

IN 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 the Approval of an Urban Growth)
Boundary Amendment to Annex Approximately 37.5)
Acres into the City of Newberg, Changing the)
Comprehensive Plan Designation from the County's)
Very Low Density Residential to the City's Public/)
Quasi-Public and Change to Zoning from Very Low)
Density Residential 2.5 and Exclusive Farm Use 40)
to Institutional (I) to Develop a Hospital, Applicant)
Providence Health Systems, Docket PA-04-01;)
Tax Lots 3216DA-2000 and 3216-1903; and)
Declaring an Emergency)

ORDINANCE 713

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the Board) sat for the transaction of county business in formal session on May 16, 2002, Commissioners Robert Johnstone, Thomas E.E. Bunn, and Leslie Lewis being present.

THE BOARD MAKES THE FOLLOWING FINDINGS:

A. Applicant Providence Health Systems applied for an urban growth boundary amendment to annex approximately 37.5 acres into the city of Newberg. This action would change the plan designation from the County's Very Low Density Residential to the city's Public/Quasi-Public and change the zoning from VLDR 2.5 and EF-40 to Institutional (I). The purpose of the request is to develop a regional medical center to replace Providence Newberg Hospital.

B. A public hearing was held by the Newberg Urban Area Management Commission on January 23, 2002. After taking testimony, closing the hearing, and deliberating the issues, the Newberg Urban Area Management Commission was unable to reach a majority decision on the request. The Commission unanimously approved a motion to forward the matter to the City Council and Yamhill County Board of Commissioners without a recommendation.

C. A duly noticed public hearing was held March 4, 2002 by the Newberg City Council. After hearing from concerned parties and duly deliberating, the Council voted to approve the application.

D. A duly noticed public hearing was held April 25, 2002 by the Yamhill County Board of

B.O. 02-292

Commissioners. The applicant was represented by attorney John Bridges. Opponents from the Department of Land Conservation and Development requested a continuance and this was granted by the Board. After the open record period had passed the Board re-opened the hearing, duly deliberated, and voted unanimously to approve the application with the adoption of findings, attached to this Ordinance and hereby incorporated as Exhibit "A". NOW THEREFORE:

IT IS HEREBY ORDAINED BY THE BOARD that application PA-04-01 is approved for the reasons stated in the Findings for Approval and attached and incorporated into this Ordinance as Exhibit "A". The zoning on Tax Lots 3216DA-2000 and 3216-1903 is hereby changed from VLDR 2.5 and EF-40 to city Industrial (I). A map showing the property in question is attached and incorporated into this Ordinance as Exhibit "B". 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 upon passage.

DONE at McMinnville, Oregon this 16th day of May, 2002.

ATTEST

YAMHILL COUNTY BOARD OF COMMISSIONERS

CHARLES STERN

County Clerk

Chairman

ROBERT JOHNSTONE

By

Deputy KEELYE PETERS

Commissioner

THOMAS E. E. BUNN

FORM APPROVED BY:

RICK SANAI

Assistant County Counsel

Commissioner

LESLIE LEWIS

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: 2002, March 4

Ordinance <u>XX</u>	Resolution <u> </u>	Motion <u> </u>	Information <u> </u>
No. 2002-2563	No.		

<p style="text-align: center;">Date Submitted: February 15, 2002</p> <p>SUBJECT: Urban growth boundary amendment of approximately 37 acres. The parcels are within Newberg's Urban Reserve Area.</p>	<p>Contact Person (Preparer) for this Ordinance: Barton Brierley, City Planner</p> <hr/> <p>Dept.: Community Development</p> <hr/> <p>File No.: UGB-4-01/ANX-27-01</p>
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RECOMMENDATION: Adopt Ordinance No. 2002-2563 authorizing amendment of the City of Newberg Urban Growth Boundary, a Comprehensive Plan Change from a Yamhill County VLDR 2.5 (5 Acres), and County EF40 (32.2 Acres) to a PQ (Public-Quasi-Public) and PQ-SC (Public-Quasi-Public/Stream Corridor) Comprehensive Plan Designation, and approval of a future street plan. The site is located at 4100 and 4300 Portland Road.

BACKGROUND:

1. Providence Newberg Hospital (PNH) is the major health care provider in Newberg and the surrounding small communities in eastern Yamhill County and is part of the Providence Health System (PHS) Oregon Region. To accommodate a projected population increase of over 50% in PNH's primary and secondary service area by 2020, PHS proposes to replace the existing hospital with a regional medical center with an ultimate build-out of nearly 400,000 gross square feet (gsf). In order to accomplish this task, Providence Health System (PHS) Oregon Region has purchased and/or has option to purchase a 56-acre site on the eastern edge of the city, comprised of three properties. Of these, the Mustard Seed Farm (8.5 acres) is already within the Newberg city limits. The remaining two properties, Yost's Wine Country Nursery (42.9 acres) and Pheasant Ridge Bed and Breakfast (5.0 acres) are outside the urban growth boundary (UGB) but within Urban Reserve Area (URA) C which the City has identified as an area for potential inclusion in the city's urban growth boundary (UGB).

2. PHS has requested approval of an urban growth boundary amendment and a Comprehensive plan change from Yamhill County's Very Low Density Residential (VLDR) to the City's Public/Quasi-Public (PQ) designation on the 37.2 acres within Newberg's URA C. The eastern-most 10.7 acres of TL 1903 lie outside of URA C, and, therefore, these acres are not included in this application.

3. The property was designated for future urban growth by the City and County with the adoption of the Urban Reserve Areas (URA's) in 1995. This land was included in the

URA because it was part of a Goal 2 exception area designated by the County in 1980 (Applicant's Appendix C). The Newberg URAs have been acknowledged by the Department of Land Conservation and Development (DCLD), and, therefore, have first priority for inclusion in the UGB and, eventually, annexation into the city.

4. The western $\frac{3}{4}$ of TL 1903, proposed for inclusion in the UGB as part of this application, is zoned by Yamhill County for Exclusive Farm Use – 40-acre minimum (EF-40). The eastern quarter of the parcel, which lies outside of URA C, is zoned Exclusive Farm Use – 20-acre minimum (EF-20). TL 2000 is zoned Very Low-Density Residential, minimum 2.5-acres (VLDR - 2.5) in the County. Tax Lots 1903 and 2000 both carry a Yamhill County VLDR comprehensive plan designation.
5. The subject site is located on the south side of Highway 99W on the eastern edge of the city. Highway 99W, which traverses Newberg in an northeasterly/ southwesterly direction, is one of three major arterials in Newberg's Transportation System Plan, the other two being legs of Highway 219, which traverses the City in a north/south direction. Following the completion of a road-widening project from the city's eastern limits to the east end of downtown, there will be sufficient traffic capacity on the highway to accommodate demand for the foreseeable future, according to the traffic impact study prepared by Lancaster Engineering (Applicant's Appendix E).
6. There are two major proposed transportation improvements that will affect development of the subject site. First, a "Northern Arterial" is slated to connect existing portions of Mountainview and Crestview, creating a continuous street terminating east of Vittoria Street on the north side of 99W, across the street from the subject site. The exact location of the terminus is still under discussion. The purpose of the new arterial is to divert local traffic to and from residential areas in the northern and northeastern end of the city from 99W, to preserve through capacity for several more years and/or until the 99W Bypass is built. For this reason, the Northern Arterial has a high priority among the local improvements in the City's Capital Improvement Plan (CIP). Second, the Oregon Department of Transportation (ODOT) has been studying several options to build a bypass on 99W that would eliminate through traffic in the Newberg and Dundee city centers. Several alignments are under consideration including the Southern Bypass alternative. ODOT is currently undertaking a Location Environmental Impact Statement (LEIS) to select the preferred alignment. For purposes of this study, the eastern end of the Southern Bypass corridor, which is approximately 1,200' wide, comes right through the subject parcel.
7. Detailed information about existing system capacity and service availability for water, sanitary sewer and storm water treatment is provided in the public utilities availability report prepared by Anderson Engineering (Applicant's Appendix F).
8. A wetland delineation and salmonid habitat assessment have been prepared by Shapiro & Associates, Inc. during the summer of 2001 (Applicant's Appendix D). The major water feature on the eastern portion of TL -1903 is Springbrook Creek. There are four wetlands, containing a total of 2.25 acres, delineated on the site. A wetland delineation

was undertaken on TL 2000 in early January 2002 by Shapiro and Associates, Inc. According to their study, four sites totaling an estimated 0.1 acre have characteristics consistent with jurisdictional wetlands.

9. A major tributary to the Willamette River four miles to the south, Springbrook Creek enters the site on the extreme northeastern corner, flowing in a southeasterly direction, then meanders back to the property to the east before re-entering the parcel at the midpoint of the eastern boundary. It continues flowing in a southwesterly direction until it leaves the southern boundary of the site. Most of Springbrook Creek is contained within the 10.7-acre eastern portion of the site excluded from this application.
10. Since the property is not in Newberg's current UGB, the first step toward annexation is amendment of the UGB in this area.
11. On January 23, 2002, a hearing was held by the Newberg Urban Area Management Commission. After taking testimony, closing the hearing, and deliberating the issues, the Newberg Urban Area Management Commission was unable to reach a majority decision on the request. The Commission unanimously approved a motion to forward the matter to the City Council and Yamhill County Board of Commissioners without a recommendation.

CRITERIA: The urban growth boundary amendment criteria are referenced in the NUAMC staff report.

FISCAL IMPACT: There is no fiscal impact as a result of amending the urban growth boundary. At time of future annexation, application fees, system development charges, and additional property taxes will be collected. The impacts on public utilities and services will be identified in more detail at that time.

STRATEGIC ASSESSMENT: An essential component of community livability is the provision of quality health care facilities that are located in proximity to residents. The proposed regional medical center will provide these needed services in both a manner and at a location that best meets the needs of the Newberg. In addition, a regional medical center of the projected size will create demand for as many as 300 new jobs by 2015 and attract as many as 80 new physicians to the community, who in turn will create demand for another 150 workers. Thus, this project will create a wide range of employment opportunities, from entry-level to more skilled professions.

