



# Oregon

Kate Brown, Governor

Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

[www.oregon.gov/LCD](http://www.oregon.gov/LCD)

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Pat Hare, City Administrator  
City of Adair Village  
6030 NE William R Carr Ave.  
Adair Village, OR 97330

Greg Verret, Community Development Department  
Benton County  
4500 SW Research Way  
Corvallis, OR 97333



RE: Proposed Urban Growth Boundary Amendment; City File No.: PC 22-01; County File No.: LU-22-038; DLCDC PAPA File No.: 001-22

Dear Pat and Greg,

Thank you for providing timely notice to the department on this proposed urban growth boundary (UGB) amendment.

It has been a pleasure working with you and your staff over the past three plus years leading up to these land use proceedings. Beginning as a prospective five-acre quasi-judicial UGB amendment, this land use application has blossomed into a well-devised 55.37-acre legislative proposal for the city and county.

The application bodes well for future urbanization and conservation initiatives in the city and region. The department supports the proposal.

### **Population Projections**

Understanding the need to use Portland State University's population projections in its urbanization (aka, UGB) studies, city officials worked closely with PSU staff to ensure the city's latest (2022) population forecast reflects residential development that has occurred in the city in the past couple of years. Adair Village is a fast-growing city with an average annual growth rate of 4.0%.

### **Urban Growth Boundary Amendment Fundamentals**

To amend the UGB, the city and county must demonstrate need, justify a locational analysis, and reveal land use efficiency measures that have been taken to increase residential development capacity within the current (unadjusted) urban growth boundary.

Because the city of Adair Village has a permanent population of less than 2500 people, it is not held to the same standard as larger cities when it comes to UGB amendments. For example, the city is not obliged to adopt and apply a Housing Needs Assessment and/or Economic Opportunities Analysis for this application. Rather, the city and county assess the application against the requirements of Statewide Planning Goal 14 (i.e., Buildable Lands Inventory (BLI), Property Locational Analysis, BLI Reconciliation) and applicable city/county comprehensive plan policies and zoning code requirements.

### **Efficiency Measures**

Prior to expanding the UGB, the city and county must determine that the estimated housing need cannot be accommodated inside the current boundary. Cities intent on expanding their UGB must, first, adopt efficiency measures to increase the development capacity on land inside the current boundary.

The department recognizes the following land use efficiency measures adopted by the city of Adair Village in advance of this UGB application:

- Borrowing an idea from House Bill 2001 (the “Middle Housing” bill), the city adopted a cottage cluster (R-4) code in 2021. The Cornelius property intends to develop 19 dwelling units on its property under this clear and objective middle housing zoning scheme.
- Determined to become a full-service city, Adair Village purchased two contiguous parcels in the center of town (2018). The city adopted mixed-use zoning to apply to this area. The Adair Village City Council adopted a master plan to guide the future design and development of a new central business district in the city.

### **Need**

With bona fide plans to develop a mixed-use Adair Village downtown district, the city and county focus this UGB amendment application solely on residential need.

Land need analyses and findings begin on page 52 of the September 2022 City/County Planning Commission packet. DOWL consulting firm worked closely with city, county, and department staff to determine the 20-year residential land need for the city.

### **Supply**

Placing high value on retaining the compact walkable nature of the community, city leadership engaged its engineer of record, Civil West, to assess the cost of providing urban services to vacant and partially-vacant parcels inside the UGB. In undertaking this work, city officials expressed concern regarding ‘phantom capacity’ on parcels that, on paper, appear buildable, but according to city engineering staff, are difficult, cost-prohibitive, and/or impossible to urbanize to their full theoretical potential in the next 20 years.

Civil West's development potential findings on 19 vacant and partially vacant parcels located inside the Adair Village UGB conclude that these parcels contain 17.96 gross acres that are impractical for residential development in the next 20 years.

17.96 gross acres translates to 13.47 net buildable acres. The city and county propose adding this 13.47 acres to the 13.25 acres of net buildable land derived by DOWL consulting firm through a standard BLI compilation and reconciliation for this application.

The resultant finding is 26.72 net deficit acres in the city's current supply of residential lands.

### **Need vs Supply**

To meet the city's demonstrated 20-year residential land need, the city/county propose adding 55.37 total acres to the Adair Village UGB. Of the 55.37 acres, 42.12 acres are considered buildable for residential purposes. The remaining lands are constrained by significant wetlands and/or floodplains and are proposed for conservation, wildlife habitat, and/or open space purposes. 42.12 gross acres equals 31.59 net acres.

Findings in the staff report conclude the city has a 26.72 net deficit supply of residential land inside the current UGB. The city proposes to add 31.59 net buildable acres to the UGB by expanding the boundary to encompass the entirety of the Cornelius (3.84 net buildable acres) and Wiegel (27.75 net buildable acres) properties.

Reconciliation of these need and supply figures result in an apparent gap (excess) of 4.87 net buildable acres proposed for inclusion in the expanded UGB.

City staff offer potential findings on pages 18-19 of the planning commission packet to address this apparent gap. City staff speak to the likelihood of an elementary school needing to be sited on residential-zoned lands in Adair Village in the next 20 years. City staff also call out development constraints on the Santiam Christian school site which will reduce the number of residential units that could be built on this residential-zoned parcel.

