ORDINANCE NO. 2271

AN ORDINANCE ADOPTING NEW CHAPTERS 5, 6, AND 11, AND AMENDING THE TEXT OF THE TABLE OF CONTENTS, THE TABLE OF AMENDMENTS, THE PREFACE, AND CHAPTERS 1, 2, 3, 4, 7, 8, 9, AND 10 OF THE BEND COMPREHENSIVE PLAN, ADOPTING AND INCORPORATING SEVERAL NEW TECHNICAL DOCUMENTS AS APPENDICES TO THE BEND COMPREHENSIVE PLAN, ADOPTING REVISED COMPREHENSIVE PLAN AND ZONING MAPS, AND AMENDING CHAPTERS 1.2, 2.1, 2.2, 2.3, 3.3, 3.6, 4.5, AND 4.6 OF THE BEND DEVELOPMENT CODE, TO ADOPT AN EXPANSION OF THE BEND URBAN GROWTH BOUNDARY AND COMPLETE THE TASKS UNDER A 2010 REMAND ORDER FROM THE OREGON LAND CONSERVATION AND DEVELOPMENT COMMISSION

Findings:

A. The City of Bend and Deschutes County jointly submitted a proposal to amend the Bend Urban Growth Boundary (UGB) to the Oregon Department of Land Conservation and Development on April 17, 2009. On November 2, 2010, the Oregon Land Conservation and Development Commission (LCDC) issued Partial Acknowledgement/Remand Order 001795 (Remand Order). The Remand Order acknowledged work on some tasks, directed the City to prepare better findings for other tasks, and outlined those tasks that needed additional work per the direction of the Remand Order.

B. The City began work on addressing the tasks in the Remand Order in January, 2011. On August 20, 2014, the City Council approved the formation of three technical advisory committees (TACs) and the UGB Steering Committee (USC). The USC consisted of the entire Bend City Council, two Bend Planning Commissioners, and a member of the Deschutes County Board of Commissioners. The TACs and the USC met regularly between August 2014 and April 2016 to review remand task work products, provide input into their development and change, and approve versions that were subsequently forwarded to and approved by the USC.

C. On April 21, 2016, the USC recommended approval of a number of amendments to the Bend Comprehensive Plan and the Development Code that would be forwarded to a public hearing before the City Council. The recommended amendments included a 2,380 acre expansion of the City's UGB and various related measures to ensure that the demand for housing and employment land will be met by increasing the capacity for development within the current UGB. These amendments include changes to the text of the City's Comprehensive Plan, the proposed addition of several technical appendices, and changes to the text of the Bend Development Code.

D. The City and Deschutes County submitted a joint Notice of Proposed Amendment to the Oregon Department of Land Conservation and Development on July 21, 2016. The City subsequently mailed notice required under ORS 227.186 (aka "Measure 56" notice) to potentially affected landowners on July 28, 2016. Notice of the City Council public hearing was published in the Bend Bulletin on August 5, 2016 and sent to the neighborhood associations on August 5, 2016.

E. The Bend City Council held a joint public hearing with the Deschutes County Board of Commissioners on August 25, 2016 to accept evidence, receive public testimony and consider the USC's recommendation. The City Council found that the proposed amendments to the City's Comprehensive Plan and Development Code satisfy the criteria for approval contained in state law, the Comprehensive Plan, Section 4.6.200 of the Bend Development Code, and the Remand Order, and voted to adopt the amendments to the Bend Comprehensive Plan and the Bend Development Code.

Based on these findings, THE CITY OF BEND ORDAINS AS FOLLOWS:

Section 1. In addition to the findings set forth above, the City Council adopts Exhibit A as their Findings. The Findings include, as set forth in Exhibit A, the following sections:

1. Background and Description of 2016 UGB Proposal
2. Procedural History
3. Scope of Review
4. Needed Housing and Residential Lands
5. Economic Development Land Needs
6. Other Land Needs
7. UGB Location
8. Transportation
9. Compliance with Statewide Planning Goals
10. Compliance with Applicable Policies of Bend Comprehensive Plan
11. Bend Development Code
12. Compliance with LCDC's 2010 Remand Order
13. Supplemental Findings in Response to Testimony

Section 2. Chapter 5 of the Bend Comprehensive Plan, Housing and Residential Lands, is repealed and a new Chapter 5 is adopted as shown in Exhibit B.

Section 3. Chapter 6 of the Bend Comprehensive Plan, the Economy and Lands for Economic Growth, is repealed and a new Chapter 6 is adopted as shown in Exhibit C.

Section 4. Chapter 7 of the Bend Comprehensive Plan, Transportation Systems, is amended as shown in Exhibit D.

Section 5. A new Chapter 11 of the Bend Comprehensive Plan, Growth Management, as shown in Exhibit E, is adopted.

Section 6. The Table of Amendments, Table of Contents, Preface, and Chapters 1, 2, 3, 4, 8, 9, and 10 of the Bend Comprehensive Plan, are amended as shown in Exhibit F.

Section 7. The Buildable Lands Inventory (2016), in the form of Exhibit G is adopted and incorporated as Appendix J to the Bend Comprehensive Plan.

Section 8. The Housing Needs Analysis (2016), in the form of Exhibit H, is adopted and incorporated as Appendix K to the Bend Comprehensive Plan.

Section 9. The Economic Lands Study Parts 1, 2, and 3 is repealed and the Economic Opportunities Analysis (2016) in the form of Exhibit I is adopted and incorporated as Appendix E to the Bend Comprehensive Plan.

Section 10. The Urbanization Report (2016) in the form of Exhibit J is adopted and incorporated as Appendix L to the Bend Comprehensive Plan. .

Section 11. The Urban Form Report (2016) in the form of Exhibit K is adopted and incorporated as Appendix M to the Bend Comprehensive Plan.

Section 12. Appendix C to the Bend Comprehensive Plan, the Bend Transportation System Plan and Maps, is amended as shown in Exhibit L, including the adoption of the Integrated Land Use and Transportation Plan (2016) as Appendix F to the Transportation System Plan. These amendments, as set forth in Exhibit L, include a new Chapter 9 to the TSP and the Integrated Land Use and Transportation Plan.

Section 13. The Bend Comprehensive Plan Map is amended as shown in Exhibit M.

Section 14. The Bend Zoning Map is amended as shown in Exhibit N.

Section 15. The text of the Bend Development Code, which includes efficiency measures to implement the UGB Remand as recommended by the TACs and reviewed by the USC, is amended as shown in Exhibit O. These amendments, as set forth in Exhibit O, include amendments to these chapters of the Bend Development Code: Chapter 1.2, Definitions; Chapter; 2.1, Residential Zoning Districts; Chapter 2.2, Commercial Zoning Districts; Chapter 2.3, Mixed-Use Zoning Districts; Chapter 3.3, Vehicle Parking, Loading, and Bicycle Parking; Chapter 3.6, Special Standards and Regulations for Certain Uses; Chapter 4.5, Master Planning and Development Alternatives, and; Chapter 4.6, Land Use District Map and Text Amendments. Additionally, the term "Bend Comprehensive Plan" will replace the terms "Bend Area General Plan", "Bend General Plan" and "General Plan."

Section 16. The provisions and sections of this ordinance are severable. If any provision or section of this ordinance is declared invalid, unconstitutional or is remanded to the City, that declaration or remand shall not affect the validity of any provision or section of this ordinance that is not expressly declared invalid, unconstitutional or not remanded to the City; the unaffected provisions and sections shall remain in effect. If any section or subsection of any of the documents adopted or amended by this ordinance are declared invalid, unconstitutional or is remanded to the City, that declaration or remand action shall not affect any provision of the document not declared invalid, unconstitutional or not remanded to the City, and shall not affect any other document adopted or amended by this ordinance; the unaffected provisions and documents shall remain in effect. If any exhibit is found to comply with the statewide land use planning goals and laws, that exhibit shall remain in effect, regardless of the disposition of any other exhibit on review by the Department of Land Conservation and Development, the Land Conservation and Development Commission or the courts.

Section 17. This ordinance and each section is final on second reading and shall be effective when deemed acknowledged on review under ORS 197.626 and ORS 197.633 and the implementing Division 25 administrative rules. If the amendments made by this ordinance or any section are partially acknowledged, those portions that are acknowledged become effective on acknowledgment. Amendments to the Bend Comprehensive Plan, Bend Zoning Map and/or Bend Development Code approved by the City subsequent to the date of the creation of Exhibits 13, 14, and 15 but prior to acknowledgement remain effective and are not modified by this ordinance.

First Reading: September 7, 2016

Second reading and adoption by roll call vote: September 21, 2016

Yes: Jim Clinton, Mayor
Victor Chudowsky
Doug Knight
Sally Russell
Nathan Boddie
Casey Roats

No: None

Jim Clinton, Mayor

ATTEST:

Robyn Christie, City Recorder

Approved as to form:

Mary Winters, City Attorney

Section 2 of Ordinance 2271

Exhibit A

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ACRONYM LIST

ADU	Accessory Dwelling Unit
AMI	Average median income
APG	Angelo Planning Group
ASI	Area of Special Interest
BCD	Bend Central District
BDC	Bend Development Code
BGWR	Big Game Winter Range
BLI	Buildable Lands Inventory
BNSF	Burlington Northern – Santa Fe railroad
BPRD	Bend Park and Recreation District
CB	Central Business District
CC	Convenience Commercial
CC&Rs	Codes, Covenants and Restrictions
CDD	Community Development Department
CG	General Commercial
CL	Limited Commercial
COID	Central Oregon Irrigation District
CSMP	Collection System Master Plan
CWP	Central Westside Plan
d/c	demand to capacity ratio
DLCD	Department of Land Conservation and Development
DSL	Department of State Lands
DWPA	Drinking Water Protection Area
EFU	Exclusive Farm Use
EOA	Economic Opportunities Analysis
ESEE	Environmental, Social, Economic and Energy
ET	Envision Tomorrow
EUAC	Equivalent Uniform Annual Cost
FAR	Floor Area Ratio
FEMA	Federal Emergency Management Agency
GIS	Geographic information system
GTAC	Golden Triangle Area Consortium
HNA	Housing Needs Analysis
IG	General Industrial
IL	Light Industrial

1. BACKGROUND & DESCRIPTION OF 2016 UGB PROPOSAL

1.1 Introduction

The City of Bend Council (Council) proposes a number of amendments to the text and maps of the Bend Comprehensive Plan and Bend Development Code. These amendments include an amendment to the Bend Urban Growth Boundary (UGB) to add 2,380 acres of land for needed housing, employment opportunities, and other urban uses. The proposed UGB amendment is accompanied by and supported through amendments to the Comprehensive Plan and Bend Development Code (BDC), which are described below.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the Oregon Revised Statutes (ORS) or the Oregon Administrative Rules (OARs). The applicable City land use laws are cited as either policies from the Bend Comprehensive Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Comprehensive Plan and Development Code.

1.2 Proposed UGB Amendment

The Council proposes an amendment to the Bend UGB to add 2,380 acres for needed housing, employment opportunities, and other urban uses. The amendment is reflected on the enclosed map identified as Exhibit M. The amendment adds this acreage in all four directions and in nine (9) subareas plus one additional property. Each subarea has specific requirements that are recognized in policies in a new Chapter 11, Growth Management, of the Bend Comprehensive Plan. The size of each subarea, and the required mix of housing units is incorporated in policies in Chapter 11 (Remand Record 2016, or Rem Rec 9233). In addition, the UGB amendment proposes to add four (4) park sites owned by the Bend Parks and Recreation District; one in the west, two in the northeast, and one in the southeast. The areas proposed to be added through this UGB amendment will accommodate a residual housing need of 5,282 units and a residual employment need of 7,181 jobs that cannot reasonably be accommodated in the existing UGB. The proposed amendments to the Bend Comprehensive Plan include an Urbanization Report that describes each expansion subarea and the process through which the City arrived at this proposed UGB amendment (Rem Rec 9679).

1.3 Proposed Amendments to the Bend Comprehensive Plan

The proposed amendments to the Bend General Plan include a new title, the Bend Comprehensive Plan (Plan), and the following changes:

- New Chapter 5, Housing and Residential Lands
- New Chapter 6, Economy and Employment Lands

- New Chapter 11, Growth Management
- Remaining chapters of the Plan: minor text changes and format changes to create a consistent format and eliminate inconsistencies between newly proposed updates to other chapters of the plan
- Updates to the Transportation Systems Plan (TSP) related to the UGB expansion and new Integrated Land Use and Transportation Plan (ILUTP)
- The following new appendices have been adopted and incorporated in the Comprehensive Plan as supporting documents:
    - Buildable Lands Inventory (BLI, 2016)
    - Housing Needs Analysis (HNA, 2016)
    - Economic Opportunities Analysis (EOA, 2016)
    - ILUTP (2016)
    - Urbanization Report (2016)
    - Urban Form Report (2016)

The relationship between the BLI, HNA, EOA, and Urbanization Report is summarized in Figure 1-1, and the major components of each report are described in Table 1-1.

DRAFT

Figure 1-1. Relationship between Key Documents for Bend's Urban Growth Boundary Planning

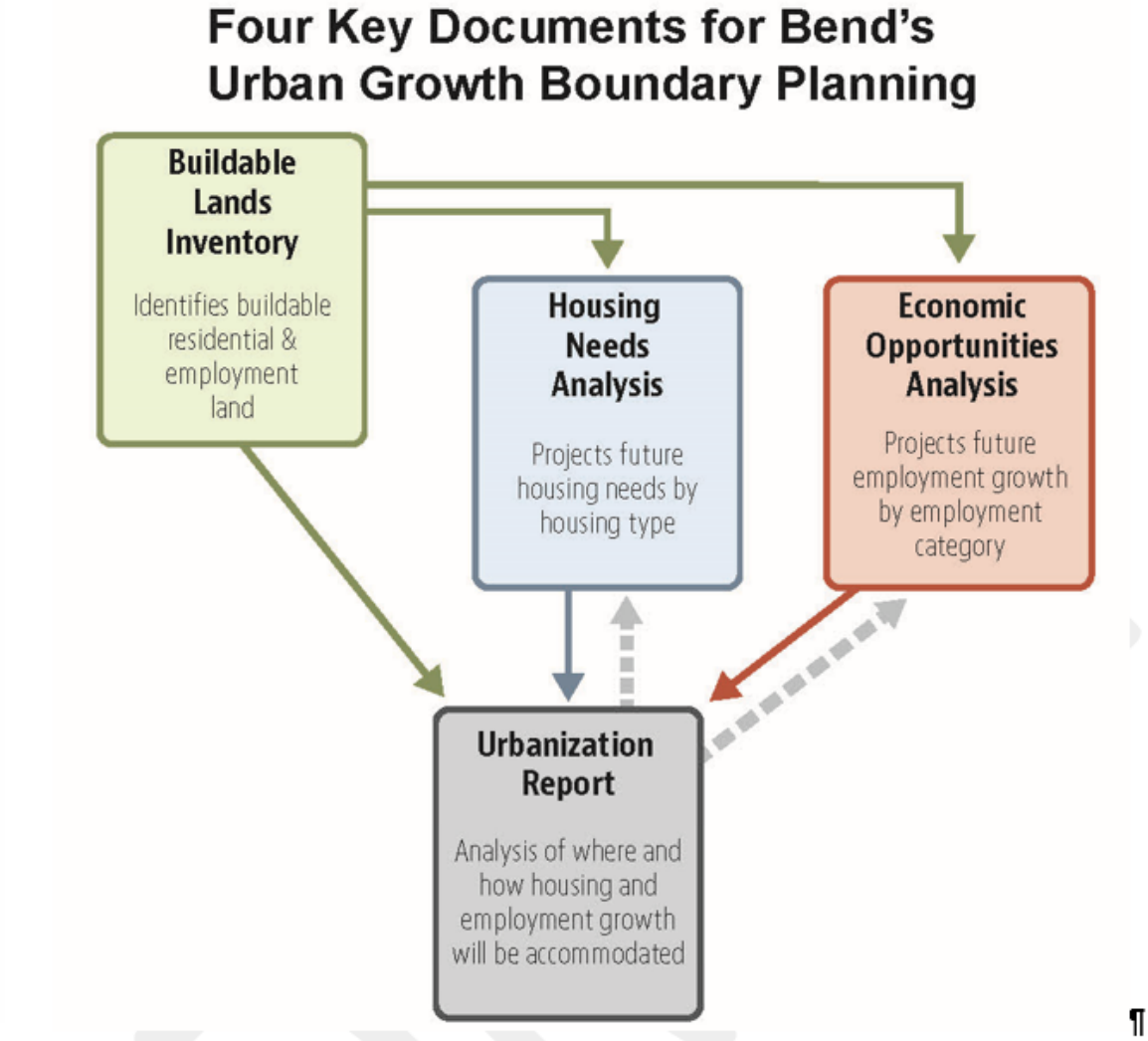

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Table 1-1. Four Key Documents for Bend's Urban Growth Boundary Planning

Document	Buildable Land Inventory (BLI)	Housing Needs Analysis (HNA)	Economic Opportunities Analysis (EOA)	Urbanization Report (UR)
Purpose	Identify buildable residential & employment land by category	Address the requirements for planning for needed housing, including analysis of national, state, and local demographic and economic trends, and recommendations for a mix and density of needed housing	Document historical employment and demographic trends, the projection of employment growth, identification of target industries, and evaluation of site characteristics needed to accommodate target industries	Analysis of where and how Bend's future growth will be accommodated, both inside the existing Urban Growth Boundary (UGB) and in expansion areas

		types		
Primary Legal Standards[1]	ORS 197.296 OAR 660, Divisions 8 and 9	Statewide Planning Goal 10: Housing ORS 197.296 and 197.303 OAR 660, Division 8	Statewide Planning Goal 9: Economic Development OAR 660, Division 9	Statewide Planning Goal 14: Urbanization ORS 197.298 OAR 660, Division 24
Key Subject Matter	Development status categories and definitions Methodology for assigning categories and conducting inventory Inventory results: acres by plan designation and development status	Projection of population and total housing growth Housing market and development trends Demographic characteristics and trends Analysis of affordability Estimate of needed housing (mix and density) Comparison of housing capacity to need	Existing policy and vision National, state, local trends Employment projections Target industries Site needs and characteristics Special site needs Redevelopment analysis Comparison of employment capacity to need and characteristics	Methodology for capacity estimates Pre-policy ("base case") capacity estimate for current UGB Efficiency measures (EMs) proposed Current UGB capacity with EMs UGB alternatives evaluation methodology and results Proposed UGB expansion and summary of Goal 14 evaluation results

1.4 Proposed Amendments to the Bend Development Code

The proposed amendments to the BDC include changes to the following chapters and sections to use land more efficiently for needed housing and economic opportunities:

- Chapter 1.2, DEFINITIONS
- Chapter 2.1, RESIDENTIAL DISTRICTS
    - 2.1.100, Purpose, Applicability and Location
    - 2.1.200, Permitted Land Use.
    - 2.1.400, Building Mass and Scale
    - 2.1.500, Lot Area and Dimensions
    - 2.1.600, Residential Density
    - 2.1.700, Maximum Lot Coverage
    - 2.1.800, Building Height

[1] OAR = Oregon Administrative Rules; ORS = Oregon Revised Statutes

    - 2.1.900, Architectural Design Standards
    - 2.1.1000, Multifamily Residential Districts
    - 2.1.1100, Urban Holding Districts
- Chapter 2.2, COMMERCIAL ZONING DISTRICTS
    - 2.2.400, Development Standards
    - 2.2.600, Commercial Design Review Standards
- Chapter 2.3, MIXED-USE ZONING DISTRICTS
    - 2.3.100, Purpose and Applicability
    - 2.3.200, Permitted and Conditional Uses
    - 2.3.300, Development Standards
    - 2.3.400, Site Layout and Building Orientation
    - 2.3.500, Architectural Standards
- Chapter 2.7, SPECIAL PLANNED DISTRICTS
    - 2.7.3200, Bend Central District
- Chapter 3.3, VEHICLE PARKING, LOADING, AND BICYCLE PARKING
    - 3.3.300, Vehicle Parking Standards for On-Site Requirements
- Chapter 3.4, PUBLIC IMPROVEMENT STANDARDS
    - 3.4.300, Public Use Areas
- Chapter 3.6, SPECIAL STANDARDS AND REGULATIONS FOR CERTAIN USES
    - 3.6.200, Residential Uses
- Chapter 4.5, MASTER PLANNING AND DEVELOPMENT ALTERNATIVES
    - 4.5.300, Master Planned Developments
    - 4.5.400, Master Planned Neighborhoods Development
    - 4.5.500, Master Plan Development within the Urban Holding Districts
- Chapter 4.6, LAND USE DISTRICT MAP AND TEXT AMENDMENTS
    - 4.6.300, Quasi-judicial Amendments

1.5 Background on the Transition from the City's 2009 UGB Proposal to the 2016 UGB Proposal

On April 16, 2009, the City Council and Deschutes County Board of Commissioners submitted an adopted UGB amendment proposing a boundary expansion of 8,943 acres to the Department of Land Conservation and Development. The Council and Commissioners provided the original Notice of the Proposed Amendment to the Oregon Department of Land Conservation and Development on June 11, 2007 (2009 Supp Rec 1587). The two governmental bodies provided an amended Notice of Proposed Amendments on October 8, 2008, which proposed the UGB amendment ultimately, modified, approved, and submitted to the Department for acknowledgment in April 2009 (2009 Rec 4920).

On January 8, 2010, the Department Director issued a report and order remanding the proposal back to the city and county. Several parties, including the City of Bend, filed appeals of this order to be heard by the Land Conservation and Development Commission by January 29, 2010. The Land Conservation and Development Commission held public hearings on these appeals and heard oral argument from the City, objectors, and appellants, on March 18 and 19,

April 23, and May 12, 2010. At the Commission's final hearing in Bend on May 12, 2010, the Commission approved a motion to remand the proposal back to the City. The Commission issued its final partial acknowledgement/remand order on November 2, 2010.

The UGB amendment included in this proposal (2016 Proposal) will amend the UGB by 2,380 acres of land. The findings in the following Section 2 outline the procedural history of how the Council arrived at this proposed UGB amendment.

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2. PROCEDURAL HISTORY

2.1 Introduction

These procedural findings describe the process through which the Council responded to the Commission's 2010 remand order. On November 2, 2010, the Land Conservation and Development Commission (LCDC) issued a partial acknowledgement-remand order (10-REMAND-PARTIAL ACKNOW-001795)[1]. Through this order, LCDC identified those areas where the City either needed to prepare new findings and/or complete new work on certain tasks consistent with LCDC's Order. None of the parties appealed the LCDC's order.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

2.2 Chronology of Work on the Bend UGB Remand - 2011 through 2016

On January 19, 2011, the Council received a report on LCDC's order, and approved a motion creating a Remand Task Force of City Councilors Jodie Barram, Tom Greene, and Jim Clinton, and Planning Commissioners Cliff Walkey and Kevin Keillor. The Council also approved a work plan for staff to follow in responding to the remand tasks. Between March 3, 2011 and May 19, 2014, the Remand Task Force (RTF) met 17 times (See the City's Findings on Compliance with Goal 1 in Section 9 for the list of meetings).

On February 20, 2013, the City submitted a request for an extension of time for completing the tasks under Order 001795. LCDC considered and approved this request at their March 21, 2013 meeting. DLCD issued the approved extension in an April 1, 2013 letter to the city manager. The extension gave the City to June 30, 2017 to submit a revised proposal consistent with the remand order.

At the August 19, 2013 RTF meeting, Principal Planner Brian Rankin recommended a new approach and goals for completing the UGB Remand by September 2016. This approach was approved by the Council and led to additional budgeting and contract approvals to initiate the work plan.

On February 11, 2014, the City issued a request for proposals for planning services to assist the City with completing the UGB Remand Project. This RFP was based upon the new approach and goals presented to the RTF at their August 19, 2013 meeting. The City received two proposals, one of which was from Angelo Planning Group (APG), with which the City entered

[1] The entire Remand Order is in the UGB Remand Record, starting at Rem Rec. 5725.

into a contract for planning services on May 7, 2014. The purpose of this contract was to obtain professional assistance to allow for the City to complete the UGB remand sooner while remaining consistent with applicable procedural and substantive standards.

On June 19, 2014, the RTF met as the UGB Steering Committee (USC). Starting with this meeting on June 19, 2014, the USC included all seven (7) members of the Council, City of Bend Planning Commissioners Bill Wagner and Rex Wolf, and Deschutes County Commissioner Tammy Baney. County Commissioner Tony DeBone took over for Commissioner Tammy Baney in September 2014. Between June 19, 2014, and April 21, 2016, the USC met nine (9) times, including a joint workshop with the Residential and the Employment Technical Advisory Committees (TACs) on December 15, 2014.

On June 26, 2014, the City began a recruitment for members to serve on one of three TACs. These TACs included one devoted to housing issues and residential land (Residential TAC); a second focused on jobs and employment lands (Employment TAC), and: a third focused on developing the boundary methodology and growth scenarios (Boundary and Growth Scenarios TAC or "Boundary TAC"). The TAC membership recruitment closed on July 11, 2014. Members of the Council met in July to select and appoint members to each of the three TACs. On August 20, 2014, the City Council formally approved Resolution 2598 to form the USC and three temporary TACs.

A new TAC member orientation was held at the Community Room of the Bend Park and Recreation District on July 29, 2014. This meeting was noticed as a public meeting, and provided an orientation to the new TAC members on their roles and responsibilities.

Starting in August 2014, the three TACs met regularly to review consultant team and staff work products prepared to satisfy the requirements of the Remand Order. The Residential TAC met to review those products focused on housing and the need for housing land; the Employment TAC met to review those products focused on employment and the need for employment land. These two TACs typically met on the same day. The third TAC, the Boundary and Growth Scenarios TAC, typically met the day after the other two TACs met, and focused on those remand tasks associated with evaluating potential areas to include in a UGB expansion. These tasks included, but were not limited to, the identification of a study area, the identification of criteria to use in identifying suitable lands, and evaluation criteria with which the team could compare and contrast potential areas for expansion.

There were 41 meetings with the three TACs between August 2014 and March 2016. Each TAC meeting included a staff introduction of the topics that would be addressed at that meeting, and whether consultant team products were new for consideration or amended in response to TAC direction and/or direction from public comments. Each meeting included time for public comments, and the City received both oral and written comments at each meeting. The City staff collated and uploaded the written comments to the City's website so that interested persons could access the comments. All of these comments were also entered into the record. In addition, the City staff ensured that each TAC approved written minutes of their prior meeting for not only their benefit for tracking progress, but to create a public record of the decisions they

made at each meeting; these minutes were also posted to the City's website for public access and included in the Remand Record.

On September 4, 2014, the USC met and held their first meeting to review and approve work products from the three TACs. One of its key decisions was to approve the housing mix recommendation of the Residential TAC. This September 2014 meeting was one of seven (7) meetings of the USC between September 2014 and April 2016.

Each meeting of the USC was noticed as a public meeting, with notice going out to the local media contacts and electronic mail notices to the TAC members and all of the interested persons who had provided an email address for such notice. Similar to the TAC meetings, the meetings of the USC included sections for public comments, staff presentations of the work completed by the TACs and presented for the USC's approval, and USC approval of their written meeting minutes of their prior meeting.

On December 15, 2014, the Residential and Employment TACs held a joint workshop with the USC. The purpose of this workshop was to recommend preliminary land use assumptions for potential opportunity areas inside the current UGB. Both TACs met again (separately) in January and February 2015 to discuss details related to land needs and to review and approve working recommendations for efficiency measures and opportunity areas inside the current UGB.

On March 19, 2015, the UGB Steering Committee approved the Phase 1 work products of the three TACs. These products included a preliminary set of efficiency measures and land need estimates for housing and employment, and the results of the Boundary TAC's work to identify suitable lands within the study area and potential evaluation criteria for UGB expansion.

On April 30, 2015, the USC and the three TACs met in a joint workshop to identify potential areas to consider for UGB expansion. The primary purpose of the workshop was for the participants to engage in a brainstorming exercise referred to as a "chip game" (Rem Rec 3846-3847). The goal of the chip game was to generate maps showing generally where future growth should occur that was based on placements of chips of land uses in various locations and in structured amounts. This exercise was conducted by six groups, each of whom developed a UGB scenario with their chips, with each set of chips matching the land needs for needed housing, employment opportunities, and other uses such as schools and parks.

The Boundary TAC met twice in June 2015, on the 9th and on the 22nd. During their first meeting on June 9, the Boundary TAC considered three (3) draft UGB expansion scenarios prepared by the consultant team based on the results of the joint workshop. The scenarios tested different combinations and arrangements of land uses within nine (9) subareas adjacent to the existing UGB. The Boundary TAC held a second meeting on June 22, 2015. At their second meeting, the Boundary TAC forwarded their recommendations for refinements to the three (3) UGB scenarios to the USC to use for evaluation. Based on public and landowner comments, they also forwarded a recommendation to conduct additional analysis of land identified as suitable but not included in the scenarios, identified as "supplemental analysis areas (SAAMs)." The USC met later that week on June 25, 2015 and approved for evaluation

the three (3) UGB scenarios with some of the refinements recommended by the Boundary TAC and the supplemental analysis areas.

The Residential and Employment TACs met multiple times during the summer and fall of 2015. Their work at these meetings focused on policies for the General Plan, reviewing and refining development code concepts to implement the efficiency measures, and other remaining work to satisfy the remand order, including the City's obligations and planning opportunities related to reducing reliance on the automobile through integrated land use and transportation planning.

Between July 2015 and September 2015, the consultant team and city staff evaluated the three UGB scenarios and three alternatives developed to test the supplemental analysis areas (called supplemental analysis area maps or SAAMs) against the performance measures approved by the USC in March 2015 (Rem Rec 3588-3607).

The Boundary TAC met twice in October 2015 to review the results of the evaluation and make a recommendation regarding a preferred scenario. During their first meeting on October 8, 2015, the Boundary TAC received a presentation from the consultant team and city staff on the results of the UGB scenarios evaluation (Rem Rec 6619, 6737, and 6851). During their second meeting on October 22, 2015, the Boundary TAC considered Scenario 2.1, and variations of this scenario identified as Scenarios 2.2 and 2.3. The Boundary TAC voted to refer Scenario 2.3 with two amendments to the UGB Steering Committee as the preferred UGB scenario.

On October 22, 2015, the UGB Steering Committee met and received a presentation on the scenario evaluation results and the Boundary TAC's recommendation of Scenario 2.3 with their recommended amendments. Following their discussion, the USC voted to use Scenario 2.1 with a few changes directed by the USC as the scenario for further refinement and infrastructure and transportation modeling. This recommendation was identified as Scenario 2.1A.

The USC next met on December 14, 2015 to review Scenario 2.1B, which included refinements from the consultant team and direction to city staff to incorporate the latest efficiency measures, calibrate to Bend development code standards, and capture updated land assumptions for parks, schools, and rights of way. At this meeting, the USC directed the team (consultants and city staff) to hold another meeting with the Boundary TAC. One of the purposes of this meeting was to have the Boundary TAC consider possible refinements to Scenario 2.1B. The USC also directed the Boundary TAC to consider a scenario or those elements of a UGB scenario for which there was consensus among the Boundary TAC members.

On January 20, 2016, the Boundary TAC met to consider, as a starting point, a Scenario 2.1C. This scenario, which was developed based on suggestions from the Boundary TAC chairs in advance of the meeting, included a proposal for a "transect" (an area of gradually declining densities to provide compatible transitions to adjacent natural resource areas) in the West subarea, some proposed expansion in the Shevlin subarea, and several changes to land uses in the North Triangle subarea. The Boundary TAC came to consensus decisions on recommendations to the USC for each subarea except for the West subarea. Regarding the West subarea, all but one of the Boundary TAC members in attendance supported the West subarea and the Shevlin subarea for expansion.

On February 10, 2016, the USC met to consider the recommendations from the Boundary TAC's January 20, 2016 meeting, which were incorporated in a Scenario 2.1D. The USC reviewed the recommendations from the Boundary TAC for each of the expansion subareas, and voted unanimously each time to accept the Boundary TAC's recommendation. The only variation from this was a unanimous vote for 12.8 acres of residential land from the Thumb to be moved to the Elbow and 12.8 acres of commercial land to be moved from the Elbow to the Thumb. This recommendation was identified as Scenario 2.1E.

The three TACs each held their last meetings in March 2016. The Residential and the Employment TACs held a joint meeting on March 17, 2016 to review the final Phase 2 work products and proposed adoption products. Each TAC voted to forward on the package of adoption materials to the USC. The Boundary TAC met twice in March, first on March 16 and then later on March 30, 2016. On March 16, 2016, the Boundary TAC held its final meeting to review the final Phase 2 work products and proposed adoption products. At their March 30, 2016 meeting the Boundary TAC considered the final version of a draft Growth Management Chapter and comprehensive plan designations for expansion subareas before approving the final package of materials that would go forward to the USC. The recommendation to the USC from the Boundary TAC included a minor adjustment to the comprehensive plan designations for two expansion subareas, which was captured as Scenario 2.1F.

On April 21, 2016, the USC met to consider the TAC recommendations from the March 2016 meetings. The USC considered and approved the package of adoption materials recommended by the three TACs. The USC also received several proposals for additional lands to include in the UGB, including several that proposed to provide affordable housing if their land was included. The consultant team identified a series of changes to Scenario 2.1F that could accommodate the proposed additions that incorporated an affordable housing component (Scenario 2.1G). This set of changes and the addition of the lands that incorporated an affordable housing commitment were approved by the USC as the recommendation to take forward for public hearings.

Section 7 of this report includes the Council's findings demonstrating the proposed UGB amendment's compliance with applicable statutes, administrative rules, and Goal 14.

DRAFT

3. SCOPE OF REVIEW

3.1 Introduction

The 2010 Remand Order determines the scope of review for this UGB amendment (Rem Rec 05730 - 05732). DLCD and LCDC have jurisdiction to review UGB amendments of greater than 50 acres by a city with a population of 2,500 or more (ORS 197.626, OAR 660-025-0040(1)(a)). The City has an estimated population of 81,310 as of July 1, 2015 and proposes to amend the Bend UGB to include 2,380 acres of land, so this UGB amendment is reviewable by DLCD. The decision of the DLCD Director may be appealed to LCDC.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

3.2 Applicable Criteria

The following standards, as guided by the 2010 Remand Order, are applicable to the review and action on the proposed UGB amendment and related plan and land use regulation amendments.

3.2.1 Applicability of Recent Amendments to Statute and Rule

OAR 660, Division 24 has been amended several times since the City first began the process of expanding the UGB, most recently in 2016. Statutes pertaining to amendment of UGBs (including ORS 197.298 and 197A) were also amended in 2013 and 2016. This section addresses the applicability of these amendments to the current UGB expansion proposal.

The City initially provided notice of a UGB expansion proposal along with related amendments to DLCD on June 11, 2007, and then a revised proposal October 8, 2008 (Rem Rec 5726-5728)[1]. The City adopted the proposal on January 5, 2009, but the City's decision was remanded by LCDC. The current proposal is a response to the LCDC Remand. As stated in the LCDC Remand, "the City's decision is subject to the version of the commission's rules in effect at the time of its decision, unless the rules specifically provide otherwise" (Rem Rec 5740).

[1] This reference to the Remand Record cites to the Procedural History of the 2009 Bend UGB proposal presented in LCDC's 2010 Order.

OAR 660-024-0000 provides that the applicable version depends on the date a City initiates its UGB amendment and other factors. Applicability of ORS 197A is addressed by House Bill 4126, Chapter 81 of Oregon Laws 2016, effective date March 29, 2016, which states:

> *Notwithstanding ORS 197A.320, a City outside of Metro that submitted to the Director of the Department of Land Conservation and Development, pursuant to ORS 197.610, a proposed change to an acknowledged comprehensive plan or a land use regulation that included an evaluation or an amendment of its urban growth boundary, or that received approval of a periodic review work program that included a work task to amend or evaluate its urban growth boundary pursuant to ORS 197.633, prior to January 1, 2016, but did not complete the evaluation or amendment of its urban growth boundary prior to January 1, 2016, may complete the evaluation or amendment pursuant to statutes and administrative rules in effect on June 30, 2013.*

This law allows jurisdictions like Bend that are midway through a UGB expansion to continue to use the June 30, 2013 versions of the statues and rules instead of the newly effective ORS 197A.320 (effective July 1, 2013), and OAR 660 Division 24 (effective January 1, 2016). The City submitted notice to DLCD regarding an amendment of its urban growth boundary pursuant to ORS 197.610 on June 11, 2007, and a revised notice on October 8, 2008 (Rem Rec 5726). This amendment led to the resulting LCDC Remand Order which has not yet been completed and is the subject of this re-submittal to DLCD. The City of Bend, being a city outside of Metro, may complete the amendment "pursuant to the statutes and administrative rules in effect on June 30, 2013" because June 11, 2007 is prior to January 1, 2016 and because the City's response to the DLCD Remand Order was not completed by January 1, 2016. Therefore, the City Council finds it may, and will "complete the evaluation or amendment pursuant to statutes and administrative rules in effect on June 30, 2013." The applicable ORS and OARs and their standards are the June 30, 2013 versions of ORS 197.298 and Division 24. The City's findings included in this and other sections of the findings address these versions. Other ORS and OARs are current versions as of 2016[2].

In addition, the current version of OAR 660-024-0000 provides that the applicable version depends on the date a City initiates its UGB amendment and other factors:

> *(3) The rules in this division adopted on October 5, 2006, are effective April 5, 2007. The rules in this division amended on March 20, 2008, are effective April 18, 2008. The rules in this division adopted March 13, 2009, and amendments to rules in this division adopted on that date, are effective April 16, 2009, except as follows:*
>
> *(a) A local government may choose to not apply this division to a plan amendment concerning the evaluation or amendment of a UGB, regardless of the date of that*

[2] The City relied on the June 30, 2013 versions of ORS 197.298, and OAR 660-024 for the analysis. For other relevant statutes and administrative rules, the City relied on those versions available online as of 2016. The City also relied on 2016 HB 4126 (See 2016 Oregon Laws, Chapter 81).

amendment, if the local government initiated the evaluation or amendment of the UGB prior to April 5, 2007;

(b) For purposes of this rule, "initiated" means that the local government either:

(A) Issued the public notice specified in OAR 660-018-0020 for the proposed plan amendment concerning the evaluation or amendment of the UGB; or

(B) Received LCDC approval of a periodic review work program that includes a work task to evaluate the UGB land supply or amend the UGB;

(c) A local government choice whether to apply this division must include the entire division and may not differ with respect to individual rules in the division.

(4) The rules in this division adopted on December 4, 2015, are effective January 1, 2016, except that a local government may choose to not apply the amendments to rules in this division adopted December 4, 2015 to a plan amendment concerning the amendment of a UGB, regardless of the date of that amendment, if the local government initiated the amendment of the UGB prior to January 1, 2016.

Subsection (4), above, provides additional direction that a local government may choose not to apply the 2016 amendments to OAR 660 Division 24 if it initiated its UGB amendment (based on the date of the notice to DLCD) prior to January 1, 2016, as the City of Bend did. This is consistent with Chapter 81 of Oregon Laws 2016. The administrative rules in effect on June 30, 2013 contain their own applicability provisions, none of which direct the Bend City Council to use prior versions of rules than the rules in effect June 30, 2013. See the June 30, 2013 version of Division 24 (660-024-0000(3)(a)).

3.2.2 Compliance with Applicable Rules and Statutes for Residential Land, Needed Housing

ORS 197.296, Factors to establish sufficiency of buildable lands within urban growth boundary; analysis and determination of residential housing patterns

ORS 197.303, “Needed housing” defined

ORS 197.307, Effect of need for certain housing in urban growth areas, approval standards for certain residential development; placement standards for approval of manufactured dwellings

OAR 660 Division 8, Interpretation of Goal 10, Housing

- 660-008-0010, Allocation of Buildable Land
- 660-008-0015, Clear and Objective Approval Standards Required
- 660-008-0020, Specific Plan Designations Required
- 660-008-0025, The Rezoning Process
- 660-008-0030, Regional Coordination

- 660-008-0040, Restrictions on Housing Tenure

OAR 660 Division 24, Urban Growth Boundaries

- 660-024-0040, Land Need
- 660-024-0050, Land Inventory and Response to Deficiency

3.2.3 Compliance with Applicable Rules for Economic Development Land Need

No Oregon revised statutes provide standards or criteria related to economic development land need, but the following regulations are applicable:

OAR 660 Division 9, Economic Development

- 660-009-0010, Application
- 660-009-0015, Economic Opportunities Analysis
- 660-009-0020, Industrial and Other Employment Development Policies
- 660-009-0025, Designation of Lands for Industrial and Other Employment Uses

OAR 660 Division 24, Urban Growth Boundaries

- 660-024-0040, Land Need
- 660-024-0050, Land Inventory and Response to Deficiency

3.2.4 Compliance with Applicable Rules for Transportation Planning

OAR 660 Division12, Transportation Planning

- 660-012-0016, Coordination with Federally-Required Regional Transportation Plans in Metropolitan Areas
- 660-012-0035, Evaluation and Selection of Transportation System Alternatives
- 660-012-0055, Timing of Adoption and Update of Transportation System Plans; Exemptions
- 660-012-0060, Plan and Land Use Regulation Amendments

3.2.5 Compliance with Applicable Rules and Statutes for Urban Growth Boundaries

ORS 197.298; Priority of land to be included within urban growth boundary (2007)[3]

Statewide Planning Goal 14; Urbanization (2007)

- Location Factor 1: Efficient Accommodation of identified land need
- Location Factor 2: Orderly and economic provision of public facilities and services

[3] See Discussion of Subissue 9.1, 2010 Remand Order Page 123 (Rem Rec 5846).

- Location Factor 3: Comparative economic, social, environmental, and energy consequences
- Location Factor 4: Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest lands outside the UGB.

OAR 660-024, Urban Growth Boundaries (2007)

- 660-024-0060, Boundary Location Alternatives Analysis

3.2.6 Compliance with Statewide Planning Goals

The following statewide planning goals are applicable to review of this proposed UGB amendment and related plan and land use regulation amendments.

Goal 1, Citizen Involvement

Goal 2, Land Use Planning

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

Goal 6, Air, Water, and Land Resources Quality

Goal 7, Natural Hazards

Goal 8, Recreational Needs

Goal 9, Economic Development

Goal 10, Housing

Goal 11, Public Facilities

Goal 12, Transportation

Goal 13, Energy

3.2.7 Compliance with Applicable Policies of the Bend Comprehensive Plan

The City is making coordinated amendments to several documents, including the Plan. Because these amendments are part of a single coordinated approach, the Plan, as amended by the current amendment, applies. The findings discuss both the existing and amended policies to clarify which existing policies are no longer applicable and to describe how the amendments comply with the amended Plan. The following existing Plan policies are discussed, as well as the amended policies that amend, replace or supplement the existing policies.

- Preface - A person or agency proposing a change has the burden to demonstrate a public need and benefit for the change.
- Chapter 1 – Plan Management and Citizen Involvement
    - General Policy Guidance, 1-1, 1-2
    - Urban Planning Coordination, 1-3, 1-4
    - Development within the Urban Growth Boundary, 1-7 and 1-8
    - Citizen Involvement, 1-15 and 1-16
- Chapter 2 – Natural Features and Open Space
    - Policies 2-12 and 2-13
- Chapter 3 – Community Connections
    - Policies 3-5 and 3-6
- Chapter 4 – Population and Demographics
    - Policies 4-1 and 4-2
- Chapter 5 – Housing
    - Population Forecasts, 5-1 through 5-3
    - Housing Mix, Density, and Affordability, 5-4 through 5-8
    - Housing Density and Affordability, existing policies 21 through 24 and 26 through 28, new policies 5-9 through 5-19
    - Residential Compatibility, existing policies 1 through 3, 12, 16, 18, and 19; new policies 5-20 and 5-21, 5-22 through 5-25, 5-26 through 5-29, 5-30 through 5-35,
    - Transportation Connectivity, new policies 5-36 through 5-49,
    - Public Utilities and Services, existing policy 47; new policies 5-50 through 5-53,
    - Destination Resorts, existing policies 49 through 55, new policies 5-54 and 5-55,
    - Refinement Plan Areas, existing policies 57 and 58, new policy 5-56
- Chapter 6 – Economy
    - General Policies 6-1 through 6-11
    - Short Term Supply 6-12 and 6-13
    - Industrial Development existing policies 2, 7, 12, 13, new policies 6-14 and 6-15, 6-16 through 6-22,
    - Mixed Use Development, 6-23 through 6-25
    - Commercial Development, existing Policy 30, new policies 6-26 through 6-38, 6-39 through 6-41
- Chapter 7 – Transportation Systems
    - Transportation System Plan Objectives and Policies, 7-3 through 7-5, 7-8, 7-11, and existing policy 5.
    - Transportation Demand Management, policies 7-24
    - Pedestrian and Bicycle Systems, policies 7-28, 7-29, 7-45, and existing policies 19, 20, and 21
    - Public Transportation System, policy 7-47 and existing policy 1
    - Street System, 7-52
    - Residential Streets, 7-63 and 7-64
    - Arterial Streets, 7-69, and existing policies 22 and 27

    - Parkway, existing policies 30, 31, and 32
    - Bend Central District, 7-86 through 7-90
    - Integrated Land Use and Transportation Plan, 7-91 through 7-95
    - TSP Map Updates, 7-96
    - Transportation Funding and Prioritization Policies, 7-103
- Chapter 8 – Public Facilities and Services
    - Sewer Collection Facilities, 8-1 through 8-3
    - Water Facilities and Systems, 8-13, 8-14, 8-17, 8-19
    - Storm Drainage Facilities and Systems, 8-31 and 8-33
- Chapter 9 – Community Appearance
    - New Policies 9-2 and 9-3, and existing policies 6 and 11
- Chapter 10 – Natural Forces
    - Natural Hazards policy 10-12
    - Wildfire policy 10-18

3.2.8 Compliance with the Bend Development Code

The following BDC provisions are applicable to review of the proposal.

- Section 4.6.200, Legislative Amendments

3.2.9 Compliance with the Directives of the November 2, 2010 Remand Order of the Land Conservation and Development Commission (10-REMAND-PARTIAL ACKNOW-001795)

The following directives from the Commission's 2010 Remand Order are applicable to review of this proposal. The City notes that there are a number of subissues in the remand order that were settled and that these are not listed below.

Remand Order Section	Subissues	Remand Order Pages
2. Residential Land Needs	Subissue 2.2 (Rem Rec 5741) Subissue 2.3 (Rem Rec 5749) Subissue 2.4 (Rem Rec 5756) Subissue 2.5 (Rem Rec 5759) Subissue 2.6 (Rem Rec 5762) Subissue 2.7 (Rem Rec 5766) Subissue 2.8 (Rem Rec 5769)	Pages 18-47
3. Capacity of the Existing UGB & Efficiency Measures	Subissue 3.1 (Rem Rec 5771) Subissue 3.2 (Rem Rec 5777)	Pages 48-56
4. Other (Non-	Subissue 4.1 (Rem Rec 5780)	Pages 57-63

Remand Order Section	Subissues	Remand Order Pages
Employment) Land Needs	Subissue 4.2 (Rem Rec 5782) Subissue 4.3 (Rem Rec 5784)	
5. Employment Land Needs	Subissue 5.1 (Rem Rec 5787) Subissue 5.2 (Rem Rec 5790) Subissue 5.4 (Rem Rec 5795) Subissue 5.5 (Rem Rec 5800) Subissue 5.6 (Rem Rec 5801) Subissue 5.8 (Rem Rec 5805) Subissue 5.9 (Rem Rec 5807)	Pages 64-85
6. Natural Resources and Hazards	Subissue 6.1 (Rem Rec 5809) Subissue 6.2 (Rem Rec 5815) Subissue 6.3 (Rem Rec 5817)	Pages 86-95
7. Public Facilities Planning	Subissue 7.1 (Rem Rec 5819) Subissue 7.2 (Rem Rec 5824) Subissue 7.4 (Rem Rec 5827) Subissue 7.5 (Rem Rec 5828) Subissue 7.7 (Rem Rec 5832) Subissue 7.9 (Rem Rec 5835)	Pages 96-113
8. Transportation Planning	Subissue 8.1 (Rem Rec 5837) Subissue 8.2 (Rem Rec 5838) Subissue 8.3 (Rem Rec 5839) Subissue 8.5 (Rem Rec 5841) Subissue 8.6 (Rem Rec 5842)	Pages 114-122
9. Location of the UGB Expansion Area	Subissue 9.1 (Rem Rec 5846) Subissue 9.2 (Rem Rec 5853) Subissue 9.3 (Rem Rec 5855) Subissue 9.4 (Rem Rec 5856) Subissue 9.5 (Rem Rec 5857) Subissue 9.8 (Rem Rec 5859) Subissue 9.9 (Rem Rec 5859)	Pages 123-138
10. Other Issues	Subissue 10.1 (Rem Rec 5861) Subissue 10.2 (Rem Rec 5862) Subissue 10.3 (Rem Rec 5865)	Pages 139-142

3.3 Standard of Review

LCDC's November 2010 order provides guidance on the standard of review (Rem Rec 05731). DLCD and LCDC's review of the City's proposal will address compliance with the applicable statutes, goals, and administrative rules. For proposals such as this UGB amendment and amendments to the city's and county's comprehensive plans, "compliance with the goals" means the submittal, on the whole, conforms with the purposes of the goals and any failure to meet individual goal requirements is technical or minor in nature (See ORS 197.747).

The proposed amendment must satisfy Statewide Planning Goal 2, Land Use Planning. To do so, the City must show that the proposal will be supported by an adequate factual base. The City's proposed amendments to its comprehensive plan and land use regulations (the Bend Development Code) are legislative decisions. A legislative decision satisfies Goal 2's requirement for an adequate factual base if the decision is supported by substantial evidence. Substantial evidence exists to support a finding of fact when the record, viewed as a whole, would permit a reasonable person to make that finding (Rem Rec 05731).

In addition, the proposed UGB amendment, along with related amendments to the respective comprehensive plans, involved making basic findings of fact and drawing inferences from those facts. This requires DLCD's review, and potentially LCDC's review, to address two related inquiries. First, whether the basic fact or facts are supported by substantial evidence. Second, the City must connect the facts or reasoned inferences from the facts to the decision (Rem Rec 05731-05732). The City must demonstrate that the substantial evidence in the record supports the adopted findings concerning compliance with the goals, rules, and statutes.

3.4 Review Authority

The proposed amendments to the City's Plan and BDC, including the UGB boundary amendment, arise out of the Remand Order and decision, which was reviewed by DLCD and LCDC in the manner of periodic review and review of work tasks. These materials, including those corresponding amendments to Deschutes County's comprehensive plan, land use regulations, and plan and zoning maps, are being re-submitted to the DLCD to determine whether the revised decision(s) amending the urban growth boundary, and any matters arising out of that decision, comply with the applicable statewide planning goals, their implementing rules, applicable state statues, and applicable local comprehensive plan and land use regulations (Rem Rec 5730-5731). Because these legislative decisions involve a UGB expansion, DLCD's review of the City's decision on remand will also be in the manner of periodic review.

To meet Goal 14, the Remand Order required the City to adopt efficiency measures, including measures to accommodate its projected housing needs within the existing UGB, new measures to increase the likelihood that residential development will occur at the housing types and density and at the mix adopted by Council during the planning period. The efficiency measures including plan and development code text changes arise out of the remand directive and timeframe, promote infill and redevelopment, and are essential components of the UGB expansion decision intended to meet the requirements of ORS 197.296(7) and (9).

In situations such as these, the Oregon Land Use Board of Appeals (LUBA) does not have jurisdiction to review a local government's decision on a UGB amendment. ORS 197.825(2)(C)(a) excludes this decision from LUBA's jurisdiction:

> ***"197.825 Jurisdiction of board; limitations; effect on circuit court jurisdiction.*** *(1) Except as provided in ORS 197.320 and subsections (2) and (3)*

of this section, the Land Use Board of Appeals shall have exclusive jurisdiction to review any land use decision or limited land use decision of a local government, special district or a state agency in the manner provided in ORS 197.830 to 197.845.

***

(2) The jurisdiction of the board:

(c) Does not include a local government decision that is:

(A) Submitted to the Department of Land Conservation and Development for acknowledgment under ORS 197.251, 197.626 or 197.628 to 197.651 or a matter arising out of a local government decision submitted to the department for acknowledgment, unless the Director of the Department of Land Conservation and Development, in the director's sole discretion, transfers the matter to the board;"

To summarize, the City is submitting its UGB expansion proposal and all related materials to the DLCD pursuant to ORS 197.626. The proposal is submitted in this manner because it includes a UGB amendment of greater than 50 acres, and the City has a population greater than 50,000 people. DLCD will review this proposal in the manner provided for review of a work task under ORS 197.633. OAR 660-025 includes these relevant procedures for review, and further requires that any appeals of a DLCD Director's decision are heard by LCDC. LUBA does not have jurisdiction to review the City's decision pursuant to ORS 197.825 (2)(c)(A).

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4. NEEDED HOUSING AND RESIDENTIAL LANDS

4.1 Introduction

The findings in Sections 4 through 8 of this Report address the relevant legal standards in State statutes, goals and administrative rules that are applicable to Bend's 2016 UGB proposal. The format of the findings uses *italics* to present the pertinent text of the statutes, goals and rules followed by findings in normal text. Many of the provisions in the statutes, goals and rules are very similar, so the findings may cross-reference other findings to minimize duplication.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

The findings also reference documents and evidence in the 2009 Record and in the 2011-2016 Record on Remand. The full record is also available on the City's web site via the following link: www.bendoregon.gov/bendugb.

Generally, findings summarize more detailed analysis found in referenced supporting documents in order to address the relevant legal standards and help the reader understand the UGB proposal. The findings are more easily understood if the reader has access to the key documents supporting the UGB proposal such as the record. The record and key documents supporting the findings are posted on the City's website.

As shown in Figure 1-1 (see Section 1 of Findings Report), three key documents are central to the City's planning for needed housing and related residential land needs:[1]

- BLI
- HNA
- Urbanization Report

These three reports will be incorporated into the Plan as part of the UGB adoption package. The major components of each report are described in Table 1-1 (see Section 1 of Findings Report). In addition to these three reports, the City adopts Plan and BDC text and map amendments as part of the UGB adoption package. The consolidated UGB adoption package

[1] As shown in Figure 1-1, the Economic Opportunities Analysis (EOA) is the fourth key document for Bend's UGB planning. Findings to address land needs for employment are included in Section 5 of this Findings Report.

will assure efficient use of land within the UGB and in expansion areas to accommodate all types of needed housing.

4.2 Summary of Relevant Legal Standards

The findings in this section address the relevant legal standards in state law that are applicable to Bend's determination of needed housing and related residential land needs. In an effort to address the relevant legal standards and to "tell the story" in a logical way, the findings are generally organized to follow the framework outlined in "Planning for Residential Growth," a guidebook prepared in 1997 by the Oregon Transportation and Growth Management Program.[2]

Table 4-1 summarizes the organization of the findings and the relevant legal standards. The applicable ORS and OARs, their standards, and the City's findings included in this and other sections of the findings are the June 30, 2013 versions of ORS 197.298 and Division 24. Other ORS and OARs are current versions as of 2016[3].

Table 4-1: Relevant Legal Standards

Section Heading in Findings	Applicable Oregon Revised Statutes (ORS)	Applicable Statewide Planning Goal(s)	Applicable Oregon Administrative Rule(s) (OAR)
4.4.1 Planning Horizon and Population Forecast	197.296(2)	14	660-024-0040 (4)
4.4.2 Total Housing Unit Projection		10 and 14	660-008-0005 (6) 660-008-0040 660-024-0040 (4) & (8)
4.4.3 Needed Housing Types and Mix	197.296(3) 197.296(5) 197.303	10 and 14	660-008-0005(2), (4), (6) 660-008-0030 660-008-0040 660-024-0050 660-024-0040(8)
4.4.4 Needed Housing Density	197.296(3)	10	660-008-0010
4.4.5 Buildable Lands Inventory	197.296(4), (5)	10 and 14	660-008-0005(2) 660-008-0020 660-024-0050(1)
4.4.6 Capacity Analysis	197.296(3), (5)	14	660-024-0050(4)
4.4.7 Efficiency Measures	197.296(6), (7), (9)	14	660-024-0050(4)

[2] The guidebook is available on-line at: http://www.oregon.gov/LCD/docs/publications/planning_for_residential_growth.pdf

[3] The City relied on the June 30, 2013 versions of ORS 197.298, and OAR 660-024 for the analysis. For other relevant statutes and administrative rules, the City relied on those versions available online as of 2016. The City also relied on 2016 HB 4126 (See 2016 Oregon Laws, Chapter 81).

4.4.8 Zoning and Regulating Needed Housing	197.307(3)	10 and 14	660-008-0010 660-008-0015 660-008-0020 660-008-0025 660-024-0050(6)
4.4.9 Residential Land Need	197.296(3)	14	660-024-0040(4)

4.3 Substantial Evidence

Table 4-2 summarizes the key evidence that supports the findings in this section. Access to the record is available on the City's website for the UGB Remand Project.

Table 4-2: Key Record References

Description	Date	Page #
2009 UGB Record		*Record (Rec)*
Population Forecast (2008-2028)	11/19/07	8801
Safe Harbors for Housing Unit Forecast	11/19/07	8802
Forecast of Needed Housing Units (2008-2028)	11/19/07	8802
Second Home Forecast (2008-2028)	1/7/08	8671
2011-2016 Record on Remand		*Remand Record (Rem Rec)*
2016 Buildable Lands Inventory	7/18/16	10413
2016 Housing Needs Analysis	7/19/16	10572
2016 Urbanization Report	7/19/16	10814
Amendments to Bend Comprehensive Plan Chapter 5: Housing	7/2016	10310
New Bend Comprehensive Plan Chapter 11: Growth Management	7/2016	10362
Amendments to Text of Bend Development Code (BDC)	7/2016	11149
Amendments to Bend Comprehensive Plan Map	7/20/2016	11145
Amendments to Bend Zoning Map	7/20/2016	11147

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4.4 Findings

4.4.1. Planning Horizon and Population Forecast

4.4.1.1 Planning Horizon

ORS 197.296 establishes the context for planning to provide sufficient buildable lands within the UGB to accommodate estimated housing needs for 20 years. ORS 197.296(2) provides:

> *(2) At periodic review pursuant to ORS 197.628 to 197.650 or at any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use, a local government shall demonstrate that its comprehensive plan or regional framework plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years. The 20-year period shall commence on the date initially scheduled for completion of the periodic or legislative review.*

The City began the process for demonstrating a need for UGB expansion in 2004. That process started with the development of a coordinated 20-year population forecast (2005-2025) with Deschutes County. The adopted and acknowledged population forecast for Bend for the year 2025 was 109,389.

As the first step in its analysis of the capacity of the UGB, the City extrapolated the coordinated population forecast from 2025 to 2028 (in order to have a 20-year planning period as required by ORS 197.296). This extension resulted in a population forecast of 115,063 for Bend in 2028 (Rec at 1067, 1301). The City initiated the process for formal analysis of its proposed UGB amendment on June 11, 2007 by mailing notice of its initial evidentiary hearing to DLCD (Rec at 1053). The Director's Report and Remand Order found that the City's extension of the coordinated population forecast from 2025 to 2028 complied with relevant state law (Director's Report p. 25)[4].

4.4.1.2 Population Forecast

OAR 660-024-0040(4) addresses the 20-year population forecast that underlies the determination of housing and residential needs:

[4] **Official Notice -** The Director's January 2010 Report and Order are available through the DLCD website using this URL: http://www.oregon.gov/LCD/pages/report_on_bend_and_deschutes_ugb_amendment.aspx#director_s_response_to_the_appeals.

(4) The determination of 20-year residential land needs for an urban area must be consistent with the adopted 20-year coordinated population forecast for the urban area, and with the requirements for determining housing needs in Goals 10 and 14, OAR chapter 660, division 7 or 8, and applicable provisions of ORS 197.295 to 197.314 and 197.475 to 197.490.

The Oregon House and Senate approved legislation in 2013 that shifted population forecasting responsibilities from the 36 counties to the Population Research Center (PRC) at Portland State University (PSU).[5]

As noted above, ORS 197.296(2) establishes that the 20-year planning period shall commence on the date initially scheduled for completion of the periodic or legislative review. Bend's 20-year planning period (2008 to 2028) was acknowledged in the Remand. The first coordinated population forecast for Deschutes County (and cities) prepared by the PRC under the new population forecast rules in OAR 660, division 32 was issued in June 2015[6], and predicted population growth in 2025 that was comparable to the City's coordinated forecast from 2004. The 2025 Coordinated Population Forecast for Bend was 109,389; the 2025 PRC Population Forecast for Bend was 109,546. The City has continued to rely on the population forecast for the 2008-2028 planning period because it was acknowledged, found to be consistent with state law, and very close to that growth forecasted by PSU[7].

The City Council recognizes that the UGB process in Bend has gone on far longer than anticipated. Residential construction slowed dramatically during the recession, and Bend's population did not grow as forecasted. The results of the 2010 Census for Bend showed the more recent estimates of population from PSU were higher than the actual count of population conducted by the Census Bureau. For example, the PRC estimates Bend's July 1, 2010 population at 83,125, while the Census counted 76,740 in 2010, the year the initial UGB proposal was remanded to the City. Staffing in Bend's planning division was also reduced substantially during this period.

From 2011-2014, the City focused significant time and budget on preparing and updating public facility plans for wastewater collection, water and stormwater. In 2014, the City initiated an ambitious effort to complete the UGB process in two years (by 2016). These planning efforts built on components of UGB planning that had been approved by LCDC in the 2010 Remand

[5] See ORS 195.033 to ORS 195.036.

[6] PSU PRC, Deschutes County Coordinated Population Forecast: 2015 through 2065. http://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1034&context=populationreports

[7] The PRC's population forecast for Bend's UGB in 2025 was 109,546. The City Council notes that the use of the new 2015 forecast is not required because the City has decided to continue and complete the work in the Commission' Remand Order and not use the Simplified UGB Method adopted in 2015 and incorporated in OAR 660-038.

Order, including but not limited to the population forecast for the 2008-2028 planning period. The City concluded that changing the planning period to 2015-2035 when PSU issued the new population forecast for the City of Bend and other jurisdictions in Deschutes County (in June 2015) would have delayed the effort and progress to complete the UGB adoption by June of 2016 and be in violation of LCDC's Remand Order regarding the Bend UGB expansion.

Sensitive to Bend's rebounding population growth and related concerns regarding affordable housing, the City has included the following new policy in Chapter 5 (Housing and Residential Lands) of the Plan (Rem Rec 10319):

> *Policy 5-2 Using the new coordinated 50-year forecast, the City will, within 5 years after acknowledgement of the current update becomes final and no longer subject to appeal, initiate a supplemental legislative review of the UGB and/or urban reserve area planning to demonstrate compliance with state needed housing laws for a new full 20-year planning period.*

Conclusion: The 2008-2028 planning horizon and population forecast used for the current UGB proposal was acknowledged in the Remand Order. In order to comply with the Remand Order, the City Council finds it must continue to use this planning period. The City has relied on the 2028 population forecast to prepare and update water and sewer public facility plans in 2011-2014. Other entities such as Bend-La Pine School District and BPRD also use the 2028 population estimates for their recent facility planning efforts. The City continues to use this planning period to address the requirements of the Remand Order by completing UGB planning (2014-2016) tasks in response to the Remand.

The City Council concludes changing the planning period amounts to abandoning the work products and public investment preceding the Remand Order, including the many partial acknowledgments in the Remand Order itself. It has taken nearly ten years of work on the UGB expansion to get to this point, a tremendous amount of financial resources, staff, and community involvement that the Council finds should not be abandoned for the perceived benefit of a longer or different planning period which necessitates an entirely new proposal. Changing the planning period to 2015-2035 when the PSU PRC issued the new population forecast for Bend would have substantially delayed the efforts and progress to complete the UGB adoption by June of 2016, and terms of the LDCD Remand Order requiring a resubmittal on the matter of the Bend UGB expansion before July, 2017. Therefore, the City will continued to rely on the 2008-2028 planning horizon and the 2028 population forecast (115,063) for the UGB proposal, as allowed by the Remand and applicable legal standards.

4.4.2. Total Housing Unit Projection

4.4.2.1 Needed Housing Units

OAR 660-024-0040 provides the following guidance on the housing unit projection:

> *(4) The determination of 20-year residential land needs for an urban area must be consistent with the adopted 20-year coordinated population forecast. ****
>
> *(8) The following safe harbors may be applied by a local government to determine housing need under this division:*
>
> *(a) A local government may estimate persons per household for the 20-year planning period using the persons per household for the urban area indicated in the most current data for the urban area published by the U.S. Census Bureau.*
>
> ***
>
> *(e) A local government outside of the Metro boundary may estimate its housing vacancy rate for the 20-year planning period using the vacancy rate in the most current data published by the U.S. Census Bureau for that urban area that includes the local government.*

The Council finds that the first step in the HNA process is to forecast the number of housing units that will be needed to house the projected population growth over the planning period. In 2008, the City developed and relied on a 2028 population forecast of 115,063, reflecting an increase of 38,512 people between 2008 and 2028. (See findings in Section 4.4.1.2.). The forecast of housing units is based on data from the 2000 Census results for Bend.[8] The 2000 Census was the most recent available data published by the U.S. Census Bureau as of 2008, when the housing projections were developed. The steps in the forecast are:[9]

- Determine the amount of new population growth by subtracting Bend's population in 2008 (76,551 people) from the 2028 population forecast (115,063 people). The result shows that Bend's population will grow by 38,512 between 2008 and 2028.
- Remove population in group quarters (2.3% or 886 people), based on the proportion of population in group quarters according to the 2000 Census, to determine the amount of new population in households (37,626 people) over 2008 and 2028.
- Identify the number of new occupied housing units by dividing the population by average household size, per the 2000 Census (2.4 persons per household), which results in

[8] See the 2000 Demographic profile for Bend at: http://censtats.census.gov/data/OR/1604105800.pdf.

[9] These steps are consistent with the Residential Land Needs 2005-2030 Memorandum (April 25, 2007); Table 3, Page 5. Rec 1804

growth of 15,678 new households and new occupied housing units in Bend between 2008 and 2028.

- Account for vacant units, with a vacancy rate of 6.4% (the vacancy rate in 2000, per the 2000 Census), which results in 1,003 additional housing units.

The Director's Report and Remand Order concluded that the forecast complied with state law (Rem Rec 10600-10601). Table 4-3 presents the 2008 to 2028 housing unit forecast for the City of Bend.

Table 4-3. Housing Unit Forecast, 2008 to 2028

Variable	Housing Need 2008-2028
Population forecast for 2028	115,063
(-) Less population for 7/1/08	76,551
(=) New population 2008 to 2028	38,512
(-) Less population in group quarters (2.3%)	886
(=) New population in households	37,626
(/) Divided by household size (2.4)	
(=) Equals new occupied housing units	15,678
(+) Plus vacancy factor (6.4%)	1,003
= New housing units 2008 to 2028	**16,681**

Housing development in Bend slowed dramatically during the recession relative to peak activity between 2003 and 2005. To more accurately account for housing units needed for the remainder of the planning period to 2028, the 2016 HNA considered building permits issued from July 2008 through June 2014.

Table 4-4 shows that single family detached housing comprised more than three-quarters (¾) of new dwelling units, on average, from 1999-July 2014. The percentage of single-family detached housing was even higher (83%) during the July 2008-June 2014 period.

Table 4-4. Total Permits Issued for New Dwelling Units by Housing Type and Year, 1999 through July 2014

	1999-June 2008		July 2008-June 2014		Total Units		Annual Average (1999-July 2014)	
Housing Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Single-family detached	10,875	77%	2,411	83%	13,286	78%	949	78%
Single-family attached	463	3%	112	4%	575	3%	41	3%
Multi-family	2,741	19%	389	13%	3,130	18%	224	18%
Total	14,079	100%	2,912	100%	16,991	100%	1,214	100%

Source: 2016 Bend HNA, Table 3.

The 2016 HNA also documents estimated needs for persons in group quarters and second homes that are factored into the total housing unit projection to 2028 as summarized below (HNA, p. 76-77; Rem Rec 10652-10653).

4.4.2.2 Group Quarters

The forecast of new housing (see Table 4-3) assumed that the percentage of persons in group quarters in Bend would remain the same as reported in the 2000 Census (2.3%), resulting in 886 persons who would require group housing for the 2008-2028 period. People in group quarters will need housing, beyond the forecast for new housing. This housing will be located in group quarters, such as assisted living facilities, nursing homes, or jails and will require land.

For the purposes of determining land needs, group quarters are assumed to be similar to multifamily housing with a similar amount of space per individual. In 2000, Bend had an average of 1.92 persons per household in multifamily dwellings.[10] Based on this analysis, Bend will need the equivalent of 461 additional multifamily units to provide adequate capacity for group quarters to 2028.

4.4.2.3 Second Homes

The 2008 UGB proposal identified a need for 500 acres of land for second homes (Rec 1058). The quantity of land was based on the city's estimate of the number of new housing units that the market would demand for this use, which it found would be 18% of the total number of new units needed during the planning period. The City also determined the second homes do *not* provide needed housing (as that term is used in the needed housing statutes (Rec 1086. The Director's Decision found that there was substantial evidence to support the city's determination regarding the number of second home units needed over the planning period (Dir. Report, page 48). The Commission concurred with the City and the Director that there is an adequate factual base for the number of second-home units that the City projects for the planning period (3,002 units) (Rem Rec 5762). In summary, LCDC accepted the City's findings on this issue, and the factual base which supports them.

Second homes can be any type of housing, such as single-family detached housing, townhouses, or condominiums in a multifamily structure. As part of UGB planning (2014-2016), the Residential TAC approved the approach of assuming the mix of housing types for second homes would be similar to the mix of housing assumed for needed housing (see findings on housing mix in Section 4.4.3). This approach as an added benefit of providing more the same future housing units predicted by the needed housing mix as opposed to applying a different mix which would distort the housing mix used for planning purposes.

Conclusion: The City developed the total housing unit projection to 2028 consistent with the legal standards in OAR 660-024-0040. The City relied on the coordinated population forecast

[10] 2000 Decennial Census

and safe harbor provisions in OAR 660-024-0040(8)(a)-(e) to derive the housing unit forecast, which was acknowledged in the Remand. The updated HNA accounted for 2,912 residential building permits issued from July 2008-June 2014 to arrive at the remaining 13,769 housing units needed over the 2014 to 2028 period. Group quarters and second homes are also factored into housing unit forecast. Therefore, the UGB planning (2014-2028) is based on the need to accommodate a total of 17,234 new housing units to 2028 as shown in Table 4-5.

Table 4-5. Summary of New Housing Units by Type and Category, Bend UGB, 2014-2018

	2014-2028 Needed Housing Units		2014-2028 Needed Group Quarters Units	2014-2028 Second Homes	2014-2028 Total New Housing Units	
Needed Housing Types	**Units**	**Mix**	**Units**	**Units**	**Units**	**% of Total Units**
Single-family detached (including mobile homes)	7,574	55%		1,652	9,225	54%
Single-family attached	1,377	10%		300	1,677	10%
Multifamily	4,819	35%	461	1,051	6,331	37%
Total	**13,770**	**100%**	**461**	**3,003**	**17,234**	**100%**

Source: 2016 Bend HNA, Table 21.

4.4.3. Needed Housing Types and Mix

4.4.3.1 Definition of Needed Housing Types

ORS 197.303 and OAR 660-008-0005(6) include similar definitions of "needed housing". ORS 197.303 defines "needed housing" as follows:

> *(1) As used in ORS 197.307, "needed housing" means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels, including at least the following housing types:*
>
> *(a) Attached and detached single- family housing and multiple family housing for both owner and renter occupancy;*
>
> *(b) Government assisted housing;*
>
> *(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;*
>
> *(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions; and*
>
> *(e) Housing for farmworkers.*

OAR 660-008-0005(6) echoes the definition of "needed housing" from ORS 197.303(1)(a)-(d) above. OAR 660-008-0040 addresses restrictions on housing tenure and provides that:

> *Any local government that restricts the construction of either rental or owner occupied housing on or after its first periodic review shall include a determination of housing need according to tenure as part of the local housing needs projection.*

The "safe harbors" in OAR 660-024-0040(8)(b)-(d) offer options to simplify the determination of housing needs for certain housing types:

> *(b) If a local government does not regulate government-assisted housing differently than other housing types, it is not required to estimate the need for government-assisted housing as a separate housing type.*
>
> *(c) If a local government allows manufactured homes on individual lots as a permitted use in all residential zones that allow 10 or fewer dwelling units per net buildable acre, it is not necessary to provide an estimate of the need for manufactured dwellings on individual lots.*
>
> *(d) If a local government allows manufactured dwelling parks required by ORS 197.475 to 197.490 in all areas planned and zoned for a residential density of six to 12 units per acre, a separate estimate of the need for manufactured dwelling parks is not required.*

The Council finds that the 2016 Bend HNA provides the basis for the determination of housing needs and residential land sufficiency for the 2008-2028 planning period. The HNA presents the most recent analysis of Bend's housing needs, addresses issues identified in the 2010 Remand Order, and incorporates input and direction from the Residential TAC and USC.

The HNA (p. 11-12) (Rem Rec 10586-10587) satisfies ORS 197.303 because the City considered data for three types of needed housing: single family detached, single family attached, and multifamily housing. Table 4-6 lists these three types of housing and how they are defined and classified under OAR 660, Division 8 (Interpretation of Goal 10, Housing) and the BDC.

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Table 4-6. Needed Housing Types under OAR 660-008 and Bend Development Code

OAR 660-008-005, Definitions	Bend Development Code Housing Types (see BDC Chapter 1.2)
"Attached Single Family Housing" means common-wall dwellings or rowhouses where each dwelling unit occupies a separate lot. OAR 660-008-0005(1).	Dwelling, single family attached (townhome)
"Detached Single Family Housing" means a housing unit that is free standing and separate from other housing units. OAR 660-008-0005(3).	Courtyard housing Dwelling, single family detached Accessory dwelling unit Manufactured home on individual lot Manufactured homes in parks
"Multiple Family Housing" means attached housing where each dwelling unit is not located on a separate lot. OAR 660-008-0005(5).	Condominium Two and three family housing (duplex and triplex) Multi-family housing (4 or more units)

Source: 2016 Bend HNA, Table 2.

ORS 197.303 requires cities to plan for government-assisted housing. Government subsidies can apply to all housing types (e.g., single family detached, duplexes, apartments, etc.). The BDC allows development of government-assisted housing in all residential plan designations and zones, with the same development standards for market-rate housing. Because government assisted housing is similar in character to other housing (with the exception of the subsidies), and the City does not restrict or regulate government-assisted housing differently from market rate housing, it is neither necessary nor required of the City to develop separate estimates of land needed for government-assisted housing. Therefore, the City is not required to consider government-assisted housing as a separate housing type. LCDC agreed with the City that the legal standards do not require such an analysis (Remand Order, p. 30-31, Rem Rec 5754).

ORS 197.303 also requires cities to plan for manufactured housing on individual lots and manufactured housing in parks. The BDC allows manufactured homes on individual lots as a permitted use in the following zones: Urban Area Reserve (UAR10), Suburban Low Density Residential (SR 2 ½), Low Density Residential (RL), Standard Density Residential (RS), Medium-10 Density Residential (RM-10), and Medium Density Residential (RM)[11]. These zones allow for a range of densities, from 1 to 2.5 dwelling units per gross acre in SR 2 ½ to 7.3 to 21.7 dwelling units per gross acre in RM. As a result, Bend is not required to estimate the need for manufactured dwellings on individual lots per OAR 660-024-0040(8)(c).

ORS 197.480(2) requires local governments to project need for mobile home or manufactured dwelling parks based on: (1) population projections, (2) household income levels, (3) housing

[11] See BDC Table 2.1.200 – Permitted Land Uses

market trends, and (4) an inventory of manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial or high density residential. The HNA includes information on manufactured home parks located within the city or adjacent to it (HNA, page 78; Rem Rec 10654).[12] However, OAR 660-024-0040(8)(d) provides the following safe harbor:

> *(d) If a local government allows manufactured dwelling parks required by ORS 197.475 to 197.490 in all areas planned and zoned for a residential density of six to 12 units per acre, a separate estimate of the need for manufactured dwelling parks is not required.*

The BDC allows manufactured home parks as a permitted use in the RM-10 and RM zones (BDC, Table 2.1.200)[13]. The density range in the RM-10 zone is 6-10 units per acre and the density range in the RM zone is 7.3-21.7 units per acre. Therefore, the City is not required to separately estimate the need for manufactured home parks since they are permitted in all areas zoned for a residential density of 6-12 units per acre. LCDC concluded that the City was qualified to use this safe harbor provision (Remand Order, page 31, Rem Rec 5755).

Finally, the BDC does not regulate farmworker housing separate from other housing types. Based on the evidence in the HNA (p. 12, 77-79; Rem Rec 10588; 10653-10655) and the housing types allowed under the BDC, the City has met the legal standards for the definition and projection of "needed housing" types set forth in ORS 197.303 and OAR 660, division 8.

4.4.3.2 Regional Coordination

OAR 660-008-0030 addresses regional coordination and provides that:

> *(1) Each local government shall consider the needs of the relevant region in arriving at a fair allocation of housing types and densities.*
>
> *(2) The local coordination body shall be responsible for ensuring that the regional housing impacts of restrictive or expansive local government programs are considered. The local coordination body shall ensure that needed housing is provided for on a regional basis through coordinated comprehensive plans.*

The Council finds that the 2016 HNA considered housing needs in a regional context. The HNA provides data on demographic trends, housing units, income and affordability for both the City of Bend and Deschutes County. As the largest of four incorporated cities in Deschutes County, the City of Bend has a key role in the overall regional housing market. The regional perspective on housing needs was incorporated into Bend's UGB process with Deschutes County

[12] Oregon Housing and Community Services, Oregon Manufactured Dwelling Park Directory.

[13] **Official Notice** – BDC is available online through this URL: http://www.codepublishing.com/OR/Bend/?BendDCNT.html.

representation on the Boundary TAC and the USC.[14] A member of the Residential TAC provided unique insights on regional housing needs.[15] In addition, (2) above is not applicable to this decision because the City has not proposed any new restrictive or expansive programs with respect to housing. The second sentence under (2) places an affirmative obligation on the County to coordinate plans with respect to housing.

4.4.3.3 Historical and Recent Development Trends

ORS 197.296(3)(b) requires that the City:

> *(3)(b) Conduct an analysis of housing need by type and density range, in accordance with ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.*
>
> ***

The Council finds that the 2016 HNA is the primary source document for the determination of Bend's housing needs (Rem Rec 10572). The HNA includes data on trends in housing mix, trends in tenure, vacancy rates, and residential densities (HNA p. 13-23; Rem Rec 10589-10599), with a focus on more recent trends since 2008. The following summary of key findings about historical residential development in Bend is a straight excerpt from the HNA (page 23; Rem Rec 10599). The findings in Section 4.4.3.4 through 4.4.3.6 provide data and tables to summarize trends in housing mix and densities since the last periodic review (in 1998).

The majority of housing in Bend is single-family detached housing.

- The mix of housing stock in Bend was relatively consistent over the past two decades, with about 70% of Bend's housing stock in single-family detached housing in 1990 and in 2013.

Building activity has varied substantially over the 1999 to 2013 period.

- Bend permitted an average of about 1,200 units per year between 1999 and 2014, the majority of which were single-family detached units.
- Building permit activity peaked in 2005 with 2,600 units permitted. In 2009 to 2011, fewer than 300 units were permitted per year. The number of units permitted exceeded 900 in 2013, showing that development activity in Bend is returning to more recent historical levels.

[14] Deschutes County Community Development Nick Lelack was an ex-officio member of the Boundary TAC and Deschutes County Commissioner Tony DeBone was a member of the UGB Steering Committee.

[15] Tom Kemper was a member of the Residential TAC. Mr. Kemper serves as the direction of Housing Works, the local housing authority for Deschutes, Crook and Jefferson counties.

- More than three-quarters of units permitted between 1999 and 2013 were single-family detached units.
- Permits issued for multi-family housing averaged about 225 units per year, peaking in number in 2003. Between 2009 and 2012, very few multi-family units were permitted. Between 2010 and 2012, the only multi-family attached units permitted in Bend were duplexes.

Bend's housing tenure remained stable between 1990 and 2013.

- About 55% of dwellings were owner-occupied in 1990 and 2013.
- Nearly all owner-occupied units were single-family detached housing, with a small number of owner-occupied single-family attached and multi-family units.
- Renter-occupied units were generally divided among single-family detached and multi-family, with single-family attached units accounting for about 7% of renter-occupied units.

Housing density generally increased for housing built between 1998 and 2008, compared to housing built before 1998.

- The density of development (units/acre) of single-family detached housing increased in the RS, RM, and RH zones; densities in the RL zone remained flat.
- The density of development of multi-family housing increased in the RS zone and decreased slightly in the RM and RH zones.

4.4.3.4 Demographic Trends and Economic Trends to Inform Needed Housing Types and Mix

ORS 197.296(5) requires analysis of demographic trends and economic trends to inform needed housing types and mix:

> *(5)(a) *** the determination of housing capacity and need *** must be based on data relating to land within the urban growth boundary that has been collected since the last periodic review or five years, whichever is greater. The data shall include:*
>
> ***
>
> *(C) Demographic and population trends;*
>
> *(D) Economic trends and cycles; ****

The Council finds that the 2016 HNA satisfies ORS 197.296(5) because it relies on a number of sources of data to identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of the types and mix of housing for Bend.[16] The analysis of trends focuses on the period following the 1998 periodic review and

[16] See September 2, 2011 memorandum to the UGB Remand Task Force, presented at their September 8, 2011 meeting. Rem Rec 203

acknowledgement of the Bend Comprehensive Plan and includes additional building permit data through 2013 (HNA, p. 26-50; Rem Rec 10602-10626). National housing market trends, state economic trends and cycles, and demographic and social factors affecting housing choice are included in the analysis. The following summary of key findings about trends that inform the projection of needed housing types and mix (as defined by OAR 660-008-0005(4)) is a summary of key points from the HNA (p. 26-28; Rem Rec 10602-10604).

Highlights of National Housing Market Trends[17] include:

- Post-recession recovery slows down. Increases in mortgage interest rates and meager job growth contributed to the stall in the housing market.
- Continued declines in homeownership. National homeownership rate declined each year from 2005 to 2013, and is currently at about 65%.
- Housing affordability concerns. In 2012, more than one-third of American households spent more than 30% of income on housing.
- Changes in housing characteristics. In addition to larger homes, a move towards smaller lot sizes is seen nationally.
- Long-term growth and housing demand. Much of the demand for new homes between 2015 and 2025 will come from Baby Boomers, Millennials, and immigrants.
- Changes in housing preference. Housing preference will be affected by changes in demographics, most notably the aging of the Baby Boomers, housing demand from the Millennials, and growth of foreign-born immigrants.

Highlights of State Economic Trends and Cycles[18] include:[19]

- Oregon's households have higher rates of cost burden, with increases due to higher unemployment and lower wages, when compared to the nation.
- Oregon's foreclosure rates have been at a historical high since 2005, compared with the previous two decades.
- Oregon, like other states, is continuing to lose federal housing subsidies, with losses of about 8% of federally subsidized Section 8 housing units between 2011 and 2015.
- Oregon's communities are losing manufactured housing parks over time, with a 25% decrease in the number of manufactured home parks between 2003 and 2010.

[17] See details in HNA, page. 26-28; Rem Rec 10602-10604.

[18] See HNA, p. 27. Rem Rec 10603

[19] State of Oregon *Consolidated Plan 2011 to 2015*.
http://www.oregon.gov/ohcs/hd/hrs/consplan/2011_2015_consolidated_plan.pdf

- Oregon's population is increasingly older, more diverse, and, has less affluent households.

Summary of key findings about how demographic trends may affect housing choice in Bend:[20]

- **Recession may have delayed some effects of demographic shifts.** The impacts of major demographics shifts are being delayed due to the financial effects of the recession; however, substantial housing demand shifts are underway that will change land use patterns. Baby Boomers are working longer and may not be moving because of a loss of home equity. Millennials have taken on college debt, are having a hard time getting a foothold in the workforce, and are therefore delaying household formation. The extended effects of the recession will mean that more households are renting for a longer period of time before being able to make a home purchase, or will only be financially capable of purchasing a smaller, less-expensive home. In summary, this delay means more near-term demand for rental housing or smaller less-expensive ownership housing.
- **Continued but slower demand for large-lot single-family housing.** In Bend, demand for large-lot single-family housing is likely to take the form of three or four bedroom houses on a lot of about 8,000 to 10,000 square feet. Generation X (the generation born after the Baby Boomers and before the Millennials), is currently in its prime family raising years, and is the demographic group most likely to need larger single family homes. As the Baby Boomers move out of their existing single-family homes, there will be fewer households to take them over in the short-term.

  In the future, growth of Millennials and shrinking of the Baby Boomer generation may slow demand for new large-lot single-family housing. The Echo Boomer's preferences are generally for more walkable communities and they are willing to accept smaller homes in closer proximity to amenities. In addition, Millennials have lower income and higher debt.

  However, much of Bend's growth results from in-migration of people from outside of Central Oregon, many of whom are attracted to Bend's access to outdoor amenities, open space, and quality of life. Interviews with Bend's development community noted that demand for single-family housing that offers ample parking and storage for outdoor equipment is strong.

  All of these factors contribute to continued demand for large-lot single-family detached housing but suggest that demand for this type of housing is likely to slow between the 2014 to 2028 period. Demand for this type of housing is likely to be driven by migration of people to Bend with wealth, as well as increase in income over time from people living in Bend, especially households with growing families.

[20] See HNA, page 48-50. Rem Rec 10624-10626.

- **Demand will increase for a wider range of housing types.** Most of the evidence suggests that the bulk of the change will be in the direction of smaller average house and lot sizes for single-family housing. An aging population, an increase in single-person households, increasing housing costs, and other variables are factors that support the conclusion that the future housing supply will need to include smaller and less expensive units and a broader array of housing choices. A substantial portion of Bend's residents will live in attached housing, such as townhomes, duplexes, garden apartments, or urban apartments. While most households may prefer to own their home, a growing share of households will be renters, either from choice (e.g., Baby Boomers who prefer to rent smaller units) or by economic necessity. Demand for these units will be particularly high in close-in areas near Bend's commercial and recreational amenities.
- **Location of housing will be increasingly important.** The location of housing is becoming increasingly important, with increased demand for housing in walkable neighborhoods near retail and other amenities. Where they can afford it, the Millennials generally prefer housing in walkable areas with retail and other amenities nearby, rather than housing in more suburban areas or in outlying cities. Some Baby Boomers who are downsizing are also choosing to live in similar walkable areas.
- **Design of housing and neighborhoods is important.** Well-designed multi-family and compact single-family housing located in a desirable neighborhood can provide opportunities for a wider range of housing options. Consumers are more likely to make the tradeoff of a smaller lot and home size when neighborhood parks, schools, and retail amenities are within walking distance. Therefore, there will be steady demand for multi-family and small-lot or attached single family housing in close-in locations proximate to Bend's downtown amenities and jobs.

4.4.3.5 Analysis of Housing Mix and Density since Last Periodic Review

ORS 197.296(5) also requires analysis of housing mix and density since the last periodic review to inform needed housing types and mix:

> *(5)(a) *** the determination of housing capacity and need *** must be based on data relating to land within the urban growth boundary that has been collected since the last periodic review or five years, whichever is greater. The data shall include:*
>
> *(A) The number, density and average mix of housing types of urban residential development that have actually occurred;*
>
> *(B) Trends in density and average mix of housing types of urban residential development;*
>
> ***

(E) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

The Council finds that ORS 197.296 requires that the analysis of housing mix and density include data for the past five years or since the most recent periodic review, whichever time period is greater. Bend's last periodic review was completed in 1998. The period used in the analysis of housing mix is 1999 to July 2014, to account for building permits issued in that period and changes in housing mix since the last periodic review in 1998. The period used in the analysis of housing density was 1999 to 2008 (from the most recent periodic review to the start of the 20-year planning period). The City's continued reliance on the 1999-2008 data analysis is justified because the residential development in the City from 2008 to 2014 was largely limited to building individual homes on lots created before 2008, due to the economic downturn.[21] This means that the density for the development was set prior to 2008 for nearly all recent residential building activity.

Table 4-4 on page 4-8 shows the annual average of new dwelling units by type permitted from 1999 through July 2014. The data shows that the majority (78%) of housing development in Bend during this period was single-family detached housing. Detached single family units comprised a larger percentage (83%) of new dwelling units in the July 2008-June 2014 period.

Table 4-7 shows historical trends in residential densities for three periods: (1) units built before 1998 (prior to the last periodic review), (2) units built during the 1998-2008 period (from the most recent periodic review to the start of the 20-year planning period), and (3) all units in Bend

Table 4-7. Historical Average Net Density by Zone, Dwelling Units per Net Acre, Bend

	RL			RS			RM			RH			All Res. Zones		
	Pre-1998	1998-2008	2008	Pre-1998	1998-2008	2008	Pre-1998	1998-2008	2008	Pre-1998	1998-2008	2008	Pre-1998	1998-2008	2008
Single-Family Detached	2.0	2.1	2.0	3.1	4.6	3.8	4.7	8.6	5.6	6.6	13.4	7.2	2.9	4.7	3.6
Single-Family Attached	-	-	-	5.1	8.7	8.4	21.5	12.5	13.1	-	-	-	7.8	9.5	9.4
Multi-Family Attached	8.8	-	8.8	9.7	14.2	11.3	16.6	16.1	16.6	20.9	17.1	18.8	15.5	16.0	15.8
Manufactured Homes in Parks	2.7	-	2.7	3.4	-	3.4	6.5	-	6.5	-	-	-	4.1	-	4.1
Manufactured Homes on Lots	2.9	3.1	2.9	3.2	6.6	3.6	5.8	7.0	6.2	-	-	-	3.1	5.1	3.4
Average Density – All Housing Types	2.1	2.1	2.1	3.2	4.9	3.9	8.5	13.4	9.9	14.4	16.9	15.5	3.7	5.7	4.4

Source: 2016 Bend HNA, Table 5.

by 2008. Average net densities increased over time in most zones. Bend adopted minimum densities for each residential zone for the first time in 2006. The data in Table 4-7 shows that

[21] Land use permit data indicates roughly a dozen residential subdivisions and two multi-family development projects approved (but not necessarily built) since 2008, all in 2013 and 2014, compared to between 600 and 700 single family homes built since 2008 on platted lots.

net densities for all residential zones increased for the three needed housing types (SFD, SFA, MF) since Bend's last periodic review (1998) to the start of the planning period (2008).[22]

- The average density for single-family detached units increased from 2.9 units/net acre prior to 1998 to 3.6 units/net acre by 2008.
- The average density for single-family attached units increased from 7.8 units/net acre prior to 1998 to 9.4 units/net acre in 2008.
- The average density for multi-family units increased from 15.5 units/net acre prior to1998 to 15.8 units/net acre as of 2008.

4.4.3.6 Types of Housing Likely to be Affordable Based on Household Income

OAR 660-008-0005(4) defines the "Housing Needs Projection" required by Goal 10 and ORS 197.296 as:

> *"* * * a local determination, justified in the plan, of the mix of housing types, amounts and densities that will be:*
>
> *(a) Commensurate with the financial capabilities of present and future area residents of all income levels during the planning period.*

The Council finds that the HNA summarizes regional and local income, and housing cost trends. The following findings summarize key points from the HNA (p. 51-68; Rem Rec 10627-10644). Income is a key determinant in housing choice and a household's ability to afford housing. The analysis of affordability trends indicates growing need for a broader range of housing in Bend.

Bend's housing, regardless of whether it was for sale or for rent, became less affordable over the last decade (HNA p. 51-68; Rem Rec 10627-10644)

- Between 1999 and 2013, growth in homeownership costs outpaced growth in income. In Bend, median owner value increased by 81% between 1999 and 2013, while median household income grew by 18%.
- Between 2000 and 2014, average sales price more than doubled, increasing from $137,000 to $288,000.
- Forty percent of Bend's households were cost burdened in 2013, with renters cost burdened more frequently than owners (49% compared to 33%). In comparison, 40% of households in Deschutes County and 38% of State households were cost burdened in 2013.

Table 4-8 shows the type of housing that is attainable at different household income categories (relative to the 2013 Deschutes County MFI), and the distribution of these households in Bend in 2013.

[22] See HNA, pages 22-23. Rem Rec 10598-10599

Table 4-8. Housing Attainability, Bend 2013

Market Segment by Income	Income Range	Number of households	Percent of Households	Financially Attainable Products		
				Owner-occupied	Renter-occupied	
High (120% or more of MFI)	$71,640 or more	10,622	35%	All housing types; higher prices	All housing types; higher prices	
Upper Middle (80%-120% of MFI)	$71,640 to $47,760	4,618	15%	All housing types; lower values	All housing types; lower values	Primarily New Housing
Lower Middle (50%-80% of MFI)	$47,760 to $29,850	4,817	16%	Manufactured on lots; single-family attached; duplexes	Single-family attached; detatched; manufactured on lots; apartments	Primarily Existing Housing
Lower (30%-50% of less of MFI)	$29,850 to $17,910	5,068	17%	Manufactured in parks	Apartments; manufactured in parks; duplexes	
Very Low (Less than 30% of MFI)	Less than $17,910	5,288	17%	None	Apartments; new and used government assisted housing	

Source: 2016 Bend HNA, Table 15. Rem Rec 10642. Note: MFI was calculated at $59,700 for a family of four.

4.4.3.7 Determine Additional Needed Units by Structure Type

ORS 197.296(3)(b) requires that the City:

> *(3)(b) Conduct an analysis of housing need by type and density range, in accordance with ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.*
>
> ***

OAR 660-024-0040(8) includes the following safe harbors relevant to housing mix:

> *(f) A local government outside of the Metro boundary may determine housing needs for purposes of a UGB amendment using the combined Housing Density and Housing Mix safe harbors described in this subsection and in Table 1, or in combination with the Alternative Density safe harbor described under subsection (g) of this section and in Table 2. To meet the Housing Density safe harbor in this subsection, the local government may Assume For UGB Analysis that all buildable land in the urban area, including land added to the UGB, will develop at the applicable average overall density specified in column B of Table 1. Buildable land in the UGB, including land added to the UGB, must also be Zoned to Allow at least the average overall maximum density specified as Zone To Allow in column B of Table 1. Finally, the local government must adopt zoning that ensures buildable land in the urban area, including land added to the UGB, cannot develop at an average overall density less than the applicable Required Overall Minimum density specified in column B of Table 1. To meet the Housing Mix safe*

harbor in this subsection, the local government must Zone to Allow the applicable percentages of low, medium and high density residential specified in column C of Table 1.

***

(i) As an alternative to the Housing Mix safe harbor required in subsection (f) of this section and in Column C of Table 1, a local government outside the Metro boundary that uses the housing density safe harbor in either subsection (f), (g) or (h) of this section may estimate housing mix using the Incremental Housing Mix safe harbor described in paragraphs (A) to (C) of this subsection, as illustrated in Table 3:

***

The Council finds that the City elected not to use the safe harbors identified in OAR 660-024-0040(8)(f) and (i). As stated in the definition of "safe harbor" in OAR 660-024-0010(7): "A safe harbor is not the only way or necessarily the preferred way to comply with a requirement and it is not intended to interpret the requirement for any purpose other than applying a safe harbor within this division." Thus, there is no requirement that the City comply with the safe harbors provided in the rule.

The findings in Sections 4.4.2 and 4.4.3 document that the City of Bend has considered and analyzed all of the factors required by the legal standards for the HNA, including but not limited to: (1) consideration of needed housing types, (2) regional coordination, (3) consideration of national, state and local demographic and economic trends, (4) consideration of housing affordability based on household income, and (5) consideration of changes in housing mix and densities since Bend's last periodic review. The data and analysis in the HNA provide the factual basis to support the community's discussion of what housing mix will be needed to 2028.

The HNA must consider a range of factors that do not lend themselves to an empirical formula. The data and analysis are intended to inform the community's discussion of what types of housing will be needed. The HNA presents the estimate of additional needed units by structure type and the rationale for the estimate (HNA p. 69-78; Rem Rec 10645-10654). This analysis was informed by numerous meetings and discussions with the Residential TAC and the USC.[23].

When the balance of factors required by ORS 197.296 are considered, the HNA concludes that the needed density and mix for the 20-year planning period is different than the actual density and mix achieved between 1999 and 2014. This is in part because the analysis period includes the housing boom period between 2004 and 2007—a period when an extraordinary number of higher cost single-family detached dwellings were built. It also reflects the data that indicates the region has a significant affordability gap. This gap suggests that the region needs more

[23] The key meeting dates for the Residential TAC on the HNA are: August 4, 2014; August 25, 2014; January 26, 2015; August 25, 2015, and; March 17, 2016 joint meeting with the Employment TAC. The key meeting dates for the USC on the HNA are: September 4, 2014; March 19, 2015, and; April 21, 2016.

units of lower cost housing, which in turn may be addressed through higher densities of certain types of housing and smaller housing types.

Table 4-10 presents the assessment of Bend's needed mix for housing for the 2008 to 2028 planning period based on the following information and assumptions:

- The majority of new housing will continue to be single-family detached housing. The type of single-family detached dwellings may change, with more emphasis on smaller and more affordable new single-family detached housing (e.g. cottage housing), and a decrease in demand for large-lot single-family detached housing.
- Bend's housing need will change, with an increase in demand for single-family attached housing and multifamily housing. The forecast concludes that the needed mix of new housing is different from the mix of existing housing stock and the mix of housing produced over the last decade.

Table 4-9. Needed Mix for Housing Built in Bend, 2008 to 2028

	Units	Percent of New Units
Single-family detached	9,175	55%
Single-family attached	1,668	10%
Multi-family	5,838	35%
Total	16,681	100%

Source: HNA, Table 17.

Table 4-11 shows that, between 2009 and the beginning of July 2014, building permits were issued for 2,912 new housing units. To help achieve the needed housing mix, the City will adopt new efficiency measures (see findings in Section 4.4.7) as part of the UGB proposal. These measures were not in place between 2008 and 2014. Because the City had not adopted any policies to help achieve the needed mix, the mix of housing developed between 2009 and July 2014 did not show substantial changes in the development pattern from housing developed in Bend between 1999 and 2008.

Therefore, Table 4-10 applies the needed mix (Table 4-10) to the housing units needed (13,769) for the remainder of the planning period between 2014 and 2028.[24] Adoption and implementation of new efficiency measures will make it "reasonably likely" that the needed mix will be achieved.

[24] See meeting packets for the Residential TAC dated August 25, 2014 and January 26, 2015 (Rem Rec 1689, 2982)

Table 4-10. Needed Housing by Needed Mix, Bend, 2014-2028

	Needed Units (2008-2014)	Units permitted 2009 to beginning of July 2014	Remaining Need (Mix applied to remaining total)	
			Units	Percent of New Units
Single-family detached	9,175	2,411	7,573	55%
Single-family attached	1,668	112	1,377	10%
Multi-family	5,838	389	4,819	35%
Total	16,681	2,912	13,769	100%

Source: HNA, Table 18.

Conclusion: The Council finds that the HNA satisfies ORS 197.303 because the City considered data for three types of needed housing and incorporated that data into the housing needs projection as defined in OAR 660-008-0005(4): single family detached, single family attached, and multifamily housing. Housing types allowed under the BDC are consistent with the housing type definitions in OAR 660-008-0005. The HNA also considered the needs of Deschutes County and addressed regional coordination. Based on the evidence in the HNA, the City concludes that the legal standards relating to consideration of needed housing types and regional coordination have been met.

The HNA provides evidence on local and regional demographic, economic, income, and housing trends that inform key conclusions regarding the Bend's housing needs for the remainder of the planning period (2014-2028). The analysis meets the legal requirements for a housing need projection set forth in ORS 197.296(3) and in OAR 660-008-005(4) and OAR 660-008-0030.

The primary conclusion of the HNA was that Bend's current housing policies and regulations result in a mix of housing that is not consistent with Bend's needed mix for a larger percentage of single-family attached and multifamily housing types (relative to past trends) and a higher percentage of more affordable single-family detached housing types. The HNA assumes a movement away from the observed trend of building approximately 75% single-family detached units (between 1998 and 2014) to a mix of 55% single-family detached, 10% single-family attached and 35% multifamily units going forward from 2014 to 2028.

The USC agreed with this conclusion, but also expressed concerns about whether the housing market could or would deliver 10% single family attached and 35% multifamily units over the shortened planning horizon of 2014-2028. The USC discussed this issue with the Residential TAC leadership at the March 19, 2015 USC meeting (Rem Rec 3551, minutes at 8275). The discussion touched on the tensions between what the market will provide versus what's needed with respect to housing, DLCD's position on this issue, and whether one application of the housing mix (2008-2028 planning period) was more attainable than the other (2014-2028 planning period). Following the discussion, the USC approved the needed housing mix (55%

SFD, 10% SFA and 35% MF) as set forth in the HNA as the basis for determining residential land needs for the remainder of the planning period (2014-2028) (Minutes at Rem Rec 3553).

The City's obligation is to plan for the needed housing mix and to demonstrate that it has enough land in appropriate plan designations to accommodate the needed mix. The USC endorsed a preliminary package of efficiency measures to maximize the capacity of buildable residential lands within the existing UGB and make it more feasible and likely that the market would achieve the needed housing mix and densities (Rem Rec 8275 for 3/19/15 USC Meeting Minutes). The preliminary package of amendments has largely been carried forward through the proposed amendments to the BDC associated with the UGB adoption package (Rem Rec 11145-11200).

Based on the evidence in the HNA and the findings in Section 4.4.3 above, the Council finds that the City of Bend has complied with the relevant legal standards for needed housing types and a housing needs projection. As directed in the Remand, the updated HNA and the revised housing mix (55/10/35) for the remainder of the planning period (2014-2028) makes stronger linkages between forecast growth, the demographic characteristics of current and new residents, the capacity of those residents/households to pay for housing at specific price and rent levels, and housing types that will meet that need.