SUBMITTED BY:

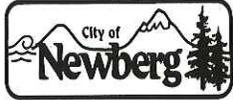
APPROVED BY:

Michael Soderquist, Community Dev. Director

Terrence D. Mahr, City Manager Pro-Tem

ATTACHMENTS:

- A. City Council Ordinance 2002-2563 with findings, legal description and maps - attached
- B. City of Newberg NUAMC Staff Report dated January 23, 2002 including:
 - 1. Unadopted NUAMC Reso. 2002-04 - attached
 - 2. UGB-4-01 application including appendices - attached
 - Appendices:
 - Letter of Commitment
 - Tax Maps
 - 1980 Yamhill County Exception Statement
 - Wetland Delineation and Salmonid Habitat Assessment
 - Traffic Impact Study
 - Public Utilities Availability Report
 - Police and Fire Department Service Letters
 - 3. Supplemental Response dated January 7, 2002
 - 4. Supplemental Response dated January 14, 2002
 - 5. Supplemental Wetland Delineation dated January 10, 2002
 - 6. Notice affidavit - attached
 - 7. Correspondence received - attached
 - 8. Bypass Alignment Map - attached
 - 9. Springbrook Oaks Specific Plan Transportation Map - attached
- C. Yamhill County NUAMC Staff Report dated January 23, 2002
- D. NUAMC Minutes dated January 23, 2002 - attached
- E. Correspondence received at NUAMC hearing - attached
- F. Supplemental Traffic Report provided by applicant February 19, 2002 - attached-
- G. Correspondence received since January 23, 2002- attached
- H. City Council Notice affidavit - attached
- I. Newberg Comprehensive Plan - by reference
- J. Newberg Development Code - by reference



ORDINANCE NO. 2002-2563

AN ORDINANCE DECLARING THAT CERTAIN TERRITORY BE INCLUDED IN THE CITY OF NEWBERG URBAN GROWTH BOUNDARY WITH A COMPREHENSIVE PLAN CHANGE FROM YAMHILL COUNTY VLDR 2.5 (5 ACRES), AND COUNTY EF-40 (32.2 ACRES) TO PQ (PUBLIC-QUASI-PUBLIC) AND PQ/SC (PUBLIC-QUASI-PUBLIC/STREAM CORRIDOR) COMPREHENSIVE PLAN DESIGNATIONS, AND APPROVAL OF A FUTURE STREET PLAN. THE SITE IS LOCATED AT 4100 AND 4300 PORTLAND ROAD.

RECITALS:

1. On November 7, 2001, an application was submitted by Dana White/Providence Health Systems requesting an urban growth boundary amendment for property located at 4100 and 4300 Portland Road.
2. On December 21, 2001, notice of this proposed urban growth boundary amendment was mailed to the owner of record as identified in Yamhill County Assessor's Office, and all adjoining property owners within a distance of 500 feet; and on January 7, 2002, notice was posted on the site.
3. On January 2, 2002, notice was published in the Graphic Newspaper regarding the Newberg Urban Area Management Commission on January 23, 2002; and notice was posted at four public places to comply with Oregon Revised Statute requirements.
4. On January 23, 2002, a hearing was held by the Newberg Urban Area Management Commission. After taking testimony, closing the hearing, and deliberating the issues, the Newberg Urban Area Management Commission was unable to reach a majority decision on the request. The Commission unanimously approved a motion to forward the matter to the City Council and Yamhill County Board of Commissioners without a recommendation.
5. On February 12, 2002 notice of this proposed urban growth boundary amendment was mailed to the owner of record as identified in Yamhill County Assessor's Office, and all adjoining property owners within a distance of 300 feet.
6. Notice was published in the Graphic Newspaper on February 13, 2002, which is at least ten days prior to the public hearing before the City Council on March 4, 2002; and on February 13, 2002, notice of the City Council meeting was posted at four public places to comply with Oregon Revised Statute requirements for urban growth boundary amendments.
7. After proper notice, on March 4, 2002 at the hour of 7:00 PM in the Newberg Public Safety Building, 401 E. Third, the City Council held a Public Hearing on the item: accurately stated objections to jurisdiction, bias, and ex-parte contact; considered public testimony; examined the record; heard the presentation from staff and the applicant;

examined and discussed the appropriate criteria to judge the project (as listed in the staff report); considered all relevant information regarding the item; and deliberated.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

8. The City Council finds that the requirements of the Newberg Urban Area Management Agreement - Urban Growth Boundary Amendment Criteria, Newberg Comprehensive Plan Amendment - Newberg Development Code, Section 10.20.030, Statewide LCDC Goals, ORS 197.296(2), ORS 197.298, OAR 660-Division 4, and Goal 14 Factors regarding urban growth boundary amendments have been met.
9. The City Council adopts the findings which are attached hereto as Exhibit A and incorporated herein by reference.
10. It is hereby ordered and declared that the property described in Exhibit B and shown in Exhibit C, is hereby included within the Newberg Urban Growth Boundary.
11. The territory described in Exhibit B and shown in Exhibit C, is hereby changed from a Yamhill County VLDR 2.5 (5 Acres), and County EF40 (32.2 Acres) to a PQ (Public-quasi-public) and PQ/SC (Public/Quasi-Public - Stream Corridor) Comprehensive Plan Designation. The "Newberg, Oregon Comprehensive Plan Map" shall be amended to indicate this change.
12. The Future Street Plan as shown in Exhibit D is hereby adopted.

ADOPTED by the Newberg City Council this ___ day of _____, 2002, by the following votes:

AYE: NAY: ABSENT: ABSTAIN:

Terrence D. Mahr, City Recorder

ATTEST by the Mayor this ___ of _____, 2002.

Charles Cox, Mayor

LEGISLATIVE HISTORY

By and through Newberg Urban Area Management Commission at 1 / 23 /2002 meeting. Or, ___
None.

EXHIBIT A
URBAN GROWTH BOUNDARY FINDINGS
UGB-4-01

Approval of an urban growth boundary amendment of approximately 37 acres. The parcels are within Newberg's Urban Reserve Area. - 4100 and 4300 Portland Road

I. Newberg Urban Area Management Agreement -Urban Growth Boundary Amendment Criteria: Amendment of the Urban Growth Boundary shall be treated as a map amendment to both City and County Comprehensive Plan maps. Change of the boundary shall be based upon consideration of the following factors:

- (a) Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals.**

Findings: The following Statewide goals apply to this application: Goal 1 (Citizen Involvement); Goal 2 (Land Use Planning); Goal 3 (Agricultural Lands); Goal 5 (Open Spaces, Scenic and Historic Areas, and Natural Resources); Goal 6 (Air, Water and Land Resources Quality); Goal 11 (Public Facilities and Services); Goal 12 (Transportation); and Goal 14 (Urbanization). [Goals 4, 7-10, 13 and 15-19 do not apply to this site.]

Goal 1, Citizen Involvement. *The potential of the subject site for future urbanization has been the subject of two previous public planning processes by the City of Newberg and Yamhill County. During the first of these, the Yamhill County Exceptions Statement II, which was adopted in 1980 through public process, identified the subject site as "lands committed to rural residential use" and, thereby, granted a Goal 2 exception, removing its agricultural classification and elevating its priority for future urbanization. The second relevant planning process was the Newberg Urban Reserve Areas (URA) Project. Beginning in 1992, this included a public involvement program, which led to the identification and adoption of six URAs; the subject site was included in URA C. These were evaluated in further detail in 1997. In conjunction with this detailed analysis, a citizen involvement and intergovernmental coordination program was implemented to inform property owners and other interested parties of the study results and solicit input.*

Regarding the proposed UGB expansion on the subject site, the applicant has met with adjacent property owners, Newberg planning staff, ODOT officials, Newberg Bypass Parkway Committee, Newberg Fire and Police Department representatives, Friends of Yamhill County and Providence Newberg Health Foundation. Public notice has been provide to all properties within 500 feet of the site and the site has been posted. Public notice has been provided to the Oregon Department of Land Conservation and Development per state regulations. The proposed project complies with this goal.

Goal 2, Land Use Planning. *The proposed UGB amendment is consistent with Statewide Planning Goal 2, which requires that land use decisions be made in accordance with a Comprehensive Plan prepared by the affected local jurisdiction. The subject area has already been granted a Goal 2 exception and is located within an*

adopted URA. Further, as part of an URA, the site is subject to the 1997 Newberg Urban Area Growth Management Agreement (NUAGMA) between Newberg and Yamhill County. This agreement establishes a process for maintaining on-going, coordinated planning efforts between the City and County for those areas within the Newberg UGB and identified URAs. Further, the proposed comprehensive plan and zoning designations for the site and all applicable development standards are consistent with the Newberg Comprehensive Plan and Development Code. The proposed project complies with this goal.

Goal 3, Agricultural Lands. *The subject site consists of two parcels, TL 1903 and 2000, which were granted Goal 2 exceptions in 1980 when Yamhill County so designated them in its Exceptions Statement II. The soils are predominantly Class II Woodburn silt loam soils, WuB and WuC. Similar Class II soils are found in all URAs and the City has acknowledged in its Inventory of Natural and Cultural Resources report that as such, expansion of the UGB will almost without exception occur on these soils. The alternative to urbanization of Class II soils would require "leap-frogging" over these to less productive soils, which would result in a inefficient land development patterns and inefficient and more costly extension of public infrastructure and services.*

The comprehensive plan designation for both subject parcels is VLDR, Low Density Residential. TL 2000 is zoned VLDR 2.5 and is in use as a bed and breakfast, operated by Rex Hill Winery. TL 1903 has retained its EF-40 zoning designation as it has remained in active, small-scale agricultural production. The likelihood of the site remaining in productive agricultural use is greatly diminished because 1) it is has already been granted an exception; 2) it is completely surrounded by City land or other exception areas not in agricultural use; and 3) a major state highway bypass may be located through the property. Therefore, the inclusion of the subject site within the UGB is not in conflict with the requirement of this goal that agricultural lands be preserved and maintained for farm use. It should also be noted that the eastern 10.7 acres of TL 1903 are not included in this application and will remain outside the UGB under its present zoning. The proposed project complies with this goal.

Goal 5, Open Spaces, Scenic and Historic Areas, and Natural Resources. *Of the 12 different resource types included in this goal, Natural Resources are directly affected and Historic Resources tangentially related.*

Natural Resources. As described in the Existing Conditions (Applicant's Section IV), there are four identified wetlands, comprising a total of 2.25 acres, and a portion of a major tributary, Springbrook Creek, to the Willamette River on the Yost site, tax lot 1903. Two of these wetlands are very small, potentially non-jurisdictional ones. The remaining two wetlands are more significant, although they lie to the east of the proposed development area. There is no anticipated impact on these wetlands by the PHS regional medical center.

The second major natural resource in the vicinity is Springbrook Creek, primarily lying

within the 10.7-acre eastern portion of the site, which is excluded from this application. The creek has been assessed for habitat value for salmonids, specifically spring Chinook and steelhead, which have been identified as present in Springbrook Creek. Although there have been no documented sightings of these fish in this portion of the stream and none are likely to be found because of downstream obstructions, it is considered to be critical rearing and feeding habitat. However, the proposed development shall be placed substantially to the west and no adverse impacts on the stream are anticipated. The proposed project complies with this goal.

