

PART I - EXHIBIT A

*CITY OF BANKS  
URBAN GROWTH BOUNDARY  
EXPANSION JUSTIFICATION  
TECHNICAL REPORT*

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# City of Banks Urban Growth Boundary Expansion Justification Technical Report

Prepared for



**The City of Banks, Oregon**

October, 2010

Prepared by  
**CH2MHILL**

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*The contents of this document do not necessarily reflect views or policies of the State of Oregon.*

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# I. Introduction

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## Purpose

The purpose of this report is to document the urban growth boundary (UGB) expansion analysis process that was performed by, and for, the City of Banks, and to provide findings in support of the City's proposal to expand its UGB.

## Background

In the 1990s and early part of the 2000s, the City of Banks experienced significant population growth for a city of its size. Absorption of this additional population resulted in the rapid consumption of buildable land within the existing UGB. In response to this growth, the City of Banks initiated a process in 2004 to determine the need for UGB expansion. This report documents this process, and the concurrent analyses that were performed.

The analyses and process performed to identify appropriate land for UGB expansion were done in accordance with applicable state laws and regulations. Analyses and procedural steps performed were done in close coordination with, and were substantially informed by, the Oregon Department of Land Conservation and Development (DLCD), the Oregon Department of Transportation (ODOT), and Washington County. The UGB expansion process conducted to this date, detailed in this report, has been concurred upon by these agencies.

The UGB expansion process has also included numerous public community meetings and open houses, City Council and Planning Commission meetings (open to the public), and opportunities for comment.

The UGB location analysis section of this report addresses the current Preferred Alternative UGB expansion strategy, as selected by the Banks City Council on January 13, 2010. The aforementioned section provides findings for the current Preferred Alternative in accordance with applicable state law. However, there was a lengthy alternatives selection and refinement process which led to this point. This process, and the analyses conducted throughout is presented in Appendix A of this report in the same way it was presented in technical memorandums produced during the process.

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## II. UGB Expansion Analysis Process

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### Population Forecast

In 2004, the City of Banks adopted a 20-year population (2024) forecast of 3,739, which was also approved by the Washington County Board of Commissioners. Upon beginning the UGB expansion analysis in 2009, the City needed to update its population forecast to reflect a 20-year period to 2029. Subsequently, the City of Banks updated its 2029 population forecast in accordance with the safe harbor methods defined in ORS 195.034 (1) and OAR 660-024-0030, which were developed for smaller cities in Oregon such as Banks. Appendix B provides correspondence between the City of Banks, Washington County, and the Department of Land Conservation and Development (DLCD) documenting state-mandated inter-agency coordination regarding the methodology used to update the population forecast.

The safe harbor method extends the 2024 City population forecast to a 20-year period (2029) by using the same growth trend for the City assumed in the County's current adopted forecast. The annual growth rate used to calculate the prior population forecast to year 2024 was 4.5 percent. In accordance with OAR 660-024-0030(3)(b), the 4.5 percent growth rate was applied to the Banks 2024 estimate to extend the forecast to year 2029. As shown in Table 1, the Banks 2024 population forecast (3,739) number was multiplied annually by 4.5 percent to 2029, resulting in a **forecasted 2029 population of 4,660**.

*Table 1: City of Banks Population Forecast Update (2024 to 2029)*

Year	Population Forecast
2024	3,739
2025	3,907
2026	4,083
2027	4,267
2028	4,459
<b>2029</b>	<b>4,660</b>

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## Residential and Related Land Needs

- In 2005, the City of Banks adopted a 2024 Residential Land Needs Analysis that was performed in accordance with the previously adopted 20-year population forecast and the requirements for determining housing needs provided in Goal 10, OAR 660 Division 8. The Residential Land Needs Analysis adopted in 2005 included the following state-mandated elements that were conducted according to the methodology provided in ORS 197.296:
  - Housing Type & Density Study
  - Housing Needs Analysis Study
  - Residential Buildable Lands Inventory

The City included a residential lands supply/demand comparison calculation in its 2005 Residential Needs Analysis. However, this calculation did not account for acres of land necessary for parks, schools, and transportation facilities related to residential growth. This calculation was performed in December 2008<sup>1</sup> according to the safe harbor methodology provided in OAR 660-024-0040(9).

Banks 2024 Residential Needs Analysis materials are provided in Appendix C.

The results of the residential and employment land needs analyses that were adopted by the City of Banks into its Comprehensive Plan in 2005 were for horizon year 2024. Because the current UGB amendment process continued in 2009, the City of Banks needed to extend its previous 20-year projection to 2029. Therefore, in accordance with applicable OAR 660 Division 24 provisions, this section of the report updates the 2024 population and land needs forecasts (both residential and employment lands) to 2029<sup>2</sup>. This section also addresses land use law issues related to updating the residential land needs forecast.

### Update of Residential Land Needs

To update the Banks residential land needs analysis to year 2029, City of Banks staff utilized the same state-provided model<sup>3</sup> that was used to establish their 2024 forecast, but substituted the updated 2029 population forecast for the previous 2024 population forecast.

As shown in Table 2 below, the supply/demand comparison calculation performed as part of the updated City of Banks 2029 Residential Land Needs Analysis resulted in a need for **123.7 net buildable acres for residential land needs**. Complete 2029 residential land needs analysis model results are provided in Appendix D.

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<sup>1</sup> See *Banks Urban Growth Boundary Update: Infrastructure Land Needs Memo*, pp.3-4 (2008)

<sup>2</sup> It is important to note that this update is for land needs (demand) only, and that the supply of buildable residential and employment lands remains the same as was calculated in the previous Banks residential and employment land inventories performed in 2005.

<sup>3</sup> Housing Needs Model (Version S)

Table 2: City of Banks 2029 Residential Land Needs Analysis Update

Buildable Lands Inventory for Housing (net buildable acres)							
	LDSF <sup>1</sup>	R5	HDSF <sup>1</sup>	R2.5	HDMF <sup>1</sup>	MU <sup>1</sup>	Total
<b>Current UGB Acres</b>		86.8		3.5			90.3
<b>Acres in Use</b>		73.8		3.5			77.3
<b>Constrained Acres</b>							0.0
<b>Available Acres</b>	0.0	13.0	0.0	0.0	0.0	0.0	13.0
<b>Current Acres %</b>	0.0%	96.1%	0.0%	3.9%	0.0%	0.0%	100.0%
<b>Acres in Use %</b>	0.0%	95.5%	0.0%	4.5%	0.0%	0.0%	100.0%
<b>Available Acres %</b>	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
<b>Existing Units per Acres in Use</b>		5.85		16.57			6.34

  

Land Needed by Land Use Type (net buildable acres)							
	LDSF	R5	HDSF	R2.5	HDMF	MU	Total
<b>Acres Needed</b>	45.7	58.5	20.7	4.9	1.9	4.9	136.6
<b>New Acres Needed</b>	45.7	45.6	20.7	4.9	1.9	4.9	123.7

<sup>1</sup> Proposed zoning district to be adopted into Banks Zoning Ordinance concurrent with adoption of UGB expansion amendment into Banks Comprehensive Plan

The safe harbor for estimating park, school, and transportation facility land needs associated with new residential lands (OAR 660-024-0040(9)) notes that public infrastructure “require[s] an additional amount of land equal to 25 percent of the net buildable acres determined for residential land”. Based on this OAR safe harbor provision, the following calculation was made:

$$123.7 \times 0.25 = 30.93 \text{ (amount of new acres necessary to accommodate park, school, and transportation facility needs associated with residential growth)}$$

By subsequently adding the acres needed for parks, schools, and transportation facilities to the previously determined 2029 residential land needs total, the total number of new buildable residential acres needed for Banks to accommodate forecasted demand in 2029 is determined:

$$123.7 + 30.93 = 154.63 \text{ (new buildable residential acres needed)}$$

### 2029 Residential Land Needs Analysis Update - State Law Issues

In consultation with DLCD, the Banks 2029 Residential Land Needs Analysis as presented in Appendix D was modified for better conformance with State law. Specific items covered include minimum residential density standards, manufactured dwelling park units and single-family attached units.

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### Minimum Residential Density Standards

Concurrently with the UGB Comprehensive Plan amendment process, the City of Banks will be amending its Zoning Ordinance to provide for the minimum residential density standards shown in Table 3. Minimum density standards ensure efficient use of buildable lands and provide for a range of needed housing.

*Table 3: City of Banks Minimum Residential Density Standards*

<b>Zone</b>	<b>Minimum Density Standard</b>
Low Density Single Family (LDSF <sup>1</sup> )	6 dwelling units per net buildable acre
Single Family Residential (R5)	8 dwelling units per net buildable acre
High Density Single Family (HDSF <sup>1</sup> )	10 dwelling units per net buildable acre
Multi-Family Residential (R2.5)	17 dwelling units per net buildable acre
High-Density Multi-Family Residential (HDMF <sup>1</sup> )	24 dwelling units per net buildable acre
Mixed Use (MU <sup>1</sup> ):	10 dwelling units per net buildable acre

<sup>1</sup> Proposed zoning district to be adopted into Banks Zoning Ordinance subsequent to adoption of UGB expansion amendment into Banks Comprehensive Plan

### Manufactured Dwelling Park Units

In the 2024 Residential Land Needs Analysis (see Appendix C), the model used by the City of Banks to calculate residential land use needs, and the subsequent 2029 update (which utilized the same model used in the 2024 analysis), resulted in a projected 2024 need of zero units for Manufactured Dwelling Park Units. This projected need is a reflection of model limitations<sup>4</sup>, and was not intended to indicate reluctance on the part of the City to plan for manufactured dwelling park units. The City currently allows for manufactured dwelling park units as a conditional use in both of its existing residential zones. In concurrence with the UGB Comprehensive Plan amendment process, the City of Banks will be amending its Zoning Ordinance to permit manufactured dwelling park units outright in all residential zones aside from the R2.5 and HDMF zones<sup>5</sup>. In addition to being allowed outright in the existing R.5 zone, manufactured dwelling park units will be also be allowed outright in three proposed residential zones (LDSF, HDSF, and MU).

Template 18 in the 2029 Residential Land Needs Analysis (as shown in Appendix D) is modified per this report to project the need for one manufactured dwelling park (36 units)<sup>6</sup> to be located in the existing R.5 zone (see Table 3) by the year 2029. This projection is based on the likely demand for such a use, including consideration of historic demand (which has

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<sup>4</sup> The Housing Needs Model (Version S) used by the City of Banks projects need based on existing inputs. Because the input of existing manufactured dwelling park units was zero (there currently are no such units in the city) the model projected out a future need of zero units.

