

**Written Statement**  
**Adoption of Rural Comprehensive Plan Amendment**  
**Co-adoption of Junction City Comprehensive Plan Amendments and UGB Expansion**

**Introduction**

In July of 2008 Junction City received a grant from DLCD for “customized periodic review.” The customized periodic review project is a two-phased, multi-year program designed to address the land use and public facility impacts resulting from the siting of the State Hospital and Prison near the southern urban growth boundary (UGB) and identify the City's 20 year employment land needs. The program began in October 2008 and is scheduled for completion in September 2010.

- **Phase I** of the project resulted in an Economic Opportunity Analysis (EOA) and a preliminary Local Wetland Inventory. In Phase I, the City studied employment and public facility land needs and identified suitable sites – within and outside the existing UGB – to meet these needs. The EOA included background information and an economic development strategy that has been incorporated into Chapters 3 and 4 and Appendix C of the Junction City Comprehensive Plan.
- In **Phase II**, beginning in the fall of 2009, the City will prepare a Housing Needs Analysis, complete the Local Wetlands Inventory, and update its commercial and residential buildable lands inventory. This information will be used to determine residential and commercial land needs. Identified residential and commercial land needs will then be compared with the buildable lands inventory and appropriate land use efficiency measures to determine whether additional plan map amendments are necessary to provide a 20-year commercial and residential land supply.

As part of Phase I the Junction City Council adopted amendments to its Comprehensive Plan and UGB Boundary and is now submitting an application to Lane County requesting co-adoption of the amended Junction City Comprehensive Plan, as part of the Lane County Rural Comprehensive Plan. The amendments to the Junction City Comprehensive Plan include:

- UGB Expansion for siting of the State Correctional Facility, expansion of City sewer lagoon, and the proposed Grain Miller facility.
- Adoption of the EOA into the City's Comprehensive Plan
- Amendment of Chapters 3, Land Use Policies and Chapter 4, Economic Element of the Junction City Comprehensive Plan, to implement the EOA policies and economic development strategies; and
- Correction of historical UGB mapping discrepancies by aligning UGB boundary to be collinear with state and county road rights-of-way.

Following are findings addressing applicable criteria stated in Lane County Code. Lane County code sections are in **bold** text and findings addressing each section follow. Attached and incorporated into this report by reference is a staff report and findings with attachments that support amendments to the Junction City UGB.

**LC 12.050 Method of Adoption and Amendment:**

***(1) The adoption of the Comprehensive Plan or an amendment to such Plan shall be by an ordinance.***

Finding: Applicant notes that the Lane County Board of Commissioners must co-adopt these amendments to Junction City's Comprehensive Plan (and by extension amend the County's Rural Comprehensive Plan) by ordinance. Such action will satisfy this amendment criteria.

***(2) The Board may amend or supplement the Comprehensive Plan upon a finding of:***

***(a) an error in the Plan; or***

***(b) changed circumstances affecting or pertaining to the Plan; or***

***(c) a change in public policy; or***

***(d) a change in public need based on a reevaluation of factors affecting the Plan; provided, the amendment or supplement does not impair the purpose of the Plan as established by LC 12.005 above.***

**Introduction:**

This amendment criteria is set in the alternative. Only one criteria need be satisfied to support a Rural Comprehensive Plan amendment. That said, Junction City's request is justified and supported by three of the above criteria, as set forth in the following findings.

Finding: LC 12.050(2)(b) is met as circumstances with Lane County and Junction City changed with the 2007 announcement by the State of the siting of two State facilities in or near Junction City. The State correctional facility and state mental hospital will ultimately employ 1,800 workers. Grain Millers is also proposing to construct a major industrial bulk processing facility that takes advantage of the region's agricultural economy and the availability of flat land with urban services, rail, and highway access. The State prison and Grain Millers are proposed to be located on property outside the City's current UGB. Amendment of the Junction City Comprehensive Plan and Map was required to accommodate needed land for these major employment opportunities and to provide the facilities with urban services. Without these amendments, arguably one and perhaps both major employers cannot locate in Lane County. The County Rural Comprehensive Plan must be amended to accommodate this change in circumstances caused by the State's announcement.

Finding: LC 12.050(2)(c) is met as voters in Oregon passed two measures (Measure 56 and 11) in 1994 that required mandatory sentencing guidelines and an increase in available prison space. In response to inmate population projections, the Department of Corrections developed a Long Range Construction Plan that provides for the expansion of three (3) existing facilities and the construction of five (5) new facilities located throughout Oregon. In the spring of 1996, the Oregon Dept. of Corrections (DOC) began a siting process defined by law (ORS 421.611) to

identify and select locations for additional correctional facilities. On January 29, 1997, the Governor issued Executive Order No. 97-11, to restart the siting process in Lane and Jackson Counties, with one facility to be located in each county. The order directed the DOC to “begin the corrections facilities siting process set out in ORS 421.616 by nominating sites for a men’s medium security complex, with a men’s minimum security component and its future expansion” in Lane and Jackson Counties. On June 9, 1997, Governor Kitzhaber announced his selection of the Milliron Road site located near Junction City. A construction plan delay postponed site preparations for a time, but in 2007 ODOC re-announced its plan to construct minimum and medium sized security facilities in Junction City.

A similar change in public policy was evidenced by the legislature funding the Oregon State Hospital Replacement Project in 2007. In so doing, the legislature expressed its support for construction of a new State Hospital chosen in Junction City.

The Junction City site was selected after DAS and DHS had conducted a thorough analysis of the State’s delivery of care and a site selection process. DHS and ODOC will co-locate on the 250 acre site owned by ODOC. The hospital will be located inside the UGB, while the area for the prison facility is outside the UGB. These changes in public policy, as expressed by both Oregon voters and the Oregon legislature, can only be effected by the proposed UGB expansion. This step is necessary to eventually annex the entire 250 acres in order to provide the urban level of services required to support the state facilities.

Lastly, while employment opportunities have always been a component of Lane County public policy, in light of the deepening recession, encouraging and supporting employment opportunities within local business, such as Grain Millers represents, has become even more of an essential element of City and County public policy. Given the increased relative importance of economic development, the change in public policy brought by the ongoing recession merits approval of the City’s request to include the Grain Millers site within its UGB.

Finding: LC 12.050(2)(d) is addressed as follows: The proposed UGB expansion for industrial and public lands is directly related to Junction City’s demonstrated need for employment opportunities consistent with Goal 14, Need Factor 2 addressed in detail in the attached document titled: “City of Junction City, Comprehensive Plan and UGB Amendment Findings, August 2009”, prepared by Winterbrook Planning.

As discussed further in the findings document referenced and attached, OAR 660-024-0060(5) states that cities may identify site requirements for needed employment and apply these requirements to address ORS 197.298 Priorities for urban growth boundary expansion:

*In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need and limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS 197.298.*

Junction City has sufficient industrial land within its UGB to accommodate industrial uses that do not have special site requirements. However, the EOA (p. viii) goes on to note that Junction City lacks sites within the existing UGB that meet identified site requirements for three types of land uses:

Junction City will need to provide land for the following sites through a UGB expansion to accommodate growth over the 2009 to 2029 period:

- One approximately 235-acre site for the State Prison and Hospital. The State has identified the site for these State Facilities.
- One industrial site with at least 50 suitable acres to take advantage of a unique niche opportunity for rail-loop served bulk processors, such as Grain Millers. Other needed characteristics of this site are described in Chapter 5.
- One 40 acre site for a wastewater facility expansion that is necessary to provide sanitary sewer service for the Prison and Hospital. The City has identified the site for the wastewater facility expansion.

Finding: The attached EOA includes background information and economic development strategies that are incorporated into the Junction City Comprehensive Plan and is the technical document that justified the UGB expansion.

Finding: The EOA evaluated the City's short term and long term employment land needs as well as established economic development strategies.

Finding: The EOA includes an updated 20 year employment forecast and updated Commercial and Industrial Buildable Land Inventory and land needs analysis which has been incorporated into Junction City's Comprehensive Plan. Alone, the newly adopted EOA evidences a change in public need requiring co-adoption by the County of the City's Comprehensive Plan amendments.

Finding: On January 28, 2009 Lane County Board Order 09-01-28-20 identified the Lane County Bio Energy Park as a project in its United Front efforts and stated this project will benefit the citizens of the region. A Junction City owned site was chosen for the Bio-Energy Park and as part of the completion of the EOA, the city identified the Bio-Energy Park as a potential cluster industry in Junction City and adopted a policy to support the development of this industry an economic development strategy.

Finding: The Comprehensive Plan amendments are necessary to address identified changes in public needs which affect the County's Rural Comprehensive Plan. The amendments comply with applicable Statewide Planning Goals, OARs, and ORSs as illustrated in the attached document *City of Junction City, Comprehensive Plan and UGB Amendment Findings, August 2009*, prepared by Winterbrook Planning. The amendments, therefore, do not impair the purpose of the County's Rural Comprehensive Plan, as established by LC 12.005 and as further addressed below.

**LC 12.005 Purpose.**

***The board shall adopt a comprehensive plan. The general purpose of the comprehensive plan is the guiding of the social, economic, and physical development of the County to best promote public health, safety, order, convenience, prosperity and general welfare.***

Finding: The Lane County Comprehensive Plan includes the co-adoption of each city's Comprehensive Plan as illustrated in Chart One of the Lane County Rural Comprehensive Plan. Part I, Section D of the Plan states:

*"While the Policies in this document are directed at Lane County government, it is clearly recognized that the County has a responsibility to, and must coordinate efforts closely with, the incorporated cities within its boundaries. Statewide planning law requires that each incorporated city develop and adopt its own land use plan which must itself comply with LCDC Goals. The plan must contain essentially the same elements as the County General Plan, with an additional element of an identified Urban Growth Boundary (required by Goal 14). Future urban growth for each city is to take place within that Boundary. In the case of the Eugene-Springfield Metropolitan Area Plan, a mutual Boundary is adopted by both cities and the County. For all other cities, the County must ratify the cities UGBs by independent evaluation of, and adoption of, appropriate city plan provisions.*

*Through this method, the County becomes responsible for administering the provisions of city plans within the city UGBs but outside of the corporate city limits. 'Joint Agreements for Planning Coordination' drawn up between the County and each city lay the framework for cooperative action in the effort."*

Finding: Lane County and the City also signed an intergovernmental agreement which states the County will co-adopt with the City "establishment of and changes to UGB and Comprehensive Plan and Refinement plan adoption and amendments."

Finding: By co-adopting the Junction City Comprehensive Plan amendments, the County is guiding the social, economic and physical development of the county. Co-adopting Junction City's Comprehensive Plan amendments and UGB boundaries to meet identified commercial and industrial land needs will allow the City to promote economic development by adding approximately 1800 new jobs and maintaining 100 existing jobs into a recession economy. Physical development of these sites is guided by extending the City's UGB to encompass these development lands. Only in that way can the City plan for and provide the urban services required by these facilities. Delivery of these services and development of these sites, as proposed, promotes public health, safety, order, convenience, prosperity and the general welfare of the City and County. In assisting the State to effect its plan to site the proposed facilities, both Lane County and Junction City will benefit from increased jobs and improved infrastructure.

Finding: The Lane County Comprehensive Plan "follows the format of the LCDC Statewide Planning Goals, recognizing that they must be met by all local jurisdictions in Oregon." The proposed Amendments to the Junction City Comprehensive Plan comply with applicable

Oregon Statewide planning goals, OARS and ORSs as shown in the attached document, incorporated herein, entitled *City of Junction City, Comprehensive Plan and UGB Amendment Findings, August 2009*, prepared by Winterbrook Planning.

