



Oregon

Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

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NOTICE OF ADOPTED AMENDMENT

December 22, 2006

TO: Subscribers to Notice of Adopted Plan
or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Madras Plan Amendment
DLCD File Number 010-06



The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. A copy of the adopted plan amendment is available for review at the DLCD office in Salem and the local government office.

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: January 5, 2007

This amendment was submitted to DLCD for review 45 days prior to adoption. Pursuant to ORS 197.830 (2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

***NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE ABOVE DATE SPECIFIED.**

Cc: Gloria Gardiner, DLCD Urban Planning Specialist
Mark Radabaugh, DLCD Regional Representative
Steve Oulman, DLCD Transportation Planner
Chuck McGraw, City of Madras

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2 Notice of Adoption

THIS FORM MUST BE MAILED TO DLCD
WITHIN 5 WORKING DAYS AFTER THE FINAL DECISION
PER ORS 197.610, OAR CHAPTER 660 - DIVISION 18

email

DATE STAMP	DEPT OF
	DEC 15 2006
	LAND CONSERVATION AND DEVELOPMENT
	For DLCD Use Only

Jurisdiction: City of Madras Local file number: PA-06-3
 Date of Adoption: 12/12/2006 Date Mailed: 12/15/2006
 Date original Notice of Proposed Amendment was mailed to DLCD: 6/14/2006

- | | |
|---|---|
| <input type="checkbox"/> Comprehensive Plan Text Amendment | <input type="checkbox"/> Comprehensive Plan Map Amendment |
| <input checked="" type="checkbox"/> Land Use Regulation Amendment | <input type="checkbox"/> Zoning Map Amendment |
| <input type="checkbox"/> New Land Use Regulation | <input type="checkbox"/> Other: _____ |

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".

Amend the City of Madras' Development code to adopt a Master Plan Community Overlay.

Describe how the adopted amendment differs from the proposed amendment. If it is the same, write "SAME". If you did not give Notice for the Proposed Amendment, write "N/A".

Same

Plan Map Changed from: N/A to: N/A

Zone Map Changed from: N/A to: N/A

Location: N/A Acres Involved: N/A

Specify Density: Previous: N/A New: N/A

Applicable Statewide Planning Goals: Goal 10

Was an Exception Adopted? YES NO

DLCD File No.: 010-06 (15335)

Did the Department of Land Conservation and Development receive a Notice of Proposed Amendment.....

Forty-five (45) days prior to first evidentiary hearing? Yes No

If no, do the statewide planning goals apply? Yes No

If no, did Emergency Circumstances require immediate adoption? Yes No

Affected State or Federal Agencies, Local Governments or Special Districts:

DLCD

Local Contact: **Chuck McGraw** Phone: **(541) 475-3388** Extension: _____

Address: **71 SE D Street** City: **Madras Or**

Zip Code + 4: **97741-** Email Address: **cmcgraw@ci.madra.or.us**

ADOPTION SUBMITTAL REQUIREMENTS

This form **must be mailed** to DLCD **within 5 working days after the final decision**
per ORS 197.610, OAR Chapter 660 - Division 18.

1. Send this Form and **TWO (2) Copies** of the Adopted Amendment to:

**ATTENTION: PLAN AMENDMENT SPECIALIST
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
635 CAPITOL STREET NE, SUITE 150
SALEM, OREGON 97301-2540**

2. Submit **TWO (2) copies** the adopted material, if copies are bounded please submit **TWO (2) complete copies** of documents and maps.

3. Please Note: Adopted materials must be sent to DLCD not later than **FIVE (5) working days** following the date of the final decision on the amendment.

4. Submittal of this Notice of Adoption must include the text of the amendment plus adopted findings and supplementary information.

5. The deadline to appeal will not be extended if you submit this notice of adoption within five working days of the final decision. Appeals to LUBA may be filed within **TWENTY-ONE (21) days** of the date, the Notice of Adoption is sent to DLCD.

6. In addition to sending the Notice of Adoption to DLCD, you must notify persons who participated in the local hearing and requested notice of the final decision.

7. **Need More Copies?** You can copy this form on to 8-1/2x11 green paper only; or call the DLCD Office at (503) 373-0050; or Fax your request to:(503) 378-5518; or Email your request to **mara.ulloa@state.or.us** - ATTENTION: PLAN AMENDMENT SPECIALIST.

ORDINANCE NO. 781

AN ORDINANCE AMENDING THE MADRAS COMPREHENSIVE PLAN TO ADD NEW LANGUAGE TO SECTION II – INVENTORIES; SECTION III – GOALS AND POLICIES AND SECTION IV – LAND USE, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Madras desires to encourage the master planning of residential lands within the Urban Growth Boundary; and

WHEREAS, the Comprehensive Plan contains certain inventories related to recreation facilities, and inventories related to Waste Water Treatment and Effluent Disposal facilities; and

WHEREAS, the Comprehensive Plan contains certain Goals and Policies related to the recreational, housing, public facilities and urbanization needs of the citizens of the City; and

WHEREAS, the proposed amendments were presented to the City of Madras Planning Commission on August 2, 2006 and to the City Council on September 12, 2006 for review through the public hearing process.

NOW, THEREFORE, the City of Madras ordains as follows:

SECTION 1: The Madras Comprehensive Plan shall be amended as provided in Exhibit 'A', and incorporated herein.

SECTION 2: The City of Madras' Final Decision, Findings of Fact and Conclusions of Law are hereby adopted in support of the amendments, and incorporated herein.

SECTION 3: **SEVERABILITY**

The provisions of this ordinance are severable. If any section, sentence, clause, or phrase of this ordinance is adjudged by a court of competent jurisdiction to be invalid, the decision shall not affect the validity of the remaining portions of the ordinance.

SECTION 4: **CORRECTIONS**


This ordinance may be corrected by order of the City Council to cure editorial and clerical errors.