<sup>5</sup> Manufactured dwelling parks do not meet the proposed minimum density standards for the R2.5 and HDMF zones

<sup>6</sup> It is anticipated that the projected manufactured dwelling park would likely be approximately 4 acres in size (this is one acre larger than the minimum 3-acre City of Banks Code standard for manufactured dwelling parks). The number of dwelling park units is based on this acreage size (4) multiplied by the R.5 zone minimum density standard the City will be adopting (9); the result is 36 manufactured park dwelling units.

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been zero). This required a reallocation of housing units in Template 18 (as shown in Table 3), but does not affect the overall 2029 projected number of needed residential acres.

### Single-Family Attached Units

The model utilized in the 2024 Residential Land Needs Analysis (see Appendix C)<sup>7</sup> and the subsequent 2029 update (which utilized the same model used in the 2024 analysis) does not explicitly address Single-Family Attached housing as a projected needed land use.

In order to provide all types of needed housing, including Single-Family Attached housing, the City of Banks will perform the following tasks concurrently with adoption of the UGB amendment:

- 1) The City will amend its Zoning Ordinance to explicitly permit single-family attached housing units outright in the R2.5, HDSF, and MU zones.
- 2) The City will amend its Code to include a definition for “single-family attached housing” consistent with the DLCD Model Development Code for Small Cities (2<sup>nd</sup> edition). The definition will read as follows: *“A dwelling unit located on its own lot which shares one or more common or abutting walls with one or more dwelling units. The common or abutting wall must be shared for at least 50 percent of the length of the side of the dwelling. An attached house does not share common floor/ceilings with other dwelling units. An attached house is also called a rowhouse or a common-wall house.”*<sup>8</sup>
- 3) Template 18 in the 2029 Residential Land Needs Analysis will be amended in this report to project the need for 181 single-family attached units to be located in the proposed future HDSF zone (see Table 4). This is about 80% of development in this zone. This includes a reallocation of housing units in Template 18 (as shown in Table 4), but does not affect the overall 2029 projected number of needed residential acres.

The rationale for the single-family attached housing type dwelling unit calculation and subsequent reallocation of dwelling units in Table 4 is as follows:

- It is anticipated that approximately 80 percent of likely HDSF-type development would be in the form of single-family attached housing (i.e. townhouses). Therefore the amended Projected New Housing Units table reallocates 80 percent of the “single family units” in the HDSF zone to “single-family attached units”, resulting in a projected need for 181 single-family attached units.

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<sup>7</sup> Oregon Housing and Community Services Department Housing Needs Model (Version S)

<sup>8</sup> *Model Development Code and User's Guide for Small Cities*, Oregon TGM Program, 2<sup>nd</sup> edition, Page 1-35.

Table 4: City of Banks 2029 Projected New Housing Units by Land Use Type<sup>9</sup>

	LDSF <sup>1</sup>	R5	HDSF <sup>1</sup>	R2.5	HDMF <sup>1</sup>	MU <sup>1</sup>	Other	Total
<b>Single Family Detached Units<sup>10</sup></b>	284	474	45	0	0	0	0	803
<b>Manufactured Dwelling Park Units</b>	0	36	0	0	0	0	0	36
<b>Single Family Attached Units</b>	0	0	181	0	0	0	0	181
<b>Duplex Units</b>	0	0	0	19	0	0	0	19
<b>Tri-&amp; Quad-plex Units</b>	0	0	0	30	7	0	0	37
<b>5+ Multi-Family Units</b>	0	0	0	37	37	49	0	123
<b>Total Units Needed</b>	<b>284</b>	<b>510</b>	<b>226</b>	<b>86</b>	<b>45</b>	<b>49</b>	<b>0</b>	<b>1,199</b>

<sup>1</sup> Proposed zoning district to be adopted into Banks Zoning Ordinance following adoption of UGB expansion amendment into Banks Comprehensive Plan

#### 4.2.2 Housing Mix/Density

OAR 660, Division 024 (Urban Growth Boundaries) was recently amended in March 2009. The revised rules contain a “Housing Mix and Density” safe harbors for urban jurisdictions, which include recommended percentages for housing types in three categories: low-density residential, medium-density residential and high-density residential.<sup>11</sup> The recommended housing mix is based on the coordinated 20-year population of the city. For Banks, the applicable safe harbor mix is:<sup>12</sup>

- Maximum 60% Low Density Residential
- Minimum 20% Medium Density Residential
- Minimum 20% High Density Residential

<sup>9</sup> This table is an amended revision of Template 18 from the 2029 Residential Needs Analysis (Appendix B). This revision is being performed in accordance with DLCD guidance so as to be in accordance with applicable State land use law.

<sup>10</sup> Includes manufactured dwellings on individual lots or parcels.

<sup>11</sup> OAR 660-024-0040(8) and Table 1 (as amended March 2009). (Table 1 is attached to this report as Appendix F)

<sup>12</sup> This safe harbor mix is for jurisdictions with 20-year population forecasts between 2,501 and 10,000 persons; Banks' 20-year population forecast is 4,660.

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Although the residential needs analysis performed for this UGB amendment effort did not utilize this new safe harbor (as it was based on a state-provided housing needs model<sup>13</sup> that did not incorporate such a housing mix), it provides guidance for the Banks future housing mix.

For the purposes of comparing the results of the 2029 Residential Needs Analysis to the housing mix/density safe harbor, it is first necessary to distribute the six proposed residential zoning districts contained in the 2029 Residential Needs Analysis into the three housing mix/density safe harbor table categories. This distribution is done on the basis of residential density standards, as follows:

- **Low Density Residential**  
According to the housing/density mix safe harbor, low density residential is “a residential zone that allows detached single family and manufactured homes and other needed housing types on individual lots in the density range of 2-6 units per net buildable acre.” Based on this description, only the proposed LDSF zone (at a proposed minimum density standard of 6 dwelling units per buildable acre) would be categorized in the safe harbor housing mix as low-density residential.
- **Medium Density Residential**  
According to the housing/density mix safe harbor, medium density residential is “a residential zone that allows attached single family housing, manufactured dwelling parks and other needed housing types in the density range of 6-12 units per net buildable acres.” Based on this description, the following three residential zones would be categorized in the safe harbor housing mix as medium density residential: R5, HDSF, and MU.
- **High Density Residential**  
According to the housing/density mix safe harbor, high density residential is “a residential zone that allows multiple family housing and other needed housing types in the density range of 12-40 units per net buildable acres.” Based on this description, the following two residential zones would be categorized in the safe harbor housing mix as high density residential: R2.5 and HDMF.

With the above categorization of Banks proposed residential zones, a percentage calculation of dwelling units in each of the three safe harbor housing mix categories can be calculated from the 1,199 “total units needed” in Table 4, as follows:

- 23% Low Density Residential: 284 units (LDSF)
- 65% Medium Density Residential: 785 units (510 R5 units + 226 HDSF units + 49 MU units)
- 12% High Density Residential: (86 R2.5 units + 45 HDMF units)

Given the above information, a comparison between the proposed Banks housing mix and the new safe harbor housing mix is as follows:

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<sup>13</sup> Oregon Housing and Community Services Department Housing Needs Model (Version S)

Table 5: Housing Mix

	Low Density Residential	Medium Density Residential	High Density Residential
Div. 24 Safe Harbor Mix	60%	20%	20%
Proposed Banks Mix <sup>1</sup>	23%	65%	12%

<sup>1</sup> Based on the model used in the Banks 2029 Residential Land Needs Analysis

The above comparison shows that the City is planning for significantly greater amounts of medium density housing, and significantly lower amounts of low density housing than outlined in the safe harbor method, which, along with the adoption of minimum density standards, is an effective tool for meeting the city's future housing needs.

### Assessment of Additional Measures to Accommodate Forecasted Residential Demand

For the purpose of determining whether any of the forecasted residential land needs can be accommodated inside the existing UGB, each of the ORS 197.296(9) "additional capacity measures" are addressed below<sup>14</sup>:

***(9) In establishing that actions and measures adopted under subsections (6) or (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section and is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section. Actions or measures, or both, may include but are not limited to:***

- (a) Increases in the permitted density on existing residential land;***
- (b) Financial incentives for higher density housing;***
- (c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;***
- (d) Removal or easing of approval standards or procedures;***
- (e) Minimum density ranges;***
- (f) Redevelopment and infill strategies;***
- (g) Authorization of housing types not previously allowed by the plan or regulations;***
- (h) Adoption of an average residential density standard; and***
- (i) Rezoning or redesignation of nonresidential land.***

<sup>14</sup> The City of Banks is not statutorily obligated to address these measures, but is doing so to show its intent to be in compliance with state land use objectives related to UGB expansion

***(a) Increases in the permitted density on existing residential land;***

**Finding:** The City of Banks has already utilized this measure. In the late 1990s, the City rezoned approximately 50 percent of its existing residentially-zoned land to allow for a Planned Unit Development (PUD), which included a multi-family development. The PUD zoning allowed for the creation of 29 additional housing units (as compared to what would have been permitted if development had occurred in accordance with the non-PUD base zone regulations). The increase in permitted density is further described and defined below.

The Banks Zoning Code accommodates PUDs and allows areas set aside for parks, recreation and open space to be included in determining the net development area. In contrast, a standard subdivision development, which is required to provide no more than 15-percent of the buildable land area for public park purposes, would not receive a density bonus for the park dedication. The Arbor Village PUD in South Banks serves as a prime example of the effectiveness of this increased permitted density. The project site contained 29.5 acres of R5 zoning and 13.6 acres of R2.5 zoning, for which the density comparison calculations are shown below:

*R5 Zone PUD Density*

*Gross area: 29.5 acres*

*Street ROW: 7.4 acres*

*Net development area: 22.1 acres (29.5 - 7.4, includes public park and open space areas)*

*R5 base density: 5,000 square feet/dwelling*

*Conversion:  $22.1 \times 43,560 = 962,676$  square feet*

*Allowed dwellings: 193 (962,676 / 5,000)*

*R2.5 Zone PUD Density*

*Gross area: 13.6 acres*

*Street ROW: 3.4 acres*

*Net development area: 10.2 acres (13.6 - 3.4)*

*R2.5 base density: 2,500 square feet/dwelling*

*Conversion:  $10.2 \times 43,560 = 444,312$  square feet*

*Allowed dwellings: 178 (444,312 / 2,500)*

**Total Allowed PUD Dwellings: 371 (193 + 178)**

If the property was developed as a standard subdivision, the density calculation would be:

*R5 Zone Subdivision Density*

*Gross area: 29.5 acres*

*Street ROW: 7.4 acres*

*15% park dedication: 3.3 acres.*

*Net development area: 18.8 acres (29.5 - 7.4 - 3.3)*

*R5 base density: 5,000 square feet/dwelling*

*Conversion:  $18.8 \times 43,560 = 818,928$  square feet*

*Allowed dwellings: 164 (818,928 / 5,000)*

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R2.5 Zone Density

Gross area: 13.6 acres

Street ROW: 3.4 acres

Net development area: 10.2 acres (13.6 - 3.4)

R2.5 base density: 2,500 square feet/dwelling

Conversion:  $10.2 \times 43,560 = 444,312$  square feet

Allowed dwellings: 178 (444,312 / 2,500)

**Total Allowed non-PUD Dwellings: 342 (164 + 178). The PUD zoning allowed 29 more dwelling units than would have been permitted under base zoning.**

In regard to the remaining residential parcels inside the City (apart from the residentially-zoned PUD parcels), the permitted density allows small lot sizes ranging from 2,500 – 5,000 square feet for single family residential development and up to 24 units per acre for multi-family residential development.