# JUNCTION CITY COUNCIL AGENDA ITEM SUMMARY



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## UGB Expansion/Comprehensive Plan Amendments—Option Analysis

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Meeting Date: July 14, 2009  
Department: Planning  
[www.ci.junction-city.or.us](http://www.ci.junction-city.or.us)

Agenda Item Number:  
Staff Contact: Kay Bork  
Contact Telephone Number: 998-4763

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### ISSUE STATEMENT

The City Council requested more information on the UGB Expansion Options presented at the June 30, 2009 Council meeting: Option 1 recommended by CCPC to PC, Option 2 Recommended to Council by Planning Commission and Option 3 proposed by Attorneys Bill Kloos on Mike Reader on behalf of the property owners referred to as the 'Westsiders'. The Council left the public record open until July 7, 2009 in order for Mr. Kloos to submit written explanation of Option 3 and to receive comments on the options presented. Public Comments received are attached as Exhibits A through A-8.

### BACKGROUND

The City is in the process of completing Phase I of the Customized Periodic Review Work Program approved by City Council and DLCD. The purpose of the CPR program stated in the work program is as follows:

"The purpose of this customized periodic review is to update the City's Comprehensive Plan land use policies and implementing ordinances to address emerging issues resulting from the siting of the state mental health and prison facilities. These two State facilities will result in a "sub regional economic employment center" for Lane and Linn counties in the south part of Junction City. The customized periodic review process is a multi-year project, beginning in April 2008 and ending in September 2010.

The Oregon Department of Correction (DOC) and Oregon Health and Human Services (DHS) has announced plans to construct two state facilities in Junction City. The two state facilities will locate on 236 acres of vacant industrial land in the south part of Junction City and will create approximately 1,800 jobs. The correctional facility plans to be operational in 2012 and the state hospital is planned to open in 2015. This announcement prompted the City to evaluate its readiness to plan for the impact these facilities and subsequent development will have on the community. In August 2007 nearly 30 State and local officials met in Junction City for a work session to begin discussions of the next steps in planning for both the proposed prison and state mental health facilities. This session was coordinated with the Willamette Valley Economic Revitalization Team (ERT). Customized Periodic Review (CPR) was discussed as a logical tool to use to address many of the issues identified at the work session.

### WORK PROGRAM OBJECTIVES

1. Review and update as necessary the City's Citizen Involvement Plan;

2. Prepare an Economic Opportunity Analysis (EOA) for Junction City that will be used to update the City's Economic Element of its acknowledged Comprehensive Plan to address short term land needs for employment opportunities as a result of the prison and hospital siting.
3. Prepare a Buildable Lands Inventory (BLI) and Residential Land Needs Analysis for Junction City that will be used to update the Housing Element of the Junction City Comprehensive Plan to address the 20-year housing needs for the city's urban growth boundary (UGB);
4. Prepare a UGB evaluation, Urbanization Study, and Urban Reserve Strategy to identify long term land needs and possible UGB expansion areas."

#### **EMPLOYMENT LAND NEEDS**

The EOA identified both short and long term employment opportunities/needs for Junction City. The EOA identifies long term employment land needs (2009-2029) as follows:

- **Industrial land.** Junction City has a need for **21 acres** of industrial land, including one 10-20 acre site. This need can be met through development of vacant land within the UGB (e.g., on one of the vacant 20 to 50 acre sites or on land designated for Professional Technical uses) or through redevelopment.
- **Commercial sites.** Junction City has a need for **62 acres** of commercial land and of the 62 acres a need for 20 acres on sites 5 to 10 acres in size and the rest 15 acres or less in size. The need for 62 acres of commercial land can be met through infill and redevelopment or development on land designated for Professional Technical uses.

#### **CURRENT REDEVELOPMENT AND INFILL POLICY (EOA)**

- The CCPC agreed to a policy to meet the City's Commercial land need of 62 acres through redevelopment and infill and redesignating the Professional Technical site to allow a mix of industrial and commercial land by applying a Business Park zoning.
- The EOA shows that the City has 28 acres of commercial land with significant and moderate redevelopment potential (page 19 of EOA). This means the city expects to meet 45% of the commercial land need through redevelopment (28 acres/62 acres = 45%). This is significantly lower than the 80% referred to on page 4 of Mike Reeder's June 23, 2009 letter that the City will redevelop and infill 80% of the 20-year need for commercial land and is also within the range of "realistic" assumptions quoted in the same letter (i.e., 10-50%).
- Redevelopment on some existing commercial lands is likely through either consolidation or closure of RV dependant businesses given the decline of the RV industry. When you subtract the redevelopable acres from the commercial land need there **remains a need for 34 acres of commercial land.**
- The CCPC agreed re-designating the Professional Technical (PT) site to Business Park to allow more commercial uses than currently allowed would meet the remaining land need of 34 acres, **precluding the need for a UGB expansion for commercial land.**
- The CCPC also recommended during Phase II of the customized periodic review process to look at the west for inclusion in an Urban Reserve (50 year land supply). Land in Urban Reserves is given higher priority for future UGB Expansions.



Commercial Land Need	62 acres
<u>Redevelopable acres inside UGB</u>	<u>28 acre</u>
<b>Remaining Need</b>	<b>34 acres</b>

PT Site (Business Park) has 70 acres of buildable land of which 34 acres of commercial land can be sited and developed.

### **OPTIONS FOR COUNCIL CONSIDERATION**

The City Council has been presented with 3 options to address Junction City’s commercial and industrial land needs and UGB Expansion. Below is a summary of advantages and disadvantages of each option.

#### **OPTION 1**

The CCPC agreed and made a recommendation to the Planning Commission City Council to the following strategy to meet industrial and commercial land needs and the City Council reviewed the proposed strategy at their June 9, 2009 meeting:

- In order to meet public and industrial land needs expand UGB for the following Public and Industrial Sites: 1) DOC site for future prison construction, 2) land owned by Grain Millers for future development, and 3) City owned land to expand sewer lagoons.
- In order to meet commercial land needs redesignate and rezone the existing Professional Technical site to Business Park Zoning District which will allow a mix of light industrial and neighborhood commercial uses.
- Support a Policy in the EOA and Chapter 4 Comp Plan to meet the remaining commercial land needs through infill and redevelopment of exiting commercial land.

#### **ADVANTAGES OF OPTION 1**

- Complies with City’s Customized Periodic Review work program, the purpose of which is to “update the City’s Comprehensive Plan, Land Use Policies and implementing ordinances to address emerging issues resulting from the siting of the state mental health and prison facilities.”
- Substantially complies with the Customized Periodic Review objective to “prepare an economic opportunity analysis (EOA) for Junction City that will be used to update the City’s economic element of its acknowledged Comprehensive Plan to address short-term land needs for employment opportunities as a result of the prison and hospital sitting[sic].”
- Expanding the UGB for industrial land creates certainty that annexation for DOC and Grain Miller can occur in the near future (after adoption by Lane County) and investments can be made for developing the site.

#### **DISADVANTAGES OF OPTION 1**

- Redesignates land (PT site) that could potentially be used for future residential land needs. Residential Land needs will not be known until work in Phase II begins.

## **OPTION 2**

Option 2 includes moving forward with the UGB expansion for the DOC, Grain Miller and City owned property as planned and reexamine the recommended policy to meet commercial land needs inside the current UGB through infill, redevelopment and redesignation of the Professional Technical site. The re-evaluation would coincide with the residential land needs analysis and Transportation System Plan update scheduled for Phase II of the CPR project. Changes to the EOA to carry out Option 2 are presented in a memo from Bob Parker at ECO Northwest and is attached as Exhibit A.

### **ADVANTAGES OF OPTION 2**

- The Phase II work plan (approved by the City and DLCD) will be funded by DLCD. The City will only be responsible to cover the costs associated with the re-evaluation of the infill, redevelopment and re-zoning of the PT site included in Option 2.
- Provides time needed to develop any Master Plan zoning which could ultimately be applied to Westsiders' property to limit urban sprawl/commercial strip development within City entry way.
- The Residential Land needs is scheduled to be completed in the Phase II work plan. It is advantageous to re-evaluate the potential of the Professional Technical Site as either a Business Park or as residential land once we know what the City's 20 year residential land needs are.
- Complies with ODOT condition that "the City postpone redesignating/ rezoning the Oaklea site until the transportation analysis is vetted through the upcoming Transportation System Plan update." (ODOT letter, June 11, 2009, p. 2. See also, May 18, 2009 letter.) ODOT has agreed to fund an update to the City's Transportation Plan. We expect to begin this process during Phase II of customized periodic review. The update is estimated to take 18 months. The City's TSP is integral to any UGB expansion since traffic impacts and mitigation can be addressed. The TSP will be required to be updated before any property included in an expansion can be rezoned or annexed into the City or when a Traffic Impact Analysis is submitted by a property owner to ODOT for approval. ODOT has provided comment on the City's UGB strategy (included in your June 30<sup>th</sup> packet) and is attached. Please see Condition 1 and 2 on page 2 which addresses UGB Expansions.
- Expanding the UGB for industrial land creates certainty that annexation for DOC and Grain Miller can occur in the near future (after adoption by Lane County) and investments can be made for developing the site.
- Substantially complies with City's Customized Periodic Review work program, the purpose of which is to "update the City's Comprehensive Plan, Land Use Policies and implementing ordinances to address emerging issues resulting from the siting of the state mental health and prison facilities."
- Substantially complies with the Customized Periodic Review objective to "prepare an economic opportunity analysis (EOA) for Junction City that will be used to update the City's economic element of its acknowledged Comprehensive Plan to address short-term land needs for employment opportunities as a result of the prison and hospital siting[sic]."
- Provides time needed to develop any Master Plan zoning which could ultimately be applied to Westsiders' property to limit urban sprawl/commercial strip development within City entry way.

### **DISADVANTAGES OF OPTION 2**

- Requires minor modification of the DLCD work plan. NOTE: DLCD has tacitly agreed to and supports these minor modifications (See: Exhibit A-2, DLCD letter dated July 7, 2009.)

- Westsiders will pay for their attorneys to draft new EOA assumptions and data, saving the City consultant fees. NOTE: City staff, consultants, and DLCD staff must still vet and finalize such work.

### **DISADVANTAGES OF OPTION 3**

- Would likely result in Westsiders' exclusion from UGB, given the large amount of commercial/industrial lands currently available within the City's UGB and the City's inability to re-designate the PT Oaklea site as residential until Phase II analysis is complete.

NOTE: The Westsiders are concerned that the City "won't follow through on Phase II." However, Phase II is a required portion of the City's customized periodic review work program, and is currently slated for full funding by DLCD. (See, Major Work Tasks 5 and 6: "Residential Buildable Land Inventory and Land Needs Analysis" and "Urban Growth Boundary Evaluation for Potential Expansion, and Urban Reserve Study.") The City is obligated to follow through on this customized period review, whether City funded or funded by DLCD. Option 1 would be fully funded by DLCD; Option 2 would be primarily funded by DLCD; Option 3 would be City funded.

- Reverses CCPC and Planning Commission policy direction regarding redevelopment and infill, which was based upon significant citizen participation.
- If Westsiders property is included ODOT will not allow rezoning or annexation of this property until transportation impacts are addressed in the updated Transportation System Plan which begins during Phase II.
- Relies upon "reverse engineering," as objected to by LandWatch and possibly the Lane County Commissioners.
- Requires immediate modification of data and assumptions, currently supported by eight months of testimony and process.

NOTE: Inclusion of Westsiders could not be achieved without an inflation of commercial land needs. It is unlikely that such modified assumptions can be supported by substantial evidence in the short term. Further, assumptions cannot be designed to achieve a preconceived outcome. However, Westsider inclusion may be substantiated as part of Phase II, with the simultaneous residential land needs analysis.

- Would result in significantly stricter scrutiny by reviewing agency, DLCD.
- Deemed unlikely to comply with Goal 14 (particularly, Goal 14's required land use efficiencies) by DLCD, increasing likelihood of remand.
- Jeopardizes DLCD funding.
- Delays adoption of the EOA and planning for major new employment opportunities.
- Oaklea PT property would have to be utilized to address City's commercial and/or industrial needs.
- City does not currently have Master Plan provisions to limit urban sprawl/commercial strip development along west side of Highway 99, as advocated by 'Westsiders' attorneys.

