



Oregon
Theodore R. Kulongoski, Governor

Department of Land Conservation and Development

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(503) 373-0050
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www.lcd.state.or.us



NOTICE OF ADOPTED AMENDMENT

09/01/2009

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

FROM: Plan Amendment Program Specialist

SUBJECT: City of Gresham Plan Amendment
DLCD File Number 005-09

The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Due to the size of amended material submitted, a complete copy has not been attached. 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: Monday, September 14, 2009

This amendment was submitted to DLCD for review 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 THAT IT WAS MAILED TO DLCD. AS A RESULT, YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE ABOVE DATE SPECIFIED.

Cc: John Pettis, City of Gresham
Gloria Gardiner, DLCD Urban Planning Specialist
Jennifer Donnelly, DLCD Regional Representative
Amanda Punton, DLCD Regional Representative
Bill Holmstrom, DLCD Regional Representative

<paa> YA

FROM **2**

DLCD

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

☐ In person ☐ electronic ☐ mailed

DEPT OF

AUG 25 2009

**LAND CONSERVATION
AND DEVELOPMENT**
For DLCD Use Only

Jurisdiction: **City of Gresham**

Local file number: **CPA 09-063**

Date of Adoption: **8/18/2009**

Date Mailed: **8/24/2009**

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD? **Yes** Date: **4/23/2009**

☒ Comprehensive Plan Text Amendment

☒ Comprehensive Plan Map Amendment

☐ Land Use Regulation Amendment

☐ Zoning Map Amendment

☐ New Land Use Regulation

☐ Other:

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

Establishes the Kelley Creek Headwaters (KCH) Urbanization Plan complying with Metro Title 11; Plan Map amendment for 1 property currently within the KCH area incorporating it into the Pleasant Valley Plan District.

Does the Adoption differ from proposal? Yes, Please explain below:

Added: Metro Title 11 Compliance Report to App. 47; Introduction and Trails sections to App. 47 regarding public facility plans; KCH Urbanization Plan Policy section providing goal, policies and actiona measures; and a slight change to mapped Conceptual Trail shown on Urban Growth Diagram map.

Plan Map Changed from: **Mult Co. CUF**

to: **LDR-PV/ESRA-PV**

Zone Map Changed from:

to:

Location: **west side of KCH near PV**

Acres Involved: **18**

Specify Density: Previous: **1 unit/160 ac.**

New: **6 units/acre**

Applicable statewide planning goals:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Was an Exception Adopted? ☐ YES ☒ NO

Did DLCD receive a Notice of Proposed Amendment...

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

DLCD File No. 005-09 (17535)[15691]

DLCD file No. _____

Please list all affected State or Federal Agencies, Local Governments or Special Districts:

Metro

Local Contact: **John Pettis**

Phone: (503) 618-2778 Extension:

Address: 1333 NW Eastman Parkway

Fax Number: - -

City: **Gresham**

Zip: 97030-

E-mail Address: john.pettis@ci.gresham.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 Complete Copies (documents and maps) 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. Electronic Submittals: At least **one** hard copy must be sent by mail or in person, but you may also submit an electronic copy, by either email or FTP. You may connect to this address to FTP proposals and adoptions: webserver.lcd.state.or.us. To obtain our Username and password for FTP, call Mara Ulloa at 503-373-0050 extension 238, or by emailing mara.ulloa@state.or.us.
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 now access these forms online at <http://www.lcd.state.or.us/>. Please print on **8-1/2x11 green paper only**. You may also 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.

BEFORE THE CITY COUNCIL OF THE
CITY OF GRESHAM

IN THE MATTER OF AMENDMENTS TO)	Order No. 616
VOLUMES 1, 2, AND 3 OF THE GRESHAM)	
COMMUNITY DEVELOPMENT PLAN, AND THE)	CPA 09-063
GRESHAM COMMUNITY DEVELOPMENT PLAN)	
MAP REGARDING THE KELLEY CREEK)	
HEADWATERS URBANIZATION PLAN)	

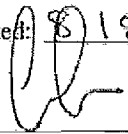
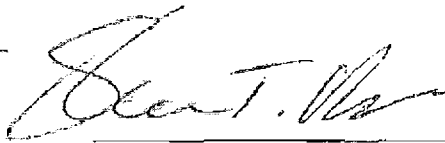
On July 7, 2009, the City Council held a public hearing to take testimony on amendments to Volumes 1, 2, and 3, of the Gresham Community Development Plan, and Gresham Community Development Plan Map regarding the Kelley Creek Headwaters Urbanization Plan.

The hearing was conducted under Type IV procedures. Mayor Shane T. Bemis presided at the hearing.

The Council closed the public hearing and approved the proposed amendments at the July 7, 2009 meeting, and a decision was made at the August 18, 2009 meeting.

A permanent record of this proceeding is to be kept on file in the Gresham City Hall, along with the original of the Order.

The Council orders that these amendments are approved, and adopts the findings, conclusions, and recommendations as stated in the attached Planning Commission Recommendation Order and staff reports.

Date: 8-18-09	
	
_____ City Manager	_____ Mayor

**BEFORE THE PLANNING COMMISSION OF THE
CITY OF GRESHAM**

TYPE IV RECOMMENDATION ORDER

CPA 09-063

A public hearing was held on June 8, 2009, upon an application to consider proposed amendments to Volumes 1, 2 and 3 of the Gresham Community Development Plan establishing the **Kelley Creek Headwaters Urbanization Plan**.


The Commission closed the public hearing at the June 8, 2009 meeting, and a final recommendation to Council was made at the June 8, 2009 meeting.

Joy Gannett, Vice-Chairperson, presided at the hearing.

A permanent record of this proceeding is to be kept on file in the Gresham City Hall, along with the original of this Type IV Recommendation Order.

The Planning Commission recommends **ADOPTION** of the proposed Gresham Community Development Code amendments to the City Council, and adopts the findings, conclusions and recommendations contained in the attached May 28, 2009 staff report, with the following changes:

NONE


VICE Chairperson


Date



MEMORANDUM

URBAN DESIGN & PLANNING
Comprehensive Planning

STAFF REPORT
TYPE IV HEARING—COMPREHENSIVE PLAN AMENDMENTS
KELLEY CREEK HEADWATERS URBANIZATION PLAN

To: Gresham Planning Commission

From: Mike Abbaté, Urban Design & Planning Director
Jonathan Harker, AICP, Comprehensive Planning Manager
John Pettis, Associate Comprehensive Planner
Brian Stahl, Water Division Manager, Environmental Services

Hearing Date: June 8, 2009
Report Date: May 28, 2009

File: CPA 09-063

Proposal: To adopt comprehensive plan amendments to Volumes 1, 2 and 3 of the Community Development Plan with:

- 1) Text amendments adding the Kelley Creek Headwaters (KCH) urbanization plan (Volume 1)
- 2) Text amendments adding a KCH policy section and updating annexation, Pleasant Valley and Springwater policies (Volume 2)
- 3) Text amendment annexation code updating reference to KCH (Volume 3)
- 4) Map amendments adding two parcels currently within the City limits to the Pleasant Valley Plan District Map (Volume 2, Appendix E, Pleasant Valley Plan Map)
- 5) Map amendments replacing Multnomah County rural zoning with Pleasant Valley Plan District designations for one parcel and LDR-7/special overlay districts designations for another parcel currently within City limits (Volume 2, Appendix C, Community Development Plan Map)

Exhibits:

- 'A' – Text Amendments Community Development Plan
- 'B' – Map Amendments, Appendix C – Community Development Plan Map, Community Development Plan:
 - Exhibit B-1, Land Use & Open Space Designations
 - Exhibit B-2, Hillside Physical Constraint District Overlay
 - Exhibit B-3, Habitat Conservation Area Overlay – Habitat Classifications
 - Exhibit B-4, Habitat Conservation Area Overlay – Habitat Values
- 'C' – Map Amendments, Appendix E – Pleasant Valley Plan District Map, Community Development Plan
- 'D' – Pre-hearing Testimony
- 'E' – Memorandum, May 28, 2009, Brian Stahl, regarding pre-hearing testimony letter from Gary P. Shepard
- 'F' – Letter, May 28, 2009, Metro, Regional Trails Program

Recommendation: Staff recommends adoption of the proposed comprehensive plan amendments.

SECTION I BACKGROUND INFORMATION

Executive Summary

The Kelley Creek Headwaters (KCH) Urbanization Plan project is on the 2009 Council Work Plan. The purpose of this project is to adopt as part of the Comprehensive Plan a set of amendments for KCH that comply with Title 11: Planning for New Urban Areas of the Metro Functional Plan and that will serve as a guide when properties of this unincorporated rural area are annexed into the City.

In December 2002, Metro brought 18,700 acres of unincorporated rural land into the Metro area Urban Growth Boundary (UGB) for future urbanization. Metro is required by the State to expand the UGB to accommodate future population growth for the next 20 years. This expansion included the 222 acre area of KCH and the adjacent southerly area that is now the City of Damascus. The KCH area was Metro's Study Area 13.

Area Description

The KCH area is located near the southwest corner of Gresham and is directly east of the Pleasant Valley Plan District. It is directly north of the Multnomah/Clackamas County line and the City of Damascus (in Clackamas Co.). It contains 220 acres of land divided into 26 tax lots and 15 ownerships. Two of the tax lots (both of which are split by the KCH area boundary) are located within the City limits as part of the 2006 Pleasant Valley annexations. The remaining tax lots are located in unincorporated Multnomah County. Of the 26 tax lots, 10 are owned by Metro. These total 99 acres and comprise 45% of the KCH area. All of the Metro owned properties are managed for open space purposes by Metro as part of their Greenspaces Program. The remaining 16 lots are owned by 14 different private parties. Of the 26 lots, 14 have single family residences (including one of the Metro parcels). The other 12 lots are unimproved.

Kelley Creek flows into the KCH area from the south (Clackamas Co.) and bisects the KCH area. It follows along the west side of Rodlun Road before flowing west into the Pleasant Valley area. Kelley Creek has several intermittent tributaries located in KCH. Much of the KCH area is wooded. Non-wooded areas are located along Rodlun Road as it passes northwest to southeast through the area and on the east side along Regner Road. The topography is very hilly with 80% of the area having slopes of 15% and greater. Areas with less than 15% slope are located on the east side of KCH, along Regner Road, and in the northwest portion near the Pleasant Valley.

There are two roads in KCH: Rodlun and Regner. Rodlun Road is classified by the City as a local street and is paved through KCH. However, once it enters KCH (from the north), it narrows from a two lane City street to a one lane County road. There are no sidewalks along any portion of this road. Regner Road is classified by the City as a Collector Street. There are no public water, wastewater or stormwater public facilities in KCH. Centennial School District serves the west half of the area and Gresham-Barlow School District the east half.

All portions of Kelley Creek Headwaters are currently zoned CFU (Commercial Forest Use) by Multnomah County. New residences are permitted only upon meeting certain conditions. The primary intent of the CFU zone is to protect forest and farm uses. Section 11.15.2042 of the Multnomah County Zoning Ordinance describes CFU, its uses and standards. Also, the SEC, Significant Environmental Concern overlay district protects natural resources, such as the water quality resource areas near Kelley Creek.

Damascus Boring Concept Plan

A previous urbanization planning effort was conducted from 2003 through 2005 for an area that included both KCH and the future City of Damascus. Clackamas County, Metro, Damascus area residents, and the cities of Happy Valley and Gresham participated in this effort. The result was the Damascus/Boring Concept Plan. For KCH this plan proposed very low density residential, 3 units per acre at flatter locations near Regner Road. Hilltop locations were recommended to develop at no more than 1 unit per acre. Steeper areas, public open space areas, and the riparian areas near creeks were identified as Conservation Areas where development would generally not be allowed. An estimated 48 additional units

could be built under this Damascus Boring Concept Plan. This plan informed the KCH project but Gresham was not required to follow its plan for KCH.

Major Steps of Planning Process

The KCH planning process consisted of the following steps:

- Entering into an intergovernmental (IGA) agreement with Metro to receive a Construction Excise Tax grant to help fund the project.
- Entering into the fifth amendment of the City and Multnomah County urban planning agreement authorizing the City to do urban planning for KCH.
- Inventory and mapping of base conditions such as existing land uses, topography, natural resources, public facilities, ownership patterns, etc.
- A field inventory of streams and wetlands by a natural resources consultant firm (Pacific Habitat Resources).
- Development and adoption of Comprehensive Plan amendments that comply with Title 11 of the Metro Urban Growth Management Functional Plan.
- An outreach effort that involved KCH property owners who helped to provide guidance for the planning effort.

Public Involvement

The key means of involving property owners and other interested parties in this planning effort is through Community Forums. The format for each forum has been:

- An open house for public viewing of maps and individual discussions with staff;
- PowerPoint presentation of draft project materials, followed by a question/answer period; and
- Concluding with individual discussions with property owners and others.

Three Community Forums were held at Gresham City Hall on Sep. 25, 2008 and March 24 and May 19, 2009. Before the forums, post cards and askGresham e-mails were sent out to the above stakeholders to announce and remind people of the meetings. They were attended by KCH property owners, residents and other interested parties. Approximately 25 members of the public attended the first two forums and 10 members attended the third forum. After each forum, a public input summary was produced and made available on the project Web site to attendees and others.

Additionally four Planning Commission work sessions were held: April 28 and Aug. 25, 2008 and Feb. 9 and April 13, 2009. The Commission reviewed and gave feedback on draft materials and took public testimony.

A project Web site was maintained throughout the process. Project information, including staff contact info, was available and the latest draft materials were posted for viewing. The public could comment and ask questions through the City's askGresham web tool. AskGresham participants were notified of community forums, Planning Commission and City Council meeting dates.

Proposed Plan

The proposed plan is that, when land is annexed into the City in the future, to apply City designations similar to those applied on lands just to the north of KCH. All lands would have a base designation of Low Density Residential District (LDR-7). This allows single family dwellings on lots with a minimum size of 7,000 sq. ft. or 6.2 units per acre. In those areas covered by the Hillside Physical Constraint District Overlay (for steep slopes) and/or the Habitat Conservation Area Overlay (for natural resource areas), density will be less.

An Open Space Overlay will be applied to the Metro owned open space properties.

The Hillside Physical Constraint Overlay District will be applied to all sloped areas (10,000 sq. ft.+) that have a slope of 15% and greater. This district limits development on slopes between 15% and 34.9% and generally prohibits development on slopes 35% and greater.

Areas identified as fish and wildlife habitat areas will be protected by the Habitat Conservation Area (HCA) Overlay. The areas shown are based on the map data provided by Metro, as refined by the City using

LIDAR topographic information. Both private and publicly owned riparian areas would be protected by the HCA and publicly owned upland habitat.

Public facilities, such as sanitary sewer and water lines, will be extended into KCH from the adjacent existing City. No new major streets are proposed. Rodlun Rd. would be improved to the Community Street standard and would include green street features. Regner Rd. would be improved to the Collector Street standard. Please refer to the attached Public Facilities Narrative for a more detailed discussion.

This map also shows in a conceptual manner that part of the East Buttes Loop trail system applies to KCH. These trails are part of the Metro Regional Trails Plan as well as the Regional Transportation Plan.

An exception to the above designation is that one far westerly property (1S3E20D, T.L 1100) is proposed to have Pleasant Valley Plan District designations. These are the LDR-PV and ESRA sub-districts, which are similar to the LDR-7 district and HCA overlay. These designations were requested by the property owner who also owns contiguous property in Pleasant Valley. As in Pleasant Valley, the Hillside Physical Constraint Overlay District will apply to slopes of 15% and greater.

Proposed Comprehensive Plan Amendments Overview

The specific amendments that are proposed to Volumes 1, 2 and 3 of the Comprehensive Plan are the following:

Volume 1 -- Findings

- Add Appendix 47 "Kelley Creek Headwaters Urbanization Plan Findings" with:
 - Background Findings (Section 1)
 - Title 11 Compliance Report (Section 2)
 - Urban Growth Diagram (Section 3)
 - Public Facilities Plan (Section 4)
 - Protection of Natural Resources (Section 5)
 - Annexation (Section 6)

Volume 2 -- Policies

- Update background findings in respect to KCH (Area 13) and Springwater for:
 - Section 10.014 Land Use Planning
 - Section 10.410.1 Urban Services Boundary & General Annexation
 - Section 10.410.2 Annexation & New Communities
- Add reference to Kelley Creek Headwaters to Goal of Section 10.410.2 Annexation & New Communities.
- Revise Section 10.700 Pleasant Valley Plan District to add findings regarding the addition of a property (State ID# 1S3E20D - 01100) to the Pleasant Valley Plan District.
- Add Section 10.900 "Kelley Creek Headwaters Urbanization Plan" with a goal, policies and action measures regarding the urbanization plan.
- Revise Pleasant Valley Plan District Map (Appendix E) to add a westerly property, State ID# 1S3E20D – 01100, to the Pleasant Valley Plan District.
- Revise Community Development Plan Map (Appendix C) to zone two parcels, State ID# 1S3E20D – 01100 and State ID# 1S3E20D - 01300 (Metro parcel), with those Plan Map designations shown on Exhibit B.

Volume 3 -- Code

- Revise Appendix 1.000, Annexations by changing "Area #13" reference to "Kelley Creek Headwaters" and "Plan Map" to "Urban Growth Diagram" (subsection A1.006.B.3).

Staff Report Organization

- Sections II and III identify those current Community Development Plan procedures and policies that apply to the proposal.
- Section IV identifies the applicable Metro Urban Growth Functional Plan (UGMFP) titles that apply to the proposal.
- Section V identifies the applicable Oregon Statewide Goals that apply to the proposal.
- Section VI contains specific findings of fact that detail how the proposal is consistent with Sections II through V:
 - Subsection A is findings of fact for the Community Development Plan procedures.
 - Subsection B is findings of fact for the Community Development Plan policies.
 - Subsection C is findings of fact for the Community Development Plan code.
 - Subsection D is findings of fact for the UGMFP Titles.
 - Subsection E is findings of fact for the Statewide Planning Goals.
- Sections VII and VIII summarize staff conclusions and recommendations.
- Exhibit 'A' consists of the text amendments amending Volumes 1, 2 and 3 of the Comprehensive
- Exhibit 'B' is the map amendment revising the Community Development Plan by designating City land use districts to the two KCH properties (State ID# 1S3E20D – 01100 and State ID# 1S3E20D - 01300) that are within the City, consistent with the Urban Growth Diagram.
- Exhibit 'C' is the map amendment that revises the Pleasant Valley Plan District Map by adding a property (State ID# 1S3E20D - 01100) to the Pleasant Valley District, consistent with the Urban Growth Diagram.

SECTION II

APPLICABLE COMMUNITY DEVELOPMENT CODE PROCEDURES

Section 11.0400	Legislative Actions
Section 11.0205	Type IV Procedure – Legislative
Section 11.0300	Public Deliberations and Hearings

SECTION III

APPLICABLE COMMUNITY DEVELOPMENT PLAN GOALS & POLICIES

Section 10.014	Land Use Planning
Section 10.100	Citizen Involvement
Section 10.221	Natural Resources
Section 10.320	Transportation
Section 10.330	Public Facilities
Section 10.410	Growth Management
Section 10.600	Housing

SECTION IV

APPLICABLE METRO URBAN GROWTH FUNCTIONAL PLAN TITLES

Title 8	Compliance Procedures
Title 11	Planning for New Urban Areas

**SECTION V
APPLICABLE OREGON STATEWIDE PLANNING GOALS**

Goal 5 Open Spaces, Scenic and Historic Areas, and Natural Resources

**SECTION VI
FINDINGS OF FACT**

The proposed Community Development Plan text amendments attached as Exhibit 'A' and the map amendments attached as Exhibit 'B' and 'C' are consistent with all applicable procedures, policies and criteria of the Community Development Plan; applicable titles of the Metro Urban Growth Management Functional Plan; and applicable Statewide planning goals as indicated in the following findings. Attachment "A" provides "*commentary*" which supplements the findings.

A. Community Development Code Procedures

1. **Section 11.0400 - Legislative Actions.** This section requires that an amendment to the Community Development Code and the Community Development Plan be a legislative action under the Type IV Procedure pursuant to this section. This section applies to this proposal, as it is an amendment to the Community Development Code and the Community Development Plan.

2. **Section 11.0205 - Type IV Procedure - Legislative.** This section requires that the Planning Commission shall hold a public hearing and make a recommendation to the Council. The Council shall hold another public hearing and make a final decision. Interested persons may present evidence and testimony relevant to the proposal. The Planning Commission and Council will make findings for each of the applicable criteria. The section also provides for a hearing process consistent with Section 11.0300. Both the Planning Commission and the City Council, at public hearings in conformance with provisions of this section, will consider this proposal. Findings are made for the applicable criteria in this report or as revised in the record.

3. **Section 11.0300 - Public Deliberations and Hearings.** For a Type IV Comprehensive Plan Amendment this section requires that hearings be scheduled, a notice published in a newspaper of general circulation in the City and a copy of the decision be mailed to those required to receive such notice. Since these amendments will expand development opportunities beyond what is allowed by the current Multnomah County rural zoning rather than limit them, a State Measure 56 notice is not required. Required notice of public hearing for these proposed text amendments has been published in the Gresham Outlook, as required by this section. The Planning Commission will make a recommendation and the Council will make a decision that will be based on findings of fact contained in this report and in the hearings record and a decision will be sent to those who participated in the hearings. A decision shall be made accompanied by findings and an order.

B. Community Development Plan Goals and Policies (Volume II)

This section identifies the Community Development Plan goals and policies applicable to the proposed comprehensive plan amendments. The text (*italicized*) of the policy is followed by corresponding findings and conclusions. The applicable policies are grouped by general categories.

1. General Goals & Policies

Section 10.014 Land Use Policies and Regulations

Goal: Maintain an up-to-date Comprehensive Plan and implementing regulations as the legislative foundation of Gresham's land use program.

Policy 1: The City's land use program will be consistent with state and regional requirements but also shall serve the best interests of Gresham.

Policy 2: The City's land use regulations, actions and related plans shall be consistent with and implement the Comprehensive Plan.

Policy 5: The City shall adopt regulations and standards to protect life and property from hazardous/harmful conditions related to land use activities. These include, but are not limited to traffic conditions, inadequate public facilities, flooding, landslides and other natural hazards.

Policy 11: The City's land use regulations shall identify and protect designated significant natural resources. These regulations shall have sufficient flexibility to allow development to adapt to unique and difficult conditions.

Policy 14: The City's public facility plans and its other facility master plans shall be coordinated with the requirements of projected growth within its urban services boundary and those Urban Growth Boundary areas that may be added to the City at a future date.

Policy 21: Council may, upon finding it is the overall public interest, initiate legislative processes to change the Comprehensive Plan text and Community Development Plan Map(s) and Development Code.

Policy 23: Gresham shall coordinate the development, adoption and amendment of its land use related goals, policies and implementing measures with other affected jurisdictions, agencies and special districts.

Findings

The general land use goal and the cited policies establish the City's intent to use its Comprehensive Plan as the basis for planning processes and resulting land use plans.

The project was initiated by its inclusion in the adopted 2008 and 2009 Council Work Plans. The purpose of this project is to adopt as part of the Comprehensive Plan a set of amendments for KCH that comply with Title 11: Planning for New Urban Areas of the Metro Functional Plan and that will serve as a guide when properties of this rural area are annexed into the City. This project includes the following major products required by Title 11:

- Urban Growth Diagram maps which show proposed land use designations;
- Measures to protect natural resources, including steep slopes;
- A public facilities concept plan that describes the public facilities (transportation, sanitary sewers, water, etc.) that are needed to serve urban development;
- A description of the City's annexation requirements; and
- Findings demonstrating compliance with Title 11.

During the research and analysis phase of the KCH project, existing land uses, topography, natural resources, public facilities, and ownership patterns were inventoried and mapped. Also, the Damascus/Boring Concept Plan was analyzed regarding its proposed designations for KCH and its impact on future development potential. Comments and direction on this project phase was sought from property owners and interested public at the September 25, 2008 Community Forum.

Land Use Approaches Considered

During the alternatives development and selection phase of the project three different approaches to designating land uses were considered:

1. Develop and apply zoning districts that correspond to the Damascus/Boring Concept Plan designations. This plan proposed very low density residential, 3 units per acre, at flatter locations near Regner Road. Hilltop locations were recommended to develop at no more than 1 unit per acre. Steeper areas, public open space areas, and the riparian areas near creeks were identified as Conservation Areas where development would generally not be allowed. Development according to this plan would yield 48 additional dwelling units at build-out in KCH.

2. Apply the Pleasant Valley Plan District designations. These would include the LDR-PV sub-district that allows 5.3 to 7.9 dwelling units per acre and the ESRA designation to protect natural resources. Development in Pleasant Valley is intended to be designed, through the master planning process, as part of individual neighborhoods. These are connected to other neighborhoods, parks, schools, employment areas and the Town Center by a well defined system of streets and pedestrian paths. Most of the KCH area is well removed from the planned locations of the Pleasant Valley neighborhoods, Town Center and other amenities. Providing adequate street and pedestrian path connections to Pleasant Valley would be problematic because of the steep topography and stream network. This would make it difficult for KCH to be integrated into the neighborhood fabric of Pleasant Valley.
3. Apply the zoning and overlay districts that currently apply to the adjacent existing City. The KCH boundary has far more exposure to the existing City, located to the north and east, than to Pleasant Valley. This approach was suggested by many of the KCH property owners at the September 25 community forum. These designations would apply to KCH:
 - A base zoning of Low Density Residential (LDR-7) for all properties.
 - The Hillside Physical Constraint Overlay District for steep slope areas. This overlay also applies to northerly Gresham Butte in the City.
 - The Habitat Conservation Area Overlay District for natural resource areas. The HCA Overlay and maps were recently adopted to comply with Metro Title 13 requirements and are based on the Metro Title 13 Model Ordinance. It allows limited development.

Recommended Approach

Alternative #3 was used as the basis for the KCH land use designations. As shown on the draft Urban Growth Diagram, the following designations are proposed:

Map No. 1: Proposed Land Use Designation & Public Facilities

- The Low Density Residential District (LDR-7) would be applied to all properties. This zoning allows single family dwellings on lots with a minimum size of 7,000 sq. ft. or 6.2 units per acre. In those areas covered by the Hillside Physical Constraint District Overlay (for steep slopes) and/or the Habitat Conservation Area Overlay (for natural resource areas), density will be less.
- The Open Space Overlay will be applied to the Metro owned open space properties.
- Public facilities, such as sanitary sewer and water lines, will be extended into KCH from the adjacent existing City. No new major streets are proposed. Rodlun Rd. would be improved to the Community Street standard and would include green street features. Regner Rd. would be improved to the Collector Street standard. Please refer to the attached Public Facilities Narrative for a more detailed discussion.
- This map also shows in a conceptual manner that part of the East Bultes Loop trail system applies to KCH. These trails are part of the Metro Regional Trails Plan as well as the Regional Transportation Plan.

Maps No. 2A & 2B: Habitat Conservation Area Overlay District

- These maps show fish and wildlife habitat areas that will be protected by the Habitat Conservation Area (HCA) Overlay. The areas shown are based on the map data provided by Metro, as refined by the City using LIDAR topographic information. Both private and publicly owned riparian areas would be protected by the HCA and publicly owned upland habitat.
- Map 2A shows the habitat values (high and moderate) that come into play when the specific or clear and objective HCA standards are used by an applicant.
- Map 2B shows the HCA classifications for the riparian and upland habitats and the Title 3 Water Quality Resource Areas.

Map No. 3: Hillside Physical Constraint Overlay District

- The Hillside Physical Constraint Overlay District will be applied to all sloped areas (10,000 sq. ft.+) that have a slope of 15% and greater. This district limits development on slopes between 15% and 34.9% and generally prohibits development on slopes 35% and greater.

The far westerly property (1S3E20D, T.L 1100) is proposed to have Pleasant Valley Plan District designations. These are the LDR-PV and ESRA sub-districts, which are similar to the LDR-7 district and HCA overlay. They were requested by the property owner who also owns contiguous property in Pleasant Valley. As in Pleasant Valley, the Hillside Physical Constraint Overlay District will apply to slopes of 15% and greater.

It is estimated that applying the above designations to KCH would provide a development capacity of approximately 160 units. This approach was presented to the public at the March 24, 2009, community forum and was generally supported. It was also presented to the Planning Commission at their April 13, 2009, work session and the City Council at their April 21, 2009, work session. Both bodies endorsed the approach.

As required by State and Metro regulations a draft of the proposed amendments were sent to the Oregon Development and Land Conservation Department (DLCD) and to Metro 45 days prior to the scheduled June 8 Planning Commission hearing.

Conclusion

The proposed amendments carry out the Council initiated KCH Urbanization Plan project that is intended to comply with Metro Title 11 requirements.

Policies 1 and 2 are addressed by proposed text and map amendments that respond to the requirement to comply with Title 11 and provide an urbanization plan that will serve as a guide for land use, natural resource protection and provision of public facilities when KCH properties are annexed into the City. The findings of this staff report demonstrate compliance with applicable state and regional requirements as well as applicable City Comprehensive Plan policies.

Policies 5 and 11 are addressed by the above application of the Habitat Conservation Overlay to protect significant fish and wildlife habitat and the Hillside Physical Constraint District Overlay to limit development on steep slopes. The development restrictions of these overlays as well as a description of other measures that will be taken to protect natural resources are described in Section 5 of proposed Appendix 47 (Vol. 1 amendment).

Policy 14 is addressed by the public facility plan of Section 4 of Appendix 47. It proposes urban services that are sufficient to accommodate the estimated development potential of 160 dwelling units.