***(b) Financial incentives for higher density housing;***

**Finding:** The City lacks the financial resources to provide these incentives for higher density housing and would expect that the housing goals for Banks can best be achieved with the residential densities as stated in this report.

***(c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;***

**Finding:** As the city noted in addressing ORS 197.296(9)(a), the City adopted a PUD overlay zone, which allows additional density beyond the standard specified in the base zoning district, in exchange for amenities and features provided by the developer.

***(d) Removal or easing of approval standards or procedures;***

**Finding:** As shown in the Buildable Land Inventory contained in the 2029 Residential Land Needs Analysis (Appendix D), there is a limited supply of vacant buildable land remaining in the present UGB. The City believes removing or easing approval standards or procedures is unlikely to have a significant effect in increasing present UGB capacity. The City land use process is already streamlined and efficient.

***(e) Minimum density ranges;***

**Finding:** The City does not currently have a minimum residential density range or standard in its Code. However, concurrent with the UGB Comprehensive Plan amendment process, the City of Banks will amend its Code to provide for the minimum residential density standards shown in Table 3 of this report.

Regarding whether this measure can help to accommodate any of the forecasted residential land needs inside the existing UGB, the City finds that this measure would not increase development capacity potential inside the UGB. First, existing residential lots inside the current UGB are mostly built out, and, as noted in regard to the PUD, nearly half the residential area of the city includes higher-density uses.

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Secondly, all vacant parcels inside the existing UGB are in the R5 zone. Per the Banks Zoning Ordinance, the R5 zone currently allows taxlots to be developed at a minimum of 5,000 square feet. This translates into 8.72 dwelling units allowed per acre under current zoning, which is slightly higher than the proposed R5 minimum density standard. The number of dwelling units allowed per acre under current zoning was factored into the Residential Land Needs Analysis model, which calculated the amount of needed new residential acres. Therefore, the identified residential land acres needed is based on a density allowance in the R5 zone that is *already* on par with the proposed R5 density standard. As such, there would be no change in potential development capacity.

In summary, the adoption of the minimum density standards into the Banks Zoning Ordinance will not result in increased development capacity potential inside the current Banks UGB, and will subsequently not change the amount of new residential acres needed. The adoption of the new residential standards will, however, provide for mandated minimum residential densities for all residential zones (and also mix of housing types that exceeds the guidance in the new Division 024 safe harbors in areas added to the UGB).

***(f) Redevelopment and infill strategies;***

**Finding:** The City's Housing and Residential Land Needs analysis (updated to year 2029) identifies 13.0 acres of available infill land for residential development within the present UGB. This infill land increases the present UGB residential land capacity and thereby reduces the amount of additional UGB land needed to meet projected growth in Banks.

***(g) Authorization of housing types not previously allowed by the plan or regulations;***

**Finding:** This measure is addressed in the Housing and Residential Land Needs analysis, which creates new housing types for an expanded UGB.

***(h) Adoption of an average residential density standard; and***

**Finding:** The City does not have an average density standard in its Zoning Ordinance. However, as noted in response to subparagraph (e), the City will be amending its Code to provide for a minimum residential density standard. The City believes that the adoption of a minimum residential density standard will sufficiently address the increased planned density objectives of state land use policy and therefore does not intend to adopt an average residential density standard at this time. However, the City is amenable to the concept of an average residential standard and will consider this concept in the future.

***(i) Rezoning or redesignation of nonresidential land.***

**Finding:** As detailed in the Banks 2024 EOA (and subsequent 2029 update), the City of Banks has a deficient supply of non-residential land (i.e. employment lands) as it relates to meeting forecasted demand for non-residential land uses. This measure would lessen the deficit of needed residential lands a bit, while slightly increasing the deficit of non-residential lands – not the intended consequence of the measure.

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## Employment and Related Land Needs

- In 2005, the City adopted the *Banks Economic Opportunities Analysis and Economic Development Strategy*<sup>15</sup> (EOA) and subsequently amended it to the city's comprehensive plan. The EOA, performed in accordance with the applicable requirements of Goal 9 and the methodology provided in OAR 660-009-0015, provides an employment lands Buildable land Inventory (BLI), an employment land demand analysis, and subsequent supply/demand comparison. Based on the "low growth rate" demand scenario in the EOA, the supply/demand comparison calculation indicated that 89.67 new acres of buildable employment land will need to be added to the Banks UGB to accommodate the estimated need<sup>16</sup>. (Note: the City of Banks, in coordination with the Department of Land Conservation and Development (DLCD) agreed that the low-growth rate demand scenario best represented conditions in Banks.)

The 2024 Banks EOA is provided in Appendix E.

The results of the 2024 supply and demand comparisons for residential and employment lands are as follows:

- An estimated 113.88 new acres of buildable residential land will be needed to accommodate forecasted demand for residential land in Banks, including 22.78 acres for associated parks, schools, and transportation infrastructure.
- An estimated 89.97 new acres of buildable employment land will be needed to accommodate forecasted demand for employment land in Banks, including 4.75 acres for transportation infrastructure.

Per OAR 660-024-0050, when a lands inventory demonstrates that the development capacity of land inside the existing UGB is inadequate to accommodate 20-year land needs, the local government must satisfy the deficiency by either increasing the development capacity of land already inside the city, expanding the UGB, or both, and in accordance with ORS 197.296 where applicable.

### Update of Employment Land Needs

- This section utilizes the OAR 660-024-0040(8)(a)(B) safe harbor to extend the employment land needs forecast from its previous forecast horizon year (2024) to 2029.

Per Table 4-6 in the City of Banks 2005 EOA, it was estimated that 97.45 new acres of buildable employment land will be needed by 2024 under the low growth rate scenario (9.88 acres for commercial uses; 62.07 acres for industrial uses; 19.75 acres for community (public) facilities). The City of Banks is using the "low growth rate" demand scenario from the 2005 Banks EOA to update employment land needs from 2024 to 2029.

However, an adjustment needs to be made prior to updating the employment land needs forecast. The 2005 EOA added 15 acres to the "Community Facilities" category of employment land demand forecast<sup>17</sup>. Because the residential lands safe harbor utilized in

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<sup>15</sup> *Banks Economic Opportunities Analysis and Development Strategy*, ECONorthwest, May 2005

<sup>16</sup> See Table 4-6 of *Banks Economic Opportunities Analysis and Development Strategy*, p 4-10 (2005)

<sup>17</sup> See Banks 2005 EOA, page 4-8

this report correctly accounts for school facility needs associated with growth, the EOA “Community Facilities” land needs must be reduced by 15 acres to avoid double-counting forecasted land demand for school facilities. This corrective adjustment of 15 acres reduces the amount of 2024 “community facility” land acres needed from 19.75 acres to 4.75 acres.

To extend the 2024 estimated *new buildable acres needed* value to 2029, the 2024 demand values are then increased annually by 4.5% in accordance with OAR 660-024-0040(8)(a)(B), a safe harbor provision for determining employment land needs which allows a jurisdiction to use the population growth rate established in accordance with OAR 660-024-0030, which is 4.5%, as discussed on page 3 of this report. The new demand values are then compared against the net buildable supply values provided in the 2005 EOA. The results of this calculation are shown in Table 6, with employment land use subtypes defined<sup>18</sup>.

Table 6: City of Banks 2029 Employment Land Needs Analysis

Year	Commercial (buildable supply = 1.07 acres)		Industrial (buildable supply = 0.96 acres)		Community Facilities (no buildable supply allocation)		Total Demand	Total Net Buildable Supply	Total New Buildable Acres Needed
	Demand	Surplus (Deficit)	Demand	Surplus (Deficit)	Demand	Surplus (Deficit)			
2024	9.88	8.81	62.07	61.11	4.75	4.75	76.70	2.03	74.67
2025	10.32	9.25	64.86	63.90	4.96	4.96	80.15	2.03	78.12
2026	10.79	9.72	67.78	66.82	5.19	5.19	83.76	2.03	81.73
2027	11.27	10.20	70.83	69.87	5.42	5.42	87.53	2.03	85.50
2028	11.78	10.71	74.02	73.06	5.66	5.66	91.47	2.03	89.44
2029	12.31	11.24	77.35	76.39	5.92	5.92	95.58	2.03	93.55

- Based on the above calculation, **93.55 new acres of buildable employment land** will need to be added City’s existing UGB to accommodate forecasted demand for employment land in Banks (11.24 acres for commercial uses, 76.39 acres for industrial uses, and 5.92 acres for community facilities associated with the development of employment lands).
- Summary of Residential and Employment Land Needs: neither existing lands, nor measures to increase the development capacity of existing lands inside the Banks UGB, will be sufficient to accommodate the estimated demand for residential and employment uses in the Banks area. Therefore, it will be necessary for the City of Banks to amend its UGB to provide additional lands to meet the estimated demand for 154.63 new acres of buildable residential land and 93.55 new acres of buildable employment land. In totality, the City of Banks will need to expand its UGB to include 248.18 additional acres.

<sup>18</sup> Banks 2005 EOA land use subtypes assumed

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## UGB Alternatives Analysis

The application of ORS 197.298 (Priority Areas for UGB Expansion), OAR 660-024-0060(1), and the Goal 14 Boundary Location Factors were the initial analysis steps conducted to determine suitable UGB expansion alternatives. The assessments of these statutes are presented in this section of the report. These assessments led to a number of alternatives that were considered and discarded or refined during the UGB alternatives analysis process over the course of 2009; for ease of reading, these alternatives are presented in Appendix A (UGB Alternatives Analysis Process), as described earlier.