### **ESTIMATED COSTS FOR OPTION 3**

At the last Council meeting the City budgeted an additional \$40,000 for possible amendments to the EOA. The City may choose to fund the additional EOA amendments or as suggested by Attorney's Kloos and Reader, they would draft findings and changes to the EOA.

Staff have prepared a preliminary budget for the commercial infill and redevelopment analysis as presented under Option 2 (\$20,000). The same analysis would be carried out with Option 3 unless the residential land needs analysis was pushed up to Phase I. Staff and DLCD estimated the work tasks for Phase II to be \$78,000. If the residential land needs analysis were included with Phase I, this work would most likely have to be funded by the City or 'Westiders' since it is not within the approved DLCD work program for customized periodic review.

## **ATTACHMENTS**

Exhibit A through A-8: Public Comments received by July 7, 2009:

- Exhibit A: Letter, Bill Kloos and Mike Reader, Summary of Option 3 dated July 2, 2009
- Exhibit A-1 Letter, Richard Whitman, Director DLCD dated July 7, 2009
- Exhibit A-2 Email, Ed Moore DLCD Representative
- Exhibit A-3 Email, Gary Crum, CCPC Member, dated July 2, 2009
- Exhibit A-4 Letter, Jenna Wheeler, CCPC Member, dated July 7, 2009
- Exhibit A-5 Email, Jeff Haag, dated July 6, 2009
- Exhibit A-6 Email, Robert Emmons, LandWatch, dated July 7, 2009
- Exhibit A-7 Email, Keith Horton, Grain Miller, July 6, 2009
- Exhibit A-8 Letter, Savannah Crawford, ODOT Area 5 Planner, dated June 13, 2009

Exhibit B. EOA Changes for Option 2 in Strikeout Version prepared by ECO NW (15 pages total)

Exhibit C. Memo from ECO NW, dated July 6, 2009: Response to Questions Posed by Bill Kloos

## **FOR MORE INFORMATION**

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# Oregon

Theodore R. Kulongoski, Governor

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July 7, 2009

Kay Bork  
 Junction City Planning Director  
 PO Box 250  
 Junction City, Oregon 97448



**SENT VIA EMAIL**

Subject: Proposed UGB Expansion / Comprehensive Plan Changes

Dear Kay:

The Department offers the following in response to your July 2, 2009, e-mail request for additional comments regarding proposed updates to Junction City's comprehensive plan. Thank you for the invitation to offer comments and for your continued coordination with state and local partners. We hope the city finds the following comments helpful in its deliberations; please enter these comments into the formal record of this decision.

### Overview and summary

As we understand, the Council will consider three options:

**Option 1:** Adopt the Economic Opportunities Analysis (EOA) as proposed and amend the UGB consistent with findings in the final draft EOA dated June 16, 2009. The EOA concludes that most of Junction City's commercial and industrial land needs can be met within the existing UGB, but that the UGB must be amended to accommodate specific site requirements of the Department of Corrections (prison site), Grain Millers (rail-dependent bulk processing site), and expansion of the City's wastewater treatment plant (WTP). Based on analyses in the EOA, other unmet commercial and industrial land needs can be accommodated by designating the city's existing Professional Technical (PT) site for Business Park use and by redevelopment of existing commercially zoned properties within the current UGB.

**Option 2:** Adopt a modified or limited version of the EOA and postpone the determination of specific commercial land needs to a proposed Phase 2 of the EOA. This option permits the city to expeditiously amend its UGB to accommodate the site requirements of the DOC prison site, a rail-dependent bulk processing industrial use, and the WTP (see July 14, 2009 Agenda Item Summary from Kay Bork to the City Council.)

**Option 3:** Decide as a matter of policy to include land west of Highway 99 within the UGB for employment use and change EOA assumptions to support that decision. This option would require the city to change fundamental assumptions and analyses in the EOA to increase demonstrated commercial land need relative to commercial land supply within the city's existing UGB and designate the PT site for residential use. These amended assumptions would then be used to justify expanding the UGB to meet commercial land needs west of Highway 99. This option would also postpone currently proposed amendments to the UGB to accommodate the site requirements of the Department of Corrections (prison site), Grain Millers (rail-dependent bulk processing site), and the WTP until after the EOA is redrafted to justify inclusion of additional commercial land west of Highway 99. (See July 2, 2009, letter from Attorney Bill Kloos further outlining this option)

### **Evaluation of Work Program Options**

The department's role in the local decision-making process is to help Junction City identify, designate and protect the lands most suitable for employment uses. You specifically requested input on how potential changes to the city's technical work to date could impact Junction City's voluntary customized periodic review work plan, the likelihood of the department funding that work plan, and how potential changes could impact Junction City's compliance with the statewide planning program.

First, please note that Junction City is working under an LCDC-approved periodic review work plan. The city is also utilizing a department-funded grant to complete the planning analysis and comprehensive plan updates. Any changes to the grant project or to the work plan must also be approved by the department and by LCDC, respectively. To be clear, Junction City may request work plan changes and/or additional funds to re-work community objectives and planning assumptions. Requests of that nature would be evaluated on their merits following continued discussion between the city and the department. At this point in the work plan and under Oregon's current budget climate, however, it is not likely that additional funding could be approved to restart or to reevaluate the project.

**Option 1:** Based on our initial review, Option 1 appears to be consistent with applicable statewide planning goals (especially Goals 2, 9 and 14) and with the city's customized periodic review work program. The EOA does a good job of justifying why the UGB needs to be amended to accommodate specific site requirements for the prison, a rail-dependent bulk processing industry, and the WTP expansion. The EOA also demonstrates that commercial and other industrial land needs can be met within the UGB by re-designating the PT site for Business Park use and by using existing, under-developed commercial land more efficiently. This approach also has the benefit of encouraging redevelopment in Downtown Junction City by limiting the oversupply of commercial land along Highway 99.

Option 1 is consistent with Junction City's customized periodic review work program and may therefore be eligible for additional state funding.

**Option 2:** As indicated in previous department correspondence, the Goal 14 rule allows the City to address industrial land need separately from commercial land need, as stated in Option 2. Thus, the City may proceed with adoption of a modified version of the EOA that postpones a final determination of the capacity of the UGB to accommodate identified commercial land need - while moving ahead with UGB expansion to accommodate DOC, Grain Millers and the City WTP site requirements.

Under this approach, commercial and residential needs and corresponding land supplies would be considered at the same time in Phase 2. This approach makes sense because anticipated residential and commercial growth are dependent on basic employment opportunities in Junction City and because commercial and residential land needs may in fact compete for the same land within the Junction City UGB (e.g., the PT site).

Moreover, planning for commercial uses in proximity to residential areas encourages use of alternative transportation modes as required by Goal 12, Transportation. From the Department's viewpoint, this approach may also be an effective way to determine whether inclusion of some commercial land west of Highway 99 can be justified. If there is unmet residential and/or commercial land need after considering land use efficiency measures then a UGB amendment can be justified. Based on cursory review of soils surrounding Junction City, it is possible that growth may be directed to the west of the UGB, where soils generally have a lower agricultural classification than land to the north and east of the UGB.

Option 2 is generally consistent with the City's customized periodic review work program, except that the final decisions regarding commercial land need and supply would be postponed to Phase 2. Although funding may be available for Phase 2 work, this funding could not likely be used to reevaluate commercial land needs as suggested.

**Option 3:** The Department has serious reservations regarding Option 3 as presented in Mr. Kloos' July 2, 2009, letter. As noted on page 2 of the letter: "The City would decide that including the west side property owners is the right way to go. The EOA would be amended accordingly ... Option 3 boils down to making more changes in the EOA, but making them in a direction that ultimately supports the Westsiders' inclusion."

Although Mr. Kloos later notes that changes in assumptions would need to be "within the bounds of reasonable parameters acceptable to the DLCD as consistent with state law," it is evident that his approach is driven by a preconceived result without adequate consideration of Goal 14 requirements to increase land use efficiency.

The Department has already found that the assumptions and analysis in the draft EOA are reasonable. These assumptions are based on the expert opinion of ECONorthwest consultants and are supported by eight months of review by the CCPC and the Planning Commission. While local elected officials certainly have policy discretion in preparing an EOA, assumptions informing the decision must be supported by substantial evidence and should not be designed to achieve a pre-conceived outcome.

The Department would look very carefully at a new set of assumptions designed to inflate commercial land need in order to bring additional land into the UGB. City staff's June 14 memo to City Council notes that there is a demonstrated need for 62 acres of commercial land before considering land use efficiency measures. The memo also notes that Westside property owners want to include 196 acres within the UGB. Inclusion of this much land would require major modifications to the EOA and would be unlikely to comply with Goal 14.

The Department also notes that Goal 14 requires cities to increase land use efficiency within the UGB before looking outside the UGB to meet identified needs. Option 3 appears to do the opposite.

Option 3 is also subject to the other planning goals. In particular, Goal 2 – Land Use Planning, creates a framework for acceptable planning processes. The department encourages Junction City to be cautious before making last minute ad hoc changes to the planning process and underlying planning standards and policies, especially when such changes seem intended to directly benefit certain sites and seem at odds with all the existing work to date. Such actions in the record will increase the likelihood that the proposal will be remanded or turned back on appeal. It is also likely that LCDC would remand all proposed changes to the city for additional work, and may instruct the department to withhold additional funding.

Finally, the City has not yet completed its revised Housing Needs Analysis. The PT site has arterial street access and the site has been designated for employment use for nearly 30 years. Therefore, there would be no factual basis at this time for concluding that the PT site should be designated for residential rather than employment use. This site has 70 acres of suitable land - which is more than sufficient to accommodate unmet commercial and service land needs.

Option 3 as proposed is not consistent with the City's customized periodic review work program; it would delay adoption of the EOA, delay planning for major new employment opportunities, and would jeopardize the city's compliance with applicable statewide planning goals. The Department cannot support funding for Option 3 at this time.

#### **Comprehensive Plan and or Zoning Map Change not consistent with Goal 9**

The department believes that the proposed Option 3 is not consistent with Goal 9 because is not supported by specific studies or other factual information required by the goal and rule. Although Option 3 may eventually be justified by additional analyses, that analyses will likely take time and increase risk to the city's current effort.

#### **Changes to the economic development section of the comprehensive plan**

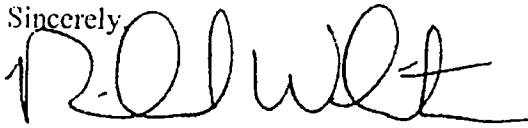
A new Economic Opportunity Analysis or changes to the economic development section of the comprehensive plan must be consistent with OAR 660-009-0015. Junction City



must document in sufficient detail the data, analyses and conclusions to support any legally defensible findings of fact adopted in the comprehensive plan. Revisions must be adopted by ordinance into the comprehensive plan before they can be a basis for subsequent land use decisions.

Thanks again for the opportunity to clarify the department's assessment of the city's options. We look forward to continuing to work with Junction City in the successful completion of the city's customized periodic review. If you have any questions about these comments, please contact Ed Moore, DLCD Regional Representative for Junction City at 971.239.9453 or at Ed.Moore@state.or.us.

Sincerely

A handwritten signature in black ink, appearing to read "R. Whitman". The signature is fluid and cursive, with a prominent initial "R" and a long horizontal stroke at the end.

