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September 30, 2009

Metro Core 4 and Reserves Steering Committee Members
c/o Laura Dawson-Bodner
Metro
600 NE Grand Avenue
Portland, Oregon 97232

Subject: Designation of Standring/Hartung/Berger Properties as Urban Reserves

Dear Core 4 and Reserves Steering Committee Members:

I offer this letter on behalf of Jim Standring, a Washington County property owner who owns 69 acres immediately north of US 26 and west of Helvetia Road, adjacent to Metro's regional urban growth boundary and the US 26/Shute Road Interchange.

At the September 23, 2009 Metro Reserve Steering Committee meeting, Metro Chief Operating Officer (COO) Michael Jordan presented his recommendation to the committee as to which lands should be designated urban reserves. For the North Hillsboro area, he recommended that lands south of Highway 26 extending west to McKay Creek be so designated, but that lands north of US 26 and west of Helvetia Road not be designated urban reserves. For the reasons stated below, Mr. Standring's property and the property north of his property comprise over 100 acres of developable land that are highly attractive for and ideally situated to meet the region's needs for very large lot industrial development, and as such, they should be designated urban reserve. Because they are located between US 26 and West Union Road at the very southern fringe of Helvetia, their designation as urban reserves would have minimal impact on the continuation of the agricultural enterprise in the Helvetia area.

1. Suitability for large lot industrial development.

Mr. Standring owns approximately 69 acres in two parcels located along Helvetia Road immediately northwest of the Shute Road/US 26 interchange (see Figure 1). His land adjoins the Helvetia Industrial Area immediately to the east, which is part of Hillsboro's "Silicon Forest" and which Metro added to its UGB several years ago. Immediately north of his property is an approximately 37-acre parcel owned by Tracey Hartung and Dana Berger. As shown in the attached August 19, 2009 letter they submitted to the Washington County Reserves Coordinating Committee, Ms. Hartung and Ms. Berger, like Mr. Standring, would like their property to be designated urban reserve

and identified for future industrial use. Together, the Standring and Hartung/Berger properties provide a 100+ acre site that is flat (slope under 5 percent), immediately adjacent to the existing UGB, very close to key facilities, and highly suitable for industrial development.¹

As has been documented in economic development studies, there is a need in the region for large properties that can be easily developed for industrial uses. The availability of a 100+ acre site for industrial / employment use immediately next to the UGB in just two ownerships with willing owners is an opportunity that should not be passed up, particularly when the decision at hand is a fifty (50) year decision that needs to be flexible enough to accommodate sufficient industrial land to meet the employment needs of an attractive and growing region.

2. Efficient use of infrastructure.

A concept plan has been developed for the Helvetia Industrial Area (see Figure 3). As shown on Figures 4 and 5, that plan provides for sewer and water services immediately adjacent or extremely close to Mr. Standring's property. Industrial development on the Standring and Hartung/Berger properties could connect to those sewer and water facilities with no foreseeable additional public investment. Instead, the developer would pay the costs to connect to these services. From the standpoint of service efficiency and public cost savings, it doesn't get better than this in the region.

At Metro's Reserves Steering Committee meeting held on September 23, 2009, several committee members emphasized that infrastructure is expensive, we all pay for it, and we need to use existing infrastructure as efficiently as we can. Unlike the Standring/Hartung/Berger site, most of the industrial area recommended for urban reserve designation by Metro's Chief Operating Officer (COO) north of Hillsboro is not adjacent or close to existing public services and will require costly service expansion over time. Given this, designation of the Standring/Hartung/Berger site as urban reserve seems a logical conclusion and an acknowledgement of the ability to efficiently serve the site. Compared to those other lands, this land clearly better meets the standards in ORS 195.145(5)(a) and (c) to designate lands that make efficient use of existing and future public infrastructure investments and can be served efficiently and cost-effectively.

3. Accessibility to US 26.

The Standring/Hartung/Berger site is located immediately northwest of the Shute Road Interchange, which has been identified for improvements and associated funding as part of House Bill 2001 (2009 Legislative Session). As such, the site has immediate

¹ North of the Hartung/Berger property is the approximately 33 acre Choban property. North of that is West Union Elementary School, which is part of the Hillsboro School District, an urban school district. North of the school is West Union Road. See Figure 2.

access to the freeway, which makes it extraordinarily valuable for large lot industrial development. Helvetia Road, which fronts the site, is designated as an arterial street. Transportation services to the site can and will be provided in an efficient manner, again clearly meeting the standards in ORS 195.145(5)(a) and (c) to designate lands that make efficient use of existing and future public infrastructure investments and can be served efficiently and cost-effectively.

With this access to US 26 and the efficiency with which the site can be served, it is hard to imagine that industries seeking large properties would not find this location extremely attractive. Indeed, with all its positive attributes for large lot industrial development, it makes no sense to exclude the site from an urban reserve designation. An urban reserve designation facilitates industrial development far more efficiently than relying on efforts to urbanize the site as undesignated land needed for a specific purpose.

4. Drainage.

Most of the Standring/Hartung/Berger site drains to the east, towards Helvetia Road. With minimal site work, the entire properties can drain southeast to Helvetia Road. This is true as well for the Choban and Hillsboro School District properties north of the Hartung/Berger property up to West Union Road. West of these properties, waters drain to the west (see Figure 6).

Previously, in the Bethany area, Metro used the drainage basin as a basis for determining a UGB "edge". Here as well, Metro could rely on the drainage pattern to establish an edge, although Washington County has provided detailed findings and reasons explaining why that edge should be located even farther to the west to serve industrial development needs over a 50 year planning period. If Groveland Road were the boundary to the west and West Union Road were the boundary to the north, the area could accommodate two (2) 100+ acre industrial sites in close proximity to urban services inside the existing UGB.

5. Agricultural impacts.

The subject property has been identified as "foundation" agricultural land. However, its location immediately proximate to the UGB and Helvetia Industrial Area; its large size (over 100 acres) and the region's need for large industrial lots; its immediate access to US 26 and an improved Shute Road Interchange; and the availability of public facilities with very little if any additional public investment make it far more valuable as industrial land. Further, its location on the very southern fringe of the Helvetia area next to US 26 means its removal from the agricultural land supply would have minimal impact on agricultural values and the continuation of the existing agricultural enterprise in the area, and generally, industrial uses are considered to be more compatible with agriculture than other urban uses.

6. Hillsboro and Washington County support.

Both Washington County and Hillsboro are recommending that the site be designated as urban reserves for future industrial use, and Hillsboro has developed a pre-qualifying concept plan identifying the site for large lot industrial development. See Figure 7. As a 100+ acre site, the Standring/Hartung/Berger site could serve as an industrial anchor site. Mr. Standring would be willing to accept a condition that his property be protected for future large lot industrial use. This could be implemented by extending a Special Industrial District (SID) zone such as that currently being applied to the Helvetia or Evergreen Concept Plan areas. The SID, adopted by the City of Hillsboro, was designed to preserve the opportunity for large lot industrial uses through zoning requirements. This would be an appropriate method to protect for future large lot industrial uses on the Standring/Hartung/Berger site.

7. Conclusion.

At the September 23, 2009 Reserves meeting, Metro's Chief Operating Officer said that to make the Portland metro area "the greatest place", the region must optimize the use of existing infrastructure to the greatest possible extent and must focus investments in terms of jobs and the economy. By virtue of its size, flat terrain, adjacency to the UGB, proximity to services, and proximity to US 26 and an improved Shute Road Interchange, and given the interest and willingness of its owners to see this site used for large lot industrial development, the 100+ acre Standring/Hartung/Berger site accomplishes these objectives better than virtually any other site in the entire region. Yet the COO did not include this land in his recommendation.

On December 15, 2003, the Industrial Lands Advisory Committee appointed by Governor Kulongoski issued a report identifying 25 industrial sites throughout Oregon with "statewide significance for job creation." Of the four sites listed within Metro's boundaries, two were on Shute Road. One, a 201-acre site, was identified as "flat" and "350 feet from a major freeway Interchange." The second, a 72-acre site, was identified as "situated near Hwy 26 and with excellent freeway access. The potential to add another 20 acres to the north could expand the site to 92 acres." Clearly, the economic value of flat, large lot sites extremely close to a US 26 interchange was undeniable.

Like the two Shute Road sites, the Standring/Hartung/Berger site offers "statewide significance for job creation." For the reasons stated above, we believe no potential urban reserve site in the Hillsboro area better meets the needs of economic development and the interests of Business Oregon than this site. We further believe no site can be developed more efficiently and less expensively than this site, given the services already planned for the area and the improvements to the Shute Road Interchange for which funding has already been committed. This site should be designated as urban reserve.

