

BEFORE THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

In the Matter of an Amendment to the Newberg)
Urban Growth Boundary to Include Approx. 260)
Acres of Property, Known as the South Industrial) Ordinance 882
Area, Applicant City of Newberg, Planning Docket)
PA-01-10, And Declaring an Emergency)

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the Board) sat for the transaction of county business on July 18, 2013, Commissioners Kathy George and Allen Springer being present and Commissioner Mary P. Stern being excused.

IT APPEARING TO THE BOARD that on June 15, 2010, the Newberg Urban Area Management Commission (NUAMC) recommended adoption of the proposed urban growth boundary amendment; and

IT APPEARING TO THE BOARD that on July 18, 2011, the Newberg City Council adopted the proposed urban growth boundary amendment and a revised Economic Opportunities Analysis. The Newberg City Council further revised the amendment on August 20, 2012 through City Ordinance No. 2012-2751; on January 22, 2013 by Ordinance 2013-2759; and on May 23, 2013 by Ordinance 2013-2761. A duly noticed public hearing was held before the Board; and

IT APPEARING TO THE BOARD that the Board heard this matter at a duly noticed public hearing on October 18, 2012, and continued this issue to a final hearing on June 27, 2013, then voted 2-0 to tentatively approve the application (Commissioner Springer being absent); and

IT APPEARING TO THE BOARD that, Yamhill County has interpreted its own Yamhill County Comprehensive Plan ("YCCP") as detailed in the Report and Findings, attached as Exhibit "A", and by this reference incorporated herein (the "Findings"); and

IT APPEARING TO THE BOARD THAT Yamhill County has further considered, agrees with and hereby adopts the findings and analysis found on page 85 of the Findings regarding YCCP Urban Area Development Goal Statement and Policies; and

IT APPEARING TO THE BOARD THAT Yamhill County has further considered, agrees with and hereby adopts the findings and analysis found on page 86 of the Findings regarding YCCP City Growth and Development Policies; and

IT APPEARING TO THE BOARD THAT Yamhill County has further considered, agrees with and hereby adopts the findings and analysis found on page 86 of the Findings regarding YCCP Economic Development Goals Statement and Policies; and

IT APPEARING TO THE BOARD THAT Yamhill County has further considered, agrees with and hereby adopts the findings and analysis found on page 87 of the Findings regarding YCCP Agricultural Lands Goal Statement; and

IT APPEARING TO THE BOARD THAT Yamhill County has further considered, agrees with and hereby adopts the findings and analysis found on page 87 of the Findings regarding YCCP Transportation Goal Statement; and

IT APPEARING TO THE BOARD THAT Yamhill County has further considered, agrees with and hereby adopts the findings and analysis found on page 88 of the Findings regarding YCCP Air, Water and Land Resources Quality Goal Statement; NOW, THEREFORE,

IT IS HEREBY ORDAINED BY THE BOARD, that the application is approved as detailed in the Findings, attached hereto as Exhibit "A" and incorporated into this Ordinance by this reference and that the Yamhill County Comprehensive Plan is amended as detailed in the Findings. The Yamhill County Comprehensive Plan Map is hereby amended as shown on Map 12 of the Findings, and includes but is not limited to the following changes:

1. The Yamhill County Comprehensive Plan Map designation of Tax Lot 3221-2600 and 3228BB-100 continues to be "Future Urbanizable." The City comprehensive plan map designation has been changed to Industrial (IND).
2. The Yamhill County Comprehensive Plan designations of parcels included in the urban growth boundary as shown on Map 12 of Exhibit "A" are changed from Ag/Forestry Large Holding (AFLH), Ag/Forestry Small Holding (AFSH) and Public (P) to "Future Urbanizable." The City comprehensive plan map designations are noted on the map as Industrial (IND) and Public/Quasi-Public (PQ).

This ordinance, being necessary for the health, safety, and welfare of the citizens of Yamhill County, and an emergency having been declared to exist, is effective in accordance with Newberg Ordinance No. 2013-2761.

DONE this 18th day of July, 2013, at McMinnville, Oregon.

ATTEST:

YAMHILL COUNTY BOARD OF COMMISSIONERS

BRIAN
County Clerk



By:

Deputy *Carol Ann White*

Kathy George
Chair KATHY GEORGE

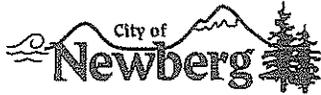
Commissioner Stern did not participate
Commissioner MARY STERN

APPROVED AS TO FORM:

Christian Boenisch

Christian Boenisch
Yamhill County Counsel

Allen Springer
Commissioner ALLEN SPRINGER



ORDINANCE No. 2013-2761

AN ORDINANCE ADOPTING REVISED FINDINGS IN SUPPORT OF THE SOUTH INDUSTRIAL URBAN GROWTH BOUNDARY AMENDMENT, REVISIONS TO THE ECONOMIC OPPORTUNITIES ANALYSIS, AMENDMENTS TO THE COMPREHENSIVE PLAN AND TRANSPORTATION SYSTEM PLAN, AND REPEALING CERTAIN ORDINANCES

RECITALS:

1. Newberg's comprehensive plan states, "In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base."
2. Newberg has adopted a vision statement: "Newberg will cultivate a healthy, safe environment where citizens can work, play and grow in a friendly, dynamic and diverse community valuing partnerships and opportunity."
3. Newberg has a shortage of industrial land needed to meet these goals and visions.
4. The Ad Hoc Committee on Newberg's Future's Report to City Council recommends that the South Industrial area be added to the urban growth boundary to meet future industrial land needs.
5. The Newberg City Council has accepted the south industrial master plan as a vision for the south industrial area.
6. On June 15, 2010, the Newberg Urban Area Management Commission recommended adoption of the proposed urban growth boundary amendment.
7. On July 18, 2011, the Newberg City Council adopted the proposed urban growth boundary amendment and the revised Economic Opportunities Analysis. The Council further revised the amendment on August 20, 2012 through Ordinance No. 2012-2751, and on January 22, 2013 by Ordinance 2013-2759.
8. The proposal meets the goals and policies of the Newberg Comprehensive Plan and implementing ordinance, the Statewide Planning Goals, and statutes and rules.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

1. The South Industrial UGB Report and Findings shown in Exhibit "A", including its appendices, is hereby adopted and by this reference incorporated.
2. The Newberg Urban Growth Boundary is hereby amended to include that territory as shown on Map 12 of Exhibit "A".

3. The Newberg Comprehensive Plan Map is hereby amended as shown on Map 12 of Exhibit "A". This includes the following changes:
 - a. The comprehensive plan map designation of tax lot 3221-2600 and 3228BB-100 are changed from Medium Density Residential (MDR) to Industrial (IND).
 - b. The comprehensive plan map designation of parcels included in the UGB are changed from Yamhill County AFLH, AFSH, P, and IND to Newberg Industrial (IND) and Public/Quasi-Public (PQ) as shown on Map 12.
 - c. The stream corridor overlay and future park site designations as shown on Map 12 are hereby adopted.
4. The Newberg Economic Opportunities Analysis is hereby adopted as shown in Appendix A of Exhibit "A". This shall replace Chapter 12 of the Inventory of Natural and Cultural Resources.
5. The Newberg Comprehensive Plan Text is hereby amended as shown in Appendix B of Exhibit "A".
6. The Newberg Transportation System Plan is hereby amended to include the future transportation plan text and map for the south industrial area, as shown in Appendix G of Exhibit "A".
7. Ordinance No. 2010-2723, which adopted a revision to Newberg's Economic Opportunities Analysis, and Ordinances Nos. 2010-2740, 2012-2751, 2013-2759, which adopted further revisions to the Newberg Economic Opportunities Analysis and findings in support of the South Industrial UGB amendment, are hereby repealed.
8. Adoption of this ordinance is subject to adoption of corresponding amendments to the UGB and county comprehensive plan map by the Yamhill County Board of Commissioners.
 - **EFFECTIVE DATE** of this ordinance is the date on which corresponding amendments to the Newberg Urban Growth Boundary and Yamhill County Comprehensive Plan are adopted by Yamhill County, but no earlier than 30 days after the adoption date, which is: June 19, 2013.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of May, 2013, by the following votes: **AYE: 4 NAY: 2 ABSENT: 1 (COREY) ABSTAIN: 0**



Daniel Danicic, City Recorder

ATTEST by the Mayor this 23rd day of May, 2013.



Bob Andrews, Mayor

City of Newberg Industrial UGB Expansion and Comprehensive Plan Amendment Report and Findings

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List of Background Studies

- *City of Newberg – Demand for Commercial and Industrial Land* (Johnson-Gardner, 2004)
- *Report and Recommendations to Newberg City Council* (Ad Hoc Committee on Newberg’s Future, 2005)
- *Newberg Water Features Inventory* (Winterbrook Planning, 2006)
- *Public Involvement and County Coordination Process for Newberg 2007 URA Expansion* (Newberg Community Development Department, March 2007)
- *City of Newberg Economic Opportunities Analysis* (2013)
- *City of Newberg Economic Opportunities Analysis* (2006)
- *Newberg Public Facilities Plan Capital Improvements – Water* (City of Newberg 1991)
- *Water Treatment Facilities Plan* (City of Newberg, 2002)
- *Letter from Tom Fox* (Oregon Business Development Department December 1, 2009)
- *Newberg South Industrial Area Master Plan* (WRG 2009)
- *M-4 Industrial Zoning District* (Adopted, Ordinance 2009-2720)
- *Typical Characteristics of Industrial Sites for Newberg Targeted Industries*

Summary

Newberg is a thriving community that boasts a high quality of life, good jobs, good parks, schools and other institutions, and a strong sense of community. Newberg also is growing. Its population has grown 65% in the past two decades, and it is expected to continue to grow. In order to keep Newberg a community where citizens can “live here, work here, and shop here,” it must make strong efforts to retain and attract business that can employ its citizens and bring new resources to the community.

To achieve this goal, Newberg has adopted an economic development strategy that focuses both on retaining and growing existing businesses and on recruiting new businesses. Newberg has identified four primary existing business clusters that it can expect to expand and attract: manufacturing, health care, higher education, and the wine/tourism industry.

Unfortunately, Newberg finds itself with a severe shortage of industrial land within its Urban Growth Boundary (UGB) to retain and attract these types of industries, particularly in the manufacturing cluster.

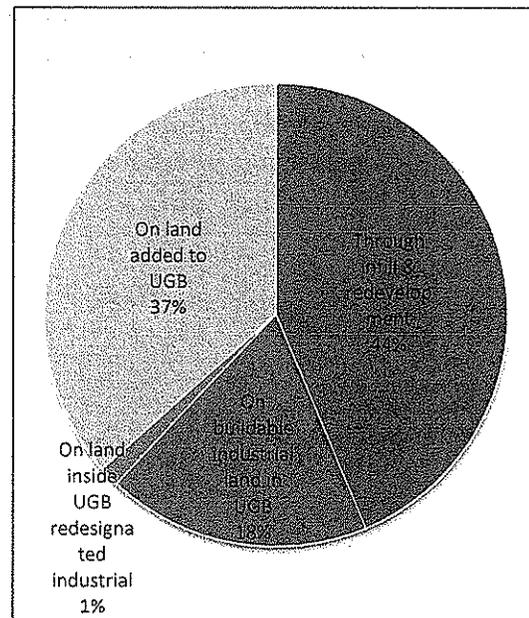
Newberg considered the infill and redevelopment potential of existing industrial sites to meet these needs. Infill, redevelopment, and intensification of uses can potentially accommodate needs for about 44 percent of expected firms. However, even with these considerations, Newberg will still need 134 gross buildable acres¹ of industrial and industrial type public/quasi-public land to meet its needs through 2032.

In conjunction with the Oregon Business Development Department, industry experts, professional literature, and local interviews, Newberg has determined the site sizes and characteristics needed to attract its targeted industries. In general, industries need sites that are large and level, have adequate access, and that are near existing industrial areas.

This study considers whether industrial needs could be met by redesignating land within the existing UGB to meet industrial land needs. Newberg studied 14 sites within the UGB that potentially could meet its industrial land need. Of these, only one site meets or could meet industrial land needs, and that site contains only 1 gross buildable acre of land.

The study then considered expanding the UGB to accommodate Newberg’s future land needs. The study considered 21 potential sites around the UGB that might be able to meet future industrial needs.

Figure 1: Meeting Industrial Land Needs by Percent of Firms



¹ Acreage figures in this report have been rounded to the nearest acre. For more detailed property by property calculations, see Table 13 on page 61.

Of these, only two sites meet the site suitability criteria needed for the target industries. All other sites failed to meet one or more of the industrial site suitability criteria. Both suitable sites are located on the south side of Newberg near Highway 219, Wynooski Road and Wilsonville Road. That area has large, level sites, has excellent access, is adjacent to existing industrial areas, and has natural buffers from residential areas.

Some of the land within one of the sites is within the Newberg Urban Reserve Area established in 1995. Some of the land is rural exception land. The remainder is on farm land, which is fourth priority for inclusion in a UGB. An inventory of suitable land found no higher priority lands that met the required site characteristics; thus, Newberg can justify inclusion of these fourth priority lands. In conjunction with including the south study area into the UGB, Newberg has identified some property in the area that would be appropriate for a water treatment plant and for designation as Public/Quasi-Public.

This report provides findings in support of two changes:

- Inclusion of 132 gross buildable acres (260 total acres) into the Newberg Urban Growth Boundary (UGB). Of the 132 gross buildable acres, 129 gross buildable acres would receive a comprehensive plan designation of Industrial (IND), and 3 gross buildable acres would be designated Public/Quasi-Public (PQ).
- Redesignation of 1 gross buildable acre (7 total acres) of land already in the Newberg UGB from Medium Density Residential (MDR) to Industrial (IND).

This report includes findings addressing the applicable state and local rules for amending the comprehensive plan map and urban growth boundary.

Introduction

Background

Description of Newberg

Newberg is a thriving, independent community in Yamhill County, located in the Willamette Valley. It is about 25 miles southwest of Portland, and about 30 miles north of Salem. Newberg is on Highway 99W, a major transportation corridor to Yamhill County, the western Willamette Valley, and the Oregon Coast. According to the 2010 Census, Newberg has a population of 22,068. The Newberg UGB has an estimated 2011 population of 22,730².

Newberg's city limits encompass 5.8 square miles and the urban growth boundary includes 6.6 square miles. There are 0.9 square miles remaining in Newberg's urban reserve as established in 1995.

² Source: *Population Research Center, Portland State University, Population Forecasts for Yamhill County, its Cities and Unincorporated Area, 2011-2035, 2012.*

The Newberg urban area is bounded on the south by the Willamette River. On the east is Parrett Mountain, and on the north is Chehalem Mountain. To the west is the Chehalem Valley, which includes more level farm and rural residential land. The City of Dundee is about two miles to the southwest.

Newberg is home to George Fox University, a private university with about 2,000 students. Portland Community College recently opened new campus in Newberg, which provides excellent vocational training services for local employers. The Newberg School District operates a high school and several other schools in Newberg. There are several other private schools that are successful in the area.

Newberg has a strong industrial base. According to the U.S. Census Bureau, Newberg has about 60 percent more than the national average in percentage of workforce in manufacturing employment. Major industrial employers include A-dec and several other dental equipment manufacturers, Climax Portable Machine Tools, SP Newsprint, and Harris Thermal Transfer Products.

Planning History

Comprehensive Plan Adoption

Newberg's comprehensive plan was acknowledged by the State of Oregon on August 6, 1981. The plan included an urban growth boundary, which was estimated to contain sufficient land to meet needs through 2000. Newberg underwent Periodic Review in the early 1990's. At that time, Newberg determined that the UGB contained adequate land to meet needs through 2010.

1995 Urban Reserve Adoption

In 1992 and 1993, the Oregon state legislature and the Oregon Land Conservation and Development Commission (LCDC) adopted statutes and rules on urban reserves. These required Newberg and other cities to adopt an urban reserve area.

In 1995, the City of Newberg and Yamhill County jointly established Oregon's first urban reserve area (URA). The 1995 URA contained 750 gross buildable acres, which was estimated to accommodate growth needs through the year 2020, or 10 years beyond the urban growth boundary time frame (Newberg Ordinance 95-2397).

Ad Hoc Committee on Newberg's Future

By 2003, it was clear that the Newberg UGB no longer contained a 20-year supply of buildable land. Newberg decision makers faced a number of questions about the amount and direction of future growth of the city. To formulate a direction for the future of Newberg, the Newberg City Council established the Ad Hoc Committee on Newberg's Future (the committee) in 2003. The Council created the committee to provide a forum for citizen involvement in planning for Newberg's future land use patterns. The committee was asked to make recommendations that would help the City Council make future amendments to the Comprehensive Plan. In support of the committee's deliberations, the City undertook population, employment, housing and buildable lands studies. The City considered Newberg's future land use needs through the years 2025 and 2040.

The committee met from April 2004 to July 2005 and considered future population, employment and housing needs, and buildable land requirements for residential, institutional, industrial and commercial

development. The committee reviewed the supply of buildable land within the existing UGB, and evaluated land suitability in designated Urban Reserve Areas (URAs) and surrounding Urban Reserve Study Areas.

The committee received support from City staff and consultants, including Barry Edmonston, Johnson-Gardner Associates and Winterbrook Planning. The committee also sought and received input from state agencies and the general public, including residents, businesses, and property owners within the Newberg city limits and nearby. The committee provided for citizen involvement at 26 public meetings and two public open houses. The committee also conducted two surveys, received comments at each of their meetings, and reviewed scores of letters. As a result of this process, the committee made recommendations regarding future land needs, buildable lands, and the magnitude and direction of UGB and URA expansion. The committee presented its Report to Newberg City Council on July 21, 2005. The City Council unanimously accepted the committee's report.

A key recommendation of the committee was that Newberg should not simply be a bedroom community that provided housing but no new jobs. The committee felt strongly that the community needed to expand its industrial base so that existing and future residents could work in the community without commuting to other communities. A strong industrial base also would serve to bring wealth and stability to the community, and thus improve the quality of life for all residents.

The committee considered a number of general options for future industrial growth. After considering the existing supply of industrial land and various options for expansion, the committee concluded that the south study area was uniquely suited to meet the community's future industrial needs. The area has the site characteristics sought after by industries, has excellent access to transportation facilities, is adjacent to existing industrial areas, and has excellent separation from incompatible uses. The committee recommended including adequate land from the area into the urban growth boundary to meet the 20-year need for industrial land, and including the remainder of the area in the urban reserve to meet land needs through 2040.

Comprehensive Plan Amendments

On August 1, 2005, the City Council adopted Resolution No. 2005-2590, directing City staff to undertake activities needed to implement the recommendations of the Ad Hoc Committee on Newberg's Future. The City Council subsequently adopted a series of ordinances based on this report as described below.

- Newberg Transportation System Plan (2005 Update – Ordinance 2005-2619)
- Newberg Comprehensive Plan (Revised Population Projection and Land Needs Assessment – Ordinance 2005-2626)
- Newberg Comprehensive Plan Policy Amendments (Ordinance 2006-2634)
- Newberg Economic Opportunities Analysis (Ordinance 2006-2635)
- Newberg Urban Growth Boundary Amendments (Ordinance 2006-2661) (added approximately 200 gross buildable acres, largely for residential use)

Each of the above amendments was acknowledged through the post-acknowledgment plan amendment process.

2007 Urban Reserve Amendment

In July 2008, the Newberg City Council and the Yamhill County Board of Commissioners approved the 2007 Urban Reserve Amendment package. This adoption was the result of an extensive public involvement process that began with Newberg Urban Area Management Commission (NUAMC) workshops in 2006. NUAMC held a series of hearings in 2007 to consider the plan. The Newberg City Council held hearings later in 2007 and into 2008. The Yamhill County Commissioners also held hearings on the plan in 2008. After extensive deliberation and some negotiation between the two bodies, both adopted the proposed urban reserve. Newberg adopted the urban reserve on July 7, 2008 through Ordinance 2008-2698. Yamhill County adopted the urban reserve on July 16, 2008 through Ordinance 828. The adopted URA included the south study area. Newberg submitted DLCDC notice of the adoption of the urban reserve, along with the record, on August 28, 2008.

On April 10, 2009, DLCDC issued Order No. 001767, remanding the urban reserve designation. In the decision, DLCDC raised concerns about Newberg's targeted industries list contained in the adopted and acknowledged EOA. The department also raised concerns about including land in an urban reserve to meet needs for specific identified land needs.

On May 1, 2009, Newberg appealed the DLCDC remand order to LCDC. Other parties also appealed. LCDC held hearings to consider the appeals on June 5, 2009 and July 21, 2009. In its July 9, 2009 supplemental report, page 9, the Department stated an opinion that:

Finally, the city may well be able to demonstrate a need for large, relatively flat industrial lands based on its recent economic opportunities analysis. The course for adding such lands to the city's UGB is through a UGB amendment for that specific land need, not through the reserves process.

At the hearing, Newberg agreed to a voluntary remand of the decision to address the issues raised. LCDC issued the remand order on April 22, 2010.

Updated Economic Opportunities Analysis

During the fall of 2009 and winter of 2010, Newberg drafted amendments to its 2006 Economic Opportunities Analysis (EOA) to address issues raised during the review of the 2007 URA, and to update the EOA with current information. The revised EOA explains how the City considered economic trends and its comparative advantages in developing a coherent economic development strategy. The revised EOA carefully spells out the City's economic vision and actions necessary to achieve it. The EOA, along with related comprehensive plan amendments, does the following:

- Analyzes economic trends, including national, state, regional, and local trends.
- Assesses the economic development potential of Newberg – it includes an analysis of Newberg's comparative advantages and disadvantages, and identifies special opportunities within the Newberg area.
- Identifies Newberg's specific targeted industries and industry clusters.
- Details Newberg's economic development strategy, including plans to capitalize on Newberg's comparative advantages and overcome its disadvantages.

- Identifies Newberg’s industrial and commercial land needs, and the site characteristics needed for businesses in the targeted industry clusters.
- Inventories existing buildable industrial and commercial land in the Newberg UGB, and measures that supply against the projected need.

The City Council adopted the revised Economic Opportunities Analysis through Ordinance 2010-2723 at their February 1, 2010 meeting. Several parties filed a notice of intent to appeal the decision to LUBA on February 22, 2010. LUBA heard the appeal, and on August 26, 2010 remanded the decision on several points. Two parties further appealed the remand to the Oregon Court of Appeals. On February 16, 2011, the Court of Appeals affirmed LUBA’s decision.

In 2013, the Newberg City Council will consider amendments to the Economic Opportunities Analysis to address the remand. This will be done in conjunction with this UGB amendment.

South Industrial Area Master Plan

The Ad Hoc Committee on Newberg’s Future looked at a number of areas that potentially could meet future industrial needs. The committee ultimately recommended that Newberg look to the area along Highway 219 near Wynooski Road as a future industrial area. The area meets many of the identified needs for industrial development, including that it is a large flat area that can accommodate large industrial sites, has easy access to I-5 and the other regional highways, and is naturally buffered from surrounding uses by the stream corridor that borders the site on both sides. The committee recommended adding sufficient land from the area into the UGB to meet 20-year land needs, and include the remainder of the area in the urban reserve.

In order to determine which land in the area would be most appropriate to include in the UGB, and to investigate and plan for future land uses, transportation networks, and utility needs, Newberg initiated the South Industrial Area Master Plan. City staff kicked off the planning effort for the South Industrial area in early 2009 with the help of their consultant, WRG Design, Inc.

Through the months of March, April and May 2009, city staff and their project consultant met with the area property owners, engaged citizens at a community visioning meeting and a community open house, and met with their collaborative design team for the project to distill the public’s vision into a plan. Citizens gave a lot of positive feedback at the community events and reinforced the idea that they want Newberg to be able to provide adequate jobs for its citizens. The most commonly stated goal was that citizens want Newberg to be a place where all your needs are met – to be able to work, shop and play in the same place where you live – “live here, work here, shop here.”

The process resulted in creation of the South Industrial Area Master Plan. The plan was the result of public feedback from the community visioning meeting, the community open house, and the project’s collaborative design team. The layout contains many positive elements, including large lot flexibility, a comprehensive transportation network that is designed to function well both pre- and post-bypass construction, a park and trail network that will tie into future area trails as well as the future CPRD park to be located just south of the study area, and a small commercial area designed to serve the needs of the industrial park users. It includes a plan for serving the area with public utilities, including a proposed location for a future sewer pump station near the existing Wastewater treatment plant.

The City Council accepted the South Industrial Area Master Plan (SIAMP) as a vision plan for the area through Resolution 2009-2872 on November 2, 2009. In addition to accepting the SIAMP, the Newberg City Council also adopted a new M-4 Industrial zoning district and a new Interim Industrial (II) overlay zoning district (Ordinance 2009-2720). The M-4 zoning district includes standards for preservation of large lot industrial parcels (of 20+ acres), and requires a planned unit development for smaller developments or industrial parks. It also includes comprehensive landscape and design standards along all arterial and collector streets within the South Industrial area. The Interim Industrial overlay zoning district provides for limited industrial development in areas identified for future right-of-way acquisition for capital projects such as the future Newberg-Dundee Bypass.

With this very strong base of vision, technical planning, and public support, the natural next step is to propose bringing the first part of the South Industrial Area into the UGB.

Updated Housing and Institutional Land Needs

On April 5, 2010, the Newberg City Council adopted Ordinance 2010-2724, which amended the housing element of the comprehensive plan and to the residential and institutional land needs, including public facilities land needs. That ordinance reallocated the land needs from 2005-2025 and 2026-2040 time frames to 2010-2030 and 2031-2040 time frames, and updated the buildable lands inventories. Ordinance 2010-2724 was appealed to the Land Use Board of Appeals, which remanded the ordinance based on issues not related to the public facility land needs.

Revised Population Forecast

Newberg adopted population forecasts for the Newberg urban area in 2005. Following receipt of the 2010 Census information, Yamhill County has announced a desire to create a population study for the County and the urban areas within the county. Yamhill County used Portland State University's Population Research Center to develop forecasts for the county and each urban area in the county. The County adopted the forecasts from the study on November 8, 2012. This study forecasted a Newberg urban area 2032 population of 36,610. This population forecast is the basis of this UGB amendment.

Newberg's Economic Development Strategy

Newberg's revised Economic Opportunities Analysis describes its economic development strategy. Newberg's overall economic development efforts focus on two principal strategies: 1) retention and expansion of existing businesses, and 2) recruitment of new businesses. A major component of successful economic development efforts is analyzing Newberg's marketability in the regional marketplace to retain and attract its targeted industries. The revised EOA lists Newberg's comparative advantages and disadvantages along with strategies and actions to capitalize on and address them:

Table 1: Newberg's Comparative Advantages and Disadvantages

Advantage	Strategy / Action
1. Small Town Quality of Life	<ul style="list-style-type: none"> • Continue to provide relatively affordable housing opportunities. • Minimize adverse impacts on existing and planned residential neighborhoods from conflicting employment opportunities. • Continue revitalization efforts of historic downtown. • Support organizations that foster “social capital”. • Work to improve the pedestrian/bicycle network in Newberg. <p><i>(Applicable Comprehensive Plan policies: 1.p., 1.q., 3.a.)</i></p>
2. Access to Quality Education and Skills Training	<ul style="list-style-type: none"> • Continue to support the Newberg School District, George Fox University, Portland Community College, and other public and private schools in their efforts to train and motivate the kind of workforce required by existing and future employers in Newberg. <p><i>(Applicable Comprehensive Plan policies: 1.f., 1.q.)</i></p>
3. Strong Established and Growing Industry Clusters	<ul style="list-style-type: none"> • Provide sufficient land near existing industrial areas to allow for expansion. • Provide suitable sites with characteristics required by such industries to take advantage of industrial clusters in Newberg. • Encourage the reuse/redevelopment of properties in zones allowing business. <p><i>(Applicable Comprehensive Plan policies: 1.b., 2.e., 2.g.)</i></p>
4. Strong Local Support for Business and Employment Opportunities	<ul style="list-style-type: none"> • Continue to plan for future employment opportunities by providing suitable sites for industrial (export) and commercial uses. • Continue to work collaboratively with the State, Yamhill County, and local businesses to fund infrastructure and planning necessary to maintain and attract desired employment. • Continue to work with and support the Chehalem Valley Chamber of Commerce. <p><i>(Applicable Comprehensive Plan policies: 1.m., 1.n., 1.o., 3.b.)</i></p>
5. Proximity to Portland Metropolitan Region	<ul style="list-style-type: none"> • Continue to work with Metropolitan area partners in promoting the economic advantages of the region. • Provide opportunities for identified regional employment clusters in Newberg. • Continue to advocate for improved access to regional markets, via Highways 99W and 219 and the Interstate. • Continue to maintain rail and air access opportunities. <p><i>(Applicable Comprehensive Plan policies: 1.f., 1.o., 2.g.)</i></p>
6. Future Newberg-Dundee Bypass	<ul style="list-style-type: none"> • Continue to work with the Oregon Legislature and State agencies to build political support and ensure funding for the Bypass. • Encourage support, funding and construction of the full Bypass project. <p><i>(Applicable Comprehensive Plan policies: 1.o.)</i></p>
7. Oregon's Statewide Planning Goals	<ul style="list-style-type: none"> • Newberg has taken advantage of Oregon's Economic Development Program (Goal 9) by identifying comparative advantages (and disadvantages), targeting export-based employment clusters, identifying and providing for the site requirements necessary to maintain and attract such clusters in Newberg, and coordinating with Yamhill County and affected state agencies to retain and provide services to suitable employment sites. <p>Newberg will continue to coordinate with these agencies.</p> <p><i>(Applicable Comprehensive Plan policies: 1.f.)</i></p>
Disadvantage	Strategy / Action

1. Transportation and Access Issues	<ul style="list-style-type: none"> • Continue to work with the Oregon Legislature and State agencies to ensure funding for the Newberg-Dundee Bypass. • Continue to advocate for Highway 99W improvements to reduce congestion and maintain regional connectivity. • Continue to work with ODOT for review of all development proposals in areas that may impact a state highway facility. <p><i>(Applicable Comprehensive Plan policies: 1.o.)</i></p>
2. Lack of Suitable Employment Sites	<ul style="list-style-type: none"> • Newberg has considered local, regional, state and national economic trends and identified industry clusters that the City has a reasonable likelihood of attracting to the community. • Newberg has also researched and identified the site characteristics demanded by firms within these industry clusters. Newberg is actively planning for a future industrial area that will meet both the industrial site characteristics and the land needs of the city's population over the next 30 years. <p><i>(Applicable Comprehensive Plan policies: 2.h., 2.g.)</i></p>
3. Limited Suitable Land Supply Outside UGB	<ul style="list-style-type: none"> • After considering the potential for rural residential exception areas to meet identified site requirements, the City has selected sites on agricultural land that will be reserved for identified employment needs. <p><i>(Applicable Comprehensive Plan policies: 2.e., 2.g.)</i></p>
4. and 5. Stressed Commercial Sector and Retail Dollar Leakage	<ul style="list-style-type: none"> • Recruit businesses that can fulfill commercial needs that are currently being unmet locally. • Support small businesses that are adjusting these new retail realities by either focusing on high quality customer service and/or gearing their business plans toward niche markets. • Encourage local retail businesses to improve their online presence. <p><i>(Applicable Comprehensive Plan policies: 1.c., 1.i.)</i></p>
6. Market Pressures on SP Newsprint	<ul style="list-style-type: none"> • Newberg will continually look for opportunities to work with SP Newsprint to help reduce their operational costs. <p><i>(Applicable Comprehensive Plan policies: 2.d.)</i></p>
7. Oregon's Statewide Planning Goals	<ul style="list-style-type: none"> • Newberg will continue to pursue Urban Growth Boundary amendments and Urban Reserve expansions to provide adequate land for future uses. <p><i>(Applicable Comprehensive Plan policies: 1.f.)</i></p>

Regional Focus

Newberg has worked extensively with the Mid-Willamette Valley Council of Governments and the Oregon Business Development Department for many years, and has recently developed relationships with economic development organizations in the metropolitan area. In 2004, the City joined the Association of Regional Economic Development Partners, Inc. (now the Greater Portland, Inc.). The Newberg City Council passed Resolution 2005-2554 in January 2005, stating the City's support for the framework of the Portland Regional Business Plan of the Regional Economic Development Partners. In addition, in January 2005, the Newberg City Council adopted the shared regional economic vision *Beyond the Vision: A Strategic Plan for the Chehalem Valley*.

