

BEFORE THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY

000248

AN ORDINANCE AMENDING THE YAMHILL)
COUNTY COMPREHENSIVE PLAN AND THE)
YAMHILL COUNTY TRANSPORTATION)
SYSTEM PLAN TO INCLUDE EXCEPTIONS)
TO STATEWIDE PLANNING GOALS 3, 11)
AND 14 AUTHORIZING THE EAST DUNDEE)
INTERCHANGE FOR THE NEWBERG-)
DUNDEE BYPASS PROJECT AND)
DECLARING AN EMERGENCY.)

ORDINANCE NUMBER 750

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON, having sat for the transaction of business at 10:00 a.m. on September 30, 2004, Commissioners George, Lewis and Stern being present, does ordain as follows:

WHEREAS, the Yamhill County Department of Planning and Development, at the request of the Oregon Department of Transportation ("ODOT"), has applied to Yamhill County for amendments to the Yamhill County Comprehensive Plan and the Yamhill County Transportation System Plan in the form of goal exceptions to Statewide Planning Goals 3, 11 and 14 to authorize the East Dundee Interchange for the Newberg Dundee Bypass Project, including its road connecting the Bypass to Oregon 99W, (East Dundee Interchange) ; and

WHEREAS, following public notice, this application came before the Yamhill County Planning Commission and the Yamhill County Board of Commissioners for a work session on June 17, 2004, and for public hearings on June 24, 2004 and July 22, 2004; and

WHEREAS, on September 9, 2004, the Yamhill County Planning Commission considered the evidence and testimony in the record and voted to recommend to the Yamhill County Board of Commissioners that the application be approved; and

WHEREAS, the Yamhill County Planning Commission forwarded proposed findings of fact and conclusions of law in support of its recommendation to the Yamhill County Board of Commissioners; and

WHEREAS, on September 23, 2004 and September 30, 2004 the Yamhill County Board of Commissioners considered the evidence and testimony in the record and the recommendation of the Planning Commission, including the proposed findings and conclusions; and

WHEREAS, on September 30, 2004, the Yamhill County Board of Commissioners voted to accept the recommendation of the Planning Commission and approve the application initiated by the Yamhill County Department of Planning and Development on behalf of ODOT;

NOW, THEREFORE, THE YAMHILL COUNTY BOARD OF COMMISSIONERS ORDAINS AS FOLLOWS:

SECTION 1. YAMHILL COUNTY COMPREHENSIVE PLAN AMENDMENTS.

1. The exceptions to Goals 3, 11 and 14 authorizing the East Dundee Interchange, which are set out in Sections 1-7 of ODOT's "Findings of Fact and Statement of Reasons in Support of Exceptions to Goals 3, 11 and 14" attached hereto as Exhibit "A", are hereby incorporated within and made a part of the Yamhill County Comprehensive Plan with the modifications set out in an "Errata Sheet" submitted by ODOT on July 22, 2004, attached hereto as Exhibit "B".
2. The Yamhill County Comprehensive Plan also is amended to include the analysis of economic, social, environmental and energy ("ESEE") consequences for the Bypass Project East Dundee Interchange set out in Paragraph D.3 of the Findings of Fact and Conclusions of Law" that are attached hereto as Exhibit "C". However, this particular amendment shall take effect only in the event that the Board's decision is appealed and a reviewing body, in the final decision on appeal, concludes that the Goal 5 rule applies and requires Yamhill County to adopt an ESEE analysis authorizing the East Dundee Interchange.

SECTION 2. YAMHILL COUNTY TRANSPORTATION SYSTEM PLAN AMENDMENTS.

The Yamhill County Transportation System Plan is hereby amended to:

1. Identify the East Dundee Interchange on the transportation facility plan map.
2. Identify the East Dundee Interchange as long-term projects on the project list.
3. Identify approximately \$300 million as the estimated total Bypass Project cost, including the cost of improvements inside Newberg and Dundee and the East Dundee Interchange; and
4. Identify federal and state dollars as the primary source of funding for the East Dundee Interchange.

SECTION 3. FINDINGS.

In support of its adoption of Yamhill County Ordinance Number 750, the Yamhill County Board of Commissioners adopts the findings of fact and conclusions of law set out in attached Exhibit "C".

SECTION 4: EFFECTIVE DATE.

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 AND ADOPTED BY THE YAMHILL COUNTY BOARD OF COMMISSIONERS
THIS 30TH DAY OF SEPTEMBER, 2004.

YAMHILL COUNTY BOARD OF COMMISSIONERS

ATTEST:

Kathy George
Kathy George, Chair



Amanda Britt
Deputy Clerk

Leslie D. Lewis
Leslie Lewis, Commissioner

APPROVED AS TO FORM:

Mary Stern
Mary Stern, Commissioner

Michelle
County Counsel

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Accepted by Yamhill County
Board of Commissioners on
9/30/04 by Board Order
04-708

1. EXECUTIVE SUMMARY

This document provides findings of fact and reasons to support exceptions to Statewide Planning Goals 3 (Agricultural Lands), 11 (Public Facilities and Services), and 14 (Urbanization) for (1) the Newberg-Dundee Bypass ("Bypass"), including its terminal connections to Oregon 99W east of Newberg and to Oregon 99W and Oregon 18 near Dayton, and (2) the East Dundee Interchange, including its road connecting the Bypass to Oregon 99W.¹

Oregon 99W today serves as the "main street" for both Newberg and Dundee. Oregon 99W connects Newberg and Dundee to the Portland metropolitan area to the northeast and to McMinnville and the Oregon Coast to the west. See **Figure 1**. The highway is a primary route for tourist traffic between the Willamette Valley and Oregon coastal communities. The highway provides access to Oregon's leading wine region, which is centered in the Newberg-Dundee area. It also connects the Portland area to Spirit Mountain Casino, a popular destination located in Grande Ronde. Weekday commuters use Oregon 99W to travel between Yamhill County and the Portland metropolitan area. Regional freight truck traffic movement, particularly en route to and from the central coast, I-5 corridor, and/or the Portland metropolitan area, relies on efficient travel through the corridor.

Over the past decade, traffic on Oregon 99W in Newberg and Dundee has increased by approximately 40 percent. Today, on weekdays and weekends, lines of vehicles on Oregon 99W often stretch for more than one mile in both directions from the traffic signal at the intersection of Oregon 99W and 5th Street in Dundee. This congestion blocks turning movements and access across Oregon 99W and creates an unhealthy and unfriendly environment for residents, shoppers, and tourists using the downtown areas and for people simply trying to get from one side of town to the other. Traffic congestion has reached unacceptable levels for those who live and work in or travel through Newberg, Dundee, and the surrounding areas, including local users, businesses, freight companies, commuters, tourists, and the economically and physically disadvantaged.

During the next 20 years traffic congestion in the area is projected to get much worse. By the year 2025, with some local road improvements but without a bypass, average daily vehicle trips on Oregon 99W are expected to increase over existing volumes by 40 percent in downtown Newberg, 47 percent in downtown Dundee, and 60 percent west of Dundee.

Under the No-Build Alternative, by the year 2025 downtown Newberg would have 15 hours of congestion per day and Dundee would have 14 hours of congestion per day. It would take more than 40 minutes to drive from East Newberg to Dayton with the No-Build, compared to 12–15 minutes with the Bypass. Additionally, the Bypass will greatly improve the safety of local traffic and pedestrian movement along existing Oregon 99W. The improved safety will be accomplished by removing statewide and regional trips from the existing Oregon 99W in Newberg and in Dundee. It is anticipated that for the year 2025, approximately 25,000 daily trips in Newberg and 38,000 daily trips in Dundee will be removed.

¹ The East Dundee Interchange is an element of the Bypass project. However, under the Transportation Planning Rule (TPR), it requires separate goal exceptions.

Goal Exception

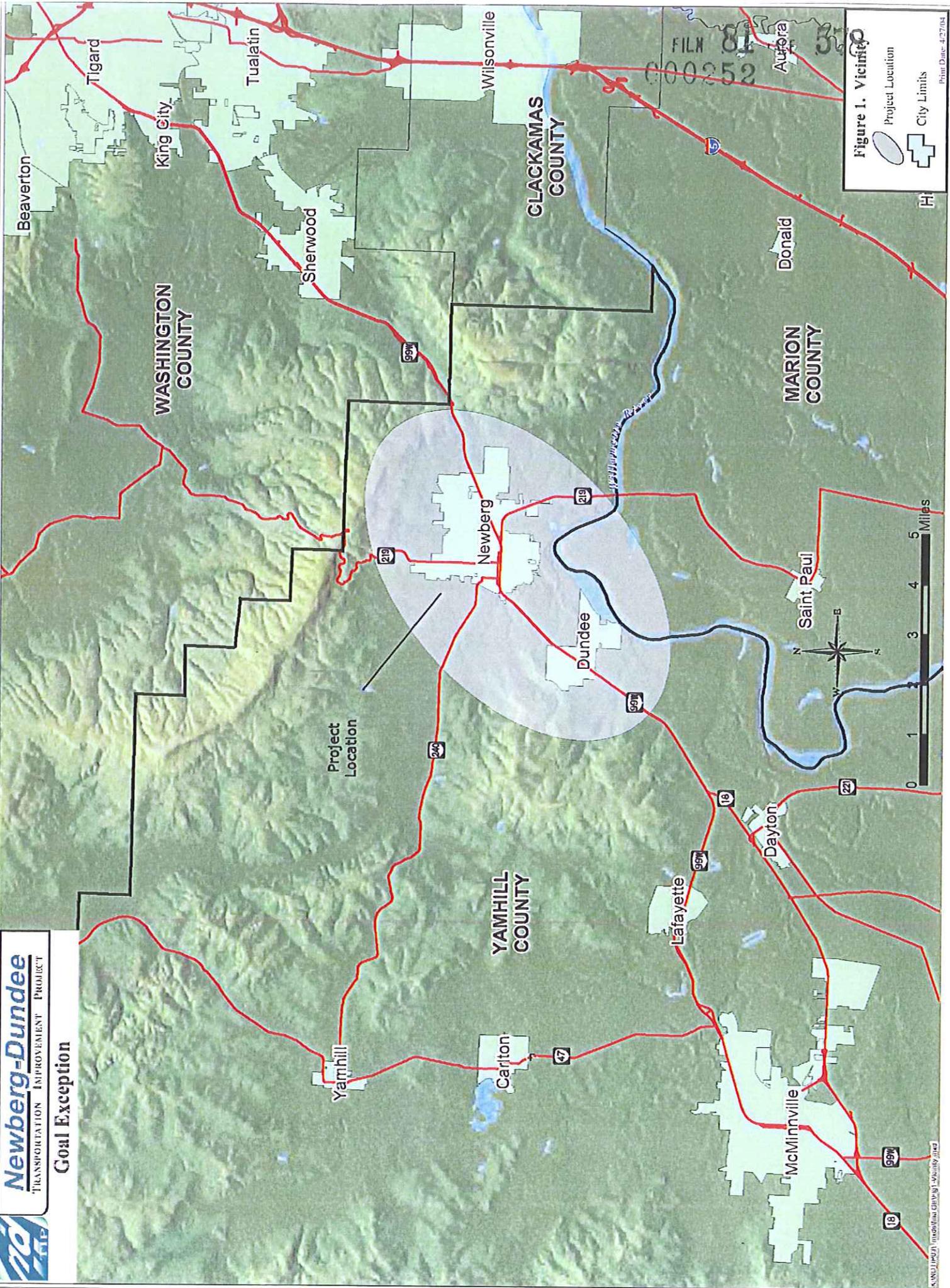


Figure 1. Vicinity
Project Location
City Limits

Following review of a range of transportation alternatives, including a No-Build Alternative and an alternative focusing on transportation system management, ODOT has determined that a bypass is an integral component in solving this region's growing traffic congestion problem. ODOT's proposal is for a bypass corridor traversing Newberg and Dundee south of existing Oregon 99W.

The proposed Bypass would be a new highway that would constitute a major improvement to the State Highway system. The new facility would function as:

- A "Statewide Highway" under Policy 1A (State Highway Classification System), Action 1A.1 of the 1999 Oregon Highway Plan (OHP);
- An "expressway" under OHP Policy 1A, Action 1A.2; and
- A "freight route" under OHP Policy 1C (State Highway Freight System).

As described in OHP Action 1A.1, Statewide Highways

"typically provide inter-urban and inter-regional mobility and provide connections to larger urban areas, ports, and major recreation areas that are not directly served by Interstate Highways. A secondary function is to provide connections for intra-urban and intra-regional trips. The management objective is to provide safe and efficient, high-speed, continuous flow operation. In constrained and urban areas, interruptions to flow should be minimal...."²

Expressways are a subset of Statewide Highways.³ As defined in OHP Action 1A.2, expressways "provide for safe and efficient high speed and high volume traffic movements." The primary function of expressways is to provide for interurban travel and connections to ports and major recreation areas with minimal interruptions. A secondary function is to provide for long distance intra-urban travel in metropolitan areas. Expressway speeds are moderate to high in urban areas and high in rural areas. Expressways may include bikeways separated from the roadway.

Freight routes are intended to maintain the efficient through movement of goods.⁴ Where feasible, designated freight routes are treated as expressways outside of urban growth boundaries and inside urban growth boundaries where existing facilities are limited access or where corridor or transportation system plans indicate limited access

As a Statewide Expressway, the Bypass would take over the function that existing Oregon 99W currently provides from east of Brutscher Road to the intersection of Oregon 99W and Oregon 18 (McDougal Corner). With the completion and opening of the Bypass, that portion of Oregon

² Oregon Highway Plan, Policy 1A, Action 1A.1, page 41.

³ Expressways also may be subsets of Regional and District Highways. OHP, Action 1A.2, page 42.

⁴ OHP, Action 1C.3.

99W would be reclassified as a state District Highway⁵ unless it is transferred to Yamhill County or the cities of Dundee and/or Newberg pursuant to OHP regulations. In the event of transfer, the roadway would assume the classifications provided for in the respective transportation system plans (TSPs) of these jurisdictions.

The proposed Bypass would begin east of Newberg and terminate at Oregon 18 (McDougal Corner). See Figure 2. The Bypass would be a four-lane expressway with intermediate interchanges located at Oregon 219 in Newberg and between the cities of Newberg and Dundee. The segments of the Bypass located inside urban areas do not require goal exceptions. These segments are recognized and provided for in the TSPs of the cities of Newberg and Dundee. However, those roadway segments located on rural lands do require goal exceptions. These include the segments located east of Newberg, between Newberg and Dundee, and west of Dundee. Exceptions for the terminal interchanges at East Newberg and Dayton are part of the Bypass exceptions. The Oregon 219 Interchange does not require goal exceptions because it will be located entirely within the City of Newberg Urban Growth Boundary (UGB). The East Dundee Interchange and the roadway connecting the Interchange and Bypass to Oregon 99W requires separate exceptions under the Transportation Planning Rule (TPR).

The Bypass is part of a larger transportation improvement project known as the Newberg-Dundee Transportation Improvement Project (NDTIP). In accordance with the Oregon Transportation Plan, the NDTIP represents an effort to develop a balanced transportation system that includes roadway, multimodal, transportation system management (TSM), transportation demand management (TDM), and land use components.⁶ The multimodal, TSM, TDM, and land use components of the NDTIP are not a part of this application.⁷ Nonetheless, those components are identified in this application to provide the reader with a better understanding of the bypass component within its broader context. ODOT, Yamhill County, and the cities of Newberg, Dundee, and Dayton will be negotiating Intergovernmental Agreements to identify and provide future implementation of those other (non-Bypass) components where financially feasible.

⁵ OHP Action 1A.1 provides that District Highways "are facilities of county-wide significance and function largely as county and city arterials and collectors. They provide connections and links between small urbanized areas, rural centers and urban hubs, and also serve local access and traffic. The management objective is to provide for safe and efficient, moderate to high-speed continuous flow operation in rural areas reflecting the surrounding environment and moderate to low-speed operation in urban and urbanizing areas for traffic flow and for pedestrian and bicycle movements."

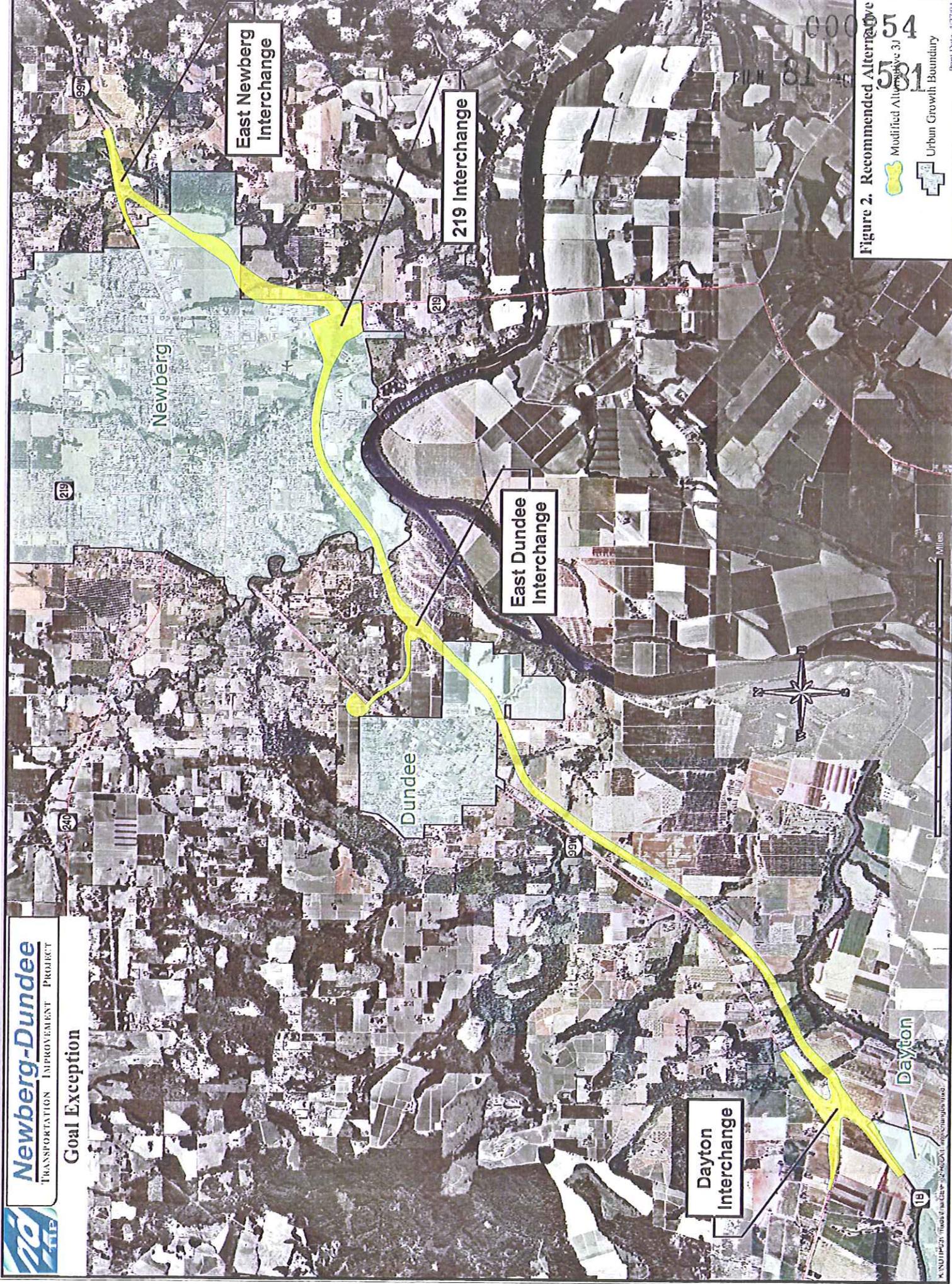
⁶ Transportation system management refers to techniques such as access management or ramp metering that increase the efficiency, safety, capacity or level of service of a transportation facility without increasing its size. Transportation demand management refers to actions such as carpooling that are designed to change travel behavior in order to improve performance of transportation facilities and to reduce need for additional road capacity. Multimodal means more than one mode of transportation (e.g., roadway, pedestrian, bicycle, transit).

⁷ While not part of this application, some elements of these components will be addressed concurrently with this application.



Newberg-Dundee TRANSPORTATION IMPROVEMENT PROJECT

Goal Exception



East Newberg Interchange

219 Interchange

East Dundee Interchange

Dayton Interchange

Figure 2. Recommended Alternative 54
 Modified Alternative 3J
 Urban Growth Boundary

2. DESCRIPTION OF BYPASS PROJECT AND LARGER NDTIP PROJECT

This plan amendment application concerns (1) those portions of the proposed Newberg-Dundee Bypass located in unincorporated Yamhill County, including its terminal connections (interchanges) east of Newberg and near Dayton, /and (2) the East Dundee Interchange, including the road connecting it to Oregon 99W.

This application does not address the proposed Oregon 219 Interchange because, although an element of the Bypass project, it will be located entirely inside Newberg's urban growth boundary and, as such, will not require goal exceptions.⁸

Besides the corridor and interchanges, the "Bypass project" also includes modifications or improvements to portions of the local street system where that system is affected directly by the Bypass or where the modifications or improvements are required to support the Bypass function or to achieve compliance with regulatory standards (e.g., the TPR, the OHP and ODOT access management standards). Some of these modifications or improvements are identified in this application. Others cannot be addressed until the design phase of the project.⁹

The Bypass project is a component of the larger Newberg-Dundee Transportation Improvement Project. Other components of the NDTIP include (1) improvements to other parts of Oregon 99W, (2) improvements to local street systems not addressed by the Bypass project, and (3) an Alternate Mode and Land Use (AMLU) program that is intended to further reduce the number of vehicles traveling in the Oregon 99W/Bypass corridor. These other components are not a part of this application because their implementation does not change the need or scope of the Bypass project. However, to provide the reader with a better understanding of the full NDTIP program, brief descriptions of these street improvements and the AMLU program are provided below.

In developing the Bypass project, ODOT is using a two-tiered process. First the location for the Bypass corridor and associated interchanges are identified (the "location" phase). Later the precise roadway design and alignment are determined (the "design" phase).¹⁰ During this second phase ODOT also identifies the location of all supporting roadways, crossing roadways, and interchange connections.

⁸ Should it be determined, during the design stage for the Bypass, that goal exceptions are needed to construct the Oregon 219 Interchange, then additional goal exceptions will be taken at that time as provided in the Transportation Planning Rule.

⁹ Some of these modifications or improvements may require subsequent local land use decision-making. Others may be permitted without any need for additional land use decision-making.

¹⁰ The National Environmental Policy Act (NEPA) provides that major highway can be considered as two-tiered projects, with the first tier determining the general project location and the second tier addressing project design.

2.1 BYPASS PROJECT DESCRIPTION

The proposed Bypass is a modified version of the bypass route shown in the Bypass Element Location (Tier 1) Draft Environmental Impact Statement (September, 2002) (hereinafter "LDEIS")¹¹ as Alternative 3J.¹² It is a bypass located along the south sides of Newberg and Dundee that extends for approximately 11 miles from east of Newberg in the Rex Hill area to where Oregon 99W intersects with Oregon 18 (McDougal Corner) west of Dundee. See Figure 2.

The Bypass includes the following elements as stated in the LDEIS:

- A four-lane bypass "Expressway." As defined in the 1999 Oregon Highway Plan, expressways provide for high-speed, high-volume travel between cities with minimal interruptions.¹³ This facility would also serve as a statewide freight highway as defined in OHP Policy 1C.
- A landscaped median or median barrier between the travel lanes as well as shoulders on both sides of the travel lanes.
- Four interchanges, described as follows:
 - A **Dayton Interchange**, located at the junction of Oregon 99W and Oregon 18, that represents the western terminus of the Bypass. This interchange will be a directional interchange providing free flow connections westbound onto Oregon 99W and Oregon 18 and eastbound from those highways onto the Bypass.¹⁴ The interchange will replace the existing Oregon 18/Oregon 99W intersection at McDougal Corner.
 - An **East Dundee Interchange**, located on rural land between Dundee and Newberg that is predominantly designated Very Low Density Residential in the Yamhill County Comprehensive Plan.¹⁵ The interchange will be located at the Bypass, and a new connector road will link the Bypass and Oregon 99W. The connector road will have no intermediate access points between the Bypass and its intersection with Oregon 99W. The connector road intersection with Oregon 99W will include a grade separation across the railroad tracks located just south of Oregon 99W.

¹¹ As its title suggests, the LDEIS focused on locating the bypass component of the NDTIP. The LDEIS reviewed the impacts of eight potential bypass corridors plus a No-Build Alternative. Following selection of a preferred corridor, additional studies will be conducted to identify a specific bypass alignment within the selected corridor. The design details will be the subject of a future design level environmental review. See LDEIS at S-1.

¹² The modification to Alternative 3J involves the relocation of the southern-most interchange. The interchange was moved from a location near Dundee to a location near the existing junction of Oregon 99W and Oregon 18 (McDougal Corner). This interchange is called the Dayton Interchange.

¹³ OHP, Action 1A.2, page 42.

¹⁴ The Dayton Interchange is directional and would not provide for movements between eastbound Oregon 18 to westbound Oregon 99W nor from the eastbound Oregon 99W to westbound Oregon 18.

¹⁵ The proposed East Dundee Interchange is not that shown as part of Alternative 3J in the LDEIS. Instead, it is the North Option Alternative, which is located farther to the north and east of the Alternative 3J interchange. The North Option is described in greater detail in Section 7.7.2 of this document.

- An **Oregon 219 Interchange**, located in south Newberg along Oregon 219. This interchange will be located inside Newberg's UGB and offer full turning movements.
 - An **East Newberg Interchange** located southwest of Rex Hill. Like the Dayton Interchange, the East Newberg Interchange will be a directional interchange, providing free flow connections from the Bypass onto Oregon 99W eastbound and from Oregon 99W westbound onto the Bypass.¹⁶ This is the eastern terminus of the Bypass.
- Bicycle facilities, provided either as part of the roadway cross-section or as a separate, parallel facility.
 - Restricted access. Access to the Bypass is restricted to interchanges, with no access from private properties allowed. The Bypass would be grade-separated. Major county and city roads would be rerouted under or over the Bypass. Some local streets, crossed by the Bypass, would be rerouted around or away from the Bypass or stopped at the Bypass.
 - Bridges crossing larger fish-bearing streams. Bridges would be used to cross larger fish-bearing streams. Smaller drainages may be crossed using fish-passable culverts.
 - Improvements to Oregon 99W and local streets, including but not limited to, left and/or right turning lanes at key Oregon 99W intersections throughout the project area.
 - Improvements needed to maintain connectivity within and among communities.
 - Improvements needed to meet OHP access management standards, including road realignments and private driveway consolidations or relocations.
 - A typical operating speed of 45–55 mph.

Consistent with OHP requirements, Interchange Area Management Plans (IAMPs) will be completed for each of these interchanges. These plans will be developed during the design phase of the Bypass project, when the precise locations of the Bypass and its interchanges are determined. As appropriate, the IAMPs will include provisions addressing access management, road connections, local circulation, design and capacity controls, land uses near interchanges, and agency coordination. A primary purpose of the IAMPs will be to protect the function of the Bypass and its associated interchanges to accommodate predominantly long-distance through traffic and regional trips with either an origin or destination outside of the project area. The IAMPs also are intended to minimize accessibility from the Bypass to surrounding rural lands and to support the continued rural use of those lands.

The affected governments will adopt the IAMPs following review and approval by the Oregon Transportation Commission (OTC). The IAMPs will likely require amendments to the local

¹⁶ The East Newberg Interchange provides no connection from the Bypass onto Oregon 99W westbound or from Oregon 99W eastbound onto the Bypass.

comprehensive plans or TSPs.¹⁷ The nature of these amendments, as well as the other components of the IAMPs, are being identified in location phase Intergovernmental Agreements (IGAs) currently being developed and entered into by ODOT, Yamhill County, and the cities of Newberg, Dundee, and Dayton in conjunction with this application. The nature of the amendments being identified in the location phase IGAs will be both general and specific, depending on the issues being addressed and the amount of information available from the location level EIS analysis. An additional round of IGAs may be needed and additional land use actions may be required during the development of the design level EIS.

The Bypass and its associated interchanges also will require changes to the regional and local street network in and around Newberg and Dundee. The Bypass would cut off some streets. Of these, some would remain cut off, while others would be rerouted or grade-separated. Also, some streets may require realignment or new channelization to comply with ODOT access management standards. Realignment and channelization in rural areas may require land use decision-making by Yamhill County. If new frontage roads are needed, they also would require additional land use actions. However, these land use actions cannot be taken until a specific alignment for the Bypass and its interchanges and the necessary improvements to the local road system are determined during the design level EIS process.¹⁸

The Bypass corridor can best be described by breaking it down into five distinct sections as illustrated in **Figure 3**.

2.1.1 Section A – Eastern Terminus to Oregon 219

Section A begins at the eastern terminus of the project, or East Newberg Interchange, in the Rex Hill area east of Newberg, and ends at the Oregon 219 Interchange. The East Newberg Interchange is a directional interchange located at Oregon 99W and the Bypass. The interchange would not provide for movements between eastbound Oregon 99W to the westbound Bypass nor from the eastbound Bypass to westbound Oregon 99W.

From the East Newberg Interchange, the Bypass corridor in this section runs southwest along the eastern edge of Newberg to the Oregon 219 Interchange. The Bypass in this section travels through both urban and rural land within and outside the UGB. Within the UGB the Bypass corridor is primarily sited on land zoned industrial, most of which is undeveloped. In this area, the Bypass is located west of a planned golf course and south of the future Providence Newberg hospital site. Outside of the UGB, the bypass is located on land designated Rural Residential.

¹⁷ It is not necessary that these IAMPs be adopted and in place in order to approve the requested goal exceptions. However, Yamhill County and the cities of Newberg, Dundee, and Dayton have or are in the process of adopting some specific plan policies or land use regulations prior to approval of this application to ensure certain results upon which the exceptions depend. These policies include some of the land use elements in the AMLU program, such as policies to preclude or limit highway oriented commercial development at or near proposed access points, that are needed to protect the identified functions of the Bypass and its interchanges.

¹⁸ After the design level detail is provided, ODOT will submit applications for any remaining land use actions, if required.

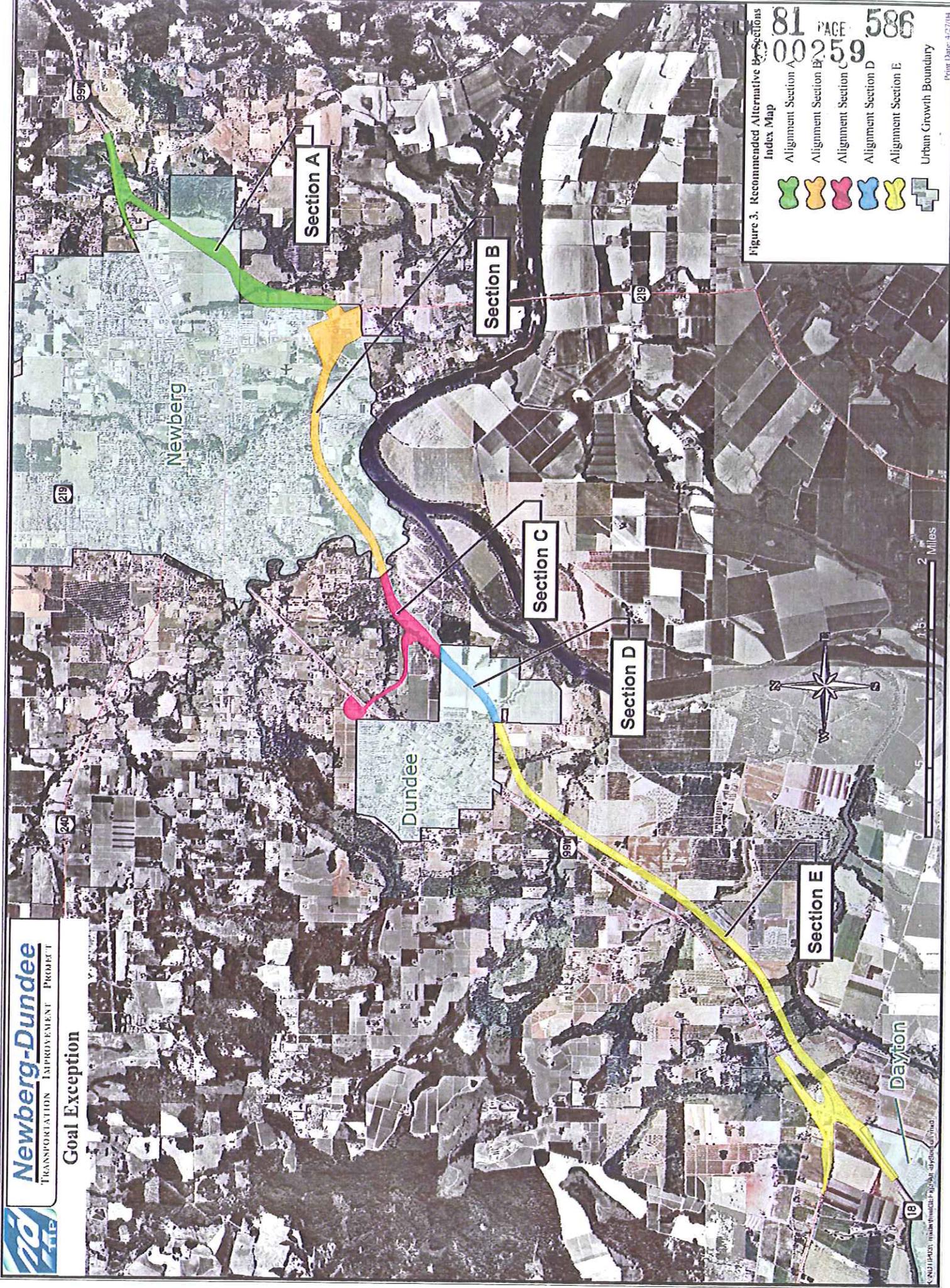


Figure 3. Recommended Alternative by Sections
Index Map

- Alignment Section A
- Alignment Section B
- Alignment Section C
- Alignment Section D
- Alignment Section E
- Urban Growth Boundary

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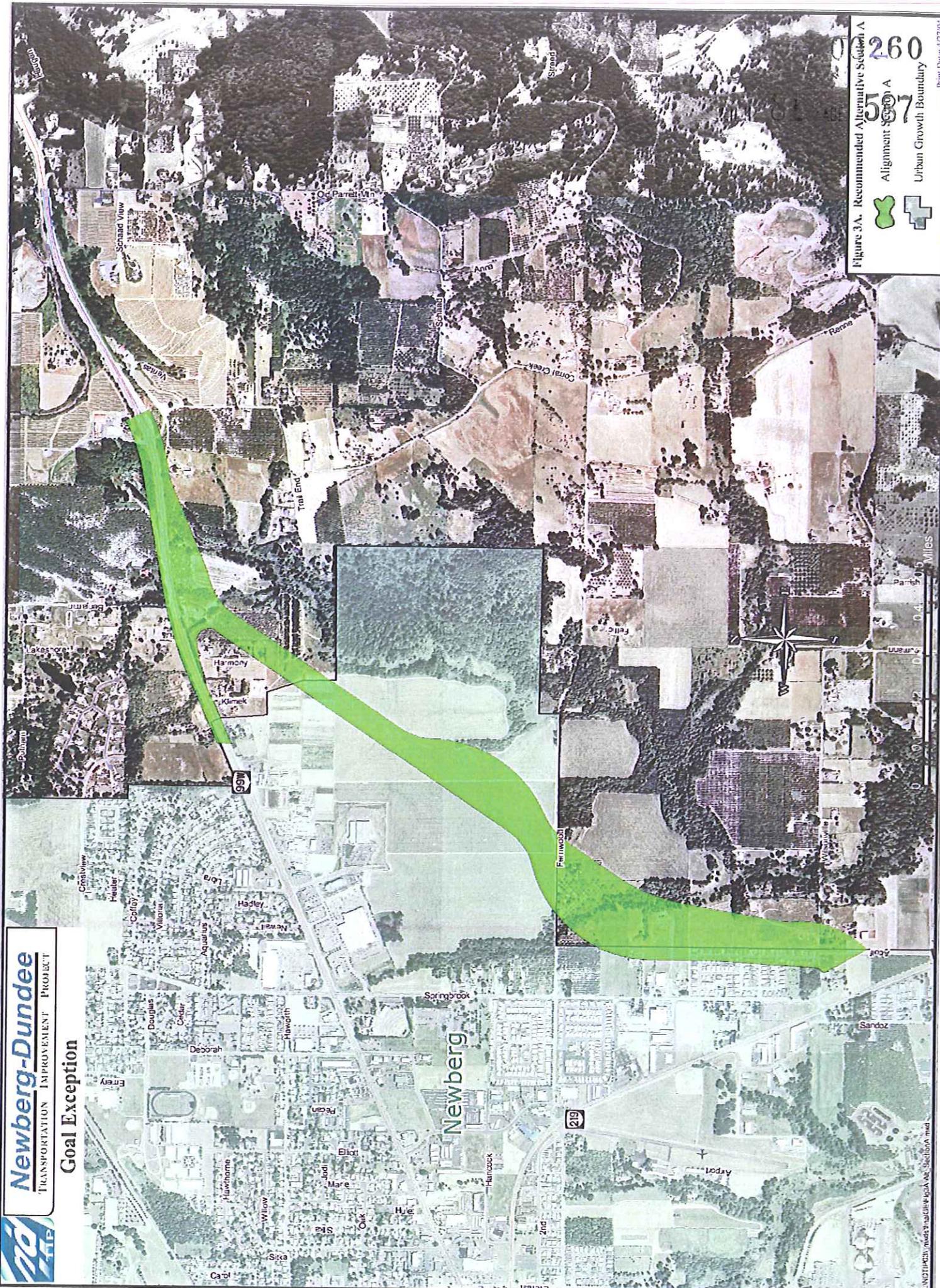


Figure 3.A. Recommended Alternative Section A
Alignment 500 A
Urban Growth Boundary

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Goal Exception

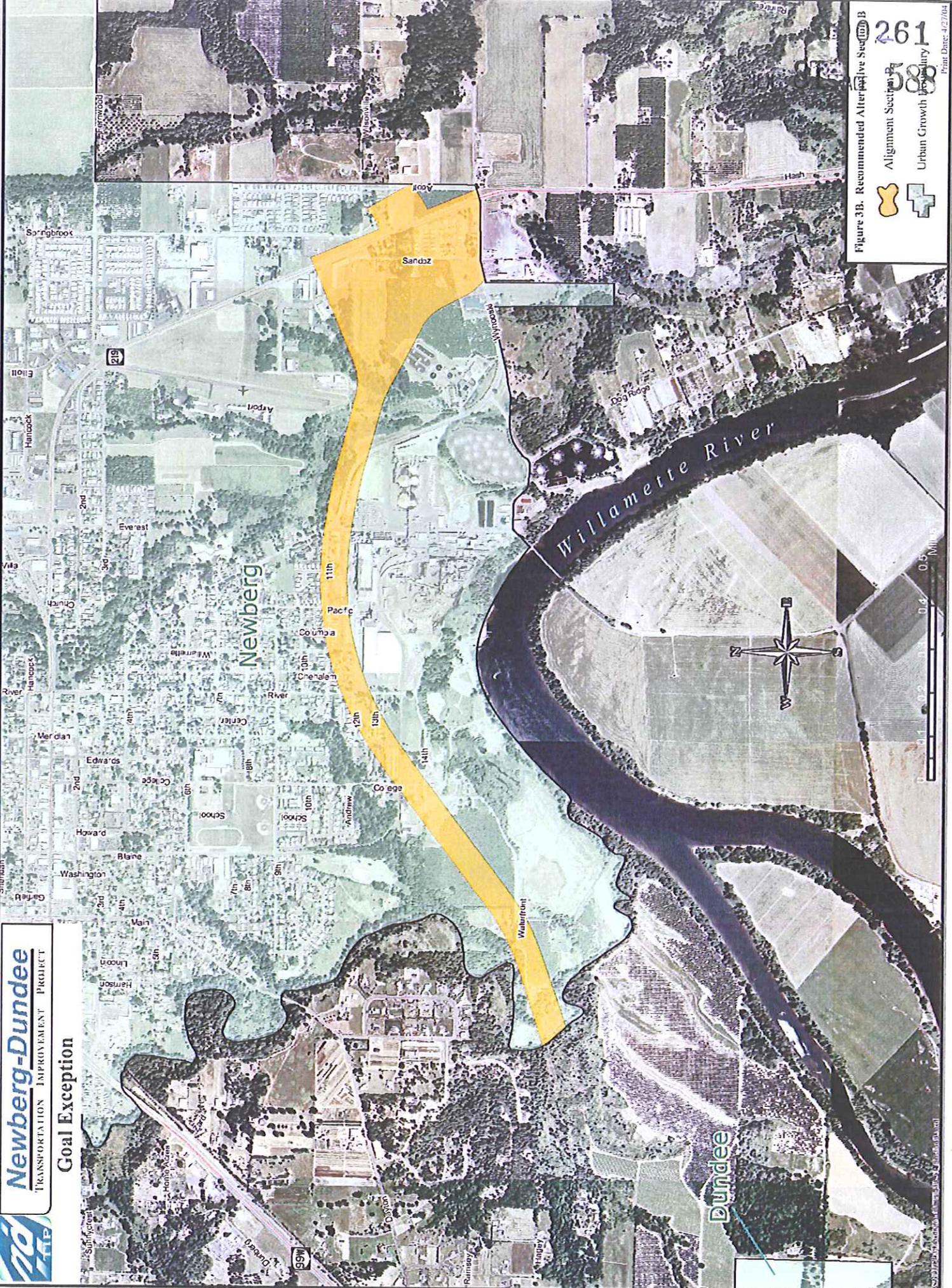


Figure 3B. Recommended Alternative Section B
 Alignment Section B: 261
 Urban Growth Boundary: 588

Newberg-Dundee
TRANSPORTATION IMPROVEMENT PROJECT
Goal Exception

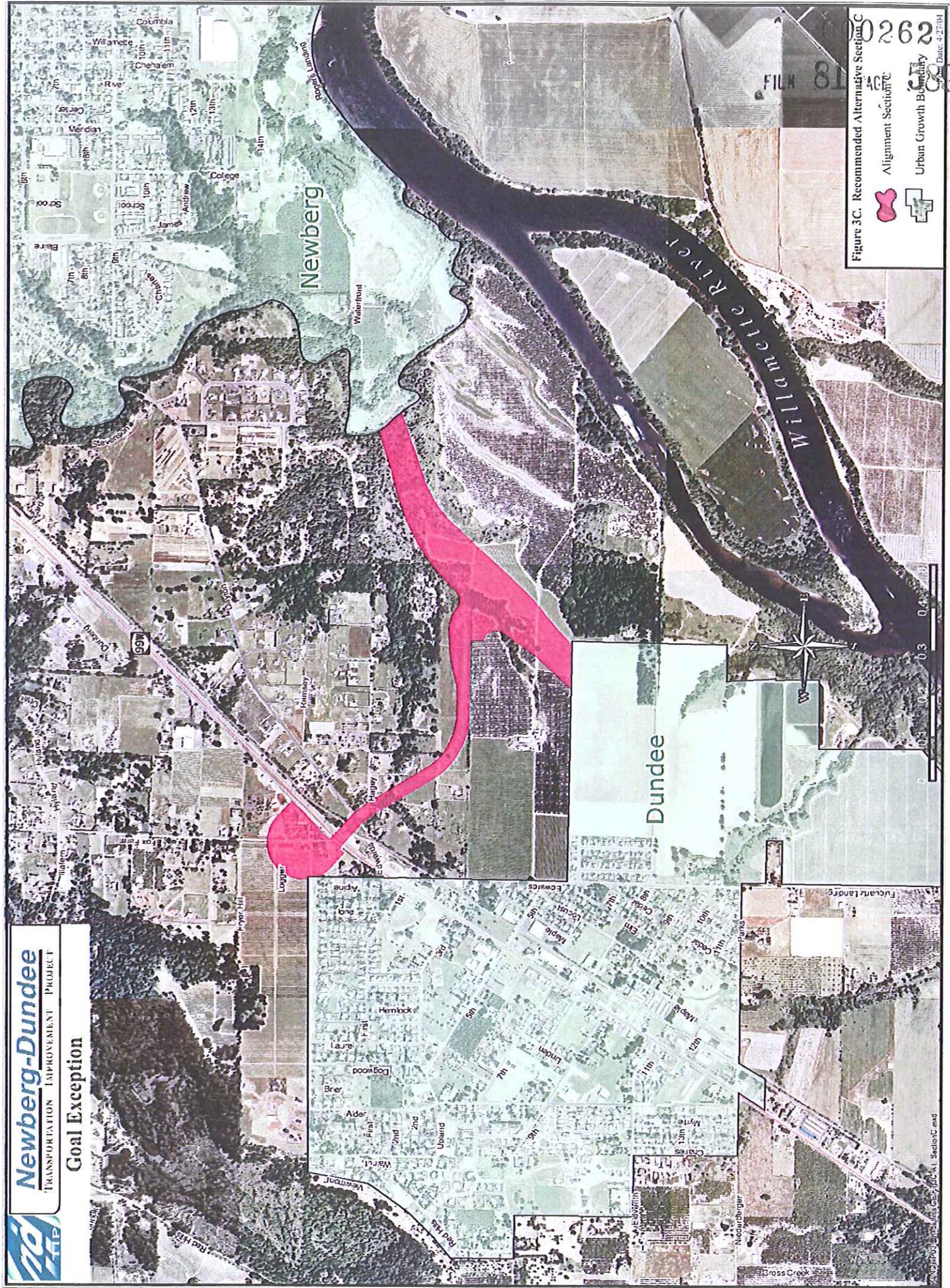
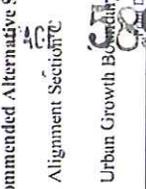
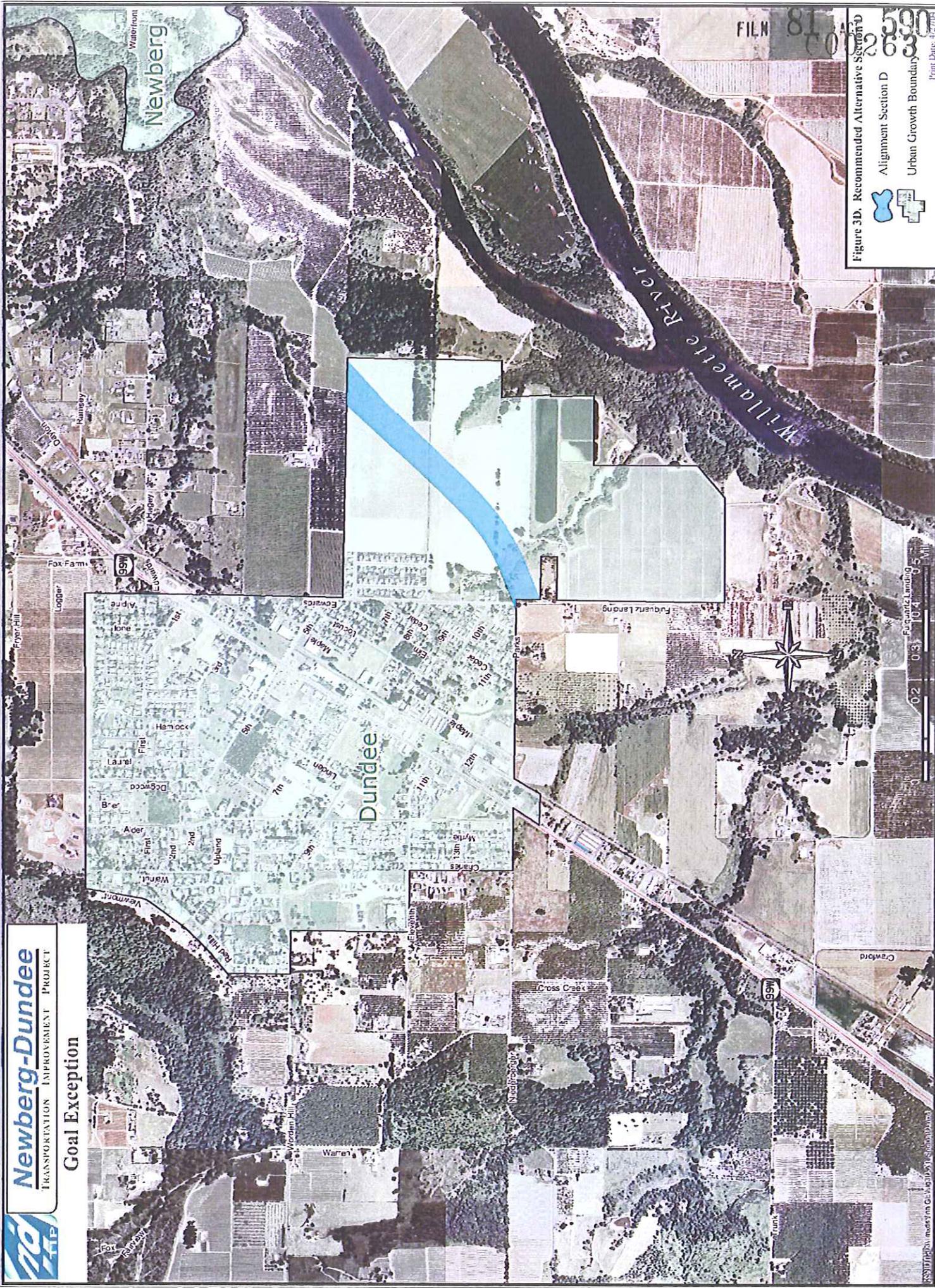


Figure 3C. Recommended Alternative Section C
 Alignment Section C
 Urban Growth Boundary

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Figure 3D. Recommended Alternative Section D
Alignment Section D
Urban Growth Boundary

2.1.2 Section B – Newberg Urban Area

Section B begins at the Oregon 219 Interchange and runs west to the western edge of Newberg. The Bypass in this section, including the Oregon 219 Interchange, is located within the UGB on land zoned industrial and residential. The Oregon 219 Interchange is a full movement interchange. The Bypass in this section is located in areas with existing industrial and residential development.

2.1.3 Section C – Rural Area between Newberg and Dundee

Section C is located between the cities of Newberg and Dundee. It runs southwest through the rural land between the western edge of Newberg and the eastern edge of Dundee, and includes the East Dundee Interchange. The Bypass in this section is located approximately 0.9 to 1.1 miles south of and parallel to Oregon 99W. The East Dundee Interchange consists of a full movement interchange at the Bypass, a connector road that runs between the Bypass and Oregon 99W and an intersection of the connector road with Oregon 99W. The two-lane connector road will not have access to abutting properties. Designers are currently planning for a speed limit of 45 mph for the connector road, which is approximately 0.7 miles long and located on land designated "Very Low Density Residential" in the Yamhill County Comprehensive Plan. One of the primary uses that the connector road crosses is a private airstrip. The intersection of the connector with Oregon 99W will be grade separated across both Oregon 99W and the adjacent railroad.

Section C is located outside the Newberg and Dundee UGBs. A small area of the connector road and ramps to the Bypass is located on land designated Exclusive Farm Use (EFU), but this section is otherwise located on land designated Rural Residential.

2.1.4 Section D – Dundee Urban Area

Section D begins west of the East Dundee Interchange and runs through the City of Dundee. The Bypass in this section is located within the UGB on land that is zoned residential. Most of this land is currently undeveloped.

2.1.5 Section E – Rural Area West of Dundee to Western Terminus

Section E begins at the western edge of the City of Dundee and runs west to the western terminus of the project. The Bypass corridor in this section parallels Oregon 99W and terminates at the Dayton Interchange, where Oregon 99W intersects with Oregon 18. Nearly all of this section is located on rural lands designated EFU. However, a small area of the Dayton Interchange area is located within the City of Dayton's UGB on land zoned industrial. The Dayton Interchange is directional and would not provide for movements between eastbound Oregon 18 to westbound Oregon 99W nor from the eastbound Oregon 99W to westbound Oregon 18.

2.2 OTHER NDTIP ROADWAY COMPONENTS

Besides the Bypass and its associated interchanges, the NDTIP will consider various improvements to Oregon 99W, including local street system improvements within the project area, provision of pedestrian and bicycle facilities, and improvements to existing local or collector roadways within and between Newberg and Dundee.

The specific roadway improvements will be determined during the design phase of the project. While these improvements will be important elements of the NDTIP, they are not a part of this current application for the NDTIP's bypass component. Appropriate amendments to local TSPs will occur prior to completion of the design level EIS.

2.3 ALTERNATE MODE AND LAND USE PROGRAM

In accordance with the Oregon Transportation Plan, ODOT will advocate and facilitate ways to assist local governments and other state and federal agencies in developing an Alternate Mode and Land Use (AMLU) program to reduce the number of vehicles traveling in the Oregon 99W corridor. Provision of alternate (non-highway) modes, such as transit and demand management, and implementation of land use strategies to support existing downtowns or encourage mixed use development were determined to not be able to reduce traffic and congestion enough to adequately meet the identified transportation system performance thresholds. While implementation of an AMLU program does not change the need for the Bypass project as described in this application, implementation of these elements could extend the useful life of the Bypass investment by several years. Consequently, the program is an important element of an overall transportation strategy for the area and thus is included as part of the NDTIP.

The AMLU program will be developed and implemented through a process that will function independently from the Bypass project. This will happen on a timeline that could extend beyond the development of the Location and Design Environmental Impact Statements (EIS's) for the Bypass project. To this end, a separate set of IGAs will be negotiated between ODOT and Yamhill County and the cities of Newberg, Dundee, and Dayton to document the various roles, responsibilities, and desired outcomes of the AMLU process. The process will include, but not be limited to, assessment and analysis of:

- The viability and possible structure of local transit services;
- Possible land use changes to support transit use;
- Improving local transportation system function through transportation system management (TSM) or transportation demand management (TDM)¹⁹;
- Various means of capitalizing, funding, and operating transit services; and

¹⁹ Transportation system management means techniques such as access management or ramp metering that increase the efficiency, safety, capacity, or level of service of a transportation facility without increasing its size. Transportation demand management means actions such as carpooling or vanpooling programs that are designed to change travel behavior in order to improve performance of transportation facilities and to reduce need for additional road capacity. See OAR 660-012-0005(6) and (25).

- Various means of funding and implementing other local land use and transportation system improvements not directly associated with the Bypass project.

ODOT's role in the AMLU process will be to help fund and support the needed analysis and committee work, to facilitate workable solutions, and to advocate for implementation of agreed to improvements and services at the local, regional, state, and federal levels. ODOT also will provide planning and technical assistance to support the formation of the necessary institutions needed to implement these non-highway elements of the NDTIP.

3. BACKGROUND

3.1 PROJECT HISTORY

Newberg, Dundee, and surrounding areas in Yamhill County, Oregon, have experienced substantial growth over the past decade. Newberg, the second largest city in Yamhill County, currently has a population of approximately 17,000 residents, while Dundee has approximately 3,000 residents.

Oregon 99W serves as the "main street" for both Newberg and Dundee. Oregon 99W connects Newberg and Dundee to the Portland metropolitan area to the northeast and to McMinnville and the Oregon Coast to the west. See Figure 4. This highway has become a primary route for tourist traffic between the Willamette Valley and Oregon coastal communities. Weekday commuters also use Oregon 99W to travel between Yamhill County and the Portland metropolitan area. Regional truck freight movement, particularly from and en route to the central coast, I-5 corridor, and/or the Portland metropolitan area, relies on efficient travel through the corridor.

Over the past decade, traffic on Oregon 99W in downtown Newberg and Dundee has increased approximately 40 percent. Lines of vehicles on Oregon 99W often stretch for more than one mile in both directions on weekdays and weekends. This congestion blocks turning movements and access across Oregon 99W and creates an unfriendly and unhealthy environment for residents, shoppers, and tourists using the downtown areas and people trying to get from one side of town to the other side. Traffic congestion has reached unacceptable levels for those who live and work in or travel through Newberg, Dundee, and the surrounding areas. This includes local users, businesses, current commuters, freight companies, tourists, and the economically and physically disadvantaged. Traffic volumes are expected to increase substantially over the next 20 years.²⁰

County residents and ODOT have discussed ways to relieve traffic congestion on Oregon 99W through Newberg and Dundee for many years. In 1990, ODOT published a Reconnaissance Study that considered options for a bypass to Oregon 99W. The study focused on accessibility, the safe and efficient movement of through traffic, economic vitality, roadway safety, and the reduction of traffic congestion. Subsequently, the City of Newberg and Yamhill County incorporated a southern bypass of Oregon 99W in their Transportation System Plans. Funding shortfalls postponed further action until the Oregon Legislature passed Senate Bill 626 in 1995, enabling ODOT to consider a Newberg-Dundee bypass as a potential toll road.

²⁰ This congestion has occurred despite numerous highway/local street improvement, access management improvement, and transit improvement projects taken over the past 30 years on and in the vicinity of Oregon 99W to increase capacity and safety and relieve congestion. A partial list of these improvements is set out in Section 7.4.3 of this document.

Newberg-Dundee

TRANSPORTATION IMPROVEMENT PROJECT

Goal Exception

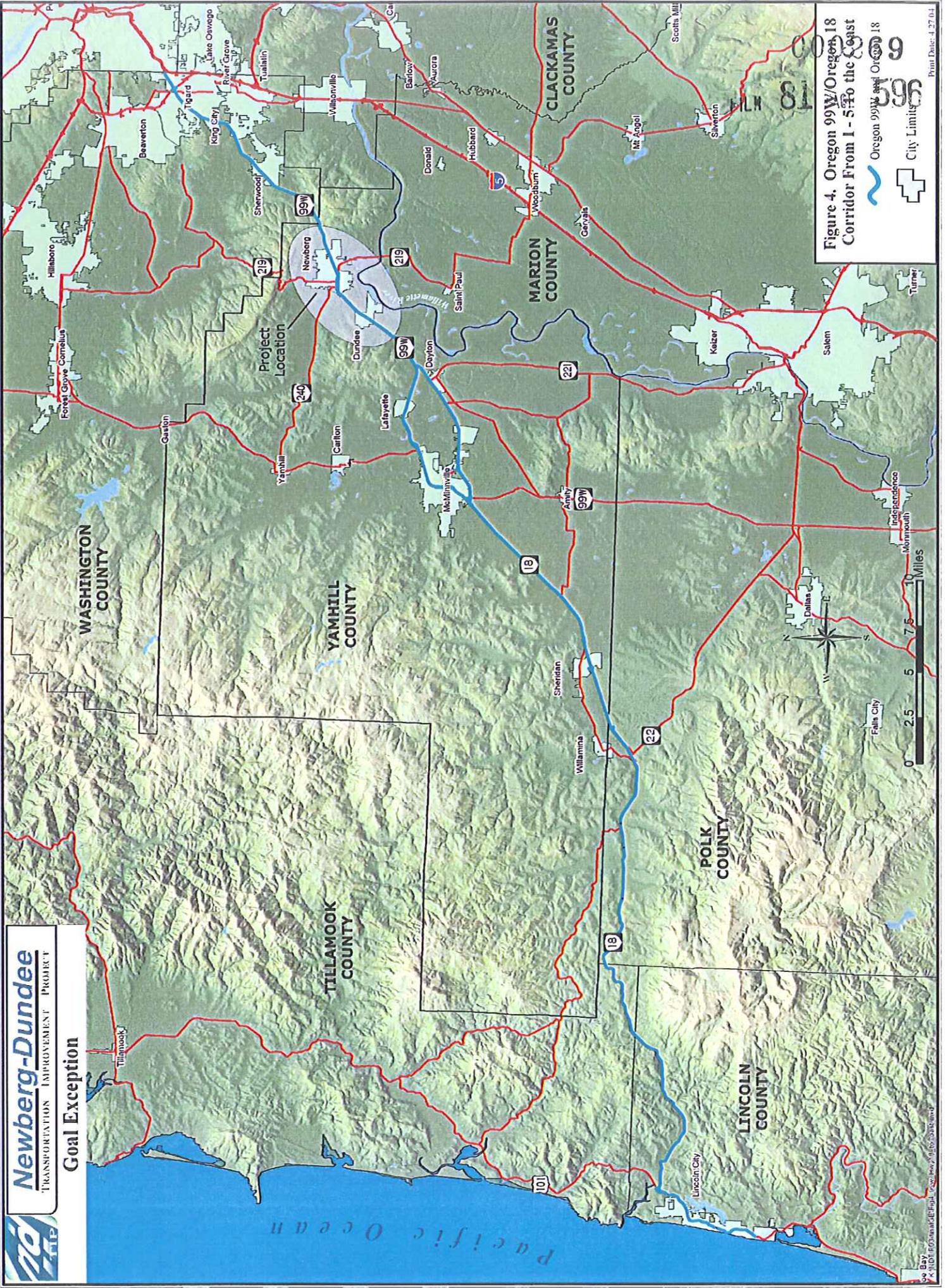


Figure 4. Oregon 99W/Oregon 18 Corridor From I-5 To the Coast

- Oregon 99W and Oregon 18
- City Limits

In 1996, ODOT began the alternatives development phase (Phase 1) of the NDTIP. By 1997, the Project Oversight Steering Team (POST) recommended three multimodal alternatives to the OTC. At the same time, the Governor of Oregon curtailed project development on major transportation projects, so the OTC took no action on the 1997 recommendations.

Local support and funding re-energized the Bypass project in 2000, when the current phase (Phase 2) of the NDTIP began. One outcome of this phase will be a Location Final Environmental Impact Statement (LFEIS) for the bypass component of the NDTIP that selects a specific bypass corridor within which detailed facility design can occur.²¹ The other outcome will be intergovernmental agreements, followed later by Interchange Area Management Plans, to protect the function of the Bypass and its interchanges, minimize accessibility to rural lands from the Bypass, and achieve other elements of the NDTIP.

3.2 PROJECT GOALS AND OBJECTIVES

The NDTIP seeks to improve regional and local transportation along the Oregon 99W corridor in the Newberg-Dundee area by reducing traffic congestion. The transportation improvements must also satisfy community values and maintain or enhance economic, social, environmental, safety, and energy conditions. To accomplish these goals, the NDTIP integrates a balance of related transportation efforts. These include a new highway that will bypass downtown Newberg and Dundee, improvements to existing Oregon 99W and to local and collector streets, and land use changes. In addition, ODOT will propose increased opportunities for transit, bicycles, and pedestrians as defined in the AMLU program.

In 1997, during Phase 1 of the NDTIP, project participants developed a list of objectives for the NDTIP. The Project Oversight Steering Team (POST) used the objectives in deciding which alternatives to forward to Phase 2 of the study.²² When Phase 2 began in 2001, the POST reviewed and slightly modified the 1997 list of project objectives. This review occurred concurrently with the POST's work defining the project's purpose and need. The POST then developed evaluation criteria and measures to help select alternatives that meet the project objectives. The project objectives are:

- Improve transportation performance.
- Protect human health and safety.
- Improve environmental quality.
- Maximize benefits to community economics.
- Improve social/cultural quality.
- Minimize total project costs.

²¹ The LFEIS will select a 330-410 foot wide corridor where a bypass can be developed. LFEIS at 2-4.

²² Members of the POST include representatives from the cities of Newberg, Dundee, Dayton, and McMinnville, Yamhill County, Marion County, ODOT, the Oregon Department of Land Conservation and Development (DLCD), the Federal Highway Administration (FHWA), and the Yamhill Parkway Committee, as well as two State Representatives.

- Maximize likelihood of implementation.

3.3 PUBLIC AND AGENCY INVOLVEMENT

Public and agency involvement strategy for the NDTIP involved designing and facilitating an open and iterative process. The process encouraged consideration and selection of the best alternative that solves current and future transportation needs, while enhancing community livability. An integrated, interdepartmental (local, state, and federal) planning and decision-making procedure completed the public process leading up to a recommendation for a bypass.