We thank you for your consideration and attention to this matter. Enclosed, for your reference, is an August 20, 2009 letter prepared by Frank Angelo, Angelo Planning Group, indicating in greater detail how the site meets the criteria for urban reserves and the factors in OAR 660-027-0050.²

Very truly yours,



Mark J. Greenfield

² The attachments to that letter are omitted. The attachments to this letter provide the same information.

Figure 1: Vicinity Map

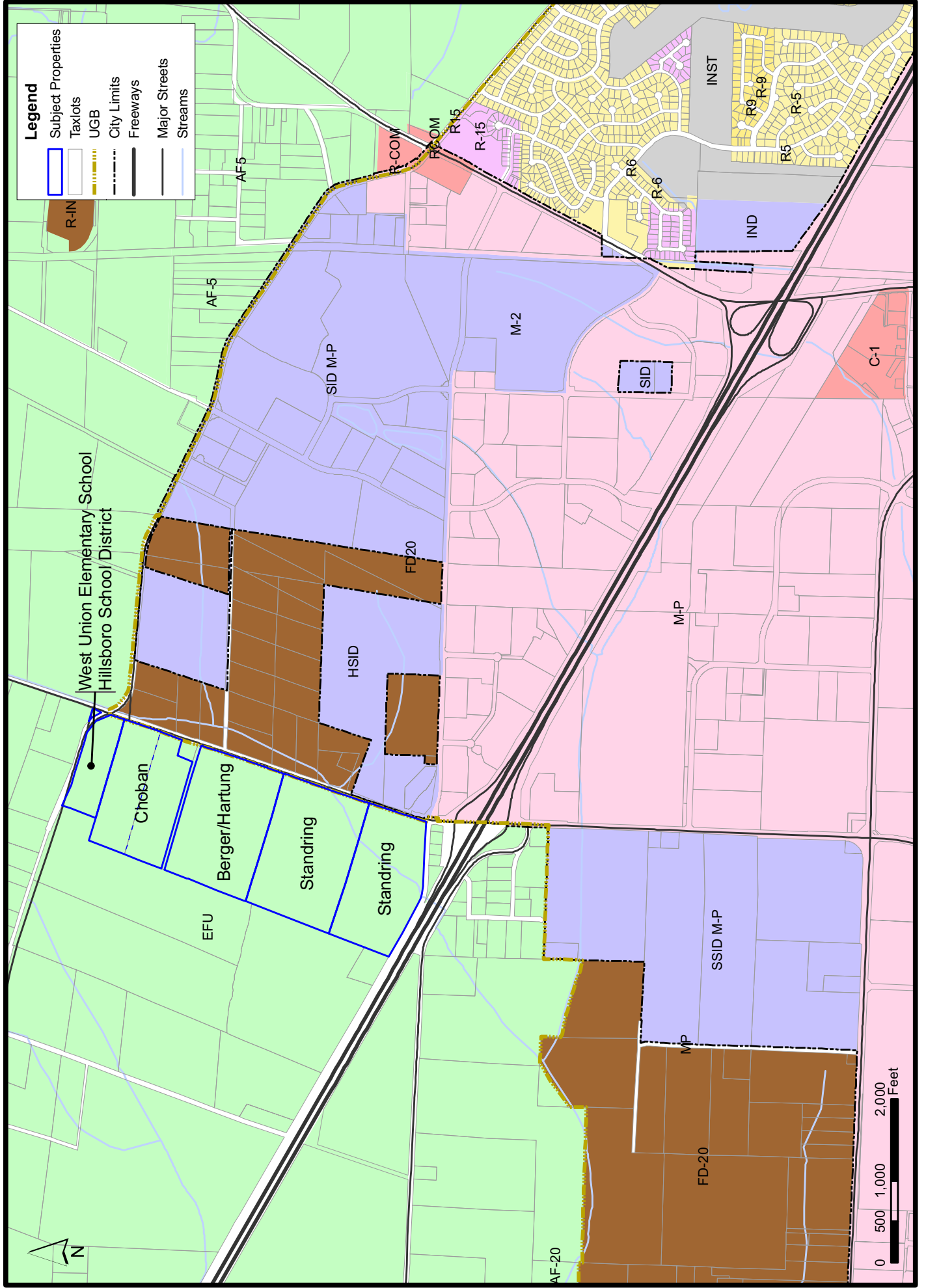


Figure 2: Property Ownership & Acreage

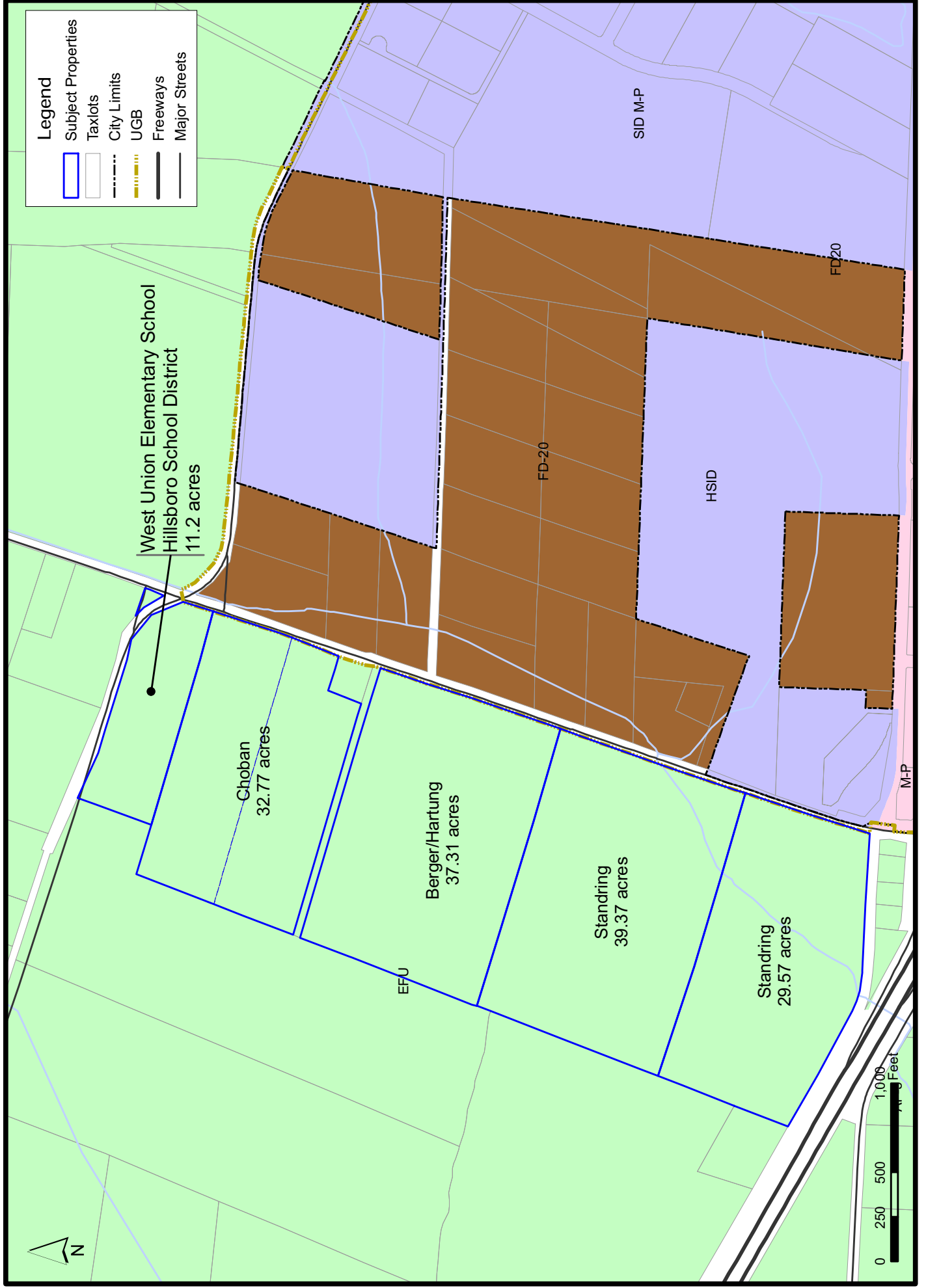


Figure 3: Helvetia Concept Plan - Adopted

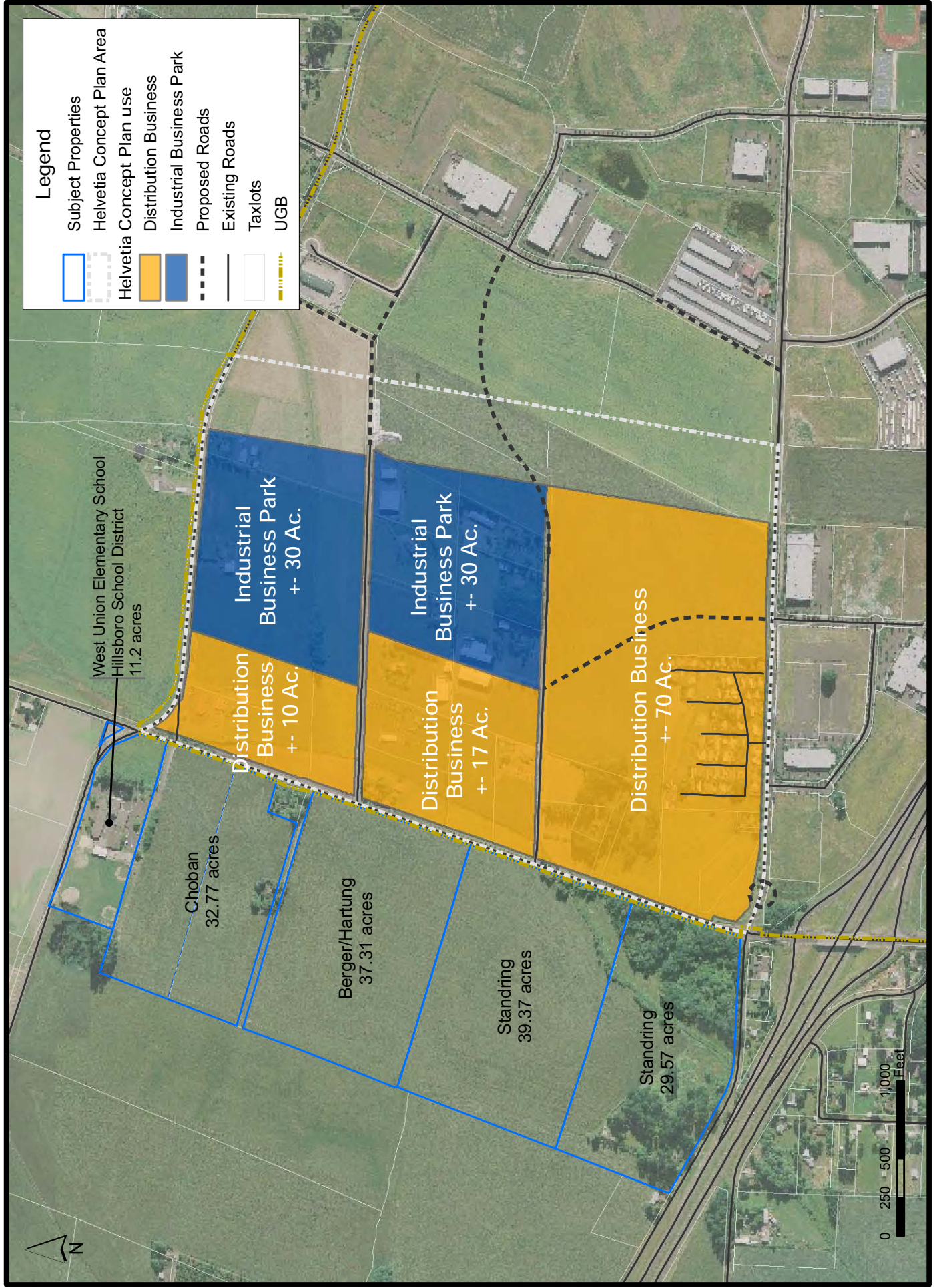
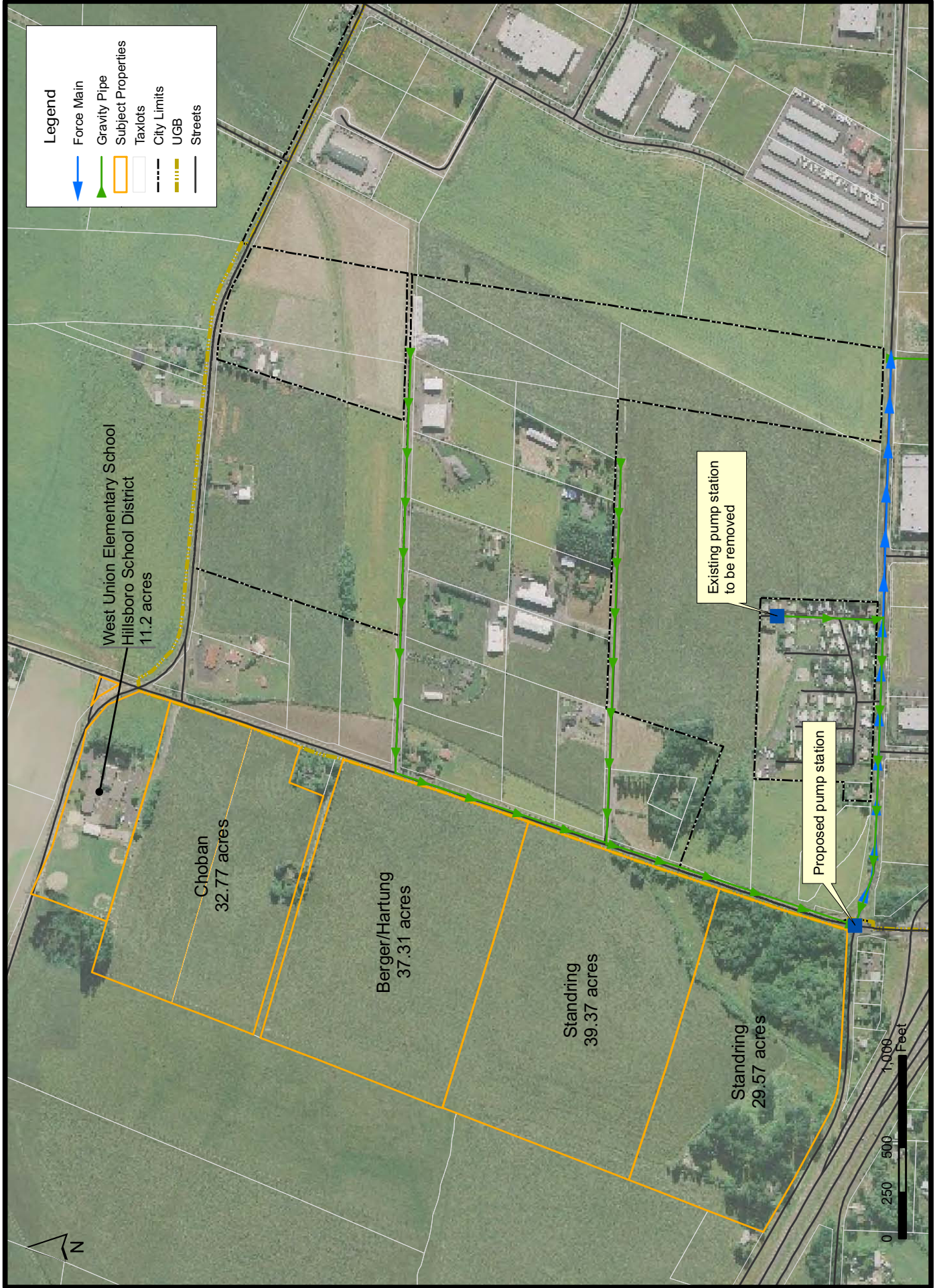