On January 4, 2002, staff visited tax lot 2000 to determine if any identifiable wetlands existed on this tax lot. Following that site visit, it was determined by staff that there did not appear to be any defined wetland areas on tax lot 2000. A wetland delineation was undertaken on TL 2000 on January 7 and 9, 2002 by Shapiro and Associates, Inc. According to their study, four sites totaling an estimated 0.1 acre have characteristics consistent with jurisdictional wetlands. The site in the southwest corner of the parcel has hydrologic, soil and vegetation characteristics that indicate it meets the criteria for a jurisdictional wetland.

Indicators at the other three sites include significant ambiguity, but characteristics observed on the field visits indicate that they also meet wetland criteria. It is possible that examination later in the season would demonstrate that these three sites do not meet either the hydrologic or the vegetation criterion for wetland. It is possible that they may be sufficiently drained that the soil saturation is not sustained long enough into the growing season, under normal conditions, to meet the hydrology criterion. Analysis of the vegetation community later in the season, when more species can be positively identified, might demonstrate a predominance of upland species. If that is so, the site may not be wetland.

As noted above, portions of the site included in this application contain designated wetlands and/or Springbrook Creek. These areas will be protected by application of a PQ/SC (Public/Quasi-Public / Stream Corridor) comprehensive plan designation as shown in Exhibit C. Those portions of the site which contain potentially non-jurisdictional wetlands have been excluded from this requirement. At time of annexation, when City of Newberg zoning is applied to the site, a SC zoning overlay will be required over those portions of the site bearing the SC comprehensive plan designation. This will then allow implementation of City of Newberg Stream Corridor regulations to all designated wetlands and/or stream corridors on the site.

Historic Resources. The site of the first post office in Newberg is found on TL 1902 (Mustard Seed Farm) property. Although this parcel is not part of the UGB Amendment portion of this application, it is noted here because it is part of the proposed development site. The building no longer exists, but the site retains its designation on Newberg's historic resource inventory. PHS will work with Brutscher descendants and the City to appropriately memorialize the site. The proposed project complies with this goal.

Goal 6, Air, Water and Land Resources Quality. *This goal requires that local comprehensive plans and implementing measures are consistent with State and Federal regulations on matters of air, water and land resources. The proposed UGB amendment would be consistent with the City's Comprehensive Plan policies to protect water quality in tributary streams of the Willamette River system by preserving the stream corridor on the site, and keeping it out of the UGB. Additionally, providing sanitary sewer for the proposed regional medical center is better for water quality than allowing low-density rural residential development on septic systems as designated in the Yamhill County Comprehensive Plan. Moreover, medical centers must adhere to strict State and Federal requirements related to air and water quality and management of hazardous materials. The proposed project complies with this goal.*

To prevent future negative impacts on the stream corridor, at time of annexation, the applicant will be required to address storm water pre-treatment.

Goal 11, Public Facilities and Services. *This goal calls for efficient planning of public services such as sewers, water, law enforcement and fire protection. The City's Comprehensive Plan includes the goal to plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as the framework for urban development. Water, sanitary sewer and stormwater management facilities were evaluated as part of the detailed URA analysis conducted by the City in 1997. That study determined that URA Area C, can be provided with the necessary infrastructure. Since then, the City has included several projects in its Capital Improvement Plan (CIP) that will facilitate development in this area of Newberg. This includes the drilling of an additional well, construction of a new water reservoir and related transmission lines, and construction of the Fernwood sewer pump station and related trunk line, the completion of which will provide adequate water and sanitary sewer capacity.*

Newberg Police and Fire Department representatives have indicated that they will be able to provide service for the new regional medical center. Impacts on these public services are anticipated to be quite low because the development does not include residents, and the facility is subject to stricter fire and life safety codes than commercial and residential uses. Both departments also will benefit from the provision of a mental health holding facility in the Emergency Department of the new medical center. Similarly, because there a medical center does not increase the number of residents, there will be no impact on school enrollment. The proposed project complies with this goal.

Goal 12, Transportation. *This intent of this goal is to provide a safe, convenient and efficient transportation system. Locating the new regional medical center on the subject site will help improve the local transportation system. Specifically, the site plan has been designed to maximize safe access to the facility from Highway 99W through a signalized intersection that aligns the future Northern Arterial with the medical center's main entrance. Even if the arterial's terminus is located elsewhere, a signalized intersection at this location is still appropriate because of its distance from the nearest lighted*

intersection at Brutscher Road. Thus, traffic to the site can be accommodated without compromising through traffic capacity on Highway 99W. A separate emergency access allows for necessary accessibility and visibility, while separating general medical center traffic from emergency vehicles. An internal ring road allocates traffic to the various uses within the campus, eliminating turning movements from the highway. Additionally, the site has been designed to provide local access to property to the south, thereby increasing connectivity.

The proposed use will reduce the evening peak hour trip generation for the site. Currently, 8.5 acres of the proposed development is in the City limits and zoned Commercially. The 8.5 acres is more than sufficient size to develop a grocery store with a gas station. This could be developed without any intervention by the City other than design review. The estimated evening peak hour trip generation for the grocery store and gas station would be 750 trips.

If approved, the site, including the 8.5 acres, would be zoned Institutional. At full build out, the Medical Center would only generate 600 evening peak hour trips. As a result, the approval will improve the performance of the facility as compared with the current outright permitted use. Therefore, OAR 660-012-0060(2), the significant affects test, has not been triggered.

The proposed north-south access road through the site, which provides connectivity from Highway 99W to property south of the site, will be required to be developed to City public street standards as part of the PHS site development. To fully develop the Springbrook Oaks Specific Plan site east of Springbrook Creek, the Springbrook Oaks Specific Plan identifies a northern access road. The specific location and alignment of this road has not been determined. Portions of the road may need to cross the eastern portion of the PHS property at some point in the future. Additionally, at time of site development, the applicant will be required to include provisions for a public local street connection from the southern end of Klimek Lane to the new north-south public road on the project site. (See Reso. 2002-04, Exhibit D.)

One of the major issues regarding the development of this site is the future alignment of the Newberg Bypass. Still in the planning stages, the bypass is likely to take a southern route around Newberg where it may traverse a portion of the site. The proposed concept site design has accommodated the potential bypass alignment through the southeast corner of the site to allow for compatibility of the two projects. Throughout the site planning phase, the project traffic engineer has kept ODOT and its consultants apprized of the site plan alternatives. To date, ODOT has shown interest in the project and has not indicated that the proposed site plan would negatively affect or preclude the bypass alignment. Moreover, once constructed, the bypass will carry medical center patients and visitors from western Newberg, Dundee and points west directly to the facility without causing additional congestion in the city center. The proposed project complies with this goal.

Overall, the proposed project will comply with Goal 12's requirement to provide for a safe, convenient and efficient transportation system, because by relocation a regional medical facility in this location, on land that is partly inside the UGB and presently zoned for general commercial use, and on adjacent land outside the UGB, in an existing URA, the overall trip generation from the commercially zoned site inside the UGB will be reduced. In addition, access points on Highway 99 will be minimized, land inside the project area will be reserved for the bypass, and a major regional medical facility will be able to expand within the Newberg urban area, in a manner that improves emergency, inpatient and outpatient care for everyone who lives and works in the area. Specific findings concerning the State Transportation Planning Rule, which implement Goal 12, are included below.

In response to the ODOT and DLCD concerns about transportation improvements, City has determined that the anticipated transportation improvements noted by the applicant are specifically identified in Newberg's adopted TSP. They include a limited access highway (bypass) and a northern arterial (northside road). Staff concludes that, regardless of the outcome of this application, there will be a need in the near future for completion of the transportation improvements identified in the TSP, including the bypass. Staff acknowledges that, although a bypass will be needed in the near future anyway, the proposed project will likely underscore the need.

Goal 14, Urbanization. *The objective of this goal is to provide for an orderly and efficient transition from rural to urban land use. This goal requires that all local jurisdictions estimate future land requirements to accommodate projected growth and then identify sufficient expansion areas to meet this projected demand. Seven factors are specified by Goal 14 that must be considered in expanding an urban growth boundary (UGB). The first of these, compliance with applicable Statewide planning goals is described above. The remaining factors (B-G) are presented below.*

(b) Need for housing, employment opportunities, and livability.

Finding: *As the City of Newberg continues to grow, there is increased demand for medical services. Clearly, an essential component of community livability is the provision of quality health care facilities that are located in proximity to residents. The proposed regional medical center will provide these needed services in both a manner and at a location that best meets the needs of the Newberg. Moreover, with the increased critical mass of patients, PHS can provide a large range of specialty services than is possible in a smaller facility and attract a wider variety of physicians with subspecialty expertise to on-campus medical offices.*

Furthermore, a regional medical center of the projected size will create demand for as many as 300 new jobs by 2015 and attract as many as 80 new physicians to the community, who in turn will create demand for another 150 workers. Thus, this project will create a wide range of employment opportunities, from entry-level to more skilled

professions. In particular, the staffing needs of the main hospital, MOBs, pharmacy, durable medical equipment sales and community facilities will create many opportunities for family-wage jobs in the city. The proposed project complies with this factor.

(c) Orderly and economic provision for public facilities and services.

Finding: *As summarized in Applicant's Section V and documented by the utilities availability report by Anderson Engineering and traffic impact study by Lancaster Engineering, the proposed regional medical center can be served by public facilities and services in an orderly and economic manner. This includes water, sanitary sewer, storm water management and transportation facilities. The proposed project complies with this factor.*

(d) Maximum efficiency of land uses within and on the fringe of the existing urban area.

Finding: *To identify a site for the new regional medical center, an alternatives analysis was undertaken by PHS using the accepted priority of sites established by ORS 197.298(1)(a-d). First, all potential sites within the Newberg city limits and its urban growth boundary (UGB) have been evaluated. Additionally, because PNH has an agreement with the City of Newberg that the medical center will be re-located no more than three miles from the city limits, land within the Dundee city limits/UGB, the only other urban center within a three-mile radius of Newberg, also was included in the analysis.*

Secondly, the analysis was extended to include sites outside Newberg's UGB in its six urban reserve areas (URAs), which are those that were identified in 1993 by the City as future UGB expansion areas. Except as noted above, other rural sites outside the designated URAs were not evaluated.

Adopted URAs are the first priority for urbanization among rural sites immediately adjacent to the city limits. It is within one of these URAs, "C", that PHS has identified the best site upon which to locate its new regional medical center, as this site both meets Statewide Planning Goal 14 criteria and its own siting requirements.

This section contains the site selection criteria used by the applicant to evaluate potential sites within and outside the Newberg/Dundee UGBs; the actual alternatives analysis leading to the selection of the proposed site, and a description of the selected. The criteria are drawn from three sources: City of Newberg land use regulations, Statewide Goal 14 and related Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR) requirements, and standards for medical center siting as defined by both the hospital industry and PHS. The alternatives analysis entails a two-tier approach, in which sites within the Newberg/Dundee UGBs are first analyzed followed by sites outside the UGB.