Broad public information exchange and involvement were project priorities, as evidenced by extensive media outreach, a project Web site, fact sheets, a project video, and well-attended public meetings and events in affected communities. The project team conducted special outreach in areas where environmental justice could be an issue. In particular, there are locations within the project study area with lower than average income populations and higher incidences of Hispanic or Spanish-speaking residents.

Phase 1 of the NDTIP ended in 1997 with the selection of three multimodal alternative packages that should receive further consideration through the EIS process. Phase 2 began in 2000.

At the beginning of Phase 2, ODOT reconvened the POST established during Phase 1. The POST guided the NDTIP and advised ODOT on identifying a preferred location alternative. POST members met seven times through the completion of the LDEIS.

A Project Advisory Committee (PAC) made up of representatives of a variety of community stakeholders including citizen organizations, businesses, schools, and other interest groups, as well as staff from affected city, county, and state agencies, provided input and guidance on the needs and interests of the communities within the project area. Members also were conduits from the project to the groups, jurisdictions, and organizations they represent.

The Agency Advisory Committee (AAC), also reconvened from Phase 1, helped coordinate the regulatory side of the location selection process early in 2000. However, a new statewide group undertaking an inter-jurisdictional process, the Collaborative Environmental and Transportation Agreement for Streamlining (CETAS), replaced the AAC. ODOT coordinated the work of CETAS to seek agreement on the project's Purpose and Need and evaluation criteria for selecting a preferred alternative. Several AAC/CETAS members participated in the summit meetings and conducted elements of presentations at a community-wide meeting in Newberg. Committee members helped identify a range of alternatives evaluated in the LDEIS. They were also consulted during development of the analytical methods. CETAS members were particularly helpful in identifying regulatory issues associated with the alternatives.

Additionally, a project management team, made up of representatives of ODOT and the consulting team, facilitated discussions between ODOT and the Department of Land Conservation and Development (DLCD) concerning land use and transportation impacts. Project managers also regularly updated members of the OTC.

3.4 LOCAL COMPREHENSIVE PLAN POLICIES RELATING TO A BYPASS

This section provides a brief overview of the Yamhill County, Newberg, and Dundee comprehensive plan and transportation system plan policies that are most directly relevant to the Bypass and East Dundee Interchange. Section 10 provides a more detailed analysis of consistency with applicable Yamhill County Comprehensive Plan and Transportation System Plan policies.

3.4.1 Yamhill County Comprehensive Plan and Transportation System Plan

Yamhill County adopted a Comprehensive Plan in 1974. The 1974 Plan directed the bulk of urban development to existing urban centers and called for the preservation of highly productive farm and forestlands. The 1974 Plan also provided for rural residential development in limited areas. The Comprehensive Plan was updated in 1979 to address the requirements of the statewide planning goals. The County most recently updated its plan in 1996.

The Yamhill County Comprehensive Plan includes a strong policy base to direct growth and development to the ten incorporated cities in the County. Parallel with the direction of urban growth to the cities, the comprehensive plan also includes a strong policy emphasis to protect agricultural and forest lands and the resource-based economy.

Excerpts of key comprehensive plan goals and policies are highlighted below.

3.4.1.1 *Urban Area Development*

- To encourage the containment of growth within existing urban centers.
- Yamhill County will recognize the lands within established urban growth boundaries as the appropriate and desired location for urban development.
- To encourage the containment of urban facilities and other public capital improvements within existing urbanizing areas in order to achieve an orderly pattern of urban growth.

3.4.1.2 *Commercial Development*

- Highway service and tourist commercial uses catering to the needs of the traveling public will be encouraged to locate within existing urban centers. Traditional central commercial uses will be encouraged to locate or relocate only in existing town centers and the dispersal of such uses to peripheral highway locations will be discouraged.
- New highway-oriented commercial development at limited-access highway interchanges will only be permitted in urban areas where direct access is provided from a local street system. The county will prohibit direct access from the State highway system for commercial development oriented to limited-access highways.
- To maintain the integrity and function of the highway system, new commercial development shall be discouraged along the route of any limited-access highway.

3.4.1.3 Agricultural Lands

- Yamhill County shall provide for the protection of farmland in large blocks through minimum lot sizes of 20, 40, and 80 acres, as appropriate, on the Comprehensive Plan and official zoning maps. (Note: State law now establishes an 80-acre minimum.)
- Yamhill County will provide for the conservation of farm lands through various plan implementation measures and the review of any public or private land use determination subject to county jurisdiction, including urban development activity and the location and construction of highways and utility transmission lines.

3.4.1.4 Transportation

- Yamhill County will utilize existing facilities and right-of-way to the fullest extent possible if such use is consistent with the county comprehensive plan.
- The county will continue to work with the State, the City of Newberg, and the City of Dundee on alternatives for routing Oregon 99W traffic through or around Newberg and Dundee.

3.4.1.5 Transportation System Plan

- Yamhill County has an acknowledged Transportation System Plan (TSP), which it adopted in 1996. The TSP does not authorize construction of a Bypass in the County, but it expressly supports the concept of a bypass to relieve congestion on Oregon 99W and to enhance the efficiency of the transportation system.

3.4.2 Newberg Comprehensive Plan and Transportation System Plan

The Newberg City Council adopted the Newberg Comprehensive Plan in 1979. The City completed the first periodic review of the plan in 1991. The Plan maintains a strong central core while providing for neighborhood commercial centers. In general, medium and high-density residential areas are clustered around commercial areas and along arterials. Lower density residential areas are generally located to the north of downtown and in peripheral areas. The floodplain and drainage ways provide a basic framework for Newberg's open space network.

Excerpts of key comprehensive plan goals and policies are highlighted below.

3.4.2.1 Commercial Area Policies

- The City shall encourage the retention of the downtown core as a shopping, service, and financial center for the Newberg area. New commercial developments shall be encouraged to locate there.
- To maintain the integrity and function of the highway system, new commercial development shall be discouraged along the route of any limited access highway.

- New highway oriented commercial development at limited access highway interchanges will only be permitted where direct access is provided from a local street system. The City will prohibit direct access from the State highway system for commercial development oriented to limited access highways.

3.4.2.2 Transportation Policies

- The City shall promote transportation improvements that would result in less through automobile and truck traffic on 1st Street and maintain the option of future development of light rail to serve the downtown core area.
- Minimize the impact of regional traffic on the local transportation system.
- Enhance the efficiency of the existing collector/arterial street system to move local traffic off the regional system.
- The City actively supports the development of a by-pass of the City along a southern alignment, and the development of a northern east/west minor arterial street.
- The City will continue to work with the State, Yamhill County, and the City of Dundee on alternatives for routing the Oregon 99W traffic through or around Newberg/Dundee.

3.4.2.3 Urbanization

- To maintain Newberg's identity as a community that is separate from the Portland Metropolitan area.
- 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 30-50 year land supply.

3.4.2.4 Transportation System Plan

- Newberg adopted a TSP in the mid 1990s. The plan currently is undergoing amendments. Existing policies relevant to the Bypass include a policy to provide an alternative route for regional traffic and a policy to continue working with the State of Oregon, Yamhill County and the City of Dundee on alternatives for routing Oregon 99W traffic through or around Newberg/Dundee. The NDTIP is consistent with these policies.
- Proposed new policies would direct the City to adopt regulations to manage land uses and access in the vicinity of interchanges that are consistent with the primary function of the Bypass to serve through traffic and are consistent with the Oregon Highway Plan. They also would provide for implementation of IAMPs and for designation of

the Bypass as a principal arterial. However, these policies have not yet been adopted by the City and thus are not yet in effect.

3.4.3 Dundee Comprehensive Plan and Transportation System Plan

The City of Dundee adopted a Comprehensive Plan and development ordinances in the 1970's. The City completed a limited periodic review and update of the Plan in 1990 and is currently involved in a more comprehensive periodic review, including an update of population projections, buildable land inventories, and housing and commercial/industrial needs analyses.

Excerpts of key comprehensive plan goals and policies are highlighted below.

3.4.3.1 Land Use and Urbanization

- Preserve and enhance the character of Dundee by not combining with Newberg.
- Recommend that Dundee work with Yamhill County and Newberg to manage land between the two cities.
- Place agricultural lands in the eastern portion of the UGB in an agricultural holding designation, to be rezoned incrementally for residential uses when need is shown.

3.4.3.2 Commercial & Industrial Policies

- Limit further strip commercial development as much as possible.
- Avoid strip or scattered commercial development along Oregon 99W.
- Protect areas well suited for business use from encroachment by other uses.
- Assure that commercial and industrial developments preserve and enhance the aesthetic character of Dundee.
- Upgrade businesses along Oregon 99W by supporting traffic improvements that alleviate traffic congestion, by requiring off-street parking, and by requiring high design standards in new developments.

3.4.3.3 Transportation Policies

- Encourage a safe, convenient, aesthetic and economic transportation system.
- Ensure pedestrian safety along Oregon 99W.

The 1978 plan included specific transportation policies requiring special setbacks along Oregon 99W to allow for road widening, and it supported the concept of widening Oregon 99W to four lanes. These policies were specifically deleted from the plan when it was updated in 1990. The

1978 plan expressed a community preference for a bypass around Newberg and Dundee.
Transportation System Plan

The City Council adopted a TSP for Dundee in the spring of 2003. The TSP supports a bypass south of Oregon 99W, located as close to the Willamette River and as far from "developed Dundee" as possible in order to minimize impacts on existing developed areas. The TSP also supports an interchange between Dundee and Newberg in order to maintain Oregon 99W as a three-lane facility through the City.

Excerpts of key TSP goals and policies are highlighted below:

- Provide a transportation system that minimizes the adverse impact of through travelers on Dundee.
- Provide a transportation system that fosters a pleasant, small city and preserves and enhances existing neighborhoods and businesses.
- Develop and implement parking and circulation strategies that minimize pedestrian and vehicle conflicts and support downtown business retention and development.
- Develop a transportation system that is consistent with and supports the goals, objectives and visions of the Dundee community.
- Develop plans and ordinances to foster development of facilities that support safe and efficient travel by bicycle, pedestrian and public transportation.
- Develop a transportation system that protects the health and safety of transportation system users.
- Provide and maintain a transportation system that supports the economic vitality of the Dundee community.

4. THE AFFECTED ENVIRONMENT

4.1 TRAFFIC²³

4.1.1 Detailed Description of Existing Oregon 99W

Oregon 99W is a state highway providing statewide travel and freight movements between Portland and the Oregon coast. As designated in the OHP, Oregon 99W is a highway of statewide importance and a statewide freight route. Generally, this route has 55 mile per hour travel speeds in its rural sections and 35-45 mile per hour travel speeds in the urban sections. The sections in the Newberg-Dundee area are described below.

East of Newberg: East of Newberg, as Oregon 99W approaches Newberg coming off of Rex Hill, it is a four-lane divided highway with paved shoulders, traffic signals at major intersections, and center left-turn lanes at minor street intersections. The designated speed in this section is 55 mph.

Newberg: Oregon 99W has two distinctive street sections within Newberg: the eastern, newer section is a 4-5 lane suburban-style highway and the western, older section is divided into a one-way couplet on two downtown streets. The eastern section is generally higher speed with no on-street parking, and greater spacing between signalized intersections. The western section has more tightly spaced traffic signals and therefore more protected pedestrian crossings, three through lanes in each direction, on-street parking, bike lanes, and slower posted travel speeds.

Oregon 99W is a four-lane road, with designated bike lanes and protected left turn pockets at intersections, in its section from the East Newberg city limits to Springbrook Street. Posted speeds step down from 55 mph east of Newberg to 40 mph at the city limit and to 35 mph at Elliott Street and westward to River Street. From Springbrook Street to Villa Road, Oregon 99W has a center two-way left-turn lane, with two through lanes, designated bike lanes and sidewalks in each direction. The section from Villa Road to River Street is five lanes (three westbound and two eastbound) with a center-raised median, designated bike lanes, and sidewalks. In this eastern 4-5 lane section, Oregon 99W has traffic signals at Springbrook Street, Elliot Road, and Villa Road.

Oregon 99W transitions from a two-way four-lane highway to a downtown one-way couplet at River Street. In the section from River Street to Harrison Street, the one-way couplet is Hancock Street in the westbound direction and 1st Street in the eastbound direction. Each of these streets has three travel lanes, parking on both sides (except at north side of Hancock Street), bike lanes, sidewalks, and a posted travel speed of 25 mph. Traffic signals with protected crosswalks are located at River Street, Meridian Street, College Street, Howard Street, and Main Street. There is also a signalized railroad crossing at Blaine Street. The one-way couplet converges to a five-

²³ Traffic impacts are addressed in more detail in the LDEIS Technical Memorandum: Transportation.

lane section including a continuous center-turn lane on the west side of Newberg at Harrison Street. West of this point, posted travel speeds increase first to 30 mph and then to 55 mph.

Between Newberg and Dundee: Oregon 99W transitions to a four-lane divided highway with paved shoulders for the two-mile distance from Newberg to Dundee. Center turn lanes are provided at minor street intersections. The designated travel speed is 55 mph. Oregon 99W converges to two through lanes with no center median at the Fox Farm Road-Dayton Avenue intersection, with the designated travel speed reducing to 35 mph.

Dundee: For the two-mile section within Dundee, Oregon 99W is three lanes with a single travel lane in each direction and a continuous center-turn lane. There is a single traffic signal within Dundee at 5th Street. There are shoulder bike lanes and the designated speed is 35 mph. There are generally sidewalks on the north side and partially on the south side through Dundee.

West of Dundee: For the two-mile section of Oregon 99W to Dayton, Oregon 99W is generally an undivided two-lane highway with paved shoulders, left-turn lanes at minor street intersections, and a posted travel speed of 45 mph. There is also a divided four-lane portion (with a posted speed limit of 55 mph) as well as a three-lane portion (including a continuous left-turn lane) between Dundee and the Oregon 18 junction. In Dayton, Oregon 99W becomes a business route through McMinnville, while through travelers to the coast would use Oregon 18.²⁴

4.1.2 Description of Existing Traffic Conditions in the Area

Oregon 99W today serves as the "main street" for both Newberg and Dundee. Oregon 99W connects Newberg and Dundee to the Portland metropolitan area to the northeast and to McMinnville and the Oregon Coast to the west. The highway is a primary route for tourist traffic between the Willamette Valley and Oregon coastal communities. The highway provides access to Oregon's leading wine region, which is centered in the Newberg-Dundee area. It also connects the Portland area to Spirit Mountain Casino, a popular destination located in Grande Ronde. Weekday commuters use Oregon 99W to travel between Yamhill County and the Portland metropolitan area. Regional freight truck traffic movement, particularly en route to and from the central coast, I-5 corridor, and/or the Portland metropolitan area, relies on efficient travel through the corridor.

Over the past decade, traffic on Oregon 99W in Newberg and Dundee has increased by approximately 40 percent. Today, on weekdays and weekends, lines of vehicles on Oregon 99W often stretch for more than one mile in both directions from the traffic signal at the intersection of Oregon 99W and 5th Street in Dundee. This congestion blocks turning movements and access across Oregon 99W and creates an unhealthy and unfriendly environment for residents, shoppers, and tourists using the downtown areas and for people simply trying to get from one side of town to the other. Traffic congestion has reached unacceptable levels for those who live and work in

²⁴ Oregon 99W is a two-lane highway as it approaches McMinnville, with designated travel speeds of 55 mph. As the bypass route of McMinnville, Oregon 18 diverts from Oregon 99W at an unsignalized stop-controlled intersection. Oregon 18 south of this diverge point is 55 mph with two through travel lanes, paved shoulder, and center-turn lanes at minor street intersections.

or travel through Newberg, Dundee, and the surrounding areas, including local users, businesses, freight companies, commuters, tourists, and the economically and physically disadvantaged.

Traffic volumes in Newberg and Dundee are expressed in terms of average daily vehicle trips (ADT). Existing ADT at key locations within the study area have been calculated as follows, based on weekday p.m. peak hour modeling forecasts, assuming the peak hour is approximately 10 percent of the daily volumes:²⁵

Location	ADT
East of Rex Hill	32,000
East Newberg	36,000
Newberg Couplet	40,000
Between Newberg and Dundee	34,000
Dundee at 5 th Street	32,000
West of Dundee	25,000

4.1.3 Projected 2025 No-Build Traffic Conditions

Traffic forecasts indicate that by the year 2025, average daily traffic volumes will increase substantially along Oregon 99W in Newberg and Dundee. Under a No-Build Alternative, Year 2025 ADT forecasts are estimated as follows:

Location	ADT
East of Rex Hill	55,000
East Newberg	48,000
Newberg Couplet	56,000
Between Newberg and Dundee	49,000
Dundee at 5 th Street	47,000
West of Dundee	40,000

Under a No-Build Alternative, downtown Newberg and Dundee would experience, respectively, 15 and 14 hours of congestion each day.²⁶ Under this alternative it would take more than 40 minutes to drive the approximately eleven-mile distance from East Newberg to MacDougal Corner near Dayton.

4.2 LAND USE

4.2.1 Overview of Urban and Rural Land Uses in the Area

Figure 5 highlights generalized comprehensive plan designations for Newberg, Dundee, and the unincorporated area of Yamhill County in proximity to the two cities. The comprehensive plan designations largely capture existing land use patterns. The figure also displays the plan

²⁵ Newberg-Dundee Transportation Improvement Project, LDEIS Technical Memorandum: Transportation, page 6.

²⁶ Congestion is defined here as traffic volumes that exceed the applicable volume to capacity performance standard for the roadway facility.

designations for the northeast corner of the Dayton Urban Growth Boundary (UGB) where the Newberg-Dundee Bypass would connect with the Oregon 18 bypass.

The existing Oregon 99W corridor through Newberg is largely planned and used for commercial development. The traditional downtown area is located at the west end of Newberg, in an area with older buildings with a traditional storefront character, smaller blocks and lots, and primarily on-street parking. The commercial area with a stronger highway orientation extends along the easterly half of the city. This area includes newer and larger commercial buildings, fewer local street connections, and large off-street parking areas.

Oregon 99W bisects Newberg into two halves and residential neighborhoods are located north and south of the state highway. Most of the vacant land for future residential development is located in northern Newberg. Industrial uses are generally located in southern Newberg in the riverfront area and along Oregon 219. Additional industrial and employment areas are located north of Oregon 99W along the railroad corridor. Several public and institutional facilities are located in Newberg, including a public use airport, a university, several school and park facilities, numerous churches, and a hospital.

Oregon 99W between Newberg and Dundee passes through lands that are in rural residential or agricultural use. A small amount of commercial development also is located in this segment. The Oregon 99W corridor through Dundee is planned for commercial development. Existing commercial uses include restaurants, small stores, and winery oriented businesses. A few industrial businesses, including the Westnut processing and packing plant, are located between Oregon 99W and the railroad to the south of the highway.

Most existing residential development in Dundee is located north of Oregon 99W and extends up the hills. While a large area south of Oregon 99W and the railroad is included in the Dundee UGB and planned for future residential development, it is currently in agricultural use.

The Dundee Elementary School is located on the north side of Oregon 99W. Other community facilities, including the post office, city hall/police station, and park, are also located north of Oregon 99W along 5th Street.

Goal Exception

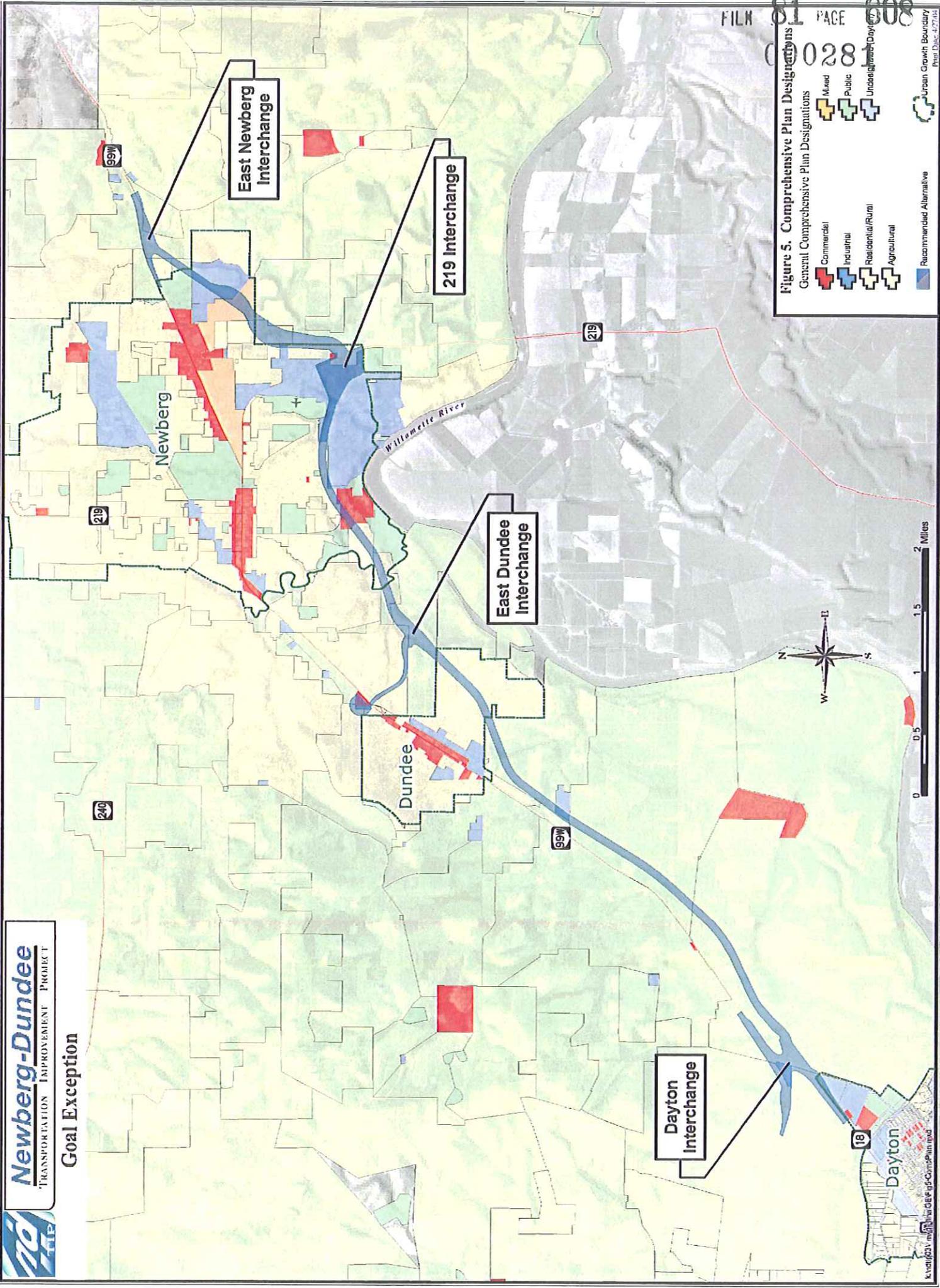


Figure 5. Comprehensive Plan Designations
General Comprehensive Plan Designations

- Commercial
- Industrial
- Residential/Rural
- Agricultural
- Recommended Alternative
- Mixed
- Public
- Undeveloped/Open
- Urban Growth Boundary

The west end of the Bypass will connect with Oregon 18 at the Dayton Interchange. Oregon 18 already bypasses downtown Dayton. Land adjacent to the south side of Oregon 18 within the Dayton UGB is planned for commercial, industrial and public facility uses. Existing land uses in the immediate area include an RV park and the city's sewage treatment plant. The City of Dayton has approved plans for development of a gas station and restaurant to the east of the RV park. The remainder of the property within the UGB abutting the south side of Oregon 18 is vacant and designated for industrial use on the Dayton Comprehensive Plan.

Agriculture is the dominant land use outside of the UGB's of Newberg, Dundee, and Dayton. Agriculture is the principal industry in Yamhill County, with the proportion of employment in agriculture twice that of the average in the state. The county ranks seventh out of the 36 counties in the annual market value of agricultural production. Yamhill County is one of the nation's major producers of hazelnuts. Other principal agricultural products grown include wheat, tree and plant nursery stock, wine grapes, a variety of fruits and vegetables, and legume and grass seed.²⁷

Yamhill County is Oregon's leading wine region. Many of the more than 100 vineyards and 40 wineries in Yamhill County are concentrated in the Newberg-Dundee area. The vineyards are a growing industry, and local and international vintners have made a large financial investment around Newberg and Dundee.

While the Newberg-Dundee area is a productive agricultural area, there is also a significant amount of rural residential development located outside the UGB's and between the two cities. As of 1999, there were 468 developed lots in this rural residential area, with the potential for development of up to 330 additional dwellings based on acknowledged Yamhill County zoning.²⁸

4.2.2 Population and Employment Trends

The population of Yamhill County more than doubled in the 30-year period between 1970 and 2000, increasing from approximately 40,000 in 1970 to approximately 85,000 in 2000. During this same 30-year period, the population of Newberg tripled from approximately 6,500 in 1970 to approximately 18,000 in 2000. The magnitude of growth in Dundee was even more dramatic, with city population increasing from approximately 590 in 1970 to more than 2,500 in 2000.

The percentage of total Yamhill County population residing in incorporated cities has increased over the past 30 years. More than 50 percent of the total county population resided in the two largest cities of McMinnville and Newberg in the year 2000. The remaining eight cities in the county all have individual populations under 3,000, including Dayton at 2,119 and Dundee at 2,598. The City of Newberg is capturing a larger share of the total county population, increasing from 16 percent in 1970 to 21 percent in 2000.

²⁷ OSU Extension Service for Yamhill County, 2000 Estimate of Agricultural Commodity Sales.
²⁸ Yamhill County Planning Department, Inventory of Rural Area Development for Exception Area 1.8, 6/99.

The State of Oregon Department of Administrative Services (DAS) prepares population and employment forecasts for the 36 counties in the state. For the year 2020, DAS projects a Yamhill County population of approximately 120,000. The Newberg Urban Reserve Area Plan projects that Newberg's population will reach 33,200 in 2020 and the Dundee Transportation System Plan/Periodic Review projects that Dundee's population will reach 5,744 in 2020.²⁹

The economy of northeast Yamhill County, including the cities of Newberg and Dundee, has become more diverse. The area's original economic base revolved around agriculture. While the area retains a strong agricultural economy, energized by the growing wine industry, a diverse manufacturing economy has also developed over the past 20 years.

More than 25 percent of all jobs in Yamhill County are located in the Newberg area, and the City is home to several large manufacturing firms. Major employers in Newberg include A-Dec (dental equipment), SP Newsprint Co. (newsprint), EFTC Northwest (circuit board assembly), Newberg Public Schools (education), George Fox University (private university), and Providence Newberg Hospital (health care).

The employment base in Dundee and Dayton is much more limited. Major manufacturing employers include nut processing and wineries. Other local employment is associated with commercial service and public sector categories.

The geographic location of the cities of Newberg, Dundee, and Dayton, combined with the existing state highway network, provide convenient options for commuting in several directions to different employment centers. Residents of northeast Yamhill County have access to the jobs and services of a much larger metropolitan region within a relatively short commute. The regional urban growth boundary for the Portland metropolitan area extends to the City of Sherwood, less than 9 miles from the City of Newberg via Oregon 99W.

- Within Yamhill County, jobs are concentrated in Newberg and McMinnville, accessible by Oregon 99W and Oregon 18.
- Northeast of Newberg, the 4-lane Oregon 99W provides access to growing employment centers in the southern Portland metropolitan area, including Tualatin, Tigard, Beaverton, Kruse Way, and Wilsonville.
- Oregon 219 provides a highway connection south to I-5 and jobs in Salem.

Despite the convenient location and accessibility of Newberg to high-growth employment areas, the City has not developed solely as a bedroom community to the Portland metropolitan area. The growth of employment in Newberg has generally kept pace with household growth. Still, there is significant commuting between Newberg and Dundee and the Portland metropolitan area.

²⁹ The City of Dayton has a year 2015 population projection of 2,705. Dayton's 2020 population has not yet been forecasted.

Residential real estate brokers active in the Newberg and Dundee market areas believe that commute trends are related to housing price trends in the larger Portland metropolitan market. As housing prices have increased in Sherwood, Tigard, and Beaverton, Newberg brokers have seen an increase in the number of people looking for entry level housing in Newberg and willing to commute to jobs located elsewhere.

4.3 THE AFFECTED RURAL AREA³⁰

Outside of urban growth boundaries, goal exceptions are required to allow new transportation facilities like a bypass or a new interchange to be located on rural lands. Because this application requests approval of exceptions to allow such uses, this section provides a more detailed description of the rural lands and land uses within the NDTIP study area.

Rural areas are located (1) east of the Newberg UGB, (2) between Newberg and Dundee, and (3) west of Dundee. Each of these areas has distinctive characteristics, described below. East of Newberg and between Newberg and Dundee, the predominant land use pattern is a combination of farming operations and rural residential development. West of Dundee, agricultural uses predominate. See Figure 5. Agricultural areas throughout the study area are characterized by a combination of small-scale farms (less than 10 acres to 60 acres in size) and much larger farms (100 acres to approximately 875 acres) that often are owned or leased as part of larger agricultural operations. Some of the smaller farm properties operate more like hobby farms than commercial farms, with the primary use being residential and the primary source of income not related to farming. Portions of several farm properties are not farmed and include forested areas.

4.3.1 East of Newberg

Small farms, forested areas, and rural residential areas characterize the rural areas east of Newberg. Plan designations for this rural area are Agriculture and Very Low Density Residential. See Figure 5. The Rex Hill winery and vineyards are located north of Oregon 99W, just to the east of the proposed East Newberg Interchange terminus. Farther west, also north of Oregon 99W, is an approximately 70-acre farm, Stoneybrook Farms, an approximately 10-acre portion of which is listed on the National Register of Historic Places, and north and west of Stoneybrook Farms is a very large rural residential area.

South of Oregon 99W is an area of interspersed agricultural and rural residential uses. Some properties in this area are protected by EFU zoning. However, others are designated AF-10 (Agriculture/Forestry Small Holding), which is a zone applied to rural exception lands. A mix of EFU and AF-10 lands and some rural residential areas also are present east of the proposed Oregon 219 Interchange.

³⁰ The rural lands and land uses in the affected rural areas are described in greater detail in two memoranda from Donna Robinson to Mark Greenfield, one regarding "Comprehensive Plan, Zoning Designations and Land Uses" (November 21, 2003) and one regarding "Exclusive Farm Uses (EFU) Within the Goal Exception Project Area" (November 21, 2003).

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4.3.2 Between Newberg and Dundee

A distance between approximately 0.5 and 1.25 miles separates the urban growth boundaries of Newberg and Dundee. Both to the north and south of Oregon 99W, this area is characterized by very large blocks of rural residential land and large areas designated and zoned for agricultural use. See Figure 5. There also are some forested areas north of Oregon 99W.

The rural residential area south of Oregon 99W contains approximately 240 acres and is characterized by parcels ranging in size from less than one acre to 22 acres. The rural residential area north of Oregon 99W contains approximately 270 acres and is characterized by parcels ranging in size from less than one acre to 38 acres. In both of these rural residential areas the average parcel size is three to five acres. The majority of the parcels include a residence. The larger parcels often include additional outbuildings. Hobby farming activities occur on some of these properties. Approximately one third of the area south of Oregon 99W and one fourth of the area north of Oregon 99W is forested.

Orchards, perennial grasses (including rye, hay, clover, and wheat), and grain crops characterize the agricultural uses on the EFU-zoned lands located north of Oregon 99W. Much of the land here is leased for agriculture. Farm properties include the 230-acre Kjersten property, which is currently used for growing ryegrass seed, and several 35–40 acre properties used for growing grasses, grains, or Christmas trees.

The dominant agricultural feature south of Oregon 99W is the approximately 300-acre Dundee Farm that is part of a much larger agricultural enterprise owned by Columbia Empire Farms, which includes facilities for production, processing, marketing and sales of farm products. Crops grown at Dundee Farm include filbert orchards (140 acres), berries (60 acres), and honey. The company employs over 350 people either full or part time, mostly in Yamhill County. The Dundee Farm is identified as high value farmland. Portions of the farm are tiled and irrigated. The farm also includes a barn, an office, 25 units of farm worker housing, and a small production facility.

4.3.3 West of Dundee

The area between Dundee and Dayton is the longest rural portion of the Bypass project. Most of the land here consists of "high value" farmland, and farming is the dominant land use. See Figure 5. Crop production includes orchards (filberts and walnuts), berries, vineyards, perennial grasses, grains, Christmas trees, beans, corns, and flowers. Several farms raise livestock, including cattle, sheep, chickens, pigs, and rabbits.

Evergreen Agricultural Farm Enterprises operates two farms in this area, the Hawman Farm (approximately 550 acres) and the Greenpatch Farm (approximately 850 acres). Both farms are part of a larger, parent operation, Evergreen Aviation. The company employs approximately five to 80 workers at these farms, depending on the time of the year.

The Greenpatch Farm has 750 acres in filbert orchards and 100 acres in vineyard. The orchards are not irrigated. However, the vineyard has a drip irrigation system with irrigation rights to the

Willamette River. The property includes six residences, some farm worker housing, and numerous outbuildings. The Hawman Farm has 230 acres in Christmas tree production, approximately 190 acres in row crops (beans and corn), and another 100 acres that currently are idle. The Hawman Farm is irrigated and tilled, with irrigation rights to the Yamhill River.

Other large farming operations in this area include the Dundas Farm (116 acres), which is a Century Farm producing clover, wheat, berries and livestock; the Paine Farm (179 acres), which produces wheat, alfalfa, red clover and hay as well as walnut trees and livestock; the Leppin Farm (157 acres), used for growing ryegrass, hay, and pasture and for raising cattle, chickens, rabbits, and pigs; and the Arland McDougal Farm (212 acres), used primarily for growing wheat. Several smaller farm properties ranging in size from approximately 23-43 acres also are located in this area.

Accepted farming practices in all of the agricultural areas include spraying with pesticides or herbicides and fertilizing (both liquid and dry). Generally, these are spread by spreader or sprayer tractor attachments, although aerial application is used for some limited purposes. Farming practices also include irrigation (where available), the use of tiles for drainage, and practices associated with tilling, planting, and harvesting, including the movement of farm equipment and machinery.

5. INTRODUCTION TO THE TRANSPORTATION PLANNING RULE AND OVERVIEW OF THE GOAL EXCEPTIONS PROCESS

For many years Yamhill County and the cities of Newberg and Dundee have envisioned construction of a new "bypass" to accommodate "through" traffic (i.e., traffic with origins and destinations outside the Newberg-Dundee urban area) and "regional" traffic (i.e., traffic with either an origin or destination, but not both, in the urban area) now traveling on existing Oregon 99W. A bypass has long been identified as a future transportation facility in their TSPs, subject to approval of required goal exceptions.

To authorize a bypass, Yamhill County and the cities of Newberg and Dundee must demonstrate compliance with applicable statutes and with the Transportation Planning Rule (TPR), codified at Oregon Administrative Rules (OAR) Chapter 660, Division 12.³¹ For the cities of Newberg and Dundee this task is less difficult because the TPR allows new roads to be planned and constructed inside UGBs.³² A bypass has been part of Newberg's acknowledged comprehensive plan for many years. A bypass also is an element of Dundee's recently adopted TSP.

Outside UGBs, however, ORS 215.283 and the TPR prohibit new roads and new interchanges except when the local government governing body or its designee adopts "an exception to the goal related to agricultural lands and to any other applicable goal with which the facility or improvement does not comply."³³ The standards governing such exceptions are set out in the TPR at OAR 660-012-0070.

In this instance, because the Bypass and the East Dundee Interchange would be located in part on agricultural lands that are protected through "exclusive farm use" (EFU) zoning, an exception is required to the policy in Statewide Goal 3 (Agricultural Lands) to preserve agricultural land for farm uses. In addition, because the Bypass would be considered an urban use and an urban facility, its location on rural lands requires exceptions to the policies in Statewide Goal 14 (Urbanization) and Goal 11 (Public Facilities and Services) that direct urban growth and urban-scale facilities inside urban growth boundaries. Hence, for Yamhill County to authorize a Bypass on unincorporated lands outside the Newberg and Dundee UGBs, it must adopt these goal exceptions and include them in its TSP.

Under OAR 660-012-0070 in particular and ORS 197.732(1)(c), Goal 2 Part II, and OAR 660, Division 4 more generally, goal exceptions must provide reasons justifying (1) why the state policy embodied in the applicable goals should not apply, and (2) why areas not requiring a new

³¹ The Oregon Land Conservation and Development Commission (LCDC) adopted the TPR in 1991 to implement Statewide Planning Goal 12 (Transportation), which requires local governments to provide and encourage a safe, convenient and economic transportation system.

³² See, e.g., OAR 660-012-0020(2)(b), 660-012-0030 and 660-012-0035.

³³ ORS 215.283(3)(a). While ORS 215.283(1) and (2) allow outright or as conditional uses a number of transportation improvements on lands that are zoned for exclusive farm use (EFU), including "reconstruction and modification of public roads and highways" (ORS 215.283(1)(l) and 2(r)), they do not authorize new roads or new interchanges. Likewise, OAR 660-012-0065 does not authorize new roads or new interchanges of the nature proposed here.

exception cannot reasonably accommodate the use. Additionally, an exception must (3) compare the economic, social, environmental, and energy (ESEE) consequences of the proposed location and other alternative locations requiring exceptions, determining whether the net adverse impacts associated with the proposed exception location are "significantly more adverse" than the net adverse impacts from other locations requiring exceptions; and (4) describe the adverse effects the proposal is likely to have on adjacent uses and explain how the proposal will be rendered compatible with adjacent land uses. See OAR 660-012-0070(7) and (8). These requirements are discussed in detail in Section 7 below.

The principal focus of analysis for transportation facilities is on the identified "transportation need" and on the reasons why that need "cannot reasonably be accommodated" through alternative methods (including alternative modes of transportation, traffic management measures, and improvements to existing transportation facilities) or locations not requiring goal exceptions. Without a demonstration of compliance with these standards, the proposed transportation improvement cannot go forward.

When considering goal exceptions for transportation improvements like a bypass, it is important to recognize and understand the unique role that roads and highways play in Oregon's land use framework. Roads and highways are linear facilities that interconnect to form an overall transportation network. The Newberg-Dundee urban area, Yamhill County, and the State of Oregon are traversed by roads and highways that cross both urban and rural lands to form a comprehensive transportation system. This network is necessary to move people and goods locally, regionally, and throughout the state, thereby helping to secure the welfare and well being of Oregon residents.

As linear facilities, roads and highways are very different from site-specific land uses such as residential, commercial, and industrial, and from facilities and infrastructure such as public sewer and water lines. It is feasible and appropriate to restrict or prohibit the extension of urban sewer and water systems outside of urban growth boundaries because such systems typically are designed to serve uses that are accommodated within a UGB. However, it is often not feasible or appropriate to preclude the extension or major improvement of roads or highways outside of UGBs, even if the roads predominantly serve the traffic needs of urban residents. Indeed, extending roads into rural areas is often essential for the safety and well being of Oregon residents and for the economic health and well being of the State of Oregon. The need for connectivity sometimes necessitates such action to achieve the policy objectives of Goal 12 (Transportation).

The competing policies of Goals 3, 11, and 14 come into play with the Newberg-Dundee Bypass project. The areas in which the Bypass and the East Dundee Interchange would be located include agricultural lands zoned EFU and rural non-resource lands identified for rural scale residential development. Typically, roads in such areas carry levels of traffic that is commensurate with the rural nature and scale of the area, including farm vehicles and equipment. However, the Bypass would accommodate traffic that is urban in its scale and character. Indeed, much of the traffic it would handle would originate in or be destined to urban areas like the Portland metropolitan area, McMinnville, or communities along the Oregon coast. Because the Bypass would serve urban area residents and convert agricultural land into a non-farm use, goal

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exceptions are required and must be justified in furtherance of the planning objectives of Goal 12.

**6. COMPLIANCE WITH TRANSPORTATION PLANNING RULE
NON-GOAL EXCEPTIONS CRITERIA**

While the principal focus of this application is on demonstrating compliance with the TPR standards for taking exceptions to Goals 3, 11, and 14, other TPR standards apply and must be addressed as well. These other provisions are identified and addressed in this section, while the goal exception standards (in OAR 660-012-0070) are addressed in Section 7 below.

As explained in OAR 660-012-0010(1), the TPR divides transportation planning into two phases, (1) transportation system planning and (2) transportation project development. Transportation system planning establishes land use controls and a network of facilities and services to meet overall transportation needs. Transportation project development implements the TSP by determining the precise location, alignment, and preliminary design of improvements included in the TSP.

The primary purpose of this application is to amend Yamhill County's TSP to authorize and establish general locations for the Bypass and the East Dundee Interchange.³⁴ As such, this application involves transportation system planning, even though elements of project development are reflected in the selection of corridors for the Bypass and the Interchange. However, additional work is still required to determine the precise alignment and design of these facilities and to allow their construction to proceed. That additional work will constitute the project development phase of the NDTIP.

OAR 660-012-0015 provides for coordination between the State of Oregon and affected cities and counties in developing transportation system plans. As the LDEIS and its supporting documents show, the Bypass project has been coordinated among ODOT, Yamhill County, and the cities of Newberg and Dundee. Coordination also has extended to Marion County and the Federal Highway Administration.³⁵

The Newberg and Dundee TSPs already provide for the Bypass. Through this goal exception, Yamhill County is bringing its TSP into consistency with the city TSPs.

OAR 660-012-0020(1) requires that a TSP establish a coordinated network of transportation facilities adequate to serve state, regional and local transportation needs. As described in detail in Section 7 below, the Bypass would serve state and regional transportation needs and would free up capacity on existing Oregon 99W to serve local and regional travel needs. Again, Newberg and Dundee already authorize this new facility within their urban areas. By adopting

³⁴ As noted earlier, the Bypass already is permitted within the cities of Newberg and Dundee under their respective Transportation System Plans.

³⁵ The Bypass project also has been coordinated with the City of Dayton, which is working with ODOT to develop an intergovernmental agreement addressing land management near the Dayton Interchange. The Bypass affects only a few acres inside the Dayton UGB, which are located adjacent to Oregon 18.

these goal exceptions, Yamhill County's transportation network would be coordinated with those of Newberg and Dundee.

Consistent with **OAR 660-012-0020(2)**, the Bypass will become part of the "road plan" in Yamhill County's TSP. Consistent with **OAR 660-012-0025(2)**, Yamhill County will adopt findings of compliance with the statewide planning goals and its acknowledged comprehensive plan policies and land use regulations in conjunction with this application. Transportation needs have been determined consistent with **OAR 660-012-0030**, as explained in more detail in Section 7. And consistent with **OAR 660-012-0035(1)**, this application evaluates a broad range of alternatives including improvements to existing facilities and services, transportation system management and demand management measures, and a no-build system alternative.

OAR 660-012-0035(2) requires local governments in Metropolitan Planning Organization (MPO) areas of larger than 1,000,000 population additionally to "evaluate land use designations, densities, and design standards to meet local and regional transportation needs." Because the Newberg-Dundee urban area is not within an MPO area, this requirement does not apply.

OAR 660-012-0035(3) requires consideration of various factors in evaluating and selecting alternatives. Those factors include the provision of appropriate types and levels of transportation facilities and services; compliance with air, land and water quality standards; minimizing adverse economic, social, environmental and energy consequences; and minimizing conflicts and facilitating connections between modes of transportation. These factors were considered during preparation of the LDEIS and are addressed in the LDEIS and/or Section 7 below.

OAR 660-012-0040 requires that the TSP include a financing program, including a general estimate of the timing for planning transportation facilities and major improvements and a determination of their rough cost estimates.

As explained in Section 2, ODOT is using a two-tiered process to develop and obtain approval of the Bypass project. The first tier, the "location" phase, establishes the transportation corridor within which the Bypass would be located. It is during this phase that goal exceptions justifying the Bypass are required. The second tier, the "design" phase, establishes the precise Bypass alignment and determines other necessary transportation improvements, such as supporting roadways and interchange connections.

The "location" phase has been fully funded by ODOT. Funding to complete the "design" phase is provided in the State Transportation Improvement Program (STIP). At the time the final design is approved and the Bypass project is adopted as a construction project, the STIP will need to be amended to reflect the funding for construction. At that time, local TSPs can be amended to reflect local contributions to Project costs. The process for developing a financing component is addressed as part of the IGA being negotiated by ODOT and Yamhill County.

The planning cost estimate for the Bypass (including the East Dundee Interchange) is approximately \$311 million. Funding for the Bypass will come from a variety of sources, including federal, state, and local governments. Innovative financing methods, including but not limited to tolling and various forms of public/private partnerships, are also being explored.

Because of the magnitude of the cost of this project, it is expected that special actions outside the normal transportation revenue stream will be needed. This project currently shares with the proposed Woodburn Interchange the number one priority ranking for funding as determined the Mid-Willamette Valley Area Commission on Transportation (MWACT).³⁶

Despite its high priority, the large cost of the Bypass project makes it difficult to specify when full construction funding will become available. To date, ODOT has identified approximately \$9.8 million for project development and right-of-way acquisition. Efforts to secure the remainder of the funding needed are ongoing. Given the priority of this project and the on-going effort to secure its funding, ODOT is hopeful that full funding can be secured upon completion of final design in the 2008–2010 timeframe.

OAR 660-012-0045 requires that local governments adopt regulations to protect transportation facilities for their identified functions. The Bypass project complies with this requirement because concurrent with the application for approval of the Bypass project, Newberg, Dundee, and Dayton are adopting new comprehensive plan policies expressly intended to protect the functions of the Bypass and East Dundee Interchange to accommodate predominantly long-distance through traffic, and because similar new policies also are before Yamhill County for adoption at this time. Moreover, as part of project development following preliminary design, ODOT, Yamhill County and the cities of Newberg, Dundee, and Dayton will prepare and adopt Interchange Area Management Plans also aimed at protecting these functions.

In addition, to further limit local trips on the Bypass, the interchanges at the north and south termini will be directional.³⁷ At the eastern terminus (East Newberg Interchange) there would be direct connections from Oregon 99W westbound to the Bypass westbound, and from the Bypass eastbound to Oregon 99W eastbound. At the western terminus (Dayton Interchange) there would be direct connections for southbound traffic heading toward Lafayette/McMinnville on Oregon 99W and northbound traffic on Oregon 99W from Lafayette/McMinnville. Also, local accesses will not be permitted along the East Dundee Interchange connector road between the Bypass and Oregon 99W.

As defined in ORS 197.732(8), an exception means a comprehensive plan provision, including an amendment to an acknowledged comprehensive plan. Because adoption of this exception requires Yamhill County to amend its comprehensive plan,³⁸ **OAR 660-012-0060** applies.

OAR 660-012-0060(1) provides that amendments to acknowledged comprehensive plans and land use regulations that "significantly affect" a transportation facility must "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." As relevant to this application,

³⁶ MWACT is a commission chartered by the Oregon Transportation Commission to provide the OTC with local recommendations for project priority and funding.

³⁷ A directional interchange is one in which high-speed free-flow movements are provided for selected movements rather than all possible movements. This type of interchange is typically used for the intersection of two higher-order facilities, such as highways and freeways.

³⁸ TSPs are elements of local comprehensive plans.

this can be achieved by (1) limiting allowed land uses to be consistent with the planned function, capacity and performance standards of the proposed facility; (2) amending the adopted transportation system plan to provide transportation facilities adequate to support the proposed land uses; or (3) altering land use designations, densities, or design requirements to reduce demand for automobile travel and meet travel needs through other modes.

OAR 660-012-0060(2) identifies the circumstances under which a plan or land use regulation amendment "significantly affects" a transportation facility. These include circumstances where the amendment (1) changes the functional classification of an existing or planned transportation facility; (2) changes standards implementing a functional classification system; (3) allows types of levels of land uses that would result in levels of travel or access, which are inconsistent with the functional classification of a transportation facility; or (4) would reduce the performance standards of the facility below the minimum acceptable level identified in the TSP.

The Bypass would greatly improve the performance standard of Oregon 99W by removing statewide traffic and a significant amount of regional traffic from that facility in the Newberg-Dundee urban area. See Table 1 in Section 7.4.1 below. To the extent that the Bypass improves highway performance, OAR 660-012-0060 does not apply to it.³⁹

Nonetheless, the Bypass must demonstrate compliance with OAR 660-012-0060(1) by reason of the fact that it will cause a change in the classification of existing Oregon 99W from a Statewide Highway to either a regional or district highway under ODOT's jurisdiction or to an arterial highway under county or city jurisdiction. As stated in OAR 660-012-0060(2), whenever a plan amendment changes the functional classification of a roadway, it "significantly affects" that roadway, thus triggering the application of OAR 660-012-0060(1).

This application satisfies OAR 660-012-0060(1) because the amount of traffic traveling on existing Oregon 99W following construction of the Bypass and the East Dundee Interchange would be consistent with ODOT's volume to capacity performance standard of 0.85 (if the facility remains a state facility), with Yamhill County's and Newberg's existing performance standards of Level of Service D⁴⁰ (if the facility is transferred to the County or to Newberg),⁴¹

³⁹ See *Friends of Eugene v. City of Eugene*, 44 Or LUBA 239 (2003), aff'd without opinion 185 Or App 335 (2003).

⁴⁰ As described in the 2000 Highway Capacity Manual published by the Transportation Research Board, Level of Service "D" at signalized intersections has the following characteristics: "The influence of congestion becomes more noticeable. Longer delays may result from some combination of unfavorable progression, long cycle length, or high volume/capacity ratios. Many vehicles stop, and the proportion of vehicles not stopping declines. Individual cycle failures are noticeable." For traffic analysis purposes, Level of Service "D" generally corresponds with a volume to capacity ratio of approximately 0.80 to 0.90.

⁴¹ If transferred to Yamhill County, Oregon 99W would become part of the County's arterial and collector system. Section 5.2.4 (Level of Service, LOS) of the Yamhill County Transportation System Plan provides: "It is the goal of Yamhill County to maintain level of service D or better during the peak hour throughout the County-owned arterial and collector system over the next twenty years." As noted earlier in this subsection, Level of Service D corresponds to a volume to capacity (v/c) ratio of approximately 0.80 to 0.90. However, it should be noted that Yamhill County Resolution 02-12-19-2 (December 19, 2002) provides that if operational control of Oregon 99W in Dundee is transferred from ODOT to either the County or the City of Dundee through intergovernmental agreement, then Yamhill County intends to support maintaining the OHP operational mobility standard for district highways (volume to capacity of 0.85) as the operational mobility standard for Oregon 99W as a city or county road.

and with the City of Dundee's performance standard of v/c 0.85 (if transferred to Dundee).⁴² The East Dundee Interchange would be provided on the Bypass with a connector road to Oregon 99W. The ramp terminals have been analyzed as separate intersections. The intersections would operate within acceptable OHP standards during year 2025 weekday p.m. peak-hour traffic conditions with the exception of the Oregon 99W/Springbrook intersection. Mitigation such as adding left-turn lanes on Oregon 99W and through lanes on Springbrook Road can be provided at this intersection to achieve acceptable OHP performance standards.⁴³

⁴² The adopted Dundee TSP does not contain performance standards for arterials, as there are no city-owned arterial roadways in Dundee. Instead, for Oregon 99W (which is the only arterial in Dundee) it provides that the appropriate OHP standard will apply. As noted, for district highways the standard is v/c 0.85. Should Oregon 99W be transferred to Dundee, the City has stated its intent to apply ODOT's district highway standard to the facility. See Dundee Resolution 02-45 (adopted January 6, 2003). In the event of transfer, the City likely would adopt a refinement plan amending the TSP to include language to this effect.

⁴³ NDTIP LDEIS Technical Memorandum: Transportation, p. 9, at Alternative 3J.

**7. COMPLIANCE WITH TRANSPORTATION PLANNING RULE
EXCEPTIONS STANDARDS**

7.1 OAR 660-012-0070(1)

OAR 660-012-0065(3) lists the transportation facilities, services, and improvements that may be permitted on rural lands consistent with statewide planning goals 3, 4, 11, and 14 without a goal exception. OAR 660-012-0070(1) provides that transportation facilities and improvements that do not meet the requirements of OAR 660-012-0065 require an exception to be sited on rural lands. Neither the Bypass nor the East Dundee Interchange meet the requirements of OAR 660-012-0065(3). Accordingly, exceptions to Goals 3, 11 and 14 are required and are taken herein.

7.2 OAR 660-012-0070(2)

OAR 660-012-0070(2) provides that where exceptions to Goals 3, 4, 11, or 14 are required, "the exception shall be taken pursuant to ORS 197.732(1)(c), Goal 2, OAR 660, Division 4 and this division." Because OAR 660, Divisions 4 and 12 implement Goal 2 and ORS 197.732(1)(c), a demonstration of compliance with these administrative rule requirements demonstrates compliance with all of these review standards.⁴⁴

This application provides the findings of fact and reasons demonstrating compliance with the applicable exception standards, as required by Goal 2 and ORS 197.732.

7.3 OAR 660-012-0070(3)

OAR 660-012-0070(3) requires that "an exception adopted as part of a TSP or refinement plan shall, at a minimum, decide need, mode, function and general location for the proposed facility or improvement." Because the exceptions for the Bypass and East Dundee Interchange would be adopted as amendments to Yamhill County's TSP, this section applies.

The *need* for the Bypass and the East Dundee Interchange is identified in Section 7.4 (addressing compliance with OAR 660-012-0040). The selected transportation *mode* is highway. The Bypass will *function* as a Statewide Expressway within the state highway network. The East Dundee Interchange will function as an element of that statewide facility. The *general locations* of the Bypass and East Dundee Interchange are shown in Figure 2 and on oversized maps included in the record of this proceeding.

These general locations are identified as corridors within which the facilities will be constructed following project development. For the Bypass, these corridors generally range between

⁴⁴The language in ORS 197.732(1)(c) is identical to the Goal 2 exception language set out above in the analysis of compliance with statewide planning Goal 2.

330-410 feet in width.⁴⁵ As the LDEIS explains, the corridors are approximately 40 percent wider than the bypass facility itself would be.⁴⁶ Following approval of the corridor, additional studies will be conducted to identify the bypass route within the corridor.

7.4 OAR 660-012-0070(4), ORS 197.732(1)(c)(A), Goal 2 Part II(c)(1), OAR 660-004-0020(2)(a) and OAR 660-004-0022

OAR 660-012-0070(4) states:

"To address Goal 2 Part II(c)(1) the exception shall demonstrate that there is a transportation need identified consistent with the requirements of 660-012-0030 which cannot reasonably be accommodated through one or a combination of the following measures not requiring an exception:

- (a) Alternative modes of transportation.
- (b) Traffic management measures; and
- (c) Improvements to existing transportation facilities."

In this application, the transportation need is described and analyzed in two parts, (1) the need for a new limited access Statewide Highway that will also be classified as an expressway and freight route (i.e., the Bypass) and (2) the need for an intermediate interchange on rural lands (i.e., the East Dundee Interchange and its connecting road to Oregon 99W). The distinction between these two transportation needs reflects a long-standing policy in the TPR, as interpreted by DLCDD, requiring justification for intermediate interchanges separate from the justification for the highway itself.

7.4.1 Transportation Need Consistent with OAR 660-012-0030 (Bypass)

To comply with OAR 660-012-0070(4), a transportation need first must be identified that is consistent with the requirements of OAR 660-012-0030. For the Bypass, the relevant provisions of OAR 660-012-0030 are subsections (1) and (2). OAR 660-012-0030(3) and (4) are inapplicable because they apply, respectively, to lands inside urban growth boundaries and to Metropolitan Planning Organization areas, and the property subject to these goal exceptions does not fall within either category. Moreover, OAR 660-012-0030(3) applies to determinations only of local and regional transportation needs as opposed to determinations of statewide transportation needs.

OAR 660-012-0030(1) directs local governments and ODOT to identify specific transportation needs relevant to the planning area and the scale of the transportation network being planned, including state, regional, and local transportation needs, the needs of the transportation disadvantaged, and needs for movement of goods and services to support planned industrial and

⁴⁵ LDEIS at 1-1.

⁴⁶ LDEIS at S-1 and 4-1. The bypass facility will potentially require a strip of land approximately 198-246 feet wide. The additional corridor width includes area required for cut and fill slopes. LDEIS at 2-4.

commercial growth.⁴⁷ For the following reasons, the Bypass is needed to serve state and regional transportation needs and to free up existing Oregon 99W to serve regional and local transportation needs.

The TPR defines "state transportation needs" as "needs for movement of people and goods between and through regions of the state and between the state and other states."⁴⁸ State transportation movements include "through" trips (trips that both originate and end outside the project area). Examples include trips between the Portland Metropolitan Area and the Oregon coast via Oregon 99W and Oregon 18, trips between Portland and the Yamhill County wineries, and trips between Portland and the Spirit Mountain Casino.⁴⁹

Regional transportation needs are defined as "needs for movement of people and goods between and through communities and accessibility to regional destinations within a metropolitan area, county, or associated group of counties."⁵⁰ Regional transportation movements include "regional trips" (trips that have one trip end within the project area and the other trip end elsewhere within the region). Examples would include trips between Newberg and the Spirit Mountain Casino and between Dundee and McMinnville. Trips between the Newberg-Dundee area and the southwestern portion of the Portland metropolitan area also might reasonably be considered "regional trips" due to the relatively close proximity of Newberg and Dundee to the cities of Sherwood, Tualatin, Tigard, and Hillsboro. Whether longer trips into Portland or Gresham are more appropriately classified as regional or statewide trips is a more difficult question to answer. For purposes of the LDEIS analysis, these trips were identified as regional trips.

Local transportation needs are "needs for movement of people and goods within communities and portions of counties and the need to provide access to local destinations."⁵¹ Examples of local transportation movements ("local trips") include trips within or between Newberg and Dundee.

As described immediately below, the Bypass is intended primarily to accommodate the movement of people and goods through this region of the state or between this region and other regions of the state. This is consistent with policies in the 1999 Oregon Highway Plan (OHP) to serve the needs for movement of people and goods and to provide adequate highway access.⁵² It also is consistent with the Bypass's proposed designation as a Statewide Expressway.

The Bypass also is needed to remove congestion from existing Oregon 99W, thereby freeing up capacity on that roadway facility to serve local and regional transportation movements. In addition to decreasing congestion on Oregon 99W, the Bypass would increase the efficiency of

⁴⁷ Yamhill County adopted its TSP in 1996. As an acknowledged plan, the TSP is deemed to comply with OAR 660-012-0030. The Bypass and North Dundee Interchange represent amendments to that TSP.

⁴⁸ OAR 660-012-0005(29).

⁴⁹ State transportation movements also may include movements with one trip end (origin or destination) in the project area and the other trip end outside the region, such as a trip from Newberg or Dundee to the coast or to eastern or southern Oregon. However, for purposes of the LDEIS, trips with one trip end in Newberg or Dundee were classified as regional trips.

⁵⁰ OAR 660-012-0005(28).

⁵¹ OAR 660-012-0005(27).

⁵² Compliance with OHP policies is addressed in Section 9 of this document.

through traffic movements by reducing travel time through Newberg and Dundee, reduce the number of freight trips through Newberg and Dundee, improve pedestrian and bicycle connectivity and circulation in the area, and improve traffic safety along Oregon 99W. Indeed, with construction of the Bypass and the East Dundee Interchange, existing Oregon 99W will comply with applicable state and local highway performance standards without need for additional highway widening along that facility.

In its present circumstance, Oregon 99W serves as both a Statewide Highway and OHP-designated freight route and as the "main street" for both Newberg and Dundee. The highway connects Newberg and Dundee to the Portland metropolitan region to the northeast and to McMinnville and the Oregon coast to the west. Oregon 99W has become a primary route for tourist traffic between the Willamette Valley and Oregon coastal communities. It provides the Portland area with access to Spirit Mountain Casino, which is the most popular tourist destination in the state, and to the wineries of Yamhill County.⁵³ Weekday commuters use Oregon 99W to travel between Yamhill County and the Portland region. Regional freight truck movement, particularly en route to and from the central coast, the I-5 corridor, and/or the Portland metropolitan area, relies on efficient travel through the corridor.⁵⁴

Over the past decade, traffic on Oregon 99W in downtown Newberg and Dundee has increased by approximately 40 percent. On both weekdays and weekends, lines of vehicles on Oregon 99W often stretch for more than a mile in both directions from the intersection of Oregon 99W and 5th Street in Dundee, where Oregon 99W has only one travel lane in each direction, and these lines can last for hours. The congestion slows movement through Newberg and Dundee and blocks turning movements and access across Oregon 99W.⁵⁵ This has created an unfriendly and unhealthy environment for residents, shoppers, and tourists using the downtown areas and people trying to get from one side of town to the other. The congestion has adversely impacted a broad range of people, including local users, businesses, current commuters, freight companies, tourists, and the economically and physically disadvantaged. With anticipated population and employment growth over the next 20 years, this congestion will only get worse.⁵⁶

According to traffic estimates, traffic volumes will increase substantially over the next 20 years. Under the No-Build Alternative, by the year 2025, downtown Newberg would have *15 hours of congestion per day*, while Dundee would experience *14 hours of congestion each day*. With the No Build, it would take more than 40 minutes to drive from East Newberg to Dayton, compared to 12–15 minutes under the Build Alternatives.⁵⁷

This level of congestion runs counter to a basic objective of the TPR that local governments develop and maintain a transportation network where allowed land uses are consistent with the identified function, capacity, and performance standards of transportation facilities. See, for

⁵³ According to the Oregon Tourism Commission, Spirit Mountain Casino drew 3.3 million visitors in 2002, ahead of the Woodburn Company Stores, which drew over 3.0 million visitors, and Multnomah Falls, which drew 2.5 million visitors (Oregon Tourism Commission, March 2003).

⁵⁴ LDEIS at 1-1.

⁵⁵ LDEIS Supplemental Land Use Technical Memorandum, pages 5-6.

⁵⁶ LDEIS at 1-2.

⁵⁷ LDEIS Supplemental Land Use Technical Memorandum at 6; LDEIS at S-7 and Table 4-3.

example, OAR 660-012-0060(1). The level of congestion on existing Oregon 99W already exceeds ODOT's peak hour performance standards for Statewide Highways in both Newberg and Dundee.⁵⁸ In Newberg, ODOT's performance standard currently is not met at the intersections of Oregon 99W with Villa Road, Springbrook Street, Brutscher Road, Vittoria Street, River Street, and Main Street.⁵⁹ In and just north of Dundee, the standard is not met at any of the local road intersections with Oregon 99W, most notably with Fox Farm Road and 5th Street.⁶⁰

The anticipated 20 year level of congestion under a No-Build scenario also contradicts TPR planning objectives to develop a transportation system that complies with federal and state clean air standards and minimizes adverse economic, social, environmental, and energy consequences. See OAR 660-012-0035(3)(a) and (b). In particular, very high levels of congestion have adverse economic impacts (through delay, reduced movement of goods and people, reduced accessibility to businesses and reduced desirability of new businesses to locate in commercial districts), social impacts (increased noise, poor air quality, higher accident rates, divided neighborhoods, and reduced community cohesion), and safety impacts (increased potential for crashes and reduced ability to provide emergency services or handle emergency evacuations in a timely manner).⁶¹

The Bypass is needed to provide significant congestion relief and to improve the movement of people and goods for all users in the Oregon 99W corridor, including state, regional, and local trips. It is needed to accommodate substantial volumes of recreational traffic traveling between the Portland metropolitan area and the central Oregon coast, Yamhill County wineries,⁶² and Spirit Mountain Casino. It is needed to accommodate business and freight traffic currently traveling between the coast, McMinnville or the Newberg-Dundee urban area, and the Portland metropolitan area or I-5 corridor via existing Oregon 99W.⁶³ In addition, it is needed to facilitate and improve the safety of local traffic and pedestrian movements with the Newberg-Dundee urban area.⁶⁴ By removing approximately 25,000 anticipated year 2025 daily statewide and regional trips from existing Oregon 99W in Newberg and approximately 38,000 daily statewide and regional trips from existing Oregon 99W in Dundee, the Bypass would free up existing

⁵⁸ ODOT's performance standard for Statewide Highways outside the Metro region that are also freight routes is 0.75 volume to capacity inside urban growth boundaries where the speed limit is less than 45 mph, and 0.70 outside urban growth boundaries. OHP, Table 6 at page 80.