Locally Targeted Economic Development Industry Clusters

As stated above, Newberg's economic development strategy is two-pronged: 1) retention and expansion of existing businesses, and 2) recruitment of new businesses. In general, 80 percent of Newberg's economic development efforts are spent on the first part of the strategy and 20 percent on the second

part – it is far easier, effective, and efficient to maintain and expand the local economy through existing local industries than to attract new ones. Newberg has identified four business clusters that are the foundation of its economy: manufacturing, health care, higher education, and the wine/tourism industry. Table 2 below lists targeted business types within each business cluster that Newberg will focus economic development efforts on to expand and attract.

Table 2: Newberg’s Targeted Industries

Business Cluster	Targeted Business Types
Manufacturing and Industry	
High Tech Manufacturing	Semiconductors/silicon, imaging & display technology
	Nano & micro technology, cyber-security, health/medical information technology
	Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)
General Manufacturing	Dental equipment
	Metals, machinery, transportation equipment
	Lumber and wood products (value added)
	Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
	Distribution & logistics
	Sports apparel/recreation-related products
Aviation Related	Specialty aircraft equipment, aircraft repair, machine shops, small entrepreneur business
Agriculture	Wineries
	Specialty foods and food processing
	Nursery and agricultural products (value added)
Services	Professional services architecture, engineering, legal and financial services, etc.
	Creative services (advertising, public relations, film and video, web/internet content and design)
Health Care	
	Providence Medical Center Expansion, medical offices, senior services
Higher Education	
	Portland Community College campus, George Fox University expansion, high school vocational training and college preparedness, private post-secondary training
Wine/Tourism	
	Wineries and tasting rooms, restaurants, art studios, theater and entertainment, recreation (golf, bowling), conference facilities, specialty retail

Other Supportive Economic Development Actions

The City of Newberg’s adopted Comprehensive Plan contains a list of goals and policies that help shape Newberg’s future economy (Section H. The Economy). In addition to the actions and strategies to specifically address Newberg’s comparative advantages and disadvantages, the economic development strategy includes supportive actions that help implement the goals and policies in the Comprehensive Plan. The following is a list of the supportive economic development actions and the Comprehensive Plan policies they support (from Section H).

1. Work with the State to “certify” industrial sites to shorten the development time of projects and provide certainty to a business that regulatory and permitting issues will not delay the project’s

timeline.

Applicable Comprehensive Plan policies: 1.f., 2.g.

2. Identify and implement cost and time saving measures that improve the development permitting process.
Applicable Comprehensive Plan policies: 2.d.
3. Develop a financial incentives “toolbox” to recruit new businesses and encourage existing business expansions. The incentives should be applied only after a proposed project has been reviewed by a rigorous analysis that demonstrates a clear benefit to the City.
Applicable Comprehensive Plan policies: 1.b., 1.g.
4. Maintain a useful economic development website that is easy to navigate and contains substantive content that meets the needs of business.
Applicable Comprehensive Plan policies: 1.a., 1.g.
5. Work with local, regional and state educational and training resources (private and public) to assist with the workforce training needs of businesses and provide opportunities for workers to voluntarily upgrade their skills. The available workforce pool in the Newberg region is approximately 223,000. The regional workforce is estimated by using the assumption that a 23 minute mean commute time (2000 Census) draws workers from an approximately 15 mile radius from the center of Newberg Oregon is recognized for having an educated workforce, one with good basic work skill sets that allows them to be relatively easily trained.
Applicable Comprehensive Plan policies: 1.c., 1.f.
6. Gauge the health of local businesses regularly and identify how the City can help resolve issues, when feasible. Focus should be on businesses of the traded-sector and local clusters. Anticipate local problem areas by keeping abreast of regional, national, and international business trends.
Applicable Comprehensive Plan policies: 1.p.
7. Develop closer ties to organizations/businesses located within the Portland area with a similar interest in regional economic development (e.g. Regional Economic Development Partners, future Portland Economic Development District, etc). However, joining METRO will not be considered. Reevaluate current relationship with Mid-Willamette Valley Community Development Partnership.
Applicable Comprehensive Plan policies: 1.f.
8. Develop a Downtown Revitalization Master Plan prior to the construction of the Newberg-Dundee Bypass. Identify funding sources necessary to implement the plan.
Applicable Comprehensive Plan policies: 3.a.

Summary of Comprehensive Plan and Urban Growth Boundary Amendment Process

In order to address this unmet land need, including amending the UGB to add additional industrial land, Oregon statutes and rules establish the following process.

First, Establish Need

Before amending an urban growth boundary, a local government must establish the amount and type of land to be added to meet 20-year needs. The need must be based on a coordinated 20-year future population forecast, and on future employment forecasts (OAR 660-024-0030 & -0040). State rules

permit Newberg to specify site suitability characteristics for each type of identified land need (OAR 660-024-0060(5)).

Once needs are determined, the local government must determine whether any of that need can be met on lands already in the urban growth boundary. To do this, it must inventory the supply of buildable industrial land within the UGB³. Then, it must consider what amount of the need could be met through infill, redevelopment, and expanded use of existing land. Then it must determine whether any of the need could be met by redesignating land to meet the specified need. If so, it must present findings establishing addressing the applicable criteria to allow this change. After these steps, the local government establishes the amount and type of land that must be added to the urban growth boundary.

Section 1 of this report follows this process and determines the amount and type of land needed to be added to the Newberg UGB to meet 2032 industrial and industrial type public/quasi-public needs.

Second, Determine Location of Urban Growth Boundary Expansion

After establishing a *need* to expand the UGB under Step 1, a local government is to determine the *location* of the urban growth boundary using the following steps:

1. Inventory land adjacent to and in the vicinity of the urban growth boundary that meets the site suitability characteristics identified in Section 1 and thus is *suitable* for the identified use.
2. Determine whether any suitable land that meets the specified site characteristics exists within first priority *urban reserve area* land, and if so, include that land in the UGB.
3. If there is not sufficient suitable urban reserve land to meet the identified need, then determine whether any suitable land exists within second priority *adjacent rural exception areas*. If so, also include that land in the UGB.
4. If sufficient suitable rural exception land cannot be included in the UGB, then include suitable land within fourth priority *farm and forest resource land*.⁴ Farm and forest land of lower soil quality must receive priority over land of higher soil quality.
5. At the priority stage that has more suitable land than needed to meet the identified need, the local government must apply the Goal 14 Location Factors, and determine which land of that priority best meets those factors, and then include that land.

Findings addressing the location of the urban growth boundary expansion are included in **Section 2** of this report.

Third, Make Findings in Support of an Urban Growth Boundary Expansion

Finally, the local government must make findings for applicable statutes, rules, goals and comprehensive plans. Although several of the rules and statutes are addressed throughout Sections 1 and 2 of this

³ For more information on the definition of "buildable land," see page 20.

⁴ No marginal land exists within Yamhill County, thus there is no third priority land.

report, **Section 3** will have detailed findings to the statutory and local requirements for Urban Growth Boundary and Comprehensive Plan map amendments. This includes findings addressing applicable goals and policies in the Newberg Comprehensive Plan and Yamhill County Comprehensive Plan.

Section 1: Newberg's 2032 Industrial Land Need and Supply

Introduction

Newberg adopted a revised Economic Opportunities Analysis (EOA) in conjunction with this UGB amendment that includes updated buildable land and supply information and updated economic projections. The land need and supply analysis concluded that Newberg has a substantial need for additional industrial land through 2032. The Newberg Comprehensive Plan also includes needs for additional buildable industrial type public/quasi-public (PQ) land for a new water treatment plant. The identified needs far exceed the amount of available land in the UGB. Thus Newberg will need to add industrial and industrial type PQ land to meet identified needs through 2032. This section will discuss how Newberg determined its land needs and how its land needs can best be met.

Summary of Land Need Rules

Statewide Planning Goal 14, OAR 660-024-0040, and OAR 660, Division 9 prescribe the rules and process for determining industrial land needs. The main purpose of Goal 14 is “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.” Goal 14 requires that UGB expansions be based on a “(1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments; and (2) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, streets and roads, schools, parks or open space, or any combination of the need categories in this subsection.” Newberg has an adopted population forecast, coordinated with Yamhill County, that shows that the 2032 population will be 36,610 residents. This UGB expansion is meant to bring in land to meet Newberg’s long term employment needs as well as provide for a necessary public facility.

OAR 660-024-0040 echoes Goal 14 and requires cities to base their land need on their coordinated population forecast and to provide for needed uses over a 20-year planning period. Newberg projected that employment growth would be midway between the historic employment growth and the short term regional employment projections.

OAR 660, Division 9 establishes rules for creating an Economic Opportunities Analysis (EOA). OAR 660-009-0015 requires a review of trends, identification of required site types, an inventory of employment lands, and an assessment of economic development potential. OAR 660-009-0015 (2) states:

The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies. Plans do not need to provide a different type of site for each industrial or other employment use. Compatible uses with similar site characteristics may be combined into broad site categories. Several broad site categories will provide for industrial and other employment uses likely to occur in most planning areas. Cities and counties may also designate mixed-use zones to meet multiple needs in a given location.

How Newberg Determined Its Land Needs

Newberg's recently updated EOA determined the acres of buildable industrial land Newberg will need through 2032, including a determination of site sizes and site characteristics needed. The 2013 EOA thus provides the basis for Newberg's industrial land needs.

The EOA determined land needs by first determining future industrial employment projections. Second, the EOA projected the proportion of future industrial firms in various small, medium, and large employment and site size categories. Third, the EOA allocates the future employment to the various firm and site size categories, and thus determines the total amount of buildable industrial land needed for the planning period. Finally, the EOA inventories buildable industrial land currently inside the UGB, and thus determines the unmet need for industrial land. The following information, drawn from Newberg's EOA, details this process. See Appendix A: Newberg Economic Opportunities .

Industrial Employment Projections

Newberg projected the proportion of employment utilizing industrial space according to the percentages shown in Table 3 below.

Table 3: Industrial Land Using Employment Forecast Through 2032

Industry	2010 Total Emp.	%Industrial Space	2010	2032
Construction	387	30%	116	200
Manufacturing	2,164	91%	1,969	3,390
Wholesale Trade	115	82%	94	162
Retail Trade	837	0%	-	-
Transportation, Warehousing & Utilities	119	82%	98	168
Information	51	40%	20	35
Financial Activities	253	0%	-	-
Professional & Business	370	14%	52	89
Education & Health Services	2,978	0%	-	-
Leisure & Hospitality	1,033	0%	-	-
Other Services	439	40%	176	302
Government	173	0%	-	-
Total	8,919	28.3%	2,525	4,347
Cumulative from 2010				1,822

Source: Newberg Economic Opportunities Analysis (2013)

Determining Needs for Industrial Sites by Firm and Site Size

A variety of parcel sizes, building types, and land use designations are required to provide suitable sites to attract targeted industry clusters. The Economic Opportunities Analysis allocated the projected future employment by site size category as shown in Table 4 below. The data is based on the assumption that most sites under 10 acres will be located in industrial parks, which will require dedication of an average of 15% right-of-way for streets and utilities. For sites over 10 acres, the table assumes 5% of the area for streets and utilities. The table also includes assumptions that most (55%) of Newberg's future industrial employment will be located on sites 10 acres or less, and that one-third of those future new industrial firms 2-10 acres in size, and one-half of firms under 2 acres in size, will find a site through infill, redevelopment or intensification of existing employment land uses. The table also assumes that for sites over 10 acres, one currently unoccupied site (Suntron) will be reoccupied, and that some infill will occur within existing larger sites.

Table 4: Site Size Distribution by Firm Employment Through 2032

Emps. per Firm	Percent of Emp.	Number of New Emps.	Number of Firms	Sites Needed	Size Range (Acres)	Ave. Site Size (Acres)	Ave. ROW Need (Acres)	Gross Buildable Acres Needed
0-9	15%	273	46	23	<2	1	0.15	26
				23	<i>infill & redevelopment</i>			0
10 to 74	40%	729	21	14	2 - 10	5	0.75	81
				7	<i>infill & redevelopment</i>			0
75 +	45%	820	2	2	10 - 30	20	1.00	42
			1	1	30 - 50	40	2.00	42
			1	1	<i>infill & redevelopment</i>			0
Total	100%	1,822	71	71				191

Source: Newberg Economic Opportunities Analysis (2013)

Public/Quasi-Public Land Needs

Newberg's comprehensive plan identifies a need for a new water treatment plant. See Appendix E: Newberg Water Treatment Plant Needs Information.

Newberg's existing water treatment plant is located on a parcel outside the urban growth boundary. The site is very constrained in that it is located entirely within the perimeter of the SP Newsprint site. It is on a small footprint with no opportunities for expansion. Newberg's Public Facilities Plan includes a need for a new water treatment plant on Wynooski Road. According to the *City of Newberg Water Treatment Facilities Plan*, Newberg should relocate the plant to a new site to allow upgrade and expansion. According to the plan and the Newberg Public Works Department, this site needs to include at least 3 gross buildable acres. Thus, needs through 2032 are for at least 3 additional gross buildable acres of industrial type PQ land. Additional industrial type PQ needs may be identified in the future.

Combined Industrial and Industrial Type Public/Quasi-Public Land Needs through 2032

In summary, the total needs identified for industrial land and industrial type public/quasi-public land (water treatment plant) through 2032 is for 194 gross buildable acres (191 gross buildable acres of industrial and at least 3 gross buildable acres of industrial type PQ land).

Meeting Newberg's Land Needs inside the UGB

OAR 660-024-0050 (4) states, "Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB." Thus, to determine how best to meet Newberg's land needs, Newberg must look at the current buildable land supply, the possibilities for infill and redevelopment of existing industrial land (which includes re-use and intensification of use of existing developed sites), and the possibilities for redesignation of land in other categories to industrial. The result of this analysis will be Newberg's unmet land need: the acreage that will need to be met through a UGB expansion.

Newberg's Buildable Industrial Land Supply

The comprehensive plan inventory of buildable industrial land was updated in 2012, consistent with the requirement in OAR 660-009-0015 (3) for an inventory of industrial and other employment land. The term "buildable industrial land" as used in this context means both suitable "vacant" and "developed" [i.e. redevelopable] land as those terms are defined in OAR 660-009-0005. Buildable industrial land:

- 1) Includes lots that have any "Industrial" comprehensive plan designation. This includes land in the "Employment" Springbrook District, specific plan industrial districts, and land in the MIX comprehensive plan district zoned industrial. It excludes publicly owned properties intended for city facilities such as the wastewater treatment plant expansion, which are counted in the "public/quasi-public" category.
- 2) Includes lots that are:
 - a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or
 - b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.
 - c) Non-vacant land that is likely to be redeveloped during the planning period. For this inventory, this included (but was not limited to),
 - i) Lots equal to or larger than one-half acre, and less than five acres likely to be redeveloped during the planning period.
 - ii) The undeveloped portion of a lot equal to or larger than five acres.
 - d) Excludes (unsuitable) portions of lots within stream corridors, with slopes over 10 percent, or currently occupied by buildings or industrial uses not likely to be redeveloped during the planning period, or contained within the Newberg-Dundee Bypass right-of-way as shown in the Tier 2 Preferred Alternative selected September 2010. See Appendix F: ODOT Build Alternative and Design Options – West Newberg to Hwy 219 Interchange

Table 5 shows the existing buildable industrial land in the UGB as of 2012. Map 1 at the end of this report shows the amount of buildable industrial land in the UGB in 2012.

Table 5: Buildable Industrial Land in Newberg UGB (2012)

Location	Potential Uses	Buildable Acres	Site Sizes				Total
			< 2 ac.	2-10 ac.	10-30 ac.	30-50 ac.	
Springbrook Employment	Light Manufacturing or Industrial Office	27		1	1		2
Sportsman Airpark ⁵	Airport Industrial	22	2	4			6
Wynooski Industrial	Light Industrial	10	1	2			3
Elliot Road Industrial	Light Manufacturing or Industrial Office	1	1				1
Total		60	4	7	1		12

Source: Newberg Economic Opportunities Analysis (2013)

The current UGB has approximately 60 gross buildable industrial acres. Newberg’s existing industrial land supply is mostly contained within two industrial/employment park areas: approximately 27 gross buildable acres zoned SD/E (Springbrook District Employment) and adjacent to the A-dec campus in the Springbrook area and approximately 22 gross buildable acres near the Sportsman Airpark. The land near the Sportsman Airpark should provide sufficient land to provide opportunities for aviation related targeted industries. There are also about 11 gross buildable acres of industrial land scattered in other areas.

Infill and Redevelopment Possibilities

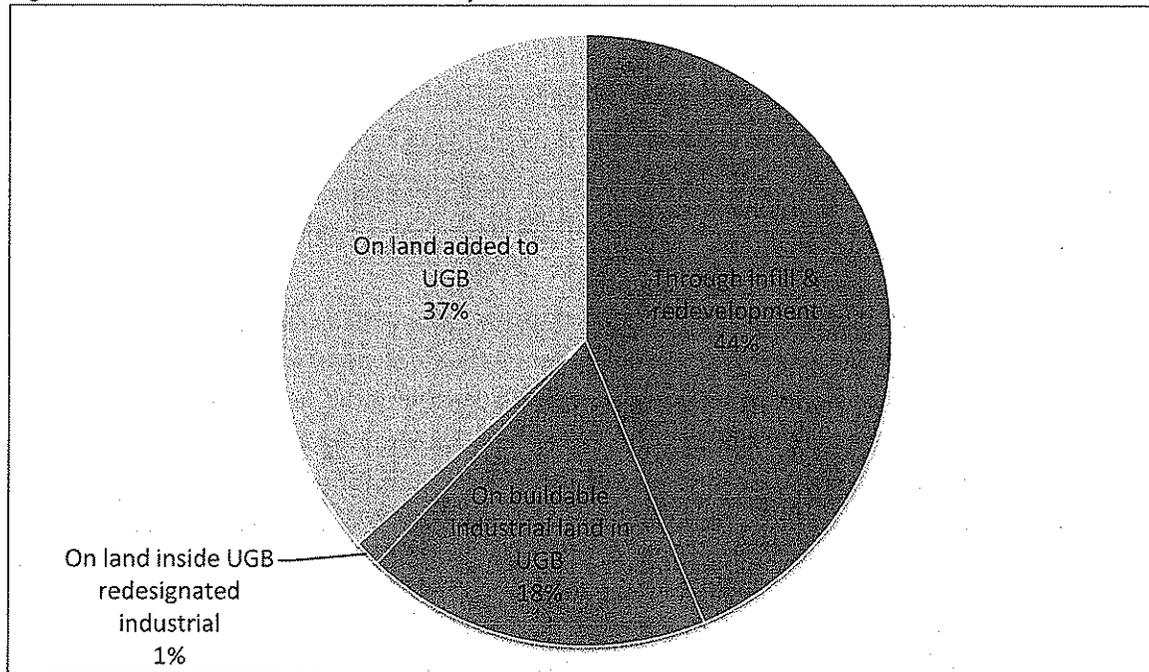
Newberg considered the infill and redevelopment potential of existing industrial sites to meet its industrial land needs. These areas are illustrated on Map 1. Table 4 on page 16 includes assumptions that most (55%) of Newberg’s future industrial employment will be located on sites 10 acres or less, and that one-third of those future new industrial firms 2-10 acres in size, and one-half of firms under 2 acres in size, will find a site through infill redevelopment or intensification of existing employment land uses. This could include some industrial uses that are able to locate outside a traditional industrial zone⁶. Those industrial uses not on Newberg’s targeted industry list but likely to locate in Newberg, including those in the “other services” category such as auto repair, retail repair and maintenance services, and

⁵ The Sportsman Airpark contains one large 55-acre property that contains the existing airport, plus approximately 10.8 acres of buildable industrial land. The approved Sportsman Airpark Master Plan includes a plan for developing the buildable industrial land into an industrial park with aviation related uses. This site was counted in the 2-10 acre category, even though it contains slightly over 10 acres of buildable land, because the approved master plan envisions further division, and the aviation related uses are more likely to be separate smaller firms rather than one large firm.

⁶ At the hearings, there was a suggestion that winery uses might be able to locate on hilly land outside traditional industrial areas. While there are winery uses in rural areas on larger acreages, this same rural type use does not necessarily translate to an urban site. Urban winery sites typically are smaller acreages, which gives fewer options for siting the actual facilities on level land within the site. They also have closer neighbors, which can lead to land use conflicts if sited outside industrial areas. For example, Dundee has several wineries, and all of them are on level sites in industrial areas. Newberg staff interviewed a user seeking to locate a winery within the Newberg UGB. That interviewee indicated he was seeking a site surrounded by other light industrial uses that is not close to residential areas. He indicated a winery is quiet most of the year but can be very busy for 6-8 weeks during the grape harvest, when trucks may be arriving early and late. If the site were near a residential area, he was concerned about limiting their operating hours because of noise, lights, or traffic. Nevertheless, not all urban wineries follow this typical industrial pattern, and the infill and redevelopment allowance here could include an urban winery located on a site not having the industrial site suitability characteristics.

self-storage facilities, are estimated to be able to be accommodated through infill and redevelopment or on buildable land already in the UGB. The table also assumes that for sites over 10 acres, one currently unoccupied site (Suntron) will be reoccupied, and that some infill will occur within existing larger sites. Figure 2 on page 19 illustrates the percentage of firms expected to locate through infill, redevelopment, and intensification versus constructing facilities on buildable industrial land.

Figure 2: Percent of industrial firms by location of industrial land



However, even with these considerations, Newberg will still need 131 additional gross buildable acres of industrial land to meet 2032 needs (191 gross buildable acre need minus 60 gross buildable acre current supply = 131 gross buildable acres unmet need).

Redesignation Possibilities for Land in the UGB

One other option that must be considered is whether sites that already are in the UGB reasonably could be redesignated industrial to meet the employment needs. If a site is well suited for industrial use, then it may be appropriate to redesignate that site industrial. If that would require expanding the UGB to add additional land in the other category, this may be appropriate if the site characteristics needed for land in the current plan classification are more flexible than industrial, such as single family residential land. This may not be possible if the site suitability characteristics of the current designation are similar to industrial, such as commercial land, or if there is some unique characteristic of the property that makes it especially suited for the current planned use. This also would not be possible if the current property owner has some vesting in the current designation, such as an approved subdivision tentative plan, a development agreement, or site design review approval. In addition, ORS 195.305 (Measure 37/49) states,

“If a public entity enacts one or more land use regulations that restrict the residential use of private real property or a farming or forest practice and that reduce the fair

market value of the property, then the owner of the property shall be entitled to just compensation from the public entity that enacted the land use regulation or regulations as provided in ORS 195.310 to 195.314.”

According to the Yamhill County Assessor records, the average fair market value of residential land is higher than industrial land. Therefore, if the City or County were to redesignate residential land as industrial without the owner’s consent, then they may be required to provide just compensation to that property owner. With very limited local government budgets, direct financial compensation would very likely not be feasible. The other option would be to allow the residential use, which would negate the change to industrial. Therefore, in most cases such a redesignation would not be reasonable.

This report considers whether there is any buildable land currently in the UGB that reasonably could be redesignated industrial. This report first examines whether any land currently in the UGB meets the industrial site suitability characteristics established in Newberg’s Economic Opportunities Analysis. The report then examines the potential for redesignating that land from its current designation to industrial.

Specific Industrial Site Characteristics

The impetus to create industrial site suitability criteria comes from OAR 660, Division 9 (Economic Development), from the following two sections:

OAR 660-009-0015 Economic Opportunities Analysis - (2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses.

OAR 660-009-025 Designation of Lands for Industrial and Other Employment Uses – (1) Identification of Needed Sites. The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies.

It also comes from the Goal 14 Land Need factors, which state:

In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.

Newberg’s Economic Opportunities Analysis includes all the background work of identifying land supply, land need, identification of needed sites (including necessary site characteristics), and assessment of community economic potential. The next step for cities is to identify which land can best meet the needs identified in the EOA through the urban growth boundary amendment process. The urban growth boundary process is prescribed by OAR 660, Division 24 (Urban Growth Boundaries), which states in part that “*If a local government has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified land need, the local government may limit its consideration to land that has the specified characteristics when it conducts the boundary location analysis...*” (OAR 660-024-0060(5)). Newberg has identified specific site characteristics in its EOA and thus is limiting its analysis to land with those characteristics.

The revised Newberg EOA specifically identifies required industrial site characteristics. These are shown in Table 6 below.

Table 6: Required Industrial Site Suitability Characteristics

Required Site Characteristic	Description
Site Size	<ul style="list-style-type: none"> • Inventory to include a sufficient number of sites within each site category to meet identified needs (<2 buildable acres, 2 to 10 buildable acres, 10 to 30 buildable acres, and 30 to 50 buildable acres). • Site contains a parcel or group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres (or smaller if adjacent to existing industrial district).
Topography	Exclude: <ul style="list-style-type: none"> • Slopes of 10% or greater, • Sites that are not predominantly less than 5% slope within buildable areas, and • Areas within stream corridors and wetlands.
Proximity	Include parcels or contiguous group of parcels: <ul style="list-style-type: none"> • Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB. • Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.⁷ • That have suitable truck access to a state highway or arterial street within 1/4 mile.
Compatibility	Exclude sites that: <ul style="list-style-type: none"> • Abut residential neighborhoods⁸ on more than 25% of the site perimeter unless effective topographical buffers are present, such as a stream corridor, arterial street, state highway, rail line, or park. • Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.

Source: Newberg Economic Opportunities Analysis (2013)

This analysis inventoried existing sites within the UGB that may have these characteristics. The analysis first looked for parcels or groups of parcels in close proximity with buildable land that contain at least 20 buildable or industrially developed acres, or parcels adjacent to existing industrial districts. This analysis yielded 14 groups of properties in various areas within the UGB. Exact boundaries of these groups were not defined, as these boundaries could be refined for sites. These 14 sites are shown on Map 2, and are

⁷ If an area is not adjacent to an existing commercial or industrial area, the area will need to allow initial creation or future expansion of an industrial district to be at least 50 acres and preferably larger in order to have the benefits of industrial/commercial proximity.

⁸ For these purposes, "residential neighborhood" includes land that is within urban residential comprehensive plan or zoning district, and rural residential zoned land with a 2.5 acre or smaller minimum lot size or developed predominantly with residential lots of 2.5 acres or less.

designated with roman numerals I-XIV. The study then applies the site suitability criteria to these sites, considers the current designation for each site and any prior commitment, then determines whether redesignating that site to industrial would be a reasonable alternative.

Public/Quasi-public site suitability characteristics

The City and public facility needs identified in the comprehensive plan have siting requirements that vary depending on the specifics of the use. For this application, the City is seeking to locate public/quasi-public land to site a water treatment plant. This use is an industrial type use, and has site suitability characteristics that are similar to and compatible with industrial site suitability characteristics. In addition, a critical criterion is that the site has ready access to the Newberg's water source. Newberg's primary water source is a series of wells located south of the Willamette River. The city has two transmission mains from this well field: one on the old Highway 219 bridge near SP Newsprint, and under the Willamette River ending near Dog Ridge Road. This second pipe is the long term transmission source, and the new plant must be readily accessible to this line.

Analysis of sites within the UGB for redesignation as industrial

Below is analysis of non-industrial sites within the UGB to determine whether they reasonably could be redesignated industrial. The analysis considers whether these sites meet the industrial site suitability characteristics and other factors to determine whether the site could reasonably accommodate industrial uses.