Inside the UGB. The criteria for identifying sites within the existing UGB is fairly straight-forward, given that these lands by definition are either already urbanized or are reasonably ready for urbanization. As a result, these sites do not require an analysis of their suitability for urban development in addition to other site-specific criteria. Within the Newberg and Dundee UGBs, the following primary criteria were applied to identify the inventory of possible sites:

- Minimum site (21 acres). It is proposed that the new PNH regional medical center will be built in four phases over a 20-year period to meet the projected population growth in Newberg and surrounding communities within its service area. As described in the development program, the facility will be constructed in a campus-like setting to include the main hospital and accessory medical office buildings (MOBs)¹, conference/community education facility, and related parking, open space and landscaping. This development program will require a minimum of 21.0 acres. Therefore, sites containing individual or aggregated tax lots of this minimum size were identified as the first level of analysis.
- Location on a Major Arterial. Because of the increased volume of traffic associated with the proposed regional medical center, location on a Major Arterial with sufficient traffic capacity, is the most important criterion to be considered after site size. This is most critical for traffic – both ambulances and private citizens – to the facility’s Emergency Department where visual and physically-unencumbered access to the hospital is required. Secondly, to accommodate the general traffic to be generated by the expanded facility, a location immediately adjacent or near a Major Arterial is required. Staff has determined that although arterial access is important, lack of such access is not sufficient grounds to eliminate a site from consideration. In its Transportation System Plan (TSP), the City of Newberg has designated three Major Arterials: east/west-oriented Highway 99W, and two segments of the north/south-oriented Highway 219 including the segments from 99W northward on College Street and 99W southward along Highway 219.
- Appropriate Zoning
 - Zones which allow hospitals and MOBs: The City of Newberg has four zoning districts in which both hospitals and MOBs are permitted, either by right or as conditional uses. These are the R-P (Residential Professional), C-2 (Community Commercial), C-3 (Central Business District), and I (Institutional) districts. Although hospitals are permitted as a conditional use in other residential (R) zones, MOBs are not. Therefore, these zones

¹ It must be noted that MOBs are considered an integral part of any modern medical center campus. The presence of on-campus private physician offices provide patients with maximum access to inpatient and outpatient diagnostic and treatment services, maximize utilization of physicians’ time and reduce both vehicle trips and vehicle miles traveled (VMT).

are not acceptable for the new regional medical center.

- Zones which require a zone and/or Comprehensive Plan and zone change: To exhaust all possible sites within the UGB, sites that met the minimum size and transportation-corridor location were evaluated, regardless of zoning, since an application for a Comprehensive Plan/zone change could be considered. However, any sites presently zoned for residential use were eliminated from consideration for a possible plan/zone change since the Newberg Residential Needs Analysis and Policy (The Benkendorf Associates Corporation, 1997) identified a significant shortfall, up to 240 acres, of land in the City's 2020 residential vacant land inventory. A request for a zone change to permit a non-residential institutional use further diminishing this supply would not comply with the Comprehensive Plan, and, therefore, would likely not be approved.

Once several sites were identified that complied with the above three criteria, the applicant evaluated them against the following more refined criteria:

- Ability to serve PNH's service area most effectively. PNH's service area stretches primarily in an east/west orientation from Sherwood, southwest Portland, Tualatin and Wilsonville to the east to Dayton, Carlton and McMinnville to the west. After Newberg residents, which account for 63% (10,650) of total patients (17,040) served, the largest number of users of the existing hospital come from Dundee (8%) and Sherwood (8%) immediately west and east of Newberg, respectively. For this reason, east/west-oriented Highway 99W is superior to the other designated north/south Major Arterials. Thus, with the exception of St. Paul, all other PHS patients make use of Highway 99W to reach Newberg. Secondary routing of this traffic north or south on Highway 219 is not an efficient or effective way to serve the new medical center. Moreover, Highway 99W also has greater carrying capacity and provides adequate separation from existing and future residential neighborhoods that would be negatively affected by the expanded facility's traffic.
- Traffic circulation/impacts that minimize impacts on residential neighborhoods. Recognizing that the new regional medical center will generate substantial emergency and general traffic, it is important to select a site that minimizes traffic impacts on existing and proposed Newberg neighborhoods. All intra-UGB sites have been evaluated to identify how much traffic would be brought through or around existing neighborhoods and vacant residentially-zoned areas, presumably the location of future neighborhoods, with those sites receiving a lower priority.
- Compatibility with adjacent uses. The impacts of the new medical center on its neighbors, and likewise the impacts of adjacent uses on the medical center, is another refining criterion in the alternatives analysis. Because the medical center will have inpatient beds, proximity to noxious uses such as water/sanitary sewer

treatment facilities, airports and waste disposal sites, should be avoided.

As noted in the following table, seven sites, including PNH's current Villa Road site, were evaluated and eliminated for failing to meet one or more of the above criteria. For this reason, the next tier of options, those contained in the designated URAs, was undertaken.

Outside the UGB. Upon concluding there are no suitable sites for the PNH replacement within the Newberg or Dundee UGBs, land outside the Newberg UGB was evaluated by the applicant. In identifying sites outside the UGB, the first step was to meet state land use requirements that establish the priority of sites deemed suitable/available for urbanization. This priority, to which all other criteria are subordinate, is as follows:

- *Location within adopted Urban Reserve Areas (URAs). In 1993, the City of Newberg identified its future urbanizable lands as part of the Newberg/Yamhill County Urban Reserve Project. This project analyzed lands outside the Newberg UGB to establish those areas of highest priority to be brought into the UGB. This resulted in designation of six areas, URAs A-F (Figure 2).*
- *Location within designated "exception areas". This criterion relates to the State requirements to protect prime farm and forest resources, identified by its quality of soils and current use. Under State Planning Goal 2, an exception to resource use can be taken for any land that is needed for or already devoted to non-resource development, e.g., rural residential, commercial or industrial uses; and/or containing poor soils, unsuitable topography or other site constraints. Under the provisions of Statewide Goal 14, Urbanization, a local jurisdiction must exhaust the supply of designated exception land near its UGB before considering prime resource land. Thus, the analysis of potential extra-UGB sites must include those that are both located within the City's URAs and that have already been granted exceptions to Statewide Goal 3 (Agricultural Lands) and Goal 4 (Forest Lands) by Yamhill County in its 1980 Exceptions Statement II².*
- *Ability to provide public services. Because State law prohibits extra-territorial provision of public services, all sites within the proposed URAs require the extension of sanitary sewer, water and roads. The ability to provide urban services in an efficient and cost-effective manner to the designated URAs was evaluated in the Newberg/Yamhill County Urban Reserve Project (The Benkendorf Associates Corporation, 1997). Although this provides a "first-cut" analysis of the availability of services, more refined estimates cannot be made without the identification of a specific site, the results of which will be provided in the legal findings.*

After identifying a suitable inventory of sites outside the Newberg/Dundee UGBs based

² With the exception of 19 acres of resource land located in URA D, all land within the designated URAs have are within designated exception areas pursuant to City Ordinance 95-2397, which was adopted by County Ordinance 596 and acknowledged by the Department of Land Conservation and Development (DCLD).

on the above three criteria³, the sites were then subjected to evaluation against the PHS-related medical center siting criteria, including those described in the “inside the UGB” subsection above:

- *Minimum site size of 21 acres.*
- *Location of a Major Arterial, with preference for 99W.*
- *Compatibility of surrounding uses.*
- *Minimization of traffic impacts on existing and future residential neighborhoods.*
- *Ability to provide PNH services within its service area most efficiently.*

³ Zoning is not included in the criteria for sites outside the Newberg/Dundee UGBs because all would require a Comprehensive Plan/zone change to an urban zoning designation as part of the annexation process. Therefore, this is not a suitable criteria for evaluating sites.

Inside Newberg UGB	Site(s)	Major reasons for suitability/unsuitability as PNH replacement site
		Reasons for Suitability:
		Reasons for Unsuitability:
Minimum 21-acre site on appropriately zoned land for Hospital and MOB on east-west arterial	No sites found	---
Minimum 21-acre site on appropriately zoned land for Hospital and MOB on north-south arterial	No sites found	---
Minimum 21-acre site size or current site on appropriately zoned land for Hospital and MOB, not on arterial	<p>Site 1</p> <p>Existing PHS site on Villa Road – 8.4 acres (including 1.1-acre non-contiguous MOB parcel on 99W).</p> <p>*Although this is not the minimum size, the potential for intense redevelopment of the existing site was evaluated before seeking alternatives.</p>	<ul style="list-style-type: none"> • Redevelopment of the site found to be not feasible due to limited land, disruption of service during construction, and prohibitive expense of redeveloping existing site. • Lack of location on an arterial not compatible with growing need for highly accessible emergency access. • Traffic generation of expanded facility exceeds capacity of road system at this location. • Not well placed for serving growing PHS service area, which also includes areas east and west of Newberg as major segments.
Minimum 21-acre site size or current site on appropriately zoned land for Hospital and MOB, not on arterial	<p>Site 2</p> <p>RP Zoned Property in Springbrook Oaks Specific Plan</p>	<ul style="list-style-type: none"> • Lack of location on an arterial not compatible with need for highly-accessible and visible emergency access. • Reconfiguration of Specific Plan zoning districts does not achieve connectivity to 99W. • Future incompatibility with adjacent planned residential uses.

		Reasons for Suitability:	Reasons for Unsuitability:
Minimum 21-acre site on land requiring Comprehensive Plan and/or zone change on east-west arterial	No sites found	—	—
Minimum 21-acre site on land requiring Comprehensive Plan and/or zone change on north-south arterial	<p>Site 3</p> <p>Residentially-zoned Austin property on north part of Highway 219</p>	—	<ul style="list-style-type: none"> Rezoning of residential land to Institutional reduces residential vacant land supply where there is already a shortfall. Significant traffic would be routed through residential areas. Not well placed for serving growing PHS service area, which also includes areas east and west of Newberg as major segments.
Minimum 21-acre site on land requiring Comprehensive Plan and/or zone change on north-south arterial	<p>Site 4</p> <p>Industrially-zoned land outside City limits, within UGB, adjacent to treatment plant tangentially touching Highway 219</p>	---	<ul style="list-style-type: none"> Incompatible with adjacent sanitary treatment plant. Not well placed for serving growing PHS service area, which also includes areas east and west of Newberg as major segments. Requires major transportation improvements to site and may interfere with Bypass interchange.