⁵⁹ Newberg TSP, Technical Memorandum No. 1, Existing Conditions and Deficiencies Assessment, February 2003.

⁶⁰ Dundee TSP.

⁶¹ These impacts are described in more detail in the LDEIS and its supporting documents, incorporated herein by this reference.

⁶² Yamhill County is well known for its vineyards, wineries, and orchards. Nearly half of the wineries in Yamhill County are in the Newberg-Dundee-Dayton area. LDEIS at S-9.

⁶³ Oregon 99W is classified as a freight route throughout the project area. This section of Oregon 99W has statewide economic importance for the movement of freight. Truck freight movements in the project area involve shipments both to and from locations in the project area and shipments that pass through the area. Most trucks with origins or destinations in the project area have destinations in the commercial and industrial areas located along Oregon 99W. Freight movements rely in large part of Oregon 99W, since it is also a primary freight route through Yamhill County. Approximately eight percent of traffic on Oregon 99W consists of "heavy vehicles", which are commonly defined as vehicles with more than three axles. LDEIS at 3-6.

⁶⁴ Vehicle accident rates are approximately 15 percent higher on this stretch of Oregon 99W than for similar highways in Oregon. LDEIS at S-7. Reducing traffic volumes on existing Oregon 99W would enable easier access to and across the highway for motorists, pedestrians, and bicyclists. LDEIS at S-8.

Oregon 99W to serve local and remaining regional trips.⁶⁵ With this reduction in traffic volumes, the year 2025 volume to capacity (v/c) ratio on Oregon 99W in Dundee (at 5th Street) would lower to 0.73, while Oregon 99W where it intersects Oregon 219 (College Street) in Newberg would have a year 2025 v/c ratio in Newberg of 0.61 westbound and 0.42 eastbound.⁶⁶ See **Table 1**, which compares statewide, regional and local trips in the area under a No-Build scenario and with the Bypass.⁶⁷

Table 1 – Average Daily Traffic on Oregon 99W (Year 2025)

Location	Statewide Trips	Regional Trips	Local Trips
No Build			
Downtown Newberg	19,500	19,000	17,500
Downtown Dundee	19,500	21,500	6,000
Between Newberg and Dundee	19,500	18,000	11,500
Alternative 3J			
Downtown Newberg	0	13,500	16,500
Downtown Dundee	0	3,000	10,000
Between Newberg and Dundee	0	4,500	15,500 ⁶⁸

With the Bypass, ODOT can achieve consistency with its Statewide Highway performance standards as set out in the OHP and shown in **Table 2** below.⁶⁹

⁶⁵ According to the LDEIS Alternatives Analysis – Transportation, 46 percent of the estimated year 2025 corridor traffic within Newberg and 65 percent of the estimated year 2025 corridor traffic in Dundee will use the Bypass.

⁶⁶ LDEIS Technical Memorandum, Transportation, September 2002 (Kittelson & Associates, Inc.).

⁶⁷ As used in this table, "statewide trips" are those trips along the Oregon 99W corridor with origins and destinations outside the Newberg-Dundee area; "regional trips" are those trips along the Oregon 99W corridor with one origin/destination in the study area and one outside the area, and trips along the Oregon 219 corridor with no or one origin or destination in the study area; and "local trips" are those with both the origin and destination inside the Newberg-Dundee area.

⁶⁸ The Preferred Alternative will increase local travel in Dundee and between Newberg and Dundee compared to the No-Build. This is because, absent a bypass, there is insufficient capacity to accommodate the demand on Oregon 99W in Dundee. Consequently, some local trips divert off the highway to other city roadways to travel through Dundee. With a bypass, additional capacity is freed up on Oregon 99W, which allows these local trips to use their preferred route of Oregon 99W.

⁶⁹ Consistent with TPR planning objectives, the POST adopted the OHP congestion standards as the minimum transportation performance threshold for resolving congestion on Oregon 99W. Justification for the minimum transportation performance threshold is set out below in Section 7.6.

Table 2 – Volume-to-Capacity Transportation Performance Thresholds⁷⁰

State Highway Classification	Inside UGB	Outside UGB
Statewide Expressway	0.70	0.70
Statewide Freight Route	0.75	0.70
Regional	0.80	0.70
District	0.85	0.75

Source: 1999 Oregon Highway Plan, Table 6

In summary, existing congestion along existing Oregon 99W already is having significant adverse economic, social, mobility, and safety impacts on businesses, residents, and tourists located in or traveling through the area. In 20 years, this level of impact is expected to get much worse. Under a No-Build scenario, the anticipated level of congestion would far exceed OHP performance standards for Statewide Highways and Yamhill County, Newberg, and Dundee performance standards for Oregon 99W specifically, and/or for arterials more generally. As described below in Section 7.4.3, adequate relief from this expected level of congestion cannot reasonably be obtained using only measures such as alternative modes, transportation system management, or improvements to existing facilities. A new roadway removing through traffic from Oregon 99W also is required.

OAR 660-012-0030(2) requires that counties preparing regional TSPs rely on the analysis of state transportation needs in adopted elements of the state TSP, and that local governments preparing local TSPs rely on the analyses of state and regional transportation needs in adopted elements of the state TSP and adopted regional TSPs. The purpose of this provision is to ensure consistency between state, regional and local TSPs. As a project undergoing environmental assessment in the LDEIS, the Bypass is not yet an adopted element of the state's TSP.⁷¹ Accordingly, OAR 660-012-0030(2) does not apply to this project. Still, it is noted that the OHP expressly recognizes the Bypass as a potential project,⁷² and that in adopting this goal exception, Yamhill County is relying on ODOT's analysis of state transportation needs based on consistency with ODOT performance standards.

7.4.2 Transportation Need Consistent with OAR 660-012-0030 (East Dundee Interchange)

Although it requires its own separate goal exceptions under the TPR, the East Dundee Interchange is an essential component of the Bypass project and is needed for many of the same reasons that the Bypass is needed.⁷³ In particular, it is needed:

⁷⁰ The v/c ratios inside UGBs are those applicable in non-MPO areas outside of Special Transportation Areas where the non-freeway speed limit is less than 45 mph. The v/c ratios outside UGBs are those applicable in rural areas.

⁷¹ A project of this nature becomes part of the State TSP after a local government, in cooperation with ODOT and in reliance on the state's analysis of transportation facility needs, has amended its TSP to authorize the project. At that point, ODOT staff will request that the OTC formally adopt the plan transportation facility as part of the TSP.

⁷² OHP, Bypass Policy (Application of the Policy).

⁷³ See Section 7.4.1, incorporated herein by this reference.

- To accommodate the movement of people and goods between the Newberg-Dundee region and other regions of the state, including substantial volumes of freight, commuter, and recreational traffic traveling between McMinnville and Newberg or between Dundee and the Portland metropolitan area.
- To provide adequate highway access to the Bypass.
- To reduce regional travel movements on existing Oregon 99W and improve local travel movements on that roadway.
- To remove congestion from existing Oregon 99W within the City of Dundee and bring Oregon 99W back into compliance with state and local highway performance standards.
- To facilitate and improve the safety of local traffic and pedestrian movements in Dundee.

The East Dundee Interchange is intended to connect the Bypass with Oregon 99W east of Dundee and west of Newberg. The Interchange would enable passenger and freight traffic traveling between Newberg and locations west of Dundee to avoid downtown Dundee via the Bypass. Similarly, it would enable traffic traveling between Dundee and locations east or south of Newberg to avoid downtown Newberg via the Bypass. As such, it would enable the Bypass to function as a true bypass for both of these distinct and separate communities.

The Oregon Highway Plan refers to these travel movements as "regional through travel." According to OHP Policy 1H (the bypass policy), "[r]egional through travel is best served by limited access facilities that allow higher speeds and require infrequent stops... As congestion increases, regional travel and local access may need to be separated." The East Dundee Interchange is consistent with and implements this policy directive. Even with the Bypass, it is needed to avoid congestion levels in Dundee that would otherwise exceed a 1.0 v/c ratio by the year 2025 if Oregon 99W remains a three-lane highway. That the East Dundee Interchange would serve primarily regional rather than statewide trips is of no consequence. As explained in OHP Policy 1H, "the goal of bypass facilities is to effectively serve state and regional traffic trips."⁷⁴

Provision of an interchange east of Dundee primarily would improve the movement of people and goods at the regional and local levels. The benefits of this interchange apply particularly to Dundee. More regional trips would be attracted to the Bypass, and as a result Oregon 99W would experience less congestion for local and other trips, particularly within Dundee. Enough regional trips would be removed such that OHP standards could be met on Oregon 99W without having to widen Oregon 99W in and southwest of Dundee. This is consistent with Dundees' adopted TSP policies.

Without the East Dundee Interchange, there would be approximately 25,000 average daily local, regional and statewide trips on existing Oregon 99W through Dundee in 2025.⁷⁵ Of these trips, approximately 16,500 would be statewide and regional trips. Also without the East Dundee Interchange, Oregon 99W in and south of Dundee to McDougal Corner would need to expand to

⁷⁴ OHP Bypass Policy. This policy is addressed in greater detail in Section 9 of this document.

⁷⁵ LDEIS, Table S-2 at page S-15. Alternative 3K was used for this analysis.

four travel lanes (with turning lanes as needed) to meet OHP or local performance standards.⁷⁶ As described in Section 7.4.4 below, this would have very significant adverse impacts on the City.

The addition of the East Dundee Interchange would reduce the number of total trips through Dundee from 25,000 to approximately 13,000 in 2025.⁷⁷ Most of that reduction comes through redirection to the Bypass of regional trips to and from Newberg that would have more direct access to the Bypass because of the interchange and connector road. With the East Dundee Interchange, Oregon 99W can be maintained as a three-lane roadway (two travel lanes plus a center-turn lane) in compliance with OHP and local highway performance standards, and the adverse impacts to the City can be avoided.

7.4.3 Inability of Alternative Modes, Traffic Management Measures, and Improvements to Existing Transportation Facilities to Reasonably Accommodate the Identified Need (Bypass)

OAR 660-012-0070(4) requires consideration of whether the identified transportation need can be reasonably accommodated through one or a combination of measures not requiring goal exceptions, considering (1) alternative modes of transportation, (2) traffic management measures, and (3) improvements to existing transportation facilities. Each of these measures was considered during the development of the LDEIS for the NDTIP. For the reasons described below, these alternative measures cannot reasonably accommodate the identified transportation need, either alone or in combination.

7.4.3.1 Alternative Modes

Alternative modes of transportation, including bus, ride-sharing and vanpool programs, and bicycle and pedestrian facilities, can help reduce the number of vehicles traveling in the Oregon 99W corridor. Existing transit services in the area include:

- LINKS, a commuter service that connects McMinnville with Meridian Park Hospital in Tualatin and TriMet Route 12 in Sherwood, with scheduled stops in Newberg and Dundee;
- Town Flyer, which provides hourly bus service in Newberg on weekdays between 9:15 AM and 3:05 p.m.; and
- Dial-A-Ride, which provides bus service for elderly and disabled citizens of Newberg and Dundee.

In addition, Greyhound Bus Lines make daily stops in Newberg and Dundee.⁷⁸

⁷⁶ LDEIS at 2-6.

⁷⁷ LDEIS, Table S-2 at page S-15 (Alternative 3J).

⁷⁸ LDEIS at 3-2.

Bicycle facilities throughout the project area are located within the city limits of Newberg and Dundee. Striped bicycle lanes are provided along Oregon 99W within the City of Newberg, between Main Street and Brutscher Street. The remainder of Oregon 99W has paved shoulders where bicyclists share the pavement with vehicles. Approximately 13.3 miles of bike routes exist in Newberg. Dundee has a bike lane along the north side of 5th Street from City Hall to the Dogwood Drive/Upland Drive intersection, and Oregon 99W has shoulders throughout Dundee. Good pedestrian circulation is available in downtown Newberg, although sidewalks are less continuous or non-existent toward the outlying areas of the city. Similarly, central Dundee is well covered by the sidewalk network, although north of 5th Street, sidewalks are only present along the west side of the highway. Overall, while there are pedestrian friendly areas in Dundee, there are substantial gaps in the sidewalk network.⁷⁹

Improving the availability of alternative modes was part of the Transportation Management Alternative that ODOT studied during development of the LDEIS. In addition to transportation management measures (discussed below), this alternative included a moderate to high level of express bus service between the Newberg-Dundee urban area and the Portland metropolitan area, with commute period service every 15 minutes. It also provided transit "stations" with park-and-ride facilities located approximately every 2–4 miles along Oregon 99W and Oregon 18 in a manner compatible with the future operation of interurban rail, where feasible. Moreover, the alternative called for:

- Improving the local Yamhill County bus system to feed express bus transit "stations."
- Providing special features to reduce express bus delays (such as bypass lanes, traffic signal priority and direct ramps).
- Possible mid-day express bus service.
- Bike lanes as part of all proposed highway widening improvements within city limits.
- Bicycle and pedestrian links to express bus "stations."
- Bicycle and pedestrian improvements as identified in the local TSPs.

Notwithstanding these proposals, alternative modes, alone and in combination with transportation system management measures and improvements to existing facilities, cannot reasonably accommodate the identified transportation needs. Even with assumptions that it would reduce daily traffic by four percent and peak period traffic by 10 percent, the projected year 2025 traffic volumes still could not begin to meet OHP roadway performance standards for Statewide Highways.⁸⁰ For Oregon 99W in Newberg, the average daily traffic would still need to be reduced by an additional 9,500 vehicles (another 30 percent) to meet those standards. And in Dundee, the resulting volume to capacity ratio was 1.25, compared to an ODOT maximum v/c standard of 0.75 for Statewide Highways.⁸¹ To meet ODOT's 0.75 Statewide Highway

⁷⁹ LDEIS at 3-5 to 3-6.

⁸⁰ The POST dropped the Transportation Management Alternative as a stand-alone alternative for this reason. POST Meeting Minutes, April 27, 2001.

⁸¹ The 10 percent p.m. peak hour reduction was derived through an informal survey of a number of communities and organizations in Oregon, including Medford, Eugene, and the Westside Transportation Management Association

performance standard under a five-lane section in Dundee, the average daily traffic would still need to be reduced by an additional 65–70 percent.⁸²

7.4.3.2 Traffic Management Measures

Traffic management measures include transportation system management measures that increase the efficiency, safety, capacity, or level of service of a transportation facility without increasing its size. Examples include traffic signal improvements, traffic control devices including installing medians and parking removal, channelization, access management, speed bumps, ramp metering, and high occupancy vehicle lanes.⁸³ Traffic management measures also include demand management measures, such as telecommuting and the use of alternative modes, which are designed to change travel behavior in order to improve performance of transportation facilities and reduce need for additional road capacity.

Transportation management measures were included as part of the Transportation Management Alternative identified for the NDTIP. Besides the alternative modes elements described above, they included:

- Consolidating and relocating driveways along Oregon 99W.
- Adding left and right turning lanes at key Oregon 99W intersections throughout the project area.
- Installing a raised-center median along Oregon 99W in Newberg between River Road and Newberg's eastern UGB.
- Employing traffic calming measures.
- Incorporating Intelligent Transportation System (ITS) components, including enhanced highway incident management, improved traveler information, and state of the art traffic signal systems on Oregon 99W.
- Instituting carpool matching programs, regional vanpool programs, formation of transportation management agencies, construction of park-and-ride lots, and employee telecommuting.
- Instituting TDM strategies involving dial-a-ride shuttle services, jitneys, employee shuttles to transit services, and bikes on transit.
- Encouraging compressed work weeks, guaranteed ride home programs, restricted parking at major employment centers, cashed-out parking, and high occupancy vehicle preferential parking at major employment and shopping centers.

(TMA) in the Metro area. The highest percentage of non-single occupancy vehicle (SOV) travel that any of the cities or agencies are achieving during the p.m. peak hour today is six percent on transit corridors. For this reason, ODOT determined that a 10 percent reduction in year 2025 for the Newberg-Dundee area would be a realistically high and aggressive future modal split so the design team would not be oversizing or undersizing a bypass facility. This reduction in SOV trip making was incorporated into the model.

⁸² Memorandum dated September 23, 2003, from Julia Kuhn, Kittelson & Associates, Inc., to Mark Greenfield.

⁸³ OAR 660-012-0005(25).

- Encouraging medium density mixed use nodes coordinated with bicycle, transit, and pedestrian modes.
- Locating bus stations and associated park-and-ride lots to be compatible with rail station development.
- Locating transit stations in a manner that minimizes conflict between transit operations and other traffic on Oregon 99W.
- Encouraging mixed use development at transit station sites.
- Discouraging large scale retail development along the Oregon 99W corridor.

As noted in the discussion of alternative modes immediately above, even with these proposed measures, Oregon 99W fell far short of meeting the applicable OHP roadway performance standards. For Oregon 99W in Newberg, the average daily traffic would still need to be reduced by an additional 9,500 vehicles (another 30 percent) to meet those standards, while in Dundee, average daily traffic would result in a volume to capacity ratio of 1.25, compared to ODOT's maximum v/c standard of 0.75.⁸⁴ Even with a five-lane segment in Dundee, a reduction in traffic volume of approximately 65–70 percent would be required to achieve consistency with ODOT's v/c standard, assuming a five-lane segment at 5th Street.⁸⁵ Not surprisingly, this alternative also failed to meet five of the seven elements described in the project's purpose and need statement.⁸⁶ Nonetheless, many of these elements and measures will be included in the larger NDTIP project's final design and should improve overall transportation system performance.

7.4.3.3 Improvements to Existing Roadways

Existing Oregon 99W

Many projects have been undertaken over the past 25–30 years to address and improve traffic congestion and safety in the Newberg-Dundee segment of Oregon 99W. These projects include but are not limited to:

- Rebuilding the Oregon 99W Chehalem Creek Bridge (widened to four-lane standards) (1974–1976).
- Establishing the Oregon 99W couplet in Newberg (1974–1976).
- Installing traffic signals at 5th Street in Dundee (1983).
- Converting 1st Street in Newberg to one way eastbound between Oregon 99W and Church Street and restricting turns to right in only eastbound (1991).
- Widening Springbrook Road on the east side of Newberg and at Oregon 99W (1993).
- Improving Wynooski Street at Oregon 219 for safety and truck improvements (1993).

⁸⁴ LDEIS at 2-11.

⁸⁵ Memorandum dated September 23, 2003 from Julia Kuhn, Kittelson & Associates, Inc., to Mark Greenfield.

⁸⁶ These elements are described immediately below in the section addressing improvements to existing roadways.

- Restriping Oregon 99W in Dundee to provide a center-turn lane and eliminate on-street parking (1994).
- Restriping travel lanes, restricting turn movements and installing concrete median islands at the Oregon 99W/Oregon 18 intersection (McDougal Corner) (1995).
- Constructing a left-turn lane on Oregon 99W at Riverwood Road (1996).
- Authorizing U-turns at Newberg signalized intersections on Oregon 99W in conjunction with the Oregon 99W Brutscher Street to Main Street project (1996).
- Reducing speed on Oregon 99W between Newberg and Dundee from 55 to 45 mph (1998).
- Adding a southbound right-turn lane on Oregon 99W at 1st Street in Dundee (1998).
- Restriping travel lanes at Oregon 99W and Fox Farm Road (1998).
- Extending the center-turn lane from 1st Street in Dundee nearly to Fox Farm Road east of Dundee (1998).
- Installing flashing warning signals on Oregon 99W south of Dundee to notify motorists of congested conditions (1998).
- Widening Oregon 240 Chehalem Creek Bridge west of Newberg (1999).
- Restricting intersection movements at River Road in Newberg (2001).
- Reconstructing the Oregon 99W/Villa Road and Oregon 99W/Springbrook Road intersections (2001).
- Widening Oregon 99W to six lanes between River Street and Villa Road and realigning the connection to Hancock Street (2001).
- Widening Oregon 99W, adding striped bicycle lanes, and interconnecting traffic signals along Oregon 99W (2001).
- Adding a westbound Oregon 99W travel lane on Hancock Street (2002).
- Constructing a section of Newberg's north side arterial between Oregon 219 and Mountainview Road (2002).
- Eliminating or restricting movements at 57 percent of the 152 driveways along Oregon 99W in the project area (2001).
- Increasing LINK service between McMinnville and Sherwood (2000-2001).⁸⁷

The Transportation Management Alternative developed for the NDTIP also identified a number of new improvements to existing roadways, including:

⁸⁷ Many of these improvements were authorized as part of the Oregon 99W Brutscher Street – Main Street Project.

- Grade separated crossings where railroad tracks cross highways and major roadways (e.g., McDougal Corner and Oregon 99W in downtown Newberg).
- Upgrading Oregon 99W to current design standards for four through-traffic lanes.
- Providing four through-traffic lanes on Oregon 99W throughout Dundee's city limits and between Dundee and Oregon 18.
- Installing a raised-center median along Oregon 99W between River Road and Newberg's eastern UGB.
- Adding additional left and right turning movements at key intersections along Oregon 99W.
- Continuing to consolidate and/or relocate private driveways along Oregon 99W.
- Constructing new and/or interconnect existing east-west local or collector roadways within and between Newberg and Dundee (e.g., Dayton Avenue).

However, these new improvements, combined with proposed improvements to alternative modes and traffic management measures, still do not come close to achieving compliance with ODOT's highway performance standards. ODOT eliminated the Transportation Management Alternative from further analysis as a stand-alone alternative in the LDEIS because, among other things:

- With a year 2025 volume to capacity ratio of approximately 0.90 in Newberg and 1.25 in Dundee, it failed to meet the minimum transportation performance threshold of 0.75 v/c for Statewide Highways within the Newberg and Dundee UGBs. As noted in the above discussions of alternative modes and transportation system management, the average daily traffic on Oregon 99W in Newberg would still need to be reduced by an additional 9,500 vehicles (another 30 percent) to meet ODOT's standard for Statewide Highways, while in Dundee, average daily traffic would result in a volume to capacity ratio of 1.25, compared to ODOT's maximum v/c standard of 0.75.⁸⁸ Even with a five-lane segment in Dundee, a reduction in traffic volume of approximately 65–70 percent would be required to achieve consistency with ODOT's v/c standard, assuming a five-lane segment at 5th Street.⁸⁹ To meet these standards in Newberg and Dundee, Oregon 99W would require widening as follows:
 - From three lanes to seven lanes in Dundee.
 - From four lanes to eight lanes between Newberg's east UGB and the downtown couplet.

⁸⁸ LDEIS at 2-11.

⁸⁹ Memorandum dated September 23, 2003 from Julia Kuhn, Kittelson & Associates, Inc., to Mark Greenfield.

- From six lanes to eight lanes within the downtown Newberg couplet⁹⁰.
- The Transportation Management Alternative failed to meet five of the seven elements described in the project's purpose and need statement, including:
 - Improve the efficiency and modal options of the transportation system for all users (not achieved due to high v/c ratios).
 - Improve the movement of through traffic (not achieved due to high v/c ratios).
 - Enhance and protect the public health and safety of travelers and of communities that transportation facilities traverse (not achieved due to the unfriendly environment that required improvements would create for pedestrians and bicyclists, increased air pollution levels, and added noise that would result from the sheer volume of traffic).
 - Contribute to the improvement of the economy, social fabric and overall livability along the Oregon 99W corridor in the Newberg-Dundee area (this alternative would erode the social fabric and overall livability of the area with its high traffic volumes and congestion which create barriers to movement within the community).
 - Satisfy applicable federal, state, and local plans, policies, and regulations (the v/c ratio would violate OHP standards and the alternative is inconsistent with Newberg's comprehensive plan).

The required widening of Oregon 99W in particular would significantly adversely impact the cities of Newberg and Dundee. Both downtowns would become unrecognizable. In the downtown Newberg couplet, an additional 12-foot travel lane in each direction would displace fourteen buildings along the north side of Hancock Street and 36 buildings along the south side of 1st Street, including City Hall. Of the approximately 50 buildings displaced, approximately 80 percent are occupied with commercial businesses. Widening Oregon 99W east of the couplet to include four more lanes would displace 14 buildings on the north side of the highway and five buildings on the south side. Such widening also would remove parking for many commercial uses.⁹¹ Furthermore, eight-lane wide streets in Newberg would discourage bicycle travel in Newberg, make pedestrian crossings extremely difficult, discourage a compact form of redevelopment that encourages alternatives to the automobile, create a significant barrier between neighborhoods on either side of the highway, and decrease overall livability in Newberg.

As described in Section 7.4.4 below, a five-lane section in Dundee would substantially impact 10 of the 12 businesses along the southeast side of Oregon 99W. With seven lanes, impacts would be even more adverse. If located on the south side of existing Oregon 99W, the resulting block

⁹⁰ In addition to the significant impact an eight-lane roadway would have in terms of displacing existing residences and businesses in Newberg, an eight-lane roadway with as much as 150 feet of pavement width is inconsistent with a pedestrian friendly environment that Newberg and Dundee are seeking to attain.

⁹¹ Memorandum from Dave Mayfield to Mark Greenfield regarding "Impacts of Widening Oregon 99W in Newberg" (November 17, 2003)

depth between existing Oregon 99W and the railroad right-of-way would shrink by another 24 feet, leaving even less room for redevelopment (including space for parking and circulation). This would put Dundee at an even more severe economic disadvantage (compared to five lanes) when competing for businesses with other nearby communities. If located along the north side of existing Oregon 99W, the additional lanes would displace an elementary school playground, a historic Women's Club building, a church, and even more commercial uses than are found on the south side of the highway. A seven-lane roadway in Dundee also would preclude Dundee from achieving its vision of becoming a compact, pedestrian friendly urban area with a downtown that could serve as the center of the Yamhill County wine industry.⁹²

For all of these reasons, the combination of alternative modes, traffic management measures, and improvements to existing roadways as identified in the LDEIS cannot reasonably accommodate the identified transportation need.⁹³

Bell Road

In comments received during the LDEIS public comment period, some citizens suggested that a bypass facility be constructed along existing Bell Road. By improving this existing road, goal exceptions would be avoided.

Bell Road is located north of Newberg and connects into Oregon 99W northeast of Rex Hill. To connect back into Oregon 99W at the southwest end, the alignment could follow Worden Hill Road to 9th Street in Dundee. Alternatively, the alignment could traverse farther west before heading south to access Oregon 99W west of MacDougal Corner. See **Figure 6**.

The Worden Hill Road alternative between Rex Hill and Oregon 99W in Dundee is just under 19 miles long. Approximately 18 percent of this alignment has slopes of between 6–10 percent, and approximately one-third of the alignment (approximately six miles) has slopes greater than 10 percent. The Bell Road alternative that connects to Oregon 99W west of McDougal Corner is approximately 25 miles in length. Approximately 15 percent of this alignment has slopes of between six and 10 percent, and 47 percent (over 12 miles) has slopes in excess of 10 percent. To meet the design standards for an ODOT Statewide Expressway, significant modifications to the horizontal and vertical curvature of both alignments would be required. Both alignments would require truck climbing lanes and substantial cut and fill, which would increase the costs of these alternatives.⁹⁴

Project traffic engineers estimate the travel time along either the Worden Hill Road alignment between Rex Hill and Dayton or the other Bell Road alignment to be 35–40 minutes. This is

⁹² See Memorandum from Dave Mayfield to Mark Greenfield regarding "Impacts of 5-Lane Section on Downtown Dundee" (November 11, 2003).

⁹³ The POST also reached this conclusion. POST Meeting Minutes, April 27, 2001.

⁹⁴ Memorandum Julia Kuhn and Gary Katsion, Kittelson & Associates, Inc., to Mark Greenfield regarding "Goal Exceptions" (September 11, 2003). See also Memorandum dated April 11, 2003, from Kittelson & Associates, Inc., to Parametrix.

comparable to the No-Build condition in year 2025, and more than twice that of the build alternatives that were studied in the LDEIS.⁹⁵

⁹⁵ Id. See also LDEIS, Table 4-3 at page 4-4.

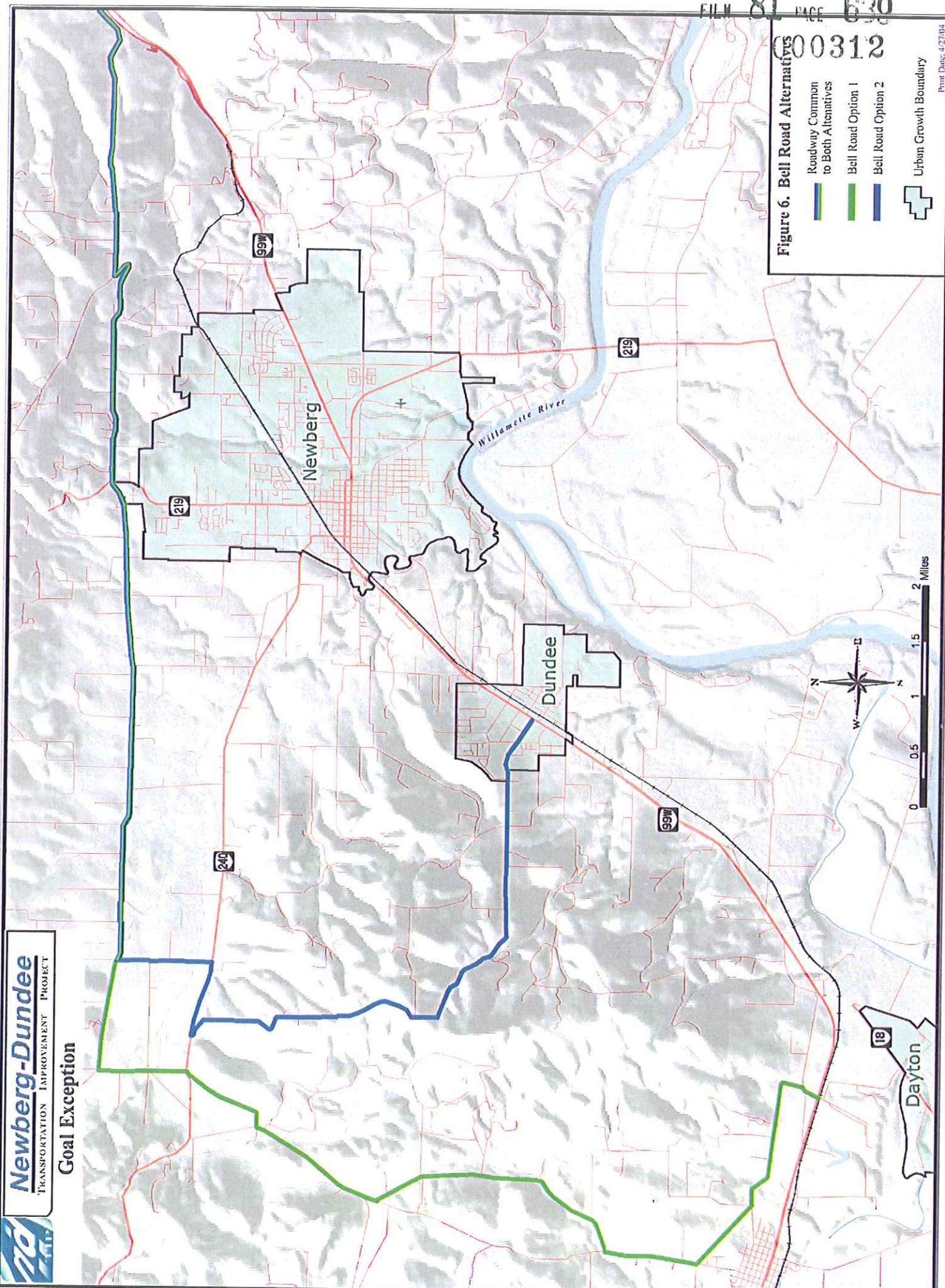
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Goal Exception

Figure 6. Bell Road Alternatives

-  Roadway Common to Both Alternatives
-  Bell Road Option 1
-  Bell Road Option 2
-  Urban Growth Boundary



Given that this travel time is comparable to staying on Oregon 99W under the No Build, the potential to divert through traffic from Oregon 99W to either of the two Bell Road alternatives is minimal. For this reason, like the No-Build condition, all of the intersections that were studied as part of the LDEIS are anticipated to fail if the Bypass followed either Bell Road alignment, with the exception of 1st and College. The inability to meet the performance standard would result in the need to build five lanes along Oregon 99W in Dundee and intersection widening in Newberg. Both alignments also would require that existing Oregon 99W between Dundee and Dayton be widened to four lanes (two in each direction, separated by a median) to meet ODOT transportation performance criteria. The reconstruction of Bell Road plus the widening of existing Oregon 99W in Newberg and Dundee would result in redundant transportation infrastructure and greatly increase the overall cost of the project.⁹⁶

Under the Worden Hill Road alternative, the segment of Oregon 99W between 9th Street in Dundee and Oregon 18 would be designated a Statewide Expressway for the purposes of route continuity. The OHP and supporting Division 51 document specifies a spacing standard of one mile for public and private approaches to a Statewide Expressway in a rural area (e.g., south of the Dundee UGB), with no spacing deviations permitted. Based on estimates from aerial mapping for the project, there are more than 30 public and private accesses located within the approximately 3.5 mile long stretch of Oregon 99W between the Dundee UGB and McDougal Corner. However, in accordance with the OHP, no more than three access locations can be permitted in this section. Given the location and frequency of existing accesses along the corridor, an extensive frontage road system essentially traversing the entire length of the bypass along Oregon 99W west of 9th Street would need to be developed. This frontage road system would be supplemented by a connecting roadway system to provide access to all of the adjacent parcels. This system would require the acquisition of right-of-way from the existing agricultural and rural residential uses adjacent to Oregon 99W.⁹⁷

Based on a comparison of all of the transportation related issues outlined above (cost, horizontal and vertical alignment, travel time, etc.) between these Bell Road alternatives and the bypass alternatives considered in the LDEIS, project traffic engineers have concluded that Bell Road did not represent a feasible location for consideration as a bypass alternative.⁹⁸

Edwards Road/Dayton Avenue Connection

Edwards Road is located southeast of Oregon 99W within Dundee and serves well over 100 existing residences. To access Oregon 99W from Edwards, travelers must use 5th Street, 10th Street, and/or Parks Street. No direct connection is provided between Oregon 99W and Edwards Road. The Dundee TSP classifies Edwards Road as a collector roadway. See **Figure 7**.

⁹⁶ Id.

⁹⁷ Id.

⁹⁸ Memorandum from Julia Kuhn and Gary Katsion, Kittelson & Associates, Inc., to Mark Greenfield regarding "Goal Exceptions" (September 11, 2003).

Newberg-Dundee
 TRANSPORTATION IMPROVEMENT PROJECT
Goal Exception

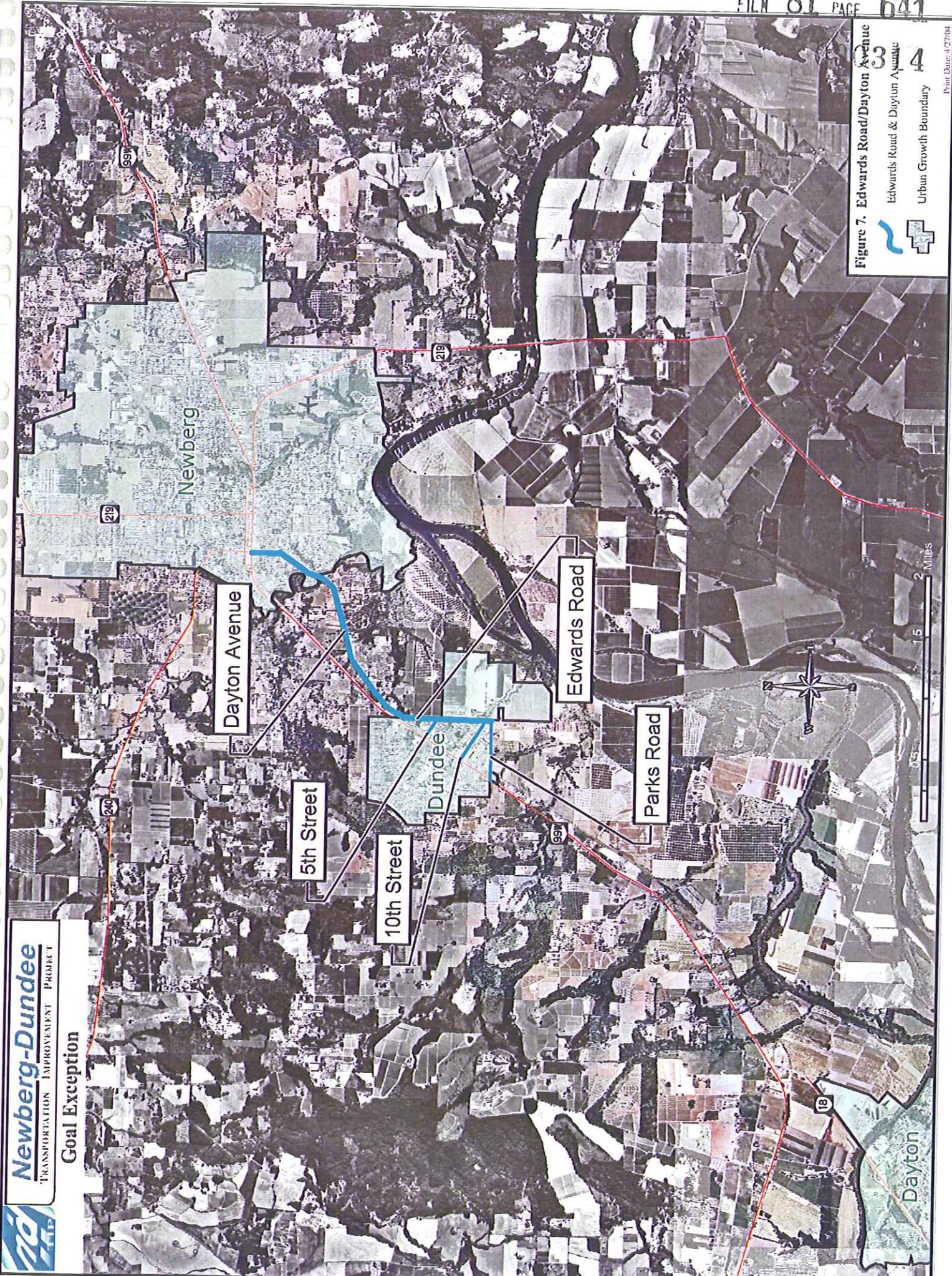


Figure 7. Edwards Road/Dayton Avenue
 Edwards Road & Dayton Avenue
 Urban Growth Boundary

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Edwards Road has a rural residential character, with numerous private accesses, no or intermittent sidewalks, no or intermittent shoulders, and no striping. Between Parks Road at its south end and the road closure at the railway at its north end, Edwards Road has eight (8) private accesses on its eastern side and 27 private accesses on its western side. The paved roadway varies in width from 18 feet near the railway and 20 feet near Parks Road to 31-32 feet between 10th Street and 5th Street. There is a five-foot wide sidewalk on the western side between 10th Street and 8th Street, and a five-foot wide sidewalk on the eastern side between 8th Street and 5th Street. Shoulders, where they exist, are either grass or gravel. In places there is a shallow ditch along the west side of the roadway.⁹⁹

Dayton Avenue is a two lane roadway that connects the southwest quadrant of Newberg with Oregon 99W at Fox Farm Road. In unincorporated Yamhill County between Hagey Road and the Newberg city limits, Dayton Avenue is classified as a "resource" road.¹⁰⁰ Inside the City of Newberg, Dayton Avenue is classified as a collector street.¹⁰¹

Like Edwards Road, Dayton Avenue outside the City of Newberg has a rural residential character. Between Hagey Road and the Newberg city limits, Dayton Avenue has 23 private accesses on its eastern side and 21 on its western side. Paved roadway width varies from 36 feet (including 12 feet of paved shoulders) at Hagey Road to 30 feet (including six feet of paved shoulders) at the Newberg city limits. For most of this distance, the western shoulder is grassed. Also for most of this distance, the roadway is without sidewalks.¹⁰²

Currently, Edwards Road accommodates approximately 450 vehicle trips per day.¹⁰³ In the absence of a bypass, an Edwards-Dayton connection is projected to carry approximately 11,000 to 12,000 vehicles per day, of which 60 percent would be statewide or regional through trips that neither originate nor end within Dundee. Both this volume of traffic and its characteristics (predominantly through trips) are more typical of a minor arterial and inconsistent with the functional classifications of Edwards Road as a collector street and of Dayton Avenue as a resource road (county) or collector street (city). As collector streets, the function of Edwards Road and Dayton Avenue (city) is not to serve through trips, but to connect the local street system with the arterial street system (i.e., Oregon 99W). The function of Dayton as a resource road is to connect to the collector and arterial street system.

Because most of the traffic on Edwards Road would be "regional through traffic" using Edwards Road as an alternative to Oregon 99W, and because Edwards Road does not extend beyond Dundee to the south, the majority of these 11,000 to 12,000 daily vehicles trips would be forced

⁹⁹ See Memorandum from Julia Kuhn and Mark O'Brien, Kittelson & Associates, Inc., to Mark Greenfield regarding "Edwards Road and Dayton Avenue - Dundee," Oregon (November 13, 2003).

¹⁰⁰ A "resource" road is something less than a collector street. It accommodates traffic volumes of 500 or more vehicle trips per day, it primarily provides access to adjacent lands, and it accommodates travel over short distances (in contrast to collectors or arterials, which accommodate longer trips). See Yamhill County TSP at page 12 (<http://www.co.yamhill.or.us/plan/planning/planning.asp?sel=11>).

¹⁰¹ Newberg TSP.

¹⁰² Id.

¹⁰³ Dundee TSP, page 38, Figure 3-8.

onto other local roads in Dundee in order to access Edwards Road (if traveling northbound) or to re-access Oregon 99W (if traveling southbound). Introducing an arterial level of traffic onto these streets also is not consistent with the function of these local roads (e.g., 5th Street, 10th Street, Parks Street) as identified in the adopted Dundee TSP or with the collector function of Edwards Roads.¹⁰⁴ Moreover, it would compound intersection operational problems along Oregon 99W by introducing much higher intersecting volumes at each intersection than currently exists.

In the absence of a bypass and with the Edwards Road/Dayton Avenue connection in place, Oregon 99W near 5th Street in Dundee is anticipated to carry approximately 35,000 to 36,000 vehicles per day. Traffic analysis of year 2025 p.m. peak hour conditions with this connection in place reveals that the 5th Street/Oregon 99W intersection is forecast to operate at a volume-to-capacity ratio of 0.83, assuming Oregon 99W is a five-lane section, and over 1.0 if Oregon 99W were a three-lane section.¹⁰⁵ In both cases (three lanes or five lanes on Oregon 99W), this intersection would not meet ODOT volume-to-capacity performance standards for Oregon 99W as a Statewide Expressway. Like the 5th Street intersection, the Parks/Oregon 99W and 10th Street/Oregon 99W intersections are anticipated to fail, given the projected volume of traffic on Oregon 99W. This would require widening of Oregon 99W as well as intersection widening through all of Dundee and south to McDougal Corner.¹⁰⁶

For both Edwards Road and Dayton Avenue, such large traffic volumes also would detrimentally impact adjacent residential properties and would not function safely without both roadways being significantly widened with a high degree of access management and traffic control.

While Dundee does not have an arterial street standard (Oregon 99W is the only roadway in Dundee that is expected to have traffic approaching arterial volumes), ODOT's lowest level highway classification, the district highway, is generally a minor arterial with minimum access spacing of 400 feet and a typical cross-section of 74 feet with on-street parallel parking and 58 feet without on-street parking.¹⁰⁷ A cross-section of 58 feet is double or more the existing roadway width. Approximately 35 homes east and west of Edwards Road currently have driveways that directly access Edwards Road. These homes are built on typical medium density subdivision-sized lots that typically have frontages of 50–100 feet. Reconstructing Edwards Road to a standard that would safely serve an arterial level of traffic volume would require that access to these residences either be consolidated and relocated or that some form of an alley/backage road be developed to provide these residences with access. Given the lot size and

¹⁰⁴ The Dundee TSP states that the primary function of local streets is to provide direct access to adjacent land uses. These streets are characterized by short street distances, slow speeds, and low volumes; they offer a high level of accessibility; and they serve passenger cars, pedestrians and bicycles, but not through trucks. TSP at 100-101. The primary function of collector streets is to serve local traffic between neighborhoods and community facilities. They provide a degree of access to adjacent properties while maintaining circulation and mobility for all users. TSP at 101.

¹⁰⁵ LDEIS Technical Memorandum, Transportation (September 2002).

¹⁰⁶ Id.

¹⁰⁷ As noted, Edwards Road's existing cross-section ranges between 18 to 32 feet. If improved to a cross-section that is appropriate for a roadway handling 11,000 to 12,000 vehicle trips per day (e.g., minor arterial), then at a minimum Edwards Road would include two 12-foot wide travel lanes, a 14-foot center lane, two four-foot wide shoulders, and two six-foot wide sidewalks, for a total of 58 feet of cross-section, assuming no on-street parking.

orientation of these properties and the local development and circulation patterns, neither of these options is practical or feasible. See Figure 7.

It would be possible to reclassify Edwards Road and Dayton Avenue as arterials for consistency with the anticipated traffic volumes if a bypass were not constructed. However, according to project traffic consultants, this designation is not compatible with the existing residential character of this area and the type of traffic utilizing the road system in this part of Dundee. In accordance with the Dundee TSP, arterials are "intended to serve higher volumes of traffic, particularly through traffic at higher speeds. They also serve truck movements and should emphasize traffic movement over local land access." The existing residential character and direct accesses onto Edwards Road and Dayton Avenue would create inherent operational and safety conflicts with the mobility requirement of an arterial facility serving through traffic. For this reason, the existing classifications of the facilities are appropriate.¹⁰⁸

7.4.3.4 Conclusions

The identified need for the Bypass cannot be satisfied through alternative modes, traffic management measures, or improvements to existing facilities, alone or in combination. While alternative modes and traffic management measures can play important roles in Newberg and Dundee's multimodal transportation programs, they do little to eliminate the severe congestion that the region would experience by 2025. Bell Road cannot meet the identified need, as it is out of direction and saves little time over the Bypass. Bell Road also is located in a very steep area and would be very expensive to construct. Edwards Road and Dayton Avenue serve predominantly local traffic and will be needed for that purpose in the future. They would not function well as a Bypass substitute from either an operationally or a safety standpoint, given functional conflicts between arterials/freight routes and local/collector roads passing through residential neighborhoods.

7.4.4 Inability of Alternative Modes, Traffic Management Measures, and Improvements to Existing Transportation Facilities to Reasonably Accommodate the Identified Need (East Dundee Interchange)

As with the Bypass, OAR 660-012-0070(4) requires consideration as to whether the identified transportation need for the East Dundee Interchange can be reasonably accommodated through alternatives not requiring goal exceptions. In particular, can the transportation need reasonably be accommodated through improvements to Oregon 99W in Dundee and/or through improvements to other roadways in Dundee.

In addressing this question, it is recognized that the volume of traffic on Oregon 99W in Dundee and Newberg already will be lowered in comparison to the No-Build Alternative due to the presence of the Bypass. See Table 1. For example, persons traveling between Portland and Lincoln City no longer would be traveling on existing Oregon 99W inside Newberg and Dundee. However, without the East Dundee Interchange, much of the "regional through" traffic that would otherwise use the Bypass to avoid downtown Newberg or Dundee would choose to use

¹⁰⁸ Id.

Oregon 99W as the shortest route to their destination. For example, in the absence of an East Dundee Interchange, most regional trips between McMinnville, Lafayette, Dayton, and downtown Newberg would remain on Oregon 99W through Dundee, and most regional trips linking Portland and Dundee would remain on Oregon 99W through Newberg.¹⁰⁹

The issue of whether non-exception alternatives reasonably could accommodate the transportation need provided by the East Dundee Interchange received substantial attention during the process leading to development of the LDEIS and the selection of a preferred alternative. In particular, DLCD contended that the following might constitute reasonable alternatives to an East Dundee Interchange:

- Keeping Oregon 99W as a three-lane road and designating Dundee as a Special Transportation Area (STA) as authorized by the Oregon Highway Plan.
- Keeping Oregon 99W as a three-lane road and improving other roads in the area as provided in the draft City of Dundee TSP.
- Widening Oregon 99W in Dundee to four travel lanes or providing a couplet through Dundee.

However, both ODOT and the POST found these alternatives to be unreasonable to accommodate the transportation need for the reasons identified below. Subsequently, DLCD articulated additional grounds in support of its contention that non-exception alternatives might reasonably accommodate the identified transportation need in lieu of the East Dundee Interchange.¹¹⁰ Those additional grounds also are addressed below.¹¹¹

7.4.4.1 Special Transportation Area

A "Special Transportation Area" is a designation that may be applied to a state highway segment "to foster compact development patterns" when a downtown, business district or community center straddles the highway within an urban growth boundary.¹¹² Within the STA, convenience of movement is focused more on pedestrian, bicycle, and transit modes than on automobile movement. STAs are places where people who arrive by car or transit find it convenient to walk from place to place within the area. Under Action 1F.6, the maximum permissible v/c ratio in an STA may drop to as low as 0.95.¹¹³

An STA is not a reasonable alternative to the East Dundee Interchange for two reasons. First, without an East Dundee Interchange, an STA in Dundee cannot meet ODOT's maximum v/c

¹⁰⁹ See LDEIS Technical Memorandum: Transportation, September, 2002, Kittelson & Associates, Inc.

¹¹⁰ The "reasonably accommodate" test applicable to goal exceptions under the TPR is different from the reasonable alternatives standard that applies to a NEPA analysis. Still, the POST, ODOT and ODOT's consultants were well aware of the TPR standard when they engaged in this process, and they were aware that NEPA requires consistency with local land use requirements.

¹¹¹ Alternative modes and transportation management measures also fail reasonably to accommodate the need for the reasons set out in Section 7.4.3, incorporated herein by reference.

¹¹² 1999 OHP, Action 1B.7.

¹¹³ 1999 OHP, page 80, Table 6.

ratio of 0.95 for STAs unless Oregon 99W were widened to four travel lanes. As demonstrated later in this subsection, the impacts associated with four travel lanes in Dundee are unreasonably adverse. Second, Dundee does not exhibit the attributes of an STA as required by the 1999 OHP.

Without the East Dundee Interchange, Oregon 99W as a three-lane highway through Dundee would operate at a volume to capacity ratio in excess of 1.0. As such, it would not meet the maximum permissible volume to capacity ratio of 0.95 or better established for STAs in Action 1F.6 of the OHP.¹¹⁴ A four-lane facility would be required, but as explained later in this subsection, such a facility would have severe adverse impacts on the City of Dundee.

Furthermore, Dundee does not exhibit the attributes of an STA. As explained in OHP Action 1B.9, in addition to being a compact district with interconnected local streets and a focus on pedestrian, bicycle, and transit travel, an STA also will exhibit most if not all of the following attributes:

- Mixed uses.
- Buildings spaced close together and located adjacent to the street with little or no setback.
- Sidewalks with ample width located adjacent to the highway and the buildings.
- Interconnected local street networks that facilitate local automobile and pedestrian travel.
- On street parking and shared or general purpose parking lots, which are located behind or to the side of buildings.
- Convenient automobile and pedestrian circulation within the center and off the state highway.¹¹⁵

Whether Dundee exhibits these attributes is important because Action 1B.10 of the OHP addresses when an STA should be considered. It states: "Consider a proposal to establish a Special Transportation Area where compact development did not exist at the adoption of this Highway Plan only if the proposed STA is already planned in the local or regional adopted comprehensive plan." (Emphasis added.) As described below, compact development did not exist in Dundee when the OHP was adopted in 1999. Neither was an STA then planned for in Dundee's acknowledged comprehensive plan. Indeed, an STA still is not a part of that plan or of Dundee's TSP. Accordingly, the circumstances under which Action 1B.10 allows for consideration of an STA are not present in Dundee.¹¹⁶

¹¹⁴ LDEIS Technical Memorandum: Transportation, September 2002. The Dundee TSP neither provides any STA designations nor establishes any STA highway mobility standards.

¹¹⁵ 1999 OHP, Action 1B.9(b).

¹¹⁶ To support community development and livability in the future, Dundee would like to reduce traffic and congestion along Oregon 99W so that it can function as a more pedestrian-friendly "Main Street." According to Dundee's adopted TSP, "a key feature of this objective is to retain the existing three-lane cross-section (two lanes with center-turn lane pockets). Dundee TSP at 70. However, the existing three-lane cross-section can be retained only with construction of the East Dundee Interchange. As explained later in this subsection, without the East Dundee Interchange, Oregon 99W as a three-lane section through Dundee would exceed both ODOT and Dundee highway mobility standards."

Comparing existing Dundee to the attributes associated with an STA under Action 1B.9, one finds that these attributes did not exist in Dundee in 1999 when the OHP was adopted, and they do not exist there today. While the character of Dundee's land uses adjacent to and along Oregon 99W is mixed, it is more appropriately described as "rural strip development" than as "compact." Although there are a number of commercial businesses between 5th Street and 10th Street, there is no clearly discernible city center. The existing commercial businesses generally are set back from Oregon 99W, with off-street parking located between the businesses and the highway. Until recently, access to local businesses had not been controlled through techniques liked shared driveways or access to existing local streets. Instead, each property accessed Oregon 99W directly.

Besides existing commercial uses, a few residences and the Dundee Elementary School front Oregon 99W. One significant industrial use, Westnut (a hazelnut producing plant), is located at the south end of Dundee, east of Oregon 99W adjacent to the railroad tracks. Much of the land adjacent to Oregon 99W in Dundee is still undeveloped, leaving numerous vacant lots interspersed among the developed properties. With the exception of the School Gym, the industrial development and some of the older homes (a few of which have been converted to restaurants), most of the development along Oregon 99W is single story. Although they are not directly adjacent to Oregon 99W, the Willamette Pacific railroad tracks are also a prominent land use feature throughout Dundee. These tracks parallel Oregon 99W through Dundee and are separated from the highway to the east by approximately 120 to 170 feet.¹¹⁷

In summary, the downtown is not a compact area either in its existing development pattern or in its plan designation. The downtown is not characterized by mixed-use developments of a type commonly found in STAs. Buildings are not spaced closely together and are not adjacent to the street with little or no setback. There are substantial gaps in the sidewalk network, and where sidewalks exist, they are of standard width as opposed to a wider width geared more towards pedestrians. Parking lots are not shared or located behind buildings. And although the City wants to improve pedestrian movement on Oregon 99W, its TSP does not emphasize or elevate pedestrian and bicycle movement over automobile mobility. Rather, it supports a roadway network that better serves pedestrian, bicycle, and local automobile movements by relocating statewide and regional through trips to the Bypass. See Figure 8.

For these reasons, an STA is not appropriate for Dundee. Accordingly, it is not a reasonable alternative to meet Dundee's identified transportation need.¹¹⁸

¹¹⁷ As discussed elsewhere, this narrow strip already poses significant redevelopment challenges to Dundee due to its restricted lot depth. Redevelopment challenges would be even greater if a portion of this narrow strip was used to widen Oregon 99W.

¹¹⁸ ODOT also questions whether the TPR requires consideration of an STA option. OAR 660-012-0070(4) requires a demonstration that the identified transportation need cannot reasonably be accommodated "through one or a combination of" three specifically identified measures not requiring an exception. Because OAR 660-012-0070(4) expressly limits itself to the three measures listed in the rule, those measures would appear to comprise an exclusive list of alternatives that must be considered to satisfy the TPR. An STA is not included among those alternatives.

Goal Exception

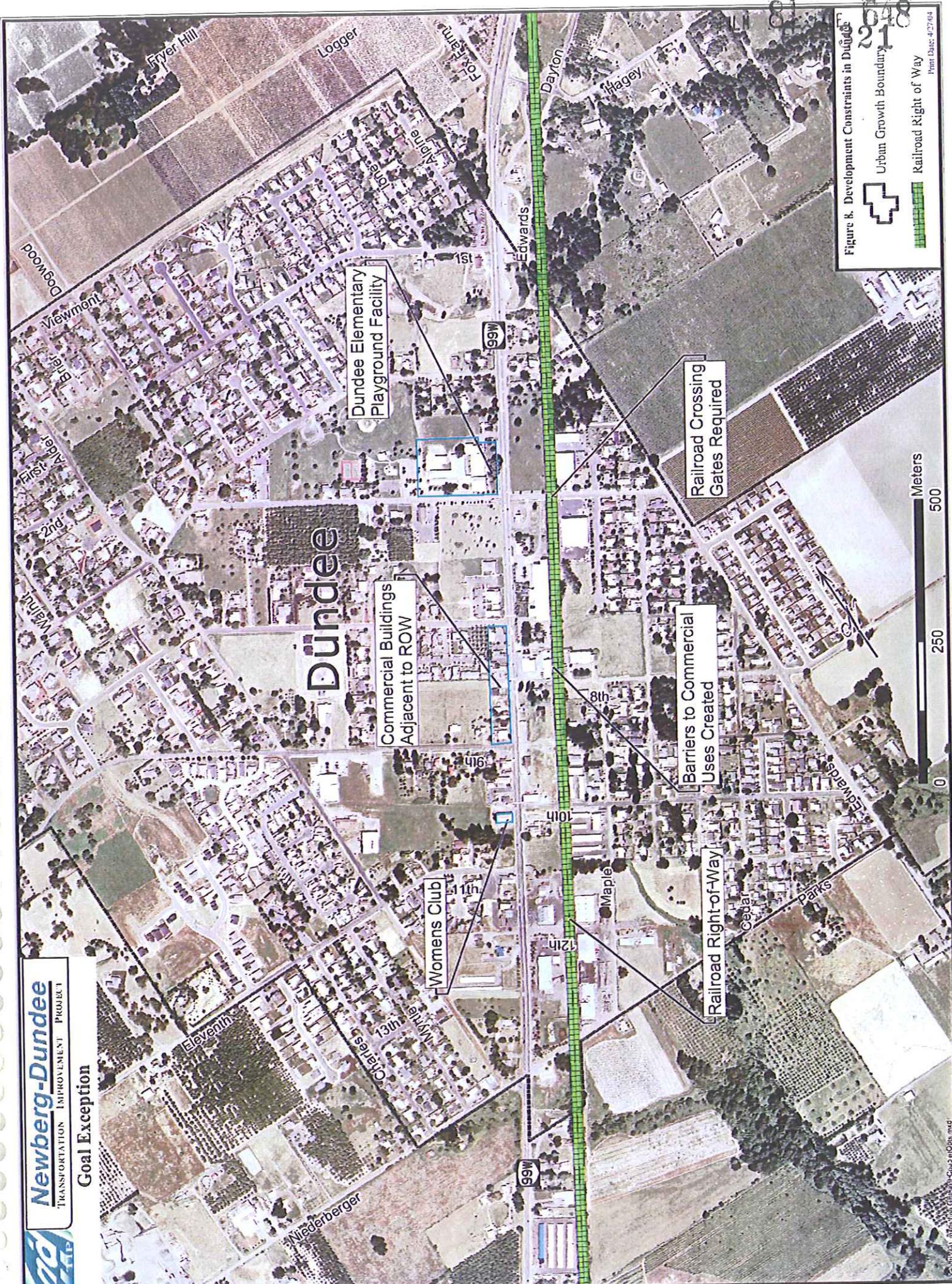


Figure 8. Development Constraints in Dundee
Urban Growth Boundary
Railroad Right of Way

648
21

Print Date: 4-27-04

Meters
500
250
0

7.4.4.2 Keeping Oregon 99W as a Three-Lane Highway and Improving Other Roads as Provided in the Dundee TSP

DLCD suggests that a three-lane section on Oregon 99W, combined with improvements to both Oregon 99W and the surrounding street system, could improve local access and circulation off the highway. According to DLCDC, with the traffic relief the Bypass would bring, widening to five lanes will not be needed for 10–15 years, and even then, the level of congestion in Dundee will be lower than it is today.¹¹⁹

DLCD adds that communities around the state and elsewhere have adopted three-lane highway designs that can handle up to 20,000 vehicles per day. By providing alternate access routes, including an Edwards Road/Dayton Avenue connection as provided in Dundee's TSP, Oregon 99W's capacity can be further enhanced. With these improvements, DLCDC believes that traffic volumes on Oregon 99W can be further reduced to fewer than 25,000 vehicles by 2025, with greater opportunities for local access and circulation off of Oregon 99W and safer and more convenient access on the highway.

There are several problems with this approach. First, while Oregon 99W would have adequate capacity for 10–15 years, the TSP requires Dundee to base its transportation system on population and employment forecasts covering a 20-year period.¹²⁰ Dundee and Yamhill County cannot and should not ignore 20-year projections and the conclusions drawn from them simply because the identified transportation need does not arise until later in the planning period, particularly when sufficient analysis exists to demonstrate that there is no reasonable alternative (to that being proposed) that will address the identified problem.

Second, the assertion that communities around the state have adopted three-lane highway designs that can handle up to 20,000 vehicles per day is not supported, at least on state highways, by ODOT traffic volume records. An ODOT search of these records shows that the highest volumes on three-lane cross-sections other than Dundee are found on US 101 in Seaside (16,000 average daily trips) and parts of Lincoln City (approximately 20,000 ADT). Even with these volumes, which are significantly lower than Dundee's approximately 30,000 ADT, US 101 does not meet OHP performance standards in these areas and projects are underway to relieve the congestion on US 101 in these much larger communities. In Seaside, a couplet is being planned and in Lincoln City planning is underway to add to the two- and three-lane "gaps" in what is otherwise a five-lane cross-section on most of US 101 in Lincoln City.

¹¹⁹ ODOT studied improvements to Oregon 99W and the surrounding street system in conjunction with a Bypass as part of the NDTIP. See LDEIS Technical Memorandum: Transportation.

¹²⁰ OAR 660-012-0030(3). See also OAR 660-012-0070(4), providing that the transportation need used as the basis for an exception be identified "consistent with the requirements of OAR 660-012-0030."

Third, even with the Bypass, the Edwards Road/Dayton Avenue connection does not eliminate the need for the East Dundee Interchange.¹²¹

Traffic modeling conducted by project team traffic engineers forecasts that if the Edwards Road/Dayton Avenue connection was made and the Bypass was constructed without also building the East Dundee Interchange, the connection would still carry approximately 7,000 vehicles per day.¹²² The forecast found that more than 90 percent of the vehicles that would end up on Edwards Road would be diverted from Oregon 99W via the Fox Farm Road/Dayton Avenue/Oregon 99W intersection. Only 10 percent of these additional vehicles on Edwards Road would be coming to or from Dayton Avenue directly.¹²³ Without the East Dundee Interchange, surrounding established residential areas would experience not only a major increase in traffic volumes above current volumes on Edwards Road,¹²⁴ but more significantly, traffic infiltration on the local connecting streets traversing these developed residential areas between Edwards and Oregon 99W as diverted regional through traffic sought to find its way back to Oregon 99W further south in Dundee, and increased intersection operation problems on Oregon 99W.¹²⁵

With the Edwards Road/Dayton Avenue connection in place, Oregon 99W near 5th Street in Dundee is anticipated to carry approximately 18,000 vehicles per day. An analysis of 2025 p.m. peak hour conditions with this connection in place forecasts that the intersection would operate at a volume to capacity ratio of 0.63 only if Oregon 99W is a five-lane highway but over 1.0 if Oregon 99W is a three-lane section.¹²⁶ A five-lane section of Oregon 99W through Dundee is unreasonable for reasons stated later in this subsection. A v/c ratio over 1.0 violates both OHP standards for any category of state highway (including ODOT's 0.95 v/c performance standard for STAs) and local highway performance standards for arterials, and thus is not adequate for that reason.