Figure 4: Sewer Proximity to Subject Properties



Sources: RLIS August 2009, Helvetia Concept Plan

Figure 5: Water Proximity to Subject Properties

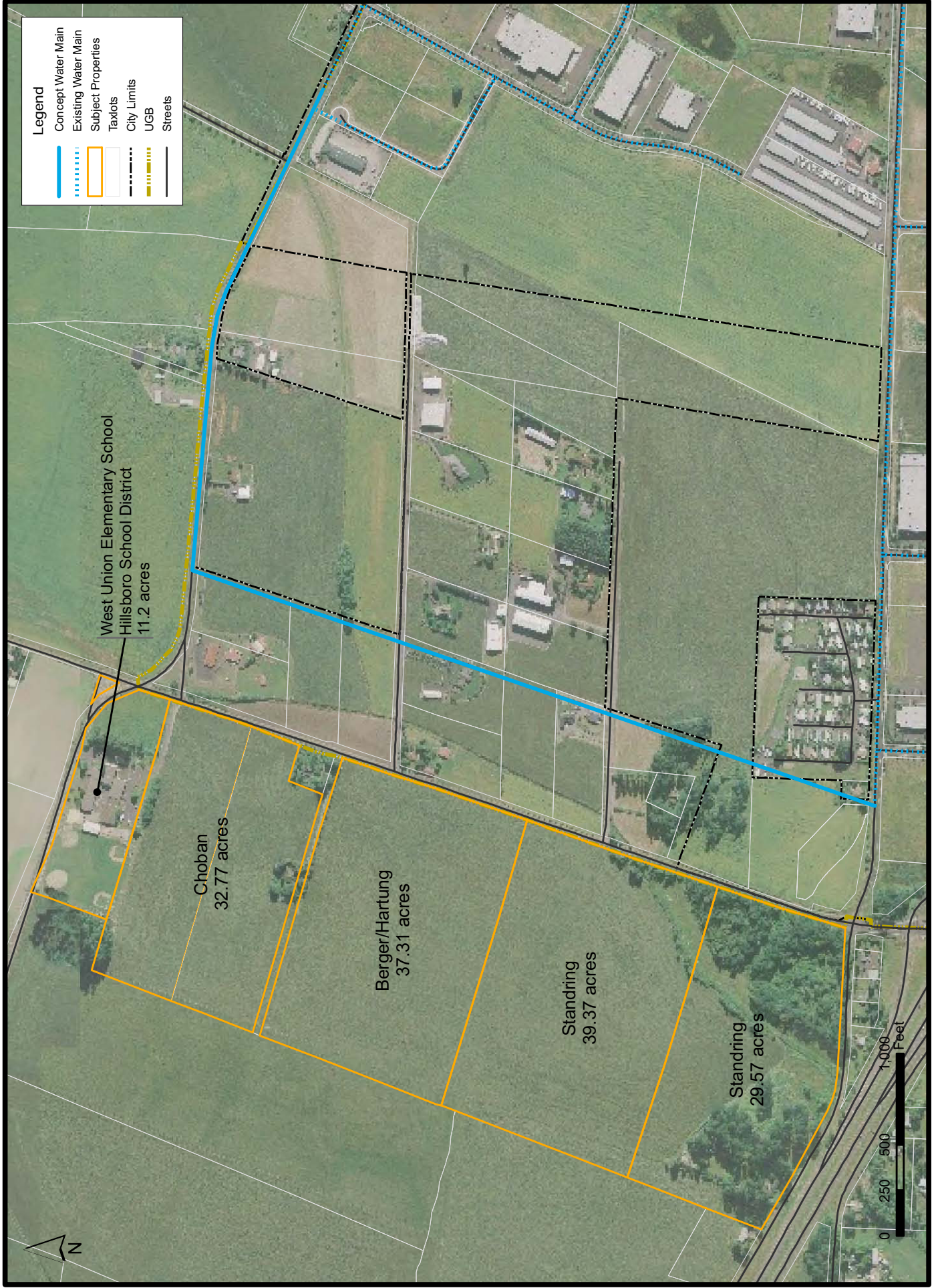


Figure 6: Topography and Drainage

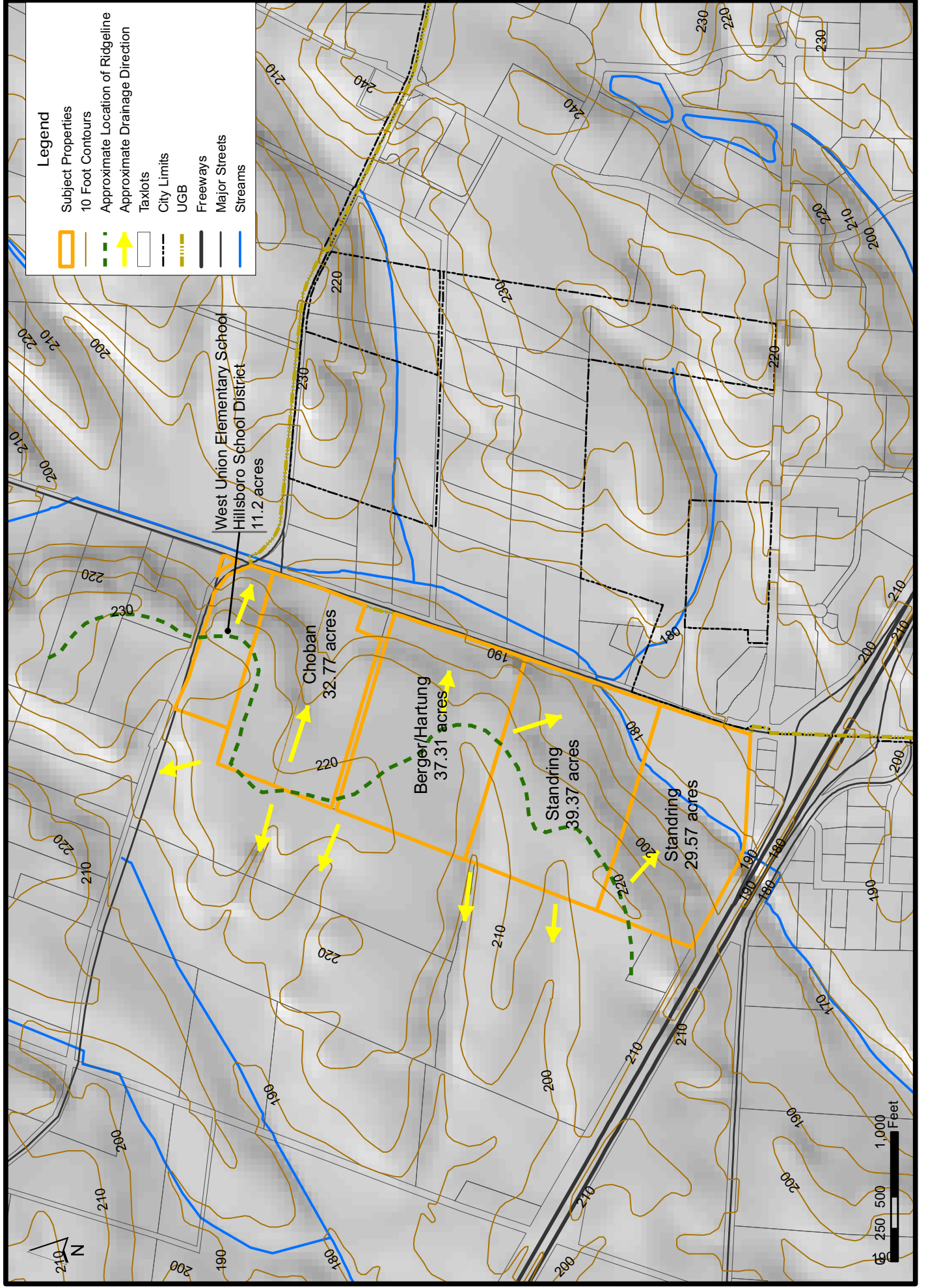
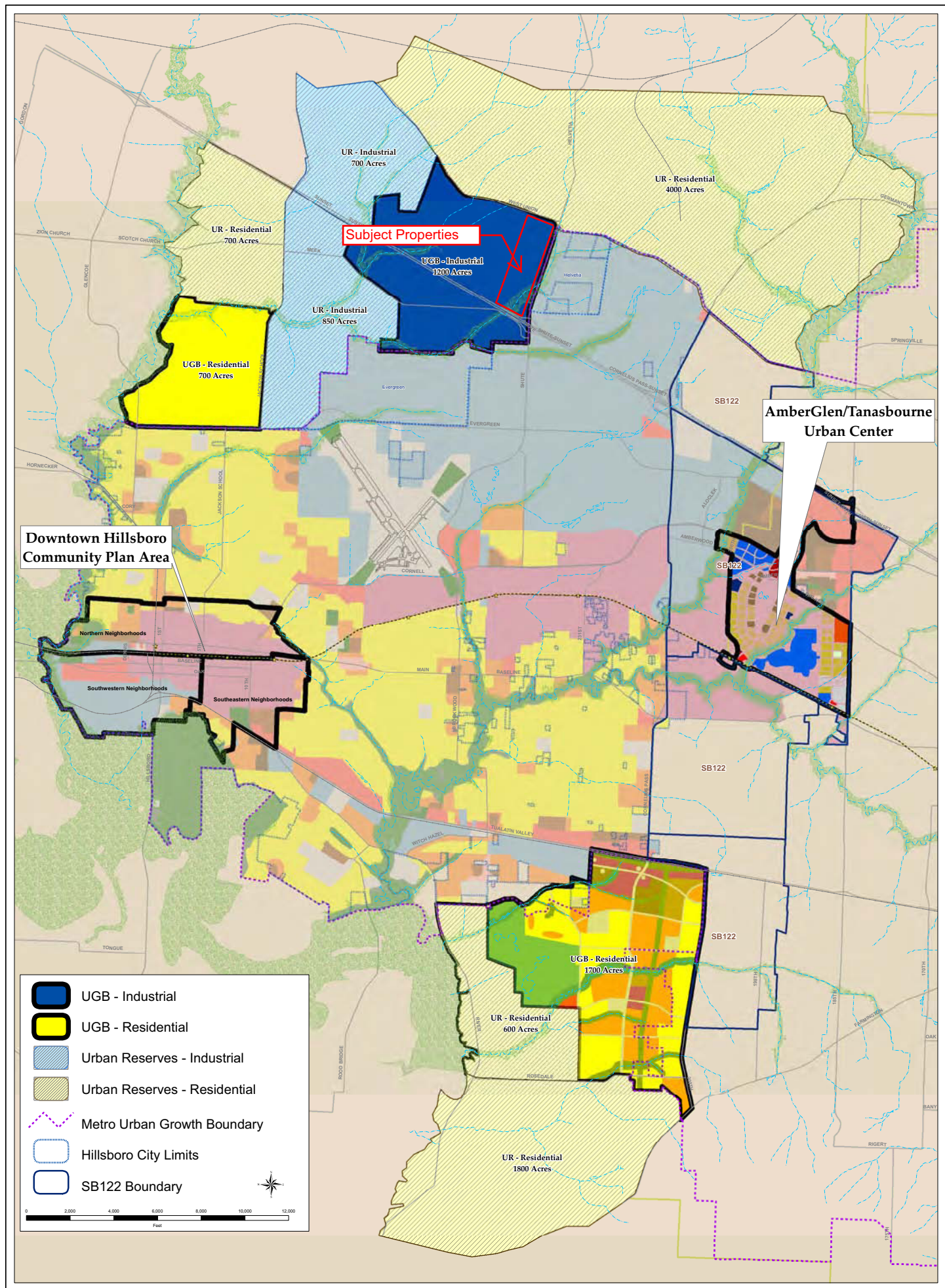
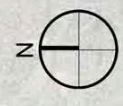
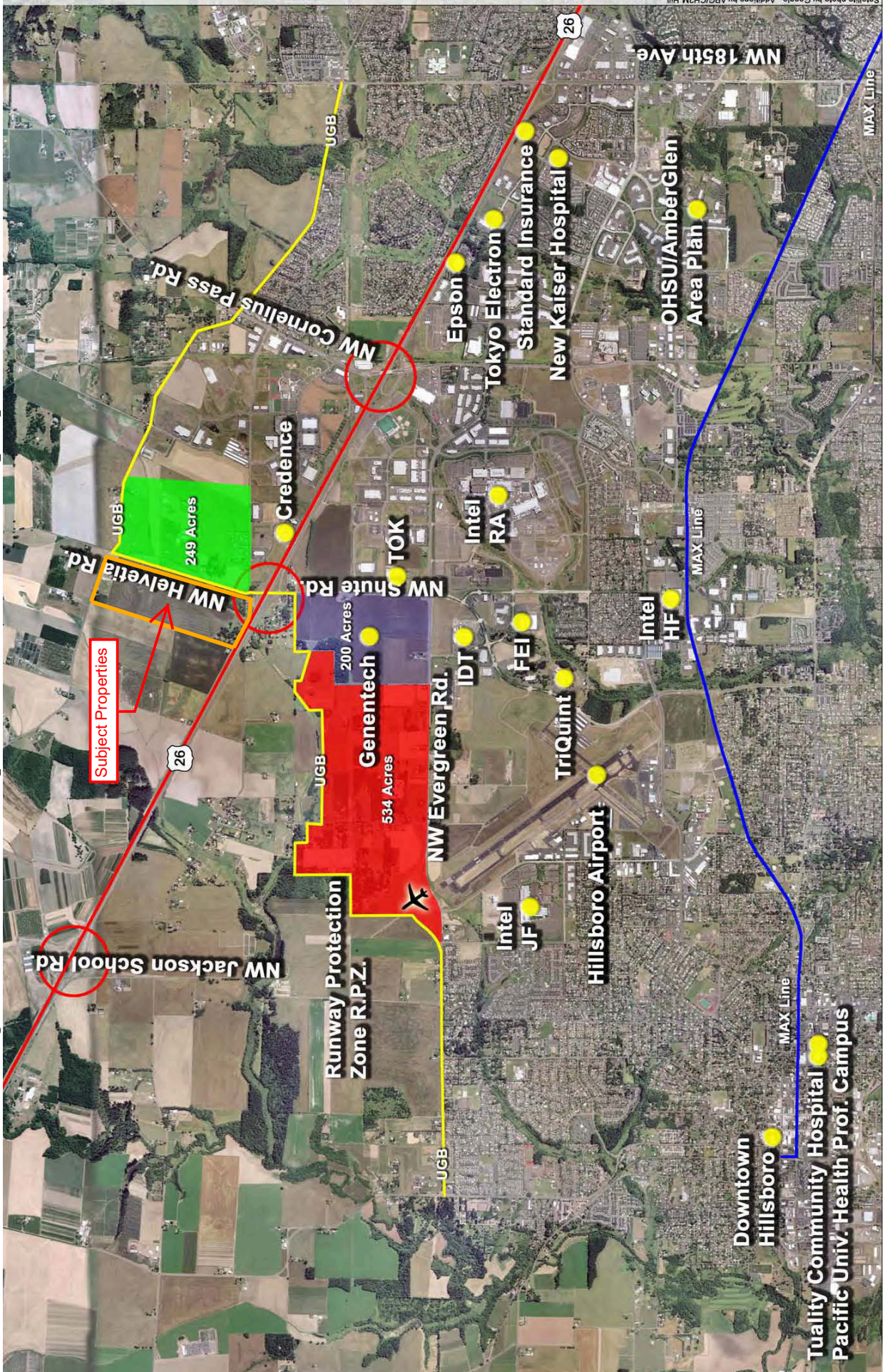


Figure 7: Hillsboro Pre-Qualifying Concept Plan



Subject Site Proximity to Silicon Forest Employment Centers



August 19, 2009

Washington County Department of Land Use and Transportation
Long Range Planning Division
Attention: Urban and Rural Reserves Project Team
155 N. First Avenue, Suite 350-14
Hillsboro, OR 97124-3072

RE: Urban Reserve Designation

Members of the Washington County Reserves Coordinating Committee:

This letter is provided by our firm on behalf of Ms. Tracey Hartung and Ms. Dana Berger, who own property in the northwest quadrant of the Shute Road / Highway 26 Interchange.

Hartung / Berger Property

- o Tax Lot 1N2150000905

Our property has been identified by the City of Hillsboro and the Washington County Planning Directors as an appropriate and logical location for future industrial / employment land to meet the identified demand for new jobs and for larger industrial lots within the Metro region. The proximity of these properties to existing employment areas, public infrastructure and the employment workforce supports the City of Hillsboro's conclusion that this area is appropriate for "Industrial Anchor Sites". The property has been recommended to be designated as Urban Reserve.

Ms. Hartung and Ms. Berger agree with and completely support the Urban Reserve designation recommendation and urge the Washington County Reserves Coordinating Committee to forward this recommendation to the Metro Reserves Committee.

The property owners believe that the subject properties are well-suited for designation as an Urban Reserve. This is supported by the following property attributes:

1. The property is located adjacent to the existing Hillsboro Urban Growth Boundary (UGB). The adjacent area in the city is planned for industrial / employment uses. The subject properties are located in close proximity to the Silicon Forest and the employment center that is developing in the North Hillsboro area, including the area immediately to the east.
2. The /Hartung/Berger properties are relatively flat, with no issues related to steep slope, making them an ideal location for employment uses and easy to provide the necessary infrastructure.
3. Transportation access is immediately available to US 26 via the Shute Road Interchange. Improvements to this interchange have been funded through the Governor's Transportation Program that was approved by the 2009 Legislature.