4.4.4. Needed Housing Density

ORS 197.296(3)(b) requires that the City:

> *(3)(b) Conduct an analysis of housing need by type and density range, in accordance with ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.*
>
> ***

OAR 660-024-0040(8) includes the following safe harbors relevant to needed housing density:

> *(f) A local government outside of the Metro boundary may determine housing needs for purposes of a UGB amendment using the combined Housing Density and Housing Mix safe harbors described in this subsection and in Table 1, or in combination with the Alternative Density safe harbor described under subsection (g) of this section and in Table 2. To meet the Housing Density safe harbor in this subsection, the local government may Assume For UGB Analysis that all buildable land in the urban area, including land added to the UGB, will develop at the applicable average overall density specified in column B of Table 1. Buildable land in the UGB, including land added to the UGB, must also be Zoned to Allow at least the average overall maximum density specified as Zone To Allow in column B of Table 1. Finally, the local government must adopt zoning that ensures buildable land in the urban area, including land added to the UGB, cannot develop at an average overall density less than the applicable Required*

Overall Minimum density specified in column B of Table 1. To meet the Housing Mix safe harbor in this subsection, the local government must Zone to Allow the applicable percentages of low, medium and high density residential specified in column C of Table 1.

(g) When using the safe harbor in subsection (f), a local government may choose to also use the applicable Alternative Density safe harbors for Small Exception Parcels and High Value Farm Land specified in Table 2. If a local government chooses to use the Alternative Density safe harbors described in Table 2, it must

***

(h) As an alternative to the density safe harbors in subsection (f) and, if applicable, subsection (g), of this section, a local government outside of the Metro boundary may assume that the average overall density of buildable residential land in the urban area for the 20-year planning period will increase by 25 percent over the average overall density of developed residential land in the urban area at the time the local government initiated the evaluation or amendment of the UGB. If a local government uses this Incremental Housing Density safe harbor, it must also meet the applicable Zoned to Allow density and Required Overall Minimum density requirements in Column B of Table 1 and, if applicable, Table 2, and must use the Housing Mix safe harbor in Column C of Table 1.

The Council finds that the City elected not to use the safe harbors identified in OAR 660-024-0040(8)(f)-(h). As stated in the definition of "safe harbor" in OAR 660-024-0010(7): "A safe harbor is not the only way or necessarily the preferred way to comply with a requirement and it is not intended to interpret the requirement for any purpose other than applying a safe harbor within this division." Thus, there is no requirement that the City comply with the safe harbors provided in the rule.

The starting point for discussion of needed future densities in Bend is the historical development densities for the 1998-2008 period (Table 4-7). These densities serve as the basis for the base case capacity analysis, presented in the *Bend Urbanization Report* (See p. 26-32; Rem Rec 10840-10846). The data in Table 4-7 on page 4-19 shows that net densities for all residential zones increased for the three needed housing types (SFD, SFA, MF) since Bend's last periodic review (1998) to the start of the planning period (2008).[25]

Bend's needed density for development over the 2014-2028 period was determined through additional analysis of future development patterns. The *Bend Urbanization Report* (in Chapter 4 of the Report) provides information and analysis of efficiency measures that will increase housing density in Bend over the 2014-2028 period. The HNA concluded that the needed density and mix for the 20-year planning period is different than the actual density and mix achieved between 1999 and 2013. (HNA p.74; Rem Rec 10650). It identifies Bend's needed

[25] See HNA, pages 21-22. Rem Rec 10597-10598

density for the 2014-2028 period as 7.2 dwelling units per net acre, a 25% increase over Bend's historical densities over the 1998-2008 period of 5.7 dwelling units per acre (Table 4-7) (HNA, p.76: Rem Rec 10652).

Bend's future housing densities will increase, in part, as a result of an increase in the percentage of single-family attached and multifamily housing developed over the 2014-2028 period. These are higher density residential housing types, which will increase overall average housing density. However, Bend will need to increase densities developed in the RL and RH zones. The historical densities in the RL zone (2.1 dwelling units per net acre) were low for residential development in an urban area. In addition, the historical density of development in the RH zone (16.9 dwelling units per net acre) was low for the densities that Bend currently allows in the RH zones (HNA, p.76; Rem Rec 10652). Section 4.4.7 describes the efficiency measures that the City is proposing that will increase development densities in the RL zone and in the RH zones.

Overall housing density for new housing throughout the proposed UGB averages roughly 8 units per net residential acre (including land developed with vertical mixed use buildings). The net density of residential uses in commercial and mixed use plan designations is much higher: close to 50 units per net residential acre (including land developed with vertical mixed use buildings). Looking only at residential plan designations, the net density is roughly 7 units per net residential acre. This is an increase in residential density relative to historic trends and relative to the Base Case, and represents efficient use of residential land. (Urbanization Report, p.34-42; Rem Rec 10848-10856

Section 4.4.9 summarizes the residential land need (net acres and net densities) needed in the UGB expansion area.

Conclusion: The Council finds that the City first adopted minimum densities for residential zones in 2006. Average net densities have increased over time in most residential zones (see Table 4-7). The needed density and mix for the 20-year planning period is different than the actual density and mix achieved between 1999 and 2013. The City is planning for a different housing mix that includes a larger percentage of single-family attached and multifamily housing types relative to observed trends. The City is adopting new efficiency measures (including code amendments and plan/zoning map amendments) that will support the shift in housing mix to encourage development of needed housing types, will result in higher net residential densities, and promote more efficient use of residential land to 2028.

4.4.5. Buildable Lands Inventory

4.4.5.1 Definition of Buildable Lands

The statutory requirement for a buildable lands inventory, along with direction concerning what lands are to be inventoried as "buildable," is contained in ORS 197.296(4) and in OAR 660-008-005(2). ORS 197.296 provides in pertinent part:

* * *

(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, "buildable lands" includes:

(A) Vacant lands planned or zoned for residential use;

(B) Partially vacant lands planned or zoned for residential use;

(C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and

(D) Lands that may be used for residential infill or redevelopment.

OAR 660-008-0005(2) further defines what residentially designated lands are "buildable" or "redevelopable" for purposes of the buildable lands inventory.

(2) "Buildable Land" means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered "suitable and available" unless it:

(a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;

(b) Is subject to natural resource protection measures determined under statewide Planning Goals 5, 15, 16, 17, or 18;

(c) Has slopes of 25 percent or greater;

(d) Is within the 100-year flood plain; or

(e) Cannot be provided with public facilities.

***

(7) "Redevelopable Land" means land zoned for residential use on which development has already occurred but on which, due to present or expected market forces, there exists the strong likelihood that existing development will be converted to more intensive residential uses during the planning period.

The Council finds that the 2016 BLI will be adopted as a supporting document of the Bend Comprehensive Plan (Rem Rec 10513-10571). In simplest terms, the BLI documents the urban land supply of Bend, and provides the basis to estimate the capacity for housing and jobs within the existing UGB. The BLI provides a key factual base for growth management policy in Bend. The findings in this section focus on the part of the BLI that supports the HNA. A similar inventory is required for employment land as part of the preparation of an EOA. The findings to address the BLI for employment land are included in Section 5 of the Findings Report. The Remand Order required the City to make a number of changes to the way residential land was classified for the purposes of the BLI. The findings in this section (4.4.5) are based on direct

excerpts from the BLI (pages 7-15, 20-23; Rem Rec 10531-10539; 10544-10547). DLCD provided the following definitions to conduct a GIS parcel-based analysis of every acre of residentially planned or zoned land in the Bend UGB.[26] Where definitions were not provided in rule or statute, the Department provided one consistent with the terms outlined in ORS 197.296(4)(a).

- **Vacant** – Land planned or zoned for residential use that shows no improvement value in the assessor's data.
- **Developed** – Land planned or zoned for residential use that is currently developed with the maximum number of dwelling units allowed in the zone, and the size of the lot does not allow for further division.
- **Lots Large Enough for an Additional Unit under Current Zoning** ("Partially Vacant") – Land planned or zoned for residential use that contains fewer dwelling units than permitted in the zone, but the lot is not large enough to divide under current zoning.
- **Lots Large Enough to Divide Under Current Zoning** ("Developed with Infill Potential") – Land planned or zoned for residential use that is currently developed, but where the lot is large enough to further divide consistent with its current zoning.
- **Redevelopable Land -** In addition to the four categories above, the City must consider whether developed land may be redevelopable within the planning horizon. Land may be considered redevelopable only if there exists "the strong likelihood that existing development will be converted to more intensive residential uses during the planning period." Note that the planning period in this UGB Remand process is between 2008 and 2028.

When the UGB Remand Task Force began work on the Remand issues, the City initially decided to continue to rely on 2008 data wherever possible, including using 2008 data as the basis for the revised BLI. However, given the amount of time that has elapsed since then, the City, through the advice of the Technical Advisory Committees, decided to update the BLI to rely on 2014 data in order to more accurately reflect conditions on the ground. The City completed the initial steps of this update, identifying the following characteristics for all tax lots within the existing UGB based on July 2014 tax lot data from Deschutes County:

- current zoning and general plan designation, including special plan districts;
- current property use information (based on a combination of property class and structure codes from the County Assessor's Office data, City building permit data, aerial photography, and existing City tax lot inventory data);
- size and value of existing improvements;
- number of existing housing units;

[26] E-mail from Gloria Gardiner, DLCD, to Damian Syrnyk, October 21, 2010 and e-mail response from Gloria Gardiner, DLCD, to Karen Swirsky, dated June 9, 2011.

- area subject to physical constraints (25% or greater slopes and 100-year floodplain)[27];
- whether the lot size is more than double the minimum lot size for the zone;
- maximum number of units allowed by current zoning based on lot size and maximum density for the applicable zone/plan designation; and
- public agency ownership (City, County, State, Federal, College District, Irrigation District, Park District, School District, and Other Special District).

The BLI describes the methods used, and inventory results in the four steps used to prepare the BLI (p. 7-15 and 20-23; Rem Rec 10531-10539; 10544-10547). For the Residential BLI, the relevant steps are 1, 2 and 4.

Step 1 – Calculate Physical Constraints
Step 2 – Define Residential Land
Step 3 – Define Employment Land (addressed in Section 5 of Findings Report)
Step 4 – Assign Vacant and Developable Acreage

Step 1 – Calculate Physical Constraints

Land that is physically constrained is not assumed to be "buildable".[28] Land was identified as constrained if it:

- has 25% or greater slopes;
- is within the Federal Emergency Management Agency (FEMA) 100-year floodplain;
- is within a river or upland Area of Special Interest (ASI);[29] or
- is within the Waterway Overlay Zone (WOZ) and within 100 feet of the Deschutes River, where building setbacks may apply[30].

[27] See OAR 660-008-0005(2)(c) and (2)(d).

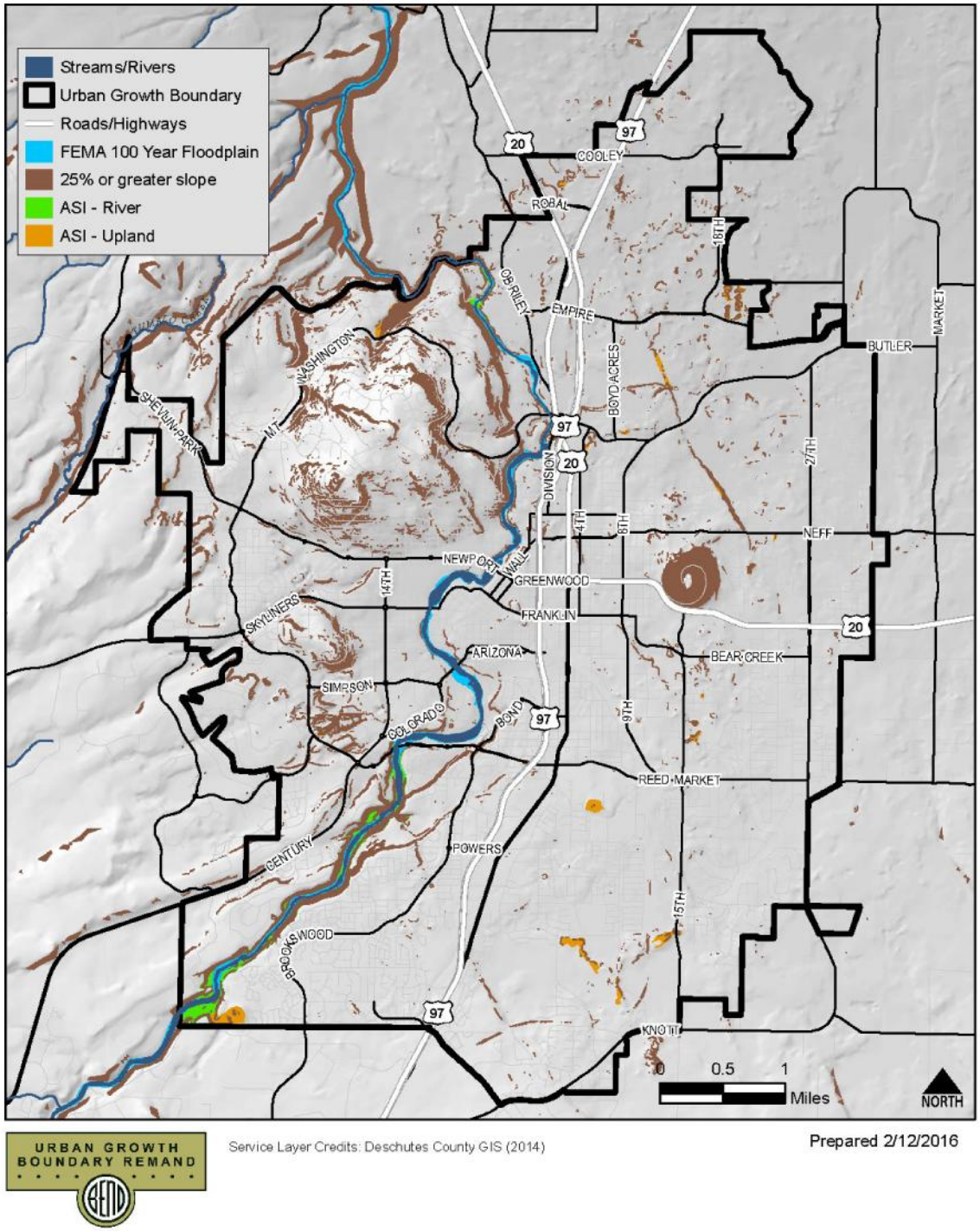
[28] OAR 660-008-0005(2) describes land generally not considered "suitable and available" for development, including areas with slopes of 25% or greater and areas within the 100-year floodplain.

[29] Bend's ASI's are not acknowledged Goal 5 resources. However, the City's regulations largely preclude development within these areas. Density transfers are allowed; however, there is no history of developers utilizing this option.

[30] Bend's WOZ combines four different sub-areas: the Deschutes River Corridor Design Review overlay; the Floodplain Combining Zone; Goal 5 Riparian Corridor protection; and River Corridor ASIs. Each sub-area has its own set of standards and setbacks for protection. Setbacks vary from 30 to 100 feet depending on the stretch of river and the sub-zone; some are measured from ordinary high water, while others are measured from the canyon rim. Because the setbacks are not mapped in detail, the generalized assumption was made that development restrictions are likely within 100 feet of the mapped edge of the river throughout its length.

The total area affected by one or more of the constraints was calculated for each tax lot in Bend. There are roughly 1,420 acres of physically constrained land within the UGB, of which roughly 1,170 are within tax lots (Figure 4-1).

Figure 4-1: Physical Constraints



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Step 2 – Define Residential Land

Following is a detailed description of how different categories of residential land were defined for purposes of the inventory, as well as tables summarizing the total acres of land in each category.

Lands with a Residential plan designation (RL, RS, RM, RH), and lands with a residential zone category (RL, RS, RM, RH, SR2.5), are categorized as Residential Land, except for the "Special Cases" listed below.[31]

- **Land within School District or Park District Ownership** was considered unavailable for residential development.
- **Land in the Medical District Overlay Zone (MDOZ)** with a residential plan designation was identified as "Mixed Use" and treated as part of the Employment land supply, but with the ability to accommodate some housing.[32]
- **Land with an employment plan designation but zoned Urban Area Reserve (UAR)**, which is primarily a holding zone and does not indicate availability for urban residential development, was identified as Employment land.[33]
- **Land planned or zoned for surface mining (SM)** was identified as Employment land, [34] with one exception where landowners have proposed a residential use.[35]

[31] There are over 200 parcels with residential zones and non-residential plan designations; however, the vast majority are developed. Those that are vacant are mostly identified as "special cases".

[32] The MDOZ is a special planned district applied to land around the St. Charles Medical Center intended to "allow for the continuation and flexible expansion of the hospital, medical clinics and associated uses in a planned and coordinated manner." (BDC, Section 2.7.510.A.) The residential, public, and institutional uses permitted or conditionally allowed in the base residential zones are subject to the same regulations , but hospitals are allowed in the RH zone within the overlay, and other limited commercial uses, including offices, are allowed or conditionally allowed in all zones within the MDOZ. The EOA considered this land to meet an employment land need, an approach which was approved in originally by LCDC, and carried forward into the 2016 EOA.

[33] There are roughly 51 acres on two tax lots designated ME but zoned UAR.

[34] One taxlot has an SM plan designation and an RS zone, covering roughly 30 acres inside the UGB, and currently mined.

[35] This taxlot is located along Shevlin Park road at Skyline Ranch Road, and is part of an existing mining operation that extends outside of the UGB.

Other land in mixed-use and commercial designations (not zoned for residential use) that allow residential development were treated as part of the Employment land supply, but with the ability to accommodate some housing, based on past trends.[36]

Step 3 – Define and Categorize Employment Land

See Section 5 of the Findings Report for the BLI for employment land.

Step 4 – Assign BLI Status

Pursuant to the statues, administrative rules, and guidance from DLCD, each tax lot was assigned a BLI status corresponding to one of the following categories:

- Vacant
- Developed
- Lots Large Enough for an Additional Unit under Current Zoning ("Partially Vacant")
- Lots Large Enough to Divide Under Current Zoning ("Developed with Infill Potential")

Details of the way the definitions provided by statute, rule, and DLCD were operationalized for the purposes of this analysis are provided below.

Vacant: Land planned or zoned for residential use that has $0 in improvement value. Tax lots that are planned or zoned for residential use, but are dedicated for other uses such as parks, common areas, rights of way or utilities are excluded.[37] Publicly owned land is also excluded.[38]

Developed: Land planned or zoned for residential use that is currently developed with the maximum number of dwelling units allowed in the plan designation/zone[39]. Residentially zoned

[36] Bend has three mixed-use districts: the Mixed Employment District (ME), the Mixed Use Riverfront District (MR) and the Professional Office District (PO). Each of these allows some housing, as well as various combinations of retail, commercial, public/institutional, and light industrial uses. In addition, all four of the City's commercial zones (CB, CC, CL, and CG) allow new residential use outright as part of a mixed-use development.

[37] Private Open Space, including common areas that are part of an approved subdivision and/or owned by a Homeowners Association, unbuildable fragments, canal right of way, cemeteries, private roads, RV parks, and developed golf courses were identified as developed. The only exception is the undeveloped portion of the Back Nine golf course at Mountain High, which was considered vacant.

[38] As stated in ORS 660-008-0005(2), publicly owned land is generally not considered available for residential uses. Publicly owned land was identified and designated "Public Land" and not considered vacant for residential purposes, unless information was available indicating otherwise.

[39] The zone that implements the current general plan designation for each parcel was used to identify maximum development potential, except for parcels with a non-residential plan designation and a residential zone. This is because the code does not allow development that is inconsistent with the plan designation, and each plan designation is implemented by a single zone.

land that is currently developed with an employment or institutional use is also categorized as Developed. Properties with restrictive Covenants, Conditions, and Restrictions (CC&Rs) and containing a dwelling were categorized as fully developed, even where minimum lot sizes are large enough to allow land division under the current plan designation/zoning.[40]

Lots Large Enough for an Additional Unit under Current Zoning ("Partially Vacant"): Land planned or zoned for residential use that has an improvements value greater than $0, but contains fewer dwelling units than permitted in the plan designation. Based solely on lot size (not considering limiting factors such as setback and frontage requirements, lot coverage, or location of existing structures), additional units could be built on the site, but the lot is not large enough to further divide.[41]

Lots Large Enough to Divide under Current Zoning ("Developed with Infill Potential"): Land planned or zoned for residential use that is currently developed, but where the lot is large enough to further divide consistent with its current plan designation/zone, based on the minimum lot size of the applicable zone. As with Partially Vacant land, this category does not consider limiting factors such as setback and frontage requirements, lot coverage, or location of the existing unit on the lot.[41]

Note that redevelopable land is not identified as a BLI category. Theoretically, the developed portions of parcels that have additional zoned development potential (those that are identified as partially vacant or developed with infill potential) could allow for redevelopment; however, land may be considered redevelopable only if there exists "the strong likelihood that existing

[40] CC&Rs were reviewed to determine whether they limit or preclude infill and redevelopment. Only those parcels subject to CC&Rs that restrict addition of units to the lot and/or restrict land division were identified as having restrictive CC&Rs and categorized as fully developed. Note that vacant, platted lots subject to CC&Rs were categorized as vacant, but were also assumed not to have the potential for more than one dwelling unit. See the Urbanization Report for additional detail. Rem Rec 10840-10841; 10843-10844

[41] To identify partially vacant lands and land developed with infill potential, the maximum number of units that could be built on each residential tax lot was calculated, based on the maximum density allowed under the existing plan designation per the BDC (which is expressed as a gross density) and the tax lot size. The number of existing units was then subtracted from the maximum number of units allowed. If one or more new units would be allowed based on the maximum density allowed by the zoning, the lot size was compared to the minimum lot size for single family detached housing in the zone. If the lot was more than double the minimum lot size, it was categorized as developed with infill potential. If it was not (but the maximum density of the zone would allow one or more additional units), the tax lot was categorized as partially vacant. Considerations such as setback and frontage requirements, lot coverage, or location of the existing unit on the lot were not considered, although those will be limiting factors in many cases.

development will be converted to more intensive residential uses during the planning period."[42] Redevelopment potential is addressed in the Urbanization Report (Rem Rec 10840-10841).

Special Cases

- Public Land.[43] Publicly owned land was identified and designated "Public Land" and not considered vacant for residential purposes, unless information was available indicating otherwise.
- Private Open Space identified by the TAC as having development potential was considered vacant. All others identified as developed.
- Residential land with existing employment or institutional uses was considered developed.
- Properties with restrictive CC&R's were identified as developed. Vacant areas within these districts were assigned a "RS-CCR" development type calibrated to assign one housing unit on each vacant lot.
- Land in the Medical District Overlay Zone (MDOZ) with a residential plan category was identified as "Mixed Use" and treated as part of the Employment land supply, but with the ability to accommodate some housing.
- Other land in mixed-use zones and commercial zones that allow residential development were treated as part of the Employment land supply, but with the ability to accommodate some housing, based on past trends.

Figure 4-2 shows the BLI status of residential lands (2014) and Table 4-11 presents that information in tabular form (with acres).

[42] OAR 660-008-0005(7).

[43] As stated in ORS 660-008-005(2), publicly owned land is generally not considered available for residential uses.

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Figure 4-2: BLI Status of Residential Lands Map (2014)

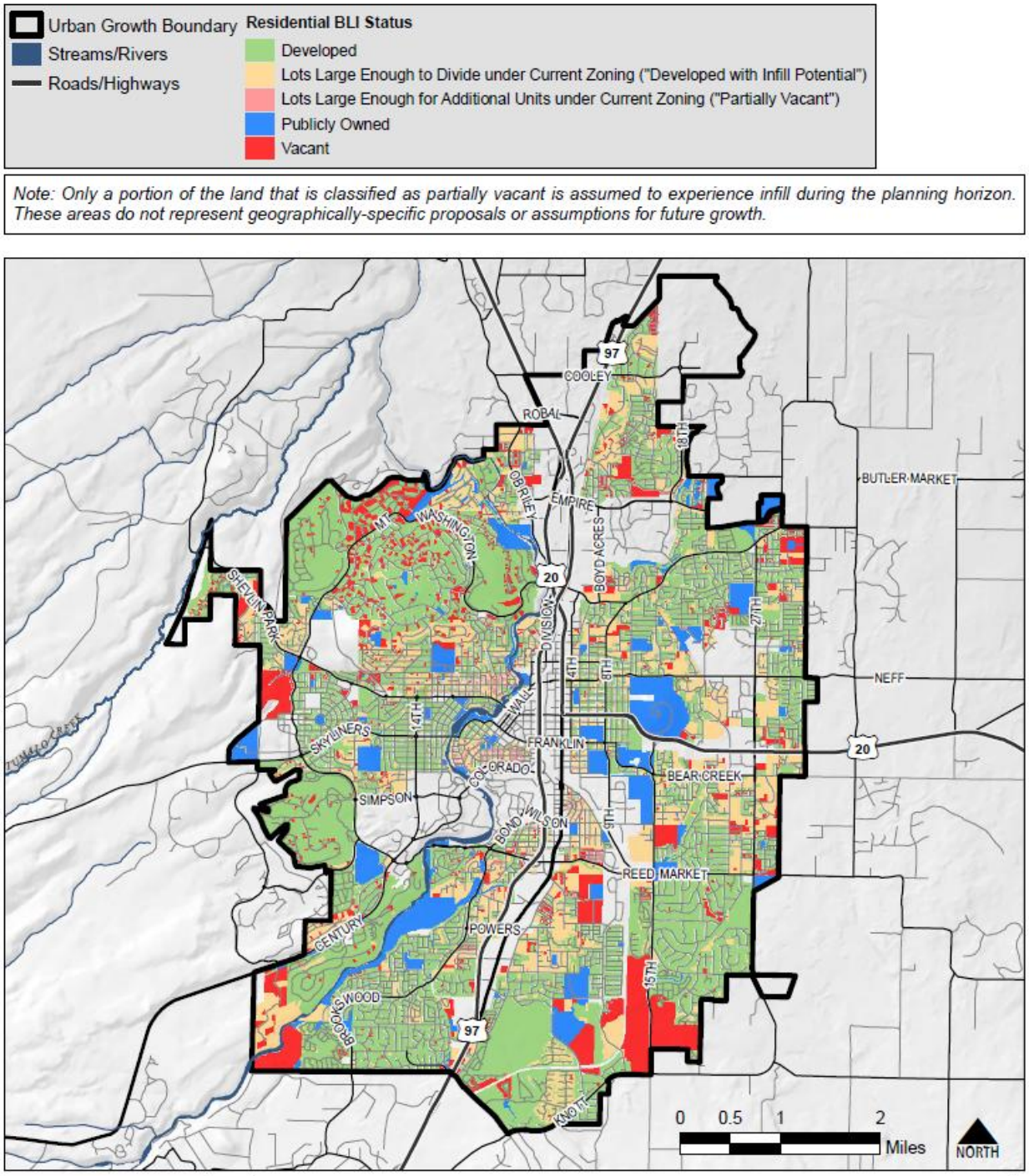

Table 4-11. BLI Status of Residential Tax Lots

BLI Status of Residential Tax Lots	Number of Tax Lots	Total Acres
Developed	25,849	7,737
Lots Large Enough to Divide Under Current Zoning *("Developed with Infill Potential")*	4,573	2,554
Lots Large Enough for Additional Units under Current Zoning *("Partially Vacant")*	827	93
Publicly Owned (excludes schools and parks)[44]	179	544
Vacant	2,854	1,718
Total	**34,282**	**12,646**

Source: BLI, Table 1.

4.4.5.2 Requirements for Buildable Lands Inventory

The Commission's division 24 rules clarify certain aspects of how the BLI must be carried out. OAR 660-024-0050 provides that:

> *(1) When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. For residential land, the buildable land inventory must include vacant and redevelopable land, and be conducted in accordance with OAR 660-007-0045 or 660-008-0010, whichever is applicable, and ORS 197.296 for local governments subject to that statute.* * *

OAR 660-008-0010 requires that:

> *"* * * the local buildable lands inventory must document the amount of buildable land in each residential plan designation."*

The Council finds that findings under Section 4.4.5.1 above are incorporated by this reference to show compliance with OAR 660-024-0050(1). The 2016 BLI was conducted in accordance with OAR 660-008-0010 and 197.296.

Table 4-12 documents the amount of buildable land (by BLI status) in each residential plan designation.

[44] Lands identified as being in public ownership, except for land owned by the Bend-La Pine School District and BPRD (whether or not currently developed with schools/parks).

Table 4-12. BLI Status for Residential Land by Comprehensive Plan Designation[45]

Comprehensive Plan Designation	Number of Taxlots	Total Acres
RL	**3,019**	**1,613.0**
Developed	2,836	1367.1
Developed with infill potential	98	184.9
Partially Vacant	1	0.5
Vacant	69	53.7
Publicly Owned	15	6.9
RS	**25,615**	**9,181.4**
Developed	20,705	5,912.8
Developed with infill potential	2,963	1,723.2
Partially Vacant	13	1.6
Vacant	2,111	1,439.3
Publicly Owned	93	104.5
RM	**4,891**	**1,225.7**
Developed	1,977	336.8
Developed with infill potential	1,615	198.6
Partially Vacant	750	85.1
Vacant	517	182.5
Publicly Owned	32	22.5
RH	**526**	**136.9**
Developed	200	45.6
Developed with infill potential	165	46.5
Partially Vacant	63	6.0
Vacant	88	19.5
Publicly Owned	10	19.3
UAR	**13**	**53.4**
Commercial / Industrial Designation[46]	**54**	**8.0**
Developed	53	6.8
Developed with infill potential	0	0.0
Partially Vacant	0	0.0
Vacant	0	0.0
Publicly Owned	1	1.2
PF	**164**	**427.5**
Developed	68	47.2
Developed with infill potential	2	0.6
Partially Vacant	0	0.0
Vacant[47]	67	22.6
Publicly Owned[48]	27	357.1

[45] Excludes land owned by the Bend-La Pine School District and BPRD; excludes MDOZ land.

[46] These lands have a comprehensive plan designation of CC, CG, CL, or IL, but have a zoning designation of RS or RM and are considered part of the Residential inventory.

[47] The vacant land that has a PF designation and is included in the residential BLI is zoned RS and includes land platted as part of residential subdivisions, and one large parcel (roughly 14 acres in southeast Bend) under common ownership with adjacent vacant RS-designated land.

[48] This category includes Central Oregon Irrigation District (COID) property that has a PF designation and residential zoning. However, the site is encumbered by a view easement and is not considered developable through the year 2035.

Conclusion: The Council finds that the BLI documents the amount of buildable land in each residential plan designation consistent with the definitions and methodology set forth in OAR 660-024-0050(1) and related rules and statutes. Source data for the BLI was updated from 2008 to 2014 to provide the most accurate and current data to determine whether there is adequate development capacity to accommodate housing needs to 2028. The primary outcome of the BLI is a GIS dataset with values for vacant and developed acres for each parcel within the City of Bend UGB. These values provide a basis for estimating future development and redevelopment. The assumptions that have been applied to the BLI to estimate capacity are documented in the Urbanization Report. Findings relating to the capacity analysis are presented in Section 4.4.6 below.

4.4.6. Base Case Capacity Analysis

ORS 197.296(3)(a) and (5) outline the steps to determine the housing capacity of buildable lands.

> ***
>
> *(3) In performing the duties under subsection (2) of this section, a local government shall:*
>
> *(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and*
>
> ***
>
> *(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity and need pursuant to subsection (3) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last periodic review or five years, whichever is greater. The data shall include:*
>
> *(A) The number, density and average mix of housing types of urban residential development that have actually occurred;*
>
> *(B) Trends in density and average mix of housing types of urban residential development;*
>
> *(C) Demographic and population trends;*
>
> *(D) Economic trends and cycles; and*
>
> *(E) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.*
>
> *(b) A local government shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if the local government finds that the shorter time period will provide more accurate and reliable data related to housing capacity and need. The shorter time period may not be less than three years.*

(c) A local government shall use data from a wider geographic area or use a time period for economic cycles and trends longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. The local government must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.

* * *

The Council finds that Section 4.4.3 and 4.4.4 address the number, density and average mix of housing types that have occurred on buildable lands since 1998 are incorporated by this cross-reference to meet the legal standard in ORS 197.296(5). The findings in this section focus on the linkage of the BLI to the Urbanization Report to determine the capacity of the buildable lands within the current UGB. The findings in this section are a direct excerpt from the Urbanization Report (Rem Rec 10840-10846).

As described in the Urbanization Report (p. 21- 23: Rem Rec 10835-10837), a scenario planning tool called "Envision Tomorrow (ET)"[49] was used to analyze capacity and options for future growth in Bend. ET applies development assumptions spatially and provides a sketch-level analysis of the possible impacts of policies, development decisions and growth trajectories. Development assumptions within the model include: a mix of specific building prototypes, which are based on information including parking requirements, height limits, and lot coverage ratios; streets, open space, and other set-asides; net residential and job density; and rate of redevelopment.

About the Base Case

The "Base Case" is a spatial projection of housing and employment growth through 2028 within the current UGB based on past trends and current policies, using the ET model. The Base Case represents the current UGB's remaining capacity **prior** to applying assumptions regarding new residential efficiency measures and measures to encourage additional redevelopment of employment areas. The reason to create a Base Case is two-fold: first, to understand the remaining UGB capacity as of 2014 if no policy changes were made, and, second, to compare the impacts of alternatives that incorporate efficiency measures to understand how they change UGB capacity.

For residential development types, the densities and mix of housing types were set to match the observed trends from 1998 to 2008 by plan designation, documented in Appendix C of the Urbanization Report.[50] The City is required to base the capacity analysis on data since the last

[49] Information and download available at http://www.envisiontomorrow.org/

[50] There is one exception: the observed average density in the RH zone between 1998 and 2008 falls below the current minimum density for the zone (which was adopted in 2006). Based on guidance from

periodic review, in 1998.[51] The City's continued reliance on the 1998-2008 data analysis is justified because the residential development in the City from 2008 to 2014 was largely limited to building individual homes on lots created before 2008, due to the economic downturn.[52] This means that the density for the development was set prior to 2008 for nearly all recent residential building activity.

Residential land may be considered redevelopable only if there exists "the strong likelihood that existing development will be converted to more intensive residential uses during the planning period."[53] City staff, in 2011, performed a detailed analysis of residential development activity in the City from 1999 through 2008 by BLI status. The analysis found:

- Land classified as "partially vacant" had very low levels of building permit activity – only 80 permits over 10 years.
- Under 6% of lots (and 26% of acres) classified as "developed with infill potential" in 1999 received building permits for residential infill by 2008: 4% of the lots under one acre (4.5% of the acres in this category) and 36% of the lots over one acre (51% of the acres in this category).
- There was virtually no redevelopment activity – where an existing structure was demolished and additional units were built – on fully developed land during 1999-2008.[54]

---

the Remand, the Base Case uses the minimum density for the RH zone rather than the observed average.

[51] ORS 197.296(5)(a) requires determination of housing capacity to be based on data relating to land within the City's UGB that has been collected since the last periodic review or five years, whichever is greater. In Bend's situation, the last periodic review ended in 1998 with the adoption of the City of Bend Comprehensive Plan.

[52] Land use permit data indicates roughly a dozen residential subdivisions and two multi-family development projects approved (but not necessarily built) since 2008, all in 2013 and 2014, compared to between 600 and 700 single family homes built since 2008 on platted lots.

[53] OAR 660-008-0005(7).

[54] There were a total of 50 permits issued on lands classified as developed where there was an existing unit AND where the existing unit was demolished; however, only 2 of them resulted in more units than had existed prior to the demolition. In both of these cases, duplexes were built after a single family home was demolished. The rest of the 50 permits resulted in the same number of units (e.g., a single family home was demolished and replaced with another single family home). Therefore, the City assumes that only 2 permits were the result of redevelopment; the other 48 were merely replacements of existing units. This is not unexpected, given that for land to be classified as developed it had to be fully developed under the existing zoning regulations.

The ET model was calibrated to be roughly consistent with these observations. Because of the way developed and vacant lands were identified for lots classified as "partially vacant" and "developed with infill potential" (see Step 4 of the BLI; Rem Rec 10544), developed land for the purposes of this analysis is essentially only the portions of those properties where demolition of existing structures would be required in order to allow for redevelopment. There is very little evidence of redevelopment through demolition in Bend to date. Thus, the redevelopment rate for the developed portion of the partially vacant and developed with infill properties (which also applies to land that is fully developed) is set at zero (Urbanization Report, p. 26-27; Rem Rec 10840-10841).

Base Case Housing Capacity

The Tables 4-13 and 4-14 describe the residential capacity estimated in the Base Case scenario. Note that the number of new housing units reported is net of any existing units that may be lost through redevelopment in non-residential districts.

Table 4-13 shows that the current UGB can accommodate roughly 10,039 housing units under the current plan designations and policies and historic trends in development density. The mix of units projected under the Base Case is roughly 65% single family detached, 30% multifamily, and 5% single family attached. Table 4-14 shows that most of the total housing capacity (nearly 60%) is in the RS plan designation. Just under 6% of the total housing capacity is in the RH zone, the City's only high-density residential plan designation. The RH plan designation and the MDOZ collectively provide close to 38% of the total multifamily housing capacity in the City, and are geographically concentrated in a few areas. Overall housing growth is concentrated in the southeast and east, where there is more vacant land.

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Table 4-13. Base Case Housing Capacity

Housing Type	Net New Housing Units	Percent of New Housing Units
Single Family Detached	6,496	65%
Single Family Attached	498	5%
Multi-Family	3,045	30%
Total	**10,039**	**100%**

Source: Urbanization Report, Table 6.

Table 4-14. Base Case Housing Capacity by Existing Plan Designation*

Plan Designation*	Single Family Detached Units	Single Family Attached Units	Multi-Family Units	Total New Housing Units
RL	152	-	-	152
RS	5,574	179	221	5,974
RM*	753	225	1,569	2,547
RH*	30	46	508	583
MDOZ*	-	-	490	490
MR	12	49	51	111
PF**	(25)	-	206	181
Total* **	**6,496**	**498**	**3,045**	**10,039**

Source: Urbanization Report, Table 7.

** Development capacity in the MDOZ is counted there rather than by plan designation.*

*** COCC on-campus student housing.*

**** Note that overall totals account for small amounts of housing lost through redevelopment in employment areas that are not shown in the table.*

Comparison to Housing Need

The housing unit projections to 2028 are documented and explained in the HNA (Rem Rec 10600-10601) and addressed in the findings in Section 4.4.2. This section compares those needs, in summary form, against the estimated capacity of the current UGB in the Base Case.

As shown in Table 4-15, the Base Case is estimated to accommodate roughly 60% of the total housing needs forecast for 2028. However, comparing at the housing type level, it is clear that the capacity is not evenly distributed across all needed types and categories. Much of the total single family housing need can be met inside the UGB in the Base Case, but less than a third of the single family attached and less than half of the multifamily housing needs can be accommodated with current policies and trends.

Table 4-15. Base Case Housing Capacity Compared to Housing Needs by Housing Type

Housing Type	Net New Housing Units	Total Housing Need	Residual Housing Need	Percent Housing Need Met
Single Family Detached	6,496	9,225	2,728	70%
Single Family Attached	498	1,677	1,179	30%
Multi-Family	3,045	6,331	3,286	48%
Total	**10,039**	**17,233**	**7,193**	**58%**

Source: Urbanization Report, Table 10.

Conclusion: The Council finds that the City has completed an updated inventory of buildable lands within the existing UGB and determined the housing capacity of the buildable lands consistent with the legal standards in ORS 197.296(3) and (5). The Residential TAC and the USC provided detailed input and guidance on the update of the BLI for residential lands and the capacity analysis for the current UGB[55]. Based on the evidence in the BLI, the HNA and the Urbanization Report, the Council concludes that the current UGB (as of July 2014) can accommodate roughly 10,039 housing units under the current plan designations and policies and historic trends in development density. This represents roughly 60% of the total housing unit forecast for 2028. The estimated capacity is not evenly distributed across all needed housing types.

These results indicate a need for additional efficiency measures to increase the likelihood that needed housing types will be built, and to make better use of residential land inside the current UGB. Findings to address efficiency measures are provided in Section 4.4.7 below.

4.4.7. Efficiency Measures and Options to Address Deficiency of Land for Needed Housing

4.4.7.1 Options to Address Deficiency

OAR 660-024-0050 addresses the land inventory and response to deficiency. 660-024-0050(4) provides, in pertinent part, that:

> *(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.*

[55] The Residential TAC reviewed and provided input and feedback on the BLI at their October 13, 2014 meeting; November 17, 2014 meeting; February 11, 2015 meeting, August 26, 2015 meeting, and March 17, 2016 joint meeting with the Employment TAC. The USC approved the Phase 1 work of the Residential TAC, including their work on the BLI, at their March 19, 2015 meeting. The USC approved the draft BLI for public hearing review at their April 21, 2016 meeting.

*Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. ****

ORS 197.296 (6) and (7) outline actions to accommodate the additional housing need.

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(1) of this section, the local government shall take one or more of the following actions to accommodate the additional housing need.

*(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. ****

*(b) Amend its comprehensive plan, regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. ****; or*

(c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.

(7) Using the analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

The Council finds that the Urbanization Report (page 33; Rem Rec 10847) states the Residential and Employment TACs considered and discussed a robust package of efficiency measures over a series of meetings. The efficiency measure concepts were approved by the USC in the Phase 1 package (USC 3/19/2015 Meeting Minutes, Rem Rec 8275). The Residential and Employment TACs focused on efficiency measures that are proposed to be implemented through code text amendments packaged with the adoption of the UGB. Additional measures have been or will be implemented through other processes, including code amendment work by CDD with the Planning Commission and a city-wide Parking Study, both of which are underway.

The Residential and Employment TAC recommendations on new efficiency measures reflect the recognition that Bend's UGB expansion proposal and package of amendments are taking place

in a time of transition. Vertical mixed use is relatively uncommon in Bend. There are concerns in existing neighborhoods about infill and redevelopment, as well as the scale and uses in neighboring commercial areas. Topics like accessory dwelling units (ADUs) are controversial. At the same time, there is a need for more affordable housing, housing supply in general, and a greater mix of housing types. These are hot topics, and elicit many different perspectives. Operating in this environment, the Residential and Employment TACs have taken clear steps to encourage a greater diversity and density of housing and mixed use development, described below, but care was taken to balance these efforts with the concerns of residents in existing neighborhoods[56]. This balance is reflected in the efficiency measures that apply city-wide. However, the Residential and Employment TAC recommendations also proposed larger scale changes by focusing more far-reaching changes in Opportunity Areas, which tend to be in the core of the City. These recommendations focus on good urban form with more intensive development in more central locations in the city. They recognize the opportunities provided by larger vacant sites to be master planned in the future, as well as the need to provide modest code changes to remove barriers to higher intensity and a greater mix of housing in existing residential areas. Together, these measures support and guide Bend's transition from a small town to a city.

The anticipated impacts of the efficiency measures inside the existing UGB were evaluated using the ET model by making adjustments to the mix and density of housing projected in certain plan designations to reflect the removal of barriers, creation of incentives, and adjustments to minimum standards in the BDC. Proposed changes to plan designations for opportunity areas, including application of new mixed use zones, were also evaluated using ET by applying a development type that reflects the proposed plan designation rather than the existing one. The model does not provide a mechanism to quantify the magnitude of the impact to capacity for each individual efficiency measure; rather, a cumulative impact of all proposed efficiency measures relative to the base case is provided in this chapter.

See amendments to the BDC (Rem Rec 11149) which implement the efficiency measures, listed by subject area below:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 2.2 Commercial Zoning Districts (Rem Rec 11159 – 11161)
- Chapter 2.3 Mixed-Use Zoning Districts (Rem Rec 11162 – 11171)
- Chapter 2.7 Special Planned Districts (Rem Rec 11172 – 11182)
- Chapter 3.3 Vehicle Parking, Loading and Bicycle Parking (Rem Rec 11183 – 11186)
- Chapter 3.4 Public Improvement Standards (Rem Rec 11187 – 11188)

[56] See meeting minutes for the TACs meeting on July 21, 2015, August 25, 2015, October 7, 2015, and November 19, 2015. These TACs met on the same day and date. See meeting minutes at Rem Re. 5103, 5297, 7450, 8128, 8447, 8854, and 8860.

- Chapter 3.6 Special Standards and Regulations for Certain Uses (Rem Rec 11189 – 11200)
- Chapter 4.5 Master Planning and Development Alternatives (Rem Rec 11192-11199)
- Chapter 4.6 Land Use District Map and Text Amendments (Rem Rec 11200)
- See also related proposed amendments to the zoning map (Rem Rec 11147-11148) and comprehensive plan map (Rem Rec 11145-11146) and enabling policy from the Comprehensive Plan and supporting technical documentation (Rem Rec 10310-10994)

4.4.7.2 Actions and measures to consider

ORS 197.296(9) provides that:

> *"(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section and is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section. Actions or measures, or both, may include but are not limited to:*
>
> *(a) Increases in the permitted density on existing residential land;*
>
> *(b) Financial incentives for higher density housing;*
>
> *(c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;*
>
> *(d) Removal or easing of approval standards or procedures;*
>
> *(e) Minimum density ranges;*
>
> *(f) Redevelopment and infill strategies;*
>
> *(g) Authorization of housing types not previously allowed by the plan or regulations;*
>
> *(h) Adoption of an average residential density standard; and*
>
> *(i) Rezoning or redesignation of nonresidential land (to residential uses)."*

OAR 660-024-0050(7) provides a safe harbor related to efficiency measures:

> *As a safe harbor regarding requirements concerning "efficiency," a local government that chooses to use the density and mix safe harbors in OAR 660-024-0040(8) is deemed to have met the Goal 14 efficiency requirements under:*
>
> *(a) Sections (1) and (4) of this rule regarding evaluation of the development capacity of residential land inside the UGB to accommodate the estimated 20-year needs; and*
>
> *(b) Goal 14 regarding a demonstration that residential needs cannot be reasonably accommodated on residential land already inside the UGB, but not with respect to:*

(A) A demonstration that residential needs cannot be reasonably accommodated by rezoning non-residential land, and

(B) Compliance with Goal 14 Boundary Location factors.

The Council finds that the City elected not to use the safe harbor identified in OAR 660-024-0050(7). There is no requirement that the City comply with the safe harbors provided in the rule.

The findings on efficiency measures are direct excerpts from pages 33-44 (Rem Rec 10847-10848) of the Urbanization Report. The City finds that the examples provided in (9)(a) through (9)(i) are illustrative as examples and that the statute does not further require the City to explain why the measures cited above were either used or not in the capacity analysis. The City's proposed package of efficiency measures includes nearly all the suggested measures briefly summarized as follows:

(a) new increases in permitted densities in the RL and higher minimums required in the RS zone and new higher density and housing mix required through future Master Plans;
(b) currently adopted incentives such as fee waivers and SDC waivers for affordable housing;
(c) reduced landscaping and parking for mixed use developments;
(d) making currently conditional housing types like duplexes and triplexes permitted outright in certain zones as well as smaller lots sizes, parking reductions, and other code amendments;
(e) slightly higher density ranges for RL and minimum density for RS lands;
(f) redevelopment and infill strategies related to proposed Opportunity Sites;
(g) allowances for broader types of housing in all zones;
(h) continuing the current practice of requiring minimum and maximum densities by plan designation; and
(i) new Comprehensive Plan and Zoning designations for sites in Opportunity Areas.

These findings, and findings below, demonstrate how these and other measures have been adopted as required by law.

Approach to Minimum Density

The Residential TAC reviewed existing minimum densities in the residential zones and made the following recommendations:

- increase the maximum density in the RL zone from 2.2 to 4.0 units per gross acre;
- increase the minimum density in the RS zone from 2.0 to 4.0 units per gross acre; and
- retain the existing range of 7.3 to 21.7 units per gross acre in the RM zone.

The Residential TAC did not support the idea of creating an additional zone, and was uncomfortable with having a density gap between the maximum density in the RS zone and the minimum density in the RM zone. Instead of increasing the minimum density in the RM zone,

the Residential TAC recommended removing barriers to development of a broader range of housing types in the RS and RM zones (see below). These changes are intended to create a greater mix of housing types generally within the currently allowed density ranges. The overall set of changes focus on requiring more mixing of units rather than dramatic increases to density levels.

Given that the average net density of new housing built in the RS zone between 1998 and 2008 was 4.9 units per net acre, which is roughly 3.9 units per gross acre, the increase in the minimum density for the RS zone is expected to cause an increase in overall gross densities for new development in that zone. However, given the history of housing development tending towards the lower end of the allowed density range in Bend, housing densities in RS are not expected to increase significantly above the new minimum through the 2028 planning horizon.

The code amendments also revise some aspects of how the density standards apply:

- Replacement of existing housing in any zone (provided the number of units does not change) and development on a vacant platted lot consistent with an approved land division are exempt from density standards. These are tighter and clearer exceptions than in the existing code, which excludes "redevelopment within a residential neighborhood with an existing pattern of development" and "infill development on a vacant platted lot consistent with the adjacent existing pattern of development".

- Sensitive lands (wetlands, significant trees, steep slopes, floodplains and other natural resource areas designated for protection or conservation) as well as fire breaks (as defined in the code) and canal easements are excluded from minimum, but not maximum, density calculation. This will mean that constrained sites will have greater flexibility to shift development or not, depending on the site and the market. Sites with heavier constraints are less likely to achieve the full density transfer from those constrained lands.

See Amendments to BDC (Rem Rec 11149). Specifically,

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)

Ensuring Housing Mix

In order to ensure that housing mix targets are met without increasing the minimum density in RM, additional code amendments are targeted at facilitating the needed housing mix in the RS zone and ensuring the needed housing mix in the RM zone.

In the RS zone, the Residential TAC recommended and Council agreed to make additional housing types permitted rather than conditional, including: 1) single family attached townhomes; 2) courtyard housing (detached housing with modified side setbacks); and 3) duplexes and triplexes. These proposed amendments build on work that has already been done by the City Council, Community Development Department, and Planning Commission to allow a greater

housing mix in the RS Zone (including allowing ADUs, cottage homes, and duplexes on corner lots outright subject to special standards).[57]

It is worth noting that a development site generally would need to be over 10,000 square feet[58] in order to add a unit (other than an ADU) or partition due to the maximum density standard for the RS zone, regardless of the changes proposed. As a result, the Council believes townhomes and duplexes are less likely to be an attractive option for small infill projects, except in the case where the lot is large enough to add units, but the siting of the existing home makes it difficult to partition lots large enough for a detached home. The option to retain the existing home on a larger lot and still add a few units may enable small infill projects in some circumstances where layout is a barrier (rather than land area), but making duplexes, triplexes, and townhomes permitted instead of conditional will have minimal impact on infill on small lots. The Council, however, recognizes that the new codes will make it easier for developers to incorporate townhomes or duplexes into mid-size subdivision projects where they can use lot size averaging to provide a variety of housing types.

In the RM zone, the Residential TAC recommended and Council agreed to require at least half of the units in developments between 3 and 20 acres (large enough for a mix of housing, but smaller than the master plan threshold) to be townhomes, duplex/triplex, or multifamily. This is intended to help that zone achieve the needed mix of housing units without changing the minimum density. There are still reasonable exceptions for affordable housing projects that meet City standards, mobile homes parks, and cottage homes, all of which provide other ways to achieve affordable housing.

Between 1998 and 2008, SFD housing comprised only about 24% of the new housing units in the RM zone overall, so this provision may not significantly shift the balance of housing types in that zone. It does, however, provide an additional back-stop to housing mix to avoid relying solely on market forces to produce the mix and to ensure that nearly all housing development in the RM zone (other than small infill projects) provides a mix of housing types.

In addition, efficiency measure code amendments prohibit new SFD housing in the RH zone, in order to preserve that zone for attached housing types.

The Council finds the recommended BDC amendments represent a responsible approach to best meet the housing mix targets for Bend, and best balance the various interests of affordable housing, changing demographics and market forces, while preserving existing neighborhoods.

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[57] The code amendments related to ADUs, cottage homes, and duplexes on corner lots are all included as efficiency measures, despite the fact that they were adopted prior to the UGB adoption package, because they have been done since 2008, in response to the Remand.

[58] There are over 8,000 properties with the RS plan designation and/or zone that are over 10,000 square feet (including public land, open space, etc.); however, this is less than a third of all properties in the RS plan designation / zone.

See all amendments to the BDC (Rem Rec 11149) which implement the efficiency measures, or by subject area below:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 4.5 Master Planning and Development Alternatives (Rem Rec 11192-11199)

Master Plan Density and Mix Requirements

The current code requires a flat minimum percentage of the maximum density (60%) for master planned sites. The efficiency measure code amendments tailor the requirements to each of the residential zones in order to ensure that the standard is realistic for all zones while still making efficient use of land in the RS zone. This is important not only for land inside the UGB, but for sites in UGB expansion areas that are large enough to trigger the master planning requirements (20 acres or greater). The Residential TAC recommended the following minimum density for master planned sites in each zone (See meeting minutes for the Residential TAC's November 11 2015 meeting, Rem Rec 8860):

- RL: 50% of maximum (2.0)
- RS: 70% of maximum (5.11)
- RM: 60% of maximum (13.02)
- RH: base zone minimum (21.7)

In addition to a higher minimum density standard for master plan sites, the efficiency measure code amendments include the following minimum percentages of housing units that must be townhomes, duplex/triplex, or multifamily:

- RL and RS: at least 10% of units
- RM: at least 67% of units
- RH: Single Family Detached not permitted

Observed past development trends indicate that without minimum mixing requirements, developments tend to be built at near minimum densities with higher percentages of single-family detached dwellings than the needed mix going forward. The newly proposed mix requirements have been calibrated based on the assumptions built into the development types within the ET model so that they help ensure that the needed housing mix can be met.

To support achieving the required mix of housing types, townhomes, duplex/triplex, and multifamily housing are all permitted outright when part of a masterplan in the RL and RS zones. See Amendments to BDC (Rem Rec 11149), more specifically:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 4.5 Master Planning and Development Alternatives (Rem Rec 11192-11199)

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Minimum Lot Size Requirements

Reductions to minimum lot sizes for certain housing types in the higher-density residential zones are proposed in order to allow more opportunities to build at the higher end of the allowed density range. Proposed changes to minimum lot area include:

- SFD Housing in the RL zone: from 15,000 square feet (sf) to 10,000 sf
- SFD Housing in the RM zone: from 3,000 sf to 2,500 sf
- Duplex/triplex) in the RL zone: from 30,000 sf to 20,000 sf
- Duplex/triplex in the RM & RH zones: remove minimum lot size, and allow gross density, minimum open space requirements, and other development standards to control
- Townhomes in the RH zone: from 2,000 sf per unit to 1,200 sf per unit
- Townhomes in the RM zone: from 2,000 sf per unit to 1,600 sf per unit
- MF housing in the RM & RH zones: remove minimum lot size, and allow gross density and other development standards to control the allowed number of units

Because the gross density standards control the number of units allowed on a given property, these changes primarily provide greater flexibility to achieve the upper ranges of the gross density standard for the zone on constrained sites and sites with more right-of-way and/or open space dedication. See Amendments to BDC (Rem Rec 11149), more specifically:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)

Density Bonuses

In May 2015, the City adopted an affordable housing density bonus provision in the BDC that allows development at up to 1.5 times the maximum gross density of the zone where some or all of the units are affordable (in conformance with City standards addressing target income levels and maintaining affordability[59]) – the greater the percentage of affordable units, the greater the density bonus. The City also has other affordable housing incentives, including a height bonus (10'), an allowance for more lot coverage, expedited review and permit processing, planning and building fee exemptions, and system development charge deferrals. These are considered efficiency measures and are important tools to encourage production of affordable housing and reduce costs for developers of affordable housing, but will have limited impact on capacity overall since affordable housing represents a relatively small portion of housing growth. See Amendments to BDC (Rem Rec 11149), more specifically:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 2.7 Special Planned Districts (Rem Rec 11172 – 11182)
- Chapter 3.3 Vehicle Parking, Loading and Bicycle Parking (Rem Rec 11183 – 11186)

[59] BDC 3.6.200(C)

New Mixed Use Zones

The proposed code amendments include two new mixed use plan designations and corresponding implementing zones: urban-scale ("Mixed Use – Urban" or MU) and neighborhood-scale ("Mixed Use – Neighborhood" or MN). The new zones are intended to accommodate a range of residential and commercial uses in pedestrian-oriented mixed use centers and corridors. The scale of uses in the MN zone (primarily building heights) is less intense than the MU zone. The Employment TAC recommended including the new mixed use zones in the BDC and designating specific opportunity sites with the new Mixed Use plan designations and, in some cases, zones (see "Changes to Plan Designations for Opportunity Sites" on page 40; Rem Rec 10854).

The mixed use zones allow residential uses outright as well as when part of mixed use development. There are no maximum density standards for residential uses other than the height and setback standards. They are subject to the RM zone minimum density (7.3 units per acre) on the portion of the site used for ground-floor residential, though there is no minimum density for vertical mixed use. They also allow for an urban style of development with no minimum landscaping requirement (aside from parking lot and setback landscaping); reduced minimum parking standards for the MU zone (similar to the CBD rather than the standard for the rest of the city – see next section for details); no minimum front setback and a 10' maximum front setback.

The impact of the new mixed use zones is discussed under "Changes to Plan Designations for Opportunity Sites" on page 40; Rem Rec 10854).

See Amendments to BDC (Rem Rec 11149), more specifically:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 2.2 Commercial Zoning Districts (Rem Rec 11159 – 11161)
- Chapter 2.3 Mixed-Use Zoning Districts (Rem Rec 11162 – 11171)
- Chapter 2.7 Special Planned Districts (Rem Rec 11172 – 11182)
- Chapter 3.3 Vehicle Parking, Loading and Bicycle Parking (Rem Rec 11183 – 11186)
- Chapter 4.6 Land Use District Map and Text Amendments (Rem Rec 11200)

Revisions to Parking Standards

Targeted revisions to parking standards are proposed as part of the draft package of code amendments adopted with the UGB.

- Reductions to parking requirements for residential and commercial uses in the MU zone, similar to those in place for the CBD (e.g. 1 space per housing unit, regardless of size and type; 1 space per 500 square feet of commercial for all commercial uses).

- Allow on-street parking along the property frontage to count for up to 100% of required parking in the MU and MN zones.
- Allow on-street parking along the property frontage to count even if parking is only allowed on one side of the street.
- Provide automatic 5% reduction to minimum parking requirements for mixed use development.
- Provide automatic 10% reduction to minimum parking requirements for development adjacent to transit.
- Apply existing parking reduction for affordable housing (1 space per housing unit) regardless of location, rather than limiting it to locations within 660 feet of transit.
- Reductions to parking for 1-bedroom duplexes and triplexes (from 2 to 1 space per unit)

More comprehensive revisions to parking standards will be considered through the Parking Study, which is currently underway. See Amendments to BDC (Rem Rec 11149), specifically:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 2.2 Commercial Zoning Districts (Rem Rec 11159 – 11161)
- Chapter 2.3 Mixed-Use Zoning Districts (Rem Rec 11162 – 11171)
- Chapter 2.7 Special Planned Districts (Rem Rec 11172 – 11182)
- Chapter 3.3 Vehicle Parking, Loading and Bicycle Parking (Rem Rec 11183 – 11186)
- Chapter 3.6 Special Standards and Regulations for Certain Uses (Rem Rec 11189 – 11200)

Allowing More Intense Development in the Mixed Employment Zone

The Mixed Employment (ME) zone allows for a wide range of uses. Currently, it is subject to a 50% maximum lot coverage limitation and a 10-foot minimum front setback that make it difficult to build more intense development. The package of code amendments includes removing both of those limitations. It also includes a height bonus of 10 feet for vertical mixed use or affordable housing in the ME zone. Amendments to the ME zone also ensure that housing is built as part of a mixed use development. Housing that is part of horizontal mixed use must meet RM zone minimum densities where there is only a small non-residential component to the development or where the site is adjacent to transit. Several auto-oriented commercial uses are also proposed to become conditional, rather than permitted uses, in order to encourage more walkable, pedestrian-friendly development. Combined with modest reductions to parking requirements, these adjustments will allow and encourage more intensive and efficient development, though parking requirements will still limit the ability to build urban-scale development in this zone. See Amendments to BDC (Rem Rec 11149), specifically:

- Chapter 2.3 Mixed-Use Zoning Districts (Rem Rec 11162 – 11171)
- Chapter 3.3 Vehicle Parking, Loading and Bicycle Parking (Rem Rec 11183 – 11186)
- Chapter 3.6 Special Standards and Regulations for Certain Uses (Rem Rec 11189 – 11200)

Residential Density in Commercial and Mixed Use Zones

Currently, there are no minimum or maximum density standards for residential uses developed in commercial or mixed use zones. In commercial zones, residential uses are only permitted as part of a mixed use development, but this can include "horizontal" mixed use where the uses are in separate buildings and the residential uses are on the ground floor. In mixed use zones, residential uses are allowed (outright or conditionally) as stand-alone uses as well as through mixed use developments.

In order to ensure that land for housing in the commercial and mixed use zones is used efficiently, the package of code amendments includes minimum density standards for targeted areas. Minimum residential density standards apply to:

- all horizontal mixed use development adjacent to transit in commercial and mixed use zones;
- horizontal mixed use development in which residential uses are primary in the ME and PO zones; and
- all residential development (except vertical mixed use) in the MU and MN zones.

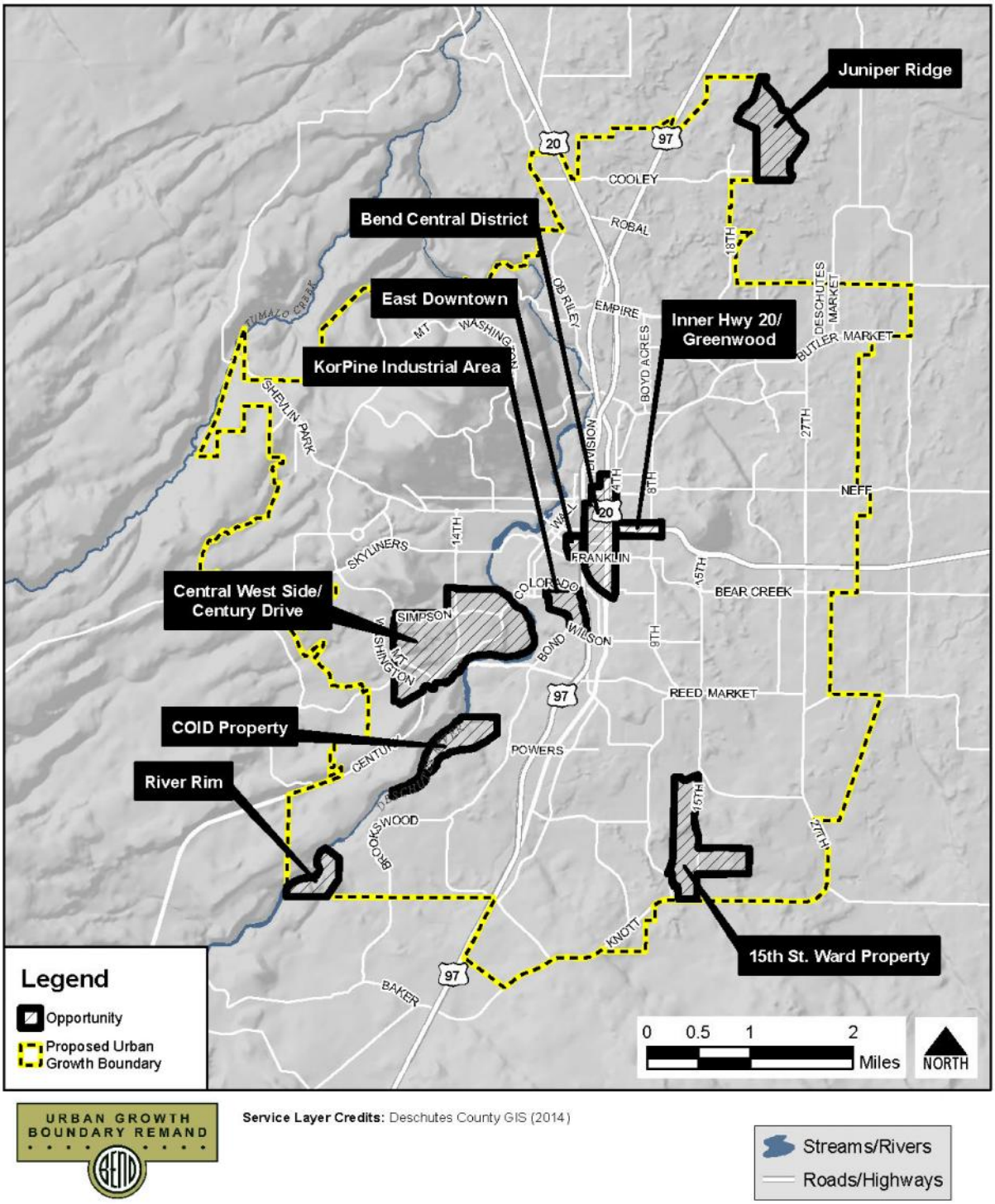
The minimum density for such sites is the same as in the RM zone (7.3 units per acre), measured only on the portion of the site dedicated to residential uses on the ground-floor. There continues to be no maximum density standard (except through the height and lot coverage limitations) for residential in the commercial or mixed use zones, and no minimum or maximum for "vertical" mixed use, where the housing is above commercial. See Amendments to BDC (Rem Rec 11149), specifically:

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 2.2 Commercial Zoning Districts (Rem Rec 11159 – 11161)
- Chapter 2.3 Mixed-Use Zoning Districts (Rem Rec 11162 – 11171)
- Chapter 2.7 Special Planned Districts (Rem Rec 11172 – 11182)
- Chapter 3.6 Special Standards and Regulations for Certain Uses (Rem Rec 11189 – 11200)

Changes to Plan Designations for Opportunity Areas

The Residential and Employment TACs identified a number of opportunity sites within the existing UGB to consider site-specific efficiency measures. Some opportunity areas were identified as having redevelopment potential, while others are large vacant sites where a broader range of uses or housing types than is permitted under existing zoning is feasible. The full set of opportunity areas is identified on Figure 4-3. Those identified for comprehensive plan map amendments and/or zone changes are listed below.

Figure 4-3. Opportunity Areas



Opportunity Area 1: Bend Central District

The City of Bend was awarded a Transportation and Growth Management (TGM) grant to develop a plan for the Bend Central District (BCD). The plan was completed in July 2014 and it included recommended amendments to the Bend General Plan, TSP, and BDC to implement a new special plan district for the area. The project included significant public outreach that developed support for implementing the recommended plan and code amendments. The Residential and Employment TACs also supported moving forward with more intensive, mixed-use development in the BCD opportunity area.

Recommendation: Apply the BCD Special Plan District and rezone areas currently zoned IL that have an ME plan designation to ME. No change to plan designations proposed or necessary.

Opportunity Area 2: East Downtown

There is minimal redevelopment potential in this area in the 2028 planning horizon, though it presents a longer-term opportunity to extend the downtown.

Recommendation: Amend plan designation from General Commercial (CG) to Mixed Use Urban (MU) as part of the UGB adoption package. Applying the plan designation expresses the intent for this opportunity area and facilitates property owner initiated rezones when they are ready to develop.

Opportunity Area 3: Central West Side

Bend's Central Westside is changing rapidly with new residential development, schools, parks, and an expanded OSU-Cascades campus on the horizon. To prepare for these investments, the City applied for and was awarded a Transportation and Growth Management (TGM) grant to develop the Central Westside Plan (CWP).

The CWP has been proceeding on a parallel track with the UGB project. The TACs for the UGB project identified the Central Westside as an opportunity area because of the potential to accommodate additional employment and housing development in the area relative to what would be allowed in the Base Case under existing plan designations and zoning.

The Central Westside advisory committee took the lead on identifying areas suitable for Mixed-Use development. Based on the analysis done for the CWP, the Century Drive area (currently designated IL, CC, CG, and CL) is expected to have capacity for about 410 housing units by 2028 (about 275 on vacant land).

Recommendation: Change IL, CC, CG, and CL plan designations to MU. Change the plan designation on the strip of Deschutes County-owned property north of Simpson from PF to RM. Rezoning can be initiated following UGB adoption.

Opportunity Area 4: KorPine Industrial Area

The Residential and Employment TACs identified this area, currently designated General Industrial (IG), as an opportunity to transition to higher density, mixed use development.

Recommendation: Amend plan and zoning designations from General Industrial (IG) to MU as part of the UGB adoption process. The MU zone provides flexibility regarding continuation of existing uses, which will limit concerns about non-conforming uses.

Opportunity Area 6: 15th Street Ward Property

This opportunity area includes over 200 vacant acres in common ownership (excluding land recently acquired for a community park) and can accommodate substantially more housing units, including a greater mix of housing units, than allowed under current RS zoning. This represents a significant opportunity for increasing efficiency of land inside the existing UGB.

Recommendation: Amend the plan and zoning map designations for this opportunity area to include roughly 8.3 acres of RM, 6.4 acres of RH, 10.2 acres of ME, 5 acres of Convenience Commercial (CC), and 11 acres of Limited Commercial (CL) in addition to RS as part of the UGB adoption package. The acreage for each zone was refined based on testimony from the property owner and direction from the USC (Rem Rec 4142, 5321, 6076, and oral testimony at 9215 and10151).

Opportunity Area 7: COID Property

This 130-acre area is currently in public ownership by the Central Oregon Irrigation District (COID), which submitted testimony requesting to make the land available for residential development. It is encumbered by a view easement through 2035, but over the longer-term future may provide an opportunity for housing (Rem Rec 5487, 5475).

Recommendation: Amend the plan map from PF to RS on the on the portion of the site that is outside the river canyon and not constrained by steep slopes or Areas of Special Interest as part of the UGB adoption process (RS zoning is already in place).

The amendments described above are adopted and implemented through many different regulatory documents including the Comprehensive Plan and maps through the BDC and Zoning Map. Record references by subject are provided below as evidence.

- Chapter 2.1 Residential Districts (Rem Rec 11151 – 11158)
- Chapter 2.2 Commercial Zoning Districts (Rem Rec 11159 – 11161)
- Chapter 2.3 Mixed-Use Zoning Districts (Rem Rec 11162 – 11171)
- Chapter 2.7 Special Planned Districts (Rem Rec 11172 – 11182)
- Chapter 3.3 Vehicle Parking, Loading and Bicycle Parking (Rem Rec 11183 – 11186)
- Chapter 3.4 Public Improvement Standards (Rem Rec 11187 – 11188)

- Chapter 3.6 Special Standards and Regulations for Certain Uses (Rem Rec 11189 – 11200)
- Chapter 4.5 Master Planning and Development Alternatives (Rem Rec 11192-11199)
- Chapter 4.6 Land Use District Map and Text Amendments (Rem Rec 11200)
- See also related proposed amendments to the zoning map (Rem Rec 11147-11148) and comprehensive plan map (Rem Rec 11145-11146) and enabling policy from the Comprehensive Plan and supporting technical documentation (Rem Rec 10310-10994)

Conclusion: The Council finds that Section 4.4.7 above documents that the City is adopting a robust package of efficiency measures (BDC text and Plan and Zoning Map Amendments) with the 2016 UGB that will demonstrably increase the likelihood of higher density residential development and a mix of housing types consistent with the need identified in the HNA. Proposed plan and zoning map amendments are targeted to specific opportunity areas with characteristics (such as location on transit corridors and in proximity to amenities) to support higher residential densities and mixed use development.

Table 4-16 summarizes actions and measures included in the package of efficiency measures (relative to those listed in ORS 197.296(9).

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Table 4-16. Efficiency Measures to Accommodate Needed Housing

Efficiency Measures in ORS 197.296	Efficiency Measures Packaged with UGB Adoption or Adopted by City in Response to Remand (See Rem Rec 11149)
Increases in permitted density on existing residential land	Increased permitted density in RL zone from 2.2 to 4.0 units/acre.
Financial incentives for higher density housing	The BDC was amended in May 2015 to include incentives for affordable housing (BDC 3.6.200.C), including: a) Expedited review and permit processing, b) Planning/building fee exemptions up to $10,000 per project, c) System Development Charge deferrals, and d) Density and height bonuses when affordable housing units are provided.
Provisions permitting additional density beyond that generally allowed in the zoning district	Density bonus for affordable housing in all residential zones adopted in May 2015 (BDC 2.1.600.D). Bonus is tied to the percentage of affordable units; up to a maximum bonus of 1.5 times the maximum density.
Removal or easing of approval standards or procedures	Measures easing approval procedures include: • ADU changed from conditional to permitted use in RS, RL and SR 2 ½ zones (already permitted in all other residential zones) in 2016. • Single family courtyard housing, attached single family townhomes, duplexes and triplexes changed from conditional to permitted use in RS zone. • Provide new option for streamlined review process (Type II) for master plans where clear and objective standards are met. Measures removing or easing approval standards include: • Reduced minimum lot sizes for SFD housing in RL and RM zones. • Reduced minimum lot area for townhomes in the RM and RH zones. • Eliminated minimum lot area for duplexes, triplexes, and MF housing in the RM and RH zones, allowing gross density to control the allowed number of units. • Reduced required parking standards for one-bedroom duplex/triplex units.

Table 4-16. Efficiency Measures to Accommodate Needed Housing

Efficiency Measures in ORS 197.296	Efficiency Measures Packaged with UGB Adoption or Adopted by City in Response to Remand (See Rem Rec 11149)
Minimum density ranges	See changes in BDC Table 2.1.500 (Rem Rec 11154), including: • Increased minimum density for RS zone from 2.0 to 4.0 units/gross acre. • Increased minimum density requirement for RS master plan to 70% of maximum (5.11) rather than 60% of maximum (4.38). • Established minimum densities for residential uses in Commercial and Mixed Use Zones in locations adjacent to transit and in mixed use zones where residential uses are primary.
Redevelopment and infill strategies	The changes to plan designations and zones for the central opportunity areas are intended to support mixed use redevelopment and infill in those areas. Targeted reductions to parking standards and height and density bonuses for affordable housing also support infill and redevelopment.
Authorization of housing types not previously allowed	See summary of changes relating to removal or easing of approval standards or procedures. Discretionary conditional use approval had previously been required for ADUs, SF courtyard housing, attached SF townhomes, duplexes and triplexes in the RS zone – they will all be permitted outright.
Adoption of average residential density standard	BDC specifies minimum/maximum residential densities for each zone. Because these are gross, rather than net, density standards, they allow for density averaging within a development site. Changes such as removing minimum lot size standards for multifamily support the ability to provide a range of housing densities within a development, provided that the average density is within the permitted range.
Rezoning or redesignation of nonresidential land	Targeted plan map amendments and zone changes for key opportunity sites (currently designated commercial and/or industrial) will be packaged with the UGB adoption. Redesignation of some nonresidential land to Mixed Use will provide capacity to accommodate higher density housing at appropriate locations within the current UGB (such as the Bend Central District, Century Drive area of Central Westside Plan, and KorPine).

Housing Capacity with Efficiency Measures

ORS 197.296 (7)(b) requires that new measures *"demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years*".

The Council relies on the Urbanization Report (Rem Rec 10814). The Urbanization Report (p. 44-48) describes how the efficiency measures inside the existing UGB were evaluated using the ET model by making adjustments to the mix and density of housing projected in certain plan designations to reflect the removal of barriers, creation of incentives, and adjustments to minimum standards in the BDC. Proposed changes to plan designations for opportunity areas, including application of new mixed use zones, were also evaluated using ET by applying a development type that reflects the proposed plan designation rather than the existing one. The model does not provide a mechanism to quantify the magnitude of the impact to capacity for each individual efficiency measure; rather, a cumulative impact of all proposed efficiency measures relative to the base case is provided in the Urbanization Report (see pages 44-48), along with estimates of the impact of changes within certain zones (inside the UGB only) and within specific opportunity areas.

Estimates of Impact by Zone

For residential land, the efficiency measures were assumed to only affect vacant land and land with infill potential that does not have a current land use approval under the existing rules. The redevelopment rate for residential land remains at zero, except for a token (1%) redevelopment rate for properties with some infill potential in the RH zone where removing barriers may allow a small amount of redevelopment (less than one acre of redevelopment is assumed in the RH zone in total). For the ME zone, the efficiency measures were assumed to affect all vacant land and land that was already identified as having redevelopment potential under the Base Case. The Urbanization Report provides the following estimates of the additional housing capacity by zone that is projected to result from the efficiency measures (Urbanization Report, p.44-45; Rem Rec 10858-10859):

- **RL:** 10-20 additional units inside UGB (mostly on larger properties that are developed with infill potential – spread across over 100 acres).
- **RS:** 450-500 additional units inside UGB on RS land under 20 acres (vacant parcels and larger properties that are developed with infill potential – spread across close to 800 acres); plus 150-200 additional units inside UGB on vacant RS land over 20 acres.
- **RM:** 50-100 additional units inside UGB on RM land under 20 acres (vacant parcels and larger properties that are developed with infill potential – spread across over 250 acres); plus 10-20 additional units inside UGB on vacant RM land over 20 acres.
- **RH:** 30-40 additional units inside UGB (spread across over 50 vacant acres of RH land).
- **ME:** 250-300 additional jobs inside UGB; 20-30 housing units inside UGB (spread across over 100 acres of vacant and redevelopable land).

Estimates of Impact in Opportunity Areas

In opportunity areas, redevelopment potential was assessed more specifically due to significant changes in land use regulations in those areas. In addition, new development types were created to reflect the allowed mix of uses, building heights and development standards for the new mixed use zones. The Urbanization Report provides the following estimates of the additional housing capacity by opportunity area that is projected to result from the efficiency measures (Urbanization Report, p.40-42; Rem Rec 10854-10856):

- **Bend Central District:** The BCD area is expected to generate capacity for roughly 240 housing units and greater employment density, primarily through redevelopment of the areas along 1st and 2nd streets.
- **East Downtown:** There is minimal redevelopment potential in this area in the 2028 planning horizon, though it presents a longer-term opportunity to extend the downtown.
- **Central Westside:** This area is expected to have capacity for roughly 490 dwelling units and greater employment density by 2028 through a mix of redevelopment and development on remaining vacant land.
- **KorPine:** This area could have substantial redevelopment potential within the planning horizon, with capacity for roughly 150 dwelling units and greater employment density.
- **Juniper Ridge (eastern portion):** This large, vacant area can accommodate a wider variety of employment than the base Light Industrial plan designation would allow. It is also targeted to accommodate one of the two large lot industrial sites.
- **15th Street Ward Property:** Changing some residential land to employment designations reduces the potential for housing on that land, but helps create a complete community in this area and increases employment capacity inside the UGB. Housing mix is increased due to the change in residential zones, and total housing capacity is increased on the portions rezoned to RM and RH by a minimum of about 170 housing units relative to the RS zoning. Note that the changes to the master plan standards, increasing minimum density for the RS portion and setting housing mix requirements, also increase minimum housing capacity and expected housing mix on this site.
- **COID Property:** This 130-acre area is currently in public ownership by the COID, which submitted testimony requesting to make the land available for residential development. It is encumbered by a view easement through 2035, but over the longer-term future may provide an opportunity for housing.
- **River Rim:** The property has always been assumed to develop consistent with the RS plan designation; however, the changes to the RS master plan standards, increasing minimum density and setting housing mix requirements, will increase minimum housing capacity and expected housing mix on this site.

City-Wide Capacity Estimate

Table 4-17 summarizes the residential capacity estimated within the existing UGB with the efficiency measures described in Section 4.4.7 in place. Note that the number of new housing

units reported is net of any existing units that may be lost through redevelopment in non-residential districts.

In total, the current UGB can accommodate roughly 11,950 housing units after accounting for the projected impact of efficiency measures. This is an increase of roughly 20% relative to the Base Case. Most of that increase comes from growth in single family attached and multifamily housing. (Urbanization Report, p. 44-45; Rem Rec 10858-10859). The mix of units projected with efficiency measures largely achieves the needed housing mix identified in the HNA (55/10/35).

Table 4-17 shows the increase in housing capacity as a result of the efficiency measures. Even with this additional capacity, Bend has a residual housing need that cannot reasonably be met within the UGB.

Table 4-17. Housing Capacity with Efficiency Measures Compared to Housing Needs by Housing Type, Bend, 2014-2028

Housing Type	Base case	Increase from Efficiency Measures	With Efficiency Measures
Single Family Detached	6,496	103	6,599
Single Family Attached	498	541	1,039
Multi-Family	3,045	1,267	4,313
Total	**10,039**	**1,911**	**11,950**

Source: 2016 Urbanization Report, Table 14.

Table 4-18 summarizes the housing capacity with efficiency measures by proposed plan designation. The RS district accommodates about 87% of the single family detached units. The RM district accommodates the largest share (48%) of the single family attached units. The RM district also accommodates the largest share (37%) of the multi-family units, but the remaining multi-family units are accommodated across a broad range of residential and mixed-use districts. The increased capacity for multi-family units largely reflects the plan map amendments for opportunity areas, including but not limited to the Bend Central District, Century Drive, KorPine, and the 15th Street/Ward properties. The plan map amendments and code amendments work together to facilitate higher-density mixed use development, including multifamily units, in appropriate locations along transit corridors.

Table 4-18. Housing Capacity with Efficiency Measures by Proposed Plan Designation*

Plan Designation	Single Family Detached Units	Single Family Attached Units	Multi-Family Units	Total New Housing Units
RL	177	2	8	187
RS	5,726	253	385	6,364
RM*	698	494	1,598	2,790
RH*	-	139	838	978
MDOZ*	-	-	490	490
ME	(1)	17	9	26
MR	9	38	38	85
MN	12	78	322	422
MU	-	10	142	152
BCD*	(6)	3	242	239
Other	(14)	4	231	221
Total	**6,599**	**1,039**	**4,313**	**11,950**

Source: Urbanization Report, Table 13.

* Development capacity in the MDOZ and the Bend Central District is counted under the relevant overlay zone rather than by plan designation.

Comparison to Need

With efficiency measures, roughly 70% of the total housing growth to 2028 can be accommodated inside the existing UGB, as shown in Table 4-19. Compared to the Base Case, the biggest increases in capacity are in multifamily housing. With efficiency measures in place, the housing mix within the UGB is much more closely aligned with the overall needed housing mix.

Table 4-19. Housing Capacity with Efficiency Measures Compared to Housing Needs by Housing Type

Housing Type	Net New Housing Units	Total Housing Need	Residual Housing Need	Percent of Housing Need Met
Single Family Detached	6,599	9,225	2,626	72%
Single Family Attached	1,039	1,677	638	62%
Multi-Family	4,313	6,331	2,018	68%
Total	**11,950**	**17,233**	**5,282**	**69%**

Source: Urbanization Report, Table 16.

Conclusion: The Council finds that the City has committed to adoption of an integrated package of plan map and code amendments that will enhance the efficient use of land within the current UGB, make it more likely that the market will deliver the needed mix and density of housing, and minimize the size of the UGB expansion. As documented in the findings under

Section 4.4.7, the efficiency measures comply with ORS 197.296 and include a package of incentives (more housing types permitted outright, reduced minimum lot sizes for certain housing types, etc.) and requirements (increased minimum density in RS zone, required minimum density and housing mix provisions for master plans, etc.) that are targeted to support and respond to the demographic trends and housing needs identified in the HNA, and will result in roughly a 20% increase in housing capacity inside the UGB relative to the Base Case.

The overall 2016 UGB proposal will support the City's growth management strategy to focus more intensive development to a hierarchy of centers and corridors within the current UGB in tandem with thoughtful expansion of the UGB. Land within the current UGB is already within the city limits and urban infrastructure is either available or is programmed in adopted public facility plans. Removing barriers to and providing incentives for more efficient use of appropriate lands within the current UGB is critical because of the relatively limited number of years remaining in the planning horizon to 2028. Additional planning steps will be required before UGB expansion areas will be available and ready for urban development, including but not limited to annexation, refinement planning and/or master planning, and infrastructure improvements. Maximizing the use of vacant and buildable land within the current UGB provides the best near-term opportunity for the City and developers to respond to demographic and housing trends that underlie the need for a broader mix of housing types and densities in Bend. Goals and policies in the Growth Management Chapter of the Comprehensive Plan provide the urban form framework to direct new growth to appropriate areas (See new Chapter 11 – Growth Management, Rem Rec 10362).

4.4.8. Zoning and Regulating Needed Housing

4.4.8.1 Assigning Appropriate Plan Designations and Zoning

ORS 197.307 establishes the link between needed housing and plan and zone districts with sufficient buildable land to satisfy that need. ORS 197.307(3) provides that:

> *(3) When a need has been shown for housing within an urban growth boundary at particular price ranges and rent levels, needed housing shall be permitted in one or more zoning districts or in zones described by some comprehensive plans as overlay zones with sufficient buildable land to satisfy that need.*

OAR 660-008-0010 addresses the allocation of buildable land and provides that:

> ** * * Sufficient buildable land shall be designated on the comprehensive plan map to satisfy housing needs by type and density range as determined in the housing needs projection. ****

ORS 197.296(9) requires that land zoned for needed housing be located appropriately:

> *(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for*

needed housing is in locations appropriate for the housing types identified under subsection (3) of this section and is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section.

OAR 660-008-0020 sets forth the requirement for specific plan designations as follows:

(1) Plan designations that allow or require residential uses shall be assigned to all buildable land. Such designations may allow nonresidential uses as well as residential uses. Such designations may be considered to be "residential plan designations" for the purposes of this division. The plan designations assigned to buildable land shall be specific so as to accommodate the varying housing types and densities identified in the local housing needs projection.

(2) A local government may defer the assignment of specific residential plan designations only when the following conditions have been met:

(a) Uncertainties concerning the funding, local and timing of public facilities have been identified in the local comprehensive plan;

(b) The decision not to assign specific residential plan designations is specifically related to identified public facilities constraints and is so justified in the plan; and

(c) The plan includes a time-specific strategy for resolution of identified public facilities uncertainties and a policy commitment to assign specific residential plan designations when identified public facilities uncertainties are resolved.

OAR 660-008-0025 outlines the requirements for the rezoning process:

A local government may defer rezoning of land within an urban growth boundary to maximum planned residential density provided that the process for future rezoning is reasonably justified. If such is the case, then:

(1) The plan shall contain a justification for the rezoning process and policies which explain how this process will be used to provide for needed housing.

(2) Standards and procedures governing the process for future rezoning shall be based on the rezoning justification and policy statement, and must be clear and objective and meet other requirements in OAR 660-008-0015.

OAR 660-024-0050(6) reinforces the requirement to assign appropriate plan designations to land added to the UGB, consistent with the need determination.

(6) When land is added to the UGB, the local government must assign appropriate urban plan designations to the added land, consistent with the need determination. The local government must also apply appropriate zoning to the added land consistent with the plan designation or may maintain the land as urbanizable land until the land is rezoned for the planned urban uses, either by retaining the zoning that was assigned prior to inclusion in the boundary or by applying other interim zoning that maintains the land's

potential for planned urban development. The requirements of ORS 197.296 regarding planning and zoning also apply when local governments specified in that statute add land to the UGB.

The Council finds that the HNA documents a need for 13,770 housing units within the UGB for the remainder of the planning period to 2028 (HNA, p. 75; Rem Rec 10651).[60] As described in Section 4.4.3, the USC identified a "needed" housing mix of 55% single-family detached, 10% single-family attached, and 35% multifamily for the remainder of the planning period (2014-2028) (See September 4, 2014 USC Meeting Minutes (Rem Rec 3553-3556)).

As required by ORS 197.307 and OAR 660-008-0010, the BLI documents the amount of buildable land in each residential plan designation consistent with the definitions and methodology set forth in OAR 660-024-0050 and related statutes and rules (see findings in Section 4.4.5).

The findings in Section 4.4.6 describe the capacity analysis for the UGB based on the updated BLI and are incorporated by this reference to address ORS 197.303 and OAR 660-008-0010. Table 4-16 shows that buildable residential land within the current UGB can accommodate roughly 10,040housing units under the current plan designations and policies and historic trends in development density. This represents roughly 60% of the total housing need forecast for 2028.

The results of the Base Case analysis indicate that the current UGB does not include sufficient buildable land to satisfy the housing need and the BLI capacity (by plan designation) is not aligned with the needed housing mix endorsed by the USC. These results confirmed that additional efficiency measures were required to increase the likelihood that needed housing types will be built inside the UGB, and to make better use of residential land inside the current UGB; thereby satisfying both Goals 10 and 14.

Table 4-17 summarizes the residential capacity estimated within the current UGB with the efficiency measures described in Section 4.4.7. The package of efficiency measures that will be adopted with the UGB will increase the capacity to accommodate roughly an additional 1,910 housing units within the current UGB, and the mix of units projected with efficiency measures largely achieves the housing mix identified in the HNA (55/10/35).

Table 4-18 summarizes the housing capacity with efficiency measures by proposed plan designation. The plan map amendments and code amendments work together to facilitate higher-density mixed use development, including multifamily units, in appropriate locations along transit corridors.

[60] The total housing need (17,233 units) includes second homes and equivalent dwelling units to meet group housing needs. However, the second homes are not considered "needed housing" by the city of under the Remand.

Key efficiency measures that are influencing the increase in housing capacity and improved housing mix within the UGB are described in Section 4.4.7.

1. The BLI documents that more than 75% of the vacant residential land in the current UGB is in the RS district. Amendments to the BDC expand the range of housing types that will be permitted outright in the RS zone, where they previously required discretionary conditional use approval. Additional housing types that will be permitted with the Code Amendments include: single-family courtyard housing, townhomes, accessory dwelling units, and duplexes and triplexes (Rem Rec 11153). As a result, a larger number of single-family attached and multifamily units will be accommodated in the RS zone relative to the Base Case capacity for the zone without efficiency measures (see Tables 4-15 and 4-19).

2. For the RM district, amendments to the BDC will make it easier to achieve the higher end of the density range (7.3 to 21.7 units per gross acre). Changes include:

   a) reducing the minimum lot area for SFD from 3,000 sq. ft. to 2,500 sq. ft.,
   b) eliminating the minimum lot area for duplexes and triplexes (min/max density will control),
   c) reducing the minimum lot area for townhomes from 2,000 sq. ft. to 1,600 sq. ft.,
   d) reducing minimum lot width/depth standards for townhomes, and d) eliminating the minimum lot area for multifamily housing (min/max density will control).

   These amendments will make it easier to reach the upper end of the gross density range (21.7 units per gross acre) for the RM district. As a result, a larger number of single-family attached and multifamily units will be accommodated in the RM zone relative to the Base Case capacity for the zone without efficiency measures (see Tables 4-15 and 4-19).

3. For the RH district, amendments to the BDC will also facilitate more efficient use of that land for multifamily housing. Changes include:

   a) eliminating single-family detached housing and manufactured home parks as permitted uses in the RH zone,
   b) eliminating the minimum lot area requirement for duplex and triplex units (min/max density will control),
   c) reducing the minimum lot area for townhomes from 2,000 sq. ft. to 1,200 sq. ft.,
   d) reducing minimum lot width/depth standards for townhomes, and d) eliminating the minimum lot area for multifamily housing (min/max density will control).

   These amendments will make it easier to reach the upper end for the gross density range (43.0 units per gross acre) for the RH district. As a result, a larger number of single-family attached and multifamily units will be accommodated in the RH zone relative to the Base Case capacity for the zone without efficiency measures (see Tables 4-15 and 4-19).

4. Amendments to the Master Plan Chapter of the BDC will also facilitate an increase in minimum densities (relative to base zone minimums) and a required mix of housing on larger sites (20 or more acres) that will be subject to master planning. As a result, the housing capacity and housing mix for larger vacant sites has increased relative to the Base Case capacity without the efficiency measures.

5. Targeted plan map amendments and zone changes within the UGB will also increase housing capacity and expand the housing mix for specific opportunity sites/areas. As summarized in Section 4.4.7.2 of these findings, plan and zoning map amendments for the BCD, Central Westside, KorPine and 15th Street/Ward property opportunity areas will expand the capacity for additional housing units by 2028.

6. Other code amendments, including but not limited to targeted reductions to minimum parking standards, will also contribute to more efficient use of buildable land within the UGB.

In summary, plan designations and efficiency measures have been applied to buildable lands within the current UGB to accommodate roughly 11,950 units or 69% of the total housing unit growth (17,233) to the year 2028. The plan designations (with efficiency measures) will provide the opportunity to achieve the needed mix and density of housing consistent with the HNA findings and minimize the size of the UGB expansion.

The estimated yield from the efficiency measures has also been carefully evaluated to ensure that the density assumed is likely to be achieved by the current housing market, with potential to increase over time as the housing market shifts to respond to demographic trends. Efficiency measures combine changes to all residential zones and create opportunities for redevelopment by rezoning or amending the plan designations for lands in the current UGB. This strategy provides a basis for needed housing to be met throughout the city, and in targeted locations. Redevelopment areas (opportunity areas) providing needed housing are in carefully selected locations which are high levels of amenities, access to transit, and well connected street systems. These areas have been shown in other findings (see Sections 7 and 8 of these findings) to decrease reliance on the automobile and shorter and fewer automobile trips, thus decreasing transportation costs compared to areas on the fringe. The estimated redevelopment rate from proposed new mixed use areas has also been carefully calibrated to ensure that the needed housing estimated in those areas is likely to be achieved by the housing market.

Based on the evidence in the HNA, BLI and Urbanization Report, the City of Bend needs to include additional land in the UGB to accommodate the residual need for 5,282,additional housing units by 2028 (see Table 4-19). Plan designations have been applied to the UGB expansion areas to accommodate the residual housing units, consistent with the targeted housing mix established for the overall UGB (55/10/35).

Specific plan designations have been applied to all buildable land within the current UGB and in UGB expansion areas as required by OAR 660-008-0020 (see Comprehensive Plan Map in

Section 1 of this Findings Report). The plan designations have been calibrated to match the total housing units (by type) needed to the year 2028. The overall package will support the City's growth management strategy to focus more intensive development to a hierarchy of centers and corridors within the current UGB in tandem with thoughtful expansion of the UGB that prioritizes development of complete communities.

New policies included in the Growth Management Chapter of the Comprehensive Plan (Rem Rec 10362) will ensure that the total number and mix of housing units assumed for each UGB expansion area will be achieved through annexation agreements and area plans/master plans. New policies for the UGB expansion areas are intended to:

- Ensure housing mix and numbers are met (consistent with the capacity assumptions).
- Provide flexibility to adjust the plan designations spatially, if needed.
- Identify conceptual plans for key streets, trails, and other transportation facilities.
- Identify how needed parks and schools will be provided and conceptually where they will be located.
- Address how infrastructure funding will be accomplished.

4.4.8.2 Requirement for Clear and Objective Standards

ORS 197.307 requires that only clear and objective standards apply to needed housing:

> *(4) Except as provided in subsection (6) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of needed housing on buildable land described in subsection (3) of this section. The standards, conditions and procedures may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.*
>
> *(5) The provisions of subsection (4) of this section do not apply to:*
>
> *(a) An application or permit for residential development in an area identified in a formally adopted central city plan, or a regional center as defined by Metro, in a city with a population of 500,000 or more.*
>
> *(b) An application or permit for residential development in historic areas designated for protection under a land use planning goal protecting historic areas.*
>
> *(6) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in subsection (4) of this section, a local government may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:*
>
> *(a) The applicant retains the option of proceeding under the approval process that meets the requirements of subsection (4) of this section;*

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in subsection (4) of this section.

(7) Subject to subsection (4) of this section, this section does not infringe on a local government's prerogative to:

(a) Set approval standards under which a particular housing type is permitted outright;

(b) Impose special conditions upon approval of a specific development proposal; or

(c) Establish approval procedures.

These requirements are echoed in OAR 660-008-0015:

(1) Except as provided in section (2) of this rule, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of needed housing on buildable land. The standards, conditions and procedures may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.

(2) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in section (1) of this rule, a local government may adopt and apply an optional alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:

(a) The applicant retains the option of proceeding under the approval process that meets the requirements of section (1);

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c)The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in section (1) of this rule.

(3) Subject to section (1), this rule does not infringe on a local government's prerogative to: (a) Set approval standards under which a particular housing type is permitted outright; (b) Impose special conditions upon approval of a specific development proposal; or (c) Establish approval procedures.

The current BDC includes new clear and objective standards for regulating several types of needed housing**,** including single family detached dwellings, manufactured homes on individual lots, duplexes and triplexes, townhomes (and other types of single-family attached housing) and

multifamily housing. Two procedures are provided for complying with design standards: Type I – clear and objective review using menu of design options and Type II – discretionary review for more flexibility (See BDC, Section 2.1.900). Clear and objective standards for specific housing types are provided in the following sections of the BDC:

- Courtyard housing – Section 3.6.200.A
- Accessory dwelling units – Section 3.6.200.B
- Single family attached townhomes – Section 3.6.200.D
- Manufactured homes on individual lots – Section 3.6.200.E
- Manufactured home subdivisions – Section 3.6.200.F
- Manufactured home parks – Section 3.6.200.G
- Duplexes and Triplexes – Section 3.6.200.H
- Residential Uses on Commercial Land – Section 3.6.200.I

The findings in Section 4.4.7 address the efficiency measures that will be adopted with the UGB. The code amendments will permit a much broader range of housing types outright in the RS zone rather than requiring conditional use approval, including townhomes, duplexes and triplexes, courtyard housing and accessory dwelling units. Because the majority of the buildable land in the current UGB is in the RS zone, this code change will make it easier to achieve the needed housing mix under clear and objective standards.

The efficiency measures also include targeted plan map amendments and zone changes for opportunity sites inside the current UGB, including applying new mixed use zones. Housing (on its own or as part of a mixed use building) is subject to clear and objective standards in the new mixed use zones (Rem Rec 11162). The approval criteria to make zone changes consistent with underlying Comprehensive Plan designations has been streamlined to remove approval criteria which are not clear and objective, so that zone changes to deliver needed housing in redevelopment areas. See Chapter 4.6 Land Use District Map and Text Amendments of the BDC (Rem Rec 11200).

Plan map designations will be applied to the UGB expansion areas, consistent with the identified land needs for housing (minimum number of units) and the needed housing mix (SFD, SFA and MF). Chapter 11 (Growth Management) of the Plan (Rem Rec 10390) includes specific policies for each of the UGB expansion areas to convey the intended land use concept for each area, and to identify the mix of plan designations (acres) to guide implementation of urban zones following annexation and refinement planning and/or master planning. The spatial arrangement of plan designations in each of the UGB expansion areas can be moved around, but the overall number and mix of housing units assumed in the UGB capacity analysis must be achieved as specified in the Comprehensive Plan policies (See Housing Policies at Rem Rec 10319 in Housing Chapter, and Area Planning Policies at Rem Rec 10390).

The City has also created a clear and objective path to Mater Planning so this process complies with the clear and objective requirements. See Chapter 4.5 Master Planning and Development Alternatives of the BDC (Rem Rec 11192-11199).

Conclusion: The Council finds that the HNA, BLI and Urbanization Report provide the evidence and linkages to demonstrate that the current UGB does not include sufficient buildable land in appropriate zoning districts to accommodate needed housing over the 2014-2028 planning period. Under the Base Case analysis, buildable land within the current UGB can accommodate 10,039 housing units, or 58% of the housing need to 2028. However, the capacity is not aligned with the needed housing mix.

Packaging adoption of efficiency measures (code amendments and map amendments) with the UGB expansion will increase the housing capacity on buildable land within the current UGB to 11,950 units, meeting roughly 70% of the total housing need to 2028. Most importantly, the estimated housing mix with the efficiency measures largely achieves the needed housing mix (55/10/35) identified in the HNA and endorsed by the USC for UGB planning.

The residual housing need for 5,282 housing units will be accommodated in UGB expansion areas. The amount of land needed for housing has been calibrated based on achieving the targeted mix (55/10/35) for the entire UGB.

With adoption of the efficiency measures, plan designations and zoning will be in place inside the current UGB to accommodate the needed housing units and mix. Specific plan designations will be applied to UGB expansion areas as shown in Exhibit M (Rem Rec 11145). These plan designations, in concert with new policies the Comprehensive Plan for the UGB expansion area (Chapter 11, Growth Management; Rem Rec 10390), will set the framework for implementation of urban zoning consistent with the housing unit and mix assumptions as part of annexation and maser planning, refinement planning, and/or concept planning.

Based on the entire package of plan and code amendments adopted with the UGB expansion, the Council finds that the City has demonstrated compliance with the legal standards relating to assigning appropriate plan designations and zoning in ORS 197.307, OAR 660-008 and OAR 660-024. Additionally, the Council finds that the City has demonstrated compliance with the legal standards requiring clear and objective standards in OAR 660-008-0015.

4.4.9. Residential Land Need

The proposed 2016 UGB expansion is for a total of 2,380 acres:

- 1,142 gross acres of residential land (including land for future schools and future parks not yet in BPRD or school district ownership);
- 815 gross acres of employment land;
- 285 acres of land for public facilities currently in BPRD or school district ownership; and,
- 138 acres of existing right-of-way within and fronting UGB expansion areas, needed to provide urban street improvements to support growth in the expansion areas.

The total residential, employment and park and school land need in the UGB expansion includes within it small amounts of buildable land and developed land that is unlikely to redevelop within the planning horizon located on parcels that have other vacant, buildable land. It also includes land for things like future parks and open space, future schools, future right-of-way, and other future urban uses. A breakdown of the land need is provided in Table 4-20.

Table 4-20: Components of Land Need

	Residential Land	Employment Land	Public Facilities
Total expansion acres on parcels by plan designation	1,142	815	285
Unbuildable Land[61]	11	2	3
Developed Land Not Expected to Redevelop[62]	13	13	152
Vacant and Redevelopable Buildable Acres	1,119	800	130
Land for future right of way, future parks & open space, future schools, and other urban uses	473	254	130
Net Buildable Residential / Employment Acres	**646**	**546**	**0**

Table 4-21 summarizes how housing need is met within the existing UGB and in the proposed UGB expansion. Note that the number of new housing units reported is net of any existing units that may be lost through redevelopment in non-residential districts.