Policy 21 is addressed because the City Council initiated these amendments by including the KCH Urbanization Plan project as part of its 2008 Work Plan and continuing it in the 2009 Work Plan.

Policy 23 is addressed through the notice of the proposed amendments to DLCD and Metro; by coordination with Metro on certain Title 11 provisions; by coordination with the Centennial and Barlow School districts, and coordination with the City of Damascus.

The proposal is consistent with the applicable general goals, policies and action measures listed in this section.

2. Citizen Involvement Policies

Section 10.100 - Citizen Involvement

Goal: The City shall provide opportunities for citizens to participate in all phases of the planning process by coordinating citizen involvement functions; effectively communicating information; and facilitating opportunities for input.

Policy 1: The City shall ensure the opportunity for citizen participation and input when preparing and revising policies, plans and implementing regulations.

Policy 6: The City shall ensure that technical information necessary to make policy decisions is readily available.

Policy 7: The City shall facilitate involvement of citizens in the planning process, including data collection, plan preparation, adoption, implementation, evaluation and revision.

Policy 10: The City shall ensure the opportunity for the public to be involved in all phases of planning projects and issues.

Findings

The public involvement goals and policies establish the City's intent that its citizens have meaningful opportunities throughout a planning project to be informed and to affect proposals.

A public participation plan was created as part of the project work plan and reviewed with the Council on May 20, 2008. Elements of the public participation plan include:

- Staff distributed information on the project at the Neighborhood Association Fair on February 6, 2008, and on April 29, 2009.
- Staff distributed information on the project at the Farmers' Market on May 31, 2008.
- Three Community Forums were held: September 25, 2008, and March 24 and May 19, 2009. Summaries of the forums were made available to forum participants.
- Information on the project has been made available at other Comprehensive Planning workshops.
- The askGresham e-mail tool has been used to alert interested parties when new materials are available on the Web site and when upcoming meetings will occur.
- Project information has been available on the City's Web site and at the Urban Design & Planning office. The Web site is www.greshamoregon.gov.
- Articles on the project have been published in the Neighborhood Connections newsletter, Gresham newsletter and the Council Connections.

Planning Commission work sessions have been held throughout this process. The Commission discussed the project on April 28 and August 25, 2008, and February 9 and April 13, 2009. The Commission reviewed and gave feedback on draft materials and took public testimony.

Conclusion

The Citizen Involvement Goal (10.100) and related policies is met by the combination of community forums, mailings and meetings as well as providing information on the proposal on the City Web site.

The proposal is consistent with the applicable citizen involvement goals and policies listed in this section.

3. Natural Resources Policy

Section 10.221 Natural Resources, Fish and Wildlife Habitat, Water Resources and Ecologically and Scientifically Significant Areas

Policy: It is the policy of the City to assist in protecting the quality and quantity of the following resources:

- 1. Fish and wildlife habitats*
- 2. Visual resources (scenic views and sites)*
- 3. Water resources*
- 4. Ecologically and scientifically significant areas*
- 5. Mineral and aggregate resources*
- 6. Energy sources*
- 7. Significant and unique natural features, such as major stand of trees*

Findings

The Natural Resources Policy states the City's intent to protect those resources listed.

The following natural features have been identified, mapped and proposed for protection in KCH:

- Habitat Conservation Areas, fish and wildlife habitat (UGD Maps 2A & 2B)
- Water Quality Resource Areas (UGD Map 2B)
- Areas with steep slopes of 15% and greater (UGD Map 3)

The Habitat Conservation Areas (HCA) and Water Quality Resource Areas (WQRA) were identified based on Metro maps and methodology. This was supplemented by a natural resource inventory that verified the presence of streams, stream types and wetlands within the area. HCA areas near perennial/intermittent streams and on publicly owned Metro properties, as well as WQRA areas, will be protected by the City's HCA Overlay District. This overlay was adopted in 2008 in order to comply with Metro fish and wildlife habitat protection requirements. The ESRA – PV sub-district (instead of HCA Overlay) will be applied to the property that is proposed to be added to the Pleasant Valley Plan District. The ESRA standards were found by Metro to be in compliance with their habitat protection requirements.

Steep sloped areas (15% +) will be protected with the Hillside Physical Constraint District Overlay. This overlay limits development on steep slopes. The greater the slope, less development is allowed.

Section 5 of proposed Appendix 47 gives more information about the proposed approach to protect natural resources in KCH.

Conclusion

The Natural Resource Policy (10.221) is addressed by the proposed urbanization plan that will protect identified natural resources.

4. Transportation & Public Facilities Goal

Section 10.320 Transportation System

Goal: Develop and promote a balanced transportation system that provides a variety of travel choices and reduces reliance on automobiles.

Findings

No new major roads are proposed because of topographic constraints and limited development potential. The Public Facilities Plan (PFP) does, however, recommend improving the two main roads that serve the area – Rodlun Rd. and Regner Rd. (222nd Dr.). Rodlun Rd. is proposed to be a Community Street with two travel lanes, sidewalks and bike paths. Regner Rd is proposed to be a Collector Street (same as in the City) with two travel lanes, a center turn lane, sidewalks and bike paths. A system of local streets, connecting to Regner and Rodlun, would be developed as development of KCH progresses.

The PFP also shows in a conceptual manner the part of the East Buttes Loop regional trail that applies to KCH. The East Buttes Loop, including the KCH segment, is part of the Metro Regional Trails Plan as well

as the RTP. The KCH segment would connect the Pleasant Valley segment of the trail with the Scouter Mountain Trail that will come from southerly Happy Valley and Damascus. It will also provide an extension that will be extended north through the existing City (east of Gresham Butte) and ultimately connect to the Springwater Trail. The proposed trail is the only regional transportation facility that is being proposed by the KCH urbanization plan. As such the requirements of OAR Chapter 660, Division 11 apply and the PFP in accordance with these provisions gives a cost estimate for the trail and discusses funding sources, etc.

Conclusion

The Transportation System Goal and Policy 2 (10.320) are met by proposing a transportation system that addresses all transportation modes.

Section 10.330 Public Facilities

General Policy: It is the City's policy that development will coincide with the provision of adequate public facilities and services including access, drainage, water and sewerage services.

Findings

The proposed urbanization plan includes a Public Facilities Plan (PFP) that shows how urban services will be extended into KCH in order to support development. The PFP is fully discussed in Section 4 of Appendix 47. It addresses water and wastewater services, stormwater management and transportation facilities, including regional trails. For each element it includes description/assessment of the existing public facilities; a system analysis that describes the public facility projects needed to support the proposed land uses; a summary of future needs, a map showing the location of the future facilities, a description of funding sources and recommended policies and action measures regarding future provision of the facility. All needed public facilities will be required at the time of development, as required by the Community Development Code.

Conclusion

The Public Facilities Policy (10.33) is met by the proposed Public Facilities Plan which describes how public facilities will be provided to KCH.

5. Growth Management Policy

Section 10.410 Growth Management

Policy: It is the policy of the City to promote an orderly growth pattern within its financial capabilities to provide services and facilities while seeking to exercise land use controls in future service areas.

Findings:

This policy is met by the following:

- Annexation and development of KCH would be an orderly extension of the City's growth pattern. KCH is a relatively small area that is surrounded on three sides by Gresham. Utilities can be extended into the area via Rodlun and Regner roads which are existing utility corridors.
- Construction of most of the public facilities will be financed by developers. Police and fire services will be provided from existing City facilities.
- As provided for in the City/County Urban Planning Area Agreement, the City is exercising its land use planning authority in KCH by adopting an urbanization plan that shows future land uses.

Conclusion

The Growth Management Policy (10.410) is met because urbanization of KCH would be an orderly extension of the City, there will be no inordinate financial obligation on the City to provide services and adoption of the urbanization plan will allow the City to exercise its land use authority.

6. Housing Policy

Section 10.600 Housing

Goal: Ensure adequate quality housing for existing and future Gresham residents.

Policy #8: The City shall ensure that residential densities are appropriately related to locational characteristics and site conditions, including existing land use patterns, topography, transportation and public facilities, natural hazards and natural resources.

Findings

The urbanization plan supports the above goal by proposing to add housing capacity to KCH at approximately 160 units. The plan complies with Policy #8 by proposing a housing density that is appropriate given the extensive topographic and natural resource constraints. Page 14 of Appendix 47 describes how the development potential for KCH was calculated. This potential reflects the application of the Hillside Physical Constraint Overlay and the HCA Overlay districts that are shown on the UGD maps.

Conclusion

The Housing Policy (10.600) is met because the urbanization plan proposes to add housing capacity to KCH in a way that recognizes the topographic constraints and the need to protect natural resources

D. Metro Urban Growth Management Functional Plan

Title 8: Compliance Procedures

Findings

Section 3.07.820 of this title requires that at least 45 days prior to the first evidentiary hearing on an amendment to a Comprehensive Plan or land use regulation that the City submits the proposed amendments to Metro. Metro may review the amendments and can request that the City provide an analysis of the compliance of the amendment with the Functional Plan.

The City submitted the proposed amendments to Metro on April 23, 2009 which was at least 45 day prior to the first evidentiary hearing of June 8, 2009. No comments or request for an analysis have been received.

Conclusion

The City has submitted the proposed amendments to Metro at least 45 days prior to the first evidentiary hearing as required by Title 8.

Title 11: Planning for New Urban Areas

Findings

Title 11 has requirements about what an urbanization plan is to include. Section 2 "Metro Title 11 Compliance Report" of Appendix 47 describes how the plan meets the Title 11 performance standards or approval criteria. In addition, it also discusses how it meets the special conditions that Metro Council placed on KCH (Area 13) and other areas when they were brought into the Urban Growth Boundary in 2002.

Conclusion

Section 2 of Appendix 47 demonstrates compliance with Title 11.

E. Oregon Statewide Planning Goals

Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces

Findings

Statewide Planning Goal 5 requires local governments to adopt programs and standards to protect natural resources such as wetlands, streams and riparian areas. As indicated in the findings for the City's Natural Resource Policy, fish and wildlife habitat areas have been identified/mapped and will be protected with the HCA Overlay and ESRA sub-district (for parcels to be added to PV). This approach to habitat identification and protection is consistent with the regional habitat protection program, which was acknowledged by the state to meet Goal 5 requirements.

Conclusion

The proposed urbanization plan complies with Statewide Planning Goal 5

**SECTION VII
CONCLUSION**

The proposed comprehensive plan amendments attached as Exhibits 'A', 'B' and 'C' are consistent with applicable criteria and policies of the Community Development Plan, applicable Metro Functional Plan titles and applicable Oregon Statewide Planning Goals as indicated by findings contained or referenced in Section VI of this staff report.

**SECTION VIII
RECOMMENDATION**

Staff recommends adoption of the proposed comprehensive plan amendments as contained in attached Exhibits 'A', 'B' and 'C'.

End of Staff Report



MEMORANDUM

URBAN DESIGN & PLANNING
Comprehensive Planning

ADDENDUM STAFF REPORT
TYPE IV HEARING—COMPREHENSIVE PLAN AMENDMENTS
KELLEY CREEK HEADWATERS URBANIZATION PLAN

To: Mayor Bemis and Members of the Council

From: Mike Abbaté, Urban Design & Planning Director
Jonathan Harker, AICP, Comprehensive Planning Manager
John Pettis, Associate Comprehensive Planner

Hearing Date: July 7, 2009

Report Date: June 19, 2009

File: CPA 09-063

On June 8, 2009 the Planning Commission held a public hearing on the proposed Comprehensive Plan amendments relating to the Kelley Creek Headwaters (KCH) Urbanization Plan. The Planning Commission unanimously recommended that the Council approve the amendments. At the meeting, the Planning Commission and Mr. Gary Shepherd, an attorney representing several KCH property owners, raised several issues regarding the regional trails proposed for KCH. These trails are the East Buttes Loop and Scouter Mountain trails which are shown in Attachment "F" of the Council Bill.

The East Buttes Loop and Scouter Mountain trails are part of the Metro Regional Trails Plan and Regional Transportation Plan. The East Buttes Loop Trail starts at Powell Butte in Portland and extends east through Pleasant Valley and KCH and then connects to the northerly Springwater Trail. The Scouter Mountain Trail originates in Happy Valley, travels north through Damascus and then connects to the East Buttes Loop Trail in KCH. As with all the trails shown on the Regional Trails Plan, the alignments are conceptual and subject to further study during a follow-up master planning process involving Metro/City staff and property owners. As discussed at the Planning Commission hearing, Metro and the City do not require property owners to dedicate or otherwise provide areas for regional trails.

The purpose of this staff report addendum is to add findings and documentation that further address the regional trails related issues and questions raised at the June 8 hearing. In addition, there is a recommendation to add language to proposed Policy 7 (regional trails policy) of the Volume 2 Comprehensive Plan amendments.

This addendum report will address these issues and make recommendations. The addendum report format is as follows: **Issue** – a statement of the issues; **Findings** – a staff finding; and a **Recommendation** in the case of Policy 7. Proposed new language is underlined.

Issue 1: Further documentation is provided supporting statements by Metro staff in their 5/28/09 letter to the Planning Commission and in their testimony at the June 8 Planning Commission hearing. Metro staff stated that Metro uses a “willing seller” approach in acquiring land for regional trails and does not use condemnation or other methods to force dedication of trails.

Findings:

Metro staff have provided a copy of Metro Council Resolution No. 06-3672B which supports the statements of Metro staff. When it adopted this resolution in 2006, Metro Council referred the 2006 Natural Areas Bond Measure to the region's voters who then passed it in November of that year. This bond measure provides funds for Metro's acquisition of natural areas and to acquire trail corridors identified in its Regional Trails Plan. Paragraph No.2, near the bottom of page 2 of the resolution, states:

"No Bond Measure funds shall be used to condemn or threaten to condemn land or interests in land, and all acquisitions of land or interests in land with Bond Measure funds shall be on "willing seller" basis."

Issue 2: Copies of the Metro descriptions of the East Buttes Loop and Scouter Mountain trails are provided to support Metro and City staff statements that the trails are “conceptual”. A more defined alignment is determined through a master planning process involving property owners.

Findings:

Copies of the Metro maps showing the East Buttes Loop and Scouter Mountain trails are provided in Attachment “F” of the Council Bill. The maps cover a large part of the region and do not show details such as property ownerships. The only descriptions of the trails are found in Metro's “Regional Trails & Greenways” document (pg. 8), which are:

East Buttes Loop Trail. Located in the area south of the Springwater Corridor, this trail will begin at Powell Butte, loop through a number of recently acquired open space properties and back to the Springwater Corridor.

Scouter Mountain Trail. This trail will provide a larger loop than the East Buttes Loop connecting Powell Butte at the Springwater Corridor to Scouter Mountain to the south and back again to the Springwater further to the east.

In addition, Metro Council referred to the conceptual nature of the trails when they added the above trails and other future trails to the Regional Trails & Greenways Plan Map in 2002 through Metro Resolution No. 02-3192. The eighth paragraph of the resolution states: “*all trail alignments shown on the Regional Trails and Greenways Plan Map are conceptual only*”. A copy of this resolution is attached to the Metro letter to the Planning Commission.

Issue 3: At the Planning Commission hearing, Mr. Shepherd stated that a developer in Gresham was required to dedicate an area on a property for a trail even though it was shown as “conceptual”.

Findings:

Mr. Shepherd was referring to a developer, Mr. James Leeper, who spoke at the June 4 Community Forum about his proposed subdivision development in Pleasant Valley and the City's requirement for trail dedication. Pleasant Valley requirements are different than for other areas of the City and will not apply to KCH. The additional points are made in response:

- The situation cited in Pleasant Valley is unique and different than what will be the case for KCH. Pleasant Valley, unlike other parts of the City, is subject to a master planning requirement that requires developers or the City (if City-initiated) to develop a plan that will guide the design and development of neighborhoods. The purpose of the master plan is to refine the Pleasant Valley Concept Plan in respect to land uses, housing variety, transportation facilities, natural resource protection and the other features shown on the concept plan. The master plan must be approved by the Planning Commission as a Type III development permit before a development permit can be issued for a site that is within the master plan area. Unlike Pleasant Valley, there will be no master plan requirement for KCH.
- The Planning Commission approved the Pleasant Valley Phase I Master Plan (Master Plan) developed by staff in conjunction with property owners for the Phase 1 Annexation Area of Pleasant Valley, which included Mr. Leeper's property. The Master Plan included a conceptual trail alignment for the East Buttes Loop Trail that is mainly shown near Kelley Creek, along the outer edge of the ESRA sub-district. The trail location was consistent with the general trail alignment shown on the Pleasant Valley Concept Plan.
- Prior to his subdivision application submittal, staff met several times with Mr. Leeper to discuss three locational options for incorporating the trail alignment in his subdivision plan before he submitted his permit application. These options are shown on the Master Plan. Mr. Leeper agreed to show an easement for the trail in a corner of his property, next to the ESRA, according to one of the options. Mr. Leeper then submitted his subdivision application which included the trail easement and the application was approved.
- Appendix 5 of the Comprehensive Plan addresses the public facilities requirements for development. In the case of KCH and other areas of the City, Appendix 5 does not allow the City to make findings in development permit decisions regarding the adequacy of public facilities for trails, parks and open spaces. This is because these facilities are not listed among the facilities required for development, which are sanitary sewer, stormwater facilities, water facilities and streets. Trails, parks and open spaces would need to be added to the list of required public facilities in Appendix 5 through the Comprehensive Plan amendment process in order for the City to require them in developments.

Issue 4: Proposed Policy 7 of Section 10.900, Exhibit A addresses regional trails in KCH. The Planning Commission and Mr. Shepherd questioned whether this policy is clear about the placement of trails being voluntary on the part of property owners and that there will be no condemnations to secure trail easements, as indicated by staff.

Findings:

Policy 7 currently states that the trails shown on the KCH urbanization plan are conceptual, that final alignments will involve negotiations with property owners, and that trail placement will avoid, where feasible, the most developable parts of properties. Although it may be implied, it does not explicitly state that the trails are voluntary and that the City will not condemn property for trail rights-of-ways. In addition, Mr. Shepherd suggested adding language about changing the KCH trails plan in the future to reflect changes in the Regional Trails Plan or any other changes in trail alignments that might result from Metro and/or City trail planning efforts and also reflect the location of built trails.

Recommendation:

Staff recommends that Policy 7 be amended to address the above concerns. Policy 7 is stated below with the proposed new language underlined.

Policy 7:

Trail placement in Kelley Creek Headwaters, as shown on the Urban Growth Diagram, is conceptual and is based on the East Buttes Loop Trail and Scouter Mountain Trail concepts of the Metro Regional Trails Plan.

- a. *The final trail alignments are subject to negotiation with affected property owners. The City will not require property owners to dedicate land for trails nor will it use condemnation to acquire rights-of-ways for trails.*
- b. *Trail placement will, where feasible, avoid the unconstrained (most developable) parts of properties.*
- c. *Urban Growth Diagram Map No. 1 which shows regional trails shall be amended to reflect changes to conceptual trail alignments in the Metro Regional Trails Plan or changes that occur as a result of future Metro/City trails master planning efforts and to accurately reflect the locations of built trails.*

It is also recommended that above amended Policy 7 be added to Urban Growth Diagram Map #1 of Appendix 47, Exhibit A (pg. 26) which shows the location of the regional trails.

Proposed new language is double-underlined;
Proposed deleted language is ~~stricken~~.

CB 13-09

ORDINANCE NO. 1679

AMENDMENT TO VOLUMES 1, 2 AND 3 OF THE GRESHAM COMMUNITY
DEVELOPMENT PLAN, AND THE GRESHAM COMMUNITY DEVELOPMENT PLAN
MAP REGARDING THE KELLEY CREEK HEADWATERS URBANIZATION PLAN

THE CITY OF GRESHAM DOES ORDAIN AS FOLLOWS:

Section 1. Volume 1, Appendix 47 is added as follows:

APPENDIX 47

Kelley Creek Headwaters Urbanization Plan Findings

Section 1: Background

Introduction

The purpose of this document is to summarize the planning process, public involvement and the major elements of the Kelley Creek Headwaters (KCH) Urbanization Plan. It amends Volume 1 -- Findings of the Gresham Comprehensive Plan. These findings summarize the factual basis for the proposed goal, policies and action measures that are in Volume 2 -- Policies of the Comprehensive Plan.

The urbanization plan will guide the development of Kelley Creek Headwaters. It meets the requirements of Title 11: Planning for New Urban Areas of the Metro Urban Growth Management Functional Plan and consists of the following:

Amendments to Volume 1: Findings of the Comprehensive Plan

- Background Findings (Appendix 47, Section 1)
- Title 11 Compliance Report (Appendix 47, Section 2)
- Urban Growth Diagram (Appendix 47, Section 3)
- Public Facilities Plan (Appendix 47, Section 4)
- Protection of Natural Resources (Appendix 47, Section 5)
- Annexation (Appendix 47, Section 6)

Amendments to Volume 2: Policies of the Comprehensive Plan

- Updated background findings in respect to KCH (Area 13) and Springwater for:
 - Section 10.014 Land Use Planning
 - Section 10.410.1 Urban Services Boundary & General Annexation
 - Section 10.410.2 Annexation & New Communities
- Added reference to Kelley Creek Headwaters to Goal of Section 10.410.2 Annexation & New Communities.
- Revised Section 10.700 Pleasant Valley Plan District to add findings regarding the addition of the above westerly property (Property ID# 340790) to the Pleasant Valley Plan District.

- Added Section 10.900 “Kelley Creek Headwaters Urbanization Plan” with a goal, policies and action measures regarding the urbanization plan.
- Revised Pleasant Valley Plan District Map (Appendix E of Vol. 2) to add a westerly property (Property ID# 340790) to the Pleasant Valley Plan District.

Amendment to Volume 3: Community Development Code of the Comprehensive Plan

- Revised Appendix 1.000, Annexations by changing “Area #13” reference to “Kelley Creek Headwaters” and “Plan Map” to “Urban Growth Diagram” (subsection A1.006.B.3).

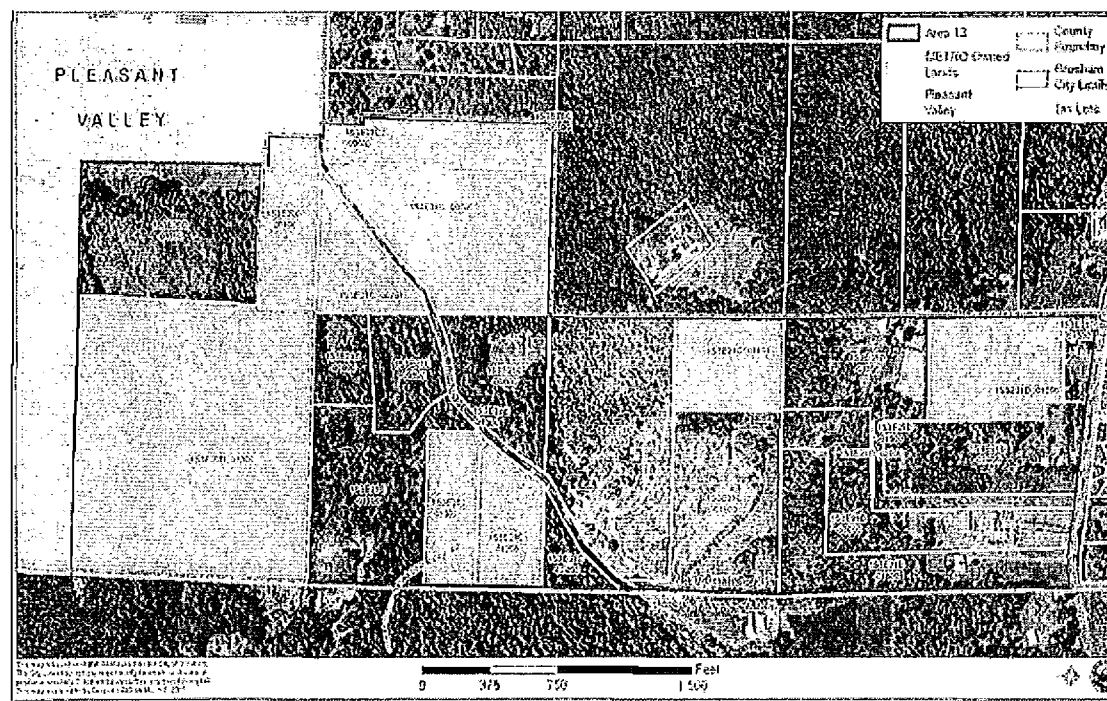
Plan Area Description

The Kelley Creek Headwaters (KCH) area is located near the southwest corner of Gresham and is directly east of the Pleasant Valley Plan District. It is directly north of the Multnomah/Clackamas County line and the City of Damascus (in Clackamas Co.).

KCH contains 220 acres of land divided into 26 tax lots and 15 ownerships. Two of the tax lots (both of which are split by the KCH area boundary) are located within the City limits as part of the 2006 Pleasant Valley annexations. The remaining tax lots are located in unincorporated Multnomah County and are bounded on the north and east by the City of Gresham.

Of the 26 tax lots, 10 are owned by Metro. These total 99 acres and comprise 45% of the KCH area. All of the Metro owned properties are managed for open space purposes by Metro as part of their Greenspaces Program. The remaining 16 lots are owned by 14 different private parties. Of the 26 lots, 14 have single family residences (including one of the Metro parcels), and 12 are vacant.

Kelley Creek Headwaters (formerly Area 13)



Natural Features

Kelley Creek flows into the KCH area from the south (Clackamas Co.) and bisects the KCH area. It follows along the west side of Rodlun Road before flowing west into the Pleasant Valley Plan District area. Kelley Creek has several intermittent tributaries located in KCH.

Much of the KCH area is wooded. Non-wooded areas are located along Rodlun Road as it passes northwest to southeast through the area and on the east side along Regner Road.

The topography is very hilly with 80% of the area having slopes of 15% and greater. Areas with less than 15% slope are located on the east side of KCH, along Regner Road, and in the northwest portion near the Pleasant Valley Plan District.

Public Facilities

Rodlun Road is classified by the City as a local street and is paved through KCH. However, once it enters KCH (from the north), it narrows from a two lane City street to a one lane County road. There are no sidewalks along any portion of this road. Regner Road is classified by the City as a Collector Street. No public facilities extend into KCH. Water and sewer is currently provided by individual wells and septic systems. Centennial School District serves the west half of the area and Gresham-Barlow School District the east half.

Existing Zoning

All portions of Kelley Creek Headwaters are currently zoned CFU (Commercial Forest Use) by Multnomah County. New residences are permitted only upon meeting certain conditions. The primary intent of the CFU zone is to protect forest and farm uses. Section 11.15.2042 of the Multnomah County Zoning Ordinance describes CFU, its uses and standards. Also, the SEC, Significant Environmental Concern overlay district protects natural resources, such as the water quality resource areas near Kelley Creek.

Purpose of Urbanization Plan

In December 2002, Metro brought 18,700 acres of previously unincorporated rural land into the Metro area Urban Growth Boundary (UGB) for future urbanization. Metro is required by the State to expand the UGB to accommodate future population growth for the next 20 years. This expansion included the 222 acre area of KCH (Area 13) and the adjacent southerly area that is now the City of Damascus.

Before urban development can happen in KCH a comprehensive planning effort is required that results in a plan to guide future urban development. Oregon state law (Planning Goal 14) requires planning for newly urbanized areas in order to ensure orderly, efficient growth. Title 11: Planning for New Urban Areas of the Metro Urban Growth Management Functional Plan has requirements for the urbanization plan that the City needs to address and adopt into its comprehensive plan.

A previous urbanization planning effort was conducted from 2003 through 2005 for an area that included both KCH and the future City of Damascus. Clackamas County, Metro, Damascus area residents, and the cities of Happy Valley and Gresham participated in this effort. The result was the Damascus/Boring Concept Plan. This plan informed later planning efforts but Gresham was not required to follow it if it developed its own urbanization plan for KCH. In 2006, Gresham City Council directed staff to develop a KCH urbanization plan. As a first step in this process, Council also directed staff to develop an IGA agreement with Metro that would allow Gresham to access Metro Construction Excise Tax funds to help fund the project. Also, the City and Multnomah County amended the IGA to add KCH to those urban reserve areas where the City is authorized to do urban planning. Both IGAs were signed in 2007/2008.

and the urbanization planning project began in early 2008. This plan will serve as a guide for urban development, including future land use, the provision of public facilities and protection of natural resources after properties are annexed into the City.

Major Steps of Planning Process

- Inventory and mapping of base conditions such as existing land uses, topography, natural resources, public facilities, ownership patterns, etc.
- A field inventory of streams and wetlands by a natural resources consultant firm (Pacific Habitat Resources).
- Development and adoption of Comprehensive Plan amendments that comply with Title II of the Metro Urban Growth Management Functional Plan, including:
 - Urban Growth Diagram maps, which show proposed land use designations (zoning) for KCH;
 - Measures to protect natural resources;
 - A public facilities concept plan that describes the public facilities (sanitary sewers, water, stormwater facilities, etc.) that are needed to serve urban development; and
 - A description of the City's annexation requirements.
- An outreach effort that involved KCH property owners who helped to provide guidance for the planning effort.

Public Involvement

The key means of involving property owners and other interested parties in this planning effort is through Community Forums. The format for each forum has been to begin with an open house for public viewing of maps and individual discussions with staff, a staff PowerPoint presentation of draft project materials, followed with a question/answer period and then concluding with more discussions with individual property owners and others.

