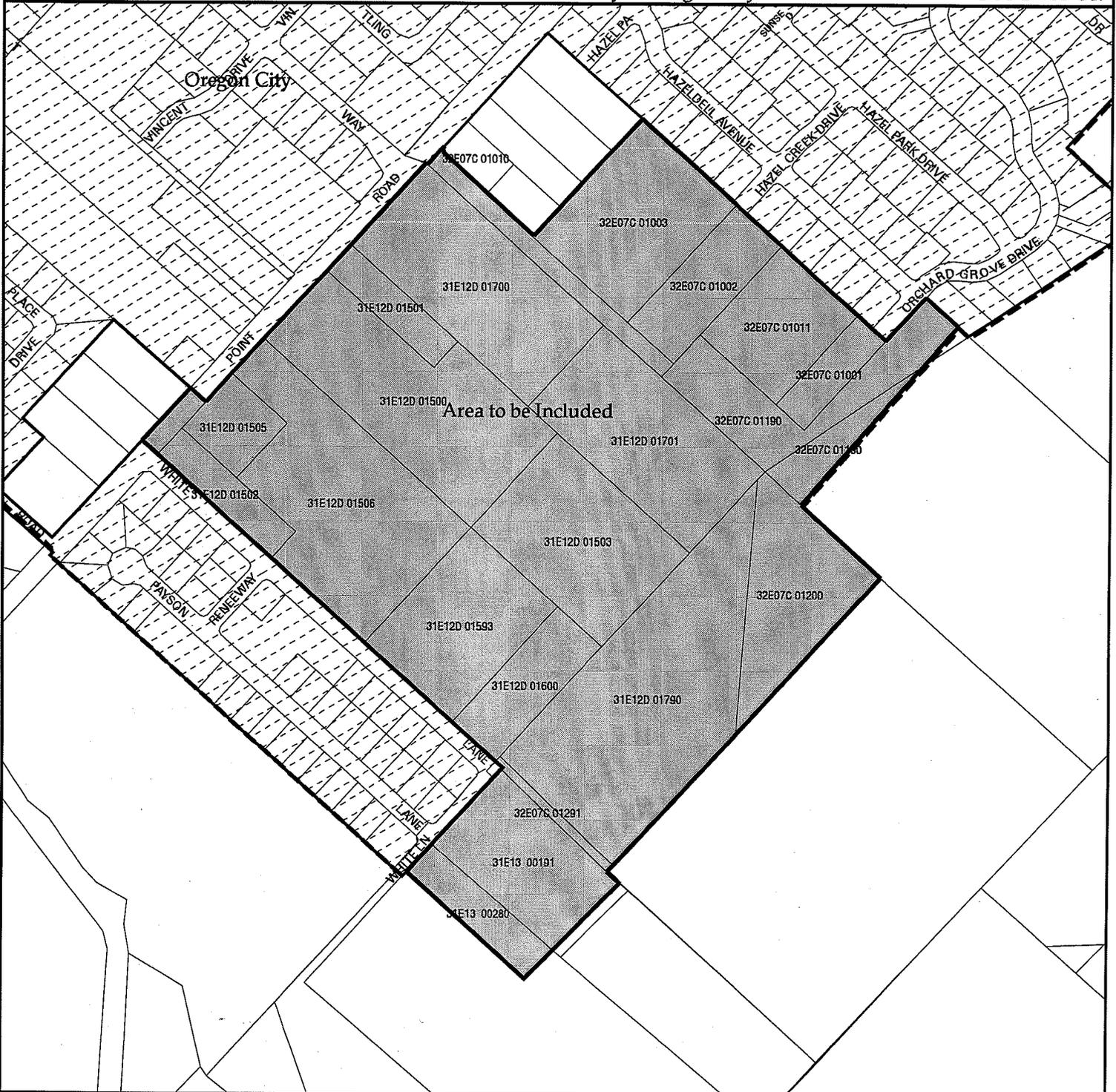
6. Metro Code 3.09.050(d)(5) states that another criterion to be addressed is "Whether the proposed change will promote or not interfere with the timely, orderly and economic provision of public facilities and services." Based on the evidence in Findings 10-16 above the Commission concludes that the annexation will not interfere with the timely, orderly and economic provision of services.
7. The Oregon City Code contains provisions on annexation processing. Section 6 of the ordinance requires that the City Commission consider seven factors if they are relevant. These factors are covered in Finding # 8 and on balance the Commission believes they are adequately addressed to justify approval of this annexation.
8. The City Commission concurs with Tri-City Service District's annexation of the subject property in the enacting City ordinance upon voter approval of the city annexation.
9. The Commission determines that the property should be withdrawn from the Clackamas County Service District for Enhanced Law Enforcement as allowed by statute since the City will provide police services upon annexation.
10. The Commission determines that the property should not be withdrawn from the Clackamas County Fire District #1 as allowed by statute since the properties are already within the District and the City's contract with CCFD#1 does not provide sufficient funds for additional service coverage.
11. The Commission agrees with the applicant's proposal for annexation agreements from consenting petitioners to supplement the police for the area and directs the City Manager to sign these agreements and record them upon voter approval of the proposed annexation.
12. The City Commission determines that the five-lot island identified on Figure 1 as "Island Addition to Annexation" shall not be included in the annexation territory to be sent to the voters.
13. The City Commission determines that the four-lot island identified on Figure 1 as "Island A" is the result of a past "cherry-stem" annexation not allowed under Comprehensive Plan Section 14.4.1 and shall be not be included in the annexation territory as allowed in Comprehensive Plan Section 14.4.3 that states the Commission "*may require that parcels adjacent to the proposed annexation be included to: avoid creating unincorporated islands within the city*".
14. The City Commission requires all consenting property owners to submit them to the City Manager prior to the City Commission adopting a final ordinance accepting a positive annexation election result and directs the City Manager to sign these waivers and record them.

Proposal No. 06-02

3S1E12, 13 & 3S2E07

Annexation to the City of Oregon City

Clackamas Co.



R L I S
REGIONAL LAND INFORMATION SYSTEM

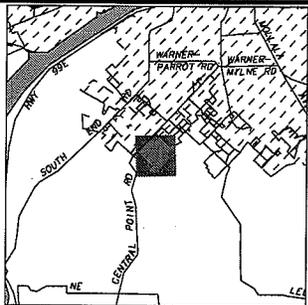
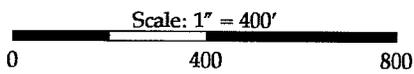
-  County lines
-  City
-  Annexation boundary
-  Urban Growth Boundary



600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 797-1742
FAX 503 797-1909
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Proposal No. 06-02
CITY OF OREGON CITY
Figure 1



NUMBERED KEY CANVASS

General Election
Clackamas County, Oregon
November 7, 2006

RUN DATE: 11/22/06 12:33 PM

REPORT-EL52 PAGE 0168

3-244 CITY OF OREGON CITY: ANNEXATION OF 61.73 ACRES

VOTES PERCENT

VOTES PERCENT

Vote For 1

01 = Yes

02 = No

5,212 56.70

3,980 43.30

03 = OVER VOTES

04 = UNDER VOTES

3

1,272

	01	02	03	04
0001 1	396	293	0	99
0002 2	468	344	0	129
0003 3	348	243	0	83
0005 5	348	235	0	119
0006 6	389	306	1	103
0007 7	816	636	1	208
0008 8	1485	1147	1	337
0009 9	419	360	0	100
0011 11	543	416	0	94

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 SHERRY HALL, COUNTY CLERK
 BY: *Sherry Hall*