From the assessments of the aforementioned statutes, this section of the report next focuses on the rationale for the allocation of industrial, commercial, and residential lands in the Preferred Alternative for UGB expansion selected for further study by the Banks City Council on January 13, 2010.

### Study Area

Figure 1, provided at the end of this report, depicts the UGB Expansion Study Area (to be referred to as “study area” for the remainder of this report). Given the small size of the City of Banks, the relatively small amount of total new land needed, and the desire of the City to grow in a compact fashion, the study area was developed by creating a square half-mile buffer using geographic information systems (GIS) software. This study area was confirmed with the City of Banks and the Department of Land Conservation and Development (DLCDD). As shown in Figure 1, this analysis will consider all taxlots that are: 1) located entirely within the study area boundary; 2) intersect with the study area boundary, or; 3) lie between taxlots identified in 1) and 2).<sup>19</sup>

### OAR 660-024-0060 Boundary Location Alternatives Analysis

OAR 660-024-0060(1) outlines the steps and considerations that must be followed in a boundary location alternatives analysis.

- (1) *When considering a UGB amendment, a local government must determine which land to add by evaluating alternative boundary locations. This determination must be consistent with the priority of land specified in ORS 197.298 and the boundary location factors of Goal 14, as follows:*
  - a) *Beginning with the highest priority of land available, a local government must determine which land in that priority is suitable to accommodate the need deficiency determined under 660-024-0050.*
  - b) *If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, a local government must apply the location factors of Goal 14 to choose which land in that priority to include in the UGB.*
  - c) *If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, a local government must determine which land in the next priority is suitable to accommodate the remaining need, and proceed using the*

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<sup>19</sup> These taxlots are referred to as “UGB Analysis Taxlots” in Figure 1

*same method specified in subsections (a) and (b) of this section until the land need is accommodated.*

- d) Notwithstanding subsection (a) through (c) of this section, a local government may consider land of lower priority as specified in ORS 197.298(3).*

The boundary location factors of Goal 14 (Urbanization) are as follows:

- 1) *Efficient accommodation of identified land needs;*
  - 2) *Orderly and economic provision of public facilities and services;*
  - 3) *Comparative environmental, energy, economic and social consequences; and*
  - 4) *Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.*
- The location factors in Goal 14 are used to perform a comparative evaluation of potential UGB expansion areas that can reasonably be expected to meet identified needs where there is more exception land or agricultural land than is needed. The City of Banks has identified a need to expand and amend its UGB to provide additional lands to meet the estimated demand for approximately 154 new acres of buildable residential land and 94 new acres of buildable economic land in the 20-year planning horizon (2009-2029). In totality, the City of Banks will need to expand its UGB to include approximately 248 additional acres.

Tables 7 and 8 summarize these land need estimates.

**TABLE 7**  
Summary of Residential Land Need 2009-2029

Type	Acres Needed in Planning Period
Low Density Single Family (LDSF)	45.70
Single Family (R5)	45.60
High Density Single Family (HDSF)	20.70
Multifamily (R2.5)	4.90
High Density Multifamily (HDMF)	1.90
Mixed Use (MU)	4.90
<i>Subtotal of Residential Land</i>	<i>123.70</i>
<i>25% for Parks, Schools, and Transportation Facilities</i>	<i>30.93</i>
<b>Total Estimated Acres of Residential Land Needed</b>	<b>154.63</b>

Note: Some of these residential land use classifications are not yet included in the City of Banks Development Ordinance.

**TABLE 8**  
Summary of Economic Land Need 2009-2029

Type	Acres Needed in Planning Period
General Commercial (C)	11.24 *
General Industrial (I)	76.39*
<i>Subtotal of Economic Land</i>	87.63
Transportation Facilities	5.92
<b>Total Estimated Acres of Economic Land Needed</b>	<b>93.55</b>

For the purposes of determining a precise number of acres for commercial versus industrial land with regard to allocating Transportation Facility acres, the percentage of commercial versus industrial land (as part of the entire subtotal of economic land needed) was derived; commercial is 13.83% of the subtotal, industrial is 87.17% of the subtotal. A commensurate allocation of the 5.92 transportation facility acres was then performed, resulting in an overall need for 12 acres of commercial land and 81.55 acres of industrial land.

### ORS 197.298 Priority Areas for UGB Expansion

The location criteria in Goal 14 require a comparative evaluation of potential UGB expansion areas that can reasonably be expected to meet identified needs. In determining which lands to consider generally for UGB expansion, State statute provides a specific list of priorities that cities must follow. This list is found in ORS 197.298(1):

- (1) *In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities:*
  - a) *First priority is land that is designated urban reserve land under ORS 195.145, rule or metropolitan service district action plan.*
  - b) *If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or non-resource land. Second priority may include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710.*
  - c) *If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247.*
  - d) *If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture, forestry, or both.*
- (2) *Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is more appropriate for the current use.*

**Finding:** The Banks study area has no land that has been designated urban reserve under ORS 195.145, rule, or metropolitan service district action plan. The Banks study area also has no land designated by Washington County as marginal land, pursuant to ORS 197.247.

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There are approximately 61 acres of land designated as exception area (Priority 2) by Washington County. This includes approximately 2 acres of land zoned commercial by the County (per the Washington County Comprehensive Plan, exception areas have been established for lands designated for rural development with the "R-COM" land use designation). The remaining lands inside the study area are designated as resource areas (Priority 4) by Washington County. The Priority 4 lands are designated by Washington County as Exclusive Farm Use (EFU). Figure 2, provided at the end of this report, shows parcels within the study area that are designated as Priority 2 exception areas and Priority 4 resource areas. All of the Priority 2 Exception lands were proposed for definite inclusion into the expanded Banks UGB.

### Priority Exceptions

There was a consideration (requested for exploration by the City of Banks) of whether it was necessary, per state law, to bring in the aforementioned exception lands. This subsection discusses this consideration.

In addition to establishing the priority of land to be included in an UGB, ORS 197.298 contains the following exception:

- (3) Land of lower priority under subsection (1) of this section may be included in an urban growth boundary if land of higher priority is found to be inadequate to accommodate the amount of land estimated in subsection (1) of this section for one or more of the following reasons:
  - a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;
  - b) Future urban services could not reasonably be provided to the higher priority lands due to topographical or other physical constraints; or
  - c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.

**Finding:** The City of Banks must include existing exception lands (totaling approximately 60 acres) located in the study area pursuant to ORS 197.298(3). This finding is based on the below discussion.

ORS 197.298(3) subsections (a) and (c) are not applicable to the City of Banks UGB expansion. Regarding subsection (a), the City does not have any expansion land needs identified in either its Residential Land Needs Analysis or EOA that cannot be accommodated on available exception lands. Subsection (c) is not relevant in the Banks study area.

Regarding subsection (b), an assessment of available information regarding transportation facilities and sewer, stormwater, and water utilities, done in conjunction with consultation done with ODOT and Clean Water Services<sup>20</sup>, indicates that these urban services can reasonably be provided to all exception area land in the study area at a comparatively

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<sup>20</sup> City of Banks Water Master Plan (DRAFT), Kennedy/Jenks Consultants, November 2008; Sanitary System Master Plan (DRAFT), Clean Water Services, March 2009. Excerpts related to Banks provided to CH2M HILL by Andy Braun, Clean Water Services on April 21, 2009; conversations with Andy Braun, Clean Water Services regarding stormwater and sewer facility expansion to exception areas in Banks Study Area on April 16, 2009

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similar cost. Additionally, all exception area land in the study area can be accommodated by the existing transportation (roadway) network.

As shown in Figure 2, there are approximately 22 acres of exception land located north of the study area boundary along the east side of Sellers Road (consisting of 9 whole tax lots and portions of 3 other lots). This exception land was not included in the UGB expansion analysis for the following two reasons: 1) the land falls outside the study area boundary – the study area boundary was calculated according to the compact growth aspirations of the City of Banks, as discussed earlier; 2) the exception area north of the study area boundary is located in an area of steep 25-percent-plus slopes, making it unfavorable for development.

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Regarding ORS 197.298(2), Figure 3 shows the soil capability class designations<sup>21</sup> of resource lands in the study area. Figure 3 is provided at the end of this report.

OAR 660-033-0020(8)(a) defines “high value farmland”:

*(8)(a) "High-Value Farmland" means land in a tract composed predominantly of soils that are:*

- (A) Irrigated and classified prime, unique, Class I or II; or*
- (B) Not irrigated and classified prime, unique, Class I or II.*

OAR 660-033-0020(8)(c) is also applicable to Banks and defines further soils as “high value farmland”:

*(c) In addition to that land described in subsection (a) of this section, high-value farmland, if in the Willamette Valley, includes tracts composed predominantly of the following soils in Class III or IV or composed predominantly of a combination of the soils described in subsection (a) of this section and the following soils:*

- (A) Subclassification IIIe, specifically, Bellpine, Bornstedt, Burlington, Briedwell, Carlton, Cascade, Chehalem, Cornelius Variant, Cornelius and Kinton, Helvetia, Hillsboro, Hult, Jory, Kinton, Latourell, Laurelwood, Melbourne, Multnomah, Nekia, Powell, Price, Quatama, Salkum, Santiam, Saum, Sawtell, Silverton, Veneta, Willakenzie, Woodburn and Yamhill;*
- (B) Subclassification IIIw, specifically, Concord, Conser, Cornelius, Variant, Dayton (thick surface) and Sifton (occasionally flooded);*
- (C) Subclassification IVe, specifically, Bellpine Silty Clay Loam, Carlton, Cornelius, Jory, Kinton, Latourell, Laurelwood, Powell, Quatama, Springwater, Willakenzie and Yamhill; and*
- (D) Subclassification IVw, specifically, Awbrig, Bashaw, Courtney, Dayton, Natroy, Noti and Whiteson.*

A GIS query of the National Resources Conservation Services (NRCS) database indicates the following Class III and IV “high value farmland” soil types are present in the Banks study area: Cascade; Cornelius; Multnomah; Quatama and; Saum. Figure 4 shows high value farmland in the study area (high value farmland being a combination of Class I, Class II,

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<sup>21</sup> National Resources Conservation Service (NRCS) Soil Capability Classifications:  
<http://soils.usda.gov/technical/classification/>

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and the Class III and Class IV soil types noted above). Figure 4 is provided at the end of this report.