Three Community Forums were held at Gresham City Hall: September 25, 2008, March 24, 2009 and May 19, 2009. They were attended by KCH property owners, residents and other interested parties. Before the forums, post cards and Ask Gresham e-mails were sent out to the above stakeholders to announce and remind people of the meetings. Approximately 25 members of the public attended the first two forums and 10 members attended the third forum. After each forum, a public input summary was produced and made available on the project web site to attendees and others.

Four Planning Commission work sessions were held for reviewing draft materials: April 28 2008, August 25 2008, February 9 2009 and April 13 2009. The Commission reviewed and gave feedback on draft materials and took public testimony.

A project web site was maintained throughout the process. Project information, including staff contact info, was available and the latest draft materials were posted for viewing. Public could comment and ask questions through the City's Ask Gresham web tool. Ask Gresham participants were notified of community forums, Planning Commission and City Council meeting dates.

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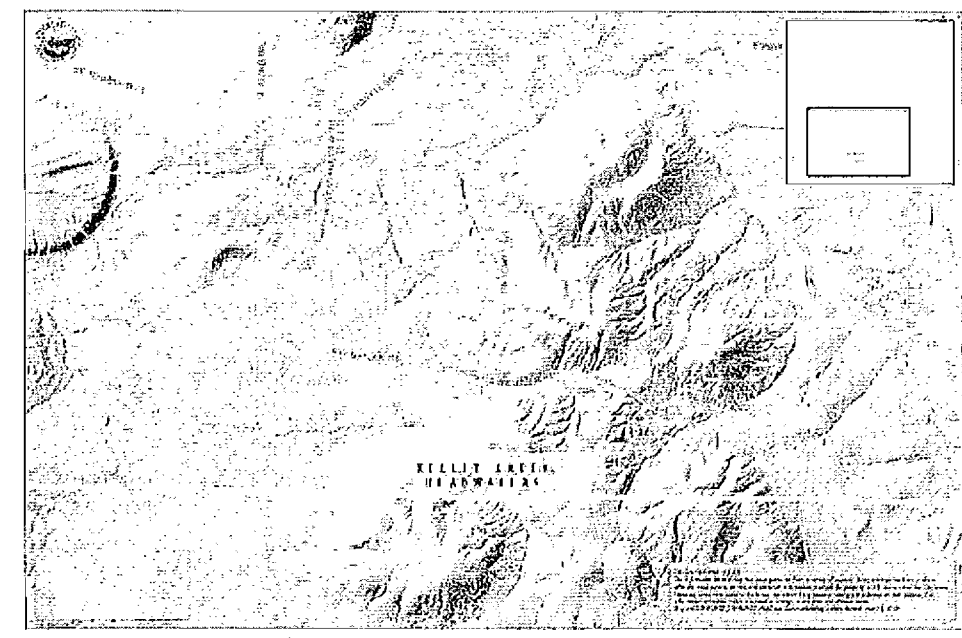
Section 2: Metro Title 11 Compliance Report

This report describes how the Kelley Creek Headwaters Urbanization Plan complies with Title 11 of the Metro Urban Growth Management Functional Plan (UGMFP) as well as the conditions regarding Kelley Creek Headwaters (Area 13) found in Metro Ordinance No. 02-969B.

In December 2002, the Metro Council (Ordinance No. 02-969B) brought the 222-acre Kelley Creek Headwaters into the Urban Growth Boundary (UGB) as part of a 12,200-acre expansion of the UGB. Land brought into the UGB is subject to Title 11: Planning for New Urban Areas.

"It is the purpose of Title 11 to require and guide planning for conversion from rural to urban use of areas brought into the UGB. It is the intent of Title 11 that development of areas brought into the UGB implement the Regional Framework Plan and 2040 Growth Concept. (3.07.1105 – Purpose and Intent)

All territory added to the Urban Growth Boundary ... shall be subject to adopted comprehensive plan provisions consistent with the requirements of all applicable titles of the Metro Urban Growth Management Functional Plan and, particularly, this Title 11. The comprehensive plan provisions shall be fully coordinated with all other applicable plans. The comprehensive plan provisions shall contain an urban growth plan diagram and policies that demonstrate compliance with the RUGGOs, including the Metro Council adopted 2040 Growth Concept design types. (3.07.1120 – Plan Requirements)"



KCH & Vicinity

Title 11 requires the submittal to Metro of the following:

"On or before 60 days prior to the adoption of any comprehensive plan amendment subject to this Title 11, the local government shall transmit to Metro the following:

1. A copy of the comprehensive plan amendment proposed for adoption;
2. An evaluation of the comprehensive plan amendment for compliance with the Functional Plan and 2040 Growth Concept design types requirements and any additional conditions of approval of the urban growth boundary amendment. This evaluation shall include an explanation of how the plan implements the 2040 Growth Concept;
3. Copies of all applicable comprehensive plan provisions and implementing ordinances as proposed to be amended. (3.07.1130.A Implementation Requirements)"

The City submitted the Planning Commission draft proposal to Metro on May 21, 2009 and which constitutes a copy of the proposed comprehensive plan amendments and applicable plan provisions and implementing ordinance to be amended. The Kelley Creek Headwaters Urbanization Plan (CPA 09-063) consists of the following:

Amendments to Volume 1: Findings of the Comprehensive Plan

- Background Findings (Appendix 47, Section 1)
- Title 11 Compliance Report (Appendix 47, Section 2)
- Urban Growth Diagram (Appendix 47, Section 3)
- Public Facilities Plan (Appendix 47, Section 4)
- Natural Resources Protection (Appendix 47, Section 5)
- Annexation Strategy (Appendix 47, Section 6)
- Revised Pleasant Valley Plan District Map (Appendix 42, pg. 26) to add a westerly property (Property ID# 340790) to the Pleasant Valley Plan District.

Amendments to Volume 2: Policies of the Comprehensive Plan

- Updated background findings in respect to KCH for:
 - Section 10.014 Land Use Planning
 - Section 10.410.1 Urban Services Boundary & General Annexation
 - Section 10.410.2 Annexation & New Communities
- Added reference to Kelley Creek Headwaters to Goal of Section 10.410.2 Annexation & New Communities.
- Revised Section 10.700 Pleasant Valley Plan District to add findings regarding the addition of the above westerly property (Property ID# 340790) to the Pleasant Valley Plan District.
- Added Section 10.900 "Kelley Creek Headwaters Urbanization Plan" with a goal, policies and action measures regarding the urbanization plan.

Amendment to Volume 3: Community Development Code of the Comprehensive Plan

- Revised Appendix 1.000, Annexations by changing "Area #13" reference to "Kelley Creek Headwaters" and "Plan Map" to "Urban Growth Diagram" (subsection A1.006.B.3).

This report constitutes the compliance evaluation report. The City has scheduled an August 18, 2009 enactment of these Comprehensive Plan amendments, so the 60 days prior provision is met. The City, on April 23, 2009, submitted to Metro an earlier draft of the proposed Comprehensive Plan Amendments, which was at least 45 days prior to the first scheduled hearing (June 8, 2009 Planning Commission hearing).

The rest of this report is organized to first show the text of a Title 11 criterion (bolded/italicized); and second provide findings that describe how the proposed comprehensive plan amendments comply with the specific criterion; and third a conclusion as to whether or not the criterion is met.

Title 11 Section 3.07.1120: Planning for Territory Added to the UGB

A. Specific plan designation boundaries derived from the general boundaries of design type designations assigned by the Council in the ordinance adding the territory to the UGB.

Findings

The KCH area is designated on the 2040 Growth Concept Plan as an inner neighborhood design type, except for the Metro Greenspaces owned property which is designated as open space. Section 3.07.130 Design Type Boundaries Requirement of the Metro Functional Plan describes inner neighborhoods as “residential areas accessible to jobs and neighborhood businesses with smaller lot sizes are inner neighborhoods”. The proposed land use district (base zone) for KCH is Low Density Residential -7 (LDR-7) which is a district Gresham currently uses for inner neighborhoods allowing average lot sizes of 7,000 to 10,000 sq. ft. The Open Space Overlay district is proposed for the Metro Greenspace parcels.

Conclusion

This criterion is satisfied.

B. Provision for annexation to the district and to a city or any necessary service districts prior to urbanization of the territory or incorporation of a city or necessary service districts to provide all required urban services.

Findings

The plan area is currently in unincorporated Multnomah County. The City has an Intergovernmental Agreement (IGA) with Multnomah County (Transition of Planning and Development Services) that provides that the City will be responsible for urban planning in KCH (Fifth Amendment - July 2008). This amendment is to a 1979 Urban Planning Area Agreement that specifies that Gresham is to deliver urban services after annexations. The City provides a full range of urban services including water, wastewater, stormwater, fire, police, development and building services, parks and trails, and streets.

The City has an established Urban Services Boundary (USB). The USB establishes the geographical limits of where the City provides, or will provide after annexation, city-supplied urban services. An ordinance (CPA 04-1480) amending the USB to include the Kelley Creek Headwaters, Springwater and Pleasant Valley areas was adopted by the Council and became effective on June 2, 2005. This ordinance also established a new annexation goal to “provide for the orderly and efficient annexation of Pleasant Valley, Springwater and subsequently planned new community urban areas.” The later reference applies to Kelley Creek Headwaters. This ordinance also updated the City’s annexation approval code to be consistent with Metro Code Section 3.09, including allowing for the expedited annexation process.

Conclusion

This criterion is satisfied.

C. Provision for average residential densities of at least 10 dwelling units per net developable residential acre or such other densities that the Council specifies pursuant to section 3.01.040 of the Urban Growth Management Functional Plan.

Findings

The first urbanization planning effort was conducted from 2003 through 2005 for an area that included both KCH and the future City of Damascus. Clackamas County, Metro, Damascus are residents, and the cities of Happy Valley and Gresham participated in this effort. The result was the Damascus/Boring Concept Plan (DBCP) which was found by Metro to meet Title 11. DBCP included the KCH area. In regard to KCH, the plan proposed:

- Very low density residential (Less Dense Residential) at flatter locations near Regnier Rd.
- Hilltop locations were recommended to develop at no more than 1 unit per acre (Transition Areas).
- Steeper areas, public open space areas, and riparian areas (Habitat Conservation Areas) near creeks were identified as Conservation Areas where development would generally not be allowed.
- DBCP indicated that development of KCH (Area 13) according to the above designations would yield 48 additional residential units.

On page 182 of the *Report on the Damascus Boring Concept Plan - February 2006*, the plan indicates that it will provide a capacity for 25,000 additional units for the entire DBCP area and achieve a residential density of 10.1 units per net buildable residential acre. This density meets the above Title 11 provision.

In correspondence dated July 15, 2008, Metro staff stated that since Kelley Creek Headwaters was part of the DBCP area, the KCH urbanization plan can reference the DBCP findings in response to the above provision, as well as for the Title 11 housing diversity requirement (3.07.1120.D) and housing affordability requirement (3.07.1120.E). The 48 units of development capacity calculated for KCH (Area 13) was this area's contribution to the overall residential capacity of DBCP. Consequently, staff states that the City does not need to achieve a calculated capacity of 10 units per acre for KCH.

In calculating the development potential of the recommended Urban Growth Diagram land use designations, staff has calculated that an average of 160 additional units (net density) can be provided in KCH. This is three times the capacity determined under the DBCP designations.

Conclusion

This criterion is satisfied.

D. Demonstrable measures that will provide a diversity of housing stock that will fulfill needed housing requirements as defined by ORS 197.303. Measures may include, but are not limited to, implementation of recommendations in Title 7 of the Urban Growth Management Functional Plan.

Findings

The proposed amendments provide for single family detached dwellings. This is consistent with the housing stock that was anticipated for KCH in the Damascus/Boring Concept Plan as it anticipated single family detached dwellings. As mentioned earlier, Metro has indicated that this area meets this provision as part of the larger DBCP, which showed that it will be providing a diverse housing stock.

Conclusion

This criterion is satisfied.

E. Demonstration of how residential developments will include, without public subsidy, housing affordable to households with incomes at or below area median incomes for home ownership and at or below 80% of area median incomes for rental as defined by U.S. Department of Housing and Development for the adjacent urban jurisdictions. Public subsidies shall not be interpreted to mean the following: density bonuses, streamlined permitting processes, extensions to the time at which systems development charges and other fees are collected, and other exercises of the regulatory and zoning powers.

Findings

Again as in the case of the minimum housing density and housing affordability requirements, the findings of the DBCP applies. The DBCP (pgs 183-184) addresses both the home ownership affordability and rental housing affordability aspects of the above criterion and demonstrates compliance. The proposed residential development for KCH exceeds what was anticipated by the DBCP.

Conclusion

This criterion is satisfied.

F. Provision for sufficient commercial and industrial development for the needs of the area to be developed consistent with the 2040 Growth Concept design types. Commercial and industrial designations in nearby areas inside the Urban Growth Boundary shall be considered in comprehensive plans to maintain consistency.

Findings

The 2040 Growth Concept Map has not designated any KCH lands for commercial or industrial development.

Conclusion

This criterion is not applicable.

G. A conceptual transportation plan consistent with the applicable provisions of the Regional Transportation Plan, Title 6 of the Urban Growth Management Functional Plan, and that is also consistent with the protection of natural resources either identified in acknowledged comprehensive plan inventories or as required by Title 3 of the Urban Growth Management Functional Plan. The plan shall, consistent with OAR Chapter 660, Division 11, include preliminary cost estimates and funding strategies, including likely financing approaches.

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Findings

The conceptual transportation plan for Kelley Creek Headwaters is discussed in the Public Facilities Plan of Section 4 of this appendix. No new major roads are proposed because of topographic constraints and low development potential. The plan does however recommend improvements to the two main roads that serve the area – Rodlun Rd. and Regner Rd. (222nd Dr.). These streets would have functional classifications currently found in the City's Transportation System Plan. A system of local streets, connecting to Regner and Rodlun, would be developed as urbanization of KCH progresses.

- Rodlun Rd. is proposed to be a Community Street with an anticipated traffic volume of 3,500 to 10,000 trips per day. It would be improved with two travel lanes, sidewalks and bike paths. Rodlun Rd. would also be designed as a green street with rain gardens and tree wells, located between the sidewalks and travel lanes, for the bio-filtration and infiltration of stormwater runoff.
- Regner Rd. is proposed to be a Collector Street (current classification in adjacent City) with an anticipated traffic volume of 10,000 to 20,000 trips per day. It would be improved with two travel lanes, a center turn lane at street intersections, sidewalks, bike paths and street trees.

The Public Facilities Plan (PFP) also shows in a conceptual manner, that part of the East Buttes Loop regional trail which applies to KCH. The East Buttes Loop, including the KCH segment, is part of the Metro Regional Trails Plan as well as the RTP. The KCH segment would connect the Pleasant Valley segment of the trail with the Scouter Mountain Trail that will come from southerly Happy Valley and Damascus. It will also provide an extension that will be extended north through the existing City (east of Gresham Butte) and ultimately connect to the Springwater Trail. The proposed trail is the only regional transportation facility that is being proposed by the KCH Urbanization plan. As such the requirements of OAR Chapter 660, Division 11 apply and the PFP in accordance with these provisions gives a cost estimate for the trail, discusses funding sources, etc.

Since the KCH transportation plan does not propose any regional arterial streets, or trails that are not now part of the RTP, or other major transportation facilities, the plan is consistent with the RTP and no amendments to the RTP are needed. Also, any transportation improvements occurring within an Habitat Conservation Area or Title 3 Water Quality Resource Area will be subject to the requirements of the Habitat Conservation Area (HCA) Overlay District standards. In addition, green development practices will be utilized to help mitigate the impacts of stormwater runoff from impervious surfaces. Green practices and the HCA overlay are discussed in Section 5 of this appendix.

Conclusion

This criterion is satisfied.

H. Identification and mapping of areas to be protected from development due to fish and wildlife habitat protection, water quality enhancement and mitigation, and natural hazards mitigation, including, without limitation, all Habitat Conservation Areas, Water Quality Resource Areas, and Flood Management Areas. A natural resources protection plan to protect fish and wildlife habitat, water quality enhancement areas, and natural hazard areas shall be completed as part of the comprehensive plan and zoning for lands added to the Urban Growth Boundary prior to urban development. The plan shall include zoning strategies to avoid and minimize the conflicts between planned future development and the protection of Habitat Conservation Areas, Water Quality Resource Areas, Flood Management Areas, and other natural hazards areas. The plan shall also include a preliminary cost estimate and funding strategy, including likely financing approaches, for options such as mitigation, site acquisition, restoration, enhancement, and easement dedication to ensure all significant natural resources are protected.

Findings

A natural resources protection plan is found in Section 5 of this appendix. The following natural features have been identified, mapped and proposed for protection:

- Title 13 Habitat Conservation Areas (UGD Maps 2A & 2B)
- Title 3 Water Quality Resource Areas (UGD Map 2B)
- Areas with steep slopes of 15% and greater (UGD Map 3)

The Habitat Conservation Areas and Water Quality Resource Areas will be protected with the City's Habitat Conservation Area Overlay District Overlay. This overlay is based on Metro's Title 13 Model Ordinance. Steep sloped areas (15% +) will be protected with the Hillside Physical Constraint District Overlay. In addition to these zoning requirements, water quality will be protected through green development practices for stormwater management. The above protection strategies are discussed in greater detail in Section 5 of this appendix.

Approximately 45% (100 acres) of KCH has already been acquired by Metro for habitat protection. Because of this large area that has already been acquired for open space, the City is not proposing any additional acquisitions. The City will however:

1. Include the KCH area into its volunteer based habitat restoration efforts as the area annexes into the City;
2. Seek grants and donations to be used for projects should opportunities arise; and
3. Consider, where possible, combining restoration projects with City utility projects in order to minimize costs.

Conclusion

This criterion is satisfied.

I. A conceptual public facilities and services plan for provision of sanitary sewer, water, storm drainage, transportation, parks and police and fire protection. The plan shall, consistent with OAR Chapter 660, Division 11, include preliminary cost estimates and funding strategies including likely financing approaches.

Findings

The proposed urbanization plan includes a Public Facilities Plan (PEP) for sanitary sewer (wastewater), water, stormwater management, transportation facilities and regional trails. The Kelley Creek Headwaters PEP is discussed in detail in Section 4 of this appendix. The PEP specifically addresses the requirements of OAR Chapter 660, Division 11. For each element it includes description/assessment of the existing public facilities; a system analysis that describes the public facility projects needed to support the proposed land uses; a summary of future needs, a map showing the location of the future facilities, a description of funding sources and recommended policies and action measures regarding future provision of the facility. A cost estimate is given for the proposed trail segments of the East Butte Loop Trail, since this is the only regional facility proposed by the PEP.

Conclusion

This criterion is satisfied.

J. A conceptual school plan that provides for the amount of land and improvements needed, if any, for school facilities on new or existing sites that will serve the territory added to the UGB. The estimate of need shall be coordinated with affected local governments and special districts.

Findings

The Centennial School District serves the west half of Kelley Creek Headwaters and the Gresham/Barlow School District serves the east half. It is estimated that each district would have to serve an additional 50 students, based on the estimated development potential of 160 units for KCH. Both districts were contacted and they responded that they would accommodate the students either in their existing schools or in schools planned for adjacent areas, such as in the nearby Pleasant Valley area.

Conclusion

This criterion is satisfied.

K. An urban growth diagram for the designated planning area showing, at least, the following, when applicable:

1. General locations of arterial, collector, and essential local streets and connections and necessary public facilities such as sanitary sewer, storm sewer, and water to demonstrate that the area can be served;
2. Location of steep slopes and unbuildable lands including, but not limited to, wetlands, floodplains and riparian areas;
3. General locations for mixed-use areas, commercial and industrial lands;
4. General locations for single and multi-family housing;
5. General locations for public open space, plazas and neighborhood centers, and
6. General locations or alternative locations for any needed school, park or fire hall sites.

Findings

Urban Growth Diagram maps have been developed as part of the urbanization plan and are contained in Section 3 of this appendix. They cover the applicable elements of the above list. They include:

- Location of major streets and other needed public facilities;
- Location of steep slopes (15%+);
- Location of Habitat Conservation Areas that includes riparian areas near streams;
- Proposed low density residential (single family) development designation for all properties.
- Location of Metro owned open space parcels; and
- Conceptual locations of regional trails.

No mixed use areas, commercial and industrial lands were identified on the 2040 Metro 2040 Concept Map for KCH and none were determined to be needed. No schools, parks or police/fire facilities were determined to be needed.

Conclusion

This criterion is satisfied.

L. A determination of the zoned dwelling unit capacity of zoning districts that allow housing.

Findings

The development potential for Kelley Creek Headwaters was calculated in a range of three estimates -- high, medium and low for the privately owned land (excludes Metro owned land). These estimates began by first deducting 20% of the acreage for roads and other public facilities in order to calculate the capacity on a "net density" basis. Then it assumed the amount of development allowed within the various slope ranges of the Hillside Physical Constraint District, given the proposed LDR-7 zoning, as shown in the table below:

<u>Degree of Slope</u>	<u>Max. Density (LDR-7)</u>	<u>Acres of Private Land</u>
<u>0 – 14.9%</u> <u>(outside HPCD)</u>	<u>6 units / acre</u>	<u>28 acres</u>
<u>15 – 24.9%</u>	<u>2 units / acre</u>	<u>26 acres</u>
<u>25 – 34.9%</u>	<u>1 unit / acre</u>	<u>22 acres</u>
<u>35% +</u>	<u>1 unit / acre</u> <u>(must be transferred to less</u> <u>than 35% sloped areas)</u>	<u>45 acres</u>

Further assumptions were made below under each estimate regarding the amount of HCA that would be developed and the amount of density, on a 1 unit per acre basis, that could be transferred from the 35% + slopes to the lower slopes. Although development of 35% and greater slopes is generally prohibited by the Hillside Physical Constrain District, this density transfer is allowed to be transferred to lower slopes.

The resulting estimates are:

- High Estimate = 180 Units
Assumptions: 20% of HCA is developed, 100% of density is transferred from 35%+ slopes to lower slopes
- Medium Estimate = 160 Units
Assumptions: 10% of HCA is developed, 50% of density is transferred from 35%+ slopes to lower slopes
- Low Estimate = 140 Units
Assumptions: 0% of HCA is developed, 0% of density is transferred from 35%+ slopes to lower slopes

For purposes of the urbanization plan, the estimated dwelling unit capacity is the medium estimate of 160 units.

Conclusion

This criterion is satisfied.

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M. The plan amendments shall be coordinated among the city, county, school district and other service districts.

Findings

The Kelley Creek Headwaters project has been coordinated with Multnomah County, Metro, the Centennial and Gresham/Barlow school districts and the City of Damascus.

Conclusion

The plan amendments have been coordinated with the appropriate agencies. This criterion is satisfied.

Metro Conditions on Addition of Land to UGB (Ordinance No. 02-969B)

1. General Conditions Applicable to All Land Added to UGB

A. The city or county with land use planning responsibility for a study area included in the UGB shall complete the planning required by Metro Code Title 11, Urban Growth Management Functional Plan ("UGMFP"), section 3.07.1120 ("Title 11 planning") for the area. Unless otherwise stated in specific conditions below, the city or county shall complete Title 11 planning within two years. Specific conditions below identify the city or county responsible for each study area.

Findings

The City has an Urban Planning Area Agreement with Multnomah County that gives the City planning responsibilities for urban reserve planning. The agreement was amended in 2008 through an IGA in order to add KCH to the map that shows the areas covered by the agreement.

On June 19 2008, the City and Metro signed an IGA (Contract No. 2835) that allows Gresham to access Construction Excise Tax fund to help finance this urbanization plan. The IGA has a time schedule for completion of tasks. The deadline for adoption of the comprehensive plan amendments is no more than 400 days from the date of the agreement (6/19/08). These amendments are scheduled for adoption by the City Council on July 7, 2009, which is within this time limit.

Conclusion

This condition is satisfied.

B. The city or county with land use planning responsibility for a study area included in the UGB, as specified below, shall apply the 2040 Growth Concept design types shown on Exhibit N of this ordinance to the planning required by Title 11 for the study area.

Findings

The 2040 Growth Concept Plan shows an Inner Neighborhood design type with an Open Space design type for the Metro GreenSpace parcels. The Low Density Residential (LDR-7) designation and the Open Space Overlay designation for Metro properties that are shown on Map #1 of the Urban Growth Diagram are consistent with these design types.

Conclusion

This condition is satisfied.

C. The city or county with land use planning responsibility for a study area included in the UGB shall apply interim protection standards in Metro Code Title 11, UGMFP, section 3.07.1110, to the study area.

Findings

The above referenced Urban Planning Area Agreement between Gresham and Multnomah County was amended on January 15, 1998 (Fourth Amendment). One of the amendments gives Multnomah County interim responsibility for applying land use policies and implementing regulations that will ensure the orderly, economic, and efficient provision of urban services in urban reserve areas after annexation by Gresham.

Conclusion

This condition is satisfied.

D. In Title 11 planning, each city or county with land use planning responsibility for a study area included in the UGB shall recommend appropriate long-range boundaries for consideration by the Council in future expansion of the UGB or designation of urban reserves pursuant to 660 Oregon Administrative Rules Division 21.

Findings

No future expansion of the UGB near KCH is proposed or possible. KCH is surrounded by the City of Gresham to the north, east and west and by the City of Damascus to the south.

Conclusion

This condition is not applicable.

E. Each city or county with land use planning responsibility for a study area included in the UGB shall adopt provisions in its comprehensive plan and zoning regulations -- such as setbacks, buffers and designated lanes for movement of slow-moving farm machinery - to ensure compatibility between urban uses in an included study area and agricultural practices on adjacent land outside the UGB zoned for farm or forest use.

Findings

As indicated above, KCH is bordered by other cities that are within the UGB. There are no adjacent areas outside the UGB that are zoned for farm or forest uses.

Conclusion

This condition is not applicable.

F. Each city or county with land use planning responsibility for a study area included in the UGB shall apply Title 4 of the UGMFP to those portions of the study area designated Regionally Significant Industrial Area ("RSIA"), Industrial Area or Employment Area on the 2040 Growth Concept Map (Exhibit N). If the Council places a specific condition on a RSIA below, the city or county shall apply the more restrictive condition.

Findings

The 2040 Growth Concept Map does not designate any RSIA, Industrial or Employment areas in KCH.

Conclusion

This condition is not applicable.

G. In the application of statewide planning Goal 5 (Natural Resources, Scenic and Historic Areas, and Open Spaces) to Title 11 planning, each city and county with land use planning responsibility for a study area included in the UGB shall comply with those provisions of Title 3 of the UGMFP acknowledged by the Land Conservation and Development Commission ("LCDC") to comply with Goal 5. If LCDC has not acknowledged those provisions of Title 3 intended to comply with Goal 5 by the deadline for completion of Title 11 planning, the city or county shall consider any inventory of regionally significant Goal 5 resources adopted by resolution of the Metro Council in the city or county's application of Goal 5 to its Title 11 planning.

Findings

Title 13 was adopted as part of the Functional Plan by Metro Council in order to implement the Goal 5 provisions of Title 3. Title 13 was then acknowledged by LCDC to meet Statewide Planning Goal 5 on January 5 2007. Gresham adopted the HCA, Habitat Conservation Area (HCA) overlay on December 16, 2008 in order to comply with Title 13. The regulations of this overlay are based on the Metro Title 13 Model Ordinance. As shown on the UGD maps, this overlay will be applied for habitat protection purposes to the Title 13 Habitat Conservation Areas as they are defined and classified by Title 13 and the Model Ordinance.

Conclusion

This condition is satisfied.

H. Each city and county with land use planning responsibility for a study area included in the UGB shall provide, in the conceptual transportation plan required by Title 11, subsection 3.07.1120F, for bicycle and pedestrian access to and within school sites from surrounding area designated to allow residential use.

Findings

Because of the low number of anticipated dwelling units, both the Centennial and Gresham/Bartlow school districts have indicated that the school needs of KCH will be met by existing schools or schools planned for adjacent areas such as Pleasant Valley. As described under criterion "G" of the Title 11 compliance findings, both Regner and Rodlun Road will be improved with sidewalks and bicycle paths and will provide access to adjacent school sites. In addition, the proposed East Buttes Loop (rails shown on the UGD) will provide additional walking options for future residents. It will connect to easterly Pleasant Valley, northerly Gresham and southerly Damascus.

Conclusion

This condition is satisfied.

2. Specific Conditions Applicable To Area 13 (KCH) and Other Areas

A. Study Areas 6 (partial), 10 (partial), 11, 12, 13, 14, 15, 16, 17, 18 and 19 (partial)

1. Clackamas and Multnomah Counties and Metro shall complete Title 11 planning for the portions of these study areas in the Gresham and Damascus areas as shown on Exhibit N within four years following the effective date of this ordinance. The counties shall invite the participation of the cities of Gresham and Happy Valley and all special districts currently providing or likely to provide an urban service to territory in the area. If a portion of the area incorporates or annexes to the City of Happy Valley or the City of Gresham prior to adoption by Clackamas and Multnomah Counties of the comprehensive plan provisions and land use regulations required by Title 11, the Metro Council shall coordinate Title 11 planning activities among the counties and the new city pursuant to ORS 195.025.

Findings

This condition speaks to the responsibilities of Clackamas County, Multnomah County and Metro. Gresham was invited and did participate in the development of the Damascus/Boring Concept Plan, which included both KCH and what is now the City of Damascus.

Conclusion

This condition is satisfied.

2. In the planning required by Title 11, subsections A and F of section 3.07.1120,

Clackamas and Multnomah Counties shall provide for annexation to the Tri-met district of those portions of the study areas whose planned capacity for jobs or housing is sufficient to support transit.