Richard Whitman, Director

Cc: David Clyne, Junction City Manager  
Kent Howe, Lane County Planning Manager  
Doug Young, Oregon Department of Corrections  
Bobbi Burton, Oregon Department of Corrections  
Marguerite Nabeta, Governor's Office - Economic Revitalization Team  
DLCD - Ed Moore, Tom Hogue, Gloria Gardiner, Darren Nichols, Larry French

**Kay Bork**

**From:** Moore, Ed W [ed.w.moore@state.or.us]  
**Sent:** Monday, July 06, 2009 3:44 PM  
**To:** Ed Moore; Kay Bork  
**Cc:** Darren Nichols; David Clyne; Gardiner, Gloria; Beth Goodman; Greg Winterowd; Kitty Vodrup; French, Larry; NABETA Marguerite \* Governor's Office; Bob Parker; Hallyburton, Rob; Hogue, Thomas  
**Subject:** RE: JC UGB Expansion  
**Importance:** High

Kay,

Sorry for not responding sooner, I have been out of the office on vacation. Below I have hopefully answered the questions you posed, but not with regard to either Options 2 or 3. I hope to discuss the situation in Junction City with Darren by tomorrow AM.

Ed

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**From:** Kay Bork [mailto:kbork@ci.junction-city.or.us]  
**Sent:** Thursday, July 02, 2009 3:07 PM  
**To:** Ed Moore  
**Cc:** Darren Nichols; NABETA Marguerite \* Governor's Office; Greg Winterowd; Kitty Vodrup; Bob Parker; Beth Goodman; David Clyne  
**Subject:** JC UGB Expansion  
**Importance:** High

As you are aware from my last email Council left the public record open for 7 days to allow the "Westiders" to submit in writing, their strategy to address commercial land needs (referred to as Option 3). The City has requested the written strategy be submitted by the end of the day today (7/3). Once the City receives their proposal we will distribute to all interested parties.

I am requesting that DLCD submit a letter into the record that addresses option 2 as presented by staff and option 3 proposed by attorneys Bill Kloos and Mike Reader on behalf the west side property owners.

Please address in a letter submitted to the City by **July 7, 2009** that at least discusses:

- How do the options affect City's current work plan with DLCD and future funding (city is expecting to fund the commercial and redevelopment discussions during phase II) After reviewing your contract, the City was committed to prepare and adopt an Economic Opportunity Analysis (EOA) and Economic Development Strategy (EDS) along with implementing ordinances amending its comprehensive plan and zoning ordinance addressing its employment land needs. Only Option 1 accomplishes this (I have not had the opportunity to review the Westsider's Option 3 to determine whether or not it is consistent with Goals 9 and 14). Should the city decide to proceed with Option 2, industrial land only, then any remaining (re-do) planning work to arrive at a commercial land need would be at the city's expense and not eligible for grant reimbursement as part of work conducted during Phase II (LWI and residential land need). What I cannot tell you at this time is whether or not some of the Phase I grant dollars would be held back since adoption of a partial EOA and EDS does not meet the requirements of the contract. Finally, I noticed from your schedule that county co-adoption of the work products is not scheduled until August/September, well past the July 31 deadline to submit your adopted work task items and final payment request form.
- Funding issues. I expect DLCD would not fund a re-do as I expect to be proposed by Kloos and Reader Correct

- Whether or not their proposal complies with statewide planning goals and explain how their process would have to comply with statewide planning goals. I will have to wait to respond to this question until after I have a chance to review their submittal. The significant hurdle here is what is their factual basis for their conclusions and recommendations?
- Anything else that needs to be addressed.

Please submit a letter via email to Kitty Vodrup, City Recorder and cc me. I am out of the office 7/7 – 7/9.  
[kvodrup@ci.junction-city.or.us](mailto:kvodrup@ci.junction-city.or.us)

I am attaching a memo that describes Option 1 and 2 presented to the Planning Commission and City Council, maps and a table summary of the “westsiders” so you understand where the properties are in relation to the city’s current UGB. I am also including a letter submitted by ODOT in response to the proposed UGB amendments.

Thank you,  
Kay

*Kay Bork*

Planning Director

Junction City

PO Box 250

Junction City, OR 97448

ph: 541-998-2153 fax: 541-998-3140

[kbork@ci.junction-city.or.us](mailto:kbork@ci.junction-city.or.us)

[www.ci.junction-city.or.us](http://www.ci.junction-city.or.us)

**PUBLIC RECORDS LAW DISCLOSURE:** This is a public document. This e-mail is subject to the State Retention Schedule and may be made available to the Public.

**Kay Bork**

**From:** gary crum [garycrum@countryvisioncable.com]  
**Sent:** Thursday, July 02, 2009 9:45 PM  
**To:** Kay Bork  
**Subject:** I'm not sure what you just received....I deleted Mr. Haag's comments, but they may have been sent....if so, please disregard them...I only intend for my comments to be placed in the record...not someone else's

----- Original Message -----

**From:** gary crum  
**To:** [Oldcarsforu@comcast.net](mailto:Oldcarsforu@comcast.net)  
**Sent:** Wednesday, July 01, 2009 12:29 PM  
**Subject:** Jeff: some ramblings re: UGB fiasco....feel free to share them with others should you desire

While the June 30<sup>th</sup> Junction City Council meeting was a mix of contentiousness and confusion; it did offer me some understanding of how the process got so far "off the tracks."

First, may I thank Mr. Koon for his thoughtfulness and consideration to the public and his success in mediating some rather sharp interchanges between councilors. ..It was not an easy chore and he handled it very well.

Early in the CCPC (Citizens' Comprehensive Planning Committee) process, I, as a member, had some strong impressions of the way the issues were presented. I speak only for myself and don't mean to imply that my impressions were (or are) shared by other committee members.

First, the city staff and consultants emphasized the tremendous impact the prison (and soon the hospital) and Grain Millers would have in improving job opportunities in Junction City. They actually compared the opportunities with those resulting from other prisons, mentioning Madras as an example.

I challenged these assertions, pointing out that Madras, as well as Susanville, California and the small coastal communities of northern California and southernmost Oregon near the Pelican Bay prison development were, in fact, isolated communities and, as such, were very much impacted by the jobs which accompanied prison development. If you work at a prison (or state hospital) in an isolated area, you are very likely to live and "trade" in the local community. Such a conclusion shouldn't require a degree in Urban Planning.

Junction City, on the other hand, is NOT an isolated community and the development of the prison, the hospital and Grainmillers (as well as any other new industrial developments in that UGB area), can only be sensibly viewed in a regional context. These developments are, essentially, equal distant from the Eugene-springfield metropolitan area and Junction City. Therefore, any impact they present in jobs or economic development will be shared on a regional basis. I suggested the over-emphasis on jobs and economic development for Junction City was, in fact, based on a fallacious assumption and would lead to faulty conclusions. My position was not well received by the City staff and the consultant team.

May I cite the shut-down of Country Coach as clear evidence of the accuracy of my observation. Across the nation we have seen the disastrous impact of plant closures in isolated communities, with resultant unemployment often exceeding twenty or even thirty percent. Large industries and monolithic employment represent a real "all the eggs in one basket" circumstance. Country Coach was, by far, the leading employer in Junction City...and please note it was "in" Junction City, not half way to Eugene as is the prison/hospital site. If the prison/hospital development is to be the boon to Junction City the consultants presented; then, surely, the closure of Country Couch and the loss of a thousand or more jobs should have been a huge disaster.

To be sure some folks who lived in J.C. lost their jobs; and, to be sure, some small businesses which depended directly on Country Coach or Country Coach employees for revenue, lost some business. However, it is very clear that the plant closure did not have that huge disastrous impact that would have been felt in an isolated community (think of mill closures in small isolated Oregon towns); or imagine the closure of the prison would have on Susanville, California.

We were all pleased that the CC closure did not destroy Junction City; and any reasonably thoughtful person realized this was because many (make that most) CC employees did not live in Junction City and did not do all, or even most, of their shopping in Junction City. Country Coach, while sited in Junction City, was a regional employer and, as such, its closure had a regional impact....not an isolated local impact. The prison/hospital development (remember it's not even located in J. C. as was Country Coach) will be a regional employer and its "positive" impact on employment and the economy will be a regional impact. We will "share" the benefits in employee opportunity, housing demand and business opportunities with the region. All logic dictates that the "positive" impact of the development will be of no greater monument than the "negative" impact of the Country Coach closure.

The benefits to Junction City of the prison/hospital development have been hugely oversold by both the City staff and the consultants. As a result, many citizens of J. C. see the prison/hospital development (with Grain Millers thrown in) as a bonanza for our community. May I repeat; if CC's closure wasn't an unmitigated disaster for J. C. (and, make no mistake, it was a great company and we're sad it closed) then it's surely irrational to portray the prison/hospital – Grain Millers as the great salvation of Junction City. The actions of staff and consultants in so doing, has had a unfortunate impact by skewing the discussion of UGB expansion. In this context, please note the consultant's repeated warning that "adding the Westside properties to the UGB would likely jeopardize the prison/hospital development" . This implied threat wouldn't be nearly so menacing if the citizens of Junction City has a more realistic understanding of the impact of the prison/hospital – Grain Millers development.

It was very clear from the onset that the CCPC process has the very specific goal of approving a recommendation of UGB expansion to include ONLY the prison/hospital site and Grain Millers. When I suggested we look at the Westside properties as included commercial property, the reaction from the consultant team was essentially that my suggestions were "off task" and inappropriate. In retrospect, given the clearly intended result, they were. I apologize for misunderstanding the process: I thought we were going to look at a "total package" UGB expansion and my concerns and comments obviously interfered with the planned "fast-track" UGB expansion for only the prison/hospital and Grain Millers. Frankly, had I understood this was the limited intend, I would not have volunteered for the Committee.

Staff and consultants had said nothing about condemning a easement across properties and then denying those property owners access to the infrastructure. I only realized this "accidently" when I looked a map showing the route of the infrastructure and remarked "wait a minute, are you telling me you're condemning an easement across these people's property and not letting them use the infrastructure. ....and I was right, they were NOT telling me. This was, in fact, what I'd term a "dirty little secret" and things starting "hitting the fan" only after the property owners became aware of the intended action. City staff and consultants should be ashamed of this process and should be working diligently to rectify this situation....and, the most defensible action to rectify this injustice is to include the properties in the UGB proposal. Sorry, but the promises of "we'll take care of you later" ring very hollow.

Most folks have been very kind to the consultants; praising their other work and crediting them with being very competent. I'm unable to join this parade of kindness. I have no idea about their "other" work and,

frankly, don't care about it. I, on the other hand, have seen their work product and experienced their interaction during the CCPC process and, to be as kind as I can manage, I'm not impressed. If a process has a very limited purpose, those persons expected to be involved in that process deserve to be apprised of that limited purpose.....as I mentioned, had I known the "unstated" goal of the CCPC was to fast-track the prison/hospital – Grain Miller industrial UGB expansion rather than to have a genuine UGB expansion process, I would have not been there to bother them.

In conclusion, I feel the process was seriously flawed from the very beginning with the "unstated" goal rather than the stated goal driving that process. I'm not sure where the process will go from here and I'm not sure what will happen with the Westside properties. I'm aware the city staff and consultants consider me a "pain in the @\$#%" .....that's OK, I don't mind being called one and I don't mind being one.

Best wishes,

Gary Crum

July 7, 2009

Re: Junction City UGB Expansion/Comp Plan Amendments and option 3

Dear City Council Members,

I have some concerns about option 3, and I would like to reiterate my support for option 2 over option 3 for the following reasons:

- 1) It seems to me that the big question mark in what's determining the ultimate size of the UGB expansion is the currently-zoned PT parcel off Oaklea. Given the testimony that I heard from the parcel's owner, Mr. Brink, and given my own sense of sound planning (albeit limited), I think it only reasonable to include his parcel in a *holistic* analysis of Junction City's commercial and residential land needs. When option 2 was presented to the Planning Commission, I thought it a brilliant compromise, whereby the Westsiders interests *are* being taken seriously, and there *is* a willingness to revisit the assumptions around redevelopment and infill policies. Per Memo 2 from City Staff:

"The analysis would re-evaluate the redevelopment and infill policies and implementing the Business Park Zoning District and evaluate potential locations for commercial land outside the current UGB."