Finally, it is noted that construction of a connector between Edwards Road and Dayton Avenue likely would lead to the taking of historic farm property that is on the National Register of Historic Places. Since historic properties on the National Register are protected under Section 4(f) of the Transportation Act of 1966, federal funds cannot be used to construct that road without first proving that there are no feasible and prudent alternatives that avoid the taking (such as construction of the East Dundee Interchange).

¹²¹ Edwards Road is the only viable option that offers relief for traffic along Oregon 99W heading east. There are no viable alternatives offering relief for traffic heading west along Oregon 99W due to the existing locations of the school, park, senior housing and other neighborhood development, and also due to the general circuitry of available local routes. Local drivers may be able to circulate off-highway fairly readily on the local roads. However, local roads are not and cannot be a good alternative for through travelers.

¹²² LDEIS Alternative 3K was applied in modeling this connection. See LDEIS Technical Memorandum: Transportation.

¹²³ See LDEIS Technical Memorandum: Transportation.

¹²⁴ Currently, Edwards Road carries approximately 450 vehicle trips per day. Dundee TSP.

¹²⁵ This volume of traffic is consistent with Dundee collector standards, which provide for a 48-foot wide cross-section. Dundee TSP, page 106, Figure 6-2.

¹²⁶ *Id.*

7.4.4.3 Expanding Oregon 99W in Dundee to Five Lanes or a Couplet

Among the LDEIS alternatives considered was Alternative 3K, which does not provide an intermediate interchange between Newberg and Dundee. Instead, Alternative 3K would widen existing Oregon 99W in and southwest of Dundee from two to four travel lanes with continuous left turn lane. With that widening, Alternative 3K would meet OHP mobility standards and the minimum transportation performance threshold established for this project.

Without an intermediate interchange between Newberg and Dundee, year 2025 traffic volumes on Oregon 99W through Dundee would average approximately 25,000 daily vehicle trips. These volumes are substantially higher than the average daily traffic volumes on Oregon 99W associated with those bypass alternatives that included an East Dundee Interchange.¹²⁷ More significantly, with those traffic volumes, but with no new travel lanes in Dundee, the p.m. peak hour volume to capacity ratio on Oregon 99W within the Dundee UGB, would greatly exceed 1.0. This is well in excess of the highway mobility performance standards in the OHP. Consequently, it would be necessary to widen Oregon 99W to a five-lane urban section (four travel lanes plus a median turn lane) or build a couplet in Dundee to meet acceptable OHP performance standards.¹²⁸ In addition, the rural section of Oregon 99W between the Dundee city limits and the Oregon 18 junction would require widening to a four-lane section to meet OHP standards.¹²⁹

A five-lane highway or couplet through an urban area is not inherently "unreasonable" to accommodate an identified transportation need for greater roadway capacity. Many Oregon communities have five-lane roadways or couplets passing through them. The issue here is whether a five-lane roadway or couplet would be unreasonable to accommodate statewide, regional and local trips under the specific circumstances present in Dundee. Stated another way, do existing development patterns, comprehensive plan policies, specific physical constraints that are unique to Dundee, and other relevant factors, considered as a whole, render a five-lane roadway or couplet in Dundee unreasonable?

7.4.4.4 Widening Oregon 99W to 5 Lanes

Oregon 99W in Dundee is the city's "Main Street." It is the center of the City's commercial district. It is what people notice when they travel through Dundee, and it is what formulates their

¹²⁷ See LDEIS Supplemental Land Use Technical Memorandum, Table 2. Traffic volumes in Dundee under the other LDEIS alternatives range from 13,000 to 16,000 daily vehicle trips. The difference is not nearly as dramatic in downtown Newberg because the net effect of Newberg's westbound regional trips having to go through Dundee is greater than Dundee's eastbound regional trips having to go through Newberg due to the fact that Newberg is and will continue to be six to seven times larger than Dundee.

¹²⁸ As noted above, an Edwards Road/Dayton Avenue connection does not eliminate the need for additional roadway widening on Oregon 99W.

¹²⁹ Widening to four lanes also would be required if Alternative 3K were expanded to include an interchange at Oregon 219 in Newberg. Under this scenario, year 2025 daily traffic volumes on Oregon 99W at 5th Street in Dundee would average 19,000 vehicles per day, and the intersection would operate at a volume to capacity ratio of 0.98, which is well above both ODOT's v/c standard of 0.85 for a district highway and a LOS "D" standard. See Memorandum dated August 30, 2002, from Kittelson & Associates, Inc., to David Mayfield and Donna Robinson.

impression of Dundee, for better or for worse. If that impression is positive, people are likely to return to Dundee. If it is negative, then people will be less inclined to return to Dundee.

The adopted Dundee Transportation System Plan states that one of the City's community development and livability objectives is "to reduce traffic and congestion along Oregon 99W in Dundee to the maximum extent possible and enable Oregon 99W to function as a more pedestrian friendly 'Main Street.'" The TSP then adds: "A key feature of this objective is to retain the existing three-lane cross section (two lanes with center-turn lane pockets). The City Council is opposed to any alternative that would necessitate expanding Oregon 99W capacity along its current alignment or as a couplet in Dundee."¹³⁰

Dundee's community development and livability objectives are addressed in the City's adopted "Vision Statement 2022." As described therein, Dundee's downtown would become a destination for visitors based on its reputation for fine shops and restaurants. Dundee adopted this vision statement after a public process was conducted by the City Council over the winter of 2002/2003 to determine (1) where Dundee should focus its efforts to develop a downtown core and (2) what the focus of future development should be. The City determined that it should try to develop its future "downtown" around the existing Oregon 99W alignment as opposed to trying to create a future downtown on undeveloped land closer to the Willamette River. It also determined that the focus of future "downtown" development efforts should be to capitalize on Dundee's asset of being located in the "Center of the Oregon Wine Industry" by encouraging retail activities like fine shops and restaurants that would complement the wine industry theme.

Over the last ten years, a number of businesses that contribute to Dundee fulfilling its vision have, in fact, made some significant investments in and around Dundee. Several fine restaurants with regional and statewide reputations are thriving in Dundee, including Tina's, the Red Hills Restaurant, and the Ponzi Dundee Bistro. All of these establishments are complemented by renowned wineries located within or just outside Dundee, including the Argyle, Sokol Blosser, Torii Mor, Dundee Springs, Duck Pond, Lange, Erath, Daedalus, Archery Summit, Cameron, Domaine Drouhin, Domaine Serene, and Wine Country Farms wineries. Dundee also is home to the Wine, etc., Argyle, and Ponzi wine-tasting rooms.

Dundee's vision is fully in keeping with the "Main Street" focus envisioned for Oregon 99W in Dundee's TSP after the Bypass is built.¹³¹ The "Oregon 99W Main Street Improvements" section of the adopted Dundee TSP envisions a downtown that is both accessible to visitors and friendly to bicyclists and pedestrians. Among the key assumptions for this "Main Street" vision and the overall City vision are that future traffic volumes on Oregon 99W have been cut in half by removing all statewide trips and most regional trips not originating or ending in Dundee, and that Oregon 99W will be able to remain a three-lane roadway. The City believes that these assumptions are critical to creating the less hurried, pedestrian friendly, small urban enclave that will best suit the City's economic development focus of making Dundee a wine industry tourist destination. The "Main Street" section of the adopted Dundee TSP also calls for the

¹³⁰ Dundee TSP at 70. According to the TSP, a five-lane cross-section in Dundee would "undermine the City's objective to restore its small town livability." TSP at 70. Editor' comment: at 70?

¹³¹ See Dundee TSP at pages 70, 115-116.

development of a refinement plan to develop a short- and long-term plan for evolving Oregon 99W from its current form and function, described above, to the future "Main Street" that it can become after construction of the Bypass and the East Dundee Interchange.¹³²

With the Bypass and the East Dundee Interchange, Oregon 99W can become a local main street, with visually attractive landscaping, space for leisurely pedestrian movement, and accessible parking areas. This is because the East Dundee Interchange enables traffic destined to or from Newberg to the south to "bypass" Dundee. However, a five-lane roadway through Dundee would preclude realization of the City's adopted vision.

In most circumstances, a five-lane highway through an urban area is not inherently unreasonable to accommodate an identified transportation need for greater roadway capacity. Hence, the fact that Dundee does not want Oregon 99W to be widened to five lanes within its city limits is not, in itself, sufficient justification to reject this alternative. To reach this result, it is necessary to demonstrate why existing development patterns, comprehensive plan policies, specific physical constraints that are unique to Dundee, or other relevant factors, considered as a whole, render a five-lane roadway in Dundee unreasonable.

A five-lane roadway would be out of scale with Dundee's vision and would fail to "preserve and enhance the charm and rural character of" Dundee due particularly to the very close proximity of the railroad right-of-way to Oregon 99W. As with the couplet alternative described below, a five-lane roadway would require land to be taken from the blocks that lie between existing Oregon 99W and the railroad right-of-way. Those blocks are approximately 180 to 200 feet deep at their deepest point (at 7th Street) and much narrower just northeast of 1st Street. A reduction in block depth by approximately 30 additional feet (to accommodate additional lanes under a typical ODOT Statewide Highway five-lane cross-section of approximately 92 feet) would impede development and associated off-street parking and circulation within these blocks. Moreover, the small depth of buildings located in these blocks between Oregon 99W and the railroad tracks would create an appearance that looks out of scale and unusual, with the overall visual effect being one where the transportation facilities (i.e. the roadway and railroad right-of-ways) dominate over the town itself.

Existing Oregon 99W trends in a relatively straight line through Dundee from the northeast (east) to the southwest (west). Its right-of-way varies from approximately 60 feet wide in central Dundee to approximately 100 feet wide near the edges of the City. Blocks of 300-foot length line Oregon 99W through the center of the City, although several of the rights-of-ways for intersecting streets are undeveloped and function as driveways for adjacent businesses. See Figure 8.

¹³² OAR 660-012-0025 authorizes refinement plans such as that called for in Dundee's adopted TSP. Since completion of the TSP, funds have become available to undertake this planning effort as part of the NDTIP. Because the purpose of the refinement plan is to determine how to develop and manage Oregon 99W after the Bypass is constructed, it is in keeping with the AMLU portion of the NDTIP. This effort began in the fall of 2003 and is expected to take approximately 12 months to complete.

Should Oregon 99W be widened to five lanes, the widening would need to occur primarily on the south side (towards the railroad) to avoid impacts to the historic Dundee Elementary School and Dundee Women's Club, both of which are protected by federal regulations.¹³³ There are also potentially eligible historic buildings that should be avoided near the southeast side of Oregon 99W (291 and 691 Highway 99W). Impacts to these buildings have been minimized in this analysis by aligning the roadway approximately 10 feet farther northeast in these locations.

With southward expansion, only two of the twelve businesses along the south side of Oregon 99W would not be substantially affected. These include the Westnut processing and distribution building (which would lose landscaping) and a planned gas station/convenience store.

Widening would displace 10 buildings on commercially-zoned properties. Argyle Winery (691 Highway 99W), one of the "anchor" businesses for downtown Dundee, would be substantially affected by widening Oregon 99W. Although attempts to preserve the potentially eligible historic retail store have been made in the analysis by shifting the right-of-way alignment slightly northeast in this area, the associated gardens would likely be displaced and over 70% of the parking available at the winery would be lost. Additionally, even if displacement is avoided by shifting the right-of-way alignment, the resulting proximity to the right-of-way of both the potentially eligible historic retail store and businesses directly across the street may create unacceptable setbacks. Ultimately, these impacts could lead to relocation of the entire winery. If the winery were to remain, it would probably need to either restrict public access or acquire adjacent parcels for redevelopment.

Widening Oregon 99W might also impact a potentially eligible historic residence/auto repair business at 291 Highway 99. Although attempts have been made to avoid displacement in the analysis by shifting the right-of-way alignment northeast approximately 10 feet, the shoulders of Oregon 99W slope upward on both sides at this location and widening the right-of-way would exacerbate the grade differences between the highway and adjacent properties. In addition, another potentially eligible historic building is directly across on the northeast side of Oregon 99W. This former residence is now occupied by Red Hills Restaurant, a destination business in downtown Dundee. The proximity to the right-of-way of both potentially eligible historic resources, along with the grade changes existing at this location, may make it difficult to ensure that neither building would suffer significant impacts resulting from the widening.

Other businesses displaced by the roadway include three restaurant/drink establishments and two service-related businesses. The Dundee Fire and Rescue building, which also serves as a community meeting space, also would be displaced.

Three other businesses not directly displaced would lose substantial parking. These include two restaurants that would lose 35 and 50 percent of their parking and a specialty food outlet that would lose 74 percent of its parking. Due to the amount of parking lost and the difficulty in finding replacement parking, the use of the buildings housing these businesses could change.

¹³³ See Memorandum regarding "Impacts of 5-Lane Section on Downtown Dundee" (March 8, 2004).

Development/redevelopment of properties within the strip of land between Oregon 99W and the railroad tracks would be limited by the proximity of the railroad right-of-way. With a five-lane section on Oregon 99W that assumes no on-street parking (because it would cause additional displacements), the depth of the lots shrinks down to approximately 150 to 160 feet. Provision of automobile circulation and parking between the railroad right-of-way and the commercial property south of Oregon 99W further reduces the amount of land available for development to approximately 130 to 150 feet. For many uses, this resulting lot depth would provide insufficient land to meet off-street parking requirements. For example, Calamity Jane's Restaurant currently has 46 parking spaces (based on City requirements) and would lose 35 percent of those spaces as a result of road widening. It is unlikely that this parking could be replaced on site. More likely, the building would convert to some other use with less parking requirements, such as a service or repair use.¹³⁴

Land with a block depth of just 130 to 160 feet is substantially narrower than standard commercial blocks elsewhere. By comparison, block sizes in downtown McMinnville are 240 feet long by 200 feet deep, with automobile access and on-street parking on all sides of the block. In Newberg, block dimensions are 200 feet by 250 feet; while in Lafayette and Dayton, they are 200 feet by 240 feet; and 300 feet by 260 feet respectively.¹³⁵ With substantially narrower lot depths, Dundee would be at a competitive disadvantage to compete commercially with nearby communities that offer more appropriate block sizes for development.¹³⁶

With a five-lane roadway running through the city, one reasonably could compare Dundee with the City of Scappoose, where a rail line adjoins Highway 30 through that city's downtown.¹³⁷ The combination of the railroad right-of-way and five-lane highway in Scappoose provides a very strong visual impression in which the transportation system dominates and dwarfs the town's character. That is not the future that Dundee wants for itself or is planning to achieve.¹³⁸

It is for these reasons that Dundee's adopted TSP, vision, and Resolution 02-45 all deem unacceptable the widening of Oregon 99W to five lanes in Dundee. With a five-lane roadway, most of the affected businesses on the south side of Oregon 99W could not be relocated on the existing properties without being combined with adjacent properties or businesses. With no on-street parking available along Oregon 99W, reuse and redevelopment along the south side of the highway would result in isolated businesses with needed parking in between the buildings. Most remaining uses would be of a type (e.g., service and repair) not geared toward the visiting public or a downtown. This would not represent a compact, pedestrian-friendly urban design or the kind of downtown that Dundee envisions for itself as a center of the Yamhill County wine

¹³⁴ Id.

¹³⁵ A standard block in downtown Portland is 200 feet by 200 feet.

¹³⁶ Id.

¹³⁷ See POST Meeting Minutes, January 22, 2003, at page 8.

¹³⁸ Dundee Resolution 02-45 states that because of the close proximity of the railroad right-of-way to Oregon 99W, further widening of the highway to five lanes "would create a transportation corridor out of proportion to the desired scale of Dundee as reflected in the adopted vision. The remaining depth of lots fronting Oregon 99W Oregon 99W would not be sufficient to develop the commercial property and Dundee's core commercial area would be built-out on one side only. The sense of place described in the adopted vision would be destroyed. Whereas, in some cities a five-lane section is appropriate, it is not appropriate for a small city that has a railroad track paralleling the main highway so closely through its core commercial area."

industry. Combined with the site restrictions imposed by the railroad right-of-way and parking and access issues, as well as the availability of more suitable commercial sites in nearby cities, the widening of Oregon 99W is expected to cause a net decrease in business development along Oregon 99W in Dundee.¹³⁹

Without the East Dundee Interchange, the additional traffic traveling between Newberg and locations to the south, including approximately 725 additional truck freight trips per day,¹⁴⁰ also would subject Dundee, a community currently of less than 3,000 people, to a level of traffic commensurate with its much larger neighbor to the east, Newberg, which currently has approximately 20,000 residents. This proportional difference carries into the future, when Dundee is projected to have approximately 6,000 people in 2020, compared to a projected population for Newberg approaching 35,000.¹⁴¹ Widening Oregon 99W to five lanes would come with a significant cost both in terms of dollars and displacement of businesses and homes. The monetary cost alone is greater than the cost of building the East Dundee Interchange, questioning why the State should spend more money to incur greater community disruptions and displacements in order to meet the transportation need in a way that is not consistent with the City of Dundee's adopted vision and goals.¹⁴²

Finally, besides the economic displacements and relocations it would impose on Dundee, a five-lane Oregon 99W through Dundee would impede or preclude the type of development needed to establish and maintain a multi-modal "Main Street". As described in much greater detail in Section 7.6 below, Dundee's TSP and comprehensive plan include numerous goals and policies directed at:

- Retaining, preserving and enhancing existing businesses along Oregon 99W
- Protecting areas suitable for economic development from encroachment by other uses
- Supporting future economic growth and vitality along Oregon 99W
- Minimizing adverse impacts on existing land uses associated with through traffic
- Fostering a small city appearance that emphasizes pedestrian movement among shops along Dundee's "Main Street"
- Providing adequate off-street parking and circulation

¹³⁹ Memorandum from Dave Mayfield regarding "Impacts of 5-Lane Section on Downtown Dundee" (November 11, 2003).

¹⁴⁰ LDEIS, Table 4-5 at page 4-6. This is an approximately 140 percent increase in freight traffic through Dundee more than it would experience with the East Dundee Interchange.

¹⁴¹ State of Oregon Department of Administrative Services forecasts. See Section 4.2.2, above.

¹⁴² Additionally, the East Dundee Interchange will have a favorable impact on pedestrian and bicycle travel in Dundee because less traffic provides walking and bicycling conditions in the form of fewer lanes to cross and less waiting time between signals. An East Dundee Interchange with its associated traffic volume reduction also lessens safety concerns regarding students crossing Oregon 99W to attend Dundee Elementary School (which is located at the corner of 5th Street and Oregon 99W), and it eliminates the need to displace existing businesses along Oregon 99W.

- Minimizing pedestrian/motor vehicle conflicts
- Avoiding unsightly strip commercial development

These goals and policies, together with TSP "Main Street" policies, cannot be achieved with a 92 foot wide, five-lane facility traversing Dundee's downtown business district. Among other impacts, such a facility would:

- Substantially reduce (by 25-35%) the developable site area available for maintaining small lot development potential between Oregon 99W and the railroad right of way
- Significantly constrain the ability to maintain large lot infill potential (due primarily to constraints posed by the railroad right-of-way)
- Impede establishment of an interconnected service and/or parking access lane serving the lots between Oregon 99W and the railroad right of way (again due to lot depth constraints). The proximity of the railroad to Oregon 99W precludes the ability to create a deeper local street grid to effectively support circulation around Oregon 99W as it evolves as Dundee's main street.
- Impede development of a "human-scale" streetscape
- Impede the functionality of Oregon 99W as Dundee's "main street"
- Preclude the efficient, flexible and joint use of surface parking in a manner appropriate for a "main street"
- Discourage commercial core development viability as a result of creating shallower lots with longer frontages
- Overemphasize automobile traffic on Oregon 99W at the expense of other modes
- Exacerbate conflicts between operational efficiency (as a through-put facility with regional through trips constituting approximately 70 percent of the total average dialing traffic volume) and locally serving, multi-modal connections¹⁴³

In short, with a five lane facility, Dundee would not be able to achieve the goals, objectives and policies set out in its TSP, comprehensive plan and 2022 Vision Statement. According to a matrix prepared on this issue by an expert in urban design, both a five lane facility and a couplet through downtown Dundee, constructed without an East Dundee Interchange, achieve a score that is less than half the score achieved by a three lane facility combined with an East Dundee

¹⁴³ See Memorandum dated 3/1/04 from Jeff Mitchem, Parametrix, to Donna Robinson, Parametrix, entitled "Urban Design Evaluation of Dundee Transportation Options (hereinafter "Mitchem Memorandum").

Interchange in promoting and facilitating the kind of development called for in Dundee's TSP and 2022 Vision Statement.¹⁴⁴

7.4.4.5 *A five-lane facility in Dundee would be much more likely than not to encourage and foster an automobile oriented, strip commercial development pattern that the city clearly does not want. To a large extent, this is a result of the close proximity of the railroad right of way to Oregon 99W. Consequently, a five-lane facility in Dundee is not a reasonable alternative to meet the identified transportation need.*

Couplet Options

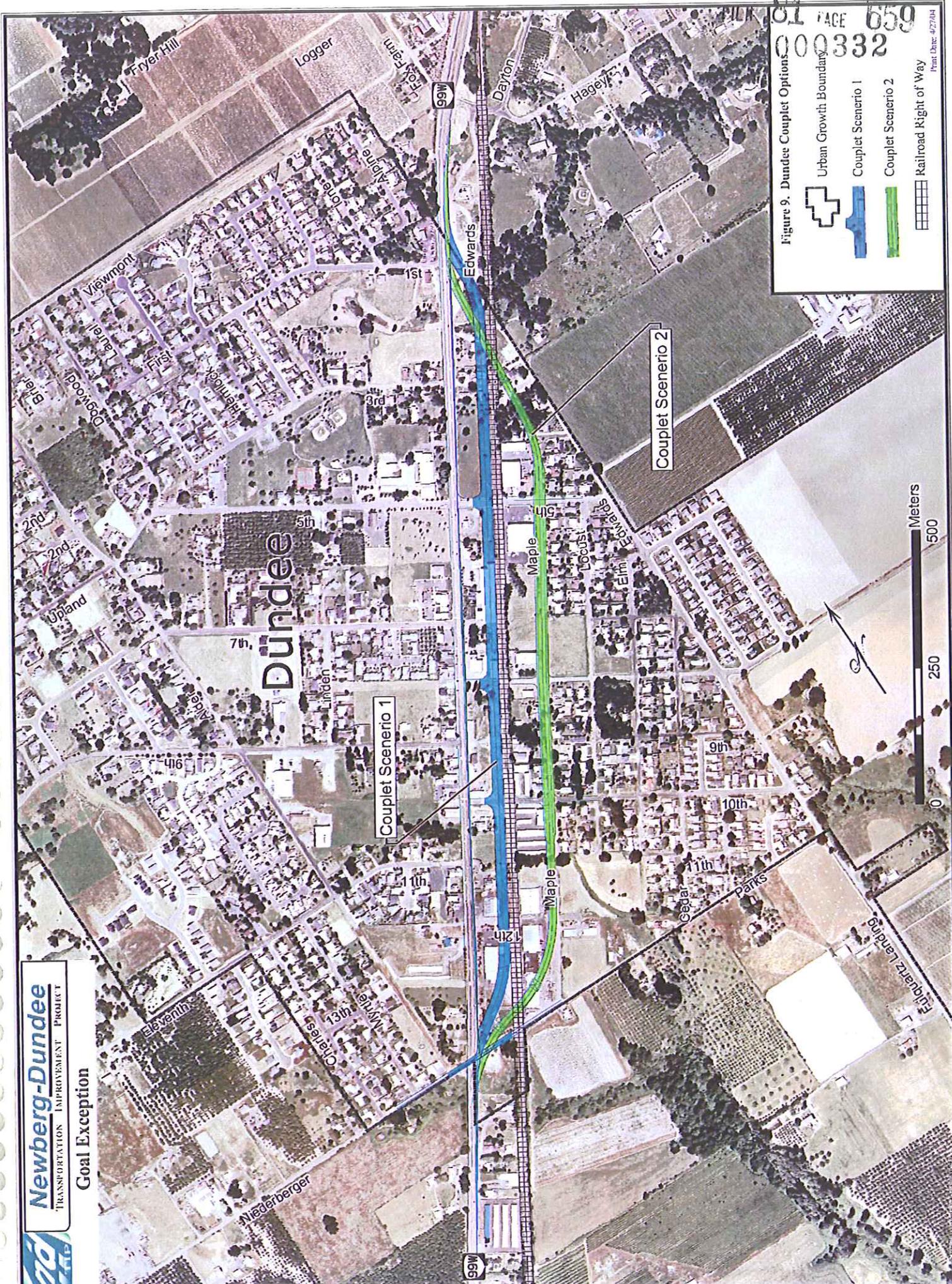
Two couplet options were considered as part of the Bypass project. See **Figure 9**. Under the first option, both links of the couplet would be located on the same side of the railroad tracks. Under the second option, the links would be on opposite sides of those tracks.

Couplet Option 1. With couplet option 1, the existing section of Oregon 99W in Dundee would be reconstructed as a westbound, one-way street, and a new, eastbound road would be constructed north of, but adjacent to, the active railroad right-of-way paralleling the existing highway approximately 180–200 feet to its south.

The railroad right-of-way and the existing highway are separated by a distance ranging between 180 to 200 feet.¹⁴⁵ Because the new eastbound couplet road would require approximately 65 feet of right-of-way to accommodate two 12-foot travel lanes, parking, sidewalks, and a bike lane, construction of this couplet would reduce the distance separating the couplet links to approximately 115–135 feet. Land with a block depth of just 115–135 feet is substantially narrower than standard commercial blocks elsewhere. By comparison, block sizes in downtown McMinnville.

¹⁴⁴ Mitchem Memorandum, Attachment 1. Applying urban design principles, a five lane roadway achieves a score that is 40 percent of the score achieved by a three lane option with an East Dundee Interchange in terms of likelihood to achieve "smart development" conditions. A couplet scores even worse (only 34 percent of the score achieved by the three lane option). Indeed, the scores for both the five lane option and the couplet option indicate that these options would undermine, impede and preclude Dundee's ability to implement the policies in its TSP, comprehensive plan and vision.

¹⁴⁵ Memorandum from Dave Mayfield to Mark Greenfield regarding "Impacts of Couplet Options in Dundee" (November 11, 2003).



81 PAGE 659
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Figure 9. Dundee Couplet Options
Urban Growth Boundary
Couplet Scenerio 1
Couplet Scenerio 2
Railroad Right of Way
Print Date: 4/27/04

are 240 feet long by 200 feet deep, with automobile access and on-street parking on all sides of the block. In Newberg, block dimensions are 200 feet by 250 feet; while in Lafayette and Dayton, they are 200 feet by 240 feet and 300 feet by 260 feet, respectively. Because the resulting strip of land between the couplet links would be much narrower than commercial blocks elsewhere, there would be considerably less room in Dundee to accommodate commercial development, including commercial buildings, associated off-street parking, and space for cars to maneuver within off-street parking areas. As a result, Dundee would be at a significant competitive disadvantage to compete commercially with nearby communities that offer more appropriate block sizes for downtown/commercial development.¹⁴⁶

This first option also would have significant adverse impacts to existing businesses. With this option, most if not all of the businesses located between the couplets would be either directly displaced or indirectly affected due to loss of parking and access. Impacts would be more severe than with the widening of the existing road to five lanes (discussed above). Displacements would include the Argyle Winery and the Grapevine Café, which are the largest commercial businesses along the southeast side of Oregon 99W. They would include as well one of the Westnut industrial buildings, two historic buildings, a planned service station/convenience store, three houses, and a city maintenance facility.¹⁴⁷ In total, more than half of the existing buildings on this side of Oregon 99W would be displaced. Because the resulting strip of land between the couplets would have a depth of only 115-135 feet, redevelopment would likely take the form of isolated businesses with needed parking in between the buildings. This would not represent a compact, pedestrian-friendly urban design. Re-use might focus on business types that require minimal off-street parking, for example, service and repair businesses. Combined with the site restrictions imposed by the railroad right-of-way and parking and access issues, plus the availability of more suitable building sites in nearby cities, this first option likely would cause a net decrease in business development along Oregon 99W in Dundee.¹⁴⁸

Also with this option, the eastbound leg of the couplet would be bordered by a railroad right-of-way. A highway adjacent to the railroad right-of-way would sever the direct ties between Dundee's rail-linked industries and the railroad tracks, effectively eliminating those industries. Figure 8 illustrates existing constraints along Oregon 99W in Dundee.

Like the five-lane option, this first couplet option would impede or preclude Dundee from developing Oregon 99W as a Main Street. When measured against standards developed to gauge the ability of a proposed street design to promote and facilitate a multi-modal, pedestrian friendly and business friendly "Main Street" environment, this couplet option performs even worse than the five-lane option, again due primarily to constraints resulting from the close proximity of the railroad right of way to Oregon 99W. As such, it is not a reasonable alternative to meet the identified transportation need.¹⁴⁹

¹⁴⁶ Memorandum from Dave Mayfield to Mark Greenfield regarding "Impacts of Couplet Options in Dundee" (November 11, 2003).

¹⁴⁷ Id.

¹⁴⁸ Id.

¹⁴⁹ See Mitchem Memorandum.

Couplet Option 2. The second couplet option would place the railroad tracks in between the couplet segments (westbound on existing Oregon 99W and eastbound on Maple Street). Two separated grades would be needed to move eastbound traffic across the railroad tracks. City blocks between existing Oregon 99W and the railroad would remain approximately as wide as their current condition (i.e., 180 to 200 feet). Maple Street serves as a border between "light industrial" and "residential" zones in Dundee. Maple Street is not currently a through street. It terminates between 7th and 8th Streets and provides local access to property owners. City blocks between the Maple Street couplet link and the railroad would be narrower (approximately 175 feet) in order to minimize impacts to residences located south of Maple Street. Most of the property that would be directly impacted is zoned light industrial.

Under this second option, direct displacements would include one of the Westnut buildings (which could be replaced nearby), a self-storage facility, a warehouse, approximately 10 residences, and a service station/convenience store that has been permitted for construction. The Westnut property also would lose much of its yard and outdoor storage area. Impacts along existing Oregon 99W would be relatively limited.

Approximately 30 houses would remain directly adjacent to the Maple Street link of the couplet. Noise impacts for all of these houses would be likely. Visual impacts would result from the wider roadway and from construction of new overpasses over the railroad tracks. This couplet also would facilitate greater neighborhood infiltration of traffic onto local streets in an established residential area.

With this second option, proximity to eastbound Oregon 99W could result in pressures to rezone the property between Maple Street and the railroad from light industrial to commercial use. However, because of the reduced width of the block (approximately 175 feet) and the lack of adequate space to meet Dundee off-street parking requirements, redevelopment would likely lead to separate buildings with parking placed between them.

Existing businesses along Oregon 99W, which currently front a two-way street, would be exposed only to west/south-bound travelers. Pedestrian use of the couplet would be limited because of the relatively long distance between couplets (approximately 450 feet) compared to other downtown areas. The resulting urban design pattern would likely be an automobile-oriented, scattered commercial development pattern that would not support the compact, pedestrian friendly downtown that Dundee envisions.

The second couplet option also would be more expensive to build because it would impact additional residential and business structures and require construction of two railroad overpasses. The planning cost estimate for Couplet 1 is \$42.77 million as compared to \$44.80 million for Couplet 2.

Couplet Option 2 is not a reasonable alternative for the reasons stated above. It also is unreasonable from the standpoint of safety. This second couplet alternative would require area residents and visitors to cross the railroad tracks to access Dundee's central business district. Either they would drive, walk or bike a block or two out of direction to access a local street that crosses the railroad tracks, or they would "jaywalk" across the tracks to shorten the connection.

With each crossing, they would encounter a potential hazard to their safety. Because a railroad crossing poses a hazard to public safety, an alternative that mandates its crossing in multiple locations is deemed unacceptable.

OHP Policy 2G provides that "it is the policy of the State of Oregon to increase safety and transportation efficiency through the reduction and prevention of conflicts between railroad and highway users." (Emphasis added.) Action 2G.1 directs ODOT to eliminate crossings at grade wherever possible, while Action 2G.2 directs ODOT to "design highway projects to avoid or reduce rail crossings at grade." Couplet Option 2 runs contrary to these policies and action items. As such, particularly given that these crossings can be avoided, Couplet Option 2 is not a reasonable alternative.

7.4.4.6 *Narrower Five-Lane Roadway*

In response to concerns raised by the City of Dundee and the POST, DLCD also has suggested that a narrower than normal five-lane design be employed in Dundee. According to DLCD, a "carefully designed five-lane 'Main Street' for Dundee" could include narrower travel lanes, a narrower center median, either no on-street parking or on-street parking limited to certain locations, and perhaps the relocation of bike lanes onto other streets.

DLCD cites other communities that allow five-lane highways using right-of-ways that range between 80–95 feet. It identifies Metro's Regional Street Design Guidelines for Regional Boulevards and Regional Streets as examples. Key features could include a narrow cross section based on a 25 mph operating speed (which allows narrower travel lanes and eliminates the need for separate bicycle lanes), wider sidewalks to improve pedestrian travel, varying right-of-way widths to minimize community impacts, redevelopment plans for acquired properties, and local street improvements provided for in Dundee's TSP. DLCD also proposes the elimination of a center-turn lane or turn refuges for left hand turns (discussed below).¹⁵⁰

DLCD's reference to Metro Regional Street Design Guidelines for Regional Boulevards and Regional Streets is misplaced because the intent of such boulevards and streets is to serve primarily local traffic traveling in or between regional or town centers rather than statewide or "regional through" traffic that either is passing "through" the area or has just one trip end within the region.¹⁵¹ As described in the analysis of 1000 Friends of Oregon's alternative in Section 7.7

¹⁵⁰ According to ODOT engineers, a five-lane roadway with a posted speed of 25 or 35 mph, two bike lanes, a center-turn lane, sidewalks sized for downtown areas, and no on-street parking still would require 92–94 feet of right-of-way. Memorandum dated July 15, 2003 from Kent R. Belleque, ODOT, to Project Management Team.

¹⁵¹ Metro's 2000 Regional Transportation Plan (RTP) <http://www.metro-region.org/article.cfm?articleid=236> states that boulevards "serve the region's most intensely developed activity centers, including the central city, regional centers, station communities, town centers and some main streets." Boulevards are designed with special amenities that promote pedestrian, bicycle, and public transportation travel in the districts they serve. They also are divided in regional and community-scale designs, with regional boulevards "designed to be transit-oriented with high quality service and substantial transit amenities at stops and station areas." RTP at 1-23. However, Metro does not rely on boulevards to serve an arterial function. Instead, the RTP provides for throughways, freeways, and highways to serve that purpose. The purpose of throughways "is to connect major activity centers within the region... and to points outside the region." Both freeways and highways "are designed to provide high-speed travel for longer motor

below, Metro's Regional Transportation Plan utilizes limited access highways (e.g., Oregon 217, US 26 and Interstates 5, 84, and 205), rather than boulevards or regional streets, to accommodate statewide and "regional through" traffic that is traveling longer distances.¹⁵² Moreover, as reflected in Metro's 2000 RTP, these kinds of streets are more typical of more densely developed communities within much larger urban areas where transit service is well established and where there are alternative routes to accommodate through traffic. These kinds of streets would be inappropriate in communities the size of Dundee, where residential areas are located no more than one or two blocks from the main highway.

The American Association of State Highway and Transportation Officials (AASHTO) publication "A Policy on Geometric Design of Highways and Streets -- 2001" provides guidance on appropriate street widths. Important factors to consider are safety and the comfort of driving. The urban arterial chapter indicates that lane widths of 10 feet should be used in highly restricted areas that have little or no truck traffic. Lane widths of 11 feet are common for urban arterial street design, but 12-foot lane widths are most desirable for higher speed principal arterials or where substantial truck traffic is anticipated. In ODOT's view, 1250 truck trips per day would be substantial.¹⁵³ Large trucks require greater lateral separation from other vehicles than cars. This is due to the width and size of trucks. With the width of trucks and narrowing lane widths, there is a higher probability that the trucks will encroach into adjacent lanes. This not only applies to vehicles going in the same direction as the truck, but also to vehicles going in the opposite direction.¹⁵⁴

Moreover, "Main Streets" are supposed to be pedestrian friendly. Use of narrower lanes puts trucks and other vehicles closer to pedestrians, especially when there is no on-street parking area to provide separation. Having pedestrians adjacent to travel lanes results in the pedestrians being exposed to loud noises and vehicles that are close to their walking space. This is inconsistent with the notion of a Main Street.

Having no separate bicycle lane would create an uncomfortable and potentially hazardous experience for bicyclists. Although ODOT's designs call for a separate bike lane, AASHTO's "Guide for the development of bicycle facilities - 1999" provides guidance on proper widths in case a shared roadway is used. Even if it was agreed to use a wide curb lane in this section, AASHTO recommends a 14-foot wide curb lane. If the wide curb lane is against parking, 15 feet is recommended.¹⁵⁵

Finally, "skinnier" streets do not mean there are fewer adverse impacts. Skinnier streets would have most of the same adverse physical impacts associated with the widening of Oregon 99W to

vehicle trips throughout the region, are primary freight routes and serve all 2040 Growth Concept land-use components." RTP at 1-22.

¹⁵² In the Portland region, limited-access highways are used to connect cities like Portland to other cities in the region, such as Beaverton and Hillsboro (via US 26), Tigard and Wilsonville (via I-5), and Troutdale and Gresham (via I-84). However, boulevards could be used to connect, for example, the Hillsboro downtown with Hillsboro's Orenco area or to connect Beaverton to Washington Square.

¹⁵³ Correspondence from Kent Belleque, ODOT to Mark Greenfield dated November 20, 2003.

¹⁵⁴ *Id.*

¹⁵⁵ *Id.*

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five lanes that are identified immediately above. The difference in width between a "skinny" design and a "standard" design is approximately 20 feet. In addition, there is still the near doubling of traffic (from 13,000 to 25,000 average daily trips) that would occur in Dundee in the absence of the East Dundee Interchange. Additionally, noise and vibration impacts could be greater due to the closer proximity of the roadway to buildings; the large volume of trucks traveling to or from Newberg through Dundee would create greater safety concerns because the travel lanes are narrower and there would be no buffer area separating sidewalks from the travel lanes; and the elimination of bike lanes means that bicycles would be sharing travel lanes with heavy truck traffic, which as noted above creates still another safety hazard.¹⁵⁶

7.4.4.7 Four-Lane Roadway Without Left Turn Refuges

DLCD has further suggested that a four-lane facility for Oregon 99W through Dundee might be feasible. Under this alternative, Oregon 99W would have two lanes in each direction but would not include a center-turn lane or left-turn lanes at key intersections. DLCD proposed this alternative to reduce the amount of right-of-way ODOT would need to acquire as part of the required widening of Oregon 99W. In fact, DLCD suggested that the four-lane section could be built within the 60-foot right-of-way section between 4th and 11th Streets. However, this limited right-of-way would only allow for bike lanes or sidewalks, not both, and no on-street parking.¹⁵⁷

A four-lane section raises operational and safety issues. The absence of a center-turn lane or left-turn lanes at key intersections significantly reduces the capacity of the roadway. Long queues can form in the interior through lanes behind vehicles waiting to turn left. In addition, the incidence of crashes increases on a four-lane section without left-turn lanes. This is due in part to driver frustrations as drivers turning left from an interior lane create an impediment to through traffic and wait for a gap in the opposing lanes of traffic to open. It also is due to speed differential problems created when vehicles desiring to make a through movement in the interior lane become stopped behind a left-turning vehicle and then attempt to exit that queue into the right lane, where vehicles are continuing to travel at faster speeds.¹⁵⁸ Because of these operational and safety problems, this type of cross-section can hinder economic development as

¹⁵⁶ A bike route through Dundee cannot easily be relocated to either the north or the south of Oregon 99W because of a lack of an available continuous route that is not highly circuitous. To the north, even if connecting facilities were provided where none currently exist, bicyclists would, at a minimum, need to be rerouted around the Dundee Elementary School, forcing them to travel at least five or six blocks out of direction, thereby rendering that alternative less attractive than a more direct route along Oregon 99W and diminishing its effectiveness. To the south, bicyclists also would be rerouted five or six blocks out of direction, and they would be required to cross railroad tracks at least two times because the only continuous route to the south is south of the railroad tracks. ODOT attempts to avoid bicycle railroad crossings because it is a recognized safety hazard. The adopted Oregon Bicycle and Pedestrian Plan clearly establishes that it is the desire of most bicyclists traveling through a community to take the shortest path between two points, which is generally the state highway. It is in recognition of this fact that it is standing ODOT policy to provide bike lanes to any new highway construction whenever feasible in order to accommodate this likely event. See ORS 366.514. Omitting bike lanes from a reconstruction project in an urban area would require a design exception that would not be easily or likely granted.

¹⁵⁷ See Memorandum from Julia Kuhn, Kittelson & Associates, to Mark Greenfield regarding "Four-lane Alternative in Dundee" (November 17, 2003).

¹⁵⁸ Additionally, a safety problem arises when a driver in an opposing lane stops and waives through a driver wishing to turn left, but the driver in the opposing right hand lane is unaware and does not also stop to let the left-turning driver through.

drivers often attempt to avoid getting on and off the highway where these conditions prevail. For these reasons, many jurisdictions are converting four-lane roadways to three-lane roadways.¹⁵⁹

From a performance threshold criteria standpoint, this alternative offers no advantages over a three-lane section during peak travel periods, even though it may provide some additional capacity during off-peak hours.

7.4.4.8 Conclusions

For all of the reasons set out in this subsection, alternatives not requiring goal exceptions cannot reasonably accommodate the identified transportation need for the East Dundee Interchange. Absent that interchange, an STA is not consistent with ODOT performance standards except in conjunction with a four-lane facility. However, four travel lanes through Dundee, whether joined together or separated through a couplet, would destroy the charm and character of the community and its vision for the future and seriously undermine its economic vitality and future. This approach also would be significantly more expensive than constructing the East Dundee Interchange.

7.4.5 Compliance with ORS 197.732(1)(c)(A), Goal 2 Part II(c)(1), OAR 660-004-0020(2)(a) and OAR 660-004-0022

ORS 197.732(1)(c)(A), Goal 2 Part II(c)(1), and OAR 660-004-0020(2)(a) and -0022 parallel OAR 660-012-0070(4). ORS 197.732(1)(c)(A) and Goal 2 Part II(c)(1) require an exception to include reasons that justify why the state policy embodied in the applicable goals should not apply. OAR 660-004-0020(2)(a) interprets these requirements by explaining that the exception should set forth the facts and assumptions used as the basis for determining that a state policy embodied in a goal should not apply to a specific property or situation, including the amount of land for the use being planned and why the use requires a location on resource land. OAR 660-004-0022 expands on OAR 660-004-0020(2)(a) by giving examples of the types of reasons that may justify exceptions, including demonstrated need for the activity based on one or more requirements of Goals 3 to 19 and special features of the proposed use or activity that necessitate its location on the proposed exception site.

For this matter, the applicable goals are Goals 3 (Agricultural Lands), 11 (Public Facilities and Services), and 14 (Urbanization). The state policies embodied in these goals are, respectively, the protection and preservation of agricultural land for farm use; the establishment of a timely, orderly, and efficient arrangement of public facilities and services that serves as a framework for urban and rural development; and the provision of an orderly and efficient transition from rural to urban land use. Generally, locating urban uses in agricultural areas is not consistent with Goal 3's policy objectives. Similarly, placing urban scale facilities on rural lands is not consistent with objective in Goal 11 to limit facilities in rural areas to those which are "appropriate for but limited to the requirements of" the rural area, or with the objective in Goal 14 to separate urban and urbanizable lands from rural lands and restrict urban development to lands inside urban growth boundaries.

¹⁵⁹ Id.

The reasons why these policies should not apply to the Bypass and to the East Dundee Interchange are set out above in the sections addressing the transportation need for these facilities and why alternatives not requiring goal exceptions cannot reasonably accommodate the use. These reasons relate to Goal 12, the need to serve the large numbers of through trips that pass through this area, impacts to Dundee's adopted economic and community development objectives, and the fact that highways, unlike other land uses, are linear and must travel through rural lands to connect cities and regions of the state. These reasons reflect statewide and local transportation policies and reflect statewide, regional and local transportation needs. They are consistent with the more specific reasons required under OAR 660-012-0070(4).

The approximately 208 acres of rural land needed for the proposed Bypass, and the approximately 27 acres of rural land needed for the proposed East Dundee Interchange, including its connecting road to existing Oregon 99W, reflect the amount of rural land needed for right-of-way to meet ODOT Statewide Highway design standards for a four-lane limited access facility. Because the acreage need reflects adopted state standards for highway design, the amount of rural land included in the exception is justified.

7.5 OAR 660-012-0070(5), ORS 197.732(1)(c)(B), Goal 2 Part II(c)(2), and OAR 660-004-0020(2)(b)

OAR 660-012-0070(5) provides that to address Goal 2 Part II(c)(2), the exception must demonstrate that non-exception locations cannot reasonably accommodate the proposed transportation improvement or facility. Similarly, OAR 660-004-0020(2)(b) requires justification why "areas which do not require a new exception cannot reasonably accommodate the use."

For both the Bypass and the East Dundee Interchange, no non-exception locations beyond those associated with improvements to existing roads (which are addressed under OAR 660-012-0070(4) above) have been identified. Both physically and from an operational standpoint, the identified transportation needs for these facilities cannot reasonably be accommodated entirely within the urban growth boundaries of Newberg and/or Dundee. They cannot reasonably avoid rural lands where exceptions are required.

7.6 OAR 660-012-0070(6)

OAR 660-012-0070(6) requires goal exceptions to justify the thresholds chosen to judge whether an alternative method or location identified under OAR 660-012-0070(4) or (5) cannot reasonably accommodate the proposed transportation need or facility. These thresholds include cost, operational feasibility, economic dislocation, and "other relevant factors."

The thresholds selected here to judge the ability of non-exception locations or methods to "reasonably accommodate" the identified transportation needs for (1) the Bypass and (2) the East Dundee Interchange, including its road connecting the Bypass to Oregon 99W, include operational feasibility; consistency with Oregon Highway Plan requirements; economic displacements/community livability and consistency with Dundee's adopted Transportation System Plan and its 2022 Dundee Vision Statement; cost; safety; and other "relevant factors"

such as travel time, hours of congestion and delay, and overall transportation facility performance.

7.6.1 Operational Feasibility and Minimum Transportation Performance Threshold

The identified transportation need is primarily a mobility need to move statewide and "regional through" traffic around or to/from the Newberg-Dundee urban area safely, efficiently and expeditiously.¹⁶⁰ As noted, Oregon 99W is a Statewide Highway that serves as a primary route connecting the Portland metropolitan region and the northern Willamette Valley with the coast and recreational areas such as the Yamhill County wineries and Spirit Mountain Casino. It also is an OHP-designated freight route.

Because the Oregon 99W/Oregon 18 corridor will continue to serve the function of a Statewide Highway and freight route, the transportation improvements selected must comply with ODOT mobility standards for this type of highway. ODOT's Mobility Standards, at OHP Policy 1F, provide that it is the policy of the State of Oregon to use highway mobility standards to maintain acceptable and reliable levels of mobility on the state highway system. Action 1F.1 provides that the highway mobility standards in Table 6 of the OHP be applied to all state highway sections located outside the Portland metropolitan area urban growth boundary. Accordingly, the maximum volume to capacity standards set out in Table 6 of the 1999 OHP are identified as minimum transportation performance thresholds for this project.¹⁶¹ From an operational standpoint, alternatives that fall within these standards will be deemed reasonable to accommodate the identified transportation need.

According to the OHP Bypass policy, "regional through travel is best served by limited access facilities that allow high speeds and require infrequent stops." While OAR 660-012-0070(4) does not require selection of the "best" option if other alternatives are available that can "reasonably accommodate" the identified transportation need, the threshold of a facility that facilitates travel at higher speeds and requires infrequent stops remains valid and is deemed appropriate for this project. Stated another way, a reasonable threshold for this project is one that is consistent with ODOT's management objective for Statewide Highways and Bypasses, which is "to provide safe and efficient, high-speed, continuous-flow operation."

These thresholds are relevant to consideration of alternatives to the East Dundee Interchange as well as the Bypass, because that interchange primarily would be serving "regional through travel." Again, the OHP indicates that this type of travel "is best served by limited access facilities that allow higher speeds and require infrequent stops."¹⁶² The OHP also states that as congestion moves closer to a volume to capacity ratio of 1.0, traffic flow becomes very unstable, and small disruptions can cause traffic flow to break down and long traffic queues to form. These results are not consistent with a facility primarily serving regional through travel.¹⁶³

¹⁶⁰ See OHP Policy 1H and discussion in Section 7.4.2 above.

¹⁶¹ See OHP Policy 1F, Action 1F.1.

¹⁶² OHP Bypass Policy.

¹⁶³ The POST also determined that the standards in Table 6 of the OHP, on page 80, should be used as minimum performance standards by which alternatives should be judged. POST Meeting Minutes, April 27, 2001. However,

In the event a Bypass is approved, existing Oregon 99W would likely become either a state District Highway or a city or county arterial.¹⁶⁴ If it becomes a state District Highway, then the District Highway standards in Table 6 of the OHP must apply as thresholds, because the OTC has determined that these are the appropriate standards for a facility serving a District Highway function. If it becomes a county or city arterial, then the Level of Service standard for Oregon 99W specifically (if there is one) or for arterials generally set out in the Yamhill County or City of Dundee and Newberg TSPs should apply. If the County or City has adopted the OHP District Highway standard for Oregon 99W, then that standard would reasonably serve as a performance threshold, given that Oregon 99W would function like a state District Highway, even if not stated owned.¹⁶⁵

On this last point, OHP Action 1A.1 defines district highways as "facilities of county-wide significance [that] function largely as county and city arterials and collectors. They provide connections and links between small urbanized areas, rural centers and urban hubs, and also serve local access and traffic." With a bypass, existing Oregon 99W would retain county-wide and regional significance by connecting Newberg with Dundee and by connecting the Newberg-Dundee area with other urban hubs such as McMinnville and the greater Portland metropolitan area.

Traffic data generated for this project supports this conclusion. See Table 1, which shows that even with the Bypass and the East Dundee Interchange, Newberg and Dundee would experience, respectively, 13,500 and 3,000 daily regional trips on Oregon 99W in the year 2025.¹⁶⁶ Because this represents a high volume of "regional" traffic remaining on existing Oregon 99W, the existing highway will continue to function as a county or city arterial, moving large volumes of traffic (including truck traffic) within, between, and through Newberg and/or Dundee. See Table 4-1 of the LDEIS. With the Bypass, existing Oregon 99W would continue to handle over 1000 average daily freight trips, as shown in Table 4-5 of the LDEIS.¹⁶⁷

OHP Action 1F.3 provides for consideration of alternative highway mobility standards "where it would be infeasible to meet the standards in [ODOT's mobility] policy." Consistent with this

the fact that the POST took this action is not sufficient justification in itself for using OHP Table 6 as a threshold for goal exception purposes. Under OAR 660-012-0070(6), the use of this standard must be independently justified.

¹⁶⁴ At this time, it is difficult to predict whether the OTC would approve transferring jurisdiction over Oregon 99W to the County or a city. While certain OHP policies favor such a transfer, the OTC will consider issues such as the volume of regional trips and the costs of maintaining the facility in any decision on jurisdictional transfer. In short, this is a complicated question with no foregone conclusion.

¹⁶⁵ The City of Dundee and Yamhill County TSPs currently apply a Level of Service "D" performance standard to arterials. As noted earlier, LOS "D" generally corresponds to a volume to capacity ratio ranging between 0.80 and 0.90. However, both the City and County have adopted resolutions stating that if operational control of Oregon 99W in Dundee is transferred from ODOT to either the City or the County, then they intend to support maintaining the OHP operational standard for district highways (v/c of 0.85) as the operational mobility standard for Oregon 99W as a city or county road. See Dundee Resolution 02-45 (adopted January 6, 2003) and Yamhill County Resolution 02-12-19-2 (adopted December 19, 2002).

¹⁶⁶ These numbers reflect average daily traffic on Oregon 99W (year 2025) under Alternative 3J.

¹⁶⁷ With a bypass, daily freight trips traveling through downtown Newberg would range between 700 and 975, while daily freight trips traveling through downtown Dundee would range between 525 and 1250. LDEIS, Table 4-5. The 1250 freight trips in Dundee under Alternative 3K reflects the absence of an East Dundee Interchange that allows freight trips headed for Newberg to bypass Dundee.

policy, the standards in Table 6 should apply as thresholds unless compliance with those standards is "infeasible."

7.6.2 Economic Displacements/Community Livability/Consistency with Local Adopted TSP and Community Vision Statement

Economic viability and community livability, including consistency with adopted local plan policies addressing these issues, comprise a second threshold for determining the reasonableness of non-exception alternatives to meet the identified transportation need. In particular as applied to alternatives to the East Dundee Interchange, this threshold considers whether an alternative not requiring exceptions would have unduly adverse impacts on the City of Dundee in terms of economic dislocations; Dundee's existing and future economic viability, vitality and attractiveness; the city's outward appearance; development of a pedestrian friendly city environment; and the city's ability to achieve a reasonable vision for future growth and development. As part of this analysis, the threshold examines whether non-exception alternatives would violate standards in Dundee's acknowledged Comprehensive Plan or Transportation System Plan (TSP)

The particular focus of this threshold is the possible widening of Oregon 99W in Dundee to five lanes or construction of a couplet in Dundee. One or the other of these alternatives would be necessary to accommodate the forecasted levels of traffic in Dundee in the absence of an East Dundee Interchange. The City of Dundee has expressed strong opposition to the widening of Oregon 99W through Dundee, and Dundee Resolution 02-45 expressly states that constructing five lanes on Oregon 99W through Dundee is in conflict with the City's adopted Vision Statement 2022. Still, it is noted that there is nothing inherently unreasonable about a five-lane highway traversing through a city and that five-lane highways are common in urban areas throughout Oregon. For this reason, in applying this threshold, the fact that Dundee desires to look or develop in a certain way is not enough by itself to deem these alternatives unreasonable. To eliminate non-exception alternatives as unreasonable, this threshold requires a very strong factual base and/or strong policy reasons why an alternative that otherwise works from an operational standpoint would have such significant detrimental effects on the community's future economic health and livability as to render the alternative unreasonable.

In justifying the use of economic viability, livability and community vision concerns as thresholds, this exception document relies on adopted and acknowledged City of Dundee comprehensive plan and TSP goals and policies and the City's 2022 Vision Statement. These goals and policies establish the policy basis for this threshold. Then, as practicable, this document seeks to develop reasonable, objective standards for measuring consistency with these thresholds and determining if non-exception alternatives reasonably can accommodate the identified transportation need.

Both the Dundee Comprehensive Plan and Dundee's recently acknowledged TSP include policies relating to economic health and vitality and community livability. Indeed, these concerns, which encompass a multi-modal transportation network, form the policy foundation

for the TSP.¹⁶⁸ For instance, TSP goals direct Dundee to provide and maintain a transportation system that (1) minimizes the adverse impact of through travelers on Dundee (Goal 1); (2) fosters a pleasant, small city and preserves and enhances existing neighborhoods and businesses (Goal 2); (3) supports the goals, objectives and visions of the Dundee community (Goal 3); and (4) supports the economic vitality of the Dundee community (Goal 9).¹⁶⁹

Both TSP Goal 2 (Livability) and Goal 4 (Travel Options) include action items directing the city to develop parking and circulation strategies that minimize pedestrian and vehicle conflicts and support downtown business retention and development. TSP policies provide that transportation facility siting and design shall be done in a manner that minimizes adverse effects on existing land uses.¹⁷⁰ Moreover, Dundee's Comprehensive Plan contains statements and policies to (1) protect areas well suited for business use from encroachment by other uses; (2) preserve and upgrade businesses along Oregon 99W by supporting highway improvements that alleviate congestion and by requiring off street parking and high design standards in new development; (3) avoid unsightly strip commercial development along Oregon 99W; and (4) site transportation facilities in a manner that minimizes adverse effects on existing land uses.¹⁷¹

As noted, TSP Goal 3 calls for supporting the vision of the Dundee community. On March 4, 2002, Dundee adopted its 2022 Vision Statement, entitled "A Vision for our Future" that describes the city's sense of purpose and place. As relevant to the Bypass, the "vision" describes the business district as expanded and redesigned to encourage leisurely pedestrian movement throughout the shopping area. As envisioned, Dundee would be a destination location for visitors drawn by its shops and restaurants and its reputation as the center of Oregon's wine industry. Also, with the Bypass, Dundee would now have "its own local main street. The redesigned traffic patterns enhance and support the local economy with its visually attractive landscaping and accessible parking areas. The City has assisted in redevelopment efforts throughout the community."¹⁷²

In summary, the following key goals and objectives can be gleaned from Dundee's Comprehensive Plan, TSP and 2022 Vision Statement: (1) retaining, preserving and enhancing existing businesses along Oregon 99W; (2) protecting areas suitable for economic development from encroachment by other uses; (3) supporting future economic growth and vitality along Oregon 99W; (4) minimizing adverse impacts on existing land uses associated with through traffic; (5) fostering a small city appearance that emphasizes pedestrian movement among shops along Dundee's "Main Street"; (6) providing adequate off-street parking and circulation; (7) minimizing pedestrian/motor vehicle conflicts; and (8) avoiding unsightly strip commercial

¹⁶⁸ As stated in the introduction to the TSP, "This transportation system plan (TSP) that resulted from the study will guide the management and development of appropriate transportation facilities within Dundee, *incorporating the community's vision*, while remaining consistent with state, regional and other local plans." (Emphasis added.)

¹⁶⁹ TSP at 5-10, 94-96.

¹⁷⁰ TSP at 7, 97.

¹⁷¹ Dundee Comprehensive Plan at 25, 51, 53-55, 71.

¹⁷² See also TSP at 115-116 (discussion of Oregon 99W Main Street Improvements)

development. These goals and policy objectives justify and provide the foundation for this threshold.

At issue next is how to measure and compare alternatives under this threshold. While the goals and policies in Dundee's Comprehensive Plan and TSP do not utilize "urban design" terminology, the concepts described above nevertheless are reflective of urban design concepts that can be measured in accordance with principles set out in the Smart Development Code Handbook.¹⁷³ More particularly, the following concerns, which reflect these concepts, can be measured in terms of the likelihood of their occurring under scenarios involving (1) a three lane highway through Dundee combined with the East Dundee Interchange; (2) widening Oregon 99W to five lanes through Dundee; or (3) providing a couplet through Dundee.

- Does the alternative encourage and support small lot infill development in the Dundee Central Business District (CBD)?
- Does the alternative encourage and support infill development on large lots in the CBD?
- Does the alternative encourage lot consolidation within the CBD?
- Does the alternative encourage efficient use of deep lots in the CBD, including establishment of interconnected service and/or parking access lanes serving lots between Oregon 99W and the railroad right of way?
- Does the alternative allow for achievement of a balanced relationship between paved space (streets) and built space (floor space, sidewalks, plazas, etc.) in downtown Dundee?
- Does the alternative allow for efficient use of parking areas in the CBD?
- Does the alternative maintain and enhance commercial core development viability?
- Does the alternative support a local main street by ensuring the health of the community's broader street system?
- Does the alternative foster a healthy, multi-faceted street-space appropriately designed for many users (automobile, pedestrian, bicycle, transit)?
- Does the alternative foster a well-connected system of local streets and pedestrian access points?

These measurements, in turn, can be accorded relative numeric rankings and placed in a matrix for comparison. The numeric rankings would indicate how likely each alternative might be to induce these conditions in downtown Dundee (i.e., very likely, likely, no significant impact, unlikely, very unlikely). Findings and reasons would be provided to support the conclusions reached.

If the matrix indicates that the impacts of alternatives not requiring goal exceptions are such that the underlying policies still can be achieved, although perhaps not in the optimum fashion, then this threshold would not support a new East Dundee Interchange. However, if the matrix reveals that the impacts associated with alternatives not requiring goal exceptions would significantly impede, undermine or preclude Dundee's ability to achieve these goals and objectives and thus,

¹⁷³ DLCD and LCDC, Smart Development Code Handbook, August 1997.

its ability to implement its acknowledged comprehensive plan and TSP policies, then a determination can be reached that these alternatives cannot reasonably accommodate the identified transportation need and that an East Dundee Interchange is justified. For purposes of this threshold, an overall score for the five lane roadway or couplet that is just 50 percent or less of the score assigned to the East Dundee Interchange would be deemed inadequate to achieve the policies in Dundee's comprehensive plan, TSP and vision statement. Cost.

Cost must always be taken into consideration in determining the reasonableness of a project alternative because of the limitations on and the competition for available federal and state dollars for transportation improvements. When the cost of one alternative is significantly higher than the cost of another alternative, cost becomes a more important factor to consider.

7.6.3 Safety

Safety is a broad category that encompasses automobile, truck, bicycle and pedestrian, and transit safety. There are commonly three methods for improving safety, known as the "3 Es": education, enforcement, and engineering. While education and enforcement remain constant within broader objectives of most state Departments of Transportation and units of local government, it is in the area of engineering where the greatest effect can be employed in construction or reconstruction of highways. Specifically, all design standards are based upon physical principles that seek to ensure the safety of all highway users. Factors such as lane widths, shoulder widths, medians, intersection design, and parking design all can contribute to traveler safety.

One of the key goals of highway engineering is to eliminate or reduce conflicts between different travel modes that either use or interface with the highway network. For example, at-grade railroad crossings create potentially hazardous situations not only for automobiles but also for bicyclists and pedestrians. Similarly, interchanges are safer than intersections because they separate high and lower speed traffic movements that could potentially conflict with each other. In Dundee, a railroad traverses the city approximately 150-200 feet south and east of its central business district and parallel to Oregon 99W. Because of the potential safety hazards to automobiles, pedestrians and bicyclists associated with railroad crossings, a threshold is established providing that any non-exception alternative that would locate Oregon 99W travel lanes on both sides of the railroad tracks through the downtown is unreasonable to accommodate the identified transportation need.

Another important principle of safe highway design is the principle of functional classification. Through functional classification, transportation planners and engineers strive to ensure that appropriate types and levels of traffic are distributed to the state and local highway network in such a way as to promote efficiency and minimize conflicts such as the conflicts that naturally exist between through travelers and travelers within a local community. By ensuring that adequate capacity exists on facilities that are appropriately designed and managed to support the various different functions that need to be served by a comprehensive transportation network, safety is enhanced. This concept is reflected in the first threshold

Finally, a number of acknowledged Dundee TSP and Comprehensive Plan policies address safety concerns that provide an additional basis for safety-related thresholds that are particularly relevant to the proposed East Dundee Interchange. For instance, TSP goals and objectives direct Dundee to provide and maintain a transportation system that (1) encourages and supports a variety of multi-modal options, including improved bicycle and pedestrian facilities (Goal 4; see also Goal 2, Objectives 6 and 7); (2) fosters safe and efficient travel by bicycle, pedestrian and public transportation and minimizes pedestrian and vehicle conflicts (Goal 4, Actions 3 and 4); and (3) protects the health and safety of transportation system users (Goal 8).¹⁷⁴ TSP Objective C directs Dundee to construct “a safe, continuous and direct network of streets, accessways, and other improvements, including bikeways, sidewalks, and safe street crossings to promote safe and convenient bicycle and pedestrian circulation within Dundee.”¹⁷⁵ Also, Dundee’s acknowledged comprehensive plan includes Transportation Objective 4 to “ensure pedestrian safety along Highway 99.”¹⁷⁶

As with the economic viability and livability policies identified above, these policies can be measured against principles set out in the Smart Development Code Handbook. For instance:

- Does the alternative foster a healthy, multi-faceted streetspace appropriately designed for many users?
- Does the alternative provide a pedestrian-friendly streetscape?
- Does the alternative allow for placement and design of parking areas that are sensitive to pedestrian safety?
- Does the alternative create a barrier to north/south pedestrian travel?