Table 4-21: Full Proposed UGB Housing Capacity by Type

Housing Type	Total Housing Need[63]	Net New Housing Units Inside Current UGB	New Housing Units in UGB Expansion Areas	Total New Housing Units
Single Family Detached	9,225	6,599	2,628	9,227
Single Family Attached	1,667	1,039	636	1,675
Multi-Family	6,331	4,313	2,018	6,331
Total	**17,233**	**11,950**	**5,282**	**17,233**

[61] See page 46 for an explanation of lands identified as unbuildable.

[62] A quarter acre of land on each property with an existing home(s) was assumed to be developed. Redevelopment assumptions are the same as those for developed land inside the UGB (based on the plan designation / development type). For existing schools and parks, the area developed with existing uses was estimated based on aerial photography.

[63] The total housing need listed includes housing units needed to meet projected growth in households, second homes, and equivalent dwelling units to meet group housing needs. See HNA for details. Rec Rec 10655-10659.

While there are very minor differences between the number of units by type needed and the number estimated to be provided through the proposed UGB expansion and efficiency measures inside the existing UGB, they are so slight as to be attributable to rounding errors and the precision of the ET model. In total, the Council finds that the UGB expansion proposal meets the City's identified housing needs as well as accommodating the projected number of second homes and group quarters.

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5. ECONOMIC DEVELOPMENT LAND NEEDS

5.1 Introduction

As shown in Figure 1-1 (see Section 1 of Findings Report), three key documents are central in Bend's planning for jobs and economic development land needs.[1]

- BLI
- EOA
- Urbanization Report

These three reports will be incorporated into the Bend Comprehensive Plan as part of the UGB adoption package. The major components of each report are described in Table 1-1 (see Section 1 of Findings Report). In addition to these three reports, the City will adopt Plan and BDC and map amendments as part of the UGB package. The consolidated UGB adoption package will assure efficient use of land within the UGB and in expansion areas to accommodate needed jobs and economic development.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

5.2 Summary of Relevant Legal Standards

The findings in this section address the relevant legal standards in state law that are applicable to Bend's determination of land needs for economic development. In an effort to address all relevant legal standards and to "tell the story" in a logical way, the findings are generally organized to follow the framework outlined in the Goal 9 Guidebook.[2] Table 5-1 summarizes the organization of the findings and the relevant legal standards. The applicable ORS and OARs, their standards, and the City's findings included in this and other sections of the findings are the June 30, 2013 versions of ORS 197.298 and Division 24. Other ORS and OARs are current versions as of 2016[3].

[1] As shown in Figure 1-1, the HNA is the fourth key document for Bend's UGB planning. Findings to address land needs for housing are included in Section 4 of this Findings Report.

[2] The guidebook is available on-line at: http://www.oregon.gov/LCD/docs/publications/g9guidebook/goal9guidebook_without_cover.pdf

[3] The City relied on the June 30, 2013 versions of ORS 197.298, and OAR 660-024 for the analysis. For other relevant statutes and administrative rules, the City relied on those versions available online as of 2016. The City also relied on 2016 HB 4126 (See 2016 Oregon Laws, Chapter 81).

Table 5-1. Relevant Legal Standards

Section Heading in Findings	Applicable Statewide Planning Goal(s)	Applicable Oregon Administrative Rule(s) (OAR)
5.4.1 Planning Horizon and Employment Forecast	14 9	660-024-0040(1) and (5) 660-009-0025
5.4.2 Employment Trends and Site Needs	9 14	660-009-0010 660-009-0015 660-024-0050
5.4.3 Buildable Lands Inventory for Employment Lands	14 9	660-024-0050(1) 660-009-015(3)
5.4.4 Options to Address Deficiency	14	660-024-0050(4)
5.4.5 Economic Development Policies and Designation of Lands for Employment	9 14	660-009-0020 660-024-0050(6) through (8)
5.4.6 Employment Land Need	9 14	660-009-0025 660-024-0040(5)

5.3 Substantial Evidence

Table 5-2 summarizes the key evidence that supports the findings in this section. Access to the 2009 UGB Record and the 2011-2016 Record on Remand is also available on the City's website for the UGB Remand Project http://www.bend.or.us/index.aspx?page=1290.

Table 5-2. Key Record Preferences

Description	Date	Page #
2009 UGB Record		*Record (R.)*
Population Forecast (2008-2028)	11/19/07	8801
2008 Economic Opportunities Analysis (EOA)	12/08	1500
Employment Forecast for 2028	12/08	1578
Special Site Needs	12/08	1628
2011-2016 Record on Remand		*Remand Record (Rem Rec.)*
2016 Buildable Lands Inventory	7/18/16	10513
2016 Economic Opportunities Analysis	7/19/16	10687
2016 Urbanization Report	7/18/16	10814
Amendments to Bend Comprehensive Plan Chapter 6: Economy	7/20/16	10326
New Bend Comprehensive Plan Chapter 11: Growth Management	7/2016	10362
Amendments to Text of Bend Development Code (focused on employment districts)	7/19/16	11149
Amendments to Bend Comprehensive Plan Map	7/2016	11145
Amendments to Bend Zoning Map	7/20/16	11147

5.4 Findings

5.4.1 Planning Horizon and Employment Forecast

5.4.1.1 Planning Horizon

The Goal 14 Rule (OAR 660, Division 24) and the Goal 9 Rule (OAR 660, Division 9) set the legal framework for determining land need for employment and designating lands for industrial and other employment uses.

OAR 660-024-0040(1) provides:

> *(1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under Rules in OAR 660-024-0030 and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year land need determinations are estimates which, although based on the best available methodologies, should not be held to an unreasonably high level of precision. ****

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ORS 197.296 and OAR 660, Division 24 require the use of a 20-year planning horizon for UGB expansion. OAR 660-024-0040(1) clarifies that the 20-year period must begin on the date initially scheduled for adoption of the amendment. Because Bend is completing work required under the Remand of the 2008 UGB expansion proposal, the 20-year planning period begins in 2008 and runs through 2028.

Despite the economic recession that affected most of the intervening years since the Remand Order was issued in 2010, economic development has occurred in Bend since 2008. To provide the most current data possible of how much of the projected 20-year employment growth has already occurred and remaining capacity inside the current UGB, the buildable lands inventory was updated and employment growth through 2013 was deducted from forecast employment through 2028 (Rem Rec 10825).

This report includes findings in Section 4 that show the Director of DLCD and LCDC found the extension of the 2025 population forecast complied with relevant state law (See Director's January 8, 2010 Report, page 25)[4]. LCDC further concluded and acknowledged that the City had established the 20-year planning period (2008 to 2028) consistent with state law in the Remand (Rem Rec. 5790). The City notes that the Population Research Center (PRC) was charged with developing population forecasts for cities through legislation passed 2013[5]. The first coordinated population forecast for Deschutes County (and cities) prepared by the PRC under the new population forecast rules in OAR 660, division 32 was issued in June 2015[6], relatively late in Bend's planning process for the UGB. Therefore, the City has continued to rely on the 2008-2028 planning horizon for the UGB proposal as allowed by the Remand.

5.4.1.2 Employment Forecast

OAR 660-024-0040(5) provides:

> *(5) ***the determination of 20-year employment land need for an urban area must comply with applicable requirements of Goal 9 and OAR chapter 660, division 9... Employment land need may be based on an estimate of job growth over the planning period; local government must provide a reasonable justification for the job growth estimate but Goal 14 does not require that job growth estimates necessarily be proportional to population growth.****

[4] **Official Notice** – the January 8, 2010 Director's Report of the Department of Land Conservation and Development, which is available online through this URL: http://www.oregon.gov/LCD/docs/general/directors_report_001775.pdf.

[5] See HB 2253, passed by the 77th Oregon Legislative Assembly. The enrolled version is available online through - https://olis.leg.state.or.us/liz/2013R1/Measures/Overview/HB2253.

[6] PSU Population Research Center, Deschutes County Coordinated Population Forecast: 2015 through 2065. http://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1034&context=populationreports

The City of Bend adopted an Economic Opportunities Analysis (EOA) to support the 2008 UGB proposal. The 2008 EOA is included in the record (Rec 1498). The 2008 EOA includes a discussion of: 1) demographic trends, 2) historic employment trends, 3) expected employment trends, 4) Bend's land supply, 5) new employment, and 6) Bend's employment land needs to 2028 (Rem Rec 1503-1506).

The Department, and ultimately LCDC, found that the City had followed the "main steps" required by the Goal 9 rule for determining the amount of employment land needed for the 20 year planning period (Remand Order, p. 67; Rem Rec 5790).

The Remand Order (page 66) addresses the employment forecast to 2028 as follows:

> "***The findings and the 2008 EOA contain both an analysis of trends and a projection of employment in 2028 by industry sectors. The city projects 22,891 employees in 2028 (R. at 1108, 1139 (findings), R. at 1588 (2008 EOA)). The department agrees that the city's projection of employment in 2028 complies with Goal 9 and OAR Chapter 660, division 9."

The City has updated the EOA (2016 EOA) to support the current UGB proposal. The update uses the 2008 EOA adopted by the City of Bend as a foundation because key findings of the 2008 EOA, including the employment forecast to 2028, were found to meet Goal 9 in the Remand. The 2016 EOA update: 1) addresses issues identified in the Remand, 2) addresses economic activity that occurred in Bend between 2008 and 2013, and 3) reflects input received from the Employment TAC and the USC on key issues.[7]

When the UGB RTF began work on the Remand issues in 2010, the City initially intended to rely on 2008 data whenever possible, including using 2008 data as the basis for the Buildable Lands Inventory (BLI) and the Economic Opportunities Analysis (EOA). However, given the amount of time that has elapsed since the Remand Order was issued in 2010, the City, through the advice of the TACs, decided to update data on building permits and changes in employment from 2008 through 2013 to more accurately reflect current conditions on the ground.[8]

Table 5-3 shows the forecast of growth by major employment categories for Bend for 2008 to 2028 that was originally developed for the 2008 EOA and acknowledged in the Remand. Employment was forecast to grow by 22,891 employees (about 61%) over the 2008-2028 planning period, at an average annual growth rate of 2.4%.

[7] Agenda items for the Employment TAC and the USC during 2014 and 2015 included discussion of the market factor, review of special site needs, redevelopment rate analysis, efficiency measures for employment lands, short-term supply and updated Comprehensive Plan policies for employment lands.

[8] The EOA update used 2013 employment data, rather than 2014 employment data, because it was the best available data for Bend in Phase 1 of the UGB Remand Project.

Table 5-3. Employment Forecast by Employment Category, total non-shift employment, Bend 2008 to 2028

Employment Categories	2008 Employment	2028 Employment Forecast	Change 2008 to 2028		
			2008 to 2028 Growth	Percent Change	Average Annual Growth Rate
Industrial					
Industrial Heavy	3,807	5,180	1,373	36%	1.6%
Industrial General	5,370	8,002	2,632	49%	2.0%
Retail					
Large Retail	3,474	5,849	2,375	68%	2.6%
General Retail	3,244	5,293	2,049	63%	2.5%
Office/Srv/Medical	13,979	22,593	9,614	69%	2.7%
Leisure and Hospitality	3,306	5,532	2,226	67%	2.6%
Other/Misc	1,051	1,547	496	47%	2.0%
Government	3,485	5,611	2,126	61%	2.4%
Total	**37,716**	**60,607**	**22,891**	**61%**	**2.4%**

Source: 2008 EOA, Table 26; 2016 EOA, Table 2 (Rem Rec 10714)

Since the forecast for the 2008 EOA was developed, Bend's economy has changed, in large part as a result of the Great Recession. Table 5-4 shows change in employment in Bend between 2008 and 2013. Overall, employment grew by 948 employees, at an average annual growth rate of 0.5%. Industrial employment decreased by about 2,500 employees and retail employment decreased by more than 550 employees. The majority of employment growth from 2008 to 2013 was in the category of Office, Services, and Medical, which added more than 2,400 jobs (2016 EOA, p. 23; Rem Rec 10714).

Table 5-4. Employment Forecast by Employment Category, total non-shift employment, Bend 2008 to 2013

Employment Categories	2008 Employment	2013 Employment	Change 2008 to 2013		
			2008 to 2013 Growth	Percent Change	Average Annual Growth Rate
Industrial					
Industrial Heavy	3,807	2,889	-918	-24%	-5.4%
Industrial General	5,370	3,771	-1,599	-30%	-6.8%
Retail					
Large Retail	3,474	3,057	-417	-12%	-2.5%
General Retail	3,244	3,096	-148	-5%	-0.9%
Office/Srv/Medical	13,979	16,435	2,456	18%	3.3%
Leisure and Hospitality	3,306	4,017	711	22%	4.0%
Other/Misc	1,051	1,505	454	43%	7.4%
Government	3,485	3,894	409	12%	2.2%
Total	**37,716**	**38,664**	**948**	**3%**	**0.5%**

Source: 2008 Bend EOA, Table 26; 2016 EOA, Table 3 (Rem Rec 10714).

Table 5-5 shows the 2013 employment in the context of the acknowledged 2028 employment forecast, which yields an estimated increase of 21,943 employees between 2013 and 2028 (an average annual growth rate of 3.0%). In short, employment growth between 2008 and 2013 occurred at a much slower pace than the average growth rate forecast by the City in the 2008 EOA.

Table 5-5. Employment Forecast by Employment Category, non-shift workers, Bend 2013 to 2028

Employment Categories	2013 Employment	2028 Employment Forecast	Change 2008 to 2028		
			2013 to 2028 Growth	Percent Change	Average Annual Growth Rate
Industrial					
Industrial Heavy	2,889	5,180	2,291	79%	4.0%
Industrial General	3,771	8,002	4,231	112%	5.1%
Retail					
Large Retail	3,057	5,849	2,792	91%	4.4%
General Retail	3,096	5,293	2,197	71%	3.6%
Office/Srv/Medical	16,435	22,593	7,158	44%	2.4%
Leisure and Hospitality	4,017	5,532	1,515	38%	2.2%
Other/Misc	1,505	1,547	42	3%	0.2%
Government	3,894	5,611	1,717	44%	2.5%
Total	**38,664**	**60,607**	**21,943**	**57%**	**3.0%**

Source: 2008 Bend EOA, Table 25; 2016 EOA, Table 4 (Rem Rec 10715).

Conclusion: The Council finds that the planning horizon, population forecast and employment forecast used for the 2008 UGB proposal were acknowledged in the Remand Order. The Council recognizes that the UGB process in Bend has drawn on far longer than anticipated. Residential construction slowed dramatically during the recession, and population and employment growth occurred at rates much slower than those forecasted. Overall, employment grew by 948 employees from 2008 to 2013, at an average annual growth rate of 0.5% instead of the 2.4% growth rate forecast in 2008. Staffing in Bend's planning division was also reduced substantially during the recession.

From 2011-2014, the City focused significant time and budget on preparing and updating public facility master plans for wastewater, water and stormwater[9]. The acknowledged public facility plans provide an important tool for the City to leverage planned public facility investments to support the short-term supply of employment land. The findings in Section 5.4.5 address the provisions of the Goal 9 rule that relate to the short-term supply.

In 2014, the City initiated an ambitious effort to complete the UGB process in two years (by 2016). The public facility and UGB planning efforts built on components of UGB planning that had been approved by LCDC in the 2010 Remand Order, including but not limited to the population, housing unit and employment forecasts for the 2008-2028 planning period.

The City finds that it has outlined a reasonable argument as to why it can continue to rely on the 2008-2028 planning horizon and the employment forecast for growth to 2028. The 2016 EOA considers data on building permits and employment changes from 2008 to 2013 to more accurately reflect current conditions in the local economy and to determine the residual jobs needed for the remainder of the planning period from 2013 to 2028 (2016 EOA, p. 22-25; Rem Rec 10713-10716). The City provided a reasonable justification for the job growth estimate to 2028 in the 2008 EOA and that estimate was acknowledged in the Remand Order. It is appropriate, and legally defensible, for the City to continue to rely on the acknowledged employment forecast to 2028.

5.4.2 Employment Trends and Site Needs

5.4.2.1 Opportunity to Rely on Existing EOA

OAR 660-009-0010 addresses the applicability of the Goal 9 rule to the proposed UGB amendment and provides:

> *(3) Cities and counties may rely on their existing plans to meet the requirements of this division if they conclude:*

[9] **Official Notice** - The City's 2013 transportation system plan, 2013 water public facilities plan, and 2014 sewer collection master plan/public facility plan are all available to view and download through the City's website – www.bendoregon.gov. LCDC acknowledged the City's public facility plan for the water reclamation facilities plan in the 2010 Remand Order (Rem Rec 5871).

(a) There are not significant changes in economic development opportunities (e.g., a need for sites not presently provided for in the plan) based on a review of new information about national, state, regional, county and local trends; and

(b) That existing inventories, policies, and implementing measures meet the requirements in OAR 660-009-0015 to 660-009-0030.

***

(5) The effort necessary to comply with OAR 660-009-0015 through 660-009-0030 will vary depending upon the size of the jurisdiction, the detail of previous economic development planning efforts, and the extent of new information on national, state, regional, county, and local economic trends. A jurisdiction's planning effort is adequate if it uses the best available or readily collectable information to respond to the requirements of this division.

The 2008 EOA is included in the record (Rec 1498). Section 3 of the 2008 EOA provides a detailed analysis of trends, including population and demographics, educational attainment, household income, wages and benefits, labor force and unemployment, changing economic markets, covered employment, the economic outlook, local economic trends, education's role in the economy, and a need for a large university campus. The City has continued to rely on the 2008 EOA as a foundation for the 2016 EOA update.

Much of the analysis in the 2008 EOA was based on pre-2008 data. Clearly, changes have occurred since 2008, in part due to the Great Recession, which had significant negative impacts on Bend's economy. The 2016 EOA updates the analysis of national, state, regional, and local trends to reflect more recent data for the period from 2008 to 2013 (2016 EOA, pages 15-21; Rem Rec 10706 - 10712).

5.4.2.2 Review of National, State, Regional, County and Local Trends

OAR 660-009-0015 outlines the steps in the analysis to compare the demand for land for industrial and other employment uses to the existing supply of such land. Step 1 includes:

*(1) Review of National, State, Regional, County and Local Trends. The economic opportunities analysis must identify the major categories on industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends. ****

The findings summarizing trends below are largely a straight excerpt from the 2016 EOA, with a focus on major changes since 2008 (2016 EOA, pages 15-21; Rem Rec 10706-10712)

Bend's economy is recovering from the Great Recession. As the regional employment center of Central Oregon, growth in Bend drives regional employment and economic growth. Bend's growth is supported by availability of labor and resources available in Central Oregon, especially in Deschutes County. More than 60% of employment in Deschutes County is located in Bend.[10]

[10] Oregon Employment Department, Quarterly Census of Employment and Wages, 2013.

About 48% of the population in Deschutes County is located within Bend.[11] Half of employees at businesses located in Bend live outside of the city, in places like unincorporated Deschutes County, Redmond, unincorporated Crook County, or Prineville.[12] Continued population and employment growth in Bend will drive growth in Deschutes County and in Central Oregon.

Economic development in Bend to 2028 will occur in the context of long-run national, state and local trends. The 2016 EOA (p. 16-21; Rem Rec 10707-10712) provides updated information on trends affecting future economic growth and is intended to support the analysis required by OAR 660-009-0015(1). The most important of these trends are summarized in Table 5-6.

Table 5-6. Implications of National, State, & Regional Economic & Demographic Trends on Economic Growth in Bend (Rem Rec 10707)

National, State, and Regional Economic Trends	Implications for Economic Growth in Bend
Moderate growth rates and recovery from the national recession According to the National Bureau of Economic Research, "The Great Recession" ended in 2009, but sluggish growth continued to affect businesses and workers alike for several years after. [13] Unemployment at the national level has gradually declined since the height of the recession.[14] Unemployment rates in Oregon and Deschutes County are typically higher than those of the nation as a whole. [15] The federal government's economic forecast projects a moderate pace of economic growth, with gradual increases in employment and real GDP (roughly 3% through the end of 2016). Economic growth in Oregon typically lags behind national growth. [16]	Economic growth in Bend – in measures such as employment growth, unemployment rates, and wage growth - will be markedly improved from previous years (i.e. since 2007). The rate of employment growth in Bend will depend, in part, on the rate of employment growth in Oregon and the nation. Bend's primary competitive advantages, location, access to regional transportation infrastructure, quality of life, and access to educated and skilled labor from within the region make Bend attractive to companies that want to grow, expand, or locate in the Central Oregon.

[11] Portland State University, Population Research Center, 2013.

[12] U.S. Census, OnTheMap, 2011.

[13] "US Business Cycle Expansions and Contractions," The National Bureau of Economic Research, http://www.nber.org/cycles.html.

[14] Nelson D. Schwartz, "US Economy Adds 223,000 Jobs; Unemployment at 5.3%," *The New York Times*, July 2, 2015, http://www.nytimes.com/2015/07/03/business/economy/jobs-report-hiring-unemployment-june.html?_r=0.

[15] "Local Area Unemployment Statistics," State of Oregon Employment Department, https://www.qualityinfo.org/ed-uesti/?at=1&t1=0000000000,4101000000~unemprate~y~2000~2015.

[16] "The Budget and Economic Outlook: 2015 to 2025," January 2015, Congressional Budget Office, https://www.cbo.gov/sites/default/files/cbofiles/attachments/49892-Outlook2015.pdf.

National, State, and Regional Economic Trends	Implications for Economic Growth in Bend
Growth of service-oriented sectors Increased worker productivity and the international outsourcing of routine tasks led to declines in employment in the major goods-producing industries. Projections from the Bureau of Labor Statistics indicate that U.S. employment growth will continue to be strongest in healthcare and social assistance, professional and business services, and other service industries. Construction employment will grow with the economy, but manufacturing employment will decline. These trends are also expected to affect the composition of Oregon's economy, though Oregon's manufacturing employment may grow in the short-run. [17]	The changes in employment in Deschutes County have followed similar trends as changes in national and state employment. For example, since 2001, employment in Deschutes County Health Care and Social Assistance increased its share of total employment by 4.4%, while Manufacturing's share decreased by -3.8% as a result in decreases in wood products manufacturing. The Oregon Employment Department forecasts that the sectors likely to have the most employment growth in Deschutes County over the 2012 to 2022 period are: Construction, Health Care, Local and State Government, Retail Trade, Professional and Business Services, and Accommodation and Food Services. These sectors represent employment opportunities for Bend.
Lack of diversity in Oregon's economy Oregon's economy has diversified since the 1960's, but Oregon continues to rank low in economic diversity among states. These rankings suggest that Oregon is still heavily dependent on a limited number of industries. Relatively low economic diversity increases the risk of economic volatility as measured by changes in output or employment.	Data from the Bureau of Labor Statistics shows that employment in Deschutes County in 2013 was concentrated in a few sectors: Health Care and Social Assistance (15%), Retail Trade (15%), Accommodations and Food Services (13%), and Government (13%). Employment in the Government and Health Care sectors tends to be stable and pays above Bend's average wage of $37,755. Employment in Accommodations and Food Services and Retail Trade pays below Bend's average wage and employment may be volatile. Industries that have grown recently in Bend include bioscience, aviation and aerospace, outdoor recreation, software, specialty manufacturing, data center storage, and brewing. Each of these industries presents an opportunity for industrial growth in Bend.[18]

[17] "Employment Projections – 2012-2022," Bureau of Labor Statistics, December 19, 2013, http://www.bls.gov/news.release/pdf/ecopro.pdf. and "Oregon Economic and Revenue Forecast," Office of Economic Analysis, May 2015, http://www.oregon.gov/DAS/OEA/docs/economic/forecast0515.pdf.

[18] Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2013, http://www.bls.gov/cew/datatoc.htm (Hereafter BLS, QCEW) and Economic Development Central Oregon, Business and Economic Data, https://www.edcoinfo.com/business-and-economic-data/.

National, State, and Regional Economic Trends	Implications for Economic Growth in Bend
Importance of small businesses in Oregon's economy Small business, with 100 or fewer employees, account for 66% of private-sector employment in Oregon. Workers of small businesses typically have had lower wages than the state average.[19]	In 2013 average size for a private business in Deschutes County is 8.5 employees per business, compared to the State average of 11.2 employees per private business. [20] Growth of small businesses presents opportunities for economic growth in Bend.
Availability of trained and skilled labor Businesses in Oregon are generally able to fill jobs, either from available workers living within the State or by attracting skilled workers from outside of the State. Availability of labor depends, in part, on population growth and in-migration. Oregon added more than 980,000 new residents and about 475,000 new jobs between 1990 and 2008. The population-employment ratio for the State was about 1.6 residents per job over the 18-year period.[21] Availability of labor also depends on workers' willingness to commute. Workers in Oregon typically have a commute that is 30 minutes or shorter. [22] Availability of skilled workers depends, in part, on education attainment. About 30% of Oregon's workers have a Bachelor's degree or higher. [23]	Employment in Bend grew at about 1.6% annually over the 2001 to 2013 period, while population grew at about 3% annually from 2000 to 2013. [24] About 76% of workers at businesses located in Bend lived in Deschutes County, and 50% lived within Bend city limits. Firms in Bend attracted workers from as far away as Multnomah County.[25] Bend's residents who were 25 years and over were more likely to have a Bachelor's degree or higher (41%) than the county (34%) and state average (31%). Availability of these workers helps support the types of target industries that require a skilled, educated workforce discussed in Chapter 4. [26]

[19] Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2014 Q1, http://www.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables/.

[20] Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

[21] Oregon Employment Department, Quarterly Census of Employment and Wages.

[22] US Census Bureau, 2013 American Community Survey, 1-Year Estimates, Table B08303.

[23] US Census Bureau, 2013 American Community Survey, 1-Year Estimates, Table B15003.

[24] Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

[25] US Census Bureau, On the Map, 2011, http://onthemap.ces.census.gov.

[26] US Census Bureau, 2013 American Community Survey, 1-Year Estimates, Table B15003.

National, State, and Regional Economic Trends	Implications for Economic Growth in Bend
Aging of the population The number of people age 65 and older will more than double between 2010 and 2050, while the number of people under age 65 will grow by only 30%. [27] The economic effects of this demographic change include a slowing of the growth of the labor force, an increase in the demand for healthcare services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare. People are retiring later than previous generations and continuing to work past 65 years old. This trend is seen both at the national and State levels. [28] Even given this trend, the need for workers to replace retiring baby boomers will outpace job growth. Management occupations and teachers will have the greatest need for replacement workers because these occupations have older-than-average workforces.	The changes in the Bend's age structure are similar to those of the State, with the most growth observed in people 45 years and older. Bend's population is generally younger than the State's. The median age in Bend in 2013 was 36.6 years, compared to 42.3 in Deschutes County, and 39.1 in the state as a whole.[29] The State projects that the share of the population over the age of 60 in Deschutes County will increase by 10% between 2015 and 2035. [30] Firms in Bend will need to replace workers as they retire. Demand for replacement workers is likely to outpace job growth in Bend, consistent with State trends.
Increases in energy prices Although energy prices are currently low by historical standards, over the long-term, energy prices are forecast to return to relatively high levels, such as those seen in the 2006 to 2008 period, possibly increasing further over the planning period.[31]	In 2015, low energy prices have decreased the costs of commuting. Over the long-term, if energy prices increase, these higher prices will likely affect the mode of commuting before affecting workers' willingness to commute. For example, commuters may choose to purchase a more energy-efficient car, use the bus, or carpool. Very large increases in energy prices may affect workers' willingness to commute, especially workers living the furthest from Bend or workers with lower paying jobs.

[27] "The Next Four Decades; The Older Population in the United States 2010 to 2050," US Census Bureau, May 2010, https://www.census.gov/prod/2010pubs/p25-1138.pdf.

[28] "Americans Settling on Older Retirement Age," Rebecca Riffkin, *Gallup*, April 29, 2015, http://www.gallup.com/poll/182939/americans-settling-older-retirement-age.aspx.

[29] U.S. Census Bureau, 2013 American Community Survey, 1-Year Estimates, Table B01002.

[30] Oregon Office of Economic Analysis, Demographic Forecast, "Long-term Oregon State's County Population Forecast (2010-2050)," http://www.oregon.gov/DAS/oea/Pages/demographic.aspx#Long_Term_County_Forecast"

[31] "Annual Energy Outlook 2015; With Projections to 2040," US Energy Information Administration, April 2015, http://www.eia.gov/forecasts/aeo/pdf/0383(2015).pdf.

National, State, and Regional Economic Trends	Implications for Economic Growth in Bend
Comparatively low wages The income of a region affects the workforce and the types of businesses attracted to the region. Average income affects workers and businesses in different ways. Workers may be attracted to a region with higher average wage or high wage jobs. Businesses, however, may prefer to locate in regions with lower wages, where the cost of doing business may be lower. Since the early 1980's, Oregon's per capita personal income has been consistently lower than the U.S. average. In 2013, Oregon's per capita wage was 89% of the national average.[32]	Per capita personal income in Deschutes County ($40,245 in 2014 dollars) was lower than that of the Portland MSA ($44,603), Oregon ($40,645), and the Nation as a whole ($45,660) in 2014. [33] Income in Oregon has historically been below national averages. There are four basic reasons that income has been lower in Oregon and Deschutes County than in the U.S.: (1) wages for similar jobs are lower; (2) the occupational mix of employment is weighted towards lower paying occupations; (3) a higher proportion of the population has transfer payments (e.g. social security payments for retirees), which are typically lower than earnings; and (4) lower labor force participation among working age residents. To a certain degree, these factors are all true for both Oregon and Deschutes County, and result in lower income. The lower wages in Bend may be attractive to firms that typically pay lower wages, such as call centers or firms that outsource professional services such as accounting or technical support.
Education as a determinant of wages The majority of the fastest growing occupations will require an academic degree, and on average they will yield higher incomes than occupations that do not require an academic degree. The fastest growing occupations requiring an academic degree will be: computer software application engineers, elementary school teachers, and accountants and auditors. Occupations that do not require an academic degree (e.g., retail sales person, food preparation workers, and home care aides) will grow, accounting for about half of all jobs by 2018. These occupations typically have lower pay than occupations requiring an academic degree.[34]	Bend's residents who were 25 years and over were more likely to have a Bachelor's degree or higher (41%) than the county (34%) and state average (31%) in 2013. [35] Wages in Bend are relatively low compared to Oregon as a whole, and this is largely a result of the composition of the regional economy, rather than the availability of workers with an academic degree. Increasing the relatively low wages in the region is dependent on changing the composition of the regional economy, through growing or attracting businesses with higher paying occupations.

[32] Bureau of Economic Analysis, Regional Data, GDP & Personal Income, Local Area Personal Income and Employment, Table CA1-3.

[33] Bureau of Economic Analysis, Regional Data, GDP & Personal Income, Local Area Personal Income and Employment, Table CA1-3. Adjusted for inflation using the BLS CPI Calculator at http://www.bls.gov/data/inflation_calculator.htm.

[34] Bureau of Labor Statistics, "Employment Projections: 2008-2018 News Release," Thursday, December 10, 2009, http://www.bls.gov/news.release/archives/ecopro_12102009.htm.

[35] US Census Bureau, 2013 American Community Survey, 1-Year Estimates, Table B15003.

National, State, and Regional Economic Trends	Implications for Economic Growth in Bend
Importance of high quality natural resources The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. Increases in the population and in households' incomes, plus changes in tastes and preferences, have dramatically increased demands for outdoor recreation, scenic vistas, clean water, and other resource-related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.	The region's high quality natural resources present economic growth opportunities for Bend, ranging from food and beverage production to the tourism industry.

Source: 2016 EOA, Table 1.

5.4.2.3 Required Site Types

OAR 660-009-0015(2) directs cities to identify "required site types" needed to accommodate the expected employment growth as follows:

> *(2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses. ****

The Council finds that the 2016 EOA update provides an estimate of site needs based on the employment forecast and historical development patterns to illustrate the rough number and type of sites of various sizes needed to accommodate employment growth to 2028 (2016 EOA, p. 25-28; Rem Rec 10716-10719). Key highlights of the analysis are summarized below and are direct excerpts from the 2016 EOA.

The process of identifying site needs based on historical development patterns builds from the employment forecast (EOA Table 4; Rem Rec 10715) to the forecast of needed sites by size of site. Table 5-7 shows the distribution of existing employment (in 2013) by the employment categories and site size. To maintain consistency with the ET model (which was used to determine capacity of employment land within the current UGB) and the Urbanization Report, the employment categories in Table 5-7 were simplified and combined as follows:

- Retail & Leisure and Hospitality = Retail and Hospitality
- Office/Service/Medical & Other/Misc = Office
- Heavy and General Industrial = Industrial
- Government = Public

Table 5-7. Distribution of existing employment by site size, Bend 2013

Employment Categories	Smaller than 5 acres	5 to 49.99 acres	50.00+ acres
Retail and Hospitality	71%	29%	0%
Office	75%	7%	18%
Industrial	83%	17%	0%
Public	73%	27%	0%
Total	**75%**	**17%**	**8%**

Source: 2016 EOA, Table 5.

The next step in the process was to allocate employment growth by site size (Table 5-8). This allocation used the percentages in Table 5-7 to distribute employment growth by category to site sizes.

Table 5-8. Forecast of employment growth by site size, Bend 2013-2028

Employment Categories	Smaller than 5 acres	5 to 49.99 acres	50.00+ acres
Retail and Hospitality	4,619	1,885	-
Office	5,412	481	1,307
Industrial	5,382	1,122	18
Public	1,253	464	-
Total	**16,666**	**3,952**	**1,325**

Source: 2016 EOA, Table 6.

Table 5-9 shows the average employees per site by size for tax lots with employment in 2013 using data from the Quarterly Census of Employment and Wages (QCEW) and tax lot data. The results show that sites less than five acres averaged 23 employees and sites five to 50 acres averaged 134 employees. Average employment on sites of 50 acres or more cannot be disclosed for confidentiality reasons.

Table 5-9. Average employees per site, Bend 2013

	Smaller than 5 acres	5 to 49.99 acres	50.00+ acres
Employees per site	23	134	(D)

Source: 2016 EOA, Table 7.

The average employees per site in Table 5-9 are then used to estimate the number of needed sites by employment type and size to accommodate new employment between 2013 and 2028. Needed sites are estimated by dividing the employment by category and site size in Table 5-8 by the average employees per site in Table 5-9. Note that sites larger than 50 acres are not included in this analysis—the Remand approved the need for two large-lot industrial employment sites over fifty acres. Thus, analysis of special site needs over 50 acres is not necessary using this methodology.

Table 5-10 shows the number of sites needed to accommodate employment growth between 2013 and 2028 by site size. The results show that Bend will need 726 sites less than five acres and 32 sites greater than five acres.

Table 5-10. Site needed to accommodate employment growth by site size, Bend 2013-2028

Employment Categories	Smaller than 5 acres	5 to 49.99 acres
Retail and Hospitality	201	15
Office	236	4
Industrial	234	9
Public	55	4
Total	**726**	**32**

Source: 2016 EOA, Table 8.

Table 5-11 allocates the needed sites in Table 5-10 to broad categories of plan designations based on the approximate percentage of employment for each employment category. For example, 89% of retail and hospitality employment in Bend is located in Commercial and Mixed Use plan designations, with 179 sites smaller than 5 acres and 13 sites between 5 and 49.9 acres. The remaining 24 sites are allocated to Industrial and Mixed Employment, where about 11% of Bend's retail and hospitality employment is located.

Table 5-11. Sites needed to accommodate employment growth by comprehensive plan designation category and site size, Bend 2013-2028

	Commercial/Mixed Use			Industrial/Mixed Employment			Public Facility			Total	
	% of sites	< 5 ac	5-49.9 ac	% of sites	< 5 ac	5-49.9 ac	% of sites	< 5 ac	5-49.9 ac	% of sites	Sites
Retail and Hospitality	89%	179	13	11%	22	2	0%	-	-	100%	216
Office	73%	173	3	26%	61	1	1%	2	-	100%	240
Industrial	17%	40	2	82%	192	7	1%	2	-	100%	243
Public	27%	15	1	16%	9	1	57%	31	2	100%	59
Total		407	19		284	11		35	2		758

Source: 2016 EOA, Table 9.

5.4.2.4 Site Characteristics for Required Sites

The Goal 9 rule requires that the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. Central to the determination of required site types, OAR 660-009-0015(2) provides:

> *(2) ***Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.*

The 2016 EOA aggregates employment that has compatible site characteristics into common site categories (2016 EOA, p. 29-46; Rem Rec 10720-10738). The following findings are a direct excerpt from the 2016 EOA.

The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. The rule defines site characteristics as follows in OAR 660-009-0005(11):

> *(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.*

Table 5-12 presents the site characteristics needed for the operation of major traded-sector industries, as well as for clusters of commercial and mixed-use development. The table groups potential growth industries by site category (e.g., large industrial and flex). Any of the potential growth industries, however, may occur at a variety of sizes. For example, renewable energy companies could range from large solar panel manufacturers to small manufacturers of specialty renewable energy products and could use sites from five acres to over 250 acres. The opportunity sites in each potential growth industry will vary by size of the firms and the firm's activities (2016 EOA, p. 36-37; Rem Rec 10727-10728).

The 2016 EOA includes additional evidence to support characteristics of sites needed for: 1) large-scale manufacturing, 2) commercial/office and industrial flex, and 3) general retail and office uses (EOA, p. 38-45; Rem Rec 10729-10736). This information provided a basis for the evaluation of potential UGB expansion areas for suitability to accommodate site characteristics for commercial, industrial and mixed employment uses.

Table 5-12. Summary of Site Characteristics for Target Industries & Clusters of Commercial Development

Site Category	Example Industries (Target Industries in bold)	Typical Site Size (acres)	Topography	Parcel configuration	Land Use Buffers	Visibility
Large Industrial and Flex	**Renewable Energy** **Information Technology**	50 to 250	0% to 5% slope	Preference for single parcels or parcels with two owners	Compatible with industrial or agricultural uses	No
Medium Industrial and Flex	**Specialty Manufacturing** **Aviation - Aerospace** **Secondary Wood Products** **Recreation Equipment** **Renewable Energy** **Information Technology**	10 to 75	0% to 5% slope	Preference for single parcels or parcels with two owners	Compatible with industrial or agricultural uses	No
Small Industrial	**Specialty Manufacturing** **Aviation - Aerospace** **Secondary Wood Products** **Recreation Equipment** **Renewable Energy** **Information Technology**	Less than 10	Less than 10% slope	Preference for single parcels or parcels with two owners	Compatible with some commercial, industrial, or agricultural uses	No
Large Commercial /Office	Mixed use Regional and community retail Big box retail **Higher Education**	10 to 50	Less than 10% slope	Preference for single parcels or parcels with two owners	Compatible with commercial and mixed uses	Yes
Medium Commercial /Office	**Information Technology** **Large medical offices** Mixed use **Hospitality** **Higher Education** Neighborhood retail Other services	5 to 20	Less than 15% slope	Preference for single parcels or parcels with three owners	Compatible with commercial and mixed uses	Yes
Small Commercial /Office	**Small medical offices** Retail and services	Less than 2	Less than 15% slope	Preference for single parcels or parcels with three owners	Compatible with commercial, mixed uses, and residential	Yes

Source: 2016 EOA, Table 15.

The Goal 14 evaluation of the proposed UGB expansion ("Scenario 2.1G") included a comparison of the sites identified for employment plan designations against the site characteristics provided in Table 5-12, above. The results are documented in a technical memorandum from Angelo Planning Group and Fregonese Associates (Rem Rec 10223-10262). The findings below draw on that memorandum.

Site suitability for Large Lot Industrial

Scenario 2.1G includes the same locations for Large Lot Industrial uses as Scenario 1.2 – Juniper Ridge (within the existing UGB) and in the southern portion of the DSL property. Both locations have large parcels of flat, vacant land in government ownership. These locations were identified as the best available locations for a large lot industrial site designation by the Employment TAC (Rem Rec. 5297).

Site suitability for industrial and mixed employment

Scenario 2.1G provides suitable sites for industrial and mixed employment uses, though some expansion areas have certain attributes that are not ideally suited for industrial/mixed employment uses. Refinements to arrangement of land uses as part of the refinement process and creation of urbanization of policies aim to address the compatibility issues of industrial land adjacent to existing and planned residential development. In Table 5-13, areas highlighted in orange have attributes that are not ideally-suited for industrial/mixed employment. None of the identified locations for industrial and mixed employment development is considered unsuitable for these uses as a result of these attributes; however, they may limit the sites' desirability to a somewhat narrower range of potential businesses.

Table 5-13. Performance Measure 3.C.2 – Site Suitability for industrial and mixed employment

Evaluation Geography		Scenario 2.1G
Subareas		
North Triangle	**Parcel Size**	10-40 ac
	Site Size	One (1) 5-ac site, One (1) 40-ac site
	Topography	Slopes below 5% overall
	Compatibility	Residential within Expansion Area, rural residential uses to North, existing employment to South. Designation changed to ME/IL and located to provide buffer to existing neighborhoods.
	Transportation Access	Access to Cooley Rd to South, Highway 20 to West, Highway 97 to East
NE Edge		
East Hwy 20		
DSL Property	**Parcel Size**	One large parcel
	Site Size	One (1) 29-ac site, One (1) 46-ac site
	Topography	Low slopes
	Compatibility	Adjacent to employment/open space/public uses. Also adjacent to planned residential to North.
	Transportation Access	Access to 27th / Knott
The "Elbow"	**Parcel Size**	5-50 acre parcels

Evaluation Geography	Scenario 2.1G	
	Site Size	One each - 10, 20, 30, 50+ acre sites.
	Topography	Low slopes
	Compatibility	Adjacent to existing and planned residential areas. Areas adjacent to residential are primarily ME with some IL.
	Transportation Access	Access to 27th / Knott
The "Thumb"	**Parcel Size**	One large parcel
	Site Size	Three (3) 30-ac sites.
	Topography	Low slopes
	Compatibility	Adjacent to planned residential
	Transportation Access	Access to Knott and Highway 97
Southwest Area		
West Area	**Parcel Size**	Two (2) very large ownerships, one (1) 30-ac ownership
	Site Size	15 acres
	Topography	Some topography
	Compatibility	Nearby planned residential and school. ME designation improves compatibility.
	Transportation Access	Limited access to major roads
Shevlin Area		
OB Riley / Gopher Gulch Area	**Parcel Size**	5 to 35 ac parcels
	Site Size	One (1) 35-acre site, One (1) 20-acre site
	Topography	Some slopes
	Compatibility	Adjacent to employment uses, rural residential. New residential intended to provide buffer to existing neighborhoods.
	Transportation Access	Access to US 20
Overall **Score:**	**4 out of 5** Scenario 2.1G has intentionally provided better buffers between industrial areas and residential areas in the North Area	

Site suitability for commercial uses

Scenario 2.1G is performs very similarly to Scenario 2.1 in this evaluation. In Table 5-14, areas highlighted in orange have attributes that are not ideally-suited for commercial uses. None of the identified locations for commercial development is considered unsuitable for that use as a result of these attributes; however, they may limit the sites' desirability to a somewhat narrower range of potential businesses (e.g. specialty retail versus grocery stores).

Table 5-14. Performance Measure 3.C.2 – Site Suitability for Commercial Uses

Evaluation Geography	Scenario 2.1G	
Subareas		
North Triangle	**Parcel Size**	10 ac - 40 ac
	Site Size	One (1) 20-ac site, One (1) 10-ac site, One (1) 8-ac site.
	Topography	Slopes below 5% overall
	Compatibility	Residential within Expansion Area, rural residential uses to North, existing employment to South
	Visibility	Yes, > 10k ADT on Hwy 97 and Hwy 20, >5k ADT on Cooley
	Transportation Access	Access to Cooley Rd to South, Highway 20 to West, Highway 97 to East
NE Edge	**Parcel Size**	7-12 ac
	Site Size	One (1) 25-ac site
	Topography	Low slopes
	Compatibility	Adjacent to planned residential areas. High density surrounds commercial area.
	Visibility	>5k ADT on Eagle, > 10 on Butler Market Road.
	Transportation Access	Cole Rd, near Butler Market Rd
East Hwy 20		
DSL Property	**Parcel Size**	One large parcel
	Site Size	One (1) 26-ac site, One (1) 15-ac site
	Topography	Low slopes
	Compatibility	Adjacent to employment/open space/public uses.
	Visibility	>10k ADT on both SE 27th and Reed Market at west of site. >5k ADT on Stevens Rd at North of site.
	Transportation Access	Access to 27th / Knott
The "Elbow"	**Parcel Size**	5-50 acre sites
	Site Size	One (1) 10-acre site, One (1) 35-acre site, One (1) 20-acre site
	Topography	Low slopes
	Compatibility	Adjacent to existing and planned residential areas
	Visibility	>10k ADT on Knott and 27th
	Transportation Access	Access to 27th / Knott
The "Thumb"	**Parcel Size**	One large parcel
	Site Size	Three (3) 5-to-10ac sites, One (1) 60-ac site
	Topography	Low slopes
	Compatibility	Adjacent to existing and planned residential
	Visibility	>10k ADT on Hwy 97, Knott. >5k ADT on China Hat and new interior road.
	Transportation Access	Access to Knott and Highway 97
Southwest Area	**Parcel Size**	One 40-acre parcel
	Site Size	5-acre mixed use/commercial node in NE
	Topography	Low slopes, some visible rock outcroppings.
	Compatibility	Adjacent to existing and planned residential areas.
	Visibility	Adjacent to Highway 97.

Evaluation Geography	Scenario 2.1G	
	Transportation Access	Right-in-right-out access to Highway 97. Some access north via Ponderosa.
West Area	**Parcel Size**	Several large parcels
	Site Size	One (1) 7-ac site
	Topography	Some topography
	Compatibility	Adjacent to planned residential and near existing schools
	Visibility	>5k ADT on new connection, <500 ADT on other roads
	Transportation Access	Limited access to major roads
Shevlin Area	**Parcel Size**	One large parcel
	Site Size	One (1) 8-ac site
	Topography	Low slopes
	Compatibility	Adjacent to existing and planned residential
	Visibility	Low ADT
	Transportation Access	Access on Shevlin Park Rd
OB Riley / Gopher Gulch Area	**Parcel Size**	5-35 ac parcels
	Site Size	One (1) 20-ac site, One (1) 30-ac site.
	Topography	Some slopes
	Compatibility	Adjacent to employment uses, rural residential
	Visibility	>10k ADT on Hwy 20. Some traffic on Cooley.
	Transportation Access	Access to US 20
Overall Score:	**5 out of 5** Scenario 2.1G is very similar to Scenario 2.1. Commercial uses are generally supported by surrounding land uses and transportation network. West area and Shevlin Area lack a large amount of pass-by traffic, so commercial uses are scaled to be locally-serving rather than dependent on pass-by trips.	

5.4.2.5 Special Site Needs

The Goal 9 rule includes provisions for meeting special site needs for industries/uses that are an integral component of a city's economic development strategy. An Economic Opportunities Analysis (EOA) is a technical analysis that projects trends, but it is also an aspirational economic development tool that identifies land needs to achieve the type of employment that the community desires. OAR 660-009-0025(8) provides the following guidance for special site needs.

> ****Cities and counties that adopt objectives or policies providing for uses with special site needs must adopt policies and land use regulations providing for those special site needs. Special site needs include, but are not limited to large acreage sites, special site configurations, direct access to transportation facilities, prime industrial lands…*** The special sites must be identified and protected for the intended use and from incompatible uses.*

In order to justify the need for certain types of employment land within the UGB, there must be a factual basis in the EOA to satisfy OAR 660, division 9, a policy directive to provide the sites for economic development purposes, and measures to protect the sites for the intended uses.

OAR 660-024-0045 also provides an option for local governments in Deschutes County to identify a need for large lot industrial land in the region:

> *(1) Local governments in Crook, Deschutes or Jefferson Counties may determine a need for large lot industrial land in the region and provide sites to meet that need in accordance with this rule.*
>
> ***

The 2008 EOA identified the following special site needs: (1) a site for a new hospital (112 acres); (2) a site for a new university district (225 acres); and (3) two large lot industrial sites (56 acres/each). The Director's Report and Remand Order concurred that the record supported these components of the city's decision on employment lands.[36] However, the Remand Order concluded that the City needs to identify whether there are sites that could accommodate these particular site needs within the prior UGB.

The 2016 EOA updates the "special site needs" for Bend based on changes that have occurred since 2008. The City is only proceeding with the large-lot industrial special site needs as part of the 2016 UGB proposal.

The City's large lot industrial land need is not based on the Regional Large Lot Industrial Land program laid out in OAR 660-024-0045, since LCDC approved the need for these sites prior to this program's existence, and is not subject to the standards for that program. However, see findings in section 5.4.5.2 regarding the City's policy to use the standards regarding protection of large lot industrial sites to guide development of regulations for the City's identified large lot industrial sites.

University

Oregon State University purchased a 10-acre parcel within the current UGB and obtained land use approvals in 2015 to develop the first phase of the OSU-Cascades campus. Construction is underway on the academic building, dining complex and residence hall for 300 students. The 10-acre campus will accommodate 1,890 students. Ultimately, OSU-Cascades plans to serve 3,000 to 5,000 students in Central Oregon. OSU recently purchased a 46-acre undeveloped property, a former pumice mine, adjacent to the 10-acre campus.[37] OSU-Cascades and the City of Bend are committed to working together with the community on long term goals for and master planning of the larger campus site. Additionally, the Central Westside Plan (CWP) project has been proceeding on a parallel track with 2014-2016 UGB planning and growth assumptions relating to the university site have been coordinated between the CWP and the UGB Remand.

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[36] The Remand Order states: "The Commission concludes that the City has made an adequate showing under ORS 197.2928(3)(a) that there is a specific identified land need for a future university campus, a site for a future medical center, and for two 50-acre large lot industrial sites." Page131-132.

[37] http://osucascades.edu/4/faq-campus-expansion

The following new policy is proposed in Chapter 11, Growth Management, (Rem Rec 10384) of the Bend Comprehensive Plan to provide the policy framework for the University special site need:

> *Policy 11-17. The City has identified a need for a special site for a university as part of the Urban Growth Boundary Process. At this time, Oregon State University is developing plans for a Bend campus. If OSU's plans are approved by the City, their campus will meet this identified need. The campus site currently being developed is between Century Drive, Mt. Washington Drive and Simpson Avenue (see Figure 11-3). Further expansions of the university within this area of the City are also being considered. Such a designation for this area does not preclude land uses other than institutional.*

Medical Center/Hospital

Subsequent to the UGB remand in 2010, the St. Charles Health System decided to expand the existing hospital within the current UGB. Work on a $22 million renovation of the hospital began in late 2014 and is expected to last into early 2017.[38] In light of this investment at the current hospital campus, the Employment TAC decided it did not have evidence to support expansion of the UGB to accommodate a special site need for a new hospital in Bend by 2028.

Large Lot Industrial Sites

The 2008 EOA identified a need for two 56-acre industrial sites: one for targeted economic sector uses, and another for a heavy industrial site user. The Remand acknowledged this need, which is included as a special site need for the 2016 EOA.

This special site need is not included in the general estimate for employment land needs to 2028. These sites are not included in Bend's employment projections because the industries Bend seeks for these sites are generally not present in Bend.

The Sector Targeting work calls for attracting secondary wood products, renewable energy resources, aviation, recreation equipment and specialty manufacturing, and information technologies. While the estimated needed economic lands may suit some of these sectors, two sites with a dedicated size of 50+ acres each to be reserved for these uses are needed for large site users such as secondary wood products, aviation, renewable energy resources, and information technology. Stakeholders concluded that they have been approached by industries seeking large sites for these uses, but since none are in the current supply, the firms looked to other communities (Rec 1514).

These sites are needed in addition to predicted industrial land needs because the total amount of industrial acreage is relatively small, and placing 100 or more acres to be held in two large lots would consume nearly all of the needed 20-year supply. These sites are also needed

[38] http://www.bendbulletin.com/home/2098362-151/st-charles-plans-22-million-bend-renovation

because they will create the land base to attract Bend's targeted sectors (2016 EOA, p. 45; Rem Rec 10736).

The Employment TAC, the Boundary TAC, and the USC evaluated alternatives to meet the large lot industrial special site need (inside and outside of the current UGB). Based on an analysis of alternative sites and consideration of public testimony, the City proposes to meet the special site need through one large lot industrial site in the eastern portion of Juniper Ridge (within the current UGB) and one large lot industrial site on the DSL property (in the expanded UGB).

The following new policies are proposed in Chapter 11, Growth Management, (Rem Rec 10384) of the Bend Comprehensive Plan to provide the policy framework for the large lot industrial special site need:

> *Policy 11-19. The City has identified a need for two large lot (at least 50-acre) industrial sites for targeted industries specified in the EOA. This need will be met through the opportunity for one large lot industrial site in the eastern portion of Juniper Ridge and one large lot industrial site on the DSL property (see Figure 11-3).*
>
> *Policy 11-20. Subsequent area planning for properties that are identified as meeting a special site need shall include regulations to protect the site for the identified use. The regulations will be consistent with the Regional Large Lot Industrial Land provisions for Crook, Deschutes and Jefferson Counties in Oregon Administrative Rules, Chapter 660, Division 24. The regulations will be consistent with the model code prepared as part of the 2011 Regional Economic Opportunities Analysis.*

Chapter 11 also includes specific policies for UGB expansion areas, including the following policies for the DSL property (Rem Rec 10394):

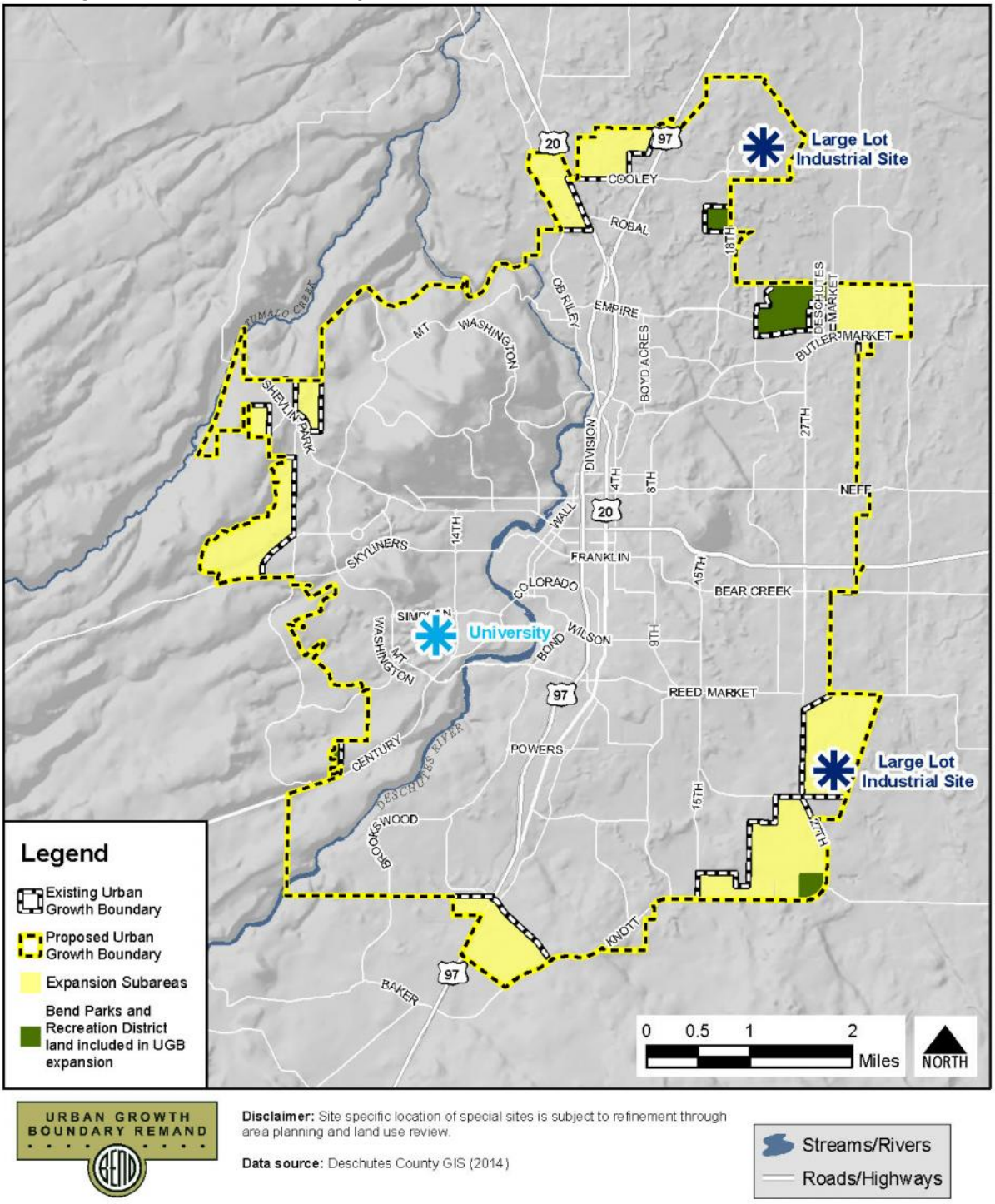
> *Policy 11-66. The overall planning concept for the DSL property as identified in Figure 11-4 is for a new complete community that accommodates a diverse mix of housing and employment uses, including the potential for a large-lot industrial site.*
>
> *Policy 11-67. This area shall provide for a mix of residential and commercial uses, including 163 gross acres of residential plan designations, 60 gross acres of residential and/or public facility plan designations, 46 gross acres of commercial plan designations, and 93 gross acres of industrial plan designations, including one large-lot industrial site. (Gross acreages exclude existing right of way.)*
>
> *Policy 11-69. Subsequent planning for this area shall address preservation of at least 50 acres for a large lot industrial site in compliance with the policies in Chapter 6.*

Chapter 6 (Economy) of the Bend Comprehensive Plan (Rem Rec 10336) also includes a specific policy to support large-lot industrial sites:

> *Policy 6-14. Large-lot industrial sites, those sites 50 or more acres in size, are important to the overall inventory of available economic land. Any sites included in the UGB to meet this special site need will be protected with specific plan and/or code provisions.*

Figure 5-1 is an excerpt from the Growth Management Chapter (Rem Rec 10385) of the Comprehensive Plan and identifies the location of the special sites.

Figure 5-1. Bend UGB, Special Site Locations



Conclusion: The City has relied on elements of the 2008 EOA that were acknowledged in the Remand, including the employment forecast to 2028 and the identification of special site needs for a 4-year university and two large-lot industrial sites. The City has updated the EOA to reflect best available information on employment trends in Bend from 2008 to 2013 and to identify the residual jobs needed from 2013 to 2028.

The 2016 EOA also updates the review of trends, with a focus on employment changes since 2008. The 2016 EOA includes information on required site types and site characteristics as required by OAR 660-009-0015(2). New policies are included in the Growth Management Chapter of the Comprehensive Plan to protect the University and Large-Lot Industrial special sites for their intended uses. As shown in Figure 5-1, the special site needs for the University and one of the large-lot industrial sites are accommodated within the current UGB and the second large-lot industrial special site need is accommodated in the proposed UGB expansion (DSL site).

Updates to the EOA and the BLI for employment lands provide the City with the factual base to determine the capacity of the current UGB to accommodate the residual jobs needed to 2028 consistent with the legal standards in OAR 660, Division 9. Findings to address the legal standards for the BLI and capacity analysis are included in Section 5.4.3 below and set the context for the consideration of efficiency measures in Section 5.4.4.

5.4.3 Buildable Lands Inventory and Capacity Analysis

5.4.3.1 Requirements for the Buildable Lands Inventory

OAR 660-024-0050 outlines the steps cities must follow when evaluating or amending a UGB. The following provisions apply to a UGB amendment that addresses needs for employment lands.

> *(1) When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. *** For employment land, the inventory must include suitable vacant and developed land designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015.*
>
> ***

OAR 660-009-0015(3) outlines the requirements for the BLI for employment lands:

> *(3) Inventory of Industrial and Other Employment Lands. Comprehensive Plans for all areas within urban growth boundaries must include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use.*
>
> *(a) For sites inventoried under this section, plans must provide the following information:*
>
> *(A) The description, including site characteristics, of vacant or developed sites within each plan or zoning district;*

(B) A description of any development constraints or infrastructure needs that affect the buildable area of sites in the inventory; and

*(C) For cities and counties within a Metropolitan Planning Organization, the inventory must also include the approximate total acreage and percentage of sites within each plan or zoning district that comprise the short-term supply of land.****

The 2016 BLI will be adopted as a supporting document of the Bend Comprehensive Plan (Rem Rec 10513). In simplest terms, the BLI documents the urban land supply of Bend, and provides the basis to estimate the growth capacity for housing and jobs within the existing UGB. The BLI provides a key factual base for growth management policy in Bend. The findings in this section (5.4.3) draw from the BLI (pages 15-19, 24-26; Rem Rec 10539-10543, 10548-10550).

The findings in this section focus on the part of the BLI that supports the EOA and land needs for employment. A similar inventory is required for residential land as part of the HNA. The findings to address the BLI for residential land are included in Section 4 of the Findings Report.

When the UGB Remand Task Force began work on the Remand issues, the City initially decided to continue to rely on 2008 data wherever possible, including using 2008 data as the basis for the revised BLI. However, given the amount of time that has elapsed since then, the City, through the advice of the TACs, decided to update the BLI to rely on more recent data in order to more accurately reflect conditions on the ground. The City completed the initial steps of this update, identifying the following characteristics (relevant to the Employment BLI) for all tax lots within the existing UGB, based on July 2014 tax lot data from Deschutes County:

- current zoning and plan designation, including special plan districts;
- current property use information (based on a combination of property class and structure codes from the County Assessor's Office data, City building permit data, aerial photography, and existing City tax lot inventory data);
- size and value of existing improvements;
- area subject to physical constraints (25% or greater slopes and 100-year floodplain)[39];
- public agency ownership (City, County, State, Federal, College District, Irrigation District, Parks District, School District, and Other Special District).

The BLI describes the methods used, and inventory results in the four steps used to prepare the BLI. For the Employment BLI, the relevant steps are 1, 3 and 4 (2016 BLI, p. 7-8, 15-20 and 24-26; Rem Rec 10531-10532, 10539-10544, and 10548-10550).

Step 1 – Calculate Physical Constraints

Step 2 – Define Residential Land (addressed in Section 4 of Findings Report)

Step 3 – Define Employment Land

Step 4 – Assign Vacant and Developable Acreage

[39] See OAR 660-008-0005(2)(c) and (2)(d).

Step 1 – Calculate Physical Constraints

Land that is physically constrained is not assumed to be "buildable".[40] Land was identified as constrained if it:

- has 25% or greater slopes;
- is within the Federal Emergency Management Agency (FEMA) 100-year floodplain;
- is within a river or upland Area of Special Interest (ASI);[41] or
- is within the Waterway Overlay Zone (WOZ) and within 100 feet of the Deschutes River, where building setbacks may apply[42].

The total area affected by one or more of the constraints was calculated for each tax lot in Bend. There are roughly 1,420 acres of physically constrained land within the UGB, of which roughly 1,170 are within tax lots. See Figure 5-2.

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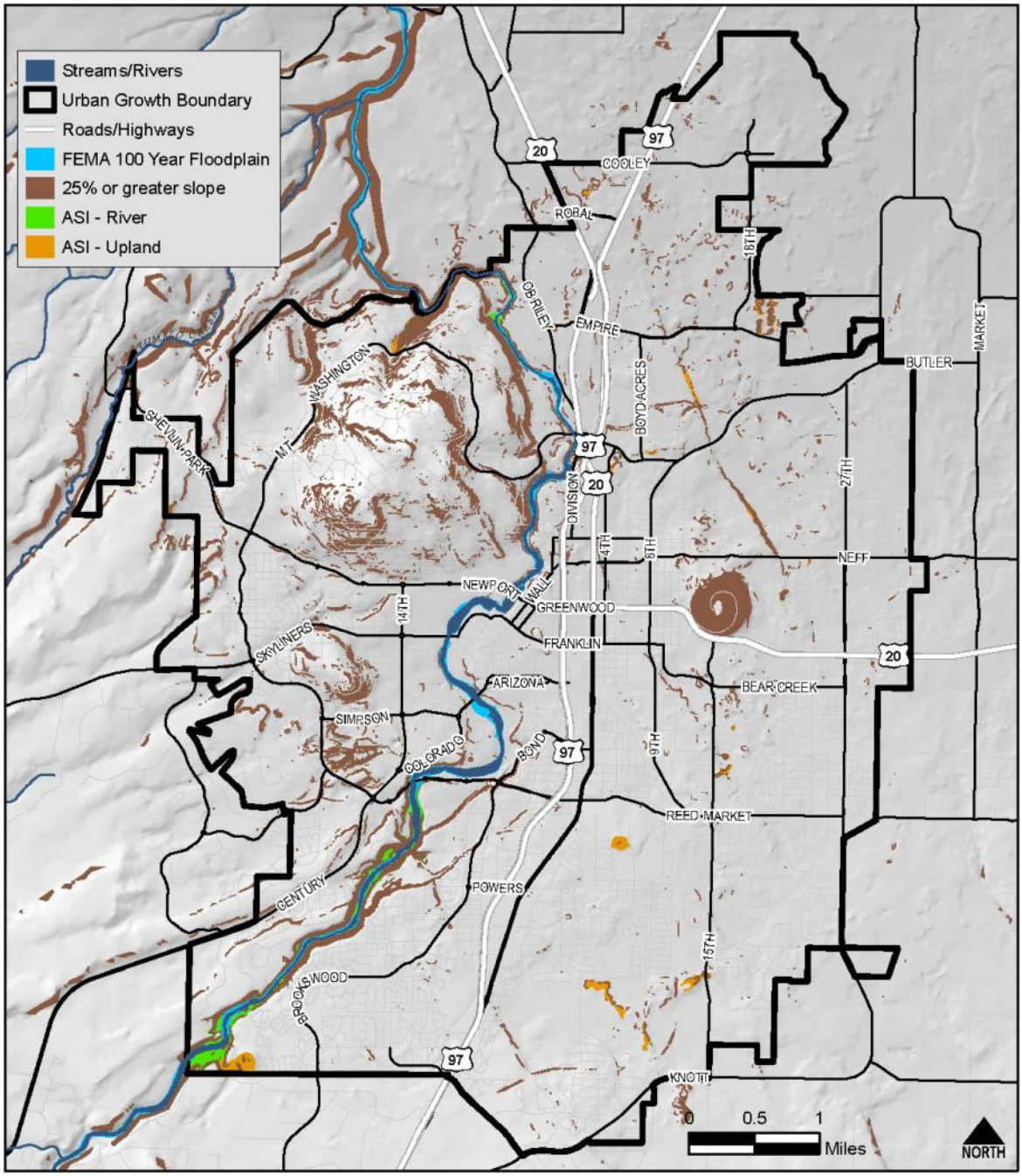
[40] OAR 660-002-0005 (2) describes land with development constraints that can generally not be considered suitable for employment uses. "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

[41] Bend's ASI's are not acknowledged Goal 5 resources. However, the City's regulations largely preclude development within these areas. Density transfers are allowed; however, there is no history of developers utilizing this option.

[42] Bend's WOZ combines four different sub-areas: the Deschutes River Corridor Design Review overlay; the Floodplain Combining Zone; Goal 5 Riparian Corridor protection; and River Corridor ASIs. Each sub-area has its own set of standards and setbacks for protection. Setbacks vary from 30 to 100 feet depending on the stretch of river and the sub-zone; some are measured from ordinary high water, while others are measured from the canyon rim. Because the setbacks are not mapped in detail, the generalized assumption was made that development restrictions are likely within 100 feet of the mapped edge of the river throughout its length.

Figure 5-2. Physical Constraints



URBAN GROWTH BOUNDARY REMAND

Service Layer Credits: Deschutes County GIS (2014)

Prepared 2/12/2016

Step 2 – Define Residential Land

See Section 4 of the Findings Report for the BLI for residential land.

Step 3 – Define and Categorize Employment Land

Employment land is defined as land with a plan designation of CC, CG, CB, CL, MR, ME, PO, SM, IL, IG, or PF, with a few exceptions for special cases (2016 BLI, p. 15-18; Rem Rec 10539-10542). The BLI status for all land planned or zoned for employment use (including mixed use designations & zones) was assigned using the statutory definitions for employment land, with the exception of school and park land.[43]

- Vacant - a lot or parcel equal to or larger than one half-acre not currently containing permanent buildings or improvements; or equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.
- Developed - All other employment land is identified in the BLI map as developed, although only a subset of this will meet the state definition of "developed" land that may be part of the inventory of available employment land ("Developed Land" means non-vacant land that is likely to be redeveloped during the planning period).

Step 4 – Assign Vacant and Developable Acreage

After assigning a BLI category to employment land, the next step is to identify how much of the land that has some remaining development potential is available. To this end, this BLI uses three attributes related to development capacity for each parcel: "Vacant Acres," "Developed Acres," and "Constrained Acres". Vacant Acres" are available for development; "Developed Acres" are developed but may potentially undergo redevelopment[44]; and "Constrained Acres," such as steep slopes or floodplains, are undevelopable. The assignment of acreages to these three categories was done based on the BLI categories described above. The Urbanization Report (Rem Rec 10842-10843) describes how this capacity, measured in acres, is translated into projected jobs.

Constrained acres are identified first, based on the physical constraints listed in Step 1 (see page 30). Land developed with certain types of uses, such as private right-of-way, canal right-of-way, utilities, developed schools and parks, open space in common ownership (e.g. homeowners associations), and cemeteries, is also assigned to the "constrained" category. This land was categorized as "constrained" rather than "developed" because it does not have a

[43] OAR 660-009-0005(1) and (14). OAR 660-009-0005(1) defines developed land as follows: "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period. For consistency with the residential buildable lands inventory, this analysis uses the term "redevelopable" to reference land that meets the definition of OAR 660-009-0005(1). For this BLI "developed land" uses the more common definition of land that is developed and committed to existing uses.

[44] See Chapter 2 of the Urbanization Report (Rem Rec 10834) for methodology used in forecasting redevelopment.

strong likelihood of redevelopment within the planning horizon, even if adjacent land used for private development may have redevelopment potential.

The remaining acreage of each parcel is classified as vacant or developed as described below.

Based on the State's definitions, the extent of physical development for employment land was estimated based on aerial photography for parcels over five acres with some improvements. This information was used to classify land into a BLI category, but it was also used to identify vacant and developed portions of those parcels, so that a large parcel with some development but significant vacant acreage is identified as having both vacant and developed acres, to more accurately reflect its' (re)development potential. This is consistent with OAR 660-009-0005(1), because this area represents land that is "likely to be redeveloped during the planning period".

Table 5-15 shows the number of tax lots and acres by BLI status (Developed and Vacant) and **Error! Reference source not found.** displays the same information by Comprehensive Plan designation. Figure 5-3 displays the geographic distribution of employment lands by BLI status.

Table 5-15. Tax Lots and Acres by Employment BLI Status (Excludes School and Park Land)

Employment BLI Status	Number of Tax Lots	Total Acres
Developed	3,451	2,762
Vacant	247	1,056
Total	**3,698**	**3,818**

Source: 2016 BLI, Table 3

Table 5-16. Employment Land by Comprehensive Plan Designation (Excluding Park and School Land)

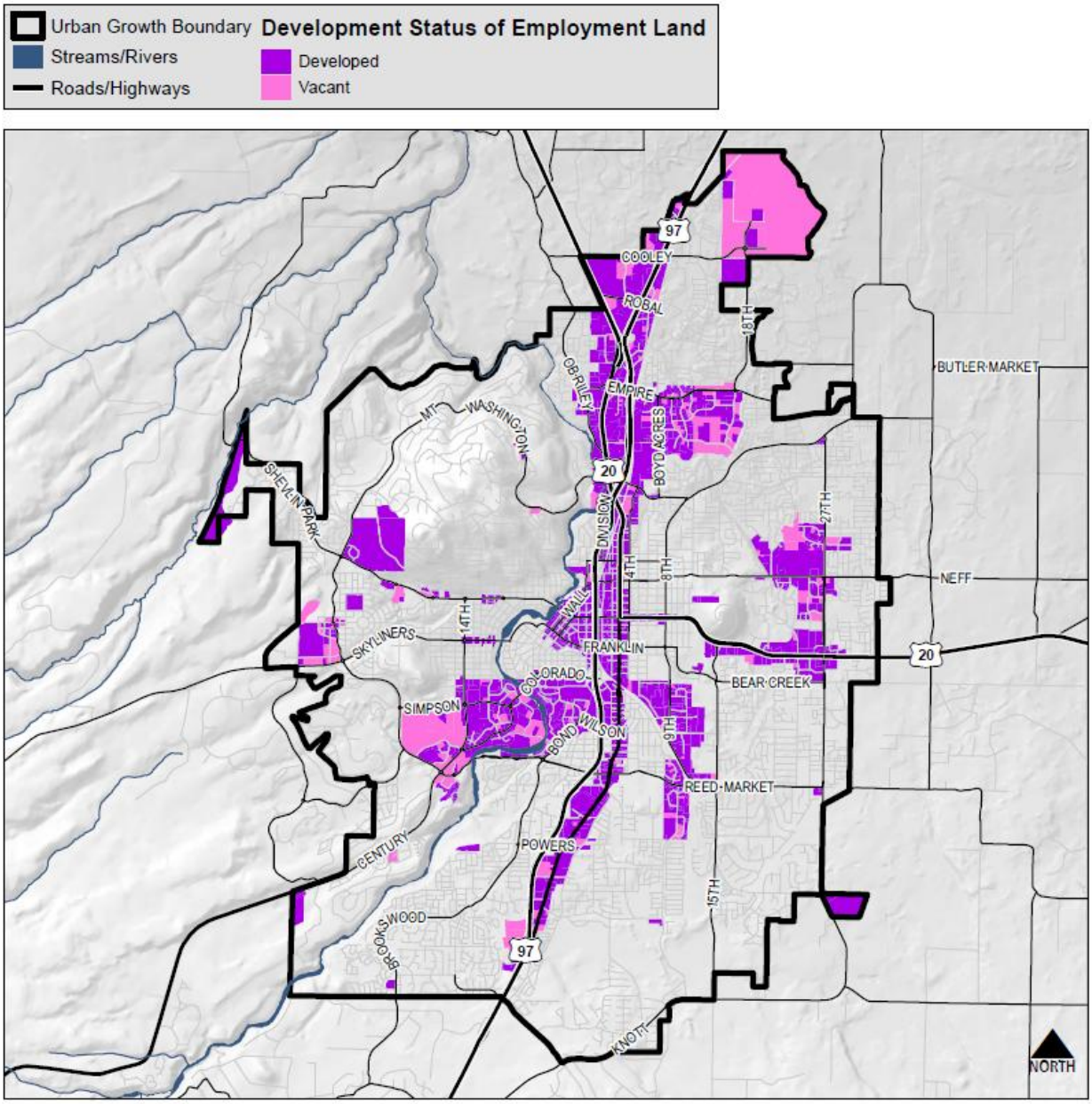
Comprehensive Plan Designation	Number of Taxlots	Total Acres
CB	**322**	**40.2**
Developed	322	40.2
Vacant	0	0.0
CC	**180**	**77.8**
Developed	173	65.8
Vacant	7	12.0
CG	**564**	**724.8**
Developed	515	627.8
Vacant	49	97.0
CL	**763**	**374.4**
Developed	734	305.4
Vacant	29	69.0
IG	**152**	**196.6**

Comprehensive Plan Designation	Number of Taxlots	Total Acres
Developed	146	188.2
Vacant	6	8.4
IL	**669**	**1259.3**
Developed	579	658.8
Vacant	90	600.5
MDOZ*	**186**	**250.7**
Developed	126	75.9
Vacant	20	55.2
ME	**335**	**308.1**
Developed	318	270.0
Vacant	17	38.1
MR	**453**	**221.1**
Developed	435	180.8
Vacant	18	40.3
PF	**45**	**543.8**
Developed	38	457.8
Vacant	7	86.0
PO	**2**	**6.1**
Developed	0	0.0
Vacant	2	6.1
PO/RM/RS	**25**	**5.8**
Developed	25	5.8
Vacant	0	0.0
SM [45]	**2**	**43.1**
Developed	0	0
Vacant	2	43.1

Source: 2016 BLI, Table 4.

[45] The two parcels with a surface mining (SM) plan designation inside the UGB are now owned by OSU and are identified as vacant.

Figure 5-3. Employment BLI Status Map (2014)



5.4.3.2 Definition of Buildable Lands and Safe Harbors

OAR 660-009-0005 includes the following definitions that are relevant to the BLI for employment lands:

> *(1) "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period.*
>
> *(2) "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.*
>
> *(9) "Serviceable" means the city or county has determined that public facilities and transportation facilities, as defined by OAR chapter 660, division 011 and division 012, currently have adequate capacity for development planned in the service area where the site is located or can be upgraded to have adequate capacity within the 20-year planning period.*

OAR 660-024-0050(3) provides the following safe harbors for the BLI:

> *(3) As safe harbors when inventorying land to accommodate industrial and other employment needs, a local government may assume that a lot or parcel is vacant if it is:*
>
> *(a) Equal to or larger than one-half acre, if the lot or parcel does not contain a permanent building; or*
>
> *(b) Equal to or larger than five acres, if less than one-half acre of the lot or parcel is occupied by a permanent building.*

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In updating the BLI to support the 2016 UGB proposal, the City took a conservative approach to categorizing buildable lands for employment. In Step 1 of the BLI, land was identified as constrained if it: has 25% or greater slopes; is within the Federal Emergency Management Agency (FEMA) 100-year floodplain; is within a river or upland Area of Special Interest (ASI);[46] or is within the Waterway Overlay Zone (WOZ) and within 100 feet of the Deschutes River, where building setbacks may apply[47]. Figure 5-1 shows land that is physically constrained and not assumed to be "buildable."

While allowed by OAR 660-009-0005, the City did not consider "Development Constraints" and "Serviceability" as filters to reduce the assumed capacity for development of employment lands within the current UGB.

The findings under Section 5.4.3.1 are incorporated by this reference to demonstrate compliance with the definition of buildable lands and safe harbors for the Employment BLI.

Conclusion: The Council finds that the BLI documents the amount of buildable land in each employment plan designation consistent with the definitions and methodology set forth in OAR 660-024-0050 and OAR 660, Division 9. Source data for the BLI was updated from 2008 to 2014 to provide the most accurate and current data to determine whether there is adequate development capacity to accommodate employment needs to 2028. The primary outcome of the BLI is a GIS dataset with values for vacant and developed lands for each parcel within the current UGB. These values provide a basis for estimating future development and redevelopment. The assumptions that have been applied to this inventory to estimate capacity are documented in the Urbanization Report, which estimates the potential for growth of jobs within the current UGB based on existing conditions (Base Case) (2016 Urbanization Report, p.28-29; Rem Rec 10842-10843), as well as alternate growth scenarios involving changes to the Comprehensive Plan Map and Development Code (Efficiency Measures) (2016 Urbanization Report, p.33-44; Rem Rec 10847-10858).

Findings relating to the capacity analysis are presented in Section 5.4.4 below.

[46] Bend's ASI's are not acknowledged Goal 5 resources. However, the City's regulations largely preclude development within these areas. Density transfers are allowed; however, there is no history of developers utilizing this option.

[47] Bend's WOZ combines four different sub-areas: the Deschutes River Corridor Design Review overlay; the Floodplain Combining Zone; Goal 5 Riparian Corridor protection; and River Corridor ASIs. Each sub-area has its own set of standards and setbacks for protection. Setbacks vary from 30 to 100 feet depending on the stretch of river and the sub-zone; some are measured from ordinary high water, while others are measured from the canyon rim. Because the setbacks are not mapped in detail, the generalized assumption was made that development restrictions are likely within 100 feet of the mapped edge of the river throughout its length.

5.4.4 Options to Address Deficiency of Land Needed for Employment

5.4.4.1 Options to Address Deficiency

OAR 660-024-0050 addresses the land inventory and response to deficiency. OAR 660-024-0050(4) provides, in pertinent part, that:

> *(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. ****

After the analysis comparing the demand for land for industrial and other employment uses to the existing supply of such land, OAR 660-009-0015 requires:

> *(1) Identification of Needed Sites. The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies. Plans do not need to provide a different type of site for each industrial or other employment use.*** Cities and counties may also designate mixed-use zones to meet multiple needs in a given location.*
>
> *(2) Total Land Supply. Plans must designate serviceable land suitable to meet the site needs identified in section (1) of this rule. Except as provided for in section (5) of this rule, the total acreage of land designated must at least equal the total projected land needs for each industrial or other employment use category identified in the plan during the 20-year planning period.*
>
> *(3) Short-Term Supply of Land. Plans for cities and counties within a Metropolitan Planning Organization or cities and counties that adopt policies relating to the short-term supply of land must designate suitable land to respond to economic development opportunities as they arise. Cities and counties may maintain the short-term supply of land according to the strategies adopted pursuant to OAR 660-009-0020(2).*
>
> *(a) Except as provided for in subsections (b) and (c), cities and counties subject to this section must provide at least 25 percent of the total land supply within the urban growth boundary designated for industrial and other employment uses as short-term supply.*
>
> ***
>
> *(8) Uses with Special Siting Characteristics. Cities and counties that adopt objectives or policies providing for uses with special site needs must adopt policies and land use regulations providing for those special site needs. *** Policies and land use regulations for these uses must:*
>
> *(a) Identify sites suitable for the proposed use;*

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(b) Protect sites suitable for the proposed use by limiting land divisions and permissible uses and activities that interfere with development of the site for the intended use; and

(c) Where necessary, protect a site for the intended use by including measures that either prevent or appropriately restrict incompatible uses on adjacent and nearby lands.

The findings in this section are a direct excerpt from the 2016 Urbanization Report. As described in the Urbanization Report (p. 20-25; Rem Rec 10834-10839), a scenario planning tool called "Envision Tomorrow"[48] was used to analyze capacity and options for future growth in Bend. Envision Tomorrow applies development assumptions spatially and provides a sketch-level analysis of the possible impacts of policies, development decisions and growth trajectories. The findings in this section focus on the linkage of the BLI to the Urbanization Report to determine the capacity of the buildable employment lands within the current UGB.

About the Envision Tomorrow Model

Envision Tomorrow applies a set of assumptions about future development spatially to land with development or redevelopment potential (2016 Urbanization Report, p. 21-22; Rem Rec 10835-10836). These assumptions are organized into "development types" that reflect different types of residential and employment development. The model does not predict exactly how a given parcel will develop; rather, it applies a mix of different types of development and land set-asides (using percentages of available acres) across multiple parcels. Results are calculated at the parcel level, but, because they represent blended averages for future development rather than site-specific assumptions, they are only appropriate to report at a summary level.

The development types generally represent Bend's Comprehensive Plan designations. Assumptions within the development types were calibrated to Bend by the project team with the best available information and with Technical Advisory Committee (TAC) direction at various stages. Development type assumptions include:

- A mix of specific building prototypes, which are based on information including parking requirements, height limits, and lot coverage ratios from the current Development Code (and as modified through specific Efficiency Measures);[49]
- Streets, neighborhood parks, and other set-asides;
- Net residential density and net job density; and
- Rate of redevelopment.

About the Base Case

The "Base Case" is a spatial projection of housing and employment growth through 2028 within the current UGB based on past trends and current policies, using the Envision Tomorrow model. The Base Case represents the current UGB's remaining capacity **prior** to applying assumptions

[48] Information and download available at http://www.envisiontomorrow.org/

[49] Prototype buildings were reviewed by the Residential and Employment TACs in August, 2014 (Rem Rec 1450, 1546)

regarding new efficiency measures and measures to encourage additional redevelopment of employment areas.

The reason to create a Base Case is two-fold: first, to understand the remaining UGB capacity as of 2014 if no policy changes were made, and, second, to compare the impacts of alternatives that incorporate efficiency measures to understand how they change UGB capacity. Employment development types were calibrated to the observed employment mix and density as of 2006, documented in the Urbanization Report.[50]

ECONorthwest prepared an evaluation of redevelopment potential on employment land that took into consideration the ratio of improvement to land value, total value per square foot, employment density, and residual land value (given assumptions about building type and rent). A residual land value analysis modeled the financial feasibility of developing prototypical buildings based on achievable rents and current land values. Areas with positive residual land values after redevelopment (i.e. areas where property values are below the amount that a given type of development can afford to pay based on projected rents and costs) are areas where redevelopment is most likely to be financially feasible under current conditions without public investment. The details of the redevelopment analysis can be found in the 2016 EOA (Rem Rec 10799).

In short, the ECONorthwest analysis found potential for roughly 1,360 new employees, or 6.6% of total forecast employment, to be accommodated through redevelopment on already developed employment land under the base case. As a percent of developed acres, this redevelopment is equivalent to roughly 1.5% of developed acres overall, with higher percentages in the Central Business District (CB), Industrial Limited (IL), and Mixed Employment (ME) plan designations.

In addition, because of the economic recession, the City lost roughly 2,500 industrial jobs between 2008 and 2013. Vacancy rates for industrial at the end of 2013 were over 12% - much higher than usual.[51] These facts suggest that existing industrial areas within the city have capacity to re-absorb at least a portion of the jobs that were lost during the recession without tearing down existing buildings or building new ones. Because there is no way to directly account for this sort of re-absorption in Envision Tomorrow, it was captured as additional "redevelopment" / refill.[52] Redevelopment rates for the development types (as a percent of

[50] The densities and mix in the Urbanization Report (Appendix C; Rem Rec 10933) were calculated based on City of Bend GIS analysis using Oregon Employment Department (OED) 2006 geo-coded Quarterly Census of Employment and Wages (QCEW) data for City of Bend. They have been adjusted to represent covered employment without shift-workers, employees in public schools, on institutional/recreational lands, and employees working in their own homes. These densities were approved as part of the 2008 EOA by LCDC in the Remand.

[51] Documented trends in the Remand record identify an average industrial vacancy rate between 1993 and 2008 of roughly 6.5%.

[52] Specifically, the redevelopment rate for industrial land was increased and additional land was identified "redevelopable" where the current (2013) job density is below the average projected for new

developed acres) were calibrated to the results of the redevelopment potential analysis and adjusted to account for the "refill" potential in industrial areas. Redevelopment rates for employment designations vary as follows:

- 6-10% for Convenience Commercial (CC), Limited Commercial (CL), General Commercial (CG), ME, Mixed-Use Riverfront (MR) and MDOZ
- 20% for Central Business District (CB)
- 40% for the industrial designations (due to the expectation of refill into existing buildings, rather than true redevelopment)

Only employment parcels with some likelihood of development or redevelopment were painted with a development type in Envision Tomorrow. Development types were generally not applied to developed land unless the existing employment density was less than one third of the average employment density of the development type in question (except in existing industrial areas where all parcels with employment densities below the employment density of the development type were "painted").[53]

Base Case Employment Capacity

Table 5-17 shows the employment capacity estimated in the base case scenario. In total, the base case shows that the current UGB can accommodate about 13,620 jobs under the current plan designations and policies and historic trends in development density. The mix of jobs that can be accommodated inside the UGB under the base case is weighted towards office and industrial jobs.

Table 5-17. Base Case Employment Capacity by Category

Employment Categories	Net New Jobs	Percent of New Jobs
Industrial	5,216	38%
Retail & Hospitality	2,420	18%
Office	4,350	32%
Public	1,637	12%
Total	**13,622**	**100%**

Source: Urbanization Report, Table 8.

Table 5-18 displays the Base Case capacity by plan designation and employment category.

development. This simulates the effect of industrial jobs going back into already-developed industrial areas.

[53] "Painting" only those parcels with relatively low existing employment densities ensures that the model does not project excessive job loss through redevelopment in locations with thriving businesses that are unlikely to redevelop.

Table 5-18. Base Case Employment Capacity by Plan Designation and Category

Plan Designation	Net New Retail & Hospitality Jobs	Net New Office Jobs	Net New Industrial Jobs	Net New Public Jobs	Total Net New Jobs
RS	7	-	-	-	7
RM*	49	35	-	-	84
RH	4	3	-	-	7
MDOZ*	15	744	90	1	850
CC	109	30	-	-	145
CL*	609	514	94	75	1,291
CG	1,122	224	24	1	1,371
CB	92	201	-	19	312
IL**	82	1,856	4,211	133	6,282
IG	9	130	408	-	548
MR	185	246	55	-	487
ME	115	360	334	1	809
PF***	22	-	-	1,406	1,428
Total	**2,420**	**4,350**	**5,216**	**1,637**	**13,622**

Source: Urbanization Report, Table 9.

** Development capacity in the MDOZ is counted there rather than by plan designation.*

*** Juniper Ridge capacity counted with the IL plan designation.*

**** PF plan designation includes COCC.*

Comparison to Employment Need

The employment projections to 2028 are documented and explained in the 2016 EOA (Rem Rec 10713-10716) and addressed in the findings in Section 5.4.1.

As shown in Table 5-19, the Base Case is estimated to accommodate roughly 60% of the total net new jobs forecast for 2028. For employment, nearly all of the public employment growth and about 80% of the industrial employment growth can be accommodated on land inside the UGB, but a little over a third of the retail and hospitality needs can be met inside the UGB with current policies and trends (Urbanization Report, p. 32; Rem Rec 10846).

Table 5-19. Base Case Employment Capacity Compared to Employment Needs by Employment Category

Employment Category	Net New Jobs	Total Employment Need[54]	Residual Employment Need	Percent of Employment Need Met
Industrial	5,216	6,522	1,306	80%
Retail & Hospitality	2,420	6,546	4,126	37%
Office	4,350	7,158	2,808	61%
Public[55]	1,637	1,717	80	95%
Total	**13,622**	**21,943**	**8,321**	**62%**

Source: Urbanization Report, Table 11

Conclusion: The Council finds that the City has completed an updated inventory of buildable lands within the current UGB and determined the employment capacity of the vacant and developed employment lands consistent with the legal standards in OAR 660-024-0050 and OAR 660-009-015. The Employment TAC provided detailed input and guidance on the update of the BLI for employment lands and the capacity analysis for the current UGB[56]. Based on the evidence in the BLI, the 2016 EOA and the Urbanization Report, the City concludes that the current UGB (as of July 2014) can accommodate roughly 13,622 net new jobs under current plan designations and policies and historic trends in development density. This represents 62% of the total employment need (21,943 jobs) forecast for 2028. The estimated employment capacity is not evenly distributed across major employment categories.

These results led the City to consider appropriate efficiency measures to accommodate additional jobs and make better use of employment land inside the current UGB, with a specific focus on key opportunity areas. Findings to address efficiency measures are provided in Section 5.4.4.2.

5.4.4.2 Consideration of Efficiency Measures for Employment Land

OAR 660-024-0050(4) requires:

> ****Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB.****

To address this requirement, the City considered whether efficiency measures (including map and code amendments) could increase the likelihood of accommodating some portion of the residual employment need (8,280 jobs) inside the current UGB.

[54] The employment need categories have been generalized for simplicity in comparing against capacity as measured in Envision Tomorrow. See EOA for details.

[55] Public jobs do not include school-based employment in actual school facilities which tend to be located in residential areas. Schools are addressed as a separate land need.

[56] See Employment TAC meeting minutes for August 4, 2014, August 25, 2014, October 13, 2014, and August 25, 2015;

Overview

The Employment TAC considered and discussed a robust package of efficiency measures over a series of meetings. The efficiency measure concepts were approved by the USC in the Phase 1 package. The Employment TAC focused on efficiency measures that are proposed to be implemented through code text amendments and map amendments for opportunity areas that will packaged with the adoption of the UGB. Additional measures have been or will be implemented through other processes, including code amendment work by the Community Development Department (CDD) with the Planning Commission and the Parking Study, both of which are underway[57].

The Employment TAC recommendations on new efficiency measures reflect the recognition that Bend's UGB expansion proposal and package of amendments are taking place in a time of transition. Vertical mixed use is relatively uncommon in Bend. There are concerns in existing neighborhoods about infill and redevelopment, as well as the scale and uses in neighboring commercial areas. Operating in this environment, the Employment TAC recommended targeted amendments to employment zones to encourage mixed use development, but care was taken to balance these efforts with the concerns of residents in existing neighborhoods. The Employment TAC recommendations also focused on potential for more intensive development in opportunity areas, which tend to be in the core of the City. Together, measures recommended by the Employment TAC and the Residential TAC (focused on residential lands) will encourage the transition of Bend from a town to a growing city.

Details on efficiency measures are summarized in the Urbanization Report (p. 33-44; Rem Rec 10847-10858) and in the package of Draft Development Code Amendments (Rem Rec 9344, 9357, 9361). Highlights of the efficiency measures that are most relevant to employment lands are summarized below and are direct excerpts from the Urbanization Report.

New Mixed Use Zones

The proposed code amendments include two new mixed use plan designations and corresponding implementing zones: urban-scale (Mixed Use – Urban or MU) and neighborhood-scale (Mixed Use – Neighborhood or MN). The new zones are intended to accommodate a range of residential and commercial uses in pedestrian-oriented mixed use centers and corridors. The scale of uses in the MN zone (primarily building heights) is less intense than the MU zone. The Employment TAC recommended including the new mixed use zones in the Development Code and designating specific opportunity sites with the new Mixed Use plan designations and, in some cases, zones.

The mixed use zones allow residential uses outright as well as part of mixed use development. There are no maximum density standards for residential uses other than the height and setback standards. They are subject to the RM zone minimum density (7.3 units per acre) on the portion of the site used for ground-floor residential, though there is no minimum density for vertical

[57] Information on the Parking Study is accessible through this URL http://bendoregon.gov/index.aspx?page=1330

mixed use. They also allow for an urban style of development with no minimum landscaping requirement (aside from parking lot and setback landscaping); reduced minimum parking standards for the MU zone (similar to the CBD rather than the standard for the rest of the city – see next section for details); no minimum front setback and a 10' maximum front setback.

Revisions to Parking Standards

Targeted revisions to parking standards focused on employment lands are proposed as part of the draft package of code amendments adopted with the UGB.

- Reductions to parking requirements for residential and commercial uses in the MU zone, similar to those in place for the CBD (e.g. 1 space per housing unit, regardless of size and type; 1 space per 500 square feet of commercial for all commercial uses).
- Provide automatic 5% reduction to minimum parking requirements for mixed use development.
- Provide automatic 10% reduction to minimum parking requirements for development adjacent to transit.

More comprehensive revisions to parking standards will be considered through the Parking Study, which is currently underway.

Allowing More Intense Development in the Mixed Employment Zone

The Mixed Employment (ME) zone allows for a wide range of uses. Currently, it is subject to a 50% maximum lot coverage limitation and a 10-foot minimum front setback that make it difficult to build more intense development. The draft package of code amendments includes removing both of those limitations. It also includes a height bonus of 10 feet for vertical mixed use or affordable housing in the ME zone.

Combined with modest reductions to parking requirements, these adjustments will allow more intensive development for some parcels, but the impact is likely to be limited without more significant reductions to parking requirements.

Changes to Plan Designations for Opportunity Sites

During the UGB Remand planning process (2014 to 2016), the City evaluated the efficient use of existing urban land through the lens of "opportunity areas." Opportunity areas are locations within the City where it is appropriate to focus new growth due to their location, zoning (existing or planned), and/or urban services. Each opportunity will serve a unique role in the City's future – some are vacant land and will develop primarily through private sector initiative; others are redevelopment opportunities and will require a partnership of private sector investment and City support or inestment.

Bend's employment focused opportunity areas are summarized below. More detailed descriptions of the opportunity areas are provided in the Urbanization Report (p. 40-43; Rem Rec 10854-10857).

- Bend Central Multimodal Mixed Use Area – opportunity for the 3rd Street commercial strip to transition to a mixed use corridor
- East Downtown – long term opportunity for an extension of the downtown Urban Mixed Use Center
- Central Westside – a key part of the Central Westside Plan, the OSU-Cascades campus offers an opportunity to create a new mixed use center anchored and supported by the new university district
- Korpine – opportunity to transform an industrial area into a vibrant urban mixed use district
- Juniper Ridge – opportunity for a future industrial and professional office employment district

Employment Capacity with Efficiency Measures

Table 5-20 displays the employment capacity within the current UGB with efficiency measures (including plan and zoning map amendments for opportunity areas).

Table 5-20. Employment Capacity with Efficiency Measures Compared to Employment Needs by Employment Category

Employment Category	Net New Jobs	Total Employment Need[58]	Residual Employment Need	Percent of Employment Need Met
Industrial	4,506	6,522	2,016	69%
Retail & Hospitality	3,223	6,546	3,323	50%
Office	5,324	7,158	1,834	74%
Public[59]	1,671	1,717	46	97%
Total	**14,723**	**21,943**	**7,393**	**67%**

Source: Urbanization Report, Table 14.

Table 5-21 shows the distribution of employment capacity with efficiency measures by Plan Designation.

Table 5-21. Employment Capacity by Plan Designation and Category with Efficiency Measures

Plan Designation	Net New Retail & Hospitality Jobs	Net New Office Jobs	Net New Industrial Jobs	Net New Public Jobs	Total Net New Jobs
RS	37	23	-	-	60
RM*	48	35	-	-	83
RH*	7	5	-	-	12
MDOZ*	15	744	90	1	850
CC	206	139	12	1	357

[58] The employment need categories have been generalized for simplicity in comparing against capacity as measured in Envision Tomorrow. See EOA for details.

[59] Public jobs do not include school-based employment in actual school facilities which tend to be located in residential areas. Schools are addressed as a separate land need.

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Plan Designation	Net New Retail & Hospitality Jobs	Net New Office Jobs	Net New Industrial Jobs	Net New Public Jobs	Total Net New Jobs
CL*	446	383	69	56	955
CG	1,073	214	23	1	1,311
CB	92	201	-	19	312
IL**	4	297	1,724	-	2,025
IG	4	88	293	-	385
MR	143	190	43	1	377
ME	483	397	369	14	1,263
MN	367	488	(27)	(9)	820
MU	158	55	(14)	1	200
BC-MMA*	67	200	(10)	5	262
PF***	23	-	-	1,394	1,416
Juniper Ridge**	49	1,865	1,934	187	4,034
Total	**3,223**	**5,324**	**4,506**	**1,671**	**14,723**

Source: Urbanization Report, Table 15

** Development capacity in the MDOZ is counted there rather than by plan designation.*

*** Juniper Ridge capacity counted with the IL plan designation.*

**** PF plan designation includes COCC*

Comparison to Need

The efficiency measures for employment land provide the capacity to accommodate about 1,101 additional jobs within the current UGB relative to the Base Case (roughly an 8% increase). With efficiency measures, roughly 70% of the total employment growth to 2028 can be accommodated inside the current UGB. Compared to the Base Case, the biggest increases in employment capacity are in retail and office employment. With efficiency measures, the employment mix is better aligned with the employment forecast.

Conclusion: The Council finds that the City of Bend has completed an updated inventory of buildable lands within the current UGB and determined the employment capacity of buildable lands consistent with the legal standards in OAR 660-024-0050. The Employment TAC and the USC provided detailed input and guidance on the update of the BLI and the capacity analysis for employment lands within the current UGB (See discussions at Rem Rec 7450, 7614, 8275). The City concluded that the current UGB (as of July 2014) under the Base Case can accommodate 13,622 out of the 21,943 total jobs needed to 2028.

The City has committed to adoption of an integrated package of plan map and code amendments that provide the opportunity to accommodate additional job growth within the current UGB and minimize the size of the UGB expansion. With efficiency measures in place, the current UGB (as of July 2014) can accommodate 14,723 out of the 21,943 total jobs needed to 2028.

The overall 2016 UGB proposal will support the City's growth management strategy to focus more intensive development to a hierarchy of centers and corridors within the current UGB in tandem with thoughtful expansion of the UGB. Land within the current UGB is already within the City limits and urban infrastructure is either available or is programmed in adopted public facility plans. Removing barriers to and providing incentives for more efficient use of

appropriate employment lands within the current UGB is critical because of the relatively limited number of years remaining in the planning horizon to 2028. Goals and policies in the Growth Management Chapter of the Comprehensive Plan provide the urban form framework to direct new growth to appropriate opportunity areas (Rem Rec 10362).

The findings in Section 5.4.2.3 are incorporated by this reference to address the legal standard regarding identification of needed sites and site characteristics and the findings in Section 5.4.2.4 are incorporated by this reference to address the legal standards regarding special site needs. The findings in Section 5.4.5 below address the legal standards regarding the short-term supply of land, total land supply and policies and designation of lands for employment uses.

5.4.5 Economic Development Policies and Designation of Lands for Employment Uses

5.4.5.1 Economic Development Policies

OAR 660-009-0020(1) and (2) require that Comprehensive Plans subject to Division 9 include policies stating the economic development objectives for the planning area. These policies must be based on the economic opportunities analysis and must provide the following:

> *(1)(a) Community Economic Development Objectives. The plan must state the overall objectives for economic development in the planning and identify categories of particular types of industrial and other employment uses desired by the community.****
>
> *(b) Commitment to Provide a Competitive Short-Term Supply. Cities and counties within a Metropolitan Planning Organization must adopt a policy stating that a competitive short-term supply of land as a community economic development objective for the industrial and other employment uses selected through the economic opportunities analysis pursuant to OAR 660-009-015.*
>
> *(c) Commitment to Provide Adequate Sites and Facilities. The plan must include policies committing the city or county to designate an adequate number of sites of suitable sizes, types and locations. The plan must also include policies, through public facilities planning and transportation system planning, to provide necessary public facilities and transportation facilities for the planning area.*
>
> *(2) Plans for cities and counties within a Metropolitan Planning Organization *** must adopt policies relating to the short-term supply of land. ***These policies must OAR 660-009-0020 requires cities to adopt economic development policies and measures to implement policies. Appropriate implementing measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans.*

Community Economic Development Objectives

The Council finds that the 2016 EOA (p. 8-14; Rem Rec 10699-10705) summarizes Bend's economic development vision and key policies related to economic development from multiple documents, including Bend 2030, Chapter 6 (Employment) of the Bend Comprehensive Plan (Rem Rec 10326), Economic Sector Targeting process, Juniper Ridge Concept Plan, and Visit

Bend Business Plan. The following objectives were identified as most relevant to the EOA update:

- *Targeted Industries*. Identify "target industries" that match community attributes and provide job opportunities over the long term.
- *Living Wage Jobs*. Increase employment in its targeted industries, too many jobs may be in the retail services and other relatively low-paying sectors.
- *Available Industrial and Commercial Lands*. Ensure that there is enough land to accommodate future jobs and businesses.
- *Diversified Economy*. Continue to diversify from a wood products and tourism-oriented economy to a more resilient economy that provides professional service, high-skill manufacturing, high-tech, and other living wage jobs.
- *Sustainable Industries*. Attract and retain businesses that maintain the high-quality natural environment.
- *Establish a university and research center*. Such an institution could have a dramatic positive impact on the workforce by training the next generation of Central Oregonians and visiting students to participate in a diversified economy.