Findings

The KCH area is within the Tri-Met district.

Conclusion

This condition is satisfied.

3. In the planning required by Title 11, Clackamas County shall ensure, through phasing or staging urbanization of the study areas and the timing of extension of urban services to the areas, that the Town Center of Damascus, as shown on the 2040 Growth Concept Map (Exhibit N) or comprehensive plan maps amended pursuant to Title 1 of the UGMFP, section 3.07.130, becomes the commercial services center of Study Areas 10 and 11 and appropriate portions of Study Areas 12, 13, 14, 17 and 19. Appropriate portions of these study areas shall be considered intended for governance by a new City of Damascus. The Damascus Town Center shall include the majority of these areas' commercial retail services and commercial office space. Title 11 planning for these areas shall ensure that the timing of urbanization of the remainder of these areas contributes to the success of the town center.

Findings

This condition applies to Clackamas County and Damascus.

Conclusion

This condition is not applicable.

4. In the planning required by Title 11, Clackamas and Multnomah Counties shall provide for separation between the Damascus Town Center and other town centers and neighborhoods centers designated in Title 11 planning or other measures in order to preserve the emerging and intended identities of the centers using, to the extent practicable, the natural features of the landscape features in the study areas.

Findings

This condition applies to Clackamas and Multnomah Counties.

Conclusion

This condition is not applicable.

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5. If, prior to completion by Clackamas County of Title 11 planning for the Damascus Area, the county and Metro have determined through amendment to the 2000 Regional Transportation Plan to build the proposed Sunrise Corridor, the county shall provide for the preservation of the proposed rights-of-way for the highway as part of the conceptual transportation plan required by subsection G of section 3.07.1120 of Title 11.

Findings

This condition applies to Clackamas County.

Conclusion

This condition is not applicable.

6. Neither Multnomah County nor, upon annexation of the area to the City of Gresham, the city shall allow the division of a lot or parcel in an area designated RSIA to create a smaller lot or parcel except as part of the lot/parcel reconfiguration plan required in Condition 7.

Findings

As indicated above, there are no RSIA areas designated for KCH.

Conclusion

This condition is not applicable.

7. Multnomah County or, upon annexation of the area to the City of Gresham, the city, as part of Title 11 planning, shall, in conjunction with property owners and affected local governments, develop a lot/parcel reconfiguration plan for land designated RSIA that results in the largest practicable number of parcels 50 acres or larger.

Findings

As indicated above, there are no RSIA areas designated for KCH.

Conclusion

This condition is not applicable.

Section 3: Urban Growth Diagram

The purpose of this section is to show and describe the Kelley Creek Headwaters (KCH) Urban Growth Diagram maps. This diagram shows the land use designations that are proposed for KCH and how public facilities would be extended into the area to support future urban development. An Urban Growth Diagram is required as part of the urbanization plan for areas added to the regional Urban Growth Boundary by Title 11 - Planning for New Urban Areas of the Metro Urban Growth Functional Plan. It is required to show the following elements (if applicable):

- General locations of arterial, collector and essential local streets and other public facilities.
- Location of steep slopes and unbuildable lands such as wetlands, floodplains and riparian areas.
- Location of Habitat Conservation Areas
- General locations for mixed use areas, commercial and industrial lands. (not applicable to KCH)

- General locations of single family and multi-family housing.
- General locations of public open space, parks, plazas and neighborhood centers.
- General locations of any needed schools or fire stations.

Land Use Alternatives Considered

The City could take one of the following approaches regarding the land use designations for KCH:

1. Develop and apply zoning districts that correspond to the Damascus/Boring Concept Plan designations. This plan proposed very low density residential, 3 units per acre (Less Dense Residential), at flatter locations near Regner Road. Hilltop locations were recommended to develop at no more than 1 unit per acre (Transition Areas). Steeper areas, public open space areas, and the riparian areas near creeks were identified as Conservation Areas where development would generally not be allowed. Development according to this plan would yield only 48 additional dwelling units at build-out in KCH.
2. Apply the Pleasant Valley Plan District designations. These would include the LDR-PV sub-district that allows 5.3 to 7.9 dwelling units per acre and the ESRA designation to protect natural resources. Development in Pleasant Valley is intended to be designed, through the master planning process, as part of individual neighborhoods. These are connected to other neighborhoods, parks, schools, employment areas and the Town Center by a well defined system of streets and pedestrian paths. Most of the KCH area is well removed from the planned locations of the Pleasant Valley neighborhoods, Town Center and other amenities. Providing adequate street and pedestrian path connections to Pleasant Valley would be problematic because of the steep topography and stream network. This would make it difficult for KCH to be integrated into the neighborhood fabric of Pleasant Valley.
3. Apply the zoning and overlay districts that currently apply to the adjacent existing City. The KCH boundary has far more exposure to the existing City, located to the north and east, than to Pleasant Valley. This approach was suggested by many of the KCH property owners at the September 25 community forum. These designations would apply to KCH:
 - A base zoning of Low Density Residential (LDR-7) for all properties.
 - The Hillside Physical Constraint Overlay District for steep slope areas. This overlay also applies to northerly Gresham Butte in the City.
 - The Habitat Conservation Area Overlay District for natural resource areas. The HCA Overlay and maps was recently adopted to comply with Metro Title 13 requirements and is based on the Metro Title 13 Model Ordinance. It allows limited development.

Recommended Approach

Alternative #3 was used as the basis for the KCH land use designations. As shown on the draft Urban Growth Diagram, the following designations are proposed:

Map No. 1: Proposed Land Use Designation & Public Facilities

- The Low Density Residential District (LDR-7) would be applied to all properties. This zoning allows single family dwellings on lots with a minimum size of 7,000 sq. ft. or 6.2 units per acre. In those areas covered by the Hillside Physical Constraint District Overlay (for steep slopes) and/or the Habitat Conservation Area Overlay (for natural resource areas), density will be less.
- The Open Space Overlay will be applied to the Metro owned open space properties.

- Public facilities, such as sanitary sewer and water lines, will be extended into KCH from the adjacent existing City. No new major streets are proposed. Rodlun Rd. would be improved to the Community Street standard and would include green street features. Regner Rd. would be improved to the Collector Street standard. Please refer to the attached Public Facilities Narrative for a more detailed discussion.
- This map also shows in a conceptual manner that part of the East Buttes Loop trail system that applies to KCH. These trails are part of the Metro Regional Trails Plan as well as the Regional Transportation Plan.

Maps No. 2A & 2B: Habitat Conservation Area Overlay District

- These maps show fish and wildlife habitat areas that will be protected by the Habitat Conservation Area (HCA) Overlay. The areas shown are based on the map data provided by Metro, as refined by the City using LIDAR topographic information. Both private and publicly owned riparian areas would be protected by the HCA and publicly owned upland habitat.
- Map 2A shows the habitat values (high and moderate) that come into play when the specific or clear and objective HCA standards are used by an applicant.
- Map 2B shows the HCA classifications for the riparian and upland habitats and the Title 3 Water Quality Resource Areas.

Map No. 3: Hillside Physical Constraint Overlay District

- The Hillside Physical Constraint Overlay District will be applied to all sloped areas (10,000 sq. ft.) that have a slope of 15% and greater. This district limits development on slopes between 15% and 34.9% and generally prohibits development on slopes 35% and greater.

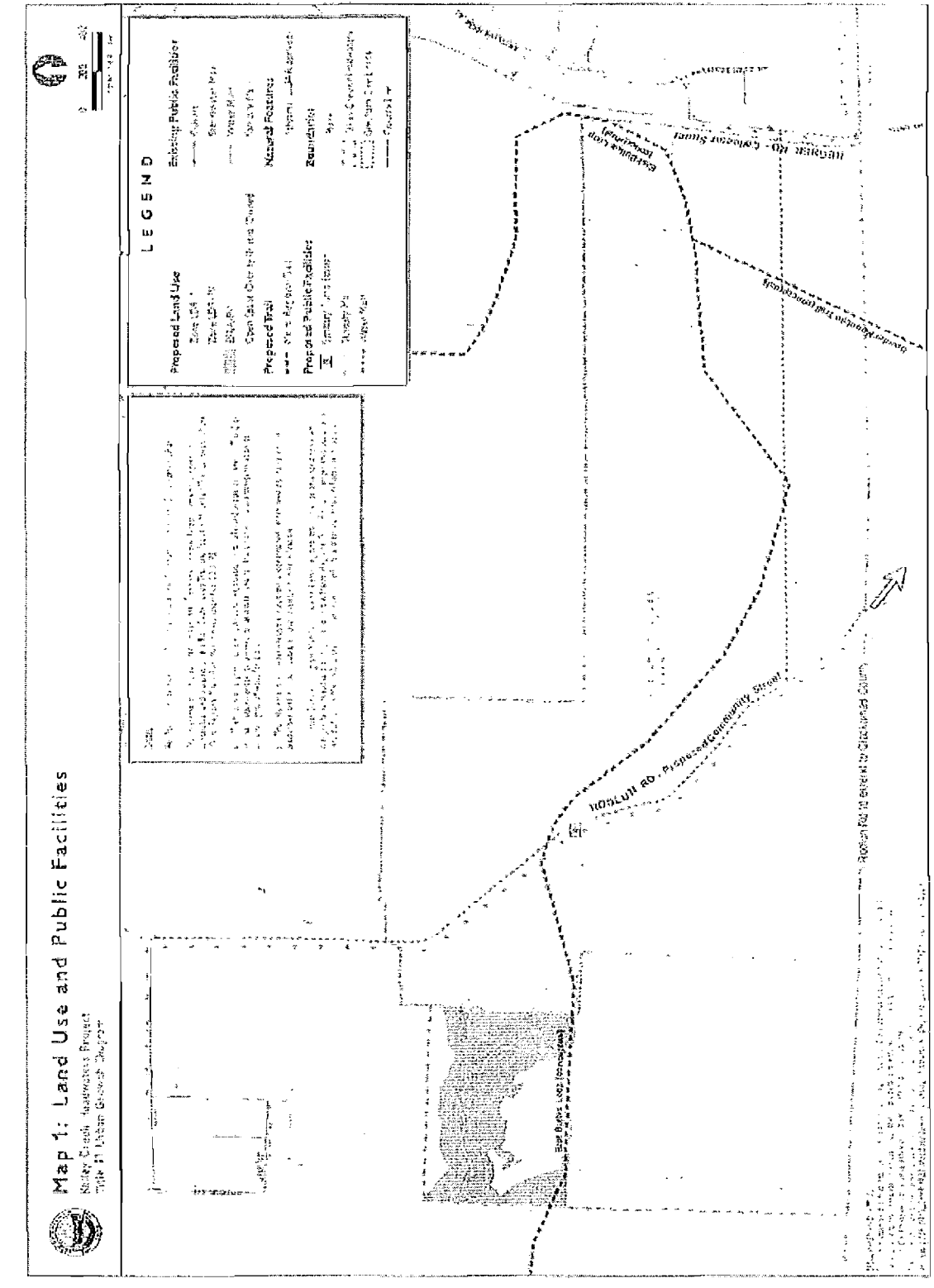
Map No. 4: Existing Slope

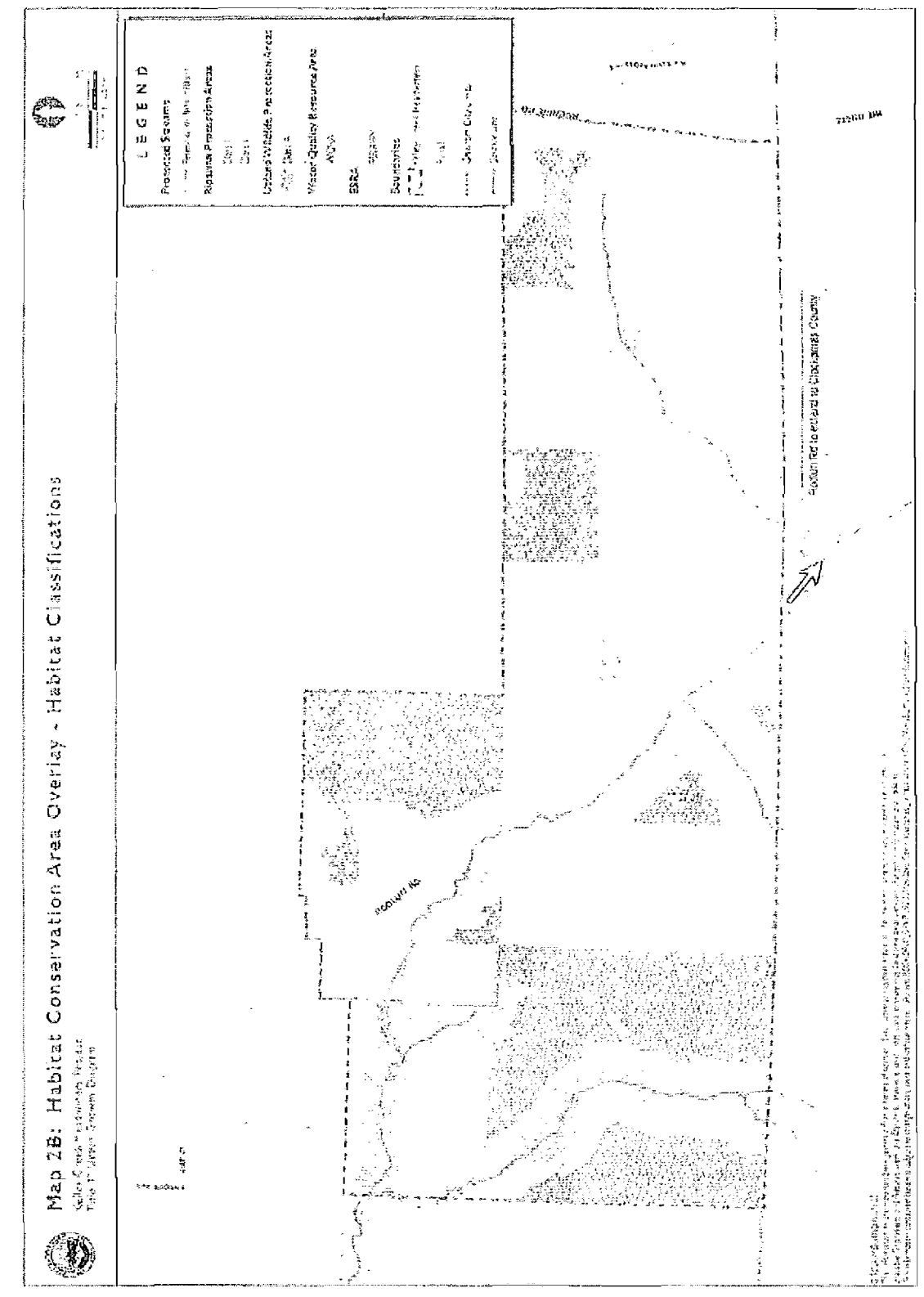
- This map shows the four slope ranges that are referenced by the above Hillside Physical Constraint Overlay District. These are 0-14.9%, 15-24.9%, 25-34.9% and 35% and greater slopes.

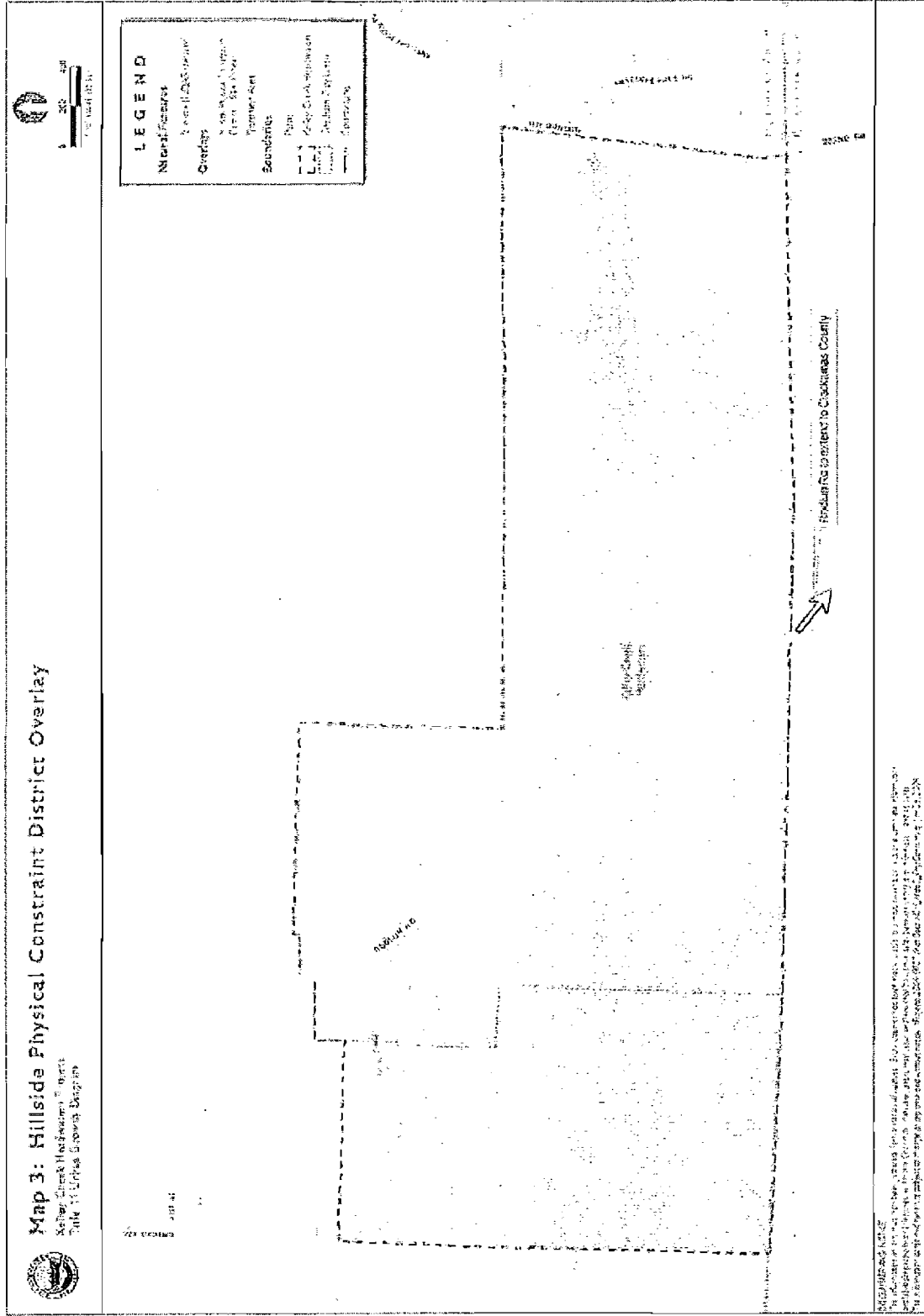
Note: The far westerly property (1S3E20D, T.1, 1100) is proposed to have Pleasant Valley Plan District designations. These are the LDR-PV and ESRA sub-districts, which are similar to the LDR-7 district and HCA overlay. They were requested by the property owner who also owns contiguous property in Pleasant Valley. As in Pleasant Valley, the Hillside Physical Constraint Overlay District will apply to slopes of 15% and greater.

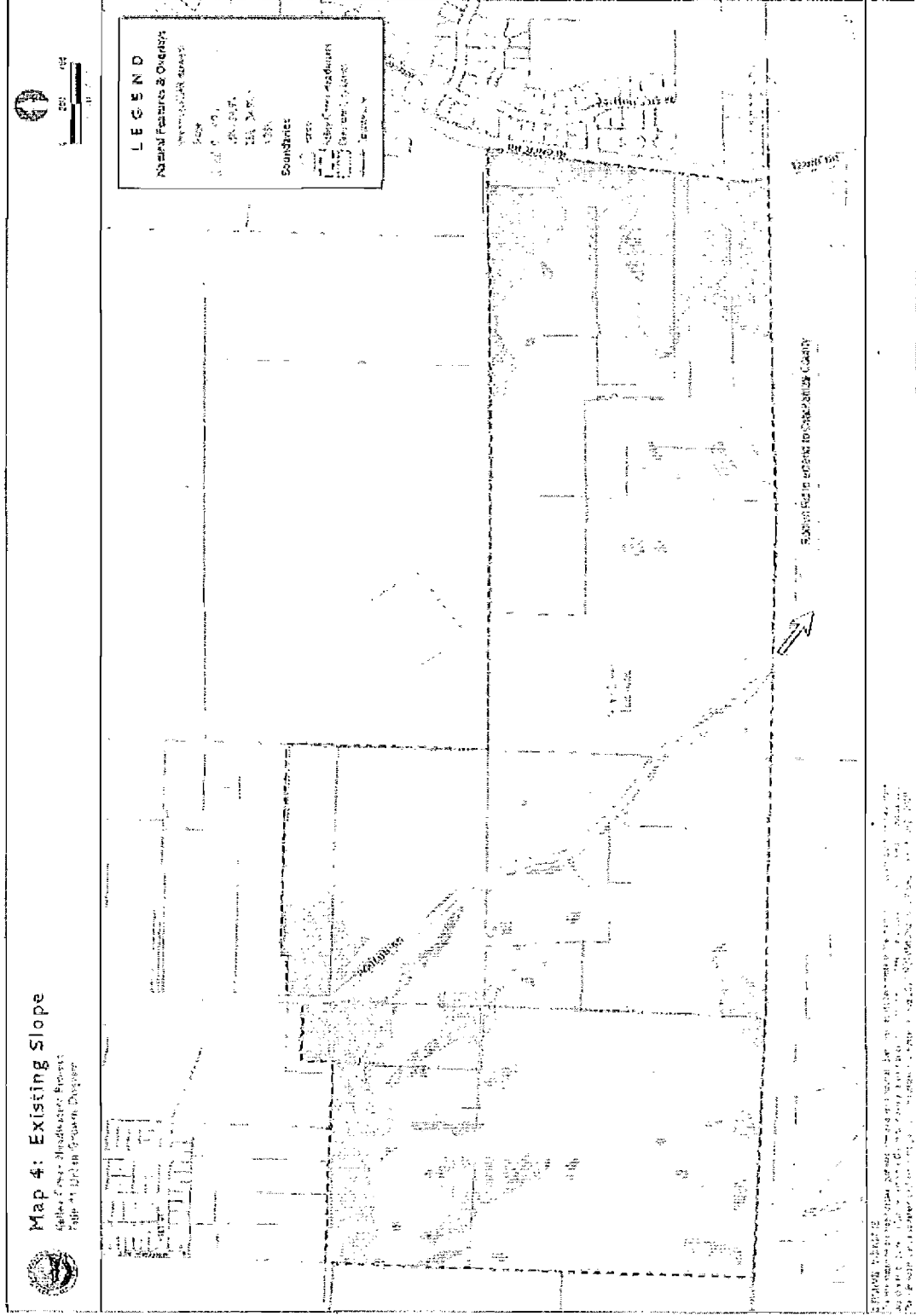
It is estimated that applying the above designations to KCH would provide a development capacity of approximately 160 units.

UGD MAPS









Section 4: Public Facilities Plan

INTRODUCTION

The purpose of the Kelley Creek Headwaters Public Facilities Plan (PFP) is to establish a framework for how necessary urban services, water, wastewater, stormwater and transportation facilities will be provided as urbanization occurs within KCH.

As required by Title 11 Metro Urban Growth Management Functional Plan, a conceptual level services plan for the provision of water, wastewater, stormwater and transportation/trail facilities was developed as part of the urbanization plan. Needed facilities for the planned new urban uses were identified, rough cost estimates were given for regional facilities (trails), likely funding strategies were developed, and maps depicting the general location of public facilities were included.

The PFP is consistent with the Oregon Administrative Rules, specifically OAR 660-011-0000. This rule is intended to implement Statewide Land Use Planning 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.”

For each of these urban services, the PFP provides an assessment of existing conditions, a summary of future needs, a financial plan discussion, and recommended policies and action measures. The PFP policies and action measures are included in the Volume 2 amendments of the Comprehensive Plan (Section 10.900).

Long-range capital improvement needs for major or regional facilities (serving an area, not just one development site) are determined through master plans that generally have a 20-year planning horizon. System master plans are long-range plans that generally include an analysis of existing conditions, including existing service deficiencies, and analysis of capital improvement needs based on forecast growth projections, and a financing strategy. In general, projects listed in a master plan go through several steps before construction begins, including detailed design and engineering. This work is usually scheduled through the CIP process. While short-term CIPs are approved legislatively, they are non-binding. Annually, the City Council approves funding for specific capital projects through the budget process.

Most capital improvements related to regional utility services are financed using a combination of SDC fee revenue – especially for growth-related improvements – and retained earnings from utility operations (rate revenue). Developers can be required to oversize a public improvement to serve other development, but the City must reimburse the developer the portion of the benefit that accrues to the surrounding properties. In the past revenue bonds have been issued to build major improvements, such as new water reservoirs or improvements to the sewage treatment plant, and pledged repayment from these sources. Local improvement districts have also been used to capitalize bond issues for utility improvements.

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WATER SYSTEM

1. System Description/Condition Assessment

Existing Conditions. The Kelley Creek Headwaters area is currently rural in nature, with some residential development. Water supplies in the area are served through individual wells that tap into the groundwater aquifer beneath the valley. In addition, there is no domestic water distribution system in place in Kelley Creek Headwaters. As the area is developed to the level of urban development proposed in the Urban Growth Diagram, Gresham's water distribution system will need to expand to provide service to this area.

Gresham currently provides water service to approximately half of city residents, businesses, and industries. The Gresham water system is supplied from the Portland Water Bureau ("PWB") Bull Run System and Columbia River well field sources as well as shared groundwater facilities with the Rockwood Water PUD ("RWPUD"). Gresham currently has seven supply connections from PWB and one supply connection from RWPUD. Gresham has emergency connections via normally closed valves in the water system with RWPUD, Lusted Water District, and City of Troutdale.

The City of Gresham water system has seven service levels. Pressure to the system is provided directly by gravity from the PWB system or from eight water reservoirs supplied from booster pumping stations. Gresham's overall system Average Day Demand ("ADD") is approximately 7 million gallons and the Maximum Day Demand ("MDD") was approximately 13.3 million gallons. The water system's 8 reservoirs have approximately 28.5 million-gallons ("MG") of total storage. There are seven pump stations, approximately 257 miles of pipeline, and approximately 35 miles of water service pipeline. The system is monitored and controlled by a central supervisory control and data acquisition ("SCADA") system. The SCADA system allows water system operators to monitor and operate reservoirs, pump stations, and supply connections via a central computer control. This ability has enabled efficient operation of the water system by controlling peak demands from the PWB conduits.

Water Distribution. The City of Gresham will deliver water to future urban development in Kelley Creek Headwaters Area upon completion of needed transmission line backbones in Pleasant Valley.

The Kelley Creek Headwaters has elevations between 510 feet and 800 feet. The Kelley Creek Headwaters planning area abuts the City's South Hills Service Level. This service level will be expanded into the Kelley Creek headwater area. The South Hills Service Level, which will have an overflow elevation of 940 feet, can serve elevations between 630 feet and 817 feet. The South Hills Service Level currently comprises of about 533 acres and includes the South Hill Reservoir. This reservoir has a capacity of 2.6 million gallons (MG). Water is supplied to this service level through the Regner Road Pump Station #8 with a current capacity of 2,200 gallons per minute (gpm).

2. System Analysis

Water demand from the proposed development was generated by applying an estimated demand per acre of new developable land based on the 2006 Water System Master Plan. The demands for each service level from the 2006 Water System Master Plan were projected over a 20-year planning horizon. These projected demands were divided by the current service level acres to obtain a demand per acre for each service level. This value was then used with the new service level areas to estimate the Kelley Creek Headwaters demand. The area of each new service level did not include Metro open space.

Based on the demands projected from the *2006 Water System Master Plan*, the anticipated maximum average day demand generated from the Kelley Creek Headwaters development totals 0.072 million gallons per day. Table 2 shows the results of this analysis for the service level.

Table A1: Projected Kelley Creek Headwaters demand based on projected flows in existing service level.

Service Level	Existing Area (acres)	Projected 2025 Average Day Demand (mgd)	Projected 2025 Average Day Demand per Acre (mgd/acre)	New Kelley Creek Area Buildable (acres)	Projected Kelley Creek Average Day Demand (based on acreage) (mgd)	Total New Area (acres)	New Projected 2025 Average Day Demand (mgd)
South Hills	533	0.91	0.001167	61.5	0.072	594.5	0.98

* To verify the projected demand estimate, based on 2006 Water Master Plan, 150 residences times 2.73 persons per household times 11.5 Gallon Per Person Per Day (gppd) Demand is 11.5 is 0.047 mgd.

Maximum day demands will be estimated from the projected average day demands by using a peaking factor of 1.9 as determined in the *2006 Water System Master Plan*. For the Kelley Creek Headwaters development, given the absence of industrial and commercial development, fire flow demands only reflect two potential types of residential development. Considerations in determining water service in the Kelley Creek Headwaters area are:

- 1,750 gpm for Low Density Residential customers with homes larger than 3,600 square feet
- 1,000 gpm for Low Density Residential customers with homes at or less than 3,600 square feet
- Overall storage requirements based on the following: The sum of 25% of MDD (peaking equalization) plus fire flow storage plus 2 times ADD.
- Pumping requirement based on supplying MDD.
- Source requirement based on supplying MDD times 25% for Gresham's South Hills service levels.