Site I is at the intersection of North Valley Road and Chehalem Drive. This area includes about 40 buildable acres, including some 5-10 acre parcels. It is not adjacent to an industrial or commercial area. The site is predominantly over 5% slope, with large areas over 10% slope. The area is bisected by a stream corridor. It abuts residential areas on more than 25 percent of its perimeter. Truck traffic would need to travel by residential neighborhoods to reach the closest state highway or arterial: Highway 219. Even if any new arterials were created to serve this area, truck travel would have to go by residential neighborhoods. Thus, *Site I is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

Site II is near the intersection of Hwy 219 and Bell Road. This area includes approximately 25 buildable acres in non-contiguous parcels. It is predominantly over 5% slope with much of the area over 10% slope. Part of the site has access to Highway 219. The site abuts residential areas on about 25 percent of its perimeter. A portion of the site is owned by the North Valley Friends Church. The Church has a development agreement with the City regarding development of a church and school on the property⁹. The remainder of the site is committed to non industrial use through its inclusion in the Northwest Newberg Specific Plan (1993), which plans for future residential uses on this site. Thus, *Site II is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

Sites III, IV, and V are along Mountainview Drive and Crestview Drive. These sites have an approved master plan and development agreement: the Springbrook Master Plan. The master plan envisions a

⁹ Executed May 5, 2003.

variety of uses including commercial, multi-family, and other residential uses for these areas. The master plan does designate an employment area just south of Site IV that is included in the buildable industrial land inventory. The sites have an approved and recorded subdivision plat for the entire acreage¹⁰. *Thus Sites III, IV, and V could not reasonably accommodate industrial needs.*

Site VI is between Zimri Drive and N. Springbrook Road. While this area does include about 30 buildable acres, it is not adjacent to industrial or commercial areas. It is adjacent to a resort hotel. There would be many conflicts between the dust, noise, smell, and truck traffic of an industrial area and the quiet peace resort users are seeking. It lacks proximity to an arterial or state highway. The closest access would be on Zimri Drive, which still would be over ¼ mile distant from the nearest arterial (unless access was through a site with a historic home, which would not be reasonable). Truck traffic on Zimri would have to go past a residential neighborhood. Truck access from Springbrook Road would be even more distant. Zimri and Springbrook both go north through hilly terrain with grades in excess of 10%, and end at Bell Road, which is narrow, hilly, and windy. So neither reasonably could be redesignated an arterial. *Thus, Site VI is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

Site VII is on the north side of Highway 99W. It does include nearly 40 buildable acres. It is not adjacent to an industrial or commercial area (it is a commercial area). It is across the street from Providence Newberg Medical Center. It is adjacent to and can access Highway 99W at the Providence Drive intersection. It abuts residential areas on more than 25 percent of its boundary. There is an approved commercial/residential subdivision tentative plan on a part of the property. It is the only commercial site in the Newberg UGB with large parcels suitable for a community commercial center and high access and visibility to Highway 99W. Newberg has a lack of commercial land. *Thus, Site VII is suitable for commercial employment and residential uses, and is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

Site VIII is along Providence Drive and is just south of Providence Medical Center, and west of the existing medical center. It contains about 25 buildable acres. The property west of the medical center is planned for expansion of the medical center. The property to the south is planned for construction of medical office or medical service uses according to the adopted Springbrook Oaks Specific Plan. This land would meet many of the community's employment needs as the health care industry expands. It does abut a residential neighborhood on more than 25 percent of its border. There is one industrially zoned property adjacent. Redesignating this parcel industrial would deplete the supply of needed commercial and office employment land, which is uniquely appropriate near Providence Medical Center. *Thus, Site VIII is appropriate for health care type institutional uses, and is not suitable for redesignation as industrial.*

¹⁰ This is significant, because ORS 92.040 (2) and (3) states,

(2) After September 9, 1995, when a local government makes a decision on a land use application for a subdivision inside an urban growth boundary, only those local government laws implemented under an acknowledged comprehensive plan that are in effect at the time of application shall govern subsequent construction on the property unless the applicant elects otherwise.

(3) A local government may establish a time period during which decisions on land use applications under subsection (2) of this section apply. However, in no event shall the time period exceed 10 years, whether or not a time period is established by the local government.

Sites IX is on the east side of Brutscher Street between West Coast Bank and the former Suntron Building. It is approximately 1.6 acres. This site meets the site suitability criteria for both commercial and industrial land. The proximity to the Fred Meyer shopping center site and proximity to Brutscher and 99W make this site attractive for commercial development. Redesignating this lot as industrial would increase the shortage of commercial land in the UGB. Thus, *Site IX is appropriate for its current commercial designation, and could not reasonably be changed to accommodate needed industrial uses.*

Site X is located on both sides of Hayes Street at Springbrook Road. The site includes approximately 8 buildable acres; however, the site is bisected by the stream corridor, an area of steep slopes. The site has access to Springbrook Road, a major arterial, and is within 1/8 mile of Highway 99W. It has commercial uses on the north and west sides and an industrially designated parcel (but not used as industrial) on the south side. However, the site is included within the adopted Springbrook Oaks Specific Plan area and is planned to accommodate commercial and multi-family uses. An apartment complex recently was approved on a portion of the site. Newberg lacks commercial land. Thus, *Site X is suitable for the already planned for commercial and multi-family residential uses envisioned in the Springbrook Oaks Specific Plan and should not be redesignated to industrial.*

Site XI is consists of non-contiguous lots under 5 acres in existing commercial areas. It is on the north side of Hancock Street between Sitka Avenue and Deborah Road. It includes about 8 buildable acres on a few parcels ranging from less the 1 acre to just over 3 buildable acres. These sites meet the site suitability criteria for both commercial and industrial land. Redesignating these lands as industrial would increase the shortage of commercial land in the UGB. Thus, *Site XI is appropriate for its current commercial designations, and could not reasonably be changed to accommodate needed industrial uses.*

Site XII is along South Springbrook Road. While the site does access South Springbrook Road, a major arterial, it also abuts residential areas along more than 25 percent of its boundary. It abuts one industrial use to the south and one across South Springbrook Street; however, it also abuts manufactured dwelling parks across the street, and residential uses to the north. Thus the site does not meet the industrial site suitability characteristics.

The site is designated mostly High Density Residential and part Medium Density Residential. The Newberg UGB currently has a very meager supply of multi-family residential land, especially high density residential land. Newberg has been actively seeking to increase the supply of multi-family residential land in the UGB. The Ad Hoc Committee on Newberg's Future and the Affordable Housing Committee both recommended this site remain as residential, and even be considered for redesignation as all High Density Residential. The site is well suited to multi-family residential use. Newberg Comprehensive Plan Policy I.2.a, states, "Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces." The area is within walking distance to shopping, trails, a community college, and transit. If this were redesignated industrial, finding suitable replacement high-density residential land would be very difficult to do, as was demonstrated in recent hearings on a zone change to High Density Residential on Meridian Street. In addition, redesignation as industrial could result in

Measure 37/49 claims for restricting the residential use. Thus, *Site XII is appropriate for multi-family residential use, is not suitable for redesignation as industrial, and could not reasonably accommodate the needed industrial uses.*

Site XIII is along Adolf Road. It includes about 7 total acres of property. However, since the property is crossed by the Newberg-Dundee Bypass corridor, most of the property is not buildable. The site could be suited to some interim industrial use, such as storage. This actually would be more appropriate, and likely more valuable, than constructing multi-family residential uses on the site under the current Medium Density Residential (MDR) designation, where residences would only be removed upon bypass construction. If land across Adolf Road also is included in the UGB as industrial, this land could be part of group of more than 20 buildable acres that is adjacent to an existing industrial area. The site fronts Highway 219, though actual access is through Wilsonville Road/Highway 219. The highway would act as a buffer from the manufactured housing park across the highway. The total boundary with residential is less than 25%. Future access could be via a new frontage road to Highway 219, as envisioned in the South Industrial Area Master Plan. Thus, *Site XIII is appropriate for interim industrial use, provided additional land on Adolf Road is brought into the UGB and designated industrial.* These findings include redesignating this land to industrial.

Site XIV is along Waterfront Street. This area is a part of Newberg's Riverfront Master Plan. It includes one residentially designated parcel crossed by the Newberg-Dundee bypass, and one former landfill site envisioned as a future park. The site is more than a mile from a state highway or arterial street. Industrial access would have to go through existing residential neighborhoods. Thus, *Site XIV is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

Redesignation of Land Conclusion

Two parcels in the UGB along Adolf Road should be redesignated industrial, provided additional land along Adolf Road is included in the UGB and designated industrial. This would add approximately 1 buildable acre of industrial land to the Newberg industrial land supply. No other sites within the UGB meet the industrial site suitability characteristics and could reasonably accommodate the identified industrial needs. The two parcels are currently designated as Medium Density Residential (MDR) in the Newberg Comprehensive Plan. Although there is currently a deficit of Medium Density Residential land to meet future needs, this redesignation is appropriate because of the following:

- Although there is a deficit of residential land, there is also a deficit of industrial land, and this area is better suited to meet that need.
- The two parcels are located in between two roads, one of them a major highway, that does not provide a welcoming environment for residential development. The area is distant from parks, shopping areas, schools, or trails that would make that area suitable for residential uses. In addition, if the land on the other side of Adolf Road is brought into the UGB with an industrial designation, the parcels would be between Highway 219 and industrial development.
- It is far more difficult to find land that meets the industrial site suitability characteristics than that meets criteria for residential development. As stated elsewhere in this report, the industrial site suitability criteria are quite specific and are not met except where noted.

Land Needs That Only Can Be Met by UGB Expansion

As shown in Table 7, Newberg has an unmet need for one 30- to 50-acre site, one 10- to 30-acre site, 51 acres of 2- to 10-acre sites, and 20 acres of sites under 2 acres in size.

Table 7: Industrial Land Supply and Need through 2032

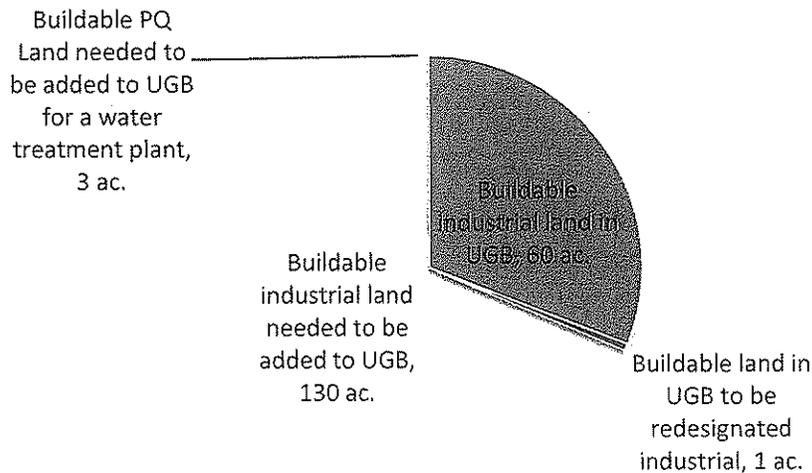
Size Range (Acres)	Number of Sites - 2012 UGB	Buildable Acres - 2012 UGB	2032 Needed Buildable Sites	2032 Needed Gross Buildable Acres	2032 Deficit # of Sites	2032 Deficit Buildable Acres
<2	5	6	23	26	(18)	(20)
2 to 10	7	30	14	81	(7)	(51)
10 to 30	1	24	2	42	(1)	(18)
30 to 50	0	0	1	42	(1)	(42)
Total	13	60	40	191	(27)	(131)

Source: City of Newberg

This means Newberg will need to include 131 additional buildable industrial acres within the UGB. In addition, there is a need for at least 3 additional gross buildable acres of industrial type public/quasi-public land beyond that already in the UGB, for a total need of 134 gross buildable acres. One acre of this need can be met by redesignating land along Adolf Road as industrial. The remaining land need must be met by expanding the UGB by 133 gross buildable industrial acres to include:

- 1) A 30- to 50-acre site;
- 2) A 10- to 30-acre site; and
- 3) Industrial park sites totaling approximately 70 gross buildable acres.
- 4) 3 gross buildable acres of industrial type Public/Quasi-Public land.

Figure 3: Meeting Buildable Industrial Land and PQ-WTP Needs through 2032



Note: Numbers are gross buildable acres.

The sites are needed to accommodate opportunities for the targeted industries listed below:

High Tech Manufacturing:

- Semiconductors/ silicon, imaging & display technology
- Nano & micro technology, cyber-security, health/medical information technology
- Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)

General Manufacturing:

- Dental equipment
- Metals, machinery, transportation equipment
- Lumber and wood products (value added)
- Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
- Distribution & logistics
- Sports apparel/ recreation-related products

Agriculture businesses:

- Wineries (excluding small boutique wineries)
- Specialty foods and food processing (excluding small boutique processors)
- Nursery and agricultural products (value added)

Services businesses:

- Architecture, engineering, or similar construction or manufacturing related services that require industrial storage areas, construction equipment yards, equipment or product testing.
- Creative services (advertising, public relations, film and video, web/internet content and design) that require industrial production equipment, large data centers, production studios, industrial telecommunication equipment or towers.

The needed sites must have the industrial site suitability characteristics shown in Table 6 on page 21.

Section 2: Urban Growth Boundary Location Analysis

Summary of Boundary Location Analysis Rules and Process

Section 1 of these findings establishes the need to expand the Newberg UGB for industrial land, including industrial type public/quasi-public land, and established site characteristics that the industrial land needs to meet. Findings in Section 2 will determine which land should be included in the UGB to meet that identified industrial land need.

Three main statutes and rules govern the boundary location process:

1. **ORS 197.298 Priorities.** This statute states:

§ 197.298 Priority of land to be included within urban growth boundary

(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 (Urban reserves), 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 nonresource 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 (1991 Edition).¹¹

(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 or 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 appropriate for the current use.

(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

¹¹ No marginal land exists within Yamhill County, so this priority is not applicable.

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.

2. **Goal 14 Location Factors.** Goal 14 establishes the following “location factors” governing UGB amendments:

The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:

(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 urban growth boundary.

3. **OAR Chapter 660, Division 024.** This rule further clarifies the UGB amendment process. 660-024-0060 (1) states:

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

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

(e) For purposes of this rule, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.

Put together, these statutes and rules provide that, after establishing a *need* to expand the UGB (See Section 1), a local government is to determine the *location* of the urban growth boundary using the following steps:

1. Inventory land adjacent to and in the vicinity of the urban growth boundary that meets the site suitability characteristics identified in Section 1 and thus is *suitable* for the identified use.
2. Determine whether any suitable land that meets the specified site characteristics exists within an *urban reserve area*.
 - a. If there is *no* suitable land in the urban reserve, proceed to consideration of the next priority land.
 - b. If there is *some* suitable land in the urban reserve, but this amount is less than or equal to the identified need, then include all the suitable urban reserve land into the UGB. Exclude land that cannot reasonably be served by public facilities and services. Include non-urban reserve land where maximum efficiency requires including that land to include the urban reserve land. Then proceed to consideration of the next priority land.
 - c. If there is *more* suitable land in the urban reserve than needed to meet the identified need, then apply the Goal 14 Location Factors to determine which of the suitable urban reserve lands to include in the UGB. Include those lands that best meet the location factors. Again, exclude land that cannot be serviced, and include lower priority land where maximum efficiency requires it.
3. If there is not sufficient suitable urban reserve land to meet the identified need, then determine whether any suitable land exists within *adjacent rural exception areas*. Process the results similar to steps a. b., and c. under step 2.

4. If sufficient suitable rural exception land cannot be included in the UGB, then determine what suitable land exists within *lower quality farm and forest resource land*.¹² Again, process the results similar to steps a. b., and c. under step 2.
5. If sufficient suitable lower quality farm or forest land cannot be included in the UGB, then determine what suitable land exists within *higher quality farm or forest resource land*. Again, process the results similar to steps a. b., and c. under step 2.

This section follows the steps above to determine which lands to include in the urban growth boundary to meet the identified needs for industrial land.

Inventory of Land Suitable for Industrial Use Adjacent to the UGB

Study Area

As stated earlier, the first part of the locational analysis is to inventory land adjacent to the UGB that meets the site characteristics determined in Section 1. According to OAR 660-024-0060 (4):

In determining alternative land for evaluation under ORS 197.298, "land adjacent to the UGB" is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.

This report used the land shown in Map 3 as the study area. This study area coincides with the study area approved by the Ad Hoc Committee for Newberg's Future in 2004 for analyzing growth alternatives. The study area includes about 10 square miles of rural land that *potentially* could accommodate Newberg's Year 2032 industrial land needs. Thus, the study area includes many times more land than needed to accommodate planned Year 2032 industrial growth. The rationale for determining the boundaries of each study area is described in the committee's *Report to Newberg City Council – Recommendations for Newberg's Future* (pp. 21-24). In general, the study area includes all land within ½ to ¾ mile of the UGB. Thus, it includes many areas that may not be "adjacent to" the UGB. It includes all lands within the 1995 Newberg Urban Reserve that have not already been included in the UGB. The study area excludes lands south of the Willamette River and on Ash Island. Due to the locations within the floodplain and inaccessibility, these lands are not suitable for industrial use. Map 3 also shows whether land within the study area is an Urban Reserve Area, an Exception Area or Resource Land.

Specific Industrial Site Characteristics

As noted in Goal 14 itself:

In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.

¹² No marginal land exists within Yamhill County, thus there is no third priority land.

In addition, OAR 660-024-0060 (5) states

(5) If a local government has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need, the local government may limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS 197.298.

The Newberg Economic Opportunities Analysis establishes site suitability characteristics for industrial lands. These are shown in Table 6 on page 21. The suitability characteristics cover four areas:

- Site Size
- Topography
- Proximity
- Compatibility

Application of Site Characteristics to Inventory Suitable Lands

The remainder of this section applies these industrial site characteristics to land within the study area to determine which sites have the required site characteristics.

Site Size Criteria

The Newberg EOA establishes the following industrial site size suitability criteria:

- *Inventory to include a sufficient number of sites within each site category to meet identified needs (<2 buildable acres, 2 to 10 buildable acres, 10 to 30 buildable acres, and 30 to 50 buildable acres).*
- *Site contains a parcel or group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres (or smaller if adjacent to existing industrial district).*

To address the site size suitability criteria, the study first inventoried buildable land¹³ in the study area. These are shown on Map 4. The map categorizes parcels by amount of buildable land: < 5 acres, 5 to 10 acres, 10 to 30 acres, and 30+ acres. This allows identification of areas that may be sufficient size to meet site needs for each size category. As can be seen, this includes a very large number of properties in many areas surrounding the UGB, and most notably in the northwest and southeast.

Second, the study considered areas where groups of parcels group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres could be found together. This analysis yielded 21 groups of properties in various areas surrounding the UGB. Exact boundaries of these groups were not defined, as these boundaries could be refined for sites generally meeting the suitability criteria. These 21 sites are shown on Map 4.

¹³This report uses the term "buildable land" to refer to land that could be developed over the planning period if included in the UGB and provided adequate public facilities and services. For employment land, it includes "vacant land" as defined in OAR 660-000-0005 (14), and "developed land" as defined in OAR 660-000-0005 (1). This should not be confused with the term "buildable land" in OAR 660-008-0005(2), because that rule specifically applies only to residential land. For more information, see page 20.

Of note, each of the areas with the 1995 Urban Reserve area was carefully considered. Site 11 includes land in the Wynooski Road URA. Site 12 is in the South Springbrook Road URA. Site 18 includes land in the Klimek Lane URA. Site 20 is located within the North Hills URA.

Topography Criteria

The Newberg EOA establishes the following topography suitability criteria:

Exclude:

- *Slopes of 10% or greater,*
- *Sites that are not predominantly less than 5% slope within buildable areas, and*
- *Areas within stream corridors and wetlands.*

Map 5 depicts lands with slopes of 5% and 10% or greater, stream corridors and wetlands.

Site 1 is predominantly over 5% slope, and much of the site is over 10% slope. Thus, *Site 1 does not meet the topography criteria.*

Sites 2, 3, 4 all contain large contiguous blocks of topographically suitable land and are carefully considered in the analysis to follow. *Sites 2, 3, and 4 meet the topography criteria.*

Sites 5, 6, 7, and 8 all contain small acreage rural residential parcels. The slopes of these sites are all predominantly less than 5% slope. They are bordered by stream corridors. *Sites 5, 6, 7, and 8 meet the topography criteria.*

Site 9 is on a knoll that is predominantly over 5% slope, and contains slopes over 10%. Thus, *Site 9 does not meet the topography criteria.*

Site 10 is within the floodplain of the Willamette River. The site is predominantly over 5% slopes, and contains many areas of over 10% slope. Thus, *Site 10 does not meet the topography criteria.*

Sites 11 through 14 are all predominantly less than 5% slope outside stream corridors. Thus *Sites 11 through 14 meets the topography criteria.*

Site 15 is predominantly less than 5% slope on the north side of Wilsonville Road. The area on the south side of Wilsonville Road is predominantly over 10% slope. Thus, *only the north side of Site 15 meets the topography criteria.*

Sites 16 contains a mixture of slopes <5%, 5-10%, and >10%. The site is not predominantly less than 5% slope. *Site 16 does not meet the topography criteria.*

Site 17 is on a hillside with slopes > 10%. *Site 17 does not meet the topography criteria.*

Site 18 is predominantly over 5% slope, and contains large areas > 10% slope. It has stream corridors interspersed within the site. *Site 18 does not meet the topography criteria.*

Site 19 is predominantly >5% slope. Thus, *Site 19 does not meet the topography criteria.*

Site 20 is the North Hills URA. This site is predominantly over 5% slope, and has many areas >10% slope. Thus, *Site 20 does not meet the topography criteria.*

Site 21 is largely in land with over 10% slope, thus *Site 21 does not meet the topography criteria.*

Proximity

The Newberg EOA establishes the following proximity suitability criteria:

Include parcels or contiguous group of parcels:

- *Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.*
- *Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.*
- *That have suitable truck access to a state highway or arterial street within 1/4 mile.*

Map 6 shows the location of each of the study sites, and assesses them according to the proximity criteria.

Site 1 is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district. While the parcel does touch Highway 219, the topography is over 10% near that portion of the highway. This exceeds the typical slope required by industrial uses for access. Because of that, truck access would have to be to North Valley Road. Via that route, it is over 1/4 mile to state highway. Thus, *Site 1 does not meet the transportation proximity criterion.*

Site 2 is 1/3 to 3/4 miles from the UGB, and there is intervening farm land. Thus, it could not be immediately added to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. Truck traffic would have to travel about a mile to reach the nearest major road: Highway 219. Thus, *Site 2 does not meet the UGB proximity and transportation proximity criteria.*

Site 3 is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. However, it is about 3/4 mile to the nearest major arterial or state highway. Thus, *Site 3 does not meet the transportation proximity criterion.*

Site 4 also is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. If access were taken through Old Yamhill Highway to Highway 240, it would have access within 1/4 mile. Thus, *Site 4 meets the proximity criteria if access is taken to Highway 240 via Old Yamhill Highway.*

Site 5 is 1/3 to 2/3 mile from the UGB, and thus is not adjacent to the UGB, and could not be part of a group of parcels that could immediately be added to the UGB. It is not adjacent to an industrial or commercial area, and interspersed residential development would make it very difficult or impossible to create or expand the district to provide the needed benefits of industrial/commercial proximity. It does

have close access to Highway 240. Thus, *Site 5 does not meet the UGB proximity and industrial/commercial proximity criteria.*

Site 6 is adjacent to the UGB. It is not adjacent to an industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area. It has access to Highway 240. Thus, *site 6 does not meet industrial/commercial proximity criterion.*

Site 7 is adjacent to the UGB, though it is separated by a stream corridor, and extension of utilities would be very problematic. It is not adjacent to an industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area. It does not have access to a state highway or major arterial within 1/4 mile. Thus, *site 7 does not meet the industrial/commercial proximity or transportation proximity criteria.*

Site 8 is 1/3 to 3/4 miles from the UGB, and thus is not adjacent to the UGB. The area is separated from the UGB by the Chehalem Creek Canyon, which would make extension of facilities to the site very problematic. For example, previous studies showed that two miles of wastewater lines and a new wastewater pump station, or a new wastewater treatment plant would be needed to serve this area. Thus, it could not reasonably be added to the UGB in conjunction with adjoining properties. There are three small non-contiguous parcels in the area with county industrial zoning. It does have close access to Highway 99W, though access restrictions along that stretch of highway may prevent access directly to the highway. The future connection to the bypass between Newberg and Dundee might provide access. Thus, *Site 8 does not meet the UGB proximity criterion.*

Site 9 is adjacent to the UGB, although it is separated from the urbanizable area by a stream corridor, which would make serving the site with utilities very difficult. The site is not adjacent to an existing industrial or commercial area, and does not contain sufficient buildable land to allow expansion of the district to provide the same benefits. While it is adjacent to Highway 99W, actual access is restricted due to an intervening rail line. The only other access is Dayton Avenue, which is not an arterial, and has access issues on both ends. Thus, *site 9 does not meet the industrial/commercial proximity or transportation proximity criteria.*

Site 10 is adjacent to the UGB, but is separated from the urbanizable area by a stream corridor, which would make serving the area with utilities very difficult. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It does not have access to a state highway or major arterial within 1/4 mile. Thus, *Sites 10 does not meet the transportation proximity criteria.*

Site 11 is adjacent to the Newberg UGB. The site is adjacent to the existing industrial areas in south Newberg, and thus would benefit greatly from the synergy, short travel times, and compatibility with these areas. It abuts and has access to Highway 219. Thus, *Site 11 meets the proximity criteria.*

Site 12 is adjacent to the Newberg UGB. It touches one industrial property. It is close to Springbrook Road, a major arterial. Access could be created within 1/4 mile. Thus, *Site 12 meets the proximity criteria.*

Site 13 is not adjacent to the UGB. Farm land intervenes, so it is not a part of an area that could be immediately added to the UGB. It is not adjacent to any existing industrial or commercial areas. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It does have access to Wilsonville Road, a minor arterial. *Thus, Site 13 does not meet the UGB proximity criterion.*

Site 14 is technically adjacent to the UGB along the northern boundary, and practically within about 1/8 mile of the UGB to the west. Properties to the west across Springbrook Creek are within the urban reserve area. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It has access to Wilsonville Road, a minor arterial. *Thus, Site 14 meets the proximity criteria.*

Site 15 is not adjacent to UGB. Intervening land is farm land, so it is not part of an area that could immediately be added to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It abuts and has access to Wilsonville Road, a minor arterial. *Thus, Site 15 does not meet the UGB proximity criteria.*

Site 16 is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. However, it is not adjacent or close to a major arterial or state highway. *Thus, Site 16 does not meet the transportation proximity criterion.*

Site 17 is generally about 1/5 to 1 mile from the UGB, with farm land intervening. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district, though much of that land is over 10% slope. While it does front Highway 99W, access to the highway is either restricted or very problematic because of the slope of Rex Hill. *Thus, Site 17 does not meet the proximity criterion.*

Site 18 is close to the UGB (less than 1/8 mile). It may technically be possible to assemble enough adjacent land to include the property in the UGB, though access to the site is a major issue. The site is not adjacent to any existing Newberg industrial areas, and is across the highway from a commercial area. The site abuts Highway 99W, though the only current access is at Corral Creek Road and Veritas Lane. Neither of these accesses is suitable for industrial traffic. *Thus, Site 18 does not meet the transportation proximity criterion.*

Site 19 is adjacent to the UGB. It is adjacent to a commercial area. It is close to Highway 99W, though actual access would need to be from the Providence Drive/Crestview Drive intersection, with travel over 1/3 mile through a commercial/residential area. *Site 19 does not meet the transportation proximity criterion.*

Site 20 is within the Newberg urban reserve area, and is close enough to the UGB that an assembly of parcels could be added. The site is not adjacent to an existing industrial or commercial area. The site has sufficient buildable land to allow expansion of the district, though much of that land is sloped. The site is not near a state highway or arterial. *Thus, Site 20 does not meet the transportation proximity criterion.*

Site 21 almost touches the UGB at one point, but is generally ¼ mile distant. It is not adjacent to existing industrial areas or commercial areas; assembling sufficient buildable land to allow expansion of the district would be very difficult. The site does not have any close access to an arterial or state highway. Thus, *Site 21 does not meet the transportation proximity criterion.*

Compatibility

As noted in ORS 197.712(2)(d): “Comprehensive plans and land use regulations shall provide for compatible uses on or near sites zoned for specific industrial and commercial uses.” The Newberg EOA establishes the following compatibility criteria:

Exclude sites that:

- *Abut residential neighborhoods on more than 25% of the site perimeter unless effective topographical buffers are present, such as a stream corridor, arterial street, state highway, rail line, or park.*
- *Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.*

This study investigated each identified site to determine whether it met the compatibility criteria. The results also are shown on Map 7.