As part of UGB planning (2014-2016), the City also updated goals and policies in the Comprehensive Plan (Chapter 6 – Economy) to support and reinforce economic development objectives for Bend's economic lands (commercial, industrial and mixed use). The 2016 EOA is included as an Appendix and adopted as part of the Comprehensive Plan. Excerpts of the general policies from Chapter 6 are highlighted below:

> *Policy 6-1. Bend's economic lands (commercial, industrial and mixed use) serve Bend residents and the needs of a larger region.*
>
> *Policy 6-2. Bend is a regional center for health care, art and culture, higher education, retail, tourism, and employment. The economic land policies recognize Bend's role in the region, and the need to support uses that bolster the local and regional economy:*
>
> - *The Medical District Overlay Zone provides economic lands for a variety of health care and related services to a population much larger than the City of Bend.*
> - *Commercial and Mixed Use-designated lands support retail, tourism, and arts and culture uses to serve a local and regional role.*
> - *Public Facility and Special Plan Districts support higher education to serve Bend residents and the needs of the region.*
> - *Industrial and Mixed Employment-designated land located at Juniper Ridge has a local and regional role.*
>
> *Policy 6-3. Investment in transportation, water, sewer, fiber, and other utility infrastructure should be prioritized to serve economic lands.*
>
> *Policy 6-4. Infrastructure will be planned, designed, and constructed to support continued economic growth and orderly development.*

Policy 6-6. Employment lands for Bend's target sectors will be provided and protected to promote expansion of existing businesses and attract new businesses.

Policy 6-8.The City will recognize the statements of the City's overall economic development objectives and desirable types of employment contained in the 2016 Economic Opportunities Analysis (EOA).

Policy 6-9. The City will prioritize providing an adequate number of suitable industrial sites while also providing a variety of commercial sites.

Policy 6-10. The City will seek opportunities to designate or allow additional sites for employment use and increase the use of existing employment land within the existing urban growth boundary prior to expanding the UGB.

Policy 6-11. The City will periodically review existing development and use patterns on industrial and commercial lands. The City may consider modifying Comprehensive Plan designations and zoning to better respond to opportunities for redevelopment and revitalization of employment lands in underutilized areas.

Conclusion: The 2016 EOA will be adopted as part of the Comprehensive Plan to support the 2016 UGB. Updates to Chapter 6 (Economy) of the Bend Comprehensive Plan will also be adopted to support the 2016 UGB. The consolidated adoption package captures the community's overall objectives for economic development. Policies in Chapter 6 of the Plan identify categories of particular types of industrial and other employment uses desired by the community. Therefore, the City has met the legal standard set forth in OAR 660-009-0020(1)(a).

Commitment to Provide a Short-Term Supply

Findings: Bend is within a Metropolitan Planning Organization (MPO) and is required to provide evidence that it complies with the requirements to maintain a short-term supply of employment lands as required by OAR 660-009-0015. The 2016 EOA includes evidence to address this legal standard (p. 53-65). The following findings include direct excerpts of the highlights of the analysis from the 2016 EOA.

OAR 660-009-0005(10) defines short-term land supply as follows:

> *"Short-term Supply of Land" means suitable land that is ready for construction within one year of an application for a building permit or request for service extension. Engineering feasibility is sufficient to qualify land for the short-term supply of land. Funding availability is not required.*

OAR 660-009-0025(3) provides:

> ****cities and counties subject to this section must provide at least 25 percent of the total land supply within the urban growth boundary designated for industrial or other employment uses as short-term supply.*

The evaluation of short-term land supply is directly related to infrastructure plans. Since the Remand was issued in 2010, the City has completed substantial of planning work for infrastructure. These plans include:

- Water System Master Plan - 2011 Update (Optimization Study)
- Water Management and Conservation Plan – 2011
- Water Public Facility Plan - 2013
- Wastewater Collection System Master Plan – 2014
- Sewer Public Facility Plan - 2014
- Stormwater Master Plan – 2014
- Stormwater Public Facility Plan - 2014
- Bend Urban Area Transportation Plan – 2011
- NE Bend Transportation Study – 2009
- Transportation System Plan - 2013

Water: To better understand the extent to which water capacity and systems will support employment growth, the City commissioned Murray, Smith & Associates (MSA) to analyze whether the existing system would accommodate a 25% increase in employment given planned system enhancements. The analysis builds on the capacity analysis performed for the City of Bend's Water System Master Plan (WMP) completed in 2011. The updated hydraulic model developed for the WMP was used as a tool to identify capacity constraints and bottlenecks associated with a 25% increase in employment above existing conditions. In summary, the analysis answers the question of whether 25% of Bend's land could be provided water service making it available as short-term supply with the assumption that 25% of the forecast employment growth would consume 25% of the land.

All areas will require system improvements to meet fire flow requirements at 25% employment growth. Within the context of short-term supply, areas that do not have sufficient fire flows are assumed to meet the criteria of being ready for construction within one year of an application for a building permit or request for service extension. Based on the MSA analysis, the City concludes that water systems do not constrain employment growth and that all employment lands within the UGB meet the definition of short term supply for water (2016 EOA, p. 56-58; Rem Rec 10747-10749).

Wastewater: To better understand the extent to which wastewater capacity and systems will support employment growth, the City commissioned Murray, Smith & Associates to analyze whether the existing system would accommodate a 25% increase in employment given planned system enhancements. The analysis builds on the capacity analysis performed for the City of Bend's Collection System Master Plan (CSMP) completed in 2014. The hydraulic model developed for the CSMP was used as a tool to identify capacity constraints and bottlenecks associated with a 25% increase in employment above existing conditions. In summary, the analysis answers the question of whether 25% of Bend's land could be provided wastewater service making it available as short-term supply with the assumption that 25% of the forecast employment growth would consume 25% of the land.

To reflect system improvements in progress and the anticipated timeframe for the UGB project, the analysis assumed that programmed improvements for 2016 and 2017 were in place. This includes three key improvements identified in the CSMP Capital Improvement Program – the North Area improvements, Colorado Lift Station, and Southeast Interceptor Phase I.

Table 5-22 shows the employment assumptions by zoning district used in the wastewater system modeling. The employment forecast figures are derived from the EOA.

Table 5-22. 25% of Employment Forecast and Acres Serviced by Wastewater Collection Systems, by Zoning District, 2016-2036

Zoning	25% of Forecast Employment	
	Employees	Acres
Central Business District	245	8
Convenience Commercial	71	17
General Commercial	282	84
General Industrial	36	18
Instructional	87	52
Light Industrial	790	162
Light Commercial	236	40
Medical District	235	33
Mixed Employment	695	117
Mixed Use	279	39
Mixed Use Riverfront	156	49
Public Facilities	421	81
Total	**3,533**	**700**

Source: Murray Smith & Associates; 2016 EOA, Table 20

The key conclusion of the analysis is that the wastewater system generally has capacity for 25% employment growth without the risk of overflow. The analysis identifies areas with critical capacity constraints which are shown in Map 3 of the EOA (Page 61; Rem Rec 10752).

To summarize, the conclusion that the wastewater system can generally accommodate growth indicates that the additional 25% employment growth creates some system deficiencies based on City standards; however it does not cause system overflows. The model results are dependent on distributed growth. If all or most the employment growth were concentrated in one location such as the north area, greater system deficiencies would occur.

Moreover, it is important to note that all three areas identified with capacity constraints will experience bottlenecks even without the 25% employment growth. The key findings from previous analyses relative to the bottlenecks are that growth may be limited prior to construction of the Southeast Interceptor Phase 2 and the Northeast Interceptor (2016 EOA, p. 56-61).

Stormwater: The City adopted a Stormwater Public Facilities Plan in 2014[60]. The plan describes the City's existing stormwater facilities and plans for future facilities needed over a 20 year planning period. The City relies mainly on a dispersed drainage system. This type of system relies less on "grey" infrastructure (e.g., pipes and canals) and more on so-called "low-impact development" methods that allows stormwater to be contained on site at or near the source.

[60] **Official Notice** – the Stormwater Public Facilities Plan of 2014 can be downloaded from the City's website – www.bendoregon.gov.

The Stormwater Plan does not identify any major system deficiencies and the low-impact development standards suggest that stormwater improvements will not be a limitation on future employment growth (2016 EOA, p. 62; Rem Rec 10753).

Transportation: Bend has long maintained transportation system plans. The Bend Transportation System Plan (TSP) was updated in 2013[61]. A special study of the Northeastern area of Bend (the NE Bend Transportation Study) was completed in 2009. The purpose of these plans and studies is to help guide the development of a transportation system that will meet the forecast needs of Bend.

The TSP concludes that several roadways throughout the urban area will approach, or exceed, their capacities under the "no-build" conditions during the peak hour. Many of the collector and arterial streets in the Bend urban area will be modernized or widened during the twenty-year planning period. The TSP identifies about 300 miles of City maintained streets and identifies approximately 15 miles of streets will be near or over capacity by the end of the planning horizon.

A key issue is addressing mobility standards. These standards are administered by the multiple jurisdictions that manage the transportation system. With respect to City-maintained facilities, the Bend city code has provisions that allow the City Manager some discretion in altering mobility standards. While relaxed mobility standards have implications for the functioning of the overall system, the flexible standards suggest that transportation on the City-maintained system will not prohibit development. In short, the conclusion is that City transportation capacity is not a limiting factor due to the ability to relax mobility standards for City streets.

Management of State facilities is more complex—particularly for the Northeast area. The NE Bend Transportation Study was an effort aimed at better understanding system limitations and to develop strategies to reduce trip reliance on state highways. Key outcomes of the project are (1) a recommended list of system improvements, (2) alternative mobility standards for state facilities, and (3) recommended transportation demand and system management strategies.

Changes to mobility standards are subject to Oregon Transportation Commission review, a requirement that would preclude a classification of short term supply for affected lands. This affects the entire northern area of the City and one site on S 3rd Street. This directly affects lands in the North Triangle and Juniper Ridge. Growth at Juniper Ridge will have a significant impact on the Cooley/97 intersection – enough to require that the intersection be completely redesigned and reconstructed – a $40 million project.[62]

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[61] **Official Notice** – the City of Bend Transportation System Plan is available to download from the City's website – www.bendoregon.gov.

[62] More detail about Juniper Ridge can be found on the City website: redhttp://www.bendoregon.gov/index.aspx?page=615. Details pertaining to the UGB review can be found in a memorandum from Brian Rankin to the UGB Steering Committee: http://www.bendoregon.gov/modules/showdocument.aspx?documentid=22403

To address transportation issues at Juniper Ridge, the City and ODOT entered into Intergovernmental Agreement to link the need for transportation through the north end of Bend to the amount of trips that could result from development at Juniper Ridge over time. The agreement essentially places a cap on PM peak hour trips for the site based on specific improvements.

To estimate the amount of land that could be developed under high and low traffic employment uses at Juniper Ridge, an analysis of trip generation using the Institute of Transportation Engineers Trip Generation Manual was completed. Depending on the use, and without TDM strategies, between 20 and 100 acres could develop at Juniper Ridge under the trip cap[63]. For the purpose of the transportation analysis, 50 acres at Juniper Ridge are assumed to meet the definition of short-term supply.

In summary, Bend can accommodate 25% employment growth with the existing transportation system. Limitations exist in some areas such as Juniper Ridge that could preclude full build out, but other options exist for accommodating employment (2016 EOA, p. 62-64; Rem Rec 10753-10755).

Table 5- consolidates the EOA infrastructure analysis for employment lands and presents a summary of total land supply (vacant land) and short-term land supply by plan designation for the current Bend UGB. The results show that nearly 60% of employment land meets the definition of short-term supply. Juniper Ridge is the key employment area where service deficiencies limit development.

Table 5-23. Total and Short-Term Land Supply for Employment, Bend UGB, 2015

Plan Designation	Total Land Supply	Short-Term Land Supply	Percent of Total Land Supply
Commercial/Mixed Use	**280**	**280**	100%
CB	-	-	-
CC	12	12	100%
CG	104	104	100%
CL	75	75	100%
MR	40	40	100%
PO	49	49	100%
Industrial/Mixed Employment	**690**	**267**	39%
IG	8	8	100%
IL	601	178	30%
ME	81	81	100%
Public Facilities	**86**	**86**	100%
PF	86	86	100%
Total	**1,089**	**667**	**61%**

Source: 2016 EOA, Table 22

Conclusion: Based on this analysis of Short-Term Supply in the 2016 EOA, the City concludes that it meets the requirement of OAR 600-009-0025(3)(a) to provide at least 25% of the total

[63] TDM – transportation demand management

land supply within the urban growth boundary designated for industrial and other employment uses as short-term supply. Additionally, the City has included policies in Chapter 6 (Economy) of the Comprehensive Plan (Rem Rec 10335-10336) to monitor and maintain the acreage of employment lands that qualify as competitive short-term supply. The policy framework includes:

- Regularly updating the BLI for economic lands and estimating the acreage of vacant economic lands that quality as competitive short-term supply;
- Identifying obstacles that prevent lands from qualifying as competitive short-term supply; and
- Targeting special efforts, plans, and potential funding mechanisms to prepare lands to qualify as competitive short-term supply.

Commitment to Provide Adequate Sites and Facilities

Findings: Updates to Chapter 6 (Economy) of the Bend Comprehensive Plan will be adopted as part of the UGB adoption package. Chapter 6 includes policies committing the city to designate an adequate number of sites of suitable sizes, types and locations and to provide necessary facilities to support industrial lands. Excerpts of key goals and policies are provided below:

> ***Goals***
>
> - *Ensure an adequate supply of appropriately zoned land for industrial, commercial, and mixed-use development opportunities.*
> - *Strengthen Bend's position as a regional economic center.*
>
> ***Policies***
>
> *Policy 6-1. Bend's economic lands (commercial, industrial and mixed use) serve Bend residents and the needs of a larger region.*
>
> *Policy 6-2. Bend is a regional center for health care, art and culture, higher education, retail, tourism, and employment. The economic land policies recognize Bend's role in the region, and the need to support uses that bolster the local and regional economy.*
>
> *Policy 6-3. Investment in transportation, water, sewer, fiber, and other utility infrastructure should be prioritized to serve economic lands.*
>
> *Policy 6-4. Infrastructure will be planned, designed, and constructed to support continued economic growth and orderly development.*
>
> *Policy 6-6. Employment lands for Bend's target sectors will be provided and protected to promote expansion of existing businesses and attract new businesses.*
>
> *Policy 6-8.The City will recognize the statements of the City's overall economic development objectives and desirable types of employment contained in the 2016 Economic Opportunities Analysis (EOA).*
>
> *Policy 6-9. The City will prioritize providing an adequate number of suitable industrial sites while also providing a variety of commercial sites.*

New policies in Chapter 11 (Growth Management) of the Comprehensive Plan (Rem Rec. 10362) reinforce the City's overall growth strategy to "*Wisely grow up and out."* Higher densities and mixed use development is focused to the core area, opportunity areas and along transit corridors to maximize efficient use of land for housing and employment.

Conclusion: The Council finds that the 2016 EOA provides the evidence to support the determination of the number of needed sites to accommodate the employment forecast to 2028. New policies in the Comprehensive Plan are linked with the analysis in the EOA and provide the policy framework to designate and maintain an adequate number of suitable sites, consistent with the City's growth management framework. Therefore, the City has complied with the legal standards in OAR 660-009-0020 regarding economic development policies.

5.4.5.2 Assigning Appropriate Plan Designations

OAR 660-024-0050 requires that appropriate plan designations be assigned to land added to the UGB, consistent with the need determination. Relative to employment land, OAR 660-024-0050 provides:

> *(6) When land is added to the UGB, the local government must assign appropriate urban plan designations to the added land, consistent with the need determination. The local government must also apply appropriate zoning to the added land consistent with the plan designation or may maintain the land as urbanizable land until the land is rezoned for the planned urban uses, either by retaining the zoning that was assigned prior to inclusion in the boundary or by applying other interim zoning that maintains the land's potential for planned urban development. ****

The proposed 2016 UGB expansion is for a total of 2,380 acres, consistent with the overall land need determinations for housing, employment, and parks and schools:

- 1,142 gross acres of residential land (including land for future schools and future parks not yet in BPRD or school district ownership);
- 815 gross acres of employment land;
- 285 acres of land for public facilities currently in BPRD or school district ownership; and,
- 138 acres of existing right-of-way within and fronting UGB expansion areas, needed to provide urban street improvements to support growth in the expansion areas.

The need determinations are supported by evidence in the record and in the following key documents that will be adopted with the UGB expansion and incorporated as Appendices to the Bend Comprehensive Plan:

- Buildable Lands Inventory (2016)
- Housing Needs Analysis (2016)
- Economic Opportunities Analysis (2016)
- Urbanization Report (2016)

The City will apply specific urban plan designations to the UGB expansion areas consistent with the overall land need determinations. The findings in Section 4 (Residential Land Needs),

Section 5 (Economic Development Land Needs) and Section 6 (Other Land Needs) of this Findings Report are incorporated by this reference to document the linkage between the identified land needs to 2028 and the plan map designations.

Consideration of suitable and appropriate plan map designations has been an integral part of the UGB process. Alternative UGB scenarios were created and evaluated using "development types" that represent specific plan designations. Scenario maps shared with the Technical Advisory Committees (TACs) and the public have shown generalized land uses applied in specific areas (calibrated to meet residual needs for housing units and jobs outside of the UGB). The review of scenario maps included TAC discussions and public testimony regarding proposed land uses on specific parcels, transportation facilities, and options for schools and parks. Planning concepts have been part of the dialogue, addressing issues such as use of the transect approach, compatibility with adjacent development, and how new development in expansion areas can complement existing development in the city.

Figure 5-4 shows the proposed plan map designations for the UGB expansion areas, in the context of plan designations city-wide. A very brief overview of the plan designations for employment lands (industrial, commercial and mixed use) is provided below.

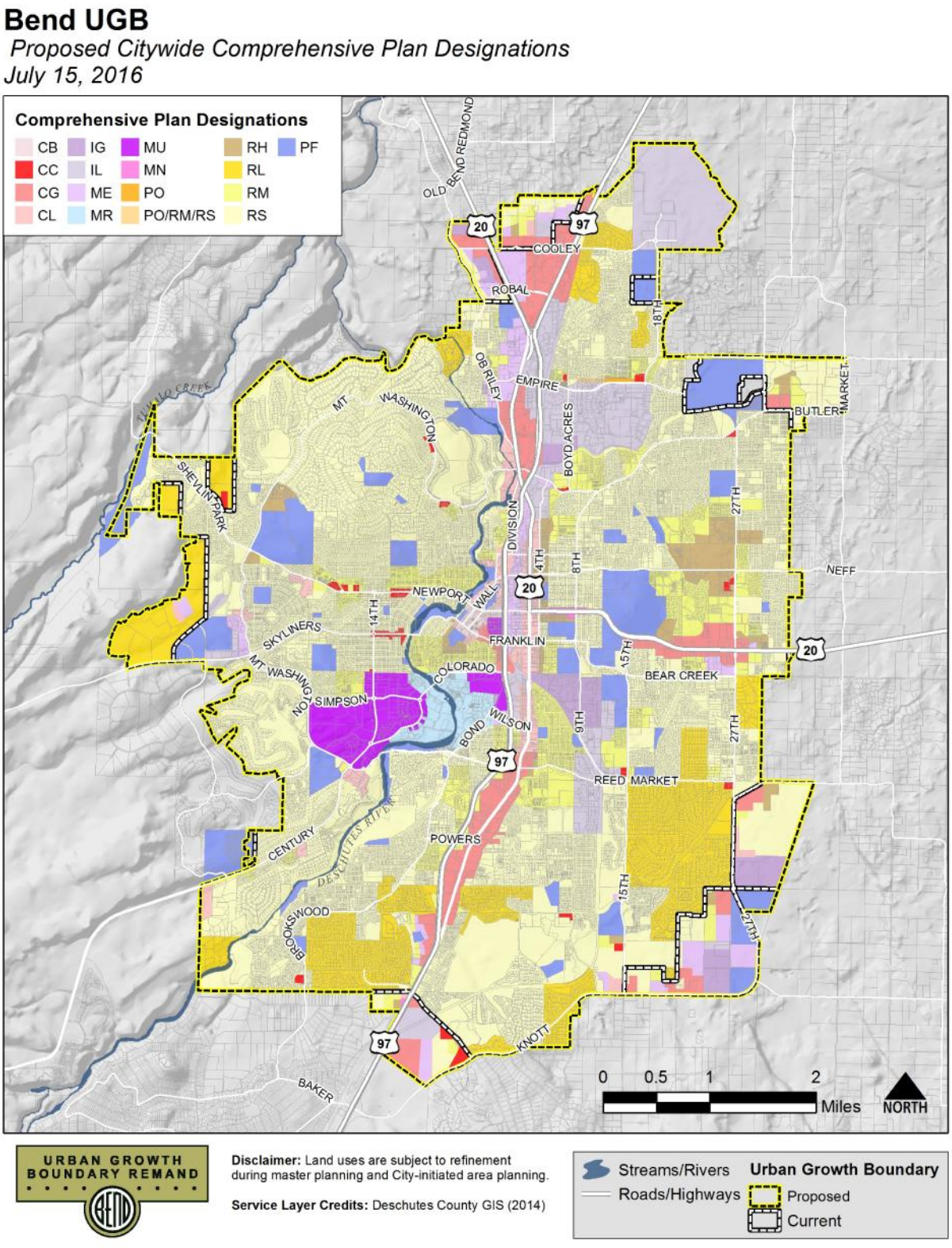
Industrial Light (IL) and Industrial General (IG) plan designations are applied in the following UGB expansion subareas: DSL, Elbow, Thumb, OB Riley and North Triangle. Portions of these subareas are suitable for industrial plan designations because of 1) proximity and accessibility to major transportation corridors such as Hwy 97, Hwy 20, Knott Road and 27th Avenue, 2) availability of larger undeveloped parcels, 3) availability of relatively flat sites, and 4) adjacent compatible uses or opportunities for buffering.

Three different Commercial plan designations are applied in the UGB expansion areas: Commercial Convenience (CC), Commercial Limited (CL) and Commercial General (CG). Areas designated CG are suitable for this plan designation because of 1) proximity, accessibility and visibility to major transportation corridors such as Hwy 97, Hwy 20, Cooley Road, Knott Road and 27th Avenue, 2) availability of larger undeveloped parcels, 3) availability of relatively flat sites, and 4) compatibility with adjacent commercial development, particularly in the north area.

Smaller areas of CC and CL plan designations are applied in the DSL, Thumb, and West Areas to leverage and support development of more complete communities, both inside the current UGB and in expansion areas.

Mixed Employment (ME) plan designations are applied in the following UGB expansion subareas: Elbow, Thumb, West, OB Riley and North Triangle. The ME designation provides the opportunity for a broad mix of employment uses and is generally applied in expansion areas to provide a transition between different employment and residential designations.

Figure 5-4. Proposed Comprehensive Plan Designations



Goals and policies in the new Growth Management Chapter provide the framework to guide future planning and development of the UGB expansion areas (Rem Rec 10362). Key "givens" for the policy framework include:

- Identification of central planning concepts for each UGB expansion area (8 in total)
- Specific plan designations assigned for each for each UGB expansion area
- Required housing units (generally a minimum) and housing mix set in policy for each UGB expansion area
- Total acreage by generalized plan designation (e.g., commercial, industrial, residential) set in policy for each UGB expansion area
- Flexibility provided to refine the spatial arrangement of plan map designations within a subarea provided that identified land and housing needs are still met

The specific policies for each UGB expansion area will be implemented through area plans. Policies require master planning for the four UGB expansion areas that include large parcels (>20 acres) that are largely under single ownership (DSL, Thumb, West, and Shevlin). The other UGB expansion areas include multiple parcels and owners (NE Edge, Elbow, OB Riley, and North Triangle). Policies require that the City initiate area plans for each of these UGB expansion areas. The intent is to focus on the basics of transportation, parks, schools, water/sewer infrastructure, and minor refinement of land uses/plan designations in these area plans.

As allowed by OAR 660-024-0050(6), the City will retain existing Deschutes County zoning in the UGB expansion areas on an interim basis. Urban zoning will be applied to implement the specific plan designations as part of annexation, master planning, and area planning and/or development approval.

OAR 660-009-0025 includes additional requirements for employment uses with special siting characteristics:

> *(8) Uses with Special Siting Characteristics. Cities and counties that adopt objectives or policies providing for uses with special site needs must adopt policies and land use regulations providing for those special site needs. Special site needs include, but are not limited to large acreage sites, special site configurations, direct access to transportation facilities, prime industrial lands, sensitivity to adjacent land uses***. Policies and land use regulations for these uses must:*
>
> *(a) Identify sites suitable for the proposed use;*
>
> *(b) Protect sites suitable for the proposed use by limiting land divisions and permissible uses and activities that interfere with development of the site for the intended use; and*
>
> *(c) Where necessary, protect a site for the intended use by including measures that either prevent or appropriately restrict incompatible uses on adjacent and nearby lands.*

The findings in Section 2.4.2.5 address special site needs and are incorporated by this reference. The City's 2008 UGB proposal included special site needs for a future university, a medical center, and two large-lot industrial uses. The Remand Order concluded that the City

had documented the special site needs, but remanded the decision for adoption of adequate findings explaining why the need could not be accommodated within the prior UGB.

As explained in the Section 2.4.2.5 findings, the OSU-Cascades University will be accommodated within the current UGB, and an opportunity for one of the large-lot industrial sites will be accommodated at the Juniper Ridge, also within the current UGB. The easterly 200-acres of Juniper Ridge are owned by the City and designated for Light Industrial use on the Comprehensive Plan Map.

The second large-lot industrial site will be accommodated in the 2016 UGB expansion on the DSL site. As shown on Figure 5-4, a general industrial plan designation has been assigned to the southerly portion of the DSL site, abutting the large County-owned site and facilities to the south (public works shop, humane society, and Knott Landfill).

Specific policies are included in Chapter 11 (Growth Management) of the Comprehensive Plan (Rem Rec 10384), and additional policies are included in Chapter 6 (Employment) to address the special site needs for the university and large-lot industrial uses (Rem Rec 10336).

Current county zoning will be retained for the UGB expansion areas, including the DSL site. Policies 11-19, 11-20 and 11-67 (Rem Rec 10384) require that special zoning provisions be applied to the large-lot industrial site as part of subsequent area planning. DSL has proposed that the large-lot zone or overlay zone developed for the Regional large lot industrial land program in Crook, Deschutes or Jefferson Counties be used as a model. The components of the regional large-lot industrial zone are included in OAR 660-024-0045(9) through (12). Key provisions:

- Require development agreements and other provisions to prevent redesignation for other uses for at least 10 years
- Prohibit land divisions less than the minimum size of the site need (50 acres) until the site is developed with a primary traded sector use requiring a large lot
- Limit allowed uses on the site to the traded sector uses (with some exceptions for subordinate industrial uses that support the primary traded sector use, limited non-industrial uses that primarily serve the needs employees of industrial uses developed on the site)

Conclusion: The City has applied specific plan designations to the UGB expansion areas based on the identified land needs. Plan designations for industrial, commercial and mixed employment have been assigned based on:

- The employment forecast to 2028 (and residual need for jobs outside of the current UGB)
- Site characteristics and suitability for employment uses
- UGB Scenario Evaluation
- Public testimony and TAC discussion and direction

Goals and policies in Chapter 11, Growth Management, (Rem Rec 10382-10404) of the Comprehensive Plan provide specific guidance for more detailed planning in UGB expansion areas and will assure that new development in expansion areas is coordinated, efficient, and consistent with the forecast growth and capacity assumptions for the UGB. New policies in Chapter 11 also address the Special Site Needs.

The consolidated package of UGB adoption products, including but not limited to the EOA, the plan map designations for the expansion areas, and the goals and policies in Chapter 11 (Growth Management) and Chapter 6 (Employment), complies with OAR 660-024-0050(6). Appropriate urban plan designations have been assigned to land added to the UGB, consistent with the need determination.

5.4.6 Employment Land Need

The conclusions of the economic opportunities analysis for the Base Case (without Efficiency Measures) are (2016 EOA, page 65; Rem Rec 10756):

- **Bend does not have sufficient employment land to accommodate forecast employment growth**. The analysis shows that Bend does not have enough land in its UGB to accommodate all employment types with the exception of public employment. There is an overall deficit of land for 8,317 employees.
- **Bend has a deficit of employment sites**. The analysis shows that Bend has a deficit of 267 sites smaller than five acres and 13 sites between 5 and 50 acres.

Table 5-24 shows the change in jobs capacity as a result of the efficiency measures. Even with this additional capacity, Bend has a residual employment need that cannot be met within the UGB.

Table 5-24. Employment Capacity with Efficiency Measures Compared to Employment Needs by Employment Category, Bend, 2014-2028

Employment Category	Base case	Increase (Decrease) from Efficiency Measures	With Efficiency Measures
Retail & Hospitality	5,216	(710)	4,506
Office	2,420	803	3,223
Industrial	4,350	975	5,324
Public	1,637	34	1,671
Total	**13,622**	**1,102**	**14,723**

Source: 2016 Urbanization Report, Table 17

Table 5-25 summarizes how projected employment growth is accommodated within the existing UGB and in the proposed UGB expansion. Note that the number of new jobs reported is net of any existing jobs that may be lost through redevelopment in non-residential districts.

Table 5-25. Full Proposed UGB Employment Capacity by Category

Employment Category	Total Employment Need[64]	Net New Jobs Inside Current UGB	New Jobs in UGB Expansion Areas	Total New Jobs
Industrial	6,522	4,506	2,018	6,524
Retail & Hospitality	6,546	3,223	3,313	6,536
Office	7,158	5,324	1,797	7,121
Public	1,717	1,671	53	1,724
Total	**21,943**	**14,723**	**7,181**	**21,901**

While there are very minor differences between the number of jobs by category projected and the number estimated to be provided through the proposed UGB expansion and efficiency measures inside the existing UGB, they are so slight as to be attributable to rounding errors and the precision of the Envision Tomorrow model. In total, the UGB expansion proposal provides adequate land for employment, consistent with the employment projections in the EOA.

A breakdown of the land need is provided in Table 5-26. The total residential, employment and park and school land need in the UGB expansion includes within it small amounts of buildable land and developed land that is unlikely to redevelop within the planning horizon located on parcels that have other vacant, buildable land. It also includes land for things like future parks and open space, future schools, future right-of-way, and other future urban uses.

Table 5-26. Components of Land Need

	Residential Land	Employment Land	Public Facilities
Total expansion acres on parcels by plan designation	1,142	815	285
Unbuildable Land	11	2	3
Developed Land Not Expected to Redevelop[65]	13	13	152
Vacant and Redevelopable Buildable Acres	1,119	800	130
Land for future right of way, future parks & open space, future schools, and other urban uses	473	254	130
Net Buildable Residential / Employment Acres	**646**	**546**	**0**

Source: 2016 Urbanization Report, Table 23

[64] The employment need categories have been generalized for simplicity in comparing against capacity as measured in Envision Tomorrow. See EOA for details.

[65] A quarter acre of land on each property with an existing home(s) was assumed to be developed. Redevelopment assumptions are the same as those for developed land inside the UGB (based on the plan designation / development type). For existing schools and parks, the area developed with existing uses was estimated based on aerial photography.

The Council finds that this demonstrates that adequate land has been provided to meet projected future employment needs. Properties of a range of sizes are identified with employment plan designations in the UGB expansion areas. With the exception of the large lot industrial site, land for employment uses in the UGB expansion areas will be dividable following area planning and annexation. Property owners will be able to divide as needed to provide the number and size of sites needed within the total acreage provided.

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6. OTHER LAND NEEDS

6.1 Introduction

Goal 14 provides that the UGB must be based on the appropriate 20-year population forecast for the urban area, and must provide for needed housing, employment and *other urban uses such as public facilities, streets and roads, schools, parks and open space.* The findings in this section address the italicized "other urban uses."

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

6.2 Summary of Relevant Legal Standards

There are relatively few legal standards that are applicable to Bend's determination of land needs for "other urban uses" under Goal 14. Table 6-1 summarizes the organization of the findings and the relevant legal standards. The applicable ORS and OARs, their standards, and the City's findings included in this and other sections of the findings are the June 30, 2013 versions of ORS 197.298 and Division 24. Other ORS and OARs are current versions as of 2016[1].

Table 6-1: Relevant Legal Standards

Section Heading in Findings	Applicable Oregon Revised Statutes (ORS)	Applicable Statewide Planning Goal(s)	Applicable Oregon Administrative Rule(s) (OAR)
6.4.1 Public Schools (K-12)	195.110	14	660-024-0040(1) 660-024-0050(1) and (4)
6.4.2 Neighborhood and Community Parks		14	660-024-0040(1) 660-024-0050(1) and (4)
6.4.3 Public Right-of-Way		14	660-024-0040(1)
6.4.4 Other Urban Uses		14	660-024-0040(1)

[1] The City relied on the June 30, 2013 versions of ORS 197.298, and OAR 660-024 for the analysis. For other relevant statutes and administrative rules, the City relied on those versions available online as of 2016. The City also relied on 2016 HB 4126 (See 2016 Oregon Laws, Chapter 81).

6.3 Substantial Evidence

Table 6-2 summarizes the key evidence that supports the findings in this section based on the Remand Record (Rem Rec.).

Table 6-2: Key Record References

Description	Date	Page #
2009 UGB Record		*Record (Rec)*
Population Forecast (2008-2028)	1/5/2009	Rec. 1067; 8801
Forecast for needed housing units (2008-2028)	1/5/2009	Rec 1069; 8801
Land needs for public schools	1/5/2009	Rec. 1088; 8670
Land needs for parks	1/5/2009	Rec. 1089; 8670
Land needs for public ROW	1/5/2009	Rec 1092, 2168
"Other" land needs	1/5/2009	Rec 1090-1091; 2180
2011-2016 Record on Remand[2]		*Remand Record (Rem Rec.)*
2016 Buildable Lands Inventory	7/18/16	Rem Rec. 10413
2016 Urbanization Report	7/19/16	Rem Rec. 10814
Memos regarding Coordination with School & Park Districts	7/22/2011 7/22/2011	Rem Rec. 108 Rem Rec. 156
Scenario Evaluation Report	10/1/2016	Rem Rec. 6209
Comprehensive Plan Map for UGB Expansion	7/20/2016	Rem Rec. 11145
Other (public testimony, memos and minutes from TAC/USC meetings, etc.)	4/22/2011 4/22/2011	Rem Rec. 25 Rem Rec. 112

[2] **Official Notice:**

1) Bend-La Pine Schools 2010 School Facility Plan – https://www.bend.k12.or.us/district/organization/construction

2) Bend-La Pine Schools 2016 School Facility Plan - https://www.bend.k12.or.us/district/organization/sites-and-facilities

3) Bend Metro Parks and Recreation District "Parks, Recreation, and Green Spaces Comprehensive Plan (February 2012 Update) – http://www.bendparksandrec.org/about_us/planning__development/comprehensive_plan/

6.4 Findings

6.4.1 Public Schools (K-12)

6.4.1.1 Methodology Used to Estimate Land Needs for Schools

OAR 660-024-0040(1) and (7) apply to the determination of land needs for schools:

> *(1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under Rules in OAR 660-024-0030, and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads,* ***schools****, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.*
>
> ***
>
> *(7) *** The determination of school facility needs must also comply with ORS 195.110.*

ORS 195.110 requires school facility plans for large school districts. Relevant sections include:

> *(1) ***a large school district means a school district that has an enrolment of over 2,500 students based on certified enrollment numbers submitted to the Department of Education during the first quarter of each new year.*
>
> ***
>
> *(5) The school facility plan must cover a period of at least 10 years and must include, but need not be limited to, the following elements:*
>
> *(A) Population projections by school age group.*
>
> *(B) Identification by the city or county and by the large school district of desirable school sites.*
>
> *(i) Alternatives to new school construction and major renovation; and*
>
> *(ii) Measures to increase the efficient use of school sites including, but not limited to, multiple-story buildings and multipurpose use of sites.*
>
> *(6) If a large district determines that there is an inadequate supply of suitable land for school facilities for the 10-year period covered by the school facility plan, the city or county, or both, and the large district shall cooperate in identifying land for school facilities and take necessary actions, including, but not limited to, adopting appropriate zoning, aggregating existing lots or parcels in separate ownership, adding or petitioning to add one or more sites designated for school facilities to an urban growth boundary.*

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In April, 2010, the Bend-La Pine School District (School District) adopted a School Facility Plan. This Facility Plan meets the requirements of ORS 195.110:

- It extends through the 2030/2031 school district, covering a period of 20 years. This meets the requirement to cover a period of at least 10 years.
- It includes and is based on population projections by school age group completed by the Population Research Center at Portland State University.
- It considers alternatives to new school construction and major renovation, including extending the school year and offering night school classes for high school students.
- It considers measures to increase the efficient use of school sites, including multi-story buildings and reuse of District-owned properties.

The School Facility Plan identifies a need for three to four new elementary schools, one new middle school, and one new high school between 2014 and 2028 based on population and enrollment projections and capacity at existing schools. This plan was updated in 2016, and reflects the same school needs by level, but has not been fully adopted by the School District.

The number of new schools needed based on the 2016 Sites and Facilities Plan is as follows:

- Four 600-student elementary schools, capacity is forecast to be exceeded in the following school years: 2020-2021, 2024-2025, 2028-2029, 2032-2033.
- One 800-student middle school, capacity is forecast to be exceeded in school year 2026-2027
- Two 1,500-student high schools, capacity is forecast to be exceeded in school years 2018-2019 and 2032-2033.

The total need for new schools within the 2028 planning period are three 600-student elementary schools, one 800-student middle school, and one 1,500-student high school. Therefore, in order to maintain the preferred school sizes (in terms of enrollment per school), the Council finds that the total number of schools needed is likely to remain approximately the same regardless of where the growth occurs. New elementary school sites are usually 10 to 15 acres; new middle school sites are 20 to 30 acres; new high school sites are 40 to 50 acres. The total land need for schools is estimated to be between 90 and 140 acres, depending on the size of sites and the number of elementary schools. This is summarized in the 2016 Urbanization Report (Rem Rec 10832), Table 5, which is reproduced below.

Table 6-3: School Land Need Projections

School Type	Number Needed	Acres Per School	Acres Needed
Elementary School	3 to 4	10 to 15	30 to 60
Middle School	1	20 to 30	20 to 30
High School	1	40 to 50	40 to 50
Total	**5 to 6**		**90 to 140**

Source: Angelo Planning Group summary based on Bend-La Pine School District, 2010 School Facility Plan.

6.4.1.2 Evaluation of Whether Estimated Needs Can Be Accommodated within Existing UGB

Under OAR 660-024-0050, when evaluating or amending a UGB, a local government must first inventory inside the UGB to determine whether there is adequate capacity to accommodate 20-year needs. The following findings address whether the estimated land needs for schools can reasonably be accommodated within the UGB.

Two new school sites are identified inside the existing UGB – one middle school and one high school. Both are on land owned by the School District. Together, these sites represent roughly 75 acres of land for future schools. In addition, a new elementary school location is identified inside the UGB (along 15th Street), and two new elementary schools are identified in UGB expansion areas. Combined with the existing School District land for a middle school and a high school inside the UGB, this meets the identified needs for three to four elementary schools, one middle school and one high school based on the School District's master plan. The total amount of land provided for new school sites in the proposed UGB is roughly 125 acres. In addition, the existing school site at High Desert Middle School is proposed to be included in the UGB. This site is a total of 74 acres; however, it is assumed that a portion of the site will be made available for other development. The amount of land assumed to be dedicated to school use on that site is roughly 40 acres.

Policies regarding the siting of new schools in expansion areas have been included in Chapter 11, of the Bend Comprehensive Plan (Rem Rec 10384). Siting new schools requires coordination between the City, Bend-La Pine School District, and land owners in expansion areas expected to provide for needed schools. School siting and placement are required to be specified in future Area Plans or Master Planned Developments, where applicable.

Conclusion: The Council finds that need for land for schools has been determined based on a School Facility Plan in compliance with ORS 195.110 through extensive coordination with the school district. School district staff were appointed to the Residential TAC to assist with coordination throughout the process. This need will be met through a mix of land inside the existing UGB and land in UGB expansion areas. This meets the requirements of OAR 660-024-0040 and ORS 195.110.

6.4.2 Neighborhood and Community Parks

ORS 660-024-0040(1) applies to the determination of land needs for parks and open space[3]:

> *(1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under Rules in OAR 660, div 32, and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads, schools,* ***parks*** *and open space over the 20-year planning period consistent with the*

[3] The City is relying on the 2004 Deschutes County Coordinated Population Forecast that was acknowledged in 2005. The above cited rule under OAR 660-024-0040(1) was amended in 2015 to implement 2013 HB 2253.

land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.

6.4.2.1 Methodology Used to Estimate Land Needs for Neighborhood and Community Parks

The methodology used to estimate park land needs is summarized in the 2016 Urbanization Report (Rem Rec 10831-10832), pages 17-18. This methodology is provided below.

BPRD adopted a District Comprehensive Plan in 2012 that identified needs for additional neighborhood and community parks from 2012 to 2020 in order to meet adopted Level of Service (LOS) standards. The additional park land need from 2020 to 2028 can be estimated by extending the park need projection out to 2028 using the population forecast that is the basis for the UGB expansion and BPRD's adopted LOS standards. After accounting for parks developed since the publication of the Master Plan in 2012, the total need for additional parks to be developed from 2014 to 2028 is estimated to be 65.6 acres of neighborhood parks and 161.8 acres of community parks, for a total of 227.4 acres of parks (see Table 6-4).

Table 6-4: Park Land Need Projections

	Neighborhood Parks	Community Parks	Total
2012 to 2020 need for additional developed park land from BPRD Master Plan	31.6	96	127.6
Additional acres to be developed to 2028 @ current LOS[4]	34.0	113.3	147.3
Total acres to be developed 2012 to 2028	65.6	209.3	274.9
Acres developed since 2012	0.0	47.5	47.5
Acres remaining to be developed to 2028	65.6	161.8	227.4

Source: Bend Parks and Recreation District Parks and Recreation Master Plan, 2012; Angelo Planning Group analysis.

6.4.2.2 Evaluation of Whether Estimated Needs Can Be Accommodated within Existing UGB

Under OAR 660-024-0050, when evaluating or amending a UGB, a local government must first inventory inside the UGB to determine whether there is adequate capacity to accommodate 20-year needs.

The following findings address whether the estimated land needs for neighborhood and community parks can reasonably be accommodated within the UGB. These findings draw on

[4] 2020 population forecast for need projections in BPRD Master Plan = 92,408

2028 population projection = 115,063

Additional population growth 2020-2028 = 22,655

Adopted level of service for neighborhood parks = 1.5 acres / 1000 population

Adopted level of service for community parks = 5.0 acres / 1000 population

information provided in the 2016 Urbanization Report (Rem Rec 10845 and 10902-10903), pages 31 and 88-89.

BPRD owns 29.1 acres of undeveloped land slated for neighborhood parks, plus an additional 43.8 acres of undeveloped land for future community parks inside the existing UGB. BPRD also owns 70 acres of undeveloped community park land (Rock Ridge Park and High Desert Park) and 14 acres of undeveloped neighborhood park land (Alpine Park) outside of but adjacent to the existing UGB. These undeveloped parks are proposed to be brought into the UGB to meet the need for developed parks. In addition, as of the 2012 Plan, the Pine Nursery Community Park had already been developed, and had been used to close the gap in identified needs for community parks based on growth inside the UGB since 2008. Since it is already serving urban residents, it should be managed as an urban park and brought into the UGB so that it can be more effectively and efficiently managed. Another benefit of including this park in the UGB, and ultimately city, is the opportunity to serve this park with urban services which are needed for the expansion of public facilities on the site.

In addition to the land already owned by BPRD, up to 70 acres of open space set-asides will be required of large master plan developments and may be dedicated for public parks where appropriate (60 acres on land inside the current UGB and the remainder on large master plan expansion areas).[5]

With the land already in BPRD ownership inside and outside the current UGB, plus master plan open space dedications, the 227 acres of park land need is met by the proposed future UGB. This is summarized in Table 6-5.

Table 6-5: How Park Land Needs are Met

	Neighborhood Parks	Community Parks	Total
Available undeveloped BPRD land inside existing UGB	29.1	43.8	72.9
Undeveloped BPRD land outside current UGB and proposed for inclusion in future UGB	14.3	69.7	84.0
Additional acres provided through master plans or other dedication / acquisition	22.1	48.3	70.4
Total Park Acreage to be developed 2014 to 2028	**65.5**	**161.8**	**227.3**

Conclusion: The Council finds that land need for parks has been estimated consistent with LOS standards in the adopted Parks and Recreation Comprehensive Plan and the population projection for the UGB Remand's 20-year planning horizon. Locations within the existing UGB and land already in BPRD ownership outside the UGB that can accommodate the majority of that need have been identified. The remaining need will be met through acquisition and

[5] Since only about 70 acres of the 170 provided for by all open space set-asides in the future UGB are expected to be needed for public parks, the remainder (about 100 acres) is assumed to be private open space.

dedication of land required as part of neighborhood master plans, as has often been the case in Bend. These results manifested through extensive coordination between the BPRD and City, BPRD representation on the Residential TAC, and other forms of coordination.

6.4.3 Public Right-of-Way (ROW)

ORS 660-024-0040(1) and (7) apply to the determination of land needs for right-of-way:

> *(1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under Rules in OAR 660-024-0030, and must provide for needed housing, employment and other urban uses such as public facilities, **streets and roads**, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.*
>
> *(7) The determination of 20-year land needs for transportation and public facilities for an urban area must comply with applicable requirements of Goals 11 and 12, rules in OAR chapter 660, divisions 11 and 12, and public facilities requirements in ORS 197.712 and 197.768. ****

6.4.3.1 Methodology Used to Estimate Land Needs for Public Right-of-Way

The City has previously obtained DLCD's approval of using a 21% factor for rights of way during the prior proceedings on the UGB (Rec 1092, 2168). The City had prepared a technical memorandum that summarized a GIS-based analysis with which the City found that 21% of the land within the current UGB was in rights of way.

The 2016 Urbanization Report (Rem Rec 10903-10904), pages 89-90, summarizes the right of way land need for the proposed UGB. The proposed future UGB provides 1,116 acres of land for right-of-way (19.6% of vacant and redeveloped acres, but 21.1% of vacant and redeveloped land after excluding vacant platted lots). This meets the total need for new right of way.

Compliance with Goals 11 and 12 is documented in Sections 8 and 9 of these findings.

Conclusion: The Council finds that the amount of land for future rights-of-way was approved by DLCD, and corresponding amounts of land for right of way has been estimated based on evidence in the Record, and the amount of land set aside for right of way within the future UGB matches the estimated need.

6.4.4 Land Needs for Other Urban Uses

ORS 660-024-0040(1) applies to the determination of land needs for other urban uses:

> *(1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under Rules in OAR 660-024-0030, and must provide for needed*

*housing, employment and **other urban uses** such as public facilities, streets and roads, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.*

6.4.4.1 Methodology Used to Estimate Land Needs for Other Urban Uses

The City developed findings during the remand process to support the use of a 12.8% "other lands" factor to include in the city's land need estimate. The purpose for doing so was to account for land uses that did not fall within the categories of housing, employment, or rights of way, but used land in residential and employment zones. Under Remand Subissue 4.1 (Rem Rec 5780), LCDC did not share the City's conclusion that the UGB record supported a future trend-based factor of 15% (as opposed to the observed 12.8% percentage) to account for land uses that did not get accounted for in either the housing or employment land need estimates. The Commission did conclude that there was evidence in the record to support a 12.8% factor for "other lands."[6]

The City developed findings and technical memoranda supporting the use of a 12.8% factor for other lands in 2011 (Rem Rec 25). The City's findings supporting the use of a 12.8% other lands factors are summarized here (Rem Rec 29). The remand did not require any new evidence to be added to the record. State law provides for a local government to consider what are referred to as "other urban uses, such as public facilities, schools, parks, and open spaces." This is critical in one respect in that the forgoing estimate of land for schools did not account for land consumed by private schools. Similarly, the land need estimate for parks did not account for private open spaces and areas within planned developments that are treated as common areas. The City's analysis of what land was included in this 12.8% factor included land owned by benevolent, fraternal, and church organizations; land owned by utilities, and; privately held open spaces such as canals, cemeteries, golf courses, and recreational vehicle parks, uses which are allowed uses in many zoning classifications as regulated by the BDC

The 2016 Urbanization Report (Rem Rec 10903-10904), pages 89-90, summarizes the land need for other urban uses in the proposed UGB. The proposed future UGB provides a total of 648 acres of land for other land needs (such as churches, benevolent/fraternal organizations, utilities, canals, cemeteries, golf courses, properties owned by irrigation districts, and RV parks). This represents 11% of total acres of development / redevelopment, and 12% of acres developed after excluding vacant platted lots. This meets the total need for new other land uses.

[6] The record referred to here is the UGB Record developed and submitted to DLCD in 2009.

Conclusion: The Council finds that the percentage of land used for "other uses" was approved by DLCD, land for other urban uses has been estimated based on evidence in the Record, and the amount of land set aside for other urban uses within the future UGB is consistent with the estimated need. This will help ensure that the City has adequate supplies of land not only for needed housing and economic opportunities, but for other land uses.

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7. UGB LOCATION

7.1. Introduction

The findings in Section 7 address Bend's compliance with Goal 14 and related legal standards for the location of the proposed UGB.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

These findings in Section 7 document the process, steps, and rationale that Bend City Council followed to: (1) establish a study area to evaluate land for inclusion in the UGB; and, (2) evaluate land in the study area for inclusion in the UGB based on statutory priorities and the boundary location factors of Goal 14.

Section 7 builds on the land need findings in earlier sections of this report:

- Findings for needed housing and residential land need in Section 4
- Findings for employment and economic development land need in Section 5
- Findings for "other" land needs in Section 6

The process of determining land sufficiency, UGB expansion need, and location of the UGB is summarized in Figure 7-1.

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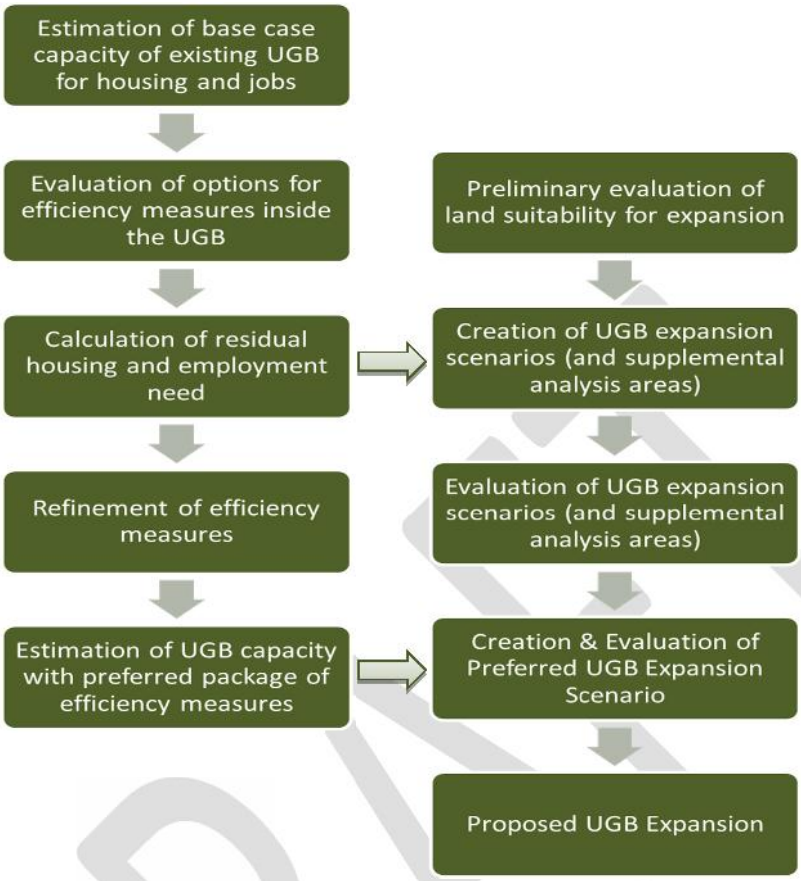
Figure 7-1: UGB Expansion Analysis Process Summary



7.2. Summary of Relevant Legal Standards

The findings in this section address the relevant legal standards that apply to the Bend City Council's determination of *where* to expand the UGB.

7.2.1. Applicability of Recent Amendments to Statute and Rule

OAR 660, Division 24 has been amended several times since the City first began the process of expanding the UGB, most recently in 2016. Statutes pertaining to amendment of UGBs (including ORS 197.298 and 197A) were also amended in 2013 and 2016. This section addresses the applicability of these amendments to the current UGB expansion proposal.

The City initially provided notice of a UGB expansion proposal along with related amendments to DLCD on June 11, 2007, and then a revised proposal October 8, 2008 (Rem Rec 5726-5728)[1]. The City adopted the proposal on January 5, 2009, but the City's decision was remanded by LCDC. The current proposal is a response to the LCDC Remand. As stated in

[1] This reference to the Remand Record cites to the Procedural History of the 2009 Bend UGB proposal presented in LCDC's 2010 Order.

the LCDC Remand, "the City's decision is subject to the version of the LCDC's rules in effect at the time of its decision, unless the rules specifically provide otherwise" (Rem Rec 5740).

OAR 660-024-0000 provides that the applicable version depends on the date a City initiates its UGB amendment and other factors. Applicability of ORS 197A is addressed by HB 4126, Chapter 81 of Oregon Laws 2016, effective date March 29, 2016, which states:

> *Notwithstanding ORS 197A.320, a City outside of Metro that submitted to the Director of the Department of Land Conservation and Development, pursuant to ORS 197.610, a proposed change to an acknowledged comprehensive plan or a land use regulation that included an evaluation or an amendment of its urban growth boundary, or that received approval of a periodic review work program that included a work task to amend or evaluate its urban growth boundary pursuant to ORS 197.633, prior to January 1, 2016, but did not complete the evaluation or amendment of its urban growth boundary prior to January 1, 2016, may complete the evaluation or amendment pursuant to statutes and administrative rules in effect on June 30, 2013.*

This law allows jurisdictions like Bend, that are midway through a UGB expansion to continue to use the June 30, 2013 versions of the statues and rules instead of the newly effective ORS 197A.320 (effective July 1, 2013), and OAR 660 Division 24 (effective January 1, 2016). The City submitted notice to DLCD regarding an amendment of its urban growth boundary pursuant to ORS 197.610 on June 11, 2007, and a revised notice on October 8, 2008 (Rem Rec 5726). This amendment led to the resulting LCDC Remand Order which has not yet been completed and is the subject of this re-submittal to DLCD. The City of Bend, being a City outside of Metro, may complete the amendment "pursuant to the statutes and administrative rules in effect on June 30, 2013" because June 11, 2007 is prior to January 1, 2016 and because the City's response to the DLCD Remand Order was not completed by January 1, 2016. Therefore, the City Council finds it may, and will "complete the evaluation or amendment pursuant to statutes and administrative rules in effect on June 30, 2013." The applicable ORS and OARs and their standards are the June 30, 2013 versions of ORS 197.298 and Division 24. The City's findings included in this and other sections of the findings address these versions. Other ORS and OARs are current versions as of 2016[2].

In addition, the current version of OAR 660-024-0000 provides that the applicable version depends on the date a City initiates its UGB amendment and other factors:

> *(3) The rules in this division adopted on October 5, 2006, are effective April 5, 2007. The rules in this division amended on March 20, 2008, are effective April 18, 2008. The rules in this division adopted March 13, 2009, and amendments to rules in this division adopted on that date, are effective April 16, 2009, except as follows:*
>
> *(a) A local government may choose to not apply this division to a plan amendment concerning the evaluation or amendment of a UGB, regardless of the date of that*

[2] The City relied on the June 30, 2013 versions of ORS 197.298, and OAR 660-024 for the analysis. For other relevant statutes and administrative rules, the City relied on those versions available online as of 2016. The City also relied on 2016 HB 4126 (See 2016 Oregon Laws, Chapter 81).

amendment, if the local government initiated the evaluation or amendment of the UGB prior to April 5, 2007;

(b) For purposes of this rule, "initiated" means that the local government either:

(A) Issued the public notice specified in OAR 660-018-0020 for the proposed plan amendment concerning the evaluation or amendment of the UGB; or

(B) Received LCDC approval of a periodic review work program that includes a work task to evaluate the UGB land supply or amend the UGB;

(c) A local government choice whether to apply this division must include the entire division and may not differ with respect to individual rules in the division.

(4) The rules in this division adopted on December 4, 2015, are effective January 1, 2016, except that a local government may choose to not apply the amendments to rules in this division adopted December 4, 2015 to a plan amendment concerning the amendment of a UGB, regardless of the date of that amendment, if the local government initiated the amendment of the UGB prior to January 1, 2016.

Subsection (4), above, provides additional direction that a local government may choose not to apply the 2016 amendments to OAR 660 Division 24 if it initiated its UGB amendment (based on the date of the notice to DLCD) prior to January 1, 2016, as the City of Bend did. This is consistent with Chapter 81 of Oregon Laws 2016. The administrative rules in effect on June 30, 2013 contain their own applicability provisions, none of which direct the Bend City Council to use prior versions of rules than the rules in effect June 30, 2013. See the June 30, 2013 version of Division 24 (660-024-0000(3)(a)).

7.2.2. Organization of Findings

In an effort to address all relevant legal standards and to explain how the City Council's proposal complies with state law and rule in a logical way, the findings are organized to follow the steps, priorities and requirements set out in ORS 197.298 (the version in effect on June 30, 2013) and OAR 660, Division 24 (the version of that was in effect on June 30, 2013). Table 7-1 summarizes the organization of the findings and the relevant legal standards.

Table 7-1: Relevant Legal Standards

Section Heading in Findings	Applicable Oregon Revised Statutes (ORS)	Applicable Statewide Planning Goal(s)	Applicable Oregon Administrative Rule(s) (OAR)
7.4.1 Establishment of Preliminary Study Area		Goal 14	660-024-0060(4)
7.4.2 Land Excluded from Preliminary Study Area	197.298(3); 197.295	Goal 14	660-024-0060(1); 660-024-0050(5); 660-008-0005(2); 660-009-0005
7.4.3 Priority Categories	197.298	Goal 14	660-024-0060(1)

Section Heading in Findings	Applicable Oregon Revised Statutes (ORS)	Applicable Statewide Planning Goal(s)	Applicable Oregon Administrative Rule(s) (OAR)
7.4.4 Evaluation of Land in the Study Area for Inclusion in the UGB		Goal 14	660-024-0060
7.4.5 Overall Conclusion Regarding UGB Location		Goal 14	

7.3. Substantial Evidence

Table 7-2 summarizes the key evidence that supports the findings in this section. Access to the record is available on the City's website for the UGB Remand Project http://www.bend.or.us/index.aspx?page=1290.

Table 7-2: Key Record References

Description	Date	Page #
2011-2016 Record on Remand		*Record (Rem)*
2016 Urbanization Report	7/20/16	Rem Rec 10814
Scenario Evaluation Report & Technical Appendices	10/20/15	Rem Rec 4547, 6209, 6637, 6737, 6851
Scenario 2.1G Evaluation Technical Memos	7/20/16	Rem Rec10183, 10223, 11201, 11223
Evidence supporting Refinements	4/26/2016	Rem Rec 9929, 9957, 9961, 9973 (see also Findings in Response to testimony)
Map of all alternatives evaluated in UGB location alternatives analysis	7/18/16	10874, 10875, 10877

7.4. Findings

7.4.1. Establishment of Preliminary Study Area

OAR 660-024-0060 provides the following guidance on the establishment of a preliminary study area:

> *(4) In determining alternative land for evaluation under ORS 197.298, "land adjacent to the UGB" is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.*

The Council finds that the City, working with the Boundary TAC, established a 2-mile study area from the existing UGB. This study area included over 18,000 acres of exception land (see Figure 7-2)[3]. It set a broad but reasonable threshold for "land in the vicinity of the UGB" and provided more than enough possible expansion areas for consideration of their potential to satisfy the identified need deficiencies.

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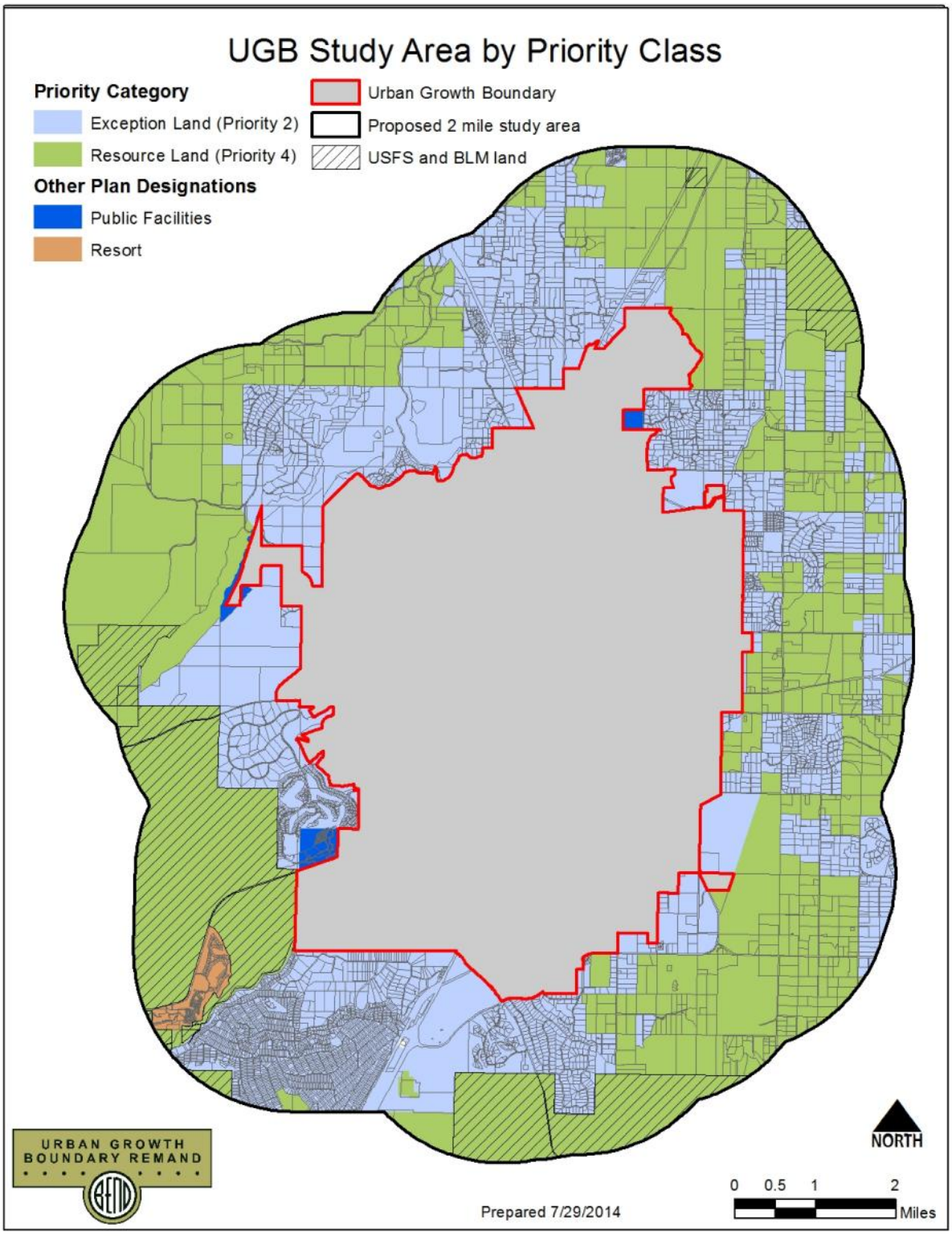
[3] Exception land refers to land designated either Urban Reserve on the Bend Area General Plan map or Rural Residential Exception Area on the Deschutes County Comprehensive Plan map.

Figure 7-2: UGB Two-Mile Study Area by Priority Class



7.4.2. Land Excluded from Preliminary Study Area

OAR 660-024-0060(1) requires that local governments identify "suitable" land to meet need deficiencies, and provides the following guidance as to how to determine suitability:

> *(a) Beginning with the highest priority of land available, a local government must determine which land in that priority is suitable to accommodate the need deficiency determined under 660-024-0050.*
>
> *(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, a local government must apply the location factors of Goal 14 to choose which land in that priority to include in the UGB.*
>
> *(c) If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, a local government must determine which land in the next priority is suitable to accommodate the remaining need, and proceed uwing the same method specified in subsections (a) and (b) of this section until the land need is accommodated....*
>
> *(e) For purposes of this rule, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.*

The suitability characteristics referenced in OAR 660-024-0050(5) include *"characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need."*

ORS 197.295 includes the following definition of "Buildable lands":

> *(1) "Buildable lands" means lands in urban and urbanizable areas that are suitable, available and necessary for residential uses. "Buildable lands" includes both vacant land and developed land likely to be redeveloped.*

Other provisions of law applicable in determining whether land is buildable or suitable include the definition of buildable land specific to residential land in OAR 660-008-0005(2):

> *(2) "Buildable Land" means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered "suitable and available" unless it:*
>
> *(a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;*
>
> *(b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;*

(c) Has slopes of 25 percent or greater;

(d) Is within the 100-year flood plain; or

(e) Cannot be provided with public facilities.

OAR 660-009-0005 provides the following definitions relevant to identifying suitable land for employment uses:

(12) "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.

(9) "Serviceable" means the City or county has determined that public facilities and transportation facilities, as defined by OAR chapter 660, division 011 and division 012, currently have adequate capacity for development planned in the service area where the site is located or can be upgraded to have adequate capacity within the 20-year planning period.

(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

In addition, ORS 197.298(3) provides several reasons why higher priority land may be found inadequate to meet identified needs:

(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;

(b) Future urban services could not reasonably be provided to the higher priority lands due to topographical or other physical constraints;

(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to inluce or to provide services to higher priority lands.

The Council finds that the Court of Appeals decision on the McMinnville UGB addressed the application of suitability screening criteria.*1000 Friends v. Land Conservation and Development Commission and City of McMinnv*ille, 244 Or App 239 (2011). In addition to the reasons listed in 197.298(3), the Court reasoned that Goal 14 Factor 3 (Comparative environmental, social, economic and energy consequences, or ESEE) and Factor 4 (Compatibility with nearby farm and forest activities), but not other Goal 14 Factors, are applied to determine whether higher priority land “is inadequate to accommodate the amount of land needed” under ORS 197.298(1).

In sum, the following factors can be applied to exclude higher priority lands from further consideration as candidate areas to include in the UGB:

- Lands that are not buildable (defined in OAR 660-008-0005(2))
- Lands that are not suitable for identified employment uses (defined in OAR 660-009-0005)
- Specific land needs (197.298(3)(a))
- Inability to reasonably provide urban services due to topographic or other physical constraints (197.298(3)(b))
- Maximum efficiency of lands within an existing UGB requiring lower priority lands (197.298(3)(c))
- Analysis of ESEE consequences (Goal 14, Factor 3)
- Analysis of compatibility with agricultural & forest activities (Goal 14, Factor 4)

Conclusion: The Council finds that the City's approach to screening land from further consideration prior to applying the Goal 14 evaluation is summarized in the Urbanization Report (Rem Rec 10863-10864). The findings below draw on that summary.

7.4.2.1. Exclude lands that are not buildable

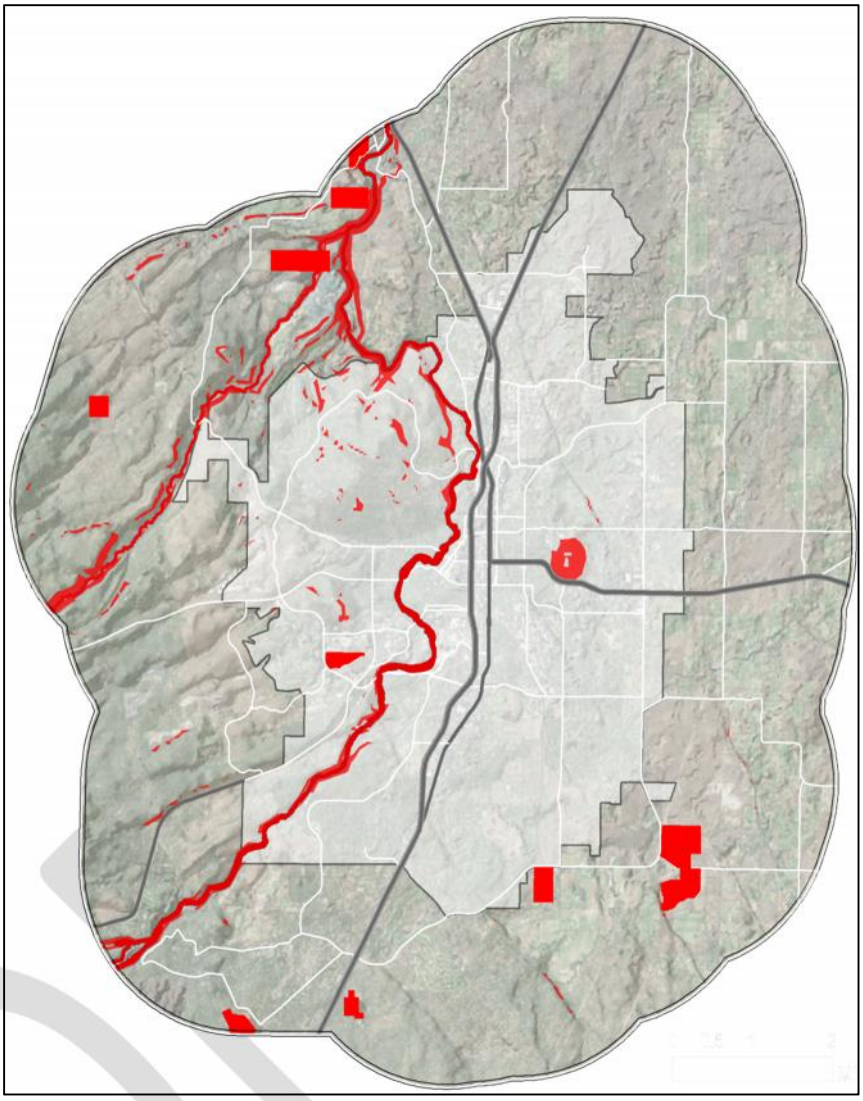
FINDING: The Council finds that the following lands are identified as unbuildable:

- 100-year Flood Plain
- Steep slopes (25% and greater)
- Upper Deschutes River State & Federal Scenic River Overlays (100 feet from ordinary high water or OHW)
- Middle Deschutes State Scenic Waterway (100 feet from OHW)
- Deschutes River & Tumalo Creek Riparian Corridors (100 feet from OHW)
- Significant aggregate sites in Deschutes County Goal 5 inventory with Surface Mining plan designation

The 100-year floodplain and slopes of 25 percent or greater are listed explicitly in the exclusions contained within the definition of buildable land in OAR 660-008-0005(2). The scenic river overlays and riparian corridors as well as the significant aggregate sites in the Deschutes County inventory are subject to resource protection measures under Statewide Planning Goal 5, another listed exclusion from buildable land in OAR 660-008-0005(2).

Unbuildable lands were not automatically precluded from being brought into the UGB (for example, when part of a larger buildable property); however, they are not considered suitable and available to meet identified land needs. The lands identified as unbuildable in the expansion areas are shown in red on Figure 7-3.

Figure 7-3: Unbuildable land in UGB Expansion Study Area



7.4.2.2. Exclude lands that are incompatible with urbanization

FINDING: The Council finds that exception lands within the acknowledged Deschutes County Wildlife Combining Zone (deer winter range) were screened from further analysis based on consideration of ESEE consequences (Goal 14, Factor 3) as allowed under the McMinnville decision as well as because they are subject to resource protection measures under Statewide Planning Goal 5, a listed exclusion from buildable land in OAR 660-008-0005(2).

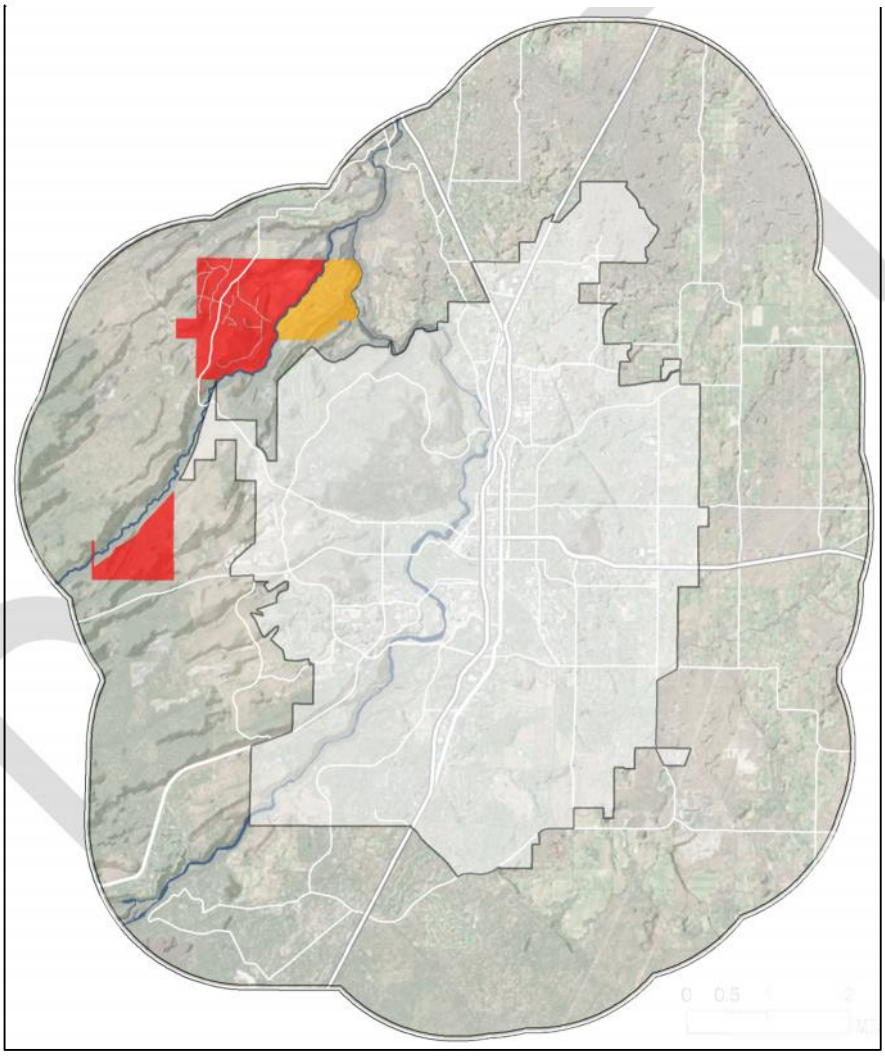
These areas are considered significant habitat by ODFW. The Goal 5 "program" to protect the big game winter range is based in large part on restricting densities, requiring clustering and requiring protection of open space (50% of site). Potential urbanization of these lands would inherently conflict with protection of the big game winter range.

In addition, the Shevlin Sand and Gravel (SSG) site located in the northwest quadrant of the City on Shevlin Park Road (orange-colered area on Figure 7-4) was screened from further

analysis because it is not available to meet identified land needs within the planning period. Based on testimony from the property owner representative stating that the aggregate resources at the Shevlin Sand & Gravel site are not expected to be exhausted and the site reclaimed during the planning period (2008-2028), the portion of the site under DOGAMI Permit 09-0018 was excluded from consideration for UGB expansion. This did not affect consideration of the remainder of the property.

The lands excluded are shown in red (wildlife overlay) and orange (aggregate site) on Figure 7-4.

Figure 7-4: Land screened from consideration for UGB expansion



7.4.2.3. Results and Conclusions

The Council finds that, after excluding the lands listed above, the total acreage of exception land that was advanced for further consideration and evaluation using the Goal 14 factors was roughly 16,200 acres. No land was excluded on the basis of inability to reasonably provide urban services, specific land needs, or analysis of compatibility with agricultural and forest activities.

Conclusion: The Council finds that the land excluded from the preliminary study area is minimal, and the justifications are consistent with the allowed suitability criteria under OAR 660-024-0060; the definitions of buildable land under other state laws and administrative rules, including ORS 197.295; and the case law established in the McMinnville decision.

7.4.3. Priority Categories

ORS 197.298 identifies the following priorities for inclusion of land within an urban growth boundary:

> *(a) First priority is land that is designated urban reserve land under ORS 195.145 (Urban reserves), rule or metropolitan service district action plan.*
>
> *(b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Second priority may include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710 (High-value farmland description for ORS 215.705).*
>
> *(c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247 (1991 Edition).*
>
> *(d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both.*

OAR 660-024-0060 echoes and further specifies this process:

(1) When considering a UGB amendment, a local government must determine which land to add by evaluating alternative boundary locations. This determination must be consistent with the priority of land specified in ORS 197.298 and the boundary location factors of Goal 14, as follows:

> *(a) Beginning with the highest priority of land available, a local government must determine which land in that priority is suitable to accommodate the need deficiency determined under 660-024-0050.*

(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, a local government must apply the location factors of Goal 14 to choose which land in that priority to include in the UGB.

(c) If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, a local government must determine which land in the next priority is suitable to accommodate the remaining need, and proceed using the same method specified in subsections (a) and (b) of this section until the land need is accommodated.

(d) Notwithstanding subsection (a) through (c) of this section, a local government may consider land of lower priority as specified in ORS 197.298(3).

ORS 197.298(3), in addition to providing reasons why higher priority land may be found inadequate (see section 7.4.2), provides that land of a lower priority may be included in an urban growth boundary if:

(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.

The Council finds that, within the initial two-mile study area, evaluation was based on a tiered approach, in which higher priority lands (i.e. exception lands) were evaluated first for each identified land need, as required under OAR 660 Division 24 and ORS 197.298. There are no Priority 1 or Priority 3 lands in the study area, only Priority 2 and 4 lands. Only Priority 2 lands were considered and included in the expanded UGB. No lower priority lands (Priority 4) are included in the expanded UGB.

The amount of suitable exception land (Priority 2) exceeds the amount necessary to satisfy the need deficiency; therefore, the City Council applied the Goal 14 location factors to determine which land to include in the UGB, as described in the following section.

7.4.4. Evaluation of Land for Inclusion in the UGB

Statewide Planning Goal 14 (as effective April 28, 2006) requires the following:

The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:

(1) Efficient accommodation of identified land needs;

(2) Orderly and economic provision of public facilities and services;

(3) Comparative environmental, energy, economic and social consequences; and

(4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.

OAR 660-024-0060(1), (3), and (6) provide guidance on the evaluation of alternative boundary locations using the Goal 14 factors, including when they are applicable, how they relate to one another, and how parcels and areas may be grouped for evaluation:

> *(1) When considering a UGB amendment, a local government must determine which land to add by evaluating alternative boundary locations. This determination must be consistent with the priority of land specified in ORS 197.298 and the boundary location factors of Goal 14, as follows: ...*
>
> *(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, a local government must apply the location factors of Goal 14 to choose which land in that priority to include in the UGB.*
>
> *...*
>
> *(3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the UGB location, a local government must show that all the factors were considered and balanced.*
>
> *(6) The adopted findings for UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular priority category in ORS 197.298 for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.*

OAR 660-024-0060(7) and (8) provide further guidance on the evaluation of public facilities and services in considering alternative boundary locations:

> *(7) For purposes of Goal 14 Boundary Location Factor 2, "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities.*
>
> *(8) The Goal 14 boundary location determination requires evaluation and comparison of the relative costs, advantages and disadvantages of alternative UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. This evaluation and comparison must be conducted in coordination with service providers, including the Oregon Department of Transportation with regard to impacts on the state transportation system. "Coordination" includes timely notice to service providers and the consideration of evaluation methodologies recommended by service providers. The evaluation and comparison must include:*
>
> *(a) The impacts to existing water, sanitary sewer, storm water and transportation facilities that serve nearby areas already inside the UGB;*
>
> *(b) The capacity of existing public facilities and services to serve areas already inside the UGB as well as areas proposed for addition to the UGB; and*

(c) The need for new transportation facilities, such as highways and other roadways, interchanges, arterials and collectors, additional travel lanes, other major improvements on existing roadways and, for urban areas of 25,000 or more, the provision of public transit service.

The Council finds that the creation and evaluation of UGB expansion alternatives represent the "alternative boundary locations" required to be analyzed, and which are summarized in the Urbanization Report, Chapter 5 (Rem Rec 10863). The findings in Section 7.4.4 draw on and include excerpts from that summary. It is important to note the legal requirements are focused on "alternative boundary locations" and the allowance that "parcels may be considered and evaluated as a single group." These requirements do not suggest or require a parcel-by-parcel analysis. The City Council finds that a parcel-by-parcel (or smaller) analysis would be practically impossible given the amount of suitable land in the analysis area, and the nearly infinite number of possible combinations of individual parcels to meet anticipated needs. An additional complexity that makes a parcel-by-parcel analysis nearly impossible, is the additional variations introduced due to the wide variety of the types of land uses that must be analyzed to meet documented land needs. The Council finds that the City's methodology analyzed "alternative boundary locations" as required. The McMinnville decision verifies this approach, and even acknowledges the need to make revisions and refinements to the eventual proposed UGB expansion based on the results of analysis during the planning process.

7.4.4.1. Creating Alternative Boundaries

This stage of the analysis is described in the Urbanization Report (Rem Rec 10814-10949). The findings in this section draw on that portion of the Urbanization report.

Preliminary Goal 14 analysis – Indicators

The Council finds that, because the pool of available exception lands within the study area was so large relative to the land need, additional information was needed in order to identify better performing lands to consider for the UGB expansion alternatives analysis. It would not have been possible to develop alternatives to encompass all of the exception lands for evaluation. In the Base Mapping stage, the Boundary TAC recommended using a key indicators of the Goal 14 factors to help identify the best land to include in boundary scenarios. These key indicators were then applied to all the individual parcels in the study area, eventually allowing for the results to be summed up at an individual parcel level, which then led to characterizing areas where the traits of the parcels are similar from the perspective of considering and balancing the Goal 14 factors. This stage of analysis helped to narrow the scope of the study area to focus on the areas that ranked higher and also informed the development of scenarios.

Using available GIS and other data, a series of maps were prepared to illustrate the relative ranking of parcels based on the key indicators associated with each of the four factors of Goal 14. The Boundary TAC reviewed and suggested refinements to the base maps over a series of meetings, and ultimately approved roughly 25 base maps. The indicators included in Stage 2 Base Mapping for each of the Goal 14 factors are listed below.

Factor 1: Efficient accommodation of identified land needs

- Parcel size
- Improvement to land value ratio
- Proximity to existing UGB – adjacency more efficient than edge of study area
- Topography (25% slopes or greater)
- Existing that CC&Rs prohibit or limit additional development

Factor 2: Orderly and economic provision of public facilities and services

Transportation

- Barriers: Consideration of physical barriers to connectivity (new river crossings, railroad crossings, steep slopes, etc.).
- Reliance on Congested Corridors: Consideration of key congested highway corridors based on the recently completed Bend Metropolitan Planning Organization (MPO) 2040 Metropolitan Transportation Plan (MTP). Using the Bend 2040 travel demand model, identify which exception lands have a higher reliance on a congested corridor.
- System Connectivity: Consideration of whether the existing major roadway network meets ideal grid-spacing (e.g., one-mile spacing for arterials and half-mile spacing for collectors). Rank exception areas with a more subjective approach based on ability to extend collectors into the study area. Also consider if subareas in the study area are adjacent or near well connected streets inside the current UGB.

Water

- Gravity system (City of Bend): Consideration of exception areas that could be served by gravity by City of Bend

Sewer

- Gravity system: Consideration of areas that can be served via gravity. This would be illustrated with a map showing areas in the study area that can be served with gravity sewer vs. areas requiring additional pumping.
- Maximize existing/planned improvements: Consideration of areas with capacity or planned short-term improvements. This would be illustrated with a map showing any areas in the study area outside the current UGB that could be served with sewer without major new investments in addition to planned facilities in the Collection System Public Facilities Plan (PFP).

Stormwater

- Drinking water protection areas: Consider proximity to drinking water protection areas (DWPA)
- Surface geology: Consider presence of surface geology (welded tuff) that limits on-site stormwater management.

Factor 3: Comparative environmental, social, economic and energy consequences (ESEE)

- Presence of significant Goal 5 resources or other resources (consider Greenprint mapping or other data sources)
- Relative wildfire risk and presence of other natural hazards (floodplains)
- Proximity to existing or planned parks, trails, elementary schools
- Proximity to irrigation districts, irrigated lands and canals in study area
- Presence of water quality limited streams (303d) in study area

Factor 4: Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB

- Proximity to designated forest land
- Proximity to designated high-value agricultural land (irrigated)

The project team prepared, and City Council considered, one composite map for each of the four Goal 14 factors and a composite map combining indicators for all four factors which constitutes a consideration, weighing, balancing, and mapping of the Goal 14 factors. The approach was to prepare "un-weighted" composite maps, so the information was displayed without value judgments about what factors are more important than others. However, the Stage 2 Base Mapping revealed certain exception lands that were highly problematic based on one or more of the Goal 14 factors, and that, on balance, were not as ideal as other exception lands after a weighing and balancing the factors, as summarized below:

- Properties with recorded Codes, Covenants and Restrictions (CC&Rs) that preclude land divisions and additional dwellings (based on Factor 1 considerations and inability to accommodate identified land needs)
- Heavily parcelized areas with smaller parcels (less than 2 acres) and numerous dwellings that severely limit capacity for new development (based on Factor 1 considerations and inability to efficiently accommodate identified land needs)
- Rural residential subdivisions (generally less than 5 acre lots) with higher improvement to land value ratios that severely limit capacity for new development within the 2028 planning horizon (based on Factor 1 considerations and inability to efficiently accommodate identified land needs)
- Lands that are separated from the existing UGB by resource lands (based on Factor 4 considerations and impact to resource lands)

The combined results of the Stage 2 Base Mapping are shown on Figure 7-5.

Further consideration of the Stage 2 Base Mapping results in Phase 2 of the project highlighted additional areas that were, on balance, less appropriate to bring forward for further evaluation. The brief summaries below are keyed to specific locations on the map on Figure 7-6: Further Narrowing of Exception Lands.

1. A large rural residential exception area (just under 1,600 acres) located north of Cooley Road generally between Hwy 97 and Hwy 20. A relatively large rural residential subdivision (about 220 acres) with restrictive CC&R's is located at the southerly boundary of this area that represents a barrier to efficient expansion to the north.
2. Several small subdivisions in the northeast - the portion west of Hamby Road is subdivided into small lots (average lot size is a half-acre) with a relatively high improvement to land value ratio. The portion east of Hamby is separated from the UGB by a mix of land with restrictive CC&Rs and resource land.
3. An area located between Hwy 20 and Stevens Road surrounding Hamby Road that is relatively far from the UGB and would further surround zoned resource land.
4. Several large rural residential exception areas that overall did not score well based on the balancing of the Goal 14 factors.
5. A small area associated with common open space tracts for Cascade Highlands and Tetherow destination resort that should not be considered buildable or suitable for urbanization.
6. The portion of the Miller Tree Farm rural cluster subdivision property that was not screened out based on the County's wildlife overlay zone.

This left 5,400 remaining acres of exception land for further evaluation. See additional details regarding this aspect of the evaluation process, incorporated herein (Rem Rec 03743-03793).

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Figure 7-5: Stage 2 Mapping Combined Results

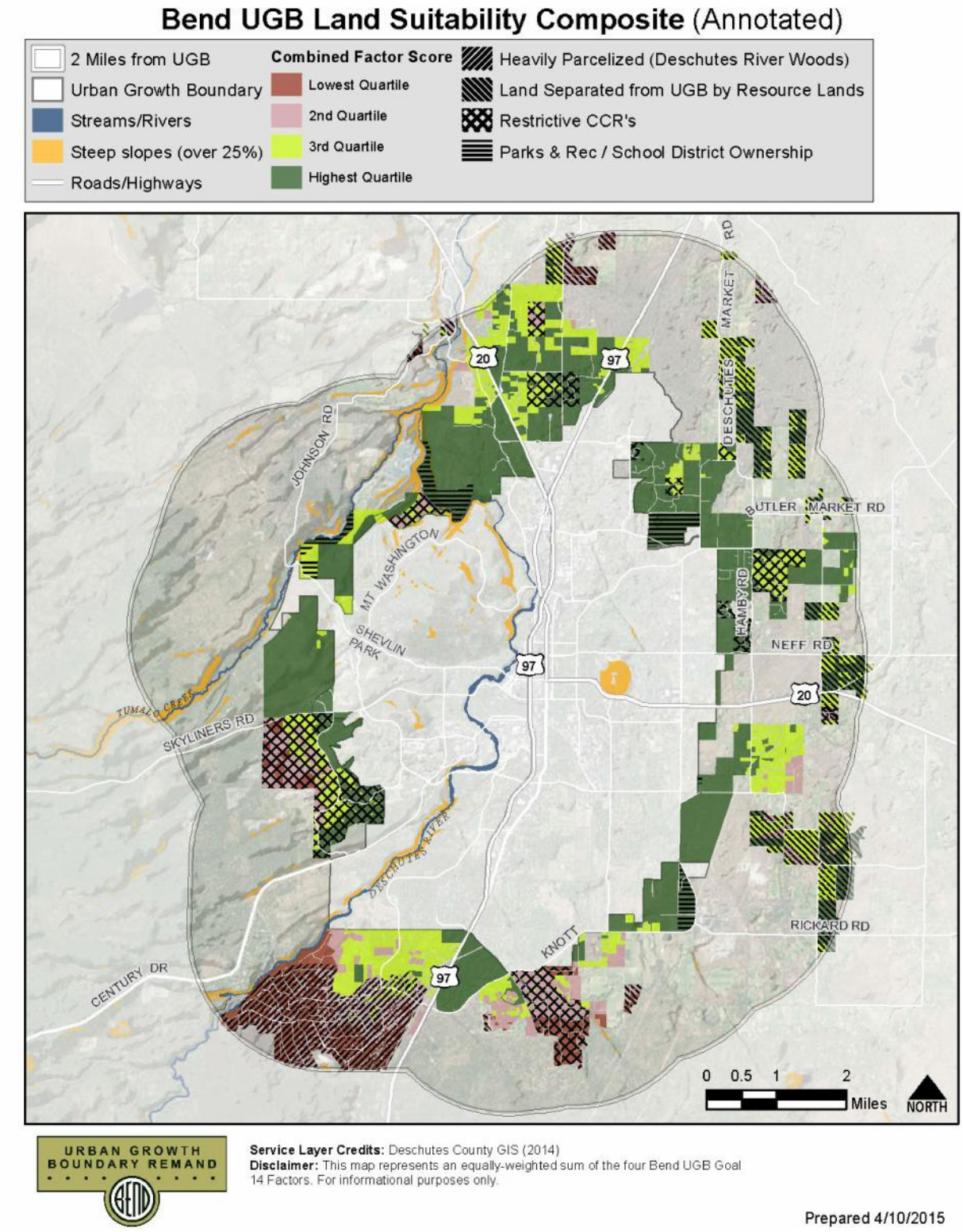
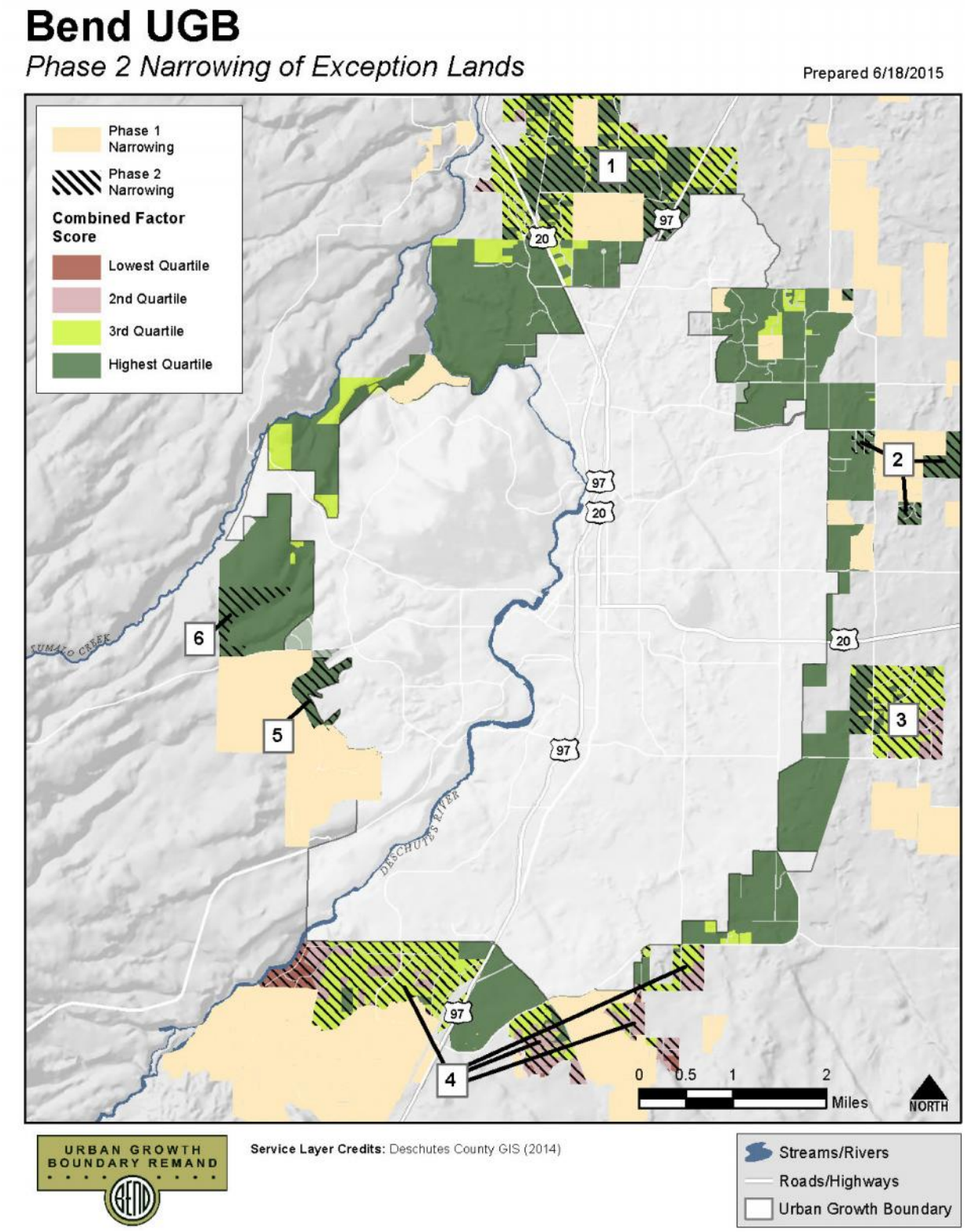


Figure 7-6: Further Narrowing of Exception Lands



Generating Alternatives for Analysis

OAR 660-024-0020(1) states "All statewide goals and related administrative rules are applicable when establishing or amending a UGB," and has no exception for Goal 1, Citizen Involvement. Therefore, the City Council finds Goal 1 is directly applicable to the UGB amendment process. Citizen involvement requires cities to get citizens involved in all phases of the planning process, assure two-way communication, give citizens influence and technical information, feedback from policy-makers, and to fund such involvement.

The process described in the evaluation of the properties within the two-mile study area, formation of alternative scnearios, and Supplemental Analysis Areas, and all refinements to scenarios a direct result of the citizen involvmement program in the project. This program included multiple advisory committees, one focused purely on the UGB expansion, and a steering committee composed of decision makers. The interplay between the citizens in the advisory committees taking recommendation to the steering committee, and steering committee directing additional refinements, all in a public setting open to public testimony meets the requirements of Goal 1, but also the admistrative rules in Division 24 that require compliance with Goal 1.

Initially, three geographically specific UGB expansion scenarios to meet anticipated land needs were created based on input from all three TACs and the USC in a workshop (Rem Rec 3811, 3843). These scenarios were brought to the Boundary TAC and USC for review and refinement[4]. The Boundary TAC recommended and USC approved three specific UGB Expansion Scenarios for evaluation, but also asked the project team to evaluate all land that had been given the top rating (i.e. scored in the top quartile when all indicators were combined) during the base map evaluation of exception land within the two-mile study area and had not been excluded by subsequent refinements and narrowing. The areas that met those tests and were not included in one of the three UGB Expansion Scenarios were identified as "Supplemental Analysis Areas".

Some of the models used for scenario evaluation (such as the transportation model) require "budgeted" land use assumptions in order to do a full evaluation and an "apples to apples" comparison against land included in the three UGB Expansion Scenarios. In order to respond to the direction for equal evaluation, the team created three Supplemental Analysis Area Maps ("SAAMs") that collectively incorporate all the land in the Supplemental Analysis Areas in packages with roughly the same total levels of employment and residential growth and the same assumptions about the amount and type of development that can be accommodated inside the UGB as the UGB Expansion Scenarios. The SAAMs were intended to test full utilization of certain geographic areas rather than distributed growth across a variety of potential expansion areas. The level of analysis for the SAAMs was identical to that done for the Scenarios.

[4] See meeting minutes of June 24, 2015 Boundary TAC (Rem Rec 6621) and June 25, 2015 USC meetings (Rem Rec 5665).

The Scenarios and SAAMs are organized around eight general geographic areas that were identified as the most suitable to meet the identified land needs:

- West Area
- Shevlin Area
- OB Riley/Gopher Gulch Area
- North “Triangle”
- Northeast Edge
- Department of State Land (DSL) Property
- “The Elbow”
- “The Thumb”

These subareas are shown on Figure 7-7. Figure 7-7 also identifies the portions that were included in scenarios and those that were part of the SAAMs.