- 2) I'm concerned that with option 3, the results of the community visioning workshop with its 75 citizen participants would be over-looked and steam-rolled simply to include the properties of the Westsiders. Recall that one of the primary concerns was that we don't want the entry corridor of Junction City to become a commercial strip, and that we want to revitalize the downtown sector. This is not to say that having some commercial uses at the south end of the City is inappropriate, as I agree with Mr. Kloos' statement #5 from his letter dated July 2<sup>nd</sup>.

"When the city is done with this UGB, the entire southern half of the city will be Industrial. The city could decide that there is a need for some commercial property in the southern half of the city to service the industrial uses. This is a defensible policy choice for the city to make. We doubt that the DLCD will demand that all workers at the prison and Grain Millers need to drive three miles north to buy lunch or a tank of gas, or that visitors need to stay in a hotel three miles distant."

- 3) In other letters from the Westsiders and their attorneys, they have called the south end of the City the "front door" of Junction City. I disagree with this assessment, and I think it is a poor analogy. From my perspective, the "front door" of Junction City is at the intersection of 1<sup>st</sup> and Ivy, where the speed limit changes from 55 mph to 30 mph. That in itself signifies "entry". Everything south of that intersection is

certainly a part of the City, but in my mind is more appropriately defined as “entry corridor” and doesn’t warrant the term and connotation of “front door”. If it is indeed considered the “front door” by the majority of the citizens (it would be interesting to take a poll), then I would want to see some stringent zoning put in place to assure that a commercial strip does not result.

- 4) Remember that we need to show a “demonstrated need” in order to bring any land into the UGB, that we have to start with land already in the UGB, and that we have to work first with infill and redevelopment of those existing lands before considering adding any lands outside of the UGB. If there is a demonstrated need for additional lands once these afore-mentioned rules have been applied, then there is a hierarchy of lands that the City can look to, starting with “exception lands”, then moving to lands with poor soils, then moving to lands with fair soils, then lastly moving to lands with good, arable soils. This is my understanding of the rules.

Hence my desire to postpone re-zoning the PT site, as proposed by option 2, until there is adequate information available in phase II of the CPR where a holistic analysis of commercial and residential lands can be made. Although it would be more efficient to proceed with keeping the analysis of all employment lands in phase I of the CPR, it is legally acceptable to separate the analysis of employment lands into industrial and commercial and to address them in separate phases of the CPR. Per Memo 2 from City Staff:

“The City is able to separate the employment land needs and subsequent UGB amendments per OAR 660-024-0040(3) which states:

“A local government may review and amend the UGB in consideration of one category of land need (for example, housing need) without a simultaneous review and amendment in consideration of other categories of land need (for example, employment need).”

Staff verified with Rob Halliburton of DLCD that “employment needs,” as referenced in this subsection, can be bifurcated into industrial and commercial needs. This is consistent with the Goal 9 rules, which speak of industrial needs as separate from “other employment needs.” Under this rule structure, the City legally may chose to bifurcate its employment needs into two categories, industrial and commercial, and address them in separate phases of its Customized Periodic Review.”

This is a challenging decision to make, and there are a lot of interested bodies invested in doing what’s “right” and “reasonable”. Unfortunately, there is no black and white rule about what’s right and reasonable, as both those terms are subject to one’s opinion, or educated guess. We do have analyses, however,



done by competent, experienced consultants who do this for a living, and as they pointed out, they have nothing to gain from this, only that they want to see the process go smoothly and to ensure that we get the future employment base that is slated to make Junction City their home. If there was a way to allow the Westsiders to tap into the proposed new infrastructure that will be running down a portion of their land, I would say, make that option 4, and do that. But the law is not set up that way, and I have no idea what would be entailed to change it.

It would be interesting to see the actual numbers put into option 3 and compare how they differ from option 1. What would also be interesting is to hear how the Westsiders properties would be zoned in the future, how they envision redeveloping their property, were they allowed into the UGB. Simply having an overview of the process does not satisfy my personal concerns of how the amended policies will be implemented.

Thank you for your time and consideration.

Sincerely,  
Jenna Wheeler  
Junction City Planning Commissioner and CCPC member

**Kay Bork**

**From:** Oldcarsforu@comcast.net  
**Sent:** Monday, July 06, 2009 12:27 PM  
**To:** Kay Bork  
**Cc:** Kitty Vodrup; Carrie Connelly; Bob Parker; Greg Winterowd; Beth Goodman; aelfric@uwol.net; Allen DeBoer (sdebo27@gmail.com); Tere Andrews; Anne Davies; Dena Audette; Bev Ficek (jcsaddle1@aol.com); Beverly Harper; Bill Gabriel; Bill Van Vactor; billkloos@landuseoregon.com; Bobbie DeLess; Boresek; Bruce Anderson; carl@jcfire.org; Catherine Lawrence; Christian Kongsore; Clayton Walker; Dale Borland; Deeda Schroeder; Don & Sheri Parker; Doug Beveridge; Ed Moore; Frank Boresek; hopsbran@aol.com; Indar Bhan; J.B. van Hecke; Jack Roberts; James Spickerman; jccrandynelson@comcast.net; Jeff; Jeff Curran (jeffcurran@tri-countyinsurance.biz); Jeff Greenwald; Jim Leach; Jon Edwards; Kathleen Rodden-Nord (kroddenord@junctioncity.k12.or.us); Kathy Olafson; Keith Horton; Ken Jamison; Kersey Family; Jennifer Kuiper; Kurt Straube; Lee Leighton; LinLouVan@aol.com; Marguerite Nabetta; Marti Templeton; Matthew Conser; Mia Nelson; Michael MCKENZIE BAHK; Mike Heckard; Mike Reader; miketcpa@qwest.net; Nancy Ingram; nelsoneh@msn.com; newsdesk@kmtr.com; pstraube@darimart.com; Randy Cuddeback; Chuck Salisbury; Savannah Crawford; stephanie schulz; taryl@jch-chamber.org; TCeditor@trivestnews.com; Thomas Hogue; Vincent Hinton; Whitney Malkin; David Clyne; Bradley King; daveb1@nu-world.com; dwrightdcoon@juno.com; garycrum@countryvisioncable.com; Lance Stoddard; Matt Nelson; pete@eugenebarsupply.com; Bob Nelson; Donna Bernardy (E-mail); Jack Sumner (E-mail); Jenna Wheeler; Laurel Crenshaw; Leona Houston; Sandra Dunn (E-mail)  
**Subject:** Re: Public Comments Requested - JC UGB Expansion

Kitty Vodrup, City Recorder

Please add this to the Public Record, and see that it is Given to all members of the City Council

Thank you

Jeff Haag

Mr Mayor, Junction City, City Council Members

Junction City is on the verge of making changes to the comprehensive land use plan that will affect Junction City, and our Citizens for for many years. I am asking you to carefully consider the effects of these decisions before you choose the direction you will take.

When the consultants started this process, they made some ASSUMPTIONS, based on future development, including the proposed prison/hospital, and a company called Grainmillers. They ASSUMED people on highway 99 had no interest in Re-development. City Staff then directed the CCPC, and planning commission to consider these ASSUMPTIONS as the only workable solution. They made a concerted effort to reject any and all efforts we made to be included in discussion or compromise. City Staff was Determined, and willing to lead planners down a one option path to failure.

Remarkably early in June, City staff recognized that we were gaining support from some of the members of the CCCP, and Planning Commission, and had the support of many uninvolved parties in the community. They realized their ASSUMPTIONS were flawed. OPTION #1 would not fly. This led City Staff and planners to promptly change their ASSUMPTIONS and without public comment. On June 16th they unveiled

OPTION # 2. They made the ASSUMPTION that the owners of the P/T land on Oaklea Drive would like to develop their parcel into a commercial / Industrial park. They came armed with a letter from O.D.O.T. that basically stated this is a good idea, however, ODOT makes the ASSUMPTION there would be a limited traffic count. The City made the ASSUMPTIONs that commercial could be limited to 20,000 square foot businesses, and that Industrial developers would be limited to indoor

operations. These ASSUMPTIONS were made after they made the ASSUMPTION that after 30 years as a p/t zoned site with no interest in development, That some unknown parties would be beating a path, and knocking down the door to develop this property that is saddled with a very financially limiting set of rules. These are Flawed ASSUMPTIONS. This is a bogus plan. It is simply a slap in the face to everyone on Highway 99 that wants to redevelop, or make improvements. The p/t site should be rezoned residential. That is what the owners would prefer. That is best for traffic. That is best for Junction City.

The question was asked at the last City Council meeting, " Where is OPTION#3 in writing? That's a great Question! OPTION #3 It was not in writing, or offered to City Council, because city staff directed consultants and planners to only offer options #1, and #2. Quite simply, City Staff refused to acknowledge our position, made light of our concerns, and had no interest in working with us in any way. The City Staff and Consultants acted angry toward us when we dared to challenge their ASSUMPTIONS! Where was that argument when behind closed doors, they changed The same ASSUMPTIONS and changed course from OPTION #1 to OPTION # 2.??

It is Important to realize that ASSUMPTIONS are NOT FACTS! These Assumptions were treated as drawn conclusions based on a whole bunch of questions, and forecasts that may or may not be accurate in the future. The more facts you gather, the more reasonable it is to conclude that ASSUMPTIONS ,CAN be CHANGED!

Mayor Coon, Lance Stoddard, Bill DeMarco,Randy Nelson,Marti Templeton,Dave Brunscheon You are the people responsible to Junction City, and the Citizens to make the right decisions. You are the people accountable to the citizens for the behavior of city staff, planners, and consultants.

OPTION # 1 is flawed and has been abandoned

OPTION # 2 Is a recommendation to go back and do the whole process twice. It is very costly in terms of both Time, and Money. If option #2 is adopted the p/t site would likely be the next "Golden Triangle of 1982" an undeveloped future white elephant. Option#2 is also flawed and should be abandoned.

OPTION # 3 is the best option for everyone.

The west side of 99 was the cheapest route to run infrastructure, Let those affected have some of the cost savings rewarded to them, by allowing us access to the utilities, Zoning, and the UGB.

The State of Oregon is paying a large portion of the costs of studies, and infrastructure. Take advantage of that, and Get the whole Job Done right, The first time! Save Taxpayers money. Save YOUR time and Ours. I don't see anybody looking forward to doing this process again.

Allowing The Westsiders into the Urban Growth Boundary will Increase the tax base for Junction City,

It will increase the income for Junction City , as we will be paying water and sewer bills every month.

Since the water in the area flows South to North Bringing us into the UGB will improve the environment, by eliminating potentially faulty septic systems from contaminating ground water.

Bringing us into the UGB would allow The City to assist in the Development on Hwy 99. You can help make the most of the Main Entrance to the City!

Allow us to save and create REAL EMPLOYMENT OPPORTUNITIES, economic development starts at home!

This is YOUR opportunity to do something GREAT for JUNCTION CITY! This is YOUR opportunity to be known as an Outstanding City Council, a City Council That people will be proud of!

Seize the opportunity!

Do what is fiscally, and Morally right for us, Your Neighbors! Direct the Planners, consultants and city staff to Include the people on 99. Direct them to adopt OPTION# 3, and #3 alone!

Thank you

Jeffrey Haag,

**Kitty Vodrup**

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**From:** hopsbran@aol.com  
**Sent:** Tuesday, July 07, 2009 12:45 PM  
**To:** Kitty Vodrup  
**Subject:** Comments re: Junction City EOA

July 7, 2009

Junction City Council  
City of Junction City  
680 Greenwood  
Junction City, OR 97448

Re: Junction City Economic Opportunities Analysis

Dear Councilors:

LandWatch Lane County has reviewed Bill Kloos' July 2 letter regarding his proposed "Option 3" process for your EOA study and has some concerns.