Site 1 is adjacent to a residential neighborhood on its south side. The truck access would be to North Valley Road. The nearest arterial or state highway is College Street (Highway 219). Truck travel on North Valley Road would travel adjacent to residential areas to reach College Street. *Thus, Site 1 does not meet the truck travel compatibility criterion.*

Site 2 is largely separated from residential areas. However, truck traffic would have to travel through residential areas, such as those along North Valley Road to reach College Street (Highway 219), or those along Chehalem Drive to reach Highway 240. *Thus, Site 2 does not meet the compatibility criteria.*

Site 3 abuts urban residential areas to the east and somewhat to the south. The overall boundary is over 25%. However, truck traffic would have to travel through residential areas along Chehalem Drive to reach the closest major road: Highway 240. *Thus, Site 3 does not meet the compatibility criteria.*

Site 4 abuts residential neighborhoods along the entire east and south side of the area. Truck traffic would pass through residential neighborhoods on Old Yamhill Highway (a local street) or Chehalem Drive to reach Highway 240, the nearest major road. *Thus, Site 4 does not meet the compatibility criteria.*

Sites 5 and 6 abut residential neighborhoods on all sides. There is a stream corridor buffer on the south and a highway buffer on the north, but the overall boundary still exceeds 25%. Both areas have access to Highway 240. *Thus, Sites 5 and 6 fail to meet the residential separation criterion.*

The majority of Site 7 is developed with residential. While there are stream corridors on the north and south side, it still would not be possible to establish an industrial area with a residential boundary of less

than 25%. Truck travel would have to go through residential areas on Sunnycrest Road to reach Highway 99W, the nearest major road. *Thus, Site 7 does not meet the compatibility criteria.*

Site 8 is unbuffered from residential development to the north and west. The area abuts Highway 99W, but actual truck access may be restricted and may need to travel adjacent to a residential area. *Site 8 does not meet the residential separation criterion.*

Site 9 abuts Highway 99W on the north, a stream corridor on the east, a residential areas on the south and west. A hillside splits this area. It may theoretically be possible to establish an industrial area with less than 25% boundary with residential areas. However, access to the nearest major road, Highway 99W, is restricted due to a rail line and access controls. Thus, industrial development in this area would result in truck traffic on Dayton Avenue, which is largely residential. *Thus, Site 9 does not meet the truck travel compatibility criteria.*

Site 10 is agricultural land. It is bounded by the Willamette River on the south, Chehalem Creek on the west, a stream corridor and the future Newberg-Dundee bypass on the north, and farm land on the west. However, the only access would be through residential areas in Dundee. *Thus, Site 10 does not meet the truck travel compatibility criterion.*

Site 11 has excellent stream corridor buffers on both the east and west side. It abuts industrial land on the northwest side. It has a limited border with agricultural land on the south that is owned by the Chehalem Parks and Recreation District. Thus, it meets the residential separation compatibility criterion. Truck traffic could access Highway 219 and connect to I-5 or the Portland area without traveling through residential areas. *Thus, Site 11 meets the compatibility criteria.*

Site 12 abuts residential land on the west, and is across the street from residential on the north. Thus, the site has abuts residential on more than 25% of its perimeter. Truck travel would be to Fernwood Road, adjacent to residential areas, or across properties to Springbrook Road, again through residential areas. At the southeastern part of Site 12 is a parcel that will be split by the Newberg-Dundee Bypass. The portion on the west is adjacent to a manufactured dwelling park, and does not meet the compatibility criteria. The portion of that parcel east of the future bypass contains approximately 4.5 acres. It would access Wilsonville Road on the south. The bypass could serve as a future buffer to the residential uses on the west. However, that portion abuts residential on the east on more than 25% of its boundary, and therefore this part of the site does not meet the compatibility site characteristic. *Thus Site 12 does not meet the compatibility criteria.*

Part of Site 13 is developed with residential. It does have an arterial street to the north, farm land to the east, and a stream corridor to the south. It may be possible to create an industrial area with less than 25% of the border adjacent to residential. Truck travel could be on Wilsonville Road, an arterial street, though it would still be adjacent to a residential area. *Thus, Site 13 meets the compatibility criteria.*

Site 14 has stream corridor buffers on the north and west side, and farm land on the east side. It is across the street from a residential area on the south, but this is across Wilsonville Road, a minor arterial. Thus, the site meets the residential separation criterion. Truck traffic could access Wilsonville

Road, and reach Highway 219 and connect to I-5 or the Portland area. *Thus, Site 14 meets the compatibility criteria.*

Site 15 abuts agricultural land and has a small stream corridor buffer on the north side. It abuts agricultural land across the street on the east side, and along the south side. The west side is agricultural/forest small holding area. Truck traffic would be to Wilsonville Road, a minor arterial. *Site 15 meets the compatibility criteria.*

Site 16 has some topographic features that could serve as buffers. The Chehalem Glenn Golf Course and a hillside are on the west side. Hills are along the east side across Corral Creek Road, though these include residential neighborhoods. A small stream is on the south side. A hill separates sites 16 and 18. However, all truck travel would be directed to Fernwood Road, and would have to pass through residential areas to reach either Springbrook Road or Highway 219. *Thus, Site 16 does not meet the truck travel compatibility standard.*

Site 17 is on the hill east of sites 16 and 18. It is within an agricultural/forest small holding area. All truck travel would be directed to Fernwood Road, and would have to pass through residential areas to reach either Springbrook Road or Highway 219. *Thus, Site 17 does not meet the truck travel compatibility criterion.*

Site 18 has good buffers from residential areas. However, all truck travel would be directed to Fernwood Road, and would have to pass through residential areas to reach either Springbrook Road or Highway 219. *Thus, Site 18 does not meet the truck travel compatibility criterion.*

Site 19 is adjacent to residential areas on the north and west without adequate buffers. All truck travel would be directed to Highway 99W, and would have to pass adjacent to residential areas to reach the highway. *Thus, Site 19 does not meet the compatibility criteria.*

Site 20 borders a residential area on the south. It is within an agricultural/forest small holding area. All truck traffic would have to travel through residential areas to reach the nearest arterial street, Mountainview Drive. *Thus, Site 20 does not meet the truck travel compatibility criterion.*

Site 21 is in the middle of an agricultural small holding area with many residences. All truck traffic would have to travel through or adjacent to residential areas to reach an arterial or state highway. *Thus, Site 21 does not meet the truck travel compatibility criterion.*

Summary of Industrial Site Suitability Analysis

Table 8 on page 40 summarizes the industrial site suitability analysis. The symbols are interpreted as follows:

- ☺ means site meets the criteria in the column.
- ☹ means site could meet the criteria under some conditions or mitigation.
- ⊗ means the site does not meet the criteria in the column.

Table 8: Summary of Industrial Site Suitability Analysis

Site	Size	Topography	Proximity	Compatibility
#1: North Valley Rd.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☹ Most of site >5% slope, with large areas >10% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Not within 1/4 mile of state highway or arterial	☹ Would require travel adjacent to residential areas.
#2: North Valley Rd. /Tangen Rd.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☺ Site is predominantly < 5% slope	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion. Not within 1/4 mile of state highway or arterial	☹ Would require travel adjacent to and through residential areas.
#3: Chehalem Dr.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☺ Site is predominantly < 5% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Not within 1/4 mile of state highway or arterial	☹ Unbuffered from residential to east and to south. Would require truck travel adjacent to and through residential areas.
#4: Chehalem Dr./Cullen Ln.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☺ Site is predominantly < 5% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Could be within 1/4 mile of Highway 240 if access via Old Yamhill Highway	☹ Unbuffered from residential to west, north, and east. Would require truck travel adjacent to and through residential areas.

Site	Size	Topography	Proximity	Compatibility
#5: Highway 240 West	☹️ Interspersed residential development would make it a challenge to assemble group of parcels with buildable land and > 20 acres total.	☺️ Site is predominantly < 5% slope	☹️ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Not adjacent to industrial or commercial area, and interspersed residential development would make it very difficult or impossible to initially create or expand the district	☹️ Surrounded by
#6: Honey Ln.	☹️ Interspersed residential development would make it a challenge to assemble group of parcels with buildable land and > 20 acres total.	☺️ Site is predominantly < 5% slope	☹️ Adjacent to the UGB and within 1/4 mile of Highway 240. Not adjacent to industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area	☹️ Unbuffered from residential to east, west.
#7: Sunnycrest Rd.	☹️ Interspersed residential development would make it a challenge to assemble group of parcels with buildable land and > 20 acres total.	☺️ Site is predominantly < 5% slope outside stream corridor	☹️ Not within ¼ mile of state highway or arterial. Not adjacent to industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area	☹️ Site is within dense residential area. Will require truck travel to and through residential areas.

Site	Size	Topography	Proximity	Compatibility
#8: Fox Farm Rd.	☺ Group of parcels with > 20 buildable acres. Contains some parcels with > 10 buildable acres	☺ Site is predominantly < 5% slope	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Adjacent to Highway 99W, however direct highway access may not be allowed by ODOT. Adjacent to county industrial area.	☹ Unbuffered from residential to north
#9: Dayton Ave. North	☺ Group of buildable parcels with > 20 acres.	☹ Site is >5% and >10% slopes	☹ Although the area is close to Highway 99W, there is no direct access, so highway or major arterial access would be further than 1/4 mile. Not adjacent to industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area (commercial/industrial area across highway and rail line).	☹ It may be possible to establish industrial buffers from residential. Would require truck through residential
#10: Riverfront West	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☹ Much of site has slopes over 10%	☹ Adjacent to UGB but separated by the stream corridor. Site has sufficient buildable land to allow expansion. No access to state highway or arterial street within 1/4 mile.	☹ Buffered from residential areas by stream corridor. Would require truck through residential Dundee.

Site	Size	Topography	Proximity	Compatibility
#11: Highway 219/Wynooski	☺ Site contains > 20 buildable acres, includes parcels > 30 buildable acres, 10-30 buildable acres, 5-10 buildable acres.	☺ Site is predominantly < 5% slope outside stream corridor	☺ Adjacent to the UGB. Site is adjacent to industrial district. Abuts and has access to Highway 219.	☺ Buffered from by stream corridors
#12: S. Springbrook URA	☺ Site contains about 20 buildable acres and touches one industrial property.	☺ Site is predominantly < 5% slope outside stream corridor	☺ Adjacent to UGB. Site touches one industrial property. Access to Springbrook Road arterial street within 1/4 mile.	☹ Unbuffered from residential on the n west. Would require adjacent to and thr residential areas to arterial.
#13: Wilsonville Rd. South	☺ Site contains > 20 buildable acres with 2 parcels of about 10 acres.	☺ Site is predominantly < 5% slope outside stream corridor	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion.	☺ Adjacent to re: on west side – bou 25%. Would require travel adjacent to r area only on arteria
#14: Wilsonville Rd. Northwest	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres and 10-30 buildable acres	☺ Site is predominantly < 5% slope outside stream corridor	☺ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Abuts and has access to Wilsonville Rd. (minor arterial).	☺ Stream corrido north and west side Residential area aci Wilsonville Road, a west side. Bounda Would require truc adjacent to residen only on arterial stre

Site	Size	Topography	Proximity	Compatibility
#15: Wilsonville Rd. Northeast	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres and 10-30 buildable acres	☹ Area north of Wilsonville Rd. is predominantly < 5% slope; area south of Wilsonville Rd. is predominantly >10% slope.	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion. Abuts and has access to Wilsonville Rd. (minor arterial).	☺ Not adjacent to residential areas. Would require truck travel to residential area through arterial street.
#16: Corral Creek Rd. South	☺ Site > 20 buildable acres, includes parcels 10-30 buildable acres and 5-10 buildable acres	☹ Site is mixture of <5% slopes, 5-10% slopes, and steeper slopes.	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. No access to arterial street or state highway within 1/4 mile.	☹ Would require travel adjacent to and through residential areas.
#17: Parrett Mountain	☺ Site > 20 buildable acres, includes parcels 30+ buildable acres, 10-30 buildable acres and 5-10 buildable acres	☹ Slopes over 10% do not allow for industrial development.	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion, but that land is sloped. No truck access to arterial street or state highway within ¼ mile.	☹ Would require travel adjacent to and through residential areas.
#18: Corral Creek Rd. North	☺ Site has about 60 buildable acres. Has some parcels with about 10 buildable acres.	☹ Much of the area is > 5% slope, with large areas > 10% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Corral Creek Rd. access to Highway 99W not suitable for truck traffic.	☹ Would require travel adjacent to and through residential areas to reach highway or arterial street.

Site	Size	Topography	Proximity	Compatibility
#19: Benjamin Rd.	☺ Site > 20 buildable acres.	☹ Large part of site is > 5% slope, with some areas > 10% slope	☹ Adjacent to UGB. No truck access to arterial street or state highway within 1/4 mile. Site adjacent to commercial area.	☹ Residential to west. Would require truck adjacent to and through residential areas.
#20: North Hills URA	☺ Site > 20 acres. Includes sites with 10-30 buildable acres.	☹ Site is predominantly >5% and >10% slopes	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion, though some of that land is sloped. No truck access to arterial street or state highway within 1/4 mile.	☹ Abuts residential south side. Would require truck travel adjacent through residential areas.
#21: Bell Rd.	☺ Site > 20 acres. Includes sites with 10-30 buildable acres.	☹ Slopes over 10% do not allow for industrial development.	☺ Except on west side, area is not adjacent to UGB. Assembling sufficient land to allow the benefits of industrial/commercial proximity would be very difficult due to slopes. Western part has truck access to arterial street or state highway within 1/4 mile.	☹ Would require truck travel adjacent to residential areas.

Suitable Land Conclusion

Site 11, the Highway 219/Wynoooski site, has all the industrial site suitability characteristics and thus is suitable for industrial use.

Site 14, the Wilsonville Road Northwest site, also meets the site suitability characteristics.

No other sites within the study area meet the industrial site suitability criteria.

Thus, Site 11 and Site 14 are then the only sites that are advanced to the boundary location analysis.

Urban Growth Boundary Location Analysis

After determining which adjacent sites are suitable for industrial land, the next step is to select which land in those sites to include in the UGB. In order to do this, local governments must determine the ORS 197.298 priority of each suitable site, and designate land according to those priorities. When a priority class is reached and there is more land in that priority class than is needed to meet the projected needs, then the local government applies the Goal 14 locational factors to determine which land in that priority to include in UGB.

As noted, only two sites meet the industrial site suitability criteria: Sites 11 and 14. A more detailed view of these sites is on Map 8. These sites are made up of a combination of first, second, and fourth priority sites. The fourth priority agricultural sites consist of lower and higher priority sites also. See Map 9. Thus, various parts of these sites must be considered differently according to the priorities. For ease of analysis, these sites have been further divided into subsites numbered Site 11.1 through 11.9, and Site 14.1 through 14.3. These are shown on Map 10.

First Priority Urban Reserve Area Sites

Newberg designated urban reserves in 1995. Several of these urban reserves have since been included in the urban growth boundary. One parcel in the Wynoooski Road Urban Reserve was included as industrial land – the remaining were added to meet residential, commercial, or institutional needs.

Sites 11.2 and 11.3 are within the urban reserve area. These consist of four parcels on Wynoooski Road (Tax lots 3229-400 & 500, 3228-1200 & 1700).

Site 11.2 along with Site 11.1 is the anticipated site of the future water treatment plant. A water line under the Willamette River has been extended near this area in anticipation of the relocation of the water plant to these parcels. The two sites contain 3 gross buildable acres. Thus, *Site 11.2 should be included in the UGB and designated Public/Quasi-Public. This should be considered in conjunction with Site 11.1.*

Site 11.3 includes a solid waste transfer facility. It includes 3 gross buildable acres. Including it in the UGB would facilitate connecting the site to municipal sewer and water, which would be useful to some of the operations. *Sites 11.3 should be included in the UGB.*

No parcels in Site 14 are within the urban reserve area.

The four parcels in Sites 11.2 and 11.3 total 47 total acres. However, they include only 6 gross buildable acres, as the sites are largely in the stream corridor or in industrial use. Thus the total industrial and public/quasi-public land needs are far from being met on these sites. Thus, Newberg must look to second priority rural exception sites.

Second Priority Rural Exception Areas Sites

Site 11.1, 11.9, and 14.1 are rural exception sites.

Site 11.1 consists of three parcels on Wynooski Road (Tax Lots 3229-202 (part), 600 & 2200). These are part of the anticipated future water treatment plant site, and thus are suited for Public/Quasi-Public designation. This site along with Site 11.2 contains 3 gross buildable acres. *Site 11.1 should be included in the UGB and designated Public/Quasi-Public.*

Site 11.9 and Site 14.1 are along Wilsonville Road near the Springbrook Creek crossing. Neither of sites independently contain 20 acres for industrial uses – they only should be included if adjacent parcels also are included as industrial. Otherwise, they would fail to meet the industrial district size suitability characteristic. Site 11.9 (Tax lots 3221-5200 & 5300 on the west side of the creek) contains 5 total acres, but only 1 gross buildable acre. *Site 11.9 should be included in the UGB only if adjoining properties in Site 11.8 also is included in the UGB.* Site 14.1 (Tax lot 3221-4900, 4901 & 5100 on the east side of the creek) contains 9 total acres, but only 1 gross buildable acre. *Site 14.1 should be included in the UGB only if Site 14.2 also is included in the UGB.*

Even if all these sites were included in the UGB, they do not come close to meeting future industrial land needs. Thus, Newberg must look toward lower priority lands.

Third Priority Marginal Land

No marginal land exists in Yamhill County, thus no third priority land exists.

Fourth Priority Agricultural Land

The remaining parcels in Site 11 and Site 14 are designated agricultural. According to ORS 197.298(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 appropriate for the current use.

Thus, the remaining parcels in Site 11 and Site 14 are to be compared according to their soil types. Map 9 shows the soil classification in these sites. Both of these sites are comprised primarily of Class II soils. Each has Class III – VI soils, primarily located within stream corridors¹⁴. Sites 11.6 and 14.2 contain some Class I soils. Therefore, these two subsites should receive lower priority (See Map 10 and Table 9 on page 48). The remaining subsites have similar enough soil characteristics that they can be considered the same priority. See Table 9 on page 48. These sites are 11.4, 11.5, 11.7, 11.8¹⁵, and 14.3. These sites

¹⁴ The stream corridors serve very important functions as buffers and amenities for the adjacent industrial development. They are only needed to be included in the UGB if the adjoining upland portion also is included.

¹⁵ Site 11.8 contains approximately 1 acre in Class I soils, a portion of which is under two buildings. If Site 11.8 is included, the small area of Class I soil should be included under the “maximum efficiency” exception under ORS 197.298 (3)(b).

consist of 16 parcels containing approximately 166 gross buildable acres (269 total acres). This exceeds the total need for industrial land for the 20-year planning period through 2032. Thus, the decision on which of these sites to include in the UGB (Sites 11.4, 11.5, 11.7, 11.8 and/or 14.3) depends on the Goal 14 Location Factor Analysis below.

Table 9: Priority of Agricultural Sites by Soil Class

Site	Soil Class In Buildable Areas	Soil Class Inside and adjacent to Soil Class Outside Buildable Areas (Stream corridors, wetlands, sloped areas) ¹⁶	Priority
11.4	Class II	Almost all Class III, small amount of Class II	4 - Medium
11.5	Class II	Class II and Class III	4 - Medium
11.6	About half Class I and half Class II	Class VI	4 - Low
11.7	Class II	Class III and Class VI	4 - Medium
11.8	Class II with a pocket of Class I ¹⁷	Class III and Class VI	4 - Medium
14.2	About half Class I and half Class II	Class III and Class VI, small amount of Class I and Class II	4 - Low
14.3	Class II	Class III and Class VI, small amount of Class I and Class II	4 - Medium

Goal 14 Location Factor Analysis

The decision on which suitable sites of the same priority class (Sites 11.4, 11.5, 11.7, 11.8 and/or 14.3) should be included in the UGB is determined using the Goal 14 Location Factors. The four Goal 14 location factors are:

- (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.***

¹⁶ The soil map is based on very generalized and dated aerial photography, so boundaries should not be considered precise. The stream corridor map is based on more advanced LIDAR mapping which is substantially more accurate but still should not be considered precise. It is quite likely that the soil classification boundaries were intended to follow the same features as the stream corridor boundaries.

¹⁷ The pocket of Class I should be included under the "maximum efficiency" exception under ORS 197.298 (3)(b)

The local government is to evaluate alternative boundary locations of properties in the same priority class, and determine which boundary alternative best meets the factors listed.

OAR 660-024-0060 (3) states:

(3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the UGB location, a local government must show that all the factors were considered and balanced.

Thus the factors are not criteria that are either met or not met: they are comparative factors to determine which alternative best meets the factors. They must be considered together, and no one factor may be given decisive weight without considering the others. Also note that they are used only to determine which suitable land of a particular priority should be included in the UGB. Thus, lower priority land cannot be included even though it may better meet the factors, and higher priority land need not be included if it is not suitable. Finally, note that the factors have a significant amount of overlap. For example, the cost of providing services to an area is directly an element of Factor 2 (economic provision of services), but also an element of Factor 1 (efficient accommodation of land needs), and Factor 3 (economic consequences). This is simply a matter of how the factors are written, and there is no indication in the rule that such elements should not be included in each factor.

Boundary Alternatives

The agricultural parcels in Site 11 and Site 14 were compared and arranged in three alternative Boundary Locations. All three boundary alternative assume that land along Adolf Road already in the UGB is changed to industrial, and that Site 11.1, 11.2 are included and designated Public/Quasi-Public, and that Site 11.3 is included and designated industrial. The boundary alternatives are shown on Map 11.

Boundary Alternative A: This boundary alternative would extend the UGB along Wilsonville Road for industrial uses. This alternative includes sites 11.8, 11.9, 14.1, 14.2, and 14.3. Site 14.2 includes some Class I soils, so this would be included under the "maximum efficiency" exception under ORS 197.298 (3)(b).

Boundary Alternative B: This boundary alternative would extend the UGB along Highway 219 and Adolf Road for industrial uses. This alternative includes sites 11.4, 11.7, 11.8, and 11.9.

Boundary Alternative C: This boundary alternative would extend the UGB south on Highway 219 for industrial uses, and not include properties on the east side of Adolf Road. This alternative includes sites 11.4, 11.5, and 11.7. Site 11.6 would be excluded, since it includes some Class I soils.

As shown in Table 10 below, all three alternatives contain between 125 and 128 gross buildable acres. All options would meet all but a few acres of the remaining buildable industrial land needs through 2032.

Table 10: Buildable Acres in Boundary Alternatives

	Alternative A	Alternative B	Alternative C
Buildable Acres	128	125	126
10-30 ac. sites	2	2	2
30-50 ac. sites	2	2	2

Location Factor 1: Efficient accommodation of identified land needs

Boundary Alternative B would accommodate industrial land needs very efficiently. It is adjacent to the Newberg UGB. It contains level land within mostly large parcels. It contains adequate land to meet all the 2032 large site industrial land needs. It includes a few rural home sites, an existing agricultural industrial plant, and a large riding stable. Sewer and water service are nearby. Sewer service to the area can be provided via a planned east side sewer pump station. All the buildable land in this area is estimated to be able to flow by gravity to this station. This alternative is crossed by the bypass corridor. Upon construction of the bypass, Wilsonville Road will need to be relocated through this area. This would provide some efficiency.

Boundary Alternative C would accommodate industrial land needs, but somewhat less efficiently than Alternative B. This site contains mostly level land, though there is some more sloping land at the southeast corner. It is adjacent to the existing Wynooski Road industrial area. It also includes pre-existing home sites, and the same agricultural industrial plant as Alternative B. Because Site 11.6 would be excluded, the back part of several lots would not be included, resulting in some inefficiency. Sewer and water could be extended to this area, though they would need to be extended a somewhat greater distance than for Boundary Alternative B.

Boundary Alternative A would accommodate industrial land needs the least efficiently of the three alternatives. The site does include level land with mostly large parcels, and contains enough land to meet 2032 large site industrial needs. It is the furthest from the existing industrial areas along Wynooski Road. Because it contains land on the east side of Springbrook Creek, an additional sanitary sewer pump station would be needed to provide services. This would add to the cost of providing services and increase inefficiency.

Location Factor 2: Orderly and economic provision of public facilities and services

As noted in OAR 660-024-0060:

(7) For purposes of Goal 14 Boundary Location Factor 2, "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities.

(8) The Goal 14 boundary location determination requires evaluation and comparison of the relative costs, advantages and disadvantages of alternative UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. This evaluation and comparison must be conducted in coordination with service providers, including the Oregon Department of Transportation with regard to impacts on the state transportation system.

"Coordination" includes timely notice to service providers and the consideration of

evaluation methodologies recommended by service providers. The evaluation and comparison must include:

(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 and, for urban areas of 25,000 or more, the provision of public transit service.

As stated in the Goal 9 Rule (OAR 660-009-0005(9)):

"Serviceable" means the city or county has determined that public facilities and transportation facilities, as defined by OAR Chapter 660, Divisions 011 and 012, currently have adequate capacity for development planned in the service area where the site is located or can be upgraded to have adequate capacity within the 20-year planning period.

Findings

Among other things, the South Industrial Area Master Plan looked carefully at existing urban facilities in the south part of Newberg and how these facilities can be economically extended to serve the Highway 219/Wynooski study area (Sites 11.1 through 11.9). The plan was carefully coordinated with a number of service providers, including the Newberg Public Works Department (sewer, water, and storm drainage); Yamhill County Public Works (County roads and rural storm drainage); and the Oregon Department of Transportation (State highways).

With regard to access, the plan notes that:

Primary access to the plan area is taken from Highway 219 which runs north/south through the middle of the plan area. Highway 219 is the highest order street that runs through the immediate vicinity of the plan area. The western portion of the site currently has secondary access through several local streets that connect to properties within the plan area. There are no major roads or access points on the eastern side of the plan area. A portion of the northwest section of the plan area is identified on the Newberg-Dundee Bypass Project map as the approved corridor location for the Newberg Oregon 219 interchange. The following table describes the both the existing improvement and the City's current improvement plans for roadways within the plan area:

Street Name	Functional Classification	Existing Improvement	Preliminary Improvement Plans
<i>State Highway 219</i>	<i>Minor Arterial</i>	<i>3 Lanes</i>	<i>5 Lanes</i>
<i>Springbrook Road</i>	<i>Minor Arterial</i>	<i>2 Lanes</i>	<i>3 Lanes</i>
<i>Wilsonville Road</i>	<i>Minor Arterial</i>	<i>2 Lanes</i>	<i>3 Lanes</i>
<i>Wynooski Road</i>	<i>Major Collector</i>	<i>2 Lanes</i>	<i>3 Lanes</i>

The South Industrial Area Master Plan makes the following findings with respect to providing sewer, water, storm drainage and transportation services to Sites 11.1-11.9:

UTILITIES: *The storm, wastewater, and water utility connections are all located near the west and northwest borders of the plan area.*

Water: *An eighteen-inch water line runs east-west along Wynooski Road to intersect with Sandoz Road. The eighteen-inch line continues along Sandoz Road to Springbrook Road. Several six-inch lines spur off of the Sandoz line to serve local development. A twelve-inch line runs along Wynooski Road from the Wynooski-Sandoz intersection up to dead end around Highway 219.*

Wastewater: *A 36-inch wastewater line runs from the intersection of Wynooski Road and Dog Ridge Road, it continues along Dog Ridge, and connects to the Treatment Plant located to the northwest of the plan area. Both 24-inch and 36-inch sections run from the northwest portion of the plan area along Wynooski Road to the north. A 36-inch line runs along Sandoz Road.*

Stormwater: *The storm sewer system borders the plan area in a more continuous manner. It runs south along both sides of Highway 219 to the intersection of Wynooski Road and Adolf Road where it turns west and continues down the northern side of Wynooski Road for approximately 1,300 feet. It also runs east along Wilsonville Road and terminates at the 28805 Wilsonville Road property.*

Recycled Water: *The City of Newberg provides recycled water for irrigation use in an effort to reduce the amount of demand on the potable water system. It also reduces the amount of treated effluent that is directly discharged into the Willamette River. Wastewater is treated at the City of Newberg Wastewater Treatment Plant and conveyed through a "purple pipe" to private properties. The purple pipe currently runs east under Wynooski Road, north under Sandoz Road, east under Highway 219 and east along Wilsonville Road to the S-turn, then north through the golf course.*

The South Industrial Area Master Plan goes on to describe how services can be provided in an orderly and economic manner to Site 11 while enhancing service to areas already within the UGB:

UTILITIES: *The plan area rests on a prominent plateau of approximately 375 acres that is bounded by Hess Creek on the west and Springbrook Creek on the east. Elevations of*

this plateau range from slightly above 170-feet of elevation to 110-feet along the incised drainages at the boundaries of the plan area. Natural existing soils of the Chehalem Valley consist predominately of clays with incidence of perched water tables; these soils typically have very low infiltration rates.

Water: The City of Newberg Water System Master Plan states that a 24-inch main should be extended to the site from the water treatment plant to allow for further extension up Springbrook Road. The existing water system has adequate quantity and pressure sufficient to serve the area. It is assumed that water pressures would be high enough to warrant pressure reduction. Extension of water mains within the alignments of the proposed street will provide adequate service and redundancy to the plan area. Further demand analysis should be implemented with each development to ensure adequate volume and pressure is available for the needs of each individual user.

Sewer: Sanitary sewer service to the master plan area can be provided by siting a pump station on property south of Wynooski Road across from the existing waste water treatment plant. This location may require the acquisition of additional land to accommodate the pump station and connection. This pump station should be of significant depth to allow a large diameter trunk line to be extended from the head works of the pump station at a depth of 20 to 22 feet. At this depth the sanitary sewer trunk line can be extended east along Wynooski Road to Highway 219 and south along Highway 219 at a minimum slope.

This sanitary sewer trunk line along with the pump station will provide the backbone for sanitary sewer service to the area and provide a basis for systematic extension of facilities and services from Highway 219 to the boundaries of the plan area. Installation of interceptor and service mains from this backbone infrastructure can be further extended along the alignments of Street "A", Street "B", Street "C", the proposed realignment of Wynooski Road and within optional or local service roads to provide sanitary sewer service to the master plan area. The ten acre area east of Highway 219 at the southern end of the planning area will require a small local lift station to address the 50-foot drop in elevation.

Recycled water should be extended to the master plan area to extend the benefits that this service provides. Recycled water can be extended from the waste water treatment plant or a connection could be made to the main that serves the Chehalem Glenn Golf Course in the area of Springbrook Road. Location of the connection to the existing system and transmission main sizes should be determined from further investigation into availability of reclaimed water and demand estimates for the plan area. Currently recycled water is only available on demand and is conveyed via a non-pressurized distribution system. Potential customers would need to work closely with the City of

Newberg to address Oregon Department of Environmental Quality standards and requirements.