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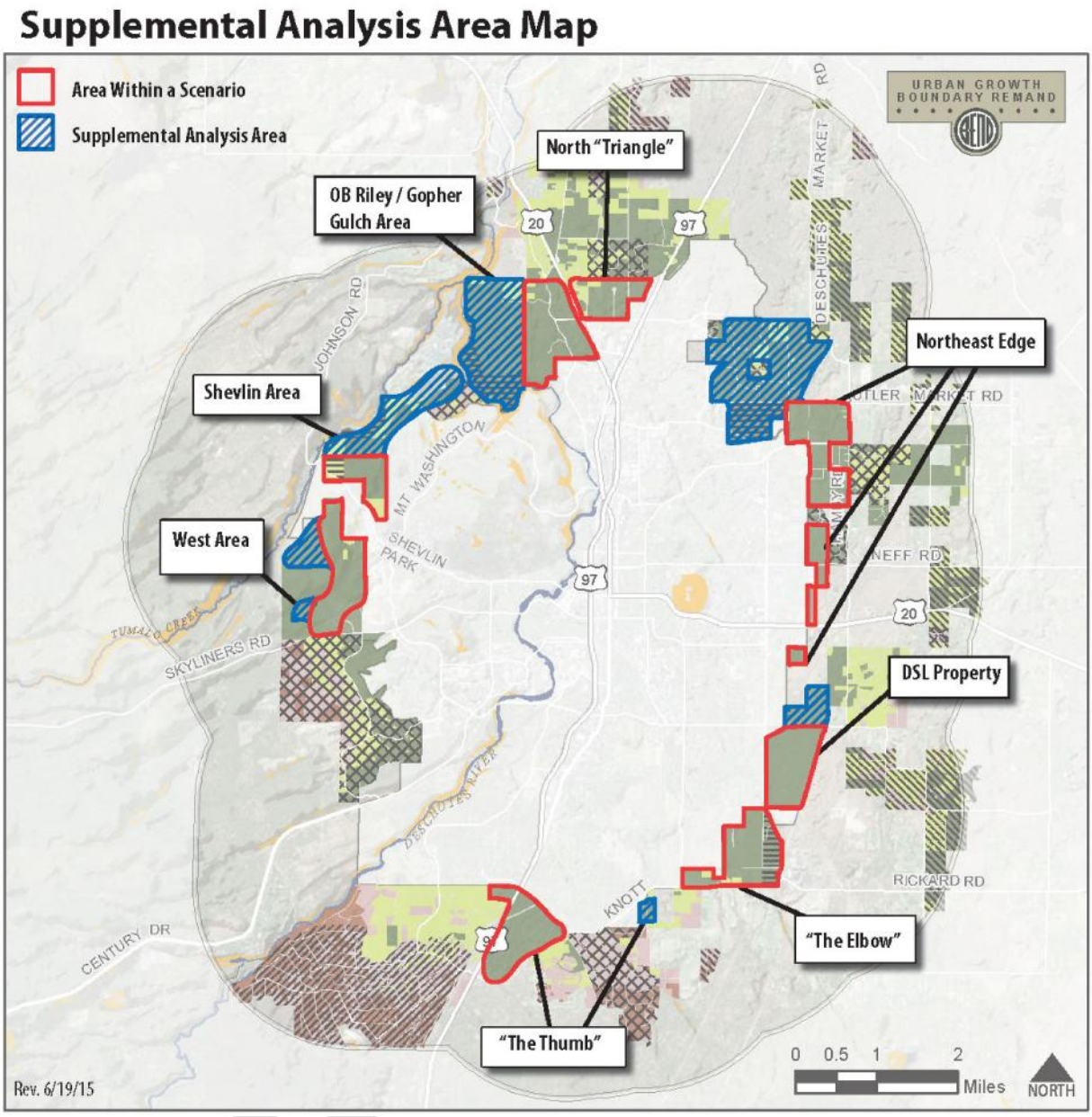
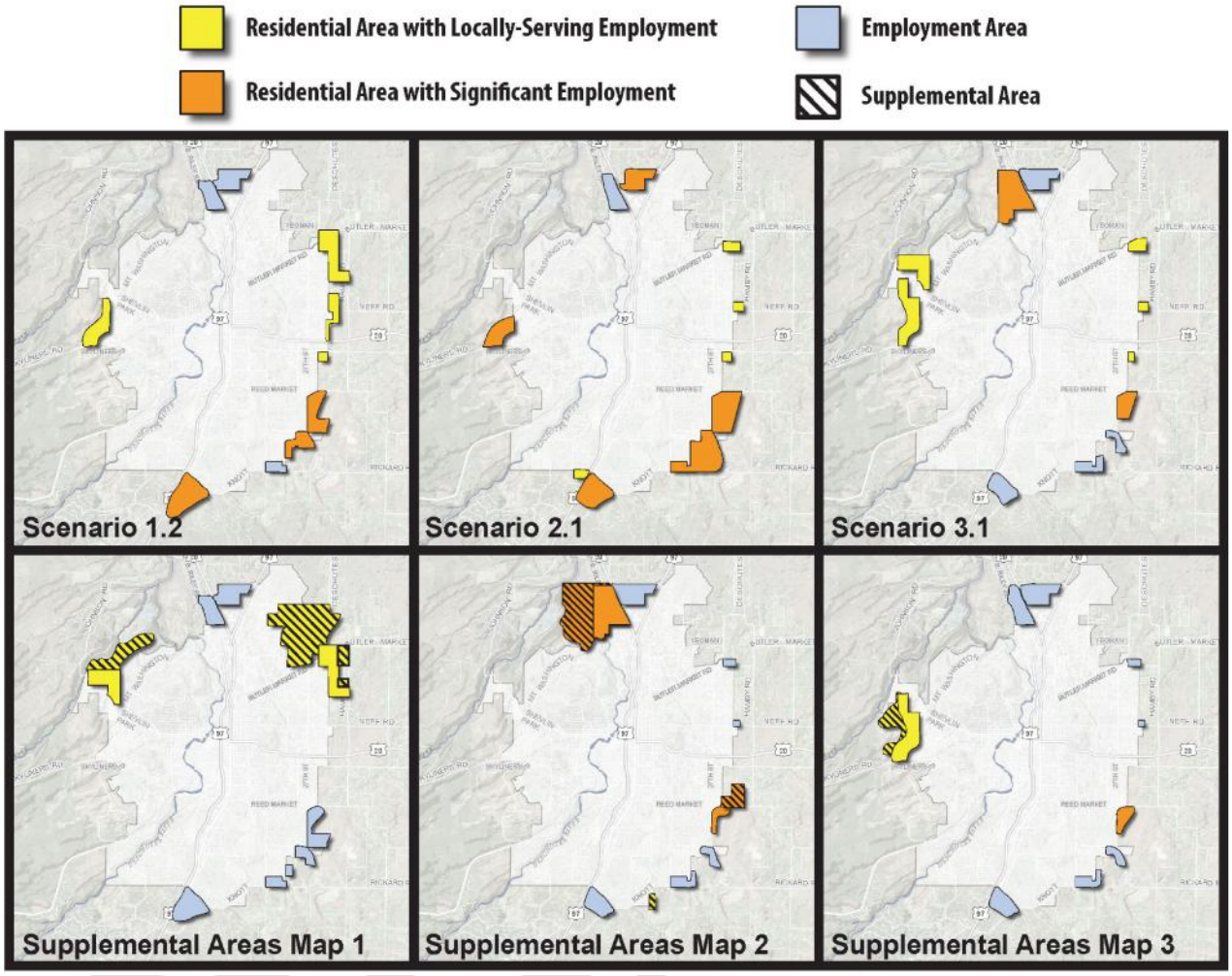
Figure 7-7: Subareas, Scenario Areas, and Supplemental Analysis Areas



The UGB Expansion Scenarios and SAAMs are illustrated below. The categories shown on the generalized scenario maps are as follows:

- *Residential area with locally-serving employment*: Predominately residential uses, with supportive uses such as parks, schools, and local commercial centers.
- *Residential area with significant employment*: A full mix with residential uses, parks and/or schools, and commercial and employment areas.
- *Employment area*: Employment-focused area providing for a mix of jobs (retail, office, and/or industrial) with little or no residential use.

Figure 7-8: UGB Expansion Scenarios and SAAMs



The alternative areas evaluated in the boundary location alternatives analysis are mapped above, and described in greater detail in the Urbanization Report (see Pages 61-63) (Rem Rec 10874) and in the Scenario Evaluation Report, dated October 20, 2015 (Pages 8-15) (Rem Rec 4557-4564.

7.4.4.2. Operationalizing Goal 14 factors to Evaluate Alternatives

Overview

The Council finds that the approach to operationalizing the Goal 14 factors is summarized in the Urbanization Report) (Rem Rec 10877-10888) and detailed in the Scenario Evaluation Report, dated October 20, 2015 (Rem Rec 4578 to 4593). The findings in this section draw on the summary in the Urbanization Report. The City Council's comparison, evaluation and balancing of Bend's UGB expansion alternatives was based on the following hierarchy of considerations:

- **Goal 14 Factors** – The legal requirements for what must be considered and balanced.

- **Community Outcomes** – Eight intended outcomes related to the Goal 14 Factors that reflect the City's goals for the project, articulate what the Goal 14 factors mean for the Bend City Council, and provide a way to summarize results for performance measures.
- **Performance Measures** – Detailed measures for each Goal 14 factor: the factual base for the evaluation. Some performance measures are quantitative and others are qualitative.

The Community Outcomes **(bold type)** and a summary of the performance measures under each Goal 14 Factor are listed below.

Factor 1: Efficient accommodation of identified land needs

- **Complete Communities and Great Neighborhoods**: walkability to schools, parks, and businesses; jobs/housing balance, and opportunities for master planning
- **Efficient, Timely Growth:** total expansion, density, land contiguous to existing UGB, and vacant vs. developed land included

Factor 2: Orderly and economic provision of public facilities and services

- **Balanced Transportation System**: reliance on the automobile (vehicle miles traveled per capita or VMT, trip length, mode split, walk trips), congestion, safety and connectivity, proximity to transit, and intersection density
- **Cost Effective Infrastructure**: total cost and cost per acre of transportation and sewer improvements, new miles of local roads, water system improvements in City water service area, impervious surface area, and development in welded tuff geology and Drinking Water Protection Areas

Factor 3: Comparative environmental, social, economic and energy consequences (ESEE)

- **Quality Natural Environment** (Environmental and Energy Consequences): development in wildlife areas, development adjacent to riparian areas, wildfire hazard, greenhouse gas emissions, energy use, and water consumption
- **Housing Options and Affordability** (Social Consequences): cost and mix of new housing
- **Strong Diverse Economy** (Economic Consequences): site suitability for commercial and industrial uses and for the large lot special site need

Factor 4: Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB

- **Compatibility with Farms and Forests**: farm practices on high value farm land adjacent to expansion areas, impact to irrigation districts, and proximity to forest land

Costs, Advantages and Disadvantages for Public Facilities and Services

The evaluation of water, sanitary sewer, and transportation included evaluation of impacts to existing facilities that serve nearby areas already inside the UGB and capacity of existing public facilities and services to serve areas already inside the UGB as well as areas proposed for addition to the UGB, consistent with OAR 660-024-0060(8), because they included a City-wide

analysis of needed improvements to existing facilities and need for new facilities in expansion areas.

Transportation

The transportation analysis was conducted in coordination with the Oregon Department of Transportation (ODOT) Transportation Planning Analysis Unit with input from other ODOT and DLCD staff. It utilized the Bend MPO regional travel demand model, which includes land use inputs for the entire future UGB (inside and outside the current UGB) as well as adjacent rural areas. It was used to identify impacts (in terms of congestion, expressed as volume to capacity or v/c ratio) to existing facilities and the need for new transportation facilities, including additional travel lanes and other major improvements to existing roadways. The transportation analysis also used recommended arterial and collector street spacing standards to identify the need for new arterial and collector roads in growth areas. The need for additional public transit service was considered as part of developing Bend's ILUTP (Rem Rec 10994-11144); however, no additional service was identified as needed by 2028 beyond the recent "mid-term" service expansion completed by Cascades East Transit in 2016. These demonstrate that cost, benefits, advantages, and disadvantages have been considered and balanced. This demonstrates that the transportation evaluation of UGB expansion alternatives satisfies OAR 660-024-0060(8).

Sanitary Sewer

Evaluation of sanitary sewer facilities and services needed to serve UGB expansion areas built on work completed in 2014 on the City's Collection System Master Plan (CSMP). Using a long-term optimization approach, the sewer evaluation identified the least-cost improvements consistent with the long-term infrastructure plan. The evaluation focused on assessing additional improvement alternatives not considered in the CSMP that are required to serve growth outside of the existing UGB and re-evaluating alternatives that were considered in the CSMP that are likely to be affected by expanding the UGB. The UGB expansion scenarios were rated for relative cost, based on improvements consistent with the long-term infrastructure analysis in an October 1, 2015 memorandum titled "UGB Expansion – Sanitary Sewer Analysis" from Murray, Smith & Associates (Rem Rec 6783).

The Initial Capital Cost and Equivalent Uniform Annual Cost (EUAC) methods were used for comparing various alternatives in the optimization analysis. The Initial Capital Cost method estimates capital investment, but excludes operation and maintenance costs. The EUAC calculates the cost per year of constructing, operating and maintaining an asset over its entire lifespan. As noted previously the goal of the optimization is to minimize the overall life cycle costs while identifying a solution that meets the identified hydraulic criteria. The EUAC approach allows for the comparison of different types of assets (e.g. lift stations, gravity mains, satellite treatment, etc) with varying design lives on an equivalent yearly basis. (Rem Rec 11201-11222)

The Council finds that the foregoing analyses demonstrate that cost, benefits, advantages, and disadvantages have been considered and balanced, which demonstrates that the sanitary sewer evaluation of UGB expansion alternatives satisfies OAR 660-024-0060(8).

Drinking Water

Evaluation of drinking water facilities needed to serve UGB expansion areas built on work completed in 2011 on the City's Water System Master Plan. The evaluation considered the lowest available fire flow serving new growth through intermediate pressure zone expansion improvements, supply needed to offset storage requirements to serve new growth, and low pressure results of serving new growth using intermediate pressure zone expansion improvements. These factors were combined to provide an overall assessment of the water system infrastructure improvements needed to serve new growth (Rem Rec 4547)[5].

In addition, development within DWPA was evaluated as a consideration of how alternative UGB expansion locations could impact existing groundwater facilities to serve nearby areas already inside the UGB.

The Council finds that this analysis demonstrates that the water evaluation of UGB expansion alternatives satisfies OAR 660-024-0060(8).

Stormwater

Stormwater infrastructure impacts were evaluated through the lens of impervious surface area and geology. Impervious surface area associated with new development was estimated and compared using the ET model. Geology – specifically, the presence of welded tuff formations – was also considered, because on-site retention and treatment are required in such areas rather than a community stormwater system.

The Council finds that this demonstrates that the stormwater evaluation of UGB expansion alternatives satisfies OAR 660-024-0060(8).

Weighing and Balancing

Not all performance measures identified equally important advantages or disadvantages. A handful of performance measures identified truly significant differences between the alternatives – differences that would meaningfully affect the community in 2028 and/or that are critical to meeting the legal requirements for this UGB expansion. These included residential land efficiency, total VMT per capita, transportation improvement costs, efficiency of sewer system improvements, and housing affordability. The project team evaluated overall results using both an equally-weighted and an unequally-weighted approach, including several variations of weighting. The different approaches to weighting were presented and considered by the Boundary TAC as well. Using or not using weighting and the degree of weighting had minimal impact on the overall results: the top performing scenarios were found to rank in the same order regardless of whether and how the performance measures were weighted (See Scenario Evaluation Report for details; Rem Rec 4547).

[5] The October 1, 2015 Expansion Scenarios Evlauation Report outlines how the expansion scenarios analysis relied on the City's water system to evaluate potential expansion scenarios and expansion areas within scenarios. The report is at Remand Record page 4547.

7.4.4.3. Results of Alternatives Evaluation

The results of the alternatives evaluation are summarized in the Urbanization Report (Rem Rec 10889-10896) and in the Scenario Evaluation Report, dated October 20, 2015 (See Pages 29-34; Rem Rec 4575 to 45890)[6]. An excerpt from these reports is provided below.

Factor 1: Efficient accommodation of identified land needs

Complete Communities and Great Neighborhoods

Top Tier

Scenario 2.1 performed the best overall on this Community Outcome, particularly on access to schools and commercial services, because it was created with the intention of providing for complete communities (neighborhoods with a mix of housing, jobs, commercial services, parks, and schools) in all quadrants of the City.

Middle Tier

Scenario 3.1 and, to a lesser extent, **Scenario 1.2** and **SAAM-2**, also performed well. These alternatives all have some subareas that are fairly complete, and others that are less so. Scenario 3.1 performed well on walk access to both schools and commercial; nearly all new residential expansion areas in each include at least a small commercial center and many include a school. Scenario 3.1 did the best at increasing the walk access of housing inside the existing UGB to commercial services. This appears to be due to the placement of commercial areas in a few key locations. For example, within "The Thumb", placing commercial adjacent to China Hat Road provides walkable access to neighborhoods at the southern edge of the City that currently lack it. In the Shevlin Area, placing commercial along Shevlin Park Road provides walk access to portions of Awbrey Butte.

Bottom Tier

SAAM-1 and **SAAM-3** had mixed results on this Community Outcome, with performance below that of the other alternatives. In part, this is because they include one or two large, primarily residential expansion areas and fragmented employment areas elsewhere. SAAM-1 was the only alternative that did not perform well on park/trail access, because the northernmost extent of the Northeast Edge would not have walkable park/trail access. SAAM-3 performed poorly on school and commercial access, because of the large amount of new housing in the outer portion of the west area, away from existing and future commercial uses and schools. Because of the nature of the areas included in SAAM-1 and SAAM-3, it would be difficult to improve their performance on these measures – there are few or no suitable locations for additional schools, parks, or commercial areas in either one.

[6] See Rem Rec 4547 for the complete report dated October 1, 2015 (Revised October 20, 2015).

Efficient, Timely Growth

Top Tier

Scenario 1.2 performed the best overall on this Community Outcome, with high ratings across the board, because it provides a mix of large, vacant properties and smaller parcels contiguous to the existing UGB. **Scenarios 2.1** and **SAAM-3** also performed well on this Community Outcome. Both do well on measures of density and efficiency because of their reliance on larger, vacant parcels, but both have a lower percentage of land under 20 acres and contiguous to the existing UGB.

Middle Tier

SAAM-2 and **Scenario 3.1** performed moderately well, though not as well as the others mentioned above. This is in part because lower residential densities were assumed in parts of the West Area and the Shevlin Area due to topography and the possible need for cluster development in order to allow for natural resource/wildlife habitat protection. Both also include a number of developed parcels between OB Riley Road and Gopher Gulch, which are less efficient to develop than vacant parcels.

Bottom Tier

SAAM-1 performed the worst on this Community Outcome, because the outer Northeast Edge and the Shevlin area both had lower residential densities; the outer Northeast edge includes quite a few developed properties, particularly in the subdivisions south of Juniper Ridge; and, while the parcels are smaller in the Northeast Edge, the outer portion is not contiguous to the current UGB.

Factor 2: Orderly and economic provision of public facilities and services

Balanced Transportation System

Top Tier

Across the various performance measures included in this Community Outcome, **Scenario 2.1** performed the best overall, with the lowest VMT per capita, the best overall walk/bike safety and connectivity, and the best system connectivity and progression of system hierarchy.

Middle Tier

Scenario 1.2, **Scenario 3.1**, **SAAM-1** and **SAAM-3** all performed moderately well – the relative ranking among these depends on which measures are given most importance, although differences are subtle. Scenario 1.2, SAAM-1 and SAAM-3 do fairly well on congestion, with relatively low overall congestion; they also do fairly well on walk/bike safety and connectivity, with no major barriers identified. It is worth nothing that SAAM-1 does poorly on VMT, but well on congestion (because there is relatively little existing congestion near the Shevlin area) and walk/bike safety and connectivity (because including the full extent of the Shevlin area provides for better connections to the existing road and trail system).

Bottom Tier

SAAM-2 does the worst on this Community Outcome overall, with poor performance on VMT, mode split, average trip length, and a number of other factors. It also performs less well on walk/bike safety and connectivity because the river forms a barrier with connections to the west.

Cost-Effective Infrastructure

Top Tier

Scenario 2.1 performed the best overall on this Community Outcome, in particular because of the low cost of transportation improvements required (low cost for connecting growth areas and low cost for projects to increase capacity). It also performed fair to well on measures of sewer system cost-effectiveness as well as new linear miles of local streets, water system improvements within the Bend water service area, and total impervious area for new development. It had only one negative rating, on new development within a DWPA, because of the amount of development in The Thumb.

Middle Tier

SAAM-2 performed somewhat poorly on sewer, though it was not the worst performer; it takes advantage of major trunk infrastructure to the north but the DSL property and The Elbow are not cost-effective due to small area included and fixed costs to serve those areas. It had moderate transportation costs, with low costs for connecting growth areas but high costs for required capacity improvements (including the need to widen US 20 from Robal Rd to 3rd Street). Its only other drawback is having a relatively high proportion of development in areas with potentially challenging geology (welded tuff).

Bottom Tier

Scenarios 1.2 and **3.1, SAAM-1** and **SAAM-3** all had at least one significant drawback on transportation and/or sewer infrastructure, though most had mixed results overall. **Scenario 3.1** performed acceptably across most performance measures in this group, but performed poorly on transportation costs due to high cost for connecting growth areas and the need to widen US 20 from Robal Rd to 3rd Street. **Scenario 1.2** also performed poorly on transportation infrastructure, due to high cost for connecting expansion areas and high cost for capacity improvements, but performed the best on sewer infrastructure, because it focuses more growth on the Northeast edge, which is efficient for sewer service. **SAAM-3** had high costs for sewer improvements because of the need for a new regional pump station to serve the northwest portion of the West Area, but low costs for transportation improvements due to low cost for connecting growth areas and moderate cost for congestion mitigations (including the need to widen US 20 from Robal Rd to 3rd Street). SAAM-3 also has the greatest amount of development in areas with welded tuff geology, which can add to the cost of excavation. **SAAM-1** had high costs for sewer because of the need for a new regional pump station to serve the Shevlin Area (though it does take advantage of cost-effective sewer in the Northeast edge), and also had relatively high transportation costs due to high costs for connecting expansion areas as well as high costs for intersection improvements.

Factor 3: Comparative environmental, social, economic and energy consequences (ESEE)

Quality Natural Environment (Environmental and Energy Consequences)

Top Tier

Scenario 1.2 and **Scenario 2.1** are rated fair to very good across all performance measures under this Community Outcome. Neither has development adjacent to riparian areas, and both have limited total expansion in elk and deer range, with no expansion into ODFW areas of potential concern. Neither has features that prevent mitigation of wildfire hazard in any expansion areas. Both had reasonably good performance on energy consumption, greenhouse gas, and water consumption measures as well.

Middle Tier

Scenario 3.1, **SAAM-2** and **SAAM-3** had mixed results. SAAM-2 performed fair to well on all measures except greenhouse gas emissions and energy use. Scenario 3.1 rated poorly on development in wildlife areas and wildfire hazard due to the inclusion of the Shevlin area, which is both an ODFW area of potential concern and has topographic features that make it difficult to fully mitigate wildfire risk. SAAM-3 rated poorly on development in wildlife areas because so much growth was focused in the West area, but performed fairly or well on other performance measures.

Bottom Tier

SAAM-1 performed poorly on many of the performance measures, and did not perform well on any. It rated very low on development in wildlife areas and lower also on wildfire hazard because it includes the full Shevlin area (see reasons noted above). It also rated lower than other scenarios on development adjacent to riparian areas because of the inclusion of the upper portion of the Shevlin Area.

Housing Options and Affordability (Social Consequences)

Top Tier

Scenario 2.1 and **SAAM-1** performed the best on this Community Outcome, though there were only two performance measures. Scenario 2.1 had good housing mix in nearly all subareas and good housing affordability with significant housing growth in the southeast. SAAM-1 had good housing mix in both primary residential expansion areas and had moderately affordable housing due to the heavy expansion in the Northeast Edge.

Middle Tier

Scenario 1.2 performed well on affordability, but less well on housing mix, with most subareas somewhat imbalanced (too much single family or too little). **SAAM-2** performed well on housing mix, but less well on affordability, with growth focused on the northwestern side of the City.

Bottom Tier

Scenario 3.1 and **SAAM-3** performed poorly on affordability due to the heavy focus on the west side of the City. SAAM-3 also did not perform well on housing mix because there were small residual areas of almost exclusively multifamily housing.

Strong Diverse Economy (Economic Consequences)

Top Tier

Nearly all alternatives – **Scenario 1.2**, **Scenario 3.1**, **SAAM-1**, **SAAM-2**, and **SAAM-3** -- performed well or very well across all performance measures in this Community Outcome.

Middle Tier

Scenario 2.1 rated somewhat lower, because it places employment and commercial uses in more of the expansion areas (e.g. the West Area) where they are somewhat less well suited.

Factor 4: Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB

Compatibility with Farms and Forests

Top Tier

Scenario 1.2 rated the highest on farm and forest compatibility because it affects the fewest irrigation district customers and has no forest land within a mile of any expansion area.

Middle Tier

Scenario 2.1, **SAAM-3**, and, to a lesser extent, **SAAM-1** also rated fair to good on this Community Outcome. SAAM-3 has less farm impacts but more forest adjacency than other alternatives. Scenario 2.1 and SAAM-1 both have moderate levels of farm impacts, moderate impacts to irrigation districts, and little to no forest land adjacency.

Bottom Tier

Scenario 3.1 and **SAAM-2** rated the lowest on farm and forest compatibility because they are proximate to the greatest number of working farms and also affect the greatest number of irrigation district customers. Scenario 3.1 also has some forest land between a mile and a quarter-mile away from the expansion in the West Area.

Subarea Advantages and Disadvantages

This section provides a summary of findings from the evaluation on the key advantages and disadvantages of each subarea (those that are either inherent to the geography or that do not vary appreciably between the alternatives).

North Triangle

Key Advantages

- Cost-effective sewer
- Fairly close to existing transit
- Well-suited to commercial uses
- No commercial farms or forest lands nearby

Key Disadvantages

- Contributes to congestion on 97 & 20
- Canals create barriers
- Industrial / rural residential compatibility concerns
- Large format retail reduces attractiveness for housing
- Impacts Swalley Irrigation District
- New collector roads relatively costly

OB Riley / Gopher Gulch

Key Advantages

- Master planning opportunities (Gopher Gulch)
- Proximity to planned parks on west
- Eastern portion generally well-suited to industrial & commercial uses
- Close to transit on SE corner

Key Disadvantages

- Many developed parcels in south
- Connectivity limited in west
- Requires extension of major sewer line
- Wildfire hazard difficult to mitigate adjacent to river
- Impacts Swalley Irrigation District

Northeast Edge

Key Advantages

- Cost-effective sewer
- Well-suited to commercial uses adjacent to major roads
- Mid-size parcels, possibility for near-term development
- Housing affordability

Key Disadvantages

- Limited connectivity
- Canals create barriers
- Not near transit
- Some commercial farms nearby

DSL Property (& Darnell Estates)

Key Advantages

- Master-planning opportunity (DSL)
- No irrigation district impacts (DSL)
- Housing affordability
- Relatively close to transit
- Well-suited for commercial & employment uses along major roads (DSL)

Key Disadvantages

- Potential impacts to bat caves on DSL property
- Darnell Estates requires additional sewer extension – not cost-effective

The "Elbow"

Key Advantages

- Existing school & possible future park site
- Housing affordability
- Fairly well-suited to commercial and employment along 27th / Knott Rd.

Key Disadvantages

- Connectivity limited unless connection built from Rickard to 15th near Murphy
- New collector roads relatively costly
- Requires interim pump station for sewer
- Partially in Elk/Deer Range
- Farm adjacency, including feed lot along Knott Rd.
- Not near transit
- Impacts Arnold Irrigation District

DRAFT

The "Thumb" (& southwest area)

Key Advantages

- Master planning opportunities
- Housing affordability
- Well-suited to a wide range of uses (Ward)
- South end of US 97 relatively uncongested

Key Disadvantages

- Connectivity limited unless full collector system built from China Hat to Knott (highway & railroad barriers)
- Canal creates barriers
- Reliant on US 97
- Long average trip lengths
- Fully in Elk/Deer Range
- Impacts Arnold Irrigation District
- Drinking Water Protection Areas – concern for certain industrial uses

West Area

Key Advantages

- Master planning opportunities
- Relatively close to transit on eastern edge
- No irrigation district impacts

Key Disadvantages

- Largely welded tuff geology
- Entirely within Deer & Elk Winter Range
- Housing likely to be more expensive
- Limited suitability for industrial & commercial uses

Shevlin Area

Key Advantages

- Master planning opportunities
- Includes planned school site
- Relatively close to transit at SE corner
- Minimal congestion
- Proximity to existing/planned parks & trails
- No irrigation district impacts

Key Disadvantages

- Long trip lengths
- Difficult to build connected local streets
- Entirely within Deer & Elk Winter Range, largely within ODFW Areas of Potential Concern
- Housing likely to be more expensive
- Limited suitability for industrial & commercial uses
- NW edge adjacent to Tumalo Creek
- Outer portions may be difficult to reduce fire hazard
- Proximity to forest land in western corner

Scenario Evaluation Conclusion and Balancing

The Council finds that, based on the full alternatives evaluation, in considering and balancing the four Goal 14 Factors as required under Statewide Planning Goal 14 and OAR 660-024-0060, Scenario 2.1 performed the best of the alternatives overall, regardless of whether and to what degree weighting is applied to distinguish between the more and less important

performance measures. It provided complete communities in all quadrants of the City; focused growth primarily on large, vacant parcels; provided enhanced transportation connections; was fairly cost-effective for sewer infrastructure; avoided riparian areas; limited expansion in wildlife areas; avoided areas where topographic features prevent mitigation of wildfire risk; had good housing mix in nearly all subareas; and offered opportunities for relatively affordable housing with significant housing growth in the southeast.

The Council finds that no other alternative had as strong a performance as Scenario 2.1 on as many community outcomes, and each of the other alternatives has at least one important weakness identified through the evaluation, as documented in the Scenario Evaluation Report. As a result, the USC selected Scenario 2.1 as the preferred scenario for further evalutation and refinement. The USC chose Scenario 2.1, in brief, to balance growth on both the east and the west sides of the City, reduce the traffic impact on the west, include the area referred to as the "Perfect Rectangle", and reduce the risk of wildlfire on the west. The USC discussion also noted community survey results where Scenario 2.1 rated well in an online survey. [7]

7.4.4.4. Preferred Scenario Refinement Process

Overview

As stated above, the Council finds that Scenario 2.1 was selected as the starting point for creating a preferred scenario due to its performance in the alternatives evaluation. The refinement process addressed arrangement of land uses and changes to boundary location in certain subareas. It also included adjustments to assumptions about yield from efficiency measures and capacity of land inside the current UGB in order to ensure that these assumptions were "reasonably likely" to be implemented. The refinements included:

- removing small areas that performed poorly or would not be cost-effective to urbanize;
- refining the land uses within some sub-areas in order to address compatibility concerns and ensure an appropriate mix and intensity of uses in each area, given its context and the potential for additional future expansions that would build on the current expansion;
- distributing growth across more of the land in the west and northwest rather than relying on a single property owner in this area;
- consolidating growth in the northeast to a single larger block of land where a new complete community is possible rather than multiple small expansion areas;
- inclusion of park land as requested by the Park District in their testimony; and
- including specific properties that offered commitments to provide affordable housing, in order to ensure that housing will be available to meet the needs of residents at all income levels.

The Boundary TAC and USC provided input at multiple meetings, and directed refinements based on public testimony in the context of balancing the four Goal 14 factors. In considering whether to add land that was not included in Scenario 2.1, the USC, City staff, and consultant

[7] See Rem Rec 5665 for the minutes of the October 22, 2015 meeting of the USC for their discussion and decision selecting Scenario 2.1.

team considered whether the scenario evaluation provided evidence that a certain area performed better with the land in question included, and any public testimony providing new evidence of a compelling advantage of including the land. The USC, City staff, and consultant team also ensured that components of Scenario 2.1 that were essential to its strong performance in the scenario evaluation (e.g. emphasis on complete communities, strong growth in the southeast area of the City, and moderate amounts of expansion in the south, west, and northwest) were retained throughout the refinement process. The consideration of refinements was a balancing process where the USC considered whether project's scenario evaluations and public testimony supported inclusion of the refinement because it, on balance, was consistent with the Goal 14 factors and Community Outcomes.

Public Testimony and Response

The Council finds that the record includes a significant amount of public testimony that argued for several properties being included in the UGB. To summarize this testimony briefly, a number of property owners and/or their representatives argued for their property's inclusion in the UGB, their merits, and any feedback as to whether the process of evaluation was conducted in their view according to state law. Several pieces of testimony offered specific incentives and benefits for certain property being included in the UGB, including certain properties that would be part of a transect, several that offered the development of affordable housing, and several that argued for being included because they were included in a large group. The following findings respond to the public testimony directed at the boundary and the location analysis by area and subject. The City notes that the UGB project team provided responses to some of this testimony in Appendix E to the USC Meeting Packet for their June 25, 2015 meeting (Rem Rec 8335).

North

Overview of Refinements

The following refinements were made to Scenario 2.1 in the north area:

- land uses re-arranged and employment uses modified in the North Triangle subarea in order to provide compatibility with rural residential to the north;
- two properties initially removed from the North Triangle subarea in order to shift residential uses to other areas and balance land uses; one subsequently added back to the scenario based on a commitment to provide affordable/workforce housing;
- residential uses included in the OB Riley subarea in order to provide a more complete community and transition to adjacent rural residential uses;
- land uses re-arranged and employment uses modified in the OB Riley subarea in order to take advantage of visibility along Highway 20 for commercial uses.

Several property owners and interested parties submitted testimony regarding the North Triangle and/or OB Riley subareas.

Carpenter Property

- Bayard (Rem Rec 9954)

- Barker (Rem Rec 9955)

The neighborhood association to the North provided written and oral testimony regarding appropriate land uses on this property, raising concerns about compatibility of industrial uses, especially heavy Industrial uses, in this location with homes to the north. Based on the testimony, the USC approved modifying the land uses on this property from General Industrial to a mix of residential, mixed employment, and light industrial for Scenario 2.1G.

Bell Property

- Colucci for the Golden Triangle Area Consortium (GTAC)/Bell (Rem Rec 8379, 9961)
- Dickson (Rem Rec 6079, 6083, 9035)

This property was removed from the draft preferred scenario during part of the refinement process, in order to reduce development in the North Triangle overall and limit the amount of urban development abutting the rural residential neighborhood to the north. The property owner, along with several adjacent property owners in the North Triangle, provided written and oral testimony that the Bell property (tax lot 171208D0 TL 100) should be included in the preferred scenario[8].

GTAC/Bell/Colucci/Dickson proposed dedicating 25% of the minimum number of calibrated housing units for their area for affordable housing. The USC considered the additional social benefits of providing more land for affordable housing, along with this commitment of the property owers. Based on the testimony, the USC approved including the Bell property in the UGB for Scenario 2.1G.

Northeast

Overview of Refinements

The following refinements were made to Scenario 2.1 in the northeast area:

- Including the entire area referred to in testimony as either Butler Market Village or the Perfect Rectangle
- Including Rock Ridge and Pine Nursery Parks

Public Testimony and Response

Several property owners and interested parties submitted testimony regarding the Northeast subarea.

The Perfect Rectangle

- Murphy (Rem Rec 4325, 5420)
- Lane (Rem Rec 3917, 3921, 6156)
- Bend Park and Recreation District (Rem Rec 4948, 4968)

[8] See oral testimony from Liz Dickson (Rem Rec 10150) and Ann Marie Colucci (Rem Rec 10151) from April 21, 2016 USC Meeting. See also written testimony from Ann Marie Colucci (Rem Rec 9961).

Murphy and several other parties testified that a larger area in the northeast should be considered for UGB expansion. This particular area is referred to as either Butler Market Village or the Perfect Rectangle. The Boundary TAC and then the USC proposed including this area in Scenario 2.1 for analysis because of the many benefits it provided. These benefits included, but are not limited to, a large and relatively level area within which to master plan, a working group of property owners, the close proximity of public infrastructure (sewer), and the potential to mix land uses to achieve the needed housing mix and with jobs, schools, and parks. This area has been included in Scenario 2.1G as the Northeast and includes 465 total acres of which 222 acres are for housing, 22 acres for jobs, with another 196 acres of nearby park land that will be included in the UGB.

East/Southeast

Overview of Refinements

The following refinements were made to Scenario 2.1 to the East and Southeast:

- Inclusion of small fragment of Burns/Pacwest property on East Highway 20 for affordable housing
- reduction of size of large lot site on DSL
- refinement of land uses in Elbow to respond to testimony and promote compatibility
- swap of land uses between Elbow and Thumb Ward properties in response to testimony

Public Testimony and Response

Several property owners and interested parties submitted testimony regarding the East and Southeast.

Burns/Pacwest Property

- Hopp (Rem Rec 3914, 8230, 9957)

Hopp/Burns/Pacwest proposed developing their entire property with multi-family housing, and targeting households earning 80% area meidan income (AMI). The USC included this property in the UGB for the social benefit of providing additional land for affordable housing, along with a commitment of the land owner to develop.

DSL Property

- Russell for DSL (Rem Rec 4926)

The DSL representative testified requesting that the large lot industrial site designation on the property be limited to 50 acres (consistent with the Regional Large Lot Industrial Land provisions for Crook, Deschutes and Jefferson Counties in OAR Chapter 660, Division 24), rather than 56 acres (as initially identified in the EOA). The USC included the entire portion of Section 11 (aka DSL property) in the UGB, and included one of the large lot industrial sites on this property, but reduced the designation to 50 acres as requested.

Ward Property

- Wise/Ward for JL Ward Company (Rem Rec 4142, 5321, 6076)

The Ward Family provided testimony on their property in the Elbow and asked that 12.8 acres of residential from the Thumb be swapped with 12.8 acres of commercial. The USC approved this swap, with 12.8 acres of residential lands for housing added to the 15th Street/Elbow property outside the UGB and 12.8 acres of commercial land added to the Thumb.

South/Southwest

Overview of Refinements

The following refinements were made to Scenario 2.1 to the South and Southwest:

- swap of land uses between Elbow and Thumb Ward properties in response to testimony
- Baney property removed from scenario then brought back based on testimony and affordable housing commitment

Public Testimony and Response

Several property owners and interested parties submitted testimony regarding the South and the Southwest

Baney Property

- Baney/McMahon for Baney (Rem Rec 3911, 9929)

Baney/McMahon were among a group of parties that testified before the USC at their April 21, 2016 meeting. Their testimony argued for including Baney's property on Rocking Horse Road in the UGB, and if included, the future development of this property would include a component of affordable housing. They proposed developing a mix of housing types on his property and ensuring 25% of the units would be made available for affordable housing. This testimony further clarified that this housing would be targeted for citizens earning $15.00 an hour, roughly $16,000 to $22,000 annually. This would correspond to 30% of AMI. Based on this testimony, previous analysis on the parcel showing its suitability plus the additional social benefit of providing affordable housing, the USC directed staff to include the Baney property in the preferred UGB Scenario.

Ward Property

- Wise/Ward for JL Ward Company (Rem Rec 4142)

Wise/Ward provided testimony in support of including the "Thumb" in the UGB expansion, and the arrangement of land uses. The USC responded to this testimony by supporting the swap of land between the Ward property in the Thumb with the Ward property in the Elbow on 15th Street. More land for housing was provided in their opportunity area on 15th Street, and more land for employment and commercial services was allocated to the Thumb.

West / Northwest

Overview of Refinements

The following refinements were made to Scenario 2.1 to the West and Northwest:

- Including additional land in the West Area for the transect and for the extension of Skyline Ranch Road
- Including additional land in the West Area for development of affordable housing
- Including additional land on Shevlin Park Road for housing and a commercial node

Public Testimony and Response

Several property owners and interested parties submitted testimony regarding the West and the Northwest.

Day/Rio Lobo Property

- Conway (Rem Rec 4861, 6095, 8221, 9973)

Day/Rio Lobo/Conway proposed dedicating 20% of their multi-family residential units for affordable housing, and further clarified that these units would be affordable based on the definition used in the BDC. The USC approved the addition of 40 acres of the Day/Rio Lobo property based on prior evaluation results and the social benefits associated with the designation of some of their property in the West Area to be dedicated for affordable housing, based on their testimony.

Coats Property

- Lewis (Rem Rec 3926, 5352, 6204, 9942)

Lewis, on behalf of Coates, testified that the southern portion of the Coates property should be included in the UGB because it fills an existing "notch" between developed areas, improving connectivity in that area. The USC approved the inclusion of an additional 80 acres of the Coats (represented by Lewis) property for additional housing and for a small, commercial node on Shevlin Park Road.

West Area / Transect

- Miller (Rem Rec 4094, 4933)
- Schueler (Rem Rec 4965)
- Schueler, Dewey, Swisher, Miller (Rem Rec 6070).
- Swisher (Rem Rec 4937)

The Boundary TAC heard testimony that proposed a boundary and land use concept for the West Area. The land use concept proposed a "transect" – the gradual reduction in residential densities as development moved closer to the boundary between the UGB and the undeveloped forest lands on Bend's west side. The Boundary TAC and USC both heard testimony on this proposal. The benefits articulated of including this area in the UGB included allowing for the extension of Skyline Ranch Road within the planning horizon, providing for cohesive wildlife corridors and wildfire mitigation strategies throughout the area, providing a gradual and appropriate transition to public park land to the west, and the area having ready access to necessary infrastructure . The proposal for the transect from Dewey, Miller, Schueler, and Swisher was presented to the Boundary TAC at their January 20, 2016 meeting (See meeting minutes at Rem Rec 5965). The USC considered this proposal as well and directed staff to include it in the UGB scenario during their February 2016 meeting (See meeting minutes at

Rem Rec 9209). This area is included in Scenario 2.1G. The proposed Growth Management Chapter (Rem Rec 10362) includes policies that include housing mix for specific areas of development, areas designated for wildlife travel, and area within which fire mitigation treatments will take place.

Goal 14 analysis: Why certain properties included, why others not included

- Colucci (Rem Rec 8379)
- Conway (Rem Rec 4861, 6095, 8221)
- Dickson (Rem Rec 6079, 6083, 9035)
- Hopp (Rem Rec 8230)
- Lewis (Rem Rec 5352, 6204, 9942)
- UGB Team – Comment Log of Public Testimony (Rem Rec 8335)

The Council finds that the City documented the process through which properties were evaluated for the UGB amendment in several resources, including the UGB Scenario Evaluation Report (Rem Rec 6209), the Urbanization Report (Rem Rec 9679), and the Findings in this section. The record includes testimony from a number of individuals and groups testifying in support of certain property being included, and testifying against property on the West side of Bend being included. The record does not include testimony that argues against expansion into other geographic directions (e.g. East or Southeast). The Council understands this testimony to argue that certain properties should have been included in the UGB, and because these properties were already adjacent to the UGB, could be served with infrastructure, and/or provided some benefit to the City.

State law (OAR 660-024, Goal 14, and ORS 197.298), governs how the City must go about determining land needs for urban uses, and then evaluating properties if a need has been shown for additional land. These laws include several key sideboards on the determination of whether a UGB expansion is needed and was properly evaluated.

Goal 14 outlines that the establishment and change of urban growth boundaries shall be based on a demonstrated need to accommodate long range urban population. This population is based on the coordinated population forecast Deschutes County adopted in 2004[9]. The population forecast for the City in 2028 is 115,063, and is based on the acknowledged population forecast of 109,389 for Bend in 2025. No evidence has been submitted to the record to cause the re-evaluation of this forecast and the consideration of another forecast that should be adopted and acknowledged in its place. This forecast, and the employment forecast in the EOA provided the bases upon which the land need estimates were developed. The City needed approximately 2,300 acres of land, and had to select this amount from 5,400 acres of land that performed the best against the performance measures.

The Council finds that the City has documented the process through which a study area was formed, properties were evaluated based on performance measures recommended by the

[9] The 2004 Coordinated Forecast Report is the 2009 UGB Record at Rec. 1980. The City and County coordinated on the development of the forecast between 2002 and 2004.

Boundary TAC and approved by the USC, and then organized into potential UGB expansion subareas. These same subareas were considered in different configurations in different scenarios before the USC recommended Scenario 2.1A as the scenario for which additional evaluation would be conducted. The USC then considered several potential versions of this scenario, before deciding on April 21, 2016 to forward Scenario 2.1G to a public hearing. State law (OAR 660-024-0060) does not require the City to prepare findings explaining how each property in a study area was rated, whether it was to be included in the UGB or not, with additional findings explaining why not. State law allows, and the City chose, to consider larger geographic areas consisting of multiple properties to better allow needed housing and jobs in different configurations. State law also does not require the City to explain its decision of considering larger geographic areas instead of conducting a property by property comparison, which in this case is practically impossible given the amount of needed acres of expansion and numbers of parcels in the study area.

The Council finds that the City decided early in the process to focus the analysis of potential areas for expansion on those rural residential, exception, and non-resource lands that were considered Priority 2 lands under ORS 197.298(1)(b). This means that the City would not consider any lands designated as resource lands – those lands designated for agriculture or forest uses – under the Deschutes County Comprehensive Plan. None of these lands are included in the proposed UGB expansion. In Bend's case, there was more Priority 2 land than the City needed for UGB expansion, and the City used the Goal 14 factors to evaluate, weigh, and balance which areas would best meet the City's needs.

In October 2015, the USC directed the team to use Scenario 2.1, with certain changes of theirs, as the scenario to use for further infrastructure evaluation and refinement. This scenario went through multiple modifications between the Boundary TAC's next meeting on December 14, 2015, and the final version of Scenario 2.1 (2.1G), considered by the USC at their April 21, 2016 meeting. Each round of changes came at the direction of the Boundary TAC and/or the USC, none of which reflected a final decision on the boundary. The project team presented changes to the scenario at each public meeting based on factual information and policy direction (of the Boundary TAC and USC), and each committee received public comment at their respective meetings that included comment directed at changes to Scenario 2.1 and why they should or should not have been made.

Why certain adjustments were made

Transect

- Schueler (Rem Rec 4965)
- Schueler, Dewey, Swisher, Miller (Rem Rec 6070).

The Boundary TAC heard testimony that proposed a boundary and transect for the West Area UGB expansion area. This proposal included the gradual reduction in residential densities as development moved closer to the boundary between the UGB and the forest lands on Bend's west side. The Boundary TAC and USC both heard testimony on this proposal. The proposal for the transect from Dewey, Miller, Schueler, and Swisher was presented to the Boundary TAC

at their January 20, 2016 meeting (Rem Rec 5965). The USC considered this proposal as well and directed staff to include it in the UGB scenario during their February 2016 meeting (Rem Rec 9209). This area is included in Scenario 2.1G. The proposed Growth Management Chapter includes policies that include housing mix for specific areas of development, areas designated for wildlife travel, and area within which fire mitigation treatments will take place (Rem Rec 9233).

Affordable Housing

- Baney, McMahon (Rem Rec 10152) for Baney (Rem Rec 9929)
- Conway (Rem Rec 10153) for Rio Lobo (Rem Rec 9973)
- Colucci (Rem Rec 10151) for the GTAC/Bell (Rem Rec 9961)
- Hopp (Rem Rec 10152) for Burns/Pacwest (Rem Rec 9957)

The above-listed parties testified at the April 21, 2016 USC meeting that either their or their clients' should be included in the UGB based on their individual proposals to provide what they described as affordable housing. In addition to these parties, both Paul Dewey and Elizabeth Dickson provided oral testimony that the City needed to do more to satisfy Goal 10, and that including this additional land was necessary for the development of affordable housing, and would assist the City in complying with Goal 10.

Baney/McMahon proposed developing multi-family units on his property and ensuring 25% of these multi-family units would be made available for work force housing. This testimony further clarified that this housing would be targeted for citizens earning $15.00 an hour, roughly $16,000 to $22,000 annually. This would correspond to 30% of average median income (AMI).

Day/Rio Lobo/Conway proposed dedicating 20% of their proposed multi-family residential units for affordable housing, and further clarified that these units would be affordable based on the definition used in Section 3.6.200(C) of the BDC.

GTAC/Bell/Colucci/Dickson proposed dedicating 25% of the minimum number of calibrated housing units for their area for affordable housing, targeting 30% of AMI with a recommended target of 80% owner occupancy.

Hopp/Burns/Pacwest proposed developing their entire property with multi-family housing, and targeting households earning 80% AMI.

The City has provided findings in Section 9 of this report addressing compliance with Statewide Planning Goal 10, Housing. The City has also provided findings explaining that these properties were included due to their commitments to provide affordable housing.

The Council finds that, in Section 4 of the Findings report, that the City's work has satisfied Goal 10. To summarize briefly, the City's work on remand satisfies Goal 10 because the City has inventoried buildable lands for housing, completed a housing needs analysis, proposed efficiency measures that would not only add capacity for housing in the current UGB, but for the purpose of providing additional zoned land for needed types of housing. In addition, the City's work complies with Goal 10 because the proposed UGB expansion provides the land needed

for future population growth and has been plan designated so that housing is developed to help achieve the City's needed mix of 55% single family detached, 10% single family attached, and 35% multi-family housing.

The Council finds that adding land to the UGB specifically for affordable housing helps secure needed housing at specific income levels. The Council finds that while these additional lands will help the achieve its needed housing mix of 35% for multi-family, the benefit they provide is the provision of housing that will be affordable to those households earning 30% to 80% of AMI because this level of affordability will be provided through the implementation of Area Planning policies related to specific percentages of units being made affordable to specific income levels. The Council also finds that these same areas have the added benefit of being located in areas that are close to jobs, schools, parks, and services.

The City has proposed policies in the Housing chapter of the Comprehensive Plan to ensure such housing is developed once these respective areas are in the UGB and annexed to the City (Rem Rec 10310).

Perfect Rectangle

- Murphy (Rem Rec 4325, 5420)
- Lane (Rem Rec 3917, 3921, 6156).

Parties Murphy and several others testified that a larger area in the northeast should be considered for UGB expansion. This particular area is referred to as either Butler Market Village or the Perfect Rectangle. The Boundary TAC and the USC proposed including this area in Scenario 2.1 for analysis because of the many benefits it provided. These benefits included, but are not limited to, a large and relatively level areas within which to master plan, a working group of property owners, the close proximity of public infrastructure (sewer), and the potential to mix land uses to achieve the needed housing mix and with jobs, schools, and parks. This area has been included in Scenario 2.1G as the Northeast and includes 465 total acres of which 222 acres are for housing, 22 acres for jobs, with another 196 acres of nearby park land that will be included in the UGB.

Public Process

- Smith (Rem Rec 4958)
- Van Valkenburg (Rem Rec 4963)
- Schueler (Rem Rec 4965)
- Dewey (Rem Rec 5311, 5313, 5315)

The City received a significant amount of testimony regarding the public process used to determine the UGB scenario between the USC's October 22, 2015 meeting and their December 14, 2015 meeting. The public process used to determine the UGB expansion, particularly the work of the Boundary TAC that was approved by the USC, was the topic of a number of pieces of public testimony. The testimony cited above is a sample of this testimony. The purpose of this finding is to document the work of the Boundary TAC in both Phases 1 and 2, including how their work was approved and/or modified by the USC, to show that the steps taken to identify

potential expansion areas and compare and contrast them occurred in an open and public process.

The Boundary TAC began Phase 1 of their work in August 2014. Between August 2014 and February 2015, the TAC met six times with the focus of their work to identify suitable lands for UGB expansion and to identify performance measures that would be used in Phase 2 for evaluating alternative UGB scenarios. The USC approved the recommendations of the Boundary TAC for Phase 1 at their March 19, 2015 meeting (See USC meeting packet at Rem Rec 3551; See 3/19/15 meeting minutes at Rem Rec 8275).

The Boundary TAC began Phase 2 of their work in April 2015. They also participated with the other TACs and the USC in the Boundary Workshop on April 30, 2015. From this meeting, the project team got feedback from the workshop on which areas to consider for UGB expansion of those areas identified as suitable for expansion in Phase 1.

During May and June of 2015, the Boundary TAC met and developed several potential UGB expansion scenarios for evaluation, along with a supplemental analysis area (SAAM) map that was used to arrange expansion areas into three additional scenarios. The Boundary TAC recommended these three scenarios and the SAAM to the USC at their June 24, 2015 meeting. The USC approved the slate of scenarios and SAAM for evaluation over the summer at their June 25, 2015 meeting (Rem Rec 8275).

During the months of July, August, and September 2015 the project team worked to evaluate the six (6) total scenarios against the performance measures approved in Phase 1. The team released the UGB Scenarios Evaluation Report and included it in the meeting packet of the Boundary TAC's October 8, 2015 meeting (Rem Rec 6619). The materials provided to the Boundary TAC also included a transportation study (Rem Rec 6851) and appendices that presented the results of the evaluation of the scenarios against all the performance measures (Rem Rec 6737).

The Boundary TAC conducted two meetings in October of 2015 to review the scenario evaluation, and then make a recommendation on a final scenario to the USC for final evaluation. The TAC recommended a Scenario 2.3, Scenario 2.1 with several changes, to the USC at their second meeting on October 24, 2015. The USC considered this scenario at their meeting, held the same day on October 24, 2015, and made a decision to go forward with Scenario 2.1 along with several changes.

Between December 2015 and April 2016, the Boundary TAC and the USC met to consider the final scenario, and potential changes to the boundary. Between the two committees, they held a total of six public meetings, with the Boundary TAC meeting twice in March. The two committees considered seven (7) different versions of Scenario 2.1 between December 2015 and April 2016. The Boundary TAC recommended Scenario 2.1F to the USC at their March 30, 2016 meeting. The USC approved this scenario, along with several additions to the boundary, to develop Scenario 2.1G at their April 21, 2016 (Rem Rec 10144).

The Boundary TAC held a total of eight (8) public meetings over Phase 2 of the Remand Project, during which they provided input to the project team and recommended UGB scenarios to the USC. Each meeting was publicly noticed, and public input was solicited at each meeting. The USC met five times over Phase 2, and like the Boundary TAC, asked for public input before making decisions and/or providing direction to the project team on the UGB scenario evaluation. These findings demonstrate the planning process and resulting proposed UGB expansion integrated citizen involvement, a factual basis, and applicable legal requirements.

7.4.4.5. Preferred Scenario Description

The preferred scenario is described and mapped in the Urbanization Report (See pages 82-101 at Rem Rec 10896-10915). The Council finds that the conclusions in this section draw on that summary.

The proposed 2016 UGB expansion (the "preferred scenario") is for a total of 2,380 acres:

- 1,142 gross acres of residential land (including land for future schools and future parks not yet in BPRD or school district ownership);
- 815 gross acres of employment land;
- 285 acres of land for public facilities currently in BPRD or school district ownership; and,
- 138 acres of existing right-of-way within and fronting UGB expansion areas, needed to provide urban street improvements to support growth in the expansion areas.

Like previous expansion scenarios, the preferred scenario focuses future growth in opportunity areas within the existing UGB and in new complete communities in expansion areas. Nearly all expansion areas include a mix of housing, employment areas, shopping/services, and schools and parks. A "transect" concept in the West Area reduces the density of development near the west edge of the City in recognition of the natural resources and open spaces to the west.

DRAFT

Figure 7-9: Preferred UGB Expansion Scenario

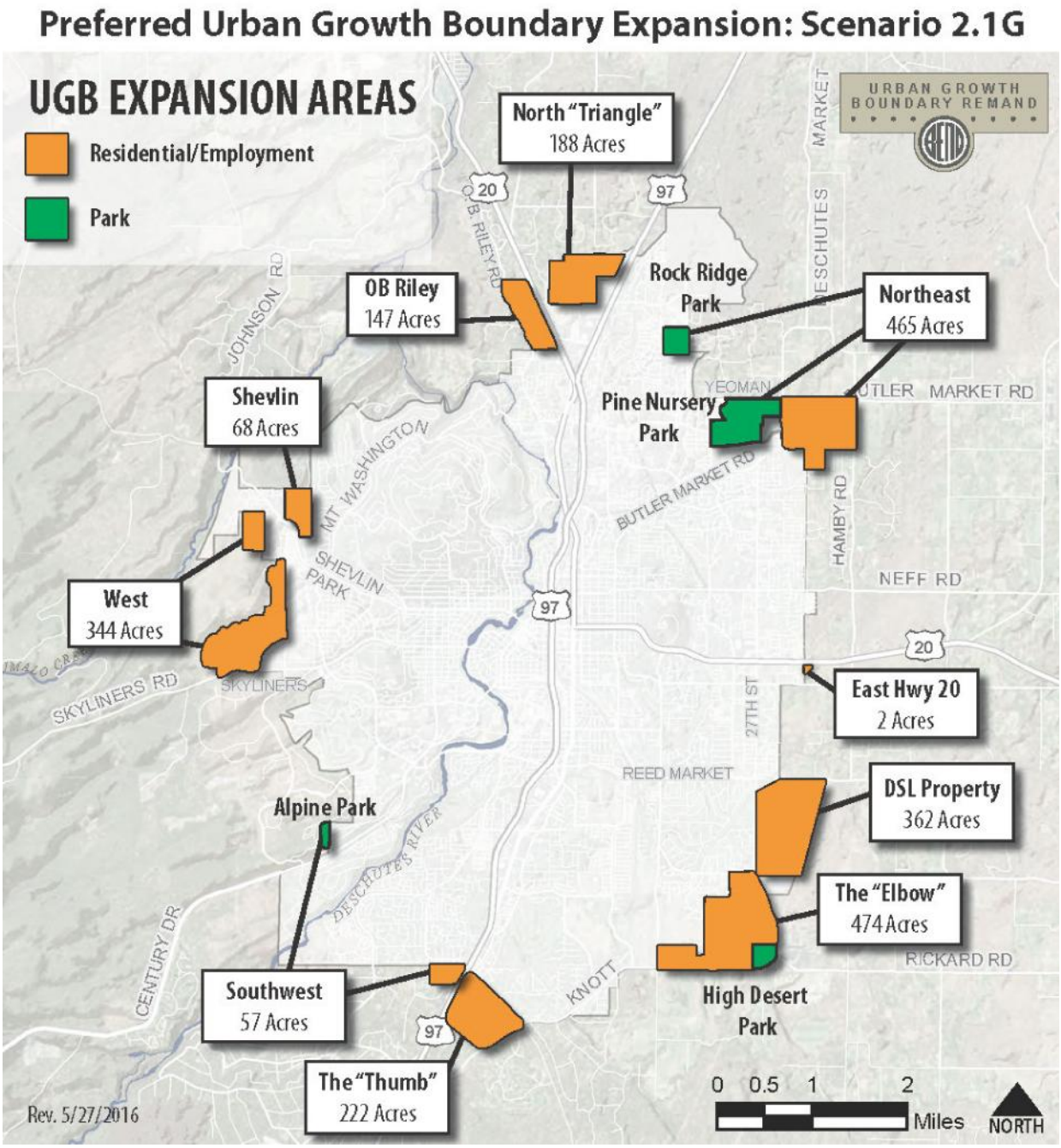


Figure 7-10: Proposed Comprehensive Plan Designations

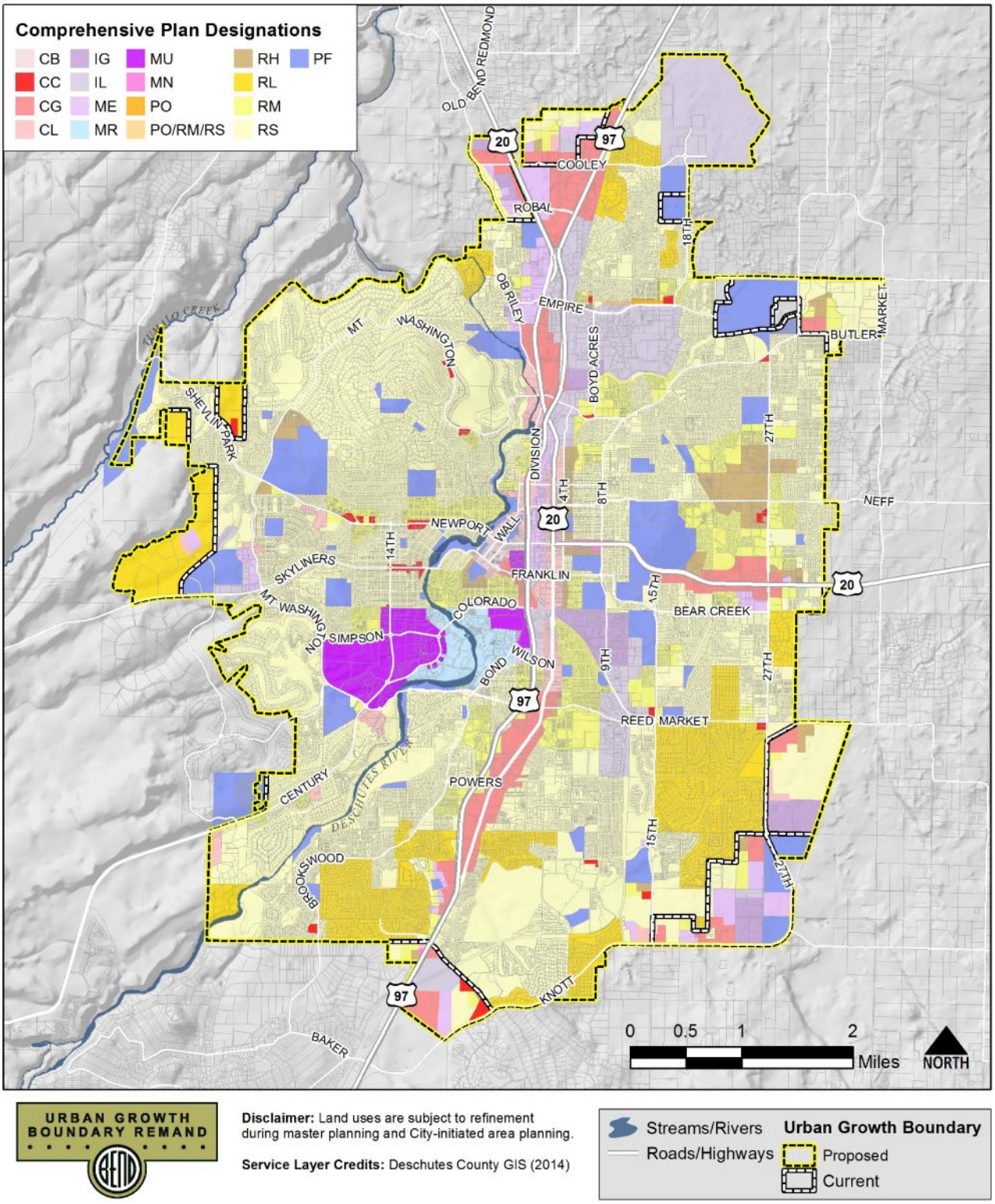


Table 7-3: Preferred UGB Expansion - Key Metrics from Urbanization Report (Rem Rec 10900)

Expansion Area	Total Acres	Resid-ential Land (ac)[10]	Employ-ment Land (ac)[11]	Public Facilities[12]	Existing Right of Way (ac)	Housing Units[13]	Housing Mix[14]			Est. Jobs
							SFD	SFA	MF	
North "Triangle"	188	86	88	0	14	505	44%	13%	42%	835
Northeast	471	222	22	196	31	1,099	50%	10%	40%	214
East Hwy 20	2	2	0	0	0	70	0%	14%	86%	0
DSL Property	368	223	139	0	6	1,001	49%	11%	41%	880
"The Elbow"	479	122	246	75	36	819	36%	17%	47%	2,274
"The Thumb"	245	44	177	0	24	266	49%	15%	37%	1,573
Southwest	57	34	5	14	4	240	24%	16%	60%	80
West	347	321	21	0	5	983	69%	10%	21%	261
Shevlin	68	60	8	0	0	174	69%	10%	21%	74
OB Riley	154	28	109	0	17	125	70%	10%	20%	990
Expansion Total	**2,380**	**1,142**	**815**	**285**	**138**	**5,282**	**50%**	**12%**	**38%**	**7,181**

The total residential, employment and park and school land need in the UGB expansion includes within it small amounts of buildable land and developed land that is unlikely to redevelop within the planning horizon located on parcels that have other vacant, buildable land. It also includes land for things like future parks and open space, future schools, future right-of-way, and other future urban uses. A breakdown of the land need is provided in Table 7-2.

[10] Residential Land identifies total acres of residential plan designations on tax lots.

[11] Employment Land identifies total acres of employment plan designations on tax lots.

[12] Public Facilities land indicates land owned by the park or school district to which the PF plan designation is being applied; land for additional parks & schools is provided within residential land acreage.

[13] Housing units are modeled capacity estimates. Policies in the new Growth Management chapter of the Comprehensive Plan specify minimum and/or maximum housing capacities for each expansion area that are based on the modeled capacity estimates, but may be rounded slightly or incorporate slight refinements based on negotiated agreements.

[14] SFD = Single Family Detached; SFA = Single Family Attached; MF = Multifamily (includes duplex & triplex). Housing mix reflects policy requirements for the expansion area in total; individual properties may vary.

Table 7-4: Components of Land Need

	Residential Land	Employment Land	Public Facilities
Total expansion acres on parcels by plan designation	1,142	815	285
Unbuildable Land[15]	11	2	3
Developed Land Not Expected to Redevelop[16]	13	13	152
Vacant and Redevelopable Buildable Acres	1,119	800	130
Land for future right of way, future parks & open space, future schools, and other urban uses	475	255	130
Net Buildable Residential / Employment Acres	**644**	**545**	**0**

7.4.4.6. Evaluation of the Preferred Scenario

The evaluation of the preferred scenario is summarized in the Urbanization Report (Rem Rec 10904-10915). The findings in this section draw on that summary, as well as additional detailed information in the supporting technical memoranda evaluating the preferred scenario (Rem Rec 11223-11250, 11201-11222, 10183-10218, 10223-10263).

Overview

The purpose of this section is to summarize the evaluation of the Preferred UGB Expansion Scenario relative to the four Goal 14 factors. This summary draws on technical memoranda prepared by APG, Fregonese Associates, DKS Associates, and MSA addressing specific topics and provides a summary of key findings from those evaluations.

The evaluation of the preferred scenario was based on the same "Community Outcomes" and largely the same set of "Performance Measures" used to evaluate the original scenarios and SAAMs (see page 7-25 of this section). The methodology used to evaluate each performance measure was generally similar to previous evaluations for the initial scenarios and SAAMs. Some refinements to land use and transportation assumptions have been applied in order to more accurately reflect elements such as current and proposed development code regulations, updates to the BLI, street and block size standards, and housing cost factors. In addition, the details of the methodology were refined for a few of the performance measures in order to make the results more informative. This is noted in the summary below where applicable. In some cases, these refinements, while more accurately capturing the performance of Scenario 2.1G, cannot be directly compared to the results of the original scenarios and SAAMs because the differences are not a result of the alternative boundary locations. In cases where results are not comparable to the original scenarios and SAAMS, other reference points (e.g. existing conditions, or an average for the current UGB) have been provided where possible.

[15] See page 46 for an explanation of lands identified as unbuildable.

[16] A quarter acre of land on each property with an existing home(s) was assumed to be developed. Redevelopment assumptions are the same as those for developed land inside the UGB (based on the plan designation / development type). For existing schools and parks, the area developed with existing uses was estimated based on aerial photography.

Factor 1: Efficient accommodation of identified land needs

Complete Communities and Great Neighborhoods

Scenario 2.1G efficiently accommodates the land need through a focus on complete communities and using expansion areas to complete existing neighborhoods inside the UGB. Access to schools, parks, and commercial services is among the highest of all scenarios considered:

- 62% of all future housing units (existing plus new, throughout the existing UGB and expansion areas) in Scenario 2.1G are within a half-mile of existing or future school sites.
- 99% of all future housing units in Scenario 2.1G are within a half-mile of existing or future parks.
- 86% of all future housing units are projected to be within a half-mile of commercial services in the preferred scenario.

Nearly all subareas have a mix of residential and employment land. Only the small East Hwy 20 expansion area is exclusively residential, and it is very small and adjacent to existing commercial areas. The OB Riley area has a high ratio of jobs to housing, due to its good transportation access (Hwy 20, Cooley Road, Hwy 97, OB Riley Road), generally flat topography, and larger parcel sizes.

The Council finds that the efficient accommodation of land needs in Scenario 2.1G is supported by new proposed policies that require area planning (See "Specific Expansion Area Policies" in the draft Growth Management Chapter of the Comprehensive Plan, starting at Rem Rec 10390). The proposed area planning policies require that all expansion areas will be subject to either new City-initiated area plans or property-owner led master planning under BDC, Chapter 4.5. The policies and code will regulate new development to implement, through adopted area plans and master plans, the identified land needs, specifically: the amounts, types, and mix of housing; the amounts and types of employment; and lands for parks, schools and other needs. Area planning and master planning will coordinate the land use with needed transportation facilities, natural resource protection, and compatibility with adjacent uses. Taken together, the area planning policies will support complete communities which will efficiently accommodate identified land needs.

A significant expansion in the West area and expansions on other large sites make this scenario mostly (over 75%) large property owners. This is among the highest shares of growth that will be subject to master planning requirements of all the alternatives considered.

Efficient, Timely Growth

Scenario 2.1G achieves a distribution of residential density across many subareas. East Hwy 20 has a very high housing density (estimated at over 23 units per gross acre), because it is small (just over two acres) and dedicated to providing affordable housing. The West and Shevlin areas have wildlife and wildfire considerations that make high densities inappropriate. A "transect" concept was applied in these areas to address transitions to natural resource areas;

the transect reduces density at the western edge in order to reduce environmental impacts as compared to medium- and high-density development. As a result, the gross density for these areas is a little over 3 units per gross acre of residential land. Other subareas range from 4.3 to 8.7 units per gross acre of land in residential and mixed use plan designations.

Net densities for new residential development are much higher – close to 10 units per net residential acre on average for the UGB expansion area. The difference is due to land needed for right of way, parks and open space, and other non-residential uses within residential plan designations. This is substantially higher net density than the existing UGB, which had an overall average net residential density of 4.4 units per net acre as of 2008 (see Appendix B, Rem Rec 10932).

Overall residential densities are somewhat lower than for the initial set of scenarios and SAAMs due to refinements to assumptions about the yield for efficiency measures inside the UGB and refinements to the recommended minimum density threshold for master plans in the RS zone. These refinements result in more "reasonably likely" assumptions about density, market response to efficiency measures, and redevelopment rates in opportunity areas.

The proposed recommendations and assumptions about efficiency measures inside the UGB, as well as the inclusion of additional land to meet the need for future parks and the inclusion of adjacent right of way abutting UGB expansion areas, translates to a larger total expansion than the initial set of scenarios and SAAMs (2,380 acres in total). The additional land is needed to meet identified land needs.

Scenario 2.1G includes very little land in expansion areas that is currently developed (only 5% of acres, primarily located in the Northeast Edge and the Elbow). It includes a greater proportion of development on vacant land than nearly all previous scenarios/SAAMs.

Factor 2: Orderly and economic provision of public facilities and services

Balanced Transportation System

Scenario 2.1G retains a focus on walkable mixed use redevelopment in the core and complete communities in expansion areas, which are important elements of reducing reliance on the automobile.

Vehicle Miles Traveled (VMT) Per Capita

As measured with the regional travel demand model, Scenario 2.1G performs better than the prior scenarios and SAAMs, with 9.76 daily VMT per capita versus 9.92 to 10.13 daily VMT per capita for the initial scenarios. This is attributable mostly to refinements to demographic and land use inputs, with some influence of land use patterns and improved connectivity in expansion areas. Projected VMT growth in Scenario 2.1G results in a 1.2% increase over 2010 and 4.1% increase over 2003 (after accounting for all of the nuances of the TPR requirements).[17] This meets the requirement that VMT is unlikely to increase by more than 5%

[17] Percent change relative to 2003 incorporates credit for connectivity improvements since 1990. See Attachment 6 of Bend's Integrated Land Use and Transportation Plan for details.

over the planning horizon.[18] However, Scenario 2.1G generated a higher average daily round trip length than the prior scenarios. This is due to additional growth in non-centralized areas, including the West and Thumb areas. This impact is compounded by The Thumb having the highest average trip distance of the subareas.

Looking solely at household VMT (only trips that begin or end at home, as measured using the ET travel behavior model), the preferred scenario has an overall average of 9.41 household vehicle miles traveled per capita in 2028. Because there were several minor adjustments to the methodology (including the calculation of activity density and fine-tuning household income assumptions) between the analysis of the original scenarios and SAAMs and Scenario 2.1, the results are not directly comparable to previous results. As in the previous analysis, the expansion areas and areas on the fringe of the City generally are projected to generate more VMT per capita than areas closer to the City's existing major activity centers, even with the emphasis on complete communities in the expansion areas.

Mode Split, Walk Trips, and Transit Access

The preferred scenario is projected to result in an 8% non-auto share and a 92% auto share for all household trips. Despite the minor changes to methodology mentioned previously, this is nearly indistinguishable from the previous scenarios at the full future UGB scale. There was little variation in mode split at that level for the original scenarios and SAAMs, and the preferred scenario continues to show the same pattern. The estimate for Scenario 2.1G is also essentially unchanged from the ET model estimate of existing conditions (using 2014 built environment and demographic data and 2016 transit service), which estimates an 8.5% non-auto share and a 91.5% auto share for all household trips UGB-wide (including existing population in proposed UGB expansion areas). However, these results do not capture additional strategies and policies that the City has committed to through its ILUTP (Rem Rec 11012), which is expected to improve mode split beyond what is reflected in the model.

Walk trips per capita are down slightly from the original scenarios and SAAMs, but the variation is minimal at the full future UGB scale. Walk trips are also slightly below the existing (2014) average. However, analysis of walk trip frequencies at a smaller geographic scale reveals that the complete communities approach to UGB expansion will encourage greater walking, biking, and transit usage in many peripheral areas inside the current UGB and adjacent to UGB expansion areas. These areas will have new opportunities to walk and bike to parks, schools, and commercial services.

An estimated 49% of all future housing units and 65% of all future jobs (existing and new, throughout the existing UGB and expansion areas) are projected to be within a quarter mile of transit in Scenario 2.1G. While this is a decrease relative to 2014 (due to the expansion areas being mostly outside of transit corridors), this is a higher proportion of housing and employment

[18] See Bend's Integrated Land Use and Transportation Plan for additional discussion of VMT growth relative to requirements in the TPR.

than in any of the other scenarios and SAAMs. This level of transit access does not depend on expansions to the current transit network, which would further increase access.

Safety and Connectivity

As in all prior scenarios, the primary connections from the expansion areas to the rest of the City will be via collector and arterial roads. Scenario 2.1G provides enhanced connectivity in west and northeast relative to Scenario 2.1 due to the inclusion of Skyline Ranch Road and Yeoman Road extensions. It also retains and enhances the important new connections in the southeast that were part of Scenario 2.1. In the North Triangle, fewer collector roads are proposed than in Scenario 2.1, which somewhat reduces connectivity in this area, but key connections remain. East Highway 20 is a very small expansion area with access directly onto Highway 20; making other connections to the east will depend on coordination with undeveloped land inside the UGB. Most other subareas are similar to Scenario 2.1.

Congestion

Overall, Scenario 2.1G would include 12.14 peak hour miles of congested network, which is a 10% decrease from the prior lowest scenario. While Scenario 2.1G was shown to generate longer trips in some growth areas, there are two primary reasons for the reduction in congested corridors:

- Growth was emphasized in some UGB expansion subareas that were less reliant on congested corridors. These areas made use of existing under-utilized capacity in the transportation system.
- The mix of uses (including employment uses in non-centralized areas) created a reverse commute in some cases that would take advantage of remaining roadway capacity on routes that experience congestion in one direction.

Cost-Effective Infrastructure

Transportation

Capital costs for transportation infrastructure for Scenario 2.1G are lower than the preliminary estimates for the initial scenarios and SAAMs reported as part of the scenario evaluation in October 2015. This is due to more detailed consideration of and refined assumptions about railroad and canal crossing needs, and functional classifications and alignments for new roads. Scenario 2.1G includes additional connectivity improvements relative to Scenario 2.1, including Skyline Ranch Road and Yeoman Road. The transportation improvements needed to support Scenario 2.1G, beyond those already planned for and funded as part of the City's existing TSP, include:

- $119 million for close to 12 miles of new collector roadways to serve and link expansion areas as well as the large vacant opportunity area in southeast Bend; and
- $2.4 million for intersection improvements (at two intersections) and $2.5 million for capacity improvements (on one road segment), based on increased traffic volumes.

This results in a total cost estimate, using consistent methodology with the analysis of the original scenarios and SAAMs, of $126.3 million.

In addition to repeating the scenario evaluation methodology originally used for the initial scenarios and SAAMs[19], which focused on identifying roads where volumes are projected to exceed roadway capacity,[20] a more detailed analysis (sometimes referred to as "TPR analysis" because it is required by OAR 660-012-0060) was done for Scenario 2.1G. TPR analysis is required to identify whether any parts of the state highway system in Bend would both exceed ODOT's adopted mobility standards (which are generally below the physical capacity of the roadway) and experience more traffic volume based on Scenario 2.1G than based on the City's current UGB and current adopted comprehensive plan designations.[21] TPR analysis was not done for the six initial scenarios and SAAMs because of the level of effort and detail involved and because identifying appropriate mitigation for impacts to the state highway system can require negotiations with ODOT that are more appropriately focused on the preferred alternative. See Section 8 for the Findings for complete TPR findings.

Scenario 2.1G is also expected to result in a greater amount of local road lane-miles than Scenario 2.1 in the expansion areas due to the increased overall acreage of development[22]. (.)

Sanitary Sewer

In terms of total initial capital costs for sanitary sewer, Scenario 2.1G falls between the least-cost and highest-cost initial alternatives, and is more expensive than Scenario 2.1. Comparing cost per acre, it is slightly higher than Scenario 2.1 and other low-cost initial alternatives.

The main reason for the increased cost is a larger expansion in the West area, especially the northern portions, and the inclusion of a portion of the Shevlin area. These areas contribute to additional improvements beyond those identified in Scenario 2.1, including a lengthy gravity line to convey wastewater from the northern West area to the Awbrey Glen pump station, and capacity improvements of the Awbrey Glen pump station. These areas also rely on pumping rather than gravity conveyance, which is less efficient in the long run than other expansion subareas. However, Scenario 2.1G avoids an expensive new pump station in the northwest plus constructing the extension of the Northeast Interceptor from the north of the City, across the Deschutes River, and southward by keeping growth in that area within the capacity of the existing Awbrey Glen force main.

Scenario 2.1G continues to make efficient use of the Hamby alignment with growth in the northeast and southeast; avoids an additional pump station to serve the Bear Creek Road area; and is otherwise largely comparable to Scenario 2.1 in those areas. The Northeast Edge relies

[19] See "Scenario Evaluation: Transportation Analysis Technical Memorandum" from DKS Associates to the Urban Growth Boundary and Growth Scenarios Technical Advisory Committee, dated October 7, 2015, for a detailed explanation of the methodology used for the scenario evaluation. Rem Rec 6851

[20] On the state highway system, if corridor demand was forecasted to exceed capacity, but the volumes were less than those in the Bend MPO MTP, additional mitigations were not recommended.

[21] The methodology and assumptions for the TPR analysis are documented in in a memo titled "Bend UGB Expansion – TPR Evaluation For Changes Within the Current UGB" from DKS Associates, dated July 14, 2016. Rem Rec 10183

[22] The ET model was calibrated with more precise roadway assumptions for Scenario 2.1G, which may account for some of the difference.

on the Hamby alignment, as in Scenario 2.1. Growth in this area is focused around Butler Market Road, so it does not need to contribute to the cost of the portion of the Hamby alignment south of Butler Market Road. This reduces the costs assigned to the subarea slightly (there is no change to the total cost of the Hamby alignment). The Thumb, Elbow, and DSL all require similar improvements to Scenario 2.1 – contributions to the Southeast Interceptor and the Hamby alignment as well as gravity line extensions to connect to existing lines. As in Scenario 2.1, the eastern portion of The Elbow requires an interim lift station and force main to connect to the Southeast Interceptor. The East Highway 20 area can be served by short connections to existing gravity sewer lines and does not require an interim lift station.

As in Scenario 2.1, the Southwest area requires extension of a new gravity line, which may also provide service to adjacent areas inside the UGB that are on septic currently. In addition, the Southwest service area requires up-sizing of existing gravity lines above the sizing recommended in the CSMP and increased sizing of unconstructed portions of the Southeast Interceptor. This would require modifying the design of the most upstream segment of the Southeast Interceptor between Highway 97 and Parrell Rd.

The North Triangle and OB Riley also require the same improvements as Scenario 2.1 which include contributions to the Northeast Interceptor east of Highway 97 to the Wastewater Treatment Plant (including increasing sizing relative to the CSMP) and extension of the Northeast Interceptor to the west to serve these areas.

Drinking Water

Because few distinctions were identified between the initial scenarios and SAAMs, a detailed analysis of the water system was not conducted for Scenario 2.1G. However, interpolating based on how the land use in Scenario 2.1G compares to prior scenarios, minimal concerns are anticipated for the drinking water storage or distribution system assuming implementation of the WMP capital improvement program including a major perimeter transmission pipeline in the northwest and additional system storage. The one exception includes the highest elevations of the West subarea, which may experience pressures below 40 psi during peak hour demands. These higher elevation water customers may require individual booster pumps to improve system pressure.

Like all of the six initial scenarios and SAAMs, Scenario 2.1G includes development within DWPAs. The Thumb, Southwest, portions of the West area, and portions of the existing UGB lie within the DWPA. The total acreage of development within DWPA in Scenario 2.1G is less than any of the initial scenarios and SAAMs (partly due to modifications to BLI assumptions inside the UGB).

Stormwater and Geology

Scenario 2.1G has a greater amount of total impervious area than Scenario 2.1 in the expansion areas due to the increased overall acreage of development, but less impervious area within the existing UGB because the COID property is not expected to develop within the planning horizon and larger portions of the River Rim area are expected to be preserved for open space than previously assumed.

Expansion areas in Scenario 2.1G contain somewhat greater development in welded tuff areas than Scenario 2.1 – primarily in the West Area. However, there is less development in welded tuff areas overall due to changes in development assumptions within the existing UGB, specifically the COID property and areas in the southwestern part of the City. In such areas, on-site retention and treatment are required rather than a community stormwater system.

Factor 3: Comparative environmental, social, economic and energy consequences (ESEE)

Quality Natural Environment (Environmental and Energy Consequences)

Development in Wildlife Areas

Scenario 2.1G strikes a balance between urban development and protection of wildlife habitat on the outskirts of Bend. Protected areas within the Deschutes County "Wildlife Combining Zone" were not part of any growth scenario analyzed, but Scenario 2.1G does include land labeled by the ODFW as big game winter range (BGWR) in the Shevlin Area, the West Area, the Southwest Area, the "Thumb," and the "Elbow." In addition to the winter range areas, an ODFW biologist identified general areas that the agency believes may be particularly important for wintering elk and deer, which have been identified as "Potential Elk/Deer Range."

The original six scenarios evaluated contained between 325 and 1,400 acres of mapped BGWR in the expansion areas. Scenario 2.1G includes about 820 acres of mapped BGWR in the expansion areas, roughly at the midpoint of other scenarios evaluated. Scenario 2.1G also includes a small portion of the Shevlin area, which is partially included in the "Potential Elk/Deer Range" identified by ODFW biologists. The portion of the Shevlin area included in Scenario 2.1G is smaller than the portion included in Scenario 3.1 and SAAM-1, the original alternatives that included that area, and is surrounded on three sides by urban development. It is also only partially within the general area identified as Potential Elk/Deer Range. Currently, this portion of the site has numerous buildings which are associated with the surface mining operation to the north. These uses will be replaced with lower density housing. The City has provided a Goal 5 ESEE report describing the included areas in detail and recommending a protection program for these areas (see Appendix A of Section 9 of these Findings). Many areas included in the proposed expansion are generally adjacent to urbanized areas and roadways, or disturbed by existing industrial activity. The West neighborhood will be developed at a low density, using the "transect" concept to transition to the lowest density at the western edge, and is expected to provide habitat corridors and other features that will be as friendly to wildlife as possible. It is also important to note the presence of a large (400+ ft.) rural buffer between the existing UGB (Shevlin Commons) and the 40 acre expansion on the west just south of Shevlin Road, which provides a natural corridor in this area to facilitate north/south movement of large game.

Development along Riparian Corridors

Scenario 2.1G does not include any proposed development adjacent to identified Goal 5 riparian areas of Tumalo Creek. This is the same as Scenario 2.1, and better than the scenarios that included the full extent of the Shevlin Area and the Gopher Gulch area.

Wildfire Hazard

The City conducted analysis of wildfire hazard for each potential expansion subarea using a mix of aerial photography and on-the-ground evaluation by wildfire experts. Wildfire risk was evaluated as high to extreme around the entire UGB. However, the evaluation concluded that proper vegetation management and imposition of mitigation measures (e.g. special building codes) could minimize risk in nearly all areas. The combination of topography and adjacent vegetation bordering Tumalo Creek in the Shevlin area creates a mitigation challenge. Scenario 2.1G avoids development along steep slopes adjacent to Tumalo Creek. In addition, areas of particular concern to some TAC and community members – the West Area and Shevlin Area – will use the Rural-Urban Transect to provide better wildfire hazard mitigation and development under the "Firewise" standards on the edge of the City. The lower density in conjunction with fuel reduction and fire resistant building practices plus enhanced road access (Skyline Ranch Road) and access to municipal water sources further reduce the threat from wildfire in the West and Shevlin Areas. In addition, the City is adopting a policy addressing wildfire into both the new Growth Management chapter of the Comprehensive Plan and Chapter 10 (Natural Forces) (Rem Rec 10383 and 10512)

> *The City will adopt strategies to reduce wildfire hazard on lands inside the City and included in the Urban Growth Boundary. These strategies may include the application of the International Wildland-Urban Interface Code or equivalent with modifications to allow buffers of aggregated defensible space, or similar tools, as appropriate.*

Water Use, Energy Use, and Greenhouse Gas Emissions

The household carbon emissions, energy use, and water consumption showed little variation between the original scenarios because they are strongly correlated with housing mix. As a result they can be expected to be roughly the same as Scenario 2.1 and the other scenarios and SAAMs. Greenhouse gas emissions are linked to VMT, but these also showed little variation among the original scenarios and SAAMs. Scenario 2.1G falls within the range of the original scenarios and SAAMs.

Housing Options and Affordability (Social Consequences)

Housing Mix

Scenario 2.1G continues to provide a mix of housing types in all subareas, even the relatively low-density West Area and Shevlin Area. East Highway 20 and the Southwest Area contain a high percentage of multifamily housing, but they are small properties that are expected to help "complete" nearby single-family neighborhoods. By providing a mix of housing types in each subarea, and increasing the housing mix in opportunity areas within the existing UGB, Scenario 2.1G distributes new housing opportunities to all areas of the City.

Housing Cost

Due to the complexity of the housing affordability analysis done for the original scenarios and SAAMs, and the fact that changes to building assumptions would have meant that results were not directly comparable to prior scenarios, this evaluation was not repeated for Scenario 2.1G. Based on the areas where growth is focused in Scenario 2.1G relative to Scenario 2.1, there are

several hundred more housing units in the expansion areas west and northwest of the City that are likely to have relatively higher costs. However, there are also more housing units that will be built in relatively lower cost areas in the north, northeast, southeast, and south.

A comparison of projected housing costs to Bend income levels (not done for the original scenarios and SAAMs, but useful as an absolute indicator of affordability) shows that roughly 29% of new housing units in Scenario 2.1G as a whole are projected to be affordable to households making at or below the median family income (MFI) for Bend ($59,400). Under the Base Case, only about 20% of new housing units within the current UGB would be projected to be affordable at or below the MFI. In addition, affordable housing commitments by several property owners in UGB expansion areas will provide income-restricted housing units affordable to those below the area median income, which will further contribute to housing affordability in Scenario 2.1G.

Strong Diverse Economy (Economic Consequences)

Site Suitability for Large Lot Industrial

Scenario 2.1G includes Industrial Large Lot sites at Juniper Ridge and at the southern portion of the DSL property. An ideal site for this use is large and under a single ownership, flat, and with good transportation access. Each scenario included one site at Juniper Ridge and one additional site elsewhere within the UGB expansion areas. The Employment TAC recommended the DSL site as the preferred location of the Large Lot Industrial site outside of the existing UGB (as originally evaluated in Scenario 1.2, and incorporated into Scenario 2.1G) due primarily to its public ownership and other appropriate attributes such as size and topography. Thus, the two sites identified in Scenario 2.1G are the best performing sites evaluated.

Site Suitability for Other Industrial and Mixed Employment Land

Other industrial sites have similar needs to the Large Lot Industrial sites, but are less reliant on large tracts of land in single ownerships.[23] Scenario 2.1G is performs very similarly to Scenario 2.1 in this evaluation, but arrangement of land uses and creation of urbanization of policies aim to address the compatibility issues of industrial land adjacent to existing and planned residential development. Scenario 2.1G has intentionally provided better buffers between industrial areas and residential areas in the North Area. Sizing of other industrial areas (i.e. Mixed Employment in the West area) refined to be more context-sensitive.

Site Suitability for Commercial Land

Commercial sites have similar needs to industrial sites, but can tolerate somewhat greater topography and site-preparation costs, and have more need of visibility from pass-by traffic.[24] Scenario 2.1G is very similar to Scenario 2.1. Commercial uses are generally supported by

[23] See Bend EOA, Table 15.

[24] See Bend EOA, Table 15.

surrounding land uses and transportation network. The West area and Shevlin Area lack a large amount of pass-by traffic, so commercial uses will likely be locally-serving.

Factor 4: Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB

Compatibility with Farms and Forests

Impact to Farms

Scenario 2.1G is similar to Scenario 2.1 in the amount of development near high value farm lands. The Northeast Edge properties, East Highway 20, DSL Property, and the "Elbow" include development within ¼ mile of land zoned as Exclusive Farm Use (EFU) land. The Northeast Edge and DSL properties are within ¼ mile of commercial farms and low-impact hay fields. The "Elbow" properties are within ¼ mile of two commercial farms, one of which is an active operation that includes a feed lot for beef along Knott Rd. To aid in compatibility, Scenario 2.1G limits residential uses near the feed lot.

Impact to Irrigation Districts

Scenario 2.1G is similar to Scenario 2.1 in the amount of development that may impact irrigation district lands. Scenario 2.1G contains somewhat more development in the OB Riley area and the Northeast Edge than Scenario 2.1, but less development in impacted areas than other scenarios evaluated. By not including any highly-parcelized areas served by these irrigation districts, Scenario 2.1G lessens its overall impact to irrigation districts.

Impact to Forest Land

Scenario 2.1G continues to avoid development in close proximity to designated forest land. Only a very small portion of the West Area is within ¼ mile of designated forest land, and this area is expected to implement a "transect" concept, providing an appropriate transition to natural areas West of the City.

Preferred Scenario Evaluation Conclusion

The preferred scenario offers a balance of:

- strong focus on complete communities to improve access to schools, parks and commercial areas within existing neighborhoods as well as in expansion areas;
- area planning policies to support complete communities and efficient development;
- highly efficient land use in areas with few constraints, and an overall increase in residential density relative to existing conditions;
- a sensitive approach to development in areas adjacent to natural resources to improve environmental consequences and reduce natural hazard risk;
- expansion areas that provide a mix of housing types and costs and that will leverage voluntary affordable housing commitments from property owners in order to improve social consequences and ensure that housing is available to meet the needs of residents at all income levels;
- new employment land focused in suitable areas where it will contribute to Bend's economic growth;

- cost-effective use of recent and future sewer investments;
- an orderly and connected network of new roads that will support efficient travel by all modes; and
- minimal concerns for farm and forest compatibility.

The Council finds that this demonstrates consideration and balancing of the required Goal 14 location factors, consistent with the requirements of Statewide Planning Goal 14 and OAR 660 Division 24.

7.4.4.7. Alternatives Evaluation Conclusion

The Council finds that the City has considered and balanced all four Goal 14 location factors required under Statewide Planning Goal 14 and OAR 660 Division 24 in evaluating alternative UGB locations and selecting the preferred scenario, as documented in this section. The relative costs, advantages and disadvantages of the preferred scenario and all other alternative UGB expansion areas and scenarios with respect to the provision of public facilities and services were evaluated and compared, consistent with OAR 660-024-0060(7) and (8). These costs, advantages and disadvantages were given due consideration, and also balanced against ESEE conseqences, efficient land use, and compatibility with nearby farm and forest land for each alternative.

7.4.5. Overall Conclusion Regarding UGB Location

As demonstrated in the findings of section, The City Council of Bend has:

- established a reasonable study area, and eliminated very little land from consideration prior to applying the Goal 14 location factors;
- provided an amount of UGB expansion that is matched to land need;
- expanded solely onto exception land, avoiding lower priority farm and forest land entirely;
- considered and balanced the Goal 14 location factors at each point from narrowing the pool of potential expansion areas to refining the final UGB proposal to identify the best performing exception land for UGB expansion; and
- assigned appropriate urban plan designations to the added land, consistent with identified land needs.

The proposed UGB expansion accommodates the projected land needs through 2028, and complies with Goal 14, relevant state statutes, and administrative rules.

8. TRANSPORTATION PLANNING

8.1. Introduction

The findings in this section focus on the metropolitan planning requirements of the Transportation Planning Rule (TPR), Oregon Administrative Rule, Division 12 (660-12-000)[1].

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

8.2. Summary of Relevant Legal Standards

In the Remand and Partial Acknowledgement Order, LCDC found that the City is required to address portions of Goal 12 and the TPR relating to metropolitan planning in its UGB amendment. Table 8-1 summarizes the organization of the findings and the relevant legal standards.

Table 8-1: Relevant Legal Standards

Section Heading in Findings	Applicable Statewide Planning Goal(s)	Applicable Oregon Administrative Rule(s) (OAR)
8.4.1: Coordination Requirements in MPO Areas	12	660-012-0016
8.4.2: Reducing Reliance on the Auto (Integrated Land Use & Transportation Plan)	12	660-012-0035
8.4.3: Transportation Analysis for Amendments to Plan or Land Use Regulations	12 & 14	660-024-0020 660-012-0060

[1] Findings in Section 7 (UGB Location) address the evaluation of the relative costs, advantages and disadvantages of alternative UGB expansion areas with respect to the provision of transportation facilities needed to urbanize alternative boundary locations.

8.3. Substantial Evidence

Table 8-2 summarizes the key evidence that supports the findings in this section. Access to the 2009 UGB Record and the 2011-2016 Record on Remand is available on the City's website for the UGB Remand Project http://www.bend.or.us/index.aspx?page=1290.

Table 8-2: Key Record References

2011-2016 Record on Remand	Date	Page #
Base Year Travel Demand Model Selection for VMT Evaluation	7/18/14	11251
Bend MPO 2040 MTP Financially Constrained Project List	9/15/14	10219
Bend MPO meeting minutes adopting Financially Constrained Project List	9/15/14	10220
Bend UGB Steering Committee Meeting Minutes	9/4/2014	3553
Buildable Lands Inventory	July 2016	10513
Chapter 11 Bend Comprehensive Plan – Growth Management	July 2016	10362
Chapter 7 Bend Comprehensive Plan – Transportation	July 2016	10339
Development Code Amendments – Efficiency Measures	July 2016	11149
Remand Order – Section 8, Transportation Planning	11/2/10	5837
Scenario 2.1G Evaluation: Transportation Analysis Technical Memorandum	7/18/16	11223
Scenario Evaluation: Transportation Analysis Technical Memorandum (Stage 4)	10/7/15	6851
TPR Evaluation for Changes within Current UGB	7/14/16	11255
TSP Amendment, Integrated Land Use & Transportation Plan	July 2016	10994
Urbanization Report	July 2016	10814

8.4. Findings

8.4.1. Coordination Requirements in Metropolitan Areas: OAR 660-012-0016

OAR 660-012-0016: Coordination with Federally-Required Regional Transportation Plans in Metropolitan Areas

(1) In metropolitan areas, local governments shall prepare, adopt, amend and update transportation system plans required by this division in coordination with regional transportation plans (RTPs) prepared by MPOs required by federal law. Insofar as possible, regional transportation system plans for metropolitan areas shall be accomplished through a single coordinated process that complies with the applicable requirements of federal law and this division. Nothing in this rule is intended to make adoption or amendment of a regional transportation plan by a metropolitan planning organization a land use decision under Oregon law.

The Council finds that OAR 660-012-0016 establishes planning requirements for cities within metropolitan planning areas (MPOs), and that, at the time of the adoption of the acknowledged 2000 Bend TSP, the City of Bend was not yet part of a designated MPO. The Bend MPO was established in December 2002. A federally-compliant regional transportation plan, the Bend

2040 MTP[2]), was adopted in June 2007. The MTP was updated in 2014, four years after the UGB Remand Order from DLCD, to ensure compliance with federal requirements. The 2040 MTP included the full list of projects that were developed for the City's TSP Financial Plan[3].

The Council finds that the travel demand model network modeling for the UGB analysis was based on the Bend 2040 MTP[4], inclusive of motor vehicle facilities and transit service that are included in the financially constrained system, adjusted to 2028 (Rem Rec 6851). The amendments to the Bend TSP (Rem Rec 10994) required for the Bend UGB expansion were coordinated with the 2040 MTP. A 2028 calibrated version of the 2040 MTP transportation demand model was utilized to determine the transportation effects of the UGB expansion proposal, and a coordinated list of projects was created.

Conclusion: The Council finds that the City of Bend's TSP, as amended, complies with the regional transportation plan because it is coordinated with the Bend 2040 MTP. Coordination is accomplished through use of the MTP project list, calibrated to 2028. The projects included in the UGB analysis and amended TSP reflect the MPO projects that are anticipated to be completed and/or funded by 2028. As discussed in the findings for OAR 660-012-0060, below, the only significant effect of the proposed UGB expansion would be the further degradation of the mobility targets for a section of Highway 20 that is already identified as a funded project in the 2040 MTP. This illustrates how the amendment of the Bend TSP has been coordinated with the MPO and thus meet the legal standard of this OAR 660-012-0016.

8.4.2. Reducing Reliance on the Automobile (Integrated Land Use & Transportation Plan): OAR 660-012-0035

OAR 660-012-0035 includes requirements regarding coordinating with MPO plans as well as planning for transportation choices and reduced reliance on the automobile. This section of the TPR includes the requirement to establish standards, a specific target for reduction in VMT, and provides timeframes for completion and review periods. The findings in this section are organized by subsection of OAR-012-0035.

8.4.2.1 TSP evaluation of alternatives

OAR 660-012-0035

[2] **Official Notice** – The Bend MPO Metropolitan Transportation Plan dated September 25, 2014 is available online through the MPO's website - http://bendoregon.gov/index.aspx?page=124.

[3] The Bend TSP was completed as part of Periodic Review in 2000. The TSP was remanded by DLCD to the City in 2001 with a work plan to address 10 deficiencies, including the lack of a Financial Plan. The Financial Plan was the final element needed for full acknowledgment. The Financial Plan was adopted by the City IN 2012 and acknowledged by DLCD in 2013.

[4] 2040 MTP encompasses a planning period of 2014-2040, with a model year of 2010.

(1) The TSP shall be based upon evaluation of potential impacts of system alternatives that can reasonably be expected to meet the identified transportation needs in a safe manner and at a reasonable cost with available technology. The following shall be evaluated as components of system alternatives:

(a) Improvements to existing facilities or services;

(b) New facilities and services, including different modes or combinations of modes that could reasonably meet identified transportation needs;

(c) Transportation system management measures;

(d) Demand management measures; and

(e) A no-build system alternative required by the National Environmental Policy Act of 1969 or other laws.

The Council finds that the City's acknowledged TSP, as amended for the proposed UGB expansion and including an ILUTP (Rem Rec 10994), identifies the components listed in (1)(a)-(e), above. The UGB expansion analysis included evaluation of six growth scenarios to accommodate need, each addressing transportation impacts measured through the MPO's calibrated 2028 model. Needs for additional capacity projects at intersections and along roadways were evaluated (Rem Rec 11223). The preferred UGB expansion scenario was analyzed with the same model, and the resulting projects in the TSP were identified to address potential impacts to the transportation network as a result of the UGB expansion. This included new transportation facilities, improvements to existing facilities, transportation system management, and transportation demand management. The combination of the strategies and projects were identified in the ILUTP and discussed further under findings for OAR 660-012-0035, below. New projects identified in the amended TSP were based on analysis reflecting a "no build" (the absence of new projects in the Travel Demand Model analyses associated with the UGB expansion). The Council finds that the resulting policies, strategies, and projects in the adopted TSP, which also includes the ILUTP, resulting from the UGB expansion demonstrates these requirements have been met.

8.4.2.2 Consideration of land use strategies:

(2) Local governments in MPO areas of larger than 1,000,000 population shall, and other governments may also, evaluate alternative land use designations, densities, and design standards to meet local and regional transportation needs. Local governments preparing such a strategy shall consider:

(a) Increasing residential densities and establishing minimum residential densities within one quarter mile of transit lines, major regional employment areas, and major regional retail shopping areas;

(b) Increasing allowed densities in new commercial office and retail developments in designated community centers;

(c) Designating lands for neighborhood shopping centers within convenient walking and cycling distance of residential areas; and

(d) Designating land uses to provide a better balance between jobs and housing considering:

(A) The total number of jobs and total of number of housing units expected in the area or subarea;

(B)The availability of affordable housing in the area or subarea; and

(C) Provision of housing opportunities in close proximity to employment areas.

The Council finds that the Bend MPO is not an area larger than 1,000,000 population; however, under OAR 660-12-0035(5)(c)(A), the Council finds that the City is applying (2)(a)-(d), above, as part of an ILUTP. (See Findings under OAR 660-12-0035(5) below, for additional discussion of the ILUTP). The Council finds that the City is adopting a package of "efficiency measures" with the 2016 UGB expansion that also address many of the land use strategies identified in the TPR. The measures proposed that address each of the required categories are summarized below.

The Council finds that areas in close proximity to transit, employment, and retail areas that have the most opportunity to increase residential development are currently designated for commercial or industrial uses. Because of this, the City is proposing a set of land use re-designations in key "Opportunity Areas" identified through the UGB project and other planning studies (e.g. the Central Westside Plan and the Bend Central District Plan) (see Figure 8-1 for a map of the opportunity areas). Many of these are changes from commercial or industrial designations to mixed use designations that allow for and encourage residential development and more compact form. Specifically, new mixed use designations and/or zones are proposed in concert with the 2016 UGB expansion for:

- The Bend Central District, between the Parkway and 4th Avenue from roughly the railroad on the south to Revere on the north (implemented as a special plan district);
- CWP/Century Drive opportunity site (implemented using the new mixed use plan designations developed for the UGB project; the land use designations and projects in the CWP have been predicted through both Envision Tomorrow and transportation demand modeling to result in lower VMT);
- KorPine opportunity site (implemented using the new Mixed Use - Urban plan designation and zone developed for the UGB project);
- East Downtown opportunity site (implemented using the new Mixed Use - Urban plan designation and ultimately the new Mixed Use - Urban zone developed for the UGB project); and
- The Inner Highway 20 / Greenwood Ave opportunity site (implemented using the new Mixed Use - Neighborhood plan designation and ultimately the new Mixed Use - Neighborhood zone developed for the UGB project).

The Council finds that, by enabling and encouraging mixed use, more residential development will be possible in close proximity to transit, employment, and shopping within Bend's core. In addition, a minimum residential density is proposed for residential development in commercial and mixed use zones within 660 feet of transit so that the land is used efficiently and developed at transit-supportive densities. The new mixed use zones also reduce parking standards and allow for taller buildings and more urban development patterns that effectively increase allowed density for new commercial office and retail developments.