Based on the above analysis, three parcels containing 123.6 acres were identified as containing predominantly “lower capability” Priority 4 lands and being located adjacent to the existing UGB (parcels containing portions of “lower capability” farmland that were not located adjacent to the existing UGB were not slated for inclusion at this point in the process; priority for including those parcels was considered during the UGB Factors discussion stage described later in this report). These parcels, shown on Figure 5, were slated for inclusion into the expanded UGB in accordance with ORS 197.298(2). Figure 5 is provided at the end of this report.

The lands slated for inclusion into the expanded UGB under ORS 197.298(1)(b) and ORS 197.298(2) total 123.6 acres. Because the acreage required for UGB expansion exceeds the amount of land within the study area designated as Priorities 1-3 and “lower capability” Priority 4, expansion of the Banks UGB will require inclusion of parcels currently designated “high-value farmland” Priority 4 by Washington County. After accounting for the inclusion of the 123.6 acres of Priority 2 and adjacent “lower capability” Priority 4 lands, there is still an overall need for 124.58 acres of land to meet forecasted industrial, commercial, and residential land needs; this need will have to be met through the inclusion of “high value farmland” Priority 4 land.

The following sections detail the process and analyses performed to identify and account for the total amount of industrial, commercial, and residential land needs for the expanded UGB. As described, 123.6 acres of Priority 2 and “lower capability” Priority 4 lands were slated for inclusion into the expanded UGB in accordance with ORS 197.298 – the following sections describe how these parcels were allocated into industrial, commercial, and residential designations.

Regarding the “high value farmland” Priority 4 lands, the identification of which parcels to include in the expanded UGB was done in accordance with the Goal 14 UGB location factors of Goal 14, which are codified in OAR 660-024-0060(8) and described below in relation to the Banks UGB study area.

## **Boundary Location Factors Assessment**

OAR 660-024-0060(1) requires that the boundary location factors of Goal 14 be applied to potential UGB expansion areas subsequent to the prioritization of land in the UGB expansion study area per ORS 197.298. Below is a discussion of the four UGB Location Factors and how they were assessed with respect to the high value farmland/Priority 4 parcels in the UGB study area.

### **1. Efficient accommodation of identified land needs**

As noted earlier, as it relates to relevant statutes, the City of Banks does not have site-specific identified land needs (based on the Residential Land Needs Analysis and EOA). However, the City does need to include approximately 248 acres of **buildable** land into its expanded UGB for residential, industrial, and commercial land needs. Therefore, areas within Federal Emergency Management Agency (FEMA) 100-year floodplain were not favored, due to the severe restrictions and high costs associated with developing in a floodplain. The Federal Insurance Rate Map (FIRM) for the Banks study area, which

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identifies the presence of 100-year floodplain, is provided as Figure 6, located at the end of this report.

## **2. Orderly and economic provision of public facilities and services**

This location factor favors the inclusion of lands that are estimated to have relatively lower combined costs of public infrastructure (e.g. transportation; sewer; water) for the respective development of residential and economic (industrial, commercial) uses. Based on this location factor, the consideration of areas to be included into the expanded UGB is being done in accordance with the subsections of OAR 660-024-0060(8):

- a) The impacts to existing water, sanitary sewer, storm water, and transportation facilities that serve nearby areas already inside the UGB;
- b) The capacity of existing public facilities and services to serve areas already inside the UGB as well as areas proposed for addition to the UGB; and
- c) The need for new transportation facilities, such as highways and other roadways, interchanges, arterials and collectors, additional travel lanes, other major improvements on existing roadways

The consideration of OAR 660-024-0060(8) is provided in response to the UGB expansion alternatives presented later in this report and is based on available information from service providers regarding Banks' existing and future public infrastructure.

Regarding subsections a) and b), consultation with staff at Clean Water Services and the City of Banks regarding water, sewer, and stormwater facilities, and a review of the Draft City of Banks Water Master Plan and data from Clean Water Service's Draft Sewer and Master Plans, resulted in a conclusion that each of the geographic quadrants:

- Could be feasibly serviced in a similar manner with water, sewer and storm facilities while continuing to accommodate users inside the existing UGB and;
- Would have relatively similar costs in terms of providing water, sewer, and storm facilities (based on Clean Water Service staff assessments)

Based on the above information, subsections a) and b), with respect to water, sewer, and stormwater facilities, were deemed to be relatively equal for parcels in each of the geographic quadrants of the UGB study area, and subsequently did not serve as a differentiating element between Priority 4 parcels per overall consideration of UGB location factors. However, sheer proximity to existing infrastructure was considered.

Regarding subsections a), b), and c) as they pertain to transportation facilities: given that Banks is a small community without a current Transportation System Plan (TSP) and associated transportation modeling forecast data from which to draw inferences, consultant staff qualitatively assessed the likely ramifications of providing efficient transportation facilities to parcels in each of the geographic quadrants of the UGB study area. This assessment took into account the proximity and access of parcels to existing water, sewer, and stormwater infrastructure, the likely mobility and safety impacts to the City's transportation system, and the likely cost of providing new infrastructure for all public services. This assessment also considered both vehicular and non-vehicular modes of travel, mindful of the fact that City of Banks staff, the City's Transportation Network Plan, and transportation planning Best Practices stress the importance of enabling

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convenient and efficient alternate modes of travel (especially for short trips) as a key tool for reducing congestion and creating a sustainable overall transportation system.

Although all parcels in the study area could be feasibly serviced, the result of the transportation assessment of high value farmland/Priority 4 parcels in the UGB study area was that certain parcels were found to be better with respect to the transportation element of this UGB Factor. These parcels are shown on Figure 7 and listed by ranked assessment under this UGB Factor. Figure 7 is provided at the end of this report.

1. Tax Lot # 2N4360000600: only the part of the tax lot **not** in the floodplain (except for the portion in the floodplain intended for north-south road connection)
2. Tax Lot # 2N4360001101
3. Tax Lot # 2N4360001300
4. Tax Lot # 1N4010000100

UGB study area parcels located east of the existing UGB (between the railroad tracks on the west and Aerts Road on the west) could be serviced feasibly, and were shown to be operationally feasible at build-out per the consultant's traffic analysis performed for the Preliminary Preferred Alternative (PPA) in the Spring of 2009 (the PPA included a large portion of land east of the existing UGB). This notwithstanding, the previously noted four parcels were assessed higher for the transportation element of this UGB Factor.

### **3. Comparative environmental, energy, economic and social consequences**

Assessment of this UGB Factor favored the inclusion of parcels that:

- a) Do not impact designated or protected environmental resources
- b) Reduce projected fossil fuel energy use (e.g. reduction in vehicle miles traveled)
- c) Provide impetus for economic growth
- d) Promote the social well-being of the Banks community and its residents

In terms of designated or protected resources (subsection a) above), the only areas of concern were the floodplain of the West Fork Dairy Creek (located to the west of the existing UGB) and the areas of steep hillside (>25% slope) located northeast of the existing UGB. As was noted earlier in regard to UGB Factor #1, areas within FEMA 100-year floodplain were not favored due to the severe restrictions and high costs associated with developing in a floodplain. From an environmental standpoint, these areas are also not favored, because development in floodplains can compromise the important ecosystems present in such areas.

Regarding subsection b), parcels were favored that were as closely situated to the existing UGB and center of Banks (i.e. schools, shops) as possible and would be easily accessible by either foot or bicycle, thereby removing the need for automobile use.

Regarding subsections c) and d), consultant staff first and foremost considered the *City of Banks Aspirations* document, adopted by the Banks City Council in January of 2009. This document, provided in Appendix F, details the social and economic growth aspirations of the City. This document clearly points to a desire for Banks to remain a compact city in an agricultural setting, with residential growth to the west, north, and east and "campus industrial" to the southeast; assessment of parcels was therefore primarily conducted with an effort to meet these adopted aspirations. Foremost, parcels which abut the

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existing UGB line were favored for their ability to enable compact growth. Consultant staff also assessed the viability of parcels as commercial/retail property or industrial/job center property and the overall geographic social and economic cohesiveness of bringing groups of parcels into the expanded UGB as a particular type of use (e.g. residential). This assessment also considered the direct economic and social concerns that were raised at public meetings and through comment forms received by City staff. Strong desires to include land east of the existing UGB (near the Quail Valley Golf Course) were expressed, as were concerns about bringing in residential land adjacent to Sunset Park (west of the existing UGB), given the presence of the park's dirt racetrack and gun club. Lastly, this assessment favored the inclusion of parcels containing either portions of "lower capability" farmland or that were not being actively farmed.

Generally, the parcels assessed higher in the qualitative assessment of this UGB Location Factor for high value farmland/Priority 4 parcels in the UGB study area were located adjacent to the existing UGB on the west and east sides of the city, including the portions of the Quail Valley Golf Course not in active use by the Golf Course. That being said, certain high value farmland/Priority 4 parcels were found to be the best with respect to this UGB Factor. These parcels are shown on Figure 8 and listed by ranked assessment under this UGB Factor. Figure 8 is provided at the end of this report.

1. Tax Lot # 2N4360000600: only the part of the tax lot **not** in the floodplain (except for the portion in floodplain intended for north-south road connection)
2. Tax Lot # 2N4360001101
3. Tax Lot # 2N331D000600
4. Tax Lot # 2N331D000400
5. Tax Lot # 2N331CA06900
6. Tax Lot # 2N3310000600
7. Tax Lot # 2N3310000401
8. Tax Lot # 2N331BB00100
9. Tax Lot # 2N3310000400

**4. Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB**

Assessment of this UGB Location Factor favored the inclusion of parcels that, upon development would have the least potential of being in conflict with existing surrounding farm uses. As shown on Figure 9, provided at the end of this report, the parcels assessed highest in the qualitative assessment of this UGB Location Factor for high value farmland/Priority 4 parcels in the UGB study area are all located east of the existing UGB, where the farmland is predominantly "lower capacity" and this "lower capacity" farmland is bordered by the Quail Valley Golf Course, which, although containing soils that place it in the "high value farmland" category, is not being actively farmed, nor is it expected to be at any point in the foreseeable future. The parcels assessed highest for this UGB Location Factor are shown on Figure 9 and listed below by ranked assessment.