Thus, public facilities and services can be extended orderly and efficiently to the areas in Boundary Alternatives B and C. Relatively speaking, extending services to Boundary Alternative B would be more orderly than Alternative C. Sewer and water services will first need to be extended to near the intersection of Wynooski Road and Highway 219. From there, they can be extended in an orderly and economic manner north to serve Sites 11.8 and 11.9, and south to serve 11.4 and 11.7. Alternative C would require a longer extension past 11.4 and 11.7 to serve Site 11.5, making this alternative less orderly and efficient than Alternative B.

The area in Alternative A also could be served with transportation, sewer, water, and storm drainage facilities. Wilsonville Road would need to be upgraded to an urban arterial standard. The Springbrook Creek crossing would need to be upgraded before any industrial development could occur. This would add an upfront cost that would be less orderly and economic than the other options. Upon construction of the Newberg-Dundee Bypass, the Wilsonville Road connection would be terminated at the bypass. Thus, a new road would have to be constructed to the south to connect to Highway 219. This new road would pass through Site 11.8. Sewer service also would need to be extended first through or past Site 11.8, 11.9, 14.1, and 14.2 to reach Site 14.3. A new sanitary sewer pump station would be needed at the crossing of Springbrook Creek. Again, this would make it more orderly and efficient to include Alternative B or C.

Location Factor 3: Comparative environmental, energy, economic and social consequences

Environmental Consequences

All the boundary alternatives are bordered by stream corridors. These provide excellent buffers from nearby agricultural land and rural residential areas. The buffers limit intrusion of noise, dust, vibration, or other environmental considerations to neighboring uses. Boundary Alternative A only has such a buffer on the north side. The south boundary is Wilsonville Road, which provides a minimal buffer from residential uses on the south side. Thus, this boundary alternative would be less effective in buffering environmental impacts to surrounding uses.

Of course including stream corridors at the edge of an industrial area also has some risks of negative impacts to the water resources. The South Industrial Area Master plan shows that all of these areas will be protected from urban industrial use. Limited trail uses will be encouraged to provide access to these riparian corridors. The South Industrial Area Master Plan also calls for sustainable design and building practices to minimize impacts from run-off and development on these important natural features.

Energy Consequences

The main energy consequences include (a) vehicle miles traveled for employees; (b) vehicle miles travelled for truck traffic associated with industrial clusters that choose to locate or expand in Newberg.

The energy consequence of *not* providing basic employment opportunities in Newberg are that Newberg area residents will need to commute to Portland, Salem, Hillsboro, McMinnville or elsewhere for employment opportunities. Since the Highway 219/Wynooski area best meets identified industrial siting

requirements, it's reasonable to conclude that this site will have the highest likelihood of success in attracting and maintaining traded-sector employment opportunities in Newberg.

All alternatives are relatively accessible for Newberg residents and for those commuting to Newberg to work. Other locations would require driving through the congested downtown area, or spending more time on congested Highway 99W, where mileage efficiency (due to stop-and-go travel) would likely decrease.

Alternative B is closest to Newberg's largest industrial area and the Sportsman Airpark, which means that travel between industry clusters would be reduced when compared with other potential sites.

Alternatives B and C offer the most direct route to I-5 and regional markets, when compared with other sites. Alternative C is slightly closer to I-5, but slightly further from Newberg than Alternative B.

Thus, Alternative B would have the most positive and fewest negative energy consequences of the study alternatives, followed closely by Alternative C and lastly by Alternative A.

Economic Consequences

Newberg has developed an economic strategy, listed targeted industrial clusters that will help implement this strategy, and identified site characteristics necessary to be successful in attracting these industrial clusters to the community. Based on analysis found in the EOA and in these findings, the City has concluded that only Sites 11 (Highway 219/Wynooski) and 14 (Wilsonville Road Northwest) have the characteristics necessary for Newberg to be competitive in attracting targeted industrial clusters.

Inclusion of any alternatives for urban industrial purposes would marginally reduce the amount of agricultural land in production. On the other hand, including this industrial land will provide land for processing agricultural products and other industrial needs of the agricultural economy. Several agricultural industries are included in the Newberg's targeted industry list, including wineries, specialty foods and food processing, and nursery and agricultural products (value added). Note that inclusion of agricultural land within a UGB does not mean that this land will immediately be lost to agricultural production; the City anticipates that this land will develop gradually over a 20-year period, and that land will stay in agricultural use until needed for planned industrial development¹⁸.

As noted in the findings under Location Factor 2, public facilities and services can most efficiently be provided to Boundary Alternative B. Sewer, water, storm drainage, and transportation facilities all are close by and can be extended economically.

Alternative A would require an additional sanitary sewer pump station. Alternative A would also require immediate reconstruction of the Springbrook Creek crossing, adding costs. Thus there are more positive economic consequences to including Alternative B or C than Alternative A. Alternative B, being closer to existing services, would have the best economic consequences.

¹⁸ Recent experience has shown this to be the case. For example, the undeveloped industrial land on Mountainview Drive remains in a filbert orchard, which continues to produce crops, even though the area was included in the UGB in 1979. Much of the undeveloped farm land in the Springbrook master plan area remains in commercial agricultural production. In addition, the undeveloped portions of the Springbrook Oaks area remained in commercial agricultural production until about 80% of the area was developed.

Social Consequences

Including Alternative B would have a number of positive social consequences:

- (1) It would provide industrial land that would meet the needs of future industrial users, thus providing jobs and economic resources for the community. It would increase the local tax base, and provide resources for other important facilities such as parks, schools, and quality urban neighborhoods.
- (2) The site has effective buffers from existing residential uses through two large stream corridors.
- (3) An important social consequence is the perception of Newberg as people enter. This area is at the south gateway to Newberg. The Newberg South Industrial Area Master Plan included streetscape and design requirements for the Highway 219 frontage, so the appearance of this gateway could actually be enhanced.

Including Alternative C would provide similar social benefits of jobs and economic resources as Alternative B. Alternative C has less of a buffer from agricultural use due to the exclusion of Site 11.6. Alternative C would extend the entrance to Newberg further to the south than Alternative B.

Boundary Alternative A lacks this type of buffer on the south side, which could result in negative consequences to residences south of Wilsonville Road. Alternative C would be on the Wilsonville Road entrance to Newberg as opposed to the Highway 219 entrance.

All three alternatives include some existing rural home sites which could be affected by the conversion to industrial uses.

Overall, the most positive and fewest negative social consequences would come from including Alternative B, followed by Alternative C.

EEES Conclusion

Table 11 below summarizes the EEES findings above. As can be seen, Alternative B has the most positive and least negative consequences of all the alternatives.

Table 11: EEES Consequences Summary

	Alternative A	Alternative B	Alternative C
Environmental Consequences	3 rd	Best (tie)	Best (tie)
Energy Consequences	3 rd	Best	2 nd Best
Economic Consequences	3 rd	Best	2 nd Best
Social Consequences	3 rd	Best	2 nd Best
Overall	3rd	Best	2nd Best

Factor 4: Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the urban growth boundary

The interface between agriculture uses and industrial uses does not pose the same compatibility issues as with other urban uses. For example, siting residential uses near agricultural lands can create conflicts as farmers plow fields, spray chemicals, and operate farm machinery near houses. Conducting these same farming practices near industrial land does not necessarily generate conflicts. Having nearby industrial land can in fact enhance the farm activities, as farmers can have a nearby location to store and

process agricultural products, and to store equipment. Conflicts can arise, but they generally are not as severe as for other urban uses.

All three boundary alternatives have minimal borders with agricultural land. There is little significant difference between the three alternatives.

Boundary Alternative A would border agricultural land on the south side of Site 11.8, and on the east side of 14.3. Overall, this alternative has the least border with agricultural land of the three alternatives.

Boundary Alternative B would border agricultural land only on the south side.

Boundary Alternative C would border agricultural land on the both the north and south side, and adjacent to Site 11.6. This has the longest border of the three alternatives.

Location Factor Conclusion

Table 12 contains a summary of the findings relative to the boundary location factors for each of the three boundary alternatives. As can be seen, Alternative B best meets the Goal 14 Location factors:

- Alternative B can most efficiently accommodate industrial land uses.
- Public Facilities and Services can be provided most efficiently and economically to Alternative B.
- Alternative B would have effective buffers from residential uses, thus minimizing negative environmental consequences.
- Alternative B is close to existing industrial areas, close to the Newberg center, and has close access to I-5. This results in the most positive energy consequences of all options.
- Including Alternative B would have a number of very positive economic consequences, including providing sufficient land for future employers.
- Including Alternative B would have the most positive and fewest negative social consequences. Including the area would provide land for jobs for Newberg area citizens and it has effective buffers from residential uses.
- Alternative B has a slightly larger border with agricultural land than Alternative C, but overall the difference is negligible.

Table 12: Location Factor Summary

Location Factor	Alternative A	Alternative B	Alternative C
Factor 1: Efficient Accommodation of Land Needs	3 rd	Best	2 nd Best
Factor 2: Efficient Public Facilities	3 rd	Best	2 nd Best
Factor 3: ESEE Consequences	3 rd	Best	2 nd Best
Factor 4: Compatibility with Farm/Forest Uses	Best	2 nd Best	3 rd
Overall	3rd	Best	2nd Best

Thus, the land within Boundary Alternative B best meets the Goal 14 Location Factors and should be included in the UGB.

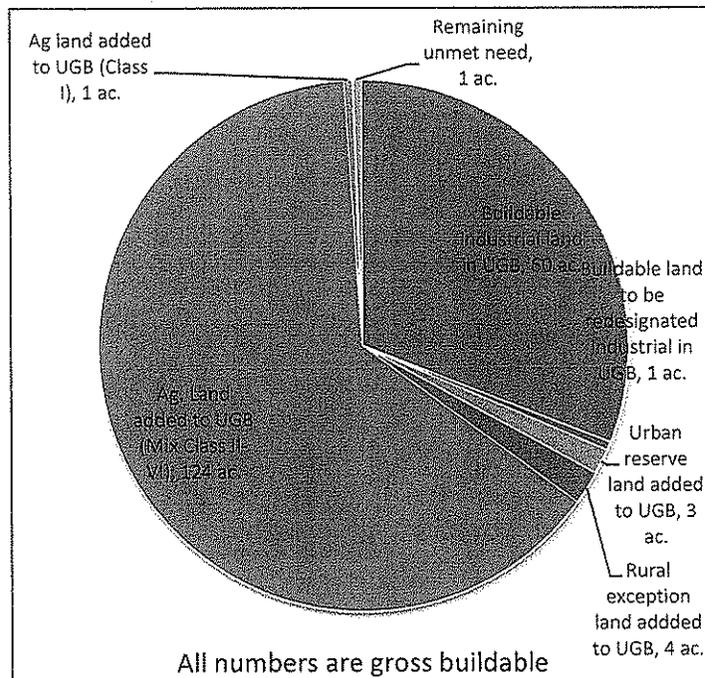
Urban Growth Boundary Location Analysis Summary and Conclusion

The Urban Growth Boundary location as shown in Map 12 complies with the UGB amendment priorities of ORS 197.298, the Goal 14 Needs Factors, and the requirements of OAR Chapter 660, Division 24.

The findings examined a study area extending ½ to ¾ miles from the UGB. Within this study area, the finding identified 21 sites for potential UGB expansion. Of the potential industrial areas within the study area, only the Highway 219/Wynooki Site (Site 11) and the Wilsonville Road Northwest Site (Site 14) meet the industrial site suitability criteria.

Because the land within these two sites contains more land than is needed for 2032 industrial land needs, and because the sites include property under several different priorities under ORS 197.298, the sites were segregated into several subsites. **Figure 4: Meeting Buildable Industrial and PQ Land Needs through 2032**

The findings applied the ORS 197.298 priorities to these subsites to include urban reserve and rural exception land in the UGB. Because these higher priority lands did not contain sufficient land to meet 2032 industrial land needs, the findings then looked toward fourth priority agricultural lands. The findings applied the Goal 14 locational factors to three boundary alternatives within Sites 11 and 14. The analysis concluded that Boundary Alternative B, shown on Map 10, should be included. The selected UGB boundary best meets the Goal 14 Needs factors. The site provides the type of industrial land needed by Newberg's targeted industries. Including that land will be an economic and social benefit to the community. The site is well buffered from adjoining residential and agricultural uses by stream corridors. The South Industrial Master Plan's green street and environmentally friendly drainage systems will ensure compatibility with the natural environment. Overall, the site will provide jobs in Newberg, thus lessening the need for commuting outside the community to work, and benefitting the community and state environmentally, economically, socially, and energy-wise.



The findings applied the Goal 14 locational factors to three boundary alternatives within Sites 11 and 14. The analysis concluded that Boundary Alternative B, shown on Map 10, should be included. The selected UGB boundary best meets the Goal 14 Needs factors. The site provides the type of industrial land needed by Newberg's targeted industries. Including that land will be an economic and social benefit to the community. The site is well buffered from adjoining residential and agricultural uses by stream corridors. The South Industrial Master Plan's green street and environmentally friendly drainage systems will ensure compatibility with the natural environment. Overall, the site will provide jobs in Newberg, thus lessening the need for commuting outside the community to work, and benefitting the community and state environmentally, economically, socially, and energy-wise.

Thus, in summary, the subsites shown in Table 13 below should be included in the UGB. A detailed map of the properties to be included is on Map 13, and a list shown in Table 14 below.

Table 13: Sites included in UGB by Priority Class

Priority	Total Acres	Buildable Acres ¹⁹
1st: Urban Reserve	47	6
Site 11.2	23	3
Site 11.3	24	3
2nd: Rural Exception	19	1
Site 11.1	14	0
Site 11.9	5	1
4th: Agricultural	194	125
Site 11.4	44	25
Site 11.7	113	85
Site 11.8	37	14
Grand Total	260	132



¹⁹ Numbers are rounded to the nearest acre. For a more detailed acreage per property, see Table 13: Properties Redesignated Industrial or Included in UGB

Table 14: Properties Redesignated Industrial or Included in UGB

Site	Tax Lot	Property Address	Owner	Total Acres	Buildable Acres	Priority	Current Comp. Plan	Proposed Comp. Plan	Industrial Site Size Category
In UGB	3221-2600	NE St. Paul Hwy.	Tautfest, Wayne C.	3.05	0.00	UGB	AFSH (County), MDR (City)	IND	
11.9	3221-5200	28740 NE Wilsonville Rd.	Haggerty, Robert & Lois	1.08	0.00	Rural Exception	AFSH (County)	IND	
11.9	3221-5300	28730 NE Wilsonville Rd.	Sovey, Lloyd H. & Carol M.	3.51	0.69	Rural Exception	AFSH (County)	IND	< 2
11.7	3228-1000	9150 NE St. Paul Hwy.	Schmidt, Charles M. Living Trust 1/2	40.46	34.26	Agricultural	AFLH (County)	IND	30 to 50
11.4	3228-1100	9195 NE St. Paul Hwy.	Lajoie, Merlin A. & Sandra K.	14.49	12.34	Agricultural	AFLH (County)	IND	10 to 30
11.3	3228-1200	9475 NE St. Paul Hwy.	Lajoie, Merlin A. & Sandra K.	13.32	3.32	URA	P (County)	IND	
11.3	3228-1700	Wynooski	Lajoie, Merlin A. & Sandra K.	10.50	0.00	URA	P (County)	IND	
11.4	3228-1900	NE St. Paul Hwy.	Walker, Curtis D. 1/2	29.30	13.06	Agricultural	AFLH (County)	IND	10 to 30
11.8	3228-800	28570 NE Wilsonville Rd.	Hodgdon, Donald E. Jr.	4.17	1.48	Agricultural	AFLH (County)	IND	< 2

Site	Tax Lot	Property Address	Owner	Total Acres	Buildable Acres	Priority	Current Comp. Plan	Proposed Comp. Plan	Industrial Site Size Category
11.8	3228-801	9690 Adolf Rd.	Church, Rick	20.13	8.25	Agricultural	AFLH (County)	IND	2 to 10
11.8	3228-802	10100 Adolf Rd.	Clay, Timothy A. & Laurie S.	13.16	4.59	Agricultural	AFLH (County)	IND	2 to 10
11.7	3228-900	9680 Adolf Rd.	Gaibler Family Farms LLC	72.28	50.60	Agricultural	AFLH (County)	IND	30 to 50
In UGB	3228BB-100	Adolf Road	Nicklous, Martin T. & Katherine R.	3.53	1.13	UGB	AFSH (County), MDR (City)	IND	< 2
11.1	3229-202		Southeast Paper Manufacturing Co.	0.10	0.00	Rural Exception	IND (County)	PQ	
11.1	3229-2200	1301 Wyooski	Southeast Paper Manufacturing Co.	5.57	0.00	Rural Exception	IND (County)	PQ	
11.2	3229-400	2608 Wyooski	Southeast Paper Manufacturing Co.	19.22	2.05	URA	IND	PQ	
11.2	3229-500	2600 Wyooski	Southeast Paper Manufacturing Co.	4.17	0.72	URA	IND	PQ	
11.1	3229-600	2412 Wyooski	Southeast Paper Manufacturing Co.	8.32	0.45	Rural Exception	IND (County)	PQ	

Section 3: Findings for Applicable Statutes, Rules, Goals, and Comprehensive Plans

This section makes findings addressing the applicable Oregon Statutes, the Oregon Administrative Rules, the Statewide Planning Goals, Newberg and Yamhill County Comprehensive Plan policies. These findings are in addition to detailed findings shown in Section 1 dealing with land needs, and Section 2 dealing with the UGB location.

State Statutory and Rule Requirements

ORS 195.036 Area population forecast; coordination.

The coordinating body under ORS 195.025 (1) shall establish and maintain a population forecast for the entire area within its boundary for use in maintaining and updating comprehensive plans, and shall coordinate the forecast with the local governments within its boundary.

OAR 660-024-0040 Population Forecasts

(1) Counties must adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county consistent with statutory requirements for such forecasts under ORS 195.025 and 195.036. Cities must adopt a 20-year population forecast for the urban area consistent with the coordinated county forecast, except that a metropolitan service district must adopt and maintain a 20-year population forecast for the area within its jurisdiction. In adopting the coordinated forecast, local governments must follow applicable procedures and requirements in ORS 197.610 to 197.650 and must provide notice to all other local governments in the county. The adopted forecast must be included in the comprehensive plan or in a document referenced by the plan.

(2) The forecast must be developed using commonly accepted practices and standards for population forecasting used by professional practitioners in the field of demography or economics, and must be based on current, reliable and objective sources and verifiable factual information, such as the most recent long-range forecast for the county published by the Oregon Office of Economic Analysis (OEA). The forecast must take into account documented long-term demographic trends as well as recent events that have a reasonable likelihood of changing historical trends. The population forecast is an estimate which, although based on the best available information and methodology, should not be held to an unreasonably high level of precision.

(3) For a population forecast used as a basis for a decision adopting or amending a UGB submitted under ORS 197.626, the director or Commission may approve the forecast if they determine that a failure to meet a particular requirement of section (2) of this rule is insignificant in nature and is unlikely to have a significant effect on the needs determined under OAR 660-024-0040.

(4) A city and county may apply one of the safe harbors in subsections (a), (b), or (c) of this section, if applicable, in order to develop and adopt a population forecast for an urban area:

(a) If a coordinated population forecast was adopted by a county within the previous 10 years but does not provide a 20-year forecast for an urban area at the time a city initiates an evaluation or amendment of the UGB, a city and county may adopt an updated forecast for the urban area consistent with this section. The updated forecast is deemed to comply with applicable goals and laws regarding population forecasts for purposes of the current UGB evaluation or amendment provided the forecast:

(A) Is adopted by the city and county in accordance with the notice, procedures and requirements described in section (1) of this rule; and

(B) Extends the current urban area forecast to a 20-year period commencing on the date determined under OAR 660-024-0040(2) by using the same growth trend for the urban area assumed in the county's current adopted forecast.

(b) A city and county may adopt a 20-year forecast for an urban area consistent with this section. The forecast is deemed to comply with applicable goals and laws regarding population forecasts for purposes of the current UGB evaluation or amendment provided the forecast:

(A) Is adopted by the city and county in accordance with the notice, procedures and requirements described in section (1) of this rule;

(B) Is based on OEA's population forecast for the county for a 20-year period commencing on the date determined under OAR 660-024-0040(2); and

(C) Is developed by assuming that the urban area's share of the forecasted county population determined in subsection (B) of this rule will be the same as the urban area's current share of county population based on the most recent certified population estimates from Portland State University and the most recent data for the urban area published by the U.S. Census Bureau.

(c) A city may adopt a revised 20-year forecast for its urban area by following the requirements in ORS 195.034.

Finding: Yamhill County has adopted a population forecast for the county as well as each urban area in the county for 2032. That forecast shows a 2032 Newberg urban area population of 36,610. Newberg has adopted this forecast.

Notice of this amendment was provided to all other local governments in the Yamhill County. The amendment was adopted into the Newberg Comprehensive Plan as part of the Economic Opportunities Analysis 2013 adoption. It was adopted into the Yamhill County Comprehensive Plan through Ordinance 878 on November 8, 2012.

OAR 660-024-0040 – Land Need: (1) The UGB must be based on the adopted 20-year population forecast for the urban area described in OAR 660-024-0030, and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.

Finding: This proposed UGB expansion is based on the 20-year population forecast adopted in conjunction with this UGB amendment. The 20-year period is through 2032. In this case, the UGB expansion will provide for needed industrial employment uses and an industrial type public/quasi-public use. It also includes some land for streets and riparian buffers. Local governments are permitted to bring in land for one (or more) land needs without needing to take all land needs into consideration (OAR 660-024-0040(3)). Sections 1 and 2 of this report contain detailed findings to the requirements of Goal 14 as they relate to this UGB expansion. City staff used the latest data from the Oregon Employment Department along with historic employment growth data for Newberg to determine the 20-year employment land need for the City. These were adopted as part of the EOA.

660-024-0040 – Land Need: (2) If the UGB analysis or amendment is conducted as part of a periodic review work program, the 20-year planning period must commence on the date initially scheduled for completion of the appropriate work task. If the UGB analysis or amendment is conducted as a post-acknowledgement plan amendment under ORS 197.610 to 197.625, the 20-year planning period must commence either:

(a) On the date initially scheduled for final adoption of the amendment specified by the local government in the initial notice of the amendment required by OAR 660-018-0020; or

(b) If more recent than the date determined in subsection (a), at the beginning of the 20-year period specified in the coordinated population forecast for the urban area adopted by the city and county pursuant to OAR 660-024-0030, unless ORS 197.296 requires a different date for local governments subject to that statute.

Finding: The urban growth boundary amendment is conducted as a post-acknowledgement plan amendment. The review is being conducted in the manner of periodic review, pursuant to ORS 197.626. The 20-year period specified in the coordinated population forecast is to 2032, so the 20-year period is 2012-2032.

660-024-0040 – Land Need: (3) A local government may review and amend the UGB in consideration of one category of land need without a simultaneous review and amendment in consideration of other categories of land need.

Finding: This urban growth boundary amendment is only in consideration of industrial and public/quasi-public land needs. It does not review or consider other categories of land need.

660-024-0040 – Land Need: (5) Except for a metropolitan service district described in ORS 197.015(13), the determination of 20-year employment land need for an urban area must comply with applicable requirements of Goal 9 and OAR chapter 660, division 9, and must include a determination of the need for a short-term supply of land for employment uses consistent with OAR 660-009-0025. Employment land need may be based on an estimate of job growth over the planning period; local government must provide a reasonable justification for the job growth estimate but Goal 14 does not require that job growth estimates necessarily be proportional to population growth.

Finding: The City of Newberg is not located within a Metropolitan Planning Organization (MPO). OAR 660-009-0025(3) encourages but does not require local governments outside an MPO have policies regarding a short-term supply of industrial land. The City will adopt a revised and updated Economic Opportunities Analysis that meets the requirements set forth in Goal 9 and OAR chapter 660, Division 9 in conjunction with this amendment. Employment land need is based on an estimate of job growth over the planning period. This estimate considers both historic job growth in Newberg, and regional employment projections published by Oregon Employment Department. The plan did not establish specific targets for a short-term supply of land.

660-024-0040 – Land Need: (7) The determination of 20-year land needs for transportation and public facilities for an urban area must comply with applicable requirements of Goals 11 and 12, rules in OAR chapter 660, divisions 11 and 12, and public facilities requirements in ORS 197.712 and 197.768.

Finding: The City has adopted Public Facilities Plans in accordance with the requirements of Goal 11 and OAR chapter 660, Division 11. One project identified in the capital improvements project list is a new water treatment plant on Wynooski Street. This UGB expansion includes 3 gross buildable acres for public/quasi-public land to allow for the future construction of a new water treatment plant. The City of Newberg *Water Treatment Facilities Plan* further discusses the need, cost, layout and alternative sites of the future new plant. The *Water Treatment Facilities Plan* was adopted by Council in June 2002 by Resolution 2002-2365.

Goal 12 and OAR chapter 660, Division 12, don't apply to this application

660-024-0050 – Land Inventory and Response to Deficiency: (1) When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040...For employment land, the inventory must include suitable vacant and developed land designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015.

Finding: The adopted Economic Opportunities Analysis contains an inventory of industrial land within the UGB, and was conducted in accordance with OAR 660-009-0015. The inventory included suitable vacant and developed land designated for industrial or other employment use. The Economic

Opportunities Analysis land inventory analysis showed that there were 60 existing gross buildable acres of industrial land in the UGB but a 20-year need for 191 acres. Therefore, there is a deficit of 131 buildable acres of industrial land within the UGB to meet Newberg's 20-year land need. Section 1 of this report contains a map and a description of the existing buildable industrial land within the UGB. In addition, there is an unmet need for at least 3 additional gross buildable acres of industrial type Public/Quasi-Public land for a water treatment plant.

660-024-0050 – Land Inventory and Response to Deficiency: (4) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197.296 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB, changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and OAR 660-024-0060.

Finding: As stated above, the City's industrial land inventory shows an inadequate capacity of land to meet the 20-year need. The City projects a need for 191 gross buildable acres of industrial land through 2032. The Economic Opportunities Analysis (EOA) takes infill and redevelopment into account, and projects that out of 46 needed sites of less than 2 acres, 23 sites will be made up through infill and redevelopment. Similarly, the EOA projects that 7 out of 21 needed sites of 2-10 acres will be made up through infill and redevelopment. One existing site over 10 acres, the Suntron site, also is projected to accommodate new employment. In addition, it's possible that some of the need for sites of 10-50 acres will be met through infill and redevelopment or through a higher density of employees per site. Table 4 on page 16 and Figure 2 on page 19 illustrates this concept.

In Addition, Newberg's Comprehensive Plan identifies a need for a new water treatment plant. See Appendix E: Newberg Water Treatment Plant Needs Information. Newberg's existing water treatment plant is located on a parcel outside the urban growth boundary. The site is very constrained in that it is located entirely within the perimeter of the SP Newsprint site. It is on a small footprint with no opportunities for expansion. Newberg's Public Facilities Plan includes a need for a new water treatment plant on Wyooski Road. According to the *City of Newberg Water Treatment Facilities Plan*, Newberg should relocate the plant to a new site to allow upgrade and expansion. According to the plan and the Newberg Public Works Department, this site needs to include at least 3 gross buildable acres. Thus, needs through 2032 are for at least 3 additional gross buildable acres of industrial type PQ land. Additional industrial type PQ needs may be identified in the future.

Newberg's analysis has determined that 60 gross buildable acres of this need can met inside current industrial designated land inside the UGB, and one buildable acre of this need can be met by redesignating land already in the UGB. The UGB must be expanded to include the 133 gross buildable

acres necessary to meet the 20-year industrial and the public/quasi-public need for a water treatment plant. The proposed UGB expansion includes 132 gross buildable acres to meet most of these needs. Section II of this document includes detailed findings to the Goal 14 and OAR 660-024-0060 boundary location requirements.

ORS 197.298 – Priority of Land to be Included within Urban Growth Boundary

(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 (Urban reserves), 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 nonresource 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 (High-value farmland description for ORS 215.705).

(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 (1991 Edition).

(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 or 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 appropriate for the current use.

(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. [1995 c.547 §5; 1999 c.59 §56]

660-024-0060 – 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 OAR 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 same method specified in subsections (a) and (b) of this section until the land need is accommodated.

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

(e) For purposes of this rule, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.

Finding: Section 2 of this report has detailed findings regarding the boundary location analysis and priority of land to be included in the UGB. In summary, Newberg first applied the identified site suitability characteristics to the potential sites in the study area. Newberg identified two sites that met the industrial site suitability criteria. The city applied the priority factors to the two sites, and designated land according to the priorities. This included first priority urban reserve land, second priority rural exception land, and fourth priority agricultural land. Fourth priority agricultural land was designated with higher priority given according to soil classification. The Goal 14 location factors were applied to agricultural land to determine which of that suitable land to include in the urban growth boundary. Table 15 below shows how land was designated by priority.

Table 15: UGB Designation by Priority

	Gross Buildable Acres		
Need through 2032 (Industrial and PQ)	194		
Land already in UGB		60	
Redesignate land in UGB		1	
<i>Priority 1 Urban Reserve Land</i>			3
<i>Priority 2 Rural Exception Land</i>			4
<i>Priority 4 Agricultural Land</i>			125
Total Added to UGB			132
Remaining Need	1		

The analysis of agricultural land gave higher priority to land of lower agricultural capability class. Of the suitable agricultural sites, two subsites contain large amounts of Class I soils: Sites 11.6 and 14.2. Neither of these sites was included in the UGB. The remaining sites have Class II soils on the upland portion of the site and a mixture of Class II, III, and VI in or adjacent to the stream corridor portions, and thus were considered to the same priority class. See Table 16 below. An exception is about one acre of land within site 11.8 which has a sliver of Class I soils. See Map 9. That small portion actually has a house, two outbuildings and a parking area built on it. It would be very inefficient to exclude this sliver of land, as it would be sandwiched between industrial land on either side and would very much limit the usefulness of the future industrial site in that area, would limit extension of utilities or roads through that site. Thus, maximum efficiency of land use requires including that sliver.