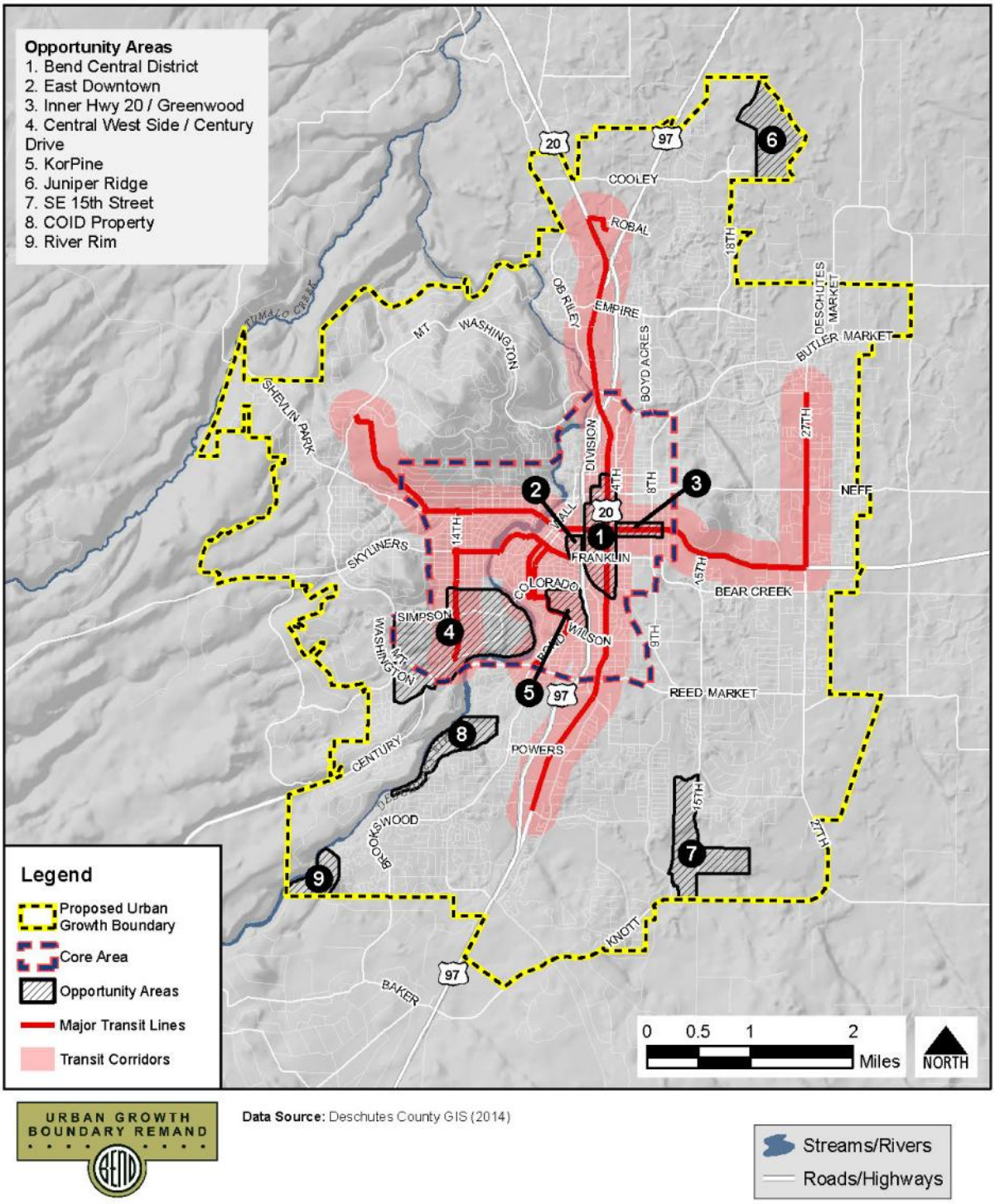
In addition, because there are many existing low-density neighborhoods near transit, employment, and retail, the Council finds that several of the city-wide modifications to the development code also have the effect of potentially increasing residential densities in those targeted areas. This proposed package of efficiency measure code changes include:

- raising the minimum density in the RS zone (especially for new master-planned neighborhoods);
- allowing a greater mix of housing types outright in the RS zone;
- increasing the maximum residential density in RL zone; and
- removing the cap on net density for multi-family housing in the RM and RH zones to allow greater flexibility in reaching the allowed maximum gross density.

The Council finds that other proposed code amendments being adopted in the UGB Remand will encourage greater densities in the ME zone by removing maximum lot coverage and the minimum front setback, among other changes. This zone is largely applied along major roadway corridors that are also transit routes. Finally, the Council finds that proposed reductions to parking requirements for mixed use development and for development within 660 feet of a transit route also have the effect of slightly increasing allowed densities for new office and retail development, particularly around transit.

All UGB expansion areas include commercial nodes to complete existing and new residential neighborhoods. In addition, new commercial nodes are proposed on the largest vacant residential site in the existing UGB (the 15th Street opportunity area). The Council finds that these new nodes will help provide walkable local services for many more neighborhoods. Over time, as the UGB expansion areas develop as complete neighborhoods, it is assumed that VMT growth could be minimized because of the complete neighborhoods and street patterns.

Figure 8-1: Opportunity Areas



Source: ILUTP, Rem Rec 10994

The Council also finds that the proposed expansion areas also help improve jobs/housing balance in many areas, including:

- South and Southeast Bend, where new employment areas are proposed north of Knott Road and east of US 97 to help balance a largely residential area of the city;
- the "North Triangle", where a mix of housing types, including multifamily housing, is proposed in an area dominated by employment uses with excellent access to jobs; and
- the OB Riley area, where a mix of housing and employment is proposed, providing additional housing opportunities in close proximity to large employment areas.

Furthermore, the Council finds that the adoption of new mixed use designations in opportunity areas within central Bend also helps provide affordable housing opportunities in the central core where there is access to significant employment opportunities.

8.4.2.3 Standards to evaluate and select alternatives

> *(3) The following standards shall be used to evaluate and select alternatives:*
>
> *(a) The transportation system shall support urban and rural development by providing types and levels of transportation facilities and services appropriate to serve the land uses identified in the acknowledged comprehensive plan;*
>
> *(b) The transportation system shall be consistent with state and federal standards for protection of air, land and water quality including the State Implementation Plan under the Federal Clean Air Act and the State Water Quality Management Plan;*
>
> *(c) The transportation system shall minimize adverse economic, social, environmental and energy consequences;*
>
> *(d) The transportation system shall minimize conflicts and facilitate connections between modes of transportation; and*
>
> *(e) The transportation system shall avoid principal reliance on any one mode of transportation by increasing transportation choices to reduce principal reliance on the automobile. In MPO areas this shall be accomplished by selecting transportation alternatives which meet the requirements in section (4) of this rule.*

The Council finds that the City's acknowledged TSP, as amended for the proposed UGB expansion (including an ILUTP), identifies the components listed in (3)(a)-(e), above. The transportation projects contained in the TSP support urban development by remedying significant impacts to the transportation system arising through the UGB expansion, since the projects are included to meet the City's and ODOT's performance standards. The TSP also plans for a transportation system that implements the Bend 2040 MTP. The transportation system in the TSP reflects the preferred UGB expansion which considered the economic, social, and environmental and energy consequences through the Goal 14 factors. The Council finds that the proposed UGB expansion and resulting changes to the TSP are based on the UGB expansion scenario which minimized adverse ESEE consequences, and thus meets this

requirement (Rem Rec 10814). The resulting transportation system reflected in the TSP includes the ILUTP, which reduces reliance on the automobile, and balances projects across multiple modes. The modernization and new connectivity projects include pedestrian, bicycle and streetscape improvements. The ILUTP includes additional strategies to enhance non-auto modes. The Council finds that these policies, strategies and projects demonstrate that alternative modes have been evaluated and included in the resulting TSP and were considered as part of the Goal 14 weighing (see Section 7) and balancing of factors, thus demonstrating these requirements have been met.

8.4.2.4 Requirement to reduce reliance on the automobile

> (4) In MPO areas, regional and local TSPs shall be designed to achieve adopted standards for increasing transportation choices and reducing reliance on the automobile. Adopted standards are intended as means of measuring progress of metropolitan areas towards developing and implementing transportation systems and land use plans that increase transportation choices and reduce reliance on the automobile. It is anticipated that metropolitan areas will accomplish reduced reliance by changing land use patterns and transportation systems so that walking, cycling, and use of transit are highly convenient and so that, on balance, people need to and are likely to drive less than they do today.

Please see Findings under OAR 660-12-0035(5) below.

8.4.2.5 Requirements for standards and strategies to reduce reliance on the automobile

> *(5) MPO areas shall adopt standards to demonstrate progress towards increasing transportation choices and reducing automobile reliance as provided for in this rule:*
>
> *(a) The commission shall approve standards by order upon demonstration by the metropolitan area that:*
>
> *(A) Achieving the standard will result in a reduction in reliance on automobiles;*
>
> *(B) Achieving the standard will accomplish a significant increase in the availability or convenience of alternative modes of transportation;*
>
> *(C) Achieving the standard is likely to result in a significant increase in the share of trips made by alternative modes, including walking, bicycling, ridesharing and transit;*
>
> *(D) VMT per capita is unlikely to increase by more than five percent; and*
>
> *(E) The standard is measurable and reasonably related to achieving the goal of increasing transportation choices and reducing reliance on the automobile as described in OAR 660-012-0000.*
>
> *(b) In reviewing proposed standards for compliance with subsection (a), the commission shall give credit to regional and local plans, programs, and actions implemented since*

1990 that have already contributed to achieving the objectives specified in paragraphs (A)–(E) above.

(c) If a plan using a standard, approved pursuant to this rule, is expected to result in an increase in VMT per capita, then the cities and counties in the metropolitan area shall prepare and adopt an integrated land use and transportation plan including the elements listed in paragraphs (A)–(E) below. Such a plan shall be prepared in coordination with the MPO and shall be adopted within three years of the approval of the standard.

(A) Changes to land use plan designations, densities, and design standards listed in subsections (2)(a)–(d);

(B) A transportation demand management plan that includes significant new transportation demand management measures;

(C) A public transit plan that includes a significant expansion in transit service;

(D) Policies to review and manage major roadway improvements to ensure that their effects are consistent with achieving the adopted strategy for reduced reliance on the automobile, including policies that provide for the following:

(i) An assessment of whether improvements would result in development or travel that is inconsistent with what is expected in the plan;

(ii) Consideration of alternative measures to meet transportation needs;

(iii) Adoption of measures to limit possible unintended effects on travel and land use patterns including access management, limitations on subsequent plan amendments, phasing of improvements, etc.; and

(iv) For purposes of this section a "major roadway expansion" includes new arterial roads or streets and highways, the addition of travel lanes, and construction of interchanges to a limited access highway

(E) Plan and ordinance provisions that meet all other applicable requirements of this division.

(d) Standards may include but are not limited to:

(A) Modal share of alternative modes, including walking, bicycling, and transit trips;

(B) Vehicle hours of travel per capita;

(C) Vehicle trips per capita;

(D) Measures of accessibility by alternative modes (i.e. walking, bicycling and transit); or

(E) The Oregon Benchmark for a reduction in peak hour commuting by single occupant vehicles.

(e) Metropolitan areas shall adopt TSP policies to evaluate progress towards achieving the standard or standards adopted and approved pursuant to this rule. Such evaluation

shall occur at regular intervals corresponding with federally-required updates of the regional transportation plan. This shall include monitoring and reporting of VMT per capita.

The Council finds that City of Bend has completed and is adopting an ILUTP to address the OAR 660-12-0035 requirements for reducing reliance on the automobile (Rem Rec 10994). The standards listed in the ILUTP – Density: Land Use; Design: Complete Streets; Destinations: Transit, Land Use, and Transportation Demand Management; and Diversity: Land Use (see Table 3 of the ILUTP) – have been selected because they have been linked to a reduction in driving through studies and modeling outlined and referenced in the ILUTP. The Council finds that achieving the standards will reduce reliance on automobiles as follows:

- An increase in activity density in the Central Core, Core Opportunity Areas, and Key Transit Corridors will put more households and more jobs in areas that are walkable, bikeable, and accessible by transit, facilitating use of alternate modes and reduced reliance on automobiles. It will also help provide the level of activity density needed to make transit operate more efficiently and help support additional businesses that are focused toward foot traffic rather than vehicle traffic.

- Implementation of all programmed Complete Streets Projects will increase pedestrian and bicycle safety and convenience as well as transit trips, supporting the choice to walk bike, or use transit to move around town.

- Increasing the percentage of households and employees with access to transit means that more people have the choice to take transit to work, to school, or to key destinations such as downtown and institutions such as schools and hospitals.

- Implementing an institutional Transportation Demand Management (TDM) program at OSU Cascades will reduce reliance on the automobile by ensuring that students and faculty have incentives and information to support using alternative modes to access the campus.

- Achieving a more even balance of jobs and housing in the Central Core and Core Opportunity Areas will mean that more people live in employment-rich areas, and that there are more opportunities to live and work within the Central Core.

Based on the Envision Tomorrow (ET) 7D transport model, which generates mode split assumptions based on built environment and demographic factors, the preferred UGB expansion scenario (2.1G) is projected to result in a 7.8% non-auto share and a 92.2% auto share for all household trips, UGB-wide. This is essentially unchanged from the ET model estimate of existing conditions (using 2014 built environment and demographic data and 2016 transit service), which estimates an 8.5% non-auto share and a 91.5% auto share for all household trips UGB-wide (including existing population in proposed UGB expansion areas).

However, these results do not capture all of the City's proposed strategies in the ILUTP. The reasons for this include:

- The 2016 transit service expansion was factored in to the existing mode split evaluation, although it was not in place as of 2014. Thus, the impact of this recent transit improvement is captured in the existing mode split data.

- While the land use efficiency measures proposed with the 2016 UGB expansion are significant, their impact on redevelopment in the Central Core is projected to be relatively modest through 2028.

- Even the ET model, which is sensitive to the built environment, does not account for the quality of the street environment in a connected area (e.g. the presence of street trees, sidewalk width, or the availability of bike lanes), nor does it fully account for gaps and barriers in the bicycle and pedestrian network, such as unsafe crossing points of major roads. As a result, the model is not reflecting the benefits of the complete streets improvements that the City has committed to funding and building by 2028.

- The ET model does not account for existing or proposed TDM programs at OSU, COCC, or Juniper Ridge. These would tend to shift travel in these areas to alternative modes (including ride sharing and shuttles, which are not identified as separate modes in ET) beyond what the built environment and demographic factors would suggest.

The Council finds that, while the overall mode split UGB-wide shows little change from 2014 to 2028, analysis of the rates of non-auto trips per household reveals that the complete communities approach to UGB expansion will encourage greater walking, biking, and transit usage in many peripheral areas inside the current UGB and adjacent to UGB expansion areas. These areas will have new opportunities to walk and bike to parks, schools, and commercial services. Note that rate of walking, biking and transit usage per household as modeled in ET within the Central Core is not expected to improve relative to existing conditions because those areas are already highly complete and connected and have the best transit service in the City. The households already living in those areas enjoy these conditions today. As noted above, the complete streets improvements are not reflected in the mode split estimates by the ET model; consequently, the City expects that active mode splits (walking, biking, and transit) will increase as the streetscape and safety is improved.

In order to more accurately reflect the impact on walking and biking due to the City's proposed Complete Streets improvements, the City will be installing permanent pedestrian and bicyclist counters at key locations in the Central Core (e.g. Newport, Portland, Colorado, Reed Market, Greenwood, and Franklin bridges). These will provide baseline data prior to complete streets improvements as well as on-going bicycle/pedestrian count data following the improvement.

The Council finds that, based on evaluation using the regional travel demand model to measure VMT per capita as specified in the TPR, the preferred UGB Expansion Scenario (2.1G) is

expected to result in a 1.2% increase in VMT relative to the 2010 baseline that best reflects the 2008 starting point of the 20-year planning horizon for the UGB Remand. Because of the roughly 5% increase in VMT estimated between the 2003 model and the 2010 model, this translates to a 6.3% increase relative to 2003.

The UGB Remand described using the regional travel demand model scenarios for year 2003 and 2030, which were the model years available at the time of the prior UGB evaluation to approximate the 2008 to 2028 planning horizon. The Council finds that, since the time of the UGB Remand, the Bend MPO and ODOT have updated the regional model scenarios to base year 2010 and future year 2028. The travel demand model scenario for 2003 described in the UGB Remand does not account for the increases in population, the new roadway network additions, and the new transit system that occurred between 2003 and 2008. These factors affect the amount and location of trips, mode choice, and trip distribution/assignment, which significantly affects the VMT per capita calculation. Therefore, the 2003 model scenario is not a valid predictor of 2008 VMT per capita conditions compared to the 2010 model scenario. The model scenario inputs for 2010 are a much better and accurate representation of the land use and transportation in Bend in 2008. These inputs affect the amount and location of trips, mode choice, and trip distribution/assignment, all of which significantly affect VMT per capita analysis (Rem Rec 11251).

OAR 660-012-0035(5)(b) allows that "In reviewing proposed standards for compliance with subsection (a), the commission shall give credit to regional and local plans, programs, and actions implemented since 1990 that have already contributed to achieving the objectives specified in paragraphs (A)–(E) above." As documented in detail in the ILUTP, the City of Bend implemented several connectivity improvements between 1990 and 2003 that would be expected to reduce VMT per capita, such as a new river crossing and an extension of Empire Avenue. To measure the benefit of these improvements, 2003-level demand was applied to both the base 2003 model network and to a 1990 network that did not include these connectivity improvements. VMT per capita from these model runs were compared in order to calculate the VMT benefit of actions implemented in the intervening 13 years. This analysis showed that VMT per capita in 2003 would have been roughly 2.2% higher if not for the connectivity improvements made since 1990. When the 2028 VMT results are compared against the VMT that would have resulted in 2003 without the benefit of those connectivity improvements, the increase is 4.1%. Given this, the Council finds that the evidence demonstrates that VMT per capita is unlikely to increase by more than 5% over the 20-year planning horizon of the UGB Remand, especially when considering the actions (connectivity improvements) that the City has implemented since 1990 that have already contributed to reducing growth in VMT.

The Council finds that the standards listed in ILUTP (Density, Design, Diversity and Destinations) are measurable, given Census data, data from the Oregon Employment Department, building permit data from the City, and GIS data on transit routes, and use of the ET model, all of which the City has access to. The Council finds that these standards are

reasonably related to achieving the goal of increasing transportation choices and reducing reliance on the automobile as described in response to (5)(A) and (B), above.

As is true with most U.S. cities of Bend's age, urban form, and rapid growth, Bend's VMT per capita has been increasing in recent decades. Bend is measuring growth in VMT per capita against baseline years of 2003 (as specified in the Remand) and 2010 (which the project team believes is a better indicator of conditions in 2008 – the beginning of the 20-year planning horizon for the UGB work). In order to evaluate the impact of various VMT reduction strategies, a series of land use and transportation packages, or scenarios, were created and tested. These scenarios included:

- Three UGB expansion scenarios and three "Supplemental Analysis Area Maps" (SAAMs) for 2028 testing different potential growth areas, with consistent assumptions about growth, redevelopment and transit service inside the UGB
- A hypothetical land use and transportation scenario for 2028 to test the impact of increasing redevelopment in the core, increasing transit frequency, and increasing connectivity in new neighborhoods[5];
- The draft and final preferred UGB expansion scenario;
- Several iterations of hypothetical 2040 scenarios to understand how the policies and strategies identified in this ILUTP may affect VMT over time and determine what it will take to reverse the trend on VMT growth in the long term; and
- The key conclusion from the VMT analysis was that each of the six scenarios tested increased per capita VMT relative to 2010 (ranging from a 2.9% to a 5.1% increase) due to the amount of growth located outside the center of the city. The increase relative to 2003 ranged from 8.1% to 10.3%. Expansion Scenario 2.1 had the lowest estimated VMT rate and the scenario was further refined and enhanced as the preferred UGB land use expansion scenario; (Rem Rec 10814). Because the analysis showed that Bend will experience an increase in VMT, an ILUTP has been prepared, addressing OAR 660-12-0035(2)(A)-(D).

The standards to reduce reliance on the automobile as required are included in the Acknowledged TSP, and in the amended TSP adopted with the UGB. Standards are found in the ILUTP (Rem Rec 10994).

[5] The UGB Technical Advisory Committee directed the project team to not over-assume redevelopment in the urban core because if redevelopment does not occur as expected, needed housing would not manifest as planned and required by Goal 10. The strategy was to implement efficiency measures, promote additional infill and redevelopment, but not at the risk of providing sufficient land for needed housing (Rem Rec 3551).

The ILUTP identifies "Proposed Strategies", which are intended to be adopted with the UGB expansion proposal, and also "Additional Strategies for Further Consideration" over the longer-term future. The strategies relate to each of the required elements identified in (5)(c)(A-(E). Key strategies are summarized below. Note that the City already has programs, policies, and/or regulations in place addressing many of the required elements of an ILUTP. These are summarized in Chapter 4 of the ILUTP, along with details of the proposed strategies and additional strategies for further consideration summarized below.

Table 8-3: ILUTP Strategies

ILUTP Element	Proposed Strategies	Additional Strategies for Further Consideration	
		Medium-Term	Long-Term
Land Use Strategies **(5)(c(A)**	Designate and ultimately rezone mixed use opportunity areas identified in UGB project. Adopt efficiency measures identified in UGB project.	Designate additional mixed use areas along transit corridors Adopt design standards for key pedestrian areas and transit corridors. Strengthen connectivity standards for new master-planned neighborhoods.	Consider up-zoning selected neighborhoods where there is potential and community support for infill development.
Transportation Demand Management (TDM) and Parking Management **(5)(c)(B)**	Set policy supporting incentives approach to TDM and increasing applicability of TDM programs Conduct analysis and feasibility for parking management and pricing Establish TDM requirements for institutional and employment master plans	Consider transportation SDC reductions for TDM measures Require TDM programs for additional large businesses / institutions Partner to establish TMAs for certain areas Implement parking management programs in key areas based on outcomes of parking study	Implement parking pricing in key areas (e.g. downtown and 3rd Street / Central Area), based on the results of the parking study.
Transit **(5)(c)(C)**	Support and maintain 2016 service improvements Define and enhance transit centers and corridors in opportunity and core areas. Propose new and enhanced transit funding	Implement most components of Bend Transit Plan, including additional hours of service, more frequent peak headways, and two new routes.	Implement further hours of service, improved service and headways on specific routes primarily in opportunity and Core areas, and conversion of 3 routes from bus service to pre-BRT types of service

ILUTP Element	Proposed Strategies	Additional Strategies for Further Consideration	
		Medium-Term	Long-Term
Roadway Improvement Management and Policies **(5)(c)(D)**	Implement selective "road diets" where safety issues have been identified	Develop pedestrian and biking safety projects for the opportunity areas that enhance walking, biking, and transit modal splits.	Continue to develop and implement policies that increase walking and biking safety by modifying street standards
Complete Streets and Connectivity Investment **(5)(C)(E)**	Implement programmed projects Prioritize streetscapes in opportunity and core areas and transit corridors.	Evaluate funding mechanisms for complete street improvements Implement planned but not-yet-funded projects, focusing improvements in opportunity areas and adjoining corridors.	Refinement and potential implementation of aspirational projects

The Council finds that the proposed strategies are being adopted through the UGB, and the preceding findings demonstrate VMT increases by less than 5% as required. These strategies are based on current best practices and research on the subject of enhancing non-automotive modes through strategies which when applied together result in less reliance on the automobile as described in the ILUTP.

The ILUTP focuses these strategies in the core area of the City, which corresponds with the proposed efficiency measures such as allowing more mixed use and residential and job densities in the core of the City (Rem Rec 11149). This demonstrates that the City has made a wide range of changes to land use plans, designations, and design standards, with a focus in the core area of the City, because research has demonstrated that will be the most effective places to apply those tools. TDM strategies have been added to the ILUTP as well, with a focus on major institutions and employers. Expansion of public transit is another strategy, and one which the ILUTP has demonstrated would result in a decrease in VMT. Future amendments to the transit plan, which are conducted by the MPO and Central Oregon Intergovernmental Council, will rely on the newly adopted land use pattern reflected in the proposed UGB expansion and efficiency measures. This will include new routes and enhanced services consistent with the ILUTP standards. The Council finds that the ILUTP is an element of the TSP, and is empowered through policies in the TSP, and thus will create a new framework upon which to review and manage major roadway improvements for consistency with the Plan and TSP.

The rule provides guidance, but not requirements, regarding the types of standards to be used in evaluating decreased reliance on the automobile. The ILUTP included evaluation of some of the suggested standards such as modal share, and vehicle trips per capita; however, alternative standards to measure progress towards reducing reliance on the automobile are proposed in the ILUTP. The proposed standards and strategies go beyond the advised standards by focusing on attributes of the built environment which are easier to quantify and track, and which

research referenced in the ILUTP demonstrates are meaningful in affecting travel behaviors. Importantly, the proposed strategies and several of the proposed standards are within the jurisdiction and influence of City laws, codes, and programs. The Council finds that focusing standards and strategies on aspects of the built environment that can be influenced by City planning, development approvals, capital investment plans and strategies is more effective than focusing standards on outcomes that are inherently imprecise given available data (US Census, local) and models (regional travel demand model). The ILUTP strategies and standards are also elements of the TSP (Rem Rec 10994).

The existing Bend TSP and General Plan include existing goals and policies that call for reducing reliance on the automobile and encourage mixed use development, which support the ILUTP. The policies below are new policies specific to implementing the ILUTP, including evaluating progress towards meeting the standards in the ILUTP, as required in OAR 660-012-0035(5)(e). These policies will be added to Chapter 7 (Transportation) of the City's Plan (Rem Rec 10339) and included as an amendment to the City's TSP (Rem Rec 10994) as part of the UGB expansion project.

- The City will implement the land use, transportation demand management, parking management, transit, and complete streets strategies, projects and programs that are identified as Proposed Strategies in Chapter 4 of the ILUTP.
- The City will conduct a planning study to evaluate the potential for Transportation Management Areas for the opportunity areas, transit centers, and public and private institutions and companies.
- The City will include streetscape projects in opportunity and core areas and transit corridors when developing the transportation capital improvement program priorities and projects.
- The City will develop transit priority corridors in the opportunity and core areas that include a combination of land use policies and codes and transportation enhancements that encourage transportation options.
- The City will update the assessments of the ILUTP standards at each update of the Bend MPO regional transportation system plan and the City TSP.

Conclusion: The Council finds that the above findings demonstrate the proposed standards comply with the requirements of OAR 660-012-0035(5).

8.4.2.6 Option to comply by demonstrating VMT reduction

> *(6) A metropolitan area may also accomplish compliance with requirements of subsection (3)(e), sections (4) and (5) by demonstrating to the commission that adopted plans and measures are likely to achieve a five percent reduction in VMT per capita over the 20-year planning period. The commission shall consider and act on metropolitan area requests under this section by order. A metropolitan area that receives approval under this section shall adopt interim benchmarks for VMT reduction and shall evaluate*

progress in achieving VMT reduction at each update of the regional transportation system plan.

The Council finds that the City determined through modeling that a 5% reduction in VMT per capita over the planning period was not feasible. Therefore, as directed in OAR 660-12-35(5)(c), the City prepared an ILUTP to demonstrate that the VMT per capita can be held to an increase of less than 5% per capita over the planning period.

8.4.2.7 Requirement to include benchmarks to measure progress

(7) Regional and local TSPs shall include benchmarks to assure satisfactory progress towards meeting the approved standard or standards adopted pursuant to this rule at regular intervals over the planning period. MPOs and local governments shall evaluate progress in meeting benchmarks at each update of the regional transportation plan. Where benchmarks are not met, the relevant TSP shall be amended to include new or additional efforts adequate to meet the requirements of this rule.

The Council finds that the ILUTP will be adopted as an appendix to the amended TSP (Rem Rec 10994). The ILUTP includes standards that are intended to function as benchmarks for the City for the time frame between adoption and 2028.. The standards include:

- Density (land use), measured as housing units plus employment over total acres in three different key geographic areas;
- Design (complete streets), measured as implementation of all programmed projects;
- Destinations (transit, land use, and TDM), measured as percent of housing units and employment within a quarter mile of transit, walkable access to commercial services, and active TDM programs; and
- Diversity (land use), measured as jobs-housing balance in two key areas.

Conclusion: The Council finds that the City of Bend has completed an analysis of the transportation effects of proposed changes to land use within the UGB and the proposed expansion areas, and has prepared an ILUTP demonstrating a clear path forward to achieving the VMT reduction goals of OAR 660-12-0035. The Council finds that the proposed standards are measurable, clear, and phased to become more intensive and robust through the planning period. The regional transportation plan will be updated on a roughly five-year timeframe, and will now be able to reference the strategies contained in the ILUTP in its plan, to facilitate additional analysis and reporting. The Council finds that the City has therefore met the requirement of the OAR.

8.4.3. Transportation Analysis for Amendments to Plan or Land Use Regulations: OAR 660-012-0060

OAR 660-012-0060 requires local governments to maintain consistency between land use regulations and the transportation system plan and demonstrate that planned transportation facilities will be adequate to serve planned land uses. It addresses amendments to land use regulations as well as functional classification systems.

8.4.3.1 Deferral of OAR 660-012-0060 Analysis for UGB Expansion

> *OAR 660-024-0020: Adoption or Amendment of a UGB*
>
> *"(1) All statewide goals and related administrative rules are applicable when establishing or amending a UGB, except as follows:*
>
> * * *
>
> *(d) 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 * * *."*

OAR 660-024-0020(1) allows cities to defer addressing the requirements of OAR 660-12-0060 of the TPR (which requires a demonstration that there are adequate planned transportation facilities to serve the planned development) until property added to a UGB is re-designated or rezoned to allow urban development. The Council finds that the proposed amendments to the UGB expansion areas includes new City of Bend Plan designations to meet anticipated land needs until 2028. The zoning of areas outside the current city limits and Bend UGB, but included in the revised and expanded UGB, will retain their existing rural zoning designations managed through Title 19 of the Deschutes County Zoning Ordinance. In accordance with this provision, the City is proposing to retain existing County zoning on lands in the expansion areas until annexation occurs, at which time a TPR compliance analysis will be a requirement of annexation, along with master planning or area planning. The City has language in the adopted Development Code (4.6.600 Transportation Planning Rule Compliance) requires that:

> *When a development application includes a proposed Comprehensive Plan amendment or land use district change, or both, the proposal shall be reviewed to determine whether it significantly affects a transportation facility, in accordance with Oregon Administrative Rule (OAR) 660-012-0060. [Ord. NS-2016, 2006]**.***

Conclusion: The Council finds that the proposal is in compliance with this section of the TPR.

8.4.3.2 Determination of Significant Effect for Amendments inside the Current UGB:

> *OAR 660-012-0060*

(1) If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would significantly affect an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:

(a) Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);

(b) Change standards implementing a functional classification system; or

(c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.

(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;

(B) Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan; or

(C) Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.

The Council finds that, because the City has chosen to defer addressing the requirements of OAR 660-12-0060 of the TPR for UGB expansion areas, the following section, which addresses the requirements of OAR 660-012-0060, is restricted to addressing the effects of the proposed land use changes **within** the existing UGB. Transportation planning and TPR compliance will be accomplished for expansion areas with Master or Area planning prior to, or at the time of annexation.

In order to determine if the proposed changes to the UGB would have a significant effect on the transportation system, as defined in this section of the TPR, the following approach was applied.

Summary of Land Use Actions

The proposed changes to Plan designations and land use regulations within the current UGB include:

- New mixed-use designations and/or zones in opportunity areas, including:
  - The Bend Central District, between the Parkway and 4th Avenue from roughly the railroad on the south to Revere on the north (implemented as a special plan district);
  - CWP/Century Drive opportunity site (implemented using the new mixed use plan designations developed for the UGB project; zone changes are being deferred);
  - KorPine opportunity site (implemented using the new Mixed Use - Urban plan designation and zone developed for the UGB project);
  - East Downtown opportunity site (implemented using the new Mixed Use - Urban plan designation; zone changes are being deferred); and
  - The Inner Highway 20 / Greenwood Ave opportunity site (implemented using the new Mixed Use - Neighborhood plan designation; zone changes are being deferred).

- Changes to land use regulations, including:
  - Minimum residential densities for residential development within 660 feet of transit in commercial and mixed-use zones
  - Reduced parking standards for mixed-use development
  - Raising the minimum density in the RS zone;
  - Allowing a greater mix of housing types outright in the RS zone;
  - Increasing the maximum residential density in RL zone;
  - Removing the cap on net density for multi-family housing in the RM and RH zones to allow greater flexibility in reaching the allowed maximum gross density; and
  - Enabling greater densities in ME zoned land by removing maximum lot coverage and the minimum front setback as well as providing height bonuses for affordable housing and vertical mixed use.

Because these proposed changes include Plan map, zoning map and development code modifications, a TPR evaluation was conducted to determine if the changes would cause a significant effect (i.e., impact) to the transportation system that requires mitigation.

Approach

Through scoping coordination with ODOT Region 4 and DLCD staff, it was determined that a travel demand model link-level analysis utilizing the MPO regional travel demand model was appropriate for assessing those impacts to the transportation system within the current UGB. There are several reasons for this approach:

- ODOT Region 4 staff determined that link-level analysis was adequate for TPR evaluation within the current UGB as the intended outcome of the actions is to improve land use efficiency and transportation system performance, with any potential impacts likely occurring in areas that have been studied in-depth in past plans with known issues and potential solutions.

- The increased development potential generated by the broadly-applicable changes to land use regulations is spread over thousands of acres (most of the vacant and redevelopable land within the current UGB). Furthermore, many of the changes have the effect of increasing the minimum intensity of development than increasing the maximum intensity of development. As a result, differences in expected intensity of development within the planning horizon are generally modest and diffuse relative to the reasonable worst case development potential under the existing regulations.

Methods

The following sections describe the key methods/assumptions used as the basis for the technical analysis (Rem Rec 11155).

Mobility Standards for Traffic Capacity Analysis

The City's TSP does not include mobility standards to utilize for impact assessment. However, the City's development code includes a volume to capacity (v/c) ratio standard for major intersections of 1.0 for peak hours (or the hour adjacent to the peak hour for certain areas). To support the traffic capacity analysis described in the previous section, the City's intersection v/c ratio standard were applied to travel model links representing City facilities. For links representing ODOT facilities, v/c ratio standards from the Oregon Highway Plan were applied. These targets were utilized to compare UGB Scenario 2.1G to the TPR base and where the proposed changes were found to cause a link to exceed mobility targets or further degrade an already over-target condition, the links were identified for potential mitigation. (Note: this analysis does not identify improvements for all facilities to meet mobility standards in the future; it identifies where mitigations needs to be considered to offset the impact of the proposed actions.)

Horizon Year for Evaluation

The City's TSP was based on travel demand modeling of growth to the year 2020; however, due to issues with land use buildout consistencies and partner agency support of the technical modeling work that underlies the analysis, it cannot serve as a base for comparison for TPR analysis. The UGB planning horizon and corresponding Remand requirements are based on a horizon year of 2028. Therefore, 2028 was used as the horizon year for TPR evaluation. The

Acknowledged Bend TSP financial plan includes projects in the near and mid-term that are assumed to be funded by year 2032[6].

Base-Case Scenario for Determining Significant Effect

When conducting TPR significant effect evaluation, a key data point for comparison is how the planned system performs under the current Plan and TSP. For the Bend area, the TSP's modeling work cannot be relied upon and the MPO's regional travel demand model does not currently have a scenario specifically developed to represent growth to 2028 based on currently designated land uses. Therefore, the project team developed a 2028 land use allocation and corresponding travel model scenario that achieves population and employment control totals within the existing UGB and is consistent with existing Plan designations. For consistency with the UGB expansion scenarios, the project team utilized Envision Tomorrow to allocate the housing and employment growth based on the current regulations and plan designations.

Specifically, the approach to allocating population and employment was as follows:

- Use ET to allocate housing and employment growth.
- Begin from the BLI that underlies the draft preferred UGB expansion scenario and current plan designations, and the base case assumptions developed to estimate capacity under current plan designations and historic trends.
- Adjust the original base case development type assumptions and application of development types as follows:
    - Apply development types consistent with current plan designations to residential lots that are allowed to add at least one unit under the existing plan designation density and are not within a historic district, but were not identified as having capacity because there is little or no undeveloped land on the property.
    - Apply development types to additional commercial and industrial properties, consistent with the existing plan designations, where projected employment densities are above current employment densities.
    - Add a small redevelopment rate to residential development types (2-7% of developed acres, with higher rates on RM and RH than RL and RS).
    - Increase redevelopment rates for commercial, industrial and mixed use development types to about 35% of developed land (except MDOZ, which is about 20%).
    - Adjust the building mix across most development types to increase density and bring the overall housing and employment mixes more into line with the needed housing mix present in the draft preferred UGB expansion scenario. Continue to rely only on buildings that meet current development code standards (e.g.

[6] Because the Bend TSP's Financial Plan was adopted in 2012, the 20-year planning horizon is 2032. The Remand planning horizon is 2028. For the purposes of this analysis, these two planning horizons were considered to be sufficiently concurrent.

parking, building height and setbacks) and keep residential density within the currently allowed density ranges so that all assumed development is consistent with existing regulations.
    - Reduce amount of land set aside as "other land" from 13% to 3% for all development types (less private open space assumed than historical trends).
    - Adjust development assumptions for Juniper Ridge to match the "reasonable worst case" identified for the Employment Subdistrict Zone Change transportation study for development through 2025 (as an approximation of 2028).
- Add projected population / housing and employment growth to estimated existing housing and employment from 2014 to establish 2028 totals.

Note that the Oregon State University (OSU) Cascades Campus was not part of the Envision Tomorrow modeling of the TPR base scenario (because its employment and student housing was accounted for separately from other employment and housing growth for UGB capacity purposes), but it was built into the transportation model for the TPR base scenario. (For Scenario 2.1G, the OSU assumptions were integrated into Envision, but with the same population and employment numbers and types as in the TPR base scenario.)

For school enrollment areas, the approach was to:

- Identify new schools only inside the UGB and on School District owned property outside the UGB based on input from the School District on the 2028 UGB scenarios.
- Adjust from 2010 attendance boundaries to reasonably approximate attendance areas for new schools.

Reasonably Funded Network Assumptions

The final key assumption for the TPR evaluation was the future improvements that were accounted for in the travel forecasting and system performance evaluation. As described in the TPR, only improvements that are reasonably likely to be funded were assumed. For regionally significant facilities, the recent Bend 2040 MTP includes a financial assessment and a corresponding constrained project list. MPO staff has subsequently coordinated with City and ODOT staff to determine a subset of the planned improvement list that aligns with the funding forecast through the year 2028. For other City facilities, the City has recently completed a detailed funding evaluation (including SDCs and bond revenues) to determine which TSP improvements are reasonably funded by 2032[7] (those identified for near-term and mid-term funding). Finally, funding for transit system enhancements have been recently approved that increase service levels for 2015 to levels previously planned for 2028. Therefore, the newly implemented transit system was maintained in the model network. These three combined

[7] **Official Notice** – The Bend Transportation Plan is available online through the City's website - http://www.bend.or.us/index.aspx?page=634

improvement programs formed the basis for the 2028 transportation network for TPR evaluation.

Summary of Results

The attached figures show the travel demand model link plots utilized for the analysis. Figure 8-2 and 8-3 show forecasted weekday PM peak hour volume and demand-to-capacity (d/c) ratios for the TPR base and preferred scenario (Scenario 2.1G), respectively. Table 8-4 lists d/c ratios and model volume data for specific state highway links to further explain the data shown in Figures 8-2 and 8-3. This information was utilized to assess where the mixed-use land use changes and other efficiency measures and new plan designations caused a facility to exceed a mobility target or further degrade a condition already above the mobility target under the TPR base scenario. (Note: this analysis does not identify improvements for all facilities to meet mobility standards in the future, as some locations are planned to exceed mobility targets in the future under a financially constrained investment scenario; it identifies where mitigations needs to be considered to offset the impact of the proposed actions.) Figure 8-3 shows the isolated volume change on the system between the scenarios based on the opportunity site locations, where the mixed-use land use changes and other efficiency measures and new plan designations are concentrated. This data was used to isolate the changes shown in Figures 8-2 and 8-3 and Table 8-4 that is specifically attributable to locations within the UGB and not part of the proposed expansion areas incorporated into Scenario 2.1G. Based on the link analysis, the following conditions were determined:

- The proposed plan, zone, and code changes would cause Hwy 20 between Cooley Road and 3rd Street to further degrade above the mobility target compared to the TPR base scenario.
- Isolating the transportation changes from the opportunity site zones (Figure 8-4) found that the proposed plan, zone, and code amendments do not cause significant increase traffic volumes on links exceeding mobility targets (Figure 8-3), except for Hwy 20 between Cooley Road and 3rd Street as previously noted
- Other locations on the state highway system were found to either be below mobility targets, not further degrade, or in some cases improve with Scenario 2.1G relative to the TPR base scenario. For example, US 97 between Colorado Avenue and Revere Avenue is shown to exceed a v/c ratio of 1.0 in both plots, but actually has lower volumes in the 2.1G Scenario (note that this congestion is consistent with the Bend MPO 2040 MTP, which calls for a Corridor Plan to be completed to identify improvements). On Hwy 20 (Greenwood Avenue) between 3rd Street and 15th Street, Scenario 2.1G shows lower v/c ratios. Therefore, while some locations may show v/c ratios that do not meet mobility targets in either the TPR or 2.1G scenarios based on the financially constrained scenarios, the proposed plan, zone, and code changes would not further degrade those locations and would not be required to mitigate to meet *OAR 660-012-0060*).

Table 8-4: TPR Segment Analysis

Street Name	Begin	End	Mobility Target (v/c)	Direction	Scenario 2.1G		TPR		TPR	Conclusion
					d/c	Vol	d/c	Vol	Vehicular Vol Difference (Scenario 2.1G)	
US 20	Cooley Rd	Robal Rd	0.85	NB	0.66	1248	0.47	891	SB +180; NB +360	Volume increased and improvement needed for southbound capacity.
				SB	0.96	913	0.77	733		
US 20	Robal Rd	US 97 Jct	0.85	NB	0.66	1444	0.57	1246	SB +50; NB +200	Volume increased and improvement needed for southbound capacity.
				SB	1.01	1112	0.97	1063		
US 20	US 97 Jct	Empire Ave	0.85	NB	0.50	901	0.49	886	SB +25; NB +15	Volume increase not significant (<50 vph). No improvement needed.
				SB	1.08	1938	1.06	1916		
US 20	OB Riley	Division	0.85	NB	0.74	1329	0.76	1360	SB -55; NB -30	Volume decreased. No improvement needed.
				SB	1.11	1992	1.13	2041		
US 20/3rd St	Olney Ave	Revere Ave	0.90	NB	0.61	1035	0.63	1072	SB -145; NB -40	Volume decreased. No improvement needed.
				SB	0.73	1253	0.82	1398		
US 20	3rd St	8th St	0.85	WB	0.73	1164	0.67	1070	WB +105; EB -125	Volume increased on link below mobility target, decreased on link above mobility target. No improvement needed.
				EB	0.90	1437	0.97	1561		
US 20	8th St	15th St	0.85	WB	0.84	1434	0.79	1348	WB +100; EB -60	Volume increase in WB direction, but still below mobility target. No improvement needed.
				EB	1.00	1700	1.03	1757		
US 20	15th St	Azure Dr	0.85	WB	0.73	1318	0.70	1260	WB +65; EB -35	Volume increased on link below mobility target, decreased on link above mobility target. No improvement needed.
				EB	0.82	1475	0.82	1507		
US 97	Robal Rd	US 20 Jct	0.85	NB	1.28	2553	1.30	2606	SB -175; NB -55	Volume decreased. No improvement needed.
				SB	1.03	3099	1.09	3273		
US 97	Empire Ave	Butler Mkt Rd	0.85	NB	1.04	3128	1.06	3179	SB -240; NB -50	Volume decreased. No improvement needed.
				SB	0.71	3197	0.76	3433		
US 97	Butler Mkt Rd	Revere Ave	0.85	NB	1.00	2994	1.01	3025	SB -85; NB -30	Volume decreased. No improvement needed.
				SB	1.17	3508	1.20	3591		
US 97	Revere Ave	Lafayette Ave	0.85	NB	1.07	3204	1.07	3224	SB -110; NB -20	Volume decreased. No improvement needed.
				SB	1.03	3098	1.07	3204		
US 97	Lafayette Ave	Colorado Ave	0.85	NB	1.07	3204	1.07	3224	SB -85; NB-20	Volume decreased. No improvement needed.
				SB	1.14	3425	1.17	3508		
US 97	Colorado Ave	Reed Mkt Rd	0.85	NB	0.77	2304	0.75	2240	SB -165; NB +65	Volume increased on link below mobility target, decreased on link above mobility target. No improvement needed.
				SB	0.91	2723	0.96	2872		
US 97	Reed Mkt Rd	Powers Rd	0.85	NB	0.65	1944	0.62	1849	SB -45; NB +145	Volume increased on link below mobility target, decreased on link above mobility target. No improvement needed.
				SB	0.98	2341	0.99	2386		
US 97	Knott Rd	China Hat Rd	0.85	NB	0.35	843	0.35	851	SB +180; NB -10	Volume increased on link below mobility target, decreased on link above mobility target. No improvement needed.
				SB	0.71	1700	0.63	1520		

Adding more than 50 vehicles in Scenario 2.1G

Figure 8-2: Average PM Peak Volume in TPR Base Scenario

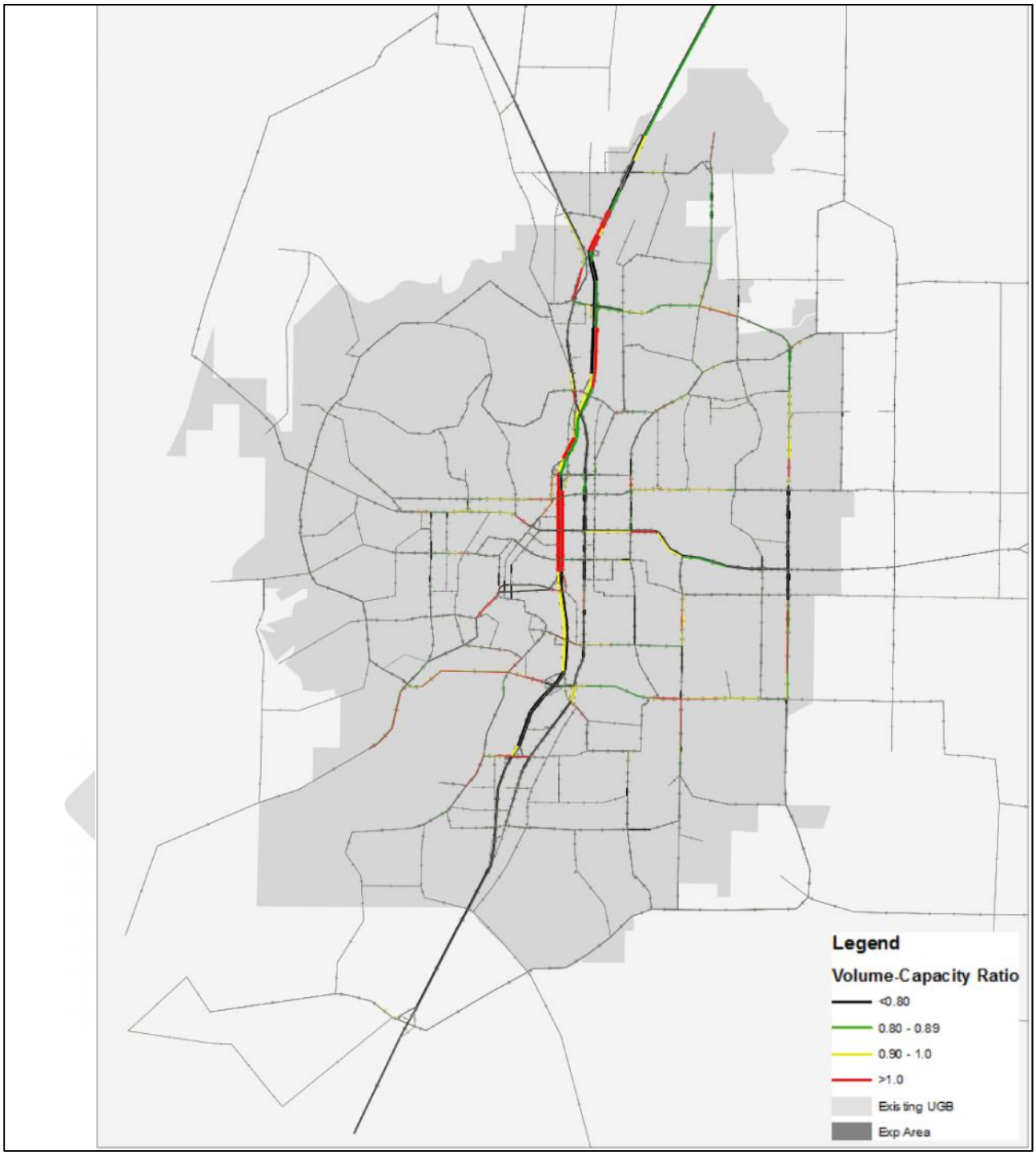


Figure 8-3: Average PM Peak Volume - Scenario 2.1G

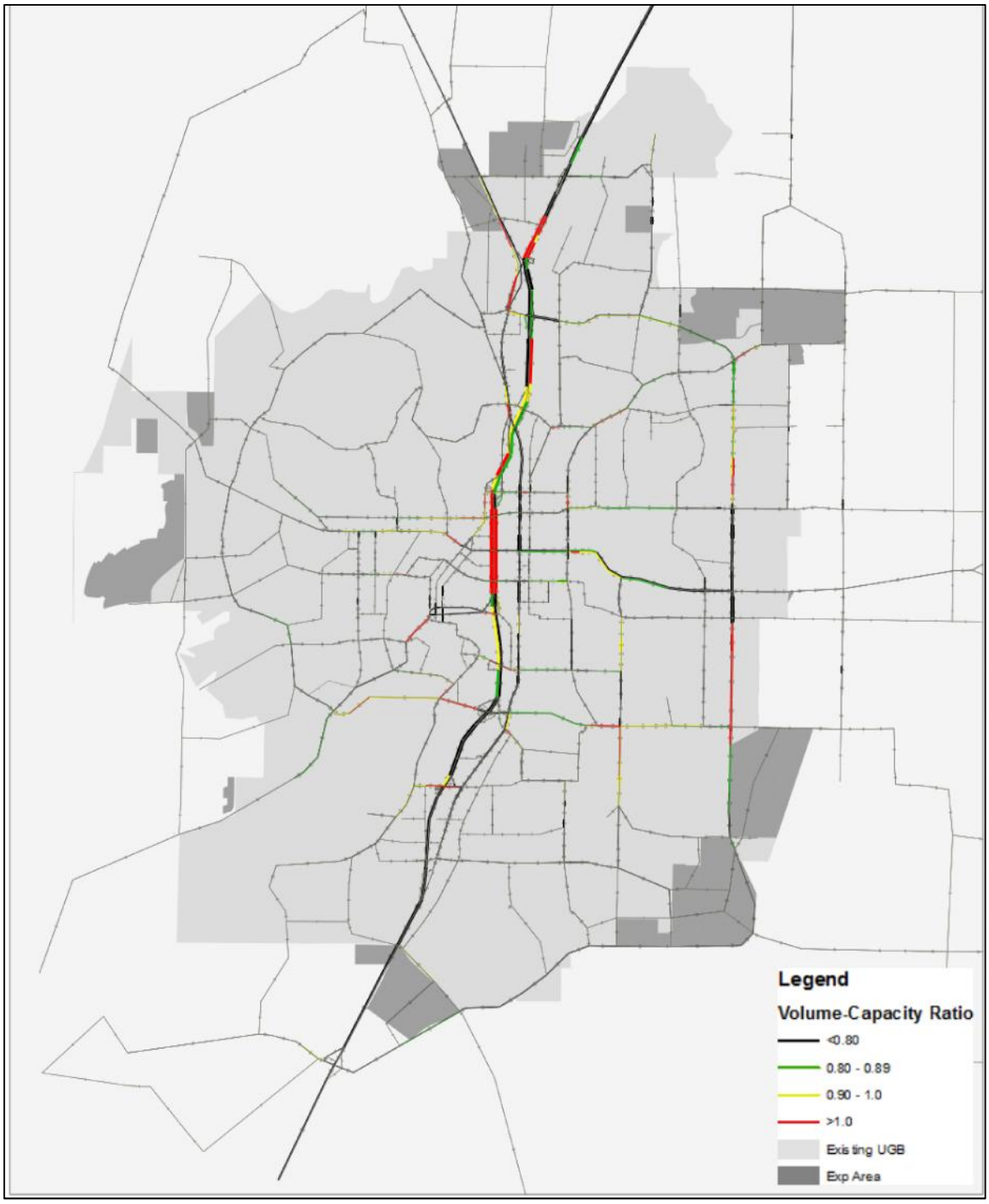
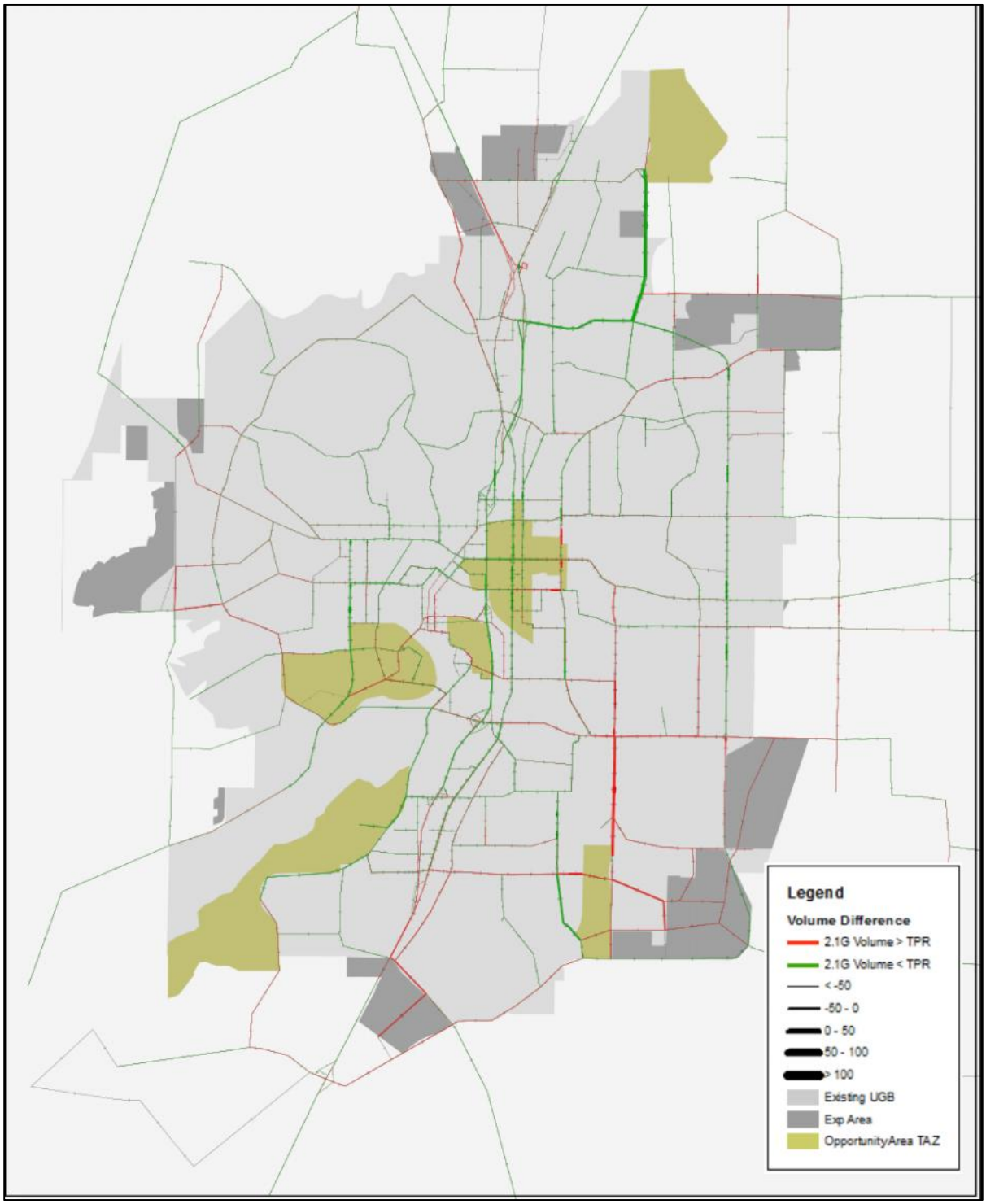


Figure 8-4: PM Peak Volume Difference with Opportunity Areas (2.1G - TPR)



Therefore, based on the results of the modeling, the Council finds that it was determined that the proposed plan, zone, and code amendments within the UGB do not cause a significant effect, with the exception of Highway 20 between Cooley Road and 3rd Street, which would be further degraded above ODOT's mobility target. To remedy this impact, the corridor can be improved by an improvement project that is already identified in the Bend 2040 MTP as needed due to general background growth in the City. The project would add a travel lane to southbound Hwy 20 from Cooley Road to 3rd Street.

The Council finds that Highway 20 project is listed in the Bend 2040 MTP fiscally constrained project list as a City funded project from system development charges and private development. The adopted MTP project list is included in Chapter 6 (Motor Vehicles) of the 2040 MTP. The project list with the identified funded sources such as City and ODOT was approved by the MPO as Resolution 2014-06 at the September 25, 2014 Bend MPO Board Meeting (Rem Rec 10219 and 10220). The 2040 fiscally constrained project list did not indicate when, within the 2014-2040 timeline, the Highway 20 lane addition project would be constructed. However, the City, as the identified funding source, anticipates that funds for the project are reasonably likely to be available by 2028 because of the vacant commercial properties that exist from Robal Lane to Cooley Road along Highway 20. These properties, when they develop, will include frontage and likely lane improvements on Highway 20. Therefore the project on Highway 20 will be developer funded. Also, the UGB BLI and the EOA document and anticipate the properties along Highway 20 from Robal to Cooley as likely to be developed by 2028 (Rem Rec 10513).

8.4.3.3 Response to Significant Effect:

> *(2) If a local government determines that there would be a significant effect, then the local government must ensure that allowed land uses are consistent with the identified function, capacity, and performance standards of the facility measured at the end of the planning period identified in the adopted TSP through one or a combination of the remedies listed in (a) through (e) below, unless the amendment meets the balancing test in subsection (2)(e) of this section or qualifies for partial mitigation in section (11) of this rule. A local government using subsection (2)(e), section (3), section (10) or section (11) to approve an amendment recognizes that additional motor vehicle traffic congestion may result and that other facility providers would not be expected to provide additional capacity for motor vehicles in response to this congestion.*
>
> *(a) Adopting measures that demonstrate allowed land uses are consistent with the planned function, capacity, and performance standards of the transportation facility.*
>
> *(b) Amending the TSP or comprehensive plan to provide transportation facilities, improvements or services adequate to support the proposed land uses consistent with the requirements of this division; such amendments shall include a funding plan or mechanism consistent with section (4) or include an amendment to the transportation finance plan so that the facility, improvement, or service will be provided by the end of the planning period.*

(c) Amending the TSP to modify the planned function, capacity or performance standards of the transportation facility.

(d) Providing other measures as a condition of development or through a development agreement or similar funding method, including, but not limited to, transportation system management measures or minor transportation improvements. Local governments shall, as part of the amendment, specify when measures or improvements provided pursuant to this subsection will be provided.

(e) Providing improvements that would benefit modes other than the significantly affected mode, improvements to facilities other than the significantly affected facility, or improvements at other locations, if the provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards.

The Council finds that the proposed changes to land uses within the UGB would cause Highway 20 between Cooley Road and 3rd Street to further degrade above ODOT's mobility target, which is identified as a significant effect in OAR 660-12-060(1)(c)(C). To remedy this impact, the corridor can be improved by an improvement to the project that is already identified in the Bend 2040 MTP as needed due to general background growth in the City. The project would add a travel lane to southbound Hwy 20 from Cooley Road to 3rd Street. The Council finds that, as described above under OAR 660-0012-0060(c)(C), the Highway 20 project is listed in the Bend 2040 MTP fiscally constrained project list as a City funded project from system development charges and private development (Rem Rec 10219 and 10220).

8.4.3.4 Allowed Exceptions:

(3) Notwithstanding sections (1) and (2) of this rule, a local government may approve an amendment that would significantly affect an existing transportation facility without assuring that the allowed land uses are consistent with the function, capacity and performance standards of the facility where:

(a) In the absence of the amendment, planned transportation facilities, improvements and services as set forth in section (4) of this rule would not be adequate to achieve consistency with the identified function, capacity or performance standard for that facility by the end of the planning period identified in the adopted TSP;

(b) Development resulting from the amendment will, at a minimum, mitigate the impacts of the amendment in a manner that avoids further degradation to the performance of the facility by the time of the development through one or a combination of transportation improvements or measures;

(c) The amendment does not involve property located in an interchange area as defined in paragraph (4)(d)(C); and

(d) For affected state highways, ODOT provides a written statement that the proposed funding and timing for the identified mitigation improvements or measures are, at a minimum, sufficient to avoid further degradation to the performance of the affected state highway. However, if a local government provides the appropriate ODOT regional office with written notice of a proposed amendment in a manner that provides ODOT reasonable opportunity to submit a written statement into the record of the local government proceeding, and ODOT does not provide a written statement, then the local government may proceed with applying subsections (a) through (c) of this section.

The Council finds that the only significant effect identified by the analysis is the further degradation of Highway 20 between Cooley Road and 3rd Street to further degrade above ODOT's mobility target. To remedy this impact, an improvement project is already identified in the Bend 2040 MTP to add a travel lane to southbound Hwy 20 from Cooley Road to 3rd Street. As described above under OAR 660-0012-0060(c)(C), the Highway 20 project is listed in the Bend 2040 MTP fiscally constrained project list as a City funded project from system development charges and private development (Rem Rec 10219 and 10220).

8.4.3.5 Coordination Requirements:

(4) Determinations under sections (1)–(3) of this rule shall be coordinated with affected transportation facility and service providers and other affected local governments.

(a) In determining whether an amendment has a significant effect on an existing or planned transportation facility under subsection (1)(c) of this rule, local governments shall rely on existing transportation facilities and services and on the planned transportation facilities, improvements and services set forth in subsections (b) and (c) below.

(b) Outside of interstate interchange areas, the following are considered planned facilities, improvements and services:

(A) Transportation facilities, improvements or services that are funded for construction or implementation in the Statewide Transportation Improvement Program or a locally or regionally adopted transportation improvement program or capital improvement plan or program of a transportation service provider.

(B) Transportation facilities, improvements or services that are authorized in a local transportation system plan and for which a funding plan or mechanism is in place or approved. These include, but are not limited to, transportation facilities, improvements or services for which: transportation systems development charge revenues are being collected; a local improvement district or reimbursement district has been established or will be established prior to development; a development agreement has been adopted; or conditions of approval to fund the improvement have been adopted.

(C) Transportation facilities, improvements or services in a metropolitan planning organization (MPO) area that are part of the area's federally-approved, financially constrained regional transportation system plan.

(D) Improvements to state highways that are included as planned improvements in a regional or local transportation system plan or comprehensive plan when ODOT provides a written statement that the improvements are reasonably likely to be provided by the end of the planning period.

(E) Improvements to regional and local roads, streets or other transportation facilities or services that are included as planned improvements in a regional or local transportation system plan or comprehensive plan when the local government(s) or transportation service provider(s) responsible for the facility, improvement or service provides a written statement that the facility, improvement or service is reasonably likely to be provided by the end of the planning period.

(c) Within interstate interchange areas, the improvements included in (b)(A)–(C) are considered planned facilities, improvements and services, except where:

(A) ODOT provides a written statement that the proposed funding and timing of mitigation measures are sufficient to avoid a significant adverse impact on the Interstate Highway system, then local governments may also rely on the improvements identified in paragraphs (b)(D) and (E) of this section; or

(B) There is an adopted interchange area management plan, then local governments may also rely on the improvements identified in that plan and which are also identified in paragraphs (b)(D) and (E) of this section.

(d) As used in this section and section (3):

(A) Planned interchange means new interchanges and relocation of existing interchanges that are authorized in an adopted transportation system plan or comprehensive plan;

(B) Interstate highway means Interstates 5, 82, 84, 105, 205 and 405; and

(C) Interstate interchange area means:

(i) Property within one-quarter mile of the ramp terminal intersection of an existing or planned interchange on an Interstate Highway; or

(ii) The interchange area as defined in the Interchange Area Management Plan adopted as an amendment to the Oregon Highway Plan.

(e) For purposes of this section, a written statement provided pursuant to paragraphs (b)(D), (b)(E) or (c)(A) provided by ODOT, a local government or transportation facility provider, as appropriate, shall be conclusive in determining whether a transportation facility, improvement or service is a planned transportation facility, improvement or service. In the absence of a written statement, a local

government can only rely upon planned transportation facilities, improvements and services identified in paragraphs (b)(A)-(C) to determine whether there is a significant effect that requires application of the remedies in section (2).

The Council finds that the only significant effect identified by the analysis is the further degradation of Highway 20 between Cooley Road and 3rd Street to further degrade above ODOT's mobility target. To remedy this impact, an improvement project is already identified in the Bend 2040 MTP to add a travel lane to southbound Hwy 20 from Cooley Road to 3rd Street. As described above under OAR 660-0012-0060(c)(C), the Highway 20 project is listed in the Bend 2040 MTP fiscally constrained project list as a City funded project from system development charges and private development (Rem Rec 10219 and 10220).

8.4.3.6 Transportation facility not a basis for an exception for development on rural lands

(5) The presence of a transportation facility or improvement shall not be a basis for an exception to allow residential, commercial, institutional or industrial development on rural lands under this division or OAR 660-004-0022 and 660-004-0028.

The Council finds that City does not intend to provide facilities or improvements to rural lands that will be outside the newly expanded and proposed UGB expansion area. New facilities and improvements will not be allowed until land is annexed into the City. Annexation is dependent upon completion of an Area or Master Plan, which requires the identification of all needed infrastructure, including new transportation facilities and the upgrading of rural roads to urban standards. No exceptions to allow residential, commercial, institutional, or industrial development on rural lands is proposed, and therefore this standard is met.

8.4.3.7 Credit for mixed use, pedestrian-friendly centers and neighborhoods

(6) In determining whether proposed land uses would affect or be consistent with planned transportation facilities as provided in sections (1) and (2), local governments shall give full credit for potential reduction in vehicle trips for uses located in mixed-use, pedestrian-friendly centers, and neighborhoods as provided in subsections (a)–(d) below;

(a) Absent adopted local standards or detailed information about the vehicle trip reduction benefits of mixed-use, pedestrian-friendly development, local governments shall assume that uses located within a mixed-use, pedestrian-friendly center, or neighborhood, will generate 10% fewer daily and peak hour trips than are specified in available published estimates, such as those provided by the Institute of Transportation Engineers (ITE) Trip Generation Manual that do not specifically account for the effects of mixed-use, pedestrian-friendly development. The 10% reduction allowed for by this section shall be available only if uses which rely solely on auto trips, such as gas stations, car washes, storage facilities, and motels are prohibited;

(b) Local governments shall use detailed or local information about the trip reduction benefits of mixed-use, pedestrian-friendly development where such information is

available and presented to the local government. Local governments may, based on such information, allow reductions greater than the 10% reduction required in subsection (a) above;

(c) Where a local government assumes or estimates lower vehicle trip generation as provided in subsection (a) or (b) above, it shall assure through conditions of approval, site plans, or approval standards that subsequent development approvals support the development of a mixed-use, pedestrian-friendly center or neighborhood and provide for on-site bike and pedestrian connectivity and access to transit as provided for in OAR 660-012-0045(3) and (4). The provision of on-site bike and pedestrian connectivity and access to transit may be accomplished through application of acknowledged ordinance provisions which comply with 660-012-0045(3) and (4) or through conditions of approval or findings adopted with the plan amendment that assure compliance with these rule requirements at the time of development approval; and

(d) The purpose of this section is to provide an incentive for the designation and implementation of pedestrian-friendly, mixed-use centers and neighborhoods by lowering the regulatory barriers to plan amendments which accomplish this type of development. The actual trip reduction benefits of mixed-use, pedestrian-friendly development will vary from case to case and may be somewhat higher or lower than presumed pursuant to subsection (a) above. The Commission concludes that this assumption is warranted given general information about the expected effects of mixed-use, pedestrian-friendly development and its intent to encourage changes to plans and development patterns. Nothing in this section is intended to affect the application of provisions in local plans or ordinances which provide for the calculation or assessment of systems development charges or in preparing conformity determinations required under the federal Clean Air Act.

The Council finds that the City's analysis demonstrated that, because the significant effects of the City's proposed actions within the existing UGB are limited to a previously identified portion of Highway 20, this section of the TPR is not needed and does not apply to this proposal. However, it is worth noting that the City's proposed Opportunity Areas are meant to implement the planning concepts outlined in this Section, creating denser, more diverse, walkable, and complete neighborhoods.

(7) Amendments to acknowledged comprehensive plans and land use regulations which meet all of the criteria listed in subsections (a)–(c) below shall include an amendment to the comprehensive plan, transportation system plan the adoption of a local street plan, access management plan, future street plan or other binding local transportation plan to provide for on-site alignment of streets or accessways with existing and planned arterial, collector, and local streets surrounding the site as necessary to implement the requirements in OAR 660-012-0020(2)(b) and 660-012-0045(3):

(a) The plan or land use regulation amendment results in designation of two or more acres of land for commercial use;

(b) The local government has not adopted a TSP or local street plan which complies with OAR 660-012-0020(2)(b) or, in the Portland Metropolitan Area, has not complied with Metro's requirement for street connectivity as contained in Title 6, Section 3 of the Urban Growth Management Functional Plan; and

(c) The proposed amendment would significantly affect a transportation facility as provided in section (1).

The Council finds that this criterion does not apply to Bend because it has an adopted TSP which complies with OAR-12-0020(2)(b).

(8) A "mixed-use, pedestrian-friendly center or neighborhood" for the purposes of this rule, means:

(a) Any one of the following:

(A) An existing central business district or downtown;

(B) An area designated as a central city, regional center, town center or main street in the Portland Metro 2040 Regional Growth Concept;

(C) An area designated in an acknowledged comprehensive plan as a transit oriented development or a pedestrian district; or

(D) An area designated as a special transportation area as provided for in the Oregon Highway Plan.

(b) An area other than those listed in subsection (a) above which includes or is planned to include the following characteristics:

(A) A concentration of a variety of land uses in a well-defined area, including the following:

(i) Medium to high density residential development (12 or more units per acre);

(ii) Offices or office buildings;

(iii) Retail stores and services;

(iv) Restaurants; and

(v) Public open space or private open space which is available for public use, such as a park or plaza.

(B) Generally include civic or cultural uses;

(C) A core commercial area where multi-story buildings are permitted;

(D) Buildings and building entrances oriented to streets;

(E) Street connections and crossings that make the center safe and conveniently accessible from adjacent areas;

(F) A network of streets and, where appropriate, accessways and major driveways that make it attractive and highly convenient for people to walk between uses within the center or neighborhood, including streets and major driveways within the center with wide sidewalks and other features, including pedestrian-oriented street crossings, street trees, pedestrian-scale lighting and on-street parking;

(G) One or more transit stops (in urban areas with fixed route transit service); and

(H) Limit or do not allow low-intensity or land extensive uses, such as most industrial uses, automobile sales and services, and drive-through services.

The Council finds that the City is not relying on mixed use development patterns to meet the requirements of OAR 660-12-060, however, it is worth noting that the City's proposed Opportunity Areas are meant to implement the planning concepts outlined in this Section, creating denser, more diverse, walkable, and complete neighborhoods.

Conclusion: Based on the information and reasons outlined in the findings above, the Council finds that the City of Bend has met the requirements of OAR 660-12-0060.

DRAFT

9. COMPLIANCE WITH STATEWIDE PLANNING GOALS

9.1 Introduction

ORS 197.175(2)(a) requires that cities and counties amend and revise comprehensive plans in compliance with the goals approved by the commission. The following findings address the proposal's compliance with the applicable statewide planning goals. The findings included herein are those of the Bend City Council.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

With respect to Statewide Planning Goal 15, the Willamette River Greenway, the City Council finds that this goal is not applicable because this river does not abut or run through the City of Bend. The City Council further finds that Statewide Planning Goals 16 through 19 are not applicable to this proposal. These goals address estuarine resources, coastal shorelands, beaches and dune, and ocean resources; the City is either not adjacent to or does not includes any of these resources.

9.2 Findings on OAR 660-015, Statewide Planning Goals

9.2.1 Goal 1, Citizen Involvement

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

The Council finds that the proposal meets Goal 1 because the City followed its adopted citizen involvement program to insure citizens had the opportunity to be involved in all phases of the planning process for this remand. The City accepted its current Citizen Involvement Program in 2009. The Citizen Involvement Program states the City will use a variety of methods for involving citizens in land use decisions, including updates to the Comprehensive Plan. These methods include those the City used for involving citizens in the remand process; TACs, open houses, public meetings through which public input was solicited, releasing materials through the city's website, and notifying stakeholders and interested citizens through media notices and direct electronic mail communications.

The public involvement process for the remand began in January, 2011, with the appointment of three city councilors and two city planning commissioners to serve on the UGB RTF. The RTF met 17 times between March 3, 2011 and May 19, 2014, with each meeting conducted as a

public meeting. Meeting materials were available in advance of each meeting on the city's website, and public comment was solicited at each meeting.

In May, 2014, the City Council approved a reconstitution of the RTF and renamed this group the USC. The USC included all seven members of the Bend City Council, two Bend Planning Commissioners, and a member of the Deschutes County Board of Commissioners. The USC met nine (9) times between June 19, 2014 and April 21, 2016, with each meeting noticed as a public meeting and with meeting materials made available in advance of the meeting through the City's website.

Each meeting of the USC was noticed as a public meeting, with notice going out to the local media contacts and electronic mail notices to the TAC members and all of the interested persons who had provided an email address for such notice. The meetings of the USC included sections for public comments, staff presentations of the work completed by the TACs and presented for the USC's approval, and USC approval of their written meeting minutes of their prior meeting. In addition to the USC, the City employed three (3) additional TACs to assist the city in completing the work associated with the remand. These TACs included one devoted to housing and related tasks (Residential TAC), and second focused on the employment lands and related tasks (Employment TAC), and a third focused on developing a methodology against which candidate sites were evaluated for UGB expansion (Boundary and Growth Scenarios TAC). With each committee, the public was invited to comment during the course of the meeting, and to provide written comments to either the USC and/or one or more of the TACs during the process. The following table lists the number of public meetings from March 2011 through April 2016.

Table 9-1: Public Meeting Log for Bend UGB Remand

#	Date	Meeting
1	March 3, 2011	Remand Task Force meeting
2	April 28, 2011	Remand Task Force meeting
3	June 2, 2011	Remand Task Force meeting
4	July 28, 2011	Remand Task Force meeting
5	September 8, 2011	Remand Task Force meeting
6	November 10, 2011	Remand Task Force meeting
7	April 5, 2012	Remand Task Force meeting
8	June 24, 2013	UGB Expansion Options – meeting with stakeholders
9	July 1, 2013	Remand Task Force meeting
10	July 29, 2013	Remand Task Force meeting
11	August 19, 2013	Remand Task Force meeting
12	September 9, 2013	UGB Post Acknowledgement Plan Amendment – meeting with stakeholders
13	October 21, 2013	Remand Task Force meeting
14	November 18, 2013	Remand Task Force meeting
15	January 13, 2014	Remand Task Force meeting
16	January 24, 2014	Remand Task Force meeting
17	February 10, 2014	Remand Task Force meeting
18	March 17, 2014	Remand Task Force meeting
19	May 19, 2014	Remand Task Force meeting

#	Date	Meeting
20	June 19, 2014	UGB Steering Committee #1
21	July 29, 2014	Technical Advisory Committee (TAC) Orientation
22	August 4, 2014	Residential TAC meeting #1
23	August 4, 2014	Employment TAC meeting #1
24	August 5, 2014	Boundary TAC meeting #1
25	August 5, 2014	UGB Remand Drop In Meeting
26	August 25, 2014	Residential TAC meeting #2
27	August 25, 2014	Employment TAC meeting #2
28	August 26, 2014	Boundary TAC meeting #2
29	August 26, 2014	Drop in Meeting
30	September 4, 2014	UGB Steering Committee #2
31	October 9, 2014	All technical advisory committees (TACs) meeting
32	October 13, 2014	Residential TAC meeting #3
33	October 13, 2014	Employment TAC meeting #3
34	October 14, 2014	Boundary TAC meeting #3
35	October 14, 2014	Drop in meeting #3
36	November 17, 2014	Residential TAC meeting #4
37	November 17, 2014	Employment TAC meeting #4
38	November 18, 2014	Boundary TAC meeting #4
39	November 18, 2014	Drop in meeting #4
40	December 15, 2014	Joint Residential – Employment TACs Workshop (meeting 6)
41	December 16, 2014	Boundary TAC meeting #5
42	December 16, 2014	Drop in meeting #5
43	January 26, 2015	Residential TAC meeting #6
44	January 26, 2015	Employment TAC meeting #6
45	January 27, 2015	Boundary TAC meeting #6
46	February 23, 2015	Residential TAC meeting #7
47	February 23, 2015	Employment TAC meeting #7
48	February 24, 2015	Boundary TAC meeting #7
49	February 24, 2015	Drop in meeting #7
50	March 19, 2015	UGB Steering Committee meeting #3
51	April 7, 2015	Boundary TAC Meeting #8
52	April 30, 2015	USC/TACs Scenarios Workshop (Residential & Employment TAC mtg #8)
53	June 9, 2015	Boundary TAC #9
54	June 24, 2015	Boundary TAC Meeting #10
55	June 25, 2015	UGB Steering Committee meeting #4
56	July 21, 2015	Residential TAC Meeting #9
57	July 21, 2015	Employment TAC Meeting #9
58	August 25, 2015	Residential TAC Meeting #10
59	August 25, 2015	Employment TAC Meeting #10
60	October 1, 2015	Bend UGB Open House at Bend Park and Rec (6:30 pm to 8:30 pm)
61	October 7, 2015	Joint meeting of the Residential and Employment TACs
62	October 8, 2015	Boundary TAC Meeting #11
63	October 22, 2015	Boundary TAC Meeting #12
64	October 22, 2015	UGB Steering Committee Meeting #5
65	November 19, 2015	Residential TAC Meeting #12
66	November 19, 2015	Employment TAC Meeting #12
67	December 14, 2015	UGB Steering Committee Meeting #6
68	January 20, 2016	Boundary TAC Meeting #13
69	February 10, 2016	UGB Steering Committee Meeting #7

#	Date	Meeting
70	March 16, 2016	Boundary TAC Meeting #14
71	March 17, 2016	Joint Residential and Employment TAC Meeting (final for both)
72	March 30, 2016	Boundary TAC Meeting #15
73	April 21, 2016	UGB Steering Committee Meeting #8

The City conducted 41 meetings with the three TACs between August 2014 and March 2016. Each TAC meeting included a staff introduction of the topics that would be addressed at that meeting, and whether consultant team products were new for consideration or amended in response to TAC direction and/or direction from public comments. Each meeting included time for public comments, and the City received both oral and written comments at each meeting. The City collated and uploaded the written comments to the City's website so that interested persons could access the comments. All of these comments were also entered into the record. In addition, the City ensured that each TAC approved written minutes of their prior meeting for not only their benefit for tracking progress, but to create a public record of the decisions they made at each meeting; these minutes were also posted to the City's website for public access and included in the Remand Record.

The Council finds that the record includes a significant amount of public testimony that argued for several properties being included in the UGB. To summarize this testimony briefly, a number of property owners and/or their representatives argued for their property's inclusion in the UGB, their merits, and any feedback as to whether the process of evaluation was conducted, in their view, according to state law. Several pieces of testimony offered specific incentives and benefits for certain property being included in the UGB, including certain properties that would be part of a transect, several that offered the development of affordable housing, and several that argued for being included because they were included in a large group. The following findings respond to the public testimony directed at the boundary and the location analysis. The City notes that the UGB project team provided responses to some of this testimony in Appendix E (Rem Rec 8335) to the USC Meeting Packet for their June 25, 2015 meeting (Rem Rec 8273). In addition to public meetings, the Council finds that City staff delivered over 40 presentations since the end of 2013 through 2016 on the topic of the UGB to a wide variety of civic groups, agencies, Neighborhood Associations, and boards.

The City Council and the Deschutes County Board of Commissioners held a joint public hearing in August 2016. Each governing body deliberated separately at noticed public meetings before making final decisions. Based on the forgoing, the Council finds that the proposal satisfies Goal 1 with respect to citizen involvement.

9.2.2 Goal 2, Land Use Planning

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

The Council finds that the proposal satisfies Goal 2 because it is supported by an adequate factual base and its development was coordinated with all affected governmental units.

9.2.2.1 Adequate Factual Base

The Council finds that the proposed amendment to a comprehensive plan, such as those proposed through this remand, must be supported by an adequate factual base. In determining compliance with Goal 2, the legislative decisions of the City and Deschutes County must demonstrate that these amendments are supported by an adequate factual base.

The City's and County's decisions on the UGB and related plan and code amendments are legislative decisions. The Goal 2 requirement for an adequate factual base requires that a legislative land use decision be supported by substantial evidence. 1000 Friends of Oregon v. City of North Plains, 27 Or LUBA 372, 376-378, aff'd 130 Or App 406, 882 P2d 1130 (1994), DLCD v. Douglas County, 37 Or LUBA 129, 132 (1999). Substantial evidence exists to support a finding of fact when the record, viewed as a whole, would permit a reasonable person to make that finding. ORS 183.482(8)(c) and Dodd v. Hood River County, 317 Or 172, 179, 855 P2d 608 (1993). Where the evidence in the record is conflicting, if a reasonable person could reach the decisions the City and the County made in view of all the evidence in the record, the choice between the conflicting evidence belongs to the City and/or the County, respectively. Mazeski v. Wasco County, 28 Or LUBA 178, 184 (1994), aff'd 133 Or App 258, 890 P2d 455 (1995).

The Council finds that the City has established a voluminous record that includes technical memoranda, studies, and analysis that supports each element of the UGB Remand. The key documents relied upon and which form the adequate factual base for our findings are listed below[1]:

1. New Comprehensive Plan Chapter 5 – Housing, Rem Rec 10310;
2. New Comprehensive Plan Chapter 6 – Economy, Rem Rec 10326;
3. Amended Comprehensive Plan Chapter 7 – Transportation, Rem Rec 10339;
4. New Comprehensive Plan Chapter 11 – Growth Management, Rem Rec 10362;
5. Other Comprehensive Plan Amendments, Rem Rec 10405;
6. BLI (2016), Rem Rec 10513;
7. HNA (2016), Rem Rec 10572 ;
8. EOA (2016), Rem Rec 10687;
9. Urbanization Report (2016), Rem Rec 10814;

[1] Prior findings in Sections 4, 5, 6, 7, and 8 have provided record citations to these documents

10. Urban Form Report, Rem Rec 10950;
11. Transportation System Plan Amendments, Rem Rec 10994;
12. Bend Comprehensive Plan Map, Rem Rec 11145;
13. Bend Zoning Map, Rem Rec, 11147;
14. Bend Development Code Text Amendments, Rem Rec 11149

The Council finds that the City has prepared the forgoing findings based on these documents and the technical memoranda, studies, and analysis that supports each element of the UGB Remand which reside in the remand record. It should be noted that neither testimony nor evidence was entered into the record that undermined the research, analysis, and/or conclusions presented in these products.

9.2.2.1 Coordination with the Plans of Affected Governmental Units

The Council finds that ORS 197.015(5) states that a plan is coordinated with the needs of all levels of governments, semipublic and private agencies and the citizens of Oregon have been considered and accommodated as much as possible. Goal 2 further defines "Affected Governmental Units" to include those local governments, state and federal agencies, and special districts which have programs, land ownerships, or responsibilities within the area included in the plan. For this response to the remand order, the City finds that the following units of government are those affected governmental units:

- Arnold Irrigation District
- Bend La Pine School District
- Bend MPO
- BPRD
- COID
- Deschutes County
- Oregon Department of Forestry
- Oregon DLCD
- Oregon Dept of Fish and Wildlife
- Oregon DSL
- ODOT
- Swalley Irrigation District
- Tumalo Irrigation District
- United States Forest Service

The Council finds that the City relies upon the Commission's findings on coordination to outline what is required to satisfy Goal 2. The coordination elements of Goal 2 require local governments to exchange information with affected governmental units. In addition, information received from affected governmental units must be used by the adopting local government. *Santiam Water Control District v. City of Stayton*, 54 Or LUBA 553, 558-559 (2007); *DLCD v. Douglas County*, 33 Or LUBA 216, 221 (1997); *Brown v. Coos County*, 31 Or LUBA 142, 145 (1996). The coordination requirement of Goal 2 is satisfied when a local government has engaged in an exchange of information regarding an affected governmental unit's concerns, put forth a reasonable effort to accommodate those concerns and legitimate interests as much as possible, and made findings responding to legitimate concerns. This set of findings, where applicable, addresses the specific concerns of those affected governmental units who provided written and/or oral testimony for the record.

With respect to the irrigation districts in particular, the Council finds that the City has documented meeting with the representatives of the irrigation districts on several occasions, asking for their written input on the City's analysis of alternative boundary locations under Goal 14. Table 9-2 documents the meetings with all or some of the irrigation district managers and representatives. Swalley Irrigation District has provided both oral and written testimony for the record. With respect to Swalley's written testimony, it is included in the record on remand (Rem Rec 4032, 4035, 4208, and 7771). Swalley provided input that was presented to the Boundary TAC for their consideration, for the April 30, 2015 Scenario Workshop, and ultimately incorporated in how the City considered Goal 14 Factor 4 in Swalley's particular district boundaries (Rem Rec 3834).

With respect to ODOT, the Council finds that the City appointed a representative of ODOT Region 4 to the Boundary and Growth Scenarios TAC (Rem Rec 1348-1349). The City has met with ODOT Region 4 staff on several occasions, and used the meetings of the Metropolitan Planning Organization (MPO) TAC to communicate with staff from Deschutes County and ODOT Region 4 on the progress of the UGB Remand project (See Table 9-2). The City has shared the transportation analysis prepared on the UGB expansion scenarios with Region 4 staff for their review and input (Rem Rec 6851). As of the date of these findings, the City has not received any written testimony from ODOT that the Council would need to consider and address to satisfy Goal 2.

The Council incorporates the following meeting log in these findings to document date on which meetings were held with an affected government or a group of representatives from several affected governments.

Table 9-2: UGB Agency Coordination Meetings

Date	Meeting
March 30, 2015	Irrigation District Managers: Swalley Irrigation District; Craig Horrell, Central Oregon Irrigation District; Ken Reick, Tumalo Irrigation District, and; Shawn Gerdes, Arnold Irrigation District.
April 20, 2015	Wildfire Focus Group: Deschutes County Forester; Oregon Department of Forestry, and US Forest Service/BLM, Bend Fire Dept
May 20, 2015	Agency Coordination Meeting – Review of Scenarios 6 through 8, attendees represented: Bend-La Pine School District; Deschutes County Library District; Bend Park and Recreation District; US Forest Service, and; Bend Fire Department.
May 27, 2015	Meeting with Swalley Irrigation District to Review Scenarios 6 through 8: Suzanne Butterfield and Steve Shropshire.
June 3, 2015	Bend MPO Technical Advisory Committee – presentation of Scenarios 6 through 8: Deschutes County; Central Oregon Intergovernmental Council; Cascades East Transit; OSU-Cascades; ODOT Region 4, and; Bend Park and Recreation District.

Date	Meeting
June 15, 2015	ODOT Region 4 management – Bob Bryant, Jon Heacock, Amy Pfeiffer, Gary Farnsworth, Joel McCarroll, Jim Bryant
June 17, 2015	Meeting with Jim Bryant and Amy Pfeiffer on how City and ODOT coordinate on UGB Remand work related to transportation.
July 1, 2015	Bend MPO Technical Advisory Committee – update on Scenarios 1.1, 2.1, and 3.1 of UGB Remand, schedule of upcoming TAC meetings and schedule through summer 2015: ODOT Region 4, MPO Citizen Advisory Committee; Deschutes County; Central Oregon Intergovernmental Council; Cascades East Transit; Bend Bike and Pedestrian Advisory Committee; Commute Options.
August 3, 2015	Irrigation District – City of Bend Coordination on UGB Scenarios. Meeting with Suzanne Butterfield and Steve Shropshire of Swalley Irrigation District. No other district reps attended.
August 5, 2015	Bend MPO Technical Advisory Committee – update on Scenarios 1.2, 2.1, and 3.1 of UGB Remand, schedule of upcoming TAC meetings: ODOT Region 4; Deschutes County; Central Oregon Intergovernmental Council; Cascades East Transit; Deschutes County Bike and Pedestrian Advisory Committee, and; Commute Options.
August 20, 2015	Meeting with Suzanne Butterfield and Steve Shropshire, of Swalley Irrigation District
September 22, 2015	Conference call with Suzanne Butterfield and Steve Shropshire, of Swalley Irrigation District
September 22, 2015	Meeting with Jason Wick, Avion Water Company
September 25, 2015	Meeting with Amy Pfeiffer, Jim Bryant, and Rick Williams, ODOT Region 4, on six UGB expansion scenarios
October 23, 2015	Meeting with Amy Pfeiffer, Jim Bryant of ODOT with City staff on UGB expansion scenario and forthcoming work on ILUTP
December 11, 2015	Meeting with Deschutes County staff Nick Lelack, Peter Gutowsky, and Peter Russell regarding City of Bend and Deschutes County coordination on UGB remand, including adoption of documents, potential changes to county's planning documents.
January 6, 2016	Meeting with Bend MPO TAC. Attendees included representatives from ODOT, COIC, COCC, Commute Options. Shared updated on UGB process, upcoming meeting dates, and latest version of UGB Expansion Scenario 2.1B.
February 3, 2016	Meeting with Bend MPO TAC. Attendees included representatives from ODOT, COIC, COCC, Commute Options. Shared update on UGB process, upcoming meeting dates, and the latest version of the UGB expansion, Scenario 2.1D.
February 5, 2016	Agency drop in meeting, to review UGB Expansion Scenario 2.1D. Attendees included representatives from Deschutes County Rural Fire Protection District #2, Bend LaPine School District, Deschutes

Date	Meeting
	National Forest, and the Oregon Department of Transportation (Rem Rec. 06208).
April 6, 2016	Meeting with the Bend MPO TAC. Reported on final meetings of the three TACs in March 2016; approval of Scenario 2.1E by the UGB Steering Committee in February 2016, and notice of April 21, 2016 meeting of the UGB Steering Committee. Attendees included representatives from: Deschutes County, ODOT Region 4, Central Oregon Community College, OSU Cascades, Commute Options, Bend La Pine School District, Cascades East Transit, and Bend Park and Recreation District.
May 4, 2016	Meeting with staff and legal counsel of the Bend Park and Recreation District. Purpose of meeting was to review draft plan designations for park district properties included in the UGB expansion, discuss next steps, and exchange of needed information.
May 4, 2016	Meeting with Bend MPO TAC. Reported on final meeting on April 21, 2016 of the UGB Steering Committee. Described changes to UGB Expansion Scenario 2.1G. Provided explanation of the transportation analysis of the six UGB expansion scenarios and supplemental analysis area for ODOT Region 4 representative. Pointed out to the TAC that August 2016 looks like the start of public hearings on the adoption package. Attendees included: OSU-Cascades, ODOT Region 4; Bend La Pine School District; Commute Options, Deschutes County, and Central Oregon Community College.
June 1, 2016	Meeting with the Bend MPO TAC. Reported on final Scenario 2.1G, provided copy of May 2016 Project update. Provided update on start of public hearings in August 2016. Attendees included representatives from: Central Oregon Community College, ODOT Region 4, Deschutes County Community Development, Bend Park and Recreation District, Commute Options, Deschutes County Bicycle and Pedestrian Advisory Committee, and a citizen representative to the MPO TAC.
June 3, 2016	Meeting with staff of the Deschutes County Community Development Department. The agenda for this meeting included reviewing the final UGB scenario, confirming the schedule for public hearing and items needed for the 35-day notice, and outlining tasks to complete before submitting the 35-day notice to DLCD.
July 6, 2016	Meeting with the Bend MPO TAC. Provided copy of May 2016 Project update, which included map for Scenario 2.1G. Also provided TAC members with a three-page summary of the draft Integrated Land Use and Transportation Plan (ILUTP). Informed them of materials being submitted to the Department of Land

Date	Meeting
	Conservation and Development with 35-day notice on July 21, 2016. Members present included representatives from ODOT Region 4, Deschutes County Community Development, Commute Options, Deschutes County BPAC, and two citizen representatives to the MPO TAC.

Based on the forgoing, the Council finds that the proposal satisfies Goal 2 with respect to having an adequate factual base and being coordinated with all affected governmental units.

9.2.3 Goals 3 and 4, Agriculture and Forestry

The Council finds that the neither Goal 3 nor Goal 4 are applicable to this proposal. The Boundary and Growth Scenarios TAC recommended and the USC approved two decisions that were intended to avoid including any resource land in a UGB expansion. First, the USC approved the decision to follow the statutory priorities in ORS 197.298 and focus first on exception lands (Priority 2 under ORS 197.298(1)(b)). Second, the USC approved the use of a two (2) mile study area within which properties would be evaluated for UGB expansion. These decisions led to research that showed there were over 0000 acres of exception lands that the City could evaluate for UGB expansion, and that there was the no need to consider resource lands (Priority 4 under ORS 197.298(1)(d)) (Rem Rec 3588). The proposed UGB amendment does not include any lands that were designated under the Deschutes County Comprehensive Plan as either agriculture or forest lands. [2]

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

To protect natural resources and conserve scenic and historic areas and open spaces.

The Council finds that the proposed expansion areas exclude the following Goal 5 resources: riparian corridors, wetlands; Federal Wild and Scenic Rivers; State Scenic Waterways; groundwater resources; approved Oregon Recreation Trails; natural areas; wilderness areas; mineral and aggregate resources; energy sources; and cultural areas. The City relied on the inventory included in the Deschutes County Comprehensive Plan[3] as well as information available from State and Federal sources to make this determination.

The Council further finds that big game winter range (BGWR) is included in the West, Shevlin, Thumb, and a portion of the Elbow subareas. In 2009, a map of big game (deer and elk) winter range was made public by the Oregon Department of Fish and Wildlife (ODFW) (see Figure 1 of

[2] **Official Notice** – The City takes official notice of the Deschutes County Comprehensive Plan Map, which is available to view online through www.deschutes.org.

[3] **Official Notice** – The City takes official notice of Chapter 5 of the Deschutes County Comprehensive Plan, Supplemental Sections, which includes the County's Goal 5 inventories. The protections for certain Goal 5 resources are also identified on the Deschutes County Combining Zones Map.

Appendix A of Section 9). This map, which encompasses large portions of the west and south sides of the City, was not available to the City during its 2008 (remanded) UGB expansion efforts. Because of this new information, the City has elected to err on the side of caution and broaden the consideration of wildlife issues beyond that associated with the Deschutes River and Tumalo Creek (as directed by the Remand Order) to include a consideration of BGWR.

The Safe Harbor provisions of Goal 5 (OAR 660-023-0030) allow the City to limit its Goal 5 inventory to consideration of available information where one or more of the following conditions exist:

(a) The habitat has been documented to perform a life support function for a wildlife species listed by the federal government as a threatened or endangered species or by the state of Oregon as a threatened, endangered, or sensitive species;

(b) The habitat has documented occurrences of more than incidental use by a species described in subsection (a) of this section;

(c) The habitat has been documented as a sensitive bird nesting, roosting, or watering resource site for osprey or great blue herons pursuant to ORS 527.710 (Oregon Forest Practices Act) and OAR 629-024-0700 (Forest Practices Rules);

(d) The habitat has been documented to be essential to achieving policies or population objectives specified in a wildlife species management plan adopted by the Oregon Fish and Wildlife Commission pursuant to ORS Chapter 496; or

(e) *The area is identified and mapped by ODFW as habitat for a wildlife species of concern and/or as a habitat of concern (e.g., big game winter range* and migration corridors, golden eagle and prairie falcon nest sites, or pigeon springs).

Because ODFW has a Management Plan for big game habitat, including winter range, in Deschutes County[4], sections (d) and (e) potentially apply. Although the 2009 BGWR map is not directly referenced in the Management Plan (nor has it been adopted by ODFW), the City assumes that the BGWR map illustrates the area covered by the Management Plan, since that is how it is being used by ODFW.

The Council finds that, as part of the current UGB expansion process, all lands protected by the Deschutes County Wildlife Combining Zone for big game habitat were excluded from consideration for UGB expansion through the City's Goal 14 process. This process included a screening process for potential expansion areas. Land within the Wildlife Combining Zone was screened out of consideration for expansion based on a number of factors, depending on its location. For example, land in the Combining Zone west of the current UGB was screened out due significant potential infrastructure costs, potential inefficiency of land use and development given current development patterns, as well as the presence of wildlife habitat. However, the areas identified on the 2009 BGWR map extend beyond those areas currently protected by the Deschutes County Wildlife Combining Zone.

[4] Lower Deschutes Wildlife Area Management Plan, Oregon Department of Fish and Wildlife, 2009.

As allowed by the Safe Harbor rule, the City is relying on the 2009 BGWR map plus verbal information provided by ODFW to consider Goal 5 resources for the affected area. According to ODFW, the 2009 BGWR map is based on inventories and field knowledge of the areas utilized by deer and elk for summer, transition, and winter range. ODFW reportedly has collected data over a period of decades, in the form of fall and spring animal counts, to support this mapping. However, the bulk of this detailed data was unavailable to the City because only a fraction of the data (from only the last couple of years and only for certain herd ranges) has been digitized and subsequently mapped. ODFW also indicates that collaring studies have been done since 2005, and notes that those results support the 2009 BGWR map. However, this data also was not available to the City due to the same mapping issues. Although not formally inventoried and mapped as a Goal 5 resource by Deschutes County, ODFW considers the mapped areas as Goal 5 resources, and labels the habitat as Category 2 under the ODFW Fish and Wildlife Habitat Mitigation Policy[5]. According to the ODFW, Category 2 habitat is "significant," although that is not stated explicitly within the Policy.

Interviews with the ODFW Deschutes District Wildlife Biologist stated that the agency places the highest value on the deer and elk winter range habitat that is currently protected by the Deschutes County Wildlife Combining Zone. However the District Wildlife Biologist identified several general areas that the agency believes may be important for wintering elk or deer relative to surrounding areas within this larger mapped area. These areas are identified on the map entitled Exception Land & Big Game Winter Ranges as rough ovals (see Figure 1 of Appendix A of Section 9), and were used as a decision-making factor under Goal 14.

There are no Safe Harbor provisions to guide the creation of a wildlife protection program; therefore the City must use the standard economic, social, environmental, and energy (ESEE) analysis process and requirements of OAR 660-023-0040 and 660-023-0050 to guide development of a protection program. The ESEE analysis includes the following:

- Summary of the location, quantity, and quality of significant Goal 5 resources within the planning area, as identified by ODFW;
- Identification of conflicting uses based on the proposed land uses;
- Analysis of economic, social, environmental, and energy consequences of protecting resources where conflicts exist; and
- A plan to protect significant resources.

The Council finds that, of the three areas identified by ODFW as particularly important wintering range for deer and elk, only the Shevlin area is potentially affected by the proposed UGB expansion. However, because ODFW has identified *all* of the mapped BGWR as significant, the City has elected to conduct an ESEE analysis for the proposed expansion areas known as the West Area, Thumb, Alpine Park, and a portion of the Elbow. The entire ESEE analysis is included as Appendix A to Section 9.

The ESEE analysis directs the City to achieve one of three standards for protection:

[5] Category 2 habitat is considered "essential or important, but not irreplaceable habitat."

1. Allow conflicting uses without restriction ("Allow" scenario). For the purposes of this discussion, the Allow scenario assumes that the City's proposed land use designations are applied.
2. Limit Conflicting uses ("Limit" scenario) – For the purposes of this discussion, this scenario assumes that the City's proposed land use designations would be applied but that they would include limitations on development aimed at reducing impacts on wildlife habitat (e.g., reduced densities or clustering requirements, limitations on erecting fences or other barriers, and/or minimizing the scope or scale of activities that have the most significant potential impacts on wildlife).
3. Prohibit conflicting land uses ("Prohibit" scenario). For the purposes of this discussion, this scenario assumes that proposed used currently allowed under City land use designations would be prohibited in the BGWR habitat areas.

The Council finds that the ESEE analysis concludes:

- The BGWR values in the Shevlin, West and Alpine Park can be protected by applying a combined "Limit" and "Allow" approach through the proposed Transect concept and Master Planning.
- The BGWR is of low value in the Thumb, Southwest and Elbow; therefore, the "Allow" approach is recommended.

Conclusion: Based on the forgoing, the Council finds the proposal will be consistent with Goal 5.

DRAFT

9.2.5 Goal 6, Air, Water, and Land Resources Quality

To maintain and improve the quality of the air, water and land resources of the state.

The Council finds that the proposal satisfies Goal 6 because it will maintain and improve the quality of the air, water, and land resources of the state inside the current UGB and with the proposed expansion. The proposal does not include new areas along the Deschutes River or Tumalo Creek; the proposed efficiency measures and areas for expansion direct growth away from these areas. The proposal will maintain and improve the quality of air resources because it has been designed to reduce the growth of vehicle miles traveled (VMT), which will help in limiting or avoiding new greenhouse gas emissions from auto and truck traffic. The planned housing mix makes a shift from single-family detached, to more attached housing types, which studies have shown typically consume less energy than single-family dwellings. Finally the proposal will maintain and improve the quality of land resources by directing new urbanization away from wildlife habitat, sensitive areas, and areas with the potential for wildfire hazard. The proposal directs most of the projected growth to several opportunity areas inside the current UGB, and in limited areas for expansion. The subareas targeted for expansion area designed to ensure new development will not impact wildlife habitat, increase the risk of wildfire, and ensure that development will not impact sensitive areas such as the bat habitat in Section 11 (aka the DSL Property).

9.2.6 Goal 7, Areas Subject to Natural Hazards

To protect people and property from natural hazards.

The Council finds that the proposal satisfies Goal 7 because the City has considered the risks of the natural hazard wildfire in the evaluation of the UGB expansion areas. For the purpose of addressing this goal, the City has chosen to focus on wildfire. There are other natural hazards such as floods and landslides that are not addressed here because the City has avoided consideration of areas where such hazards might occur. The City has also not included any areas in the UGB expansion where Goal 7 natural hazards have either been identified or mapped. For example, the City has not included new segments of the Deschutes River in the proposed UGB expansion that would be located within the 100- year flood plain. In addition, there are no mapped landslide areas outside of the current UGB that are also adjacent to the city.

The risk of wildfire was an issue raised on appeal in the City's prior proceedings before LCDC on the 2009 UGB proposal[6]. Early in the remand process, the City broached the topic of whether to consider wildfire with the Boundary and Growth Scenarios TAC (Rem Rec 2494, 2699). In Phase 1 of the project, the Boundary TAC recommended to the UGB Steering Committee that the staff and consultant team address wildfire risk in the Factor 3 ESEE analysis

[6] See Subissue 6.2 at pages 92 and 93 of the Commission's Remand Order (REM REC 5815).

and comparison of UGB alternatives when more information is available on land needs, relative wildfire risks, and mitigation strategies (Rem Rec 3597, 3603). This work also included mapping the composite wildfire risk ratings from the Greater Bend Community Wildfire Protection Plan (CWPP) (Rem Rec 2639).

