NOTICE OF ADOPTED AMENDMENT

12/30/2008

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

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: Harney County Plan Amendment
DLCD File Number 002-08

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

Appeal Procedures*

DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: Thursday, January 08, 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: Brandon McMullen, Harney County
Doug White, DLCD Community Services Specialist
Jon Jinings, DLCD Regional Representative
Gloria Gardiner, DLCD Urban Planning Specialist
Mark Radabaugh, DLCD Regional Representative

<paa> YA/
Notice of Adoption

Jurisdiction: Harney County  Local file number: 08-50
Date of Adoption: 12/17/2008  Date Mailed: 12/18/2008

Was a Notice of Proposed Amendment (Form 1) mailed to DLCD? Yes  Date:

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”.

Adopted new Comprehensive Plan text which adjusted the information regarding the coordinated area population forecasts for Harney County.

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

One paragraph under chapter 2.6.4(3) "population projections" was largely removed to remove an outdated reference to "rangeland reform 94."

Plan Map Changed from: to:
Zone Map Changed from: to:
Location: Acres Involved:
Specify Density: Previous: New:
Applicable statewide planning goals:

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 #002-08 (19079)[15329]
DLC file No.
Please list all affected State or Federal Agencies, Local Governments or Special Districts:

City of Burns
City of Hines

Local Contact: Brandon McMullen
Address: 450 N. Buena Vista RM 11
City: Burns

Phone: (541) 573-6655
Fax Number: 541-573-2762
E-mail Address: planning@co.harney.or.us

ADDITION SUBMITTAL REQUIREMENTS
This form must be mailed to DLC 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: \texttt{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 \texttt{mara.ulloa@state.or.us}.

3. Please Note: Adopted materials must be sent to DLC 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 DLC.

6. In addition to sending the Notice of Adoption to DLC, 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 \texttt{http://www.lcd.state.or.us/}. Please print on 8-1/2x11 green paper only. You may also call the DLC Office at (503) 373-0050; or Fax your request to: (503) 378-5518; or Email your request to \texttt{mara.ulloa@state.or.us} - ATTENTION: PLAN AMENDMENT SPECIALIST.
IN THE MATTER OF AMENDING THE )
HARNEY COUNTY COMPREHENSIVE )
PLAN (ORDINANCE NO. 7) UPDATING )
CHAPTER 2.6.4(3), POPULATION ) Ordinance No. 2008-64
PROJECTIONS, AND CHAPTER 7.12 )
POPULATION AND HOUSING )
PROJECTIONS.

WHEREAS, A partnership composed of Harney County, The City of Burns, The City of
Hines, and The Burns Paiute Tribe has collaborated to begin re-designating lands within
the city limits of Burns from residential to industrial in an effort to encourage economic
growth in the community. Currently the majority of lands designated for industrial use
are constrained by flooding designation and/or infrastructure challenges. In order to
move forward with the project, the City of Burns needs to assess whether the remaining
lands within the combined UGB will have an ample supply of unbuilt residential lands to
serve the community’s 2028 population. The County has an out of date 20-year
population forecast in its Comprehensive Plan. Maintaining a current population forecast
for the County provides the jurisdictions of Harney County, City of Burns, and City of
Hines an accurate means to predict future housing and building needs in conjunction
with future economic planning efforts.

WHEREAS, Harney County is considered the coordinating body responsible for
maintaining the population forecast for the community as listed under ORS195.025.

WHEREAS, The City of Burns has requested that Harney County amend the Harney
County Comprehensive Plan to update the Coordinated Population Forecast information
contained therein to current population projections as listed under ORS195.034.

WHEREAS, It is found that updates to the Harney County Comprehensive Plan need to
happen in Chapter 2.6.4(3) “Population Projections” page 58, and Chapter 7.12
“Population and Housing Projections” page 258.