Table 16: Priority of Agricultural Sites by Soil Class

Site	Soil Class in Buildable Areas	Soil Class Outside Buildable Areas (Stream corridors, wetlands, sloped areas) ²⁰	Priority	Included in UGB?
11.4	Class II	Almost all Class III, small amount of Class II	4 - Medium	Yes
11.5	Class II	Class II and Class III	4 - Medium	No
11.6	About half Class I and half Class II	Class VI	4 - Low	No
11.7	Class II	Class III and Class VI	4 - Medium	Yes
11.8	Class II with a pocket of Class I ²¹	Class III and Class VI	4 - Medium	Yes
14.2	About half Class I and half Class II	Class III and Class VI, small amount of Class I and Class II	4 - Low	No
14.3	Class II	Class III and Class VI, small amount of Class I and Class II	4 - Medium	No

660-024-0060 – Boundary Location Alternatives Analysis: (3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the UGB location, a local government must show that all the factors were considered and balanced.

Finding: Section 2 of this report has detailed findings regarding the boundary location factors and how they were applied to all of the potential alternative sites to determine the best location for future industrial land. All factors were considered and balanced.

660-024-0060 – Boundary Location Alternatives Analysis: (4) In determining alternative land for evaluation under ORS 197-298, “land adjacent to the UGB” is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified needs deficiency.

Finding: These findings considered sites not only abutting the UGB, but those sites within a study area extending about ¾ miles from the UGB. Newberg relies on OAR 660-024-0060(5), which states that local

²⁰ The soil map is based on very generalized and dated aerial photography, so boundaries should not be considered precise. The stream corridor map is based on more advanced LIDAR mapping which is substantially more accurate but still should not be considered precise. It is quite likely that the soil classification boundaries were intended to follow the same features as the stream corridor boundaries.

²¹ The pocket of Class I should be included under the “maximum efficiency” exception under ORS 197.298 (3)(b)

governments may specify certain characteristics, including proximity, necessary for land to be suitable for an identified need. One of Newberg's industrial site suitability characteristics is proximity, and it specifies that parcels be "Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB." Sites within the study area not abutting the UGB were evaluated to determine if intervening land also reasonably could be included in the UGB. Therefore, Newberg's boundary location alternatives analysis includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified needs deficiency.

ORS 197.298 (3)(a) 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;

660-024-0060 – Boundary Location Alternatives Analysis: (5) If a local government has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need, the local government may limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS 197.298.

Finding: The statute and rule work together to provide that land included in a UGB for specific types of uses in fact is suitable for those uses, and thus meets legislative directives and LCDC goals and rules to provide economic development opportunities. In this process, local governments identify specific types of needed employment uses using Goal 9 and OAR 660 Division 9. Next, local governments specify characteristics that are necessary for land to be suitable for those specific types of employment uses, again using Goal 9 and OAR 660 Division 9. These specific employment uses with the specified characteristics are the "specific types of identified land needs" cited in ORS 197.298. Local governments then must identify land with the UGB that can reasonably accommodate the need. If land within the UGB is not sufficient, then the local government is to expand the UGB using the ORS 197.298 hierarchy. If higher priority land exists, but does not have the identified site characteristics, then the local government may "limit its consideration to land that has the specified characteristics" under OAR 660-024-0060, and include land in the next lower priority class because "specific types of identified land needs cannot be reasonably accommodated on higher priority lands" under ORS 197.298 (3)(a).

Newberg has identified specific targeted industries in its Economic Opportunities Analysis. It has identified specific types of industrial uses that are to locate in industrial areas, and for which all of the need cannot be accommodated within the existing UGB. This list includes land that would accommodate the following targeted industries:

High Tech Manufacturing:

- Semiconductors/ silicon, imaging & display technology

- Nano & micro technology, cyber-security, health/medical information technology
- Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)

General Manufacturing:

- Dental equipment
- Metals, machinery, transportation equipment
- Lumber and wood products (value added)
- Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
- Distribution & logistics
- Sports apparel/ recreation-related products

Agriculture businesses:

- Wineries (excluding small boutique wineries)
- Specialty foods and food processing (excluding small boutique processors)
- Nursery and agricultural products (value added)

Services businesses:

- Architecture, engineering, or similar construction or manufacturing related services that require industrial storage areas, construction equipment yards, equipment or product testing.
- Creative services (advertising, public relations, film and video, web/internet content and design) that require industrial production equipment, large data centers, production studios, industrial telecommunication equipment or towers.

Newberg has specified characteristics necessary for industrial land in its Economic Opportunities Analysis, and used those characteristics to guide the required boundary location alternatives analysis. The industrial site suitability characteristics are listed in detail in Table 6: Required Industrial Site Suitability Characteristics on page 21.

Newberg then conducted a detailed search for land that met those site characteristics adjacent to and near the UGB. It found that, while some higher priority land exists, an insufficient amount of that land has the required site suitability characteristics for the specific types of industrial land needs identified. Therefore Newberg is justified under OAR 660-024-0060(5) ORS 197.298 (3)(a) in not including the urban reserve, rural exception land, and lower quality agricultural land that does not meet the site suitability characteristics and instead including the rural exception, lower quality agricultural land and some of the higher priority agricultural land that does have the required site characteristics.

In addition, the *City of Newberg Water Treatment Facilities Plan* identifies specific areas and characteristics for consideration of land suitable for a new water treatment plant; the identified public/quasi-public land proposed for inclusion in the UGB meets these criteria. Section 2 of this report has detailed boundary location alternatives analysis findings that apply the site suitability characteristics.

660-024-0060 – Boundary Location Alternatives Analysis: (6) The adopted findings for UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular priority category in ORS 197.298 for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.

Finding: Section 2 of this report has detailed findings that describe all of the alternative areas evaluated through the boundary location alternatives analysis. In addition, all of the alternative areas have been mapped and may be seen on Map 4 and Map 11.

Statewide Planning Goals and the Newberg Comprehensive Plan

As required by State Senate Bill 100, the Newberg Comprehensive Plan addresses and is consistent with the established statewide planning goals and guidelines. Each of the goals and/or policies within the Comprehensive Plan corresponds with an applicable statewide planning goal and implements the goal in conjunction with local needs and desires. Because an Urban Growth Boundary amendment is also a Comprehensive Plan amendment, it must be found that “the proposed change is consistent with and promotes the goals and policies of the Newberg Comprehensive Plan and this Code (Development Code)” (NMC 15.302.030 (2)(a)).

660-024-0020 Adoption or Amendment of a UGB

(1) All statewide goals and related administrative rules are applicable when establishing or amending a UGB, except as follows:

(a) The exceptions process in Goal 2 and OAR chapter 660, division 4, is not applicable unless a local government chooses to take an exception to a particular goal requirement, for example, as provided in OAR 660-004-0010(1);

(b) Goals 3 and 4 are not applicable;

(c) Goal 5 and related rules under OAR chapter 660, division 23, apply only in areas added to the UGB, except as required under OAR 660-023-0070 and 660-023-0250;

(d) The transportation planning rule requirements under OAR 660-012-0060 need not be applied to a UGB amendment if the land added to the UGB is zoned as urbanizable land, either by retaining the zoning that was assigned prior to inclusion in the boundary or by assigning interim zoning that does not allow development that would

generate more vehicle trips than development allowed by the zoning assigned prior to inclusion in the boundary;

(e) Goal 15 is not applicable to land added to the UGB unless the land is within the Willamette River Greenway Boundary;

(f) Goals 16 to 18 are not applicable to land added to the UGB unless the land is within a coastal shorelands boundary;

(g) Goal 19 is not applicable to a UGB amendment.

Finding: As noted above, statewide planning goals 3, 4, 15, 16, 17, 18, and 19 do not apply to this application. The remaining goals are addressed through the applicable Comprehensive Plan goals and policies below.

Citizen Involvement (Statewide Planning Goal 1). NCP Goal: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Finding: The overall goal is for all governing bodies to develop and maintain a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process. Public and agency involvement is addressed in *Public Involvement and County Coordination Process for Newberg 2007 URA Expansion* (Newberg Community Development Department, 2007) and the *South Industrial Study* (WRG, 2009). In addition, Newberg and Yamhill County will be holding public hearings on the UGB expansion with adequate public notice for participation. Coordination with DLCD, OBDD and the Governor's ERT occurred in putting together revisions to the EOA and in developing industrial site selection criteria.

Newberg has a citizen involvement strategy through Ordinance 91-2297. Part of the evaluation of the current program notes that, in addition to other avenues of citizen participation, "involvement is also encouraged through citizen involvement at public meetings". The analysis section of the report also noted that "the City of Newberg has a sound and comprehensive citizen involvement program" (ORD 91-2297). Newberg is currently using the same citizen involvement program as described and analyzed by Ordinance 91-2297.

Land Use Planning (Statewide Planning Goal 2). NCP Goal: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: This goal provides for creating and maintaining a Comprehensive Plan for the city. The statewide goal further states that "city...plans and actions related to land use shall be consistent with the comprehensive plans...adopted under ORS Chapter 268". This report serves to determine the compliance of the proposal with the City's adopted Comprehensive Plan and statewide goals. In addition, Goal 2 requires an adequate factual base, the consideration of alternatives, and coordination with Yamhill County and affected state agencies. This report, the South Industrial Area Master Plan,

and the Newberg Economic Opportunities Analysis provide the principal factual bases for this UGB amendment.

Agricultural Lands (Statewide Planning Goal 3 – Goal 3 does not apply to UGB amendments). NCP Goal: To provide for the orderly and efficient transition from rural to urban land uses.

Applicable Comprehensive Plan Policies: 1) The conversion of urbanizable land from agricultural to urban land uses shall be orderly and efficient; 2) Agriculture is a part of our heritage, uniqueness, culture and future. Inclusion of lands in agricultural use within the Urban Growth Boundary is recognition of a commitment to future urbanization, as such lands are necessary to meet long-range population and economic needs, based on criteria outlined in the statewide Urbanization Goal. Urbanization of agricultural land shall be carefully considered and balanced with the needs of the community as a whole.

Finding: The south study area is an appropriate place for future industrial development because it would result in an orderly and efficient transition from agricultural uses to urban uses. This area is located near industrially zoned and developed land already, minimizing conflicts with adjacent residential or other agricultural lands, and can be easily served with city and private infrastructure. Newberg has a severe shortage of employment lands, a deficit that can only be remedied by choosing an appropriate place for future employment that meets the industrial site suitability criteria in the adopted Economic Opportunities Analysis.

Wooded Areas (Statewide Planning Goal 4 – Goal 4 does not apply to UGB amendments). NCP Goal: To retain and protect wooded areas.

Applicable Comprehensive Plan Policies: 2) Development in drainageways shall be limited in order to prevent erosion and protect water quality. Trees provide needed protection from erosion and should be maintained.

Finding: The City has regulations governing development within mapped stream corridors, including the protection of vegetation. The south study area is ringed by natural riparian areas with deep stream corridors. Because the subject properties are located outside of the current Urban Growth Boundary, the City does not yet have the stream corridors mapped throughout the study area. Stream corridors on these properties will be designated through this amendment as shown on Map 12. Any future development on the study parcels will have to go through review to ensure that wetlands are protected.

Air, Water, and Land Resource Quality (Statewide Planning Goal 6). NCP Goal: To maintain, and where feasible, enhance the air, water and land resource qualities within the community.

Applicable Comprehensive Plan Policies: 1) Development shall not exceed the carrying capacity of the air, water or land resource base; 5) New industry should be located in

areas which minimize impacts upon the air, water, and land resource base, as well as upon surrounding land uses.

Finding: This UGB expansion is for industrial and public/quasi-public land. The south study area is an appropriate place for industrial development as it is located adjacent to other industrially zoned and developed parcels, is adjacent to a major road network with access to the interstate, and can be adequately served with sewer and water. The western portion of the south study area is an appropriate place for public/quasi-public land because it is adjacent to the City's existing treatment plants, meets the site suitability criteria for public/quasi-public land, and was identified in the adopted *Water Treatment Facilities Plan (2002)* as the appropriate location for a new water treatment plant. As noted above, any site development would have to comply with the city's stream corridor regulations to protect the natural vegetation and the quality of water in the stream corridor. The corridors themselves will serve to minimize impacts on surrounding land uses.

Areas Subject to Natural Disasters and Hazards (Statewide Planning Goal 7). NCP Goal: To protect life and property from natural disasters and hazards.

Applicable Statewide Goal 7 Standards: A.2. (Natural Hazard Planning) Natural hazards for purposes of this goal are: floods (coastal and riverine), landslides, earthquakes and related hazards, tsunamis, coastal erosion, and wildfires. Local governments may identify and plan for other natural hazards; B.4. (Guidelines - Implementation) When reviewing development requests in high hazard areas, local governments should require site-specific reports, appropriate for the level and type of hazard prepared by a licensed professional.

Finding: Many of the properties in the south study area have portions of a natural stream corridor across or along them. FEMA has mapped flood plains in the area. The maps, with effective date March 2, 2010, show all flood plains are contained within the mapped stream corridors (Map 5). Yamhill County's flood plain management regulations will apply prior to annexation, and Newberg's flood plain management regulations will apply upon annexation.

Open Space, Scenic, Natural, Historic and Recreational Resources (Statewide Planning Goals 5 & 8). NCP Goals: 1) To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected; 2) To provide adequate recreational resources and opportunities for the citizens of the community and visitors; 3) To protect, conserve, enhance and maintain the Willamette River Greenway.

Applicable Comprehensive Plan Policies: 1.e) The floodplains and natural drainageway areas in Newberg should be preserved with a largely open character to provide a basic open space framework for the community. The capacities of these areas shall be maintained to provide a natural stormwater and natural drainage system, as well as to continue to provide a natural habitat for local fish and wildlife. Natural drainageways should be kept in open space uses. Bicycle and pedestrian pathways

might be included in these areas. Care should be taken to minimize disturbances in these often erosive and steep areas. All uses should be compatible with the specific sites.

Applicable Statewide Goal 5 Standards: *Local governments shall adopt programs that will protect natural resources and conserve scenic, historic, and open space resources for present and future generations.*

Applicable Statewide Goal 8 Standards: *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.*

Finding: In accordance with Goal 5, Newberg has adopted stream corridor regulations to protect and conserve the area within the stream corridor as open space for the city. Many of the properties within the south study area have a portion of stream corridor across or along them. The west corridor is a portion of the Hess Creek stream corridor. These are shown on Map 12. The east corridor is part of the Springbrook Creek stream corridor. Newberg's comprehensive plan includes detailed Goal 5 ESEE findings regarding these two corridors. The same findings apply to the portions of these corridors included in the present UGB amendment. Any development on the properties would have to comply with the stream corridor regulations. The stream corridor regulations restrict any development or mechanized removal of vegetation and seek to minimize any disturbance in the corridor area.

The south study area for the industrial UGB expansion is within the study area for the South Industrial Area Master Plan. The stream corridor areas are necessary to include within the UGB, not only to provide compatibility and buffering in accordance with other Goal requirements, but also to fulfill the provisions of the South Industrial Area Master Plan (SIAMP). The stream corridor areas provide the necessary buffering and industrial amenities required and envisioned by the SIAMP. When discussing the master plan design concept, the plan states:

"The plan district edges are designated as conservation corridors to protect existing natural areas and to provide a buffer to other surrounding uses in the immediate vicinity. The plan district design includes two parks to provide recreational access to the conservation areas and to complement the employment uses. The parks are located on each side of the plan area to ensure that recreational accessibility is evenly distributed across the employment district. The plan envisions a trail/multi-use path network within the conservation areas to create an integrated system that links this plan district to existing and planned city-wide and regional trail networks." (SIAMP, p. 28)

The plan goes into more detail about the conservation corridors and the industrial amenities on the following pages, noting that *"The conservation corridor provides a distinctive edge to the plan district while also providing an effective buffer between planned land uses and existing uses in the immediate vicinity."* (SIAMP, p. 30) The plan also states that *"Park and recreational amenities are envisioned to contribute to the daily health and quality of life for those working within the plan*

districts and living nearby.” (SIAMP, p. 30) The SIAMP was developed through an extensive public process and reflects the desires of the community to have a well-planned, attractive industrial area as the gateway to the city. The Newberg City Council accepted the South Industrial Area Master Plan on November 2, 2009 through Resolution 2009-2872.

Including the stream corridor areas within the UGB clearly meet the requirements of the Comprehensive Plan Goals as well as Goals 5 and 8. As stated above, Newberg has effective stream corridor regulations to protect and conserve the areas as open space. In addition, the corridors may provide some passive recreation benefits to the city and to the future industrial area as envisioned by the SIAMP, as well as provide the necessary buffering from adjacent properties.

The Economy (Statewide Planning Goal 9). NCP Goal: To develop a diverse and stable economic base.

Applicable Comprehensive Plan Policies: 2.a) Industrial expansion shall be located and designed to minimize impacts on surrounding land uses; 2.c) Newberg shall actively pursue the inclusion of large industrial sites within the urban growth boundary; 2.d) The City shall undertake specific activities to encourage the growth of existing businesses, to encourage a diversity of businesses, and to attract new businesses to the community in industries that will provide local employment opportunities consistent with community needs and goals; 2.f) Concerted community efforts should be made to see that industrial development expands outward from existing areas rather than occurring in haphazard patterns; 2.g) The City shall identify land that will provide for expansion of existing businesses and/or attract new businesses and shall reserve that land for future industrial development that is consistent with community needs and goals; 2.h) Where areas have been planned for large industrial sites, zoning regulations shall be developed and maintained to keep those sites intact. Such sites shall not be further divided except to create planned industrial parks that support a specific industry.

Finding: The site suitability criteria for industrial land take compatibility into account, an important principle stated multiple times in the Comprehensive Plan policies. The south study area is the only area that meets all the site suitability criteria, including the compatibility criterion. The south study area is located adjacent to other industrially zoned and developed parcels, ensuring that future industrial development will expand outward from an existing industrial area rather than occurring in a haphazard or leapfrog type of pattern. The City’s Economic Opportunities Analysis contains Newberg’s economic development strategy for how to retain existing businesses and allow them to expand while at the same time providing enough land for new businesses to locate here. This overall process was spurred by the work of the Ad Hoc Committee for Newberg’s Future, which identified a need for large industrial sites within the City and gave the direction to try to remedy that problem. Part of the overall process included the South Industrial Area Master Plan (SIAMP). The SIAMP identified a layout that would preserve large lot availability for future industrial development. The large lot availability was preserved further through the adoption of the M-4

Industrial zoning district requiring either a minimum of 20-acre parcels or Planned Unit Developments for smaller acreages (Ordinance 2009-2720).

Housing (Statewide Planning Goal 10). NCP Goal: To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.

Finding: Inclusion of properties in the south study area in the Newberg Urban Growth Boundary will not help provide housing as prescribed by this goal. However, it will provide additional industrial land which in turn will provide jobs, helping City residents afford housing. In addition, industrial land provides a stable tax base for the city that generally doesn't use many City resources (Police, Fire). Therefore, inclusion of industrial land in the Urban Growth Boundary, and eventually annexing it into the city, may be beneficial to the housing goals and policies of the City.

Urban Design. NCP Goals: 1) To maintain and improve the natural beauty and visual character of the City; 2) To develop and maintain the physical context needed to support the livability and unique character of Newberg.

Applicable Comprehensive Plan Policies: 1.e) Developments should respect the natural ground cover of their sites to the extent possible and plans should be made to preserve existing mature, non-hazardous trees in healthy condition; 1.h) Landscaping shall be required along street frontage strips within the street right-of-way in order to soften the appearance of commercial and industrial developments; 2.a) Industrial development should be encouraged to be located in industrial parks offering good access, buffering and landscaping.

Finding: The south study area is located near other industrially zoned and developed properties, making properties within it a good choice to add to the Urban Growth Boundary. The study area would have to comply with applicable City landscaping and buffering regulations, and the landscape provisions of the South Industrial Area Master Plan upon site development. In addition, development on many of the properties would have to comply with the City's stream corridor regulations to preserve and protect trees and other vegetation within the stream corridor.

Public Facilities and Services (Statewide Planning Goal 11). NCP Goal: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

Applicable Comprehensive Plan Policies: 2.b) The extension of publicly-owned facilities and services into currently undeveloped areas shall occur only in accordance with the Public Facilities and Service Plan; 2.d) Services shall be planned to meet anticipated community needs.

Applicable Statewide Goal 11 Standards: A.1) Plans providing for public facilities and services should be coordinated with plans for designation of urban boundaries,

urbanizable land, rural uses and for the transition of rural land to urban uses; A.5) A public facility or service should not be provided in an urbanizable area unless there is provision for the coordinated development of all the other urban facilities and services appropriate to that area.

Finding: The UGB expansion includes land designated as public/quasi-public, in part to allow for construction of a new water treatment Plant for Newberg. The City has an adopted *Water Treatment Facilities Plan* (2002) that designates the site, the layout, and the estimated cost of the new plant.

The South Industrial Area Master Plan includes plans for future sewer, water, storm drain, and transportation improvements to serve the UGB expansion area.

Transportation (Statewide Planning Goal 12). NCP Goals: 1) Establish cooperative agreements to address transportation based planning, development, operation and maintenance; 2) Establish consistent policies which require concurrent consideration of transportation/land use system impacts; 3) Promote reliance on multiple modes of transportation and reduce reliance on the automobile; 4) Minimize the impact of regional traffic on the local transportation system; 5) Maximize pedestrian, bicycle, and other non-motorized travel throughout the City; 6) Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.); 7) Minimize the capital improvement and community costs to implement the transportation plan; 8) Maintain and enhance the City's image, character and quality of life; 9) Create effective circulation and access for the local transportation system; 10) Maintain the viability of existing rail, water and air transportation systems; 11) Establish fair and equitable distribution of transportation improvement costs; 12) Minimize the negative impact of a Highway 99 bypass on the Newberg community.

OAR 660-024-0020 (1)(d) The transportation planning rule requirements under OAR 660-012-0060 need not be applied to a UGB amendment if the land added to the UGB is zoned as urbanizable land, either by retaining the zoning that was assigned prior to inclusion in the boundary or by assigning interim zoning that does not allow development that would generate more vehicle trips than development allowed by the zoning assigned prior to inclusion in the boundary;

Finding: Overall, this UGB amendment will provide significant benefits to the transportation system by reducing the number of workers that need to commute out of Newberg to work. According to information from the U.S. Census, approximately 58% of workers in Newberg commute outside the community to go to work.²² Creating opportunities for local employment will have an overall beneficial effect of lessening per capita vehicle miles traveled on area roads.

²² Source: U.S. Census Bureau, 2005-2009 American Community Survey

The Transportation System Plan (TSP) will be amended as part of this request to include the proposed road network identified and planned for in the South Industrial Area Master Plan (SIAMP) (See Appendix G: Newberg South Industrial Area Master Plan – Transportation Plan). ODOT, Yamhill County Road Department, Marion County Public Works/Planning, and Newberg Planning Division and Public Works Engineering Division were all active participants in the planning and design of the SIAMP, including the proposed road network through the area. More study will be done in the future to determine potential impacts to the local and regional transportation system; the City is not required at this time to address the Transportation Planning Rule under OAR 660-012-0060 until the zoning changes on the properties, allowing for uses that would generate more vehicle trips than currently permitted (OAR 660-024-0020(1)(d)). The SIAMP designated several new major collector and local roadways throughout the south study area; the TSP currently requires all major collector streets to be built with bike lanes, and both types of roadway will have sidewalks on both sides. In addition, a pedestrian and bicycle network of paths is being planned throughout the stream corridor areas of the SIAMP plan area.

The south study area is the most appropriate place for future industrial development because it is the area with the fewest potential impacts on the existing transportation system:

- ◆ Development is not likely to result in increased big truck traffic through downtown Newberg – due to its location, truck traffic will access I-5 via Highway 219 or will use the future 99W bypass route to travel westbound.
- ◆ The area has good existing access to I-5 via Highway 219.
- ◆ The area is located adjacent to existing industrially zoned and developed properties so much of the traffic through the area is already industrial in nature – there will not be new conflicts with existing residential traffic.

In reviewing the Marion County Rural Transportation System Plan 2005 Update (MCRTSP), it is clear that the UGB amendment is consistent with and promotes the goals contained in the plan. The MCRTSP identifies Highway 219 and Ehlen/McKay Road as a “Strategic Intra/Inter-County Corridors” (See Appendix H: Marion County Rural Transportation System Plan Figure 7-1, Strategic Intra/Inter-County Corridors), and designates them as “freight routes.” Chapter 10 of the RTSP (Transportation Policies) has the following policies:

- *Policy 11: The County recognizes the importance of facilitating freight movement. With this in mind, the strategic routes designated in Figure 7-1 are also hereby designated freight routes. Effort will be made to facilitate freight movement on freight routes. (10.3.1 Transportation System Planning Policies)*

In their 20-year strategy, Goal 2 is to “Provide an Accessible, Efficient, and Practical Transportation System.” The following objectives of that Goal provide favorable achievement of Strategy 3, Inter-County Mobility:

Facilitate goods movement into and out of area, increase freight mobility, and intermodal transfer.

Facilitate shipping of goods by the most efficient and least impactful means possible.

Address changing characteristics of trucking, aviation, agriculture, and rail industries.

Facilitate system connections as needed to improve efficiency and access.

10.3.7 Urban Growth Management Framework Coordination Policies, Policy 6 is:

Improve key freight routes.

The plan also makes the following statement:

*The Aurora/Donald Interchange serves the communities of Aurora and Donald, St. Paul, Canby, Barlow, Butteville, connects to the Aurora State Airport, and **provides a good connection to Newberg** and the Hwy 18/99W corridor, which connects to Yamhill County and the Coast. (RTSP, pg. 12-9, emphasis added)*

It is clear that Newberg's UGB amendment is consistent with the planned function of these routes, and the goals and policies contained in the Marion County RTSP.

Newberg will coordinate future transportation analysis studies for the south industrial area with Yamhill County, Marion County, and the communities of St. Paul and Donald.

Energy (Statewide Planning Goal 13). NCP Goal: To conserve energy through efficient land use patterns and energy related policies and ordinances.

Applicable Comprehensive Plan Policies: 1.a) The city will encourage energy-efficient development patterns. Such patterns shall include the mixture of compatible land uses and a compactness of urban development.

Applicable Statewide Goal 13 Standards: B.1) Land use plans should be based on utilization of the following techniques and implementation devices which can have material impact on energy efficiency: a. lot size, dimension, and siting controls; b. building height, bulk and surface area; c. density of uses, particularly those which relate to housing densities; d. availability of light, wind and air; e. compatibility of and competition between competing land use activities; and f. systems and incentives for the collection, reuse and recycling of metallic and nonmetallic waste.

Finding: The properties in the south study area are adjacent to existing and planned major transportation facilities (Highway 219 and the future Newberg-Dundee Bypass), and are adjacent to other industrially zoned and developed properties. By including these properties in the Urban Growth Boundary with an Industrial designation, the City would be encouraging energy-efficient development patterns. Any industrial development on these properties could have a symbiotic relationship with surrounding industrial uses, and would not require supply and delivery trucks to travel far off the main transportation facilities.

In addition, any industrial development on the properties would have to comply with the Newberg Development Code standards (once annexed) for lot dimensions, density, bulk, and other similar standards in accordance with statewide Goal 13.

This UGB amendment includes land that is currently used for the Newberg Garbage & Recycling Transfer site. Bringing this land into the UGB with its existing use may also provide for greater collaboration with future surrounding industrial uses for the collection, reuse and recycling of metallic and nonmetallic waste.

One of Newberg's target industries includes alternative energy equipment manufacturing. Including the land in the UGB will opportunities to develop new equipment to harness wind, solar, and other energy sources.

A very important component is providing adequate land for local employment. Newberg's past population growth has been strong, and this growth is expected to continue. If adequate employment land is not available, these residents will have to travel outside the community for jobs, greatly increasing energy usage.

Urbanization (Statewide Planning Goal 14). NCP Goals: 1) To provide for the orderly and efficient transition from rural to urban land uses; 2) To maintain Newberg's identity as a community which is separate from the Portland Metropolitan Area; 3) To create a quality living environment through a balanced growth of urban and cultural activities.

Applicable Comprehensive Plan Policies: 1.a) The conversion of lands from rural to urban uses within the Urban Growth Boundary will be based on a specific plan for the extension of urban services; 1.b) The City shall oppose urban development outside the city limits but within the Newberg Area of Influence; 1.c) The City shall encourage urban development within the city limits; 1.d) The Urban Growth Boundary shall designate urbanizable land; 1.e) The City will support development within the areas outside the city limits but within the Newberg Urban Growth Boundary or Urban Reserve Area based on the following standards or restrictions:New commercial or industrial uses will generally be discouraged within the UGB and Urban Reserve Area; 1.f) In expanding or otherwise altering the Urban Growth Boundary, the Boundary shall follow road rights-of-way, lot lines, or natural features; 3.b) The City shall coordinate planning activities with the County in order that lands suitable for industrial use but not needed within the planning period are zoned in a manner which retains these lands for future industrial use.

Applicable Goal 14 Standards:

Land Need – Establishment and change of urban growth boundaries shall be based on the following: 1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local

governments; and 2) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, street and roads, schools, parks or open space, or any combination of the need categories in this subsection (2). In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need. Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary.