The following process was used to evaluate water demands associated with Kelley Creek Headwaters:

- Establish new service level boundaries within the planning area to determine the area to be added to the existing South Hills Service Level. The shape of the new service level was determined based on area topography and location to the existing service levels.

- Define pipe networks and projected flows for the land use concepts developed during planning. The networks were designed to provide as much system looping as possible, and to locate mains in existing or proposed road right-of-way to the greatest extent possible.
- Determine the pipe size for the distribution network in Kelley Creek Headwaters.
- Evaluate the system to determine whether adequate fire protection is available.
- Evaluate the system to determine whether adequate storage is available.

Based on specific design criteria, a looped 8-inch waterline would be desired to supply flows to meet these demands during a Maximum Day Demand scenario. The estimate presented provides a looped main solution which can meet the minimum fire flows for residential development (1,000 gpm). The location of residential building sites within the Kelley Creek Headwaters area is the determining factor to the layout of the 8-inch waterline facility.

3. Summary of Future Needs

Based on the analysis of the proposed water distribution system, recommendations for water system improvements were developed. Improvements are summarized below.

- A new 8-inch water main in Rodlun and Regner Roads and an 8 inch connection between the two mains will need to be installed to accommodate the demands anticipated in Kelley Creek Headwaters.

A map showing the approximate location of the proposed water system improvements is included below.

Based on the above assumptions, the area within Kelley Creek Headwaters Area would be served by a looped water supply system resulting in the installation of approximately 7,490 feet of 8 inch ductile iron pipe (DIP).

The City of Gresham will be participating in ongoing discussions with Clackamas County, the City of Damascus, and the Sunrise Water Authority to determine the appropriate service provider for areas south of the Multnomah County line lying in northern Clackamas County.

Funding Plan

Evaluation of the Kelly Creek area indicated that no regional facilities are anticipated to be constructed. The primary funding sources for the development of the water system in Kelley Creek Headwaters will include development exactions for frontage and local street improvements and standard system development charges (SDCs). The developer and/or property owners benefited from water system installation will be responsible for funding water system improvements.

5. Goals, Policies and Action Measures

Goals and Policies. Applicable goals and policies that relate to the provision of public facilities in the existing comprehensive plan for the City of Gresham also apply to the Kelley Creek Headwaters PEP.

Action Measures.

- 1. Update the SDC improvement project list to include relevant near-term projects.
- 2. Continue to coordinate with the Clackamas County, the City of Damascus, the Sunrise Water Authority, and other stakeholders to establish plan for providing water service for the area adjacent to Kelley Creek Headwaters and lying within Clackamas County.

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SANITARY SEWER SYSTEMS

1. System Description/Condition Assessment

Existing Conditions. The Kelley Creek Headwaters area is currently rural in nature, with some residential development. Sanitary sewage generated in the Kelley Creek Headwaters area is currently treated by on-site subsurface disposal systems. When the area is developed to the level of urban development proposed in the Urban Growth Diagram, this type of treatment will not be adequate.

The City of Gresham owns and operates a wastewater treatment facility that treats wastewater for over 107,000 residents, businesses, and industries in the City. Through its wastewater management program, the City is able to provide high quality service to ratepayers while protecting the area's sensitive surface water features. Wastewater receives a high level of secondary treatment at the City's facility on NE Sandy Boulevard and is discharged to the Columbia River.

Gresham's service area contains seven major sewer basins totaling approximately 14,171 acres (22 square miles). In addition to the seven sewer basins, the City also accepts wastewater flows from the City of Fairview (228 acres) and the City of Wood Village (604 acres), and a small amount of flow from the City of Portland. The service area extends from the Columbia River at an elevation of approximately 10 feet to the southern edge of Multnomah County at an approximate elevation of 1,000 feet. The service area is bordered by the City of Portland to the west and Fairview, Troutdale, and unincorporated Multnomah County to the north and east.

Due to the topography of Kelley Creek Headwaters, a large percentage of wastewater generated from the urban development would require pumping to gravity conveyance systems thence to the existing wastewater treatment plant.

For planning purposes, it was assumed that all wastewater generated in Kelley Creek Headwaters would be conveyed to the City of Gresham's existing collection system and ultimately to the City's treatment plant.

Sewage Collection. The proposed sewage collection system will be a network of pipes used to convey wastewater from the Kelley Creek Headwaters planning area to the City's existing system. In general, the most cost-effective and reliable method of conveying wastewater is to locate new pipes in existing or proposed road right-of-way, to use gravity conveyance of wastewater to the greatest extent possible, and to minimize the number of stream crossings.

The Kelley Creek Headwaters planning area lies in two collection basins in the City of Gresham: Johnson Creek and Kelley Creek. Analysis of in the 2001 *Wastewater System Master Plan* showed that upstream of Regner Road, the Johnson Creek interceptor has adequate capacity to serve existing residents through build-out of the service area. Downstream of Regner Road the size of the interceptor increases significantly, ranging from 30 inches immediately downstream of Regner Road to 42 inches upstream of the Linneman Pump Station. Preliminary analysis in the Master Plan indicated that this portion of the interceptor can accept up to 10 cubic feet per second (cfs) of additional flow (from outside of the current service area) without exceeding the hydraulic capacity of the system.

The sewage collection system refers to the infrastructure that serves development in Pleasant Valley. The topography within Kelley Creek area is such that the majority of the waste generation is within one drainage basin. The Kelley Creek basin will need to be pumped to conveyance system improvements

within Pleasant Valley along Butler Road. Once Pleasant Valley improvements have been completed, sanitary sewage will be diverted to a small lift station along Rodlun Road and pumped to the gravity system in Butler Road. Thence wastewater conveyance will proceed to the Linnemann Pump Station.

Additional improvements have occurred at the Linnemann Pump Station and downstream force main and interceptors to the treatment plant to accommodate additional flows from outside of the current service area.

2. System Analysis

Sewage flows from the proposed development were generated by applying unit flow factors to various land use types, and adding infiltration and inflow (I/I) associated with the 1 in 5 year rainfall event. This "design storm" is established in the Oregon Administrative Rules (OAR) 340-041-120 sections 13 and 14 as the minimum condition under which the City must be able to convey and treat wastewater with no overflows. Unit flow factors and I/I assumptions were similar to the 2001 *Master Plan* and the 2004 *Pleasant Valley Master Plan*. The area of each new service did not include Metro open space.

The following process was used to evaluate wastewater needs associated with Kelley Creek Headwaters:

- Establish sewershed boundaries (sewer service sub-areas) within the planning area to define areas tributary to the model nodes (manholes). The shape of the sewersheds was determined based on projected future land use and area topography.
- Define pipe networks and projected flows for the land use concept developed during planning. The network was designed to use gravity for conveyance to the greatest extent possible, and to locate sewers in existing or proposed road right-of-way to the greatest extent possible.
- Determine pipe size and slope for the collection system network associated with the land use concept.
- Compare alternatives based on evaluation criteria established in project goals and policies.
- Apply evaluation results to selected Concept Plan land use and transportation network to develop final recommendations for wastewater system improvements.

3. Summary of Future Needs

Based on the analysis of the sewer system scenarios and the final Urban Growth Diagram map, recommendations for sewer system improvements were developed. These recommendations include pumped and gravity collection systems to serve the Kelley Creek Headwaters community, and improvements to existing infrastructure in the City to convey the additional flow from Kelley Creek Headwaters to the City's treatment plant. Improvements are summarized below.

- A new 8-inch gravity sewer will convey wastewater from the development areas on Regner Road to existing sanitary sewer interceptors. This new sewer will be routed in existing or proposed roadways.
- A new sanitary sewer lift station and force main at the lowest elevation on Rodlun Road will convey sanitary sewage to a new 8-inch gravity collector which will then convey flows to existing gravity sewer lines in Pleasant Valley.

A map showing the approximate location of the proposed wastewater system improvements is included below.

Gresham recently expanded its sewage treatment plant and has capacity to serve Kelley Creek Headwaters. This flow would likely be introduced to Gresham's system at the east end of the Pleasant Valley trunk line to Rodlun Road.

With the build-out of Pleasant Valley, the closest pipeline with capacity to accept flow from Kelley Creek Headwaters will be located near the northwest corner of Kelly Creek Headwaters area near the intersection of Rodlun Road and Pleasant Valley Phase 1. A total of 5,705 feet of sewer pipe will be needed to convey the flow towards the Linneman pump station.

4. Funding Plan

Evaluation of the Kelly Creek area indicated that no regional facilities are anticipated to be constructed. The primary funding sources for the development of the wastewater system in Kelley Creek Headwaters will include development exactions for frontage and local street improvements and standard system development charges (SDCs). The developer and/or property owners will be responsible for funding water system improvements.

5. Goals, Policies and Action Measures

Goals and Policies. Applicable goals and policies that relate to the provision of public facilities in the existing comprehensive plan for the City of Gresham also apply to the Kelley Creek Headwaters PEP.

Action Measures.

1. Continue to coordinate with the City of Damascus and/or Water Environment Services of Clackamas County to determine the appropriate service provider for Sunshine Valley.
2. If Gresham is to provide treatment for any portion of flow from the City of Damascus, participate with City of Damascus and/or Water Environment Services of Clackamas County on an alignment study to identify the appropriate alignment for a new interceptor to convey wastewater to Gresham's wastewater treatment plant.

TRANSPORTATION SYSTEM

1. System Description/Condition Assessment

The primary purpose of this section of the Kelley Creek Headwaters Urban Growth Diagram (UGD) is to ensure coordination of planned transportation system improvements with other public utility and infrastructure improvements. The transportation system needs and proposed remedies shall be consistent with the City's Transportation System Plan and current public works standards upon annexation. Other than a brief overview of system needs and general remedies, the UGD does not address transportation issues in detail.

Kelley Creek Headwaters Area occupies a unique geographical location within a series of lava domes and wooded buttes in the southeast portion of the Portland metropolitan region. The area contains a significant environmentally sensitive stream, Kelley Creek, and wetlands. While these natural features provide scenic vistas and recreational opportunities, they also provide challenges from a transportation perspective.

The area is currently served by a transportation system that was designed primarily to serve the farm-to-market travel needs of the agricultural uses that once occupied the valley. Foster Road, 172nd Avenue, Jenne Road, 190th Avenue, 182nd Avenue, Sunnyside Road and Butler Road are the primary routes that connect Kelley Creek to other parts of the region.

2. System Analysis

The existing roadway network within the study area has mostly rural characteristics. Based on current development patterns, the majority of trips from the study area will travel to the north currently and to the south as Rodlun Road is extended into Clackamas County. Regner Road will carry vehicle traffic between Multnomah and Clackamas Counties.

The City's street functional classifications coordinate with classifications adopted by Multnomah County, Metro, and ODOT. Table 1 lists the functional classification definitions for the City. The Gresham Transportation System Plan contains additional detail regarding the functional street classifications. Within the study area, Rodlun Road is not classified by Gresham or Metro.

Based on the classification system below, Rodlun Road would be viewed to be a Community street. Regner Road will be classified as a collector.

Table C1 – Street Functional Parameter Classification Definitions

<i>Street Classification</i>	<i>Volume</i>	<i>Design Speed</i>	<i>Travel Lanes</i>
Principal Arterial	35,000 to 60,000	45 to 55	4 to 6
Arterial	15,000 to 40,000	35 to 45	4
Boulevard	15,000 to 40,000	25 to 35	4
Collector	10,000 to 20,000	25 to 35	2
Community Street	3,500 to 10,000	25 to 35	2

Source: City of Gresham Transportation System Plan, 2002

3. Summary of Future Needs

The city street designations in the Gresham Transportation System Plan were applied to the Kelley Creek Headwaters area Public Facility Plan. The street design type designations and cross-section elements were taken from the Pleasant Valley Plan area, since it is the most recent new development that incorporates Green Street components into new street designs. The proposed Street Functional Class Plan for the Kelley Creek Headwaters area was illustrated in Table C1.

Other aspects of the proposed functional class include:

- Safety issues exist for all modes of travel due to topography, awkward intersections and high speeds and traffic volumes. Walking and biking is made difficult by the lack of facilities for these modes of travel.
- There is a need to develop a connection of rural streets adequate to serve future growth in Kelley Creek Headwaters and northern Clackamas County, while protecting environmentally sensitive areas and adjacent neighborhoods and rural reserves from the effects of urbanization. Green street designs will help reduce impervious surface area and incorporate on-site stormwater management within the right-of-way through the use of vegetative filter strips, swales, linear detention basins, infiltration trenches, permeable pavement and tree planting. Street alignments should follow natural contours and features as much as possible, which can help optimize implementation of green street designs.

- The topography of Kelley Creek and the need to protect area streams may require the construction of retaining walls to separate the roadway from sensitive areas.
- The existing population base in Kelley Creek Headwaters cannot finance the “backbone” transportation improvements that are needed to serve future development. These improvements will serve local needs of the Kelly Creek Headwaters community and should, therefore, be supported by development. Contrarily, existing Gresham residents and business owners should not have to support development in Kelley Creek Headwaters.
- The future street system needs to provide connectivity from Kelley Creek Headwaters to major streets in Gresham and Clackamas County.
- Kelley Creek Headwaters transportation corridor also will serve as a utility corridor for essential utilities. Coordination is needed between service providers to ensure investment in public facilities is sequenced in a manner that adequately supports planned urban development.

A map showing the approximate location of the proposed transportation system improvements is included below.

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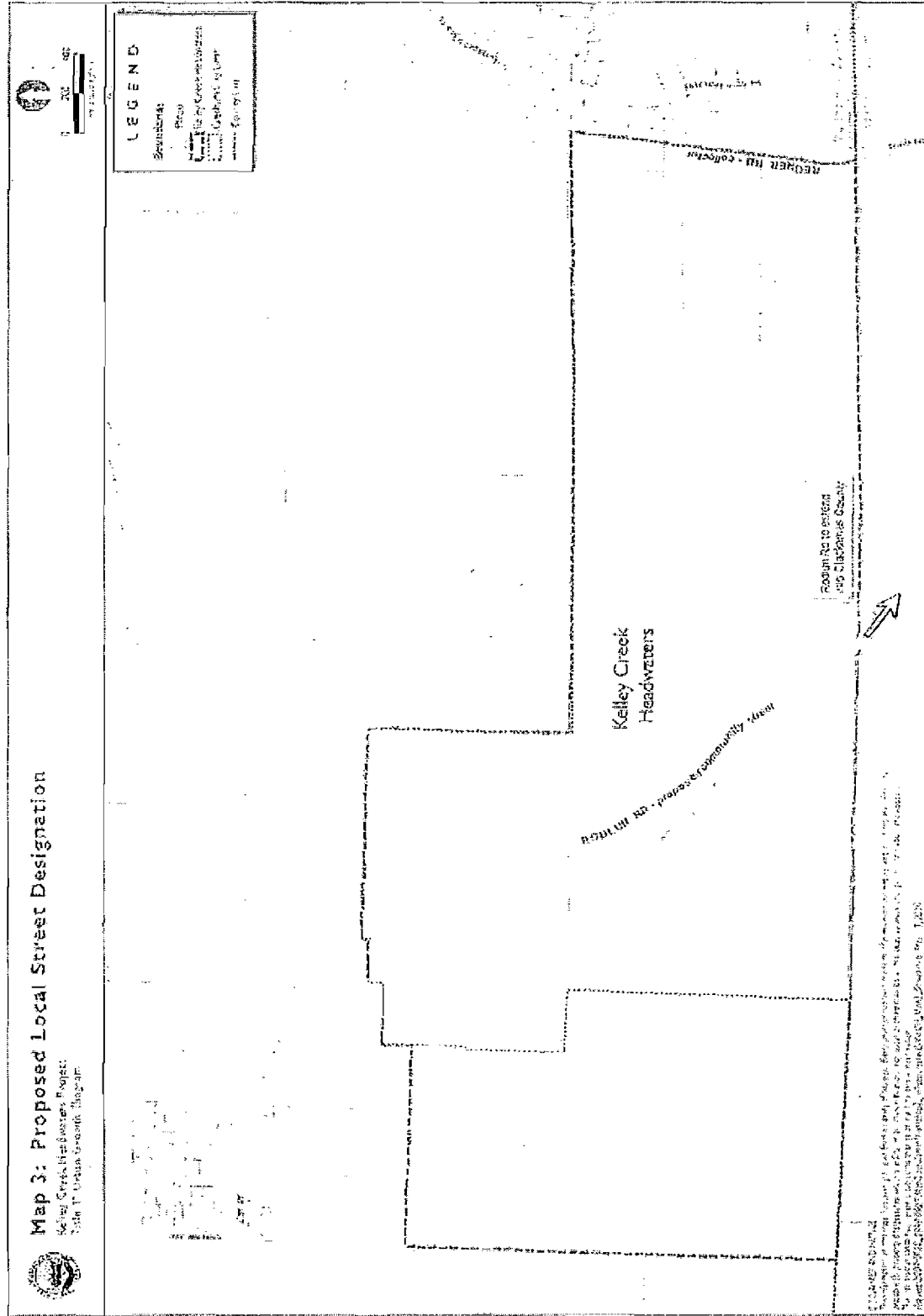
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The Kelley Creek Headwaters area plan will include special Green Street designs for local streets. Based on the above assumptions, the area within Kelley Creek Headwaters would be served through the installation of a green parkway design.

4. Funding Plan

Evaluation of the Kelly Creek area indicated that no regional facilities are anticipated to be constructed. The primary funding sources for the development of the transportation system in Kelley Creek Headwaters will include development exactions for frontage and local street improvements and standard transportation improvement fees (TIFs).

5. Goals, Policies and Recommended Actions

Goals and Policies. Applicable goals and policies that relate to the provision of transportation facilities in the existing comprehensive plans for Gresham also apply to the Kelley Creek Headwaters Urban Growth Diagram. In addition, the following policies are proposed:

1. Gresham will inform public works and transportation staff member from adjacent jurisdictions and urban service providers as defined in ORS 195 to share information about planned capital improvements and discuss policy issues affecting the provision of public facilities.
2. Adjacent jurisdictions and other urban service providers will work cooperatively on necessary urban service agreements and intergovernmental agreements to ensure clarity regarding ownership of transportation facilities.

Action Measures. The following action measure is made part of this plan.

1. Gresham and Clackamas County will work toward developing an intergovernmental agreement, if necessary, to ensure the provision of necessary municipal infrastructure in county roads for that part of Clackamas County that is adjacent to the Kelley Creek Headwaters plan area. If agreement between Gresham and the County does not anticipate annexation of this area to Gresham, it will comply with provisions of ORS 195 for urban service providers.

STORMWATER MANAGEMENT SYSTEM AND NATURAL RESOURCES IMPROVEMENT PLAN

1. System Description/Condition Assessment

Existing Conditions. The Kelley Creek Headwaters (KCH) area is located south of Gresham's Urban Growth Boundary and immediately east of the Pleasant Valley Plan District. Current land use in the area includes forestry, livestock pasture, rural residences, and passive parks and open space. The KCH area consists of moderate to steep slopes. Typical of rural areas, stormwater runoff is currently conveyed overland in ditches, flowing to natural drainages and eventually to Kelley Creek. Kelley Creek flows west/northwest through the central and western portions of the area, with several tributary streams flowing into Kelley Creek from the hillsides north and south of Rodlun Road. Kelley Creek eventually flows to Johnson Creek near the intersection of SE 162nd Avenue and Foster Road. Portions of central and eastern KCH area have been cleared for farming, residential housing, and roadways, but the majority remains forested. The pasture areas are dominated by mixed non-native pasture grasses. Areas adjacent to residential homes typically include non-native ornamental plant species.

Dominant overstory species within the forested areas include Douglas fir, western red cedar, big leaf maple, and red alder. The understory is typically dominated by vine maple, red elderberry, salmonberry, snowberry, and sword fern. Non-native species, including Himalayan blackberry, English ivy, and English holly are present along the disturbed edges of the open spaces, or within recently logged tracts of land.

Shallow roadside ditches are present along portions of Rodlun Road, as well as the west side of Alder Ridge Road. In each case, the ditches are located between the roadway and adjacent hillsides, not between the roadway and the creek. The primary function of the ditches appears to be to prevent upslope water from flowing across the roadway, not to convey stormwater runoff from the roadway. Stormwater runoff from roads and other developed areas within the Kelley Creek Headwaters area generally flow directly into the vegetated areas along the road.

As a result of their proximity to the road surfaces and adjacent private properties, the ditches currently convey some untreated stormwater runoff into Kelley Creek, but most of the flow in these ditches is from natural sources. These sources include natural runoff from undeveloped areas, as well as groundwater discharge directly into the ditches or upslope sources. This is evidenced by flowing water in the ditches for up to several days following a precipitation event.

Riparian vegetation along Kelley Creek and its tributaries is variable in width and cover. Tributaries within undeveloped areas that have not been logged recently generally retain a healthy riparian area consisting of native forest, and are greater than 100 feet wide. As the tributaries pass through pasture land, near residences, or logged areas, the forested riparian areas are generally much narrower, and typically have fewer native understory species. Rodlun Road parallels the north bank of Kelley Creek for nearly one-half mile through the central portion of the headwater area, and consequently has less riparian vegetation than the less disturbed south bank. The proximity of Rodlun Road to Kelley Creek is contributing to sediment entering the stream, constricts natural channel configuration, and limits floodplain development and the lateral extent of riparian vegetation. Stream and riparian improvements recommended for the area in general include control of noxious vegetation and planting of native trees, shrubs, and herbaceous plants in the riparian corridor, removing or upsizing culvert crossings, and creating opportunities for the stream to access adjacent floodplain areas during small flood events.

Downstream, Johnson Creek frequently floods in Portland's Lents neighborhood. As the upper headwaters of Johnson Creek, the future hydrology of the KCH area will have a direct impact on this situation. Therefore, the stormwater management plan and design requirements for KCH should utilize every available tool to prevent exacerbating downstream flooding.

2. Stormwater System Analysis

The recommended stormwater management system for KCH is intended to minimize the impact of development (both on water quality and flow rates and volumes) and maintain or restore watershed functionality using the goals and recommendations described below.

Design Criteria. To the maximum extent practicable, Green Development Practices and Green Street Standards shall be used to reduce the rate and volume of stormwater discharge to the natural stream channels in the Environmentally Sensitive/Restoration Area ("ESRA") to a level that is no greater than pre-development conditions for storms up to and including the 25-year, 24-hour storm. Green Development Practices include rain gardens, stormwater planters, and the use of porous paving materials. Where Green Development Practices cannot be used to manage stormwater, traditional stormwater facilities shall be used to meet quality and detention requirements per the City of Gresham's Water Quality Manual and Public Works Standards.

Due to the limited size of drainage basins within the Kelley Creek Headwaters area and challenging topography, large regional facilities (detention ponds) will not be utilized to manage stormwater. Rather, each development project shall manage stormwater using the City of Gresham's Green Development Practices Manual (for private property) and Green Street Standards (for public street improvements). Both components use techniques and processes that mimic natural hydrology to the greatest extent practical, reducing impacts of runoff to pre-development conditions, or improving over current conditions. The sizing of Green Development Practice and Green Street facilities is a function of native soil infiltration rates, impervious surface to manage, and the magnitude of storm events to manage. For the Kelley Creek Headwaters area, the 25-year, 24-hour storm is the controlling storm for facility sizing.

Rather than routing runoff to underground pipes for conveyance, wherever practicable, runoff shall be conveyed through open swales. Vegetated swales located between the roadway and sidewalks and drainage channels located along Habitat Conservation Areas (HCAs) will slow the flow of runoff and also provide some infiltration. These swales and drainage channels will generally have an 8-foot top width, 2-foot bottom width, and 4:1 side slope. In areas where the standard swale geometry does not provide adequate capacity, a 10-foot top width shall be provided. With proper maintenance, the drainage channels will provide water quality treatment prior to discharge of stormwater to Kelley Creek.

1. Natural Resources Improvements

Throughout the Kelley Creek watershed, there are issues of noxious weed growth that needs to be addressed, including Himalayan blackberry, English ivy, clematis, English holly, and reed canarygrass. In addition, improved streambank stability, stream shading, and native plant detritus inputs for macroinvertebrate support and salmonid feeding would be realized with increase native tree and shrub cover. The City will incorporate the KCH area into its volunteer-based restoration efforts as the area annexes into the city.

The highest priority for improved stream conditions has been identified on a Metro-owned property at 8282 SE Rodlum Road. An undersized culvert under a driveway restricts flow in Kelley Creek mainstem to the extent that storm flows have frequently overtopped the banks, spilled over the driveway, and caused erosion of the streambank. Past efforts to address the ongoing erosion lead to heavy armoring of approximately 100 feet of the bank with concrete and asphalt chunks. The proposed improvement project would address the undersized culvert, remove the armoring, re-grade the slope, add a terrace shelf along this stretch of stream, improve access to the historic floodplain, and add native tree and shrub cover.

2. Summary of Future Needs

On-site Green Development Practices. Stormwater management goals rely on Green Development Practices on private property and within public streets to manage increases in stormwater flow rates and volumes, facilitating infiltration and evapotranspiration. Green Development Practices are a set of techniques that mimic and incorporate the predevelopment hydrology of a site into future development. Green Development Practices include site management techniques that minimize (1) disturbance to existing soils, tree canopy, and other sensitive natural resource features and (2) impervious surfaces, to reduce the production of surface runoff. They also manage runoff through techniques that use natural areas and landscaping to treat, retain, attenuate, and infiltrate stormwater within each development site instead of using traditional piped collection and conveyance systems.

An approved Stormwater Management Plan, incorporating green development practices, will be required in the new KCH area. The City's *Green Development Practices for Stormwater Management* provides guidance to developers on how to implement green practices on development sites. Stormwater management plans provide a mechanism for the City to review how development proposals for stormwater facilities meet the requirements for stormwater management and green practices. The intention is that the stormwater management plans be submitted and approved along with the site plan or preliminary development plat approval.

Within the HCAs, improvement efforts will be implemented to increase wildlife support and riparian function. Protecting and enhancing the tree canopy adjacent to riparian areas will also be an important component of the plan to meet expected Total Maximum Daily Load (TMDL) limitations for temperature in the Kelley Creek Headwaters basin.

Coordination is needed between Gresham and the new City of Damascus regarding stormwater system planning and design guidelines for the portion of the area in Damascus (south of Multnomah County). A consistent approach regarding stormwater conveyance standards, development setbacks, allowed uses in HCAs, and other issues related to stormwater management should be identified in an intergovernmental agreement.

The City of Gresham will not be responsible for NPDES and TMDL compliance for KCH until areas are annexed into the City.

Public stormwater infrastructure that benefits the entire KCH area includes the installation of stormwater facilities to manage stormwater runoff from approximately 3,000 feet of Rodlun and Regner roadway improvements. A culvert and stream improvement project is proposed to address ongoing erosion, stream stability, and riparian function.

3. Funding Plan

Evaluation of the Kelly Creek area indicated that no regional facilities outside of KCH are anticipated to be constructed. The primary funding sources for the development of the stormwater system in Kelley Creek Headwaters will include development exactions for frontage and local street improvements and standard system development charges (SDCs). The developer and/or property owners will be responsible for funding stormwater system improvements.

A map showing the approximate location of stormwater facilities is shown below:

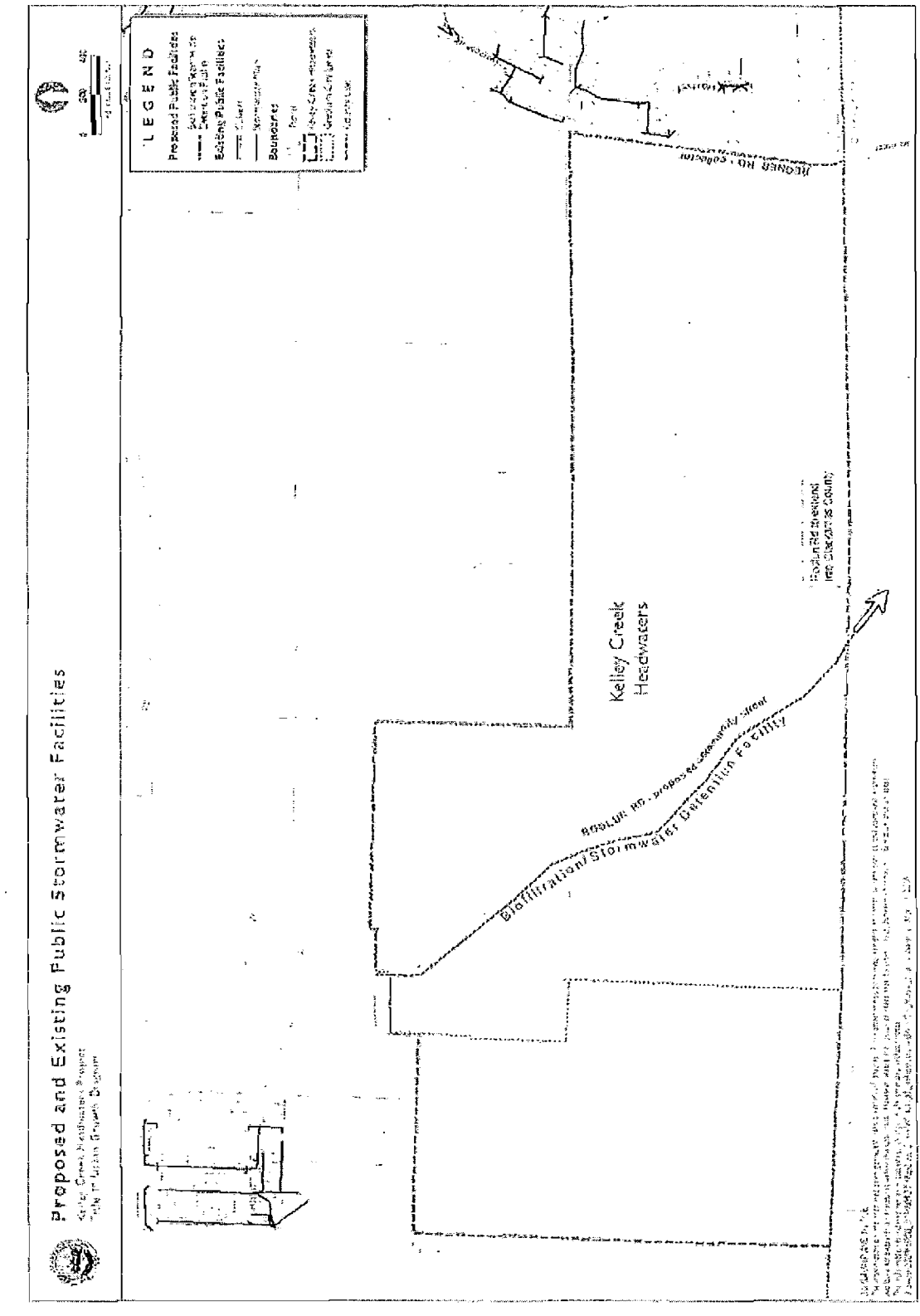
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6. Goals, Policies, and Action Measures

Goals and Policies. Applicable goals and policies that relate to the provision of public facilities in the existing comprehensive plan for the City of Gresham also apply to the Kelley Creek Headwaters Urban Growth Diagram. The City shall manage stormwater and natural resources to minimize impacts on localized and downstream flooding and to protect water quality and aquatic habitat.