SECTION 5: EMERGENCY CLAUSE

The City Council of the City of Madras, having reviewed the Comprehensive Plan of the City of Madras, and the need for enactment of ordinances to regulate land use within the City does hereby determine that this ordinance is necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Madras and an emergency is hereby declared to exist, and this Ordinance shall become in full force and effect from and after the date it is enacted and signed by the Mayor.


ADOPTED by the City Council of the City of Madras this 12th day of December, 2006.

Ayes: 5
Nays: 0
Abstentions: 0
Absent: 1
Vacancies: 0



Frank E. Morton, Mayor

ATTEST:



Karen J. Coleman, City Recorder

Amendments to City of Madras Comprehensive Plan

Existing text is in regular font. Amendments are underlined. Deleted text is shown as ~~strikethrough~~. Breaks between sections or text in existing plan are noted with * * * and page numbers for existing sections of the comprehensive plan are noted in (parenthesis).

SECTION II

INVENTORIES

* * *

Recreation (page 33)

* * *

Desert Peaks Golf Course at Madras (9 holes) offers public golfing facilities and annual memberships. Kah-Nee-Ta Resort has a championship caliber 18 hole golf course. Madras desires to add a new 18 hole public golf course to the City's inventory of recreational opportunities.

* * *

PUBLIC FACILITIES: (page 36)

* * *

Waste Water Treatment and Effluent Disposal (page 45)

* * *

The existing Madras wastewater treatment system treats raw wastewater in facultative lagoons, stores it during the winter "non-irrigation" months, and then polishes stored wastewater together with the current lagoon effluent to Oregon DEQ Level IV quality standards for spray irrigation on a nearby golf course, Desert Peaks Golf Course. Madras currently has more wastewater effluent than the Desert Peaks Golf Course can accommodate. The City has secured additional publicly owned property for the land application of this treated effluent on the east side of Madras. This land is adjacent to

both the enlarged treatment and storage ponds which are either recently constructed or under construction at this time. The most efficient methodology for this form of effluent treatment is application on a golf course, which has a high evaporation rate. The City has included this management practice in its effluent management plan filed with and approved by the Oregon Department of Environmental Quality. Irrigating this treated and stored effluent on additional golf course land compliments the millions of dollars invested by the City and is consistent with the City's waste water management plan and practices.

* * *

STORM WATER DRAINAGE (page 51)

* * *

POLICIES (PAGE 55)

* * *

16. The City shall continue to dispose wastewater treatment effluent at the Desert Peaks Golf Course, and has secured additional publicly owned property that the City encourages to be developed as a golf course that is suitable for irrigation with treated wastewater effluent.

Rationale: Disposal of treated wastewater effluent on publicly owned property is consistent with state policy encouraging the re-use of treated wastewater effluent. Additionally, it is a beneficial use of a waste product that reduces pressure on the City's water supply.

* * *

SECTION III

GOALS AND POLICIES

* * *

GOAL 8 - To satisfy the recreational needs of the citizens of the City and its visitors.
(page 76)

POLICIES - The City shall:

A. Seek opportunities to develop the following recreational opportunities.

- 1) Tennis Courts
- 2) Handball and Racquet Courts
- 3) Swimming Pool
- 4) Bike Paths
- 5) Publicly Owned 18-Hole Golf Course
- 6) Hiking trails, public parks, play areas, and passive natural open spaces

* * *

GOAL 10 - To provide for the housing needs of the citizens of the City. (page 77)

POLICIES - The City shall:

A. Provide buildable land for a variety of housing types. The City's existing housing inventory includes a generous supply of housing that is affordable for low- and moderate income families, such as multi-family and mobile housing units. So that a reasonable housing balance can be provided and that a mix of housing types on a variety of lot sizes are available for both existing and future area residents, the City shall encourage the development of housing types that are suitable for high income households. To be competitive with housing in the region that accommodates high income households, the encouraged housing type should include amenities appropriate for high income households, such as a golf course. Future housing should be consistent with the City's Livability Goals and Policies. With the addition of more housing targeted at high income buyers, the City will grow into a more diverse, vibrant, livable community.

1. The federal Department of Housing and Urban Development (HUD) has standard measures for income levels, based upon median family income (MFI). The income levels include, <30% of MFI is extremely low income; 30%-50% of MFI is very low income; 50%-80% MFI is low income; and 80%-120% is moderate income. HUD does not provide guidance on income levels beyond 120% of MFI. Based upon HUD's standards, the City concludes that >120% MFI is a high income household.

B. Encourage development of suitable housing to satisfy all income levels. The City's existing housing includes a generous supply of housing that is affordable for low, and moderate income families, but there is a deficit of housing that is commensurate with the financial capabilities of existing and future high income families. The Department of Corrections Facility is expected to create high income jobs (i.e., jobs that will raise household incomes in excess of 120% of the MFI), and the City desires to attract these employees (and maintain existing high income families) as residents. So

that housing is available for households at all income levels, rather than only low and moderate income households, the City shall encourage the development of housing that is suitable for high income households. To be competitive with housing in the region for high income buyers, the target housing in the City should include amenities appropriate for high income households, such as a golf course. With the addition of more livable and housing suitable for high income households, the City will grow into a more diverse, vibrant community.

IMPLEMENTATION MEASURE –

The City will continue to support the affirmative fair housing marketing plan as adopted by the City. The City will also encourage the home-building industry to provide a variety of housing opportunities in sufficient quantities at affordable prices to meet the housing needs of existing and future residents. In order to provide the necessary variety of housing required by Statewide Planning Goal 10, the City's Goal 10 and related Policies, the City also establishes as a priority the provision of sufficient housing opportunities, with appropriate amenities, suitable for high income households. The City encourages this housing to be developed in accordance with the Master Planned Community Overlay zone, which requires generous open space and amenities, and encourages efficient use of land and public facilities and services, a variety of housing types, innovative designs and complete pedestrian-friendly communities.