These measurements can also be included in a matrix comparing the overall impacts of alternatives measured against achievement of acknowledged TSP and comprehensive plan policies. Compliance with Oregon Highway Plan

The Oregon Highway Plan is the state's transportation system plan for highways. As an adopted TSP, compliance with the OHP must be demonstrated. Hence, it is appropriate to take OHP compliance into account in determining the reasonableness of alternatives.

7.6.4 Other Relevant Factors

Other relevant factors include travel time, hours of congestion and delay, and overall facility performance. These considerations are relevant based on the reasons justifying the transportation improvement and the expectations of that improvement's function. If the justification for the transportation improvement is to relieve congestion of existing facilities, as it is for the NDTIP, then its attractiveness as an alternative must be ensured by higher performance and lower travel times. Otherwise, it will not be able to perform its intended function.

¹⁷⁴ Dundee TSP, pages 6-9, 95-96, 98-99.

¹⁷⁵ Dundee TSP at 97.

¹⁷⁶ Dundee Comprehensive Plan, page 71.

The level to which "regional through" and freight trips are removed from Oregon 99W to the Bypass is another threshold. This threshold is justified as a measure of Dundee's ability to achieve compliance with its TSP policies and its adopted Vision Statement 2022 because higher traffic volumes and large numbers of semis using the City's "main street" would detract substantially from the City's sense of place in terms of noise, safety, and appearance.

7.7 OAR 660-012-0070(7), ORS 197.732(1)(c)(C), Goal 2 Part II(c)(3), and OAR 660-004-0020(2)(c)

OAR 660-012-0070(7) provides that to comply with Goal 2 Part II(c)(3), the exception must compare the economic, social, environmental and energy (ESEE) consequences of the proposed location with other locations requiring exceptions. The exception must discuss "whether the net adverse impacts associated with the proposed exception site are significantly more adverse than the net impacts from other locations which would also require an exception." The proposed exception would fail only if the impacts associated with it are "significantly more adverse" than the other identified exception sites. Under OAR 660-012-0070(c), the evaluation of consequences may be generalized.

OAR 660-004-0020(2)(c) is very similar to OAR 660-012-0070(7). It requires a general description of the character of each alternative area and discussion of the advantages and disadvantages of the various alternatives, including positive and negative consequences. Like OAR 660-012-0070(7), the exception must explain why the use at the chosen site, with measures designed to reduce adverse impacts, is not "significantly more adverse" than would typically result from the same proposal being located at one of the other exception sites. Considerations include the facts used to determine which resource land is least productive, the ability to sustain resource uses near the proposed use, and the long-term economic impact on the general area resulting from irreversible removal of land from the resource base.

7.7.1 Bypass Alternatives

The LDEIS evaluated three general bypass corridor alternatives passing through rural lands: (1) the Recommended Southern Alternative, which is the selected alternative for which goal exceptions are being taken; (2) a Southern Alternative with a Rural Residential Option; and (3) a Northern Alternative.¹⁷⁷ In comparing those alternatives, the LDEIS evaluated their combined impacts on both rural and urban lands. While this was necessary and appropriate to satisfy federal requirements of the National Environmental Policy Act, it is not what the TPR requires for goal exceptions. As stated above, OAR 660-012-0070(7) requires a comparison of ESEE consequences for "locations requiring exceptions." In other words, the comparisons must focus on the rural lands for which exceptions are required.

¹⁷⁷ The ESEE impacts identified and examined herein are described in greater detail in a technical memorandum entitled "Bypass Corridor Alternatives ESEE Analysis" (November 21, 2003).

Figure 10 illustrates the rural segments of the three bypass corridor alternatives that were studied in the LDEIS and are compared in this ESEE analysis. Figure 5 above displays the Yamhill County Comprehensive Plan designations that apply to these rural segments.

The three corridor alternatives are described here.

7.7.1.1 Recommended Southern Alternative ("the Bypass")

East Segment

All three corridor alternatives begin at the East Newberg Interchange with Oregon 99W in the Rex Hill area east of Newberg. The Bypass in this east segment extends south of Oregon 99W to Oregon 219 through both urban and rural land within and outside the Newberg UGB. As shown in Figure 5, Yamhill County Comprehensive Plan designations for the affected rural lands in this east segment are Agriculture/EFU (approximately 26 acres) and Very Low Density Residential (approximately 17 acres). Existing land uses in the rural area include small farms and rural residential dwellings.

From Oregon 219 west to Chehalem Creek, the Bypass is located within the Newberg UGB on land zoned for industrial and residential uses.

Newberg-Dundee
TRANSPORTATION IMPROVEMENT PROJECT

Goal Exception

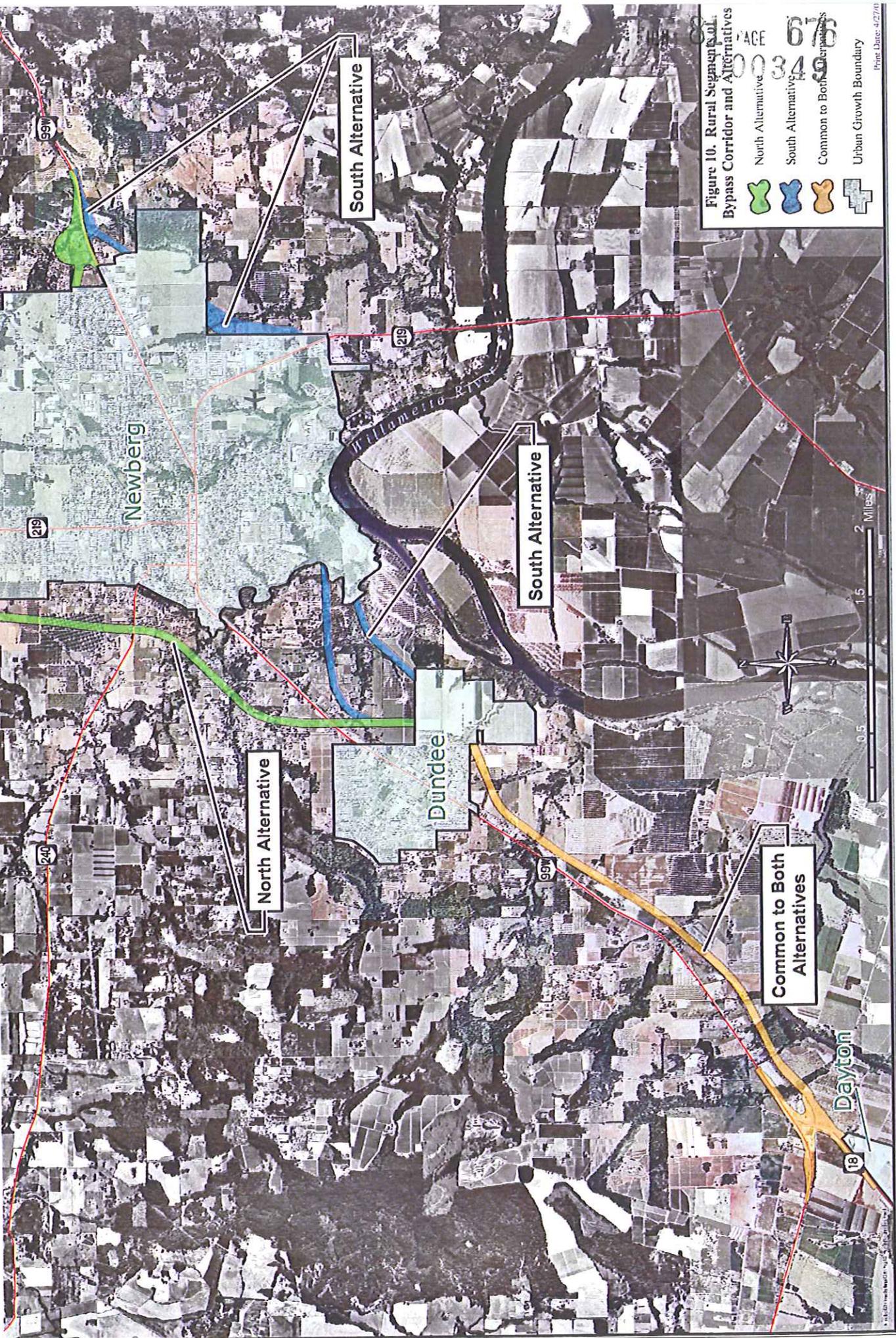


Figure 10. Rural Segment of Bypass Corridor and Alternatives

North Alternative	30	FACE	678
South Alternative	34		
Common to Both Alternatives	49		

Urban Growth Boundary

Central Segment

The Bypass crosses a second rural area in the central segment between the UGBs of Newberg and Dundee. There is a distance between 0.5 to 1 mile separating the two UGBs in this central segment. As shown in Figure 5, Yamhill County Comprehensive Plan designations for the affected rural lands in this central segment are predominantly Agriculture/EFU (approximately 11 acres), with a smaller area of Very Low Density Residential (less than 1 acre). A productive farm (Dundee Farm) is the predominant land use in this central segment, and existing crops include 60 acres of berries and 140 acres of filbert orchards. The farm extends down to the Willamette River and includes areas in the 100-year floodplain. Outside the boundaries of the Dundee Farm, rural residential land uses predominate in the rural corridor along Oregon 99W between the Newberg and Dundee UGBs.

After crossing the rural area between Newberg and Dundee, the Bypass is located within the Dundee UGB on land that is currently in an "agricultural holding" zone that is planned for future urban development.

West Segment

The longest rural portion of the Bypass is located in the west segment between the Dundee and Dayton UGBs and is the same for all corridor alternatives. As shown in Figure 5, Yamhill County Comprehensive Plan designations for the affected rural lands in this west segment are predominantly Agriculture/EFU (138 acres). Productive farms are the dominant land use in this west segment south of Oregon 99W to the Willamette and South Yamhill Rivers. Existing crops grown in the area include filbert orchards, perennial ryegrass, berries, wheat, Christmas trees, row crops, and annual grass seeds. Wine grape vineyards are generally located north of Oregon 99W on the south facing hillsides.

7.7.1.2 Southern Alternative – Rural Residential Option

The bypass corridor for this alternative only varies from the Recommended Southern Alternative described above in the central segment between the Newberg and Dundee UGBs. The alignment for the east and west segments is the same and the description is not repeated here.

Central Segment

Under this corridor alternative, the bypass in the central segment between Newberg and Dundee is located closer to Oregon 99W and largely affects a rural residential area rather than an agricultural area. As shown in Figure 5, Yamhill County Comprehensive Plan designations for the affected rural lands under this corridor alternative include Very Low Density Residential (approximately 30 acres), with a smaller amount designated Agriculture/EFU (approximately 5.5 acres). Existing land uses in the rural area include numerous residences on parcels ranging from two to five acres interspersed with small farm parcels.

This alternative largely avoids the Dundee Farm. However, the bypass corridor does cross the farm and EFU zone where the alignment turns south and enters the Dundee UGB. As noted above, the bypass displaces approximately 5.5 acres designated for Agriculture in this segment.

7.7.1.3 Northern Alternative

The bypass corridor for this alternative varies from the two alternatives described above in the east and central segments. The alignment for the west segment is the same for all corridor alternatives and is not repeated here.

East Segment

This corridor alternative also begins at the East Newberg Interchange with Oregon 99W in the Rex Hill area east of Newberg. However, the bypass extends north of Oregon 99W before turning west to enter the Newberg UGB. As shown in Figure 5, Yamhill County Comprehensive Plan designations for the affected rural lands in this east segment are Agriculture/EFU (approximately 11 acres) and Very Low Density Residential (approximately 9 acres). Existing land uses in the rural area include filbert orchards, a farm stand and small winery, rural residential dwellings, and a building that is on the National Historic Register.

After entering the Newberg UGB, the bypass then extends north and west along the northern edge of Newberg across designated but largely undeveloped residential areas.

Central Segment

The bypass corridor crosses a second rural area in the central segment between the UGBs of Newberg and Dundee. After exiting the northwestern edge of the Newberg UGB, the bypass turns south and generally parallels Chehalem Drive, crossing Oregon 240 and continuing further southwest to a new intersection and crossing of Oregon 99W near Fox Farm Road. The bypass continues south of Oregon 99W before crossing into the Dundee UGB east of Edwards Avenue.

As shown in Figure 5, Yamhill County Comprehensive Plan designations for the affected rural lands in this central segment are Agriculture/EFU (approximately 33 acres) and Very Low Density Residential (approximately 46 acres). Existing land uses in the rural area include agricultural crops such as filbert orchards, wine grape vineyards, and grains, and numerous rural residential dwellings on parcels that range in size from 2.5 to 10 acres.

7.7.1.4 *Economic Consequences*

Economic impacts relevant to these corridor alternatives include business displacements, the loss of agricultural land zoned for exclusive farm use, and the fragmentation of agricultural operations on EFU-zoned lands.

Business Displacements

The three bypass corridor alternatives could potentially displace three businesses located near the existing intersection of Oregon 99W and Oregon 18 at McDougal Corner. See Table 3. Business displacement impacts would be associated with replacement of the dangerous intersection and railroad crossing with a directional interchange. No additional businesses would be displaced in the rural segments of the Recommended Southern Alternative or the Southern Alternative with the Rural Residential Option. By comparison, the Northern Alternative could potentially displace seven businesses, including the three mentioned above.

Displacement of EFU Land & Fragmentation of Agricultural Operations

As shown in Table 3, the bypass corridor alternatives are not substantially different relative to the total amount of displaced exclusive farm use (EFU) land. The Southern Alternative with the Rural Residential Option would displace the least EFU land at 169 acres, while the Northern Alternative would displace the most EFU land at 182 acres.

More than 75 percent of the total EFU displacement impacts are concentrated in the west segment between Dundee and Dayton. As noted above, the bypass alignment in this segment is the same for the three bypass corridor alternatives. The bypass corridor would parallel the south side of the railroad corridor and would displace a total of 138 acres of EFU land between Dundee and Dayton. The railroad right-of-way generally functions as the boundary separating larger farm operations to the south of the railroad toward the river from smaller farm operations located in the area between Oregon 99W and the railroad.

Agricultural land in this west segment is classified as "high value farmland" based primarily on soil classifications. The EFU-80 zoning establishes a minimum parcel size of 80 acres for new parcels to maintain the commercial agricultural enterprise of the area. Existing crops grown in the west segment from Oregon 99W to the Willamette and South Yamhill Rivers include filbert orchards, perennial ryegrass, berries, wheat, Christmas trees, row crops, and annual grass seeds.

Table 3 – ESEE Comparison Of Bypass Corridor Alternatives

ESEE Consequences	Recommended Southern Alternative	Southern Alternative – Rural Residential Option	Northern Alternative
Economic			
Businesses displaced (number)	3	3	7
EFU land displaced (acres)	175	169	182
Fragmentation of EFU land (yes/no)	Yes	Yes	Yes
Social			
Residences displaced (number)	6	17	40
Rural Residential land displaced (acres)	18	47	55
Residences potentially affected by increased noise (number)	43	56	60
Neighborhood or community cohesion impacts (high/medium/low)	Low	Medium	High
Impacts on historic sites (number)	4	4	6
Visual impacts (high/medium/low)	Medium	Medium	Medium
Environmental			
Threatened and Endangered (T & E) fish habitat (acres/stream length)	27 ac/1929 ft	28 ac/2732 ft	38 ac/2027 ft
Wildlife habitat affected (acres)	207	228	293
Wildlife corridors crossed (number)	1	1	1
Wetlands affected (acres)	7	5	18
Riparian areas affected (acres)	17	18	21
Energy			
Total length of bypass (miles)	10.2	10.7	12.3
P.M. Peak Period Travel Time on Bypass in 2025 (in minutes)	12	12	14

Note: These analyses were run using the Geographic Information System (GIS) data from the LDEIS. Numbers have been rounded to the next whole number. GIS data on wildlife habitat and wetland value (high, medium, and low) has been aggregated for the purpose of this table.

While displacement of 138 acres of EFU land in this west segment is not a minor amount of agricultural land, the impacts will not disproportionately affect a single farm operation. Additionally, because the bypass corridor parallels the rail corridor, it largely avoids fragmentation of farm operations. While the direct loss of EFU land is significant, the overall adverse impacts of fragmentation on farming practices and production can be more far-reaching. Fragmentation can result in irregular field shapes that adversely affect a farmer's ability to efficiently plant, irrigate, and harvest crops or maintain pasture and can result in the following adverse consequences to farm operations:

- More difficult to move farm equipment, machinery, and irrigation pipes onto and between fragmented pieces;

- Increased difficulty, time, and cost associated with planting, irrigating, and harvesting fragmented pieces;
- Increased difficulty, time, and cost associated with application of fertilizers and pesticides (by ground or aerial spraying); and
- Increased urbanization pressures on fragmented EFU parcels, particularly when the parcels are small and isolated.

Fragmentation impacts are largely avoided in this west segment because the bypass will parallel the existing railroad corridor and generally be located at the edge of farm operations. Because the bypass will have full access control in this segment, it will be important to identify and retain key local road connections over or under the bypass to provide connectivity to Oregon 99W and farm-to-market access. In particular, Riverwood Road and Fulquartz Landing Road provide important access and circulation to the productive agricultural area southeast of Oregon 99W and the railroad to the Willamette and South Yamhill Rivers, and some sort of crossing should be maintained for these two local roads.

In terms of EFU impacts, the differences between the three bypass corridor alternatives are most distinct in the central segment between Newberg and Dundee. All three alternatives have some degree of impact on the approximately 300-acre Dundee Farm located southeast of Oregon 99W between Newberg and Dundee. The Northern Alternative affects additional EFU lands located north of Oregon 99W and Oregon 240.

The Dundee Farm is owned and operated by Columbia Empire Farms as part of a larger farm production, processing, marketing, and sales operation. Columbia Empire Farms grows, picks, and processes filbert, honey, and berry products and markets them wholesale or through its *Your Northwest* stores, one of which is located in the City of Dundee. The company employs over 350 persons full- and part-time, most in Yamhill County. It is one of the largest commercial farming operations in the County.

The Dundee Farm is identified as high-value farmland based on soil classifications. Portions of the farm are tiled and irrigated. Farm fields consist of 60 acres of berries, 140 acres of filbert orchards, and additional agricultural lands. The farm also includes a barn, an office, 25 units of farm worker housing, and a small production facility.¹⁷⁸ None of the bypass corridor alternatives would directly displace any of the existing farm facilities on the Dundee Farm.

As shown in Figure 10, the Northern Alternative and the Southern Alternative with the Rural Residential Option each would directly displace approximately 5.5 acres of the Dundee Farm where the bypass alignment turns south and enters the Dundee UGB parallel with Edwards Avenue. Further, these two corridor alternatives would separate and cut off from the remainder of Dundee Farm another approximately 19 acres located between the bypass and the extension of Edwards Avenue. Urbanization pressures on this fragmented "remainder" property would be very high with the small size and location abutting the Dundee UGB on two sides. The

¹⁷⁸ Miller Nash LLP Comment Letter on the Newberg-Dundee LDEIS, December 13, 2002.
<http://www.odot.stat.or.us/region2public/newbergdundee/chapters.pdf>

Recommended Southern Alternative would displace a little more than 11 acres of the Dundee Farm, but the area of impact on the farm would be farther east toward the Willamette River and would not result in a small "remainder" property.

While the Recommended Southern Alternative would directly displace more of the Dundee Farm relative to the other two Alternatives (11 acres vs. 5.5 acres), the nature of these displacements is different. The Recommended Southern Alternative would divide the Dundee Farm into two pieces, with approximately 80 acres located west of the Bypass toward Oregon 99W, and more than 200 acres located east of the Bypass in the floodplain area next to the Willamette River. The majority of the filbert orchards are concentrated in the lower terrace by the river, while the majority of the berry fields are concentrated in the upland areas. The Dundee Farm is zoned EFU-80, which establishes a minimum parcel size of 80 acres to maintain the commercial agricultural enterprise in the area. Therefore, even though the Recommended Southern Alternative would divide the Dundee Farm into two pieces, the size of each piece would meet or exceed the minimum parcel size of 80 acres established by the EFU-80 zoning to maintain the commercial viability of farm enterprises in the area.

With mitigation to assure adequate farm access, it would be feasible to move farm vehicles, equipment, and machinery (including irrigation pipes) over or under the Bypass to access both portions of the Dundee Farm and to avoid urbanization pressures that would be associated with fragmentation and isolation of smaller parcels. Therefore, the economic impacts associated with the Recommended Southern Alternative on the Dundee Farm are not significantly more adverse than the economic impacts associated with the two other Corridor Alternatives.

As noted earlier, the Northern Alternative would displace 33 acres of EFU lands to the north of Oregon 99W in the central segment that would not be displaced by the Southern Alternatives. The Northern Alternative would directly affect existing filbert orchards and wine grape vineyards.

7.7.1.5 Social Consequences

Social consequences relevant to the bypass corridor alternatives include displacement of residences, loss of rural residential land, noise impacts, impacts to neighborhood or community cohesion, impacts on historic sites, and visual impacts.

Residential Displacements

As shown in Table 3, the residential displacement impacts associated with the Northern Alternative are substantially higher than the two Southern Alternatives. The Northern Alternative could displace up to 40 dwellings, with most of the displacement impacts concentrated in the rural residential area north of Oregon 99W between Newberg and Dundee. By comparison, the Southern Alternatives would displace from 6 to 17 dwellings. The Recommended Southern Alternative has the lowest residential displacement impacts because it avoids crossing the rural residential area between Newberg and Dundee.

Loss of Rural Residential Land

The Northern Alternative would directly displace up to 55 acres of designated rural residential land, substantially more than the 18 acres of rural residential land displaced by the Recommended Southern Alternative. The Southern Alternative with the Rural Residential option would displace approximately 48 acres of rural residential land.

Similar to the residential displacement impacts, most of the rural residential land displaced by the corridor alternatives is concentrated in the central segment between Newberg and Dundee. As shown in Figure 5, the Yamhill County Comprehensive Plan designates a large geographic area between the cities of Newberg and Dundee for rural residential development, with lot sizes ranging from 2.5 to 10 acres. Based on county planning department data, the two exception areas between Newberg and Dundee (Areas 1.5 and 1.8) encompassed 503 developed rural residential lots in 2000, with the potential to develop up to 351 additional lots based on existing zoning.

Yamhill County's inventory of land available for rural residential development is diminishing. While it is extremely difficult to obtain goal exceptions for new rural residential development areas under the county and statewide planning framework, the displacement of rural residential lands by the bypass corridor could result in pressures to look for replacement rural residential areas. Because the Recommended Southern Alternative displaces less rural residential land overall, pressures to convert agricultural land to rural residential use should be reduced.

Noise Impacts

As shown in Table 3, adverse traffic noise impacts are highest for the Northern Alternative, reflecting the longer bypass corridor through designated rural residential areas. The Northern Alternative could result in adverse traffic noise impacts to 60 dwellings, with the impacts about evenly divided between the east and central segments. The noise impacts associated with the Northern Alternative are slightly higher than the noise impacts for the Southern Alternatives, which range from a low of 43 traffic noise impacts for the Recommended Southern Alternative to 56 traffic noise impacts for the Southern Alternative with the Rural Residential Option. The majority of the traffic noise impacts associated with the Southern Alternatives occur in the east segment where the bypass alignment is located close to existing housing along Springbrook Road.

Neighborhood/Community Cohesion

In the rural area, adverse impacts on community cohesion are associated with relative numbers of residential displacements. As noted earlier, the Northern Alternative displaces substantially more dwellings than the Southern Alternatives. Where the bypass alignment is located at the edge or boundary of a developed residential area, it is also perceived to have less overall impact on neighborhood or community cohesion than when it extends through the middle of a developed area. For example, where the bypass corridor extends through the middle of the large rural residential area between Newberg and Dundee, overall impacts on community cohesion are assumed to be higher or more adverse. In the absence of improvements to local circulation, the

bypass could represent a substantial barrier to neighborhood circulation and community cohesion under the Northern Alternative and the Southern Alternative with the Rural Residential Option.

Because the Recommended Southern Alternative is largely located at the edge of rural neighborhoods, its overall impacts on rural community cohesion are slightly lower compared with the other Bypass Alternatives.

Historic and Visual Impacts

As shown in Table 3, the Southern Bypass Corridor Alternatives through the rural areas could affect four properties that are potentially eligible for listing in the National Register of Historic Places. The Northern Alternative could affect a total of six properties, including one site east of Newberg to the north side of Oregon 99W that is already listed in the National Register. The Northern Alternative would also be located closer to a concentration of historic properties along Chehalem Drive in Newberg that would not be affected by the Southern Bypass Alternatives.

Depending on the actual location of the bypass within the corridor alternatives, historical properties could be subject to increased noise, vibration, and visual impacts. It is important to emphasize that projects with a federal involvement (funding, permitting, or licensing) must comply with Section 106 of the National Historic Preservation Act. These regulations are intended to protect prehistoric and historic archaeological resources, traditional cultural properties, historic structures, buildings, and objects that are important to maintaining cultural identity.

Potential impacts to historic properties will be avoided to the degree possible through alignment shifts as the project moves into design. However, in comparing the rural portions of the corridor alternatives, the two Southern Alternatives have lower adverse impacts on historic resources than the Northern Alternative because they affect fewer historic sites and specifically avoid the National Register site.

Each of the Bypass Corridor Alternatives would result in direct impacts on the visual environment. Each alternative would include structures such as walls, bridges or fill slopes with culverts at creek crossings. Although the number, size, and type of structures vary among the alternatives, they would introduce new, large visual elements into the landscape that would be seen by stationary and mobile viewers.

The agricultural landscape dominates in the west segment between Dundee and Dayton and three alternatives share the same corridor in this segment. Because this area is sparsely populated, mobile viewers would experience the greatest visual impacts in this segment. New traffic lanes will be added south of the railroad tracks under all Bypass Alternatives. Therefore, travelers would have expanded views of pavement in the foreground, but regional views of rolling hills and croplands would still be visible from the roadway.

In the central segment between Newberg and Dundee, the Northern Alternative and the Southern Alternative with the Rural Residential Option would have a larger visual impact on rural residential areas because the bypass corridor would traverse the rural community. The

Recommended Southern Alternative would have lower visual impacts on the rural residential area because the alignment is farther away from the developed area.

Portions of each bypass alternative would affect productive agricultural areas in the central and east segments and would represent a significant change in agricultural, pastoral views. Because the Northern Alternative would be located at a higher elevation than the Southern Alternatives and would require a notch in the hillside, the visual impacts of the construction could be more significant.

Overall, there is not a substantial difference between the three bypass corridor alternatives in terms of visual impacts. Each alternative will result in visual impacts to rural and agricultural areas to varying degrees. However, all will result in similar overall visual impacts associated with introducing a major new transportation facility into an existing rural, pastoral setting outside of the urban areas.

7.7.1.6 Environmental Consequences

Environmental consequences include impacts to fish and wildlife habitat and wildlife corridor crossings, wetlands, and riparian areas.

Fish & Wildlife Habitat and Wildlife Corridors

The Southern Alternatives affect less fish habitat (by acres and stream length) than the Northern Alternative. As shown in Table 3, the Recommended Southern Alternative has lower impacts on fish habitat than the Southern Alternative with the Rural Residential Option, although the differences between the two bypass corridors are not substantial. The Northern Alternative would impact an additional 10 acres of fish habitat when compared with the Southern Alternatives. This greater impact reflects that the Northern Alternative is almost two miles longer overall than the Southern Alternatives and it crosses a greater number of streams and wooded areas in the central segment between Newberg and Dundee.

The Southern Alternatives also impact less wildlife habitat than the Northern Alternative. As shown in Table 3, the Northern Alternative affects approximately 293 acres of wildlife habitat (33 acres high value), the Southern Alternative with the Rural Residential Option affects 228 acres of wildlife habitat (28 acres high value), and the Recommended Southern Alternative affects the least amount of wildlife habitat at 207 acres (19 acres high value).

Wildlife species use wildlife corridors to move within and through a habitat. Corridors provide important connectivity between significant habitats, such as streams and patches of forest. Wildlife use these areas to find breeding partners, for seasonal migration and to find habitat requirements such as food and cover. Wildlife corridors were mapped in the LDEIS to include streams, riparian, and upland corridors utilized by large mammals. Six important wildlife corridors were identified.

All bypass corridor alternatives “cross” Wildlife Corridor 2 in the west segment between Dundee and Dayton. This wildlife corridor provides nearly contiguous forested habitat from Oregon 99W northwest to the designated big game peripheral winter range.¹⁷⁹ A narrow corridor continues toward the Willamette River. Roadways (particularly Oregon 99W) and agricultural land fragment the corridor. Big game and a variety of other wildlife could utilize this corridor.

Wetlands

The wetland impacts of the two Southern Alternatives are about the same, but significantly less than the wetland impacts of the Northern Alternative. As shown in Table 3, the Recommended Southern Alternative affects seven acres of wetlands, slightly more than the five acres affected by the Southern Alternative with the Rural Residential Option. The Northern Alternative, however, affects a substantially higher 18 acres of wetland in the rural segments. The three corridor alternatives primarily affect “low value wetlands.” Each alternative generally impacts approximately 0.5 acres of “medium value wetlands.”

Riparian Areas

Riparian buffers are vegetated corridors along streams. High-quality riparian buffers have dense vegetation that shades the associated waterway, stabilizes the banks, and reduces soil erosion and sedimentation. The ultimate value of a riparian area depends on several factors, including fish presence, connectivity to other riparian and wildlife corridors as well as other bodies of water, and potential wildlife usage.

While the difference between the bypass corridor alternatives in terms of riparian impacts is not as substantial compared with the differences for wetland and fish and wildlife habitat impacts, the Recommended Southern Alternative affects the smallest riparian area at 17 acres, compared with 21 acres affected by the Northern Alternative. Viewed overall, environmental consequences are significantly more adverse for the Northern Alternative primarily because of the greater length of the bypass through the rural area and more numerous crossings and impacts on stream, wetland, and fish and wildlife habitat areas. While there is not a substantial difference between the two Southern Alternatives, the Recommended Southern Alternative has slightly lower environmental impacts in each of the identified categories. This reflects that the bypass corridor is approximately 0.5 miles shorter through the central segment and affects proportionately more cultivated agricultural land.

In considering environmental impacts, it is important to recognize that Federal and State laws require that certain environmental impacts be avoided, minimized, or mitigated. This helps reduce the scale of differences between alternatives. In particular, stringent Federal and State laws and permitting requirements apply to wetlands and threatened and endangered species. The overlay of the Federal and State laws and permitting requirements on top of the local land use decision provides assurance that environmental consequences will be avoided, minimized, and/or mitigated at the design phase of the Bypass project.

¹⁷⁹ Oregon Department of Fish and Wildlife (ODFW)

000360

7.7.1.7 Energy Consequences

As shown in Table 3, the total length of the Recommended Southern Bypass is approximately 0.5 miles shorter than the Southern Alternative with the Rural Residential Option, and approximately 2 miles shorter than the Northern Alternative. Associated with the variation in the total length of the bypass, projected p.m. peak travel times on the Bypass in 2025 are expected to be approximately 2 minutes longer on the Northern Alternative when compared with the Southern Alternatives (14 minutes vs. 12 minutes).

The shorter travel distance associated with the recommended alternative, combined with higher, more consistent travel speed, is expected to result in neutral or positive energy consequences for the Recommended Southern Alternative relative to the Northern Alternative.

Also, because travel speeds affect the rate at which fuel is consumed, it is estimated that total fuel consumption in gallons per day would be greater for the No-Build Alternative because of congestion, slower travel speeds, and longer travel times. There are no detectable differences among the three bypass corridor alternatives in the system-wide average number of passenger hours traveled or freight hours traveled. The greater distance on the bypass relative to Oregon 99W would be offset by generally higher speeds of travel, and more travelers would use the less congested bypass rather than more congested alternative routes.

7.7.1.8 Overall Assessment of ESEE Consequences

Across the board, the Northern Alternative has more adverse economic, social, environmental, and energy consequences in the rural areas when compared with the Southern Alternatives. The Northern Alternative displaces the most businesses, displaces the largest amount of EFU land, displaces the most dwellings and rural residential land, affects the greatest number of dwellings with increased traffic noise, and has the most impact on wetlands, fish and wildlife habitat, and riparian areas.

The distinctions between the two Southern Alternatives are not as dramatic. While the Recommended Southern Alternative displaces seven acres more EFU land than the Southern Alternative with the Rural Residential Option, the social and environmental consequences associated with the Recommended Alternative are generally less adverse. The Recommended Alternative displaces substantially fewer residences (6 vs. 17), less rural residential land (18 vs. 48 acres), has fewer adverse noise impacts (43 vs. 56), and affects less wildlife habitat (207 acres vs. 228 acres).

While the displacement of a larger portion of the Dundee Farm is not insignificant, the Recommended Alternative will maintain the farm in two commercially viable pieces with one parcel of 80 acres and the second of more than 200 acres. With assumed mitigation to assure adequate access across the bypass to both sides of the Dundee Farm, the overall ESEE impacts of the Recommended Alternative are not significantly more adverse than the ESEE impacts associated with the Rural Residential Option. They likely are less adverse by comparison.

7.7.2 Regional Bypass Through Marion County

Two "regional bypass" alternatives were initially considered but later dropped from further study due to their excessive adverse impacts compared to the alternatives that were carried forward to the LDEIS.¹⁸⁰ See Figure 11. Each involved a new highway connecting Oregon 99W with I-5 near Donald in Marion County. One alternative would have linked the bypass with Oregon 99W at a new interchange south of Dundee. The other would have connected the bypass to Oregon 99W and Oregon 18 at the Oregon 18/Oregon 99W junction.

These alternatives were dropped from further study for a variety of reasons, including:

- Adverse wetland impacts (30–50 percent higher than other alternatives);
- Much higher farmland impacts (displacement of approximately 500–563 acres, compared to 175 acres for the Recommended Southern Alternative;
- Greater indirect impacts on farm operations;
- Resource impacts that made these alternatives unlikely to meet Clean Water Act requirements;
- Higher remaining traffic volumes and congestion on Oregon 99W, resulting in a need to widen Oregon 99W in Dundee;
- A much higher level of growth-inducing impacts in northern Marion County;
- Higher costs than any other alternative; and
- Tremendous indirect impacts on Interstate 5 resulting from shifting approximately 30,000 average daily vehicle trips away from the Oregon 99W corridor and onto the I-5 corridor.¹⁸¹

Overall, the net impacts associated with these alternatives would be significantly more adverse than the net impacts associated with the Recommended Southern Alternative.

¹⁸⁰ These alternatives, called 2A and 2B, are illustrated in the LDEIS at Figures 2-1 and 2-2.

¹⁸¹ According to ODOT projections, I-5 from Salem north into Portland will experience high to extreme levels of congestion over the next 20 years, with multiple hours of the day exceeding ODOT performance standards. See State of the Interstate Report 2000 (ODOT, June, 2000). To keep pace with the level of congestion already predicted for I-5, an additional 30,000 daily vehicle trips would require two new travel lanes in each direction (four total) from the Highway 217/I-5 Interchange to the Aurora exit, a distance of nearly 15 miles. The addition of two new travel lanes in each direction on I-5 would necessitate widening every bridge and interchange structure and likely require modification to every set of interchange ramps within this 15 mile segment. The likely cost of making this level of improvement to I-5 to handle this new traffic volume alone would well exceed the total cost of the regional bypass or any of the other Newberg-Dundee bypass options being considered.

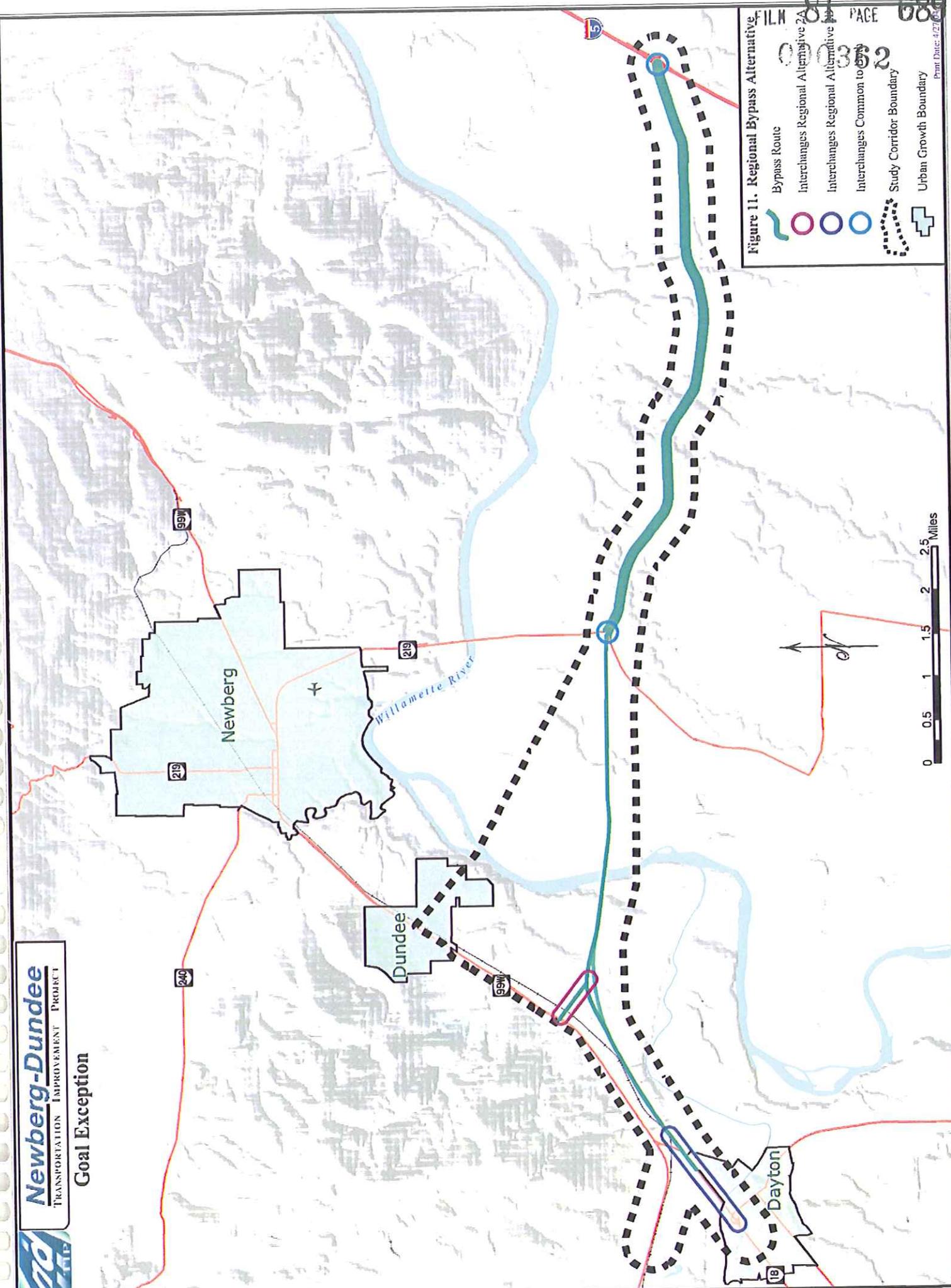


Figure 11. Regional Bypass Alternative

- Bypass Route
- Interchanges Regional Alternative 2A
- Interchanges Regional Alternative 3B
- Interchanges Common to 2A/3B
- Study Corridor Boundary
- Urban Growth Boundary



In many ways, the 1000 Friends alternative is similar to LDEIS Alternative 3I in its provision of at-grade intersections in Newberg. However, this alternative would include several more intersections and operate at even slower speeds. As a result, the facility would attract more local and regional traffic than Alternative 3I and would be even less attractive to statewide through trips, resulting in higher traffic volumes and congestion on existing Oregon 99W.

Because of its emphasis on slower speeds and at-grade intersections, the 1000 Friends alternative does not fully conform with the management objectives of a Statewide highway as described in Policy 1A of the OHP, which is to provide safe and efficient, high speed, continuous-flow operation, with minimal interruptions to the flow. Moreover, it violates requirements in the OHP Bypass Policy.¹⁸² As defined therein, bypasses are highways designed to maintain or increase mobility for through traffic. Generally, they relocate a highway alignment around a downtown or an urban area to provide an alternative route for through traffic using that highway. The 1000 Friends alternative meets this definition. However, it does not comply with the mobility standards of the bypass policy, which require that new bypasses be constructed as high-speed, limited access facilities (i.e., freeways or expressways).¹⁸³ This standard is consistent with bypass policy findings that regional through travel is best served by such limited access facilities.¹⁸⁴

Because this alternative requires a new roadway in an exception area, it would require goal exceptions. Accordingly, the issue arises whether the net impacts associated with the Recommended Southern Alternative would be significantly more adverse than the net impacts associated with the 1000 Friends alternative. But before that issue is reached, it first must be determined whether the 1000 Friends alternative could reasonably accommodate the identified transportation need. Because the answer is "no", a comparison of ESEE consequences is not required.

During the course of this NDTIP project, the project team modeled Alternative 3I, a potential bypass alignment that included three at-grade interchanges.¹⁸⁵ This alignment did not meet the project need. The traffic delay reduced the value of the bypass to through traffic to a point where through traffic was remaining on Oregon 99W. Accordingly, from a transportation standpoint, the 1000 Friends alternative would not perform nearly as well in achieving the goals and objectives of this project.

It is noted that a "boulevard design" is one of the design concepts developed by Metro for the Portland metropolitan region. However, Metro does not use "boulevards" to accommodate statewide or regional through traffic. Rather, these design concepts are meant to accommodate more local traffic within the region. Furthermore, they are intended to serve larger urban areas

¹⁸² OHP Policy 1H.

¹⁸³ See OHP Action 1H.2, discussed in more detail in Section 9 below.

¹⁸⁴ Because the 1000 Friends alternative is not consistent with applicable OHP requirements, it can be rejected on this basis alone.

¹⁸⁵ The three at-grade interchanges were located east of Newberg, at Oregon 219 and in the Riverside area.

like central cities (e.g., Portland) and regional centers like Beaverton, Hillsboro, Clackamas Town Center, and Washington Square.

To move statewide and regional through traffic with a trip end outside the region, Metro relies on throughways, freeways, and highways, including roadways such as Oregon 217 and Oregon 26.¹⁸⁶ Because the primary need in the Newberg-Dundee area is to remove statewide and regional through traffic from Oregon 99W, a limited access highway is appropriate and necessary, and a boulevard is inadequate to serve that purpose.

7.7.4 East Dundee Interchange Alternatives¹⁸⁷

Three alternatives requiring exceptions have been identified for the East Dundee Interchange. These include a North Option, which is the preferred interchange alternative, a Middle Option, and a South Option. The three alternatives are illustrated in **Figure 13**.

The three alternatives share some common features. All include an interchange at the Bypass; a two-lane connector road with no intermediate accesses that links the Bypass with Oregon 99W, and an intersection where the connector road joins Oregon 99W. In all instances, the Oregon 99W/connector road intersection is located on land zoned for rural residential development. Also, all alternatives provide for a grade separated crossing of the railroad tracks south of Oregon 99W.

7.7.4.1 North Option

Under the North Option, which is the East Dundee Interchange option for which land use approval is being requested, the interchange ramps, the connector road, and the intersection of the connector road with Oregon 99W are all located northeast of the Dundee UGB. The connector road, approximately 0.72 miles long, is located on land designated "Very Low Density Residential" (VLDR) in the Yamhill County Comprehensive Plan. The VLDR zone permits rural residential development on lots ranging from 2.5 to 5 acres.¹⁸⁸ See **Figure 14**. The North Option also affects some EFU-zoned land with construction of the interchange ramps to the Bypass.¹⁸⁹ However, because this option shifts the connector road to the north, the Dundee Farm owned by Columbia Empire Farms is not fragmented by the connector road alignment.

¹⁸⁶ Metro's Regional Transportation Plan also provides for new limited access highways to serve the region, including a road connecting Interstate 5 with Oregon 99W and the "Sunrise Corridor" highway in Clackamas County.

¹⁸⁷ The ESEE impacts identified and examined herein are described in greater detail in a technical memorandum entitled East Dundee Interchange Options ESEE Analysis (November 14, 2003).

¹⁸⁸ There are three VLDR zones implementing the VLDR plan designation.

¹⁸⁹ In the East Dundee area, the EFU-zoned lands are plan designated Agriculture/Forestry Large Holding (AFLH). The implementing zone is EFU-80 (80 acre minimum lot size).

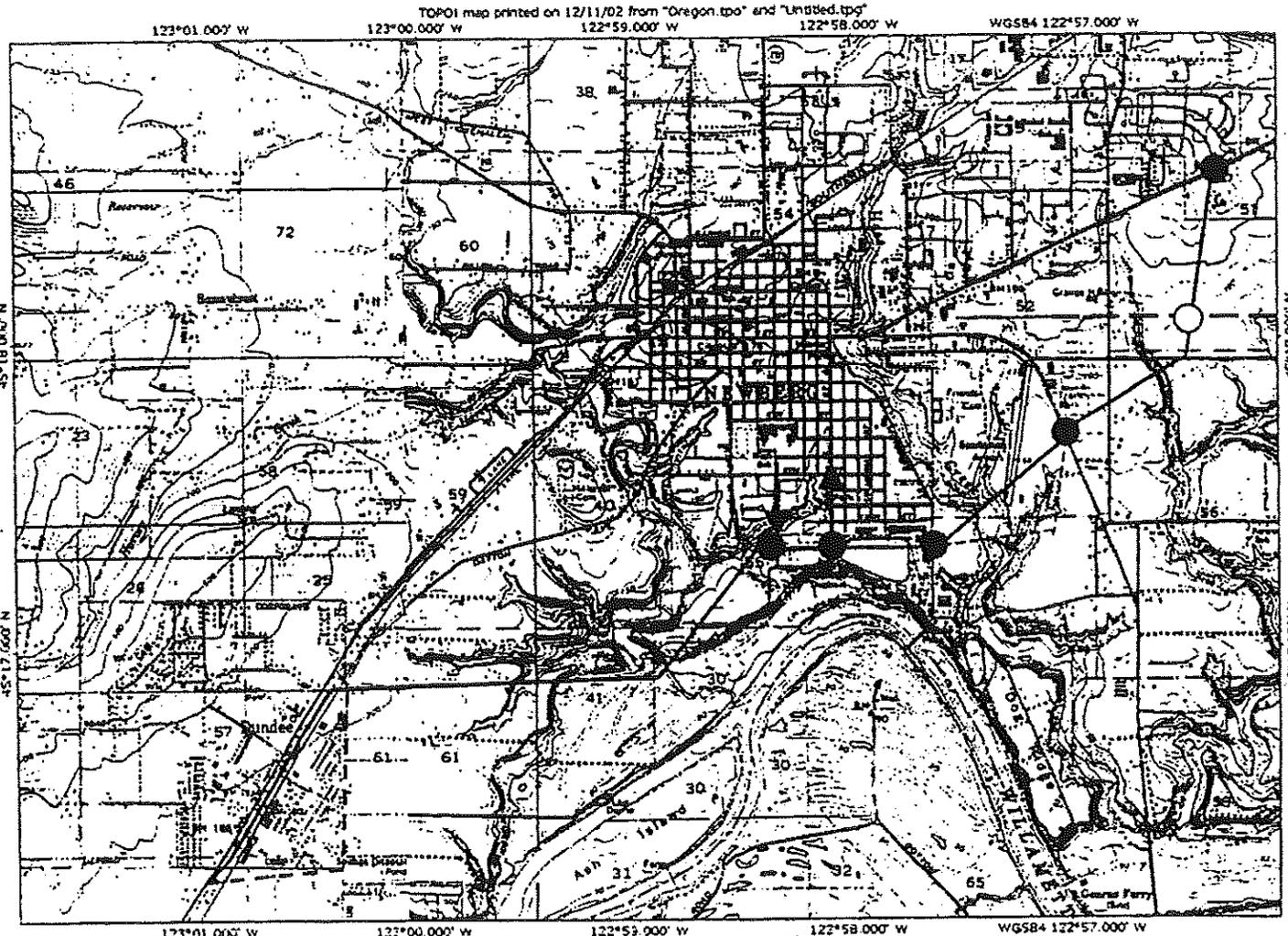
7.7.3 1000 Friends of Oregon Alternative

1000 Friends of Oregon has proposed a bypass alternative that it states would not require goal exceptions. However, as shown on the illustration accompanying the 1000 Friends alternative, this proposal crosses rural lands west of Newberg in places where there are no existing roadways. See Figure 12. Accordingly, goal exceptions would be required.

The 1000 Friends of Oregon alternative consists of proposed local street improvements, land use measures, expansion of public transit, and a 35 mph (in some places, 25 mph) boulevard to facilitate through trips around downtown Newberg. In essence, it takes the Newberg portion of the Bypass and turns it into a four-lane, 35 mph limited access boulevard with 10–12 foot wide travel lanes, 10.5 foot wide sidewalks, five foot wide bike lanes, a six foot wide landscaped median, seven foot wide parking and landscaped areas separating the bike lane from the sidewalk, and other features. The boulevard would employ the use of roundabouts, with local street and highway access provided at four existing at-grade intersections and a possible fifth location. The roundabouts are intended to slow traffic speeds of vehicles entering the boulevard from either end from 55–35 mph on the north end and from 55–25 mph on the south end.

The proposed boulevard would pass through Newberg on its south side, intersecting at grade with Oregon 219. Farther west, it would intersect, at grade, with Wyooski Street, then parallel the railroad tracks to the south. At the Riverfront District there would be two half-intersections with a new local street couplet to the north into town. The new street couplet would be made up of College and River Streets to allow access to the Riverfront District and the boulevard. The boulevard would then traverse the exception area south of Dayton Avenue, passing just south of or over the southern section of Glen Hollow Drive, then continue west through the exception area north of the area zoned EFU, where it would enter existing Oregon 99W east of Dundee. In Dundee, there would either be a couplet north of the existing railroad tracks with a truck route along Edwards and Park Roads, or there would be a new boulevard parallel to or along Edwards and Park Roads. The couplet would be designed and posted at 25 mph. The new arterial would be designed to accommodate traffic at 35 mph.

This proposal also provides for transit in the form of high quality express bus or commuter rail service from McMinnville, Newberg, and Dundee to the Portland metropolitan area; "high quality" bus or rail service between the Portland metropolitan area and the Spirit Mountain Casino in Grand Ronde; and demand responsive shuttle service for local trips and regional transit connections.



Legend:

—————	Boulevard alignment	●	Intersections
- - - - -	Optional boulevard alignment/truck route	○	Future Intersections
- - - - -	New Local Street		
—————	New Local Street couplet		

Boulevard/Couplet Alignment

Figure 12. 1000 Friends of Oregon Alternative

7.7.4.2 Middle Option

Under the Middle Option, the connector road and the interchange ramps are located closer to the Dundee UGB. The connector road, approximately 0.70 miles long, is located both on lands designated VLDR and on lands zoned EFU, with approximately one-third of the length of the connector road located on designated EFU land and the remaining two-thirds located on VLDR land. Compared with the North Option, the interchange ramps to the Bypass for the Middle Option are located closer to the Dundee UGB. The connector road would displace a portion of a productive filbert orchard under the Middle Option and would fragment Columbia Empire Farms' Dundee Farm.

7.7.4.3 South Option

The South Option shifts the Bypass ramps and a portion of the connector road to a location inside the Dundee UGB. The length of the connector road is longest for the South Option at 0.91 mile. Compared with the Middle and North Options, the South Option would displace more land planned for urban residential development.

Under the South Option, approximately one third of the connector road would be located inside the Dundee UGB on land planned for future residential development. The remainder of the connector road is located outside of the UGB, with approximately 0.33 miles of the length zoned Exclusive Farm Use and approximately 0.33 miles designated VLDR. The alignment of the connector road in the South Option would fragment both the urban residential area (currently undeveloped) and the Dundee Farm.

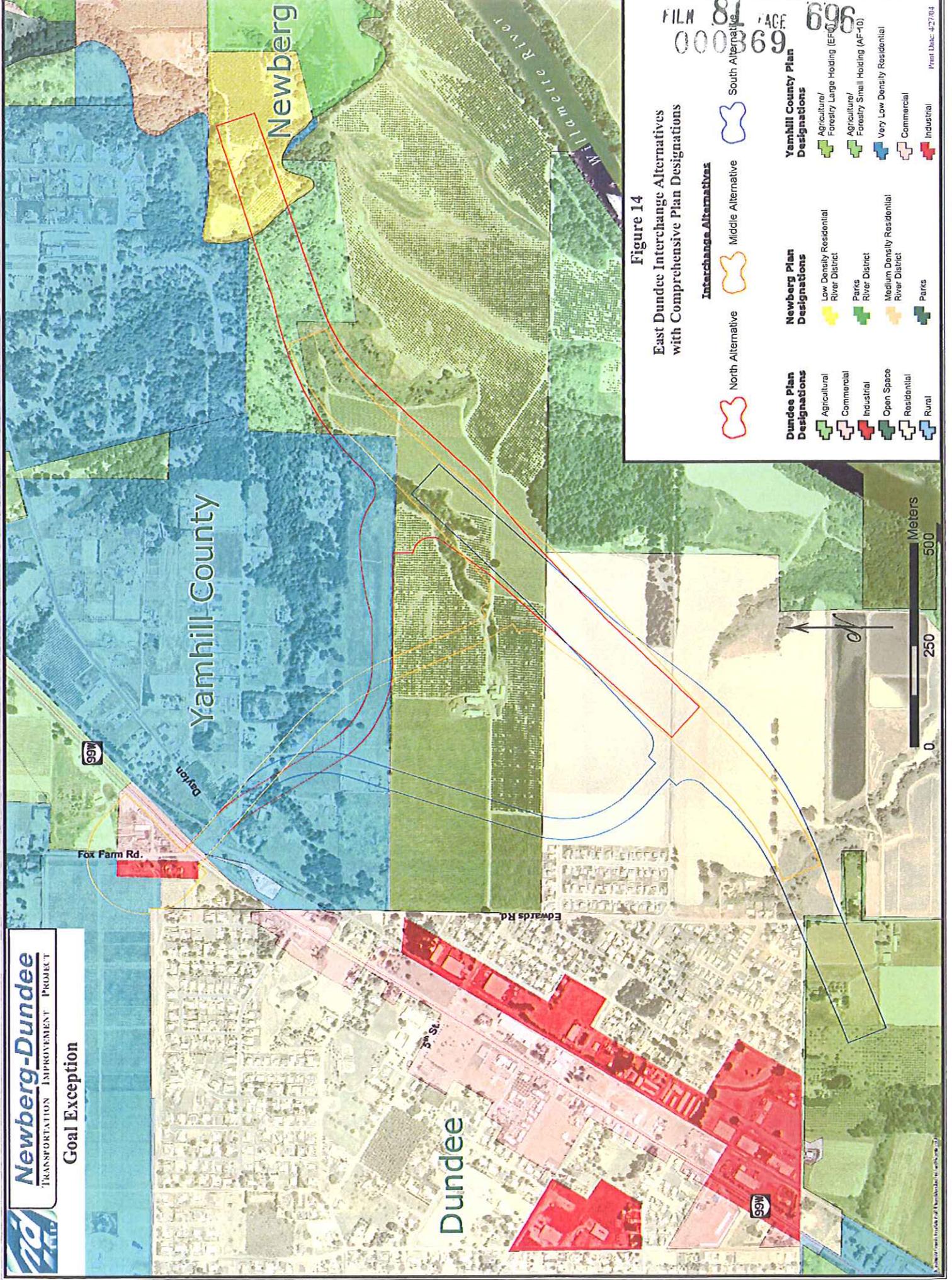


Figure 14
East Dundee Interchange Alternatives
with Comprehensive Plan Designations

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Interchange Alternatives

- North Alternative (Red outline)
- Middle Alternative (Yellow outline)
- South Alternative (Blue outline)

<p>Dundee Plan Designations</p> <ul style="list-style-type: none"> Agricultural Commercial Industrial Open Space Residential Rural 	<p>Newberg Plan Designations</p> <ul style="list-style-type: none"> Low Density Residential River District Parks River District Medium Density Residential River District Parks 	<p>Yamhill County Plan Designations</p> <ul style="list-style-type: none"> Agriculture/Forestry Large Holding (EF-0) Agriculture/Forestry Small Holding (AF-10) Very Low Density Residential Commercial Industrial
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7.7.4.4 Economic Impacts

Economic impacts relevant to these options include business displacements, the loss of Exclusive Farm Use land, and the fragmentation of agricultural operations on EFU lands.

The North, Middle, and South Options all could potentially displace two existing businesses (a motorcycle shop and a winery) located to the north side of Oregon 99W near Fox Farm Road, depending on the footprint and final design of the new connector road intersection to Oregon 99W. Business displacement impacts would be the same for all interchange options because the location of the connector road intersection does not vary between the three options.

Agricultural impacts relate to economic consequences associated with the Dundee Farm, owned by Columbia Empire Farms. Columbia Empire Farms raises filberts, berries, and bees on three major properties in Yamhill County, totaling approximately 1,100 acres, which includes the approximately 300-acre Dundee Farm that is located north and east of the Dundee UGB. Columbia Empire Farms grows, picks, and processes filbert, honey, and berry products and markets them wholesale or through its *Your Northwest* stores, one of which is located in the City of Dundee. The company employs over 350 persons full- and part-time, mostly in Yamhill County. It is one of the largest commercial farming operations in the County.

The Dundee Farm fields consist of 60 acres of berries, 140 acres of filbert orchards, and additional agricultural lands. The farm also includes a barn, an office, twenty-five units of farm worker housing, and a small production facility (all located west of the recommended bypass).¹⁹⁰ None of the three options would directly displace any of these existing farm facilities.

The North Option would directly displace approximately 7.64 acres zoned EFU that are part of the Dundee Farm. In comparison, the Middle Option would directly displace 7.15 acres of the Dundee Farm, while the South Option would directly displace 3.8 acres of that farm. See **Table 4**. However, the nature of these displacements is different.

For the North Option, the EFU displacement impacts are associated with the interchange ramps to the Bypass as opposed to the connecting road. The North Option avoids further division of the Dundee Farm beyond that resulting from the Bypass alignment. In contrast, for the Middle Option, the EFU displacement impacts are associated with both the interchange ramps to the Bypass and the easterly one-third of the connector road. Unlike the North Option, the Middle Option would fragment an 80-acre portion of the Dundee Farm and would divide a productive filbert orchard on the farm. The South Option also would fragment the 80-acre portion of the Dundee Farm, although it would not directly affect the filbert orchard.

¹⁹⁰ Miller Nash LLP Comment Letter on the Newberg-Dundee LDEIS, December 13, 2002. <http://www.odot.stat.or.us/region2public/newbergdundee/chapters.pdf>

Table 4 – ESEE Comparison of East Dundee Interchange Options

ESEE Consequences	North Option	Middle Option	South Option
Economic			
Businesses displaced (number)	2	2	2
EFU land displaced (acres)	7.64	7.15	3.8
Fragmentation of EFU land (yes/no)	No	Yes	Yes
Social			
Residences displaced (number)	3	6	5
Urban Residential land displaced (acres)	1.4	3.8	10.8
Rural Residential land displaced (acres)	13.5	8.14	7.3
Residences potentially affected by increased noise (number)	8	6	23
Neighborhood or community cohesion impacts (high/medium/low)	Medium	Medium	Medium
Impacts on historic sites (number)	0	0	0
Visual impacts (high/medium/low)	Medium	Medium	Medium
Environmental			
T & E fish habitat (acres/stream length)	7.5 ac/542 ft	9 ac/647 ft	3 ac/218 ft
Riparian areas affected (acres)	1.93	1.54	0.98
Wildlife habitat affected (acres)	29.73	24.03	26.92
Wildlife corridors crossed (number)	0	0	0
Wetlands affected (acres)	1.04	2.22	1.68
Energy			
Length of connector road (miles)	0.72	0.70	0.91

Note: These analyses were run using the GIS data from the LDEIS. GIS data on wildlife habitat and wetland value (high, medium, and low) has been aggregated for the purpose of this table.

While the direct loss of agricultural acreage is significant, the overall adverse impacts of fragmentation on farming practices and production can be more far-reaching. Fragmentation can result in irregular field shapes that adversely affect a farmer's ability to efficiently plant, irrigate, and harvest crops or maintain pasture. Fragmentation can complicate field access. Fragmentation also can result in the following adverse consequences to farm operations:

- More difficult to move farm equipment, machinery, and irrigation pipes onto and between fragmented pieces;
- Increased difficulty, time, and cost associated with planting, irrigating, and harvesting fragmented pieces;
- Increased difficulty, time, and cost associated with application of fertilizers and pesticides (by ground or aerial spraying); and
- Increased urbanization pressures on fragmented EFU parcels, particularly when the parcels are small and isolated.

For Dundee Farm, fragmentation is likely to have all of these impacts to some degree. Perhaps most significantly, fragmentation likely would increase pressures to urbanize the smaller portion of Dundee Farm located immediately north and east of the existing Dundee UGB. By retaining Dundee Farm in larger, more easily farmable parcels, pressures to convert portions of that land to non-farm uses are reduced.

7.7.4.5 Social Impacts

Social impacts relevant to these options include loss of rural residential land, rural residential displacements, noise, impacts to neighborhood or community cohesion, impacts on potential historical sites, and visual impacts. Some urban land also would be displaced by these options.

As shown in Table 4, the North Option displaces the largest amount of Rural Residential land at 13.5 acres, compared to 8.14 acres for the Middle Option and 7.3 for the South Option. In contrast, the South Option displaces the most Urban Residential land at 10.8 acres, compared to 1.4 acres for the North Option and 3.8 acres for the Middle Option. The distinction between the three options primarily reflects their location in relation to the Dundee UGB and the fact that by shifting the alignment of the connector road to the north to avoid fragmenting Columbia Empire Farms, the North Option impacts a larger amount of designated Rural Residential land.

The North Option could potentially displace up to three dwellings, compared to six dwellings for the Middle Option and five dwellings for the South Option. For all three options, two of the dwellings are located to the north side of Oregon 99W and would be displaced by the new connector road intersection to the highway.

As illustrated in Figure 14, the alignment for the connector road in the North Option largely follows the zone boundary line separating the VLDR and EFU zoned areas. This helps to minimize fragmentation of the existing rural residential neighborhood along Dayton Avenue and Hagey Road. The connector road, with its full access control, will isolate a small area of VLDR

zoning and rural homes from the larger rural residential area located north of the connector road. However, this isolation occurs with all three of the East Dundee Interchange options.¹⁹¹

The North Option could result in adverse traffic noise impacts to eight dwellings (not including the three dwellings that are assumed to be displaced). This is slightly higher than the noise impacts associated with the Middle Option (six dwellings), but substantially lower than noise impacts for the South Option (23 dwellings). For the South Option, the higher number primarily reflects that the connector road significantly impacts an urban residential area with higher residential densities. And while noise impacts are lowest for the Middle Option, this should be balanced with the fact that the Middle Option displaces the highest number of dwellings. Higher residential displacements are typically considered a more serious social consequence to be avoided than increased traffic noise.

None of the three options impacts designated or potentially eligible historic sites.

The visual impacts of the East Dundee Interchange are expected to be similar for the three interchange options. The visual character of the area between Newberg and Dundee to the south of Oregon 99W is characterized by open, agricultural fields and orchards and low-density rural residential areas with parcel sizes ranging from 2 to 5 acres. For all three options, the most significant visual impacts would be associated with the interchange ramps to the Bypass and the new connector road intersection with Oregon 99W, particularly if it is an overpass structure. There are no existing bridges or structures over Oregon 99W between Newberg and McMinnville. An overpass at the approximate location of Fox Farm Road would change the visual environment for the immediate area and the larger community and traveling public and could function as an important gateway to Dundee.