NOW THEREFORE, BE IT ORDAINED BY THE COURT OF THE COUNTY OF
HARNEY, STATE OF OREGON:

Section 1: AMENDMENT OF HARNEY COUNTY COMPREHENSIVE PLAN,
UPDATING CHAPTER 2.6.4(3), POPULATION PROJECTIONS, AND CHAPTER 7.12
POPULATION

Ordinance 2008-64, Amending Harney County Comprehensive Plan updating Chapter 2.6.4(3)
“Population Projections” page 58, and Chapter 7 12 “Population and Housing Projections” page 258 to
incorporate an updated Coordinated Population Forecast for Harney County
AND HOUSING PROJECTIONS. The amendment to the Harney County Comprehensive Plan, Chapter 2.6.4(3) and Chapter 7.12 is presented as described in Exhibit “A” attached hereto and by this reference adopted herein.

Section 2: EMERGENCY. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, an emergency is declared to exist, and this Ordinance takes effect on its passage.

DATED, this the 17th day of December 2008.

Maria Iturriaga, County Clerk

Steven E. Grasty, County Judge

Dan Nichols, Commissioner

Jack Drinkwater, Commissioner

Ordinance 2008-64, Amending Harney County Comprehensive Plan updating Chapter 2.6.4(3) “Population Projections” page 58, and Chapter 7.12 “Population and Housing Projections” page 258 to incorporate an updated Coordinated Population Forecast for Harney County
3. Population Projections

Preparation of population projections is an inherently risky process. While the degree of reliability is generally good in the short term, it becomes more and more unreliable the farther into the future the projection reaches. Because of the inherent uncertainty in population projections, they are rarely made for more than 10 to 20 years ahead. While it is generally wise to make water supply projections farther into the future (i.e., 50 years), we are reluctant to project much farther than the next 10-20 years due to the uncertainties in the local economy.

To take into account the unreliability inherent in population projections we have prepared two projections. The first projection is that the population will remain stable or decrease and is intended to be a conservatively optimistic projection upon which to predict future water needs. The second projection is a high projection and is intended to embody the highest-sustained growth rate predicted to occur in Harney County.

Under ORS 195.034, Oregon has required the Office of Economic Analysis to prepare 20 year population projections for the State. Harney County has reviewed these projections and agrees with these projections.

We believe it is wise public policy to plan the water system and reserve the sources for this high projection in order to ensure that supply can be available for future needs. Planning for and reserving water now for this high-projection does not mean, of course, that the complete storage, diversion, or distribution system would be built, or built at one time.

To prepare the projections, we first analyzed the historical growth in the county. As a general rule, the communities in Harney County have become smaller because of the loss of industrial base in the forest products industry since the 1970s. This loss was originally observed in the Harney County Comprehensive Plan, however the public agency land management policies that were anticipated to result in a sustained yield of timber, grazing, and wildlife from public lands and, in turn, expected to be a stabilizing influence on the county's growth, did not materialize. (See Harney County Comprehensive Plan p. 166; & See generally "Timber For Oregon's Tomorrow, the 1989 Update" May 1990).

Rather than provide the stabilizing influence as predicted in the Harney County Comprehensive Plan, the public land management practices have created a severe cloud on the county's growth and employment.

The recent closure turnover of a number of companies that have operated in the old mill site (Hines Lumber Mill Site) announcement by Snow Mountain Pine Ltd. is expected
A continuing transition is occurring in Harney County. The Oregon State Division of Employment predicts that there will be 240 plus jobs affected, resulting in an unemployment rate increase from 6.5% to 18%, a prediction that does not incorporate the ripple effect on other businesses in the area.

Furthermore, the recently proposed changes in rangeland management (Rangeland Reform 94) are expected to reduce forage availability by 12% over the next five years and by 21% over the next 20 years (Rangeland Reform Draft EIS 4-55). Rangeland Reform 94 will have the largest impact upon those operations that have a large number of livestock and a large dependency upon federal forage -- essentially the type of operation prevailing in Harney County. (Rangeland Reform Final EIS p. 32). In addition to the impacts associated with Rangeland Reform, several other recently adopted programs are expected to further reduce grazing levels on the public lands. Among these are PACFISH and the Inland Native Fish Strategy. The uncertainty associated with the federal land management agencies planning efforts and the failure to implement the existing land and resource management plans make it extremely difficult to predict population trends.