Boundary Location – *The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors: 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.*

Applicable Goal 14 Guidelines: *A.1) Plans should designate sufficient amounts of urbanizable land to accommodate the need for further urban expansion, taking into account (1) the growth policy of the area; (2) the needs of the forecast population; (3) the carrying capacity of the planning area; and (4) open space and recreational needs. A.2) The size of the parcels of urbanizable land that are converted to urban land should be of adequate dimension so as to maximize the utility of the land resource and enable the logical and efficient extension of services to such parcels. B.1) The type, location and phasing of public facilities and services are factors which should be utilized to direct urban expansion.*

Finding: Section 1 of this report has detailed land need findings for Goal 14, and Section 2 of this report has detailed findings for the boundary location requirements of Goal 14.

The identified stream corridors are an important component of the overall urbanizable area for the future industrial area, and including them fulfills the requirements of the Newberg Comprehensive Plan and Goal 14. First, including them meets the Comprehensive Plan Goal to “create a quality living environment through a balanced growth of urban and cultural activities.” That goal illustrates the aim of the South Industrial Area Master Plan – to create a quality, attractive and balanced working environment for the workers in that area. In this way, the stream corridors meet this goal by providing some respite and green space for the workers, as well as helping to create an attractive industrial area that is buffered from adjacent uses. Including the stream corridor areas as shown on Map 12 also meets the Comprehensive Plan policy that says, “In expanding or otherwise altering the Urban Growth Boundary, the Boundary shall follow road rights-of-way, lot lines, or natural features.” The proposed boundary of the UGB follows lot lines wherever practical, and follows the centerline of the creek on those lots where land on the other side of the stream corridor (on the same parcel) can be used in the future for another use.

Goal 14 requires cities to show a demonstrated need for livability. It goes on to say that local governments may specify characteristics necessary for land to be suitable for an identified need. The South Industrial Area Master Plan shows the stream corridors as meeting needs for livability for the future industrial area, both as buffers and amenities for the industrial uses. Therefore, there is an inherent need for those things that can only be met through inclusion of the stream corridors. The boundary location requirements direct that you take into account “efficient accommodation of identified land needs” when deciding which land can meet the need. In this case, a need for buffering (for livability of both the industrial area employers and workers as well as adjacent residents) for the future industrial area cannot be met in other areas not immediately adjacent to the future industrial area.

Yamhill County Comprehensive Plan Goals and Policies

A. URBAN AREA DEVELOPMENT GOAL STATEMENT

- 1. *To encourage the containment of growth within existing urban centers, provide for the orderly, staged, diversified and compatible development of all of the cities of Yamhill County, and assure an efficient transition from rural to urban land use.***

Policies

- a. *Yamhill County will, in cooperation with the cities and special districts of the county, encourage urban growth to take the form of a series of compact, balanced communities, each with its own business and community center and each related to industrial areas and other centers of employment.***
 - b. *Yamhill County will cooperate and coordinate with each of the cities in the development of urban growth boundaries and will adopt an urban area growth management agreement with each city which outlines a growth management plan for unincorporated areas within the boundary and the means by which the boundary can be modified.***
 - c. *Yamhill County will recognize the lands within established urban growth boundaries as the appropriate and desired location for urban development.***
- 2. *To encourage the containment of urban services and facilities and other public capital improvements within existing urbanizing areas in order to achieve an orderly pattern of urban growth.***

Policies

- a. *Yamhill County will continue to seek full cooperation and coordination among the cities, the school districts, other special-purpose districts of the county and the county itself in jointly planning and programming all land use, urban services and facilities and other public improvements having an impact on the rate and direction of urban growth.***

Finding: The proposed UGB amendment to include identified large site needs within a master-planned industrial area is consistent with Statewide Planning Goals 9 and 14, ensuring both an adequate supply of industrial sites over the planning period and a compact and efficient urban form. In addition, it meets the above policy (A.1.a.) of encouraging urban growth to be compact and have industrial areas and other centers of employment, as opposed to having dispersed industrial

development throughout the city. Having a central, planned industrial area located adjacent to existing industrial development will assure an efficient transition from rural to urban land use due to the ability to share resources such as high wattage power substations, sewer pump stations, and transportation infrastructure. The cost to extend utilities to industrial development can better be shared by many similar users as well. This helps meet Goal 2 above as well by encouraging capital improvements within urbanizing areas to achieve an orderly pattern of growth.

The proposed UGB amendment extends Newberg's UGB to the southeast – avoiding infringement upon neighboring communities.

Upon adoption, urban services and facilities will be contained within the amended UGB, as required by County and City comprehensive policies, and the NUAGMA. These policies are met.

B. CITY GROWTH AND DEVELOPMENT POLICIES

- a. All urban growth boundaries in the county will be delineated as shown on the plan map and no extension of urban land uses or city water and sewer services beyond the designated urban growth boundaries will be undertaken without concurrent amendments to both the respective city and county comprehensive plans.*
- b. Yamhill County will encourage major land uses or functional areas and domestic water supply and sanitary sewer service areas in the cities to develop progressively outward and to be extended on a staged basis until they become coextensive with and fully service the designated urban area.*

Finding: Newberg can efficiently provide the proposed UGB amendment area with urban services, as documented by the South Industrial Area Master Plan. No extension of urban services will occur until the UGB amendments are adopted. These policies are met.

C. ECONOMIC DEVELOPMENT GOAL STATEMENT

- 1. To maintain a rate and pattern of economic growth sufficient to prevent recurring high levels of unemployment and under-employment in the county, balance the real property tax base of the various cities, and strengthen local economic bases.*

Policies

- a. Yamhill County will, in cooperation with the cities, the local chambers of commerce and affiliated industrial promotion groups, and State agencies concerned with State and regional economic development, encourage a diversified employment base, the strengthening of trade centers, and the attraction of both capital and labor intensive enterprises, consistent with the needs of each community and the county as a whole.*
- b. Yamhill County will encourage economic development projects which do not conflict with the predominant timber and agricultural character of the county.*

Finding: The proposed UGB amendment provides suitable sites for Newberg's targeted industries, consistent with Statewide Planning Goal 9 (Employment). Adoption of the UGB amendment would encourage jobs, strengthen trade centers, and attract capital enterprises consistent with Yamhill County's economic development objectives. These policies are met.

D. AGRICULTURAL LANDS GOAL STATEMENT

1. *To conserve Yamhill County's farm lands for the production of crops and livestock and to ensure that the conversion of farm land to urban use where necessary and appropriate occurs in an orderly and economical manner.*

Finding: ORS 197.296 priorities effectively implement Yamhill County's goal to protect farm lands where possible. As described in Sections 1 and 2, Newberg looked first to land inside the UGB, then land in urban reserve areas, then to exception areas, before determining that targeted industry site needs could only be met on farm lands in two potential areas. The selected UGB expansion site contains lower quality agricultural soils than the alternatives.

The proposed UGB amendment will be buffered from agricultural uses to the east by natural constraints – slope breaks and riparian areas – and from agricultural uses to the south by a planned road. The South Industrial Area Master Plan ensures orderly and economical development..

Overall the Urban Growth Boundary is designed to preserve farm lands outside the boundary. A UGB only is effective in achieving this goal if there is adequate land inside the boundary to accommodate future urban land uses. This UGB amendment will help achieve the goal of conserving farm lands outside the boundary.

E. TRANSPORTATION GOAL STATEMENT

1. *To provide and encourage an efficient, safe, convenient and economic transportation and communication system, including road, rail, waterways, public transit and air, to serve the needs of existing and projected urban and rural development within the county, as well as to accommodate the regional movement of people and goods and the transfer of energy, recognizing the economic, social and energy impacts of the various modes of transportation.*

e. Yamhill County will cooperate with and support the State Highway Division, the Mid-Willamette Valley Council of Governments, and any other county or regional transportation agency in an effort to establish a viable and productive regional transportation planning process and operations system geared to identifying, prioritizing and resolving both present and future transportation needs, with special reference to our county and regional network.

k. All county transportation-related decisions will be made in particular consideration of energy efficiency and conservation.

o. All transportation-related decisions will be made in support of the efficient and economic movement of people, goods, and services throughout the region, and will be based on the location and adequacy of facilities for such goods and services.

Finding: The Yamhill County Road Department was an active participant during the City's South Industrial Area Master Plan process, including during the planning of the future road network through the study area. The City of Newberg, Yamhill County, and other county or regional partners

will continue to work cooperatively to plan and implement the future road network for the proposed industrial area. As previously discussed above in the Goal 12 finding, the south study area is the best location for future industrial development as it is the most efficient location for existing and planned transportation networks and will have the least impact on surrounding uses.

F. AIR, WATER AND LAND RESOURCES QUALITY GOAL STATEMENT

1. ***To conserve and to protect natural resources, including air, water, soil and vegetation and wildlife, from pollution or deterioration which would dangerously alter the ecological balance, be detrimental to human health, or compromise the beauty and tranquility of the natural environment.***

Findings: The Newberg Comprehensive Plan includes policies that address air, water and land resources quality as development occurs within the Newberg UGB. LCDC has acknowledged these policies as adequate to address state and federal environmental standards. The City of Newberg will protect identified riparian areas within the proposed UGB expansion when this land is annexed and developed in accordance with City standards.

Newberg Urban Area Growth Management Agreement

The Newberg Urban Area Growth Management Agreement (NUAGMA) is a joint agreement between Newberg and Yamhill County for coordination and cooperation in the management of growth in and around the Newberg Urban Area. The NUAGMA covers Urban Growth Boundary agreements and says that decisions must be made based on the following factors:

- a. *Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals;*
- b. *Need for housing, employment opportunities, and livability;*
- c. *Orderly and economic provision for public facilities and services;*
- d. *Maximum efficiency of land uses within and on the fringe of the existing urban area;*
- e. *Environmental, energy, economic and social consequences;*
- f. *Retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority; and,*
- g. *Compatibility of proposed urban uses with nearby agricultural activities.*

Finding: As demonstrated previously in this report, the City has a demonstrated need for employment land to meet our long-range population requirements. The south study area is the most appropriate place for future industrial lands as it is in a location where public infrastructure may be extended in an orderly and efficient manner. The south study area is located adjacent to the existing wastewater treatment plant and the water treatment plant; the South Industrial Area Master Plan identifies a location for a new sewer pump station to serve the proposed industrial area and water can easily be brought to the area from Wynooski Road. The south study area is also located adjacent to other industrially zoned and developed properties, making it an efficient place to locate new industrial developments with minimal conflicts with adjacent non-industrial uses. In addition, the south study area is naturally buffered from other nearby agricultural uses by a natural stream corridor ringing the area. Criteria e and f are addressed in more detail in Section 2 of this report.

Comprehensive Plan Map Amendment

Section 151.122(B) (2) of the Newberg Development Code has criteria for Comprehensive Plan map amendments. This UGB amendment package includes two different Comprehensive Plan Amendments:

1. Amend the Comprehensive Plan Map to include 132 gross buildable acres, including 129 gross buildable acres of Industrial (IND) land and 3 gross buildable acres of Public/Quasi-Public (PQ) land.
2. Change the Comprehensive Plan designation of 2 parcels of Medium Density Residential (MDR) land along Adolf Road to Industrial (IND) – a net gain of 1 buildable acre of industrial land.

§151.122(B) (2) Amendment Criteria. The City must demonstrate:

- (a) *The proposed change is consistent with and promotes the objectives of the Newberg Comprehensive Plan and this code;*
- (b) *There is a public need for a change of the kind in question;*
- (c) *The need will be best served by changing the classification of the particular piece of property in question as compared with all other available property.*
- (d) *Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.*

Finding: This report has detailed findings in support of the Comprehensive Plan amendment that would expand the UGB; therefore, this finding will focus on the second Comprehensive Plan amendment listed above. The properties in question are bounded by Highway 219, Wilsonville Road, and Adolf Road, in a triangular configuration (See Map 12). The area is not an appropriate place for residential development as it is bounded by busy roads, adjacent to future industrial uses, and is located in the future right-of-way alignment of the Newberg-Dundee Bypass. The Comprehensive Plan Goal for Housing is: *“To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.”* Although this amendment would remove land from the housing designation, including it in the industrial designation is a better fit for these reasons:

- ◆ Because the triangular area is located in the future Bypass interchange area, there is only approximately one gross buildable acre. Any housing units on this land still would be heavily affected by a bypass interchange ramp.
- ◆ By including the land in industrial use instead, the land has the ability to provide jobs in the interim time before the Bypass interchange is constructed. Local jobs provide residents with the income to afford other housing in Newberg and otherwise contribute to the community.

The Transportation section of the Comprehensive Plan includes two relevant policies to this amendment:

2.a) Transportation improvements shall be used to guide urban development and shall be designed to serve anticipated future needs; and 2.b) The city shall adopt zoning and development overlay regulations to manage land uses and access in the vicinity of Newberg-Dundee Bypass interchanges that are consistent with the primary function of the bypass to serve through traffic and that are consistent with the Oregon Highway

Plan. Highway oriented development and retail commercial shall be precluded at proposed access points.

The future Newberg-Dundee Bypass right-of-way and interchange planned for the area around Wilsonville Road/Wynooski Road/Highway 219 should be used to guide the form of urban development in the nearby area. Appendix F: ODOT Build Alternative and Design Options – West Newberg to Hwy 219 Interchange. For this reason, the City seeks to redesignate the parcels from residential to industrial, and include an interim industrial overlay that further restricts the types of uses available to the properties. As previously stated in this report, the City has a demonstrated need for industrial land, and this triangular area is in an optimal location for restricted industrial uses, and meets site suitability criteria as listed previously in this report. Because the designation of the property would further restrict the available uses, the Transportation Planning Rule does not apply in this case.

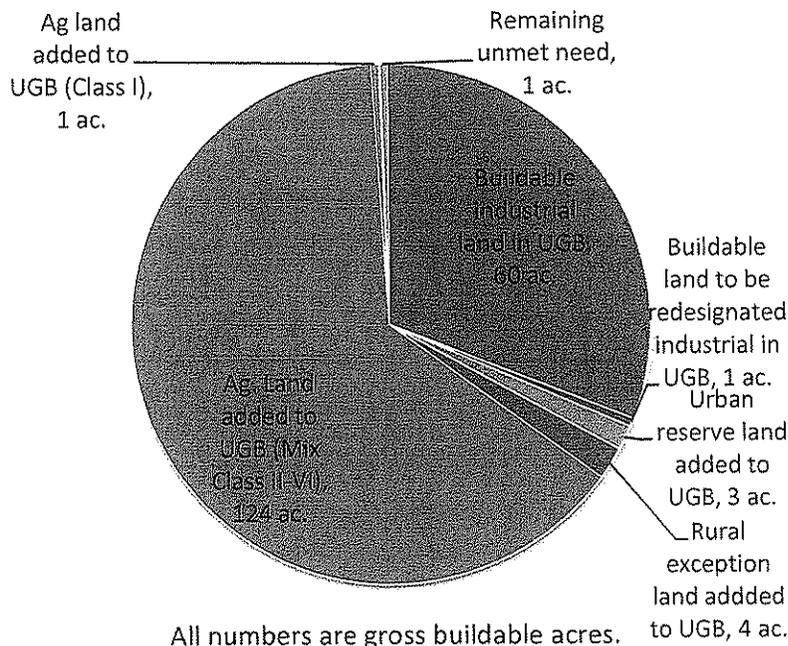
Conclusion

Based on the findings in Sections 1-3, the proposed UGB amendment complies with applicable Oregon Administrative Rules, Oregon Revised Statutes, Oregon Statewide Planning Goals and provisions of the Newberg and Yamhill County Comprehensive Plans, the Newberg Urban Area Growth Management Agreement, and the Newberg Development Code.

Overall Conclusion and Actions

The proposed urban growth boundary amendment would meet most the needs for industrial land and a part of the need for public/quasi-public land for the Newberg Urban Area through 2032. Figure 5 summarizes the land needs met by this expansion.

Figure 5: Meeting Industrial and Industrial Type PQ Needs through 2032



The proposed urban growth boundary amendment and comprehensive plan amendment meet the applicable state statutes and rules, and comply with City and County comprehensive plan policies. Thus, this report contains findings that support the following Newberg and Yamhill County actions:

- (1) Amend the comprehensive plan map to change the designation of two parcels (tax lots 3221-2600 & 3228B-100) with 1 gross buildable acre (7 total acres) from Medium Density Residential (MDR) to Industrial (IND)
- (2) Amend the UGB to include 132 gross buildable acres of land as shown on Map 13.
- (3) Designate the properties included in the UGB as Industrial (IND) or Public/Quasi-Public (PQ) as shown on Map 12.
- (4) Designate a stream corridor overlay as shown on Map 12.
- (5) Amend the Newberg Transportation System Plan to include the road network as shown in Appendix G: Newberg South Industrial Area Master Plan – Transportation Plan.



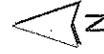
City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 1

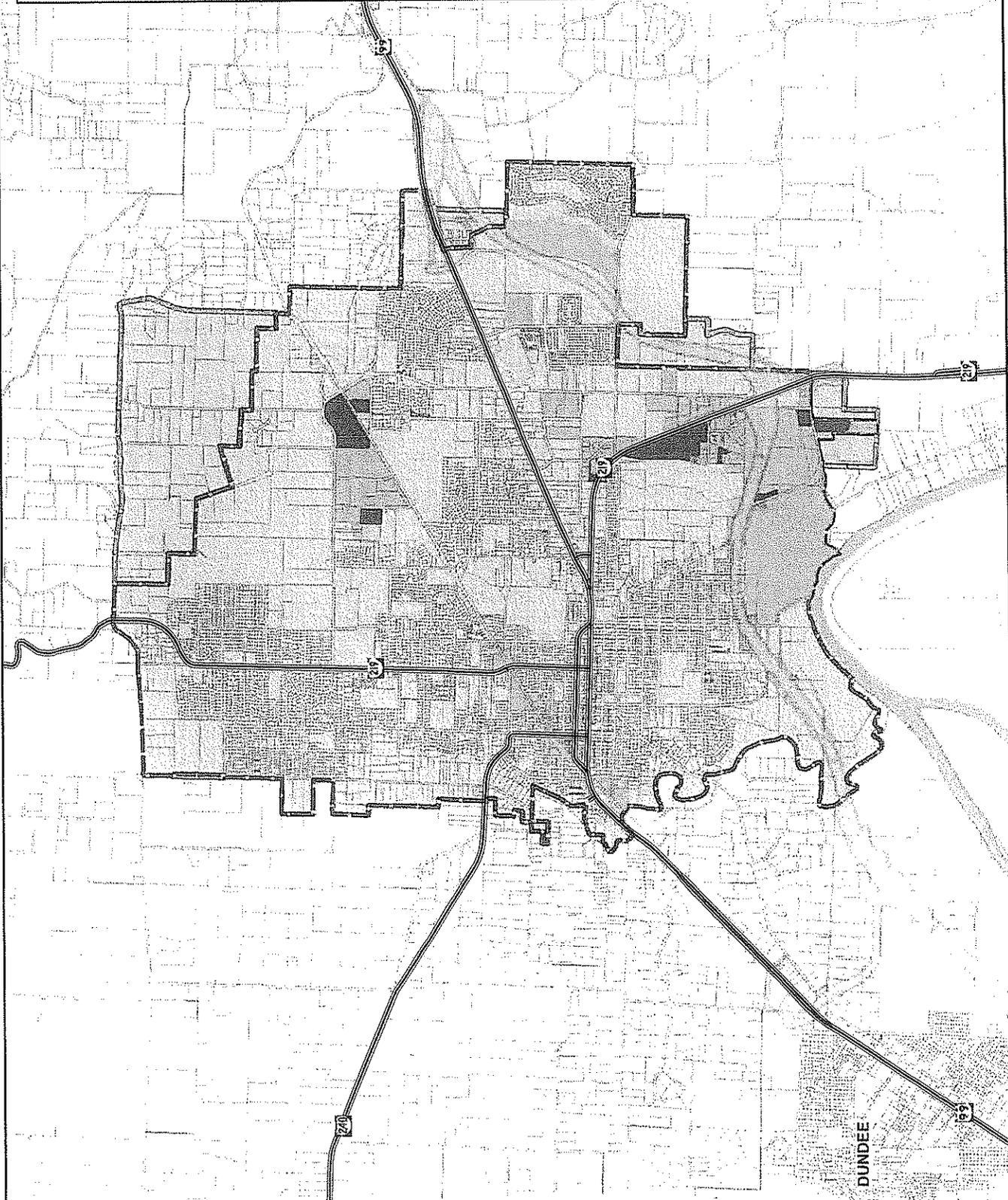
City of Newberg Industrial Land Supply

Legend

- Planned Bypass Corridor
- Industrial Districts
- Buildable Industrial
- Existing UGB
- Urban Reserve Area



0 0.25 0.5 1 Miles



Section 4: Maps

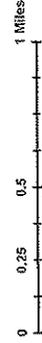
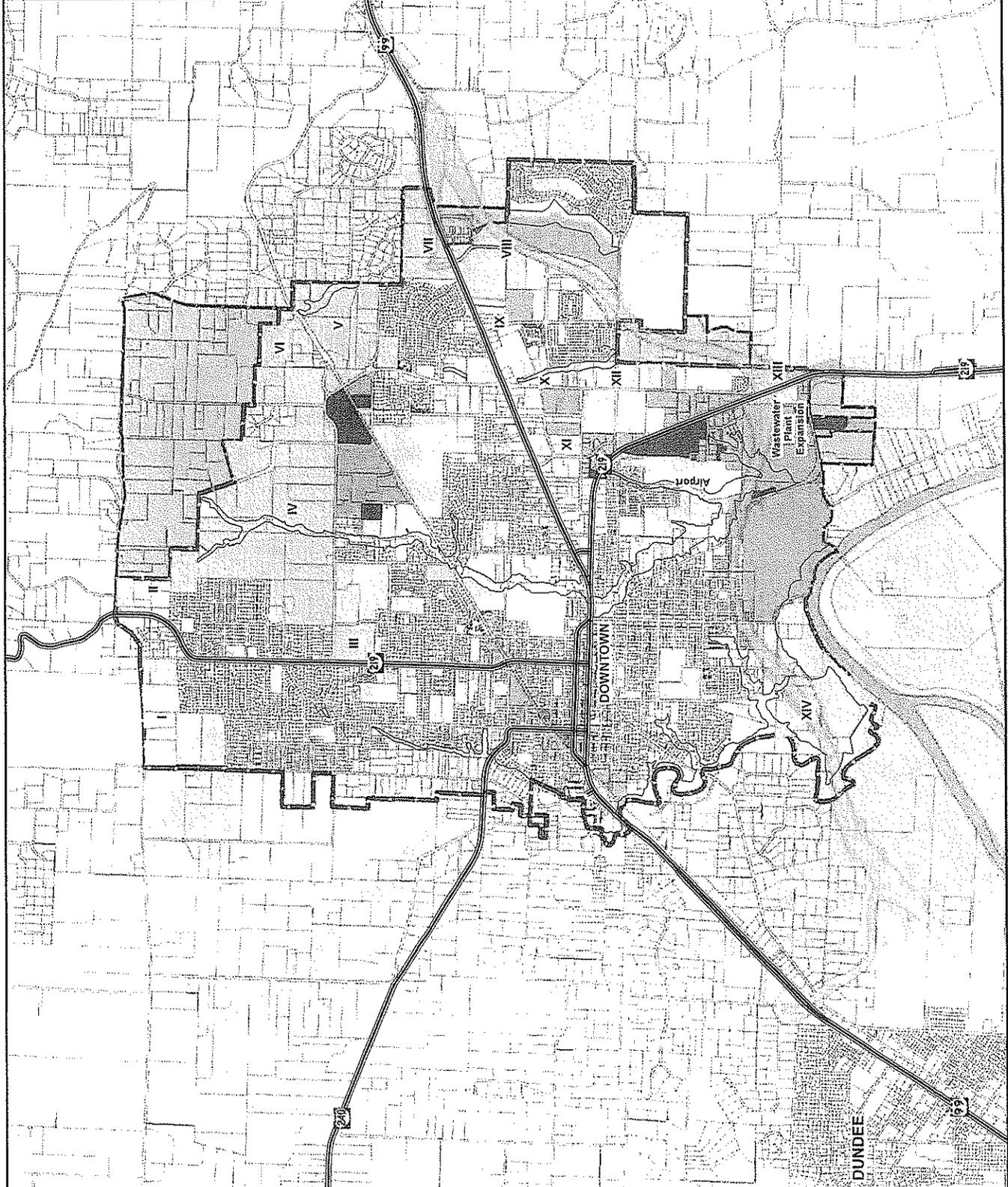
City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 2

Sites in UGB Studied
For Change to Industrial

Legend

- Parcel w/ 5+ buildable ac.
- Planned Bypass Corridor
- Industrial Districts
- Buildable Industrial Land
- Existing UGB
- Urban Reserve Area
- Stream Corridor
- VIII** Sites studied for change to industrial

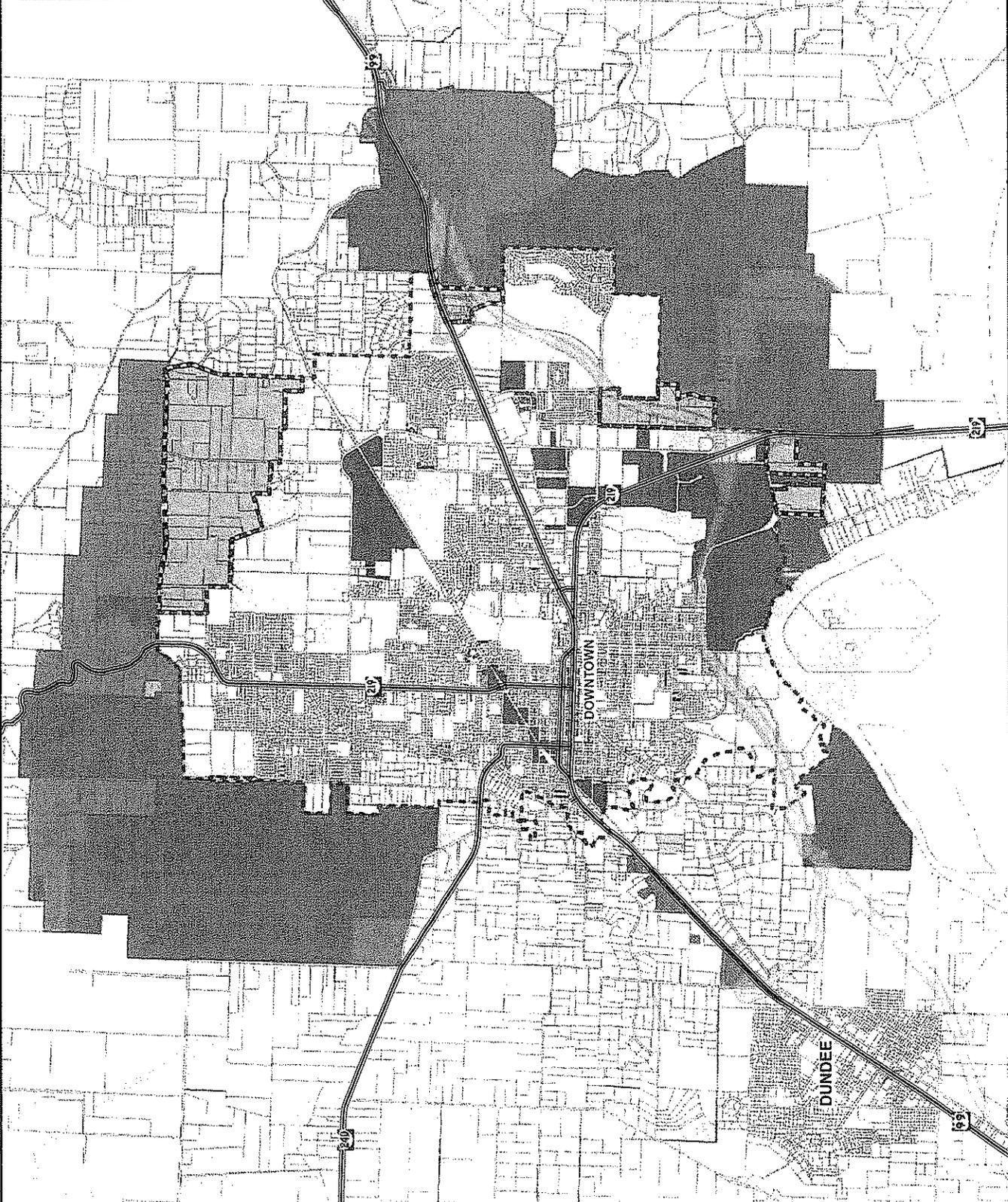
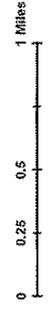



City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 3

Study Areas with
Yamhill County
Zoning Designations

- Legend**
-  Planned Bypass Corridor
 -  Existing UGB
 -  Urban Reserve Area
 -  Industrial Areas in UGB
 -  Yamhill County General Zoning
 -  Ag Forest Small Holding Exception
 -  Agriculture/Forest
 -  Mineral Resource
 -  Residential Exception Area
 -  Employment Exception Area
 -  Public Facility Exception Area



City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 4

Newberg Study Areas Parcels with Buildable Land By Parcel Size

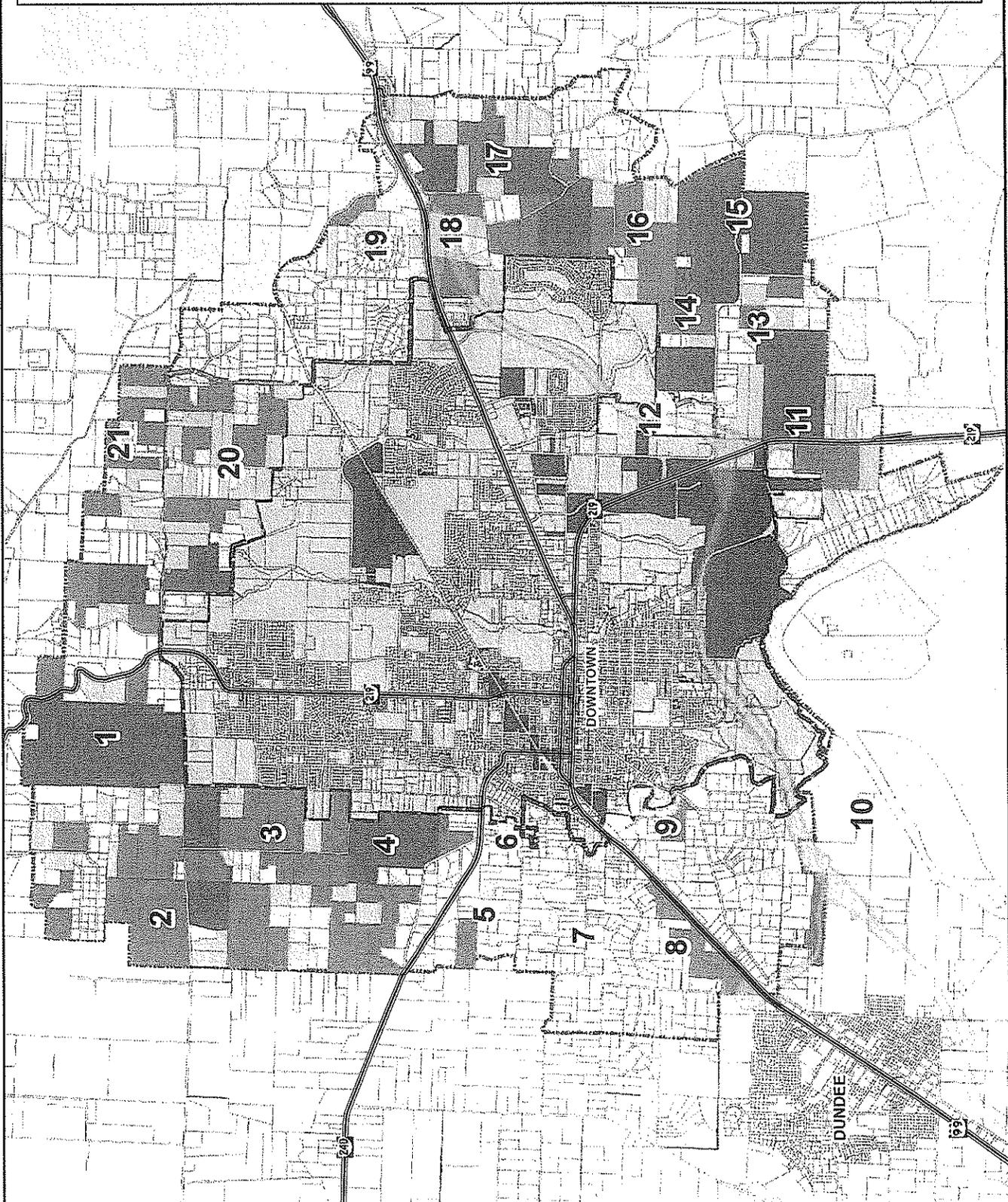
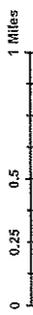
This map identifies groups of parcels in close proximity with buildable land that contain at least 20 acres (or smaller if adjacent to existing industrial district).