The following policy is made part of this plan:

- 1 Green development practices, including green streets, will be utilized. Development and infrastructure plans should enhance the natural hydrological system. Employing green practices shall be the fundamental approach to managing stormwater runoff in a way that maintains or improves the water quality of streams and groundwater.

Action Measures. The following action measures are made part of this plan:

- 1 Design culvert improvements for existing and proposed stream crossings to eliminate barriers to fish passage.
- 2 Stormwater management shall avoid a net negative impact on nearby streams, wetlands, groundwater, and other water bodies.
- 3 The quantity of stormwater after development shall be equal to or less than the quantity of stormwater before development, wherever practicable.
 - a. Development shall mitigate all project impervious surfaces through retention and onsite infiltration to the maximum extent practicable for up to the 25-year storm event. Stormwater discharges from on-site facilities shall be conveyed via an approved drainage facility.
 - b. Where lots are too small for on-site stormwater facilities, adjacent private developments may manage stormwater in a shared facility that is appropriately sized and meets water quality and flow control design standards.
 - c. Public stormwater facilities shall be designed such that the rate and duration of flow discharging from facilities for up to the 25-year storm does not lengthen the period of time the stream channel sustains erosion causing flows.
 - d. Conveyance swales and public stormwater facilities shall be designed to provide conveyance for the 100-year storm event.
- 4 The quality of stormwater after development shall be equal to or better than the quality of stormwater before development, as much as is practicable, based on the following criteria:
 - a. Stormwater facilities shall be designed to achieve at least 70% removal of the Total Suspended Solids ("TSS") from the flow entering the facility for the design storm specified in the City of Gresham Water Quality Manual.
 - b. Stormwater facilities shall meet the requirements for established Total Maximum Daily Load limitations, as provided under the Federal Clean Water Act, Oregon Law, Administrative Rules and other legal mechanisms.
- 5 Stormwater facilities shall be designed to safely convey the less frequent, higher flows through or around facilities without damage.
- 6 Public stormwater facilities shall be designed using approaches that integrate stormwater and vegetation such as swales, trees, vegetated planters and wetlands.

- 7 Noxious vegetation will be controlled within available resources, and streamside areas will be densely vegetated wherever possible to improve stream shading, streambank stability, and aquatic habitat.
- 8 Look for opportunities to enhance natural resource areas through the construction and maintenance of stormwater facilities

TRAIL SYSTEM

1. System Description/Condition Assessment

The Kelley Creek Headwaters area is currently rural in nature, with some residential development. There currently are no trail systems in the area, however Metro has identified the East Powell Butte Loop Trail and the Scouter Mountain Trail in its Regional Transportation Plan and Regional Trails Plan.

The purpose of the trail system is to interconnect parks and natural areas; to maximize access to programs and facilities; to promote wellness and health for a variety of users; to encourage social interaction and community pride; and to provide opportunities for rest and relaxation within natural settings through trail-related recreation. These trails also serve to reduce auto-dependency and enhance connections to transit facilities; to link natural area amenities with homes, workplaces and other community facilities; and to provide outdoor classroom opportunities for environmental education. Trail characteristics are described below.

- Multi-Use (Multi-Purpose) trails are intended for a broad range of non-motorized uses such as bicycles, wheelchairs, strollers and horseback riding as well as pedestrian uses such as walking, hiking and running. They may also be used for commuting purposes. Multi-Use trails are paved, 10-12 feet wide with 2-foot wide shoulders.
- Walking/hiking trails are intended for recreation. Some of these trails may be single-use trails restricted to pedestrian use only due to steep slopes, erosive soils, or other sensitive environmental considerations. Walking/hiking trails are soft-surfaced, un-paved 4-6 feet wide with 2-foot wide shoulders
- To the extent possible, trail construction will comply with Metro's Green Trails handbook.

2. System Analysis

The trails will create connections:

- The East Powell Butte Loop Trail from Pleasant Valley east towards Rodlan Road. This trail is envisioned as the major east-west trail of Pleasant Valley, Kelly Creek Headwaters and the Gresham Buttes. Other regional and local trails will branch off, providing additional direct access to surrounding public natural areas. This trail is included in Metro's Regional Transportation Plan as Project No. 11074.
- The Scouter Mountain Trail is a larger loop trail that will provide access from the Springwater Trail Corridor in the north, to Scouter Mountain in Happy Valley, and down to the Clackamas River to the south. This trail is included in Metro's Regional Transportation Plan as Project No. 11071.

The trail system could also include a connection from Butler Road to the Cedar Lake subdivision along the Hogan Creek corridor, however this option would be pursued through private development rather than as a part of the City of Gresham's capital improvement program.

Potential Synergies:

- Stormwater Management – If the East Powell Butte Loop Trail is constructed adjacent to streams, investigate opportunities for combining stormwater conveyance and management with the multi-use trail.

East Powell Butte Loop Trail – This 12.7-mile regionally-designated trail will connect the east side of Portland's Powell Butte Nature Park at the Springwater Trail Corridor through Happy Valley, Damascus, the Gresham Buttes and reconnecting east to the Springwater Trail Corridor at Reguer Road. The Kelley Creek Headwaters segment is estimated at 4,079 linear feet.

Scouter Mountain/Mount Scott Loop Trail -- This 15.5-mile regional trail connects the west side of Portland's Powell Butte Nature Park at the Springwater Trail Corridor through Happy Valley, the Clackamas River, Damascus and connects to the East Buttes Loop Trail and the Gresham buttes. The Kelley Creek Headwaters segment is approximately 1,634 linear feet.

3. Summary of Future Needs

Trails and natural areas will be an integral part of the Kelley Creek Headwaters community design; strengthen community bonds and protect natural resources. The East Buttes in Multnomah and Clackamas counties are collectively known as the Boring Volcanic Domes. This area has been the focus of more than 15-year effort to acquire public ownership of these lands to preserve and protect wildlife habitat and scenic viewsheds. The Gresham and North Damascus buttes provide the greatest opportunity to establish a large, contiguous open space area with high natural resource qualities of the scope of Portland's Forrest Park.

A map showing the approximate location of the proposed trails is shown below:

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4. Calculated Cost & Funding Plan

The above discussed trail segments are the only regional public facilities being proposed for Kelley Creek Headwaters. As such, an estimated cost is required by OAR 660-011-0000. The same trail segments are proposed by the Pleasant Valley Plan. The per foot cost for the East Buttes Loop trail (PV Project # 10069.2) was calculated to be \$490.32 per foot and the Scouter Mt. Trail (PV Project # 10071) was calculated to be \$677.31 per foot. These "per foot" estimates for each trail was then multiplied by the linear footage of each trail within KCH, as determined by GIS staff, to arrive at the following total costs for both segments.

<u>Trail</u>	<u>Cost per ft.</u>	<u>KCH Length.</u>	<u>KCH Total Cost</u>
<u>East Buttes Loop</u>	<u>\$490.32</u>	<u>4,079 ft.</u>	<u>\$2,000,015</u>
<u>Scouter Mt.</u>	<u>\$677.31</u>	<u>1,634 ft.</u>	<u>\$1,106,725</u>

There will be several options for the funding of the Kelley Creek Headwaters system. Traditional methods such as system development charges, grants, land exchanges and land dedication should be considered in concert with a variety of alternative funding strategies to purchase as well as maintain the system. All capital improvement projects should consider future maintenance strategies before they are implemented to ensure a high level of quality and safety for park users.

The following approaches have been summarized as possible funding strategies for implementing the trails recommendations outlined in this document:

- Continue to use System Development Charges (SDCs) for land acquisition and construction, and adjust them as necessary to fully fund trail development.
- Grants and donations should continue to be used whenever possible. Numerous programs exist at the regional, state and federal level to assist with natural resource related planning efforts, especially if those planning efforts are related to natural hazard mitigation strategies. In addition to opportunities to obtain funding for the protection and restoration of habitats, opportunities to obtain public natural areas as part of a hazard mitigation/prevention strategy are available.
- On all trails, parks and open space projects look for synergies with other government agencies to share in funding facilities. Partnerships also exist with non-profit organizations such as land trusts.

5. Policies and Recommended Actions

Policies: The following policy is made part of this plan:

1. Trail placement in Kelley Creek Headwaters, as shown on the Urban Growth Diagram, is conceptual and is based on the East Buttes Loop Trail and Scouter Mountain Trail concepts of the Metro Regional Trails Plan, Metro Resolution No. 02-3192.

- a. The final trail alignments are subject to negotiation with affected property owners. The City will not require property owners to dedicate land for trails nor will it use condemnation to acquire rights-of-ways for trails.
- b. Trail placement will, where feasible, avoid the unconstrained (most developable) parts of properties, and will be located on public property where feasible.
- c. Urban Growth Diagram Map No. 1 which shows regional trails shall be amended to reflect changes to conceptual trail alignments in the Metro Regional Trails Plan or changes that occur as a result of future Metro/City trails master planning efforts and to accurately reflect the locations of built trails.

Action Measures: The following actions should be taken to implement this plan:

1. Construction and maintenance of trails shall encourage the removal of exotic (non-native) species and the planting and preservation of native trees and other plants.
2. If the East Powell Butte Loop Trail is constructed adjacent to streams, investigate opportunities for combining stormwater conveyance and management with the multi-use trail.
3. Gresham will seek grant funds from Metro and other sources to help finance the construction of trails.
4. The trails system shall create interpretive educational opportunities that allow residents to experience and understand the diverse ecosystem that they are a part of.

Section 5: Protection of Natural Resources

The following natural features have been identified, mapped and proposed for protection:

- Title 13 Habitat Conservation Areas (UGD Maps 2A & 2B)
- Title 3 Water Quality Resource Areas (UGD Map 2B)
- Areas with steep slopes of 15% and greater (UGD Map 3)

The Habitat Conservation Areas and Water Quality Resource Areas will be protected with the City's Habitat Conservation Area Overlay District Overlay. This overlay is based on Metro's Title 13 Model Ordinance. Steep sloped areas (15% +) will be protected with the Hillside Physical Constraint District Overlay. In addition to these zoning requirements, water quality will be protected through green development practices for stormwater management.

Habitat Conservation Area Overlay & NR Inventory

The HCA Overlay has the following features:

- It offers to applicants who want to develop within the HCA two alternative sets of development standards:
 - Clear and objective standards where the applicant has to meet a number of specific development standards. These include a percentage limitation on the amount of habitat that can be disturbed, depending upon its habitat class rating (high, moderate or low), standards for proposed partitions and subdivisions, and specific mitigation standards for replacing impacted habitat.
 - Discretionary standards that are general guidelines. These basically require the applicant to demonstrate that there is no way to avoid building in the habitat, that the design of the development, after analyzing alternative designs, minimizes impacts to the various

functions of the habitat and that any loss of habitat functions will be mitigated. The discretionary standards also offer more flexibility in regard to the design and location of a mitigation area compared to the more specific mitigation standards found in the above clear and objective standards.

- It has a variance section for properties where the application of the standards would cause an unreasonable hardship and severely restrict their use.
- For development within habitat areas or proposed within 100 ft. of such areas, there is a mapping verification process. This includes a simple process for applicants who believe that the habitat map is accurate and other processes for the correction of mapping errors.
- There is also a list of uses and activities that are exempt from the HCA regulations. These include the continued maintenance of lawns and gardens that are within a habitat boundary, habitat restoration projects, the maintenance or replacement of roads and utilities when no additional incursion into a habitat area is proposed, and minor encroachments (such as a utility shed) into a habitat area that do not exceed 120 sq. ft. of impervious surface.

The Habitat Conservation Area (HCA) Overlay maps (UGD Maps 2A & 2B) show where the HCA standards will be applied. These are the riparian areas of perennial and intermittent streams and publicly owned (by Metro) upland wildlife habitat.

The maps also reflect the results of a natural resource inventory. The previous natural resource inventory was based on laser based topographic information using LIDAR aerial photography. At the September 25, 2008, a number of property owners said that the natural resource maps were showing streams in areas where there were not present. This discrepancy necessitated the need for a new field based inventory and the City hired Pacific Habitat Services (PHS) to conduct it. After obtaining the consent of property owners, PHS visited properties and did the following:

- Checked for the presence of streams, primarily visual evidence of a defined bed and bank.
- Classified streams as perennial, intermittent and ephemeral, using the Oregon Stream Duration Assessment Method. Only perennial and intermittent streams are required to be protected by the HCA and Title 13.
- Checked for the presence of Locally Significant Wetlands, which are defined by the state. These wetlands are required to be protected by the HCA/Title 13 and Goal 5.

The results of the inventory showed that there were streams shown on the LIDAR based maps where there were no streams ("no bed and bank") and some streams were shown as intermittent when they were really ephemeral. The inventory map that shows the results of the analysis of KCH streams is shown below.

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Finally, no Locally Significant Wetlands were found that require protection by the HCA. Instead, some minor “possible wetlands” (less than ½ acre) areas were found that are not regulated.

- Hillside Physical Constraint District Overlay
As in the northerly buttes area of the City, the Hillside Physical Constraint District Overlay will be applied to steep sloped areas of 15% and greater. This overlay has the following features:
- It limits development on steep slopes by allowing less density than permitted by the underlying zoning (see table below). The greater the slope, the lower the density allowed.
 - It limits the amount of tree/vegetation removal and site grading that can occur on development sites.
 - It requires soils and geology reports to evaluate slope stability, bedrock/soil conditions, drainage patterns, seismic risk and other geological factors. This requirement also applies to “transition areas” which are areas within 100 ft. of slopes of 15%+.

Approximately 80% of KCH is affected by the Hillside Physical Constraint District. These areas are shown on UGD Map #3. UGD Map #4 shows the location of the slope categories that the overlay references (based on LIDAR topographic data).

The following table lists the categories, the density to be allowed within each category and the amount of privately owned land (excludes Metro open space) in KCH that fall within each category. All properties within KCH will be zoned LDR-7 which allows a maximum density of 6 units per acre. However, as indicated below, substantially less density will be allowed on steep slopes than on level land.

<u>Degree of Slope</u>	<u>Max. Density (LDR-7)</u>	<u>Acres of Private Land</u>
<u>0 – 14.9%</u> <u>(outside HPCD)</u>	<u>6 units / acre</u>	<u>28 acres</u>
<u>15 – 24.9%</u>	<u>2 units / acre</u>	<u>26 acres</u>
<u>25 – 34.9%</u>	<u>1 unit / acre</u>	<u>22 acres</u>
<u>35% +</u>	<u>1 unit / acre</u> <u>(must be transferred to less</u> <u>than 35% sloped areas)</u>	<u>45 acres</u>

Green Development Practices
Stormwater management goals rely on Green Development Practices on private property and within public streets to manage increases in stormwater flow rates and volumes, facilitating infiltration and evapotranspiration. Green Development Practices are a set of techniques that mimic and incorporate the predevelopment (natural) hydrology of a site into future development. Green Development Practices include site management techniques that:

- Minimize disturbance to existing soils, tree canopy, and other sensitive natural resource features.
- Minimize impervious surfaces, to reduce the production of surface runoff.
- Manage runoff through techniques that use natural areas and landscaping to treat, retain, attenuate, and infiltrate stormwater within each development site instead of using traditional piped collection and conveyance systems.

An approved Stormwater Management Plan, incorporating green development practices, will be required in the new KCH area. The City's *Green Development Practices for Stormwater Management* provides guidance to developers on how to implement green practices on development sites. Stormwater management plans provide a mechanism for the City to review how development proposals for stormwater facilities meet the requirements for stormwater management and green practices. The intention is that the stormwater management plans be submitted and approved along with the site plan or preliminary development plat approval.

Within the HCAs, improvement efforts will be implemented to increase wildlife support and riparian function. Protecting and enhancing the tree canopy adjacent to riparian areas will also be an important component of the plan to meet expected Total Maximum Daily Load (TMDL) limitations for temperature in the Kelley Creek Headwaters basin.

Coordination is needed between Gresham and the new City of Damascus regarding stormwater system planning and design guidelines for the portion of the area in Damascus (south of Multnomah County). A consistent approach regarding stormwater conveyance standards, development setbacks, allowed uses in HCAs, and other issues related to stormwater management should be identified in an intergovernmental agreement.

The City of Gresham will not be responsible for NPDES and TMDL compliance for KCH until areas are annexed into the City.

Public stormwater infrastructure that benefits the entire KCH area includes the installation of stormwater facilities to manage stormwater runoff from approximately 3,000 feet of Rodlun and Regner roadway improvements. A culvert and stream improvement project is proposed to address ongoing erosion, stream stability, and riparian function.

Natural Resources Improvements

Throughout the Kelley Creek watershed, there are issues of noxious weed growth that needs to be addressed, including Himalayan blackberry, English ivy, clematis, English holly, and reed canary grass. In addition, improved streambank stability, stream shading, and native plant detritus inputs for macro-invertebrate support and salmon feeding would be realized with increase native tree and shrub cover.

The City will undertake the following in order to improve habitat conditions:

1. Include the KCH area into its volunteer based habitat restoration efforts as the area annexes into the City;
2. Seek grants and donations to be used for restoration projects should opportunities arise; and
3. Consider, where possible, combining restoration projects with City utility projects in order to leverage funds and minimize costs.

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The highest priority for improved stream conditions has been identified on a Metro-owned property at 8282 SE Rodlun Road. An undersized culvert under a driveway restricts flow in Kelley Creek mainstem to the extent that storm flows have frequently overtopped the banks, spilled over the driveway, and caused erosion of the streambank. Past efforts to address the ongoing erosion lead to heavy armoring of approximately 100 feet of the bank with concrete and asphalt chunks. The proposed improvement project would address the undersized culvert, remove the armoring, re-grade the slope, add a terrace shelf along this stretch of stream, improve access to the historic floodplain, and add native tree and shrub cover.

Section 6: Annexation

Before development of a property in Kelley Creek Headwaters can occur, it must be annexed into the City. Because of its relatively small area and limited development potential, unlike Pleasant Valley and Springwater, the City will not take a pro-active role in encouraging property owners to annex. Rather it will wait until individual property owners or groups of property owners approach the City and request annexation.

Gresham's procedures for annexation comply with state and Metro requirements. In order for a property to be eligible for annexation, it must be contiguous to the City limits. Multiple parcels and property owners can be processed as a single application as long as the parcels form a contiguous area that abuts the City limits. There are two ways for a property owner(s) to initiate or start the annexation process:

1. An expedited annexation application can be made if submitted with petitions that have the written consent of 100% of property owners and at least 50% of the registered voters within the affected area. No public hearing is required and City Council makes a decision on its consent or business agenda. A 20 day public notice of the decision date is required.
2. A public hearing annexation application can be made if submitted with petitions that have the written consent of property owners of more than 50% of the land area and at least 50% of registered voters within the affected area. A 45 day public notice of the City Council hearing is required.

An annexation application must address the approval criteria in Appendix 1.000 of the Community Development Code, including applicable state and Metro criteria. In regard to the public facilities (sewer, water, roads, etc.), the criteria require that either:

1. That funding mechanisms to construct needed public facilities are in place; or
2. A public facilities agreement has been executed that will guarantee the funding of public facilities prior to or concurrent with a development permit application.

As shown on the Urban Growth Diagram maps, the applicable land use districts will be assigned to properties at the time of annexation. Development approvals must be obtained prior to actual land divisions or construction of improvements on private properties. Once construction of the private and public improvements has been completed and final inspections/approvals have been obtained, a development can be occupied.

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Section 2. Volume 2, Section 10.014 is amended as follows:

**10.014 GOAL 2 – LAND USE PLANNING
LAND USE POLICIES AND REGULATIONS, AND COMMUNITY DESIGN**

Section 1, Land Use Policies and Regulations

BACKGROUND

STATEWIDE PLANNING GOAL 2: LAND USE PLANNING

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

Statewide Planning Goal 2 requires that:

- City, county, state and federal agency and special district plans and actions related to land use be consistent with the “comprehensive plans” of cities, counties and regional plans adopted under ORS Chapter 268 (Metro),
- Land use plans identify issues, problems, inventories and other factual information for each applicable statewide planning goal,
- Specific implementation measures be developed consistent with and adequate to carry out local jurisdictions’ Comprehensive Plan,
- Adoption and subsequent amendment of comprehensive plans and their implementation measures be coordinated with the plans of other affected governmental units, and,
- All adopted land use plans and implementing measures be periodically reviewed and revised to address changed conditions and circumstances.

Gresham’s economic future, ability to provide essential urban services and its overall quality of life depend on the types of future urban development that may locate in the City. Property values of existing and future development will determine, to a great extent the ability of the City to provide important urban services. The policy and regulatory structure provided by the Comprehensive Plan and its implementing regulations are important tools in this regard.

The following land use planning goal and implementing policies along with others in the Comprehensive Plan are intended to be the foundations for Gresham’s land use regulations. In general they embody the principle that land use planning is to contribute positively to the community’s quality of life. The context of land use planning in Gresham has changed considerably since the Comprehensive Plan was first updated in 1988 - 89. For example, many new state land use laws have been passed. Also Metro has assumed substantially more authority in managing the Portland Metropolitan Area Urban Growth Boundary (UGB). Metro has also taken lead in several other areas of urban growth and development pertaining to lands inside the UGB. Metro now has jurisdiction over several areas pertaining to regionally significant land use, transportation and natural resource protection matters.

The Metro Council in December 1998 brought the Pleasant Valley area into the Urban Growth Boundary (UGB). An extensive and collaborative planning process followed in 2000. The intent was to develop a "concept plan" necessary to meet the requirements of Title 11 of the Metro Urban Growth Management Functional Plan (UGMFP) for new UGB expansions. This process involved Pleasant Valley residents, Multnomah and Clackamas counties, Gresham and Portland. Many other stakeholders participated, including environmental and development interests.

The Concept Plan was completed in May 2002 and was endorsed by the Pleasant Valley Steering Committee. Acceptance of the Plan by participating governments, including Gresham, followed soon after.

Subsequently, Gresham led the development of the Pleasant Valley Implementation Plan that provides the land use regulatory and public facility framework necessary to implement the Concept Plan. Adoption of the Implementation Plan occurred in summer 2004. The Implementation Plan, including development standards, then became part of the Comprehensive Plan in January 2005.

In 2002 Metro added another 18,250 acres to the UGB, most of it south of Gresham in the Damascus area of Clackamas County. Working with property owners, Gresham ultimately plans to annex the Multnomah County portion of this UGB expansion several thousand of these acres into the City. This area consists of Springwater (1,272 acres) and Kelley Creek Headwaters (220 acres).

It is expected that much of this area, called Most of Springwater, will be developed for industrial uses. These new economic development opportunities are essential for the city's economic future and ability to fund needed public services. Like it did for Pleasant Valley, Gresham is required to develop both Concept and Implementation Plans for Springwater before annexation and development can occur. developed concept and implementation plans for Springwater that complied with Metro Title 11. The City Council approved the Concept Plan in November 2004. The Implementation Plan became part of the Comprehensive Plan in December 2005.

The Pleasant Valley and Springwater Concept Plans will be the basis of "implementation plans" that will be adopted as special area plans. These will be incorporated into the City's Comprehensive Plan when complete. Regulations to implement the plans will also be adopted as part of the City's Community Development Code.

Because of topographic constraints, Kelley Creek Headwaters (KCH) will be developed for low density residential uses. Unlike Pleasant Valley and Springwater, no new development code standards were developed. Instead, the Urbanization (concept) Plan proposed applying the adjacent Gresham Butte low density residential and environmental overlay zoning to KCH. The Urbanization Plan was adopted by Council in July 2009 and became part of the Comprehensive Plan in September 2009.

The Goal 2, Land Use Planning Chapter is related to all other parts of the City's Comprehensive Plan. In particular chapters pertaining to Natural Resources, Economic Development, Housing, Public Facilities and Urbanization should also be consulted when using these policies and action measures.

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Section 3. Volume 2, Section 10.410.1 is amended as follows:

10.410.1 URBAN SERVICES BOUNDARY AND GENERAL ANNEXATION

BACKGROUND

The geographic boundaries of the city establish a host of important factors. It determines the taxes and rates the City will collect and where it will provide urban services. To ensure the effective delivery of services and to respond to changes in population, it may become necessary to alter boundaries as a region evolves.

One of the most efficient ways for a city to logically address these issues is to proceed with an annexation. Sound economic development, enhancement of property values, and high service levels at minimum costs result from total comprehensive planning that includes annexation as a tool. By means of annexations, the City's Development Plan can be extended to adjacent areas in a logical manner, helping to assure orderly growth.

In the past the City has established relationships with other agencies, primarily Multnomah County, who would be affected by annexation of territory to Gresham. These relationships have generally established what lands that Gresham would, in the future, annex and provide urban services, and what Gresham's role would be in planning for those lands' future urban development.

In 1979 the City and Multnomah County adopted an Urban Planning Area Agreement (~~UPPA~~) (UPAA) that established those unincorporated lands in which the County and the City have mutual planning interest. The territory included in this agreement included the then existing city limits, unincorporated mid-Multnomah County lands that were required by the Oregon Department of Environmental Quality to be connected to a public wastewater system in agreement with the City of Portland, and other lands in unincorporated Multnomah County within the Urban Growth Boundary and adjacent to the city.

In 1983 the City adopted an Urban Services Boundary (USB) that identifies the area the City agreed to eventually annex and extend services (Ordinance 983). The area covered by the USB boundary coincided with the 1979 ~~UPPA~~ UPAA. Ordinance 983 also amended the Community Development Plan by adopting the current Growth Management Policy 2 and Implementation Strategies.

In 1987 the City amended the Development Plan to allow for minor adjustment to the Urban Services Boundary. To make an amendment, the land must be within 400 feet of the Urban Services Boundary and can occur to recognize ownership patterns and to deal with a public health, safety, and welfare issue. The adjustment is ministerial and must be approved by the Gresham, Portland, and Multnomah County planning managers. Amendments under this process also amended territory covered by ~~UPPA~~ UPAA.

In 1986 the City entered into an IGA with the County that established the transition of planning and development services as lands were annexed into Gresham. The City engaged in an annexation program during the 1980s, and most of the lands within the USB were annexed to the City. In 1989 the IGA was amended to let the City have planning responsibility for those lands not yet annexed, with the expectation that the City's Development Plan Map and Code would apply upon annexation. A small number of parcels subject to these agreements have not yet been annexed.

The 1986 IGA was amended in 1998. This amendment addressed what were then called Metro-designated urban reserves (areas designated as future UGB expansion areas) and identified a procedure to be used when considering amendments to the City's Urban Planning Area boundary and/or Urban

Services Boundary for designated Urban Reserve areas, and phasing of planning responsibilities from the County to the City when boundary amendments occur. The IGA was most recently amended in July 2008 in order to expand the scope of the agreement to include the Kelley Creek Headwaters area.

The procedures outlined provided amending the City's Urban Planning Area boundary and/or Urban Services Boundary after Metro designated an urban reserve, and after there was agreement among existing affected cities regarding appropriate planning authority and/or general service provider. It then provided that the City would be responsible for the Urban Reserve Plan for land within the amended Urban Planning Area.

Currently, these UGB expansion areas are subject to the planning requirements of Title 11 – Planning for New Urban Areas, of Metro Urban Growth Management Functional Plan (UGMFP). Three such areas have affected the city: Pleasant Valley, Springwater, and Kelley Creek Headwaters UGB Expansion (Area 13). [See Goal 10.410.2 414-I – Annexation and New Communities concerning these three areas.] The IGA provided that once agreements were made as to what areas the City would provide future governance for that the Urban Services/Urban Planning Agreement boundaries should be amended. In those areas the City would be responsible for preparing the plan and ~~the City and the County~~ would adopt the comprehensive plan amendments and land use regulations that would comply with the plan.

A Gresham and Portland IGA for Pleasant Valley was done in 12/98 and updated in 4/04. It establishes an agreement regarding planning, future annexation, and urban service delivery. There are no other affected cities. The City and the County entered into IGA for Springwater 10/02 to develop a coordinated urbanization plan. Gresham is the only city in Multnomah County contiguous to Springwater and is thus the only affected city.