The interchange ramps to the Bypass also would represent a significant change in the visual context when viewed against the background agricultural setting. The alignment of the connector road is expected to have less visual impact than the interchange and intersection elements because it will largely be located at existing grade. For the North Option, the connector road generally parallels the zoning boundary between the EFU and VLDR zones and consequently does not intrude into the visual character of the EFU area as much as the Middle and South Options. With the Middle and South Options, a portion of the connector road extends across the EFU area and fragments Columbia Empire Farms, resulting in a greater impact on the visual character of the farm compared with the North Option. However, for the South Option compared to the Middle Option, the adverse visual impacts of the connector road and interchange ramps to the Bypass may be less significant in the long term because more of the facility would be located within the Dundee UGB and ultimately be surrounded by urban development.

Of the three options for the East Dundee Interchange, the South Option would have the most substantial social consequences on the City of Dundee. The East Dundee area inside the UGB is a large, substantially undeveloped property that is expected to accommodate most of Dundee's

¹⁹¹ The South Option could contribute to future fragmentation of residential areas inside the Dundee UGB. However, that area is not one that requires goal exceptions.

future residential growth. While the property is currently farmed and maintained in an agricultural holding zone, it will be rezoned incrementally as the need for residential land is demonstrated. Because the property is so large, it offers potential for community scale development. The South Option would not only reduce the overall number of residential units that could be developed on this property by displacing 10.8 acres, it would also reduce the viability of developing the property as a cohesive neighborhood because the parcel would be fragmented into three pieces. Full access control on both the Bypass and the connector road would also greatly complicate local circulation in this future urban development area.

The alignment of the North Option connector road would displace a private, 2000-foot long grass/turf airstrip on Tax Lot 3325-02600 that has been owned and operated for personal use since 1969. Three personal airplanes are based at the property. Beyond the landing strip, there are no other facilities such as a landing tower, landing lights, fuel sales, or other infrastructure associated with the operation. Individuals land at the airstrip only with the permission of the property owner. Hot air balloons departing from Sportsman Airpark have landed at this strip a few times, and the property owner has occasionally hosted summer "fly ins" attracting 17-18 planes.

Unlike the Sportsman Airpark in Newberg or the McMinnville Airport, both of which are public use airports, this personal use airstrip is not recognized or protected with Yamhill County Airport Zoning and Landing Field Overlays. The airstrip is registered with the Oregon Division of Aeronautics, but it has no state legal protection from displacement. Personal use airports are listed as a conditional use in the EFU and AF-10 zones. However, personal use airports are not listed as a permitted or conditional use in the VLDR-5 zone. Accordingly, this airstrip may be a non-conforming use.

The South Option would not affect this airstrip. However, the Middle Option potentially could displace it. The connector road alignment for the Middle Option would not directly displace the airstrip, but the curve in the connector road could shorten the area needed for safe takeoff and landing.¹⁹²

7.7.4.6 Environmental Impacts

Environmental impacts relevant to these options include impacts to threatened and endangered fish habitat, riparian and upland wildlife habitat, wildlife corridors, and wetlands.

The environmental consequences of the North and Middle Options are about the same but somewhat greater than those associated with the South Option. As shown in Table 4, the North Option affects 7.5 acres of fish habitat, less than the Middle Option at 9 acres, but more than the South Option at 3 acres. The North Option affects 1.93 acres of riparian areas, more than both the Middle Option at 1.54 acres and the South Option at 0.89 acre. The stream and riparian impacts of the three alternatives are visible on the aerial photo base of Figure 13.

¹⁹² Riparian areas are defined as wooded areas within 600 feet of streams and other waterways.

None of the three interchange options impacts identified wildlife corridors. The North Option affects the most wildlife habitat at 29.73 acres, relative to the Middle Option at 24.03 acres and the South Option at 26.92 acres. For all three interchange options, the wildlife habitat affected is categorized primarily as either low or medium value. For the North Option, approximately 2.26 acres of wildlife habitat affected is categorized as high value, compared to 1.3 acres for the Middle Option and 0.62 acres for the South Option.

The North Option has the smallest impact on wetlands at 1.04 acres, compared with 2.22 acres affected with the Middle Option and 1.68 acres affected with the South Option. For all options, only low value wetlands are affected.

Viewed overall, environmental consequences are somewhat greater for the North Option because the connector road ramps to the Bypass encroach into a tributary to Chehalem Creek. The stream and associated riparian area provide multiple fish and wildlife habitat values. On balance, the overall environmental consequences associated with the Middle Option are not substantially different from the North Option. In general, the environmental consequences of the South Option are the lowest because the interchange ramps and connector road are a longer distance south of the tributary to Chehalem Creek. The South Option primarily affects cultivated agricultural land with no visible water or wooded areas.

In considering environmental impacts, it is important to recognize that Federal and State laws require that certain environmental impacts be avoided, minimized, or mitigated. In particular, stringent Federal and State laws and permitting requirements apply to wetlands and threatened and endangered species.¹⁹³ These laws and requirements help to balance the overall differences between the alternatives. The overlay of the Federal and State laws and permitting requirements on top of the local land use decision provides assurance that environmental consequences will be avoided, minimized, and/or mitigated at the design phase of the Bypass project.

7.7.4.7 Energy Impacts

As shown in Table 4, there is not a substantial difference in the length of the connector road between the three options for the East Dundee Interchange. The connector road for the North Option is 0.72 mile. This is slightly longer than the Middle Option (0.70 mi) but shorter than the South Option (0.91 mi). Therefore, fuel consumption associated with vehicle miles traveled is expected to be very similar for the three East Dundee Interchange options.

¹⁹³ See East Dundee Interchange Options ESEE Analysis (November 14, 2003).

7.7.4.8 Overall Assessment of ESEE Consequences

The three alignment options for the East Dundee Interchange are relatively similar in terms of their overall net adverse environmental, social, and energy consequences. The North Option, which is the proposed Interchange option, generally has somewhat higher overall environmental consequences (T & E fish habitat and wildlife habitat) but lower overall social consequences (residential displacements, noise, and community cohesion). In contrast, the South Option generally has lower overall environmental consequences but somewhat higher overall social consequences. The Middle Option generally has somewhat higher overall environmental consequences and moderate social consequences.

As noted in the discussion of environmental consequences, federal and state law and permitting requirements provide assurance that environmental consequences will be avoided, minimized, and/or mitigated at the design phase of the project. This helps to balance out the overall environmental impacts between alternatives.

The North Option is recommended primarily because its connector road does not further fragment Columbia Empire Farms. This is the main feature that distinguishes the North Option from the other two alternatives. By locating the connector road at the northern edge of the farm parallel with the zoning boundary between the EFU and VLDR areas, the North Option avoids the potentially major adverse fragmentation impacts of the Middle and South Options described in the analysis of economic impacts above. Particularly for this reason, the net adverse impacts associated the North Option would not be significantly more adverse than the net impacts associated with the Middle and South Options. For this reason, the overall net impacts of the North Option are likely to be less adverse than those of the Middle and South Options, given that the environmental, social and energy consequences tend to balance out.

7.8 OAR 660-012-0070(8), ORS 197.732(1)(c)(D), Goal 2 Part II(c)(4), and OAR 660-004-0020(2)(d)

OAR 660-012-0070(8) provides that to comply with Goal 2 Part II(c)(4), the exception must describe the adverse effects that the proposed transportation improvement is likely to have on the surrounding rural lands and land uses, including increased traffic and pressure for non-farm or highway oriented development on areas made more accessible by the transportation improvement. This section also requires, as part of the exception, facility design and land use measures which minimize accessibility of rural lands from the proposed transportation facility and support continued rural use of surrounding lands.

Similarly, OAR 660-004-0020(2)(d) requires the exception to explain how the proposed use is compatible with other adjacent uses or will be rendered compatible through measures designed to reduce adverse impacts. The exception must describe how the proposed use is situated in such a manner as to be compatible with surrounding natural resources and resource management or production practices. As used in this section, "compatible" is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses.

7.8.1 Likely adverse impacts on surrounding rural lands and land uses

As described in detail in Section 7.7 of this document, incorporated herein by this reference, the Bypass and the East Dundee Interchange (including its connecting road) will affect surrounding rural lands and land uses in numerous ways. These include "economic impacts" such as business displacements, loss of access, displacement of land designated for farming and rural residential use, and impacts to farming practices; "social impacts" including residential displacements, noise and visual impacts, impacts to community cohesion, and the need to relocate some driveways and roadways; "environmental impacts", including impacts to wetlands and to fish, wildlife and riparian habitat; and "energy impacts" in the form of increased driving distance through the area. At this corridor stage of this proceeding, the extent of these impacts cannot be fully determined. They will be better known at the design stage. However, as indicated in Section 7.7, the kinds of likely impacts can be generally identified and the scale of such impacts generally determined.

Two impacts that OAR 660-012-0070(8) expressly requires be taken into consideration are (1) increased traffic in rural areas and (2) pressure for non-farm or highway oriented development in areas made more accessible by the transportation improvement (i.e., induced development).

7.8.1.1 Increased Traffic

According to an analysis prepared by ODOT in 2002 using ODOT's internationally recognized integrated economic, land use, and transportation model,¹⁹⁴ building the Bypass would increase population in Yamhill County by less than five percent and jobs by half as much, compared to doing nothing. However, almost all of the increased growth would occur in the McMinnville area rather than in the Newberg-Dundee area, with most growth happening within 20 years of opening of the Bypass. With the Bypass, McMinnville would become more attractive as an employment center and as a place to live because of the increased accessibility to economic markets that the Bypass itself affords, with or without the East Dundee Interchange.¹⁹⁵

According to the model, the Newberg area would see "minimal effects" in job or population growth because the Bypass does not improve accessibility to the Portland area. In terms of commuting, increases between the McMinnville area and parts of the Portland metropolitan area would be offset by reductions elsewhere. Commuting from the Newberg area to the Portland metropolitan area would be slightly less with the Bypass, while commuting between the Newberg area and McMinnville would slightly increase.¹⁹⁶

The model found that while "the total number of trips in the Highway 99W/18 corridor increases and the total miles of system-wide travel increase as well, the total number of system-wide *auto*

¹⁹⁴ See ODOT Transportation Planning Analysis Unit, Exploratory Analysis of OTIA Projects Using the Gent Statewide Model, Newberg-Dundee Case Study, Methodology and Results, May 3, 2002.

¹⁹⁵ November 20, 2003, telephone conversation between Brian Gregor, Senior Transportation Analyst, Planning Section, Transportation Planning Analysis Unit, ODOT, and Terry Cole, Senior Transportation Planner, ODOT Region 2. Mr. Gregor was the principal analyst involving in applying ODOT's integrated economic, land use, and transportation model to the Bypass project. According to Mr. Gregor, the effects of the Bypass project on future economic growth in McMinnville are the same with or without the East Dundee Interchange.

¹⁹⁶ *Id.*

trips does not increase under the build scenarios." (Emphasis in original.) The corridor would be less congested with better accessibility and would attract drivers from alternative routes or who would otherwise avoid the corridor because of congestion. The model also found that system-wide, there would be very small increases in the number of passenger and freight miles traveled. While the Bypass could induce more travel along the Oregon 99W/Oregon 18 corridor, it would not induce more traffic on Oregon's transportation system as a whole. The increased travel would be a consequence of stimulating job growth in the McMinnville area and reducing the cost of travel between the McMinnville area and the Portland region.¹⁹⁷

The model shows that with the Bypass, there will be some additional traffic traveling in rural areas, particularly in the form of commuter traffic traveling between the Newberg-Dundee urban area and the McMinnville area and between the McMinnville area and the Portland metropolitan area. However, the overall effect would be small, and system wide, the total number of auto trips would not change with construction of the Bypass.

Because the total number of auto trips system wide would not change, it is questionable whether traffic attracted by the Bypass would be diverted off onto more local rural roads and increase traffic volumes in rural communities. Given the statewide and regional nature of most trips that will occur along the Bypass, it is questionable that these drivers would want to divert onto local rural roads in reaching their destinations. The more likely scenario for this to occur is with the No-Build, where travel congestion and travel delay encourage drivers to find alternative routes. The improvement of mobility within the Oregon 99W corridor should retain traffic on Oregon 99W or the Bypass that otherwise would be seeking rural alternatives to avoid congestion.

Rural driver infiltration also is less likely to occur because the Bypass would not easily facilitate such movements. The directional interchanges at the Bypass termini would keep Bypass traffic on the main roadways of Oregon 99W and Oregon 18 rather than providing drivers with easy access onto rural roads. As a limited access roadway, the East Dundee Interchange connector would direct all traffic using that roadway onto either Oregon 99W or the Bypass rather than allowing that traffic to access rural local streets. And while traffic exiting at Oregon 219 would not have to travel far outside the Newberg UGB to access rural areas east and south of that interchange, there would be few incentives to do so from a transportation standpoint, and land use controls imposed through new plan policies or intergovernmental agreements between ODOT and Yamhill County will discourage rural development of a nature that would attract large volumes of traffic to those rural areas. These include proposed new comprehensive plan policies to maintain and protect agricultural and rural exceptions lands near interchanges from urban development pressures. They include application of an "Interchange Limited Use Overlay" to lands outside UGBs within 0.5 miles of each interchange, within which zone changes to more intensive uses would not be allowed and limitations on some currently authorized conditional uses would be imposed. They also include policies to direct future UGB expansions away from interchange areas.

¹⁹⁷ Id.

7.8.1.2 Pressure for Non-Farm Development on Rural Lands

The four interchanges included in the Bypass project would be located within or close to the urban growth boundaries of Newberg, Dundee, or Dayton. These interchanges would improve accessibility to vacant land planned for urban development within the Newberg, Dundee, and Dayton urban growth boundaries. They also would improve accessibility to rural residential and agricultural lands located outside of the urban growth boundaries.

As described in greater detail in Section 4.2 of the LDEIS Final Technical Memorandum: Land Use and Planning (September, 2002), incorporated herein by this reference, the question of highway capacity expansion and induced travel is one of the most complex facing transportation planners today.

There is no debate that highway projects in the U.S. have had indirect impacts on land use. But while the literature on the effect of transportation infrastructure on the development of land is extensive, it reaches few definitive conclusions and provides little empirical guidance for project-specific evaluations. A recent guidebook completed for ODOT¹⁹⁸ by ECONorthwest and Portland State University highlights the following key points regarding the issue of induced growth:

- There is substantial agreement that transportation improvements *can* directly or indirectly affect land use and development.
- Because the network of highways in urban areas is now extensive, the interstate system is largely completed, and ODOT projects predominantly provide improvements in safety and small improvements to overall travel time and accessibility, the indirect land use impacts of many state highway improvement projects could be small.

Because of these factors, any single highway project is likely to have a proportionately smaller effect on travel, congestion, and land use than a similar sized project would have had 20 years ago. Further, so much transportation and land development has occurred that it is difficult to make a clear determination of what is causing what: Is land use responding to the highway network, or are highway improvements a response to transportation problems that are a result of settlement patterns? In Oregon the interrelationship is stronger than in many other places because transportation plans must conform to local land use plans that are based on the statewide planning goals. Hence, national and international research and literature on induced travel associated with transportation improvements needs to be evaluated in the context of Oregon's land use planning program.

Oregon's land use planning laws are among the strongest in the nation. With a history of almost 30 years, the planning framework has been institutionalized at the state, county, and city level. Oregon's statewide goals are achieved through local comprehensive planning. An acknowledged

¹⁹⁸ ECONorthwest and Portland State University. *A Guidebook for Evaluating the Indirect Land Use and Growth Impacts of Highway Improvements*. ODOT SPR Project 327 (April 2001). <http://www.odot.state.or.us/tddresearch/reports/guidebook.pdf>

local comprehensive plan is the controlling document for designating the location and density of planned land uses. Public infrastructure, including transportation improvements, must be provided consistent with the local comprehensive plan.

Relative to other states, Oregon's land use planning laws may have helped to limit the potential for induced travel. Urban growth boundaries and agricultural and forest zoning have controlled leapfrog development and limited the expansion of urban areas. Because of this, the more dispersed development that has occurred around freeways in other parts of the country has not occurred to the same degree in Oregon.

It is easy to find examples where land use restrictions have held back development pressures. For example, a large area located adjacent to I-205 at the Stafford Road interchange has remained outside the Portland metropolitan area urban growth boundary and has remained sparsely developed despite its excellent accessibility and close proximity to the cities of Lake Oswego, Tualatin, and West Linn.¹⁹⁹

The ECONorthwest/PSU guidebook provides evidence that Oregon's land use laws have limited the effect of highway expansions in inducing land use changes. The study compared urbanization trends in 20 Oregon cities to state highway improvements in those cities. It also completed in depth case studies of highway widening projects and changes in land use patterns in six Oregon cities. The guidebook found that:

- Development occurring after the highway improvements was generally consistent with the comprehensive plans established before the highway improvements were made. In other words, the highway improvements, at most, facilitated making the expectations of future development a reality.
- The case studies support the hypothesis that the scale of land use change will correlate with the scale of improvement to accessibility. The highway improvements may have influenced the *rate of development* in two of the case studies (Bend and Corvallis). However, a strong economy and other site-specific factors (availability of infrastructure and visibility) could have been equally significant factors in the rates of growth.
- Good access is a necessary but not sufficient condition for local development. The amount of development responds to the availability of other key public facilities (especially water and sewer) and their costs (including how such facilities will be funded and who will pay for them).
- As implemented by counties, state policies that restrict development of resource lands have been effective in limiting development associated with highway improvements outside UGBs. The case study analysis did not identify any major new developments outside UGBs.

The six case studies support the conclusion that in Oregon, highway-widening projects, by themselves, are not likely to cause changes in land use from what they would have been in the

¹⁹⁹ Brian Gregor, *Statewide Congestion Overview for Oregon*, September 2001 Draft (page 44).

absence of those improvements. Widenings are unlikely to change what gets developed. They are more likely to facilitate whatever development is already allowed by the local comprehensive plan and zoning. There is no conclusion that plan designations or zoning would change in a corridor where a widening has occurred. But the conclusion, based on the six case studies, is that the widenings are neither a necessary nor sufficient condition to predict whether such policy changes will occur.

For the Bypass project, the adopted local comprehensive plans play a central role in the discussion of indirect impacts. The local plans define how much land is needed to meet projected 20-year urban growth needs, and the NDTIP travel demand forecasts are extrapolated from the acknowledged plan projections. The local plans also define the desired location and density of future development. Established urban growth boundaries provide a long-term tool to manage the direction of urban growth. It is assumed that resource lands outside of the UGBs will continue to be protected with strong state statutory provisions and county exclusive farm use zoning. Finally, through intergovernmental agreements with the affected local governments, ODOT will plan, design and manage the Bypass not only to support the acknowledged local plans but also to achieve Oregon Highway Plan objectives to protect the Bypass and its interchanges for their intended functions. This will be realized through:

- Full access control.
- Adoption of Interchange Area Management Plans.
- Amendments to comprehensive plans, zoning ordinances, and TSPs to prevent upzoning of rural lands and to limit or prohibit highway-oriented commercial development near interchanges.

All of these are elements of the IGAs currently being developed by ODOT, Yamhill County and the Cities of Newberg, Dundee, and Dayton for the Bypass project. Moreover, plan policies to protect EFU and rural lands from upzoning and traffic-generating conditional uses, such as those described in the immediately preceding subsection, are being considered for adoption by Yamhill County and by the Cities of Newberg, Dundee, and Dayton concurrently with the County's review of this application.

Concern has been raised that pressures for urban or nonfarm development could extend south of the Willamette River towards or into St. Paul. This is unlikely because this area is a long distance from any city UGB or urban services and, perhaps more tellingly, because the St. Paul and northern Marion County areas already have direct access to the Portland metropolitan area via the I-5/Donald interchange and McKay Road. The Bypass, even with an interchange at Oregon 219, is unlikely to offer faster or more convenient commuter access from St. Paul or northern Marion County to the Portland region than already exists via McKay Road and I-5.²⁰⁰

In summary, with full access control, directional interchanges, establishment of an overlay zone to protect rural lands within 0.5 miles of Bypass interchanges, adoption of policies discouraging

²⁰⁰ See technical memorandum entitled "Other Land Use Issues" (October 8, 2003).

UGB expansions on EFU lands near interchanges, and adoption and implementation of Interchange Area Management Plans to protect the function and capacity of the Bypass and each of its interchanges, the Bypass and the East Dundee Interchange are not likely to have any significant impacts on surrounding rural lands and land uses in terms of increased traffic or pressure for non-farm or highway oriented development. Because they eliminate an otherwise potentially severe congestion problem in the Newberg-Dundee area, they may have the opposite effect of retaining traffic on the major roadway system that, under a No-Build scenario, would seek alternative rural routes to avoid the congestion.²⁰¹

7.8.2 Measures to Reduce Adverse Impacts, Minimize Accessibility to Rural Lands, and Support Rural Uses

OAR 660-012-0070(8) requires, as part of the exception, facility design and land use measures which minimize accessibility of rural lands from the proposed transportation facility and support continued rural use of surrounding lands. Also, OAR 660-004-0020(2)(d) requires an explanation of how the proposed use is compatible with other adjacent uses (including natural resources and resource management or production practices) or how it will be rendered compatible through measures designed to reduce adverse impacts.

7.8.2.1 Compatibility

Looking first at the requirements of OAR 660-004-0020(2)(d), the Bypass and the East Dundee Interchange cannot be developed in a way that avoids all adverse impacts. However, the rule does not require this result. As stated in this rule, "'compatible' is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses."

As with other major ODOT transportation projects, the Bypass project involved a process in which an advisory committee, here the POST, considered a very broad range of impacts in developing a recommended alternative for ODOT to consider. The POST recommended an alternative that it felt met the identified transportation need while minimizing overall adverse economic, social and environmental impacts. This was an appropriate way to approach transportation projects. In addressing OAR 660-004-0020(2)(d), it is important to remember that Goal 12 and the TPR expressly direct local governments and ODOT to plan for, approve, and develop transportation facilities to meet identified transportation needs following consideration of alternative methods and locations and, where exceptions are justified, following analysis and comparison of ESEE consequences. OAR 660-004-0020(2)(d) must be interpreted and applied in a manner that is consistent with this Goal 12 policy directive.

As noted in Section 7.7, the Bypass and the East Dundee Interchange will result in a number of adverse economic, social, and environmental impacts. Where businesses or residences are displaced, ODOT will acquire the displaced properties at fair market value and/or provide relocation benefits, consistent with federal guidelines. For environmental impacts, including

²⁰¹ It is not the intent of this discussion to claim that pressure for non-farm or highway oriented development does not occur when new facilities like a bypass are built. Without land use controls, those pressures would occur. However, with the land use controls being put in place, those pressures are not likely to occur for this project.

potential impacts to historic properties, ODOT will follow federal regulations to avoid, minimize or mitigate impacts or, where necessary, develop a wetland or habitat mitigation plan. Mitigation of wetlands could occur in the form of repairing, restoring, or rehabilitating affected wetlands or compensating for wetland impacts consistent with federal regulations.²⁰² In addition, ODOT will continue to work with federal and state agencies and local governments during the design phase of the Bypass project and will continue to development appropriate mitigation during that process.

Noise impacts can be addressed through the use of noise walls or other devices where appropriate. Visual impacts will be addressed as part of the design phase, with mitigation folded in where appropriate. Visual mitigation techniques include, but are not limited to, landscaping, construction design features, and selection of materials. For some impacts, mitigation will not be feasible. For example, it is difficult to mitigate impacts associated with a loss of neighborhood cohesion. However, ODOT will provide access roads to reconnect areas separated by the Bypass and the East Dundee Interchange. ODOT also will provide farm operations with reasonable access to reach portions of their farm properties divided by the Bypass or the East Dundee Interchange connector road.²⁰³ This will include Bypass crossings at Fullquartz and Riverwood roads to provide access to commercial farms between Dundee and Dayton.

7.8.2.2 Facility Design Measures to Minimize Rural Land Accessibility

The Bypass and its interchanges will be designed to minimize rural land accessibility. The Bypass and interchanges will be fully access controlled.²⁰⁴ Access to the interchanges will be limited to public street connections only. The two Bypass termini at East Newberg and Dayton will be directional interchanges that will keep Bypass traffic on the main roadways of Oregon 99W and Oregon 18. Additionally, ODOT design standards require that private approach roads near interchanges will be relocated to a distance of at least 1,320 feet away from the interchange ramps. Through complete access control, the East Dundee Interchange connector will direct all traffic using that roadway onto Oregon 99W rather than allowing vehicles direct access to rural local streets.²⁰⁵ To further minimize rural land accessibility, the Oregon 219 interchange is being designed for location fully within Newberg's UGB.

Additionally, wherever practicable, existing accesses near interchanges will be relocated to a distance of at least 1,320 feet away to comply with ODOT interchange design standards. Besides protecting the interchanges, this should help to minimize travel into rural areas.

²⁰² See Bypass Corridor Alternatives ESEE Analysis (November 21, 2003) and East Dundee Interchange Options ESEE Analysis (November 14, 2003). Mitigation also is addressed in each of the technical memoranda prepared for the LDEIS. A list of those memoranda appears in Appendix D-1 of the LDEIS.

²⁰³ Id.

²⁰⁴ LDEIS at 6-1.

²⁰⁵ Because the Newberg 219 interchange would be located inside Newberg's UGB, it does not require goal exceptions and it is not necessary to demonstrate that this interchange complies with the standards for goal exceptions. Nonetheless, through intergovernmental agreements and Interchange Area Management Plans adopted by ODOT and Yamhill County, land use controls will be established to discourage rural development of a nature that would attract large volumes of traffic to those rural areas.

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7.8.3 Other Measures to Minimize Rural Land Accessibility

Under OAR 734, Division 51, IAMPs are required for any new interchange or significant modifications to an existing interchange. IAMPs also are required by OHP Bypass Policy 1H. The objectives of IAMPs under these standards include:

- Maintaining and enhancing the utility of the state investment;
- Identifying and protecting the functions of bypasses and their interchanges;
- Providing safe and efficient operations between connecting roadways;
- Minimizing the need for major improvements of existing interchanges;
- Assuring land uses that are consistent and compatible with Oregon statewide land use goals; and
- Guiding the long-term operation of bypasses through agreement on land use and transportation management actions.²⁰⁶

Principal measures used to minimize rural land accessibility include the access control and design measures described in the preceding subsection. But land use measures being developed by Yamhill County and ODOT also will help to discourage land uses that otherwise might attract more vehicle trips into rural areas. These measures include, among other things: new comprehensive plan policies to maintain and protect agricultural and rural exceptions lands near interchanges from urban development pressures; application of an "Interchange Overlay District" to lands outside UGBs within 0.5 miles of each of the four Bypass interchanges; policies to direct future UGB expansions away from interchanges; and ODOT commitment to provide reasonable access to farms for farm uses only.

Under terms of the interchange overlay district that are currently under consideration, no zone changes to more intense uses would be allowed within these areas. This will help both ensure consistency with Oregon's land use program and protect the function and capacity of the interchanges. Moreover, limitations on some currently authorized conditional uses would be imposed, and these lands will become the lowest priorities for urban growth boundary expansions. This will help reduce pressures to convert agricultural lands to nonfarm uses. These measures are described in the IGAs and proposed ordinances and policy changes that are being submitted concurrent with this goal exceptions application.

²⁰⁶ See LDEIS at 6-2 and the Introduction to OHP Bypass Policy.

Errata Sheet
Submitted July 22, 2004

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Subsequent to filing ODOT's "Findings of Fact and Statement of Reasons in Support of Exceptions to Goals 3, 11 and 14" (April 30, 2004) (the "Exceptions Document"), several errors and omissions have been discovered. ODOT asks that Yamhill County enter this errata sheet into the record and consider the Exceptions Document for approval "as corrected".

- The last sentence on page 9 of the Exceptions Document (Section 2.1.1, Second Paragraph) incorrectly states that outside the UGB, the bypass is located on lands designated Rural Residential. It should read, instead: "Outside of the UGB, the Bypass is located on lands designated EFU and Very Low Density Residential."
- The third paragraph on page 16 of the Exceptions Document (Section 2.1.3, second paragraph) incorrectly states that a small area of the connector road and ramps to the Bypass is located on land designated EFU, but this section is otherwise located on land designated Rural Residential. The second sentence of this paragraph should read, instead: "Most of the Bypass corridor, together with a small area of the connector road and ramps to the Bypass, is located on rural land designated Agriculture/EFU. Most of the connector road to the Bypass, as well as a small portion of the Bypass corridor, is located on rural land designated Very Low Density Residential."
- On page 144 to 147 of the Exceptions Document, ODOT addresses compliance with Policy 1B of the Oregon Highway Plan. However, the policies addressed in that section were amended by the Oregon Transportation Commission in January, 2004. New findings addressing the amended Policy 1B are attached to this Errata Sheet. However, because the findings set out at pages 144-147 remain relevant, they should not be discarded but supplemented by the attached findings. To the extent that the findings are conflicting, the new findings would control.
- On page 47, footnote 46 requires clarification. Footnote 46 should be replaced to read as follows:

LDEIS at S-1 and 4-1. The bypass facility will potentially require a strip of land approximately 198-246 feet wide. This includes area required for cut and fill slopes. LDEIS at 2-4. Because the project's actual footprint would require only about 60 percent of the area within the build alternative corridors that were studied, resources within those corridors may not necessarily be affected. To estimate impacts, ODOT's analysts multiplied the total amount of resources found in each corridor by the percentage of the corridor that would probably be used for bypass construction. Hence, if the bypass is likely to require 60 percent of that corridor, analysts applied a factor of 0.6 to estimate the portion of the corridor that would be affected. LDEIS at 4-1.

establish priorities for UGB expansions that will direct such expansions away from the Bypass interchanges.

Action 1B.5 provides for ODOT to work with local governments to develop corridor and transportation system plans that protect existing limited access interchanges, emphasizing safe egress from freeways as the highest priority and regional access to freeways as the second highest priority. This policy also provides for consistency with local TSPs. ODOT already has worked cooperatively with the City of Dundee in the development of Dundee's TSP, and it is working with Newberg on that city's TSP update. ODOT also can achieve this policy objective through development of IGAs and IAMPs with Yamhill County and the affected cities as provided for in Policy 3C.

Action 1B.7 provides for ODOT to use identified highway segment designations and objectives to foster compact development patterns in communities as provided for in their local acknowledged comprehensive plans or TSPs. These include Special Transportation Areas (STAs), within which the primary objective for highway management is to provide access to community activities, businesses and residences and to accommodate pedestrian movement along and across the highway in a downtown, business, or community center district.²²⁵ Because Action 1B.7 applies inside urban growth boundaries rather than to the unincorporated lands that are the subject of this application, Action 1B.7 does not directly apply to this application. Still, as noted in the response to Action 1B.1, ODOT can work with Newberg and Dundee to support more compact development.

Action 1B.8 provides for ODOT to consider classifications like STAs when it is engaging in planning and decision-making involving, among other things, development of corridor plans, review of local TSPs, review of site acquisition and construction of proposed public facilities, development of major investment studies, and highway facility design and project management. For this project, ODOT considered an STA classification at the suggestion of DLCD. As explained in detail in Section 7.4 above, ODOT concluded that an STA is not an appropriate designation in Dundee at this time. It concluded that Dundee does not currently exhibit the characteristics of an STA as described in Action 1B.9.

²²⁵ As described under Action 1A.7, an STA "is a highway segment designation that may be applied to a highway segment when a downtown, business district or community center straddles the state highway within an urban growth boundary... in accordance with Action 1B.9." OHP at 50-51.

Action 1B.10 provides for ODOT to consider a proposal to establish an STA where compact development did not already exist at the time of adoption of the OHP (i.e., 1999) "only if the proposed STA is already planned in the local or regional adopted comprehensive plan." In 1999, compact development did not exist in Dundee and Dundee's plan did not provide for STAs. Accordingly, Dundee does not qualify for development as an STA under this action item, and consideration of an STA here is not required.

Action 1B.12 and Action 1B.13 are directory provisions directing ODOT to encourage local governments to cluster commercial development in community centers, commercial centers or Urban Business Areas, with limited access to the state highway, to reduce the number of vehicle trips and to reduce conflicts with through traffic. While these provisions again focus on lands inside UGBs rather than unincorporated rural lands, it is noted that the Bypass will be access controlled to reduce the number of vehicle trips and to separate through traffic from local traffic.

Action 1B.14 directs ODOT to work with local governments to accommodate alternative modes on state highways. The NDTIP, including the proposed Bypass, will facilitate improved and faster transit travel through the region on the Bypass and to or from the region on existing Oregon 99W, improving its practical appeal. Bicycle facilities will be provided either as part of the roadway cross-section or as a separate, parallel facility.²²⁶ Also, by removing statewide and many regional trips from existing Oregon 99W, the Bypass will create conditions that are significantly safer for and more favorable to bicyclists and pedestrians traveling along existing Oregon 99W.

In January, 2004, the OTC amended OHP Policy 1B. These findings address compliance with Policy 1B as amended.

While the introduction to amended Policy 1B repeats much of the language in *former* Policy 1B, there is more extensive discussion regarding urban form and the functions that state highways can provide. Terms like Special Transportation Areas (STAs), Commercial Centers and Urban Business Areas (UBAs) now are defined in the introduction to Policy 1B rather than under specific actions. Still, the substance of these definitions remains generally the same. For example, like before, STAs are intended to identify highway sections where the need for appropriate local access outweighs considerations of highway mobility. One notable difference is that unlike before, Policy 1B now states that for designated freight routes, through highway mobility has greater importance. *Former* Policy 1B had instead provided that for designated freight routes, "accessibility and mobility needs are balanced."

²²⁶ LDEIS at S-1.

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Existing Oregon 99W is a designated major freight route. This means that under the amended policy, highway mobility has greater importance than local access. And indeed, the identified transportation need in the Newberg-Dundee urban area is a "mobility" need to move statewide and regional through traffic more efficiently and safely around and through the region. That need, of course, could change after the Bypass is built and operating. Then, the principal focus of Oregon 99W reasonably can shift to local access.

The language of Policy 1B itself is essentially unchanged from before. However, there are numerous changes in the wording of the Actions listed under this policy. Indeed, there are now only 11 Actions, compared to 14 under *former* Policy 1B. These 11 Actions are addressed in turn.

New Action 1B.1 directs ODOT to actively pursue the objectives and designations in the Background, Intent and Actions in Policy 1B "as appropriate" through access management planning and permitting, facility and transportation system plans, periodic review of local comprehensive plans, local plan and zoning amendments, highway facility design and project development, and other methods and means. ODOT is engaged in steps involving amendments to local comprehensive plans and transportation system plans that in turn will lead to project development (*i.e.*, construction of the Bypass and East Dundee Interchange as well as supporting transportation facilities). Because the Bypass will be a freight route serving interurban statewide and regional travel, ODOT's focus is on mobility rather than local access.

In pursuing its objectives, ODOT is acting consistently with Policy 1B by (1) working collaboratively with Yamhill County and the cities of Newberg, Dundee and Dayton in planning and decision-making relating to transportation system management, (2) coordinating with these communities on transportation and land use decision-making to maintain the mobility and safety of the highway system; (3) providing opportunities to foster compact development patterns in Newberg and Dundee by removing most statewide and regional traffic movements off of existing Oregon 99W in their downtown areas; (4) enhancing livability in Newberg and Dundee by providing relief to the severe congestion in their downtown areas; and (5) supporting acknowledged city and county transportation system plans that in turn support construction of a Newberg-Dundee Bypass. The result of ODOT's efforts will be twofold: a new highway facility (the Bypass) that accommodates statewide and regional passenger and freight traffic, and an existing Oregon 99W where capacity is freed up to accommodate primarily local traffic and where the absence of large volumes of statewide and regional traffic reasonably permits the affected cities to pursue compact development objectives like those in Policy 1B.

Action 1B.2 directs ODOT to use the rules, standards, policy and guidance developed by ODOT to implement Policy 1B. These include, for example, OAR 734, Division 51; the ODOT Highway Design Manual; and the Transportation Planning Rule (TPR). It is ODOT's intention to design the Bypass to expressway standards consistent with its design manual, and wherever feasible, to apply ODOT's access management standards to the Bypass and its interchanges. The Exceptions Document at pages 46-135 identifies how the proposal is consistent with applicable transportation planning rule policies.

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Action 1B.3 directs ODOT to use categories like STAs, UBAs, Commercial Centers and Non-Designated Urban Highways to designate highway segments "when the concept is identified in a local transportation system plan, downtown plan, facility plan or other adopted plan and is supported by both the local government and ODOT." This is not unlike former Actions 1B.7 through 1B.13, addressed above in the Exceptions Document. Here, of course, Newberg and Dundee support a Bypass and the removal of most statewide and regional traffic, including freight traffic, off of Oregon 99W in their downtowns. Dundee's transportation system plan (TSP) does not provide for STA, Commercial Center or UBA designations in Dundee, although it does encourage a more pedestrian friendly urban form with construction of the Bypass. Likewise, Newberg's TSP does not provide for any of these designations. And as explained in the findings addressing *former* Policy 1B, Dundee does not currently exhibit the characteristics of an STA as described in the new language of Policy 1B. Currently, existing Oregon 99W best fits under the category of "Non-Designated Urban Highways." For these, the policy objective is to efficiently move through traffic while also meeting the access needs of nearby properties. Under current conditions and with anticipated growth, neither of these objectives can be reasonably met.

Action 1B.4 directs ODOT to work with local governments to obtain plan and zoning regulations that are consistent with the TPR and this policy. Compliance with TPR requirements is addressed above in Section 7 of this application. Action 1B.4 also identifies steps that ODOT may take when plan and zoning regulations are not yet in place, with the aim of getting local governments to move in the direction of Policy 1B objectives. Here, Newberg, Dundee and Yamhill County each have acknowledged TSPs. However, those TSPs do not provide for categories like STAs, Commercial Centers or UBAs within Newberg or Dundee (although this could change once the Bypass has removed the heavy daily volumes of statewide and regional traffic from existing Oregon 99W). To the extent Action 1B.4 encourages a more compact form of development, the Bypass will change the type of traffic using existing Oregon 99W in a manner that would support compact forms of development in the future.

Action 1B.5 directs ODOT to develop and implement plans that support compact development, including but not limited to highway segment designations such as STAs, UBAs and Commercial Centers. This includes supporting plans, strategies, and local ordinances that include parallel and interconnected local roadway networks to encourage local automobile trips off the state highway; transit, bicycle and pedestrian facilities; designing and orienting buildings that accommodate bicycle and pedestrian use; providing for infill development and redevelopment and for public and shared parking; expansion of intensive urban development away from rather than along state highways; and other supporting public investments that encourage compact development and development within centers. Construction of the Bypass and the East Dundee Interchange is consistent with achieving these objectives. Once built, they will allow existing Oregon 99W to function as a local roadway that can help keep local traffic off of the Bypass. They support development of safe bicycle and pedestrian facilities along Oregon 99W by removing very high volumes of statewide and regional trips, including freight trips, from existing Oregon 99W. Those trips today pose a safety threat to bicycle and pedestrian as well as

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automobile travel. The Bypass Project also supports infill, redevelopment, and the use of shared parking and compact development in Dundee and Newberg by providing conditions (e.g., significantly lower daily traffic volumes on Oregon 99W) under which those kinds of developments are much more likely to occur. Indeed, Dundee's acknowledged TSP and its Vision Statement expressly encourage the Bypass in order to achieve these kinds of results in downtown Dundee along existing Oregon 99W. Efforts to support transit will be part of the Alternate Modes and Land Use program described in the LDEIS.

Action 1B.6 directs ODOT to help protect state highway function by working with local jurisdictions in developing land use and subdivision ordinances, including: a process for coordinated review of future land use decisions affecting transportation facilities, corridors and streets; a process to apply conditions to development proposals in order to minimize adverse impacts to transportation facilities, corridors and sites; regulations assuring that amendments to land use designations, densities and design standards are consistent with the functions, capacities and highway mobility standards of facilities identified in the OHP and adopted highway corridor plans; refinement of zoning and permitted uses to reflect the effects of various uses on traffic generation; standards to protect future operations of state highways and other roads; and access control measures.

The Dundee TSP and the draft TSP currently under review for the City of Newberg provides for coordinated review of future land use decisions affecting state transportation facilities. As part of the Bypass Project, consistent with Action 1B.6, ODOT is working with Yamhill County and the cities of Newberg, Dundee and Dayton to (1) adopt new comprehensive plan or transportation system plan policies aimed in large measure at protecting the function of the Bypass and the East Dundee Interchange. These include additional provisions for coordinated review of future land use actions, and identifying additional study areas for access management along the state highways within the Newberg Dundee study area; and (2) adopt new overlay zones for lands near interchange ramps, again to protect the function of the interchange and the Bypass until Interchange Area Management Plans can be developed and adopted. In addition ODOT and each of the local jurisdictions are in the process of adopting intergovernmental agreements (IGAs) that in turn identify a planning process for the development of Interchange Area Management Plans that will address long-term management of land uses within a distance of $\frac{1}{4}$ mile of each interchange within an urban growth boundary and $\frac{1}{2}$ mile of each interchange outside the UGB and local circulation and access issues in order to achieve ODOT standards for access management and ensure continued consistency with TPR standards.

Action 1B.7 directs ODOT to assist local governments in implementing state access management standards and policies by working with them to develop access management strategies, plans or access management components in comprehensive plans, facility plans and/or transportation system plans. For this project, this will happen through local adoption of new plan policies addressing the Bypass, the adoption of interchange overlay districts, and the adoption of IGAs by Yamhill County and the cities of Newberg, Dundee and Dayton. As recognized in the IGAs, more specific access management plans will be developed during the design phase of the project. The access management plans will include the areas within the Interchange

Management Study Areas as well as additional segments of the State Highways in the vicinity of the Bypass project.

Action 1B.8 directs ODOT to work with local governments to maintain the highway mobility standards on state highways by creating effective development practices through various means, including (1) developing an adequate local network of arterials, collectors and local streets to limit the use of state highways and interchanges for local trips; (2) reducing access to state highways by use of shared driveways, access from side and back roads, and frontage roads, and by development of local street networks as redevelopment along state highways occurs; (3) clustering development in compact development patterns off of state highways; (4) developing comprehensive plan, zoning and site plan review provisions that address highway mobility standards; and (5) avoiding expansions of urban growth boundaries along statewide highways and around interchanges unless ODOT and the local governments agree to an appropriate interchange area management plan to protect highway operation or access management plan for segments along non-freeway highways.

Here, ODOT has taken many steps towards achieving the objectives of this policy. First, with the Bypass and East Dundee Interchange, Oregon 99W once again can comply with ODOT's highway mobility standards. This makes "maintaining" those standards all the more meaningful. Second, ODOT is negotiating comprehensive plan and transportation system plan amendments and IGAs with the affected jurisdictions that include not only new policies aimed at maintaining highway functions (which should concurrently maintain mobility), but also provisions to ensure an adequate, well connected local road network that would limit use of the Bypass for local trips by significantly reducing local road congestion. The Bypass project itself includes local road improvements between Newberg and Dundee to help reduce traffic on 99W. In addition, ODOT has committed to coordinating with each of the local jurisdictions, individually and collectively to develop local road improvements to enhance local circulation. With the Bypass, Oregon 99W and the local road networks in Newberg and Dundee will be much better equipped to accommodate local traffic, removing any need for local traffic to use the Bypass for short trips.

Third, as part of the Bypass Project, ODOT will develop comprehensive access management strategies for segments of the state highways in the Newberg Dundee area in an effort to achieve compliance with ODOT access management requirements, which include use of shared driveways and new frontage roads where appropriate. Fourth, by eliminating congestion on local roads, Newberg and Dundee will be better able to accommodate more compact development on existing Oregon 99W. Fifth, the local jurisdictions have adopted comprehensive policies or interim measures to avoid expansion of the UGB along existing state highway facilities.

Action 1B.9 directs ODOT to develop facility and transportation system plans that protect existing limited access interchanges. Because the Bypass proposal does not involve any existing limited access interchanges, Action 1B.9 does not apply. However, ODOT will be developing Interchange Area Management Plans for each interchange that will meet this same objective.

Action 1B.10 directs ODOT to continue to develop and implement design guidelines for highways that describe a range of automobile, pedestrian, bicycle or transit travel alternatives. The guidelines should include appropriate design features such as lighted, safe and accessible bus stops; on street parking; ample sidewalks; pedestrian crossings; pedestrian scale lighting; street trees; and related features.

The development of design guidelines is not an action directly applicable to development of a project. However, ODOT will apply appropriate design guidelines in the development of the design of the Project. In addition, the Bypass project includes an Alternative Modes and Land Use program (AMLU) that fosters a range of transportation alternatives. A description of the AMLU program can be found at Appendix B of the Draft Location EIS. ODOT and local jurisdictions are in the process of committing to implementing portions of the AMLU program through Intergovernmental Agreements. Again, these design guidelines will be applied as appropriate.

Action 1B.11 directs ODOT to work to accommodate alternative modes on state highways according to the various types of land uses and highways. An Alternative Modes and Land Use Program is an element of the Newberg-Dundee Transportation Improvement Project.

A description of the expansive program is found at Appendix B of the Draft Location EIS. Each jurisdiction is currently in the process of developing an IGA with ODOT which identifies the planning process and planning obligations of ODOT and the local jurisdictions through the development of the bypass project. Each IGA includes a commitment to work together to develop alternative modes and implement land use policies along the state highways.

While ODOT recognizes significant differences between the wording of the Actions under former Policy 1B and Policy 1B as adopted in January, 2004, much of its analysis of compliance with former Policy 1B remains relevant to the new policies. Accordingly, ODOT relies on that analysis as well to demonstrate compliance with revised OHP Policy 1B.

Policy 1C seeks to balance the need for movement of goods with other uses of the highway system and to recognize the importance of maintaining efficient through movement on major truck freight routes. Existing Oregon 99W is a major freight truck route, connecting the Willamette Valley and the Portland metropolitan area to the central Oregon coast via Oregon 18. See OHP, Figure 10. Upon its construction and opening, the Bypass would become the freight truck route. As a limited access facility serving through and regional traffic, it would maintain efficient through movement for freight vehicles. Action 1C.1 directs ODOT to apply performance standards "appropriate to the movement of freight on freight routes." By applying ODOT's minimum performance standards (OHP, Table 6) to the Bypass and to Oregon 99W (which would continue to handle over 1200 daily freight trips through Newberg or Dundee even after the Bypass is in operation),²²⁷ the Bypass proposal is consistent with Policy 1C and Action 1C.1.

Action 1C.4 provides that the "importance of timeliness in freight movements" be considered in developing and implementing plans and projects on freight routes. The timeliness of freight movement is a particularly important concern of this project, because an estimated eight percent of traffic on existing Oregon 99W consists of heavy vehicles.²²⁸ Much of this traffic, including shipments that pass through the area, will be transferred to the Bypass.

Policy 1E addresses lifeline routes. The policy seeks establishment of a secure lifeline of streets, highways, and bridges to facilitate emergency services response and to support rapid economic recovery after a disaster. By adding a new facility with improved performance, the Bypass supports the objectives of this policy.

Policy 1F addresses highway mobility standards. As described in the background section, this policy "establishes standards for mobility that are reasonable and consistent with the directions of other Highway Plan policies."²²⁹ The policy carries out the directions of Policies 1A and 1C

²²⁷ LDEIS at S-15.

²²⁸ LDEIS at 3-6.

²²⁹ OHP at 71.

BEFORE THE BOARD OF COMMISSIONERS
OF THE COUNTY OF YAMHILL

IN THE MATTER OF Consideration of)	
Comprehensive Plan Amendments, Including)	FINDING OF FACTS AND
Exceptions to Goals 3, 11 and 14, to Allow)	CONCLUSIONS OF LAW
the Siting of the Newberg-Dundee Bypass)	
and East Dundee Interchange.)	

Following public notice, this matter came before the Yamhill County Planning Commission ("Planning Commission") and the Yamhill County Board of Commissioners ("Board") for a work session on June 17, 2004, and for public hearings on June 24, 2004 and July 22, 2004. Following July 22, 2004, the record was held open until August 6, 2004 for the submittal of new evidence and testimony, and thereafter held open for submittal of rebuttal testimony. On September 9, 2004, the Planning Commission deliberated on the matter and voted to recommend that the Board approve exceptions to Statewide Planning Goals 3, 11 and 14 to authorize the Newberg Dundee Bypass and the East Dundee Interchange. This matter then came before the Board on September 23 and 30, 2004, for final deliberation and decision-making.

Having carefully considered the testimony and evidence that was offered into the hearing record and accepted by the Planning Commission and the Board, and having carefully considered the recommendation of the Planning Commission to approve the application, the Board makes and adopts the following findings of fact and conclusions of law in support of its decision on the application.

A. General Findings

1. This legislative matter is before Yamhill County upon application initiated by the Yamhill County Department of Planning And Development at the request of the Oregon Department of Transportation ("ODOT"). ODOT is requesting Yamhill County adoption of amendments to the Yamhill County Comprehensive Plan and to the Yamhill County Transportation System Plan ("TSP") that would allow ODOT to design and construct (1) the Newberg-Dundee Bypass ("Bypass"), including its terminal interchanges connecting the Bypass to Oregon 99W east of Newberg and to Oregon 99W and Oregon 18 north of Dayton, and (2) the East Dundee Interchange, including a new road connecting the Bypass to Oregon 99W. The proposed comprehensive plan amendments include exceptions to Statewide Planning Goals 3 (Agricultural Lands), 11 (Public Facilities and Services) and 14 (Urbanization).

2. The proposed Bypass would be a new four-lane, limited access highway beginning east of Newberg, near the western bottom area of Rex Hill, and terminating near the existing intersection of Oregon 99W and Oregon 18 (commonly called "McDougal Corner") north of the City of Dayton. Some portions of the Bypass would be located on rural lands, while others would be located on urban or urbanizable lands inside

the urban growth boundaries (UGBs) of Newberg and Dundee. Those portions of the Bypass located inside urban areas do not require goal exceptions. Indeed, Newberg and Dundee already allow for the Bypass in their local TSPs. However, the portions located on rural lands east of Newberg, between Newberg and Dundee and west of Dundee all require goal exceptions. These portions include the terminal interchanges east of Newberg and near Dayton.

3. During its consideration of exceptions authorizing the Bypass and the East Dundee Interchange, the Board also considered and approved the adoption of (1) new comprehensive plan policies associated with development of the Bypass and the East Dundee Interchange; (2) an Interchange Area Overlay Zone, which is a new land use regulation that would regulate uses on unincorporated lands located in the vicinity of the proposed Bypass interchanges, and (3) amendments to the Yamhill County Zoning Map to apply the Interchange Area Overlay Zone to the areas regulated by that overlay zone. The adopted comprehensive plan policies include policies to protect the identified functions of the Bypass to serve statewide and regional traffic by limiting permitted development near interchanges, as well as policies to protect nearby rural and resource lands from urban pressures that may result from development of a new limited access facility in the area. Separate ordinances and findings were prepared for and adopted by the Board for the comprehensive plan and zoning amendments referenced in this paragraph. The Board takes official notice of those ordinances and their supporting findings. Because those ordinances and findings also have relevance to the standards governing the adoption of the goal exceptions for the Bypass and the East Dundee Interchange, the Board incorporates them herein by this reference.

4. The Bypass and the East Dundee Interchange (together, "the Bypass Project") are components of a larger project known as the Newberg-Dundee Transportation Improvement Project ("NDTIP"). Other NDTIP components include improvements to other parts of Oregon 99W; improvements to local street systems not addressed by the Bypass Project; and an "Alternative Modes and Land Use" program aimed at reducing the number of vehicles traveling along the Oregon 99W/Bypass corridor. These other components are not part of the current proceeding before the County, and they are not authorized by this decision. Planning for these other components is expected to occur over the next few years, when the Bypass Project enters its "design" phase. ODOT has entered into Intergovernmental Agreements ("IGAs") with Yamhill County and with the cities of Dayton, Dundee and Newberg which outline the planning process for the completion of the Design Environmental Impact Statement during the design phase of the project. As these IGAs also have relevance to the current proceeding, the Board takes official notice of them and incorporates them by reference herein.

5. Consistent with the Land Conservation and Development Commission's Transportation Planning Rule ("TPR"), set out at Oregon Administrative Rules ("OAR") Chapter 660, Division 12, the proposed exceptions to Goals 3, 11 and 14 address and establish the need, mode, function and general location (which is specified as a corridor) for the Bypass and the East Dundee Interchange. Later, during the design phase of the

Bypass Project, ODOT will determine the precise alignment for the Bypass and the East Dundee Interchange.

Also during the design phase, ODOT will determine the location of supporting roadways, crossing roadways and interchange connections and identify modifications or improvements to existing elements of the local street network that are necessary to support the Bypass function or to achieve compliance with regulatory standards. Some of the road network modifications and improvements may require additional local land use decision-making, which would take place prior to the issuance of a final Design Environmental Impact Statement.

ODOT also will consider and determine appropriate mitigation measures during the design phase, including mitigation of impacts to riparian resources and wildlife habitat. These mitigation measures will address the requirements established by the Collaborative Environmental and Transportation Agreement for Streamlining ("CETAS") Record of Agreement/Consensus for the Newberg-Dundee Transportation Improvement Project (hereinafter "CETAS Record"), dated February 2, 2004 and located at Volume 7, pages 86-98 of the ODOT Supporting Documentation, which the Board incorporates into these findings by this reference. The Board finds that final determination of measures to mitigate impacts to natural resources will require additional land use decision-making by Yamhill County. Only after ODOT has completed the design phase of the Bypass Project can ODOT go forward with construction of the Bypass and East Dundee Interchange.

6. As provided for in the Oregon Highway Plan ("OHP"), which is the highway element of ODOT's transportation system plan required by OAR 660-012-0015(1), the Bypass would function as a "Statewide Highway", an "Expressway" and a "freight route." See OHP Policies 1C and 1H and Appendix D. Under OAR 660-012-0015(2)(a), county TSPs must be consistent with adopted elements of the State TSP. For reasons discussed throughout these findings, the Board finds that the Bypass Project is consistent with ODOT's adopted OHP.

As defined in OHP Action 1A.1, the primary function of a *Statewide Highway* is to provide inter-urban and inter-regional mobility and provide connections to larger urban areas, ports and major recreation areas that are not directly served by Interstate Highways. A secondary function is to provide connections for intra-urban and intra-regional trips. The management objective of statewide highways is "to provide safe and efficient, high-speed, continuous-flow operation" in urban and rural areas, with minimal interruptions to flow in urban areas. See OHP 1A.1. As a Statewide Highway, the Bypass would take over the function that existing Oregon 99W currently provides from east of Brutscher Road to the intersection of Oregon 99W and Oregon 18 (McDougal Corner). Existing Oregon 99W connects the Newberg-Dundee urban area with the Portland metropolitan area to the northeast and with McMinnville and the Oregon coast to the west and south. It is a primary route for tourist traffic between the Willamette Valley and Oregon coastal communities. It also provides the Portland metropolitan area with access to Spirit Mountain Casino and to the wineries of Yamhill County.

Expressways are a subset of Statewide Highways. As defined in OHP Action 1A.2, Expressways "provide for safe and efficient high-speed and high volume traffic movements." Their primary function is to provide for interurban travel and connections to ports and major recreational areas with minimal interruptions. A secondary function is to provide for long distance intra-urban travel in metropolitan areas. The Board finds that an Expressway designation for the Bypass is consistent with and, indeed, mandated by the OHP Bypass Policy (1H) and Action 1H.2, which directs ODOT to design new bypasses "for moderate to high speeds at freeway or Expressway standards for regional and statewide traffic." The Board also finds that as an Expressway, the Bypass would provide for safe and efficient moderate to high-speed and high volume traffic movements from Newberg to Dayton and beyond. Indeed, with the Bypass, an Expressway designation will extend continuously along Oregon 99W for approximately 45 miles from Rex Hill to the Van Duzer Forest Corridor.

The State Highway Freight System is intended to facilitate interstate, intrastate and regional movements of trucks. As described in OHP Policy 1C, it is state policy to recognize the importance of maintaining efficient through movement of goods on major truck routes, which include Oregon 99W. OHP findings regarding freight indicate that freight depends upon timely and dependable movement of goods over the system, and also that highway efficiency for goods movement in an expanding economy requires investments in infrastructure to reduce congestion on freight routes. OHP Action 1C.4 directs ODOT to consider the importance of timeliness in freight movements in developing and implementing plans and projects on freight routes. OHP Action 1C.3 establishes a preference to treat designated freight routes as Expressways both outside of and within urban growth boundaries. The Board finds that the Bypass, which would be built to Expressway standards and which would serve statewide and regional traffic, will facilitate the timely and efficient movement of goods to and through the Newberg-Dundee area. Indeed, the Board heard significant credible testimony in support of the Bypass from businesses extending from Newberg to McMinnville confirming a very serious need to improve freight mobility along the Oregon 99W corridor in order for their businesses to remain competitive and successful.

7. As interpreted by the Department of Land Conservation and Development ("DLCD"), the TPR requires separate and independent justification, in the form of goal exceptions, for intermediate interchanges proposed to be located along limited access highways in rural areas. Accordingly, the East Dundee Interchange, including the roadway connecting that interchange to existing Oregon 99W, requires separate goal exceptions under the TPR. However, the Oregon 219 Interchange does not require goal exceptions because ODOT is proposing to locate it entirely within the City of Newberg's UGB. If, at some future time, ODOT should determine that some or all of the Oregon 219 Interchange needs to be located on rural lands, goal exceptions then would be required to justify its location on rural lands.

8. The criteria applicable to the plan amendments authorizing the Bypass and East Dundee Interchange are set out in ORS 215.283(3)(a), ORS 197.732, OAR 660 Division 4, OAR 660 Division 12 (the TPR), the Statewide Planning Goals, the Yamhill County

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Comprehensive Plan and Transportation System Plan, the Yamhill County Zoning Ordinance, and the OHP. ODOT's "Findings of Fact and Statement of Reasons in Support of Exceptions to Goals 3, 11 and 14" (hereinafter the "Exceptions Document") identifies the specific standards within these authorities that are relevant to the Bypass Project. Except as noted otherwise in these findings, the Board finds and concludes that the standards identified and addressed in ODOT's Exceptions Document are the only standards that apply to the Bypass Project.

9. The Exceptions Document contains detailed findings of fact and reasons supporting exceptions to Goals 3, 11 and 14 and explaining how the Bypass Project complies with the Oregon Highway Plan, the Yamhill County Comprehensive Plan and all other applicable review standards. Except as expressly noted otherwise in these findings, the Board finds ODOT's analysis of compliance with the applicable standards in its Exceptions Document to be credible, thorough, persuasive and correct. Accordingly, with the exceptions noted, the Board adopts as its own and incorporates herein in its entirety by this reference, the facts and analysis of compliance with applicable standards set out in ODOT's Exceptions Document.

An "Errata Sheet" submitted into the record by ODOT and dated July 22, 2004, indicates that the land use designations on pages 9 and 16 of the Exceptions Document incorrectly label as "rural residential" some lands that are zoned for exclusive farm use. The Board accepts the corrections set out in ODOT's Errata Sheet regarding the designations of these lands and incorporates them into the Exceptions Document by this reference.

ODOT's "Errata Sheet" also indicates that the Oregon Transportation Commission amended OHP Policy 1B in January, 2004, but that the Exceptions Document addresses *former* Policy 1B instead. The Errata Sheet sets out new findings addressing compliance with the *amended* Policy 1B. The Board accepts and agrees with ODOT's analysis of compliance with the amended Policy 1B as set out in ODOT's Errata Sheet, and it incorporates that analysis into the Exceptions Document by this reference. The Board incorporates the new findings in the form of a supplement to the discussion of *former* Policy 1B because it finds that the discussion of former Policy 1B has some continuing relevance. To the extent that the two sets of findings may conflict, the Board finds that the discussion of compliance with amended Policy 1B will control.

Finally, the Errata Sheet expands on a footnote in the Exceptions Document to explain how ODOT determined adverse impacts. The footnote indicates, and the Board finds, that ODOT applied a factor of 0.6 to each build alternative corridor to determine adverse impacts, because the bypass's actual footprint would only require about 60 percent of the area with any of those corridors. The Board finds that ODOT's application of this factor presents a more realistic determination of actual impacts, since approximately 40 percent of the land within the proposed Bypass corridor will not be developed, and it incorporates this revised footnote into the Exceptions Document by this reference.

10. During the course of the public hearings, a great deal of testimony was provided both in support of and against the Bypass Project. Much of the testimony focused on existing and future traffic congestion in the region, impacts to businesses operations and to the region's ability to retain and attract new businesses, impacts to agricultural lands and farm operations, impacts to community livability, and possible alternatives to the Bypass and the East Dundee Interchange. Some of the evidence presented was conflicting.

Having considered the evidence and testimony carefully, the Board finds the evidence and testimony provided by ODOT and its consultants, including ODOT's prime consultants (Parametrix Inc. and URS Corporation) and ODOT's sub-consultants (Kittelsohn and Associates, Inc., Geodatascope, Inc., Dorman and Associates and Mark Greenfield), to be more thorough and comprehensive and more credible and persuasive on the matters raised by the applicable review standards than the evidence and testimony submitted by opponents to the Bypass Project. This includes, but is not limited to, the testimony of ODOT and its consultants regarding existing and anticipated traffic volumes and traffic impacts; traffic engineering and operational feasibility issues; land use impacts; impacts to agricultural lands; consistency with TPR, OHP, County Comprehensive Plan and statewide planning goal standards; the need for the Bypass and the East Dundee Interchange; and whether or not alternative locations or methods not requiring goal exceptions can reasonably accommodate the identified transportation needs.

Accordingly, the Board also adopts as its own findings of fact and reasons, and incorporates by reference in their entirety herein, the facts and analysis set out in (1) ODOT's rebuttal to opponent testimony entitled "ODOT Responses to Opponents' Questions and Comments" dated July 22, 2004 (hereinafter "ODOT Responses Document"); (2) a letter from Bonnie Heitsch, Oregon Department of Justice to the Yamhill County Board of Commissioners and Planning Commission dated August 6, 2004 (hereinafter the "Heitsch letter"); and (3) a letter from Bonnie Heitsch to the Yamhill County Board of Commissioners and Planning Commission dated August 27, 2004 (hereinafter "Heitsch rebuttal letter"). The Board also believes and relies on the facts and reasoning set out in the supporting reports and memoranda prepared by ODOT or its consultants or relied on by ODOT that are expressly identified in the Exceptions Document, the ODOT Responses Document, the Heitsch letter, the Heitsch rebuttal letter or these findings.

B. Exceptions Justifying the Newberg-Dundee Bypass

1. Based on the facts and reasons set out below and in ODOT's Exceptions Document, the Board concludes that a transportation need for the Newberg-Dundee Bypass exists that is statewide, regional and local. The Bypass is needed to accommodate the safe and efficient movement of people and goods around and through the Newberg-Dundee region and between the Newberg-Dundee region and other regions of the state. The Bypass also is needed to remove unacceptably high levels of congestion on existing Oregon 99W (exceeding 1.0 volume to capacity in both Newberg and Dundee

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by the year 2025 under no-build conditions), thereby freeing up capacity on that highway to serve local and regional transportation movements.

2. Oregon 99W presently serves as both a Statewide Highway/Freight Route and as the "main street" for Newberg and Dundee. The highway connects Newberg and Dundee to the Portland metropolitan region, McMinnville, the Oregon coast (via Oregon 18) and other areas. Oregon 99W is a primary route for tourist traffic between the Willamette Valley and Oregon coastal communities. It provides the Portland area with access to Spirit Mountain Casino, which is currently the number one tourist destination in Oregon with an estimated 3.3 million visitors in 2002, and to the wineries of Yamhill County. Weekday commuters use Oregon 99W to travel between the Newberg-Dundee urban area and McMinnville and between Yamhill County and the Portland metropolitan area. Trucks use Oregon 99W to haul freight to and through this region.