1. Tax Lot # 2N3310000401
2. Tax Lot # 2N3310000400
3. Tax Lot # 2N331BB00100

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4. Tax Lot # 2N331CA06900
  5. Tax Lot # 2N331D000400
  6. Tax Lot # 2N331D000600
  7. Tax Lot # 2N3310000402
  8. Tax Lot # 2N3310000403
  9. Tax Lot # 2N3310000404
  10. Tax Lot # 2N3310000200

### **Findings of UGB Factors Assessment**

The overall qualitative assessment of the four UGB Location Factors resulted in consultant staff recommending certain high value farmland/Priority 4 parcels to be included in the expanded UGB, be it as industrial, commercial, or residential (as best suited to overall expansion strategy). These parcels are shown on Figure 10, provided at the end of this report.

After slating the above high value farmland/Priority 4 parcels for inclusion into the expanded UGB, there still remain approximately 53 acres to be brought into the expanded UGB. The remaining high value farmland/Priority 4 parcels that were also assessed highly in regard to the UGB Location Factors were relatively equal to each other. It was therefore determined that the selection of high value farmland/Priority 4 parcels to be included into the expanded UGB would be a decision to be made by the Banks Planning Commission and City Council with respect to selecting those parcels for inclusion that would be in the best overall interests of the City, given the UGB expansion strategy developed to that point and the issues and concerns expressed by the citizens of Banks and the unincorporated areas around Banks.

### **Assessment to Satisfy Industrial Land Needs**

The Banks EOA identified a need to add approximately 81.55 acres of industrial land to the expanded UGB (the 81.55 acres is derived from the 76.39 identified on Table 2 of this report, plus 5.16 acres for associated transportation facilities). The Banks EOA did not specify any targeted industries or any specific industrial site needs.

As noted earlier in this memo, there is no Priority 1 land in the Banks UGB study area. There are approximately 61 acres of land designated as exception area in the UGB study area. Among this overall exception land in the UGB study area, there are three contiguous areas containing exception land. The largest of these three contiguous areas of exception land is located in the corridor north of Wilkesboro Road (south of OR 6). A second area of contiguous exception land is located immediately north of OR 6 (east of the current city boundary). A third area of contiguous exception land is located along the east side of Sellers Road (north of the current city boundary).

The entire contiguous area of exception land south of OR 6 was slated for inclusion into the expanded UGB as industrial land in accordance with the *City of Banks Aspirations* document described earlier. The small exception taxlot located in the triangle between Cedar Canyon Road and Sellers Road was also slated for inclusion into the expanded UGB as industrial land, as was the taxlot located in the triangle of land between OR 47 and Sellers Road (immediately north of the OR 47/Sellers Road/Banks Road intersection).

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The contiguous exception taxlots located to the east of Sellers Road were **not** brought in as industrial land because this area is steeply graded and would not be conducive to development for industrial purposes. It was therefore decided to defer this exception land for inclusion into the expanded UGB as residential land (this land currently has single-family residences on it).

The contiguous area of exception taxlots located north of OR 6 (east of the city boundary) was also not brought in as industrial, but rather was also deferred for inclusion into the expanded UGB as residential land. The rationale for this decision was based on the proximity of these taxlots to the Quail Valley Golf Course – it was determined that it would not be logical to place industrial tenants on the fringe of the golf course, while it would be reasonable to bring these taxlots into the expanded UGB as residential.

After bringing in the aforementioned of exception land as industrial (which totaled approximately 49 acres) there remained a need for approximately 31 acres more of industrial land to satisfy total need identified in the EOA.

Proposed UGB expansion industrial land was next allocated to the area containing predominantly “lower capacity” farmland located directly east of the existing UGB on three tax lots located immediately south of Banks Road (described earlier in the report and shown on Figure 5). After the inclusion of this taxlot, the remainder of needed industrial land was satisfied through the inclusion of the following taxlots:

- The south and west sides of the parcel located northwest of the OR 6/OR 47 Interchange (south of Sunset Park)
- The easternmost strip of the parcel located directly west of Sunset Park
- The south part of the parcel located north of Sunset Park and west of Main Street that is **not** located in the floodplain

With the allocation of this industrial land, the City’s identified need for industrial land was complete.

This allocation of industrial land satisfies the Banks aspiration growth objective of having a potential industrial campus southeast of the city (see Appendix E). It also places non-residential land north of Sunset Park, so as to allow for a non-residential use that would be compatible with the events at Sunset Park. Lastly, it would allow a north-south road connection west of Main Street (OR 47), which would be helpful in reducing north-south vehicle trips on Main Street in the future when the west side of Banks becomes developed.

The allotted industrial UGB expansion lands are shown on Figure 11 (Preferred Alternative). Figure 11 is provided at the end of this report.

### **Assessment to Satisfy Commercial Land Needs**

The Banks EOA identified a need to add approximately 12 acres of commercial land to the expanded UGB (the 12 acres is derived from the 11.24 identified on Table 2 of this report, plus 0.76 acres for associated transportation facilities). The Banks EOA did not specify any targeted commercial uses or any specific commercial site needs.

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Upon consideration of bringing in the needed commercial land, one Priority 2 exception parcel, located directly northwest of the OR 6/Aerts Road intersection (west of Aerts Road and south of the Quail Valley Golf Course on both sides of Washington Avenue), was slated for inclusion into the expanded UGB.

After taking into account the UGB expansion study area taxlots already slated for industrial use, the remaining adjacent taxlots containing low-value farmland were considered for allocation as commercial land, but were deferred for allocation as residential. In the interest of providing commercial land that would promote compact growth, be located in a visible spot from a marketing sense, and be logical in relation to the transportation system, the identified commercial need was allocated to five parcels in the UGB study area:

- The parcel located immediately west of Main Street (to the immediate northwest of the OR 6/OR 47 interchange). This central city location would also allow for potential “Main Street”-type commercial development (i.e. storefront on lot line at Main Street) with easy pedestrian and bicycle access from all parts of the city.
- The southeast corner of the large Quail Valley Golf Course parcel. This area is located immediately north of the Priority 2 exception parcel also slated for inclusion as commercial (noted earlier). This block of commercial land would allow for limited commercial development to serve that part of the city in the future when the east side of Banks becomes developed.
- The three small tax lots located in the triangle of land between Cedar Canyon Road and OR 47

The allotted commercial UGB expansion lands are shown on Figure 11 (Preferred Alternative).

### **Assessment to Satisfy Residential Land Needs**

The Banks Residential Land Needs Analysis identified a need to add approximately 154 acres of residential land to the expanded UGB (including approximately 31 acres for parks, schools, and associated transportation facilities – see Table 1 of this report).

As noted in the assessment of industrial land needs, it was determined that approximately 5 acres of exception land east of the Sellers Road and approximately 8 acres of exception land north of OR 6 would be brought into the expanded UGB as residential land (in total, approximately 13 acres of exception land would be brought into the expanded UGB as residential). With this allocation, all exception land in the Banks UGB study area was slated for inclusion into the expanded Banks UGB.

Next, two large taxlots adjacent to the existing eastern UGB containing “lower-capacity” farmland (described earlier in this report and shown on Figure 5) were slated for inclusion into the UGB as residential.

After allocating the available low-quality farmland in the UGB study area, the Goal 14 location factors were utilized to arrive at a recommended UGB expansion strategy for Banks. The remainder of the parcels recommended for definite inclusion into the expanded

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UGB (per the overall assessment of UGB Location Factors discussed earlier) was slated for inclusion into the expanded UGB as residential lands:

- The northern part of the parcel located north of Sunset Park and west of Main Street that is **not** located in the floodplain
- The triangular Quail Valley Golf Course parcel located directly east of the existing UGB (adjacent to the railroad right of way)
- The two parcels south of the triangular Quail Valley Golf Course parcel (noted in bullet above) and adjacent to the railroad right of way
- A one-acre part of the large parcel located north of Banks Road and east of Sellers Road. The one-acre portion of this parcel, located along the east side of Sellers Road, fills a "gap" between the northern edge of the existing UGB and the exception parcels slated for inclusion as residential further north along the east side of Sellers Road.

Subsequent to the inclusion of the above lands as residential, there still remained a need to allocate approximately 53 acres of residential land. Based on the UGB Location Factors assessment described earlier, the appropriate location for these remaining residential acres entailed a consideration by the Banks Planning Commission and City Council as to which of the following two areas would be in the best interests of the City to bring into the expanded UGB – the two parcels in the area southwest of the OR 6/OR 47 Interchange or the parcels abutting the northwest side of the Quail Valley Golf Course. The reason this Planning Commission/City Council deliberation was needed was that both of these areas were roughly equal in terms of their assessment under the UGB Location Factors, as was noted earlier in this report (under the "Findings of UGB Factors Assessment"). There were not enough substantive differences between the two areas for consultant or City staff to definitively recommend one of these two areas over the other based on the UGB Location Factors. After a series of motions, the City Council, in a 4-2 vote, approved a UGB expansion strategy which allocated the remaining needed residential acres to the two taxlots abutting the northwest side of the Quail Valley Golf Course. The majority vote based their decision on the logical compact extension of the city eastward (in relation to lands already being definitely brought into the UGB) as well as the favorable and desirable location of this land in proximity to the golf course.

The allotted residential UGB expansion lands are shown on Figure 11 (Preferred Alternative).

### **Preferred Alternative UGB Expansion Parcels**

Parcels that would be included in the expanded Banks UGB under the Preferred Alternative selected by the Banks City Council on January 13, 2010 are presented in Appendix G.

The new UGB line under the proposed Preferred Alternative for UGB expansion is shown on Figure 12, provided at the end of this report.

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## **Zoning Allocation to UGB Expansion Lands**

Analysis was performed to allocate the predetermined zoning district classifications (see Table 4 of this report). Proposed zoning allocations were submitted to DLCD, ODOT, Washington County, and the City of Banks and were presented to the public on April 29, 2010. The Banks City Council approved a Zoning Allocation Strategy Map on May 10, 2010. The Zoning Allocation Strategy Map is shown on Figure 13, provided at the end of this report. It is important to note that this map may not replace the existing Washington County zoning map until public facilities are available for urbanization of the parcels. When these parcels are brought into the UGB, they will receive comprehensive plan designations, but not zoning.

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## III. Conformance with Statewide Planning Goals

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The following narrative provides responses and findings with regard to the Oregon Statewide Planning Goals in support of the proposed Banks UGB amendment of 248 acres, illustrated in Figure 11, provided at the end of this report. Conformance with state administrative rules and statutes pertaining to the proposed amendment are detailed in Section II of this report (OAR 660 Divisions 008, 009, and 024 and ORS 197.298, respectively).