As a result of federal land management policies, the county is facing a transition from an economy based on resource extraction to some other as of yet undefined economy. This transition complicates the long-term population projections since such projections depend heavily on whether a new economic structure develops and the form of this new economy.

See Chapter 7.12 "Population and Housing Projections".

Prior to the Snow Mountain Pine closure and the adoption of Rangeland Reform 94, the Oregon State University Extension Service ("OSU") developed information on the demographic characteristics of the county's population growth patterns for the 1980 to 1990 time period. (Table 7)

<table>
<thead>
<tr>
<th>1980-1990 Growth Patterns In Harney County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Burns</td>
</tr>
<tr>
<td>1980</td>
</tr>
<tr>
<td>3,579</td>
</tr>
<tr>
<td>Hines</td>
</tr>
<tr>
<td>1,682</td>
</tr>
</tbody>
</table>


Table 7 - 1980-1990 Growth Patterns In Harney County

OSU also examined the historical population and made projections for the County (Table 8).
The OSU forecast predicts that by the year 2000, the Harney County population will increase by 16% over the 1990 levels.

Contrary to the OSU report, the Center for Population Research at Portland State University (PSU) estimates that Harney County's population will in fact decrease from the 1990 levels (Table 9).

<table>
<thead>
<tr>
<th>Harney County Historical and Projected Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harney County</td>
</tr>
</tbody>
</table>


Table 8 – Harney County Historical and Projected Population

The PSU study estimates that there will be a 6% decrease by the year 2000 and a 12% decrease by the year 2010. We also examined the Extension Service forecasts for the entire state of Oregon over the 1990-2000 time period (17.5%) and at projections for Eastern Oregon for the same time period (20.9%). We also examined the actual population change for these regions over the 1980-1990 period. The actual change was a 7.9% and 3.1% increase respectively.

<table>
<thead>
<tr>
<th>Harney County Projected Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
</tr>
<tr>
<td>Harney County</td>
</tr>
</tbody>
</table>


Table 9 – Harney County Projected Population

These studies indicate that Harney County can expect a population shift by the year 2000 ranging from a 16% increase to a 6% decrease. The wide-ranging estimates, fluctuation in the average growth rate in the county for the last 20 years, and the declining growth rate experienced in recent years, indicates that the county is in a state of transition—a transition that is exacerbated by the recent closure of Snow Mountain Pine. This transition will continue until a new economic base is established.
Based upon the changing economic conditions within the county, we have selected both a zero-growth and the 16% growth rate as the average projections for use in this study. The low growth rate projected by Portland State based on 20 years of history is pessimistic but not unlikely given the instability in the natural resource economy resulting from federal land management. On the other hand, the 16% population increase projected by the Oregon Extension Service seems overly optimistic. While the projected growth rate of 16% appears to be too high, for this analysis it does provide a useful high-end projection. Our judgment is that the population of Harney County will continue to decrease over the next ten years and that a decrease or stable population will be the most reasonable rate. Therefore, for our low end analysis we will utilize a stable population.

As mentioned earlier, water supply planners generally prefer to use high population forecasts. It is risky public policy to base future infrastructure plans on the average expected water demand when there is a wide natural variation around the average. Even if the forecast is on average correct, facilities based on the average projected value would not have sufficient capacity in approximately half the years.