This map also identifies sites by size category.

Legend

-  Planned Bypass Corridor
-  Buildable < 5 ac.
-  Buildable 5+ and < 10 ac.
-  Buildable 10 - 30 ac.
-  Buildable > 30 ac.
-  Existing UGB
-  Urban Reserve Area
-  UGB Study Area
-  Industrial Areas in UGB
-  Streams and Water Features

14 Study Site



MAP 5

Newberg Study Areas Topographic Suitability

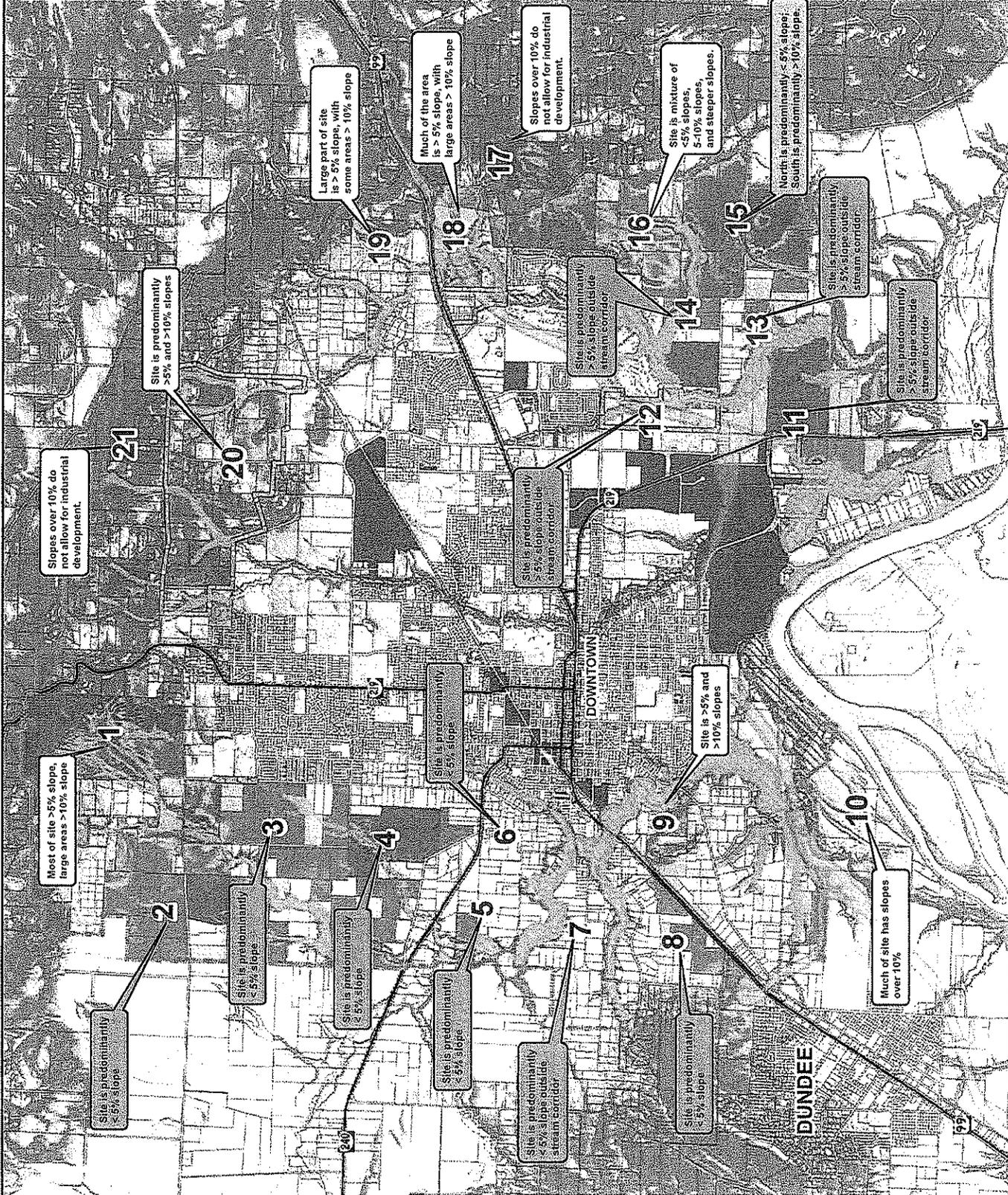
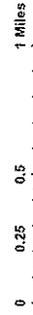
Topographical Requirements

Exclude:

- Slopes of 10% or greater,
- Sites that are not predominantly less than 5% slope within development areas, and
- Areas within stream corridors and wetlands.

Legend

- Planned Bypass Corridor
 - UGB_Study_Area
 - Urban Reserve Area
 - Buildable < 5 ac.
 - Buildable 5 - <10 ac.
 - Buildable 10 - 30 ac.
 - Buildable > 30 ac.
 - Water Features
 - Floodplain
- Slope Percent**
- 0% - 5%
 - 5%-10%
 - >10%



City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 6

Newberg Study Areas: Industrial Proximity Requirements

Include parcels or contiguous group of parcels:

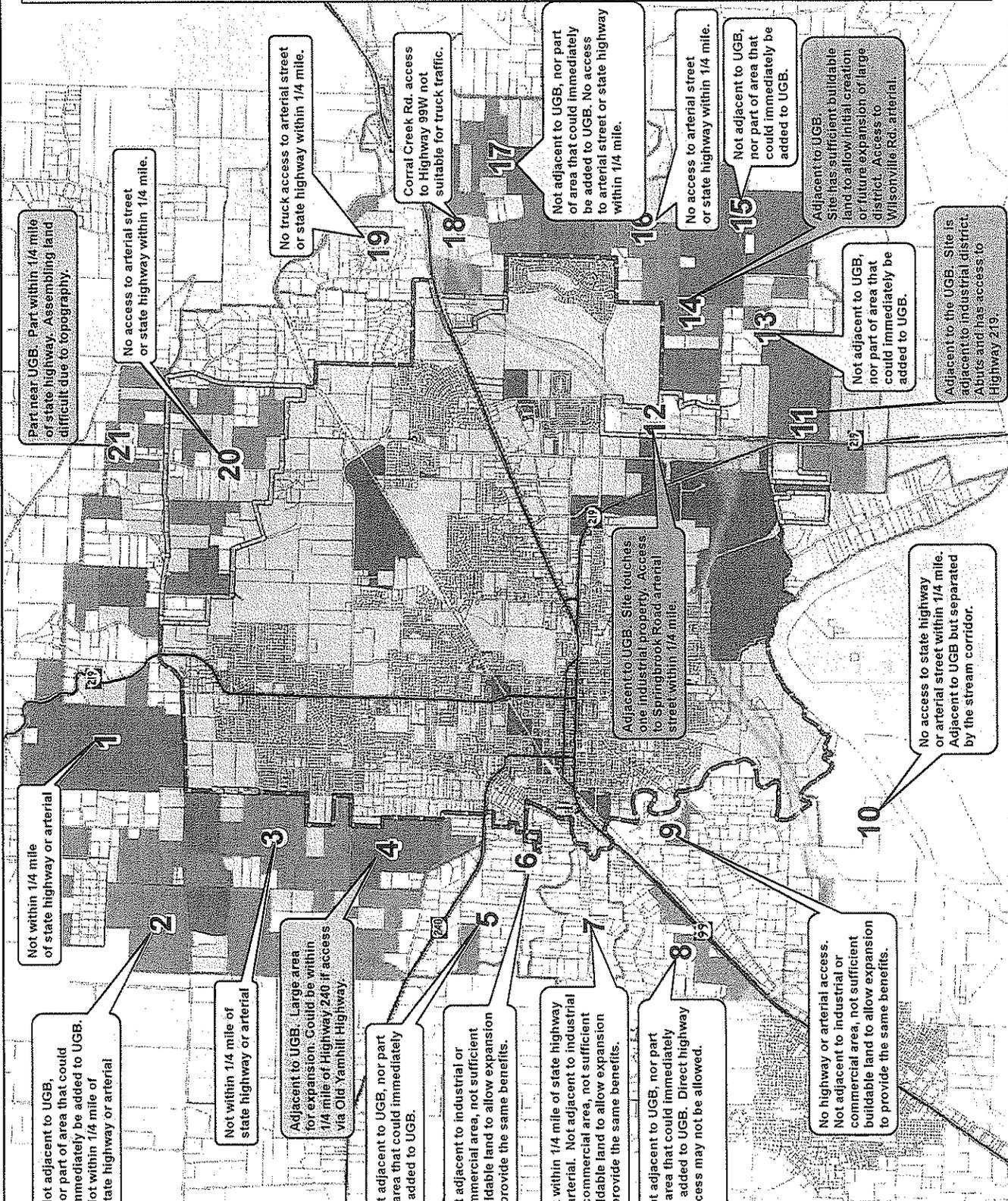
1. Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.
2. Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.
3. That have suitable truck access to a state highway or arterial street within 1/4 mile.

Legend

- Planned Bypass Corridor
- Existing UGB
- Urban Reserve Area
- Industrial Areas in UGB
- Buildable < 5 ac.
- Buildable 5+ and < 10 ac.
- Buildable 10 - 30 ac.
- Buildable > 30 ac.
- UGB Study Area



0 0.225 0.45 0.9 Miles



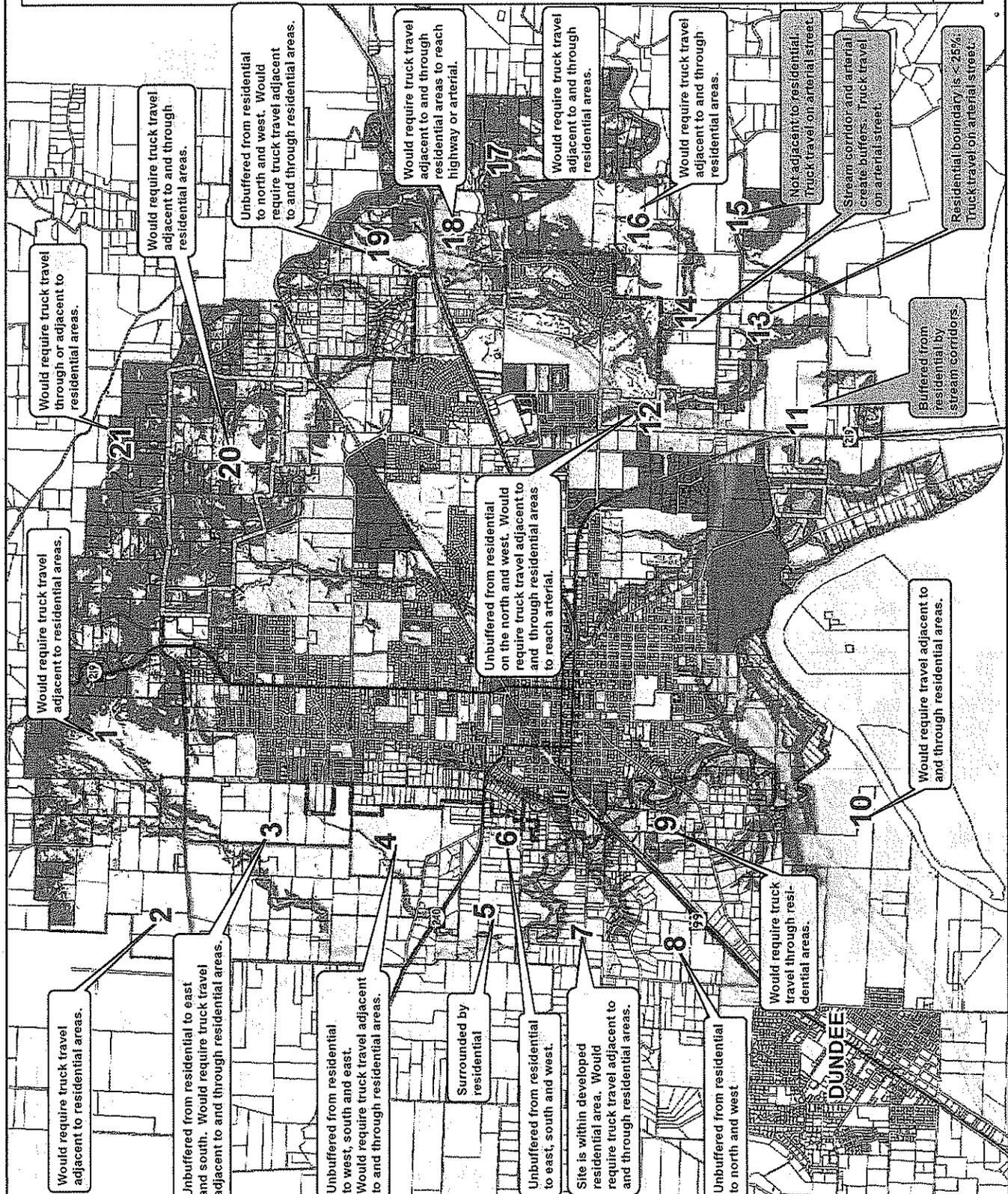
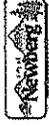
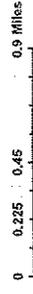
City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 7 Newberg Study Areas: Compatibility Requirements

Exclude sites that:
 1. About residential neighborhoods on more than 25% of the site perimeter unless effective topographical buffers are present.
 2. Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.

Legend

-  parcel selection 2
-  UGB Study Area
-  Existing UGB
-  Urban Reserve Area
-  Industrial Areas in UGB
-  Residential Areas
-  Water Features
-  10% Slopes or Greater
-  Planned Bypass Corridor



City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 8

Sites 11 and 14
with Aerial Photo

- Legend**
- Site 11
 - Site 14
 - Existing UGB
 - Urban Reserve Area
 - Water Features
 - 14 Site**



0 400 800 1,600 Feet



City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 9 Sites 11 and 14 with Soil Class in Agricultural Planned Areas

Legend

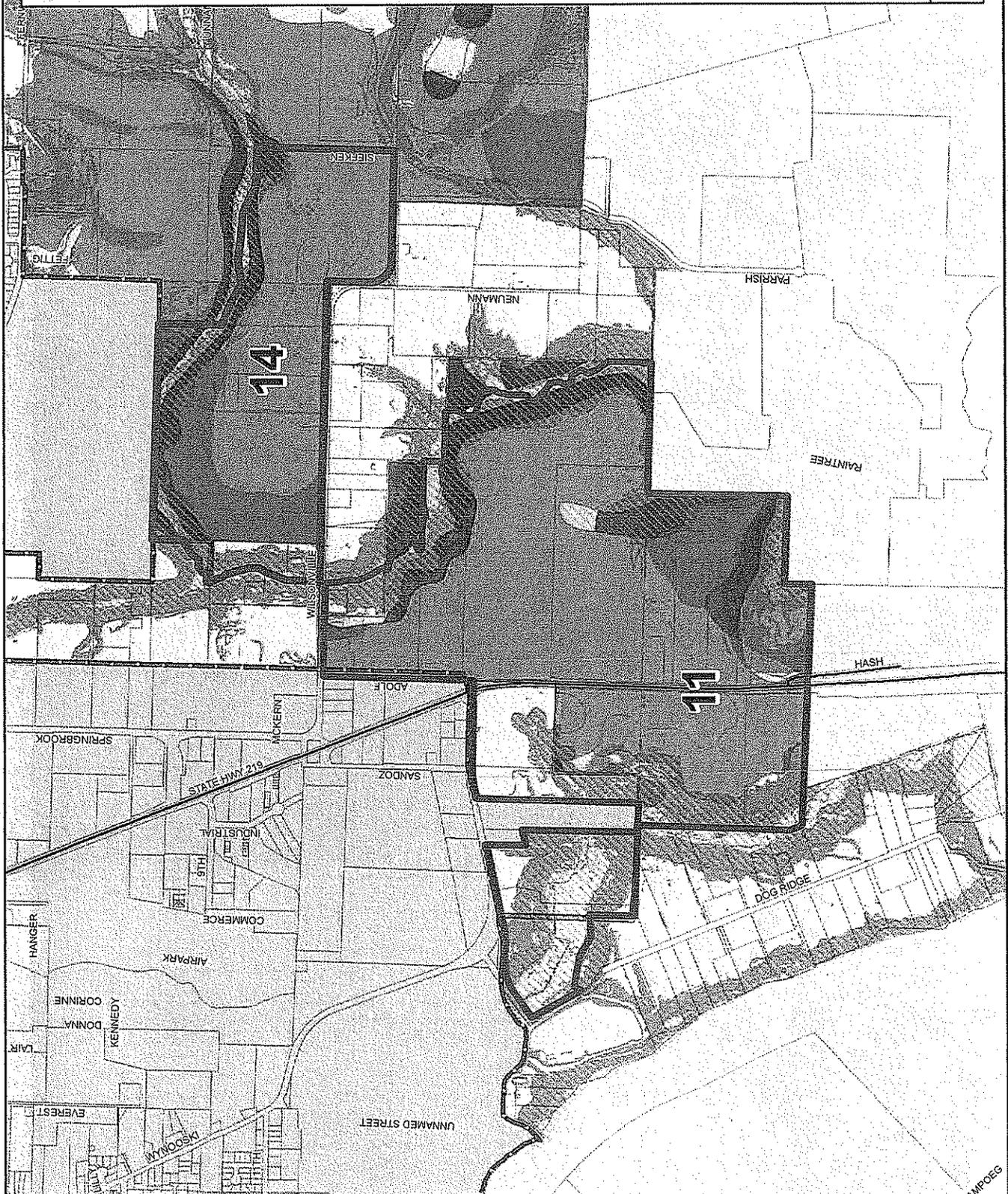
- Site 14
- Site 11

SOIL_CLASS

- I
- II
- III
- IV
- VI

- Existing UGB
- Urban Reserve Area
- 10% Slopes or Greater
- Water Features

14 Site

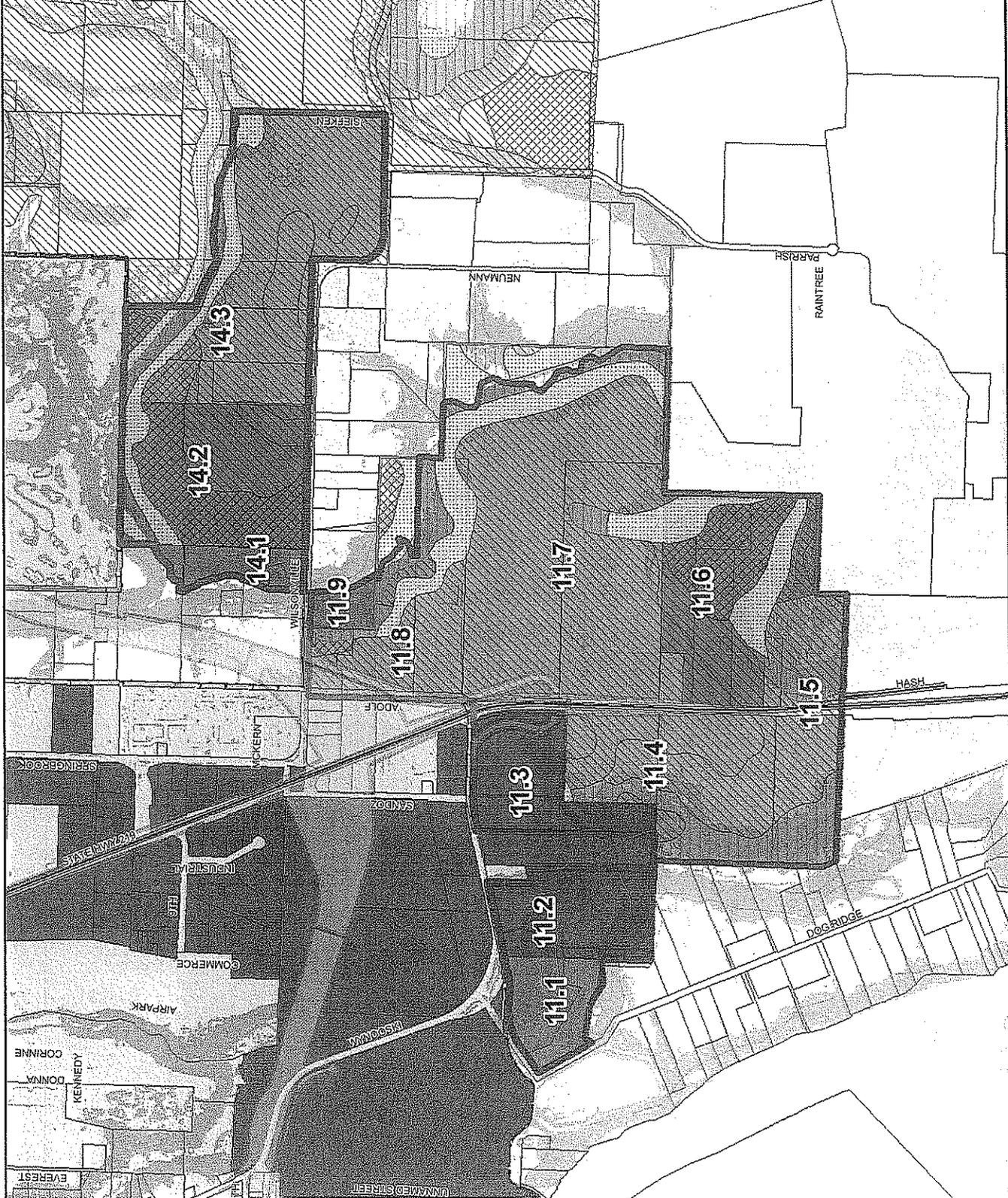
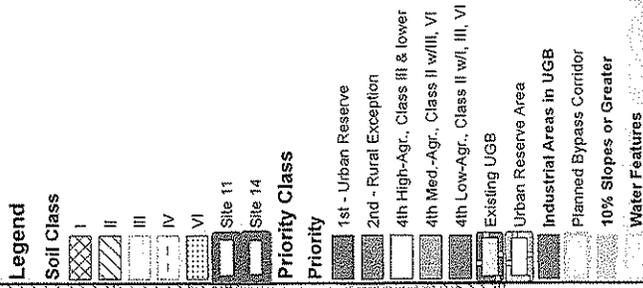


HAMPOEG

City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 10

Sites 11 and 14
with Subsites and
Priority Classes



MAP 11

Urban Growth Boundary Expansion Alternatives

This map identifies three boundary alternatives to be compared using the Goal 14 Location Factors. All three alternatives are 4th priority agricultural land, and contain roughly equal amounts of buildable land.

- Legend**
- Boundary Alternative A
 - Boundary Alternative B
 - Boundary Alternative C
 - Included in All Alternatives
 - Existing UGB
 - Urban Reserve Area
 - Approved Bypass Corridor
 - Water Features

14. Subsite



0 600 1,200 2,400 Feet

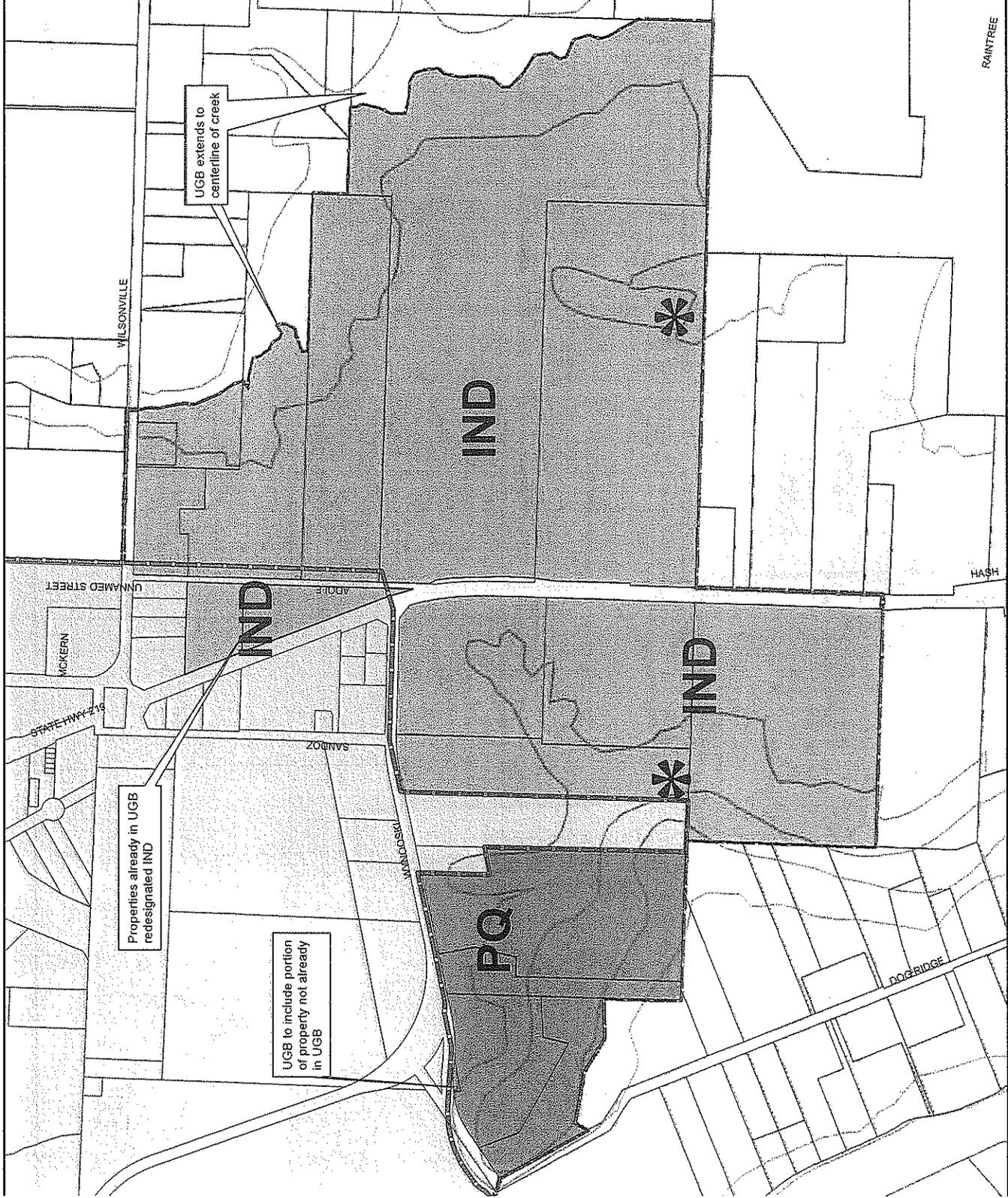


City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 12

Selected UGB Amendment and Comprehensive Plan Map Amendment Area with Proposed Comprehensive Plan Designations

- Legend**
- Expanded UGB
 - Affected Properties
 - Proposed Plan Designation**
 - PQ Public/Quasi-Public
 - IND Industrial
 - Existing UGB
 - Stream Corridor Overlay
 - Future Park Site



City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

MAP 13

Property Information

- Legend**
- Affected Properties
 - Existing UGB



0 250 500 1,000 Feet