	Reasons for Suitability:	Reasons for Unsuitability:
<p>Minimum 21-acre site on land requiring Comprehensive Plan and/or zone change on north-south arterial</p>	<p>Site 5 Residentially zoned land holdings in north and northeast portion of City</p>	<p>---</p> <ul style="list-style-type: none"> Lack of location on an arterial not compatible with need for highly-accessible and visible emergency access. Rezoning of residential land to Institutional reduces residential vacant land supply for which there is already a shortfall. Significant traffic would be routed through residential areas. Requires major transportation improvements to serve site. Not well placed for serving growing PHS service area, which also includes areas east and west of Newberg as major segments.
<p>Minimum 21-acre site on land requiring Comprehensive Plan and zone change , not on an arterial.</p>	<p>Site 6 Industrially-zoned land within Springbrook Oaks Specific Plan</p>	<p>---</p> <ul style="list-style-type: none"> Lack of location on an arterial not compatible with need for highly accessible emergency access. Significant traffic would be routed through residential areas to the west.
<p>Minimum 21-acre site on land requiring Comprehensive Plan and/or zone change, not on arterial</p>	<p>Site 7 Industrially-zoned land outside City limits, within UGB, on Wyooski St.</p>	<p>---</p> <ul style="list-style-type: none"> Stream corridor bisects much of site, making it unworkable for hospital siting. Lack of location on an arterial not compatible with need for highly accessible emergency access.

Major reasons for suitability/unsuitability as PNH replacement site	
Site(s)	Reasons for Suitability:
<p>Inside Dundee UGB¹</p>	<p>---</p>
<p>Minimum 21-acre site on any appropriately zoned land on Highway 99W²</p>	<p>---</p> <ul style="list-style-type: none"> There are no sites of sufficient size on Highway 99W in Dundee, regardless of zoning. Traffic generated by the hospital would greatly impact the already reduced capacity of 99W in Dundee.

Outside Newberg UGB	Site(s)	Major reasons for suitability or unsuitability as PNH replacement site
	Reasons for Suitability:	Reasons for Unsuitability:
Urban Reserve Areas on designated Exception land, on east-west arterial	<p>Site 8 URA C, south of Highway 99W (Yost and Jacobsen parcels)</p>	<p>---</p> <ul style="list-style-type: none"> • Direct access and visibility from Hwy 99W for emergency vehicles • Infrastructure readily available to site from Springbrook Oaks Specific Plan • Well placed for serving growing PHS market area, which also includes areas east and west of Newberg as major segments • Does not route hospital traffic through residential or rural areas.
Urban Reserve Areas on designated Exception land, on east-west arterial	<p>Site 9 URA C, north of Highway 99W</p>	<p>---</p> <ul style="list-style-type: none"> • Higher cost to serve site with infrastructure than south of Highway 99W because of greater distance from Springbrook Oaks Specific Plan and City water main. • Site is no better in terms of urbanization criteria or site requirements than portion of URA C that is south of Highway 99W
Urban Reserve Areas (URAs) on designated Exception land on north-south arterial	<p>Site 10 URA A-2 on Highway 219</p>	<p>---</p> <ul style="list-style-type: none"> • Requires extensive infrastructure improvements. • Significant traffic would be routed through residential areas. • Not well placed for serving growing PHS service area, which also includes areas east and west of Newberg as major segments.

Outside Newberg UGB	Site(s)	Major reasons for suitability or unsuitability as PNH replacement site
Urban Reserve Areas (URAs) on designated Exception land on north-south arterial	Site 11 URA E on Highway 219	<p>Reasons for Suitability: ---</p> <p>Reasons for Unsuitability:</p> <ul style="list-style-type: none"> • Not well placed for serving growing PHS service area, which also includes areas east and west of Newberg as major segments. • Requires new sanitary sewer trunk line. • Near incompatible industrial neighbors.
Urban Reserve Areas on designated Exception land (URAs) not on an arterial	Sites 12 - 15 (12) URA A-1, A-3 (13) URA B-1, B-2 (14) URA F-1, F-2, F-3 (15) URA D-1, D-2	<p>Reasons for Suitability: ---</p> <p>Reasons for Unsuitability:</p> <ul style="list-style-type: none"> • Lack of location on an arterial not compatible with need for highly accessible and visible emergency access. • Require extensive infrastructure improvements. • Significant traffic would be routed through residential areas.
Exception Areas outside of URAs, on an arterial	Sites 16 - 18 (16) North of URA A-2 on Hwy 219 (17) East of URA C on south side of Hwy 99W (18) West of Newberg city limits, along Hwy 99W	<p>Reasons for Suitability: ---</p> <p>Reasons for Unsuitability:</p> <ul style="list-style-type: none"> • By definition these are of a lower priority for urbanization than URAs. Since a higher priority site has been identified, these require no further investigation.

¹ Because Dundee falls within the 3-mile service area of the existing hospital, a first-tier analysis of sites within the Dundee UGB was conducted before progressing to the next level of evaluating sites outside the Newberg UGB. As a suitable site was found outside the Newberg UGB, there is no need to evaluate lands outside of the Dundee UGB.

² The largely east-west service area and majority of population coming from the east in Newberg and Sherwood necessitates a Dundee site with direct access and frontage on Highway 99W.

The applicant judged all potential sites against the first-priority selection criteria. Sites that met the criteria at a cursory level were further evaluated against the second set of criteria. Seven sites, including the existing PNH site, made the first cut, but were subsequently rejected because they failed to meet the remaining key criteria. The applicant indicated that the primary reason for rejecting the first seven sites was the lack of access and visibility from Highway 99W which PHS identified as the key siting criterion for its regional medical center.

PHS has identified access and visibility from Highway 99W as a key siting criterion. Staff has determined that although arterial access is important, lack of such access is not sufficient grounds to eliminate a site from consideration. Therefore, sites which have arterial access near but not directly adjacent to a site should be considered. In the preceding table sites 2, 6, 8 and 9 all meet the size and locational criteria required for the proposed use. Sites 2, 6 and 9 do not meet PNH's requirement relating to arterial access. Staff also reviewed sites within the City limits which could potentially be assembled for the proposed use, and none were found which met the required criteria.

Based on the Newberg Comprehensive Plan 2010 Land Use Needs Table, 299 acres of public (PQ) land is needed by 2010. Only 218 acres are available within the existing UGB. Therefore, there is currently an apparent need to expand the UGB to provide a sufficient supply of PQ land.

Current Site. Because of PNH's historic location on Villa Road, evaluating the redevelopment opportunities there was of the highest priority. In addition to the external analysis summarized in Applicant's Table 8, PHS undertook a detailed site analysis and architectural study to evaluate the utility of redeveloping the current site while keeping the facility in uninterrupted operation. This alternative was rejected by the applicant for several reasons:

- *Site size: Currently, PNH controls only 8.4 acres on the west side of Villa Road, including the current hospital site (7.3 acres) and its MOB at Villa Road/99W (1.1 acres), little more than a third of the projected need of 21.0 acres. Through the acquisition of seven intervening parcels, most of which have significant improvements, the site size could be increased by about five acres, bringing the total to only about 13.8 acres, still substantially short of the estimated need. Thus, even with structured parking, the site could only accommodate the proposed program through Phase II (2010).*
- *Cost: The estimated cost of building the Phase I/II program (2010) at the current site is \$75 million compared to \$53 million at the proposed 99W site. This difference includes higher costs related to land acquisition and demolition; need for a new physical plant; parking structure construction and a longer construction period.*
- *Location: The current site is not well placed for serving growing PHS service area, which also includes communities to the east and west of Newberg.*
- *Phasing: To permit continuing operation of the hospital during construction, additional phasing would be required, creating more complications and taking longer than at a vacant site. It is estimated that at the current site, the 2010 program*

could not be completed until 2012. And, although technically feasible, there would still be significant inconvenience and disruption for patients, visitors, staff and physicians during the construction period.

- *Traffic Impact: The proposed facility (through Phase II) would attract a significant proportion of patients from beyond Newberg. Concentrating this traffic at the current site would result in unacceptable congestion of the 99W/Villa Road intersection and significantly overload other nearby intersections, according to the traffic analysis prepared by Lancaster Engineering*

Other Sites Within the City Limits/UGB. As noted above, there were no other sites within the city limits/UGB that fully meet the site criteria described above.

99W Site. The selected site, "Site 8" in the preceding table was the first found outside the UGB which met the minimum siting standards established by PHS in addition to the local and state land use planning criteria regarding the priority for urbanization. Specifically, the proposed 99W site is within an URA on land that already has an exception to Goals 3 and 4, making a top candidate from an urbanization perspective. Secondly, the size of the site and its location on Highway 99W, a major east-west arterial, made it especially suitable for this regional medical center. As noted above, PHS can build the 2010 program on this green-field site for \$22 million less than at the current site.

The proposed UGB amendment fulfills this requirement because the site is immediately adjacent to the city limits on both the west and south, contained within a designated URA slated for future expansion of the City's UGB, and already granted a Goal 2 exception. This makes the expansion at this location logical and efficient. Moreover, as is demonstrated in Applicant's Section II, PHS Needs Assessment, a careful analysis of population and service projections has been undertaken to formulate the development program and accurately calculate the minimum land requirements. The proposed site was then selected after analyzing all other alternatives within the Newberg/Dundee city limits/UGBs and other URAs, as documented above and in Applicant's Section III, Sites Analysis. The proposed project complies with this factor.

(e) Environmental, energy, economic and social consequences.

Finding: *The following ELSE consequences have been identified.*

Environmental: *As described in Applicant's Section IV, Current Conditions, there are four identified wetlands, containing a total of 2.25 acres, and a major tributary, Springbrook Creek, of the Willamette River on the site. Two of the wetlands are very small, potentially non-jurisdictional ones. The remaining two wetlands are more significant, although they lie to the east of the proposed development area. There is no anticipated impact on these wetlands by the new regional medical center.*

The second major natural resource in the vicinity is Springbrook Creek, which lies mostly in the 10.7-acre eastern portion of the site, which is excluded from this application. The creek has the characteristics as a critical rearing and feeding habitat although no threatened salmonids have been found nor are likely to be found in this portion of the stream because of two obstructions downstream, at Wilsonville and Fernwood Roads, respectively. PHS will

meet all necessary development criteria and storm water treatment standards to minimize impacts on the stream and habitat.

As noted above, portions of the site included in this application contain designated wetlands and/or Springbrook Creek. These areas will be protected by application of a PQ/SC (Public/Quasi-Public / Stream Corridor) comprehensive plan designation. Those portions of the site which contain potentially non-jurisdictional wetlands have been excluded from this requirement. At time of annexation, when City of Newberg zoning is applied to the site, a SC zoning overlay will be required over those portions of the site bearing the SC comprehensive plan designation. This will then allow implementation of City of Newberg Stream Corridor regulations to all designated wetlands and/or stream corridors on the site. To prevent future negative impacts on the stream corridor, at time of annexation, the applicant will be required to address storm water pre-treatment.