We take strong exception to Mr. Kloos' suggestion that Junction City ought to make "changes to assumptions and policy decisions that would naturally justify including the Westsider properties" in the UGB. This is just more reverse engineering. The "Westiders" propose nothing more than changing the recipe while continuing to cook the numbers. We hope you will reject Mr. Kloos' brazen suggestion that you should be "making more changes in the assumptions in the EOA, but making them in a direction that ultimately supports the Westsiders' inclusion."

Regarding the proposal for an Option 3, we have these additional suggestions:

1) We disagree that designating the Oaklea site for residential would create a need for additional industrial land. Your EOA states that you have a surplus of industrial land in excess of 100 acres, without the Oaklea site. In fact, your existing oversupply of such land is one of the reasons we object to rezoning that site to create yet more industrial land. However, if the Oaklea site is re-designated for residential use, a residential needs analysis must, of course, include the site as meeting some of the residential inventory.

2) It is not a foregone conclusion, as the "Westiders" contend, that the UGB must be expanded to provide the commercial land capacity lost if the Oaklea site is rezoned residential. We think you should consider commercial zoning for some of the surplus industrial land along the east side of Hwy 99. Unless there are problems that are not immediately apparent to us, this land seems to have potential as commercial property.

Discussions about reverse engineering were prominent during the county commissioners' consideration of the LCOG population forecast over the last two years. The commissioners have made it clear that they expect proposals brought to them for approval to have conclusions drawn at the end of the process based on solid facts collected earlier in the process. We do not think there will be support at the county level for a blatant proposal, such as Mr. Kloos,' to reverse engineer the UGB inclusion of certain properties.

We urge you to follow the orderly and efficient analysis required by Goal 14 and to reserve your conclusions until the end of your land use process.

Sincerely,

Robert Emmons  
President, LandWatch LaneCounty

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**Kay Bork**

---

**From:** Keith Horton [Keith.Horton@grainmillers.com]  
**Sent:** Monday, July 06, 2009 2:08 PM  
**To:** Kay Bork  
**Cc:** Kitty Vodrup; Christian Kongsore  
**Subject:** RE: Public Comments Requested - JC UGB Expansion

Dear Council Members,

Grain Millers recognizes there are several issues to be addressed at the July 14<sup>th</sup> City Council meeting which may impact the timing of Junction City's UGB submission process. Grain Millers' engagement in this process is simply to express and explain why we have chosen Meadow View Road and what we offer Junction City and the Willamette Valley agricultural community in terms of investment, jobs, and community. Beyond that we do not feel it appropriate to express opinion.

Grain Millers' interest is for a timely decision to be made relative to inclusion of our property into Junction City's UGB. In order for our company to continue to make reasonable investments in planning and engineering for the construction of our "Agricultural Campus," we require a timely determination relative to the land use issues surrounding our property. We trust that all stakeholders will be granted the same courtesy.

Sincerely,  
Keith Horton  
V.P of Operations  
Grain Millers Inc. (West Coast Division)



# Oregon

Theodore R. Kulungoski, Governor

Oregon Department of Transportation

Region 2, Area 5

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June 11, 2009

Kay Bork, Planning Director  
City of Junction City  
P.O. Box 250  
Junction City, OR 97448

E-mail: Savannah.Crawford@odot.state.or.us

**Re: Comprehensive Plan and Zoning Ordinance Amendments, File No. CPA-09-1**

Dear Ms. Bork,

This letter responds to recommendations outlined in the Economic Opportunities Analysis (EOA) and subsequent comprehensive plan and zoning ordinance amendments (File No. CPA-09-1). After review of subject application, the Oregon Department of Transportation (ODOT) appreciates the opportunity to provide comment for the record in relation to the following EOA recommendations:

- 1) Urban Growth Boundary (UGB) expansion to incorporate the State of Oregon correctional facility (Map 16-04-20-00, Tax Lots 1400, 1500, 1600, 2700, 2800, 2900) and Grain Millers site (Map 16-04-29-00, Tax Lots 200, 300, 400, 1800, 1900) into the southern limits of the Junction City UGB; and
- 2) Comprehensive Plan and Zoning Ordinance amendment to redesignate approximately 84 acres of Oaklea site (Map 15-04-31-00, Tax Lots 2400, 2500) from Professional Technical (PT) to Business Park (BP).

Urban Growth Boundary Expansion -- State of Oregon Correctional Facility and Grain Millers Site

ODOT does not oppose the EOA recommendation to incorporate the State of Oregon correctional facility and Grain Millers sites into the southern limits of the Junction City UGB. These sites will be designated as "Industrial" under the Junction City Comprehensive Plan. As the EOA outlines, both sites require specific needs that are not readily available within the existing Junction City UGB or cannot be accommodated through other UGB expansions. These needs include, but are not limited to, large vacant parcels, direct rail access, and direct access to a freight corridor.

ODOT's primary concern lies within the requirements of the Transportation Planning Rule (TPR) (OAR 660-012-0060), which implements Statewide Planning Goal 12 - Transportation. Generally, comprehensive plan amendments, such as a UGB expansion, would initiate a TPR analysis. The TPR states that amendments to acknowledged comprehensive plans and land use regulations which significantly affect a transportation facility shall assure allowed uses are consistent with the identified function, capacity and performance standards of the facility. If consistency cannot be met, the applicant is required to mitigate transportation impacts as approved by ODOT. The TPR analysis is generally vetted through an ODOT scoped and approved Transportation Impact Analysis (TIA).

However, the City chose to apply Division 24: Urban Growth Boundaries (OAR 660-024-0020(1)(d)), which states:

"The transportation planning rule requirements under OAR 660-012-0060 need not be applied to a UGB amendment if the land added to the UGB is zoned as urbanizable land, either by retaining the zoning that was

assigned prior to inclusion in the boundary or by assigning interim zoning that does not allow development that would generate more vehicle trips than development allowed by the zoning assigned prior to inclusion in the boundary.”

ODOT has received and approved a TPR compliant TIA from the Department of Corrections (DOC) for the State of Oregon correctional facility and hospital site. ODOT and the DOC are in discussion to mitigate the significant affect on ODOT facilities per the TPR. When mitigation negotiations are complete and roadway improvements constructed, the TPR will be satisfied. Since the DOC did submit an ODOT scoped and approved TPR compliant TIA, the Division 24 deferral is unnecessary and ODOT will not require a TIA upon annexation and/or zone change assuming the proposal remains the same as outlined in their approved TIA. ODOT will keep the City comprised of these discussions.

ODOT has not received a TPR compliant TIA from Grain Millers. However, the City is only pursuing a UGB expansion for this property and will not pursue a zone change at this time, thus meeting the TPR deferral under Division 24. The associated parcels will remain County zoned until annexation and zone change occur. ODOT concurs with the City’s request to apply Division 24, per the recommendations and Conditions of Approval listed below.

### ***ODOT Recommendation***

In relation to UGB expansions, Division 24 permits TPR analysis deferral until an application for annexation and zone change occur. To satisfy TPR requirements upon annexation and zone change, ODOT recommends the City adopt the following Conditions of Approval for the Grain Millers UGB expansion as part of this application:

*Condition of Approval #1* – “Prior to approval of annexation and/or zone change of subject property, applicant shall prepare an ODOT scoped and approved Traffic Impact Analysis and comply with provisions of the Transportation Planning Rule (OAR 660-012-0060).”

*Condition of Approval #2* – “If analysis indicates significant affect per the Transportation Planning Rule (OAR 660-012-0060), applicant shall mitigate associated traffic impacts, as permitted and approved by the Oregon Department of Transportation.”

### **Oaklea Site Comprehensive Plan and Zoning Ordinance Amendment**

The City proposes to redesignate and rezone the Oaklea site, approximately 84 acres in total size, from Professional Technical (PT) to Business Park (BP). This requires a Comprehensive Plan amendment and zone change, thus initiating requirements of the TPR. Since this comprehensive plan amendment is not associated with a UGB expansion, the TPR analysis cannot be deferred per Division 24.

ODOT’s May 18<sup>th</sup>, 2009 letter suggested the City postpone redesignating/rezoning the Oaklea site until the transportation analysis is vetted through the upcoming Transportation System Plan update. However, due to the nature of the application, and desire to adopt the EOA, comprehensive plan, and zone change amendments through one process, the City agreed to implement a trip cap on the property to satisfy TPR requirements. By imposing a trip cap, any development which occurs on site under the BP zone, cannot generate any additional traffic than allowed under the ‘reasonable worst case scenario’ in the PT zone.

For trip cap assumptions, ODOT proposes the trip cap based on 84 acres of PT, categorized as ‘Industrial Park’ in the Institute of Transportation Engineers Trip Generation Manual, eighth edition. The industrial park category was assumed for the PT zone in the 2001 Traffic Impact Analysis for the Oaklea property redesignation and rezone application.



EXHIBIT B

(EOA CHANGES FOR OPTION 2)

DRAFT

Commercial and Industrial  
Buildable Lands Inventory and  
Economic Opportunities  
Analysis

Prepared for Junction City

**ECONorthwest**  
ECONOMICS • FINANCE • PLANNING

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June 2009

# Executive Summary

## WHAT IS JUNCTION CITY'S ECONOMIC DEVELOPMENT VISION?

Junction City is a local economy in transition. In 2006, the City had 2,154 jobs in manufacturing – the majority in RV manufacturing. By April 2009, that number had shrunk to about 100 as the industry collapsed in the wake of the global financial crisis. It is not clear at what employment level the industry will stabilize, but it seems unlikely to achieve levels observed in 2006.

While Junction City experienced substantial employment losses in 2008 and 2009, it has two major economic opportunities: (1) the State of Oregon is planning to construct a correctional facility and state mental hospital that will ultimately employ 1,800 workers; and (2) Grain Millers is proposing to construct a major facility. To capitalize on these economic opportunities, the City is proposing a UGB expansion to include sites for these two uses consistent with Goals 9 and 14.

The economic development vision for Junction City can be summarized as follows:

- Take advantage of immediate economic opportunities created by the state correctional facility and hospital projects by expanding the Urban Growth Boundary (UGB) to include the proposed sites of these major employers and extending services.
- Provide a specialized site for bulk agriculture processing / food processing or other identified target industry configured for unit trains to take advantage of the two railroads in close proximity, which is a unique competitive advantage for Junction City.
- Encourage development of a bio-energy park on City-owned land.
- ~~Redesignate the Oaklea site to facilitate a master-planned community that could include a mix of offices, retail, services, and housing.~~
- Create a complete community that provides housing, retail, and services and is attractive to households that have workers at the state facilities and other employers such as Grain Millers.
- Revitalize downtown by encouraging the development of a couplet on Highway 99 and adopting strategies to encourage redevelopment and infill on under-utilized sites.

- ~~• Accommodate about 30% of new employment through the adoption of land use efficiency measures, including encouraging home-based occupations, as well as infill and redevelopment of under-utilized sites.~~
- Prepare for longer term economic opportunities by establishing urban reserve areas (URAs) that include appropriate sites for employment over a 50-year period.

This is a brief summary of Junction City's economic and community development vision. Chapter 3 of this report provides more detail on Junction City's comparative advantages and target industries; the Junction City Economic Development Strategy (under separate cover) articulates the City's economic development vision.

## HOW MUCH EMPLOYMENT GROWTH IS JUNCTION CITY PLANNING FOR?

Goal 9 (economy) requires an estimate of the amount of commercial and industrial land that will be needed over the planning period. Demand for commercial and industrial land will be driven by the expansion and relocation of existing businesses and new businesses locating in Junction City, especially development of the State Prison and Hospital. The level of this business expansion activity can be measured by employment growth in Junction City.

Table S-1 shows that Junction City's employment will grow by about 3,345 employees, a 96% increase at a rate of 3.2% annual growth between 2009 and 2029.<sup>1</sup> The employment forecast presented in Table S-1 assumes that employment in Junction City have several one-time employment changes: (1) Country Coach's employment will decrease to about 100 workers in 2009 (a decrease of about 1,500 jobs)<sup>2</sup> and (2) development of the State Prison and Hospital will add about 1,800 jobs between 2012 and 2014.