* * *

GOAL 11 - To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. (page 78)

POLICIES - The City shall:

* * *

F. The City shall continue to dispose wastewater treatment effluent at the Desert Peaks Golf Course. The City has secured additional publicly owned property for the land application of this treated effluent on the east side of Madras. This land is adjacent to both the enlarged treatment and storage ponds which are either recently constructed or under construction at this time. The most efficient methodology for this form of effluent treatment is application on a golf course, which has a high evaporation rate. Therefore, the City encourages the development of the publicly owned land on the east side of Madras as a golf course that is suitable for irrigation with treated wastewater effluent.

* * *

GOAL 14 - To provide for an orderly and efficient transition from rural to urban land, and to provide for livable communities. (page 79)

POLICIES –

* * *

D. The City shall encourage the development of complete, livable communities that include characteristics such as: a variety of lot sizes, dwelling unit types and ownership types, open spaces and other recreational amenities, a mix of land uses, school and community facilities, connected streets, proximity to downtown and other employment centers, and development that is scaled to the pedestrian and creates a sense of place. New growth areas should be developed in accordance with the Master Planned Community Overlay zone, which requires generous open space and amenities, and encourages efficient use of land and public facilities and services, a variety of housing types, innovative designs and complete pedestrian-friendly communities. Physical barriers, such as highways, tend to disrupt complete communities and livability because they disconnect areas from downtown and result in an auto-oriented environment of sprawl along highway corridors.

SECTION IV

LAND USE ELEMENT

GENERAL DISCUSSION (page 81)

* * *

The Land Use element designates ~~six~~ seven basic land use categories. The intent is to simplify administration and implementation of the Plan. The land use categories are:

* * *

MPC Master Planned Community Overlay

BACKGROUND FOR LAND USE CATEGORY DECISIONS (page 81)

* * *

A. * * * In order to provide a correlation between the Comprehensive Plan Text and the Comprehensive Plan Map, the following information regarding the establishment of land use categories is provided.

* * *

10. MPC "Master Planned Community" Overlay

The purpose of the Master Planned Community Overlay is to foster the creation of complete communities with a range of land uses and housing types, permit the application of innovative designs, and to allow greater freedom in land development and flexibility in development standards than may be possible under the strict application of the applicable zoning provisions of this code. In permitting such design and development freedom, the intent is to encourage more efficient uses of land and public facilities and services, to address the community's need for a variety of housing, commercial and recreational opportunities (particularly public recreational amenities) and to maintain the highest reasonable quality living environment. An approved Master Planned Community Development Plan guides future development of the subject site. All future land use approvals and development (i.e., subdivision approval) for the subject site shall be in accordance with the guidelines established in the approved Master Planned Community Development Plan.

AREAS OUTSIDE OF THE URBAN GROWTH BOUNDARY (page 85)

* * *

The City may enter into an agreement with the County that authorizes the City to have land use planning jurisdiction for areas outside of the Urban Growth Boundary. The purpose of such an agreement would be to provide flexibility to approve large, long range development projects, such as a Master Planned Community, even if portions of the property are outside of the UGB at the time of approval. Any such agreement, and approvals there under, would expressly state that no level of urban development or services could be developed until the property was included in the UGB, annexed to the City and zoned for urban development.

CITY OF MADRAS
FINAL DECISION, FINDINGS OF FACT AND CONCLUSIONS OF LAW

REQUEST: Amend the Comprehensive Plan to add new language to Section II – Inventories; Section III Goals and Policies for Goals 8, 10, 11 and 14; and Section IV Land Use Element.

FILE NUMBER: PA -06-3

APPLICANT: The City of Madras
71 SE 'D' Street
Madras, OR 97741

HEARING DATES: Planning Commission – August 2, 2006; City Council – September 12, 2006, October 4, 2006 (work session), October 10, 2006, October 17, 2006, October 24, 2006 (deliberations and tentative decision only), and December 12, 2006 (adopt final decision)

APPLICABLE ORDINANCE PROVISIONS

1. City of Madras Comprehensive Plan
 - Administrative Procedures
 - Section IV Major Revisions (Legislative), which requires, in part, compliance with applicable Statewide Planning Goals
2. City of Madras Zoning Ordinance, Chapter 8 Development Regulations, Article 8 – Amendments, Section 8.1
3. Statewide Planning Goals 1, 2, 6, 8, 10, 11, and 14

EXHIBIT

Exhibit A – Text of Amendments to City of Madras Comprehensive Plan

FINDINGS OF FACT

1. **Location:** The Comprehensive Plan and its Goals, Policies and inventories apply to all of the lands within the City of Madras.
2. **Zone, Map and Comprehensive Plan Designation:** The amendments apply to all of the zone designations within the City of Madras.

3. **Proposal:** Amend the Comprehensive Plan to add new language to Section II – Inventories; Section III Goals and Policies for Goals 8, 10, 11 and 14; and Section IV Land Use Element. See Exhibit A.

The amendments to public facilities sections of the comprehensive plan acknowledge that the City currently has more wastewater effluent that it can accommodate at its existing land application facility (Desert Peaks Golf Course). The City then expresses its policy to continue disposing of wastewater effluent as irrigation on land in proximity to existing or under construction wastewater treatment and storage ponds. Because irrigating a golf course with wastewater effluent has been effective, the policy also notes the desire to find additional golf course land to dispose of effluent. The policy is aspirational, so disposing of effluent on a particular site is not permitted through the amendment.

To compliment the public facilities policy to develop a golf course that is suitable for irrigation with treated wastewater effluent, the recreational needs policies are updated to reflect the need for an additional golf course. The recreational needs policies are also updated to include the City's policy to seek opportunities to develop additional hiking trails, public parks, play areas and passive natural open spaces.

The final amendments relate to the City's policy to encourage livable communities by fostering a variety of housing types for all income levels. The amendments recognize the existing lack of housing supply for higher income families, and note that housing for high income households typically includes amenities. Because the City seeks to provide housing for all income levels, the amendments encourage the development of needed high end housing. The amendments recognize that the existing zoning code does not include tools that are suitable for accommodating the needed high income household families, and therefore creates the Master Planned Community Overlay zone (MPC). The MPC overlay zone provides greater freedom in land development and flexibility in development standards in an effort to encourage innovative designs, a range of land uses and housing types, and generous open space and amenities, which leads to the creation of complete communities. Because large land areas are needed to accommodate the kind of development contemplated by the MPC overlay (such as large open space areas and multiple housing types), the amendments authorize the City to enter into planning agreements with the County for long range planning outside of the City's current jurisdiction, under certain conditions.