Energy: PHS proposes to build a comprehensive regional medical center that consolidates a comprehensive range of inpatient, outpatient and emergency services, physician offices, auxiliary retail and community facilities. One benefit of this is the ability to decrease total automobile trips for patients, visitors, physicians, staff and vendors because they can accomplish more than one purpose in one trip. Moreover, an integrated campus increases opportunities for employee carpools and the critical mass to support public transportation. In addition, PHS is committed to participating in the Leadership in Energy and Environmental Design (LEED) program, which includes incorporating energy- and resource-efficient best management practices in site and building orientation, design and materials; utilities design; and interior furnishings and equipment selection and operation.

Economic: As a non-profit organization, PHS will not pay property taxes on this property. However, the new regional medical center will provide a number of economic benefits to the city, while having minimal economic impact on services. These benefits include the provision of high-quality, accessible health care, a major contributor to community livability, and the creation of approximately 300 new, highly-skilled and family-wage jobs. The medical center will also attract up to 80 new physicians to the community, who in turn will require employees. Moreover, the presence of a modern, full-service medical center will improve the City's public image, which in turn will generate substantial secondary economic benefits.

At the same time, medical center will have no adverse fiscal impacts on the City as it will pay for its share of public facilities and services such as water and sanitary sewer. It will generate minimal increase in the demand for police and fire protection, and none for schools; in fact, the establishment of a mental health holding facility in the Emergency Department will be a benefit for the Police and Fire Departments. Lastly, the construction of the medical center will generate needed transportation system development fees in addition to providing an internal road network that increases connectivity to properties south of Highway 99W.

Social: The construction of a regional medical center at this location will have a number of social benefits, including the provision of a wider range of medical services for community residents, the creation of a substantial number of new highly-skilled and family-wage jobs, and, by strengthening the City's employment base, increase opportunities to live and work

in the community. The location of the new regional medical center within the city also enhances quality of life by reducing commute times and, thereby, increasing time that may be spent in other endeavors, such as family, school or community activities.

In summary, the project balances the ESEE factors, by minimizing environmental impacts while improving the City's economic and social environment and reducing energy consumption. The proposed project complies with this factor.

- (e) Retention of agricultural land as defined, with Class I being the highest priority for retention and Class IV the lowest priority.**

Finding: *As indicated on the soil survey by the USDA Soil Conservation Service, the vast majority of land in Newberg's URAs are of high agricultural value, e.g., Class III or higher. As a result, when comparing one URA to another to identify that should be retained for agricultural use versus which are more suitable for urbanization, there is little basis for distinction. The only URA in which there is markedly larger area of lower value agricultural soils is URA A-2 north of the City which contains higher amounts of Class III and IV soils. However, this area is not the appropriate location for the service area of the proposed regional medical center. The site lacks the needed access, visibility, and traffic capacity that a use of this size requires. Located in URA C, the proposed site does meet all of these criteria, and because of its current use, has been granted a Goal 2 exception by Yamhill County. The proposed development complies with this factor.*

- (g) Compatibility of the proposed urban uses with nearby agricultural activities.**

Finding: *As discussed in the response to Goal 3, Agricultural Land, the site is completely surrounded by City land or other exception areas not in agricultural use. Impacts on other nearby agricultural activities will be negligible, as the proposed regional medical center will have no noxious odors, noise, or pollutants that would adversely affect these uses. PHS also proposed to retain and treat all storm water on-site, a marked improvement over the current situation in which there is substantial run-off into Springbrook Creek. Additionally, there will be little traffic impact on rural, farm roads, as all access into the medical center campus will be taken from Highway 99W then routed through an internal circulation system. The proposed development complies with this factor.*

II. Newberg Comprehensive Plan Amendment Criteria - Newberg Development Code, Section 10.20.030: The applicant must demonstrate compliance with the following criteria:

- (a) The proposed change is consistent with and promotes the goals and policies of the Newberg Comprehensive Plan and this Code.**

Finding: *The proposal meets this criterion as follows:*

Agricultural Lands - Goal: To provide for the orderly and efficient transition from rural to urban land uses.

Agricultural Lands - Policy 1. The conversion of land from agricultural to

urban land uses shall be orderly and efficient.

Finding: *The proposed site is within an adopted URA and is immediately adjacent to the city limits. Moreover, it has been granted a Goal 2 exception by Yamhill County, which facilitates its conversion from rural to urban uses. The proposal complies with this policy.*

Wooded Areas - Policy 1. Existing wooded areas shall be encouraged to remain as open areas for wildlife habitat and limited recreational uses.

Finding: *The eastern portion of the subject site that is wooded has been excluded from the application and will retain its EF-40 zoning. No development is proposed for the site at this time. The proposal complies with this policy.*

Wooded Areas - Policy 2. Development in drainageways shall be limited to prevent erosion and protect water quality. Trees needed to provide protection from erosion and should be maintained.

Finding: *The majority of Springbrook Creek lies in the eastern portion of TL 1903, which has been excluded from this application. As noted in Applicant's Section V, Proposed Development, PHS will develop an on-site system to collect, retain and treat all stormwater run-off. This will be an improvement over the current situation where there is significant run-off into Springbrook Creek during the rainy season. The proposal complies with this policy.*

Air, Water, and Land Resource Quality - Policy 2. Water quality in the Willamette River and tributary streams shall be protected.

Finding: *Springbrook Creek, a major tributary of the Willamette River, lies in the wooded, eastern portion of the site that has been excluded from the application. As a result, the proposed development is at a significant distance from the creek. Moreover, as part of the development, PHS will develop a state-of-the-art stormwater treatment facility to reduce soil erosion and pollution due to untreated run-off. This will greatly minimize impacts on the creek. The proposal complies with this policy.*

Air, Water, and Land Resource Quality - Policy 3 As public sanitary sewer becomes available, all development shall connect to the public system.

Finding: *The proposed development will connect to the public sanitary sewer system. The proposal complies with this policy.*

Air, Water, and Land Resource Quality - Policy 7 The threat of excessive noise will be considered when reviewing land use requests. In addition, any new commercial and industrial developments shall conform to DEQ noise pollution standards.

Finding: *There will be no excessive noise associated with the proposed development as PHS will comply with all applicable DEQ noise standards. The proposal complies with this policy.*

Open Space, Scenic, Natural Historic and Recreational Resources - Policy 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 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.

Finding: *The natural drainageway of Springbrook Creek will be maintained as it lies predominantly outside the subject site. A state-of-the-art stormwater system is planned for the site, to minimize any adverse impacts on the creek related to the proposed development. By preserving the creek in its natural state, the existing fish and wildlife habitat will be preserved. There is no need to place pedestrian and bicycle access in the stream corridor, as there will be adequate pedestrian and bicycle access within the development itself. The proposal complies with this policy.*

Open Space, Scenic, Natural Historic and Recreational Resources - Policy 3(a). The continued preservation of Newberg's designated historic sites and structures shall be encouraged.

Finding: *Although the building is gone, the historic designation of TL 1902, as the site of the first post office in the Newberg area, is retained. The site plan calls for maintaining the topographical integrity of the site both to honor its history and to meet LEED guidelines for responsible and energy-efficient development. These efforts will be coupled with discussions with the Brutscher family and the City to appropriately recognize the site's historic value. The proposal complies with this policy.*

Open Space, Scenic, Natural Historic and Recreational Resources - Policy 3(e). The City will encourage identification and/or preservation of significant historic landmarks, archaeological or architectural sites that meet criteria established by the City.

Finding: *As indicated in the response to policy 3(a), the site of the historic post office, the significance of which will be honored in the development of the site. The proposal complies with this policy.*

The Economy - Policy 1(b). The City shall encourage economic expansion consistent with local needs.

Finding: *PHS proposes the construction of a full-service regional medical center to meet the health care needs of a growing population in Newberg and surrounding communities. The proposal complies with this policy.*

The Economy - Policy 1(c) The City will encourage the creation of a diversified employment base, the strengthening of trade centers, and the attraction of both capital- and labor-intensive enterprises.

Finding: *The proposed medical center will significantly strengthen the community's job base by creating a significant number of new jobs, primarily highly-skilled and family-wage jobs. Moreover, the presence of a full-service medical center will make Newberg more attractive to other commercial and industrial enterprises. The proposal complies with this policy.*

Urban Design - Policy 1(b). Design review should be provided for all new developments more intensive than duplex residential use.

Finding: *The Newberg Development Code requires that each phase of proposed development be subject to Type II Design Review, in compliance with this policy. However, the requests now under consideration, i.e., UGB amendment, annexation, and Comprehensive Plan/zoning re-designation, do not include development of the project to the extent needed for design review. The proposal complies with this policy.*

Urban Design - Policy 1(n). The City shall encourage innovative design and ensure that developments consider site characteristics and the impact on surrounding uses.

Finding: *As noted in Applicant's Section V, Proposed Development, PHS proposes an innovative, energy-efficient and aesthetically-pleasing site and building design, as guided by LEED principals. An effort will be made to respect the natural topography and resources on the site and to minimize functional and visual impacts upon surrounding properties. The quality of design is illustrated in Applicant's Figure 13, Rendering of Proposed Regional Medical Center. The proposal complies with this policy.*

Urban Design - Policy 1(p). Public and private properties located along entrances should be attractively landscaped in order to reinforce the sense of gateway into Newberg.

Finding: *Because of its proposed location on the eastern boundary of the city, the regional medical center can serve as a community gateway. There is also an opportunity for the City to develop an appropriate gateway feature on the edge of the campus nearest Highway 99W. The proposal complies with this policy.*

Transportation - Policy 3(i) The City shall encourage more efficient use of existing transportation systems including car pooling, park and ride stations and bus service.

Finding: *Because of its proposed location and size, the new regional medical center offers significant opportunities for alternative transportation modes including carpooling, cycling and public transit. PHS is willing to coordinate its efforts with the City to provide for alternative modes later in the process when it presents its development plans in the Design Review process. The proposal complies with this policy.*

Transportation - Policy 4(a) Enhance the efficiency of the existing collector/arterial street system to move local traffic off the regional system.

Finding: *The proposed location significantly facilitates implementation of this policy. The*

proposed main entrance is lined up with the tentative location of the Northern Arterial terminus, to create a four-way intersection. Completion of the arterial has a high priority in the City's Transportation System Plan (TSP) because of its impact upon moving local traffic off of 99W prior to construction of the Newberg Bypass. PHS also is proposing an internal circulation system to provide connectivity to the Springbrook Oaks Specific Plan. The proposed development also provides a corridor to accommodate the southern alignment of the Newberg bypass, which if built, will significantly shunt regional traffic off of Newberg's local street system. For all of these reasons, the proposal complies with this policy.

Transportation - Policy 4(b) Provide for alternative routes for regional traffic.