### **Goal 1: Citizen Involvement**

***To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.***

**Response:** A series of public outreach efforts have been involved in the proposed UGB expansion map amendment. The UGB expansion project included over 5 public hearings, 4 community meetings and ongoing coordination and project technical deliverables review by the project TAC over a 2-year period. All public hearings and community meetings were advertised in the newspaper and on the City's website. The UGB expansion process is described in detail in Appendix A of this report. A summary of project public hearings and community meetings is provided below:

- January 27, 2009: Banks Planning Commission/City Council Meeting

This meeting entailed the following elements:

- Description of UGB expansion analysis process
- Description of forecasted supply versus demand evaluation results (to determine whether new UGB lands would be needed)
- Description of existing transportation conditions analysis results

- April 8, 2009: Banks Planning Commission/City Council Meeting

This meeting entailed the following elements:

- Description of UGB capacity assessment results; Planning Commission and City Council informed of the amount of residential and employment lands needed over 20-year planning horizon to meet forecasts
- Description of UGB location analysis alternatives analysis process; Planning Commission and City Council informed about state prescribed process for determining what lands should be brought into an expanded UGB
- Presentation of "first-cut" assessment of consultant-recommended UGB expansion lands
- Planning Commission and City Council members provided feedback on potential UGB expansion areas

- April 30, 2009: Community Meeting

- The meeting was a traditional community meeting format, with a 30 minute presentation by consultant staff. The presentation covered the Banks UGB expansion process and preliminary findings, focusing on project background, context, existing

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transportation conditions, UGB expansion amount and next steps. A PowerPoint presentation accompanied the talk.

- Approximately forty-three people attended the meeting. Attendees were given a one-page handout on the history of the project and were asked to fill out a comment form. Additionally, there was a comment period after the presentation, and notes were taken on flip charts.
- May 12, 2009: Banks Planning Commission/City Council Meeting  
This meeting entailed the following elements:
  - Description of results of UGB expansion alternatives analysis
  - Description of feedback received from TAC regarding potential UGB expansion alternatives
  - Presentation of four consultant/city staff draft UGB expansion location alternatives
  - Planning Commission and City Council members provided feedback on each alternative

Subsequent to the above meeting, refinements were made to the four alternatives per further TAC comments and the comments received from Planning Commission and City Council members.

- June 11, 2009: Banks Planning Commission/City Council Meeting  
This meeting entailed the following elements:
  - City Council approved a preliminary preferred alternative; this alternative was then referred to as the "City Council Recommended Alternative"
  - Description of preliminary strategy for UGB expansion area zoning allocation
- June 18, 2009: Community Meeting  
The community review meeting was the Banks community's first opportunity to review potential UGB expansion location alternatives. The meeting entailed the following elements:
  - Presentation regarding the UGB expansion location recommendations and state law context
  - Presentation of City Council Recommended Alternative
  - Compiling/recording of public feedback regarding City Council Recommended Alternative

Subsequent to the above meeting, DLCD staff objected to certain elements of the City Council Recommended Alternative. It was subsequently decided, at a City Council meeting in July, 2009, that based on the DLCD comments, as well as comments received from the public and the opinions of Council members, that the UGB expansion project had proceeded too quickly to allow for sufficient vetting by both the general public and Banks Planning Commission and City Council members. City Council voted to approve a subsequent contract retaining CH2MHILL staff to reassess UGB expansion alternatives to address outstanding DLCD and Planning Commission/City Council issues. CH2MHILL began conducting reanalysis to address outstanding issues and develop new/revised UGB expansion alternatives in October of 2009.

- December 17, 2009: Community Meeting  
This community meeting entailed the following elements:

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- Description of history of the project to date and to educate the community about the process to date.
  - Presentation of the range of UGB expansion alternatives (both studied and recommended) and solicit community feedback.
  - Compiling/recording of public feedback regarding UGB expansion alternatives.

Subsequent to this meeting, UGB expansion alternatives were vetted with TAC members and minor revisions made to reflect comments received from the TAC and City staff.

- **January 13, 2010: Banks Planning Commission/City Council Meeting**  
This meeting entailed the following elements:
  - Presentation of UGB expansion alternatives
  - City Council approved a UGB expansion Preferred Alternative (see Figure 11 of this report)

Subsequent to this meeting, the UGB expansion Preferred Alternative was submitted and reviewed by all TAC member agencies.

- **April 29, 2010: Community Meeting**  
This community meeting entailed the following elements:
  - Presentation of the consultant/City staff recommendation(s) regarding zoning allocation (zoning maps) and discussion of feedback received from TAC member agencies
  - Community group exercise regarding the allocation of zoning districts
  - Compiling/recording of public feedback regarding UGB expansion zoning strategies.
- **May 10, 2010: Banks Planning Commission/City Council Meeting**
  - Presentation of draft consultant/City staff recommended Zoning Map
  - Planning Commission provided feedback and recommendations to the City Council regarding draft consultant/City staff recommended Zoning Map
  - City Council approved draft consultant/City staff recommended Zoning Map with modifications

Subsequent to this meeting, consultant staff finalized the recommended Zoning Map (see Figure 13 of this report)

**Findings:**

1. The City of Banks engaged citizens in a process that allowed citizen participation for establishing the area to be included in the expanded UGB.
2. The City of Banks held hearings and engaged citizens in discussions about UGB expansion alternatives address identified residential and employment land needs and to amend the comprehensive plan to manage land brought into the boundary.
3. The City of Banks held community meetings and hearings and provided opportunities for citizens to comment on proposals to expand the UGB, allocate zoning in the UGB expansion area, and amend the comprehensive plan.
5. The City of Banks has taken steps to inform the public in general and affected property owners in particular about the UGB expansion process. The City's efforts to involve citizens, property owners, developers and any other interested persons were performed in accordance with the requirements of state law and the local ordinances.

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6. The City of Banks considered oral and written citizen testimony prior to approving a preferred alternative for UGB expansion and adopting amendments to the Comprehensive Plan.
  7. The City posted information about upcoming meetings, and detailed information about meetings that had been held, on the City's web site.

**Conclusion:** The City has complied with state requirements for citizen involvement per Statewide Land Use Planning Goal 1.

**Goal 2: Land Use Planning**

**To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.**

**Response:** The proposed UGB expansion amendment is supported by proposed text amendments that update existing policies and procedures for managing land in Redmond and managing the process for adding land to the City's UGB.

The Comprehensive Plan update to expand the UGB and the proposed UGB expansion map amendment are based on the following technical studies that have been prepared by the City or by firms contracted by the City.

- City of Banks Population Forecast, City of Banks, 2005
- Residential Land Needs Analysis, City of Banks, 2005
- Banks Economic Opportunities Analysis and Economic Development Strategy, ECONorthwest, 2005
- Draft Banks Water Master Plan, Kennedy/Jenks Consultants, 2009
- Draft Sanitary System Master Plan, Clean Water Services, 2009
- Draft Sanitary System Master Plan, Clean Water Services, 2009
- Technical Memorandum 1.2: Banks Urban Growth Boundary Expansion Area Analysis and Justification, 2010

In particular, the results of housing projections prepared by the City of Banks and employment projections prepared by ECONorthwest provide the foundation for the size of the proposed UGB expansion area. The aforementioned technical studies, public facility studies, community meetings, and TAC member feedback inform the location and character of the UGB expansion area.

**Findings:**

1. The City of Banks established a fact-based analysis of future urban land needs.
3. The City of Banks and CH2M HILL, in collaboration with the City of Banks and DLCD, prepared technical analyses for expanding the urban growth boundary area in accordance with applicable state laws, as documented in Section II of this report.
4. The City of Banks adopted an updated coordinated population forecast as an amendment to its Comprehensive Plan.
5. The City of Banks adopted a Residential Land Needs Analysis, as an amendment to its Comprehensive Plan.
6. The City of Banks adopted an Economic Opportunities Analysis as an amendment to its Comprehensive Plan.

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**Conclusion:** The City has complied with state requirements for land use planning per Statewide Land Use Planning Goal 2.

***Goal 5 Open Spaces, Scenic and Historic Areas, and Natural Resources  
To protect natural resources and conserve scenic and historic areas and open spaces.***

**Response:** There are no significant Goal 5 resources located in the proposed UGB expansion area.

**Findings:**

1. There are no significant Goal 5 resources located in the proposed UGB expansion area.

**Conclusion:** The City has complied with state requirements for open space, scenic and historic areas, and natural resources per Statewide Land Use Planning Goal 5.

***Goal 6 Air, Water and Land Resources Quality  
To maintain and improve the quality of the air, water and land resources of the state.***

**Response:** The City of Banks is not located in a federally designated air quality management area.<sup>22</sup>

There are no federal or state designated hazardous waste sites in the proposed UGB expansion.<sup>23</sup>

Of Environmental Cleanup Sites reported on Oregon Department of Environmental Quality's website, there were no sites identified in the proposed UGB expansion area or on land adjacent to it.<sup>24</sup>

There is one creek that extends north-south on the east and southeast side of Banks in the proposed UGB expansion area. The City of Banks Code of Ordinances includes development review procedures that protect streams and groundwater from potential adverse effects related to development.

**Findings:**

1. There are no identified air or land resources of concern in the proposed Banks UGB expansion area.
2. The City of Banks Code of Ordinances contains regulations to protect streams and ground water resources from potential sources of contamination.

**Conclusion:** The City has complied with state requirements for air, water and land resources per Statewide Land Use Planning Goal 6.

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<sup>22</sup> Nonattainment and Maintenance Areas in Oregon as reported on the Oregon DEQ website: <http://www.deq.state.or.us/eq/agplanning/index.htm#control>

<sup>23</sup> CERCLIS database: <http://www.epa.gov/superfund/sites/siteinfo.htm>

<sup>24</sup> Oregon DEQ ECSI database

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**Goal 7 Areas Subject to Natural Disasters and Hazards**  
**To protect people and property from natural hazards.**

**Response:** The only part of the UGB expansion lands that are in an area subject to natural disasters and hazards per Goal 7 are the approximately two acres at the western fringe of the UGB expansion area located in the 100-year floodplain of West Fork Dairy Creek (approximately 0.5 acres on the parcel west of Main Street and north of Sunset Park and approximately 1.5 acres in the area just west of Sunset Park). The intent is that both of these areas inside the 100-year floodplain would be utilized only for a north-south roadway to serve the new UGB area west of the existing city.