---

<sup>1</sup> The employment and land need forecasts in this report are lower than the forecasts in the March 4, 2009 memorandum to the CCPC "Preliminary employment land need for Junction City." The forecasts have been lowered to account for the continuing decline in Lane County's RV industry, which is affecting RV manufacturers, their suppliers, and is likely to affect other businesses in Junction City, such as RV sales companies and businesses that provide services to businesses that depend on the RV industry.

<sup>2</sup> This assumption is based on information from City staff, who have had contact with managers at Country Coach. At this point, it is challenging to predict how (or if) the RV industry in Lane County will recover from recent downturns in the RV industry.

**Table S-1. Forecast of employment growth in by building type, Junction City UGB, 2009–2029**

Building Type	2009		2029		Change 2009 to 2029
	Employment	% of Total	Employment	% of Total	
<b>Industrial</b>					
Industrial	946	27%	1,365	20%	419
<b>Commercial</b>					
Office	418	12%	683	10%	265
Retail	1,241	36%	1,707	25%	466
Other Services	506	15%	819	12%	313
Government	370	11%	2,253	33%	1,883
<b>Total</b>	<b>3,481</b>	<b>100%</b>	<b>6,826</b>	<b>100%</b>	<b>3,345</b>

Source: ECONorthwest

Note: Blue shading denotes an assumption by ECONorthwest

The composition of Junction City’s economy will fundamentally change over the planning period, with the development of the State Prison and Hospital and decline of the RV Industry in Lane County. Table S-1 shows the forecast of employment growth by building type/use in Junction City’s UGB from 2009 to 2029. The forecast projects growth in all building types but projects the greatest employment growth in government.

The forecast of growth in Junction City over the 2029 to 2059 period projects growth of about 2,400 jobs, at an average annual rate of 1.0%. The forecast projects growth in all building types but projects the greatest growth in industrial and other services.

## HOW MUCH SUITABLE EMPLOYMENT LAND DOES JUNCTION CITY CURRENTLY HAVE?

Junction City has a total of 810 acres designated for employment uses in its UGB. Table S-2 shows that the City has 335 acres of vacant land designated for commercial and industrial uses within the Urban Growth Boundary (UGB). Based on the Preliminary Wetland Inventory (PWI) prepared by Winterbrook Planning and floodway data, ECO estimates that about 83 acres of Junction City’s suitable land is constrained. The City has about 251 acres of vacant and suitable<sup>3</sup> commercial and industrial land within its UGB. The City has 20 vacant suitable acres in Commercial

<sup>3</sup> OAR 660-009(5) (12) defines suitable as follows: "Suitable" means serviceable land designated for industrial or other employment use that provides, or can be expected to provide the appropriate site characteristics for the proposed use. In other words, suitable sites are sites that are vacant or could otherwise be expected to provide capacity for additional employment during the planning period.

plan designations and 157 vacant suitable acres in Industrial plan designations.

**Table S-2. Vacant land by plan designation, gross acres, Junction City UGB, 2008**

Plan Designation	Tax Lots	Acres in Tax Lots	Vacant Land	
			Unsuitable Acres	Suitable Acres
Commercial	14	20	0	20
Commercial/Residential	14	2	0	2
Industrial	20	189	32	157
Professional/Technical	2	85	15	70
Public	1	39	36	3
<b>Total</b>	<b>51</b>	<b>335</b>	<b>83</b>	<b>251</b>

Source: City of Junction City data and Preliminary Wetland Inventory; analysis by ECONorthwest  
 Note: Staff have clarified that 5 acres of the public site is identified for use for the eco-energy park.  
 Note: Land that is constrained with floodway or wetlands are considered unsuitable for employment uses.  
 Vacant land that is not constrained by floodway or wetlands is considered suitable for employment uses.  
 Note: The number of unsuitable acres (83) and suitable acres (251) add to 334 acres, rather than the 335 Acres in Tax Lots, as a result of a rounding error.

## HOW MUCH LAND WILL BE NEEDED FOR EMPLOYMENT?

Table S-3 summarizes site and land needed for employment uses in Junction City for the 2009 to 2029 period. The results show that Junction City has a deficit of the following land types in its UGB for the 2009 to 2029 period:

- **Industrial land.** Junction City has a **need for 21 acres** of industrial land, including one 10-20 acre site. This need can be met through development of vacant land within the UGB (e.g., on one of the vacant 20 to 50 acre sites or on land designated for Professional Technical uses) or through redevelopment.
- **Commercial sites.** Junction City has a **need for 62 acres** of commercial land, 20 of which will be on sites 5 to 10 acres. The need for 62 acres of commercial land can be met through infill and redevelopment or development on land designated for Professional Technical uses.

**Table S-3. Summary of employment land need, gross acres, Junction City UGB, 2009-2029**

	Site Size (acres)							Total
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	20 to 50	Greater than 50	
<b>Industrial</b>								
Sites needed	2	none	none	none	1	none	none	2
Land need (acres)	1	--	--	--	20	--	--	21
<b>Commercial</b>								
Sites needed	14	9	8	2	none	none	none	33
Land need (acres)	4	14	24	20	--	--	--	62
<b>Total sites needed</b>	<b>16</b>	<b>9</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>--</b>	<b>--</b>	<b>36</b>
<b>Total acres needed</b>	<b>5</b>	<b>14</b>	<b>24</b>	<b>20</b>	<b>20</b>	<b>--</b>	<b>--</b>	<b>83</b>

Source: ECONorthwest

The comparison of site needs with land supply in Table S-3 does not tell the entire story of site needs in Junction City.

- **Land for government uses.** Table S-3 does not include the need for public land, including land for the State Prison and Hospital or expansion of the City's wastewater system. The future location of these sites are known. The State has identified an approximately 235 acre site at the south end of Junction City's UGB as the site of the State Prison and Hospital. A portion of this site is already in the UGB.

In addition, the City expects to need 80 acres to expand its wastewater facility to provide services to the State Prison and Hospital. The City has identified two sites for this expansion, both about 40 acres, one of which is currently within the existing UGB and the other is outside the UGB. These sites are adjacent to the current wastewater treatment facility.

- **A site for Grain Millers.** Grain Millers needs an industrial site that is at least 50 acres in size access to the two rail lines that can accommodate large unit trains on a rail loop. The site needs analysis in Table 4-6 (and Table 5-1) shows this as a need for one 20 to 50 acre industrial site. The vacant 20 to 50 acre industrial sites in the UGB are located along Highway 99 between the two rail tracks. These sites are about 25 acres each and have a long, thin shape. The characteristics of a needed site for bulk processing with a rail loop are described in detail in Chapter 5. **Neither of these sites meets the characteristics needed by employers such as Grain Millers.**

The City is considering establishing urban reserves, which would provide land needed for the 2029 to 2059 period. The City has need for about 354 acres of employment land to accommodate growth over the 30-year period.

## CAN THE CITY ACCOMMODATE SOME OF THIS GROWTH WITHIN THE EXISTING UGB?

The City can accommodate some employment land need through more efficient use of land within the existing UGB. There are several reasons to consider policies that would increase land use efficiency. A community goal is to revitalize downtown and encourage firms to locate there. Redevelopment uses existing infrastructure (such as streets or sanitary sewer), decreasing the need to expand infrastructure to accommodate new businesses. Finally, encouraging the location of commercial uses (especially retail uses) at the urban fringe is likely to result in decreased transportation efficiency, especially if the commercial uses are scattered around the urban fringe.

The City will implement the following policies to promote land use efficiency within the existing UGB:

- Encourage infill and redevelopment with Junction City's downtown through adopting policies that increase the likelihood of redevelopment in downtown, such as the establishment of an urban renewal district.
- ~~Limit the availability of new land for retail uses at the urban fringe. This measure would concentrate retail development within the City's urban core and may aid redevelopment of the City's downtown.~~
- Investigate opportunities for reuse of underused industrial land within the existing urban growth boundary. There may be opportunity to redesignate some industrial land for commercial uses. The sites that might benefit most from redevelopment are industrial areas that are adjacent to existing commercial or residential uses and have limited access to transportation (Highway 99 and the train).
- ~~Consider redesignating land in the Professional Technical plan designation to accommodate a new Business Park Designation that would allow a mixture of light industrial, service commercial and neighborhood retail commercial uses in a master planned setting. The purpose of the Professional Technical plan designation is to allow a high technology employment uses. The Professional Technical site currently has excellent to Oaklea Drive and High Pass Road. Junction City's one site in this designation has not yet developed, despite being available for since 1982.~~

## IS THERE JUSTIFICATION FOR A UGB EXPANSION?

The data in Table S-3 address employment needs on vacant land. Some employment in Junction City will not require new land but will locate on land that is currently partially developed or under-developed. Junction City identified economic development strategies of encouraging redevelopment, especially in downtown. Some of the land need identified in Table S-3 can be accommodated on vacant commercial land or through redevelopment within the existing UGB:

- **Industrial land need for a 20-acre site.** Table S-3 identifies a need for one 20 acre industrial site. **This need may be accommodated on one of the 20 to 50 acre industrial sites within the UGB or on the Professional Technical site.** However, neither of these sites meets the requirements of a site for Grain Millers, as described above.
- **Industrial redevelopment.** ECO also assumed that industrial land needs for sites smaller than ten acres would be addressed on larger industrial sites within the UGB and possibly through redevelopment of existing industrial sites.
- **Commercial land needs.** Table S-3 shows that Junction City has a need for about 62 acres of commercial land, all on sites 10 acres or smaller. ECO assumed that all commercial land needs will be addressed through development on existing vacant land or through redevelopment.
- ~~Junction City has a vacant suitable 15-acre commercial site, and about 70 vacant suitable acres of land in the Professional Technical plan designation.<sup>4</sup> These vacant sites provide more than enough commercial land to meet Junction City's commercial land needs over the 20-year period.~~
- ~~In addition, Junction City has land with redevelopment potential, especially in Downtown. The City has 17 acres of land with significant redevelopment potential and 11 acres of land with moderate redevelopment potential. Some of these sites may have attributes (site size, location within Junction City, or access to Highway 99) that may be attractive to retailers, such as grocery stores or big box stores, or other commercial uses, such as office space, overnight accommodations, or restaurants.~~

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<sup>4</sup>Junction City also has 27 sites smaller than 2 acres, with 6.5 acres of land. The analysis in Chapter 5 assumes that all of these sites will develop over the planning period.



- ~~Assuming that the City redesignates the Professional Technical site to allow a mixture of commercial and light industrial uses and that some of redevelopment occurs over the planning period, Junction City has~~ **will need to explore strategies to provide enough commercial land within the existing UGB to accommodate expected commercial growth over the 2009 to 2029 period.** These strategies must include consideration residential land needs, land use efficiency measures, and the potential to expand the UGB.

In summary, Junction City's will need to provide land for the following sites through a UGB expansion to accommodated growth over the 2009 to 2029 period:

- **One industrial site with at least 50 suitable acres to take advantage of a unique niche opportunity for rail-loop served bulk processors, such as Grain Millers.** Other needed characteristics of this site are described in Chapter 5.
- **One approximately 235-acre site for the State Prison and Hospital.** The State has identified the site for the State Facilities.
- One 40 acre site for a wastewater facility expansion that is necessary to provide sanitary sewer service for the Prison and Hospital. The City has identified the site for the wastewater facility expansion.
- After completing the commercial and residential land needs analysis in Phase 2, there may be a need to expand the UGB to meet these needs as well.

- *Moderate redevelopment potential:* Tax lots with improvement to land value ratios between 0.5 and 0.99 are considered to have moderate redevelopment potential.
- *No redevelopment potential:* Tax lots with improvement to land value ratios of 1.00 or more are not considered to have redevelopment potential.