In Phase 2 of the remand project, the UGB Steering Committee approved an approach to conducting wildfire assessments for the areas under consideration for UGB expansion, mitigation strategies the city should consider, and the formation of a task force for potential code-based mitigation measures (Rem Rec 3946)[7]. Wildfire risk was evaluated as high around the entire UGB, and this information was incorporated in the evaluation of UGB expansion scenarios. In the Evaluation of UGB expansion scenarios, wildfire hazard was included as one of the performance measures for evaluating the scenarios against Goal 14 Factor 3 (Rem Rec 6720, 6824)[8].

With respect to implementation, the Council finds that the proposed Growth Management Chapter (New Chapter 11) of the Comprehensive Plan includes policy language focused on mitigating the risk of wildfire. This new chapter includes the following Policy 11-5:

> *The City will adopt strategies to reduce wildfire hazard on lands inside the City and included in the Urban Growth Boundary. These strategies may include the application of the International Wildland-Urban Interface Code or equivalent with modifications to allow buffers of aggregated defensible space, or similar tools, as appropriate.*

The City received a significant amount of public testimony on the topic of wildfire, some of which focused on the risk of wildfire in the areas to the west of Bend. This testimony included, but was not limited to, Dewey (Rem Rec 3689, 3694), and Vora (Rem Rec 4038). While the record includes evidence and testimony that wildfire risk is high in the areas west of Bend, the City acknowledges that there is also evidence in the record that shows the risk of wildfire is high all around the City in all four directions (Rem Rec 3946, 3953). The City relied on a wildfire consultant to inform the City's work and approach to wildfire in the boundary location analysis (Rem Rec 3946). The City chose to rely on this evidence and the work of the wildfire consultant to ensure the risk of wildfire could be considered in the evaluation of all UGB expansion subareas, and that such risks would be mitigated through implementation.

Based on the forgoing, the Council finds that the proposal satisfies Goal 7.

[7] See Meeting Minutes for the June 9, 2015 Boundary and Growth Scenarios TAC meeting at Rem Rec 4104.

[8] See Rem Rec 6631 for the October 1, 2015 Bend Urban Growth Boundary Expansion Scenarios Report

9.2.7 Goal 8, Recreational Needs

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

The Council finds that the proposal satisfies Goal 8 because the UGB expansion incorporates several public park sites to help meet the need for future park land. The proposal further satisfies Goal 8 because it does not impact any existing Goal 8 destination resorts, and includes a relatively small amount of land that was previously mapped as eligible for the siting of a destination resort.

The Council finds that the City has developed a need estimate for park land that is presented in the Urbanization Report (Rem Rec 10814). The need is 227 acres, and is met through existing parkland in the UGB, parkland that is included in the proposed UGB expansion, and the estimate of additional land that has been incorporated in the UGB expansion for future park land uses (Rem Rec 9750, 9755-9756). The Council finds that the location, arrangement, and estimate of park land will satisfy Goal 8 because this land has been provided for the siting of necessary recreational facilities inside the current UGB and through the UGB expansion.

With respect to destination resorts, the Bend Urban Area General Plan includes plan text and policies upon which the City has relied to map eligible lands for development of a Goal 8 destination resort[9]. The General Plan includes Figure 5-8 (also identified as Figure 22), which identifies eligible lands that are also designated Urban Area Reserve and zoned UAR10, Urban Area Reserve. This eligible areas are located due west of the city, and some of this area has been developed with the Tetherow Resort.

The proposed UGB expansion includes some of the lands mapped as eligible that are west of the current UGB and north of Skyliners Road. The proposed expansion has arranged the land in the West Area to include the future development of Skyline Ranch Road, which is designated as a major collector on the TSP Map oriented to allow for travel in a north-south direction along the western edge of the UGB. The Council finds that the arrangement of land in this expansion subarea will not preclude or interfere with future development of a destination resort on eligible lands due to its design and orientation for Skyline Ranch Road.

Based on the forgoing, the City finds that the proposal satisfies Goal 8.

[9] **Official Notice** – the City takes official notice of the Bend Area General Plan, which is also available for public viewing through the City's website www.bendoregon.gov.

9.2.8 Goal 9, Economic Development

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

The Council finds that the proposal satisfies Goal 9 because through the UGB expansion and related set of efficiency measures, the city will ensure an adequate supply of land for economic opportunities in Bend by providing needed types and amounts of employment lands in suitable locations as required by Goal 9, and documented in the EOA and Urbanization Report. The above findings the completion of a BLI (Rem Rec 10513) and an EOA (Rem Rec 10687). The City's consultant team used the results of these work products to establish a need for employment land in the Urbanization Report (Rem Rec 10814). This need came to 812 acres of land for approximately 7,040 jobs for commercial, industrial, and related uses. This need is the residual of the jobs that can be accommodated in the current UGB. Finally, the Council finds that the City has prepared foregoing findings in Section 5 to address OAR 660-009, to demonstrate the proposal satisfies the administrative rules drafted to implement Goal 9.

9.2.9 Goal 10, Housing

To provide for the housing needs of citizens of the state.

The Council finds that the proposal satisfies Goal 10 because the UGB expansion and related set of efficiency measures will ensure the City has an adequate supply of buildable land for needed housing. The above findings in Section 4 cite to the completion of a Buildable Lands Inventory (Rem Rec 10513) and a Housing Needs Analysis (Rem Rec 10572). The City's consultant team used these work products to establish a need for housing land in the Urbanization Report (Rem Rec 10814). The Urbanization Report shows the City's supply of land within the current UGB will be able to accommodate 69% of forecasted housing unit growth. This capacity estimate is based on the buildable lands inventory, proposed plan designations and zone changes for the opportunity areas, and the efficiency measures to be added to the Bend Development Code. The residual land need for housing came to a total of 1,142 acres of land for approximately 5,282 housing units. This additional land, plus the land already in the UGB will provide a supply of buildable land that the City has shown will help meet the City's needed mix of housing in both the existing boundary and those areas added through the expansion. Finally, Council finds that the City has prepared findings in Section 4 to address OAR 660-008, to demonstrate the proposal satisfies the administrative rules drafted to implement Goal 10.

These findings also address an issue of whether the City had considered all types of housing when addressing housing needs. The City received oral testimony from Paul Dewey and Liz Dickson regarding the proposed UGB amendment's compliance with Goal 10[10]. This testimony

[10] See minutes of the April 21, 2016 meeting of the USC (Rem Rec 10144).

argued that what the City had prepared for the UGB amendment, and the proposed efficiency measures, did not go far enough to comply with Goal 10 to address what they described as affordable housing. The City presents this additional finding to address this testimony.

The findings in Section 4 show the City will need 17,234 housing units for the remainder of the planning period (2008-2028). All of these units are needed under ORS 197.296 and 197.303(1) (See *Rogue Valley Realtors v. City of Ashland* 35 Or LUBA 139 (1998)). The City identified a need for more multi-family housing units, and adjusted the needed housing mix so that 35% of future units will be allocated to multi-family attached units. The City understands this allocation of units to the multi-family units will include both market-rate units available for rent and units available for rent for which some form of subsidy will be required to assist certain households in renting housing (Rem Rec 10651-10652). The City used this housing mix to allocate buildable lands for multi-family units in both the current UGB, with efficiency measures and opportunity areas, and in the UGB expansion areas. The findings in Section 7 of this report, and the Urbanization Report together show the city has allocated sufficient buildable lands that can help meet this need and plan designated them accordingly.

The forecasted growth in multi-family housing will significantly increase the inventory of multi-family units. As of 2013, the City had 8,647 units of multifamily housing within the current UGB (See HNA Figure 1, Rem Rec 10589). The proposed mix of 35% for future multi-family housing would allocate land for another 6,331 multi-family units. (See HNA Table 20, Rem Rec 10659). The construction of these units would increase the inventory of multi-family housing from 8,467 units to 14,798 total units, an increase of 74% over the planning period (2014-2028). The City finds that increasing the supply of multi-family attached units as proposed will satisfy Goal 10. Doing so will add more land that will be available for the development of multi-family housing, including housing for which a subsidy will be required to assist households in paying rent. In addition, this new supply of multi-family attached units will be available to households who earn 50% or less of median family income (MFI) and for whom multi-family housing is the type of housing within their means to rent. Such households represent approximately 34% of all households in Bend in 2013 (See HNA Table 19, Rem Rec 10654).

The Council finds that the City began a proactive approach to support the development of affordable housing in 2006 by developing and implementing a program focused on development of affordable housing. This program is funded through Federal Community Development Block Grant (CDBG) funds and similar funds made to certain cities to support the development of affordable housing. The City implemented an affordable housing fee in 2006, which serves as a surcharge on permits[11]. These funds are made available to assist developers of affordable housing in funding projects and/or securing additional funding for projects. In addition to this funding source, the City implemented incentives for affordable housing developers in the form of

[11] Information the City's affordable housing program and fee are available through the City's website - http://www.bendoregon.gov/index.aspx?page=99.

expedited permit review processes, system development charge (SDC) deferrals, density bonuses, and permit fee waivers.

With respect to this issue of affordable housing, the Council finds that the proposed UGB amendment allocates sufficient buildable land for the development of such housing, in both the current UGB and in the expansion areas. The City already supports the development of affordable housing through its Affordable Housing Program, which includes a combination of funding sources and developer incentives. These resources are available to the developers of the affordable housing proposed in the expansion areas. In addition, the proposed housing mix that includes 35% multi-family attached will provide land for the development of another 6,331 units of multi-family attached housing, significantly increasing the supply of such housing.

Several parties testified at the April 21, 2016 USC meeting that either their or their clients' should be included in the UGB based on their individual proposals to provide what they described as affordable housing[12]. In addition to these parties, both Dewey (Rem Rec. 10154) and Dickson (Rem Rec. 10150) provided testimony that the City needed to do more to satisfy Goal 10, and that including this additional land was necessary for the development of affordable housing, and would assist the City in complying with Goal 10.

The additional land for guaranteed affordable housing helps create additional certainty that affordable housing targeting specific income levels will be constructed in the planning period. The City finds that while these additional lands will help the achieve its needed housing mix of 35% for multi-family, the benefit they provide is the provision of housing that will be affordable to those households earning 30% to 80% of AMI. The City also finds that these same areas have the added benefit of being located in areas that are close to jobs, schools, parks, and services.

The City has proposed policies in the draft Housing chapter of the Comprehensive Plan to ensure such housing is developed once these respective areas are in the UGB and annexed to the City.

Based on this finding, the Council concludes the proposed measures to encourage the development of additional multi-family attached housing will also support the development of needed affordable attached housing, and will therefore satisfy Goal 10.

9.2.10 Goal 11, Public Facilities and Services

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

The Council finds that the proposal satisfies Goal 11 because it includes a plan to develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a

[12] See Findings in Section 7, UGB Location; See also Minutes of April 21, 2016 USC meeting at Rem Rec. 10144.

framework for future urban development in the existing UGB and in the UGB expansion areas. For this proposal, the City is focusing on the needed water, sewer, stormwater, and transportation infrastructure needed to serve the development of land inside the current UGB and in the UGB expansion. The City's PFPs for water, sewer collection, transportation, and stormwater are all adopted and acknowledged[13]. The proposal is based upon transportation and sewer modeling that evaluated several boundary expansion scenarios.

The Council finds that the City has an acknowledged transportation system plan, and the proposal's consistency with this plan and Goal 12 are addressed in subsequent findings. OAR 660-012-0000(4) allows a TSP adopted pursuant to OAR 660, Division 12, to fulfill the requirements for public facilities required under ORS 197.712(2)(e), Goal 11, and Chapter 660, Division 11, as they relate to transportation facilities.

For the purpose of this finding, the City focuses on sanitary sewer with respect to sewer collection. The City's plan for expansion and improvement of the city's wastewater treatment facility was acknowledged in 2010 with the Partial Acknowledgement/Remand Order (Rem Rec 5871).

The project team worked with the Boundary and Growth Scenarios TAC (Boundary TAC) during Phase 1 of the remand project to develop State 2 Base Mapping indicators and Stage 4 Scenario Evaluation performance measures that incorporated indicators and performance measures for sewer collection and transportation. The UGB Steering Committee approved the Stage 2 indicators and Stage 4 performance measures at their March 2015 meeting (Rem Rec. 3635). These indicators and performance measures were tied to Statewide Planning Goal 14 Factor 2: Orderly and economic provision of public facilities and services. In addition to the indicators and performance measures, the USC approved Stage 2 base maps that used these indicators at this same time[14].

In the summer of 2015, as the City evaluated six (6) UGB expansion scenarios and eight (8) subareas for a final UGB expansion scenario. In evaluating these scenarios and expansion subareas, the City relied upon the Stage 4 performance measures approved in March 2015. The results of this analysis were presented to both the Boundary TAC and the USC in October 2015, and included the results of the analysis of transportation and sewer optimization[15].

The Boundary TAC recommended and the USC ultimately approved Scenario 2.1E on which the consultant team conducted an additional round of optimization modeling for both water and

[13] **Official Notice** – The City takes official notice of the adopted and acknowledged public facility plans for water, sewer collection, stormwater, and transportation for the City of Bend.

[14] See meeting packet for March 19, 2015 UB Steering Committee Meeting, Appendix E.

[15] See Rem Rec 6851 for the transportation analysis. See Rem Rec 6783 for the sewer collection analysis by MSA.

sewer collection. This modeling was documented in the Bend Urban Growth Boundary Expansion Scenarios Evaluation Report (October 1, 2015) (Rem Rec 6631). Murray Smith Associates conducted a separate sanitary sewer analysis and documented the results of this analysis in an October 1, 2015 technical memorandum (Rem Rec 6783).

The City's project team worked with a technical advisory committee to develop evaluation criteria for considering and comparing UGB expansion areas. The project team relied upon these criteria and the City's adopted and acknowledged PFPs to evaluate potential expansion areas, and to ensure that opportunity areas within the existing UGB have adequate infrastructure. The analysis presented in the October 1, 2015 Expansion Scenarios Report, including its appendices of sewer and transportation analysis, further identified improvements that would be needed to serve this future urban development. Based on the forgoing, the City finds that the proposal satisfies Goal 11.

9.2.11 Goal 12, Transportation

To provide and encourage a safe, convenient and economic transportation system.

The Council finds that the proposal for changes to land within the existing UGB satisfies Goal 12 because it has been designed to:

- Coordinate transportation planning with the Bend Metropolitan Planning Organization;
- Meet the transportation needs of the proposed changes to land uses within the existing UGB while reducing reliance on the automobile;
- Addresses the requirements of Division 12, 0035 as directed by the Remand Order; and
- Avoid significant effects to the existing transportation system.

Findings demonstrating compliance with OAR 660-12, Sections 16, 35, and 60 are addressed in Section 8.

The Goal 14 Administrative Rule (OAR 660-12-020(1)(d)) recognizes that:

> *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.*

Bend Development Code 4.6.600 (Transportation Planning Rule Compliance) requires that:

> *When a development application includes a proposed Comprehensive Plan amendment or land use district change, or both, the proposal shall be reviewed to determine whether it significantly affects a transportation facility, in accordance with Oregon Administrative Rule (OAR) 660-012-0060. [Ord. NS-2016, 2006]**.** Therefore, the City has met the criteria of OAR 660-12-020(1)(d).*

9.2.12 Goal 13, Energy Conservation

To conserve energy.

The Council finds that the proposal satisfies Goal 13 because it has been designed to conserve energy and to maximize the conservation of energy. The proposal achieves this by directing more growth in housing and employment to opportunity areas inside the existing UGB, considering energy in the evaluation and arrangement of land uses in UGB expansion areas, and ensuring that the areas added to the UGB are well connected to the transportation system in the UGB.

The Council finds that the proposal directs most of the projected housing and employment growth to areas within the current UGB (Rem Rec 10814). This element of the proposal includes changing the zoning and the plan designations of lands within nine (9) opportunity areas within which the City will focus on more dense residential and employment development. This element of the proposal will help the City in reducing reliance on the automobile, by making walking, bicycling and using transit more possible with shorter trips.

The record includes analyses cited above under prior findings that referred to indicators and performance measures used to evaluate UGB expansion scenarios (Rem Rec 6631). These performance measures include, but were not limited to: housing units within walking distance of schools, parks, and commercial services; household VMT/capita; greenhouse gas emissions; household energy uses; household water usage, and; housing and jobs within walking distance to future transit corridors. Energy conservation was a factor in evaluating subareas for expansion.

Finally, the Council finds that the proposal meets Goal 13 because it provides for connectivity between existing neighborhoods in the UGB and the areas included in UGB expansion. The proposed amendments to the Bend TSP show the road extensions into and through the UGB expansion areas, showing how people will move through these same corridors using the automobile, walking, bicycling, and potentially transit.

Based on the forgoing finding, the Council finds the proposal satisfies Goal 13.

9.2.13 Goal 14, Urbanization

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

The Council finds that the proposal satisfies Goal 14 because the City has developed it according to the requirements of the Goal 14 administrative rule (OAR 660-024) and by following the boundary location analysis process outlined in *1000 Friends v. Land Conservation*

and Development Commission and City of McMinnville, 244 Or App 239 (2011) (Rem Rec 2158).

The Council finds that the versions of Goal 14, its implementing administrative rule, and ORS 197.298 are those versions that were in effect in June 2007 when the City submitted its original UGB proposal to DLCD[16]. The City has prepared findings that address the 2007 version of OAR 660-024 that are presented in Section 7 above. These findings further show that the City relied on what is referred to as "Priority 2" land under ORS 197.298(1)(b). The City has no statutory urban reserves that were approved pursuant to ORS 195.145, and has included no lands identified as marginal lands under ORS 197.247 (1991 Edition). The proposed UGB expansion does not include any resource land under ORS 197.298(1)(d).

The Council finds that the City has satisfied the 2007 version of Goal 14 because it demonstrated a need to amend the UGB to accommodate future urban population and job growth within the Bend UGB[17]. To summarize, the City has inventoried its buildable lands in the current UGB for both housing and employment. The City has forecasted future needs for housing and employment based on the 20 year population forecast for the UGB. The City determined that a UGB expansion is needed to provide 20-year supplies of land for needed housing and economic opportunities. Before coming to the conclusion a UGB expansion was justified, the City evaluated potential efficiency measures through which the City could reasonably accommodate additional housing and employment in the current UGB. The City has followed Goal 14 to develop criteria for evaluating suitable lands for expansion, and compared and evaluated different UGB expansion subareas and scenarios.

The City has already presented forgoing findings establishing the need for land for needed housing and economic opportunities. This need was established by establishing a need to accommodate 2028 forecasts of 115,063 people, 17,234 housing units, and 21,943 jobs[18]. Through the Urbanization Report, the City has documented the capacity of the current UGB to accommodate these units and jobs, including the improvements in capacity created through new efficiency measures. This report further presents the analysis of capacity that shows and supports the proposed expansion of 2,380 acres (Rem Rec 10822).

The Urbanization Report further summarizes the process through which the City identified lands that were suitable for UGB expansion, developed indicators and performance measures for evaluating these lands, and then narrowed down for evaluation the number of UGB expansion scenarios to six (6) scenarios. The performance measures themselves were developed to

[16] See Subissue 9.1, pages 123-130 of the 2010 Remand Order (REM REC 5725).

[17] See the Urbanization Report at REM REC 9679.

[18] For the population and housing unit forecasts, See the Housing Needs Analysis (2016), REM REC 10572; for the employment forecast, See the Economic Opportunities Analysis, REM REC 10687

demonstrate the City had weighed and balanced the Goal 14 boundary location factors (Rem Rec 6631)[19].

The Council finds that the City has further documented through forgoing findings that the six UGB expansion scenarios were narrowed down to a preferred scenario, Scenario 2.1G (Rem Rec 10170). This narrowing from six scenarios to one preferred scenario was conducted through a public process that involved both the Boundary and Growth Scenarios TAC and the UGB Steering Committee considering changes to the original starting point of Scenario 2.1. This process occurred over eight meetings between December 2014 and April 2016[20].

The City has addressed how the proposal was developed according to the administrative rules that implement Goal 14, OAR 660-024, and found that the development of the proposed UGB amendment satisfied the applicable rules in this chapter and division.

The City documented the process through which properties were evaluated for the UGB amendment in several resources, including the UGB Scenario Evaluation Report (Rem Rec 6209), the Urbanization Report (Rem Rec 10814), and Section 7 of the Findings. The record includes testimony from a number of individuals and groups testifying in support of certain property being included, and testifying against property on the West side of Bend being included. The record does not include testimony that argues against expansion into other geographic directions (e.g. East or Southeast). The City understands this testimony to argue that certain properties should have been included in the UGB, and because these properties were already adjacent to the UGB, could be served with infrastructure, and/or provided some benefit to the City.

State law (OAR 660-024, Goal 14, and ORS 197.298), governs how the City must go about determining land needs for urban uses, and then evaluating properties if a need has been shown for additional land. These laws include several key sideboards on the determination of whether a UGB expansion is needed and was properly evaluated.

Goal 14 outlines that the establishment and change of urban growth boundaries shall be based on a demonstrated need to accommodate long range urban population. This population is based on the coordinated population forecast Deschutes County adopted in 2004[21]. The population forecast for the City in 2028 is 115,063, and is based on the acknowledged population forecast of 109,389 for Bend in 2025. No evidence has been submitted to the record

[19] See the Bend Urban Growth Boundary Expansion Scenarios Report (Rem Rec 6631), and its Appendices at Rem Rec 6737 and 6851.

[20] See the Public Meeting Log with the finding addressing Statewide Planning Goal 1, Citizen Involvement.

[21] The 2004 Coordinated Forecast Report is the 2009 UGB Record at Rec 1980. The City and County coordinated on the development of the forecast between 2002 and 2004.

to cause the re-evaluation of this forecast and the consideration of another forecast that should be adopted and acknowledged in its place. This forecast, and the employment forecast in the EOA provided the bases upon which the land need estimates were developed. The City needed approximately 2,380 acres of land, and had to select this amount from 5,400 acres of land that performed the best against the performance measures.

The Council finds that the City has documented the process through which a study area was formed, properties were evaluated based on performance measures recommended by the Boundary TAC and approved by the USC, and then organized into potential UGB expansion subareas. These same subareas were considered in different configurations in different scenarios before the USC recommended Scenario 2.1A as the scenario for which additional evaluation would be conducted. The USC then considered several potential versions of this scenario, before deciding on April 21, 2016 to forward Scenario 2.1G to a public hearing. State law (OAR 660-024-0060) does not require the City to prepare findings explaining how each property in a study area was rated, whether it was to be included in the UGB or not, with additional findings explaining why not. State law allows, and the City chose, to consider larger geographic areas consisting of multiple properties to better allow needed housing and jobs in different configurations. State law also does not require the City to explain its decision of considering larger geographic areas instead of conducting a property by property comparison.

The City decided early in the process to focus the analysis of potential areas for expansion on those rural residential, exception, and non-resource lands that were considered Priority 2 lands under ORS 197.298(1)(b). This means that the City would not consider any lands designated as resource lands – those lands designated for agriculture or forest uses – under the Deschutes County Comprehensive Plan. None of these lands are included in the proposed UGB expansion. In Bend's case, there was more Priority 2 land than the City needed for UGB expansion, and the City used the Goal 14 factors to evaluate, weigh, and balance which exception lands areas would best meet the City's needs.

In October 2015, the USC directed the team to use Scenario 2.1, with certain changes of theirs, as the scenario to use for further infrastructure evaluation and refinement. This scenario went through multiple modifications between the Boundary TAC's next meeting on December 14, 2015, and the final version of Scenario 2.1 (2.1G), considered by the USC at their April 21, 2016 meeting. Each round of changes came at the direction of the Boundary TAC and/or the USC, none of which reflected a final decision on the boundary. The project team presented changes to the scenario at each public meeting (of the Boundary TAC and USC), and each committee received public comment at their respective meetings that included comment directed at changes to Scenario 2.1 and why they should or should not have been made.

Based on the forgoing, the Council finds that the proposal satisfies Goal 14.

Conclusion: Based on the forgoing findings, the City finds that the proposal satisfies and is consistent with all of the applicable statewide planning goals.

DRAFT

10. COMPLIANCE WITH APPLICABLE POLICIES OF BEND COMPREHENSIVE PLAN

10.1 Preface of Bend Area General Plan (1998)

Changes proposed by individuals or other agencies. A proposal by an individual, corporation, or public agency to change to the Plan text, land use map, other exhibits, or policies shall be considered as determined by the procedures ordinance. A person or agency proposing a change has the burden to demonstrate a public need and benefit for the change.

In response to the directives of the Remand Order, updated community priorities, and an extensive community process, the Council has proposed changes to various chapters of the Bend Area General Plan. In addition, the Council is initiating formatting and minor corrective text changes to the City's General Plan, now referred to in this and subsequent findings as the Comprehensive Plan (Plan). The Council has prepared this finding to meet the burden of demonstrating a public need and benefit for changes in the comprehensive plan. Within the Findings below, reference to existing Plan policies are shown in italics with the existing numbering. New Plan policies are shown using the new two-number system.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

In this context, the Council proposes to amend Bend's UGB, along with corresponding changes to plan designations and in some instances zoning and plan designations for several areas inside the boundary, changes in plan designation for areas added to the boundary, and related changes in the text to the Plan and the BDC to support future development in these areas. In addition to the directives of the 2010 LCDC Remand and Partial Acknowledgement Order, which contained responses to Objections to the City's prior UGB expansion ordinances and directives which require changes to the Plan, the need for these changes has been set forth in several documents, which are part of the factual base for the Plan amendments and boundary expansion analysis and will be adopted as Appendices to the Plan. These include:

- BLI; Appendix J (Rem Rec 10513);
- HNA; Appendix K (Rem Rec 10572);
- EOA; Appendix E (Rem Rec 10687); and

- Urbanization Report; Appendix L (Rem Rec 10814)1.

These findings address the applicable comprehensive plan policies required by Statewide Planning Goal 2 and ORS 197.175 related to the change being sought.

In addition to the amendment to the urban growth boundary, the Council proposes to modernize the appearance of the Comprehensive Plan. The most obvious change is the formatting. All chapters have been converted to the new format which includes a change in the way policies are numbered. The new format is a two-number system. The first number indicates the chapter number; the second number separated by a hyphen indicates the policy number. Other proposed changes to the Plan are corrective in nature, and include deleting existing policies shown in these findings as existing policy numbers in italics. Where deleted, it is because either (1) they are obsolete as the directive within the policy has been accomplished or (2) they are no longer necessary as minor amendments to outdated text within the body of the individual chapters will better factually and legally support the urban growth boundary expansion. The minor text amendments will also be addressed in more detail in Section 11 of the Findings.

10.2 Chapter 1 – Plan Management and Citizen Involvement

Policies

General Policy Guidance

1-1 The Goals stated within this Comprehensive Plan are intended to be guiding and aspirational; they are not regulatory policies. The Policies in the Comprehensive Plan are regulatory and are used as the basis for determining "consistency with the Comprehensive Plan".

1-2 Comprehensive Plan designations may be rearranged on a development site through the Type III Master Plan process in a way that will best meet individual development priorities while maintaining the same overall acreage of each designation and compliance with the Comprehensive Plan policies.

The Council finds that Policy 1-1 has been added to provide general guidance to determine how to apply the goals and policies of the Plan; and that Policy 1-2 provides guidance for modifying the arrangement of Plan designations on property. This modification will typically apply to properties that are going through a Master Plan process within an opportunity area or as an Area Plan or Master Plan within the expansion area. These policies are implemented through the BDC.

[1] These findings include remand record references for these documents in Sections 4, 5, and 7.

Urban Planning Coordination

1-3 Growth in the Bend Area shall be managed through the cooperative efforts of the City of Bend and Deschutes County.

1-4 The city and special districts shall work toward the most efficient and economical method for providing their services within the UGB.

The Council finds that, consistent with these policies and Statewide Planning Goal 2, the City and County have held regular coordination meetings to discuss issues on the urban growth boundary. The City of Bend and Deschutes County have a current Joint Management Agreement that outlines the duties and responsibilities of each entity with regard to the management of the Bend Area. Similarly, the Council finds that the City has held meetings with special districts including the Bend-LaPine School District, BPRD, private utilities and affected irrigation districts throughout the process to ensure their concerns are addressed. Section 2 of the Findings provides a detailed chronology of work on the Bend UGB Remand, including meeting dates and topics.

Development within the Urban Growth Boundary

1-7 The city will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.

1-8 The city will encourage infill and redevelopment of the core area of the city.

The Council finds that, consistent with the above policies, the City evaluated the efficient use of existing urban land and identified "opportunity areas" (Rem Rec 10814) within the City that are appropriate for new development for jobs and housing due to their location, zoning, development status and/or proximity to urban services. The Council finds that these areas inside the current City limits will provide needed housing and new opportunities for jobs thereby reducing vehicle miles traveled (VMT) and minimizing the need for expansion of the boundary. The Council finds that the transportation analysis used in the evaluation of existing urban land also showed that infill and redevelopment could reduce VMT and facilitate other modes of transportation. As a result, the City has developed and will adopt an Integrated Land Use and Transportation Plan (ILUTP) (Rem Rec. 10994) in support the UGB expansion. The Council finds that the ILUTP describes actions intended to reduce the amount of driving necessary to meet daily needs through a combination of actions, focused on Opportunity Areas, including:

- Intensifying development;
- Mixing land uses;
- Providing complete streets to encourage walking, bicycling and transit; and
- Implementing measures such as parking and demand management.

Citizen Involvement

1-15 The city shall continue to use advisory committees in the planning process, members of which are selected by an open process, and who are widely representative of the community.

1-16 The city will use other mechanisms, such as, but not limited to, meetings with neighborhood groups, planning commission hearings, design workshops, and public forums, to provide an opportunity for all the citizens of the area to participate in the planning process.

The Council finds that, throughout the UGB expansion process, the City implemented and extensively used a variety of public outreach efforts. At the core of the process were the Council-appointed TACs for Residential Lands, Economic Lands and the Boundary. These TACs have met 72 times since June 2011. Members of the TACs also appeared before the USC, which met 26 times since March 2011. In addition to the TAC work, the City maintained a public record of all documents created during the process and testimony submitted. The public record and these materials have been, and are accessible on the city's website.

Chapter 1 Conclusions: The Council finds that the proposed UGB amendment is consistent with the applicable Comprehensive Plan policies of Chapter 1, Plan Management and Citizen Involvement because the City has demonstrated compliance with Chapter 1 policies by conducting an open and transparent public process that was inclusive of Bend's citizens, public interest groups, and public agencies. The proposal is further supported by technical documents adopted and incorporated as appendices to the Plan.

10.3 Chapter 2 – Natural Features and Open Space

2-12 The City shall evaluate and adopt standards for the types of landscape materials and amount of open area buffers around structures that reduce the risk of loss from wildfires at the edge of the urban area.

2-13 The City shall ensure through conditions of approval that development in the Urban Reserve Area adjacent to or within one mile of lands designated by the County's wildlife overlay zone incorporate setbacks or buffers to protect designated wildlife areas.

The Council finds that the City's UGB process raised awareness of both wildfire risk and wildlife habitat protection; as a result, both wildfire and wildlife played a significant role in determining the future UGB. The Council finds that the City used wildfire risk as one of the performance measures for evaluating potential areas and scenarios for UGB Expansion[2]. The Council finds that the City considered the effects of development in wildlife areas when evaluating the UGB

[2] See the UGB Scenario Evaluation Report, Rem Rec. 6209

expansion scenarios.[3] Section 7 of the Findings provides a description of the Factor 3 performance measures used in the Goal 14 boundary analysis. Section 9 of these Findings address in detail goal compliance with Goal 5 (wildlife) and Goal 7 (wildfire).

In addition to the policies above, the Council finds that the City has committed, through policy in Chapters 10 and 11 of the Plan, to identify strategies for reducing the risk of wildfire in and around the Bend urban area.

Chapter 2 Conclusions: The Council finds that the City's proposed UGB amendment is consistent with the applicable Plan policies of Chapter 2, Natural Features and Open Space as indicated above and demonstrated by the Goal 14 Boundary analysis discussed in Section 7 of the Findings. The Council finds that the proposed UGB has minimized expansion into elk and deer winter range and minimizes the risk of wildfire hazard.

10.4 Chapter 3 – Community Connections

3-5 The City will apply a new "Public Facilities" zone for public parks and recreation facilities within the planning area.

The Council finds that coordination with Bend Park and Recreation District has allowed the City to determine that there is a public need for additional land for parks[4]. The Council finds that designating new park and school sites within the planning area as "Public Facilities" provides a level of certainty that the land will be developed for public parks in the future. The Council finds that this supports the TAC goal of developing complete communities.

3-6 The City will support efforts by the Park and Recreation District and Bend-La Pine School District to jointly develop school-park sites to meet neighborhood park and school recreation needs.

The Council finds that, as part of the City's Goal 2 coordination efforts, the City has met with representatives of the BPRD and the Bend La Pine Schools District to ensure that adequate park and school land is available as the City grows. The City relies on the BPRD District Comprehensive Plan and the School District's Comprehensive Plan for World Class Schools to inform the planning process[5]. The Council finds that these plans are incorporated in land need analyses and findings documented throughout the City's proposal and findings, notably the BLI and Urbanization Report (Rem Rec. 10513 and 10814).

Chapter 3 Conclusions: The Council finds that the Urbanization Report (Rem Rec 10814) acknowledges the land need established by the BPRD and the Bend La Pine School District through the year 2028. The Council finds that the City's proposed UGB amendment will

[3] Ibid.
[4] See the Urbanization Report for this documentation, Rem Rec. 10814.
[5] See also the City's Findings on Goal 2 for coordination with affected units of local government in Section 9.

accommodate the identified land needed for future schools and parks. Therefore, the Council finds that the proposed UGB expansion is consistent with the applicable Comprehensive Plan policies of Chapter 3, Community Connections as indicated above.

10.5 Chapter 4 – Population and Demographics

Policies

The city shall review and update the urban area population forecast every five years.

The city shall update income levels, household size, and other demographic information for the urban area after every U.S. census, or when other data for the City of Bend are available.

The Council finds that the UGB Remand did not include a remand on the City's population forecast. The City relied on the acknowledged, coordinated population forecast for 2025 and extended forward to develop a forecast of 115,063 in 2028. The Director of DLCD concluded that this extension of the population forecast complied with applicable law[6]. The Council finds that the City has demonstrated that the proposed UGB expansion is consistent with applicable Comprehensive Plan policies. Section 4 addresses Goal 10 with regard for needed housing and Section 5 addresses Goal 9 regarding employment.

Chapter 4 Conclusions: The Council finds that City's proposed UGB amendment is consistent with the applicable Comprehensive Plan policies of Chapter 4, Population and Demographics as indicated above.

10.6 Chapter 5 – Housing

The Council finds that proposed UGB amendment directly responds to the policies of this Chapter. As part of the proposed amendment, the City updated the Buildable Lands Inventory (Rem Rec 10513), the Housing Needs Analysis (Rem Rec 10572) and has rewritten the Housing and Residential Lands Chapter 5 to reflect the updated information. The chapter title has been shortened to ***Housing*** and new policies are being added. The intent of many of the existing policies have been retained and rewritten, re-organized, replaced and/or deleted. The new Chapter 5 plan policies are listed below by subject. Where necessary to demonstrate consistency with prior Chapter 5 Plan policies, those policies have been inserted as indicated below.

[6] **Official Notice** – Report and Order of the Director of the Department of Land Conservation and Development, January 8, 2010. This report is available online through: http://www.oregon.gov/LCD/docs/general/directors_report_001775.pdf.

Population Forecasts

5-1 The City will coordinate with and provide data to Portland State University for their preparation and regular update of a coordinated 50-year population forecast for the Urban Growth Boundary.

5-2 Using the new coordinated 50-year forecast, the City will, within 5 years after acknowledgment of the current update becomes final and no longer subject to appeal, initiate a supplemental legislative review of the UGB and/or urban reserve area planning to demonstrate continuing compliance with state needed housing laws for a new full 20-year planning period.

5-3 The City will use regular updates of population forecasts and Housing Needs Analyses to monitor housing trends relative to the planned housing mix, densities, location, and affordability assumed within the Urban Growth Boundary.

The Council finds that the new policies 5-1, 5-2, and 5-3 are added to Chapter 5 to reflect the new approach to regular updates the population forecasts and related updates to the Housing Needs Analysis. The Council finds that these policies acknowledge the City's commitment to maintain sufficient residential land to accommodate needed housing units under Statewide Planning Goal 10.

Housing Mix, Density and Affordability

5-4 The City will apply plan designations, zoning districts and development code regulations to implement the mix of housing indicated in the adopted Housing Needs Analysis.

5-5 The main purpose of maximum densities shown on the Plan Map is to maintain proper relationships between proposed public facilities and services and population distribution. One purpose of minimum densities is to assure efficiency of land use, particularly for larger sites. Another is to encourage development of housing in locations and at densities that support healthy, accessible, and affordable housing choices.

5-6 Upon application, the City shall zone residential lands in accordance with their plan designations, and without a separate showing of public need, subject only to conditions, if applicable, requiring annexation or availability of public sewer or public water before occupancy.

5-7 The City will continue to create incentives for and remove barriers to development of a variety of housing types in all residential zones, consistent with the density ranges and housing types allowed in the zones. This policy is intended to implement the City's obligation under the State Housing Goal to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density".

5-8 The City will apply innovative and flexible zoning tools to support a mix of housing types and densities.

The Council finds that the policies 5-4 through 5-8 are primarily new policies or re-worded existing policies. New Policy 5-5 above replaces policy 21 (below) to articulate the purpose of minimum and maximum densities and to provide policy support for the proposed efficiency measures relating to minimum densities. The Council finds that the City needs these new policies to encourage the availability of a more diverse housing stock and provide a greater incentives for development of infill and the efficient use of land within the current City limits. The Council finds that the City has identified specific efficiency measures to be accomplished by changes to the BDC, which include an increase in the minimum density in the RS zone from 2 units to 4 units per acre and an increase in the maximum density for the RL zone from 2 units to 4 units per acre. The re-written policy puts emphasis on achieving higher minimum densities with a variety of housing types.

Other corresponding existing policies for the Housing, Density and Affordability section are shown below.

Housing Density and Affordability

21. Densities recommended on the Plan shall be recognized in order to maintain proper relationships between proposed public facilities and services and population distribution.

23. The city shall rezone residential lands to the designated General Plan densities when sewer service is available to the area.

24. Accessory dwellings to a single family home may be allowed in new subdivisions or Planned Unit Developments, provided that the maximum General Plan density is not exceeded. The city will calculate accessory dwelling density using the same fraction of a full dwelling unit provided in the Systems Development Charges resolution.

The Council finds it remains the goal of the City to provide sewer to all lands within the existing City limits and the expansion areas; however, goal is expressed in Chapter 8 policies, therefore

the existing policy 23 is redundant and is deleted. The Council finds that, in order to promote affordable housing, potentially increase the supply of rental housing, and as an efficiency measure, the BDC was amended in early 2016 to allow accessory dwellings as a permitted use; therefore, policy 24 is no longer needed for direction in the Comprehensive Plan and is also deleted.

5-9 The City and County will support public and private non-profit and for-profit entities that provide affordable housing in Central Oregon.

5-10 The City and County will coordinate with each other and other affected governments as required by the State Housing Goal to ensure that "the needs of the region are considered in arriving at a fair allocation of housing types and densities" and that "needed housing is provided on a regional basis through coordinated comprehensive plans".

5-11 The City will continuously monitor the yield of efficiency measures as required by the state needed housing statute and publish the results on its Growth Management Documents website not less than once a year.

5-12 To promote complete neighborhoods and the integration of other supporting uses, the City will employ a master planning process for large development sites which are 20 acres or greater. The master plan process will offer two options for approval 1) applying clear and objective standards or 2) applying discretionary standards for more flexibility.

5-13 Existing Residential Standard density areas that are adjacent to commercial or mixed use development may be re-designated for Residential Medium and High density development.

5-14 The City will support re-designation of suitable low density areas that are within a 15-minute walk to transit corridors for medium-density development.

5-15 The City shall employ special redevelopment standards and other strategies for manufactured home parks as an incentive to retain and redevelop existing affordable housing stocks at affordable prices and rent levels.

5-16 The City may consider density bonuses as an incentive to providing affordable housing.

5-17 The City will monitor parking needs for residential uses and set parking requirements to the lowest standards that will meet the community's needs in order to reduce land utilized for parking, reduce the cost of housing development, and encourage a more walkable development

pattern.

5-18 The City will assist in identifying, obtaining and leveraging funding sources for the development of new housing for very low, low, and moderate - income residents, as determined by appropriate percentages of Area Median Family income in the Housing Needs Assessment.

5-19 The City will monitor the results of actions and programs funded through the use of the City's Affordable Housing Fee Trust Fund.

5-20 When affordable housing development is required by City policy or code or to meet eligibility criteria for a City incentive program or a policy requirement, affordable housing means housing with a sales price or rental amount that is within the means of a household that may occupy moderate- and low-income housing. Unless otherwise specified, affordable housing must meet one of the thresholds defined below. Nothing in this policy prevents the city from providing support for housing at other levels of affordability.

- In the case of dwelling units for sale, affordable means housing in which the mortgage, amortized interest, taxes, insurance, and condominium or association fees, if any, constitute no more than 30 percent of such gross annual household income for a for a family at 80% of the area median income, based upon most recent HUD Income Limits for the Bend Metropolitan Statistical Area (Bend MSA).
- In the case of dwelling units for rent, affordable means housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend MSA.

5-21 In order to ensure the continued affordability of affordable housing that has been committed by a property owner or required by the City, the City may:

- Specify a minimum number of years that affordability must be maintained;
- Require an applicant to demonstrate how affordability will be ensured throughout the specified period, including addressing how units will be made available to households meeting the targeted income level, resale/recapture for ownership units, and/or rent increases for rental units, as applicable;

- Establish phasing requirements for construction of affordable housing units;
- Condition land use approvals to implement affordable housing requirements;
- Require restrictive covenants, deed restrictions, and/or related instruments as deemed necessary by the City; and/or
- Require other measures deemed necessary by the City.

The Council finds that policies 5-9 through 5-21 are primarily new policies or re-worded existing policies. The Council finds that these policies stress the importance of providing a variety of housing types to meet the needs of a broad range of Bend's population. The Council finds that the City has implemented a variety of efficiency measures in conjunction with the UGB expansion to remove barriers for developing affordable housing. The applicable corresponding existing policies are shown below.

26. *The city shall evaluate the community's housing mix and density levels every five years beginning in 2000.*

27. *When new commercial centers are created in developing residential areas, the city and county may allow up to 20 acres of medium-density residential housing within one-eighth of a mile of the commercial center.*

28. *Existing low-density residential areas that are adjacent to commercial or mixed use development at the south or north ends of the commercial corridor may be re-designated for medium-density development.*

The Council finds that existing Policy 26 was replaced with a new policy 5-3 under Population Forecasts to specifically avoid references to specific years for tasks to be completed that become outdated quickly. The Council finds that Policies 27 and 28 are outdated and limit the number of acres that could be rezoned to multi-family regardless of need or location. The Council finds that the City has established a need for more multi-family housing through the Housing Needs Analysis, and also wants the flexibility to consider potential changes to support development of new multi-family housing on a case by case basis. Therefore, existing policies 27 and 28 have been replaced with new policies 5-13 and 5-14.

Residential Compatibility

1. *Future development and local development standards shall recognize and respect the character of existing areas.*

2. *In areas where existing urban level development has an established lot size pattern, new infill subdivision or PUD developments shall have a compatible lot*

transition that respects the number of adjoining lots, lot size and building setbacks of the existing development while developing residential densities within the range for the underlying zone. New developments may have smaller lots or varying housing types internal to the development.

3. *The development of infill areas may, as an alternative to the standard subdivision review process, proceed through a public involvement process that would allow the maximum flexibility of design and provide for neighborhood participation.*

The Council finds that existing policies 1-3 are inconsistent with the City's proposed efficiency measures for developing urban levels of housing and encouraging the efficient use of land and are therefore deleted.

5-22 Private and public nonresidential uses are necessary and will be encouraged within residential areas for the convenience and safety of the residents. Such facilities shall be compatible with surrounding developments, and their appearance should enhance the area.

5-23 Of necessity, nonresidential uses may abut residentially planned and zoned areas in different parts of the community. In these instances, nonresidential uses will be subjected to special development standards such as setbacks, landscaping, sign regulations, and building design that harmonize and provide transitions consistent with the primary purposes of the adjacent zones.

The Council finds that the policies referenced above represent the re-wording of existing policies and emphasize complete communities both inside the existing UGB and within the areas included in the UGB expansion. The re-wording of the existing policies build on the intent and purpose of the goals of the UGB amendment and provide clarity and better direction for future growth.

5-24 Homes built to HUD Class A manufactured home standards will be permitted either in manufactured home parks, or on individual lots. Non-Class A manufactured homes may be allowed in manufactured home parks or as replacement for non-conforming manufactured homes subject to conditional use approval standards that are clear and objective and that encourage retention and replacement of existing affordable housing stock.

5-25 Homes built to HUD manufactured home standards located on individual lots in areas already developed with conventional housing shall be subject to special siting standards as provided by the state needed housing law.

5-26 Manufactured and modular homes meeting IRC Modular and CABO building code standards shall be permitted on the same basis as site-built homes.

5-27 Private covenants and deed restrictions recorded hereafter that support compact urban form, higher densities and better access to affordable housing are encouraged as supportive of City policy.

The Council finds that the new policies 5-24 through 5-27 conform to State law and support the Council goal of retaining of affordable dwellings. Policies 5-24 through 5-26 are existing policies that have been reworded to provide better guidance and clarity for manufactured homes standards. Policy 5-27 is a new policy added to encourage desired private sector behavior and build on the intent and purpose of the goals of the UGB amendment. Manufactured housing continues to be an affordable housing type for a segment of Bend' population (Rem Rec 9526-9527).

5-28 Neighborhood commercial shopping areas may be located within residential districts and shall have development standards that appropriately limit their scale and recognize their residential setting.

5-29 In many cases, small home-based businesses are a legitimate use within residential areas, and may be permitted subject to design and nuisance standards in the Development Code.

5-30 Certain private recreational uses, such as golf courses or tennis courts, may be successfully integrated into residential areas provided the location, design, and operation are compatible with surrounding residential developments and do not prevent development of lands inventoried for needed housing to minimum density standards.

5-31 Residential areas will offer a wide variety of housing types in locations best suited to a range of housing types, needs and preferences.

The Council finds that existing policies above were retained in the updated Chapter 5 and that these existing policies are supportive of the UGB Expansion goals of providing complete neighborhoods.

12. Rehabilitation or redevelopment of older residential areas shall be encouraged.

The Council finds that existing policy 12 shown above is very broad and does not provide guidance for planning or land use decisions and is often confused with preservation of historic sites and structures which are addressed in Chapter 3. Therefore, this policy is deleted.

Neighborhood Appearance

5-32 Above-ground installations, such as water and sewer pumping stations, power transformer substations or natural gas pumping stations, shall be screened and designed to blend with the character of the area in which they are located.

5-33 All new developments shall include trees in the road right of way, as practical, in the planter strip between the curb and sidewalk.

5-34 Walls and fences along arterial or collector streets shall be subject to special design standards. The area between the fence or wall and the curb or pavement, shall be landscaped.

5-35 All residential development will respect the natural ground cover of the area and existing and mature trees within the community should be preserved where practicable.

5-36 The City encourages flexibility in design to promote safety, livability and preservation of natural features. To that end, the City will provide development code standards to allow flexibility on dimensional standards, such as lot size and setbacks, to achieve these objectives.

5-37 Hillside areas shall be given special consideration in site design by both the developer and local regulations. Building sites, streets, and other improvements shall be designed and permitted in a manner that will minimize excessive cuts and fills and other erosion-producing changes. (Note: see related policies in Chapter 10, Natural Forces.)

The Council finds that new policies 5-32 through 5-37 retain much of the intent of the existing policies but were re-worded for clarity. Policy 5-36 represents the blending of the existing policies 18 and 19 shown below.

18. The city encourages flexibility in design to promote safety, livability and preservation of natural features. Lot sizes as small as 4,000 square feet may be applied for in the RS zone to meet these objectives.

19. To encourage flexibility in design and preservation of natural features in areas planned for medium density housing. Lots as small as 2,500 square feet shall be allowed in the RM-10 and RM zoning districts.

The Council finds that new policy 5-36 is supportive of the City's proposed efficiency measures and eliminates specific lot sizes that could be interpreted as development standards. The City's proposed efficiency measures are intended to remove barriers to developing affordable housing

and encourage a greater variety of housing types. The ability to develop smaller lot sizes provides flexibility in design and provides opportunities for affordable housing.

16. Walls and fences in the setback area between the front of the house and the adjacent street shall not exceed 3½ feet in height.

The Council finds that existing policy 16 shown above is written as a design standard and is better contained in the BDC; therefore policy 16 is deleted from the new Chapter 5.

Transportation Connectivity

5-38 Medium-and high-density residential developments should have good access to transit (preferably within ¼ mile of transit corridors), K-12 public schools, commercial services, employment and public open space to provide the maximum access to the highest concentrations of population.

5-39 Street widths on residential local streets shall be as narrow as reasonably possible to preserve safety, and limit the effects of surface runoff and excessive vehicle speed.

5-40 The City may require adjustments to the street design in order to discourage high speed traffic on local residential streets.

5-41 In all residential areas the City shall encourage the use of open space amenities such as landscaped traffic islands or extra-width planting strips.

5-42 Schools and parks may be distributed throughout the residential sections of the community, and dwelling units should have safe and convenient access to schools and parks.

5-43 The City will coordinate with the school and parks districts to ensure that the respective plans of each local government are coordinated and consistent with state law.

5-44 Sidewalks will be required in all new developments. Separated sidewalks will be required on all new streets. However, an alternative system of walkways that provide adequate pedestrian circulation may be approved.

5-45 Per the City's Transportation Systems Plan, the City will complete or connect priority walkways on routes to schools, parks, or commercial areas.

5-46 Bikeways shall be considered as a transportation element, and adequate facilities shall be provided as a part of new development.

5-47 Efforts will be made to extend trails, pedestrian ways, and bikeways through existing residential areas. Existing trails, pedestrian ways, and bikeways will be extended through new developments to allow further extension and promote alternative modes of travel.

5-48 The City will encourage pedestrian scale block length to encourage connectivity and pedestrian access. When existing conditions or topography prevent a cross street, a pedestrian accessway to connect the streets may be required.

5-49 Residential local streets shall be developed whenever practicable to increase connectivity within and between neighborhoods.

5-50 Cul-de-sac and "hammer-head" residential streets may be allowed only where existing development, steep slopes, open space, or natural features prevent connections, or when the objectives of connectivity are met within the neighborhood.

5-51 The City will consider the need for emergency equipment access for any new development.

The Council finds that, in addition to transportation policies found in Chapter 7 of the Comprehensive Plan, transportation policies 5-38 through 5-51 relate specifically to housing and residential development. These policies are re-worded for clarity and guidance. Policy 5-41, 5-49 and 5-50 are retained in their entirety. Policy 5-43 is a new policy which emphasizes the importance of Goal 2 and the City's coordination with other agencies.

Public Utilities and Services

5-52 All residential areas will be provided with community water and sewer services and other facilities necessary for safe, healthful, convenient urban living consistent with the density of development.

5-53 Residential development shall be coordinated with other land use elements and community facilities that are consistent with projected housing densities.

5-54 Electric power, telephone, and cable TV distribution and service lines shall be located underground in new developments.

5-55 New street names shall be unique within the County.

The Council finds that related policies on public facilities can also be found in Chapter 1, Plan Management and Chapter 8, Public Facilities and Services of the Plan. Of the policies

referenced above, policies 5-52, 5-53 and 5-55 are retained in their entirety. Policy 5-52 is modified but retains the intent of the existing policy. The modified policy is more concise and provides clarity and direction. Policy 47 is deleted as indicated below.

47. Street lighting shall be provided in all new subdivisions at the time of development. Street light fixtures shall be shielded to direct light down.

The existing policy 47 above is a mandatory statement rather than a policy, and is more consistent with BDC language and for that reason, is deleted.

Destination Resorts

5-56 A destination resort within the Urban Area Reserve may be served by municipal water and sewer service or an approved community water and sewer service for domestic use compliant with state law.

5-57 Properties that are eligible for destination resort development will lose that eligibility upon inclusion into the UGB.

The Council finds that there are numerous existing policies relating to destination resorts in the Comprehensive Plan, and that most provide direction on designating lands for destination resorts within the Urban Area Reserve or development standards for destination resorts. The Council finds that the policies referenced above directly address how the City will treat properties with destination resort eligibility that are adjacent to the UGB or are included within an expansion area. Policy 5-56 is an existing policy that has been slightly reworded to provide clarity. Policy 5-57 is a new policy which is an important part of the UGB expansion assumptions and future planning for urban reserve areas. All other existing policies regarding destination resorts are indicated below.

49. In addition to lands excluded from eligibility for destination resort siting under state law, the following lands within the Urban Area Reserve shall not be mapped as eligible for destination resort siting:

(a) All lands owned by public agencies.
(b) All lands zoned for surface mining.
(c) All lands zoned SR-2 ½ and all lands platted for subdivisions.
(d) Land for which contiguous area not otherwise removed from eligibility is less than 160 acres, except where adjoining land under the same ownership outside the Urban Area Reserve is mapped with the Deschutes County destination resort (DR) overlay.
(e) Single parcels, or adjoining parcels in the same or related ownership (including lands outside the Urban Area Reserve) of less than 160 acres.
(f) Lands not adjacent to either (1) F1 zoning, or (2) Deschutes County destination resort (DR) overlay adjoining F1 zoning.

50. Destination resorts, as defined by state law, shall only be allowed in areas designated for such use as shown on the adopted destination resort map. An exception to statewide goals relating to agricultural lands, forestlands, public facilities and services or urbanization is not needed for development of a destination resort on the eligible lands in the urban area.

51. A destination resort within the Urban Area Reserve shall be served by municipal water and sewer service or an approved community water and sewer service for domestic use.

52. No destination resort master plan shall be approved in the Urban Area Reserve until the county, pursuant to its management agreement with the city, has adopted destination resort development standards that, at a minimum, satisfy the standards in state law.

53. Any destination resort developed within the Urban Area Reserve shall provide a sufficient open space buffer between any development and the Deschutes National Forest lands to protect against wildfires and to protect the scenic values and wildlife values of the forest.

54. Destination resorts shall provide for any arterial or collector streets that are shown on the transportation system plan map to be extended through the site, or as needed as a result of a traffic study.

55. Destination resorts shall provide for pedestrian and bicycle access through the development from the urban area to the National Forest and/or other public lands such as parks, scenic areas, and designated trails.

The Council finds that existing policies 49-55 above are a carry-over from the initial General Plan adopted in 1981 and established an UGB and a non-statutory urban reserve area boundary for the City of Bend. The Urban Area Reserve is located in the outer boundary, under the jurisdiction of Deschutes County. The Council finds that the City has no regulatory authority to implement these policies and they are therefore deleted.

Refinement Plan Areas

5-58 A refinement plan that includes residential areas may prescribe residential density limits on specific properties which differ from the density range provided for in the General Plan. However, the average density of residential development allowed within a refinement plan area shall not be less than 80 percent or more than 100 percent of the maximum density, including applicable density bonuses or transfers, prescribed for the area by its pre-existing comprehensive plan map designations.

The Council finds that Refinement Planning is defined by State statute and is different from Master Planning as defined by the City. Policy 5-58 was modified but retained much of the intent of the existing policy. The modified policy includes specific density ranges required for a refinement plan in order to achieve residential efficiency measures identified in the Plan. Related policies on refinement plans can also be found in Chapter 1, Plan Management of the Plan

57. *The Lava Ridge Refinement Plan is adopted as part of the Bend Area General Plan.*

58. *If the city and county do not adopt refinement plans for the two study areas shown on Figures 22A and 22B by January 2000, the RL zoned land in those areas shall be rezoned to RS.*

The Council finds that existing policies 57 and 58 are obsolete and no longer necessary. The Lava Ridge Refinement Plan was adopted as an appendix of the Plan and has been codified in the BDC. The Lava Ridge Refinement Plan area was rezoned; a second refinement Plan area called Hollygrape was never finalized and the area has since been zoned RS. Therefore, these two policies are deleted.

Chapter 5 Conclusions*:* The Council finds that the proposed UGB amendment directly responds to both the new policies as amended and existing policies of Chapter 5. As part of the proposed amendment, the City updated the Buildable Lands Inventory (Rem Rec 10513), the Housing Needs Analysis (Rem Rec. 10572) and has rewritten the *new* Housing, Chapter 5 (Rem Rec 10310) to reflect the updated information. The Council finds that, concurrent with the UGB Expansion, the City has proposed numerous efficiency measures implemented through the Development Code (see Section 11 Findings) and that the efficiency measures remove barriers to development and encourage higher density development, a greater variety of housing types and encourages the development of affordable housing. Therefore, the Council finds that the City's proposed UGB amendment is consistent with the applicable Comprehensive Plan policies of Chapter 5, Housing.

10.7 Chapter 6 – The Economy and Lands for Economic Growth

FINDINGS: The Council finds that, as part of the UGB amendment, the City updated the Buildable Lands Inventory(Rem Rec 10513) and the Economic Opportunities Analysis (Rem Rec 10687) and has rewritten The Economy and Lands for Economic Growth; Chapter 6, now referred to in this and subsequent findings as ***Economy*** (Rem Rec 10326). The new Chapter 6 reflects the updated information and new policies have been added. The Council finds that the intent of many of the existing policies have been retained and several have been rewritten for clarification, re-organized, replaced or deleted. The Chapter 6 plan policies are listed below by subject. These policies contain a new numbering system that references the Chapter number followed by the policy number. Where necessary to demonstrate consistency with prior Chapter

6 Plan policies, those policies have also been included with the original numbering and shown in *italics*.

Section 5 Findings provide a complete discussion on the Economy of Bend and the compliance with Goal 9.

General Policies

6-1 Bend's economic lands (commercial, industrial and mixed use) serve Bend residents and the needs of a larger region.

6-2 Bend is a regional center for health care, art and culture, higher education, retail, tourism, and employment. The economic land policies recognize Bend's role in the region, and the need to support uses that bolster the local and regional economy:

- The Medical District Overlay Zone provides economic lands for a variety of health care and related services to a population much larger than the City of Bend.
- Commercial and Mixed Use-designated lands support retail, tourism, and arts and culture uses to serve a local and regional role.
- Public Facility and Special Plan Districts support higher education to serve Bend residents and the needs of the region.
- Industrial and Mixed Employment-designated land located at Juniper Ridge has a local and regional role.

6-3 Investment in transportation, water, sewer, fiber, and other utility infrastructure should be prioritized to serve economic lands.

6-4 Infrastructure will be planned, designed, and constructed to support continued economic growth and orderly development.

6-5 The Bend Municipal Airport is one of the City's highest-value economic development assets. Bend will coordinate with Deschutes County to create policies and development regulations that ensure long-term employment growth at the airport.

6-6 Employment lands for Bend's target sectors will be provided and protected to promote expansion of existing businesses and attract new businesses.

6-7 Bend will diversify its economic base to withstand expansions and contractions in the business cycle.

6-8 The City will recognize the statements of the City's overall economic development objectives and desirable types of employment contained in the 2016 Economic Opportunities Analysis (EOA).

6-9 The City will prioritize providing an adequate number of suitable industrial sites while also providing a variety of commercial sites.

6-10 The City will seek opportunities to designate or allow additional sites for employment use and increase the use of existing employment land within the existing urban growth boundary prior to expanding the UGB.

6-11 The City will periodically review existing development and use patterns on industrial and commercial lands. The City may consider modifying Comprehensive Plan designations and zoning to better respond to opportunities for redevelopment and revitalization of employment lands in underutilized areas.

Short Term Supply Policies

6-12 The City establishes a goal to have at least 25% of the predicted economic land need identified in the adopted EOA qualify as competitive short-term land supply.

6-13 Beginning in 2019, and every two years thereafter, the City will:

- Update the economic lands Buildable Lands Inventory to identify developed and vacant economic lands by Comprehensive Plan designation;
- Estimate the acreage of vacant economic lands that qualify as competitive short-term supply;
- If the acreage of vacant lands that qualify as competitive short-term supply is less than the 25% goal, then staff will deliver a report to the City Council that details:
  - Economic lands that have a relatively good opportunity to qualify as competitive short-term land supply to meet the 25% goal,
  - Obstacles preventing those lands from qualifying as competitive short-term supply, and
  - Efforts, plans, and potential funding mechanisms to prepare the lands to qualify as competitive short-term supply.

The Council finds that Policies 6-1 through 6-11 listed under General Policies and policies 6-12 through 6-13 listed under Short Term Supply Policies are new policies intended to support and reflect the updated 2016 EOA (Rem Rec 10687). Policies 6-1 through 6-11 clearly state Bend's desire to encourage and support target sector employment. Specifically, Policy 6-2 identifies Bend a regional economic center. Policies 6-12 through 6-13 express the importance of maintaining a short term supply of economic land for the long term economic health of a growing city like Bend. Compliance with Goal 9 is discussed detail in the Section 5 Findings.

Industrial Development

6-14 Large-lot industrial sites (over 50 acres) are important to the overall inventory of available economic land. Any sites included in the UGB to meet this special site need will be protected with specific plan and/or code provisions.

6-15 The City supports the redevelopment of brownfield sites to make efficient use of existing economic lands and improve the quality of the City's land and water resources.

The Council finds policies 6-14- and 6-15 above are new and consistent with Statewide Planning Goal 9. Policy 6-14 is especially important as the City has included two 50-acre sites for large-lot industrial development in the proposed UGB expansion. One site is within the existing UGB in Juniper Ridge and the second is in the expansion area referred to as the "DSL Property." The Council finds that both sites are earmarked for industrial use and will be protected as such through the master planning provisions and policies in the new Chapter 11, Growth Management (Rem Rec 10362).

6-16 The Juniper Ridge District inside the Bend UGB will be used to help meet the long-term need for future industrial and employment development.

6-17 At least 30% of the total net buildable area of the portion of Juniper Ridge District inside the UGB should be reserved for sites of ten acres and larger in size.

6-18 The City will work to preserve prime industrial lands for industrial purposes and protect them from incompatible commercial and residential uses.

6-19 The community will attempt to diversify its industrial base.

6-20 Existing industrial operations are encouraged to reduce waste discharge levels and improve air quality conditions.

6-21 Industrial developments along highways will be subject to special development standards relating to setbacks, landscaping, signs, and

outside storage.

6-22 Wherever industrial uses abut residential uses or residential zoning, special development standards relating to setbacks, screening, signs, and building height will be established for the industrial uses.

The Council finds that policies 6-16 through 6-22 are retained from the original Chapter 6 policies and reworded to provide clarity and consistency with the 2016 EOA.

2. Prior to permitting industrial development on the Juniper Ridge site, the City shall prepare and adopt a development plan for the area. Preparation of the plan shall include an assessment of public facilities improvements, including transportation facility improvements that may be needed to support industrial development.

7. Since it has been established that the quality of the air may be adversely affected by additional discharges, the development of new industrial sites will be closely monitored in cooperation with the DEQ to prevent substantial degradation of the air shed.

12. Development of the industrial lands at the West edge of the urban area between Skyliners Road and Shevlin Park Road shall be limited to the Industrial Park and Mixed Employment land use categories to minimize additional heavy truck traffic on Newport Avenue and Galveston Avenue.

13. The 95 acre industrial area at the West edge of the urban area shall be designed and developed as part of an overall master plan for future industrial, commercial and residential development between Skyliners Road and Shevlin Park Road.

FINDINGS: The Council finds that current policies 2, 12 and 13 above have been implemented through the Special Planned District plans for Juniper Ridge and Northwest Crossing, adopted in the Bend Development Code, and are no longer needed. The Council finds that policy 7 creates an inaccurate expectation that the City of Bend can enforce air quality conditions when in fact the City does not regulate air quality and the City's policies cannot require a State agency such as the Department of Environmental Quality to take mandatory action. For these reasons, the four existing policies are deleted.

Mixed Use Development

6-23 Mixed-use development may be regulated through one or more plan designations and zoning districts to encourage the development of a mix of employment, or a mix of employment and residential uses.

6-24 Mixed-use development will achieve the following purposes:

- provide a variety of employment opportunities and housing types;
- foster pedestrian and other non-motor vehicle access within and to the site;
- ensure compatibility of mixed-use development with the surrounding area and minimize off-site impacts associated with the development;
- ensure the site planning, access, parking areas and building designs are functionally coordinated and aesthetically pleasing; and
- where applicable, improve the natural conditions along the Deschutes River, and encourage access to and enjoyment of the Deschutes River.

6-25 The City will encourage vertical mixed use development in commercial and mixed use zones, especially where those occur within the Central Core, Opportunity Areas and along transit corridors.

The Council finds that policies 6-23 and 6-24 are re-worded from the original policies to provide broader meaning to a larger area of Bend. Concurrent with the UGB Expansion, the City is proposing to implement two new mixed use districts: Mixed Use Urban (MU) and Mixed Use Neighborhood (MN). The new MU and MN zones will encourage mixed use in select areas providing a variety of employment opportunities and a diverse housing mix. The Council finds that policy 6-25 reflects the fact that vertical mixed use buildings are a relatively new building type in Bend. Vertical mixed use buildings will allow for greater employment density and provide opportunities for upper floor residential housing. Many of the identified opportunity areas inside the current UGB have a plan designation of MN or MU. The Council finds that vertical mixed use is important to the success of the City's proposed efficiency measures identified for the UGB expansion. Policy 6-25 is supportive of the opportunity area known as the Bend Central District which allows for vertical mixed use buildings.

Commercial Development

6-26 The existing pattern of commercial designations shown on the Comprehensive Plan Map along arterial and collector streets including Newport Avenue and Galveston Avenue will not be extended into residentially designated areas unless approved through an Area Plan.

6-27 New employment areas with a mix of employment designations such as commercial, industrial, and mixed use may be created along Highway 97, Highway 20, and O.B. Riley Road.

6-28 The City will encourage development and redevelopment in commercial

corridors that is transit-supportive and offers safe and convenient access and connections for all transportation modes.

6-29 New commercially designated areas are encouraged to develop with mixed-use centers to include housing, open space, commercial development, and other employment uses.

6-30 The City shall strive to retain and enhance desirable existing commercial areas and encourage property owners' efforts to rehabilitate or redevelop older commercial areas.

6-31 Proposed Comprehensive Plan Map amendments for new commercial centers shall meet the location and size standards in the Comprehensive Plan text in addition to Plan amendment and/or zone change criteria.

6-32 All commercial developments shall be subject to development standards relating to setbacks, landscaping, physical buffers, screening, access, signs, building heights, parking areas, and design review.

6-33 The City will encourage the development of Neighborhood Commercial centers. Such centers should be scaled to serve the frequent needs of the residents of the neighborhood.

6-34 Unless otherwise approved through an Area Plan, new Convenience Commercial Comprehensive Plan designations should be limited to five acres and should be at least one mile from another commercial Comprehensive Plan designation.

6-35 Commercial developments that abut residential zones or residential uses shall be subject to special setback and screening provisions.

6-36 The City shall continue the revitalization process in the Central Business District through rehabilitation or redevelopment of existing areas.

6-37 The City will provide a process through the development code to review and approve exceptions to height limits where it supports City goals and policies.

6-38 Commercial development adjacent to arterial streets and highways shall be subject to City of Bend and/or Oregon Department of Transportation access management standards (as applicable) and shall provide for multimodal access.

The Council finds that many of the commercial policies were retained or re-stated to support the 2016 EOA. Policies 6-26 and 6-28 were re-worded to encourage commercial development along arterial and collector streets to redevelop as commercial centers that provide a variety of

commercial and residential uses. The UGB expansion areas include a mix of employment uses that will discourage strip commercial development.

30. *An area south of Murphy Road on the west side of Highway 97 has been marked for highway commercial with a flexible "sawtooth" boundary. This area shall be approved for development only when a system of frontage road and limited access control is created that will protect the capacity and safety of Highway 97 and South 3rd Street.*

The Council finds that policy 30 is outdated and inconsistent with the adopted Comprehensive Plan map. The City no longer uses the "sawtooth" designation to indicate a flexible boundary. The area referred to in the policy has been incorporated into a "Special Planned District" called the Murphy Crossing Refinement Plan that includes higher density residential and a variety of mixed and commercial uses.

6-39 The City will limit the amount of ground-floor residential development in the commercial zones and mixed employment zones to preserve economic lands for economic uses.

6-40 The City will monitor parking needs for commercial uses and set requirements at the lowest level to meet the community needs.

6-41 The City will write parking requirements to encourage walkable commercial development while providing for adequate parking.

The Council finds that new policies 6-39 through 6-41 are added to the updated Chapter 6 because they are important to implementing the efficiency measures within the current UGB identified as "opportunity areas." These policies will be implemented by a concurrent BDC proposal that will remove barriers to development and encourage a variety of housing and employment opportunities as described in the Urbanization Report (Rem Rec 10814)

Chapter 6 Conclusions: The Council finds that the proposed UGB Expansion will designate opportunity areas within the existing City limits to allow greater employment opportunities where public facilities are currently available. The areas for expansion will designate properties for both employment and housing to provide complete neighborhoods. The Council finds that City's proposed UGB amendment is consistent with both the new and the existing Comprehensive Plan policies of Chapter 6, Economy and supports the updated EOA.

10.8 Chapter 7 – Transportation Systems

The Council finds that, as part of the City's UGB amendment, the City has updated the TSP (Rem Rec. 10994) and developed a new ILUTP for Bend adopted as Appendix F of the TSP. The existing Chapter 7 of the Plan consists of duplicate information provided in the acknowledged TSP. The proposed amendment simplifies Chapter 7 (Rem Rec 10339) by

removing the TSP Benchmarks and Implementation from the Chapter, eliminating duplication with the TSP, deleting policies where the directive has been completed, and deleting or modifying text that is obsolete or no longer relevant, and adding new policies as appropriate..

Transportation System Plan Objectives and Policies

Objectives:

- *To promote land use patterns that support fewer vehicle trips and shorter trip lengths*
- *To ensure that future development, including re-development will not interfere with the completion of Bend's transportation system*

The Council finds that the existing Plan Objectives have served the City well. The UGB expansion process utilized proximity to existing uses as a filter to determine the most efficient boundary for expansion. The Council finds that the City is planning for complete neighborhoods, thereby reducing VMT and encouraging alternate modes of travel.

Policies

7-3 The City shall consider potential land needs for long-range transportation system corridor improvements and related facilities including transit during the review of subdivisions, partitions, and individual site applications.

7-4 Developments at the edge of the urban area shall be designed to provide connectivity to existing and future development adjacent to the urban area.

7-5 The City shall continue to explore mixed use zoning as one of the land use patterns that will promote fewer vehicle trips and shorter trip lengths.

The Council finds that the future transportation needs of the City were considered as an integral part of the UGB expansion work. The Goal 14 Analysis addressed in the Section 7 Findings and the Transportation Analysis in the Section 8 Findings provide a comprehensive description of the future needs, costs and feasibility of providing those transportation facilities as Bend grows. Consistent with policy 7-5 above, an important part of the analysis was exploring different land use patterns that influence vehicle trips. The Council finds that the City intends to create complete neighborhoods that promote safe and convenient access to goods and services, including access to schools and parks.

7-8 As areas that are currently beyond Bend's existing Urban Growth Boundary (UGB) are urbanized, the city, property owners, developers and all applicable service districts shall work cooperatively to develop appropriate plans for extensions and connections of the transportation

system, including but not limited to; roads, sidewalks, trails and/or public transportation. The objective of this planning effort will be to ensure that the new areas promote and facilitate the development of urban land use densities and systems that will fulfill the goals and objectives of the Transportation System Plan.

7-11 The City of Bend shall coordinate the City Transportation System Plan with the Deschutes County Transportation System Plan. The City shall emphasize continuity in the classification of roads and appropriate design standards for roads that link urban areas with rural areas outside the urban growth boundary. The City and County shall agree on the functional classification and design standards of County roads within the URAs.

The Council finds that, consistent with Goal 2, the City and County coordinated the future transportation needs for the expansion areas. Any necessary changes to the City and County TSPs will be adopted concurrently with the UGB expansion.

5. The Zoning Ordinance shall be revised so that building design, building orientation and site plans for commercial and public facilities promote pedestrian and bicycle access to and from nearby neighborhoods.

The Council finds that all existing TSP policies were retained with the exception of the above policy 5. This policy is deleted because this directive was completed with the 2006 Development Code update, which was acknowledged; therefore, this policy is no longer needed.

Transportation Demand Management

Objectives:

- *To reduce peak hour traffic loading on the roadway system*
- *To reduce single occupant vehicle travel*
- *Implementation of a TDM Plan (Central Oregon Commute Options Program) for the city of Bend*[7]

Policies

7-23 The City shall manage and regulate parking by:

a) Establishing programs to lower parking demand in commercial and business districts citywide by providing preferential parking for carpoolers, encouraging mass transit use, encouraging shuttle

[7] For reference, TDM refers to Transportation Demand Management

systems from external parking lots, and maintaining an adequate supply of strategically placed bike parking facilities.

b) Requiring business groups and employers to develop parking management strategies that support reduced roadway system demand during the peak motor vehicle travel times.

The Council finds that the proposed UGB expansion is consistent with policy 7-23. To increase efficiency within the existing urban growth boundary, Opportunity Areas have been identified that will allow for more compact development and a mix of uses, making it easier to implement transportation demand management (TDM) measures and encourage alternative modes of travel. The Council finds that parking reductions along transit corridors and for mixed use buildings have been added to the BDC (Rem Rec 11149) as an efficiency measure to encourage the development of residential housing, promote multi-modal travel and remove barriers to vertical mixed use development.

Pedestrian and Bicycle Systems

Objectives:

- *To support and encourage increased levels of bicycling and walking as an alternative to the automobile*
- *To provide safe, accessible and convenient bicycling and walking facilities*

Policies

7-27 The City shall work with the County, State, Forest Service, Park District and public agencies to acquire, develop and maintain a series of trails along the Deschutes River, Tumalo Creek, and the canal system so that these features can be retained as a community asset. Connections between the Bend Urban Area Bicycle and Trails System should be made to the USFS trail system.

7-28 The City work with the Park District together to acquire, develop and maintain the *primary* trails designated on the *Bend Urban Area Bicycle and Pedestrian System Plan, Figure 7-2.* New development shall be required to construct and dedicate Primary Trails for public use according to this plan. The alignments depicted are general in nature and shall be located according to criteria defined in TSP Section 6.3.1.3. These trails, and future trail additions, shall support the need for non-motorized travel in the community.

7-43 As land areas that are currently beyond Bend's existing Urban Growth Boundary (UGB) are urbanized and as it relates specifically to the Bend Primary Trail System, external destinations (beyond the UGB) and

specific connection points (within the existing UGB) have been delineated on the Bend Urban Area Bicycle and Pedestrian System Plan, Figure 7-2.

The Council finds that the objectives and policies in Chapter 7 guide the future location of pedestrian and bicycle facilities within the City and were considered when determining the most efficient expansion areas for the UGB. The requirement for including pedestrian facilities and bicycle facilities for new roads within the expansion area was considered in the cost estimates of providing transportation services to the UGB. The Transportation Analysis in the Section 8 Findings provides a comprehensive description of the future needs, costs and feasibility of providing those transportation facilities as Bend grows.

19. *The City shall work with the Burlington Northern – Santa Fe (BNSF) Railroad to determine where, if possible, railroad right-of-ways could be used also as trail corridors. Provided this joint-use agreement can be reached with the Railroad Company, the City shall evaluate the entire Rails with Trails Corridor in light of opportunities to augment the local primary trail system and future amendments to the TSP should be considered to establish those corridors as a part of the Transportation System Plan.*

20. *There are expansion plans for the city domestic water storage and supply facilities on the Overturf Butte Reservoir site, therefore the existing "connector trails" alignments shown on the plan shall be considered temporary in nature. These trails shall be subject to relocation if conflicts arise relative to future plans to expand or alter the water storage facilities on the Butte. Relocation of these trails to alternative alignments shall not require a Transportation System Plan amendment. In the event that these trails cannot be relocated to an alternative location that serves the same trail function on the Butte and therefore the affected trail(s) must be closed to public use, this type of action shall require an amendment to the TSP.*

21. *The city of Bend and Bend Metro Park and Recreation District shall develop a Memorandum of Understanding (MOU) or an Intergovernmental Agreement (IGA) to define respective agency roles and responsibilities relative to the network of trails on Overturf Butte.*

The Council finds that there are sound reasons to delete existing policies 19 through 21. Policy 19 directs the City to work with the Burlington Northern-Santa Fe (BNSF) railroad to determine potential trail corridors. After years of trying to engage BNSF, this policy was abandoned. Policies 20 and 21 are deleted because the directives contained within the policies have been completed and are no longer necessary.

Public Transportation System

Objectives:

- *Continue to develop public transportation services for the transportation disadvantaged*
- *Reduce reliance on automobiles and develop public transportation facilities*
- *Increase mobility and accessibility throughout the urban area*
- *Continue to provide infrastructure and land use planning to support transit*

Policies

7-45 The City shall coordinate with the MPO and Central Oregon Intergovernmental Council to evaluate funding alternatives and seek appropriate resources to support a public transportation system. Effort should be made to evaluate creative funding techniques that may include the combination of public and private transportation resources in coordination with other agencies and transportation providers.

The City shall work together with Central Oregon Intergovernmental Council to develop inter-urban public transportation services. Priority shall be given to high load ridership corridors.

The Council finds that supporting the development of a complete Transit System is a top priority for Bend's future transportation system. Transit was factored into the transportation analysis for the UGB expansion and the necessary improvements needed.

1. The City shall preserve and improve the existing Dial-A-Ride service (efficiency, expanded ridership and routes, zone destination) and develop a strategic plan for its future expansion that results in the initiation of a citywide public transportation system.

The Council finds that the existing policy above is deleted because the referenced *Dial-a-ride* system is not a City service. It is operated by the Cascade East Transit and the City cannot be responsible for the administration of the Cascade East Transit System[8].

Street System

Objectives:

- *To provide a practical and convenient means of moving people and goods within the urban area that accommodates various transportation modes*
- *To provide a safe and efficient means to access all parts of the community*

[8] The City transferred authority for operating the Dial-a-Ride system to Cascades East Transit.

- *To provide an attractive, tree-lined, pedestrian friendly streetscape sensitive to protecting the livability of the community*

Policies:

General

7-50 Streets shall be classified and generally located according to the Bend Urban Area Roadway System Plan, Figure 7-1, and the Street Functional Classification, Table 7-1. Street right-of-ways and improvements standards shall be developed to meet the needs of the Transportation Plan and Functional Classification System. Transportation project development review and approval shall be subject to the provisions of the Bend Development Code and Oregon Administrative Rule 660-012, Section 0050, as applicable.

The Council finds that the street classifications within the City and adjacent expansion areas are consistent with the City and County TSPs. Any improvements to streets that extend into the expansion areas will be constructed to City standards once the lands have been annexed into the City.

Residential Streets

7-60 A grid-like pattern of residential local streets shall be developed whenever practical in order to increase street connectivity within a neighborhood

7-61 The City may require adjustment to the street pattern or installation of traffic calming devices in order to discourage high speed and volume vehicular traffic on local residential streets.

The Council finds that the development of complete neighborhoods is a goal of the UGB expansion project and connectivity of safe streets is a fundamental element of complete neighborhoods.

Arterial Streets:

7-67 The City shall evaluate the effect of transportation demand management (TDM) and transportation system management (TSM) measures that would successfully eliminate or delay the need for minor arterial street widening beyond the existing travel lanes within the twenty-year design life of a proposed roadway project. Transportation system computer modeling is one acceptable evaluation method that can be used to assist in the assessment of forecast travel demand and the associated vehicle travel lane needs.

TDM/TSM measures *as an alternative* to roadway widening: The TDM and TSM measures **incorporated into this analysis**, as an alternative to roadway widening, shall be capable of funding and fulfillment within a reasonable time period such that the subject arterial level-of-service shall not diminish below an acceptable adopted City standard.

TDM/TSM measures *AND* roadway widening: If the implementation of TDM and TSM measures **from the previous analysis** are determined to be insufficient in meeting the transportation system needs along the subject roadway corridor, the City shall undertake an evaluation of the consequences that additional roadway widening may have on adjoining neighborhoods as well as the benefits gained by additional street construction.

The Council finds that policy 7-67 supports the implementation of the City's ILUTP, since TDM measures are an important tool for reducing VMT, especially in the proposed Opportunity Areas.

22. *The City shall involve the public, the Park District and other governmental agencies in developing a roadway design for the southern river crossing that complements the natural features of the river area.*

27. *The state highway system (i.e., Highways 97 and 20, Century Drive and the Parkway) shall be designated as the through truck route system. Trucks shall be permitted on the City and County arterial street system for local trip activity, unless otherwise restricted.*

The Council finds that policies 22 and 27 are deleted because the directives within the policies have been accomplished.

Parkway

30. *The Bend Parkway will be planned, constructed, and managed to limit direct access to the facility to meet the policies and requirements of the Oregon Highway Plan, to protect the integrity of the routes through capacity, and to promote public safety.*

31. *To maintain the viability of the existing East 3rd Street and downtown business districts, the Bend Parkway will provide convenient access to these areas in so far as this does not compromise the function of the Parkway.*

32. *The Bend Parkway shall, to the greatest extent possible, include landscaping, medians, separated sidewalks, and bike lanes.*

The Council finds that policies 30-31 regarding the Parkway are deleted as part of the City's update of Chapter 7 with the UGB expansion because the Parkway projects identified in each policy have been completed, making the policies no longer necessary.

Bend Central District (BCD)

7-84 The City will partner with property owners and developers to make improvements to transportation facilities within the BCD Overlay to improve connections for all modes of travel, including implementing a well-connected system for pedestrians, bicyclists, and transit users.

7-85 The City will implement street designs identified in the BCD Plan over the long term. Improvements may be phased in over time and will be refined, as needed and appropriate, through more detailed facility design processes.

7-86 The City will encourage and work with local businesses and residents to implement transportation demand management programs and strategies.

7-87 The City will work with local businesses and property owners to develop and implement a parking strategy for the BCD that meets local parking needs while also encouraging us of alternative modes (e.g., bicycling, walking, and transit) to travel to, from, and within the BCD.

The Council finds that the BCD policies 7-84 through 7-87 have been added to Chapter 7 in support of the BCD. The Council finds that the BCD was identified as an "Opportunity Area" through the UGB process to achieve greater efficiency within the existing boundary for housing and employment. Concurrent with the UGB adoption, new development code text to implement the BCD will be added. The code text for the BCD will support transit oriented development and alternative modes of travel.

Integrated Land Use and Transportation Plan

7-88 The City will implement the land use, transportation demand management, parking management, transit, and complete streets strategies, projects and programs that are identified as Proposed Strategies in Chapter 4 of the ILUTP.

7-89 The City will conduct a planning study to determine Transportation Management Areas for the opportunity areas, transit centers, and public and private institutions and companies.

7-90 The City will include streetscape projects in opportunity and core areas and transit corridors when developing the transportation CIP priorities and projects.

7-91 The City will develop transit priority corridors in the opportunity and core areas that include a combination of land use policies and codes and

transportation enhancements that encourage transportation options.

7-92 The City will update the assessments of the ILUTP benchmarks at each update of the regional transportation system plan.

The Council finds that the City has developed an ILUTP as Appendix F of the TSP (Rem Rec 10994) in conjunction with the UGB expansion. Policies 7-88 through 7-92 are new and have been added to Chapter 7 (Rem Rec 10339) to support and guide the City's work to reduce VMT inside the existing City limits and the UGB expansion areas.

TSP Map Updates

7-93 Any Bend TSP map that illustrates a dashed line for a proposed transportation facility may be updated administratively by staff upon the construction/completion of that facility. Updating of any affected maps shall convert any "dotted" lines into "solid" lines that follow as-built alignments, as much as practical, and shall not constitute a land use decision.

The Council finds that, consistent with Goal 2, the City is coordinating with the County on the future alignments for collector and arterial streets that may extend into the expansion areas. These new alignments and existing proposed alignments within the current City limits will be shown as dashed lines until the facility is constructed or the land dedicated to the public as right of way. The Council finds that any necessary changes to the TSP map will be adopted concurrently with the UGB adoption.

Transportation Funding and Prioritization Policies

7-93 The Financing Program projections show that sufficient funding will be available to build the twenty-year needs of the transportation system that are included in the TSP and further defined as the near- and mid-term priorities. However, if existing and future funding levels do not fully cover increased demand on the system, the City Council may accept additional congestion on the roadway system to allow transportation projects to be postponed beyond the planning period.

The Council finds that, with the update of the TSP, the City has considered the cost to construct necessary improvements to serve the proposed expansion area. A variety of funding strategies are being considered. TDM plays a large role in reducing the overall transportation infrastructure costs. The Council finds that the City acknowledges that congestion may increase on certain facilities.

Chapter 7 Conclusions: The Council finds that, concurrent with the UGB expansion, the City is amending the TSP (Rem Rec 10994) and adopting an ILUTP as Appendix F of the TSP.

Complete findings regarding Transportation are located in Section 8. The Council finds that the City's proposed UGB amendment is consistent with the applicable Comprehensive Plan policies of Chapter 7, Transportation.

10.9 Chapter 8 – Public Facilities and Services

The Council finds that Chapter 8 was recently amended in April 2013 to add the City's new Water Public Facilities Plan and in December 2014 to add the new Sewer Collection Public Facilities Plan. Modifications to policies were made at that time. The policies applicable to the urban growth boundary are addressed below.

Sewer Collection Facilities

8-1 All new development within the City Limits should be connected to City sewer.

8-2 The City is the primary provider of sewage collection and treatment services for the City's service area under Statewide Planning Goal 11.

8-3 To reduce the reliance on individual sewage disposal systems within the Urban Growth Boundary the city will work with unsewered neighborhoods to find solutions for sewer service.

The Council finds that a proposed change to Policy 8-1 to change the reference from the UGB to City Limits is necessary because the current City limits and the urban growth boundary are the same line. The proposed UGB expansion will extend beyond the existing City limits. State law prohibits urban level public facilities to be extended beyond the city limits service boundary. Once properties within the expansion area have annexed into the city the public facilities can be extended. The Council finds that both policies 8-1 and 8-3 address the importance of providing sewer within the City limits prior to serving the UGB. There are areas within the existing city limits that are not connected to City sewer and are still reliant on septic disposal systems. To maximize efficient use of land, the City is constructing new sewer interceptors in the southeast and north consistent with the adopted Collection System Master Plan. The new interceptors will serve existing properties within the City limits and provide capacity for new development within the urban growth boundary expansion areas.

Water Facilities and Systems

8-13 The City of Bend is the provider of water service for the City's service area under Statewide Planning Goal 11.

8-14 Avion Water Company is the provider of water service for its franchise area under Statewide Planning Goal 11 and pursuant to the franchise

agreement between the City and Avion adopted under Ordinance NS 1514, as amended.

8-17 The City shall continue to coordinate with private providers and irrigation districts in matters of water concerns within the Urban Growth Boundary.

The Council finds that the City and Avion Water will be responsible for providing domestic water service within the expansion areas. As expansion areas are annexed into the City limits, the respective water systems will be constructed to serve the new development.

8-19 The City may allow water service outside the UGB at rural levels consistent with Goal 11.

The Council finds that Policy 8-19 is a new policy, proposed with the UGB expansion. The policy is necessary because there are several destination resorts that are adjacent to the City limits with the ability to request water service from the City consistent with statewide planning Goal 11. In addition, there are a few legacy properties that receive City water service outside the City limits, and properties that can be legally extended municipal water service, since County land use regulations would not allow an increase in rural densities under Goal 11 as a result of such service. The Council finds that such water services can be beneficial to the City for health, environment and fire suppression purposes.

Storm Drainage Facilities and Systems

8-31 Hazard and resource areas with the following characteristics shall be considered unsuitable for urban development:

- flood zones;
- water supply watersheds; and
- riparian corridors and natural drainageways.

8-33 The City shall regulate development near water courses to reduce erosion and pollution and to provide open, natural areas.

The Council finds that the control of storm water has become more important as the City urbanizes and expands into rural areas. Higher densities and impervious surfaces increase the impacts from storm events causing erosion and flooding. Drinking water protection areas and storm water retention were factored into the Goal 14 analysis.

General Policies

8-47 The City may consider funding mechanisms and agreements to address on-site and off-site improvements, modernization of existing infrastructure to City's standards and specifications, and impacts to infrastructure inside the current City limits.

The Council finds that the policy 8-47 is necessary to provide guidance when working with homeowners and business owners on large infrastructure improvement projects. This policy is also included in the new Chapter 11, Growth Management and was vetted through the UGB Steering Committee.

Chapter 8 Conclusions: The Council finds that the adopted Public Facilities Plans were considered in the Goal 14 Analysis. A complete discussion of the Goal 14 Analysis are in Section 5 of the Findings. The City's proposed UGB amendment is consistent with the applicable Comprehensive Plan policies of Chapter 8, Public Facilities and Services.

10.10 Chapter 9 – Community Appearance

Policies

9-2 Community appearance shall continue to be a major concern and the subject of a major effort in the area. Major natural features, such as rock outcrops or stands of trees, should be preserved as a community asset as the area develops.

9-3 The city will use advisory committees, public workshops, and other measures, to identify those characteristics that give the community its individual identity and preserve and expand those characteristics as growth occurs.

The Council believes that the natural landscape surrounding Bend continues to be an important asset for the community. The City has successfully protected and preserved areas along the Deschutes River as well as upland natural features. The BDC implements these policies through the development codes for Upland Areas of Special Interest and the Waterway Overlay Zone. The Council finds that these codes will continue to be in force and will apply to the expansion areas area annexed when into the city limits. A joint management agreement between Deschutes County and the City will allow the City to use Title 19 for administering land use review within the unincorporated expansion areas.

The Councils finds that, as part of the UGB expansion work, an Urban Form Report (Rem Rec 10950) was developed to address how Bend will look as it urbanizes. There is an emphasis on complete neighborhoods, corridor types and connections and urban form considerations as the

city transitions into the expansion areas. The Urban Form Report will be adopted as part of the updated Plan as Appendix M.

6. *After the Highway 97 Parkway opens, the city and county shall work with ODOT to improve the appearance of Highway 20, NE 3rd Street and South Business Highway 97.*

11. *The city shall develop ordinances requiring grading permits.*

The Council finds that the directives in the policies 6 and 11 have been accomplished by the City and are no longer necessary, so the policies are deleted.

Chapter 9 Conclusions: The Council finds that the City's proposed UGB amendment is consistent with the applicable Comprehensive Plan policies of Chapter 9, Community Appearance.

10.11 Chapter 10 – Natural Forces

Policies

Natural Hazards

10-12 The City shall continue to apply Flood Plain zoning regulations along the Deschutes River and Tumalo Creek based on the best available data.

The Council finds that the proposed UGB expansion does not include any new lands along the Deschutes River or Tumalo Creek. City building codes and zoning ordinance regulate the development within the floodplain of the Deschutes River within the current City limits.

Wildfire

10-18 The City will adopt strategies to reduce wildfire hazard on lands inside the City and included in the Urban Growth Boundary. These strategies may, among others, include the application of the International Wildland-Urban Interface Code with modifications to allow buffers of aggregated defensible space or similar tools, as appropriate, to the land included in the UGB and annexed to the City of Bend.

The Council finds that the topic of wildfire was an important factor in determining the location for the new UGB. The City has experienced severe wildfire events over the past 20 years and recognizes the threat of wildfire as a natural hazard. Section 7 of the Findings discusses how wildfire was included in the Factor 3 boundary analysis. A new section of text called "Wildfire" and the accompanying plan policies have been added to Chapter 10. Detailed findings related to Goal 7, Natural Hazards, which include wildfire can be found in Section 9. The Council finds that the risk of wildfire must be taken seriously as the City expands into forested areas and

areas of unmaintained natural vegetation that surround the entire City. The city received a grant for Community Planning Assistance for Wildfire from Wildfire Planning International and Headwaters Economics. The grant products will assist the City in achieving this policy.

Chapter 10 Conclusions: The Council finds that, the City's proposal minimizes the risk of wildfire by applying a development transect to the expansion areas on the west. Specific area planning policies set a maximum density for development as described in the Urbanization Report (Rem Rec 10814) and Chapter 11, Growth Management (Rem Rec 10362) The Council finds that the City's proposed UGB amendment is consistent with the applicable Plan policies of Chapter 10, Natural Forces as indicated above.

10.12 Chapter 11 – Growth Management

The Council finds that the Growth Management Chapter (Rem Rec 10362) is a new chapter for the Plan. It captures the City's goals and policies regarding future planning for growth. The following is a brief overview of the chapter and its organization.

- The **Background** section provides the legal context on growth management required by Statewide Planning Goal 14, Urbanization; a brief summary of Bend's community setting, history and priorities; an aspirational future urban form diagram for the City along with an overview of urban form typologies; and brief descriptions of the opportunity areas identified through the UGB project.
- **Goals** set broad direction and intent (e.g. *Implement an overall strategy to "Wisely grow up and out"*). They are intended to be guiding and aspirational; they are not regulatory policies.
- The **policies** are regulatory; they are used as the basis for determining "consistency with the Comprehensive Plan", when specified by either the development code or the comprehensive plan.

The Council finds that the City must plan for how and what types of land are needed for future growth and to some degree determine the form of new development to ensure a livable community and an enhanced quality of life. The Growth Management Chapter provides the background, goals and policies for implementing the UGB expansion and builds on Bend's Urbanization Report and Urban Form report adopted as Appendices L and M respectively. The Growth Management Chapter policies support the Goal 14 findings discussed in detail in Section 7 and provides guidance for implementing the UGB.

Policies

General Growth Management Policies

(See related policies in Chapter 1, *Plan Management and Citizen Involvement* and Chapter 10, *Natural Forces.*)

11-1 The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.

11-2 The City will encourage infill and redevelopment of appropriate areas within Bend's Central Core, Opportunity Areas and transit corridors (shown on Figure 11-1).

11-3 The City will ensure that development of large blocks of vacant land makes efficient use of land, meets the city's housing and employment needs, and enhances the community.

11-4 City will adopt strategies to reduce wildfire hazard on lands included Streets in the Centers and Corridors, Employment Districts, Neighborhoods, and Opportunity Sites will have the appropriate types of pedestrian, biking, and transit scale amenities to ensure safety, access, and mobility.

11-5 The in the Urban Growth Boundary. These strategies may, among others, include the application of the International Wildland-Urban Interface Code with modifications to allow buffers of aggregated defensible space, or similar tools, as appropriate, to the land included in the UGB and annexed to the City of Bend.

Policies for Centers and Corridors

(See related policies in Chapter 6, *Economy*.)

11-6 The City will encourage vertical mixed use development in commercial and mixed use zones, especially where those occur within the Central Core, Opportunity Areas and along transit corridors.

11-7 The existing pattern of commercial plan designations shown on the Comprehensive Plan Map along arterial and collector streets including Newport Avenue and Galveston Avenue will not be extended into residentially designated areas unless approved through an Area Plan.

11-8 New commercially designated areas are encouraged to develop with mixed-use centers to include housing, open space, commercial development, and other employment uses.

11-9 The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all modes.

11-10 The City will encourage the development of Neighborhood Commercial centers. Such centers should be scaled to serve the frequent needs of the residents of the neighborhood.

11-11 Unless otherwise approved through an Area Plan, new Convenience Commercial Comprehensive Plan designations should be limited to five acres and should be one mile from another commercial Comprehensive Plan designation.

Policies for Employment Districts

(See related policies in Chapter 6, *Economy.*)

11-12 New employment districts with a mix of Plan designations such as commercial, industrial, and mixed employment may be created along Highway 97, Highway 20, and O.B. Riley Road.

11-13 The City will periodically review existing development and use patterns on industrial and commercial lands. The City may consider modifying Comprehensive Plan designations and Zoning to better respond to opportunities for redevelopment and revitalization of employment lands in underutilized areas.

Policies for Residential Areas and Neighborhoods

(See related policies in Chapter 5, *Housing.*)

11-14 The City will support re-designation of suitable areas that are within a 1/4 mile walk to transit corridors from a lower density designation to a higher density designation, where plan amendment criteria are otherwise met.

11-15 Neighborhood Commercial shopping areas may be located within residential districts and have development standards that appropriately limit their scale and recognize their residential setting.

11-16 Medium-and high-density residential developments should have good access to transit, K-12 public schools where possible, commercial services, employment, and public open space to provide the maximum access to the highest concentrations of population.

11-17 Schools and parks may be distributed throughout the residential sections of the community, and all types of dwelling units should have safe and convenient access to schools and parks. The School District and Park District facilities plans will determine the location and size of needed schools and parks.

The Council finds that General Growth Management Policies 11-1 through 11-17 are included in Chapter 11 and in some instances appear again in other related chapters as referenced in the sub-headings. The Council finds that these policies provide general guidance for achieving the desired form in which the City will grow.

Policies for Special Site Needs

11-18 The City has identified a need for a special site for a university as part of the Urban Growth Boundary Process. At this time, Oregon State University is developing plans for a Bend campus. If OSU's plans are approved by the City, their campus will meet this identified need. The campus site currently being developed is between Century Drive, Mt. Washington Drive and Simpson Avenue (see Figure 11-3). Further expansions of the university within this area of the City are also being considered. Such a designation for this area does not preclude land uses other than institutional.

11-19 The City has identified a need for two large lot industrial sites for targeted industries specified in the EOA. This need will be met through the opportunity for one large lot industrial site in the eastern portion of Juniper Ridge and one large lot industrial site on the DSL property (see Figure 11-3).

11-20 Subsequent area planning for properties that are identified as meeting a special site need shall include regulations to protect the site for the identified use. The regulations will be consistent with the Regional Large Lot Industrial Land provisions for Crook, Deschutes and Jefferson Counties in Oregon Administrative Rules, Chapter 660, Division 24. The regulations will be consistent with the model code prepared as part of the 2011 Regional Economic Opportunities Analysis.

The Council finds that policies 11-18 through 11-20 address the special site needs identified by the City. DLCD and LCDC determined that the City's findings and 2008 EOA established an adequate factual basis and policy rationale for including lands beyond the minimum (*e.g.* 20-year) estimate based on projected employment. The Council finds that, through the remand, it was determined that the university site and one of the large lot industrial sites could be accommodated within the current City limits. The policies help clarify the intended site locations.

General Area Planning Policies

11-21 Area Plans are intended to coordinate development and provide flexibility to tailor land use regulations and/or transportation and infrastructure plans to respond to area- or site-specific conditions.

11-22 The city will establish development codes to provide a variety of approaches to area planning in order to further the development of complete communities, unique developments which implement comprehensive plan policies, and provide for adequate public infrastructure.

11-23 The City may require Area Plans prior to development in UGB expansion areas.

11-24 Where Area Plans propose land uses that are inconsistent with the adopted plan designation(s), a plan amendment must be approved prior to or concurrent with adoption of the Area Plan.

11-25 An Area Plan that includes residentially designated land may prescribe residential density limits on specific properties that differ from the density range provided for in the Comprehensive Plan. However, the average density of housing within each residential plan designation in the plan area must remain within the range established by the adopted comprehensive plan map designations and applicable Comprehensive Plan policies, including applicable density bonuses or transfers. Deviation from this range requires approval of a plan amendment prior to or concurrent with the Area Plan that creates consistency between the plan designations and the average densities within each plan designation in the area plan. Certain areas, including large master plan sites and UGB expansion areas are subject to additional policies in this Chapter and/or additional standards in the development code regarding residential densities.

11-26 Area Plans for land within UGB expansion areas shall comply with the policies of this chapter. There is flexibility to refine the spatial arrangement of plan map designations provided that identified land and housing needs are still met. Where specific expansion area policies identify acreages of specific plan designations or general categories of plan designations (e.g. commercial) are identified, compliance is defined as providing the required acreages of gross buildable land to the nearest acre. Where expansion area policies identify a required minimum housing capacity and mix, compliance is defined as providing no less than the required number of units and providing the housing mix specified to the nearest percentage point (e.g. 37%).

11-27 Where changes are proposed to the arrangement of plan designations, the proposed arrangement must comply with the relevant policies of this Chapter.

11-28 Some UGB expansion areas have identified preliminary needs for schools and parks. The need and location for schools and parks is determined by the facility planning of the School District and Park District. The School Attendance Areas and Park Service Areas may change and the Area Plans for the UGB expansion areas should take into account any updated school and park needs when the plan is prepared.

The Council finds that "Area Planning" is a term used to capture a variety of tools to refine land use, transportation, and /or infrastructure plans for a specific geographic area. The area planning policies are intended to help achieve the various objectives for the expansion areas, and align with the annexation process.

Master Planning Policies

11-29 The City will provide a mechanism in the development code for property owner-initiated master plans. The development code shall specify approval criteria and procedures for such master plans.

11-30 Master plans in expansion areas are subject to policies 11-56 to 11-131 of this chapter.

11-31 The purposes of master plans are to:

- promote and facilitate coordinated development and efficient use of land;
- provide a process to consider future development on larger sites and to analyze future demand on public facilities; and
- provide an opportunity for innovative and creative development while providing long-term predictability for the applicants, surrounding neighborhoods, and the entire community.

11-32 The City will provide the opportunity for master plans to proceed under clear and objective standards where the applicant does not seek to deviate from the standards of the development code, the adopted zoning map, or Comprehensive Plan map.

11-33 Residentially designated land within master plans must meet higher minimum density standards than established for the residential plan designations generally and must provide for a variety of housing types. The City will set appropriate standards in the Development Code for housing mix and density for master plans in each residential zone/plan designation. Such standards will ensure minimum densities and minimum housing mix that are no less than those listed in Table 11-1.

11-34 Where a specific expansion area policy specifies a required overall housing mix for a given area, the total housing mix specified in policy shall apply in addition to the mix by plan designation listed in Table 11-1.