Helvetia Road, which the properties are adjacent to, is classified as an Arterial in the Washington County Transportation System Plan.

Again, we strongly support the recommendation that these properties be designated as Urban Reserve. We would be in opposition of any designation other than Urban Reserve. We appreciate your consideration and support for the Urban Reserve designation.

Sincerely,



Tracey Hartung
Property Owner



Dana Berger
Property Owner

cc Washington County Board of Commissioners
City of Hillsboro City Council Members
Metro Councilors
John William, Metro

August 20, 2009

Washington County Department of Land Use and Transportation
Long Range Planning Division
Attention: Urban and Rural Reserves Project Team
155 N. First Avenue, Suite 350-14
Hillsboro, OR 97124-3072

RE: Urban Reserve Designation (1N2150000900; 1N2150000901)

Members of the Washington County Reserves Coordinating Committee:

This letter is provided by our firm on behalf of Mr. Jim Standring who owns property in the northwest quadrant of the Shute Road / Highway 26 Interchange. The ownership is as follows and is noted on the attached figure:

Standring Property

- Tax Lot 1N2150000900 – 29.57 acres
- Tax Lot 1N2150000901 – 39.37 acres

The two properties total 68.94 acres. The two tax lots have been identified by the City of Hillsboro and the Washington County Planning Directors as an appropriate and logical location for future industrial / employment land to meet the identified demand for new jobs and for larger industrial lots within the Metro region. The proximity of the property to existing employment areas, public infrastructure and the employment workforce supports the City of Hillsboro's conclusion that this area is appropriate for "Industrial Anchor Sites". The property has been recommended to be designated as Urban Reserve. **Mr. Standring agrees with and completely supports the Urban Reserve designation recommendation and urges the Washington County Reserves Coordinating Committee to forward this recommendation to the Metro Reserves Committee.**

The property owner believes that the subject property is well-suited for designation as an Urban Reserve. This is supported by the following property attributes:

1. The subject property is located immediately adjacent to the existing Hillsboro Urban Growth Boundary (UGB). The adjacent area in the city is planned for industrial / employment uses. This is the anticipated use for the Standring property.
2. The subject property is located in close proximity to the Silicon Forest and the employment center that is developing in the North Hillsboro area, including the Helvetia Industrial area immediately to the east.
3. There are existing City of Hillsboro and Tualatin Valley Water District public services (sewer and water) adjacent to or in close proximity to the Standring property. These public services can be easily extended to serve the property.



4. The Standing property is relatively flat, with no issues related to steep slope, making them an ideal location for large lot employment uses and easy to provide the necessary infrastructure.
5. Transportation access is immediately available to US 26 via the Shute Road Interchange. Improvements to this interchange have been funded through the Governor's Transportation Program that was approved by the 2009 Legislature. Helvetia Road, which the property is adjacent to, is classified as an Arterial in the Washington County Transportation System Plan.
6. There is floodplain and associate vegetation in the southeast corner of the Standing property that can be protected and enhanced.
7. The property does not have any water rights associated with the land, nor is the property located within the Tualatin Valley Irrigation District, rendering the properties less agriculturally productive than similar properties with water rights.

The property owner understands the importance to the region and the state of having larger lots available for future industrial and employment expansion and agrees to work with the City of Hillsboro to insure that large lot opportunities are available when the properties are included in the Urban Growth Boundary. This coordination could include site master planning, the provision of necessary infrastructure, state "shovel ready" certification and marketing the property.

Again, Mr. Standing strongly supports the recommendation that this property be designated as Urban Reserve. We will oppose any designation other than Urban Reserve. The attachment to this letter provides documentation supporting the Urban Reserve designation, noting how the property meets the location needs for future industrial / employment areas and the SB 1011 and OAR 660-027-0050 factors. We appreciate your consideration and support for the Urban Reserve designation.

Sincerely,

Frank Angelo
Principal

Jim Standing
Property Owner

cc Washington County Board of Commissioners
City of Hillsboro City Council Members
Metro Councilors
John William, Metro
Mark Greenfield, Attorney at Law

Attachments: Urban Reserve Findings

Memorandum

Date: August 20, 2009
To: Washington County Reserves Coordinating Committee
From: Frank Angelo, Angelo Planning Group
Mark Greenfield, Attorney at Law
cc: Washington County Board of Commissioners
City of Hillsboro City Council Members
Metro Councilors
John Williams, Metro
Re: OAR 660-027-0050 Findings – Standing Property

I. Background

This document provides findings regarding the suitability of an Urban Reserve designation for property under the ownership of Jim Standing. The property is located in the northwest quadrant of the Highway 26 / Shute Road Interchange. The ownership is as follows and noted on the Figures 1 and 2:

Standing Property

- Tax Lot 1N2150000900 – 29.57 acres
- Tax Lot 1N2150000901 – 39.37 acres

The two tax lots total 68.94 acres - ideally suited for future large lot industrial / employment use, the use that the City of Hillsboro and Washington County have identified for these properties in their Urban Reserve recommendation. This report refers to Mr. Standing's property as the "subject property" or "property".

The subject property is located northwest of the US 26/Shute Road interchange in Washington County. While located in unincorporated Washington County, the regional Urban Growth Boundary (UGB) and City of Hillsboro city limits border the property immediately to the east. The recently adopted (2008) Helvetia Concept Plan shown on Figure 3 shows the location of the subject property in relation to the employment area that is developing in the Helvetia Concept planning area.

In 2007, Senate Bill (SB) 1011 was passed, requiring counties and metropolitan service districts (e.g. Metro) to evaluate and designate both rural and urban reserves, if reserves were going to be designated. Oregon Administrative Rules (OAR) Chapter 660, Division 27 (Urban and Rural Reserves in the Portland Metropolitan Area) was adopted in 2008 to implement the legislation. OAR 660-027-0050 establishes factors for designating urban



reserves based on criteria included in SB 1011, with the addition of two criteria related to preservation of natural features and compatibility with agricultural land and practices.

Over the past year the Washington County Department of Land Use and Transportation has been coordinating the efforts of the County and its cities to identify, evaluate and recommend Urban and Rural Reserves. This work has been led by the Washington County Reserves Coordinating Committee (WCRCC) which consists of representatives of the County, cities and the Washington County Farm Bureau. The extensive and thorough analysis that has been conducted over the past year has consistently identified the subject property as suitable for Urban Reserve designation. The Washington County Planning Directors have now made a recommendation to the WCRCC for the location of both Urban and Rural Reserve designations. This recommendation designates the subject property as Urban Reserve. The City of Hillsboro has also identified the subject property for future Industrial / Employment land.

Because of the subject properties' proximity to the existing UGB (adjacent), public services (immediately to the east), transportation facilities (US 26 / Shute Road Interchange which has approved funding for capacity improvements and Helvetia Road which is classified as an Arterial), site characteristics (relatively flat and easy to provide infrastructure to the property) an Urban Reserve designation is the most appropriate designation.

The property owner fully supports this recommendation as well as the expressed intent to include the property in the regional supply of large lot industrial property. The owner understands the importance to the region and the state of having larger lots available for future industrial and employment expansion and agrees to work with the City of Hillsboro to insure that large lot opportunities are available when the property is included in the Urban Growth Boundary. This coordination could include site master planning, the provision of necessary infrastructure, state "shovel ready" certification and marketing the property.

II. Urban Reserves Factors Analysis

The following provides findings specific to the OAR 660-027-0050 factors that demonstrate the suitability and appropriateness of an Urban Reserve designation for the subject property:

660-027-0050

Factors for Designation of Lands as Urban Reserves

Urban Reserve Factors: When identifying and selecting land for designation as urban reserves under this division, Metro shall base its decision on consideration of whether land proposed for designation as urban reserves, alone or in conjunction with land inside the UGB:

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

The subject property can easily be developed at urban densities – particularly industrial / employment densities. The property is well situated to make efficient use of existing and future infrastructure investments for sewer, water, or transportation facilities serving the Helvetia industrial area immediately to the east. As well, the site characteristics are well-suited for industrial / employment development. The property is relatively flat (slopes generally <3%), has few natural resource constraints, and its strategic location immediately adjacent to the existing UGB and city limits will support the large employment center that has emerged in the north Hillsboro area.

The following discusses the various public infrastructure improvements either in-place or planned for the area that can easily provide the necessary services to the subject property.