4. **Notice, Agency and Neighbor comments.** This is a legislative action, so no notice of proposed land use action was sent to any property owners within the Madras UGB. Notice was published in the Madras Pioneer. Interested citizens participated both verbally and in writing at the public hearings. The issues raised are addressed below. Notice was also provided to the Department of Land Conservation and Development (DLCD) on June 14, 2006, but DLCD did not provide any comments.

CONCLUSIONS OF LAW:

1. **MADRAS ZONING ORDINANCE, ARTICLE 8, CHAPTER 12, SECTION 8.1: AUTHORIZATION TO INITIATE AMENDMENTS** - An amendment to the text of the Comprehensive Plan, this ordinance, or to the zoning and comprehensive or plan map may be initiated by either City Council, Planning Commission, or the Community Development Director in order for compliance with Oregon Revised Statutes, Oregon Administrative Rules and Statewide

Planning Goals. A property owner may initiate a request for a map or text amendment by filing an application with the Community Development Director.

FINDING: The amendments were initiated by the City of Madras. The amendments' compliance with the statewide planning goals are discussed below, and those arguments are incorporated herein.

2. **CITY OF MADRAS COMPREHENSIVE PLAN, SECTION IV, MAJOR REVISIONS (LEGISLATIVE)**

A major revision to this Plan is defined as a policy making change in the text or plan map that will have widespread and significant impact through the planning area. The proposed change will be considered as a legislative action and will require the following procedure:

FINDING: The text amendments relate to city-wide recreational and public facilities needs, and authorize an overlay zone that could be applied in all of the zoning designations within the City, so the impact of the amendments is not limited to a single parcel or parcels. Instead, the amendments relate to policy that applies throughout the City, so characterizing the amendments as a Major Revision and processing them legislatively is appropriate.

A. The City Council or Planning Commission may initiate the proposed change.

FINDING: The City of Madras is the applicant and initiated the amendments.

B. The adopted citizen and agency involvement programs shall be utilized to stimulate the public interest and participation in the amendment process.

FINDING: The public received notice and participated in the public hearings in which the comprehensive plan amendments were considered.

C. A public hearing shall be conducted by the Planning Commission.

FINDING: The Planning Commission conducted a public hearing on August 2, 2006, and unanimously recommended approval of the amendments. Additionally, the City Council held hearings on September 12, 2006, October 4, 2006 (work session), October 10, 2006, October 17, 2006, October 24, 2006 (deliberations and tentative decision only), and December 12, 2006 (adopt final decision).

D. At least 21 days notice to the public of the hearing shall be published in a local newspaper of general circulation.

FINDING: The first public hearing was conducted on August 2, 2006. Notice was provided by the Madras Pioneer and printed on July 5, 2006, twenty-eight days in advance of the hearing.

E. In order to submit a favorable recommendation for the proposed change to the City Council, the Planning Commission shall establish the compelling reasons and make a finding of fact for the proposed change. These include:

1. The proposed change will be in conformance with statewide planning goals.

FINDINGS: Only the relevant statewide planning goals, or goals that were raised in public testimony, are addressed below. The City finds that the goals that are not addressed are not related to the amendments (i.e., Goal 7 is not relevant and not addressed below because the amendments do not affect areas subject to natural disasters and hazards).

Goal 1 (Citizen Involvement) – The amendments comply with Goal 1 because the public received notice and participated in the public hearings in which the comprehensive plan amendments were considered.

Goal 2 (Land Use Planning) – The comprehensive plan amendments do not affect other governmental units, so coordination is not required. As demonstrated in the entirety of these findings and the record of the proceedings, the amendments are supported by an adequate factual base and all of the applicable statewide planning goals are met. Therefore, no goal exceptions are required. Finally, the comprehensive plan amendments supplement the existing comprehensive plan, and do not create inconsistencies within the comprehensive plan. Therefore, the amendments comply with Goal 2.

Goals 3 (Agricultural Land), 4 (Forest Land) and 5 (Open Spaces, Scenic and Historic Areas or Natural Resources) – The City finds that the amendments are not relevant to agricultural land (Goal 3), forest land (Goal 4), or open spaces, scenic and historic areas or natural resources (Goal 5). The amendments do not conclude that a UGB expansion is necessary, otherwise require the expansion of the UGB or the development of any land protected by Goals 3, 4 and 5, so any impacts on Goals 3, 4 and 5 are speculative, at best. For the same reasons, an exception to these goals is also not required. If the UGB is amended in the future, the relevant goals will be addressed at that time. For example, the amendments related to treating additional wastewater effluent recognize that the City controls land on the east side of Madras that is located outside of the UGB, and that land may be suitable for spray irrigation. The land is suitable not because of its location outside of the UGB; it is suitable because it is located near the necessary facilities (i.e., treatment and storage ponds) and is owned by the City, which has the obvious cost savings benefits (i.e., no need to acquire land). However, the amendments do not permit spray irrigation of wastewater effluent on any land, either within or outside of the UGB. The amendments are aspirational. If the City decides to move forward with applying wastewater effluent on any land, including the City owned property, all applicable goals, statutes, administrative rules and local code provisions will be addressed at that time.

Goal 6 (Air, Water and Land Resources Quality) – The comprehensive plan amendments are consistent with the City's wastewater system master plan and practices and encourages the development of an alternative area suitable for use in controlling pollution.

Goal 8 (Recreational Needs) – The amendments further Goal 8 by seeking to increase the City's inventory of recreational opportunities, including a new golf course, and more hiking trails, public parks, play areas, and passive natural open spaces.