The City of Banks will be adopting a floodplain management ordinance that meets FEMA National Flood Insurance Program (NFIP) standards. This ordinance will:

- Require permits for all floodplain development (*any man-made change to improved or unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations located within the area of special flood hazard*)
- Require review of building permit applications for new construction and substantial improvements within the floodplain and ensuring that specific measures are taken to avoid or reduce flood damage.
- Require that developers obtain Elevation and Flood-proofing Certifications for new development and substantial improvements to existing developments
- Ensure that encroachments into the floodway portion of the 100-year floodplain are prohibited if there would be any increase in flood levels.
- Require that the City notify permit applicants that other state and federal permits may be required and ensuring that the applicant obtains required state and federal permits.
- Require that the City maintain permit records and related materials and ensuring that these documents are available for public, state, and FEMA inspection

**Findings:**

1. Approximately two acres of the UGB expansion area would be located in a 100-year floodplain.
2. The City of Banks will be adopting a floodplain management ordinance in accordance with FEMA NFIP standards in the spring of 2011.

**Conclusion:** The City has complied with state requirements for natural hazards per Statewide Land Use Planning Goal 7.

**Goal 8 Recreational Need**

**To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.**

**Response:** As discussed in Section II of this report, the state's safe harbor for estimating park, school, and transportation facility land needs associated with new residential lands (OAR 660-024-0040(9)) was utilized to determine the amount of park land needed (30.93

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acres to accommodate park, school, and transportation facility needs associated with residential growth).

**Findings:**

1. In accordance with the safe harbor found in OAR 660-024-0040(9), the City of Banks added 30.93 acres to the expanded UGB land needs associated with residential growth (for park, school, and transportation facility needs associated with residential growth).
2. The City will likely be adopting an updated Park and Recreation Master Plan consistent with the Goal 8 planning guidelines (to be included as part of the legislative plan amendment proposal for UGB expansion and TSP adoption) that identifies future land needs by park category to year 2029.

**Conclusion:** The City has complied with state requirements for park and recreational needs per Statewide Land Use Planning Goal 8.

**Goal 9 Economic Development**

***To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.***

The proposed UGB expansion amendment addresses economic land needs per the City's adopted EOA. The EOA identified a need for 93.55 acres of economic land. This need, for 11.24 acres of commercial land, 76.39 acres of industrial land, and 5.92 acres of land for transportation facilities to support the economic land development, is satisfied in the UGB expansion area, as described in detail in Section II of this report.

**Findings:**

1. Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009) require cities to complete an economic opportunities analysis and a buildable lands inventory (BLI) for commercial and industrial development. The Banks EOA presents the results of the economic opportunities analysis and a BLI.
2. The Banks UGB expansion satisfies the economic land needs identified in the EOA, as described in detail in Section II of this report.

**Conclusion:** The City has complied with state requirements for economic development per Statewide Land Use Planning Goal 9.

**Goal 10 Housing**

***To provide for the housing needs of citizens of the state.***

**Response:** A primary purpose of the proposed UGB expansion and map amendment is to provide sufficient land for housing. To identify housing needs consistent with the Goal 10 requirements, the City of Banks performed a housing needs analysis as part of the Residential Land Needs Analysis, based on local data and policies. As detailed in Section II of this report, the proposed UGB expansion satisfies the housing needs identified in the City's Residential Land Needs Analysis.

**Findings:**

1. The Banks UGB expansion satisfies the housing needs identified in the City's Residential Land Needs Analysis, as described in detail in Section II of this report.

**Conclusion:** The City has complied with state requirements for housing per Statewide Land Use Planning Goal 10.

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### **Goal 11 Public Facilities and Services**

**To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.**

**Response:** As discussed in Section II of this report, the Draft Banks Water Master Plan (Kennedy/Jenks Consultants, 2009) was utilized to establish that water service could be provided to all areas that were being considered for UGB expansion. The Draft Water Master Plan did not identify any parcels within the UGB study area as being comparatively more expensive or less efficient to service based on available data.

As discussed in Section II of this report, the Draft Sanitary System and Stormwater Master Plans (Clean Water Services, 2009) were utilized to establish that sewer and stormwater service could be provided to all areas that were being considered for UGB expansion. Neither of these draft plans, nor consultation with Clean Water Services staff, identified any parcels within the UGB study area as being comparatively more expensive or less efficient to service based on available data.

#### **Findings:**

1. The proposed UGB expansion areas can be efficiently served with water, sewer, stormwater and all other utilities.

**Conclusion:** The City and has complied with state requirements for public facilities and services per Statewide Land Use Planning Goal 11.

### **Goal 12 Transportation**

**To provide and encourage a safe, convenient and economic transportation system.**

**Response:** The City of Banks is conducting a coordinated planning process to develop an updated, comprehensive, coordinated multimodal transportation and investment framework that will result in an updated Transportation System Plan (TSP) that is consistent with the policies of *Statewide Planning Goal 12 - Transportation*. The City retained CH2M HILL to conduct a transportation planning assessment and alternatives evaluation. This TSP will identify needed transportation projects to address forecasted transportation system needs associated with the urbanization of the proposed UGB expansion area.

#### **Findings:**

1. The City is developing a TSP to address transportation system needs associated with UGB expansion.
2. In concurrence with the planned TSP adoption, the City will be amending its Code of Ordinances to be in accordance with the state's Transportation Planning Rule (TPR). A technical memorandum, attached to this report as Appendix H [*Banks UGB Expansion / Transportation System Planning: Transportation Needs, Opportunities and Constraints Report*, CH2M HILL, 2009], details the Code language to be amended; this technical memorandum has been reviewed and concurred upon by ODOT.

**Conclusion:** The City has complied with state requirements for transportation per Statewide Planning Goal 12.

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**Goal 13 Energy Conservation**  
**To conserve energy.**

**Response:** The proposed UGB expansion is founded on the need for residential housing and employment lands. Expanding the UGB in the compact manner described in Section II of this report will provide the opportunity for residents to choose means other than driving alone, such as walking or biking, in order to get to services that otherwise could only be accessed by car.

Allowing for these transportation choices will conserve fuel and energy, minimize pollution associated with vehicle emissions, and reduce congestion.

**Findings:**

1. Transportation system facilities in the expanded UGB area will accommodate and encourage walking and bicycling in addition to driving. Residents will have a choice of transportation modes in getting to city services and neighborhood amenities.
2. Providing transportation choices and making efficient use of infrastructure conserves fuel and energy, reduces transportation related pollution, and reduces congestion.

**Conclusion:** The City has complied with state requirements for energy conservation per Statewide Planning Goal 13.

**Goal 14 Urbanization**

**To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.**

**Response/Findings:**

1. Section II of this report, along with associated appendixes referenced in Section II, detail the process used, and analyses conducted, which demonstrate that the Banks UGB expansion project was performed in accordance with Goal 14 and all associated State administrative rules and implementing statutes.

**Conclusion:** The City has complied with state requirements for urbanization per Statewide Land Use Planning Goal 14.

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## IV. Conformance with Local Plans

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### Conformance with Washington County Comprehensive Plan

#### Urbanization – Policy 13, Reasons for Growth

*It is the policy of Washington County to establish a growth management system for the unincorporated areas within the UGB which promotes:*

- (1) Efficient, economic provision of public facilities and services;*
- (2) Infill development in established areas while preserving existing neighborhood character;*
- (3) Development near or contiguous to existing urban development where services are available;*
- (4) Parcelization of land such that future development at urban densities can take place;*
- (5) Development which is compatible with existing land uses;*
- (6) Agriculture use of agricultural land until services are available to allow development;*
- (7) Development in concert with adopted community plans;*

#### Response/Findings:

1. Section II of this report, along with associated appendixes referenced in Section II, detail the process used, and analyses conducted, which demonstrate that the Banks UGB expansion project was performed in accordance with Washington County Comprehensive Plan Policy 13, which mirrors Statewide Planning Goal 14 in propose, and which this report has already addressed.

**Conclusion:** The City has complied with Washington County Comprehensive Plan Policy 13.

### Conformance with Banks Comprehensive Plan

#### Urbanization

**Goal:** *To Provide for the orderly and timely conversion of rural land to urban use.*

#### Objectives:

- a. An urban growth boundary should be established and updated to coincide with various stages of growth.*
- b. An urban environment should be promoted which contributes to functional efficiency and visual attractiveness in both public and private properties, and which conveys a sense of community.*
- c. The City should give priority to residential and light industrial land development.*
- d. A balance between commercial and light industrial land use is desirable.*

#### Response/Findings:

1. Section II of this report, along with associated appendixes referenced in Section II, detail the process used, and analyses conducted, which demonstrate that the Banks UGB expansion project was performed in accordance with the Urbanization goal and objectives in the Banks Comprehensive Plan, which mirror Statewide Planning Goal 14 in propose, and which this report has already addressed.

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## Conformance with Banks Code of Ordinances

The existing Banks Code of Ordinances does not contain and language related to criteria for amending the city's Comprehensive Plan.

Conformance with the Banks Zoning Ordinance to account for "additional capacity measures" to be carried out in accordance with ORS 197.296(9) is described in Section II of this report.

**Conclusion:** The proposed UGB expansion amendment is in accordance with the Banks Code of Ordinances.

## Figures

- Figure 1: UGB Study Area
- Figure 2: Priority Land Designations
- Figure 3: Soil Capability Classes
- Figure 4: High Value Farmland
- Figure 5: "Lower Capability" Parcels (Per ORS 197.298 (2))
- Figure 6: FEMA Flood Insurance Rate Map
- Figure 7: UGB Location Factor #2: Highest Assessed Parcels
- Figure 8: UGB Location Factor #3: Highest Assessed Parcels
- Figure 9: UGB Location Factor #4: Highest Assessed Parcels
- Figure 10: UGB Location Factor Findings: Parcels Recommended for Definite Inclusion in Expanded UGB
- Figure 11: Preferred Alternative for UGB Expansion (January, 2010)
- Figure 12: Preferred Alternative UGB Line
- Figure 13: UGB Expansion Area Zoning Map

## Appendixes

- Appendix A: UGB Alternatives Analysis Process
- Appendix B: Population Forecast Methodology: Interagency Coordination Letter
- Appendix C: Banks 2024 Residential Land Needs Analysis
- Appendix D: Banks 2029 Residential Land Needs Analysis

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Appendix E: Banks 2024 Employment Opportunities Analysis

Appendix F: *City of Banks Aspirations* (adopted January, 2009)

Appendix G: Preferred Alternative UGB Expansion Parcel (Tax Lot) Inventory

Appendix H: *Banks UGB Expansion / Transportation System Planning: Transportation Needs, Opportunities and Constraints Report*