The large difference between the two population estimates can be used to point out the difficulty of making long-range population estimates. Changing economic conditions, employment outlook, and short-term trends can all affect population projections. The more optimistic projections are made with the assumption that new employers and residents will be attracted to Harney County, and that adequate resources, including water, will be available for the new population and employment base. The more conservative projections are consistent with the past history and recent downturn in the resource-based economy. In the conservative scenario, population and the need for new water resources were assumed to remain stable, neither growing nor decreasing. In the long run, growth in Harney County will probably fall between the population values predicted.
7.12 Population and Housing Projections

7.12.1 General

The major causes for growth in Harney County have been developments in the cattle and lumber industry. Support services necessary to maintain these industries have, for the most part, been located within the cities of Burns and Hines. Because these basic economic resources employ people, the urban areas have grown to meet the demands in housing, consumer goods, and services. Due to public agency policies that are designed to maintain a sustained yield of timber, grasslands and wildlife from public land, the county's dependence upon the harvest of natural resources from these public lands stabilizes the county's growth. Unless there is a drastic change in public policy, existing industries dependent upon natural resources will continue to have a base from which to operate and will increase their production at a limited rate. It can be assumed, therefore, that population growth within the cities of Burns and Hines will continue at a relatively steady pace following historical trends.

Harney County has had a steadily decreasing growth rate over the thirty years between 1940 and 1970, averaging approximately one percent growth per year, but reducing at approximately 50 percent per decade.

At this time (1978), a supplemental census is not available for the entire county area so the eight-year period between 1970 and 1978 is not known. However, the incorporated area of Burns and Hines showed a 10.4 percent growth rate during this period and it therefore can be expected that the entire county had a comparable rise, representing approximately one percent per year for the eight-year period. From the table it can be seen that the growth of the two city area has traditionally been greater than that of the county, except for the 1960 to 1970 period in which the incorporated area actually experienced a decline. This can be attributed to rural residential housing occurring at a greatly increased rate outside of the existing city limits of the two communities. Also, mobile home courts and subdivision development has taken place near the city limits and in areas that will eventually become parts of the city.

Graphs 1 and 2 illustrate the actual population growth patterns for Burns and Hines over the last 40 and 80 years, respectively. It can be seen that for the period between 1940 and 1978 there is a stabilization of growth averaging around 1.2 percent per annum for the urban area, including both cities.

Three separate elements can go into change of population and must be considered in estimates and projections. These include the birth rates and death rates, population increases due to annexations, and in-and-out migration. Also it must be realized that,
while based on these factors, major changes may occur that could drastically alter the population of the urban areas of Harney County in a relatively short period of time. If events such as this occur, the following projections are not valid and must be re-evaluated in light of these circumstances. Therefore, the following assumptions are made as part of these population projections:

1. The form of government and the political, economic, and social organization and institution of the United States will remain substantially unchanged.

2. No all-out war, internal revolution, devastation, epidemic, or other disaster will occur which will affect the area.

3. No new major employer will locate within the urban area nor will one relocate out of the area.

The economic section of this plan and the Burns and Hines Plans will be making economic forecasts indicating the employment levels to be anticipated for the various industry classifications over the course of the life of the plans. Those projections show that approximate 1.6 percent annual increase in employment opportunities in the communities. It can be anticipated that this would represent an approximate population growth somewhere between a .5 percent and a 1.6 percent figure, depending upon the proportion of the local labor force that moves into the new employment opportunities; the reduction of the local unemployment rate because of the new opportunities; and the utilization of local female labor force in any new employment opportunities.

The growth of the rural areas of the county is going to be dependent on many factors. These include the following among others: the growing demand for a rural living environment, the availability of land for rural residential development, the availability of energy to support transportation to rural areas, the continuing demand for farm-related housing, etc.

The County is supplying various areas of land to be zoned Rural Residential, as is discussed in the Housing and Agriculture Elements of this Plan. It is assumed that this amount of land will be adequate to meet the need for this type of housing pattern. This will be discussed later in this section. However, the primary, focus of much of this document is the protection of the County’s agricultural lands. Therefore, the County policy is to remove such lands from development potential and to provide alternative areas where the soil types, topography, and proximity to urban areas is more appropriate for housing the rural population.