Similarly, city staff speak to diminished livability and economic opportunities for city residents and stakeholders if part or all of the Cornelius or Wiegel properties were removed from the UGB amendment.

Additionally, the department notes that OAR 660-024-0040(1) states, in part, "the 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision." The department would assert that the difference of 4.87 acres in this particular factual situation is acceptable for compliance with Goal 14 and implementing rules in OAR 660-024.

Department staff recognize the importance to the city to gain efficiencies and economies of scale by bringing entire parcels into the UGB as opposed to portions of parcels. Department staff look forward to participating in next week's joint hearing and subsequent public hearings on this case. We appreciate having the opportunity to continuing to collaborate with city and county officials on this essential land use action.

### Locational Analysis

Working toward the vision of becoming a full-service city, the city seeks the UGB expansion to add a range of residential units and densities to its urbanizable land base. While the city's initial analysis of land suitability based upon ORS 197.298 has some methodological errors (the analysis should have been conducted under ORS 197A.320, which replaced ORS 197.298 for cities outside of the Portland Metro area in 2016), the results would be the same, prioritizing Subareas 4 and 7 for UGB expansion because those subareas contain lower quality agricultural land than the other subareas.

To retain and advance the compact walkable nature of Adair Village, the city/county provide additional findings to augment the contractor's (DOWL) Goal 14 Locational Analysis findings. The conclusionary findings are summarized below:

The table below summarizes the evaluation under Goal 14.

EFU Subarea	Ranking under Goal 14 Factors*				
	Factor 1	Factor 2	Factor 3	Factor 4	Total
1	0	0	1	1	2
2	0	0	1	1	2
3	0	0	1	1	2
4	0	1	1	1	3
5	1	0	0	0	1
6	1	0	0	0	1
7	1	1	0	1	3

A score or 1 means the subarea generally satisfies the applicable Goal 14 locational factor. The city/county conclude Subarea 4 (Cornelius property) and Subarea 7 (Wiegel property) best meet the Goal 14 urbanization criteria for urban growth boundary expansion.

To advance its vision of becoming a full-service municipality, city leadership directed its engineer of record (Civil West) to augment the city's findings under Goal 14 Locational Factor #2: Orderly and economic provision of public facilities and services. The city engineer provides total and per-acre preliminary cost estimates on delivery of water,

sewer, storm sewer, and transportation to potential urbanizable parcels (subareas). The engineering economics findings are summarized in the table below:

The table below provides a summary of the different subareas with the acreage, cost, and cost per acre of each area.

	Acres	Cost	Cost/acre
Subarea 1	8.66	\$1,330,000	\$153,580
Subarea 2	11.59	\$1,282,000	\$110,610
Subarea 3	2.51	\$560,500	\$223,310
Subarea 4	12.97	\$347,500	\$26,790
Subarea 5	103.21	\$1,929,000	\$18,690
Subarea 6	115.12	\$2,430,000	\$21,110
Subarea 7	41.72	\$342,000	\$8,200

Subarea 4 is the Cornelius property. Subarea 7 is the Wiegel property. Subareas 4 and 7 represent the lowest overall infrastructure costs for development.

### **Goal 5 (Wetlands and Riparian Corridors) Considerations**

To strengthen the application, we recommend additional analyses and findings regarding wetlands and riparian corridors. Specifically, OAR 660-023-0250(3) reads:

(3) Local governments are not required to apply Goal 5 in consideration of a PAPA unless the PAPA affects a Goal 5 resource. For purposes of this section, a PAPA would affect a Goal 5 resource only if:

(a) The PAPA creates or amends a resource list or a portion of an acknowledged plan or land use regulation adopted in order to protect a significant Goal 5 resource or to address specific requirements of Goal 5;

(b) The PAPA allows new uses that could be conflicting uses with a particular significant Goal 5 resource site on an acknowledged resource list; or

(c) The PAPA amends an acknowledged UGB and factual information is submitted demonstrating that a resource site, or the impact areas of such a site, is included in the amended UGB area.

For the Cornelius property, the city details a wetland biologist's visit to the subject property to inventory and assess wetlands. The staff report and attachments pronounce the property owner's decision to set aside eight acres of very wet lands for conservation purposes.

For the Weigel property, details on how wetlands will be inventoried and assessed prior to development are not explained. The application materials provide a statement regarding significant wetlands not being anticipated on the property.

The department recommends that as a condition of this land use action, the city and county require the application of Goal 5 (per the OAR above) before any development occurs. Basically, the property owner will need to hire a wetland biologist to conduct a wetland inventory and assess wetlands for significance/non-significance prior to (or as a function of) annexation.

Please enter this letter into the official record of proceedings. If you have questions or would like to further discuss anything referenced in this letter, please contact me anytime at [patrick.wingard@dlcd.oregon.gov](mailto:patrick.wingard@dlcd.oregon.gov) or 541-393-7675.

Best regards,

*Patrick Wingard*

Patrick Wingard  
Southern Willamette Valley Regional Representative

Copy. Gordon Howard, Community Services Division Manager