Sewer

Recent work related to sanitary sewer in the vicinity of the subject property includes the 2008 Helvetia Concept Plan. This plan was adopted by the City of Hillsboro for the area immediately to the east of the subject property. Figure 4 shows the location of the existing and future sanitary sewer system that will serve the area. The Helvetia planning area would be served primarily by a gravity system, with gravity pipes along NW Pubols Road and NW Schaaf Road running west, NW Helvetia Road running south, and NW Jacobson Road running west. An existing pump station in the southern portion of the area is planned be removed and replaced by a pump station at the intersection of NW Helvetia Road, Jacobson Road, and Groveland Drive into which the gravity pipes will flow. From the new pump station, force mains would run east on Jacobson Road until just west of NW Century Boulevard, where they could turn and flow south in gravity pipes.

As can be seen from Figure 4, the existing and planned sanitary sewer facilities abut the subject property and can be easily extended to the property to serve future industrial / employment uses. An earlier study prepared by Alpha Engineering (*Helvetia Road Industrial Land Study 2003*) found that the higher elevations on the subject property to the west of Helvetia Road could be fit with gravity sewer lines that would feed into a pump station from which sewer lines would extend to connect with nearby existing lines.

More recently the *Core 4 Preliminary Analysis of Providing Urban Level Sanitary Sewer Service Within Reserves Study Area* (February 9, 2009) studied sewer serviceability for sub-areas of candidate urban and rural reserve areas that are basically defined by drainage basin boundaries. The analysis found the sub-area that includes the subject property (sub-area S36) to have “high suitability,” where high suitability means:

[G]enerally these areas are the easiest and least costly to serve. This includes those few areas where there is capacity in a nearby treatment plant or

conveyance facility, or those areas where capacity could be relatively easily provided. It also includes areas that require substantial improvements, but relatively easy ones for which there is land available or no major issues identified. These also include areas for which topography enables primarily gravity flow to an existing plant. For the most part, these areas will primarily require investment in facilities located inside the area to be developed, but be able to hook up to existing facilities inside the current UGB.

This finding was derived from initial analysis about the efficiency of serving the sub-areas with sewer, in which the sub-areas were rated as “efficient”, “moderately efficient”, “moderately difficult”, and “difficult”. Sub-area S36 rated as “efficient” to serve, with comments that no substantial service issues identified. “Efficient” was characterized as follows:

“These areas are the easiest and least costly to serve. They would require relatively simple extensions of the existing system within the area to be urbanized, and could connect directly to existing facilities in the existing urban area. These areas are the few areas for which the treatment and conveyance systems inside the current UGB appear to have capacity to serve areas outside the current UGB.”

The subject property sub-area was one of a few sub-areas in the region found to be efficient for potential sewer service.

Water

Recent work related to water service in the vicinity of the subject property includes the 2008 Helvetia Concept Plan. This plan was adopted by the City of Hillsboro for the area immediately to the east of the subject property. Figure 5 shows the location of the existing and future water system that will serve the area. Local water service provider Tualatin Valley Water District (TVWD) indicates there is enough supply to serve the Helvetia planning area in the 2008 *Helvetia Concept Plan*. The plan proposes to connect to the existing TVWD 24-inch transmission main in NW Jacobson Road and extend north into the site. Piping on the site could extend north to also connect with the existing 16-inch pipeline in NW West Union Road. Supplying the Helvetia Concept Plan planning area with water would require a total of two interconnections, two swale/creek crossings, one metering station at the 24-inch main in Jacobson Road, and new water transmission pipeline.

As can be seen from Figure 5, the existing and planned water facilities are in close proximity to the subject property and can be easily extended to the property to serve future industrial / employment uses.

The Core 4 *Preliminary Analysis of Providing Urban Level Water Service Within Reserves Study Area* (March 23, 2009, Revised) examined water service issues for sub-areas defined by a combination of existing water service boundaries and landscape features including floodplains, steep slopes, and major water features.

As with sewer service the sub-area with the subject property was identified as “high suitability” in which case an area will only need typical extensions of service and no new major facilities.

Transportation

The subject property is well served by existing transportation facilities, and access and mobility in the area will be further improved by a funded project planned for the US 26 / Shute Road Interchange and associated projects. Transportation access is immediately available to US 26 via the Shute Road Interchange. Improvements to this interchange have been funded through the Governor’s Transportation Program that was approved by the 2009 Legislature.

The subject property is directly served by and adjacent to NW Helvetia Road, an Arterial and NW Jacobson Road, a collector, according to the Washington County Transportation Plan. The 2008 Helvetia Concept Plan notes that NW Schaaf Road can be extended to the west to connect with the subject property. NW Pubols Road, also in the Helvetia Concept Plan, could also be extended to the west to the subject property. Both Schaaf and Pubols could easily form the entryways into an industrial / employment area on the subject property and provide limited access to Helvetia Road while providing an internal circulation system.

The anticipated future industrial / employment uses on the subject property would also have less of an impact on the transportation system from a capacity / level-of-service perspective than residential or commercial uses. The employment use would be compatible with the future improvements to the US 26 / Shute Road Interchange.

Core 4 Preliminary Analysis of Providing Urban Level Transportation Service Within Reserves Study Area

The most recent study of the area presented in the *Core 4 Preliminary Analysis of Providing Urban Level Transportation Service Within Reserves Study Area* (February 11, 2009) analyzed sub-areas for their suitability according to estimated cost per system lane mile, cost per added lane mile, and the number of intersections per square mile. The sub-areas used for the transportation analysis were derived from those used for the sewer and water service analyses.

System lane mile and added lane mile cost estimates address construction of needed collector and arterial roads, not local roads, and the number of intersections indicate existing and potential connectivity. The subject property sub-area ranked medium for both added lane and system lane suitability and high for connectivity suitability, corresponding to findings that the area was somewhat to most suitable for providing a transportation system capable of accommodating urban levels of development. The sub-area is one of seven sub-areas (of 15 total sub-areas) to rank high for connectivity suitability.

Factor 2 – Includes sufficient development capacity to support a healthy economy

The roughly 70 acres that comprise the subject property are well-suited from both a site size and site characteristic perspective to provide sufficient development capacity in support of the region's economy. In particular, the subject property size will add to the region's scarce supply of large parcels available for future industrial and employment uses. The site characteristics – relatively flat, no natural resource constraints, and the rectangular shape of the three parcels – again add to the subject property's suitability for large lot industrial and employment use. These site features will allow infrastructure to be efficiently provided to the site, including development of an internal circulation system.

Studies within the region on industrial land supply have consistently noted the lack of large lots as a part of the region's industrial land supply inventory. These studies indicate that, in order to be nationally and internationally competitive, the region should have a supply of larger industrial parcels that can be easily served and available to industries looking for large sites. The subject property, in addition to having all of the necessary site characteristics for large industrial / employment uses, is located immediately adjacent to the current UGB and Hillsboro City Limits. The subject property also has outstanding transportation access with its immediate proximity to US 26.

The subject property could theoretically accommodate upwards of 1,300 new jobs depending the type of industrial / employment use that developed the site (assuming an average of 20 jobs per gross acre). In all likelihood, the number of jobs on the subject property would be on the order of 500 – 1,000 when the net developable area is taken into account. The ultimate job density would obviously be dependent on the user. However, the subject site does afford the opportunity and development capacity for a wide range of industrial / employment uses.

Factor 3 – Can be efficiently and cost-effectively served with public schools and other urban-level public facilities and services by appropriate and financially capable service providers

The subject property is inside the Hillsboro School District service area and is adjacent to the City of Hillsboro, a full-service city. Future development of the site would occur within the City of Hillsboro following annexation. As a full-service city, the City of Hillsboro provides police, fire, parks and recreation, libraries, transportation, planning, and permitting services. Waste management is provided by a private contractor, Hillsboro Garbage. The response to Factor 1 above demonstrates how the subject site can be efficiently and effectively serve with urban-level public facilities.

The subject property is also in close proximity to the availability of specialized utilities (gas) and public utilities – specialty gases are available east of Shute Road and north of Evergreen Road. This utility is an important consideration for future high tech users.

Finally the Hillsboro Airport is 3.5 miles to the south/southwest of the subject property, making it very accessible for corporate use and for freight / supply delivery.

There are two schools within two miles of the property: West Union Elementary School, at 23870 NW West Union Road, north of the site less than ½ mile, and Liberty High School, at 21945 NW Wagon Way, about 1 ¼ miles southeast of the site. According to the Oregon Department of Education 2008-2009 Enrollment Summary, enrollment at West Union Elementary School was 317 students on October 1, 2008, and enrollment at Liberty High School was 1,311 students.