This Harney County Comprehensive Plan element deals with population projections and housing projections for the rural areas of the County. The overall projections, of course, must include the Burns and Hines Urban Areas; however, the projections for these areas will not be discussed in this element. The reader is directed to the Plans for each Community for detailed discussion of their projections.
The following population projections for Burns, Hines, the entire urban area, the rural area and the County as a whole are derived from the above assumptions and conclusions.

### Current Population (2001)

<table>
<thead>
<tr>
<th>City Limits</th>
<th>Burns Area</th>
<th>Hines Area</th>
<th>Total Urban</th>
<th>Rural Area</th>
<th>Total County</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Limits</td>
<td>3,522</td>
<td>1,673</td>
<td>5,095</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Urban Fringe</td>
<td>160</td>
<td>184</td>
<td>344</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Total Urban</td>
<td>3,682</td>
<td>1,767</td>
<td>5,499</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Rural Area</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2,241</td>
</tr>
<tr>
<td>Total County</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>7,660</td>
</tr>
</tbody>
</table>

Table 38 - Current Population 2001

### City of Burns - Population Projections

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Low (0.5%)</td>
<td>3,682</td>
<td>3,813</td>
<td>3,903</td>
<td>4,006</td>
<td>4,109</td>
</tr>
<tr>
<td>Medium (1.0%)</td>
<td>3,682</td>
<td>3,848</td>
<td>4,049</td>
<td>4,361</td>
<td>4,683</td>
</tr>
<tr>
<td>High (1.5%)</td>
<td>3,682</td>
<td>4,086</td>
<td>4,402</td>
<td>4,742</td>
<td>5,109</td>
</tr>
</tbody>
</table>

Table 39 - City of Burns - Population Projections 1978-2000

### City of Hines - Population Projections

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (1.0%)</td>
<td>1,757</td>
<td>1,884</td>
<td>1,990</td>
<td>2,081</td>
<td>2,187</td>
</tr>
<tr>
<td>Medium (1.5%)</td>
<td>1,757</td>
<td>1,969</td>
<td>2,161</td>
<td>2,297</td>
<td>2,475</td>
</tr>
<tr>
<td>High (2.0%)</td>
<td>1,757</td>
<td>2,018</td>
<td>2,228</td>
<td>2,460</td>
<td>2,716</td>
</tr>
</tbody>
</table>

Table 40 - City of Hines - Population Projections 1978-2000

### Urban Area - Population Projections

<table>
<thead>
<tr>
<th></th>
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</tbody>
</table>
In 2008 Harney County utilized population forecast projections calculated by the Oregon Office of Economic Analysis (OEA) and developed an updated coordinated population forecast for its community. It was estimated using the difference between OEA’s forecast range from 2025-2030 (population adjusted to 2028).

Based on 2007 population estimates provided by Portland State University, roughly 63% of the population located in the urban areas of Harney County is located within the incorporated cities (Burns and Hines). Burns accounts for 39.3% of the population, while Hines accounts for 23.8%, totaling 5437 people. Additionally, it is estimated that roughly 100 people reside in the Burns and Hines unincorporated UGB areas (approximately 66 people in Burns and 34 in Hines based on a 3 to 2 ratio (Burns to Hines)). Of the total population forecast of 8,616 in 2028, the urban areas of Harney County would account for a sum of 5537 people. This methodology calls for a projected population of 3,452 in Burns and 2,085 in Hines in 2028.
Harney County agrees with the Oregon Office of Economic Analysis forecast and has projected a County population of 8,616 for the year 2028.

<table>
<thead>
<tr>
<th>Year</th>
<th>2003</th>
<th>2005</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>7,300</td>
<td>7,203</td>
<td>7,454</td>
<td>7,779</td>
<td>8,098</td>
<td>8,416</td>
<td>8,745</td>
</tr>
</tbody>
</table>