3. Over the past decade, traffic on Oregon 99W in downtown Newberg and Dundee has increased by approximately 40 percent. On both weekdays and weekends, lines of vehicles often stretch along the highway for more than a mile in both directions from the intersection of Oregon 99W and 5th Street in Dundee, where Oregon 99W has just one travel lane in each direction. This level of congestion already exceeds ODOT's peak hour volume to capacity ("v/c") performance standard for Statewide Highways that are also freight routes, which is 0.75 v/c inside urban growth boundaries and 0.70 v/c on rural lands.

Traffic estimates indicate that 20 years from now, this congestion will get much worse. By the year 2025, with some local road improvements but no bypass, average daily vehicle trips on Oregon 99W in downtown Newberg are expected to increase by another 40 percent, from approximately 40,000 vehicle trips to an estimated 56,000 vehicle trips. In downtown Dundee, average daily vehicle trips are expected to increase by nearly 50 percent, from approximately 32,000 today to an estimated 47,000 vehicle trips in 2025.

By 2025, ODOT projects that downtown Dundee and Newberg will experience, respectively, 14 and 15 hours of congestion per day, during which traffic volumes would exceed ODOT's performance standard for a statewide highway/freight route. The Board believes these estimates and so finds. It further finds that under a no-build scenario, it would take more than 40 minutes to drive the approximately 11 mile distance from the Rex Hill area immediately east of Newberg to McDougal Corner near Dayton, compared with 12-15 minutes with the Bypass. Such high levels of congestion would have adverse economic impacts (through delay, reduced movement of people and goods, reduced accessibility to businesses and markets, etc.), social impacts (increased noise, increased air pollution, reduced community cohesion, etc.) and safety impacts (increased potential for crashes, reduced ability to provide emergency services or to handle emergency evacuations in a timely manner). The Board concludes from these findings that such impacts would cause significant harm to the economic, social and environmental health and welfare of the region and would significantly reduce the region's overall quality of life.

4. For reasons stated in the Exceptions Document, the Board finds that the Bypass is needed to provide significant congestion relief to travelers along existing Oregon 99W and to improve the movement of people and goods for all users in the Oregon 99W corridor. It is needed to accommodate substantial volumes of recreational traffic traveling between the Portland metropolitan area and the central Oregon coast, the Spirit Mountain Casino and Yamhill County wineries. It is needed to accommodate business and freight traffic traveling between the coast, McMinnville, the Newberg-Dundee urban area and the Portland area and I-5 corridor. It is needed to facilitate and improve the safety of local traffic and pedestrian movements within the Newberg-Dundee urban area. It is needed to maintain and improve the attractiveness of Newberg and Dundee as places to do business and to retain existing businesses located in and around Newberg, Dundee and McMinnville. By removing approximately 25,000 anticipated year 2025 daily statewide and regional trips from existing Oregon 99W in Newberg and (with the East Dundee Interchange) approximately 38,000 daily statewide and regional trips from existing Oregon 99W in Dundee, the Bypass would free up existing Oregon 99W to serve local and remaining regional trips. With this reduction in statewide and regional traffic volumes, the year 2025 volume to capacity ratio on existing Oregon 99W would be reduced to a level that would then meet city, county and ODOT roadway performance standards for arterial highway facilities.

5. The Board heard no testimony contradicting ODOT's assertions that congestion is a very serious problem impacting statewide, regional and local travel within the existing Oregon 99W corridor. Indeed, even opponents of the proposed Bypass acknowledged that the transportation problems the region is experiencing are real and demand attention. Testimony from these opponents instead focused on resolving this serious problem by using alternatives to a bypass or by locating a bypass within a different corridor than the one recommended for adoption. For reasons set out below, the Board believes that the identified transportation need can reasonably be accommodated only by a bypass. The Board further believes that the public testimony and the whole record very strongly support ODOT's identified need for the Bypass to serve anticipated statewide, regional and local traffic volumes to the year 2025.

The Board heard compelling testimony regarding the need for the Bypass from the leaders of municipal governments located along the Oregon 99W corridor in Yamhill County. Dave Haugeberg, speaking on behalf of Mayor Stewart of Newberg, testified that much like McMinnville has done, Newberg would like to develop an attractive downtown. However, this goal is thwarted by tens of thousands of trucks and cars that pass through Newberg's downtown every day. Mr. Haugeberg stated that during peak traffic hours, a semi-truck passes by City Hall on Oregon 99W every ten seconds, making it very difficult for Newberg to attract businesses to the city's downtown. He said that this traffic is pedestrian and shopper unfriendly, creates noise and pollution, and poses safety concerns both for people crossing streets and for emergency response vehicles. The Board agrees with this testimony and so finds. Indeed, the Board finds that by 2025, under a No-Build scenario, downtown Newberg would experience 2200 daily freight trips

traveling eastbound and another 2200 daily freight trips traveling westbound, while Dundee would experience 3700 daily freight trips through its downtown.

Similarly, Mayor Windish of Dayton testified that traffic at the intersection of Oregon 99W and Oregon 18 has been a nightmare for years and that the Bypass is needed to benefit Dayton's economy. Mayor Gormley of McMinnville testified that difficulties in getting products into the city or to market due to the heavy congestion along Oregon 99W has seriously impeded efforts to attract new businesses and family wages jobs to McMinnville. Mayor Gormley stated that transportation is key to many industries and to many manufacturing processes; that congestion on Oregon 99W has forced companies to leave the McMinnville area and take high paying jobs with them; and that loss of businesses is bad for McMinnville and Yamhill County. Mayor Worrall of Dundee testified that widening Oregon 99W to five lanes in Dundee would "destroy Dundee" by removing at least half of the businesses in the city's downtown and creating a 300 foot wide dead zone extending from Oregon 99W to the south side of the railroad tracks paralleling Oregon 99W because there is inadequate space to build businesses there. Mayor Worrall introduced letters from the proprietors of Rex Hill Vineyards, Sokol Blosser Winery, and Lange Winery stating respectively that the Bypass needs to become a reality, that congestion on Oregon 99W adversely affects safety and tourism, and that the cost impact associated with delay on Oregon 99W is costing them time and money and endangering their business. The Board believes and agrees with all of this testimony and it so finds.

Numerous Yamhill County business owners or representatives provided similar testimony to the Board. For example, Rosemari Davis, who is the CEO of Willamette Valley Medical Center in McMinnville, testified that in just 10 years the hospital emergency room volume has increased from 6000 (what?? Patients? Visits?) a year to over 20,000 a year, with motor vehicle accidents accounting for much of the overall volume. She emphasized that the Bypass would reduce the accident rate within the corridor by "big numbers." She added that anticipated growth in congestion along the Oregon 99W corridor could have very serious adverse health effects because Willamette Valley Hospital ships out its thoracic surgery and multiple trauma cases and does so mostly by ground transport. Kurt Zetzsche, who is president of Cascade Steel Rolling Mills in McMinnville, testified that his company ships about 1200 to 1400 trucks of finished product a month and receives 250 to 300 shipments of materials each month that enable the company to produce steel. He said it is becoming very difficult for his company to compete in the market because of the delays associated with transporting goods and materials. Indeed, Mr. Zetzsche told the Board that if he had to choose a location for his plant today, he would select a location along the I-5 corridor rather than McMinnville. He said it is imperative that a timely and efficient transportation connection be provided between McMinnville and the I-5 corridor. Willy Lunn, representing Argyle Winery in Dundee, testified that if Argyle Winery is forced to relocate, it will relocate outside of Yamhill County. And Sean Carlton, the national brand manager for Archery Summit in Dundee, stated that his company's financial success is tied directly to retail sales in Oregon and that congestion in Dundee will keep customers away if it requires 20 minutes for people to travel 1.2 miles. The Board finds

all of these people to be credible witnesses, and it agrees with and accepts as fact the statements that they made.

6. The Exceptions Document sets out thresholds for determining whether alternatives to the Bypass (and to the East Dundee Interchange) that do not require goal exceptions can "reasonably accommodate" the identified transportation need. Identified thresholds include operational feasibility and minimum transportation performance; cost; economic displacements, community livability and consistency with local adopted TSP and community vision statements; safety; and compliance with Oregon Highway Plan requirements.

The Board finds that these thresholds are reasonable and appropriate for the reasons set out in the Exceptions Document and below. In so finding, the Board takes particular notice of the fact that the OHP and the goals, policies and standards contained therein constitute the modal system plan for highways prepared and adopted by ODOT pursuant to OAR 660-012-0015(1) and OAR 731-015-0055. As such, the OHP, including its goals, policies and standards (including the maximum volume to capacity ratios contained in Table 6 of the OHP), as well as ODOT's interpretation of the OHP and its provisions, warrants considerable weight by the Board and is an appropriate threshold to determine reasonableness pursuant to OAR 660-012-0070(6).

The Board expressly endorses the minimum performance threshold set out in the Exceptions Document, for the reasons stated therein. Further, because the OHP designates Oregon 99W as a Statewide highway and freight route, and because the identified transportation need is to serve statewide and regional traffic and freight movement and to separate this traffic from local traffic, the Board believes and finds that non-exception alternatives, in order to be considered reasonable, must be consistent with the functions and management objectives of Statewide Highways and freight routes as identified in the 1999 OHP and described in Paragraph A.6 above. The Board concludes that alternatives that are inconsistent with these policies or are incapable of achieving these functions and management objectives will be deemed incapable of reasonably accommodating the identified transportation need.

The Board expressly agrees with ODOT as to its justification for using economic displacements, community livability and consistency with local adopted TSPs and community vision statements as a threshold. As applied by ODOT to the East Dundee Interchange, this threshold considers whether an alternative not requiring exceptions would have unduly adverse effects on the City of Dundee in terms of economic dislocations; Dundee's existing and future economic viability, vitality and attractiveness; Dundee's outward appearance; development of a pedestrian friendly city environment within Dundee; and the city's ability to achieve a reasonable vision for future growth and development consistent with standards in the city's comprehensive plan and TSP. The Board finds that this threshold is appropriately based upon acknowledged policies in Dundee's comprehensive plan and TSP. It further finds that ODOT has developed a reasonably objective measure for determining compliance with this threshold that is

consistent not only with Dundee comprehensive plan and TSP policies but also with a community's right to determine its desired urban form.

The Exceptions Document does not address in detail how cost would be used as a threshold. In its testimony to the Board and Planning Commission, ODOT opined that for alternatives to the Bypass *corridor* not requiring goal exceptions, cost should be *considered* in determining their reasonableness but *not relied on by itself* to eliminate any alternative. This is because a corridor study covering a very large geographic area, such as that performed here by ODOT under the National Environmental Policy Act, does not provide sufficiently detailed information at a site-specific level based on a conceptual design of the roadway to determine costs with any significant degree of accuracy. The Board agrees with ODOT and concludes that for non-exception alternatives to the recommended Bypass corridor, cost should not be a controlling factor in determining their reasonableness. Further, because cost estimates provided at a corridor level of analysis (called 'planning estimates' by ODOT) are based on unit costs of questionable accuracy, given the reduced level of site-specific analysis, the Board finds that cost should enter into the equation only if the Board first determines that non-exception alternatives can otherwise reasonably accommodate the identified transportation need when measured against the other identified thresholds.

With respect to alternatives to the East Dundee Interchange that do not require goal exceptions, ODOT testified that more reliable cost information is available because these alternatives cover a much smaller area and because ODOT engaged in conceptual design closer to that associated with a Design Environmental Impact Statement. Still, ODOT stated that these cost estimates remain preliminary -- for approximate comparison purposes only -- in the absence of design level engineering beyond the concept level, and the Board so finds. In line with this level of accuracy, ODOT suggested that an East Dundee Interchange alternative estimated to cost double or more the estimated cost of the East Dundee Interchange would seem unreasonable because the excessive cost would be an inefficient use of public funds. In the absence of very significant mitigating factors, such as preservation of substantially more acres of agricultural land, the Board agrees with ODOT's suggestion.

Because the record does not demonstrate any such significant mitigating factors associated with the non-exception alternatives that were presented to the Board, the Board concludes that when an alternative would cost approximately double or greater the cost of the East Dundee Interchange, that fact reflects poorly on the reasonableness of that alternative to meet the identified transportation need. Still, as with Bypass corridor alternatives, the Board finds that cost should not be the sole basis for eliminating any non-exception alternative. The Board also finds that it is appropriate to consider and compare the costs of the East Dundee Interchange and its non-exception alternatives separate and apart from the costs associated with the larger Bypass corridor because the TPR requires that the East Dundee Interchange be justified as an independent transportation facility through its own separate goal exceptions.

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Another factor that the Board finds relevant concerns the level of disruption to the local transportation network and the impacts of associated mitigation. Existing roads that provide direct access to local residences or that serve a neighborhood collector function cannot be converted into a Statewide highway and freight route without providing new local accesses or collector roads as replacements to serve affected neighborhoods. Those new roads will have their own associated adverse impacts which contribute to the cumulative impact of an alternative. The Board finds that it is appropriate to consider these impacts.

7. Alternatives to the Bypass not requiring goal exceptions include alternative travel modes (such as transit, pedestrian and bicycle travel), transportation system management ("TSM") measures, improvements to existing transportation facilities, and combinations of these three methods. For the reasons stated in ODOT's Exceptions Document, the ODOT Responses Document, the Heitsch letter and these findings, the Board finds that these methods, alone and in combination, cannot reasonably accommodate the identified transportation need for the Bypass.

As part of the environmental analysis performed in accordance with requirements of the National Environmental Policy Act ("NEPA"), ODOT examined the feasibility of employing a combination of alternative travel modes, TSM measures and improvements to the local road system in lieu of a bypass. Among other project elements, ODOT looked at providing express bus service every 15 minutes between the Newberg-Dundee urban area and the Portland metropolitan area, adding transit stations with park and ride lots every few miles along Oregon 99W and Oregon 18, and providing additional transit service to complement the express bus service. It looked at adding bicycle lanes within city limits and adding bicycle and pedestrian links to express bus stations. ODOT also considered a wide range of TSM measures, including driveway consolidation, raised medians and new turning lanes along Oregon 99W, the use of traffic calming measures, the use of transportation demand management measures such as dial a ride shuttle service, employee shuttles to transit stations, carpooling programs, telecommuting, compressed work weeks and the like. And ODOT examined roadway improvements to Oregon 99W and local roadways like Edwards Road and Dayton Avenue that could connect Dundee and Newberg.

However, ODOT found that these alternatives, taken together and combined with Oregon 99W improvement projects undertaken over the past 30 years, still would not decrease the level of congestion sufficiently to eliminate the need for the Bypass. Even with these improvements, the year 2025 v/c ratio would be approximately 0.90 in Newberg and 1.25 in Dundee, compared to a state v/c standard of 0.75 for Oregon 99W. ODOT determined that in order to meet state standards, Oregon 99W would need to be widened from three lanes to seven lanes in Dundee; from six lanes to eight lanes within the downtown Newberg couplet; and from four lanes to eight lanes between Newberg's east UGB and the downtown couplet. ODOT also concluded that this combination of alternatives would not improve the movement of through traffic or the efficiency of the overall regional transportation network, nor would it enhance the safety of travelers

through the area or the safety, economy, social fabric or livability of the communities of Newberg or Dundee. The Board believes ODOT's testimony and so finds.

The Board further agrees with ODOT that the required widening of Oregon 99W in particular would significantly adversely impact the cities of Newberg and Dundee, making both downtowns unrecognizable due to the displacements required for right of way. The Board finds that the resulting development pattern would discourage bicycle travel, make pedestrian crossings more dangerous, discourage a compact urban form of redevelopment, discourage new business investment, create a significant barrier between neighborhoods, and decrease overall livability. Like ODOT, the Board concludes that a combination of alternative modes, TSM and improvements to existing roadway facilities cannot reasonably accommodate the identified transportation need.

8. The Board heard testimony from Friends of Yamhill County and 1000 Friends of Oregon emphasizing a need for "near term" improvements to help ease the congestion problems along Oregon 99W. The Board does not disagree that such improvements are necessary, and indeed the Board finds that the TSM alternative contains a variety of non-Bypass improvements. Still, as described in the preceding paragraphs, those improvements are not sufficient by themselves to reasonably accommodate the statewide, regional and local transportation needs identified by ODOT and confirmed by virtually all persons who appeared before the County. Those improvements cannot meet the minimum performance threshold or the management objectives for Statewide highways and freight routes. They will not provide for timely and dependable freight movement that both the existing and an expanding economy require. They do not support local livability objectives in acknowledged plans. The Board concludes that the fact that near term improvements are desirable in no way undermines or defeats the justification for the Bypass. Nonetheless, the Board encourages ODOT to work on interim improvements to provide some modicum of relief to the congestion on Oregon 99W.

9. The Board finds that ODOT considered improvements to Bell Road as a possible alternative to the Bypass. For the reasons set out below, in Section 7.4.3 of the Exceptions Document, in the Heitsch letter and in memoranda prepared by Kittelson & Associates dated April 11, 2003 and September 11, 2003, incorporated herein in their entirety by this reference, the Board concurs with ODOT that Bell Road cannot reasonably accommodate the identified transportation need.

The Board finds that at an approximate length of about 20-25 miles and with an estimated travel time of 35-40 minutes, the two identified Bell Road alternatives would take too long to travel to constitute a reasonable alternative to the Bypass. The Board agrees with ODOT that the Bell Road alternatives are comparable to the no-build condition in the year 2025. As such, they are unlikely to remove much traffic from Oregon 99W.

The Board further finds that one-third to one-half of each of the two Bell Road alternatives would have slopes greater than 10 percent, and another approximately 15-20 percent of these alternatives would have slopes between six to ten percent. These steep

slopes would require significant modifications to the horizontal and vertical curvature, necessitating substantial cuts and fills as well as truck climbing lanes. The Board finds that truck climbing lanes are slow and inefficient for moving freight. The Board believes and finds that it is more difficult and hazardous for trucks to drive on steep, curvy roads, as attested by the use of runaway truck escape ramps on Cascade mountain passes in Oregon with slopes less steep than would occur here. The Board also finds it self-evident that the costs associated with building on very steep slopes, and the potential environmental damage that can occur in the form of slides or slumping, are much greater than building on flat lands. The Board finds that the recommended Bypass corridor, by comparison, would be located on predominantly flat terrain (less than 3 percent slope) on which truck travel would be faster, easier and safer. Because one of the identified transportation needs for this Project is the need to move trucks safely and efficiently, the Board concludes that the Bell Road alternative cannot reasonably accommodate that need for these reasons.

The Board also finds that Bell Road currently is used to provide rural area residents with access to local and regional destinations. As such, it serves the functions of a local and collector roadway. Many properties rely on Bell Road for their access. Were Bell Road converted into a limited access expressway to accommodate the over 25,000 statewide and regional trips that would pass through the Newberg-Dundee area each day by the year 2025, it would no longer be available to provide direct access to the local residents. New access roads would be required to meet their needs. These roads likely would involve significant out-of-direction travel and, like Bell Road, would have steep slopes and be hard to build in a safe manner. These roads also would remove additional land from the agricultural land base and would add more overall cost to the project.

Finally with regard to Bell Road, the Board finds that because neither Bell Road alternative would be attractive enough to divert large volumes of traffic off of Oregon 99W, ODOT still would need to widen Oregon 99W to four travel lanes through Dundee and south to McDougal Corner. The Board agrees with ODOT that this would result in redundant transportation infrastructure as well as cost, and it finds that the impacts of such widening on Dundee would be unacceptable, for reasons explained below in the findings addressing the East Dundee Interchange.

For these same reasons, the Board also rejects an alternative route presented by John Ekman at the July 22, 2004 public hearing that would travel well north of Dundee and existing Oregon 99W along Kuehne Road between the city of Lafayette and a location on Oregon 99W between Newberg and Dundee. The Board finds that this route would extend far out of direction over lands that have steep slopes and would be difficult to build upon.

10. ODOT also considered improvements to Edwards Road and Dayton Avenue in lieu of building the Bypass. For the reasons set out below, in Section 7.4.3 of the Exceptions Document and the various memoranda prepared by Kittelson & Associates, Inc. and David Mayfield that are identified in that section, and in the ODOT Responses

Document and Heitsch rebuttal letter, the Board concurs with ODOT that an Edwards/Dayton connection cannot reasonably accommodate the identified transportation need.

The Board finds that the improvements to Edwards Road and Dayton Avenue that would be necessary in lieu of a bypass would fail to bring Oregon 99W back into compliance with ODOT v/c performance standards for a Statewide highway and freight route. It finds that using Edwards Road and Dayton Avenue to serve statewide and regional transportation movements would be incompatible with and detrimentally impact and disrupt local residential development and roadway circulation patterns because Edwards Road and Dayton Avenue directly and indirectly serve many private residences and function to connect these residences to the local and arterial street systems. The Board also finds that Edwards Road and Dayton Avenue would continue to be needed to serve this connector function, even with construction of a Bypass. Hence, these roads would require replacement were Edwards Road and Dayton Avenue to substitute for the Bypass.

Both Columbia Empire Farms ("CEF") and 1000 Friends of Oregon have challenged ODOT's determination that improvements to Edwards Road and Dayton Avenue cannot reasonably accommodate the identified transportation need. However, the Board finds that many of the assumptions upon which both 1000 Friends and CEF base their respective examinations are incorrect and inaccurate and have not been considered for engineering constraints. In his letter on behalf of CEF dated August 6, 2004, attorney Jeffrey Condit sets out four "building blocks" that he asserts support a reasonable alternative to the Bypass. One of those building blocks is an Edwards Road-Dayton Avenue connection. Mr. Condit argues that with this connection and with alternate travel modes and transportation system management, year 2025 traffic volumes on Oregon 99W would be only 1000 vehicles more per day than they are now. The Board disagrees. It finds that Mr. Condit has misinterpreted and misapplied the data in the Exceptions Document and in memoranda prepared by Kittelson & Associates, Inc. More particularly, the Board finds that even with these measures and an Edwards Road-Dayton Avenue connection, there would be an average of 35,000 to 36,000 daily traffic volumes on Oregon 99W by the year 2025. This is in part because through traffic using other routes would return to Oregon 99W. For reasons stated in Section C of these findings, the Board finds that the traffic impacts on downtown Dundee associated with this level of daily traffic would unreasonably impact the city of Dundee.

The Board further finds that neither CEF nor 1000 Friends has demonstrated the operational feasibility of using Edwards Road and Dayton Avenue in lieu of or as a substitute alignment for the Bypass. For example, neither has shown how, from an engineering standpoint, semi-trucks, including triple trailers, can safely negotiate a sharp 90 degree turn where Edwards Road intersects with Parks Drive. The Board believes and finds that such a sharp angled turn would make it much more likely that freight trips would remain on Oregon 99W. Also, neither CEF nor 1000 Friends has provided a footprint entirely inside Dundee's UGB containing adequately designed curvature to accommodate truck turning movements, nor have they identified or evaluated the

economic, social or environmental impacts associated with such a footprint. Similarly, neither has addressed safe and appropriate curvature for this facility where Parks Drive reconnects to Oregon 99W or evaluated the impacts associated with such curvature. Here again, the Board finds that the sharp angles required to keep these turning movements within the Dundee UGB would most likely result in truck traffic remaining on Oregon 99W.

Neither CEF nor 1000 Friends has addressed the issue of how an Edwards/Dayton connection and an Edwards/Parks connection would safely cross the railroad tracks parallel to Oregon 99W in Dundee or how they would be consistent with OHP policy to reduce rail/vehicle conflicts. As neither entity has employed the services of a traffic engineer to lend support to any of their contentions that their proposed alternative is reasonable, the Board has no factual basis to conclude that the impacts associated with this alternative are less adverse than those associated with the Bypass. The Board declines to make such assumptions or to speculate as to what the facility footprint would look like, how it would operate, or whether it can operate safely. Instead, the Board finds that neither 1000 Friends nor CEF has demonstrated that their Edwards Road-Dayton Avenue proposal in lieu of the Bypass would be safe or operationally feasible.

Overall, the Board finds that the evidence and argument provided by CEF and 1000 Friends regarding the viability of Edwards Road and Dayton Avenue as an alternative to or as a substitute alignment for the Bypass is substantially lacking both in detail and in credibility. It finds that CEF and 1000 Friends make no attempt even to address the thresholds set out in the Exceptions Document, including impacts to local access and community livability concerns. In contrast, the Board finds ODOT's analysis to be thorough, comprehensive, credible and persuasive. Based on the analysis provided by ODOT, and for the reasons stated above, the Board concludes that an Edwards Road/Dayton Avenue alternative to the bypass is unreasonable.

11. With respect to Bell Road, Edwards/Dayton improvements, a regional bypass (discussed below), the 1000 Friends "boulevard" alternative (discussed below), and other Bypass alternatives advocated by Bypass opponents (such as undergrounding the Bypass through Dundee), the Board finds that ODOT has provided detailed and credible factual information and persuasive reasoning to support findings that these alternatives cannot reasonably accommodate the identified transportation need for the Bypass. The Board further finds that in this circumstance, OAR 660-012-0020(2)(b)(C) imposes on the opponents a responsibility to provide facts to support assertions why these or other alternatives can reasonably accommodate the identified transportation need. Specifically, OAR 660-012-0020(2)(b)(C) states: "Site specific comparisons are not required of a local government taking an exception, unless another party to the local proceeding can describe why there are specific sites that can *more reasonably* accommodate the proposed use. A detailed evaluation of specific alternative sites is thus not required *unless such sites are specifically described with facts to support the assertion that the sites are more reasonable by another party during the local exceptions proceeding.*" (Emphasis added.)

While Bypass opponents such as 1000 Friends of Oregon, Friends of Yamhill County, Columbia Empire Farms and John Ekman have criticized the location of the proposed Bypass corridor and argued in favor of non-exception alternatives, the Board finds that no opponent has provided the kind of factual information required by OAR 660-004-0020(2)(b)(C) to support their assertions that their preferred alternatives are "more reasonable" to accommodate the identified transportation need. As the findings in Paragraph B.10 above demonstrate, these opponents routinely have asserted that one or another non-exception alternative is better without addressing whether that alternative is operationally feasible or safe or identifying and analyzing the economic, social, environmental, energy and traffic impacts associated with that alternative. In some instances, the opponents have not even identified the location of their preferred alternatives with specificity. The Board believes and finds that under OAR 660-012-0020(2)(b)(C), this is not enough. Under the applicable LCDC rule standards, it is not ODOT's or the County's responsibility to do that work for them.

Evaluating the reasonableness of alternatives to accommodate an identified transportation need requires consideration of a greater range of factors than just soil type or impacts to agricultural land or farm operations. This point is clearly brought home by the thresholds requirement in OAR 660-012-0070(6). In making their arguments, 1000 Friends, Columbia Empire Farms, John Ekman and others have ignored operational feasibility, safety, economic dislocations and "other factors" that may be appropriate to determining the "reasonableness" of a non-exception alternative. Instead, their approach has been entirely one dimensional. For this reason, they have failed even to make the most elementary case to support a finding that their alternative proposals could "reasonably accommodate" the identified transportation need.

12. In the process of selecting a general location for the Bypass corridor, ODOT considered many potential alternatives requiring goal exceptions. As described and depicted in Chapter 2 of the LDEIS, these included northern corridor alternatives traversing north of Newberg or through its north side; southern corridor alternatives that extended more through rural residential areas than farmland in its central segment; southern corridor alternatives that extended more through farmland than rural residential areas in its central segment (which is the current application); and "regional bypass" alternatives that extended through Marion County.

ODOT found, and the Board agrees and finds, that the overall net economic, social, environmental and energy ("ESEE") impacts of the recommended southern alternative would not be "significantly more adverse" than the net impacts associated with the other corridor alternatives requiring goal exceptions. See OAR 660-012-0070(7)(b). In reaching this conclusion, the Board agrees with ODOT that the net adverse ESEE consequences of the two southern Bypass corridors tend to balance out each other, as shown on Table 3 of the Exceptions Document, while the northern corridor alternative that ODOT studied in greater detail has more net adverse ESEE impacts than either southern alternative.

The Board finds that a key difference distinguishing the recommended southern alternative from the southern rural residential and northern corridor alternatives is that the recommended southern corridor would maintain the 300-acre Dundee Farm (CEF) in two large, commercially viable pieces, while the northern corridor alternative and the southern rural residential alternative would fragment the farm by creating a much smaller piece of land for which urbanization pressures would be high. The Board believes and finds that the recommended alternative is more consistent with the policy objectives of ORS Chapter 215 and Goal 3 to protect agricultural land, even though it would take several more acres than the other two alternatives. The Board finds that by avoiding fragmentation, retaining both parcels in sizes at or above the minimum lot size for lands zoned Exclusive Farm Use, and providing mitigation to assure farm vehicle and equipment access between the farm parcels, the recommended alternative is more likely to maintain the commercial viability of the Dundee Farm and less likely to adversely impact farm operations there.

Regarding the "regional bypass", the Board finds that its net adverse ESEE impacts would be significantly greater than the recommended Bypass alternative. In particular, the Board finds that this alternative would: displace over 500 acres of agricultural land, compared to about 175 acres for the recommended alternative; affect 30 to 50 percent more wetland area; require a new Willamette River crossing, impacting floodplains and threatened and endangered species; have much greater growth-inducing impacts by introducing 30,000 vehicles per day into rural northern Marion County; and not eliminate the need to widen Oregon 99W to five lanes in Dundee and four travel lanes between Dundee and McDougal Corner. The Board concludes that these substantially more adverse impacts are sufficient to eliminate this alternative as unreasonable.

13. In determining a general location for the Bypass corridor, ODOT also considered a proposal by 1000 Friends of Oregon that involved constructing a new boulevard with roundabouts through Newberg. That alternative, reproduced at page 115 of the Exceptions Document, is difficult to follow in terms of its location. Based on that drawing, ODOT found, and the Board agrees and finds, that this alternative would require goal exceptions. But even if this boulevard alternative did not require goal exceptions, it still would not constitute a reasonable alternative to meet the identified transportation need. ODOT found, and the Board agrees and finds, that the use of a boulevard with roundabouts and speed limits of 25-35 miles per hour is inconsistent with OHP management objectives for Statewide Highways and statewide freight routes. For this reason alone, this alternative cannot reasonably accommodate the identified transportation need. The slower travel times would not divert sufficient traffic from Oregon 99W to sufficiently reduce the congestion on Oregon 99W. Also, the very nature of this facility is likely to induce new commercial development near its intersections, resulting over time in a mixture of statewide, regional and local traffic not unlike that currently found on Oregon 99W. The Board finds that such a facility is not desirable or consistent with the purposes and objectives of the OHP Bypass Policy (1H).

The Board also finds that this alternative does not meet the identified transportation need because the traffic delay associated with this proposal reduces its

Further, the Board finds that by terminating the facility east of Dundee or by extending it through downtown Dundee as 1000 Friends has subsequently advocated, this alternative would require Oregon 99W in Dundee to be widened to *seven* travel lanes to accommodate year 2025 average daily traffic volumes of approximately 47,000 vehicles. In the findings below addressing the East Dundee Interchange, the Board concludes that widening Oregon 99W even to *five* lanes would have unacceptably severe and unreasonable impacts to the livability and economic vitality of Dundee. The Board concludes in those findings below, and here as well, that widening Oregon 99W through Dundee to five or more lanes would be pedestrian unfriendly, increase the likelihood of accidents in Dundee, violate numerous acknowledged Dundee comprehensive plan and TSP policies, displace many businesses in downtown Dundee and discourage new businesses from locating there, and render Dundee's downtown unrecognizable. The Board concludes that these impacts would be significantly more adverse than those associated with the recommended alternative. It finds this alternative to be unreasonable and unacceptable.

14. In its July 22, 2004 letter, 1000 Friends of Oregon asserts that "reasonable non-exception alternatives" must be considered and analyzed for each of three distinct segments of the proposed Bypass corridor because each segment has "separate utility and can 'stand alone'". The Board rejects this contention for several reasons.

First, the Board is not aware of any legal authority requiring local governments to consider goal exceptions for new transportation facilities in separate segments. In its argument, 1000 Friends identifies no such authority.

Second, ODOT has identified, and the Board above has found, that there are statewide, regional and local transportation needs in the Newberg-Dundee region that extend the length of existing Oregon 99W from east of Newberg to west of Dundee and over to McDougal Corner. 1000 Friends has not demonstrated how any segment, alone, can reasonably accommodate these identified transportation needs, and the Board finds that none of the segments alone can satisfy these needs. The Board finds instead that to accommodate these needs, the project must be built in its entirety.

Third, the Board believes that 1000 Friends misconstrues the role that "phasing" plays in project development. Constructing the Bypass and East Dundee Interchange in two or three phases may be desirable or necessary as a way to build the whole facility in fundable pieces, because it is possible that ODOT will not receive the entire funding for the project at one time or from a single source. However, to accommodate the identified statewide, regional and local transportation needs, the Bypass is needed in its entirety. Each segment by itself cannot accommodate these identified needs.

15. Also in its July 22, 2004 letter, 1000 Friends recommends a variety of Bypass alternatives, some requiring goal exceptions and some not. These alternatives include (1) moving the Dayton Interchange an unidentified distance west into the Dayton UGB; (2) using existing Oregon 99W between Dayton and Dundee; (3) widening Oregon 99W in Dundee; (4) providing a Dayton Road/Edwards Avenue connection; (5) eliminating the

East Dundee Interchange and its connecting road; (6) moving the East Dundee Interchange and the connecting road entirely inside the Dundee UGB; (7) moving the East Dundee Interchange and the connector road onto rural residential land northeast of its proposed location; (8) using existing Oregon 99W between Newberg and Dundee; (9) relocating the East Newberg Interchange to avoid EFU lands; and (10) redesigning the northern alternative through rural residential lands.

The Board rejects these alternatives for a number of reasons. First, for reasons mentioned in this section and in the following section concerning the East Dundee Interchange, many of these alternatives cannot "reasonably accommodate" the identified transportation needs. Second, for every one of these alternatives, 1000 Friends of Oregon has not provided the Board with sufficient factual analysis to conclude that these alternatives are "more reasonable" or have "significantly fewer adverse impacts" than the proposed Bypass and East Dundee Interchange. See OAR 660-004-0020(2)(b)(C) and 660-004-0020(2)(c).

The alternatives proposed by 1000 Friends of Oregon, like the alternatives proposed by CEF, all reflect a narrow focus on avoiding impacts to agricultural lands generally or for CEF, the Dundee Farm, at all costs. However, under OAR 660-012-0070, the Board need not and indeed, may not consider only this issue to the exclusion of other relevant factors. OAR 660-012-0070(6) directs the Board to establish thresholds for judging whether alternatives that do not require exceptions can reasonably accommodate the identified transportation needs. Those thresholds include economic displacements, operational feasibility and "other relevant factors." The Board rejects 1000 Friends' effort to reinterpret or amend the TPR in such a way as part of this proceeding.

For each alternative recommended by 1000 Friends that does not require goal exceptions, the Board finds that 1000 Friends has failed to consider the identified thresholds for determining whether it can "reasonably accommodate" the identified transportation needs. For example, 1000 Friends has not considered, or it ignores, the adverse displacement, local access and community livability impacts associated with using Edwards Road or Parks Drive, with widening Oregon 99W, or with locating a bypass interchange entirely inside Dayton's or Dundee's UGB. 1000 Friends also has not considered or ignores whether these alternatives can meet ODOT highway performance standards for Statewide highways or comply with ODOT management objectives for Statewide highways and freight routes,

Similarly, 1000 Friends does not address the adverse economic and social impacts associated with directing 47,000 vehicles per day through downtown Dundee. As noted in Paragraph B.10 above, it nowhere addresses whether its recommended alternatives are operationally feasible or safe. It nowhere identifies the business or residential displacements associated with its alternatives or considers safety concerns or visual impacts associated with grade-separated railroad crossings. 1000 Friends nowhere addresses compliance with the minimum performance threshold. Instead, 1000 Friends leaves it to the Board and to ODOT to speculate on those impacts. The Board believes

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that this level of alternatives analysis provided by 1000 Friends of Oregon is not sufficient to demonstrate the reasonableness of the proposed alternatives such that further analysis is warranted, and it so finds.

The Board further finds that the alternatives presented by CEF suffer the same defects and deficiencies. As with the alternatives recommended by 1000 Friends, the Board finds that the alternatives recommended by CEF are not sufficiently analyzed or supported by substantial evidence to demonstrate their reasonableness such that further analysis is warranted.

16. In the course of the public hearings, the Board heard testimony from 1000 Friends of Oregon and Columbia Empire Farms to the effect that in comparing alternatives that require exceptions, the Board must select the alternative that has the *least impact* on agricultural lands.

The Board finds nothing in LCDC's rules or in any other applicable authority to support the contention that the Board must give disproportionately greater weight to agricultural land preservation over other concerns when comparing alternatives requiring exceptions. While the Board clearly recognizes and respects the protections afforded to agricultural lands under state law, and while the Board also deems it reasonable and appropriate to pay particularly careful attention to impacts to agricultural lands and operations when comparing ESEE consequences (as it has done here), neither OAR 660-012-0070(7) nor OAR 660-004-0020(2)(c) creates a system under which agricultural land protection has priority once a county has determined that the identified transportation need cannot be met by alternatives which do not require new exceptions.

By their plain and unambiguous terms, OAR 660-012-0070(7) and OAR 660-004-0020(2)(c) direct counties first to identify and consider a full range of adverse economic, social, environmental and energy consequences, which include but are not limited to agricultural impacts, and then to determine whether the *net* adverse impacts associated with the proposed alternative are significantly more adverse than those associated with other alternatives requiring exceptions. Yamhill County has done so in rendering this decision. As its findings reveal, the Board has carefully considered impacts to agricultural lands and operations in assessing the overall net impacts of the various alternatives. That is all the County need do to comply with these standards.

1000 Friends of Oregon also testified to the effect that alternatives involving only small amounts of exception acreage should not require comparison to alternatives involving much larger amounts of exception land. However, the Board finds no support for this contention in the applicable review standards. That the exceptions associated with one alternative may impact more land, or even much more land, than the exceptions associated with another alternative, does not change how the standards apply. As long as an alternative requires an exception anywhere along its alignment, the method of comparison set out in LCDC's rules is the net adverse ESEE impact standard in OAR 660-012-0070(7) and OAR 660-004-0020(2)(c).

The Board also rejects an assertion by CEF in its letter dated August 12, 2004, that Goal 14 factors 4 (maximum efficiency of land uses within and on the fringe of urban areas) and 6 (retention of agricultural lands) mandate that the Board select the alternative with the least impact to agricultural lands. The Board finds that these provisions relate solely to the establishment or change of an urban growth boundary. Here, Goal 14 exceptions have been taken not for the purpose of establishing or expanding urban growth boundaries, but to allow urban uses on rural lands. The seven Goal 14 factors applicable to urban growth boundary amendments do not apply in such circumstances. See, e.g., OAR 660-014-0040.

17. The TPR requires that goal exceptions authorizing transportation facilities on rural lands describe the adverse effects each proposed transportation improvement is likely to have on surrounding rural lands and land uses, including increased traffic and pressure for non-farm or highway oriented development on areas made more accessible by the improvement, and adopt facility design and land use measures which minimize accessibility of rural lands from the proposed transportation facility and support the continued rural use of rural lands. The Board finds that the Bypass would adversely impact rural lands and rural land uses in the manner described in Sections 7.7.1 and 7.8 of the Exceptions Document. It also finds that the Bypass would increase population in Yamhill County by less than five percent through the year 2050, with most growth occurring within the McMinnville area within 20 years following opening of the Bypass.

However, while there would be additional traffic traveling through rural areas as a result of the Bypass, the Board finds that these trips would be predominantly commuter trips between the Newberg-Dundee urban area and McMinnville which are unlikely to be diverted onto local rural roads. See ODOT Transportation Planning Analysis Unit, "Exploratory Analysis of OTIA Projects Using the Gen1 Statewide Model, Newberg-Dundee Case Study Methodology and Results (May 3, 2002), incorporated herein in its entirety by this reference. Indeed, the Board agrees with ODOT that the risk of traffic diversion onto local roads is greater under a no-build scenario, due to the very high level of traffic congestion and delay on Oregon 99W under that alternative.

The Board also finds that rural driver infiltration is less likely to occur because the Bypass design would not easily facilitate such movements. The directional interchanges at the Bypass termini would keep Bypass traffic on the main roads of Oregon 99W and Oregon 18 rather than providing drivers with easy access onto rural roads. Additionally, wherever practicable, ODOT would relocate existing accesses near interchanges to a distance of at least 1,320 feet away from the interchange ramps to comply with ODOT interchange design standards. The Board finds that this will help minimize travel into rural areas and help reduce pressures to establish non-farm or highway oriented development in rural areas.

Moreover, the Board finds that during the course of this proceeding, Yamhill County and the cities of Newberg, Dundee and Dayton have adopted new comprehensive plan policies intended in large measure to minimize accessibility to rural lands from the Bypass and its interchanges, support continued rural uses of surrounding rural lands, and

protect the function and capacity of the Bypass and its interchanges. These new policies include, but are not limited to, policies committing the local government to participate in the development of Interchange Area Management Plans that will be intended in part to ensure compatible land uses near the Bypass and its interchanges; policies to avoid UGB expansions near interchanges where feasible; and policies to retain existing zoning of urban lands located within approximately ¼ mile of Bypass interchanges and rural lands located within approximately ½ mile of Bypass interchanges. The policies Yamhill County has adopted are addressed in greater detail in separate findings which the County officially notices and incorporates herein by this reference. The County also takes official notice of and incorporates by reference herein the new comprehensive plan policies adopted by the cities of Newberg, Dundee and Dayton, and their adopting ordinances and findings.

In addition to the new plan policies, Yamhill County and the City of Newberg have adopted new zoning regulations that retain existing rural zoning (for the County) and/or limit the nature or scale of development near the Bypass interchanges. Among other things, these regulations prevent more intensive commercial uses within Newberg's existing industrial zones, prevent rezonings of land to commercial uses pending adoption of Interchange Area Management Plans, and prevent expansion of urban growth boundaries into rural areas that are within Yamhill County's Interchange Overlay District pending adoption of Interchange Area Management Plans. Together with the new plan policies, these regulations will help to maintain and protect agricultural and rural exception lands for rural uses and reduce urban development pressures on these lands. The Board takes official notice of these legislative enactments.

Further, the Board finds that while highway projects nationwide may have had indirect impacts on land use, Oregon's restrictions on land uses in EFU and rural zones, especially when combined with access management measures, facility design measures and the kinds of land use mitigation measures required by OAR 660-012-0070(8)(b), have been effective at reducing development pressures on rural lands. In particular, the Board finds that urban growth boundaries, combined with restrictive agricultural and forest zoning, have controlled leapfrog development in Oregon and limited the expansion of urban areas. Because of this, the more dispersed development that has occurred around freeways elsewhere in the nation has not occurred in Oregon to the same degree. The LDEIS (Land Use Technical Report at pages 25-33), the Exceptions Document (Section 7.8.1.2) and the ODOT Responses Document all provide facts and reasons that support the conclusion that the Bypass will not significantly induce population or employment growth in Yamhill County or create pressures to convert rural resource lands to non-resource uses. The Board finds that this is even more the case given the measures contained in the new plan policies adopted by Yamhill County and the cities of Newberg, Dundee and Dayton during the course of this proceeding. The Board expressly agrees with these analyses and it so finds.

The Board concludes that with design and land use measures including full access control, directional interchanges at the Bypass termini, establishment of overlay zones to protect rural lands within about 0.5 miles of Bypass interchanges, new zoning restrictions

inside UGBs that limit high traffic-generating uses on urban lands near interchanges, and county and city adoption of policies prohibiting zone changes near interchanges and limiting UGB expansions onto EFU lands near interchanges, the Bypass and its interchanges will not likely have any significant adverse impacts on surrounding rural lands and land uses in terms of increased traffic or pressure for non-farm or highway oriented development. Moreover, the Board is committed to addressing vehicle circulation issues during the design phase of the Bypass Project, to ensure that farm vehicles and equipment reasonably can get around and under the Bypass.

18. For all of the reasons stated above, in the Exceptions Document, and in the ODOT Responses Document, the Heitsch letter and the Heitsch rebuttal letter, the Board concludes that the Bypass is needed to meet statewide, regional and local transportation needs; that this transportation need cannot reasonably be accommodated by one or a combination of alternatives involving alternative modes, TSM or improvements to existing facilities; that the net adverse ESEE impacts associated with the proposed Bypass corridor are not significantly more adverse, or even more adverse, than those associated with other alternative corridors; and that the facility design and land use measures identified by ODOT and adopted by local jurisdictions and by Yamhill County will minimize accessibility of rural lands from the Bypass, support continued rural use of surrounding rural lands, and render the Bypass compatible with surrounding uses. For all of these reasons, the Board concludes that the Bypass is consistent with and satisfies the exceptions requirements for transportation facilities on rural lands set out in OAR 660-012-0070.

C. Exceptions Justifying the East Dundee Interchange

1. Based on the facts and reasons set out below and in ODOT's Exceptions Document, the Board concludes that there is a statewide, regional and local transportation need for the East Dundee Interchange. The East Dundee Interchange is needed to accommodate the safe and efficient movement of people and goods through the Newberg-Dundee region and between the Newberg-Dundee region and other regions of the state. It is needed to remove unacceptably high levels of congestion on existing Oregon 99W in Dundee (that even with the Bypass would exceed a 1.0 v/c by the year 2025 if Oregon 99W remains a three lane facility through Dundee), thereby freeing up capacity on that highway to serve local and regional transportation movements. The East Dundee Interchange also is needed to facilitate and improve the safety of local traffic and pedestrian movements in Dundee. And it is needed to support and achieve Dundee's vision for an economically vibrant community utilizing a more compact and pedestrian friendly urban form consistent with "smart growth" development principles.

2. The East Dundee Interchange would allow traffic traveling between Newberg and locations west of Dundee to avoid downtown Dundee via the Bypass. It also would allow traffic traveling between Dundee and locations east of Newberg to avoid downtown Newberg. Without this interchange, there would be approximately 25,000 average daily local, regional and statewide trips on Oregon 99W through Dundee in 2025, of which approximately 16,500 trips would be statewide or regional trips. The interchange would

reduce the number of total trips through Dundee to approximately 13,000 in 2025, with most of that reduction coming through the redirection of regional trips to and from Newberg.

3. The Oregon Highway Plan refers to travel movements between Newberg and locations west or south of Dundee, and between Dundee and locations east or north of Newberg, as "regional through travel." OHP Bypass Policy 1H provides that regional through travel is best served by limited access facilities that allow higher speeds and require infrequent stops. The policy notes that as congestion increases, regional travel and local access may need to be separated. The Board finds that increased levels of congestion in Dundee by the year 2025 warrant separation of statewide and regional through traffic from local traffic for many reasons. These reasons are addressed below in the findings discussing the need for and alternatives to the East Dundee Interchange. The Board concludes that provision of the East Dundee Interchange is consistent with the recommended method in the OHP for accommodating regional through travel and warranted to effectively serve statewide and regional traffic.

4. With the East Dundee Interchange, Oregon 99W can be maintained as a three-lane roadway in compliance with OHP and Dundee roadway performance standards. Without the interchange, Oregon 99W would need to expand to five lanes through Dundee and to four lanes with turn lanes south of Dundee to McDougal Corner in order to meet OHP or local highway performance standards. For reasons explained in detail in the Exceptions Document and below, the Board finds that widening Oregon 99W to five lanes through Dundee or constructing a couplet through Dundee cannot reasonably accommodate the identified transportation need. While these alternatives may be operationally feasible, they would have unreasonably severe adverse impacts on the economic health and livability of the City of Dundee, virtually destroying Dundee's downtown. The Board finds such an impact would be unacceptable.

5. Alternatives to the East Dundee Interchange addressed in the Exceptions Document include (1) establishing a "Special Transportation Area" in Dundee to permit higher levels of congestion to occur; (2) retaining Oregon 99W as a three-lane highway and improving other roads in the area; (3) widening Oregon 99W through and south of Dundee to five lanes; and (4) creating a couplet in Dundee and expanding Oregon 99W to five lanes south of Dundee. Based on the facts and reasons stated in Section 7.4.4 of that document and in the ODOT Responses Document and Heitsch letter as well, the Board finds and concludes that none of these alternatives can reasonably accommodate the identified transportation need for the East Dundee Interchange. The Board finds this is so despite the fact that average daily traffic volumes in Dundee would be reduced by the presence of the Bypass. In particular, the Board finds that each one of these alternatives would have unreasonably and unacceptably high adverse economic, social and livability impacts on the City of Dundee and its businesses and residents. For reasons explained below, the Board also finds that these impacts are due, to a significant degree, to the presence and location of the railroad right of way through Dundee.

6. A "Special Transportation Area" ("STA") is an OHP-authorized designation that may be applied to a state highway segment to foster compact development patterns when a downtown, business district or community center straddles a state highway inside a UGB. As explained in OHP Policy 1B (amended January 2004), within an STA convenience of movement is focused on pedestrian, bicycle and transit travel rather than on automobile movement. The primary objective of an STA is to provide access to and circulation amongst community activities, businesses and residences and to accommodate pedestrian, bicycle and transit movement along and across the highway. Under the OHP, traffic speeds are slow, generally 25 miles per hour or less. The maximum permissible volume to capacity ratio in an STA is 0.95.

The Board finds that an STA is not a reasonable alternative to the East Dundee Interchange because an STA in Dundee cannot meet OHP standards for STAs. As explained in the Exceptions Document, without the East Dundee Interchange, an STA in Dundee could not meet ODOT's maximum v/c ratio of 0.95 unless Oregon 99W were widened to four travel lanes. As a three lane highway, Oregon 99W would operate at a v/c in exceed of 1.0. For reasons stated below, such a widening of Oregon 99W through Dundee would not be reasonable. Also, Dundee neither exhibits the attributes of an STA, as described in the OHP, nor was planned as an STA in Dundee's acknowledged comprehensive plan at the time that the OHP was adopted or even now. Rather than exhibiting mixed uses, buildings spaced close together, interconnected local streets and convenient automobile and pedestrian circulation within the downtown, Dundee's current downtown character is more appropriately described as rural strip development. There is no discernible city center, the buildings are not spaced closely together, there are substantial gaps in the sidewalk network, parking lots are not shared or behind buildings, and there is not convenient automobile and pedestrian circulation in the downtown.

7. The Board rejects the alternative of retaining Oregon 99W as a three lane highway and improving other roads. While improvements to local roads, including Edwards Road and Dayton Avenue, might delay the need to widen Oregon 99W for 10 to 15 years, the TPR requires Yamhill County and Dundee to base their regional and local transportation systems on population and employment forecasts covering a 20-year period. The Board agrees with ODOT that it should not ignore 20-year projections and the conclusions drawn from them simply because the identified transportation need arises in the latter half of the planning period.

Moreover, the Board finds that the level of congestion associated with a three-lane facility would exceed levels currently experienced in other communities, including Seaside and Lincoln City, where projects now are underway to relieve the congestion. The Board also finds that with an Edwards Road/Dayton Avenue connection in place, established Dundee residential neighborhoods would experience substantial traffic infiltration because diverted regional through traffic would need to find its way back onto Oregon 99W farther west in Dundee. This traffic would result in key intersections along Oregon 99W in Dundee operating at v/c ratios over 1.0 unless Oregon 99W in Dundee is widened to five lanes. A v/c ratio over 1.0 ("gridlock") violates both ODOT and local transportation performance standards for arterials.

8. Without the East Dundee Interchange, and with Oregon 99W remaining a three-lane roadway, year 2025 daily traffic volumes through Dundee would average 25,000 vehicle trips and the v/c would be well over 1.0, in violation of state district highway and local arterial performance standards. To meet ODOT and local performance standards without building the East Dundee Interchange, Oregon 99W would need to be widened to five lanes in Dundee and west to McDougal Corner.

For the reasons stated herein and in ODOT's Exceptions Document, the Board finds that a five lane roadway through Dundee would result in significant adverse impacts to the community that, render a five lane roadway through Dundee unreasonable to accommodate the identified transportation need for the East Dundee Interchange. Most notably, the Board finds that a five lane facility through Dundee would preclude Dundee's ability to develop as a "main street" in the manner provided for in the City's TSP.

The Board finds that Dundee's adopted TSP and comprehensive plan contain a number of policies that are relevant to a determination as to whether alternatives to the East Dundee Interchange can reasonably accommodate the identified transportation need. These policies are described in Section 7.6.2 of the Exceptions Document, incorporated herein by reference. They include policies to provide and maintain a transportation system that: serves the travel needs of all Dundee residents, businesses and visitors while minimizing the adverse impacts on Dundee associated with through traffic; fosters a pleasant, small city and preserves and enhances existing neighborhoods and businesses; supports the goals, objectives and visions of the Dundee community, which the Board finds includes the visions set out in Dundee's 2022 Vision Statement; and supports the economic vitality of the Dundee community. They also include policies directing the city to develop parking and circulation strategies that minimize pedestrian and vehicle conflict and support downtown business retention and development.

Primarily because of the reduced lot depth between Oregon 99W and the parallel railroad right-of-way resulting from the widening of Oregon 99W to five lanes, the Board finds that these policies cannot be achieved. It finds that over the past 10 years, Dundee has taken actions towards improving its economic development potential and fulfilling its vision of its downtown being a pedestrian friendly "main street" by attracting fine restaurants and wineries with regional and statewide reputations, including Tina's, the Red Hills Provincial Dining, the Dundee Bistro, and the Argyle and Ponzi wine tasting rooms. All of these establishments are complimented by renowned wineries in or just outside of Dundee, including Archery Summit, Cameron, Daedalus, Domaine Drouhin, Domaine Serene, Duck Pond, Dundee Springs, Erath, Lange, Sokol-Blosser, Torii Mor, , , , and Wine Country Farms Winery. The Board believes and finds that with a threelane highway, economic development could and is likely to continue in this direction.

However, with a five lane roadway, the lot depth between Oregon 99W and the parallel railroad right of way would be reduced to only about 150 to 170 feet, compared to 200 feet and larger in other communities. Provision of land for automobile circulation

north of the railroad right-of-way reduces this lot depth even further, to about 130 feet. For the reasons stated in the Exceptions Document, the Board finds that this reduced lot depth would impede development and associated off-street parking. It finds that the widening would substantially adversely affect over 80 percent of the businesses along the south side of existing Oregon 99W, displacing 10 buildings and effectively displacing some businesses through the loss of adequate parking spaces. Impacted businesses include the Argyle Winery, an anchor business for downtown Dundee.

The Board finds that with the narrower lot depths, Dundee would be at a disadvantage to compete economically with other cities for new businesses which require larger lots for commercial establishments. It finds that the right of way for a five lane roadway, combined with the parallel right of way for the railroad, would dominate the city's character in a manner inconsistent with and adverse to achieving its vision. Further, the Board finds that the much smaller lot depths resulting from widening Oregon 99W to five lanes would preclude Dundee from achieving the pedestrian friendly "main street" urban form that is called for in its TSP and 2022 Vision Statement. Indeed, it finds this is so even if Oregon 99W utilized a narrower 92-foot wide right of way that does not include on-street parking. Like ODOT, the Board concludes that a five lane facility is more likely than not to encourage and foster an automobile oriented, strip commercial development pattern that would violate the City's comprehensive plan, TSP and vision statement.

The Board also finds that a narrower five lane roadway design used to minimize the adverse impacts associated with narrower lot depths would not be reasonable, for the reasons set out in Section 7.4.4.6 of the Exceptions Document. It finds that narrower lanes are not appropriate where, as here, substantial truck traffic would be present. It finds that narrower lanes without on-street parking areas are unfriendly to pedestrians and inconsistent with Dundee's planning objectives for its downtown area. Narrower lanes also are less safe for bicyclists, as there is a higher probability that vehicles will encroach onto bicycle lanes.

Mayor Worrall of Dundee testified to the Board that widening Oregon 99W to five lanes in Dundee would remove at least half of the businesses in the city's downtown, create a 300 foot wide dead zone extending from 99W to the south side of the railroad tracks because there is inadequate space to build businesses there, and "destroy Dundee". The Board heard testimony from Argyle Winery, that if it is displaced, it will relocate outside of Dundee. Evidence in the record indicates that if Oregon 99W is widened to five lanes, many businesses, including Argyle Winery, will be displaced. The Board believes Argyle Winery's testimony that if displaced, it will relocate elsewhere, and the Board finds that the loss of Argyle Winery to Dundee's economic well-being and to realization of its "vision" would be severe. It further agrees with the Mayor and finds that the widening of Oregon 99W, combined with the railroad, would likely create a broad "dead zone" and destroy Dundee's ability to achieve its plan policies and its long term vision for a vibrant downtown.

For all of these reasons, the Board concludes that widening Oregon 99W to five lanes cannot reasonably accommodate the identified transportation need for the East Dundee Interchange. In reaching this conclusion, the Board takes notice of the fact that the impacts associated with widening Oregon 99W to five lanes would run contrary to the mission established by the Department of Land Conservation and Development's new Economic Development Planning Team, which is "to ensure that Oregon's land use planning program meets the economic development planning needs of the state, local governments and citizens by supporting policy initiatives and local planning projects that *promote sustainability, business recruitment, expansion and retention.*" (Emphasis added.) The Board expressly finds that widening Oregon 99W to five (or more) lanes through downtown Dundee would have precisely the opposite effect.

9. ODOT's Exceptions Document explores whether building a couplet through Dundee could meet the identified need for the East Dundee Interchange. ODOT considered two couplet options, one with both couplet legs north of the railroad tracks and one with the eastbound leg south of the railroad tracks. Under both options, existing Oregon 99W would become a one way road westbound.

The Board finds that a couplet through Dundee, whether located north or south of the railroad right of way, cannot reasonably accommodate the identified transportation need served by the East Dundee Interchange. The Board finds that the right-of-way needed to construct the eastbound leg of the couplet just north of the railroad would reduce the depth of the block between the couplet legs to only about 115-135 feet. This lot depth is substantially smaller than typical lot depths for commercial properties in other Yamhill County cities and would provide insufficient space for buildings, parking and circulation, placing Dundee at a significant competitive disadvantage to compete with other cities for commercial development, especially those with two-way main streets. Moreover, with this alignment, most if not all businesses located within this block would be displaced either directly or indirectly due to loss of adequate parking space and access. The Board finds that with this couplet, redevelopment would likely take the form of isolated businesses with needed parking in between the businesses. This would not represent a compact, pedestrian friendly "main street" urban design as called for in Dundee's TSP. The Board further finds that the dimensions of the land between the two couplet legs would not encourage new businesses to locate in Dundee but would, instead, likely cause a net decrease in business development along Oregon 99W in Dundee. The Board concludes that because these impacts, the north couplet option cannot reasonably accommodate the identified transportation need served by the East Dundee Interchange.

The Board also rejects the second couplet option as unreasonable. Under this scenario, the eastbound portion of the couplet would be located south of the railroad right-of-way, between the railroad tracks and Maple Street, which divides the light industrial part of Dundee from a residential area. The Board finds that this design would eliminate land identified for industrial development and reduce block depth for new industrial development to 175 feet while introducing highway and regional truck traffic serving Dundee and Newberg into a residential area. The Board finds that this couplet

would displace 10 residences and affect 30 more with adverse noise, visual impacts, and increased infiltration onto neighborhood streets. The Board also finds that with this design, existing businesses along Oregon 99W, which currently front a two-way street, would be exposed only to west and southbound travelers. Pedestrian use of the couplet would be limited because of the relatively long distance between the couplet legs (approximately 450 feet) plus limited locations for crossing the railroad tracks. The resulting development pattern would likely be an automobile oriented, scattered commercial development pattern that would not support a compact, pedestrian friendly "main street" urban design as provided for in Dundee's TSP. Further, this couplet alternative would require area residents and visitors traveling eastbound along the couplet to cross the railroad tracks to access Dundee's central business district along existing Oregon 99W. Either they would drive, walk or bike a block or two out of direction to access a local street that crosses the railroad tracks, or they would jaywalk across the tracks to shorten the connection. The Board believes that railroad crossings pose a hazard to public safety, and it finds and concludes that an alternative that requires railroad crossings at multiple locations and increases the incidents of conflicts between railroad and highway users is inherently unsafe and unreasonable and should be avoided where possible. The Board finds substantial support for its conclusion in OHP Policy 2G, which promotes safety and transportation efficiency through the reduction and prevention of conflicts between railroad and highway users. Indeed, Action 2G.1 directs ODOT to design highway projects to avoid rail crossings at grade where possible. The south couplet option is inconsistent with this OHP policy.

Finally, the Board finds it more likely than not that either couplet option would encourage and foster an automobile oriented, strip commercial development pattern that would violate Dundee comprehensive plan and TSP policies, the City's 2022 Vision Statement and the mission of DLCD's Economic Development Planning Team. For the reasons discussed in its findings addressing the widening of Oregon 99W to five lanes, the Board concludes that this impact renders both couplet options unreasonable to accommodate the identified transportation need for the East Dundee Interchange.

It has been suggested by opponents that the downtown of Dundee should be removed and relocated to allow expansion of Oregon 99W within Dundee. This Board does not believe that the statewide planning goals and regulations were intended or required to be applied so severely as to entirely avoid roadway uses on protected resource land. [I don't recall the only reason for this suggestion being that we could entirely avoid roadway uses on protected resource land; opponents claimed it would be cheaper and easier just to relocate the entire downtown. I thought this was not being considered because it would be too costly, would interfere with businesses and homes already located in the "new downtown area", would still mean Argyle would leave town, and was not part of Dundee's plan for its town.] The Board finds that such an approach is inherently unreasonable and warrants no further consideration.

10. ODOT also considered whether the East Dundee Interchange and its connecting road reasonably could be located entirely inside Dundee's UGB. ODOT rejected this alternative because the impacts associated with this alternative were unreasonable. As

described in a Kittelson & Associates Memorandum dated July 15, 2004, entitled "East Dundee Interchange", which the Board agrees with and incorporates in its entirety by reference herein, this alternative would have severe and unreasonable adverse impacts on Dundee. Initially, because of the location of the railroad right-of-way and its proximity to Oregon 99W, the connecting road would need to be constructed either as an above grade facility or a depressed grade facility all the way from the Bypass corridor to Oregon 99W in order to maintain appropriate vertical clearance. Elevating or depressing an up to 170-foot wide facility for this distance by itself would have a severe adverse visual impact on the City of Dundee and its residents.

ODOT considered two possible connections to Oregon 99W: at 5th Street or at 1st Street. With a 5th Street connection in downtown Dundee, this facility would displace four businesses, including the Argyle Winery and the Dundee Bistro, which are considered to be anchors in the community. As described earlier in these findings, the loss of a business like Argyle would be a severe economic blow to Dundee. The facility also would impact 1.55 acres of land subject to federal 4(f) requirements due to likely impacts to a park and Dundee School or, alternatively, displace five buildings from a Senior Housing complex. Additionally, it would displace about 26 homes and a post office and result in another 83 properties being classified as "noise sensitive." It also would require the termination of the existing 5th Street intersection and potentially the 7th street intersection as well. Traffic from these roads would need to be rerouted to other city streets. Finally, this alternative would segment parts of east Dundee from the remainder of the city.

With a connection to Oregon 99W at 1st Street in downtown Dundee, this facility would displace five businesses along Oregon 99W and displace 36 houses. Under this scenario, a small amount of 4(f) property would be impacted and about 158 properties would be classified as "noise sensitive." Access to several local streets (Locus, Elm, Cedar, 5th, 6th, 7th, 8th and 9th) would be severed if the connector road traveled along Edwards Road. A local roadway circulation system would need to be constructed to provide access to these neighborhoods under this alternative. The new connections would require 60 foot right of ways. Finally, this alternative would segment the Rolling Acres neighborhood east of Edwards Road and cut off access to Dundee Farm. For Dundee Farm to maintain current access into Dundee, a bridge or tunnel would need to be constructed.