Gresham ~~entered into an~~ has agreement with Metro and Clackamas County to include Kelley Creek Headwaters UGB (Area 13) for analysis purposes in the Damascus/Boring Concept planning with an agreement that Gresham would be responsible for plan implementation and future annexations. This planning effort was later succeeded by the Kelley Creek Headwaters (KCH) Urbanization Plan project. Kelley Creek flows through both KCH UGB Area #13 and Pleasant Valley. is in the same Kelley Creek watershed basin that characterizes Pleasant Valley. Gresham is the only city in Multnomah County contiguous to KCH UGB Area #13 (and will ultimately surround it on three sides) and thus is the only affected city.

The USB was amended in June 2005 to include ~~has not been updated to include any of the new urban planning areas.~~

Annexation Procedures

There are many methods by which the City is able to pursue annexations. All of the annexation procedures are outlined in four different chapters of State of Oregon Revised Statutes, ORS 195, 198, 199, and 222.

The Gresham Charter does not require an election in the entire existing territory of the city to approve an annexation. The means that the Council generally will hold a public hearing with appropriate notice, and may annex the territory if consent from the affected territory is given in any of the following ways: If the majority of the electors in the territory to be annexed vote for annexation (ORS 222.120(4)); written consent by 100% of property owners and more than 50% of the registered electors in the territory (ORS 222.125); or written consent by owners of more than 50% of the land in the territory and 50% of the registered electors in the territory (ORS 222.170(2)).

The annexation process is initiated by the Council, or owners of real property in the proposed territory to be annexed petition to the City Council. After consent is obtained, the Council generally must hold a hearing on the annexation request. The hearing must be noticed consistent with state and Metro requirements. The Council, after the hearing, could act to approve the annexation by resolution or ordinance. The action of the Council is subject to referendum. Current state and Metro annexation code provide for an expedited annexation procedure that, in certain circumstances, can be approved without a hearing.

Metro provides a “contested case” appeals process to a Metro “Boundary Appeals Commission” after a final annexation decision is adopted. It allows a “necessary party” to appeal an annexation decision to Metro. Necessary parties include any district or other entity that provides an “urban service” within the annexed territory to contest the annexation.

As part of the annexation procedures, staff must review the annexation request and complete a report. The report needs to address annexation criteria in the Gresham Community Development Plan. The report also must address Metro approval criteria. Under the Metro Code an annexation action is a “Minor Boundary Change.” Metro has established uniform procedural and approval criteria for annexations. Approval criteria are numerous. A couple of the more important are: Is the timely, orderly, and economic provision of public facilities and services promoted and, if there is no urban services agreement applicable, an extensive analysis of the details of choosing between alternate urban services providers is required.

There are two types of annexations that do not require consent by property owners and electors. One is an island annexation (ORS 222.750). A city may annex a territory that is surrounded by the corporate boundaries of the city, or by the corporate boundaries of the city and a body of water, without consent of any residents or property owners within the territory or electors of the affected territory. The annexation is by ordinance or resolution and is subject to referendum. Island annexations might be a needed tool in the new urban areas if, for example, an island prevented the necessary extension of public services such as a wastewater collector line.

The second is health hazard abatement (ORS 222.840). A city may annex a territory within its urban growth boundary without consent from city electors or residents of the affected territory if the Department of Health Services declares that affected territory to be a danger to public health. Dangers to public health could include impure or inadequate water systems that expose the public to “communicable or contagious disease-producing organisms: that present a “clear possibility that the public is being exposed to physical suffering or illness”.

SUMMARY OF MAJOR ISSUES

The following are some of the major issues to consider in developing annexation goals, policies, actions, measures, and approval procedures and criteria for annexing lands to Gresham.

1983 Urban Services Boundary Lands

There are a small number of parcels that were included in the 1983 ordinance establishing the USB that have not been annexed. Those parcels that are between Gresham and Portland, and were included because of having to connect to a public wastewater line (such as along 162nd Avenue), are kind of in a “no man’s land” until they are annexed. The lots in southeast (near Persimmon golf course) do not appear to be an issue in the foreseeable future. Current annexation procedures anticipate that the zoning of these

lands, upon annexation, will be compatible with the land use designation closest to its current Multnomah County designation. However, the Multnomah County designations do not necessarily reflect changes to the City's Development Plan that have occurred over the past decade. Additionally, the lands near Persimmon have rural Multnomah County zoning for which there is no compatible city zoning.

Metro Minor Boundary Adjustments

State law directs Metro to provide for annexations. In 1997, the Oregon Legislature directed Metro to establish criteria that must be used by all cities within the Metro boundary for boundary changes. Metro has done so through the adoption of Metro Code Section 3.09, Local Government Boundary Changes. It sets out requirements for petitions, notices, hearings, findings, and appeals. A minor boundary change includes annexation from a county to a city. Included in this section are the provisions that allow a local government to establish an expedited review process. The City's current procedures and criteria were established in 1983 and are out of date.

Expedited Review of Uncontested Minor Boundary Changes

The Metro Code Section 3.09.045 (as directed by the state) allows local governments to establish an expedited review to process uncontested minor boundary changes. Features of the recommended expedited review process include:

- Annexation applications must be uncontested. The requests must have consent of 100% of property owners and 50% of the electors, if any, within the affected territory. If a necessary party objects in writing, the expedited process cannot be used. Necessary parties are affected governments or urban service providers.
- A shorter notice period to interested parties of 20 days is allowed instead of the 45-day notice required for non-expedited annexations.
- The report of the boundary change has to be made available at least 7 days prior to date of decision rather than 15 days that is required for non-expedited annexations.
- No public hearing is required. Under expedited review, annexations could be placed on the Council's consent agenda rather than requiring a staff report and hearing.

Urban Services Boundary Map and Goals and Policies

The City of Gresham anticipates future annexation and providing urban services to three new urban areas that have been added to the Urban Growth Boundary in Multnomah County. Those areas are: 1) Pleasant Valley (area per IGA with City of Portland) [1998 UGB expansion], 2) Springwater [2002 UGB expansion] and 3) Kelley Creek Headwaters Area-13 [2002 UGB expansion]. To provide for annexations the City amended its Urban Services Boundary Map in June 2005 to include these three new areas. ~~will need to amend its Urban Services Boundary (USB). Amending the USB will require City Council adoption of an ordinance amending the Gresham Community Development Plan. This would require a Type IV legislative process. The current USB map and policies were put into place in 1983 and do not reflect these new areas.~~

**URBAN SERVICES BOUNDARY
GOALS, POLICIES AND ACTION MEASURES**

GOAL

The City shall maintain a City of Gresham Urban Services Boundary that defines the geographical limits of where the City provides, or will provide after annexation, city-supplied urban services.

POLICIES

1. The Urban Services Boundary will be updated to include Urban Growth Boundary expansions adjacent to the city limits if consistent with governance, urban services and planning agreements for the expansion areas.

ACTION MEASURES

- ~~1. Amend the City's Urban Services Boundary to include Pleasant Valley, Springwater and Area #13.~~

**GENERAL ANNEXATION
GOALS, POLICIES AND ACTION MEASURES**

GOAL

The City shall provide for clear and objective annexation processes and criteria consistent with Metro requirements and state law to ensure the opportunity for annexation of territory within the City of Gresham Urban Services Boundary.

POLICIES

1. Ensure the annexation of remaining unincorporated land within the City of Gresham Urban Services Boundary (prior to 1998 and 2002 UGB expansions) and for subsequent Urban Services Boundary amendments.

ACTION MEASURES

1. Identify and adopt "comparable" city land use designations for those parcels within the City's Urban Services Boundary (prior to 1998 and 2002 UGB expansions).
2. Create annexation application forms packet to simplify and expedite annexation process for applicant and City staff.

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Section 4. Volume 2, Section 10.410.2 is amended as follows:

10.410.2 ANNEXATION AND NEW COMMUNITIES

BACKGROUND

The Metro Council is mandated to manage and expand, as necessary, the region's Urban Growth Boundary (UGB) in order to accommodate forecasted population for the region. When land is brought into the UGB, Title 11 of the Metro Urban Growth Management Functional Plan (UGMFP) requires that the added territory be brought into a city's comprehensive plan prior to urbanization, with the intent to promote the integration of the new land into an existing community.

The UGMFP is intended to carry out the Metro 2040 Growth Concept, the Greenspaces Master Plan, and the Regional Transportation Plan. The planning efforts and subsequent comprehensive plan amendments required under Title 11 include "Provision for annexation to a city prior to urbanization of the territory and to provide all required urban services."

There have been three UGB expansions of lands adjacent to the current Gresham city limits:

1. **Pleasant Valley.** This area was brought into the Urban Growth Boundary (UGB) in December 1998. It is 1,532 acres located south and east of the current city limits for Gresham and Portland. It was primarily expected to provide for housing opportunities and was designated with a town center.

In December 1999, Gresham and Portland entered into an intergovernmental agreement (IGA). The purpose of the IGA was to address future governance and a cooperative master planning process for Pleasant Valley. In part, this IGA was done to help ensure that Pleasant Valley would provide for a sufficient mix of housing, commercial services, amenities and jobs, with adequate infrastructure, streets, parks, schools, and other urban services. Past experience has been that, without careful planning, the annexation of urban fringe unincorporated areas has resulted in inefficient community development.

This IGA was updated in March 2004. This IGA identifies a boundary between Gresham and Portland that results in about 1,004 acres in Multnomah County being Gresham's annexation area. Additionally, the IGA recommends a boundary in the Clackamas County portion of Pleasant Valley that would add 197 acres of Gresham annexation area. However, there are no agreements with Clackamas County that provide for a future transfer of services from Clackamas County to Gresham.

In summer 2000 the City of Gresham, in partnership with Metro, the City of Portland, Clackamas and Multnomah Counties, and others, began the planning of Pleasant Valley. This initial planning phase resulted in the Pleasant Valley Concept Plan that was adopted by the Pleasant Valley Steering Committee in May 2002, and subsequently accepted by the respective councils and commissions by the adoption of a resolution. The Pleasant Valley Concept Plan did not directly address annexation issues. However, it did plan that Pleasant Valley would be a complete community. The plan provides for a wide range of housing and jobs, commercial services and amenities, protection and restoration of its natural resources, and full urban services. Full urban services include transportation, water, stormwater, wastewater, fire and police services, parks, open spaces and trails, and schools.

Beginning in October 2002 Gresham, in partnership with Portland, led the Pleasant Valley Implementation project. This project utilized the outcome of the Pleasant Valley Concept Plan to create a series of implementing regulations and other actions. Included in this work was an annexation strategy report. The annexation strategy report examined issues related to projected costs and revenue for constructing and maintaining public infrastructure, services, and phased annexations. The specific services that were most closely analyzed were transportation, water, wastewater, stormwater, and parks. A report was completed in December 2003.

During the first half of 2004, an update of the Master Facility Plans (water, wastewater, stormwater, transportation, and parks) was initiated to do more precise engineering to address costs and phasing of construction, and to use that information more precisely to identify funding options including system development charges and utility rates.

The Council adopted the Pleasant Valley Plan District on December 7, 2004 with an effective date of January 6, 2005, following a series of public hearings of the Planning Commission and Council.

2. **Springwater.** This area was brought into the UGB in December 2002. It is 1,275 acres located south of the current city limits all within Multnomah County. It was primarily expected to provide for industrial job opportunities (about 80% of the project area) with the rest of area providing housing and related commercial opportunities. Springwater also includes (within the same Johnson Creek watershed) about 150 acres in Clackamas County also intended for industrial or employment opportunities.

Gresham and Multnomah County entered into an IGA in April 2004 agreeing to a joint planning effort for Springwater. There is no IGA with Clackamas County.

~~The City is engaged with developing a~~ adopted the Springwater Community Plan in December 2005. ~~Its completion is expected in 2005. The Springwater Community Plan is expected to addresses~~ land use policies, zoning and development code, natural resources, provisions for urban services and infrastructure, and the phasing of capital improvement plans. It is also ~~expected to includes~~ a marketing strategy for early economic development in Springwater. A companion project is a study to determine access management along Highway 26 to serve future urbanization in Springwater.

~~Inclusion of Springwater into the UGB was part of a large 48,700-acre expansion that is immediately south of Springwater in Clackamas County. This area known as the Damascus/Boring Concept Plan Area, is being planned in an effort led by Clackamas County and Metro. Gresham is participating at advisory committee and work team levels. The Damascus/Boring Concept Plan area overlaps the part of Springwater located in Clackamas County. Additionally, there are approximately 2,000 acres of land in the Damascus/Boring Concept Plan Area that are part of the Johnson Creek drainage basin and, as such, Gresham might provide some services. The Springwater Community Plan will analyze that area from an infrastructure viewpoint.~~

~~The lands within Clackamas County included in the Springwater planning analysis and in the adjacent Damascus/Boring Concept Plan were incorporated into the new city of Damascus as approved by a vote in November 2004.~~

3. **Kelley Creek Headwaters Area 13.** This area was brought into the UGB in December 2002 as part of the same Metro action that included Springwater and what is now the City of Damascus ~~Damascus/Boring~~. The Metro map and ordinance identified this as Area 13. It was brought into the

UGB primarily to avoid having an unincorporated rural island surrounded by urban development. ~~Approximately one-half~~ ~~Some~~ of the area ~~has been acquired by~~ ~~is planned to be a Metro for open space, greenspace,~~ with other areas suited only for low density urban housing. It is about ~~215~~ 220 acres within Multnomah County and is adjacent to the Pleasant Valley plan area on the east, the Gresham city limits on the north and west, and Clackamas County (and the city of Damascus) limits on the south. It is part of the Kelley Creek watershed basin, ~~that which also includes~~ characterizes Pleasant Valley. ~~It was~~ ~~has been~~ included, for analysis purposes, in the Damascus/Boring Concept Plan efforts. Gresham, as the only abutting city in Multnomah County, will ultimately annex and provide services to the area.

SUMMARY OF MAJOR ISSUES

The following are some of the major issues to consider in an urban plan for annexations in new communities. Many of these issues were identified in the annexation strategy and analysis completed as part of the Pleasant Valley implementation plan. This analysis was intended to help guide policy making for annexation. It included:

- A description of the methodology for analyzing infrastructure costs and revenues;
- An analysis of the net fiscal position (i.e. surplus or shortfall) of sub-areas of Pleasant Valley;
- Potential additional revenue sources, and amounts required, to close project funding gaps for capital projects and operations and maintenance;
- Preliminary conclusions regarding strategies and for annexation; and
- An appendix of the spreadsheet analysis and maps.

Subsequently a master utility update for water, wastewater and stormwater in Pleasant Valley updated this analysis.

Annexation Approaches

Annexation is an essential step in the future development of Pleasant Valley, Springwater, Kelley Creek Headwaters and any subsequent new community lands. The process of annexation is governed by a complex set of regulations at the city, regional and state level. Under Oregon law, there are generally four approaches used to annex contiguous land area into a city:

1. Through the city legislative action to expand their boundary, per ORS 222.111 to ORS 222.183. A vote or a petition among the majority of landowners in the proposed annexation area to be considered for annexation typically precedes this action.
2. Through the creation of a Special District and required city/county and service provider agreements, per ORS 190.003 to OR 190.130. Utility service providers typically initiated this action.
3. Through the creation of an Annexation Plan (after utility service provider agreements are formed), and subsequent to city judicial action, per ORS 195.205 to ORS 195.220.
4. Through the declaration of a Health Hazard Abatement, per ORS 222.840 to ORS 222.915.

Method 1 is the most commonly used procedure for annexations and is most consistent with current Gresham policies. Options for this type of annexation are summarized in 10.410. Methods 2 and 3 can be considered, but are less favorable in light of the high number of potentially affected property owners, and the outstanding unknown issues regarding the timing of providing adequate public facilities. Method 4 is not a viable option for large areas unless there is a widespread health hazard.

Capital Costs And Revenue

An analysis of projected capital costs for water, wastewater, stormwater, transportation and parks, compared to revenue using current rates (principally System Development Charges (SDC) and utility rates), show a gap, and that additional funds will be needed. This is not surprising for new communities areas. In the past decades most of the development in the metropolitan area has been able to tap into existing trunk-line facilities for water, wastewater, stormwater and transportation. However, new expansion areas, such as Pleasant Valley and Springwater, need to create completely (or nearly completely as transportation system often does have some existing right-of-way) new systems. Additionally, thirty years ago cities, counties, and the state provided most services as part of their general duties, and financed them with general taxes and federal government grants. Now the grants are largely gone and there are tax limitations in place so that it is mostly user fees that pay for infrastructure.

Additional Capital Funding Options

There are other options (in addition to SDC and utility rate increases) that could be considered to “close the gap.” These should be carefully analyzed to consider issues such as equity, ease of administering, and citywide policy issues.

- Special District Bond Levy. Requires the city to annex the area and then create a redevelopment area to be able to issue revenue bonds for infrastructure financing.
- Bond Levy for Parks and Open Spaces.
- Grants (regional, state and federal). Best grant opportunities appear to be for regional streets and trails, but other areas such as for green streets/stormwater should be looked for.
- New utility fees for facilities such as parks that currently do not assess a utility rate.
- Encourage the region and the state to find “regional” revenues for infrastructure, recognizing that planning and development of new communities address regional needs and desires.

Development Timing And Annexation Order

The feasibility of funding infrastructure depends, in part, on the timing of the infrastructure improvements and the pace of residential and non-residential development. Development of wastewater improvements is a necessary first step in determining a phasing schedule. Wastewater systems (and to a lesser extent stormwater and water systems) are gravity systems. This means that these systems are logically tied to sub-watersheds (drainage basins within the larger watershed) geographic units.

Phased Annexations

Build-out will not occur all at one time, nor does the City have the capacity to build all infrastructures at one time. The City will need to balance CIP needs between the existing city and new communities areas such as Pleasant Valley and Springwater. It is likely, then, that development will occur incrementally.

Each phase needs to address a balance of uses and the capacity to extend and complete infrastructure and services. A strategy for CIP for all the utilities and city services needs to be carefully crafted and coordinated.

Timing Of Development Of The Town Center, Mixed-Use Employment, Employment And Industrial Districts

Non-residential land uses have positive fiscal contributions. For example, in Pleasant Valley, from a fiscal standpoint, it would be highly desirable if the town center, mixed-use employment, and employment districts could annex earlier rather than later. However, based on historical development patterns and input from the development community during the Pleasant Valley planning process, it appears highly unlikely that this will happen. Rather, the market will more likely wait for substantial residential development to occur, along with some basic urban infrastructure, before coming forward with a significant retail, mixed-use, or employment development in Pleasant Valley. In Springwater the desire is to have early economic development activity. The City will need to consider to what extent they may want to “push” economic development through marketing and infrastructure strategies.

Timing And Location Of Development

Annexation strategies need to take into account areas where the market might want to go first. First development in the new communities may set the tone for future development. Flexibility in responding to new development opportunities will be important.

Master Plans

~~In Pleasant Valley a master plan is required requirement before or concurrent with a development permit application, annexations or as a condition of annexations would. The master plan requirement helps to ensure that development in the Pleasant Valley Plan District map is consistent with the adopted goals and policies, and in a way that allows for cohesive and livable neighborhoods and the provision for public infrastructure and services. A master plan, submitted by an annexation petitioner or development permit applicant is required to address, would address zoning designations, neighborhood design, housing variety and transitions, circulation, parks, open spaces and natural areas, stormwater and green practices, and water and wastewater systems. With certain exceptions, a master plan must cover at least 20 acres. A 40-acre master plan would encompass roughly 25-50% of most neighborhoods, providing a relatively large and cohesive area. Smaller master plans (such as 20 acres) would be more flexible and provide some of the master planning benefits.~~

Adjacency To Existing City Boundaries And Annexation Criteria

~~Land being considered for annexation must have a connection to existing city boundaries. The City's annexation criteria were amended to include criteria specific to Springwater, Kelley Creek Headwaters and Pleasant Valley, and were updated to reflect new state and regional annexation processes such as the expedited annexation procedure. Current City code criteria for annexations were created mainly for the mid-Multnomah County annexations of the 1980s and do not address new communities annexations. Additionally, new state and regional annexation processes, such as an expedited process, have not been included in the City Community Development Code.~~

**ANNEXATION AND NEW COMMUNITIES
GOALS, POLICIES AND ACTION MEASURES**

GOAL

Provide for the orderly and efficient annexation of Pleasant Valley, Springwater, Kelley Creek Headwaters and subsequently planned new community urban areas.

POLICIES

1. Annexation shall result in providing a complete range of urban services (transportation, stormwater, water, wastewater, public safety, parks and open spaces) within the City's Urban Services Boundary.
2. Annexation shall support a balanced and efficient mix of urban jobs, housing, commercial services, community amenities, infrastructure, and urban services for adjacent new communities. Areas to be annexed shall be planned and developed as complete new communities and integrated into the existing city consistent with City and regional plans.
3. Place top priority upon watershed areas and urban service delivery feasibility when planning and proceeding with the logical annexation of new communities.
4. Work in cooperation with affected citizens, businesses, property owners, community groups, local governments and other partners in planning, annexation, and development of new communities.
5. Development of new communities will be balanced with, and complementary to, the ongoing revitalization of existing regional and town centers, and existing employment areas.
6. Plan for the development of new communities so that the growth has desirable social, economic, and environmental impacts upon existing residents of these areas, and upon the city as a whole.
7. Planning for annexation of new communities shall include strategies for a phased annexation approach. Principles for phased annexation may include:
 - a. Maximizing the overall goals and policies for development in the new community.
 - b. Master planning of neighborhoods prior or upon or as a condition of annexation to ensure elements such as street connectivity, proper stormwater management, and neighborhood parks.
 - c. Sequencing of annexation gives preference to neighborhoods that integrate with existing city neighborhoods.
 - d. Maximizing logical and efficient delivery of public services.
 - e. Identifying subwatersheds as logical organizing element for wastewater and stormwater services.
 - f. Market readiness and City capability to respond to "targeted" developer and property owner interests.
 - g. Ensuring that mechanisms are in place to fully fund the costs of providing services to new development.
8. As annexation occurs, the City shall continue to provide viable urban services to its residents. Provisions for providing infrastructure for new communities shall be established by creating a Public Facility Plan (consistent with state planning rules) for the new community. The Public Facility Plan would include an analysis of current system development charges and utility fees to determine the necessity of additional funding mechanisms. As necessary, facility master plans will be updated consistent with the Public Facility Plan.

ACTION MEASURES

1. Develop and adopt master/concept plans for new communities that satisfy state, regional, and City policies.
2. Develop and adopt Intergovernmental Agreements (IGAs), and/or Urban Planning Area Agreements for new communities with affected jurisdictions and urban service providers.
3. Determine adequate facilities needs for annexation to occur through development of Public Facility Plan and updated facility master plans. Adopt revised system development charges and/or utility rates as appropriate for implementing the facility plans.
4. Identify a local first phase for annexation consistent with adequate public facilities and plan policies. Identify strategies to obtain properties needed for public infrastructure such as street rights-of-way, parks and trails, and stormwater regional detention facilities.
5. Annex new community areas consistent with the provisions of an adopted land use Concept Plan under Metro Title 11, and subsequent comprehensive plan amendments.
6. Develop a program of annexation agreements and incentives for property owners and other private partners (such as development agreements, partnerships, infrastructure finance tools) to assure an orderly phasing of annexation and development of lands.
 - a. Create an “annexation tool kit” for interested parties. Prepare a notebook that answers typical questions pertaining to when, where, how and why annexation occurs. This could include identifying annexation regulations and permit requirements; providing sample annexation petitions and development agreements; and interested/affected property owner contacts to help property owners get organized.
 - b. Designate a City staff representative as point of contact for new communities inquiries.
7. Continue to conduct periodic neighborhood meetings to discuss implementation strategies and to allow for a constructive interchange of thoughts and ideas. This can also be an opportunity for developers to meet with local property owners to address specific questions about investment risks and rewards.
8. Apply urban land use designations concurrent with annexation to the city.
9. ~~Adopt simplified City procedures for annexation that reflect revised Metro Code 3.09 and applicable sections of ORS.~~

Section 5. Volume 2, Section 10.700 is amended as follows:

10.700 PLEASANT VALLEY PLAN DISTRICT

STATEWIDE PLANNING GOAL 14: URBANIZATION

“To provide for orderly and efficient transition from rural to urban land use.”

INTRODUCTION

In summer, 2000, the City of Gresham in partnership with Metro, the City of Portland, Clackamas and Multnomah Counties, and others, embarked in planning for a new urban area – Pleasant Valley. Pleasant Valley was added to the region’s urban growth boundary (UGB) in December 1998 to accommodate

forecasted population for the region. It is 1,532 acres located south and east of the current city limits for Gresham and Portland.

Agricultural and rural residential are the most widespread existing uses in Pleasant Valley. There were 226 dwellings and a population of 800 in 2000. Other uses include a grade school, a grange building, a small convenience store, and a church. The site encompasses the Kelley Creek Basin, an extensive system of creeks and wetlands and a major tributary to Johnson Creek. Johnson Creek is a free-flowing creek in the metropolitan region with natural, historical, and cultural significance. The existing transportation system was designed primarily to serve the farm-to-market needs of the agricultural uses that once occupied the valley. There are no public water, wastewater, or stormwater facilities. There are no public parks or trails.

New urban areas must be brought into a City's comprehensive plan prior to urbanization with the intent to promote integration of the new land into existing communities. Planning efforts began with the Pleasant Valley Concept Plan (PVCP) project.

In May 2002, the PVCP Steering Committee endorsed the Concept Plan and a set of implementation strategies. The central theme of the Plan is to create an urban community through the integration of land use, transportation, and natural resource elements. Gresham, Portland, and Metro councils, and Multnomah and Clackamas county commissions, by adopting a resolution at a public meeting, accepted the Concept Plan and resolved to use it as the basis for developing implementing regulations and actions.

In the fall of 2002, Gresham and Portland started the Pleasant Valley Implementation Plan (PVIP) project with a purpose to draft a report document as a "bridge" between the PVCP and final ordinances and intergovernmental agreements that may be adopted by Gresham and Portland in 2004. In February 2004, the Advisory Group endorsed the PVIP report as being consistent with and carrying out the PVCP.

Gresham and Portland adopted a revised Intergovernmental Agreement in March 2004. The cities have agreed to adopt similar policies and code and have reached an agreement that Gresham will eventually serve 1,242 acres and Portland 290 acres.

An extensive planning process has resulted in the Pleasant Valley Plan District, which became part of the Comprehensive Plan in January 2005. In September 2009, the Pleasant Valley Plan District Map was amended to add an 18 acre property from the Kelley Creek Headwaters (KCH) area that also extended into Pleasant Valley. This was done because the property owner requested Pleasant Valley zoning (LDR, PV, ESRA-PV) for the KCH portion, so the entire property could have the same zoning.

The Pleasant Valley Plan District will fulfill the goal that resulted from the planning process to create a quality living environment, with a sense of place that is unique to Pleasant Valley. To achieve this goal, the Plan District will implement compact mixed-use neighborhoods, a town center, neighborhood edges and centers, a variety of housing options, transportation alternatives, pedestrian friendly urban design and the integration of the natural environment into the design of the community. Critical to the sense of place in Pleasant Valley is the valley's natural resources and extensive network of streams and wetlands. The Plan District will allow the valley to develop in such a way that minimizes impact on these natural features, while allowing these features to enhance the built environment.

What follows are goals, policies and action measures for each of the major land use elements that make up the Pleasant Valley Plan District. Endorsed by the Steering Committee and refined during the Implementation Plan phase, these statements focus on the key concepts and policy directions for

subsequent regulations and implementation efforts to realize the Plan District to provide for an orderly transition of Pleasant Valley from rural to urban uses.

Section 6. Volume 2, Section 10.900 is added as follows:

10.900 KELLEY CREEK HEADWATERS URBANIZATION PLAN

STATEWIDE PLANNING GOAL 14: URBANIZATION

"To provide for orderly and efficient transition from rural to urban land use."

INTRODUCTION

In December 2002, Metro brought 18,700 acres of previously unincorporated rural land into the Metro area Urban Growth Boundary (UGB) for future urbanization. Metro is required by the State to expand the UGB to accommodate future population growth for the next 20 years. This expansion included the 220 acre Kelley Creek Headwaters (KCH) area.

Before urban development can happen in KCH a comprehensive planning effort is required that results in a plan to guide future urban development. Oregon state law (Planning Goal 14) requires planning for newly urbanized areas in order to ensure orderly, efficient growth. Title 11: Planning for New Urban Areas of the Metro Urban Growth Management Functional Plan has requirements for the UGB expansion area that the City needs to address and adopt into its comprehensive plan.

The first urbanization planning effort was conducted from 2003 through 2005 for an area that included both KCH and the future City of Damascus. Clackamas County, Metro, Damascus are residents, and the cities of Happy Valley and Gresham participated in this effort. The result was the Damascus/Boring Concept Plan. This plan informed later planning efforts but Gresham was not required to follow it if it developed its own urbanization plan for KCH.

In 2006, Gresham City Council directed staff to develop a KCH urbanization plan. As a first step in this process, Council directed staff to develop an IGA agreement with Metro that would allow Gresham to access Metro Construction Excise Tax funds to help fund the project. Metro and Gresham signed the IGA in 2007. In addition, the City and County revised an IGA that gives the City authority to conduct urban planning in urban reserve areas. The amendment added KCH to the areas covered by the IGA. The KCH urbanization planning project began in early 2008 and then became part of the Comprehensive Plan in September 2009. This plan will serve as a guide for urban development, including future land use, the provision of public facilities and protection of natural resources after properties are annexed into the City.