Goal 10 (Housing) – The comprehensive plan amendments to policies and implementation measures under Goal 10 are clearly related to statewide planning Goal 10 (Housing). From the outset it is important to emphasize the intent of the amendments, and also the limits of

the plan amendments, including what they do not do. The plan amendments are a policy decision directed at encouraging the development of high end housing, a segment of needed housing that was identified through the adopted buildable lands inventory, housing needs projection, and housing type allocation. As detailed below, the amendments are not an attempt to amend or create a new buildable lands inventory, housing needs projection, and housing type allocation.

The plan amendments support an overlay zone that can be applied in a variety of base zones. The plan amendments acknowledge a need that is identified in the existing and adopted buildable lands inventory, housing needs projection and allocation. The plan amendment also reflects an extensive analysis conducted by the Department of Corrections on the impact the new correctional facility will have on the community. From this information, the city expresses its desire to accommodate a needed housing segment -- high end housing. The plan amendments then anticipate desired characteristics of the needed housing for high income households.

The comprehensive plan amendments do not reduce the supply of land within the City's buildable lands inventory or impose limitations on uses protected by a statewide planning goal that threaten to convert those lands to uses not protected by the goal. The amendments do not undermine any of the assumptions that led to the adopted Goal 10 buildable lands inventory, housing needs projection, allocation of housing types or housing density, or otherwise interfere with the City's ability to meet its adopted projected land need. The plan amendments do not restrict or eliminate a housing type or category, whether needed housing or otherwise. The amendments do not require or dictate a particular kind of development or mix of housing type, and do not discourage or eliminate any kind of housing type. No base zones are affected and minimum density is not altered. The amendments will not leave the City unable to accommodate expected housing needs with the land that is planned and zoned for the purpose. In sum, the amendments do not affect the adopted buildable lands inventory, housing needs projection or needed housing allocation. Therefore, the Goal 10 implementing rules (OAR 660-008-0000 et al) are not triggered.

The amendments address a need identified in the adopted buildable lands inventory, housing needs projection and needed housing allocation. The amendments conform with Goal 10 because historically the comprehensive plan has been very general and the only needed housing segment that was addressed was affordable housing. With these amendments, all identified land needs are encouraged to be satisfied, rather than only one segment of the housing need. For example, the prior to the adoption of these amendments, the Goal 10 implementing measures in Section III of the comprehensive plan only encouraged the City to continue to support the affirmative fair housing marketing plan, which is directed at low income housing. Additionally, despite an abundance of multi-family housing, which the City generally considers to be housing that is available for low income families, the City reaffirms its commitment to provide housing that is affordable for low income families. See page 35 of the comprehensive plan.

Evidence supporting the plan amendments is found in the comprehensive plan. Additional support is found in the Department of Correction's Community Impact Study and the market based need (including national trends in high end housing).

Evidence in Comprehensive Plan

In 2003, the City amended its comprehensive plan to adopt a buildable lands inventory, housing needs projection and allocation of needed housing, as part of a periodic review work task. The population forecast projection was updated on August 22, 2006 to reflect Jefferson County's coordinated population projection.¹ The inventory, projection and allocation were done in accordance with Goal 10 and its regulations, and the amendments to the comprehensive plan were acknowledged. The plan amendments in Exhibit A do not impact in any way the adopted inventory, projection or allocation. Instead, the amendments encourage the remediation of a need that was recognized by the inventory and projection – the need for (or deficit of) housing that is commensurate with the financial capabilities of high income families.

The comprehensive plan reports that over half of the new housing stock is directed at low and lower middle-income groups, and for multi-family housing, Madras currently exceeds the national averages and greatly exceeds the state averages. See page 35 of the comprehensive plan. When compared to the total housing stock, the percentage of multi-family units has risen significantly, which is in part why the City concluded in its comprehensive plan that the current housing stock is “near over saturated with multi-family dwelling units” and “the City has designated adequate amount of land sufficient to meet the projected need of multiple family residential housing.” See pages 35 and 70 of the comprehensive plan. Because of the abundance of multi-family housing, the comprehensive plan projects that the need for multi-family housing will decrease over the planning horizon (to 2018). The plan also describes that based upon the current housing mix, the population projection for single-family dwellings is 62% of the needed housing. When read together, the City interprets the existing comprehensive plan to mean that new construction should be directed at satisfying the need for single family housing. One segment of the needed single family housing category is high end housing.

The positive financial impact of the new corrections facility and spill over growth from other central Oregon communities is recognized in the comprehensive plan. See pages 69 and pages 1-2 of the attachment to page 74 of the comprehensive plan. The overall economic outlook in the comprehensive plan is very positive, “[t]he City of Madras is experiencing a period of growth and economic prosperity unparalleled since the construction of the Pelton and Roundbutte dams in the early 1950s.... Jefferson County has been recognized as one of the fastest growing counties in the State, and in turn, Madras is the focal point for most of that growth.” See page 25 of the comprehensive plan. The comprehensive plan concludes that these economic stimuli along with background growth results in a range of needed housing types, including housing for upper and middle-income families. See pages 1-2 of the attachment to page 74 of the comprehensive plan.

In sum, the amendments reflect the findings in the existing comprehensive plan that there is a need for single family housing, including housing for higher income families. The amendments are a policy statement that the City seeks to remedy that need. The amendments then provide a tool for encouraging the development of high end housing, the MPC overlay zone. The amendments are aspirational, expressing the City's desire to address the existing housing need.

¹ The 2006 update of the population forecast did not amend the buildable lands inventory, housing needs projection or allocation of needed housing. Therefore, the 2003 update of the comprehensive plan for the buildable lands inventory, housing needs projection or allocation of needed housing is the most recent analysis, and is relied upon in these findings.

Additional Evidence

While the comprehensive plan is the best evidence of both the need for the amendments and for the amendments' compliance with Goal 10, the amendments are also supported by the three phased Community Impact Study ("CIS") conducted by the Department of Corrections in 1999 to analyze the impact of the new prison. Market research that was submitted in support of the amendments also demonstrates the need for the amendments.