These facts lead the Board to conclude that a connecting road along 5th or 1st Streets would have unduly adverse impacts on the City of Dundee in terms of business and residential displacements, noise and visual impacts, and the city's outward appearance and economic attractiveness. Either alternative would segment parts of Dundee from other parts of Dundee. While a very large city like Portland, Salem or Eugene might be able to tolerate such an impact, it is not tolerable in a very small community like Dundee. The Board concludes that locating the East Dundee Interchange entirely inside Dundee's UGB is not a reasonable alternative.

11. In determining a general location for the East Dundee Interchange, ODOT considered several alternatives during its environmental analysis. These included a North Option (which is the alternative proposed for approval), a Middle Option and a South Option. Section 7.7.4 of the Exceptions Document provides a comparison of these alternatives in terms of their ESEE consequences. ODOT's analysis finds that the three alignments are relatively similar in terms of their overall net adverse ESEE consequences. ODOT recommends the North Option primarily because its connector road does not further fragment the approximately 300-acre Dundee Farm owned by Columbia Empire Farms. Unlike the other two options, the North Option connector road would be located along the northern edge of the farm, rather than cutting through the farm. ODOT concludes, and the Board agrees and finds, that particularly for this reason, the net adverse impacts associated with the North Option would not be significantly more adverse than the net adverse impacts associated with the other two options. The Board is aware that the North Option would adversely impact a private airstrip, and it is sensitive to the needs and interests of that property owner. However, given the emphasis Statewide Planning Goal 3 places on preserving and maintaining agricultural lands for farm use, compared with an absence of state land use protections for private airstrips, the Board believes that protecting farming operations on the Dundee Farm must be given precedence over protecting the airstrip. It finds that the North Option provides the greatest level of protection for agricultural uses on the Dundee Farm property.

12. 1000 Friends suggested relocating the East Dundee Interchange approximately 150 meters farther north and east to avoid impacts to EFU-zoned lands. The Board finds initially that 1000 Friends has not demonstrated that it is operationally feasible to do so. The Board further finds that even if the interchange were so shifted, it would have greater overall net adverse effects and still would not avoid EFU-zoned lands.

As explained in an August 4, 2004 Kittelson & Associates, Inc. memorandum set out at ODOT Supporting Documentation Volume 8, page 47, which the Board believes, agrees with and incorporates into these findings by this reference, ODOT gave careful consideration to the location of the Bypass corridor between Newberg and Dundee. There are significant constraints in this area that limit potential alignments of the Bypass, including the alignment of Chehalem Creek. The Kittelson memorandum states, and the Board finds, that that the proposed Bypass corridor crosses Chehalem Creek at its narrowest point and minimizes natural resource impacts. Moving the East Dundee Interchange and connector road would require realignment of the Bypass and would have significantly more adverse net impacts on the creek and natural resources as well as economic and social resources in Newberg. The memorandum adds, and the Board finds, that if the connector roadway and interchange footprint were moved 150 meters to the north, portions of the interchange ramps would still be located on EFU land. The Board accepts the Kittelson memorandum as expert testimony supporting this finding, and it finds no evidence in the record demonstrating otherwise.

13. The TPR requires that goal exceptions authorizing transportation facilities on rural lands describe the adverse effects each proposed transportation improvement is likely to have on surrounding rural lands and land uses, including increased traffic and

pressure for non-farm or highway oriented development on areas made more accessible by the improvement, and adopt facility design and land use measures which minimize accessibility of rural lands from the proposed transportation facility and support the continued rural use of rural lands. The Board finds that the East Dundee Interchange, including the road connecting it to existing Oregon 99W, will impact rural lands and rural land uses in the manner described in Sections 7.7.4 and 7.8 of the Exceptions Document.

The Board finds that rural driver infiltration is less likely to occur because the East Dundee Interchange design will not easily facilitate such movements. As a limited access roadway, the East Dundee Interchange connector road will direct all traffic using that roadway either onto the Bypass or onto existing Oregon 99W, rather than onto local rural roads. Additionally, wherever practicable, ODOT will relocate existing accesses near the East Dundee Interchange to a distance of at least 1,320 feet away from the interchange ramps to comply with ODOT interchange design standards. The Board finds that this will help minimize travel into rural areas.

The Board also finds that Yamhill County and the City of Dundee have adopted plan policies to maintain and protect agricultural and rural exception lands for rural uses and reduce urban development pressures on these lands. The Board finds that Newberg, Dundee, Dayton, ODOT and Yamhill County have agreed to a coordinated planning approach for the areas around the interchanges. This coordinated planning effort will closely examine and resolve circulation and access issues within the interchanges areas. The planning effort will also consider the land uses currently existing and agree upon future land uses that may be appropriate to retain the rural nature of the area and the functional capacity of the interchange. Until the planning is completed, Yamhill County and the cities of Dundee, Dayton and Newberg have agreed not to expand the cities' UGBs in the direction of the interchanges or allow zone changes within the Interchange Management Areas.

14. For the reasons stated above and in the Exception Document, the Board concludes that the East Dundee Interchange is needed to meet statewide, regional and local transportation needs; that this transportation need cannot reasonably be accommodated by one or a combination of alternatives involving alternative modes, TSM or improvements to existing facilities, including the widening of Oregon 99W in and south of Dundee; that the East Dundee Interchange and its connecting road cannot reasonably be located entirely within the Dundee UGB; that the net adverse ESEE impacts associated with the proposed East Dundee Interchange and connecting road are not significantly more adverse, or even more adverse, than those associated with other alternative corridors; and that the facility design and land use measures identified by ODOT will minimize accessibility of rural lands from the East Dundee Interchange, support continued rural use of surrounding rural lands, and render the East Dundee Interchange compatible with surrounding uses. For all of these reasons, the Board concludes that the East Dundee Interchange, including the road connecting it to existing Oregon 99W, is consistent with and satisfies the exceptions requirements for transportation facilities on rural lands set out in OAR 660-012-0070.

D. Compliance with Other Applicable Statewide Planning Goals

1. Except as indicated otherwise below, the Board finds that the statewide planning goals identified in the Exceptions Document as applicable to this proceeding are the only goals that apply to the Bypass Project. The Board further finds and concludes that the applicable statewide planning goals are satisfied for the reasons set out below and in the Exceptions Document.

2. Columbia Empire Farms alleges violations of statewide planning goals 1 and 2 based on the procedures approved by the County. They claim that the County's decision giving ODOT an additional two weeks for its final rebuttal violates CEF's ability to fully participate in the County's decision-making process and to be involved in all phases of the planning process. The Board finds these arguments unpersuasive. It finds that CEF and the other opponents have had substantial opportunity to attend the public hearings, present their case and make their record. They have also been given reasonable opportunity to rebut the factual evidence ODOT has submitted in support of these exceptions. The Board also finds that providing an applicant a chance for final argument is statutorily permitted in the provisions governing quasi-judicial land use proceedings set out in ORS 197.763(6)(e). Given this, the Board sees no reason why applying such a provision in a legislative proceeding would prejudice any opponent's substantial rights in any way. The Board further finds that this proceeding was initiated at ODOT's request, and that ODOT prepared and presented the application to the Board.

The Board also rejects CEF's argument that ODOT violated Goal 2's coordination requirement by improperly narrowing the field of alternatives. The Board finds that CEF has not adequately explained how this is so. More importantly, the Board finds that CEF and other opponents have had ample opportunity during the hearing process to identify alternatives. Indeed, the Board finds that CEF has shown an interest in this matter dating back to at least December, 2002. See ODOT Supporting Documents, Volume 2, pages 527-584. Given this, CEF is hard pressed to show how any alleged procedural violation has prejudiced its substantial rights, and the Board finds that such prejudice has not occurred.

3. 1000 Friends of Oregon alleges violations of LCDC's Goal 5 rule, OAR 660, Division 23, as it relates to riparian corridors, wetlands, wildlife habitat and ecologically and scientifically significant natural areas. While the Board finds that the Exceptions Document misapplies Goal 5 in some respects, the Board nevertheless finds that the Bypass Project complies with Goal 5 and its implementing rule for the reasons set out below.

OAR 660-023-0250(3)(b) governs the applicability of Goal 5 to this proceeding. Under that provision, local governments are not required to apply Goal 5 in consideration of a post-acknowledgment plan amendment (PAPA) "unless the PAPA affects a Goal 5 resource." As relevant to this proceeding, the rule then states that a PAPA would affect a Goal 5 resource if the PAPA "allows *new uses* that could be conflicting uses with a

particular significant Goal 5 resource site on an acknowledged resource list.” (Emphasis added.)

The Board believes that under the terms of this rule, Goal 5 does not apply to this proceeding. This is because (1) the only impacted significant Goal 5 resource sites are four creeks with fish and riparian resources that are also identified as fish habitat; and (2) the County’s acknowledged Goal 5 Comprehensive Plan policies already permit development of the nature here proposed within these resource sites. More particularly, because the Bypass and East Dundee Interchange are uses already authorized within affected resource sites under the County’s acknowledged Goal 5 program, they would not be “new uses” within the terms of OAR 660-023-0250(3)(b), and Goal 5 does not apply.

Examining this matter more closely, the Board finds that there are no wetlands, or ecologically and scientifically significant natural areas identified as significant Goal 5 resource sites in Yamhill County’s Comprehensive Plan that would be impacted by the Bypass. The Board recognizes that some wetland areas would be affected. However, those areas are not identified as significant in the County’s Goal 5 inventory. Regarding riparian and fish and wildlife habitat resources, the Board finds that the Bypass Project would impact the following four resources: (1) Chehalem Creek and its tributary; (2) Hess Creek; (3) Miller Creek; and (4) an unnamed creek located between Oregon 99W and Riverwood Road, all of which are tributaries to the Willamette River. Upper Willamette steelhead (winter run) and the Upper Willamette chinook (spring run) are fish species that have been identified as being threatened or endangered species. The Board finds that these fish species might occupy Willamette River tributaries that contain fish habitat, although whether they in fact do is not clear.

Water Resources Goal 1, Policy J states that it is the policy of Yamhill County to protect riparian vegetation from damage that may result from land use applications by reviewing land use applications for development in riparian areas in an effort to mitigate or prevent damage to riparian vegetation that might result from the development. The Board interprets this policy as allowing a full range of development, including new roads, in riparian areas, subject to review for mitigation or impact avoidance. Similarly, Fish and Wildlife Goal 1, Policy B provides for the protection of fish and wildlife habitat in the context of land use proposals subject to county review. Again, the Board interprets this provision as permitting development uses subject to review for mitigation. This interpretation finds support in Fish and Wildlife Goal 1, Policy C, which states that no major land use changes, including road construction, will be permitted in identified sensitive wildlife areas “without approval of measures to limit undesirable impacts on sensitive wildlife areas.” Regarding Fish and Wildlife Goal 1, Policy D, which directs the County to preserve the habitat of all species indicated as endangered, threatened or vulnerable to act, the Board does not interpret this language as a blanket prohibition on new road construction. Instead, the Board interprets this policy within the context of the other policies cited in this paragraph. In particular, the Board recognizes that new roads, as linear facilities, often cannot reasonably avoid crossing streams that may contain fish species listed under the federal or state Endangered Species Acts. In this way, roads differ from other, more site specific types of development. Consequently, the Board

interprets this policy as allowing such development, again subject to appropriate mitigation to limit undesirable impacts.

In summary, the Board believes that OAR 660-023-0250(3)(b) is intended to apply only to "new" conflicting uses that have not previously been authorized in Goal 5 resource sites under an acknowledged Goal 5 program. Because the acknowledged Yamhill County Comprehensive Plan already permits new roads within these resource areas, there is no need to amend the County's Goal 5 program, and Goal 5 does not apply. If the County's Goal 5 program had authorized only certain specific uses within these resource areas, and if this application involved other uses not so authorized, then Goal 5 would apply. However, the County finds that this is not the case here.

The County further finds that impacted Goal 5 resource sites will be mitigated as required by its Comprehensive Plan. As provided for in the CETAS Record agreed to by ODOT, mitigation measures include enhancement of fish passage on affected creeks, a commitment by ODOT to develop bridge crossings that fully span the width of affected creek floodplains, storm water treatment of the Bypass and its interchanges and commitment to treat storm water on existing state facilities currently without treatment, and enhancement of riparian areas and wildlife habitat within the project area. The Board finds these measures to be consistent with its acknowledged Goal 5 program.

In the event that the County has misinterpreted OAR 660-023-0250(3)(b) and the Goal 5 rule applies to the Bypass and East Dundee Interchange, then the County makes the following findings, in the alternative. It is the County's position that these alternative findings would apply if, and only if, a reviewing body should determine that Goal 5 does apply to this proceeding.

As earlier noted, the Bypass corridor would pass through four riparian corridors that contain fish and wildlife habitat: Chehalem Creek and its tributary; Hess Creek; Miller Creek; and an unnamed creek located between Oregon 99W and Riverwood Road. The Board agrees with 1000 Friends of Oregon that the County may not apply the "safe harbors" standards in OAR 660-023-0090(8) to riparian corridors because Yamhill County has not adopted an ordinance to protect riparian corridors under the safe harbors standards. Likewise, Yamhill County has not adopted an ordinance pursuant to OAR 660-023-0110(4) addressing wildlife habitat. Consequently, an ESEE analysis is required as provided in OAR 660-023-0040 and 0050 for the impacted riparian/fish and wildlife habitat areas.

The Board first concludes that the Bypass and East Dundee Interchange, including its connecting road, are conflicting uses with the affected resource sites. These uses, which are permitted within these resource sites under the County's acknowledged Goal 5 program, would permanently alter the resource sites by placing structures and impervious surfaces within the sites and by removing vegetation from the sites.

Second, with regard to impact area, because the corridor footprint for the Bypass and East Dundee Interchange (including its connecting road) is approximately 40% wider

than the planned roadway, the Board believes and finds that an appropriate impact area for the Bypass Project would be the full width of the Bypass corridor traversing through each identified riparian/fish habitat area as shown in the Exceptions Document.

With regard to ESEE impacts, the Board finds that the adverse economic impacts of allowing the conflicting uses would be minor, because with mitigation as proposed in the CETAS Record, impacts to the fisheries industry can be minimized. Conversely, the adverse impacts of prohibiting the conflicting uses would be enormous. The findings in Section B and C above, incorporated herein by this reference, identify a compelling need for the Bypass and East Dundee Interchange. This includes a need to move freight through the area in a timely and efficient manner. For the reasons stated in those findings, the Board finds that failure to provide the Bypass and East Dundee Interchange would have significant negative adverse impacts on the region in terms of lost customers and loss of new businesses in the area due to unacceptably high levels of congestion. The Board believes the same negative results would occur were the Bypass and East Dundee Interchange somehow "limited" to something less than their proposed size and capacity. To eliminate the problems with congestion, the identified need is for a four lane highway and an East Dundee Interchange. The Board does not see how these proposed improvements could reasonably be limited to something less.

Regarding social impacts, the Board believes there are few adverse social consequences to the resource sites associated with allowing the Bypass. Some people might dislike the location of the Bypass and East Dundee Interchange within these resource sites. It could impact their sense of livability or their use and enjoyment of such sites. On the other hand, the adverse social consequences of not permitting the Bypass and East Dundee Interchange through these areas are enormous. If these facilities cannot cross these sites, there would be much greater social impacts to residents of the area in terms of roadway congestion along Oregon 99W and in terms of loss of area livability.

Regarding environmental impacts, the Board finds that the Bypass Corridor has been extensively inventoried using Oregon Department of Forestry fish presence maps, ODF&W Streamnet species distribution maps, USGS maps, National Wetland Inventory maps, FEMA maps and aerial photographs as described in the LDEIS at pages 3-35 and 3-45 and in ODOT's Supporting Documents, Volume 2 at page 185. It finds that US Fish & Wildlife Department biologists conducted a qualitative habitat assessment using methodology developed by the US Department of Agriculture and the Natural Resources Conservation Service in 1998. See ODOT Supporting Documents, Volume 2 at page 185. The Board finds that this methodology provides an accurate and adequate framework to evaluate fifteen fish habitat elements within a given stream reach and to rate the quality of the riparian corridor and fish habitat.

The Board further finds that based upon this scientific methodology, Chehalem Creek contains medium quality fish habitat. It finds that Hess Creek, Miller Creek; and the unnamed creek located between Oregon 99W and Riverwood Road have low quality fish habitat. Given this, the Board finds that the environmental impacts of allowing the conflicting uses in these areas would be low to medium without any mitigation, and even

less adverse with the mitigation that has been proposed. The Board also finds that there would be no adverse environmental impacts to these resources if the conflicting uses were prohibited. But that stated, the Board also finds that impacts to the identified riparian corridors were evaluated with the Alternatives analysis and that the proposed Bypass corridor had the lowest impacts to the riparian area containing fish habitat of the eight alternatives evaluated. In other words, if the Bypass is relocated elsewhere, its overall impacts on riparian areas and fish and wildlife resources would be greater.

In terms of energy consequences, the Board finds that allowing the conflicting uses in these resource areas would have positive energy consequences by providing a faster, less congested facility for moving traffic through the area. Prohibiting the conflicting uses could result in much greater congestion, depending on whether other alternatives are available that could move traffic as efficiently.

Based on these findings, the Board concludes (1) that there is a compelling need for the Bypass and East Dundee Interchange; (2) that the adverse impacts of the Bypass and East Dundee Interchange on the four affected resource sites would be low to moderate, because the impacted sites are only of low to medium quality; and (3) that the adverse impacts to the affected resource sites can be reduced through mitigation measures required under the CETAS Record. The Board further finds and concludes that the needs for the Bypass and East Dundee Interchange greatly outweigh the cumulative impacts to all affected natural resources, including the impacts to the riparian areas and fish habitat, and that the Bypass and East Dundee Interchange should be allowed fully, notwithstanding those potential impacts. The Board believes that nothing less than the full, proposed Bypass and East Dundee Interchange can be provided to meet the identified transportation need. In that regard, the Bypass Project cannot be allowed in some "limited" way. Still, the Board is aware that mitigation can and will occur to reduce the overall impact to the resource, as required by federal law. Such mitigation measures include enhancement of fish passage on affected creeks, a commitment by ODOT to develop bridge crossings that fully span the width of affected creek floodplains, storm water treatment of the Bypass and its interchanges and commitment to treat storm water on existing state facilities currently without treatment, and enhancement of riparian areas and wildlife habitat within the project area.

On a different note, in arguing that OAR 660-012-0110 applies, 1000 Friends asserts that it does not concede the accuracy of Yamhill County's Goal 5 inventory regarding natural areas. The Board finds that OAR 660-023-0110 does not address natural areas. Instead, these are regulated by OAR 660-023-0160. Under that section, Yamhill County is required to inventory such areas as significant during periodic review and then develop a program to achieve the goal following the standard Goal 5 process. The Board finds that there are no natural areas within the Bypass Project corridor. Consequently, the Board need not consider or address the Goal 5 rule standards applicable to such resources.

4. 1000 Friends alleges violations of Goal 8 based entirely on language in the Goal 8 planning guidelines. The Board finds that these guidelines are advisory, not mandatory.

See ORS 197.015(9). As such, they provide no basis for the Board to determine that Goal 8 is not satisfied. The Board also finds that access to the Willamette River has been addressed in the IGAs and comprehensive plans adopted by the cities of Newberg and Dundee.

5. 1000 Friends alleges violations of Goals 9 and 10. However, 1000 Friends concedes up front that these goals apply inside urban growth boundaries. The Board finds that Goal 9 and Goal 10 issues are appropriately addressed to the cities of Newberg and Dundee, not to Yamhill County. It finds that these issues are not relevant to the Yamhill County goal exceptions process. The Board further finds that it has coordinated these proposed exceptions with Newberg and Dundee that both of these cities testified in support of the proposed goal exceptions before Yamhill County.

6. 1000 Friends alleges violations of Goal 12 based primarily on language in the Goal 12 guidelines. However, these guidelines are advisory only and provide no basis for determining a Goal 12 violation. 1000 Friends also alleges violations of OAR 660-012-0040, which concerns financing of transportation improvements. The Board first finds that this issue is adequately addressed in the Exceptions Document. The Board further finds that under this TPR section, anticipated timing and financing provisions and programs are not considered land use decisions.

1000 Friends argues that under OAR 660-012-0040, the County must amend its TSP to address the costs of building the Bypass Project. The Board finds that 1000 Friends is confusing the financial program for a TSP with that for a project. OAR 660-012-0040 provides only that the financial program for the TSP include a list of planned transportation facilities and major improvements; a general estimate of the timing for planned transportation facilities and major improvements; and a determination of rough cost estimates for the transportation facilities and improvements identified in the TSP. The Board finds its current TSP has an acknowledged financial program. Further, as identified in the newly adopted Comprehensive Plan Transportation Policy 2k and in the Intergovernmental Agreement No. 21,323 between ODOT and Yamhill County the Bypass project is being developed as a two tiered project through the NEPA development process where the corridor will first be approved and then the design of the project approved. ODOT and Yamhill County have agreed upon a proposed schedule found at attachment "A" of the IGA. Yamhill County Comprehensive Plan Policy 2k states that reliance upon the Bypass for additional planned capacity cannot occur until after the Oregon Transportation Commission has approved a financing plan for the project. At that time, the Yamhill County will add the Bypass project to its financing program consistent with the OTC financing plan for the Bypass Project.

7. 1000 Friends alleges violations of Goal 15, stating that the Bypass would be located "near" the Willamette River Greenway and, as such, must maintain the qualities of the Greenway. The Exceptions Document states that Goal 15 does not apply because no Greenway lands are directly affected. The Board agrees with ODOT that the Bypass corridor is located entirely outside the Greenway boundary. It also believes and finds

that the location of the Bypass corridor near the Willamette River Greenway will not adversely affect the Greenway.

At issue is whether Goal 15 applies to these exceptions. 1000 Friends is correct that Goal 15 contains the words “[m]anagement of uses on lands within and near the Greenway to maintain the qualities of the Greenway.” However, these words are used in the context of developing a “Greenway program”. This application does not involve the development of such a program, although it might impact that program. Also, other provisions cited by 1000 Friends involving farm areas adjacent to the Greenway create at least an argument that Goal 15 might apply. Accordingly, while the Board remains uncertain as to whether Goal 15 in fact applies, it will treat the goal as applicable here.

1000 Friends’ allegation is that the proposed exceptions would impact agricultural lands and uses near the Greenway, including lands owned by Columbia Empire Farms. It then alleges generally that compliance with Goal 15 has not been shown. The Board finds it appropriate to limit its consideration to the general Goal 15 language and to the specific policies raised by 1000 Friends. The Board first repeats its finding above that the Bypass will not directly impact any lands inside the Greenway. Second, the Board finds that maintenance of Greenway qualities has been considered through ODOT’s IGAs with the County and the cities to ensure adequate public access to the Greenway, and also through the Collaborative Environmental and Transportation Agreement for Streamlining (CETAS) process, which among other things directs ODOT to (1) implement measures to protect and enhance tributaries to the Willamette River and the Willamette River floodplain in the project area with the goal of long-term protection; (2) work with state resource agencies to protect and enhance stream habitat values in the Willamette River and its tributaries within the project area; (3) work to maintain and improve water quality in the adjacent stretch of the Willamette River and its tributaries; and (4) work to develop a viable stabilization strategy on the bank adjacent to Chehalem Creek.

Regarding those provisions addressing agricultural lands cited by 1000 Friends, the Board finds that the Bypass, where it passes through the Columbia Empire Farms property, will be located on a bluff well above and away from the Greenway. As Figure 13 of the Exceptions Document indicates, a large expanse of agricultural land lies between the Bypass corridor and the Greenway, providing a buffer between the uses. Given these facts, and given particularly the substantial distance between the Bypass corridor and the Greenway, the Board does not believe that the agricultural lands underlying the Bypass corridor are “adjacent” to the Greenway as that term is used in Goal 15. However, if they were, the Board finds that these features (bluff, distance) are sufficient to preserve, enhance and protect the Greenway and Greenway values.

As to the language in Goal 15 cited by 1000 Friends relating to preserving agricultural lands to maintain Greenway purposes, the Board finds that this language applies to those agricultural lands that are “in the [Greenway] inventory.” ODOT has stated that Goal 15, including this provision, does not apply. In response, 1000 Friends has provided no evidence showing that the Columbia Empire Farms property at issue is

“identified in the inventory.” The Board further finds that the agricultural lands at issue are not “near” the Greenway, but are instead quite a distance away.

E. Compliance with Oregon Highway Plan Policies and Actions

1. The Board finds that the Oregon Highway Plan policies and actions identified in the Exceptions Document as applicable to this proceeding are the only OHP policies and actions that apply to the Bypass Project. The Board also concludes that the applicable OHP policies and actions are satisfied for the reasons set out in the Exceptions Document and in ODOT’s Response Document and for the additional reasons set out below.

2. As noted in Section A.9 above, the Exceptions Document addresses *former* OHP Policy 1B, not the amended version adopted in January 2004. Subsequently, ODOT developed findings addressing the amended Policy 1B. Those findings are attached to an Errata Sheet which the Board has incorporated by reference into the Exceptions Document. The Board finds that the Bypass Project is consistent with amended Policy 1B for the reasons stated in the Errata Sheet attachment.

3. 1000 Friends alleges violations of OHP Policies 1F and 1G. Much of the discussion under Policy 1F constitutes disagreement with the policy. The Board finds that Policy 1F was adopted by the Oregon Transportation Commission in accordance with provisions in ODOT’s State Agency Coordination rule requiring ODOT to adopt modal plans. The OHP is the highway modal plan for ODOT, and it applies to the Bypass Project proceeding. The Board further finds that the volume to capacity standards in the OHP were adopted through a public process. 1000 Friends of Oregon may not like those standards, but its policy disagreement with them provides no lawful basis for the Board to change or ignore them.

The Board finds that 1000 Friends’ comments regarding funding are not relevant to this land use decision. And for the reasons stated in the Exceptions Document, the Board disagrees with 1000 Friends’ assertion that it is not feasible to meet ODOT’s mobility standard in this instance.

1000 Friends’ arguments regarding OHP Policy 1 G are not persuasive because they address only one aspect of land use planning: farmland protection. The TPR standards provide for a more comprehensive approach to land use decision-making. The Board finds that Policy 1G is met for the reasons set out in the Exceptions Document.

4. The Board takes particular notice of OHP Policy 1H, which is the Bypass policy. The Board finds the design standards contained in this policy to be particularly instructive in assessing the reasonableness of the Bypass Project, especially in light of challenges from other parties.

The Board finds that OHP Action 1H.2 requires ODOT, “whenever practical,” to design new bypasses (including a Newberg-Dundee bypass) “for moderate to high speeds at freeway or expressway standards for regional and statewide traffic.” The Board is

aware of no physical impediments in the Newberg-Dundee urban area that would render such a design impractical. The Board further finds that such designs would best carry out the management objective of Statewide Highways to provide safe and efficient high-speed, continuous-flow operation, and best meet the objectives for statewide freight routes.

The Board concludes from Action 1H.2 that as a matter of state policy, limited access, moderate to high speed (45-55 mile per hour) facilities are strongly favored to serve the transportation need to move statewide and regional traffic efficiently. In reaching this conclusion, the Board notes that the adopted OHP has undergone goal compliance review in accordance with ODOT's agency coordination agreement with DLCDC, OAR 731, Division 15, and is deemed acknowledged as in compliance with the statewide planning goals. Accordingly, the Board believes that alternatives that would operate at speeds slower than 45-55 miles per hour over the entire length of the project would operate in a manner inconsistent with OHP policy objectives and would not "reasonably accommodate" the identified transportation need to serve statewide and regional traffic in the Newberg-Dundee urban area.

F. Compliance with the Yamhill County Comprehensive Plan and the Yamhill County Transportation System Plan (TSP) and Zoning Ordinance

1. Except as otherwise noted in this section, the Board finds that the goals and policies of the Yamhill County Comprehensive Plan and Yamhill County Transportation System Plan and the provisions of the Yamhill County Zoning Ordinance identified in the Exceptions Document and in the Heitsch letter as applicable to this proceeding are the only applicable Comprehensive Plan, TSP and Zoning Ordinance standards that apply to the Bypass Project.

2. The Board finds that Yamhill County Comprehensive Plan and TSP goals and policies that are written in directory, advisory or aspirational language do not constitute mandatory review standards applicable to land use applications and provide no basis for denying this application. By "directory, advisory or aspirational", the Board is referring to goals and policies that, for example, use words like "may" or "should" rather than "shall" or "must"; that "support" or "encourage" an activity or result rather than require a specific action or result; or that establish general planning directives to the County, such as to coordinate with agencies in planning activities or to develop land use regulations.

3. The Exceptions Document addresses compliance with the Yamhill County Comprehensive Plan, TSP and Zoning Ordinance. Except where indicated otherwise below, the Board agrees with and adopts herein the findings and analysis of compliance with these standards as set out in the Exceptions Document.

4. The Heitsch letter addresses a number of Yamhill County Comprehensive Plan goals and policies that the Exceptions Document states are not applicable. The Heitsch letter states that some of these additional goals and policies are applicable and some are not, and it provides reasons for its conclusions of applicability. The Board agrees with

the Heitsch letter in these determinations, and it so finds. To the extent that the Heitsch letter and the Exceptions Document are inconsistent with regard to these goals and policies, the Board adopts the findings and rationale set out in the Heitsch letter. The Board also agrees that the applicable policies are satisfied for the reasons set out in the Heitsch letter.

5. The Heitsch letter addresses and responds to Comprehensive Plan goals and policies identified as applicable by Columbia Empire Farms in a letter from Miller Nash LLP to the Board and Planning Commission dated July 22, 2004. In a letter also dated July 22, 2004, 1000 Friends of Oregon also identifies goals and policies it believes are applicable to this proceeding. The Board finds that most of these goals and policies are addressed in the Exceptions Document or the Heitsch letter. For those goals and policies, the Board finds that they are satisfied or not applicable for the reasons set out in the Exceptions Document and Heitsch letter. As the Board deems necessary, those findings are supplemented below.

6. Water Resources Goal 1, Policy 1J is addressed in the Exceptions Document. Those findings state that further land use review will be needed to show compliance with this policy. Four riparian corridors identified as providing fish habitat: (1) Chehalem Creek and its tributary; (2) Hess Creek; (3) Miller Creek; and (4) an unnamed creek located between Oregon 99W and Riverwood Road, are subject to review and approval pursuant to Water Policy 1J. The Board finds that it has reviewed the Bypass proposal and the impacts that it may have upon these four riparian areas. The Board examined many documents including the LDEIS at pages 3-30 through 3-46 and Technical memorandum for Fish Ecology, Wetlands, Wildlife Ecology and Water Quality found at ODOT Supporting Documentation, Volume 2, pages 184-197, 441-462, 463-477, 482-486.

The Board believes and finds that Policy 1J can and will be met, based on the CETAS Record of Agreement that is part of the record of this proceeding. ODOT has worked closely with environmental agencies under the CETAS process to minimize impacts to significant natural resources and to water and air quality. Those agencies include the NOAA-Fisheries, US Fish and Wildlife Department, Environmental Protection Agency, Department of Environmental Quality and Oregon Department of Fish and Wildlife. Through the CETAS process, ODOT and the environmental agencies have reached an agreement whereby ODOT has agreed to incorporate certain measures into its design elements. These include measures to mitigate impacts to riparian zones, wildlife habitat and wetland areas and major tributaries to the Willamette River and the Willamette River floodplain. Specific measures include a commitment to construct bridge crossings that span the width of the flood plains for the respective creeks; implementation of viable stream stabilization strategies for the Chehalem Creek; removing existing fish and wildlife crossing blockages on existing Oregon 99W; and the establishment of a mitigation bank or possible mitigation project. This Board finds that ODOT has committed to mitigate the impacts commensurate with the area and severity of the impact. It also finds that mitigation for habitat impacts will be measured by the ecological value lost.

The Board concludes that with the measures identified in the CETAS Record, Policy 1J can and will be met. Based on these measures in the CETAS Record, the Board further finds that the Water Resources and Fish and Wildlife policies determined by the Board to be applicable can be met.

7. Transportation Policy 1K provides that all transportation-related decisions will be made in particular consideration of energy efficiency and conservation. The Board agrees that this policy applies. The Board finds that the Bypass Project will result in both the Bypass and Oregon 99W functioning efficiently within their established highway performance standards. Indeed, with the Bypass and the East Dundee Interchange, both roadway facilities will operate at a relatively low volume to capacity ratio. The absence of congestion on these roadways means there will be little if any stop and go movement, which wastes energy. Without the Bypass, congestion would be at levels resulting in constant stop and go movements. Also without the Bypass, travelers would seek out-of-direction routes that use more energy. For these reasons, the Board concludes that the Bypass Project will improve energy efficiency and conservation.

8. Transportation Policy O provides that all transportation related decisions will be made in support of the efficient and economic movement of people, goods and services throughout the region. The Board agrees that this policy applies. It finds that this policy is met for the reasons set out in Section B above and in the portion of the Exceptions Document justifying the need for the Bypass. The Board finds that the Bypass is necessary to support the efficient and economic movement of people, goods and services throughout the region, and it finds that non-exception alternatives to the Bypass cannot reasonably achieve this result.

9. Scenic Goal 1 directs Yamhill County to protect outstanding scenic views and sites for future generations. Parks and Recreation Policy 1C states that the County will "seek to offer" greater opportunities for water-based recreation on the Willamette and South Yamhill Rivers and their tributaries. Parks and Recreation Policy 1I directs the County to encourage cooperation among governmental agencies to increase recreation opportunities, programs and facilities for county residents.

1000 Friends argues that the Bypass Project violates each of these goals or policies because of language in the Exceptions Document indicating that the Bypass "could have negative impacts on public access to and enjoyment of the natural, scenic, and recreational qualities of the Willamette River." However, the Exceptions Document explains that these impacts are associated with access issues or with design concerns in urban areas. The Board finds that ODOT, and Dundee and Newberg have adequately addressed these access issues in their comprehensive plans and agreements with ODOT. It further finds that impacts occurring inside the boundaries of Newberg or Dundee are matters for those cities, not the County, to address. Inside the boundaries of Newberg and Dundee, Yamhill County has no jurisdiction to engage in land use decision-making.

The Board believes and finds that these policies do not apply as mandatory review standards to the Bypass Project, and it so interprets these policies. Scenic Goal 1 is a broadly worded, aspirational policy to protect scenic views and sites. The Board interprets this policy as a planning directive to the County. Similarly, Parks and Recreation Policies 1C and 1I use language that is directory to the County ("seek to offer", "encourage"), and the Board interprets them as such. These policies are directed at the County to engage in certain planning actions, rather than intended as review standards for individual land use applications.

10. Air, Water and Land Resources Quality Policy 1B directs the County to consider proximity of the proposed use to residential areas and meteorological factors when "making land use decisions relative to industrial or other uses likely to pose a threat to air quality." The Board finds that air quality was considered as part of the LDEIS process, with particular emphasis given to unhealthy concentrations of air pollutants. The Board further finds that the proposed Bypass alignment, with an East Dundee Interchange but without an interchange just west of Dundee, will significantly improve air quality in the region by reducing or eliminating the number of air quality "hot spots" in the area.

Because roads serve motor vehicles, they have the potential to pose a threat to air quality. The Board finds this is not likely to happen with the Bypass, at least throughout the 20 year planning period. The Board finds that the recommended Bypass corridor will help to minimize potential adverse air quality impacts on residential areas by its location predominantly south of, rather than within, the rural residential area between Newberg and Dundee. The Board further finds that meteorological factors are more relevant to decisions involving site-specific uses such as heavy industrial uses, for which air quality controls are required and/or where air emissions come from specific areas or point sources. For a facility like a new highway, the Board believes that meteorological factors do not play an important role because motor vehicles will be moving throughout the corridor rather than remaining stationary in a single location.

Finally, the Board finds that 1000 Friends' specific arguments regarding this standard relate to impacts to low-income housing inside the City of Newberg and on farmworker housing on the Dundee Farm property. The Board finds that the Bypass corridor alignment within the City of Newberg is a city issue governed by the City's comprehensive plan. The Board does not have jurisdiction over Newberg on this issue. Accordingly, that matter is not properly before the Board. Regarding Columbia Empire Farms, Figure 14 at page 120 of the Exceptions Document shows the Bypass corridor location to be at least several hundred feet away from the farmworker housing, by the Board's best estimate. The Board believes that air quality is not a problem under this circumstance. Indeed, the Board finds no evidence of any potential air quality problems along the Bypass corridor at this location.

11. Energy Conservation Policy A states that Yamhill County will encourage and support the highest possible current and future energy efficient design standards in all land use issues. The Board finds that this policy is aspirational and directory to the County rather than a mandatory review standard. But if this standard did apply, the

Board would find that the OHP highway performance standards for Statewide highways and freight routes would best support energy efficiency because they are least likely to result in energy-wasting congestion. Alternatives like STAs, the boulevard proposal, or widening of Oregon 99W will lead to higher levels of fuel inefficiency because of the greater potential for congestion and because of the presence of traffic signals along the route.

G. Supplemental Findings: Bypass and East Dundee Interchange

1. The record includes testimony from local residents and property owners, a major agricultural enterprise (Columbia Empire Farms), local and statewide interest groups (Friends of Yamhill County and 1000 Friends of Oregon) and others who are either opposed to the Bypass and/or the East Dundee Interchange or prefer different corridor locations for these facilities. Likewise, the record includes testimony from many area residents, businesses and others who strongly support ODOT's application. The Board is aware that transportation projects of this nature and scale can generate significant adverse economic, social and environmental impacts that can result in a high level of controversy, particularly on properties that are directly affected. It also is sensitive to the fact that the Bypass Project will adversely impact some property owners. At the same time, the Board is aware of the difficult circumstances that generate the need for these transportation projects, and it recognizes the significant positive economic, social and environmental impacts projects like this can have on the community at large. The Board greatly appreciates the efforts the public has made in bringing many issues to its attention as it reaches a decision on this matter.

2. The Board heard and considered testimony from Columbia Empire Farms ("CEF") supporting the need for a Bypass but opposing a Bypass corridor passing through its Dundee Farm property. Among many points that it raised, CEF argued that the TSM, Bell Road and "regional bypass" alternatives were prematurely dismissed and that reasonable "non-exception" alternatives exist that can reasonably satisfy project objectives, including undergrounding Oregon 99W or designating Oregon 99W in Dundee as an STA or rerouting the traffic onto Edwards Road and Dayton Avenue. The Board has addressed many of these arguments above in Sections B and C of these findings. The Board rejects these arguments for the reasons stated in Sections B and C above and for the additional reasons stated in this section.

The Board rejects undergrounding of Oregon 99W because the acknowledged Dundee TSP considered and rejected this alternative and for the reasons set out in the Heitsch letter. The Board also finds that given the credible facts and explanation ODOT already has provided demonstrating why alternatives like Bell Road, TSM, the regional bypass and undergrounding cannot reasonably accommodate the identified transportation need, CEF has not met its responsibilities under OAR 660-004-0020(2)(b)(C) or 660-004-0020(2)(c) to provide facts and reasons demonstrating why these alternatives are reasonable.

The Board rejects the argument that designating Oregon 99W as an STA in Dundee can reasonably accommodate the identified transportation need for a bypass. As noted in Section A of these findings, Oregon 99W through the Newberg-Dundee region is a statewide freight route. OHP Policy 1B provides that within STAs, local auto, pedestrian, bicycle and transit movements are deemed generally as important as the through movement of traffic. However, OHP 1B also expressly provides that for designated freight routes, "highway mobility has greater importance" than local access concerns. Here, ODOT has identified a transportation need to move statewide and regional traffic (including freight traffic) through the region in a safe, efficient and timely manner. Given this identified "mobility" need to serve through travel, the much higher congestion levels permitted for STAs, and the fact that STAs focus on local travel movements rather than through travel, the Board concludes that an STA in Dundee cannot reasonably accommodate the identified need. The Board also notes that CEF has not demonstrated how a Statewide highway and freight route through downtown Dundee accommodating 47,000 daily vehicle trips by the year 2025, including 3700 daily freight trips, would be compatible with the concept of an STA.

3. At the July 22, 2004 public hearing, and in its letters to the County dated August 6, 2004 and August 12, 2004, CEF argued that Dundee's circumstances are more comparable to Highway 43 in Lake Oswego than to Highway 30 in Scappoose. CEF made this assertion to support its argument that Dundee's downtown can develop a pedestrian-friendly neo-traditional downtown even with a major state highway passing through it.

The Board finds CEF's argument unpersuasive for several reasons. First, the Board finds that the railroad tracks in Lake Oswego run alongside less than half the length of Oregon 43 through Lake Oswego. In contrast, the railroad tracks in Dundee and Scappoose run alongside the entire length of Oregon 99W and Highway 30 respectively. Accordingly, the impact of railroad tracks in Lake Oswego is much less than in Dundee or Scappoose. Indeed, on the east side of Oregon 43 along the portion where railroad tracks do not exist in Lake Oswego, substantial commercial development has taken place. This opportunity is not available in Dundee or Scappoose.

Second, the Board finds that Oregon 43 through Lake Oswego is not a designated freight route, while Oregon 99W through Dundee and Highway 30 through Scappoose both are. Indeed, the Board questions whether Lake Oswego's downtown would be as pedestrian friendly as advertised if thousands of semi-trucks barreled through Lake Oswego's downtown along Oregon 43 each day.

Third, the Board finds that Lake Oswego is a large community, capable of supporting an expansive commercial district, while both Dundee and Scappoose are small. Lake Oswego's population is greater than 35,000, compared to a Dundee population that is less than 3,000 and a Scappoose population of about 5,500.

Fourth, the Board finds that Oregon 43 through Lake Oswego serves predominantly local and regional traffic, while Oregon 99W through Dundee and

Highway 30 through Scappoose serve predominantly statewide and regional traffic. It finds that Oregon 99W and Highway 30 are principal routes connecting the Portland metropolitan area with the coast. In contrast, Oregon 43 connects the city of Portland with Lake Oswego, West Linn and Oregon City. As a consequence, the Board believes and finds that very little traffic travelling outside the Portland metropolitan region would use Oregon 43 as its principal route. Instead, regional or statewide traffic would use I-5, I-205 or Oregon 99E, which are nearby and function to serve longer trips. Conversely, there are limited facilities in the vicinity of US 30 and Oregon 99W that serve as alternative routes to the Oregon coast.

In summary, considering the location of the railroad within the community, the proportions of local traffic using the roadway, the designation of the highway as a freight route and other factors, the Board believes and finds that Scappoose provides a much more accurate comparison of likely impacts for Dundee than does Lake Oswego. In support of its findings on this issue, the Board incorporates by reference herein the August 4, 2004 Kittelson & Associates, Inc. memorandum regarding Oregon 43 and US 30 set out at pages 99-100 of ODOT Supporting Documents, Volume 8.

4. CEF argued that approval of the Bypass would violate state law because alternatives with less impact to farmland but more impact to exceptions land have been discarded. However, as the Board found above in Section B of these findings, the ESEE consequences standards in OAR 660-012-0070(7) and OAR 660-004-0020(2)(c) do not contain such a requirement. Rather, they require consideration of net adverse impacts, which include but are not limited to impacts to farmlands.

5. CEF argued that the Bypass Project violates City of Newberg and City of Dundee comprehensive plan policies. The Board finds that these arguments constitute an invalid collateral attack on earlier land use decisions that have subsequently been acknowledged by LCDC. Both the Newberg and the Dundee comprehensive plans provide for the Bypass in the approximate location where the proposed Bypass is located. The time to raise these issues would have been when these cities adopted those plans. In Dundee, issues concerning an adequate housing supply have been addressed by City Council. The Board agrees with the Dundee City Council that Dundee will retain a surplus of land for housing, even with the construction of a bypass.

6. CEF argued that the proposed goal exception should include a UGB amendment to bring the CEF Dundee Farm into the Dundee UGB because the Bypass will render the Dundee Farm unsuitable for agriculture. In support of this argument, CEF presented testimony from Andrews and Associates asserting that the Bypass corridor will convert the western portion of the Dundee Farm property to urban use and significantly impact agricultural activity on the eastern portion of that property. The Board disagrees with CEF's contentions. It finds the Andrews letter unpersuasive and a number of its factual assertions inaccurate or exaggerated. It believes, finds and concludes that the Dundee Farm can and should continue as a profitable commercial agricultural enterprise despite the presence of the Bypass traversing it.

CEF and the Andrews letter assert that the Bypass will disrupt farm continuity, displace 20 acres of valuable farmland and crop production, disrupt value added processing, harm CEF's marketing image, displace 250 seasonal and full time jobs, reduce crop quality due to proximity of traffic, and destroy a large profitable economic farming unit by breaking it into three small pieces that create added expense and management cost.

The Board finds that the Bypass corridor will displace up to 11 acres of the 300-acre Dundee Farm, and the East Dundee Interchange will displace up to an additional 5.5 acres. The Board also finds the presence of the Bypass will create some added expense and management cost and may reduce crop quality during roadway construction. However, the overall impact of the Bypass on Dundee Farm will not be anywhere near as severe as CEF and the Andrews letter imply. For one thing, the Bypass will separate the Dundee Farm only into two pieces, not three. The Board would agree that dividing the farm into three pieces would have had significantly greater adverse affects, and ODOT admitted as such in its decision to revise the location of the East Dundee Interchange and its connecting road. The Board finds that ODOT relocated the East Dundee Interchange alignment precisely to avoid this impact.

Second, contrary to assertions in the Andrews letter, the Board finds that the Bypass should have only minor adverse impacts on the economic viability of the Dundee farming operation and on value added processing at the Dundee Farm. This is due in large measure to ODOT assurances that it will provide adequate connectivity between the two portions of the Dundee Farm, replace damaged tiles or irrigation lines, and take other similar kinds of actions as part of its project mitigation. The Board is not persuaded that the loss of about 16 acres of a 300 acre farm would severely damage profitability. The Board believes that the two separated portions of the farm can continue to work as a single farming operation, particularly with the mitigation ODOT will provide. The Board finds that an approximately 285-acre farm is a significantly sized farm that can contribute substantially to the agricultural enterprise of Yamhill County. The Board also believes that CEF should be able to replace the lost acreage with other productive acreage with the payments it receives for its loss of land.

The Board finds not credible the assertion that the Bypass would result in the loss of 250 seasonable and full time jobs. In essence, CEF is arguing that virtually every farmworker job at the Dundee Farm would disappear. The Board does not believe this. The Board also rejects CEF's argument that the displacements resulting from the Bypass would significantly harm CEF's production facility. As Figure 13 of the Exceptions Document shows, the Bypass corridor and East Dundee Interchange would be located some distance away from both this facility and from farmworker housing on the site.

The Board further finds that roadways throughout Oregon cross farmlands that nonetheless continue to be operational and productive. The fact that a road crosses farmland is not in itself a basis to support a UGB expansion. Indeed, much of the I-5 corridor between Portland and Eugene remains in productive farmland.

The Board fully agrees with a statement in the Heitsch letter that ODOT has approached the CEF operations as being very productive farmland and has taken extensive measures to protect it. In addition to ODOT's relocation of the East Dundee Interchange and its promise of mitigation, ODOT has designed the Bypass to be a limited access facility, meaning that no vehicles will be able to exit on or off the roadway except at interchanges. This will avoid making the Dundee Farm more accessible to the general public, and it will support continued agricultural use at the farm. The Board also finds that the presence of urban or rural nonresource land along a portion of the Dundee Farm does not commit it to urban or nonfarm uses. The Board finds there are countless locations in Yamhill County and in Oregon where farms adjoin urban and/or rural nonfarm uses on one or even several sides and still operate productively. Indeed, in the caselaw there are multiple instances where, in circumstances like this, the reviewing body found that the agricultural land in question was not committed to urban or rural non-farm uses.

Finally on this issue, the Board agrees with ODOT that the presence of the Bypass will improve CEF's accessibility to markets and provide CEF with greater exposure for its products. And while the Bypass might impact the marketing image of CEF products, which uses a photograph of the farm juxtaposed against Mt. Hood on its promotional materials, the Mt. Hood image does not affect the soils or the agricultural production on EFU lands. Rather, it involves the sale of farm products after it has left the fields.

7. CEF President Floyd Aylor also testified that the Bypass would "very likely lead to the eventual closure of the operation." As it found with the Andrews letter addressed above, the Board finds this testimony to be speculative, exaggerated and lacking evidentiary support in significant ways. First, as explained immediately above, the Board does not agree that the Bypass will result in circumstances where the Dundee Farm would be entirely surrounded by urban development. While the Bypass would be deemed an urban facility, the Board finds that many farms operate successfully alongside freeways like I-5 or alongside major roadways like Oregon 99W. These roads may create some inconvenience to the farm operator, but they do not destroy the farm enterprise.

Second, the Board finds that the Bypass will not directly or significantly impact the processing plant or the farmworker housing. Mr. Aylor is correct that the Bypass may make the farm less of a "showcase" based on visual impacts, but the Bypass and East Dundee Interchange together will remove only a small percentage of the farm from production.

Third, the Board disagrees with Mr. Aylor that reduced access from the west side of Dundee Farm to its east side will have major adverse consequences to farming operations. ODOT testified, and the Board finds, that ODOT will provide access between the east and west sides of Dundee Farm as part of its project mitigation. Also, upon questioning by Board and Planning Commission members at the July 22, 2004 hearing, Mr. Aylor admitted that the single road extending eastward from the processing plant towards the river is used regularly to provide access to the eastern portion of the property. The Board believes this testimony and so finds.

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Mr. Aylor also testified that the loss of acreage for marionberries could seriously harm the farming operation. While the Board does not question the quality of the soils and weather conditions in this area for growing marionberries, it does question Mr. Aylor's inference that other nearby lands are inadequate for this purpose. Indeed, the Board finds that marionberries are grown both throughout the Willamette Valley. It concludes that Columbia Empire Farms could replace its lost acreage with other lands for growing marionberries.

8. In its August 12, 2004 letter, CEF claims that the presence of the Bypass would make the Dundee property a higher priority for inclusion inside Dundee's UGB because the land would be completely surrounded by urban land or exception areas. The Board is not persuaded by this argument. First, CEF testified, and the Board finds, that the Dundee Farm consists of Class I and II agricultural soils. The Board also finds that large areas of committed lands adjoin the City of Dundee UGB. By state law, Dundee would be expected to expand its city limits onto these committed lands before urbanizing the Dundee Farm property. Second, the Board does not believe that a public facility crossing resource land creates an "exception area" as that term is used in ORS 197.298(1)(b). The focus of the statute is on lands zoned for rural residential, commercial or industrial lands. Third, CEF's argument is inconsistent with OAR 660-012-0060(4), which provides that the presence of a transportation facility on rural land is not the basis for an exception to allow even rural scale residential, commercial, industrial or institutional uses on rural lands.

9. In letters to Yamhill County dated August 6, 2004 and August 12, 2004, CEF asserts that the identified transportation need can be met through a series of "building blocks" that include (1) alternative modes, traffic management measures and improvements to existing transportation facilities; (2) an Edwards-Dayton connection; (3) a narrow five lane roadway through Dundee; and (4) an STA designation in Dundee. A map provided by CEF shows that east of the Edwards/Dayton connection, the facility would apparently continue through the Newberg couplets and east Newberg on existing Oregon 99W.

The Board will not repeat here all the reasons why it finds this alternative unreasonable. In sections B and C of these findings, the Board explains why each one of these alternatives, alone, cannot reasonably accommodate the identified transportation need. Also in those sections the Board considered and rejected many of these improvements in combination. The Board finds that CEF has provided no detailed factual analysis supplementing its earlier oral and written testimony that explains how or why this alternative would be able to move statewide and regional traffic through the Newberg Dundee area in a timely and efficient manner consistent with the stated purpose and need for this project. It finds that CEF, like 1000 Friends, has provided no testimony from professional engineers to support its implications that its alternative is operationally viable or that renders its testimony more persuasive than that of ODOT or ODOT's traffic consultant. Further, like 1000 Friends, CEF has failed to consider the full range of economic, social, environmental, energy and traffic impacts associated with its proposal.

Indeed, neither has provided an adequate footprint for the proposal. Given the need of large freight vehicles for wide turning movements, the Board is highly skeptical that the needed facilities could in fact be located entirely within Dundee's UGB without goal exceptions or without tremendous displacement of existing development in Dundee. In summary, both CEF and 1000 Friends have failed to back up their assertions with detailed analysis and with credible and substantial evidentiary support. Without a more detailed illustration of where the roadway would go, without credible factual support showing that their alternatives are operationally feasible and safe, and without realistic analysis of how these alternatives would impact existing development, the Board cannot find these alternatives to be reasonable.

10. In its oral testimony to the Board on June 24, 2004, 1000 Friends of Oregon advocated widening Oregon 99W west from Dundee to McDougal Corner as a substitute for extending the Bypass to Dayton. 1000 Friends claimed this would have a lesser impact on agricultural lands. However, the Board finds instead that this proposal would have greater net adverse impacts than extending the Bypass to Dayton, including greater impacts to agricultural lands.

First, as stated in a Kittelson & Associates Memorandum dated July 19, 2004 regarding "Oregon 99W South of Dundee", which the Board believes and incorporates herein by this reference, Oregon 99W under this scenario is forecast to carry more than 38,000 vehicles per day by the year 2025. To safely and efficiently accommodate all of those vehicles in a rural expressway design, Oregon 99W would need to be widened to four through lanes and quite possibly to six through lanes.

Second, as stated in the ODOT Response Document and also in documents prepared by Chris Watson, GeoDataScape LLC dated July 19, 2004 (ODOT Supporting Documents, Volume 7, pages 25-30), which the Board agrees with and incorporates into these findings by this reference, a four or six lane expressway on Oregon 99W would need to find a way around or through Dundee. 1000 Friends' boulevard proposal, which would require a seven lane section in downtown Dundee, is unreasonable to achieve this result because the adverse impacts of a seven lane highway through Dundee would be even greater than those associated with a five lane highway. The Board already has concluded that the impacts of a five lane highway through Dundee would be unreasonable. 1000 Friends has not demonstrated how the projected traffic volumes can be moved around Dundee in a safe and operationally feasible manner in the absence of a bypass. If 1000 Friends proposes funneling that traffic along Edwards Road and Parks Drive, then the Board finds that new at-grade railroad crossings on Edwards Road or on Parks Drive would violate OHP Policy 2G while elevated crossings would result in the same adverse impacts that a new East Dundee Interchange connector road would have inside Dundee.

Were the Bypass to terminate just west of Dundee and reconnect to Oregon 99W at that point, then the improvements required for that connection, the widening of Oregon 99W to McDougal Corner, new frontage roads north and south of Oregon 99W, and a new interchange at McDougal Corner, would impact over 175 acres of EFU-zoned land,

compared to 138 acres for the proposed Bypass. The Oregon 99W widening also would impact more wildlife habitat and much more lineal feet of fish habitat than would the Bypass alternative, and it would have greater business and residential displacement and noise impacts. The Board finds that such an alternative would require goal exceptions. It further finds that the net adverse impacts associated with the proposed Bypass corridor would not be significantly more adverse than those associated with terminating the Bypass just west of Dundee and widening Oregon 99W. Indeed, it finds that the Bypass would have fewer net adverse impacts than the Oregon 99W alternative.

11 In its July 22, 2004 written testimony, 1000 Friends argued that the Bypass should be shown as an alignment and not as a corridor. The Board disagrees. OAR 600-012-0070(3) states expressly that the general location for a transportation improvement on rural land "be specified as a corridor within which the proposed facility or improvement is to be located."

12. 1000 Friends also testified that if the identified transportation need can be accommodated with exceptions to Goals 11 and 14 but without the need for a Goal 3 exception, then an alternative located on lands requiring exceptions to Goal 3 cannot be justified. However, 1000 Friends identified no authority supporting this contention, and the Board is aware of none. In particular, the Board finds that OAR 660-012-0070 requires that where exceptions to Goals 3, 4, 11 or 14 are required, consideration must be given to thresholds that encompass much more than agricultural lands impacts.

13. 1000 Friends and CEF assert that it is not unreasonable to widen Oregon 99W to five lanes in Dundee for the reasons stated in a February 6, 2003 letter from DLCD to ODOT. That DLCD letter asked ODOT to consider various "potentially reasonable" non-exception alternatives to meet travel needs through Dundee. The Board finds that ODOT considered the alternatives identified in that letter but then rejected them as unreasonable. ODOT's reasons for rejecting those alternatives are set out in the Exceptions Document and also in a Kittelson & Associates Memorandum dated July 21, 2004 entitled "Oregon 99W Improvement Options in Dundee", which the Board agrees with and incorporates herein by this reference. For the reasons stated in both documents, the Board finds that the combination of alternatives identified in the DLCD letter cannot reasonably accommodate the identified transportation need. The Board further finds that neither 1000 Friends of Oregon nor CEF has made any effort to provide factual evidence that contradicts ODOT's or the Board's conclusions.

14. 1000 Friends also suggested that the East Newberg Interchange and the easternmost section of the bypass corridor be relocated to avoid EFU-zoned lands. But as with its other recommended alternatives, 1000 Friends has not provided facts demonstrating that these alternatives would be more reasonable taking into consideration the full range of economic, social, environmental and energy consequences. The Board finds that an argument that considers only agricultural lands impacts and ignores all other kinds of impacts fails to meet the standard in OAR 660-004-0020(2)(c) that specific alternative sites be "specifically described with facts to support the assertion that the sites

have significantly fewer adverse impacts during the local exceptions proceeding.” It also fails to provide the breadth of analysis required by OAR 660-012-0070(7).

15. 1000 Friends claims that the Northern alternative should have been rerouted more through rural residential areas to minimize impacts to farmland. However, the Board finds that ODOT considered a number of northern alternative routes, including some located more inside the Newberg UGB. These alternatives were rejected for reasons set out in the LDEIS at 2-15 and in Chapter 4. The Board agrees with the reasons for rejecting these northern alternatives. The Board further finds that 1000 Friends has failed to provide sufficient facts warranting more detailed study of a “redesigned” northern alternative, including facts identifying the economic, social, environmental and energy impacts associated with its alternative.

16. In documents dated August 6, 2004, and August 13, 2004, 1000 Friends offers still more argument objecting to the Bypass and supporting its alternative. Most of these arguments are addressed earlier in these findings. However, the Board makes the following additional findings:

In its August 6 memorandum, 1000 Friends objects to ODOT’s application of Expressway standards to the Bypass. 1000 Friends claims that Expressways need not be high speed or limited access facilities. The Board agrees with 1000 Friends that under OHP Action 1A.2, Expressways may be moderate speed facilities in urban areas. See also Action 1H.2(a)(1), which provides that new bypasses should be designed “for moderate to high speeds.” But the Board also finds that the Expressway designation can apply to a wide range of state highways, including Interstate highways, Statewide highways, Regional highways and District highways. See OHP Action 1A.2. For Statewide highways, unlike Regional and District highways, the management objective is to provide “high speed” continuous flow operations rather than “moderate to high speed” operations. And where Statewide highways are classified as Expressways, Action 1A.2 emphasizes the importance of “maintaining system mobility.” Further, OHP Action 1H.2(d) directs ODOT to use grade separation and interchanges whenever practical and appropriate for safety and mobility.

Overall, the Board believes and finds that the text and context of the OHP direct ODOT to design a moderate to high speed, grade separated facility with interchanges to maintain and support system mobility. The Board believes that a moderate to high speed facility is one that operates at speeds of about 45 miles per hour or higher, rather than the much lower speeds 1000 Friends of Oregon has suggested. The Board also finds that 1000 Friends’ alternatives are not consistent with this identified function, as they do not provide for a grade separated facility, a facility with interchanges, or a facility that can operate at such speeds.

1000 Friends challenges the accuracy of ODOT’s analysis comparing farmland impacts of its proposed alternative with the impacts of widening Oregon 99W between Dundee and Dayton. However, the Board finds that ODOT’s analysis to be more reasonable and credible, including ODOT’s determination of need for and the location of

frontage roads north and south of Oregon 99W. Much of 1000 Friends' argument here is little more than a disagreement with OHP Expressway policy. The Board believes and finds that such issues should be directed not to the Board but to the Oregon Transportation Commission.

1000 Friends also alleges a number of violations of City of Newberg comprehensive plan policies. The Board cannot speak for the City and recognizes that the portions of the Bypass Project inside incorporated cities are beyond the Board's jurisdiction.

The August 6 memorandum also attempts to describe more clearly the 1000 Friends alternative. The Board finds that the alternative has expanded in some instances to involve choices, some of which require goal exceptions. The proposed exceptions (such as an alignment extending in part through rural residential land west of Dundee) are intended to avoid agricultural land. However, these exceptions fail for the same reason that 1000 Friends' alternatives fail generally, which is a complete lack of analysis demonstrating operational feasibility and safety, addressing the relevant thresholds, and considering the full range of economic, social, environmental, energy and traffic impacts. 1000 Friends asserts that its alternatives would have significantly less adverse consequences to prime farmland or to developed residential areas, but there are no facts or analysis backing this up. The Board concludes that 1000 Friends assertions lack sufficient substantial evidence backing them up to warrant further, more detailed analysis of its alternatives.

17. The Board heard testimony that the proposed Bypass would not solve congestion problems in Sherwood, Tigard and Tualatin. Whether or not that is so, the Board finds that the Bypass will solve congestion problems in the Newberg-Dundee area and has utility as an independent transportation project for that reason.

18. The Board heard testimony that downtown Dundee should be moved somewhere else in the city. The Board finds that this is neither the option that Dundee has chosen for itself nor one that ODOT or the Board finds reasonable. Indeed, this proposal runs contrary to Dundee's acknowledged comprehensive plan and TSP and the Dundee vision statement. It also runs contrary to the new DLCD mission statement for economic development.

19. The Board heard testimony that the Bypass violates civil rights laws due to impacts on low income and migrant housing in Newberg. The Board agrees with ODOT that the portions of the Bypass subject to Yamhill County's review do not impact low income or migrant housing and thus the issue is not relevant to the standards for land use decision-making.

20. The Board heard opponent testimony regarding the estimated price tag of the Bypass Project. The Board finds that because all identified non-exception alternatives to the Bypass corridor cannot reasonably accommodate the identified transportation need based on one or more thresholds other than cost, it is unnecessary to speculate as to what

the cost comparisons would be for these alternatives. The Board does not believe that the TPR requires ODOT or other local governments to engage in time consuming and expensive "make-work", such as estimating costs of potential alternatives, when those alternatives cannot otherwise reasonably accommodate the identified need. This is particularly so when the costs would be so rough as to have questionable probative value.

H. Conclusions

For all of the reasons stated above, the Board concludes that the proposed Newberg Dundee Bypass and East Dundee Interchange comply with all applicable land use review standards. Accordingly, the Board approves those applications.

I. Decision

Based on its determination that the Bypass Project complies with all applicable standards, the Board hereby:

1. Amends the Yamhill County Comprehensive Plan to include the exceptions to Goals 3, 11 and 14 for the Bypass corridor and the East Dundee Interchange. The Board also amends the Yamhill County Comprehensive Plan to include the analysis of ESEE consequences for the Bypass and East Dundee Interchange set out in Paragraph D.3 of these findings. However, this amendment shall take effect only in the event that the Board's decision is appealed and a reviewing body, on appeal, concludes that the Goal 5 rule applies and requires Yamhill County to adopt an ESEE analysis authorizing the Bypass and East Dundee Interchange.
2. Amends the Yamhill County Transportation System Plan to (1) identify the Bypass corridor and the East Dundee Interchange on the transportation facility plan map; (2) identify the Bypass corridor and the East Dundee Interchange as long-term projects on the project list; (3) identify approximately \$300 million as the estimated total project cost, including the cost of improvements in Newberg and Dundee; and (4) identify federal and state dollars as the primary source of funding for the Bypass Project.

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