Table 2-8 summarizes redevelopment potential based on the assumptions described above. The results show 42 commercial sites with about 17 acres are considered to have significant redevelopment potential, while 20 commercial sites and 11 acres are considered to have moderate redevelopment potential. With respect to industrial sites, 15 sites and 55 acres are considered to have significant redevelopment potential, and 6 sites with 31 acres are considered to have moderate redevelopment potential.

**Table 2-8. Redevelopment potential**

Improvement to land value ratio	Commercial		Industrial	
	Tax Lots	Acres	Tax Lots	Acres
<b>Significant redevelopment potential</b>				
<0.25	27	10.7	9	39.9
0.25 - 0.49	15	6.0	6	14.8
<b>Subtotal</b>	<b>42</b>	<b>16.7</b>	<b>15</b>	<b>54.7</b>
<b>Moderate redevelopment potential</b>				
0.50 - 0.74	10	7.5	2	4.9
0.75 - 0.99	10	3.8	4	26.1
<b>Subtotal</b>	<b>20</b>	<b>11.3</b>	<b>6</b>	<b>31.0</b>
<b>No redevelopment potential</b>				
1.00 - 1.99	48	37.9	16	47.6
2.00 - 2.99	48	12.9	8	17.0
3.00 and above	67	19.8	20	81.8
<b>Subtotal</b>	<b>163</b>	<b>70.6</b>	<b>44</b>	<b>146.4</b>

Source: City of Junction City GIS data; analysis by ECONorthwest

Forty-two of the 57 sites with significant redevelopment potential are less than one acre in area, while 14 were between 1 and 10 acres. Only one site is greater than 10 acres in area. None of the sites with redevelopment potential meet the DOC, Grain Millers or expansion of the City's WTP, as shown in Chapter 4.

Commercial redevelopment potential will be further evaluated in the context of residential land need in Phase 2 of this project.

- **Industrial land.** Junction City has a **need for 21 acres** of industrial land, including one 20-acre site. As discussed below, this need can be met through development of vacant land within the UGB (e.g., on one of the vacant 20 to 50 acre sites or on land designated for Professional Technical uses) or through redevelopment.
- **Commercial sites.** Junction City has a **need for 62 acres** of commercial land, 20 of which will be on sites 5 to 10 acres. The determination of whether this need within the UGB (through redevelopment or redesignation of land) will be determined when residential land needs are considered in Phase 2.

**Table 5-3. Comparison of employment land supply and site needs, Junction City UGB, 2009-2029**

	Site Size (acres)							Total
	Less than 1	1 to 2	2 to 5	5 to 10	10 to 20	20 to 50	Greater than 50	
<b>Industrial</b>								
Sites needed	2	none	none	none	1	none	none	2
Land need (acres)	1	--	--	--	20	--	--	21
<b>Commercial</b>								
Sites needed	14	9	8	2	none	none	none	33
Land need (acres)	4	14	24	20	--	--	--	62
<b>Total sites needed</b>	<b>16</b>	<b>9</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>--</b>	<b>--</b>	<b>36</b>
<b>Total acres needed</b>	<b>5</b>	<b>14</b>	<b>24</b>	<b>20</b>	<b>20</b>	<b>--</b>	<b>--</b>	<b>83</b>

Source: ECONorthwest

The comparison of site needs with land supply in Table 5-3 does not tell the entire story of site needs in Junction City.

- **Land for government uses.** Table 5-3 does not include the need for public land, including land for the State Prison and Hospital or expansion of the City's wastewater system. Both of these sites have gone through an extensive public siting process and have been purchased by the Department of Corrections (DOC) specifically for these institutional uses. Thus, the future location of - and uses for - these sites are known.
  - The State has identified an approximately 235 acre site at the south end of Junction City's UGB as the site of the State Prison and Hospital. A portion of this site is already in the UGB.
  - In addition, the City expects to need 80 acres to expand its wastewater facility to provide services to the State Prison and Hospital. The City has identified two sites for this expansion, both about 40 acres, one of which is currently within the existing UGB and the other is outside the UGB.

These sites are adjacent to the current wastewater treatment facility.

- **A site for Grain Millers.** Grain Millers needs an industrial site that is at least 50 acres in size and access to the two rail lines. The site needs analysis in Table 4-6 (and Table 5-1) show this as a need for one 20 to 50 acre industrial site. The vacant 20 to 50 acre industrial sites in the UGB are located along Highway 99 between the two rail tracks. These sites are about 25 acres each and have a long, thin shape. The characteristics of a needed site for Grain Millers are described in detail the section “Characteristics of Needed Sites.” **Neither of these large industrial sites meets the characteristics needed by Grain Millers.**
- **Industrial land need for a 20-acre site.** Table S-3 identifies a need for one 20 acre industrial site. **This need may be accommodated on one of the 20 to 50 acre industrial sites within the UGB or on the Professional Technical site.** Neither of these sites meets the requirements of a site for Grain Millers, as described above.
- **Land-use efficiencies.** The data in Table 5-3 address employment needs on vacant and partially vacant land. Some employment in Junction City will not require new land but will locate on land that is currently used. Junction City identified economic development strategies of encouraging redevelopment, especially in downtown. Some of the land need identified in Table 5-3 can be accommodated through redevelopment within the existing UGB:

— **Commercial land needs and redevelopment.** Table 5-3 shows that Junction City has a need for about 62 acres of commercial land, all on sites 10 acres or smaller. The City will need to demonstrate how it will meet these needs. OAR 660-025-0050(4) requires the City consider land use efficiency measures before expanding the UGB.<sup>21</sup> The City will address land use efficiency measures on commercial land when residential land needs are considered in Phase 2 of the customized periodic review work program .

<sup>21</sup> Specifically, it states (emphasis added):

(4) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197.296 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB, changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and OAR 660-024-0060.

Junction City can address commercial land needs through development of vacant land<sup>22</sup>, such as the Professional Technical site, or through infill and redevelopment.

- Table 5-3 shows that Junction City has a “surplus” of three commercial sites, one that is 10 to 20 acres and two that are 20 to 50 acres. These sites are a suitable 15-acre commercial site and about 70 suitable acres of land in the Professional Technical plan designation. **These vacant sites provide enough commercial land to meet Junction City’s commercial land needs over the 20-year period.**

In addition, Junction City has land with redevelopment potential, especially in Downtown. The City has 17 acres of land with significant redevelopment potential and 11 acres of land with moderate redevelopment potential. Some of these sites may have attributes (site size, location within Junction City, or access to Highway 99) that may be attractive to retailers, such as grocery stores or big-box stores, or other commercial uses, such as office space, overnight accommodations, or restaurants.

Assuming that the City redesignates the Professional Technical site to allow a mixture of commercial and light industrial uses and that some of redevelopment occurs over the planning period, **Junction City has enough commercial land within the existing UGB to accommodate expected commercial growth over the 2009 to 2029 period.**

- Industrial redevelopment.** ECO also assumed that industrial land needs for sites smaller than twenty acres would be addressed through redevelopment of existing industrial sites and development on the Professional Technical site, which will continue to allow light industrial uses. Junction City has about 55 acres of industrial land with significant redevelopment potential and 31 acres of industrial land with moderate redevelopment potential. While we do not assume all of this land will redevelop, it is likely that some of it will redevelop over the planning period.

Junction City has enough land within the UGB to accommodate commercial and industrial growth, except for need for sites with special

<sup>22</sup> Table 5-3 also assumes that vacant commercial sites smaller than 2 acres (approximately 6.5 acres of land) will develop over the planning period.

## IMPLICATIONS

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The analysis of presented in the economic opportunities analysis has implications for Junction City's economic land needs.

- *Economic growth.* Decision makers and community members that participated in the economic opportunities analysis agreed that economic growth is desirable over the planning period. The employment forecast indicates Junction City will add 3,345 new employees between 2009 and 2029 using the OAR 660-024-0040(8)(a)(ii) methodology and adding in new employment at the State Prison and Hospital. The economic opportunities analysis assumes that Junction City will have employment growth in a wide variety of businesses, from the State facilities to services and retail for residents to industrial development. The City wants to diversify its economy and attract higher wage and professional jobs.
- *Buildable lands.* Junction City has 810 acres that are designated for industrial and other employment use. More than one-half of the land designated for employment within Junction City's UGB is considered developed and is not expected to redevelop over the 20 year planning period. Junction City has 251 acres of suitable vacant commercial and industrial land, with 157 acres of suitable industrial land, 20 acres of suitable commercial land, 70 acres of suitable Professional Technical land, two suitable acres of Commercial Residential land, and three acres of suitable public land.
- *Large sites.* Junction City's unmet employment land needs are for three larger sites: one 50 acre industrial site (with 45 suitable acres), one 40 acre site for expansion of the City's wastewater facilities, and one 235 acre site for the State Prison and Hospital.
- ~~*Land use efficiencies.* The City can accommodate some employment land need through more efficient use of land within the existing UGB. There are several reasons to consider policies that would increase land use efficiency. A community goal is to revitalize downtown and encourage firms to locate there. Redevelopment uses existing infrastructure (such as streets or sanitary sewer), decreasing the need to expand infrastructure to accommodate new businesses. In addition, encouraging the location of small commercial uses (especially retail uses) at the urban fringe is likely to result in decreased transportation efficiency, especially if the commercial uses are scattered around the urban fringe.~~
  - ~~*Professional Technical site.* Junction City has 70 acres of suitable land designated for Professional Technical uses.~~

The City may want to consider redesignating land in the Professional Technical plan designation to allow a commercial uses and light industrial uses.

The purpose of the Professional Technical plan designation is to allow a mixture of office and manufacturing uses. Junction City's one site in this designation has not yet developed, despite being available for more than a decade. One possible reason that this site has not developed is that it does not have direct access to either Highway 99 or the railroad and is adjacent to existing residential development.

The site may be more likely to develop if it is designated for commercial and light industrial uses because it has good access to the City's street grid. The City should consider requiring a master planning process for development of this site, which would determine the appropriate mixture commercial and light industries, as well as identifying compatible commercial uses.

The 70 acres of suitable land on the Professional Technical site can accommodate the majority of commercial land needs in Junction City. Some retail uses related to the employment uses on the site may locate on the Professional Technical site. Other retail uses may locate in Downtown, on vacant or redevelopable sites.

~~Redevelopment potential.~~ Junction City has an economic development objective of revitalizing downtown. The City expects that that some land need for sites smaller sites may be addressed through redevelopment. The majority of redevelopment in downtown is likely to be sites smaller than two acres.

The City will need to make strategic investments that support redevelopment and to continue supporting redevelopment through City policies. One way to support redevelopment, especially in downtown, is through creation of an urban renewal district, which can provide funds for infrastructure improvements, street beautification, and other efforts to promote downtown revitalization.

The City may have additional opportunities for redevelopment within the next few years as a result of business changes because of the current recession. Some

developed commercial sites may become available for redevelopment for new commercial uses over the planning period. Some of these sites may have attributes (site size, location within Junction City, or access to Highway 99) that may be attractive to retailers, such as grocery stores or big box stores, or other commercial uses, such as office space, overnight accommodations, or restaurants.

○ ~~Opportunities for reuse of underused industrial land.~~ There may be opportunity to redesignate some industrial land for commercial uses. The sites that might benefit most from redevelopment are industrial areas that are adjacent to existing commercial or residential uses and have limited access to transportation (Highway 99 and the train).

○ ~~Professional Technical site.~~ Junction City has 70 acres of suitable land designated for Professional Technical uses. The City may want to consider redesignating land in the Professional Technical plan designation to allow a commercial uses and light industrial uses.

The purpose of the Professional Technical plan designation is to allow a mixture of office and manufacturing uses. Junction City's one site in this designation has not yet developed, despite being available for more than a decade. One possible reason that this site has not developed is that it does not have direct access to either Highway 99 or the railroad and is adjacent to existing residential development.

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