According to 1999 Census data, then median family income (MFI) in Madras was \$29,103. Madras' MFI was lower than the State MFI of \$48,005 and Jefferson County's MFI of \$43,819. The CIS (phase II) projects that when the prison is operational, the average compensation level will be \$43,932², which is an approximately 51% increase over the existing median income in Madras. Although comparing median income levels to average income levels is not an exact comparison, the City finds that the considerable increase demonstrates that the jobs created by the prison are a significant increase in income level over the existing job opportunities in Madras. Another insightful comparison is the CIS's correlation of the anticipated average wage for employment resulting from the prison to the average wage in Jefferson County. According to Appendix A.04 of the CIS (phase II), the average wage (1999 dollars) of ongoing direct employment (as opposed to construction) from the prison is \$43,932. The Jefferson County average wage is \$23,465 (also 1999 dollars). Although the average wage for the City of Madras is not available, since the MFI in Madras is lower than the MFI in the County, it is reasonable to assume that the average wage is equal or less than the average wage in the County. The City finds that given the 87% increase in the average wage county-wide, the City of Madras can also expect for the prison to buoyant the average wage of the City by a significant amount.

Another impact from the prison is that approximately 829 households are expected to relocate to Jefferson County, and approximately 67.2% of these new households are expected to own their residence. Given Madras' proximity to the new prison, it is reasonable to assume that Madras will absorb many of these new households, so long as appropriate housing types are available. Because the new job growth will be at a compensation level that is significantly higher than the existing median income and average wage (for the County), it is reasonable to assume that the housing that the new residents will desire will be housing that is commensurate with higher income families. However, assumptions are not all the City relied upon, because housing demand is something that was specifically analyzed by the CIS. According to the CIS, ownership housing demand is expected to be concentrated in the \$80,000 to \$112,000, \$128,000 to \$171,000, and over \$202,000 price ranges. CIS phase II, page 7. Based upon the adopted buildable lands inventory, housing needs projection and allocation, the comprehensive plan concludes that low end/low income housing is \$70,000, average/middle income housing is about \$85,000 and anything above \$100,000 is considered high end. Therefore, the CIS demonstrates that most of the housing needed will be housing that is considered high end in the City's existing comprehensive plan.

The City does not intend to rely on the CIS information to alter the adopted buildable lands inventory, housing needs projection or needed housing allocation as part of these amendments to the comprehensive plan. While the CIS evidence suggests that it conducting

² The CIS data also used 1999 dollars.

a new housing analysis is warranted, these amendments are not a new housing analysis. It is likely that the CIS information will be considered during a future buildable lands inventory and related analyses that are conducted when the UGB is evaluated. Until a new housing analysis is conducted, the amendments to the comprehensive plan at Exhibit A are an expression of the City's intent to satisfy the need for high end housing that was established in the previously adopted housing needs projection. The CIS reveals that the need to fulfill the high end housing segment is likely more urgent than was considered when the housing needs projection was adopted, which is in part what the City is expressing its policy to encourage the satisfaction if the high end housing need.

During the hearings, members of the public questioned the need for high end housing. The City finds that the speculation opined by the public did not address the evidence in the existing comprehensive plan, including the adopted buildable lands inventory, housing needs projection and allocation of needed housing, or the CIS and marketing studies offered in support of the amendments. Some testimony criticized the reliance on the CIS because as a "1990 study" it was not reasonable to rely on a 16 year old study to determine current demand. The CIS study was conducted in 1999, not 1990, and the buildable lands inventory, housing needs projection and allocation was conducted in 2003. Therefore, the relied upon evidence is current, and the mischaracterization of the CIS as being out of date undermines the credibility of the testimony challenging the amendments.

Evidence was offered showing that the average sales price for residential properties in Jefferson County in 2006 was \$167,254. It is unclear to the City what significance the participant assigned to this information. Perhaps it was offered to show that homes in Jefferson County are selling in the range that is considered high end in the Madras comprehensive plan. The City notes that evidence about prices in Jefferson County generally provides only marginal guidance on the sales prices within the City of Madras. The City also notes that average sales price evidence includes information for several other counties in central Oregon, and in every single one there is a significant increase in sales prices from 2002 to 2006. The City finds that this across the board price increase reflects the robust housing market that is well-known, and it is not indicative of the quality of housing options that are available in Madras. The City finds it significant that of all of the markets listed, Jefferson County sales prices are the lowest, which shows that Jefferson County lags behind others in the region in capturing the market for high end buyers. For example, Sunriver includes amenities such as golf courses, walking trails and a variety of housing types – the very concept that is encouraged by the amendments – and the average sales price far exceeds any of the other markets studied. Although the sales price information is interesting, the City finds that it is more reasonable to rely upon the analysis of Madras that was conducted in 2003 for the adopted buildable lands inventory, housing needs projection and allocation of needed housing and the 1999 CIS study.

In sum, the CIS is evidence that Madras can expect to attract higher-income earning households that will seek homes at higher price ranges than the homes reported in the adopted buildable lands inventory, needs projection and allocation. A summary of national studies of high-income homebuyers was submitted in support of the amendments. National studies indicate that communities with architectural consistency, ample open space and access to recreational and social amenities within the community are "very" or "extremely" important to high-income households when choosing where to live. The size of the lot is not among the community preference features that earned the "very" or "extremely" important

feature recognition in the study. Although, the amendments do not foreclose the possibility of some infill high end residential development, given the importance of amenities to high end housing, the City finds that it cannot rely on infill development on increased lot sizes in the R-1 zone to accommodate all of the high end need. Amenities such as a golf course accommodate the desire for not only recreational features, but also open space and walking trails. The importance of these desired characteristics are reflected in the comprehensive plan amendments.

In conclusion, the amendments will enhance the City's compliance with Goal 10 by encouraging the City to provide the necessary balance of housing suitable for all income levels, and will also help Madras grow into a more diverse and vibrant community.

Goal 11 (Public Facilities) – The amendments conform with Goal 11 because they are consistent with the City's wastewater system master plan and practices, and encourage the timely, orderly and efficient arrangement of public facilities and services.