Finding: *The proposed development provides a corridor to accommodate the southern alignment of the Newberg bypass, which if built, will significantly shunt regional traffic off of Newberg's local street system. The proposal complies with this policy.*

Transportation - Policy 4(h). The City actively supports the development of a bypass of the City along a Southern alignment, and the development of a Northern East/West minor arterial street.

Finding: *The applicant has provided a conceptual site development plan which includes a corridor to accommodate the southern alignment of the Newberg bypass. A possible alignment for the southern bypass through the site is shown more specifically in Attachment E.*

Transportation - Policy 6(b). New development shall be designed to accommodate integrated multiple modes of transportation facilities where appropriate.

Finding: *As noted in Policy 3(i) above, a project of this size and location offers significant opportunities for alternative modes. The proposal complies with this policy.*

Transportation - Policy 8(b). New office park and commercial developments shall provide internal pedestrian circulation by clustering of buildings, construction of pedestrian ways, covered walkways and skywalks, and other similar techniques.

Finding: *Although an institutional use, the proposal will incorporate these elements into its site plan, as illustrated in Applicant's Figure 12 A-D. The proposal is in compliance with this policy.*

Public Facilities and Services Policy 1(a). The provision of public facilities and services shall be used as tools to implement the land use plan and encourage an orderly and efficient development pattern.

Finding: *As noted in Applicant's Section V, Proposed Development, the City has developed a plan for providing water and sanitary sewer in the eastern portion of the community as a result of the adoption of the Springbrook Oaks Specific Plan. Because of its proximity to the subject site, PHS can pay for its proportion of the costs to bring these services onto the*

proposed site. The proposal complies with this policy.

Public Facilities and Services Policy 2(a). All existing development within the City limits will connect to public sewer and water systems as soon as they become available.

Finding: *As noted in Policy 1(a) above, this is possible because the City has adequate capacity and service near the proposed site to support immediate connection. The proposal complies with this policy.*

Public Facilities and Services Sewer and Water Policy 2(b). Water systems within the planning area will be designed to provide an adequate peak flow for fire protection.

Finding: *As noted in the utility report prepared by PHS' engineering consultant, Anderson Engineering, the proposed water system will be designed to provide adequate fire flows for a facility of this size, use and construction type. The proposal complies with this policy.*

Energy Policy 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.

Finding: *As a comprehensive regional medical center, the proposed development will feature a mix of uses including inpatient, outpatient and emergency services, physician offices, auxiliary and community facilities on one integrated site. The mix of uses both promotes compact growth and energy consumption by creating opportunities to combine trips. The proposal complies with this policy.*

Urbanization Policy 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.

Finding: *As noted in discussions above, the City has a comprehensive plan for providing a full complement of public services and facilities to the site to facilitate urban-level development. The proposal complies with this policy.*

Urbanization Policy 1(f). In expanding or otherwise altering the Urban Growth Boundary, the Boundary shall follow road rights-of-way, lot lines, or natural features.

Finding: *The subject site meets these requirements by adhering to lot lines, road rights-of-way and URA boundaries. However, the eastern portion of the TL 1903 is excluded because it was not included in the URA C boundary. It will remain in agricultural/natural use. The proposal complies with this policy.*

Urbanization Policy 1(h). The designated Urban Reserve Area identifies the priority lands to include within the Newberg Urban Growth Boundary to meet projected growth needs to provide a thirty (30) to fifty (50) year land supply. Designated Urban Reserve Area lands will be included within the Urban

Growth Boundary on a phased basis at periodic review. Property owners will also have the opportunity to request that land within the designated Urban Reserve Area be included within the Newberg Urban Growth Boundary, based on the criteria outlined in LCDC Goal 14 and the Urban Growth Management [Agreement].

Finding: *In compliance with this policy, PHS requests a quasi-judicial expansion of the UGB to take in a substantial portion of URA C. This is based on an analysis of special need for a medical center, which because of its unique requirements for size, location and access, cannot be accommodated within the existing UGB.*

Annexation Policy 2(c). Property outside the Urban Growth Boundary may be annexed only upon inclusion for such property into the Urban Growth Boundary.

Finding: *Although this application contains concurrent requests for UGB expansion and annexation, it is recognized that the City cannot act upon the annexation request without first approving the UGB expansion. The proposal complies with this policy.*

Newberg Transportation System Plan Policies. Extend minor arterial east of Springbrook to Highway 99W connecting north Newberg with Highway 99W. The new street to be constructed to full, minor arterial standards with sidewalks and bicycle lanes on each side of the street. Total length of new section of minor arterial is approximately 1.1 miles, and will cost an estimated \$3.4 million. Location of minor arterial to be determined following discussions with neighborhood groups and land owners in the area and through development review process. Design of minor arterial connection to Highway 99W and the proposed Newberg-Dundee Bypass to be determined in the ODOT environmental review process.

Finding: *Now referred to as the Northern Arterial, this minor arterial is tentatively slated to terminate across the street from the subject site. This will enable the alignment of the terminus and main entry into the regional medical center, creating a four-way intersection. Through its system development charges, PHS also will be able to contribute financially to the completion of this arterial, which has the highest priority in the TSP. The proposal complies with this policy.*

The City of Newberg should participate with the Oregon Department of Transportation and Yamhill County in the development of its transportation system plan to provide for a coordinated and consistent policy and plan, especially for those transportation facilities that cross jurisdiction lines. Furthermore, as land outside of the Newberg area is developed, a coordinated transportation/land use plan will help to ensure a transportation system that serves the need for all users.

Finding: *PHS has worked diligently with City and ODOT staff to develop a site plan that will respond to city and regional transportation needs. This includes accommodating both the Northern Arterial and a feasible alignment for the Southern Bypass, should it be the selected for the route of the Newberg Bypass. Because the new facility will be a regional*

traffic-generator, an effort has been made to site it so as to minimize its traffic upon the rest of the city. A location near the likely bypass alignment furthers this goal. The proposal complies with this policy.

All residential areas should have access to major commercial areas without having to use Highway 99W as the primary access.

Finding: *Similarly, residential areas should have good access to major institutional uses. The proposed site is available to residential areas to the south/southwest, via an integrated circulation system with connections to streets within the Springbrook Oaks Specific Plan to the south, and to residential areas to the north/northwest via the Northern Arterial, in compliance with this policy.*

A well-connected local street system is the key method to provide for adequate pedestrian and bicycle access.

Finding: *PHS will provide for an internal street system that provides full access by alternative modes including walking, cycling and transit, in compliance with this policy.*

All streets, alleys and pedestrian pathways shall connect to other streets with the development and to existing and planned streets outside the development. Streets shall terminate at other streets or at parks, schools or other public land within the neighborhood.

Finding: *As noted immediately above, the internal circulation system both promotes full connectivity and opportunities for alternative modes. The proposal complies with this policy.*

Proposed streets or street extensions shall be located to provide direct access to existing or planned transit stops, and other neighborhood activity centers such as schools, shopping areas and parks.

Finding: *As noted above, PHS will work with the City to provide adequate transit access. Hopefully, the regional medical center will become a community activity center, both for health care and other community activities, including the proposed community conference center and educational facility. The proposed internal street circulation system is designed to create the necessary connectivity and alternative transportation access necessary to achieve this policy.*

Applications for developments shall identify pedestrian and bicycle connections between the proposed development and residential areas, shopping centers, industrial parks, transit stops, schools, parks and other neighborhood activity centers within reasonable walking or bicycling distance of the proposed development. Identified pedestrian/bicycle connections to adjoining properties shall be completed to the site boundary prior to approval of the development or findings shall be submitted demonstrating that the connection is infeasible. The Planning Director shall determine, based on substantial evidence in the record, whether construction of a separate walkway/bikeway is impracticable.

Finding: *PHS has committed in concept to achieving this policy. However, detailed plans for bicycle, pedestrian and transit access cannot be evaluated until more detailed development plans are completed and reviewed in the mandatory Type II Design Review process. The proposal complies with this policy to the extent practical at this time.*

(b) Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change.

Finding: *As indicated in Applicant's Section V, Proposed Development, there is both sufficient capacity and service to the site to provide sanitary sewer and water service, in accordance with this criterion. Highway 99W has adequate transportation capacity to serve the first phase of development, with the completion of the current lane-widening project. Over time, the completion of the Northern Arterial and 99W bypass will continue to expand capacity to accommodate the regional medical center in future phases. In addition, internal roads will be built to City standards and will provide flexibility for adjacent properties to connect to this system.*

III. ORS Standards:

ORS 197.296(2). This ORS requires that a City provide sufficient buildable land with its boundary and to accommodate the 20-year demand for housing. Review of an urban growth boundary, comprehensive plan or other functional plan to accommodate estimated housing needs for 20 years may be undertaken through the periodic review or any other legislative review.

Finding: *The Newberg Comprehensive Plan provides that "property owners will also have the opportunity to request that land within the designated Urban Reserve Area be included within the Newberg Urban Growth Boundary, based on the criteria outlines in LCDC Goal 14 and the Newberg Urban Area Growth Management Agreement (NUAGMA)." The latter provides that a request for a site-specific expansion of the Newberg UGB may be initiated by the Yamhill County Board of Commissioners, Newberg City Council, or an individual owner(s) of property. Although this amendment does not specifically relate to housing, health care is one of the community services that must be provided to serve residents. Therefore, as part of its planning, the City is required to provide adequate land for institutional use including medical centers, schools and government offices. The proposed project complies with this requirement.*

ORS 197.298. This provision establishes priorities for land to be included within an urban growth boundary. **ORS 197.298 (1)(a):** "In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities: (a) First priority is land that is designated urban reserve land under ORS 195.145, rule or metropolitan service district action plan."