Because the subject property has been identified as suitable for industrial / employment use, it is not being considered for future residential use. Future industrial / employment use on the subject property would not generate new students and would have no impact on school enrollment levels or school capacity issues. Future industrial / employment uses would, however, provide property tax revenue to the school district.

The subject property, as a potential employment site also benefits from close proximity to the Rock Creek Campus of Portland Community College (PCC) and the technical educational and training programs it offers. Proximity to this high education / training facility is a positive factor for new industrial uses when they consider facility locations.

Factor 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

The subject property is well-suited for providing connected streets and multi-modal facilities on site as well as connecting to surrounding facilities and transit service.

TriMet serves Hillsboro and Washington County. Existing bus lines are located just over a mile from the site and the Orenco light rail (MAX) station is about 2.5 miles away. There are park and ride lots at the Washington County Fairgrounds in Hillsboro and at Orenco Station. Ultimately transit service, most likely in the form of bus service, could be expanded to this area to provide service to the employment center north of US 26.

Topographic conditions on the subject property consist of slopes that are primarily less than 3%. These are favorable conditions for creating streets, bikeways, sidewalks, and other paths internal to the property that are relatively flat and accessible. At the same time, natural resources found on the property associated with Waible Creek (sometimes called Waible Gulch) will need to be buffered from development and present opportunities for natural trails and small-scale passive recreation.

As discussed in the response to Factor 1, the *Core 4 Preliminary Analysis of Providing Urban Level Transportation Service Within Reserves Study Area* found the Standing site sub-area to have high suitability for connectivity. This gives a general indication of how well the site and other sites in the sub-area will connect with each other and areas surrounding the sub-area. Also, projects proposed as part of the Helvetia Concept Plan specify



improvements to NW Helvetia Road (i.e. upgrading the road to an urban five-lane arterial), which would include the addition of sidewalks and bikeways.

Factor 5 – Can be designed to preserve and enhance natural ecological systems; and

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

The subject property includes natural resources associated with Waible Creek, and designation of the site as urban reserves and its eventual development for industrial / employment uses will assist in protecting and enhancing the resources on the site.

Waible Creek is a tributary of McKay Creek in Washington County. According to Metro's 2009 Regional Land Information System (RLIS), there are about 15 acres of floodplain related to Waible Creek on the southern lot of the property. An interactive map from Metro's Habitat Protection web page shows the following resources on the site: Class 1 Riparian (highest value habitat), Class 2 Riparian (medium value habitat), Class 3 Riparian (lower value habitat), Class B Wildlife (medium value habitat), and Class C Wildlife (lower value habitat). Fewer acres would be impacted by flooding if the culvert under Highway 26 was increased to an appropriate size. This culvert will likely be replaced or enhanced when the Highway 26 / Shute Road interchange is improved.

As cited in a November 2001 memorandum from Winterbrook Planning regarding Metro Goal 5 Mapping of Property at Northwest Corner of NW Helvetia Road and NW Groveland Drive there is a lack of riparian vegetation in the floodplain, the stream is channelized, US 26 and NW Groveland Drive form barriers to continuous riparian corridors, and there are not consistent riparian corridors on either side of these roadways. While designation of the site as an urban reserve or rural reserve will not necessarily alter the barriers created by surrounding roadways, designation of the site as an urban reserve presents the opportunity to restore riparian vegetation and a more natural channel for Waible Creek when development on the balance of the property occurs.

As cited in the 2003 *Helvetia Road Industrial Land Study* by Alpha Engineering, Waible Creek drains an area of at least 100 acres, with the drainage occurring primarily from the lower tax lots east. Incorporating protection of this resource into development on the site will serve as a buffer between development and US 26, allowing for natural stormwater detention and treatment on-site and providing opportunities for trails and small-scale passive recreation that are compatible with natural areas, as discussed earlier. The Shute Road Industrial Site also offers a model for integrating industrial development and natural resource protection that could be applied on this property through similar implementation provisions of City of Hillsboro code (Section 20, Subsection III) that regulate the Shute Road Industrial Site.

(F) In accordance with the City's Goal 5 provisions of Section 6, Natural Resources, Open Space, Scenic and Historical Sites, of the Comprehensive Plan, the Waible Creek tributary riparian corridor and the upland wildlife

habitat resource located in the northwest portion of the Site shall be accorded “Level 1” (“moderately protect”) protection, as prescribed by Hillsboro Zoning Ordinance Section 131A, Significant Natural Resources Overlay District.

Most of the property is located in a drainage basin that drains eastward, and grading the rest of the site will complete the natural ridgeline between the site and lands to the west. Drainage to the east naturally joins and reinforces the connection of the property to the land across NW Helvetia Road. This land is inside the UGB and is being developed for industrial uses guided by the 2008 *Helvetia Concept Plan*.

Factor 6 – Includes sufficient land suitable for a range of needed housing types

The subject property could certainly support a range of attached single-family housing, detached single-family housing, or multi-family housing with a variety of lot sizes and densities. The Waible Creek resource area presents an opportunity for natural stormwater processing, higher-efficiency clustering of development, restoration of the riparian corridor as a condition of development, and open space and natural areas on the site, its protection being a benefit for both development and the resource area. The site also presents an opportunity for well-situated workforce housing, given industrial and employment uses in the area.

While the subject property could easily support a range of needed housing types, the anticipated future use of the property is viewed as industrial / employment use – not residential. Industrial / employments use of the subject property would likely be more compatible with surrounding industrial and agricultural uses and the transportation system in proximity to the property. Given its lower traffic generation rates and greater sensitivity to slope, employment – namely industrial – uses are appropriate for the site.

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

The subject property is zoned Exclusive Farm Use (EFU) by Washington County. The April 2004 *Metro Staff Report Addressing Amendments to the UGB for Industrial Land* identifies the area as Tier 3, lower quality resource land. As well, the subject property does not have any water rights associated with the property, nor is the property located within the Tualatin Valley Irrigation District making long-term agricultural use more difficult and uncertain. The site borders farmland on one side – to the west. This area to the west has also been recommended as future Urban Reserve. As described earlier, drainage on the site flows from a natural ridgeline on the west edge of the property eastward. This ridgeline provides a buffer between the site and uses west of it.

Designation of the subject property as Urban Reserve and future planning and development of it for industrial uses could follow the example established for the Shute Road Industrial Site by *Metro Ordinance No. 02-983B, Amending the UGB for Industrial Land near Specialized Facilities North of Hillsboro* (December 2002).

- Exhibit B (Conditions on Addition of Shute Road Site to UGB) – Adopt comprehensive Plan and zoning provisions for improving interface between industrial land and farm land including setbacks, buffers, and lanes designated for slow-moving farm machinery.
- Exhibit C (Findings of Fact, Conclusions of Law) – Industrial development is typically more compatible with surrounding agricultural uses than commercial or residential development, which generate more traffic and may be more adversely impacted by noise, odor, dust, and other effects of agricultural practices.

The Hillsboro Code adopted for the Shute Road Industrial Site reflects these findings and conditions and could be used as a model for future industrial / employment development on the subject property. Implementation measures for the industrial site in Section 20, Subsection III specified:

(E) Site design and architectural measures that provide for compatibility between high-technology industrial uses and supporting uses, and nearby agricultural uses and operations, shall be considered and required through the City Development Review process, unless demonstrated to be physically or financially impracticable. Possible compatibility measures include, but are not limited to: building orientation and setbacks; landscaping; land buffers; and access easements for farming vehicles and machinery.

III. Conclusion

The subject property consistently meets the criteria for urban reserves established in OAR 660-027-0050. The site borders the current UGB and is immediately adjacent to the city limits of the City of Hillsboro. It is well situated to be served with public facilities and urban services. The site is lower quality agricultural land that lends itself to economic and industrial development given that it is relatively flat, can provide large contiguous parcels, and is in close proximity to major transportation facilities and other industrial uses. Natural resources on the site can be protected and enhanced and can provide an amenity to development and encourage clustering of development. Adjacency to farmland is limited and can be buffered by the natural ridgeline and drainage on the western edge of the property.

Given that it consistently meets the criteria established by OAR 660-027-0050, it is strongly recommended that the subject property be included in the final determination for regional Urban Reserves.

Attachments:

- **Figure 1** **Vicinity Map**
- **Figure 2** **Property Ownership**
- **Figure 3** **Helvetia Concept Plan**
- **Figure 4** **Sanitary Sewer**
- **Figure 5** **Water System**