The major steps in the planning process were:

- Inventory and mapping of base conditions such as existing land uses, topography, natural resources, public facilities, ownership patterns, etc.
- A field inventory of streams and wetlands by a natural resources consultant firm (Pacific Habitat Resources).
- Development and adoption of Comprehensive Plan amendments that comply with Title 11 of the Metro Urban Growth Management Functional Plan, including:

- Urban Growth Diagram maps, which show proposed land use designations (zoning) for KCH;
- Measures to protect natural resources;
- A public facilities concept plan that describes the public facilities (sanitary sewers, water, stormwater facilities, etc.) that are needed to serve urban development; and
- A description of the City's annexation requirements.
- An outreach effort that involved KCH property owners who helped to provide guidance for the planning effort.

What follows are the goal, policies and action measures that are part of the urbanization plan.

KELLEY CREEK HEADWATERS GOAL, POLICIES AND ACTION MEASURES

GOAL

The urbanization plan will balance development and the extension of urban services with the protection of natural features in Kelley Creek Headwaters.

POLICIES

2. The urbanization plan will comply with state, regional and local goals and requirements. It will serve as the guide to developing Kelley Creek Headwaters.
3. Kelley Creek Headwaters will be a community of low density residential development.
4. Natural features will be protected with the environmental overlays that apply to the butte areas of the City north of Kelley Creek Headwaters.
5. Green development practices, including green streets, will be utilized. Development and infrastructure plans should enhance the natural hydrological system. Employing green practices shall be the fundamental approach to managing stormwater runoff in a way that maintains or improves the water quality of streams and groundwater.
6. Annexation of Kelley Creek Headwaters properties will be done with the majority consent of affected property owners and the City.
7. Gresham will coordinate with public works and transportation planning staff from adjacent jurisdictions and urban service providers to share information about planned capital improvements and discuss policy issues affecting the provision of public facilities. Gresham will also work with these entities to develop, when necessary, urban services/intergovernmental agreements to ensure clarity regarding ownership of public facilities.
8. Trail placement in Kelley Creek Headwaters, as shown on the Urban Growth Diagram, is conceptual and is based on the East Buttes Loop Trail and Secuter Mountain Trail concepts of the Metro Regional Trails Plan, Metro Resolution No. 02-3192.

- a. The final trail alignments are subject to negotiation with affected property owners. The City will not require property owners to dedicate land for trails nor will it use condemnation to acquire rights-of-ways for trails.
- b. Trail placement will, where feasible, avoid the unconstrained (most developable) parts of properties, and will be located on public property where feasible.
- c. Urban Growth Diagram Map No. 1 which shows regional trails shall be amended to reflect changes to conceptual trail alignments in the Metro Regional Trails Plan or changes that occur as a result of future Metro/City trails master planning efforts and to accurately reflect the locations of built trails.

ACTION MEASURES

1. Upon annexation, properties will be given the following land use designations, as applicable, and as shown on the Urban Growth Diagram:
 - a. Low Density Residential (LDR-7);
 - b. Hillside Physical Constraint Overlay to protect slopes of 15% and greater;
 - c. Habitat Conservation Area (HCA) Overlay to protect Metro Class 1 and 2 riparian areas along intermittent and perennial streams and publicly owned Class A and B upland wildlife habitat areas; and
 - d. Open Space Overlay for the Metro owned parcels that are dedicated for open space.
2. Green practices will be promoted by:
 - a. Managing stormwater by utilizing the green development practices of the Gresham Green Development Practices Manual. These practices rely on infiltration, bio-retention, and evapo-transpiration and other processes that mimic the natural hydrologic cycle;
 - b. Incorporating green street design features, per the Gresham Green Street Standards, into the future improvement of Rodlun Road and other KCH streets;
 - c. Designing culvert improvements for existing and proposed stream crossings so that barriers to fish passage are eliminated;
 - d. Designing public stormwater facilities that utilize natural approaches to retain and filter stormwater such as swales, trees, vegetated planters and artificially constructed wetlands.
 - e. Controlling noxious vegetation within available resources and densely planting streamside areas with native vegetation wherever possible to improve stream shading, stream bank stability and aquatic habitat.

Public Facilities

3. In regard to water services, the following apply:
 - a. Update the SDC Capital Improvement Project list to include relevant near term projects.
 - b. Continue to coordinate with Clackamas County, the City of Damascus, the Sunrise Water Authority, and other stakeholders to establish plan for providing water service for the area south of Kelley Creek Headwaters.
4. In regard to wastewater services, the following apply:
 - a. Continue to coordinate with the City of Damascus and/or Clackamas County Environmental Services to determine the appropriate wastewater service provider for Sunshine Valley in Damascus.

- b. If Gresham is to provide treatment for any portion of the Damascus wastewater, participate with the City of Damascus and/or Clackamas County Environmental Services on a study to identify the appropriate alignment of a new sewer interceptor to convey sewage to Gresham's wastewater treatment plant.
- 5. In regard to transportation facilities, the following applies:
 - a. Gresham and Clackamas County will work toward developing an intergovernmental agreement, if necessary, to ensure the provision of necessary municipal infrastructure in County roads for that part of Clackamas County that is adjacent to Kelley Creek Headwaters. The agreement will comply with the provisions of ORS 195 for urban service providers.
- 6. In regard to stormwater management and natural resources improvements, the following apply:
 - a. Stormwater management will have a net negative impact on nearby streams, wetlands, groundwater and other water bodies.
 - b. The quantity of stormwater after development shall be equal to or less than the quantity of stormwater before development, wherever practicable.
 - i. Development shall mitigate all project impervious surfaces through retention and onsite infiltration to the maximum extent practicable for up to the 25-year storm event. Stormwater discharges from on-site facilities shall be conveyed via an approved drainage facility.
 - ii. Where lots are too small for on-site stormwater facilities, adjacent private developments may manage stormwater in a shared facility that is appropriately sized and meets water quality and flow control design standards.
 - iii. Public stormwater facilities shall be designed such that the rate and duration of flow discharging from facilities for up to the 25-year storm does not lengthen the period of time the stream channel sustains erosion causing flows.
 - iv. Conveyance swales and public stormwater facilities shall be designed to provide conveyance for the 100-year storm event.
 - c. The quality of stormwater after development shall be equal to or better than the quality of stormwater before development, as much as is practicable, based on the following criteria:
 - i. Stormwater facilities shall be designed to achieve at least 70% removal of the Total Suspended Solids ("TSS") from the flow entering the facility for the design storm specified in the City of Gresham Water Quality Manual.
 - ii. Stormwater facilities shall meet the requirements for established Total Maximum Daily Load limitations, as provided under the Federal Clean Water Act, Oregon Law, Administrative Rules and other regulations.
 - d. Public stormwater facilities shall be designed to safely convey the less frequent, higher flows through or around facilities without damage.
 - e. Look for opportunities to enhance natural resource areas when designing, constructing and maintaining stormwater facilities.
- 7. In regard to trails, the following apply:
 - a. Construction and maintenance of trails shall encourage the removal of exotic (non-native) species and the planting and preservation of native trees and other plants.
 - b. If the East Powell Butte Loop Trail is constructed adjacent to streams, investigate opportunities for combining stormwater conveyance and management with the multi-use trail.
 - c. Gresham will seek grant funds from Metro and other sources to help finance the construction of trails.

- d. The trails system shall create interpretive educational opportunities that allow residents to experience and understand the diverse ecosystem that they are a part of.

Section 7. Volume 3, Development Code, Section A1.006, is amended as follows:

A1.006 Approval Criteria

The City Council shall approve or deny an annexation proposal based on findings and conclusions addressing the following criteria:

- A. The affected territory must be located within the City's Urban Services Boundary.
- B. The affected territory must be subject to an adopted plan map or land use designation table in Volume 2 of the Community Development Plan. These plan map or land use designations will be applied to the individual sites within the affected territory upon an effective annexation.
 1. For annexations within Pleasant Valley, the adopted Pleasant Valley Plan District Plan Map shall apply.
 2. For annexations within Springwater, the adopted Springwater District Plan Map shall apply.
 3. For annexations within Kelley Creek Headwaters Area #43, the adopted Area #43 Plan Map Kelley Creek Headwaters Urban Growth Diagram shall apply.
 4. For annexations that are not within an adopted plan map, the adopted Multnomah County – City of Gresham Land Use Conversion table shall apply.

Section 8. Volume 2, Appendix E, Pleasant Valley Plan Map, is amended as shown on the attached map attached hereto as Exhibit A to this Council Bill.

Section 9. Volume 2, Appendix C, Community Development Plan Map, is amended as shown on the attached maps B1, B2, B3 and B4 attached hereto as Exhibit B to this Council Bill.

First reading: July 7, 2009

Second reading and passed: August 18, 2009

Yes: Bemis, Strathern, Widmark, Fuhrer, Craddick, Warr-King, Nielsen-Hood

No: _____

Absent: None

Abstain: None

City Manager

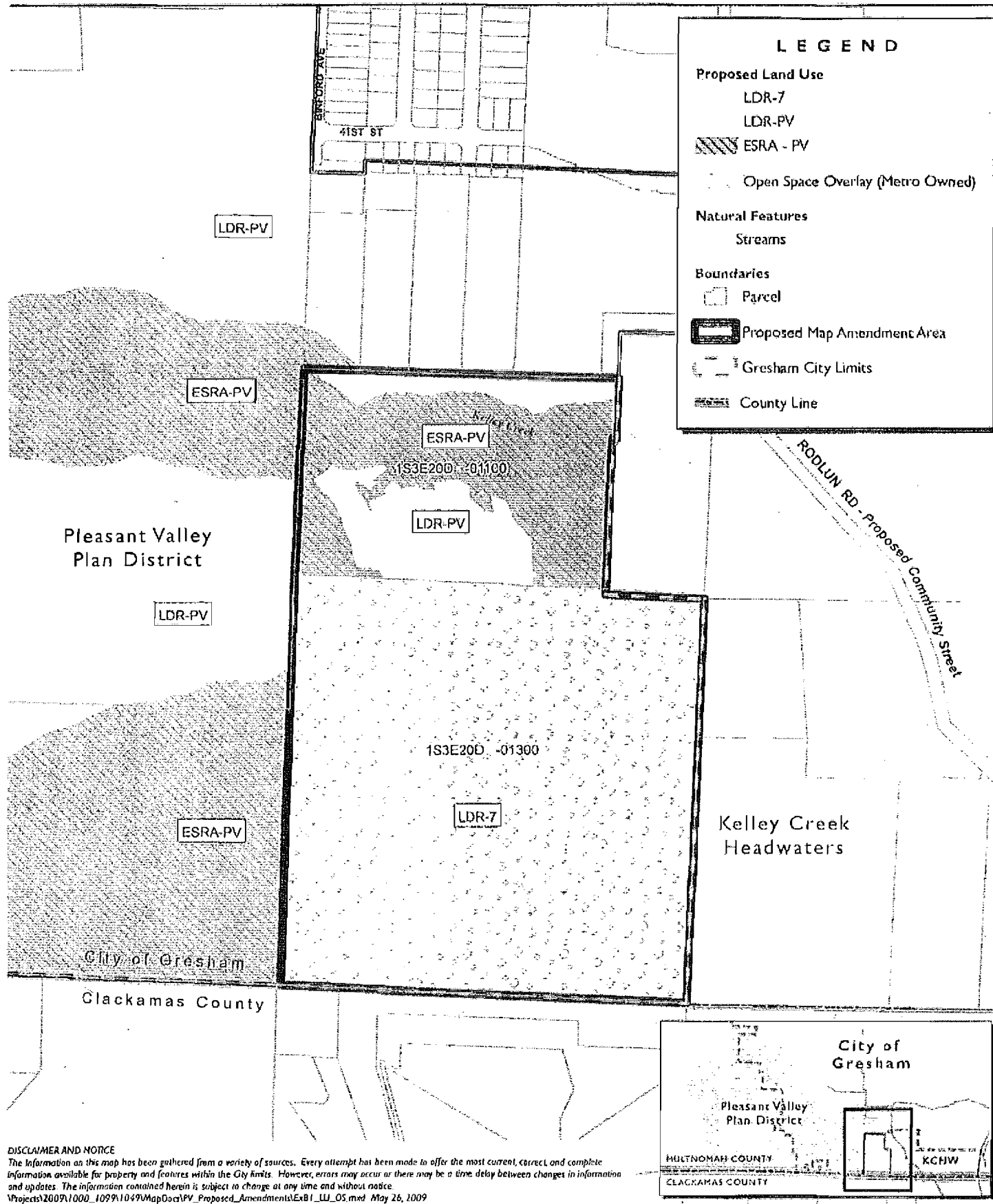
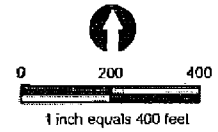
Mayor

Approved as to Form:

Senior Assistant City Attorney



Exhibit B-1 of CPA 09-063
Land Use and Open Space
Proposed Community Development Plan Map Amendments



DISCLAIMER AND NOTICE
The information on this map has been gathered from a variety of sources. Every attempt has been made to offer the most current, correct, and complete information available for property and features within the City limits. However, errors may occur or there may be a time delay between changes in information and updates. The information contained herein is subject to change at any time and without notice.
V:\Projects\2009\1000_1099\1049\MapDocs\FV_Proposed_Amendments\ExB1_LU_OS.mxd May 26, 2009

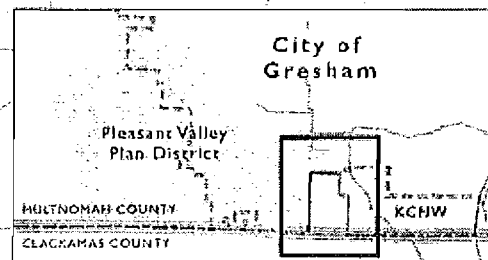
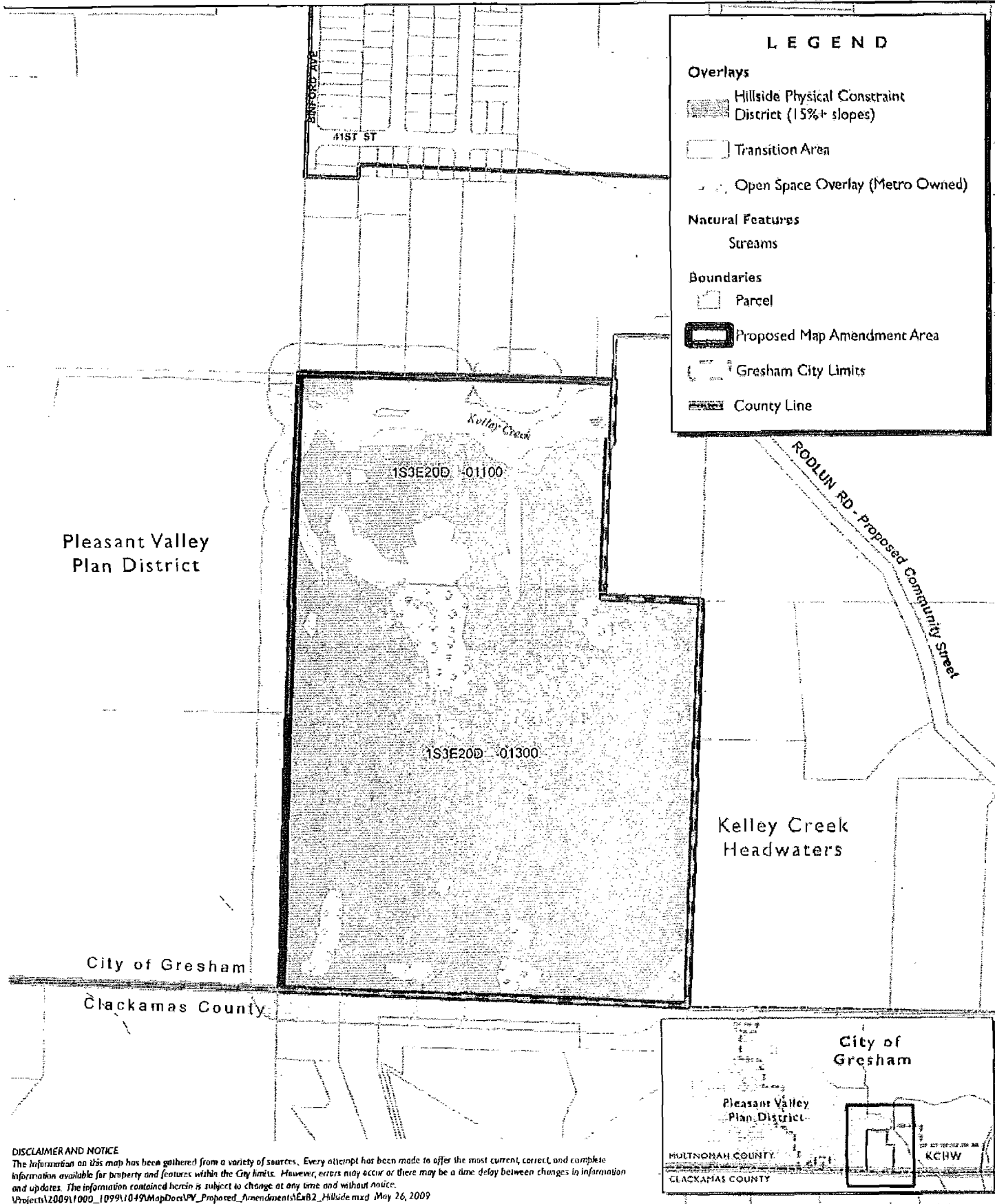
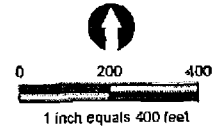




Exhibit B-2 of CPA 09-063
Hillside Physical Constraint District Overlay
Proposed Community Development Plan Map Amendments

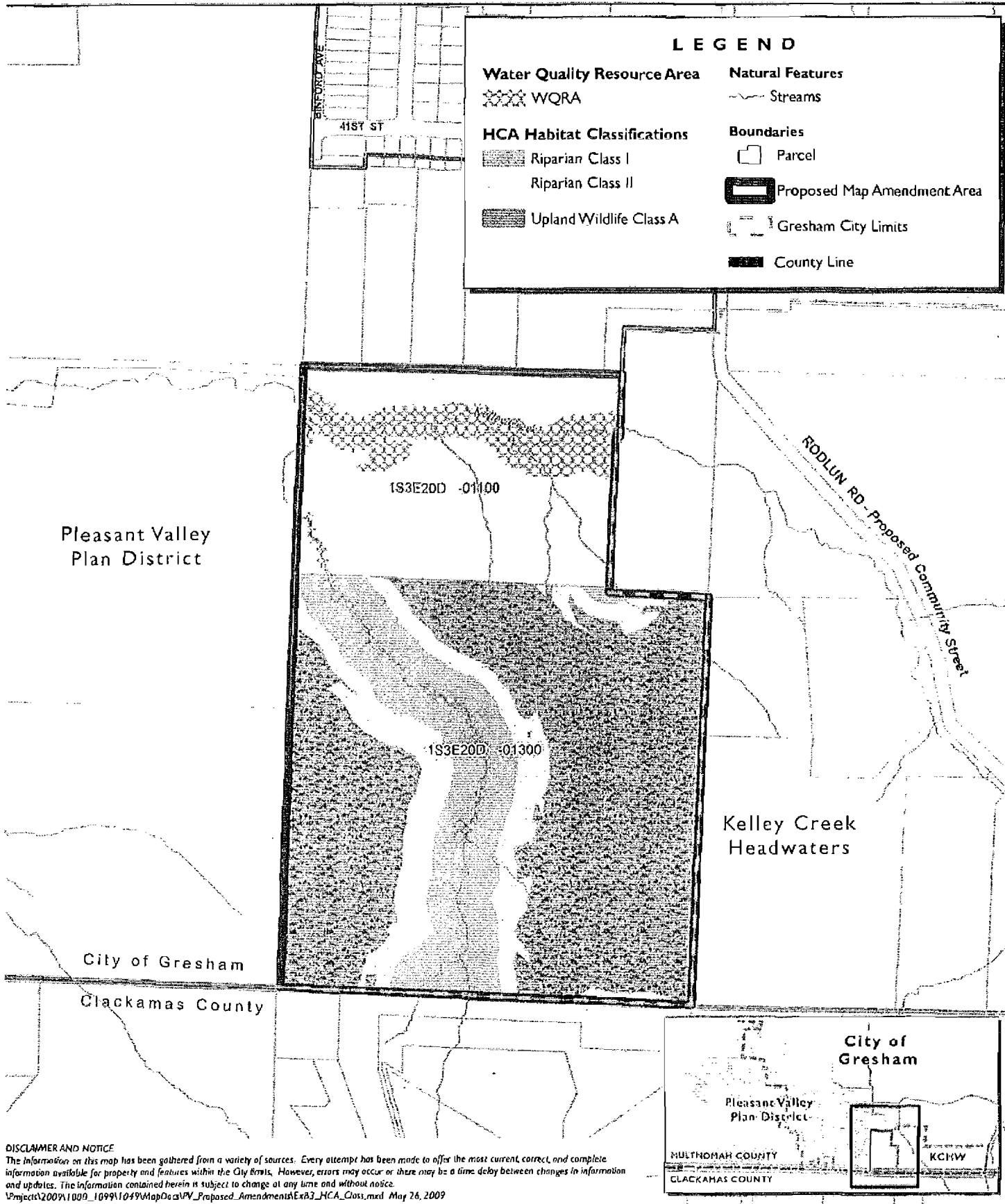


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Exhibit B-3 of CPA 09-063

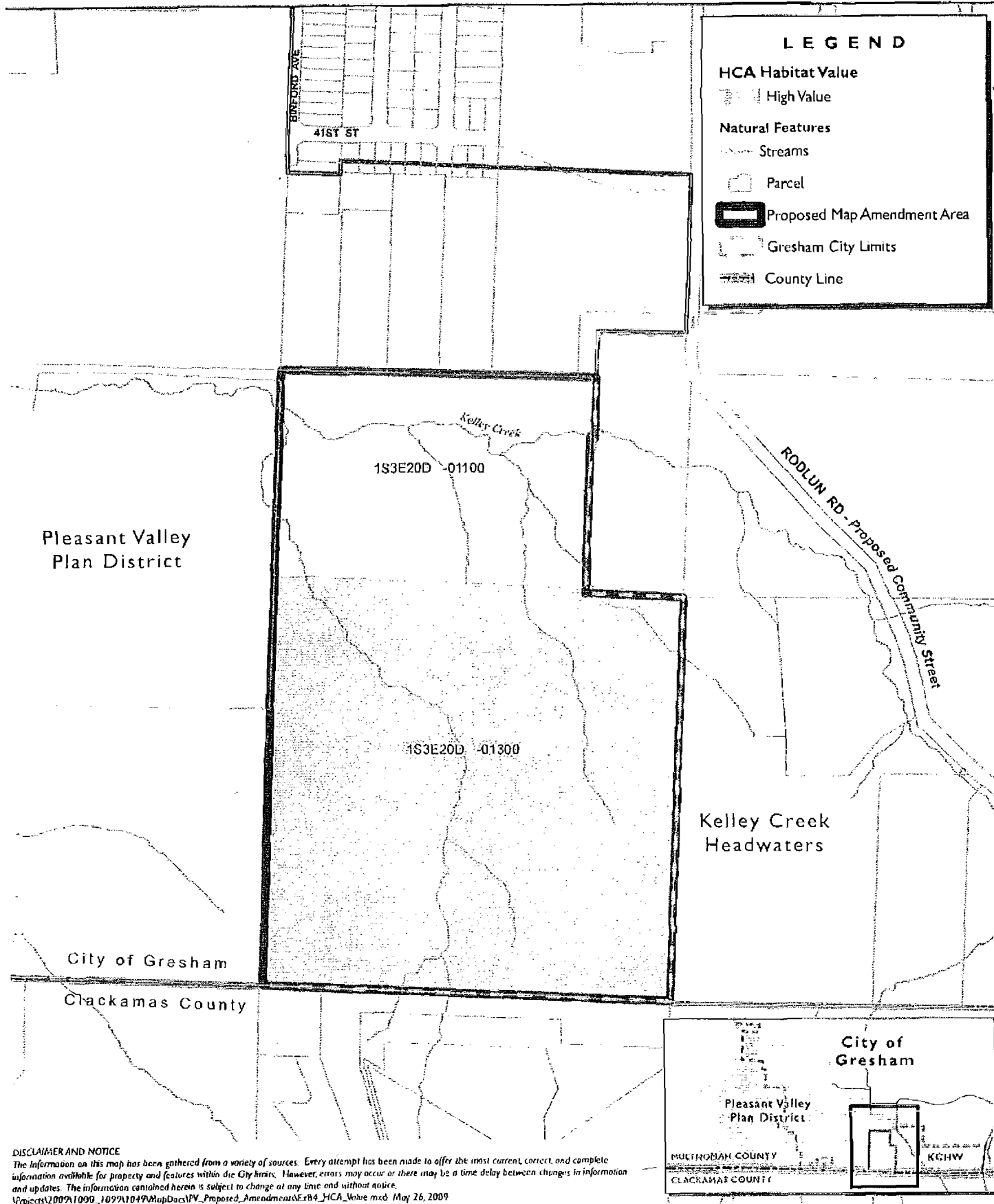
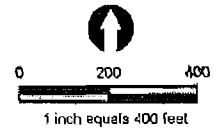
Habitat Conservation Area Overlay - Habitat Classifications
Water Quality Resource Area Overlay
Proposed Community Development Plan Map Amendments



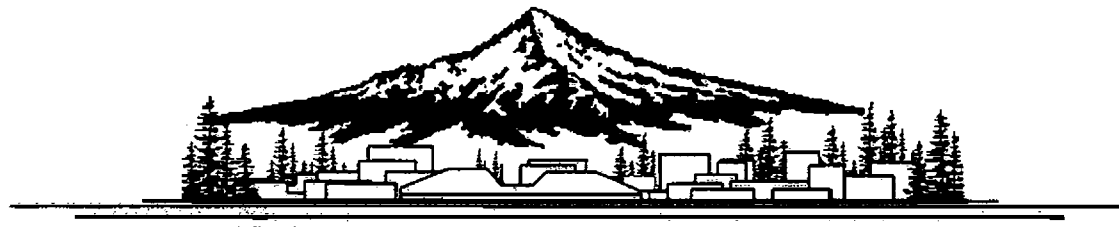
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Project: 2009\1009_1099\1049\MapDocs\VPV_Proposed_Amendments\ExB3_HCA_Class.mxd Map 26, 2009



Exhibit B-4 of CPA 09-063
Habitat Conservation Area Overlay - Habitat Values
Proposed Community Development Plan Map Amendments



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CITY OF GRESHAM
Urban Design & Planning Office
1333 NW Eastman Parkway
Gresham, Oregon 97030

NOTICE OF FINAL DECISION

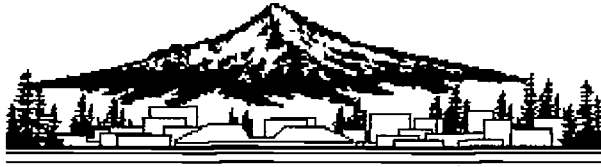
August 24, 2009

On August 18, 2009, the Gresham City Council Approved the application of **City of Gresham (Council Order No. 616 and Ordinance No. 1679)** regarding amendments to the Gresham Community Development Plan relating to the **Kelley Creek Headwaters Urbanization Plan**.

The record for this project is maintained at Gresham City Hall, City of Gresham **File No. CPA 09-063**, and may be reviewed at the City's Urban Design & Planning office Monday through Friday, 8:00 AM to 5:00 PM.

An appeal of this decision may be filed with the Land Use Board of Appeals (LUBA) within 21 days of this Notice of Decision. LUBA has the jurisdiction to review all governmental land use decisions. An appeal of a land use decision must conform to the procedures and requirements of LUBA. They may be contacted in Salem at:

LUBA
550 Capitol Street, NE – Suite #235
Salem, Oregon 97301-2552
(503) 373-1265



*Urban Design & Planning Services
City of Gresham*

CERTIFICATION OF MAILING

FILE NO.: CPA 09-063

PROJECT: City of Gresham-Kelley Creek
Headwaters Urbanization Plan

I, TAMMY J. RICHARDSON, CERTIFY THAT I HAVE MAILED THE
ATTACHED NOTICE OF ADOPTION TO THE FOLLOWING PARTIES:

DLCD
Plan Amendment Specialist
635 Capitol Street, NE #150
Salem, OR 97301-2540

Metro
Growth Management
600 NE Grand
Portland OR 97232-2736

Gary P. Shepherd, Attorney
Oregon Land Law
3115 SE Salmon
Portland, OR 97214

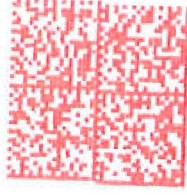
Angela Vinson
8575 SE Rodlun Road
Gresham, OR 97080

Jason C. Howard
310 SE Elliott Avenue
Gresham, OR 97080

Susan Kurlan
8552 SE Rodlun Road
Gresham, OR 97080

SIGNATURE: Tammy J. Richardson
DATE OF MAILING: August 24, 2009

CITY OF GRESHAM
DEVELOPMENT SERVICES
PLANNING SERVICES
1333 NW EASTMAN PARKWAY
GRESHAM, OR 97030



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Plan Amendment Specialist
635 Capitol Street, NE #150
Salem, OR 97301-2540