Goals 12 (Transportation) and 13 (Energy Conservation) – The City finds that the amendments are not relevant to Goal 12 (Transportation) or Goal 13 (Energy Conservation). The amendments do not conclude that a UGB expansion is necessary, otherwise require the expansion of the UGB or the development of any land, so any impacts on Goals 12 and 13 are speculative, at best. The amendments have no impact on an existing or planned transportation facility, so the transportation planning rule (OAR 660-012-0060) is not triggered. For the same reasons, an exception to these goals is also not required. If the UGB is amended, the relevant goals will be addressed at that time.

Goal 14 (Urbanization) – The amendments conform with Goal 14, as amended on April 28, 2005, because they promote livability and encourage the efficient use of available land and public facilities. The amendments provide an additional tool for urban development, the MPC overlay, and encourage that future development utilize the MPC overlay to create more livable communities. Livability is promoted by the characteristics of the MPC overlay, such as the provision of generous open space, encouragement of pedestrian friendly communities and a variety of housing types.

The amendments do not conclude that a UGB expansion is necessary, or otherwise require the expansion of the UGB. No UGB amendment application is pending before the City. In light of the rapid growth in Madras and the County's adoption of a coordinated population forecast, it is likely that Madras will review its UGB in the near term. However, the amendments are not part of the UGB expansion analysis. When the time comes for reviewing the UGB, numerous goals, statutes, and rules will need to be applied, and several alternative sites will be analyzed for their suitability for inclusion in the UGB. The Council finds that the amendments are not intended to address the UGB expansion approval criteria, and do not circumvent that process.

2. There is a demonstrated need for the proposed change.

FINDING: As explained above, and incorporated herein, the existing comprehensive plan identified a need for high end housing. The Goal 10 related amendments are a policy directed at satisfying the demonstrated need, and also respond to the CIS studies that confirm the need for high end housing to accommodate the economic stimulus that the prison will create.

Additionally, the amendments respond to a number of changes in circumstances, including: the amendments to the Public Facilities inventory section, storm water drainage polices and Goal 11 policies (and also the Goal 8 and recreational sections) respond to the adoption of the City's waster water management plan; and the Goal 10 and Goal 14 related amendments respond to the revisions to Statewide Planning Goal 14 that encourage livability. The findings above address all of these needs, and are incorporated herein by reference.

OTHER ISSUES RAISED:

During the public hearings, some public testimony was provided questioning the specifics of the MPC overlay, such as minimum site size and density allowed. The City finds that these details are not relevant to the comprehensive plan amendment, and are instead issues related to the text of the MPC itself. Accordingly, the findings addressing the issues with the MPC overlay issue are found in TA 06-5. However, because TA 06-5 and PA 06-3 are closely related, the findings for TA 06-5 are incorporated herein by reference.

Some testimony was offered that the proposed amendments appeared to favor certain properties or developers. No complaint of bias was alleged, and none would be warranted. The City finds that these general complaints are not related to the approval criteria and are not meaningful comments on the policy emphasized by the amendments.

CONCLUSION:

Based on the above Findings of Fact and Conclusions of Law, the City Council concludes that the proposal to amend the City of Madras Comprehensive Plan to add new language to Section II – Inventories; Section III Goals and Policies for Goals 8, 10, 11 and 14; and Section IV Land Use Element, as provided for in Exhibit 'A', satisfies the requirements for approving the proposal because it meets all of the applicable approval criteria.

EXHIBIT 'A'

Amendments to City of Madras Comprehensive Plan

Existing text is in regular font. Amendments are underlined. Deleted text is shown as ~~striketrough~~. Breaks between sections or text in existing plan are noted with * * * and page numbers for existing sections of the comprehensive plan are noted in (parenthesis).

SECTION II

INVENTORIES

* * *

Recreation (page 33)

* * *

Desert Peaks Golf Course at Madras (9 holes) offers public golfing facilities and annual memberships. Kah-Nee-Ta Resort has a championship caliber 18 hole golf course. Madras desires to add a new 18 hole public golf course to the City's inventory of recreational opportunities.

* * *

PUBLIC FACILITIES: (page 36)

* * *

Waste Water Treatment and Effluent Disposal (page 45)

* * *

The existing Madras wastewater treatment system treats raw wastewater in facultative lagoons, stores it during the winter "non-irrigation" months, and then polishes stored wastewater together with the current lagoon effluent to Oregon DEQ Level IV quality standards for spray irrigation on a nearby golf course, Desert Peaks Golf Course. Madras currently has more wastewater effluent than the Desert Peaks Golf Course can accommodate. The City has secured additional publicly owned property for the land application of this treated effluent on the east side of Madras. This land is adjacent to both the enlarged treatment and storage ponds which are either recently constructed or under construction at this time. The most efficient methodology for this form of effluent treatment is application on a golf course, which has a high evaporation rate. The City has included this management practice in its effluent management plan filed with and approved by the Oregon Department of Environmental Quality. Irrigating this treated and stored effluent on additional golf course land compliments the millions of dollars invested by the City and is consistent with the City's wastewater system master plan and practices.

* * *

STORM WATER DRAINAGE (page 51)

* * *

POLICIES (PAGE 55)

* * *

16. The City shall continue to dispose wastewater treatment effluent at the Desert Peaks Golf Course, and has secured additional publicly owned property that the City encourages to be developed as a golf course that is suitable for irrigation with treated wastewater effluent.

Rationale: Disposal of treated wastewater effluent on publicly owned property is consistent with state policy encouraging the re-use of treated wastewater effluent. Additionally, it is a beneficial use of a waste product that reduces pressure on the City's water supply.