Finding: *As noted in Applicant's Figure 2, the subject site is located within an urban reserve area (URA C) adopted by the City and Yamhill County in 1993. The property also has been granted a Goal 2 exception from agricultural use. The proposal complies with this requirement.*

IV. OAR Standards:

OAR 660-Division 4. OAR 660-004-0010(1)(c)(B) states: “When a local government changes an established urban growth boundary, it shall follow the procedures and requirements set forth in Goal 2 “Land Use Planning,” Part II, Exceptions. An established urban growth boundary is one which has been acknowledged by the Commission under ORS 197.251. Revised findings and reasons in support of an amendment to an established urban growth boundary shall demonstrate compliance with the seven factors of Goal 14 and demonstrate that the following standards are met:

- i. Reasons justify why the state policy embodied in the applicable goals should not apply (This factor can be satisfied by compliance with the seven factors of Goal 14.).**

Finding: *This requirement has been satisfied as demonstrated by the compliance with the NUAMAC criteria (A) – (G) which are the seven factors of Goal 14, addressed above.*

- ii. Areas which do not require a new exception cannot reasonably accommodate the use.**

Finding: *As demonstrated in Applicant’s Section III, Sites Analysis, there are no suitable sites within the UGB in which to site the proposed regional medical center. The site has already been granted a Goal 2 exception to agricultural use by Yamhill County in 1980. Therefore, it does not require a new exception. Furthermore, it is in an adopted URA. The proposal complies with this requirement.*

- iii. The long-term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site.**

Finding: *The construction of a regional medical center at the proposed site will not result in significantly more adverse impacts than if it were placed elsewhere. In fact, it can be argued that the impacts associated with the facility at the proposed site are less than would occur at other sites because of its location on Highway 99W. This is because traffic is the most significant impact resulting from the medical center’s expansion. By locating the facility on 99W, the problem of routing sub-regional traffic through the city is avoided. Likewise, the site provides the most direct route to the facility from communities in its service area outside of Newberg, which are located on an east-west axis. The site is even more beneficial with the completion of the Southern Bypass, as this will bring traffic from the west directly to the facility without having an impact on downtown. All other URA sites would have necessitated traffic through the city and residential neighborhoods that would be unacceptable to those residents and also would greatly impede the medical center’s emergency access. The proposal complies with this requirement.*

- iv. The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.**

Finding: *As indicated in the response to Goal 3, Agricultural Land, the site is almost totally surrounded by property within the city’s limits or other exception areas not in agricultural use. Impacts on other nearby agricultural activities will be negligible, as the medical center will have*

no noxious odors, noise or pollutants that would adversely affect these uses. Additionally, there will be few traffic impacts on rural roads, as all access into the campus will be taken from Highway 99W then routed through an internal circulation system. The proposal complies with this requirement.

OAR 660-012-0060 - Plan and Land Use Regulation Amendments.

- (1) Amendments to functional plans, acknowledged comprehensive plans, and land use regulations which significantly affect a transportation facility shall assure that allowed land uses are consistent with the identified function, capacity, and performance standards (e.g. level of service, volume to capacity ratio, etc.) of the facility. This shall be accomplished by either: (a) Limiting allowed land uses to be consistent with the planned function, capacity, and performance standards of the transportation facility; (b) Amending the TSP to provide transportation facilities adequate to support the proposed land uses consistent with the requirements of this division; (c) Altering land use designations, densities, or design requirements to reduce demand for automobile travel and meet travel needs through other modes; or (d) Amending the TSP to modify the planned function, capacity and performance standards, as needed, to accept greater motor vehicle congestion to promote mixed use, pedestrian friendly development where multimodal travel choices are provided.**

Finding: *The proposed Urban Growth Boundary amendment does not significantly affect a transportation facility as defined in OAR 660-012-0060 (2).*

- (2) A plan or land use regulation amendment significantly affects a transportation facility if it: (a) Changes the functional classification of an existing or planned transportation facility;**

Finding: *The proposed urban growth boundary amendment does not change the functional classification of any existing or planned transportation facility. Highway 99W is a major arterial in the Newberg Transportation System Plan (TSP). The proposed urban growth boundary amendment will add additional trips to this facility, but the functional classification will not change. The "limited access highway" (bypass), is planned and will be needed whether or not the amendment is approved. Approval will not change its functional classification. The Northern Arterial is a planned minor arterial street. The proposed amendment will add trips to this road, but will not change its functional classification. Hayes Street is local industrial street/minor collector. The development will add some additional traffic to this street (61 p.m. peak vs. in 2025). When this street was originally planned, it was anticipated that it would be used for access for a hospital/medical office building complex. The amendment will not change the functional classification of this roadway.*

- (b) Changes standards implementing a functional classification system;**

Finding: *The amendment will not change any standards implementing a functional classification system*

- (c) Allows types or levels of land uses which would result in levels of travel or**

access which are inconsistent with the functional classification of a transportation facility; or

Finding: *The proposal will not result in levels of travel or access that are inconsistent with the functional classifications of transportation facilities, including Highway 99W, the proposed bypass, the Northern Arterial, or Hayes Street.*

(d) Would reduce the performance standards of the facility below the minimum acceptable level identified in the TSP.

Finding: *The proposed plan and land use regulation amendments will change the comprehensive plan and zoning designation for an 8.5 acre parcel located inside the UGB from general commercial to institutional use. In addition, the amendment would bring two additional properties inside the UGB from the URA, and in doing so, change their comprehensive plan and zoning designations to institutional use. Together, these three properties will create enough area to allow a regional medical center to be located within the City's urban growth boundary. These specific land use changes will have a positive effect on the transportation system, that is relevant to whether or not OAR 660-12-0060(2)(d) is triggered by the proposed amendments to the City's acknowledged comprehensive plan and land use regulations.*

With regard to this positive effect, there is uncontested evidence in the record that the 8.5 acre commercially zoned property presently inside the UGB will generate 750 p.m. peak hour trips if it is developed with a supermarket and gas station, as it could by right under the City's existing zoning, compared to 600 p.m. peak hour trips that would be generated by the entire 45.7 acre regional medical center, at full build-out, if the the entire site was rezoned and restricted to institutional uses as is planned.

The fact that the proposed plan and land use regulation will generate fewer p.m. peak hour trips means that the proposed amendments will not significantly affect Highway 99 and related transportation facilities identified in the TSP, because fewer trips will be generated by the proposed development and its proposed zoning then would result from development that would be allowed by right, under the City's existing land use regulation for the commercially zoned site by itself. As a result, for purposes of OAR 660-12-0060(2), the anticipated impact from the Proposed amendments on transportation facilities and levels or service identified in the TSP, are not significant.

V. Goal 14 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 the proposed urban uses with nearby agricultural activities.

Finding: See Exhibit A - Findings, pages 1-7.

VI. Yamhill County Comprehensive Plan:

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

Finding: *This proposal is consistent with the goal of an efficient transition from rural to urban land use as the proposed site is located within an adopted urban reserve, in that portion adjacent to the Newberg UGB. Additionally, it makes use of the existing public transportation, water and sanitary sewer facilities.*

Section 1: Urban Area Development - Goal 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.

Finding: *The subject site of this application has been selected because it meets both the siting needs of the PHS and the State and local criteria for urbanization. Because the proposal complies with Goal 14 urbanization factors, it also complies with this goal.*

VII. Yamhill County Transportation System Plan:

2.1.7 City of Newberg Transportation System Plan. This plan provides a comprehensive analysis of the transportation system within Newberg . . . The plan recommends a Newberg-Dundee by-pass and identifies several alternatives for a future east/west minor arterial in the north Newberg urban area.

Finding: *The proposal is consistent with the City of Newberg Transportation System Plan, as documented above. Development of the proposed site will contribute to the implementation of the Newberg TSP through the contribution of system development charges (SDCs) as well as specific on-and off-site roadway improvements.*

5.6 Yamhill County Transportation Project List, H. Other Transportation Projects, Newberg-Dundee Bypass. "The County fully supports the concept of the limited access Newberg-Dundee bypass as it relieves the cities' major arterial street and discourages the use of near-by County roads for local circulation. The by-pass will enhance the efficiency of the transportation system by minimizing the impacts of regional traffic on the local transportation system."

Finding: *PHS has thoroughly considered the alignment of the future bypass in its planning, and has met with ODOT officials and the Bypass committee to gather input and test ideas. The placement of the regional medical center on the overall site has been designed to provide flexibility in the alignment of the bypass on the eastern side of the site. To date, there has been no indication*

that the siting of the regional medical center at this location will impede the bypass implementation. Further, this proposal is also consistent with the County's goal of minimizing the impacts of regional traffic on nearby County roads via the proposed regional medical center's proximity to the bypass and because it takes access directly from Highway 99W.

VIII. Conclusion: Based on all of the above mentioned findings, the application meets the criteria for an Urban Growth Boundary amendment.

EXHIBIT B - LEGAL DESCRIPTION

A portion of the Sebastian Brutscher Donation Land Claim No. 51, also being located in the east one-half of Section 16, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon, being more particularly described as follows.

Beginning at a 2 inch iron pipe marking the initial point of the plat of "Klimek Homes", Yamhill County plat records; thence along the south boundary line of said plat, and the easterly projection thereof, South $89^{\circ}58'58''$ East, 892.93 feet to a 5/8 inch iron rod marking the most northerly northeast corner of that tract of land deeded to Norbert L. Hemshorn, et ux, described in Film Volume 217, Page 2289, recorded November 10, 1987, Yamhill County deed records; thence along the most northerly east line of said Hemshorn tract, and the southerly projection thereof, South $00^{\circ}17'36''$ West, 848.59 feet to a point in the south line of the north one-half of said Sebastian Brutscher Donation Land Claim No. 51; thence along said south line North $89^{\circ}13'18''$ West, 1801.61 feet to the southeast corner of that tract of land deeded to Ronald E. Dyches, et al, described in Film Volume 1998006214, recorded April 8, 1998, Yamhill County deed records; thence along the easterly line of said Dyches tract North $00^{\circ}18'32''$ East, 1023.16 feet to a point on the southerly right-of-way line of Pacific Highway 99W (width varies); thence leaving said southerly right-of-way line perpendicular to the northerly right-of-way line of said Pacific Highway 99W North $23^{\circ}38'27''$ West, 125.00 feet to a point on said northerly right-of-way line of Pacific Highway 99W; thence along said northerly right-of-way line North $66^{\circ}21'33''$ East, 943.36 feet to a point perpendicular to the intersection of the southerly right-of-way line of said Pacific Highway 99W and the west line of said plat of "Klimek Homes"; thence leaving said north right-of-way line of Pacific Highway 99W South $23^{\circ}38'27''$ East, 146.63 feet to said intersection point; thence leaving said southerly right-of-way line along said west line of "Klimek Homes" South $03^{\circ}32'27''$ East, 558.32 feet to the point of beginning.

Contains 45.335 acres, more or less.



Tax Lot: 3216-1903 and 3216DA-2000
 Location: 4100 and 4300 Portland Road
 Application By: Dana White/Providence Health Systems

**EXHIBIT C
 SITE MAP WITH PROPOSED
 COMPREHENSIVE PLAN
 DESIGNATIONS**

Urban growth boundary amendment and annexation of approximately 37 acres. The parcels are within Newberg's Urban Reserve Area.
 File: UGB-4-01/ANX-27-01
 Date: City Council - March 4, 2002

**ROAD ALIGNMENT
SHOWN WITH - - - -
SYMBOL INDICATES
POTENTIAL ROUTING
ONLY. EXACT
LOCATION WILL BE
DETERMINED AT TIME
OF DEVELOPMENT.**



Urban growth boundary amendment and annexation of approximately 37 acres. The parcels are within Newberg's Urban Reserve Area.
File: UGB-4-01/ANX-27-01
Date: City Council - March 4, 2002

**EXHIBIT D
FUTURE STREET PLAN**

Tax Lot: 3216-1903 and 3216DA-2000
Location: 4100 and 4300 Portland Road
Application By: Dana White/Providence Health Systems