* * *

SECTION III

GOALS AND POLICIES

* * *

GOAL 8 - To satisfy the recreational needs of the citizens of the City and its visitors. (page 76)

POLICIES - The City shall:

A. Seek opportunities to develop the following recreational opportunities.

- 1) Tennis Courts
- 2) Handball and Racquet Courts
- 3) Swimming Pool
- 4) Bike Paths
- 5) Publicly Owned 18-Hole Golf Course
- 6) Hiking trails, public parks, play areas, and passive natural open spaces

* * *

GOAL 10 - To provide for the housing needs of the citizens of the City. (page 77)

POLICIES - The City shall:

A. Provide buildable land for a variety of housing types. The City's existing housing inventory includes a generous supply of housing that is affordable for low- and moderate income families, such as multi-family and mobile housing units. So that a reasonable housing balance can be provided and that a mix of housing types on a variety of lot sizes are available for both existing and future area residents, the City shall encourage the development of housing types that are suitable for high

income households. To be competitive with housing in the region that accommodates high income households, the encouraged housing type should include amenities appropriate for high income households, such as a golf course. Future housing should be consistent with the City's Livability Goals and Policies. With the addition of more housing targeted at high income buyers, the City will grow into a more diverse, vibrant, livable community.

1. The federal Department of Housing and Urban Development (HUD) has standard measures for income levels, based upon median family income (MFI). The income levels include, <30% of MFI is extremely low income; 30%-50% of MFI is very low income; 50%-80% MFI is low income; and 80%-120% is moderate income. HUD does not provide guidance on income levels beyond 120% of MFI. Based upon HUD's standards, the City concludes that >120% MFI is a high income household.

B. Encourage development of suitable housing to satisfy all income levels. The City's existing housing includes a generous supply of housing that is affordable for low, and moderate income families, but there is a deficit of housing that is commensurate with the financial capabilities of existing and future high income families. The Department of Corrections Facility is expected to create high income jobs (i.e., jobs that will raise household incomes in excess of 120% of the MFI), and the City desires to attract these employees (and maintain existing high income families) as residents. So that housing is available for households at all income levels, rather than only low and moderate income households, the City shall encourage the development of housing that is suitable for high income households. To be competitive with housing in the region for high income buyers, the target housing in the City should include amenities appropriate for high income households, such as a golf course. With the addition of more livable and housing suitable for high income households, the City will grow into a more diverse, vibrant community.

IMPLEMENTATION MEASURE –

The City will continue to support the affirmative fair housing marketing plan as adopted by the City. The City will also encourage the home-building industry to provide a variety of housing opportunities in sufficient quantities at affordable prices to meet the housing needs of existing and future residents. In order to provide the necessary variety of housing required by Statewide Planning Goal 10, the City's Goal 10 and related Policies, the City also establishes as a priority the provision of sufficient housing opportunities, with appropriate amenities, suitable for high income households. The City encourages this housing to be developed in accordance with the Master Planned Community Overlay zone, which requires generous open space and amenities, and encourages efficient use of land and public facilities and services, a variety of housing types, innovative designs and complete pedestrian-friendly communities.

* * *

GOAL 11 - To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. (page 78)

POLICIES - The City shall:

* * *

F. The City shall continue to dispose wastewater treatment effluent at the Desert Peaks Golf Course. The City has secured additional publicly owned property for the land application of this treated effluent on the east side of Madras. This land is adjacent to both the enlarged treatment and storage ponds which are either recently constructed or under construction at this time. The most efficient methodology for this form of effluent treatment is application on a golf course, which has a high evaporation rate. Therefore, the City encourages the development of the publicly owned land on the east side of Madras as a golf course that is suitable for irrigation with treated wastewater effluent.

* * *

GOAL 14 - To provide for an orderly and efficient transition from rural to urban land, and to provide for livable communities. (page 79)

POLICIES –

* * *

D. The City shall encourage the development of complete, livable communities that include characteristics such as: a variety of lot sizes, dwelling unit types and ownership types, open spaces and other recreational amenities, a mix of land uses, school and community facilities, connected streets, proximity to downtown and other employment centers, and development that is scaled to the pedestrian and creates a sense of place. New growth areas should be developed in accordance with the Master Planned Community Overlay zone, which requires generous open space and amenities, and encourages efficient use of land and public facilities and services, a variety of housing types, innovative designs and complete pedestrian-friendly communities. Physical barriers, such as highways, tend to disrupt complete communities and livability because they disconnect areas from downtown and result in an auto-oriented environment of sprawl along highway corridors.

SECTION IV

LAND USE ELEMENT

GENERAL DISCUSSION (page 81)

* * *

The Land Use element designates ~~six~~ seven basic land use categories. The intent is to simplify administration and implementation of the Plan. The land use categories are:

* * *

MPC Master Planned Community Overlay

BACKGROUND FOR LAND USE CATEGORY DECISIONS (page 81)

* * *

A. * * * In order to provide a correlation between the Comprehensive Plan Text and the Comprehensive Plan Map, the following information regarding the establishment of land use categories is provided.

* * *

10. MPC “Master Planned Community” Overlay

The purpose of the Master Planned Community Overlay is to foster the creation of complete communities with a range of land uses and housing types, permit the application of innovative designs, and to allow greater freedom in land development and flexibility in development standards than may be possible under the strict application of the applicable zoning provisions of this code. In permitting such design and development freedom, the intent is to encourage more efficient uses of land and public facilities and services, to address the community’s need for a variety of housing, commercial and recreational opportunities (particularly public recreational amenities) and to maintain the highest reasonable quality living environment. An approved Master Planned Community Development Plan guides future development of the subject site. All future land use approvals and development (i.e., subdivision approval) for the subject site shall be in accordance with the guidelines established in the approved Master Planned Community Development Plan.

AREAS OUTSIDE OF THE URBAN GROWTH BOUNDARY (page 85)

* * *

The City may enter into an agreement with the County that authorizes the City to have land use planning jurisdiction for areas outside of the Urban Growth Boundary. The purpose of such an agreement would be to provide flexibility to approve large, long range development projects, such as a Master Planned Community, even if portions of the property are outside of the UGB at the time of approval. Any such agreement, and approvals there under, would expressly state that no level of urban development or services could be developed until the property was included in the UGB, annexed to the City and zoned for urban development.