11-35 Master plans are required for developments over 20 acres unless otherwise specified in the Development Code. Properties in UGB expansion areas where a master plan is required are shown on Figure 11-4.

11-36 Where an approved City-initiated Area Plan exists, the City may find that some or all elements of a required master plan have been addressed and satisfied if they are already addressed by the Area Plan.

11-37 Approval of a City-initiated Area Plan that encompasses one or more properties over 20 acres (including abutting land in common ownership) does not exempt such properties from master plan requirements.

The Council finds that Master planning is the primary tool used for area planning and will be required in all expansion subareas and opportunity areas. Policies 11-29 through 11-37 are specific to master planning. Concurrent with the UGB expansion the City has proposed development code amendments for implementing the Master Planning policies above. Development within the expansion sub-areas will also be subject to specific policies as outlined in Comprehensive Plan policies 11-56 through 11-131 as applicable.

City-Initiated Area Plan Policies

11-38 The City may initiate Area Plans for neighborhoods, UGB expansion areas, opportunity areas within the city, or other discrete geographic areas.

11-39 Area Plans may be initiated by the City Council at its own initiative or at the request of property owners, if the owners agree to bear the cost of creating the plan. The City may, at its discretion, assist with some or all of the cost of creating an Area Plan initiated at the request of property owners.

11-40 The area to be included in a City-initiated Area Plan, and the scope, shall be approved by the City Council by resolution.

The Council finds that, based on input from the TACs, within the expansion sub-areas where the pattern of existing development has many parcels and multiple property owners, it may be necessary for the City to initiate an area plan. The level of City–initiated area plans would focus on framework-level planning and include the basics of transportation, parks, schools, water infrastructure, sewer collection infrastructure and minor land use refinements. This level of planning would provide the appropriate guidance to the physical cohesion of the various sub-

areas and would allow smaller properties to move ahead with annexation and site specific master planning. The Council finds that policies 11-38 through 11-40 provide the basic guidance on how the City initiated plans are intended to work. The process is considered discretionary, based on City resources including financing and staffing, and is initiated by Council resolution.

Annexation Policies

11-41 Annexations will follow the procedural requirements of state law.

11-42 Annexations will be consistent with the Comprehensive Plan and applicable annexation procedures and approval criteria.

11-43 Requests for annexation must demonstrate how the annexed land is capable of being served by urban services for sanitary sewer collection, domestic water, transportation, schools and parks, consistent with applicable district facility plans and the City's adopted public facility plans.

11-44 Annexations will be consistent with an approved Area Plan where applicable. The Area Plan may be reviewed and approved concurrent with an annexation application.

11-45 The City may, where appropriate in a specific area, allow annexation and require area planning prior to development approval.

11-46 Land to be annexed must be contiguous to the existing City limits unless the property owners requesting annexation show and the City Council finds that a "cherry-stem" annexation will both satisfy a public need and provide a public benefit.

11-47 Compliance with specific expansion area policies and/or Area Plans will be implemented through master plan approval or binding annexation agreement that will control subsequent development approvals.

11-48 Existing rural infrastructure systems and urban systems (water, sewer, transportation, stormwater) serving annexed areas may be required to be modernized and constructed to the City's standards and specifications, as determined by the City.

11-49 The City may consider funding mechanisms and agreements to address on- and off-site improvements, modernization of existing infrastructure to the City's standards and specifications, and impacts to infrastructure inside the current City limits.

11-50 Properties over 20 acres (including adjacent property in common ownership) as of the adoption of the UGB expansion (shown on Figure 11-4) are subject to master plan requirements, regardless of property acreage upon annexation.

The Council finds that annexation policies 11-41 through 11-50 are important for an orderly boundary expansion as public infrastructure becomes available prior to or with master planning approval. The policies will also provide guidance for developing an annexation application process. The Council finds that no annexations will be processed for the expansion areas before annexation policies are adopted and the final UGB expansion boundary urban growth boundary ordinances and comprehensive plan amendments have been acknowledged.

General UGB Expansion Policies

11-51 The City will consider the value of balancing and distributing UGB expansions geographically around the city consistent with State of Oregon laws and rules to distribute the benefits (and impacts) of growth and to provide more options for new neighborhoods.

11-52 The City will utilize new growth in expansion areas as a strategy to help make existing neighborhoods, centers, corridors, and employment districts inside the boundary more "complete" by: diversifying the housing mix; providing local commercial services and jobs; increasing transportation connectivity; and providing needed public facilities such as parks and schools.

11-53 The City will take into consideration the context of land beyond a single UGB expansion to inform the type and intensity of uses that are appropriate in each potential expansion area.

11-54 The City will consider applying the concept of a "transect" to appropriate areas. The transect is a series of zones that transition from urban to rural which can reduce the risk of wildfire and provide an appropriate transition from urban uses to national forest lands and other resource areas, such as wildlife habitat, that will not be urbanized within the long-range future.

11-55 The City will consider the relative ability of proposed expansion areas to address the city's affordable housing needs in balancing the social and economic consequences of bringing alternative expansion areas into its urban growth boundary.

The Council finds that policies 11-51 through 11-55 are intended as local policy *guidance* to evaluating alternative future UGB expansions in the context of meeting state laws and administrative rules and balancing the factors established in state regulations. The emphasis

on “guidance” above recognizes that the City will define goals and evaluation criteria to be applied for each unique UGB expansion process. The Council finds that the general expansion policies above build on the *lessons learned* from the current UGB Expansion process. Future expansions will utilize the process and goals set forth by the current UGB expansion process and continue the goal to grow wisely.

Specific Expansion Area Policies

Northeast – Butler Market Village:

11-56 The City will initiate an Area Plan for the Northeast – Butler Market Village area. The Area Plan will address policies 11-57 through 11-63. Prior to completion of the Area Plan, annexations in this area must be a minimum of 40 contiguous acres and be the subject of a master plan application, which includes a framework level Area Plan for the rest of the subarea. Following adoption of the Area Plan, annexation and development of individual properties or groups of properties of any size, consistent with the Area Plan, may be approved.

11-57 Within the area identified on Figure 11-4, the central planning concepts are to: create a new, complete community as a node that sets the stage for additional urban growth in the future; and increase the mix of housing and land uses in the area to increase the completeness of the existing neighborhoods inside the UGB.

11-58 This area shall provide for a mix of residential and commercial uses, including 222 gross acres of residential plan designations and 22 gross acres of commercial plan designations (excluding existing right of way).

11-59 In order to provide sufficient housing capacity and mix, the residential plan designations shall include 178 gross acres of RS, 21 gross acres of RM, and 16 gross acres of RH. Acreages exclude existing right of way. The acreage of RS includes roughly 14 acres for an elementary school site, which may be designated PF if a site has been acquired by the School District prior to completion of the Area Plan. Alternatively, the Area Plan may demonstrate that this area will provide capacity for a minimum of 1100 housing units, including at least 10% single family attached housing and at least 40% multifamily and duplex/triplex housing types. The Area Plan may include and rely on plan designations, zones, special plan districts, and/or other binding development regulations to demonstrate compliance with the specified mix and capacity.

11-60 The street, path and bikeway network shall provide connectivity throughout this area, connect to existing abutting local roads, and provide

opportunities for connections to adjacent undeveloped land both inside and outside the UGB. The transportation network shall be consistent with the Bend Transportation System Plan.

11-61 Coordination with the Bend-LaPine School District is required in order to identify a suitable site for an elementary school within this area.

11-62 Coordination with Bend Park and Recreation District is required in order to address provision of parks and/or trails within this area.

11-63 Coordination with Central Oregon Irrigation District is required in order to address circulation and access issues related to the existing canals in this area and to identify opportunities for trails to be co-located with canal easements or right of way.

East Highway 20:

11-64 This area (identified on Figure 11-4) shall provide for affordable housing, consistent with policies 5-20 and 5-21 of the Housing Chapter of the Comprehensive Plan, as follows:

- The minimum number of affordable housing units shall be 100% of the housing units developed on the portion of the property shown on Figure 11-4.
- Guarantees, in a form acceptable to the City, shall be in place to ensure that affordable housing units will meet the affordability requirements for not less than 50 years.

DSL Property:

11-65 Master planning is required for this area. The master plan must be consistent with both master plan standards in the development code and policies 11-66 through 11-74 below.

11-66 The overall planning concept for the DSL property as identified in Figure 11-4 is for a new complete community that accommodates a diverse mix of housing and employment uses, including the potential for a large-lot industrial site.

11-67 This area shall provide for a mix of residential and commercial uses, including 163 gross acres of residential plan designations, 60 gross acres of residential and/or public facility plan designations, 46 gross acres of commercial plan designations, and 93 gross acres of industrial plan designations, including one large-lot industrial site. (Gross acreages exclude existing right of way.)

11-68 In order to provide sufficient housing capacity and mix, the residential plan designations shall include 196 gross acres of RS, 9 gross acres of RM, and 19 gross acres of RH. Acreages exclude existing right of way. The acreage of RS includes roughly 21 acres for an elementary school site and up to 35 acres of parks and public open space, which may be designated PF if land has been acquired by the school or park district at the time of the master plan. Alternatively, the master plan may demonstrate that this area will provide capacity for a minimum of 1,000 housing units, including at least 11% single family attached housing and at least 41% multifamily and duplex/triplex housing types.

11-69 Subsequent planning for this area shall address preservation of at least 50 acres for a large lot industrial site in compliance with the policies in Chapter 6.

11-70 Coordination with the Bend-La Pine School District is required in order to identify a suitable site for an elementary school within this area.

11-71 Coordination with Bend Park and Recreation district is required in order to address provision of parks and/or trails within this area.

11-72 Coordination with other special districts and utility providers is required within this area.

11-73 Bat habitat should be mapped and protected from development, including a suitable buffer around any identified habitat areas in order to ensure their continued habitat value.

11-74 Trails should be provided along canal easements and through other open space wherever feasible.

The Elbow:

11-75 The City will initiate an Area Plan for the Elbow area. The Area Plan will address policies 11-76 through 11-84. Prior to completion of the Area Plan, annexations in this area must be a minimum of 40 contiguous acres and be the subject of a master plan application which includes a framework level Area Plan for the rest of the subarea. Following adoption of the Area Plan, annexation and development of individual properties or groups of properties of any size, consistent with the Area Plan, may be approved.

11-76 This area, as identified in Figure 11-4, is intended to provide for employment uses to take advantage of good transportation access on Knott Road and 27th and existing city streets (and future improved

access with the Murphy Extension) with a mix of residential uses providing a compatible transition from the employment lands to existing neighborhoods to the west. This mix of uses is also intended to increase the completeness of the existing low density neighborhoods.

11-77 This area shall provide for a mix of residential, commercial and industrial uses, including 122 gross acres of residential plan designations, 67 gross acres of commercial plan designations, 76 gross acres of industrial designations, 103 gross acres of mixed employment plan designations, and 75 gross acres of public facilities (excluding existing right of way).

11-78 In order to provide sufficient housing capacity and mix, the residential plan designations shall include 77 acres of RS, 36 acres of RM, and 9 acres of RH (excluding existing right of way). Alternatively, the Area Plan may demonstrate that this area will provide capacity for a minimum of 820 housing units, including at least 17% single family attached housing and at least 47% multifamily and duplex/triplex housing types. The Area Plan may include and rely on plan designations, zones, special plan districts, and/or other binding development regulations to demonstrate compliance with the specified mix and capacity.

11-79 The alignment of a new collector street between 15th Avenue and 27th Avenue / Knott Road shall be determined in coordination with the City, consistent with the Transportation System Plan.

11-80 Subsequent planning for this subarea shall address funding for the Murphy Road extension from Brosterhous to 15th Avenue.

11-81 The street, path and bikeway network shall provide connectivity throughout this area, connect to existing abutting local roads, and provide opportunities for connections to adjacent undeveloped land inside the UGB. The transportation network shall be consistent with the Bend Transportation System Plan.

11-82 Coordination with Bend Park and Recreation district is required in order to address provision of parks and/or trails within this area.

11-83 Coordination with the Bend-La Pine School District will occur during area planning within this subarea.

11-84 Coordination with other special districts and utility providers is required within this area.

The Thumb:

11-85 Master planning is required for this area. The master plan must be consistent with both master plan standards in the development code and policies 11-86 through 11-91 below.

11-86 The planning concepts for the Thumb, which is depicted in Figure 11-4, include: a new complete community; provision of needed local commercial services to serve the Thumb and existing neighborhoods to the north; inclusion of industrial and other employment uses near the railroad line to take advantage of good proximity to Highway 97 and Knott Road, and, creation of an attractive southern gateway to Bend.

11-87 This area shall provide for a mix of residential and commercial uses, including 44 gross acres of residential plan designations, 86 gross acres of commercial plan designations, 60 gross acres of industrial designations, and 31 acres of mixed employment plan designations (excluding existing right of way).

11-88 In order to provide sufficient housing capacity, the residential plan designations shall include 35 gross acres of RS, 7 gross acres of RM, and 2 gross acres of RH (excluding existing right of way). Alternatively, the master plan may demonstrate that this area will provide capacity for a minimum of 270 housing units, including at least 15% single family attached housing and at least 37% multifamily and duplex/triplex housing types.

11-89 Coordination with Bend Park and Recreation district is required in order to address provision of parks and/or trails within this area.

11-90 Coordination with the Bend-La Pine Schools District is required during area planning for this subarea.

11-91 Coordination with other special districts and utility providers is required within this area.

Southwest:

11-92 Master planning is required for this area. The master plan(s) must be consistent with both master plan standards in the development code and policies 11-93 through 11-99 below.

11-93 Within the area identified on Figure 11-4, the central planning concepts are to: provide affordable housing opportunities; increase the mix of housing and land uses in the area to increase the completeness of the

existing neighborhoods inside the UGB; and provide compatible transitions to adjacent development.

11-94 This area shall provide for a mix of residential and commercial uses, including 26 gross acres of residential plan designations, 8 gross acres of residential and/or public facility plan designations, 3 gross acres of commercial plan designations, and 2 gross acres of mixed use plan designations (excluding existing right of way).

11-95 In order to provide sufficient housing capacity and mix, the residential plan designations shall include 14 gross acres of RS, 14 gross acres of RM, and 5 gross acres of RH. Acreages exclude existing right of way. The acreage of RM includes roughly 8 acres for an elementary school site, which may be designated PF if land has been acquired by the school district at the time of the master plan. Alternatively, the master plan may demonstrate that this area will provide capacity for a minimum of 240 housing units, including at least 16% single family attached housing and at least 60% multifamily and duplex/triplex housing types.

11-96 This area (identified on Figure 11-4) shall provide for affordable housing, consistent with policies 5-20 and 5-21 of the Housing Chapter of the Comprehensive Plan, as follows:

- The minimum number of affordable housing units shall be 125 housing units or 25% of all housing units approved by the City, whichever is greater.
- Affordable housing units shall be affordable to households earning up to 30% of the area median income.
- Guarantees, in a form acceptable to the City, shall be in place to ensure that affordable housing units will meet the affordability requirements for not less than 50 years.

11-97 Coordination with Bend Park and Recreation district is required in order to address provision of parks and/or trails within this area.

11-98 Coordination with the Bend-La Pine Schools District is required during area planning for this subarea.

11-99 Coordination with other special districts and utility providers is required within this area.

West Area:

11-100 Master planning is required for this area. The master plan(s) must be consistent with both master plan standards in the development code and policies 11-101 through 11-106 below.

11-101 For the West Area, shown on Figure 11-4, the central planning concepts are to: provide a limited westward expansion that complements the pattern of complete communities that has begun with Northwest Crossing due to the existing concentration of schools, parks, commercial and employment lands; and create a transect from higher densities along Skyline Ranch Road to lower density and open space along the western edge in this area which approaches National Forest land and park open spaces, in order to provide buffers for wildlife and wildfire.

11-102 This area shall provide for a mix of residential and commercial uses, including 321 gross acres of residential plan designations, 7 acres of commercial plan designations, and 14 gross acres of mixed employment plan designations (excluding existing right of way).

11-103 This area shall provide capacity for a minimum of 870 housing units and a maximum of 967 housing units, including at least 9% single family attached housing and at least 21% multifamily housing types (including duplex and triplex). The required minimum of 870 housing units represents 90% of the maximum allowed number of units.

11-104 In the absence of an approved Area Plan for this subarea as a whole, each property included in the 2016 UGB expansion in this subarea (see Figure 11-5 below) shall provide the maximum number and mix of units specified below. The minimum required units (total and by housing type) is 90% of the specified maximum.

- Master Plan Area 1: 650 housing units, including at least 60 single family attached units and at least 142 multifamily and duplex/triplex units.
- Master Plan Area 2: 65 housing units, including at least 12 single family attached units.
- Master Plan Area 3: 136 housing units, including at least 16 single family attached units and at least 59 multifamily and/or duplex/triplex units.
- Master Plan Area 4: 116 housing units.

11-105 Master Plan Area 3, identified on Figure 11-5, shall provide for affordable housing, consistent with policies 5-20 and 5-21 of the Housing Chapter of the Comprehensive Plan, as follows:

- The minimum number of affordable housing units shall be 20% of all multifamily and duplex/triplex housing units proposed in the master plan.
- Guarantees, in a form acceptable to the City, shall be in place to ensure that affordable housing units will meet the affordability requirements for not less than 50 years.

11-106 The master plan process shall be used to establish appropriate development regulations to implement the transect concept, measures to make the development and structures fire resistant, and RL plan designation densities within this area while providing for a mix of housing types and clustering developed areas to provide for open space preservation.

11-107 Coordination with Bend Park and Recreation district is required in order to address provision of parks and trails within this area.

11-108 Coordination with the Bend-La Pine Schools District is required during area planning for this subarea.

Shevlin Area:

11-109 Master planning is required for this area. The master plan must be consistent with both master plan standards in the development code and policies 11-110 through 11-114 below.

11-110 The concepts for the Shevlin area, shown on Figure 11-4, are to promote efficient land use and neighborhood connectivity by filling in a "notch" in the prior UGB with compatible residential development; help complete adjacent neighborhoods with small, neighborhood-scale commercial services; and avoid development in sensitive areas nearer to Tumalo Creek.

11-111 The master plan process shall be used to establish appropriate development regulations to implement the transect concept, measures to make the development and structures fire resistant, and RL plan designation densities within this area while providing for a mix of housing types and clustering developed areas to provide for open space preservation.

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11-112 This area shall provide for a mix of residential and commercial uses, including 60 gross acres of residential plan designations and 8 gross acres of commercial plan designations (excluding existing right of way).

11-113 This area shall provide capacity for a minimum of 162 housing units and a maximum of 200 housing units, including at least 10% single family attached housing and at least 21% multifamily and duplex/triplex housing types.

11-114 Coordination with Bend Park and Recreation district is required in order to address provision of parks and/or trails within this area.

11-115 Coordination will occur with the Bend-La Pine School District during area planning for this area.

OB Riley area:

11-116 The City will initiate an Area Plan for the OB Riley area. The Area Plan will address policies 11-117 through 11-121. Prior to completion of the Area Plan, annexations in this area must be a minimum of 40 contiguous acres and be the subject of a master plan application which includes a framework level Area Plan for the rest of the subarea. Following adoption of the Area Plan, annexation and development of individual properties or groups of properties of any size, consistent with the Area Plan, may be approved.

11-117 The OB Riley area, shown on Figure 11-4, is intended to provide for a mix of employment uses to take advantage of good transportation access, while also including residential uses to ensure a complete community and provide a transition to existing urban residential areas to the south. The OB Riley area will also provide an attractive northern gateway into Bend.

11-118 This area shall provide for a mix of residential and commercial uses, including 28 gross acres of residential plan designations, 47 gross acres of commercial plan designations, 41 gross acres of industrial designations, and 21 gross acres of mixed employment plan designations (excluding existing right of way).

11-119 In order to provide sufficient housing capacity and mix, the residential plan designations shall include 27 gross acres of RS and 3 gross acres of RM. Alternatively, the Area Plan may demonstrate that this area will provide capacity for a minimum of 125 housing units, including at least 10% single family attached housing and at least 20% multifamily and duplex/triplex housing types. The Area Plan may include and rely on plan designations, zones, special plan districts, and/or other binding

development regulations to demonstrate compliance with the specified mix and capacity.

11-120 The street, path and bikeway network shall provide connectivity throughout this area and connect to existing abutting local roads.

11-121 Coordination with Bend Park and Recreation district is required in order to address provision of parks and/or trails within this area.

North Triangle:

11-122 The City will initiate an Area Plan for the North Triangle area. The Area Plan will address policies 11-123 through 11-131. Prior to completion of the Area Plan, annexations in this area must be a minimum of 40 contiguous acres and be the subject of a master plan application. Following adoption of the Area Plan which includes a framework level Area Plan for the rest of the subarea, annexation and development of individual properties or groups of properties of any size, consistent with the Area Plan, may be approved.

11-123 The concept for this area, shown on Figure 11-4, is to provide for a mix of uses, including residential development to balance the mix of employment uses in this area and provide a transition to existing rural residential areas to the north.

11-124 This area shall provide for a mix of residential and commercial uses, including 86 gross acres of residential plan designations, 40 gross acres of commercial plan designations, and 22 gross acres of industrial designations, and 26 gross acres of mixed employment plan designations (excluding existing right of way).

11-125 In order to provide sufficient housing capacity and mix, the residential plan designations shall include 60 gross acres of RS, 21 gross acres of RM, and 5 gross acres of RH. The acreage of RM includes 3 to 4 acres for a neighborhood park site, which may be designated PF if a site has been acquired by the Bend Park and Recreation District prior to completion of the Area Plan. Alternatively, the Area Plan may demonstrate that this area will provide capacity for a minimum of 510 housing units, including at least 13% single family attached housing and at least 42% multifamily and duplex/triplex housing types. The Area Plan may include and rely on plan designations, zones, special plan districts, and/or other binding development regulations to demonstrate compliance with the specified mix and capacity.

11-126 The properties identified on Figure 11-6, below, shall provide for affordable housing, consistent with policies 5-20 and 5-21 of the Housing Chapter of the Comprehensive Plan, as follows:

- The minimum number of affordable housing units shall be 25% of all housing units approved by the City on each property.
- Guarantees, in a form acceptable to the City, shall be in place to ensure that affordable housing units will meet the affordability requirements for not less than 50 years.

11-127 As an alternative to meeting the requirements of Policy 11-126, affordable housing, consistent with policies 5-20 and 5-21 of the Housing Chapter of the Comprehensive Plan and the requirements below, may be implemented within the North Triangle as a whole through an area plan, with prior written consent of affected property owners and guarantees in a form acceptable to the City.

- The minimum number of affordable housing units shall be 77.
- Guarantees, in a form acceptable to the City, shall be in place to ensure that affordable housing units will meet the affordability requirements for not less than 50 years.

11-128 Buffering measures are required between industrial uses and abutting residential within and adjacent to this area.

11-129 The street, path and bikeway network shall provide connectivity throughout this area and connect to existing abutting local roads. Circulation plans for this area shall be coordinated with ODOT.

11-130 Coordination with the Bend Park and Recreation District is required to identify a suitable site for a neighborhood park within this area.

11-131 Coordination with other special districts and utility providers is required within this area.

The Council finds that Specific Expansion Area policies 11-56 through 11-131 provide direction and guidance to properties within the expansion sub-areas on the expected outcomes from the sub-areas. To ensure that subarea planning remains consistent with the capacity work and assumptions for the UGB, the Council finds that specific policies have been applied to each subarea that addresses housing mix and density as well as the total acreage by plan designation categories for residential, commercial, mixed use and industrial. The policies also memorialize the commitments made by various property owners to provide affordable housing (Rem Rec 9929, 9957, 9961, 9973, 10144).

Conclusion: The Council finds that the proposed text amendments described above are consistent with the Preface of the Plan which states, *"the Comprehensive Plan is a document that changes over time to reflect new information and new direction for the future".* There is a public need and benefit for the citizens of Bend to have a Plan that is internally consistent as well as consistent with the community goals and supported by policy to ensure that the vision of the community will be realized. The Council finds that this criterion has been met.

DRAFT

11. BEND DEVELOPMENT CODE COMPLIANCE

11.1 Introduction

The BDC includes both procedural requirements and specific approval criteria that apply to proposed changes to the Comprehensive Plan (formerly the Bend Area General Plan) and the BDC. The procedural requirements are those that apply to Type IV applications and those land use matters that are on Remand. BDC 4.1.500 includes those requirements applicable to Type IV applications, with BDC 4.1.1200 outlining requirements for dealing with matters on Remand, such as this Remand from LCDC.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

In addition to the procedural requirements identified above, BDC 4.6.200 (Legislative Amendments), has approval criteria applying to proposed changes to both the Plan and the BDC. The following findings first address and how the City has or will comply with the procedural requirements in BDC 4.1.500 and 4.1.1200. These findings are followed by findings addressing Plan compliance (11.4) and Code compliance (11.5) with BDC 4.6.200.

With respect to the findings presented below, the City Council presents these as their findings, including those that refer to actions taken by the City.

11.2 Compliance with Procedural Requirements of BDC 4.1.505 and 4.1.1200

11.2.1 BDC 4.1.500, Type IV Applications

4.1.505 Type IV Applications.

Legislative decisions are made after public notice, public hearings and a recommendation by the Planning Commission to the City Council. Such applications generally involve broad public policy decisions that apply to other than an individual property. [Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Council finds that the City proposes a legislative decision that would have the effect of amending the text and the implementing maps of the Plan and the BDC. This decision includes a proposed expansion of the Bend UGB, and new chapters for the Plan. The Council finds that

these decisions are broad public policy decisions that affect areas within the existing UGB, and areas added to the UGB through the expansion.

4.1.510 Hearing Required.

No legislative change shall be adopted without review by the Planning Commission and a final public hearing before the City Council. Public hearings before the Planning Commission shall be set at the discretion of the Development Services Director, unless otherwise required by State law. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The City Council will hold a joint public hearing with the Deschutes County Board of Commissioners on August 25, 2016. Review by the Planning Commission is not required in this situation because the matters before the City Council are on remand from LCDC. The Council has provided findings addressing BDC 4.1.1200 below regarding the remand.

4.1.515 Notice.

A. Published Notice.

1. Notice of a Type IV legislative change shall be published in a newspaper of general circulation in the City at least 20 days prior to each public hearing.

2. The notice shall state the time and place of the hearing and contain a statement describing the general subject matter of the ordinance under consideration.

The Council finds that the proposed decision satisfies 4.1.515(A)(1) above because the City has caused notice to be published in the Bend Bulletin newspaper on August 5, 2016. The notice satisfies BDC 4.1.515(A)(2) because it includes the time and place of the hearing, and describes the purpose of the ordinance under consideration.

B. Posted Notice. Notice shall be posted at the discretion of the Development Services Director.

C. Individual Notice. For site-specific applications, individual notice to property owners, as defined in BDC 4.1.220(A), shall be provided.

The Council finds that BDC 4.1.515(B) is not a mandatory requirement that the City must satisfy. In addition to the published notice describe above, the City has provided written notice to property owners who may be affected by the changes in the Comprehensive Plan and the Development Code written notice that satisfies ORS 227.186 (aka Measure 56 Notice). The City also provided notice to interested persons, members of the TACs, and the UGB Steering Committee through electronic mail on August 4, 2016. BDC 4.1.515(C) is not applicable because the proposed legislative decisions affect broad groups of properties and not limited to those properties that abut a property which is the subject of a proposed quasi-judicial plan amendment and zone change.

D. Neighborhood Associations. Notice of Type IV legislative changes shall be mailed to the designated representative of any neighborhood association recognized by the City of Bend, where the legislative change affects any land within the boundary of such neighborhood association. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Council finds that the City has complied with this requirement by sending notice via electronic mail and through first class mail to the Land Use Chairs of the City's neighborhood associations. The email notice was sent out on August 4, 2016; the written notice mailed on August 5, 2016.

4.1.520 Initiation of a Legislative Change.

Requests for a plan map or text amendment of the Bend Urban Area General Plan or its implementing documents may be initiated by an individual, corporation, or public agency upon submittal of an application, supporting documentation and payment of required fees. The City Council, Planning Commission or Development Services Director may also initiate legislative changes. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The City Council initiated the work to address the 2010 Remand Order on January 19, 2011.

4.1.525 Review Authority.

Any Type IV change shall be reviewed by the Planning Commission prior to action being taken by the City Council. [Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Council finds that the Planning Commissions' review is not required in this situation because the legislative decision is in response to a 2010 Remand Order from the Land Conservation and Development Commission (Rem Rec 5725).

4.1.530 Final Decision.

All legislative changes shall be adopted by ordinance. [Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The City Council has proposed adoption of Ordinance 2271, through which the Council would adopt the proposed Comprehensive Plan, Development Code, and map amendments that would also recognize the expanded UGB.

11.2.2 BDC 4.1.1200, Notice Requirements under ORS 227.186

227.186 Notice to property owners of hearing on certain zone change; form of notice; exceptions; reimbursement of cost*. (1) As used in this section, "owner" means the owner of the title to real property or the contract purchaser of real property, of record as shown on the last available complete tax assessment roll.*

(2) All legislative acts relating to comprehensive plans, land use planning or zoning adopted by a city shall be by ordinance.

(3) Except as provided in subsection (6) of this section, at least 20 days but not more than 40 days before the date of the first hearing on an ordinance that proposes to amend an existing comprehensive plan or any element thereof, or to adopt a new comprehensive plan, a city shall cause a written individual notice of a land use change to be mailed to each owner whose property would have to be rezoned in order to comply with the amended or new comprehensive plan if the ordinance becomes effective.

(4) At least 20 days but not more than 40 days before the date of the first hearing on an ordinance that proposes to rezone property, a city shall cause a written individual notice of a land use change to be mailed to the owner of each lot or parcel of property that the ordinance proposes to rezone.

The City Council finds that notice to property owners, as required by ORS 227.186, was mailed according to the requirements of this statute and therefore satisfies its requirements. With respect to (2) above, the City has already provided findings above that the proposed UGB expansion and related changes to the Comprehensive Plan and Development Code, will be adopted through Ordinance 2271. The Notice required under (3) and (4) above was mailed to owners of record of property, as defined in (1) above, on July 28 2016. The date on which the notice was mailed was 27 days from the date set for the August 25, 2016 joint hearing. The City has incorporated this notice and the mailing list identifying the property owners to whom the notice was sent in the UGB Remand Record.

11.2.3 BDC 4.1.1200, Proceedings on Remand

4.1.1210 Purpose.

This chapter shall govern the procedures to be followed where a decision of the City has been remanded by the Land Use Board of Appeals (LUBA), the Department of Land Conservation and Development (DLCD), the Land Conservation and Development Commission (LCDC) or the Appellate Courts. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Council finds that the following requirements are applicable to this proposal because the legislative decisions proposed are in response to a 2010 Remand Order of LCDC. The order is included the Record on Remand at page 5725, and was issued by the LCDC on November 2, 2010. The order remands joint decisions of the City Council and the Board of County Commissioners that approved a previous expansion of the Bend UGB that was submitted to the DLCD on April 17, 2009.

4.1.1215 Hearings Body.

The Review Authority for a remanded decision shall be the last Review Authority from which the appeal to LUBA or DLCD was taken, except that in voluntary or stipulated remands, the Council

may decide that it will hear the case on remand. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Review Authority for this proposal is the City Council. The City Council approved the previous decision on the 2009 UGB proposal that was submitted to DLCD that same year. The LCDC Remand was neither voluntary nor stipulated.

4.1.1220 Notice and Hearings Requirements.

A. The City shall conduct a review on any remanded decision if requested by the applicant in writing or initiated by the City for a City project. The remand procedure shall be in accordance with the applicable provisions of this section, the LUBA, DLCD or LCDC or Appellate Court, decision, and applicable State law. Unless State law requires otherwise, only those persons who were parties to the proceedings before the City shall be entitled to notice and be entitled to participate in any hearing on remand.

The Council finds that the City has conducted this review of the remanded 2009 UGB decision as initiated by the City Council on January 19, 2011. The remand procedure the City is following is outlined under BDC 4.1.1200 and there are no state laws that provide further direction on how to conduct the remand. This report includes findings in Section 12 that show how the City addressed the specific requirements of the Remand Order that directed the City to revise certain work from the 2009 UGB proposal. The City has provided notice and will conduct a joint public hearing between the City Council and the Board of County Commissioners on August 25, 2016, using the notice procedures listed above under BDC 4.1.515.

B. The review procedures shall comply with State law and with the requirements of this code for either legislative or quasi-judicial procedures, whichever was employed for the initial decision or as required by the remand. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Council finds that the procedures the City has employed to develop and review this proposal are those applicable to legislative decisions under BDC 4.1.500. The Remand requirements in this section do not require review of the Planning Commission; they direct that the decision that was the subject of the remand be reviewed by the body from which the decision came, which in this situation is the City Council.

4.1.1225 Scope of Proceeding.

A. On remand, the Review Authority shall review only those issues that LUBA, DLCD, LCDC or the Appellate Court required to be addressed. The Review Authority shall have the discretion to reopen the record in instances in which it deems it to be appropriate.

The City Council will review those issues that LCDC directed the City to address in its Remand order. Section 12 of these Findings outlines those issues that required further work according to

the Remand Order, and provide findings that explain how that work was completed and satisfies both the Order and relevant state law.

B. If additional testimony is required to comply with the remand, parties may raise new, unresolved issues that relate to new evidence directed toward the issue on remand. Other issues that were resolved by LUBA, DLCD, LCDC or the Appellate Court or that were not appealed shall be deemed to be waived and may not be reopened.

The Council finds that the Remand Order (Rem Rec 5725) identifies those issues that were settled by LCDC, and those issues where LCDC directed the City to complete new or revise prior work. These findings and the work products upon which they are based were developed to respond to those issues where additional work was required. Section 12 of these Findings addresses these remand issues.

C. Notwithstanding subsections A and B of this section, for remands of City-initiated legislative amendments, the City Council may allow the introduction and processing of new work tasks, issues, evidence and testimony if the Council determines that the information or task is necessary and/or valuable in order to resolve the remand. [Ord. NS-2251, 2015; Ord. NS-2122, 2009; Ord. NS-2016, 2006]

The Council finds that the proposal that is the subject of this finding is a City-initiated legislative amendment intended to address and respond to the 2010 Remand Order of LCDC. The work products developed by the project team are those focused on satisfying both state law (both statutes and administrative rules) and the requirements of the Remand Order. The City Council approved a work program to complete this work on April 7, 2014, with its contract with the Angelo Planning Group, to ensure that work products completed were those necessary to satisfy both the Remand Order and state law.

11.3 Comprehensive Plan Compliance with BDC 4.6.200

A. Applicability, Procedure and Authority. Legislative amendments generally involve broad public policy decisions that apply to other than an individual property owner. These include, without limitation, amendments to the text of the Comprehensive Plan and map, Development Code and changes in the Zoning Map not directed at a small number of properties. They are reviewed using the Type IV procedure in accordance with BDC Chapter 4.1, Development Review and Procedures, and shall conform to BDC 4.6.600, Transportation Planning Rule Compliance. A legislative amendment may be approved or denied.

The Council finds that the City proposes legislative amendments to the City's Plan that affect a broad number of properties. The City proposes to include 2,380 acres of land into the UGB, and to change the plan designation on approximately 705 acres of land within the current UGB. In addition, the Plan includes a number of new policies affecting density and development types

throughout the City. Therefore, these proposals are legislative decisions subject to the following criteria (4.6.200(B)(1-3)):

> *B. Criteria for Legislative Amendments. The applicant shall submit a written narrative which explains how the approval criteria will be met. A recommendation or a decision to approve or to deny an application for a legislative amendment shall be based on all of the following criteria:*
>
> *1. The request is consistent with the applicable State land use law;*

The Council finds that Sections 4-9 of these Findings demonstrate consistency of the City's UGB expansion proposals with applicable State land use statutes and rules as follows:

- Section 4: Needed Housing;
- Section 5: Economic Development and Employment Lands;
- Section 6: Other Needed Lands;
- Section 7: Urbanization;
- Section 8: Transportation; and
- Section 9: Statewide Planning Goals.

Based on the analysis contained in those sections of the Findings, the Council concludes the proposal satisfies criterion (B)(1).

> *2. The request is consistent with the applicable Bend Area General Plan goals and policies;*

The Council finds that the Comprehensive Plan has been updated to provide consistency with revised goals created by USC for the UGB expansion. Certain changes to the Comprehensive Plan are needed to support the City's goals to provide for land needed for housing, employment, schools, parks, and other necessary land uses. Therefore, text changes have been made to support the UGB expansion and comply with the Remand Order and the Statewide Planning Goals.

Changes to the Plan language fall into two categories: substantive and "housekeeping". Substantive changes include new or reworded policies. Findings in Section 10 demonstrate how the UGB expansion complies with the Comprehensive Plan policies, as amended (see Section 10). "Housekeeping" changes to the Plan are corrective in nature and include deleting existing policies that are obsolete because the directive within the policy is no longer necessary, as well as minor amendments to outdated text within the body of the individual chapters. Although less substantive than the language described in Section 10, it is also necessary for these changes to comply with BDC 4.6(B)(2). Since the substantive changes have been

addressed with findings in Section 10, housekeeping text amendments' consistency with the Comprehensive Plan are addressed below in Section 11.3.

3. The applicant can demonstrate a public need or benefit for the proposed amendment

- *Changes proposed by individuals or other agencies. A proposal by an individual, corporation, or public agency to change to the Plan text, land use map, other exhibits, or policies shall be considered as determined by the procedures ordinance. A person or agency proposing a change has the burden to demonstrate a public need and benefit for the change.*

The Council finds that Section 11.3 provides findings to demonstrate the public need and benefit of the specific proposed changes to the Plan arising out of the UGB expansion process and Remand Order. The Council proposes this expansion of the UGB, and adoption of amendments to the Comprehensive Plan and Development Code, to achieve the following:

1. A need for additional land for housing. This land need is intended to accommodate approximately 5,282 housing units that cannot be reasonably accommodated in current UGB, even with the adoption of efficiency measures. In addition, this land need for housing is intended to provide land for more single family attached and multifamily housing for present and future households.

2. A need for additional land for jobs. This land need for jobs is intended to accommodate approximately 7,181 jobs that cannot reasonably be accommodated in the current UGB, even with the adoption of efficiency measures; and

3. A need for land for public parks and schools.

The City began this work with the submittal of a final UGB expansion proposal to the DLCD in April of 2009. In January of 2010, the DLCD Director issued a report and order remanding the proposal back to the City for significant work and revision. Following appeals by the City and several parties of this decision, LCDC issued a partial acknowledgement/remand order in November 2010.

The Council finds that there is a public need for the land to accommodate forecasted growth in housing units and jobs that have been documented in the HNA (Rem Rec 10572) and the EOA (Rem Rec 10687). These lands needs can be met, in part, in the current UGB through efficiency measures, but will require additional land, as documented in the Urbanization Report (Rem Rec 10814). The Council finds that the community interest in the UGB expansion and resulting changes to the Plan has been ongoing and extensive.

The public benefit achieved is an updated Plan and BDC that will support Bend's growth and ensure development occurs that helps achieve the needed mix of housing and jobs.

11.4 Comprehensive Plan Text Amendments

The City is initiating house-keeping changes to the City's Plan. The following findings summarize the house-keeping changes needed to demonstrate compliance with Section 4.6(B)(2 and 3) of the BDC and therefore support the City's goals to provide for land needed for housing, employment, schools, parks, and other necessary land uses. Substantial changes are addressed in Section 10 of the findings.

The most obvious change is the formatting. All chapters have been converted to the new format, which includes a change in the way policies are numbered. The new format is a two-number system with the first number indicating the chapter number and the second number separated by a hyphen indicates the policy number. Other changes include removal of obsolete language and updating dates and numbers.

11.4.1 Preface

The Preface of the Plan contains dated text about Bend's population in the mid-1900's and the anticipated growth. This text was updated to reflect the current planning period. Text was deleted from the Preface under the heading of Plan Maps. This section describes the land use categories shown on the map. Included in the description is a reference to the use of symbols to locate future school, parks and neighborhood commercial nodes. This practice is no longer in use and is therefore being deleted. The Preface has been updated to include current background information to support the Plan's provisions.

11.4.2 Chapter 1, Plan Management and Citizen Involvement

Chapter 1 was last updated in 1998 and contains community goals that are almost 20 years old. The goals for the UGB expansion build on the work done in 1998. It is important to illustrate the continued work towards these goals and the new goals that support the UGB. New text was added to the existing community goals to recognize the consistency of the goals identified in 1998 and 2016 UGB process. Goals are not regulatory, but capture Bend's aspirations for the future. The UGB section of Chapter 1 was updated to the current planning period of 2008-2028.

A more significant change to Chapter 1 is the proposal to delete the entire section titled Urban Reserve Boundary and the corresponding policies. Consistent with State Statutes and Statewide Planning Goal 2, the task of coordinating Urban Area Reserve Planning is the responsibility of Deschutes County. Through the UGB process, the County will be updating their comprehensive plan to clarify their role in Urban Area Planning. The duties of both the City and the County will be addressed in the creation and subsequent adoption of a new Joint Management Agreement.

In addition, the text in this section refers back to the 1981 acknowledged boundary where the City and County proposed inner and outer urban growth boundaries. The adopted and acknowledged UGB represented what the plan described as the "inner UGB." The outer

boundary of the lands designated Urban Area Reserve (UAR) represented the "outer UGB." The lands designated UAR do not have the same legal status as lands that have been designated as statutory urban reserves under ORS 195.145 and OAR 660-021. Retaining this text in the Comprehensive Plan is confusing and misleading. A new map showing the proposed UGB expansion area and the existing City limits will be added to replace the current "Bend Urban Planning Area." New policies were added to Chapter 1; these are addressed in Section 10.2.

The Council finds that Chapter 1 has been updated to include current background information to support the Plan's provisions.

11.4.3 Chapter 2, Natural Features and Open Space

The proposed text changes for Chapter 2 are housekeeping changes to clarify content. Within the text is a table that illustrates the acreages of public open space within the City. The list dates back to 1995 before the City annexed the remaining, unincorporated land in the UGB and prior to the passage of bonds by the school and park districts to acquire and construct new facilities[1]. This table was updated to be consistent with the current land need estimates for schools and parks.

Under the policy heading for Natural Features and Open Space is a policy that requires action by the City on a recurring basis as shown below. This policy is being deleted.

> 5. *Beginning no later than 1999 and every three years thereafter, the Bend City Council or its designee shall hold public hearings to receive information identifying Areas of Special Interest and natural features. The city and county shall use this information to update and clarify the designation of Areas of Special Interest and natural features on the Plan Map.*

The Council finds that the expectation was that Bend citizens would come forward to designate new Areas of Special Interest (ASI). Since 1998, no new areas have been designated; the reverse has occurred. Some designated areas have been removed from the Plan map. There is a process in place for an individual to amend the Plan map should new ASI's be discovered. This policy is no longer needed to implement the Plan.

> 15. *The Bend Metro Park and Recreation District shall designate areas in parks with significant natural values as undeveloped, managed open spaces for natural habitat, educational, aesthetic and passive recreational use, and provide opportunities for trails, observation platforms, boardwalks, and interpretive signage.*

[1] The annexation of the remaining unincorporated areas of the UGB was approved by voters at the November 1998 general election, and became effective on July 1, 1999.

16. *The Bend Metro Park and Recreation District shall acquire strategic areas along the rivers, streams, and canals to protect and conserve scenic, recreational, and natural values, and make such areas accessible to the community.*

17. *The Bend Metro Park and Recreation District shall acquire park sites and open space lands where possible to establish pedestrian, bikeway and greenway linkages between parks, open spaces, neighborhoods, and schools.*

The Council finds that the existing Chapter 2 policies shown above direct the BPRD to coordinate with the City on specific actions or preform actions outright. The City does not have the authority to provide policy direction to the BPRD through the City's Comprehensive Plan; therefore, these policies have been modified. Chapter 2 has been updated to include current and accurate information to support the Plan's provisions

11.4.4 Chapter 3, Community Connections

Minimal housekeeping changes are proposed for Chapter 3, as follows:

Park and Recreation Facilities

5. *The Bend Metro Park and Recreation District, with the support of the city and county, shall ensure an equitable distribution of parks and open spaces throughout the District's jurisdiction.*

6. *The Bend Metro Park and Recreation District shall identify "park deficient" areas of the community and shall acquire park and open space property in these areas.*

7. *The Bend Metro Park and Recreation District shall design parks and facilities that: excel in performance, function, image and affordability; facilitate social gathering opportunities and provide a balance of active and passive recreational opportunities, with an emphasis on multiple use and park "basics," including picnic areas, play areas, and multi-use turf and courts; and are good neighbors to adjacent properties.*

8. *The Bend Metro Park and Recreation District shall provide comprehensive sports complexes at dispersed locations throughout the community.*

9. *The Bend Metro Park and Recreation District shall orient riverfront parks to the river and to the riparian values of the river corridors.*

10. *The Bend Metro Park and Recreation District shall employ "soft" engineering practices when developing or revitalizing park sites, utilizing on-site storm*

water swales and retention ponds rather than piping water off-site, and shall restore wetland whenever possible.

11. *The Bend Metro Park and Recreation District shall include operation efficiency, patron safety, and barrier-free access when designing or revitalizing park sites.*

12. *When it is consistent with the needs identified in the Park and Recreation District's Comprehensive Management and Development Plan, park land may be acquired from a willing developer during the land subdivision process.*

15 *The Park and Recreation District shall strive to develop neighborhood parks or community parks within a convenient distance of every residence in the community.*

The Council finds that policies 5 through 15 require policy direction specifically to the BPRD. The City of Bend does not and cannot require another agency to act through its comprehensive plan policies. Any required action would need to be addressed in an intergovernmental agreement with BPRD. These references are therefore deleted. State law requires the City to coordinate with other agencies on planning matters, including BPRD. In addition, the Parks map referred to as Figure 3-4 is being updated to reflect all park ownerships within the existing city limits and the proposed UGB. This section of Chapter 3 has been updated to include current and accurate information to support the Plan's provisions.

Urban Trails

19. *The city shall work with the irrigation districts to limit development within the canal easements that would impair the maintenance and operation of the canals.*

The Council finds that policy above should be deleted because the City of Bend has no authority over the irrigation canal easements. The City provides notice of land use action where canals are affected. It is the responsibility of the irrigation district to communicate and coordinate with landowners to prevent development with easements or rights of way that benefit the irrigation district.

In addition, the sub-heading text *"Central Oregon Community College"* is being changed to ***Colleges and Universities.*** The title and associated text was changed to reflect the recent decision by the state to open a new OSU-Cascades branch campus of Oregon State University in Bend. The campus will occupy land identified through the UGB expansion process as a special site for the University. This section of Chapter 3 has been updated to include current and accurate information to support the Plan's provisions. This policy is deleted.

11.4.5 Chapter 4, Population and Demographics

No changes to the text in this Chapter are proposed. The Council finds that the PRC at PSU now coordinates the population projections for the state of Oregon, and for all the counties and cities within the state. In addition, the population and demographic data upon which the plan is based will now reside in the HNA, which will be incorporated as an appendix to the Plan. The City finds that an entire chapter dedicated to population and demographics is no longer necessary. The policies directing the City to coordinate with PSU have been included in the new Chapter 5; Housing and are addressed in Section 10.6. In the interim, Chapter 4 will remain as a reference document until the next update of the Plan.

11.4.6 Chapter 5, Housing

This chapter has been substantially rewritten to comply with the direction of the UGB expansion. The new Chapter 5 addressed completely in Section 10.6.

11.4.7 Chapter 6, Economy

This chapter has been substantially rewritten to comply with the direction of the UGB expansion. The new Chapter 5 addressed completely in Section 10.7.

11.4.8 Chapter 7, Transportation

As part of the City's UGB amendment, the City updated the TSP (Rem Rec 10994) and developed a ILUTP for Bend adopted as Appendix F of the TSP. The City acknowledges that the existing Chapter 7 of the Comprehensive Plan includes duplicate information also provided in the acknowledged TSP. The proposed amendment will simplify Chapter 7 by removing the TSP Benchmarks and Implementation from Chapter 7 of the Plan will eliminate this duplication with the TSP, deleting policies where the directive has been completed, and deleting or modifying text that is obsolete or no longer relevant. The updated Chapter 7(Rem Rec 10339) is addressed in detail in Section 10.8.

11.4.9 Chapter 8, Public Facilities and Services

Chapter 8 has been recently updated to include the City's newly adopted sewer and water public facilities plans. This chapter has been substantially rewritten to comply with the direction of the UGB expansion. The new Chapter 5 addressed completely in Section 10.9.

11.4.10 Chapter 9, Community Appearance

The proposed text changes for Chapter 9 are housekeeping changes to update or clarify content and provide format consistency.

6. *After the Highway 97 Parkway opens, the city and county shall work with ODOT to improve the appearance of Highway 20, NE 3rd Street and South Business Highway 97.*

11. *The city shall develop ordinances requiring grading permits.*

The Council finds that the two existing policies shown above are deleted because the directives within the policy have been accomplished. The proposed changes provide consistency with other portions of the Comprehensive Plan. Additional, more substantive changes are addressed in Section 10.10.

11.4.11 Chapter 10, Natural Forces

Proposed changes to Chapter 10 include new text and associated policies regarding wildfire (See Section 10.11) and housekeeping changes to delete policies where the directive within the policy has already been accomplished or is no longer valid as indicated below.

Air Quality

1. *The city shall encourage DEQ to perform more thorough monitoring of the air quality of the Bend Area, and shall work with DEQ to ensure that state and federal ambient air quality standards shall not be exceeded.*

The Council finds that the above policy is removed because the Department of Environmental Quality no longer performs air quality monitoring at the Bend office.

10-8 The City, in cooperation with State and local agencies and volunteer special interest groups, shall consider a long range strategy for improving air quality to address issues such as the reduction of air toxins, haze, and air particulate. At a minimum, the strategy shall include:

- Develop a "covered load" ordinance for construction, development, sand & gravel and debris hauling within the city limits.

The Council finds that the directive in the sub-policy above to develop a "covered load" ordinance has been accomplished by the city and is therefore this policy is deleted. Other consistency changes made throughout the Policies section is the removal references to the county and/or state where those references obligate those agencies to a policy action. The City does not have any authority to direct other agencies to act through Plan policies. Chapter 10 has been updated to include current and accurate information to support the Plan's provisions.

11.4.12 Chapter 11, Growth Management

The Growth Management Chapter is an entirely new chapter that will be added to the Comprehensive Plan as Chapter 11 (Rem Rec. 10362) and is addressed in Section 10.12. The Chapter discusses the City's goals and policies regarding the future planning for growth as described below.

Conclusion: The Council finds that the proposed text amendments described above are consistent with the Preface of the Plan which states, *"the Comprehensive Plan is a document that changes over time to reflect new information and new direction for the future".* There is a public need and benefit for the citizens of Bend to have a Comprehensive Plan that is consistent with the community goals and supported by policy to ensure that the vision of the community will be realized. The City Council finds that this criterion has been met.

11.5 BDC Text Amendment Compliance with Section 4.6.200

> *B. Criteria for Legislative Amendments. The applicant shall submit a written narrative which explains how the approval criteria will be met. A recommendation or a decision to approve or to deny an application for a legislative amendment shall be based on all of the following criteria:*
>
> *1. The request is consistent with the applicable State land use law;*

The Council finds that certain portions of the BDC are being updated as part of the Bend UGB process to ensure efficient use of land within the current UGB and within the proposed expansion areas. The City has presented findings in Sections 4-9 that demonstrate consistency with applicable State land use law. Based on these findings, the City concludes that the proposed changes to the BDC, which are meant to enact the goals and policies of the Comprehensive Plan, satisfy criterion (B)(1).

> *2. The request is consistent with the applicable Bend Area General Plan goals and policies;*

The Council finds that the role of the BDC is to implement the Plan. The UGB process identified efficiency measures (Rem Rec 11149) that will be implemented within the current UGB prior to expanding the boundary. Below is a summary of the proposed code text amendments that will be adopted concurrent with the adoption of the UGB, consistent with the Bend Comprehensive Plan.

11.5.1 Approach to Minimum Density

The following changes to densities are proposed to meet the City's identified housing needs (Rem Rec 10572):

- Increase the *maximum* density in the RL zone from 2.2 to 4.0 units per gross acre;
- Increase the *minimum* density in the RS zone from 2.0 to 4.0 units per gross acre; and

- Retain the existing range of 7.3 to 21.7 units per gross acre in the RM zone.

The Council finds that this section of code implements Plan policies discussed in Section 10.6. Barriers to development were modified to allow a broader range of housing types in the RS and RM zones (see below). These changes are intended to create a greater mix of housing types generally within the currently allowed density ranges in order to meet the needed housing types identified in the UGB analysis (Rem Rec 10572). The overall set of changes focus on requiring more mixing of units rather than dramatic increases to density levels.

The Council finds that the City presented findings on the need for a new housing mix that included a greater proportion of multi-family housing in Section 4 (see Section 4.4.3, Needed Housing Types and Mix). The Housing Needs Analysis (Rem Rec 10572) identified a need for more single family attached and multifamily housing to meet the needs of present and future households. This change in mix was recommended by the Residential TAC, and ultimately approved by the USC. The project team relied on this new housing mix to ensure the UGB includes an adequate supply of buildable land for housing (Rem Rec 10814). The Council finds this best meets the identified housing needs.

11.5.2 Ensuring Housing Mix

This section of code implements Plan policies discussed in Section 10.6. In the RS zone, additional housing types will be permitted outright rather than as conditional uses, including: 1) single family attached townhomes; 2) courtyard housing (detached housing with modified side setbacks); and 3) duplexes and triplexes. These amendments build on work that has already been completed by the Community Development Department and Planning Commission to allow a greater housing mix in the RS Zone.

In the RM zone, at least half of the units in developments between 3 and 20 acres will be required to be something other than single family detached housing.

The Council finds that this change is consistent with the changes to the Plan intended to encourage the development of housing that will help the City achieve the needed mix of housing units without changing the minimum density. The proposed changes to the densities in certain zones will encourage the development of additional housing in the existing UGB, thereby helping the City use land more efficiently. The Council found in Section 4 that the needed housing mix needed to be changed to encourage the development of more single family attached and multifamily housing.

11.5.3 Master Plan Density and Mix Requirements

This section of code implements Plan policies discussed in Section 10.6. The current code requires a flat minimum percentage of the maximum density (60%) for master planned sites. The amended code tailors the requirements to each of the residential zones. Below is the proposed minimum density for master planned sites in each zone:

- RL: 50% of maximum (2.0 units per gross acre)
- RS: 70% of maximum (5.11 units per gross acre)
- RM: 60% of maximum (13.02 units per gross acre)
- RH: base zone minimum (21.7 units per gross acre)

In addition, the draft code amendments include housing mix standards for each zone:

- RL and RS: at least 10% single family attached, duplex/triplex, or multifamily housing
- RM: at least 67% single family attached, duplex/triplex, or multifamily housing

Any combination of single family attached, duplex/triplex, and/or multifamily housing can be used to meet the standard, but not other housing types such as ADUs or cottage housing. This is consistent with the HNA (Rem Rec 10572) and the policies for expansion areas in the new Growth Management Chapter 11 of the Plan (Rem Rec 10362).

The BDC amendments also allow single family attached townhomes and duplex/triplex outright as part of a master plan in the RL zone (which will be applied in some expansion areas on properties subject to master planning) to make it easier to meet mix standards.

The Council finds that these changes are consistent with the changes to the Comprehensive Plan intended to encourage the development of housing that will help the City achieve the needed mix of housing units.

11.5.4 Minimum Lot Size Requirements

This section of code implements Plan policies discussed in Section 10.6. Minimum lot sizes for certain housing types in certain residential zones are be reduced or eliminated in order to make it easier to build at the higher end of the allowed gross density range. Changes to minimum lot area (shown in square feet or "sf") by zone and housing type include:

- RL zone: Single Family Detached reduced from 15,000 sf to 10,000 sf; duplex/triplex reduced from 30,000 sf to 20,000 sf
- RS zone: no changes proposed
- RM zone: Single Family Detached reduced from 3,000 sf to 2,500 sf; townhomes reduced from 2,000 sf per unit to 1,600 sf per unit; Multifamily housing, duplexes and triplexes – no minimum (gross density controls)
- RH zone: townhomes reduced from 2,000 sf per unit to 1,200 sf per unit; Multifamily housing, duplexes and triplexes – no minimum (gross density controls)

The Council finds that this change is consistent with the changes to the Plan intended to encourage the development of housing that will help the City achieve the needed mix of housing units.

11.5.5 Regulating Building Mass and Lot Coverage

This section of code implements Plan policies discussed in Section 10.6. In order to ensure that development is feasible on smaller lots but also compatible with surrounding development, the Residential TAC recommended regulating Floor Area Ratio (FAR) rather than lot coverage for residential development. The BDC amendments include eliminating lot coverage standards in favor of FAR for nearly all housing types and zones. The proposed FAR standard (0.55) was researched and developed during the Community Development Department's work on ADU regulations and was broadly accepted by the Bend Planning Commission and stakeholders in that process.

The Council finds that this change is consistent with changes to the Plan intended to encourage the development of housing that will help the City achieve the needed mix of housing units.

11.5.6 New Mixed Use Zones

This section of code implements Plan Policies discussed in Section 10.6. The code amendments include two new mixed use plan designations and corresponding implementing zones: urban-scale (Mixed Use – Urban or MU) and neighborhood-scale (Mixed Use – Neighborhood or MN). The new zones are intended to accommodate a range of residential and commercial uses in pedestrian-oriented mixed use centers and corridors (Rem Rec 10814 and 10950). The scale of uses in the MN zone (primarily building heights) is less intense than the MU zone. The code amendments also include changes to the current Mixed Employment (ME) zone to restrict single-family detached housing and encourage vertical mixed use.

The Council finds that the new mixed use zones and the modifications to the current ME zone in the Development Code are consistent with the policies in Chapter 6, *Economy* (Rem Rec 10326) and Chapter 7, *Transportation* (Rem Rec 10339). The new zones will support the efforts to reduce vehicle miles traveled as required in the City's ILUTP (Rem Rec 10994) and adopted as Appendix M of the Plan.

11.5.7 Revisions to Parking Standards

This section of code implements Comprehensive Plan Policies discussed in Section 10.6. Targeted revisions to parking standards were identified as efficiency measures (Rem Rec 11149) and also as a strategy in the ILUTP (Rem Rec 10994) as part of the UGB process, including:

- Reductions to parking requirements for residential and commercial uses in the MU zone, similar to those in the CBD (1 space per housing unit; 1 space per 500 square feet of commercial);
- Automatic 5% reduction to minimum parking requirements for mixed use development;
- Automatic 10% reduction to minimum parking requirements for development adjacent to transit;

- Apply existing parking reduction for affordable housing (1 space per housing unit) regardless of location, rather than limiting it to locations within 660 feet of transit; and
- Reductions to parking for 1-bedroom duplexes and triplexes (from 2 to 1 space per unit).

The Council finds that the revised parking standards will support the efforts to reduce vehicle miles traveled as required in the City's ILUTP (Rem Rec 10994) and adopted as Appendix M of the Comprehensive Plan.

11.5.8 Simplified Zone Changes

In order to ensure that the BDC is implementing the goals and policies of the Plan, the City developed a streamlined approach to allow property owners to obtain a zone change that is consistent with the Plan designation applied to their property. The BDC now includes simplified approval criteria for zone changes that are consistent with the plan designation, focusing on adequate public facilities, and not requiring a showing of compliance with the Plan policies or statewide planning goals. Analysis of significant effects under the TPR may not be required where the zone will be changed to match the corresponding plan designation, as a result of the TPR analysis (Rem Rec 10994) completed for the UGB expansion.

The Council finds that this change is consistent with changes to the Plan intended to encourage the development of housing and employment that will help the City achieve the needed mix of housing units, as well as to reduce VMT as required in the City's ILUTP (Rem Rec 10994) and adopted as Appendix M of the Comprehensive Plan.

Conclusion: The proposed changes summarized above are consistent with the policies of the Bend Comprehensive Plan and support the plan assumptions for development. Based on this finding, the City concludes the proposal satisfies criterion (B)(2).

3. The applicant can demonstrate a public need or benefit for the proposed amendment

- *Changes proposed by individuals or other agencies. A proposal by an individual, corporation, or public agency to change to the Plan text, land use map, other exhibits, or policies shall be considered as determined by the procedures ordinance. A person or agency proposing a change has the burden to demonstrate a public need and benefit for the change.*

The Council finds that the proposed changes to the BDC support the Plan, as amended (see Section 10), and ensure that the policies in the Plan will be realized through development. There is a public need and benefit to the citizens of Bend for development ordinances that clearly and consistently implement the community's Plan and supporting appendices. Therefore, the proposed amendments to the BDC meet this criterion.

Conclusion: The proposed text amendments to the BDC discussed above meet the criteria for a legislative amendment under BDC 4.6.200B. The proposed amendments are an integral part of the UGB adoption package and are necessary to implement the efficiency measures identified through the Remand Order and then resulting remand process, as well as the statewide planning goals and needed housing statutes.

DRAFT

12. COMPLIANCE WITH LCDC'S 2010 REMAND ORDER

12.1 Introduction

This section presents the City Council's findings that address directives from LCDC's 2010 Remand Order, including those that were referenced in the DLCD Director's January 2010 Report. The findings presented here either reference findings presented in a previous section of this report or address remand directives directly with findings that demonstrate compliance with state law. Here, as in the prior chapters of this Findings Report, the findings presented below are those of the City Council.

This Section presents the findings of the Bend City Council. These findings explain how the City's proposed plan and land use regulation amendments satisfy applicable land use laws of the State and the City of Bend. The applicable State land use laws are those identified in either the ORS or the OARs. The applicable City land use laws are cited as either policies from the Plan or approval and procedural criteria from the BDC. The Findings also refer to evidence in the UGB record on remand that has been developed to support the proposed changes to the Plan and BDC.

The LCDC Order was organized into several sections; within each section, topics were arranged by subissue, and included LCDC's conclusions. LCDC's conclusions for the following subissues included directives to the City to prepare or revise work to satisfy state law. Those subissues not presented below were settled and required the City to take no further action. This final section of the Findings Report outlines these remand subissues, and refers the reader to findings in a previous section to show what action the City took or completed that satisfies a given remand subissue.

12.2 Substantial Evidence

Table 12-1 summarizes the key evidence that supports the findings in this section. Access to the 2009 UGB Record and the 2011-2016 Record on Remand is also available on the City's website for the UGB Remand Project www.bendoregon.gov/bendugb.

Table 12-1 Key Record References

Description	Date	Page #
2011-2016 Record on Remand		*Remand Record [Rem Rec.]*
2016 Buildable Lands Inventory	7/18/16	10513
2016 Housing Needs Analysis	7/19/16	10572
2016 Economic Opportunities Analysis	7/19/16	10687
2016 Urbanization Report	7/18/16	10814

Description	Date	Page #
New Comprehensive Plan Chapter 5: Housing	7/2016	10310
New Comprehensive Plan Chapter 6: Economy	7/20/16	10326
New Comprehensive Plan Chapter 11: Growth Management	7/2016	10362
Amendments to Text of Bend Development Code (BDC)	7/19/16	11149
Amendments to Bend Comprehensive Plan Map	7/2016	11145
Amendments to Bend Zoning Map, if any	7/20/16	11147

12.3 Findings by Remand Order Subsection

Section VI, Substantive Objections and Appeals, presented the LCDC's conclusions on issues raised in appeals and in objections to DLCD. This section organized topics by subsection, within which the Commission presented their conclusions and disposition on each topic. The following findings follow this same order and format so the reader can review the Council's findings against the LCDC's conclusions in the Remand Order. Subsection 1 addressed the Adequacy of Findings for Review; and addressed the requirements for findings and for an adequate factual base that were presented in Section 3 of this report.

12.3.1 Residential Lands Needs

12.3.1.1 Subissue 2.2 – Buildable Lands Inventory

The Council finds that the City has satisfied this subissue by preparing a revised buildable lands inventory for housing according to state law and LCDC's direction. The City presented findings on the development of the BLI in Section 4 of these findings. The BLI classifies residential land according to the DLCD's direction, and employment land based on the Goal 9 administrative rule.

12.3.1.2 Subissue 2.3 – Housing Needs Analysis

The Council finds that the City has satisfied this subissue by preparing a revised HNA that satisfies state law and addressed the remand order. Section 4 of these Findings describes how the HNA satisfies State law. The HNA presents the needed housing mix with three (3) types of housing: single family detached, single family attached, and multi-family. The findings in Section 4 further explain the City's decision to pursue a housing mix different from past trends to support the development of needed types of housing.

12.3.1.3 Subissue 2.4 – Adequate Land Supply for Needed Housing

The Council finds that the proposal satisfies this subissue because the City has documented that supply of land for needed housing within the current UGB, opportunity areas, and UGB

expansion areas includes enough land to meet this need. Findings on this subissue are in Sections 4 and 7. These findings rely on the BLI and HNA cited above along with the Urbanization Report.

12.3.1.4 Subissue 2.5 – Second Homes

The Council finds that the proposal satisfies this subissue because the City has relied on the record developed in support of its second home land need estimates (Rem Rec 23). See Section 4 findings. The City incorporated this estimate into its land need estimate for housing and residential land, and did not modify it during the course of the remand (Rem Rec 10572-10686, 10814-10949).

12.3.1.5 Subissue 2.6 – Inclusion of Land Not Suitable for Urbanization

The Council finds that the City did not include lands not suitable for urbanization; therefore, this subissue is no longer applicable.

12.3.1.6 Subissue 2.7 – Inclusion of Land in Addition of Total Land Supply Needed

The Council finds that the City did not include lands in addition to the total land supply needed; therefore, this subissue is no longer applicable.

12.3.1.7 Subissue 2.8 – Consistency with Housing Policies

The Council finds that the proposal satisfies this subissue because the City has presented findings demonstrating the proposal is consistent with the existing and new policies of Chapter 5 of the Plan (aka General Plan), Housing. The Findings addressing new and proposed policies for the Housing Chapter in Section 10 (Rem Rec 10310).

12.3.2 Capacity of the Existing UGB & Efficiency Measures

12.3.2.1 Subissue 3.1 – Reasonable Accommodation of Land Need

The Council finds that the proposal satisfies this subissue because the City has demonstrated through forgoing findings the land needs for housing, employment, and other land uses cannot reasonably be accommodated within the current UGB. Through Findings in Sections 4, 5, and 7, the City has shown that not all of the land needs can be reasonably accommodated, even with proposed changes in plan designations and zoning within nine opportunity areas. These Findings were based on the work presented in the Buildable Lands Inventory and the Urbanization Report (Rem Rec 10513, 10814). These Findings show that approximately 70% of the housing units and jobs can be accommodated within the current boundary, with efficiency measures. The proposed UGB amendment is intended to ensure that the residual land needs for housing and employment can be met in the expansion areas.

12.3.2.2 Subissue 3.2 – Efficiency Measures Demonstrably Increase the Likelihood that Residential Development will occur at Needed Type, Mix, and Density

The Council finds that the proposal satisfies this subissue because the City has presented findings that show the proposed efficiency measures will increase the likelihood that the needed types of housing will develop at the needed mix and density. In Section 4 of the findings, the City presented a needed housing mix of 55% single family detached, 10% single family attached, and 35% multi-family attached. These findings on housing mix are supported through the work presented in the HNA. Through the proposed opportunity areas, development code efficiency measures, the City has the capacity to accommodate the needed mix of housing.

12.3.3 Other (Non-employment) Land Needs

12.3.3.1 Subissue 4.1 – Other Lands Factor

The Council finds that this proposal satisfies this subissue because the City has elected to use a factor of 12.8% to account for what are described as "other" lands. The Findings in Section 6 address this subissue, and the evidence upon which the analysis relied upon to support a 12.8% factor. The City determined that the record did not support a factor greater than 12.8%.

12.3.3.2 Subissue 4.2 – Land Needs for Parks and Schools

The Council finds that the proposal satisfies this subissue because the City has revised its land need estimates and findings for schools and parks, based on their respective district plans updated to reflect needs between 2016 and 2028. The City presented findings on this subissue in Section 6, including the evidence upon which the City relied for making these findings (see Urbanization Report). The evidence includes the district plans of the Bend La Pine School District and BPRD, for which the City has taken Official Notice. The City used each plan to identify land need estimates for public schools and public parks.

12.3.3.3 Subissue 4.3 – Accommodating Land Needs for Parks and Schools in Current UGB

The Council finds that the proposal satisfies this subissue because the City has provided Findings that show to what extent the land need for public schools and parks can be satisfied within the current UGB. See the Findings on this subissue in Section 6, including the evidence upon which the City relied to prepare the Findings (see findings at 6.4.2.2).

12.3.4 Employment Land Needs

12.3.4.1 Subissue 5.1 – Establish 20-year Employment Land Need Using Scenario B

The Council finds that the proposal meets this subissue because the City has prepared this land need estimates based on the 2016 EOA, and the Urbanization Report. The City did not prepare new findings using Scenario B from the 2008 EOA. Instead, the City relied on Scenario A in this

prior EOA to help develop the 20-year land need for employment land (Rem Rec 1484, 1581). The Findings addressing this subissue are in Section 5.

12.3.4.2 Subissue 5.2 – Redevelopment Factor Assumption

The Council finds that the proposal satisfies this subissue because the City conducted an analysis of redevelopment potential that was included in the 2016 EOA. The City relied on this analysis to determine to what extent additional employment would be accommodated in the UGB through redevelopment. The Findings in Section 5 (see 5.4.4.1) address this issue.

12.3.4.3 Subissue 5.4 – Market Choice

The Council finds that this subissue is no longer applicable to this proposal because the City has elected to not use a market choice factor when estimating future employment land needs. (Rem Rec 1484, 1581).

12.3.4.4 Subissue 5.5 – Short Term Land Supply

The Council finds that this proposal satisfies this subissue because the City's 2016 EOA documents the short-term land supply and the infrastructure that will support it. The City's Findings in Section 5 (see Section 5.4.5.1 findings) document this analysis, including the analysis of necessary infrastructure plans to support development (Rem Rec 10687).

12.3.4.5 Subissue 5.6 – Vacancy Rate

The Council finds that is subissue is no longer applicable because the City's 2016 EOA does not assume a vacancy rate for employment lands. Instead, the EOA assumes that the 2006 employment densities reflect the vacancy rates for office space and industrial land at that time. See Findings in Section 5.

12.3.4.6 Subissue 5.8 – Employment Uses in Residential Zones

The Council finds that this subissue is no longer applicable because the City has not accounted for employment uses consuming 119 acres of land in residential zones. The prior estimate of 119 acres was increased due to the City's use of a market choice factor (see Subissue 5.4 above). The City found through the update of the buildable lands inventory and use of the ET model showed that roughly much less than 119 acres of residential land were occupied with employment uses. The HNA accounted for 90 jobs in the Base Case that are expected to be accounted for in the RS, RM, and RH Zones, which are not including home occupations, contract workers, and similar "non-covered" employment. The Urbanization Report (See Table 16, page 46, Rem Rec 10860) identifies just over 150 jobs on residential land inside the UGB with efficiency measures. This accounts for just 5.6 net acres of employment and mixed use land within residential plan designations (see Urbanization Report Appendix D, table 3, Rem Rec 10947).

12.3.4.7 Subissue 5.9 – Compliance with Commercial Plan Policies

The Council finds that the City's Findings include those in a forgoing section (see Section 10), within which the City has documented compliance of the proposed UGB amendment with the applicable plan policies from Chapter 6, Economy and Employment Lands, of the current Bend Area General Plan (Rem Rec 10326).

12.3.5 Natural Resources and Hazards

12.3.5.1 Subissue 6.1 – Compliance with Goal 5, OAR Chapter 660, Division 23

The Council finds that the proposal satisfies this subissue because the City's findings on Goal 5 in Section 9 show the City has satisfied OAR 660, Division 23.

The Remand directed the City to conduct a Safe Harbor inventory for riparian resources and wildlife along the Deschutes River and Tumalo Creeks, if either of those areas were proposed for inclusion into the UGB. The Council finds that, since no riparian areas are proposed to be included in the UGB expansion, this direction does not apply. However, in 2009, maps of deer and elk habitat and winter range were made public by ODFW that encompass a much larger area than was identified in 2008; therefore wildlife habitat analysis in this Finding is based on this new information (see Findings Section 9 and an ESEE analysis at Appendix A of Section 9) that supports the City's compliance with Goal 5.

The Remand required the City to adopt local requirements to implement the State Plan for protection the Middle Deschutes Scenic Waterway[1], include setback from the canyon rim for structures; however, the Council finds that the proposed UGB expansion area does not include any sections of the Scenic Waterway; therefore, this requirement does not apply.

The Remand required the City to clarify the status of mineral and aggregate sites that occur in the study area but that are not on the County's acknowledged surface mining inventory. The site in question is the Shevlin Sand and Gravel site located in the northwest quadrant of the City on Shevlin Park Road. The maps used to conduct the analysis for potential UGB expansion were modified to show only the portion of the site that has a current and active State surface mining permit (09-0018) for resource extraction as an area with a Goal 5 resource. The Council finds that this area was not included in the proposed UGB expansion.

12.3.5.2 Subissue 6.2 – Considering wildfire risk during boundary location analysis

The Council finds that the Remand Order did not require a consideration of wildfire risk; however, LCDC strongly suggested that the City consider wildfire risk during the boundary location analysis. The Goal 14 boundary analysis included the consideration of wildfire risk as

[1] The Middle Deschutes Scenic Waterway is located from the northern Bend UGB to approximately river mile 161 at Tumalo State Park, as a Recreational River Area.

part of the ESEE factor, which as considered in the proposed UGB expansion. The City did so, and this is documented in Section 7 of these Findings, along with findings addressing Goal 7 in Section 9. The consideration of wildfire risk is further documented in the Scenarios Evaluation Report (Rem Rec 6209, 6315) and summarized in the Urbanization Report. Chapter 10 of the Comprehensive Plan was amended to add a text section on Wildfire Risk and a new policy. Findings for this plan amendment can be found in Section 10 (Rem Rec 10512).

12.3.5.3 Subissue 6.3 – Planning for Surface Mining Consistent with DOGAMI Permit

The Council finds that this subissue is not applicable because the City has not included any of the land under State surface mining permit 09-0018 with this UGB amendment. Section 7 of this report outlines which properties were included in the UGB amendment. Approximately 70 acres of the property owned by Shevlin Sand and Gravel was included in the UGB; all of which are located outside of the areas that is the subject of State surface mining permit 09-0018.

12.3.6 Public Facilities Planning

12.3.6.1 Subissue 7.1 – Adoption, Revision of Public Facility Plans

The Council finds that the City adopted Goal 11 PFPs for its key infrastructure before making this decision on the UGB amendment. Section 9 includes findings that address compliance with Goal 11. These Findings also include Official Notice of the City's adopted water PFP (2013), sewer collection system PFP (2014), and stormwater PFP (2014). In addition, DLCD acknowledged the City's TSP in 2013, which also serves as the transportation public facilities plan under Goal 11[2]. These plans were relied upon for analyses associated with public infrastructure as explained in detail in Section 7 of the findings. In short, the modeling for expansion areas relied on systems in place, or planned in the recently adopted and acknowledged public facility plans. This is a different approach than the original proposal because the relative advantages, disadvantages, costs, and benefits of different UGB expansion areas were analyzed according to acknowledged PFPs rather than coupling new and amended PFPs with the UGB expansion proposal. The City's recent adoptions of a Water PFP, Collections System Master Plan (Sewer PFP), and TSP follow the direction of the remand sub-issue because it adopted PFPs for land uses within the prior and currently acknowledged UGB. The city anticipates updating these PFPs in the coming years to reflect the newly expanded UGB associated with this proposal. The referenced documents are attached to the Plan as Appendices. The Council finds that the City has addressed this subissue.

[2] See OAR 660-012-0000(4) – "Transportation system plans adopted pursuant to this division fulfill the requirements for public facilities required under ORS 197.712(2)(e), Goal 11 and chapter 660, division 11, as they relate to transportation facilities."

12.3.6.2 Subissue 7.2 – Location of Sewer Collection Infrastructure Outside UGB

The Council finds that, as explained in Subissue 7.1, this subissue is not applicable to review of the City's current UGB proposal because the City has already adopted a 2014 Collection System PFP. The City has not proposed any concurrent amendments to the PFP through this process. The PFP itself was acknowledged in 2014.

12.3.6.3 Subissue 7.4 – Consistency of Public Facility Plans with Proposed Land Uses

The Council finds that this subissue is not applicable to review of the City's current UGB proposal because the City has already adopted PFPs for the City's water, sewer collection, and stormwater systems. The City adopted these PFPs in 2013 and 2014, and all three have already been acknowledged. In addition, all three PFPs were based on the land uses contemplated under the 1998 Bend Area General Plan (now called the Bend Comprehensive Plan).

12.3.6.4 Subissue 7.5 – Coordination with Private Water Utilities

The Council finds that this subissue is not applicable to review of the City's current UGB proposal because the City has already adopted a water PFP for the Bend UGB. The City coordinated with the Avion Water Company and the Roats Water Company in 2011 to develop the City's Goal 11 Water PFP. The City's adoption of the plan was affirmed by LUBA in 2013 (*Central Oregon Landwatch v. City of Bend* 68 Or LUBA 173 (2013))[3]. For completion of the UGB Remand, the City coordinated with the Avion Water Company to obtain their feedback on providing water service to potential UGB expansion areas within their service area (Rem Rec. 3258, 3434). Therefore, the City has complied by including these service areas in the Goal 14 analysis (See Section 7), mapped these areas, and incorporated their comments regarding their systems through analysis and coordination.

12.3.6.5 Subissue 7.7 – Address UGB Expansion area under Goals 11 and 14

The Council finds that the City addressed this subissue because it considered the entire UGB expansion area and newly proposed expansion areas under Goals 11 and 14. Findings in Section 7 outline the process through which the City conducted the Goal 14 boundary location analysis. This analysis included the evaluation of expansion scenarios and subareas themselves, with a particular focus on sewer collection and transportation, as well as stormwater, and water. The Goal 14 analysis described in Section 7 analyzed all proposed UGB expansion areas for their impacts on the city's public infrastructure systems, and those of private water utilities. In this respect, the City's UGB expansion analysis was not influenced by "gaps" in the analysis present during the original UGB expansion proposal which is the subject

[3] See ORS 197.625(1)(b). If an appeal has been timely filed, the Land Use Board of Appeals affirms the local decision or, if an appeal of the decision of the board is timely filed, an appellate court affirms the decision.

of the Remand Order. As required by this subissue, findings documenting the analysis pertaining to Goal 11 and 14 have been adopted in Section 7 of the Findings, as well as the Urbanization Report (Rem Rec 10814-10949).

12.3.6.6 Subissue 7.9 – Consideration of Costs of Public Facilities to UGB Expansion Areas

The Council finds that the City addressed this subissue in the analysis of UGB expansion scenarios, and in the final evaluation of the preferred UGB expansion scenario (see findings in Section 7). The Section 7 findings also demonstrate that the infrastructure modeling included the impacts associated with the efficiency measures required to comply with Goal 10. This remand subissue has been fully addressed by the City's proposal.

12.3.7 Transportation Planning

12.3.7.1 Subissue 8.1 – Analysis of Relative Transportation Costs

The Council finds that this subissue required the City to analyze the relative transportation costs of lands in the same priority category, rather than aggregating its analysis into subareas without regard to the priorities under ORS 197.298. The Council finds that the City addressed this subissue in the analysis of UGB expansion scenarios, and in the final evaluation of the preferred UGB expansion scenario (see findings in Section 7). Within the initial two-mile study area, there were sufficient amounts of higher priority lands (i.e. exception lands) to meet the identified land needs, as required under OAR 660 Division 24. No lower priority lands are proposed for inclusion in the UGB. Therefore, the City conducted its analysis of the relative costs of transportation in accordance with this Remand issue. With specific reference to transportation improvements, the findings in Section 7 describe how transportation impacts and costs were weighed and considered as part of the Goal 14 boundary evaluation and the resulting proposed UGB expansion.

12.3.7.2 Subissue 8.2 – Consideration of Costs of Major Roadway Improvements Needed in the Northern Area Relative to Different UGB Expansion Scenarios

The Council finds that this subissue required the City to explain its basis for assigning the costs of major roadway improvements to expansion areas in the same priority category, and consider whether changes in the extent or location of the UGB expansion would reduce the need for major improvements in this area. All lands considered for expansion were in the same priority class, as discussed above in 8.1. Therefore, the Council finds that this portion of Remand subissue 8.2 no longer applies.

The Council finds that transportation improvements required by different infill and UGB expansion scenarios were allocated to sub-areas and the expansion scenarios in order to consider the impacts on transportation systems regardless of the type of improvement (i.e. a regional project vs. local project). Both localized and regional transportation projects identified to be constructed in the planning period in the City's TSP and Bend 2040 MTP were assumed

to be in place in the analysis of all UGB expansion scenarios in order to accurately predict the impacts on transportation systems associated with different UGB expansion scenarios.

This subissue also required the City to consider whether changes in the extent or location of the UGB expansion would reduce the need for major roadway improvements, particularly for the northern portions of the State Highway system. The Council finds that the proposed expansion scenario was, in part, selected because it minimizes impacts to the State system. The exception is that the proposed expansion would *further* degrade the ODOT mobility targets on a section of Highway 20 between Cooley Road and 3rd Street, a project that is already identified on the financially constrained project list in the Bend 2040 MTP to remedy this impact. Therefore, the Council finds that this portion of Remand subissue 8.2 has been addressed.

12.3.7.3 Subissue 8.3 – Relative Costs of Required Transportation Improvements

The Council finds that is subissue required the City to revise its findings to provide comparable cost estimates for proposed expansion areas. The City addressed this subissue in the analysis of UGB expansion scenarios, and in the final evaluation of the preferred UGB expansion scenario (see findings in Section 7), wherein relative transportation costs were used as part of Factor 1 comparison of alternatives (Efficient Accommodation of Identified Land Needs). Therefore, the Council finds that Remand subissue 8.3 has been addressed.

12.3.7.4 Subissue 8.4 – Status of the Deschutes River Bridge

The Council finds that this subissue required the City to clarify that a new bridge over the Deschutes River is not needed within the planning horizon. The current proposal does not trigger the need for any new bridges. Therefore, the Council finds that Remand subissue 8.4 no longer applies.

12.3.7.5 Subissue 8.5 – Goal 14 Analysis Consistency with Policies to Restrict Widening of Certain Arterials

This subissue was affirmed on the City Appeal. For clarity, the transportation analysis of the current proposal does not show a need to widen any arterials with the City, with the exception of a previously identified need to add a lane to Highway 20 between Cooley Road and 3rd Street, a project that is already identified on the financially constrained project list in the Bend 2040 MTP to remedy this impact.

12.3.7.6 Subissue 8.6 – Compliance with TPR requirement to coordinate with MPO; Analysis of Vehicle Miles Traveled (VMT), Actions to Reduce VMT per Capita

This subissue required the City to coordinate with the MPO, and to implement measures to reduce reliance on the automobile. The City has satisfied this subissue by coordinating project lists and approaches with the MPO (see Section 8 for a discussion of OAR 660-12-0016). The Council finds that the City has further satisfied this subissue by preparing an analysis of its

baseline VMT along with an analysis of project VMT over the planning period with proposed land use and transportation measures to reduce VMT per capita. If the analysis showed that there would be an increase of VMT per capita, the City would be required to prepare and adopt an ILUTP. Upon analysis, each of the six scenarios tested increased per capita VMT due to the amount of growth located outside the center of the city. Therefore, City has completed an ILUTP (Rem Rec 11012), which includes strategies for reducing VMT and standards by which to benchmark progress. The ILUTP is included as an Appendix to the City's amended TSP (see Section 8 for a more complete discussion of OAR 660-12-35). The Council finds that remand subissue requirements have been met because the City has adopted an ILUTP.

12.3.8 Location of the UGB Expansion Area

12.3.8.1 Subissue 9.1 – Process and Steps to Evaluate Alternative Boundary Locations

The Council finds that the City has satisfied this subissue by conducting the boundary location analysis according to the steps outlined under Subissue 9.1. This report includes findings in Section 7 that outline how the City addressed the six steps outlined on pages 129-130 of the Remand Order (Rem Rec 5852-5853). These findings and the Urbanization Report (Rem Rec 10814-10949) demonstrate the sparing use of suitability criteria and how the required boundary analysis utilizes the approach established through applicable case law.

12.3.8.2 Subissue 9.2 – Demonstration of Land Uses that Cannot Reasonably be Accommodated in Current UGB

The Council finds that the City has satisfied this subissue by demonstrating to what extent the estimated land needs for housing and employment can be accommodated in the current UGB. The City presented findings on this topic in Sections 4, 5, 6 and 7 of this report. The City documented the capacity of the current UGB to accommodate needed housing and employment, with efficiency measures, in the Urbanization Report. The City has showed that even with efficiency measures, the current UGB can accommodate roughly 70% of the projected housing units and jobs over the planning period. The Urbanization Report (Rem Rec 10814-10949) and Sections 4, 5, 6 and 7 of these Findings demonstrate what land needs can be reasonably accommodated in the prior UGB as required by this subissue.

12.3.8.3 Subissue 9.3 – Use of Exceptions under ORS 197.298(3)

The Council finds that the City is not required to address this subissue because the City did not rely upon any of the exceptions under ORS 197.298(3) to develop the proposed UGB amendment. The Findings in Section 7 show the City relied upon exception lands or "Priority 2" lands under ORS 197.298(1).

12.3.8.4 Subissue 9.4 – Are County UAR Lands Exception or Resource Lands?

The DLCD Director determined that Urban Area Reserve lands are exception lands and the City considered them as such in the current effort.

12.3.8.5 Subissue 9.5 – Exclusion of Land as Too Expensive to Meet Affordable Housing Needs; Subissue 9.6 – Exclusion of Lands of Less Than 3 Acres That Include a House; and Subissue 9.7 – Adequate Factual Base for Threshold Suitability Criteria

The Council provided findings in Section 7 that outline how the City addressed the six steps outlined on pages 129-130 of the Remand Order (Rem Rec 5852-5853). These findings and the Urbanization Report (Rem Rec 10814-10949) demonstrate the sparing use of suitability criteria and how the required boundary analysis utilizes the approach established through applicable case law.

12.3.8.8 Subissue 9.8 – Use County Code as a Standard for UGB Expansion

This appeal was denied.

12.3.8.9 Subissue 9.9 – Reconsideration of Lands to the NW of Prior UGB and Subissue 9.10 – Exclusion of Buck Canyon Area

The Council provided findings in Section 7 that outline how the City addressed the six steps outlined on pages 129-130 of the Remand Order (Rem Rec 5852-5853). These findings and the Urbanization Report (Rem Rec 10814-10949) demonstrate the sparing use of suitability criteria and how the required boundary analysis utilizes the approach established through applicable case law.

12.3.9 Other Issues

12.3.9.1 Subissue 10.1 – Are Objections on City's Decision Relevant to Appeals of Director's Decision

This was an issue related to procedure and is not relevant to the current proposal.

12.3.9.2 Subissue 10.2 – Plan Designations and Zoning for Areas Included in UGB

The Council finds that the City has addressed this subissue by proposing plan designations for areas included in the UGB amendment as shown by the newly proposed zoning and comprehensive plan maps (Rem Rec 11145-11148). The City proposes to adopt plan designations for the areas included in the UGB amendment. The county zoning that has been applied to the properties in the UGB amendment will remain in place until the City approves either a master plan or a city-initiated area plan for the subarea. The proposal includes a draft Growth Management chapter for the Plan (Rem Rec 10362). This chapter outlines which expansion subareas will be subject to either a master plan or a City-initiated area plan, and requirements specific to a given subarea to make sure the assumed employment and housing needs are met.

The City has not proposed a framework planl for the areas included in this UGB proposal.

The Growth Management Chapter also includes a map that identifies the mapped special site needs for the two (2) large lot industrial sites, and a university site. The Council finds that the City has already concluded that the university site need will be met within the current UGB. One of the large lot industrial needs will be met in the UGB expansion subarea identified as the DSL property. The City has not included any resource land in this UGB proposal, and therefore finds that the exceptions under ORS 197.298(3)(a) are not applicable.

12.3.9.3 Subissue 10.3 – Adequate Notice; Subissue 10.4 – Goal 2 Coordination Obligations; Subissue 10.4 – Goal 1 Compliance; and Subissue 10.6 – Timing of Material Placed into the Record; and Subissue 10.7 – Definition of Scope of Remand

These subissues address procedural issues that are not applicable to the current proposal.

CONCLUSION: Based on the forgoing findings, the City Council concludes that the requirements of the 2010 Remand Order have been satisfied.

DRAFT

13. SUPPLEMENTAL FINDINGS IN RESPONSE TO TESTIMONY

13.1 Introduction

On August 25, 2016, the Bend City Council held a joint public hearing with the Deschutes County Board of Commissioners on a proposed expansion of the Bend UGB. The City Council and Commission closed the Hearing on August 25 but left the Record open for written testimony until 5:00 p.m. on Monday, August 29. The Council received the following written and oral testimony between April 23, 2016 and August 29, 2016, for which the Council provides the following findings in response. Testimony is grouped into common areas of concern where appropriate, and is not included in order of receipt.

13.2 Findings in Response to Testimony

13.2.1 Eric Knirk

Testimony: Mr. Knirk requested that his property be rezoned from RS (Urban Standard Residential) to RM (Urban Medium Residential) or RH (High Density Residential.). The property is located on Parrell Road, and abuts CG (Commercial General) to the north and the west, RS to the east, and RL (Urban Low Density Residential) to the south.

Findings: The Council does not recommend changing the zoning on this property. The property is not in an opportunity area, and no additional map changes are recommended outside of the opportunity areas. Infrastructure modeling which accompanied the proposed Opportunity Sites and expansion areas did not include this proposal, so re-designating this property at this time would not allow adequate infrastructure modeling to ensure the site can be provided with adequate infrastructure. Given that rezones are often controversial for neighboring properties, it would also be premature to rezone this property without making the process more public and involving surrounding properties as was done for the proposed package of UGB amendments. The Council finds that the current capacity of the UGB has already been estimated to accommodate almost 70% of forecasted growth, including the additional capacity created by the development code efficiency measures and the capacity through the opportunity areas.

13.2.2 Ken Granacki, Barry Desmarais

Testimony: Mr. Granacki and Mr. Desmarais raised concerns about the proposed land uses in the Elbow and DSL properties. Their testimony noted that safe walking access to the school and park properties in the Elbow would be better served if residential was nearby in the Elbow. They also noted a related concern that children living in the DSL neighborhoods would have to cross and walk along SE 27th, which might not be safe. Putting these ideas together, they suggested that the Council should "switch the zoning" by placing less industrial in the Elbow and more industrial in the DSL property.

Findings: The Council finds that the DSL property is planned as a complete community, inclusive of an elementary school, parks and open space. These planned land uses will be integrated into the future DSL neighborhoods, within close walking distance. SE 27th will be improved from its current rural standard to an urban standard over time, including sidewalks, bike lanes, and pedestrian crossings.

The Elbow includes residential and commercial land uses at its north end near High Desert Middle School, and along most of its western boundary. The TAC explicitly located these non-industrial land uses in this fashion to promote compatibility with residential neighborhoods to the west. The employment uses in the Elbow are intended to take advantage of good transportation access on Knott Road and SE 27th, as well as future streets such as the Murphy Extension. Policy 11-81 requires that the street, path and bikeway network shall provide connectivity throughout the Elbow. The area planning process, per Policy 11-75, will be an opportunity to refine land uses in coordination with transportation facilities and the existing school and park properties. The analytical process related to Goal 14 involved evaluating three scenarios, three Supplemental Analysis Areas, and refinements to the preferred scenario of 2.1 from its origins to seven refinements resulting in the adopted UGB expansion. This evaluation included specific evaluation criteria and a factual basis related to the four factors of Goal 14, and was based on community and decision maker input. Each evaluation criterion was calculated, presented, weighed and balanced by the advisory committees, UGB steering committee, and ultimately the Bend City Council in its decision regarding the boundary. The Council finds this process satisfies the legal requirements because it is based on factual information in the record which demonstrate the Goal 14 factors were weighed and balanced as explained in its findings.

The Council finds the proposed UGB expansion and combination of efficiency measures to be the best balance of performance across the many evaluation criteria. The preferred UGB expansion scenario was one of the top performing because it includes lands that are the most efficient to develop, offers a balance of large and small parcels without existing development, provides a mix of uses with convenient access to schools, parks, and commercial services, relies on existing infrastructure improvements, represents a least cost expansion, avoids prime habitats and riparian corridors and highest risk/resistant wildfire areas, creates suitable locations for commercial and industrial uses, and avoids areas with active farm and forest uses. The performance of all the proposed scenarios and the proposed UGB expansion are detailed in a number of technical reports which demonstrate these findings, and the factual basis for this conclusion. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

"The Thumb," "Elbow," and "DSL" expansion areas represent a mix of land uses and expansion areas that scored highly on a variety of evaluation criteria. Specifically, housing units within walking distance of schools and parks were criteria under Factor 1 of Goal 14. Housing units within walking distance of commercial services is an important Factor 1 criterion as well, which enhances livability, health outcomes, reducing reliance on the automobile, and other social benefits. Jobs/Housing Units balance was also measured and each area scored highly. Areas in the southeast of Bend were found to have a good balance of jobs to housing units and were found to be "balanced," which is the top score for this criterion. See Rem Rec 10230-10232. The "Thumb" and "DSL" were found to score highly under the criterion for "Opportunities for

Master Planning" due to their large size. This score reflects that these sites will be more capable of creating cohesive and multi-use complete communities due to additional planning requirements providing needed public amenities such as open space, parks, and schools, in addition to the broad mix of land uses. These sites also score well for having few urbanized acres in them, which leads to more efficient and timely growth. The three expansion areas score well under Factor 3 because they avoid expansions in ODFW identified high-value elk and deer range, are located in areas expected to have relatively lower land values for housing, represent mixes of housing which are needed housing under Goal 10. For site suitability for industrial and mixed employment, the same areas, while not scoring in the top tier of scoring, have immediate access to Minor Arterials (27th/Knott) which have direct connections with Highway 20 east and Highway 97 via an interchange. The scoring on this criterion resulted in these three areas not scoring in the top tier because of adjacent residential. However, the configuration of the specific land uses can be addressed during subsequent master planning which allows the re-arrangement of land uses to address compatibility issues that may arise. In addition, there are development code requirements for industrial uses bordering non-industrial uses, such as residential uses, to minimize and to mitigate any compatibility issues. The Council finds the additional planning processes sufficient to address any perceived issues related to compatibility between these differing uses. All three of these expansion areas were also found to score well for "Site suitability for commercial uses." Rem Rec 10255-10257. These three areas also scored well with respect to Factor 4 of Goal 14, with minimal impacts to irrigation districts.

In summary, the City Council finds it weighed and balanced individual evaluation criteria related to all four factors of Goal 14, and the preferred UGB expansion represents the best UGB expansion based on this information. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.3 Mike Robinson

Testimony: Mr. Robinson, representing the Lamb property in the North Triangle, requested a change to policy 11-126 to set a cap on the number of affordable housing units that would be required.

Findings: Affordable housing in the North Triangle subarea was first proposed to the USC by the Golden Triangle Area Consortium in their testimony in April, 2016. The Council finds that Policy 11-126 was written in response to this property-owner initiated proposal. The policy applies to the five tax lots referenced by the policy on Figure 11-9. The original proposal was for 25% of housing units, on the five tax lots, to be affordable housing. Approximately 308 housing units of housing capacity have been estimated for this area; 25% of that estimate is 77 units.

The policy has been clarified so that: (a) the language does not inadvertently create the potential to deferring affordable housing production; and, (b) there is certainty as to when the policy is satisfied. Based on this, the Council supports an amendment to the draft policy to establish that the minimum required number of affordable housing units is satisfied when 77

units of affordable housing (in total on the properties identified on Figure 11-9) have been approved in land use applications, subject to phasing requirements acceptable to the City.

13.2.4 Terry Denoux

Testimony: Mr. Denoux testified that his property should have been included and that the City has erred in not including it in Scenario 2.1G. He argued that the City provided no findings and no evidence to show why his property should have been excluded.

Finding: The Council articulated its findings on the boundary location statutes and rules in Section 7 of the Findings Report, including the City's reliance on the Court of Appeals in their decision on the McMinnville UGB (Rem Rec 2158).

The Council finds that OAR 660-024 outlines the administrative rules the City must follow in developing and evaluating alternative boundary expansion scenarios. There are no requirements in OAR 660-024-0000 through OAR 660-024-0080 that requires the City to explain through findings why a property or multiple properties that were evaluated for consideration were not included in a UGB expansion proposal. There are also no requirements in State statute to do so under ORS 197.298.

The Council finds that Mr. Denoux's testimony does not cite statute, administrative rule, or interpretation through case law to require the City to explain in findings why a property or properties was not included in a UGB expansion proposal. State law requires the City to explain how the proposed expansion satisfies the law, including the satisfaction of land needs for needed housing and economic opportunities. In addition, State law does require that if a need for land is identified, that any expansion of the UGB be configured to satisfy that specific need; the City Council does not have the ability to bring in land in excess of the identified needs for housing and employment.

Statutory requirements notwithstanding, the following is the history of the subject property relative to the UGB scenarios. The property at 62910 Eagle Road (tax lots 1712230001505 and 1712230001599) was included in two scenarios that were evaluated in the Stage 4 Scenario Evaluation: Scenario 1.2 and Supplemental Analysis Area Map 1 (See October 1, 2015 UGB Scenarios Evaluation Report).

The Boundary TAC, in their October 8 and October 22nd meetings, worked to understand and apply the results of the scenario evaluation in order to create a "hybrid" or "preferred" scenario to recommend to the UGB Steering Committee. Scenario 2.1 was selected as the starting point for this hybrid scenario because of its overall high score on the Goal 14 Factors and associated performance measures. Building on the Boundary TAC discussion on October 8, the project team compiled and prepared two additional scenarios for discussion by the TAC on their October 22nd meeting:

- Scenario 2.2 (a refinement to Scenario 2.1 based on the team recommendations that were included in the October 8th TAC packet); and

- Scenario 2.3 (a refinement of Scenario 2.1 that reflects some of the project team's earlier recommendations in Scenario 2.2, and incorporated Boundary TAC comments during the October 8th meeting and continued evaluation of sub-area refinements.

The subject property was included in Scenario 2.2 and 2.3

The UGB Steering Committee met later in the day on October 22nd and heard the recommendations of the Boundary TAC. The USC chose Scenario 2.1 as starting point for further scenario refinement. The refinements to Scenario 2.1 that followed (2.1A through 2.1G), which occurred through weighing and balancing various ideas, did not include the subject property.

In their meeting on January 20, 2016, the Boundary TAC directed the project team that "if there [is] additional acreage that needed to be allocated, these acres be allowed on the eastern edge." In order to include more small landowners in the proposed expansion, citing testimony from Laurie Craghead and Bill Hopp on this point. (See minutes from January 20, 2016 meeting, Rem Rec 8469). This direction informed Scenario 2.1D, which was presented to the Steering Committee at their February 10th meeting. It was at this point that additional lands south of Butler Market Village and north of the subject property were added to the proposed expansion. The subject property was not added at this time because there was insufficient land need remaining in the overall expansion. Please see attached maps illustrating the history of the scenarios in the NE Area in the Appendix.

The Council finds that the analytical process related to Goal 14 involved evaluating three scenarios, three Supplemental Analysis Areas, and refinements to the preferred scenario of 2.1 from its origins to seven refinements resulting in the adopted UGB expansion. This evaluation included specific evaluation criteria and a factual basis related to the four factors of Goal 14, and was based on community and decision maker input. Each evaluation criterion was calculated, presented, weighed and balanced by the advisory committees, UGB steering committee, and ultimately the Bend City Council in its decision regarding the boundary. The City Council finds this process to meet the legal requirements because it is based on factual information in the record which demonstrate the Goal 14 factors were weighed and balanced as explained in its findings.

The Council finds the proposed UGB expansion and combination of efficiency measures to be the best balance of performance across the many evaluation criteria. The preferred UGB expansion scenario was one of the top performing from the standpoint of including lands which are the most efficient to develop, offer a balance of large and small parcels without existing development, provide a mix of uses with convenient access to schools, parks, and commercial services, rely on existing infrastructure improvements and represent a least cost expansion as a result, avoid prime habitats and riparian corridors and highest risk/resistant wildfire areas, create suitable locations for commercial and industrial uses, and avoid areas with active farm and forest uses. The performance of all the proposed scenarios and the proposed UGB expansion are detailed in a number of technical reports which demonstrate these findings, and the factual basis for this conclusion. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.5 Ed Elkins and Terry Denoux

Testimony: Both Mr. Denoux and Mr. Elkins testified that their UAR properties are both considered first priority land under state law and the Bend Area General Plan. They contend that classification should have ensured that they be considered first for any UGB expansion.

Finding: The Council finds that both Mr. Denoux and Mr. Elkins are correct that their properties are designated Urban Area Reserve and zoned UAR 10 on the Bend Area General Plan map. However, LCDC concluded in their Remand Order that properties so plan designated and zoned are not urban reserves under the priorities statute (ORS 197.298) because they were not designated as statutory urban reserves pursuant to ORS 195 and OAR 660-021 (Rem Rec 5856-5857). LCDC concluded that these areas were approved as exception lands under Deschutes County Ordinance 80-216. As exception lands, they are considered Priority 2 under ORS 197.298(1), and considered in the same priority class as those exception lands zoned MUA10 and RR10 on the Deschutes County Zoning Map. The Council finds that the properties' designation as UAR under the Bend Area General Plan does not qualify them as first priority land under ORS 197.298(1)(a).

13.2.6 Ellen Gibson

Testimony: Ms. Gibson commented on the Thumb, stating that the property is beautiful and questioned the industrial designation. She suggest that a high school would be a good use in the Thumb.

Finding: The Council finds that the Thumb includes residential and locally serving commercial along portions of China Hat Road and Knott Road to promote compatibility with adjacent residential uses and create a mix of land uses in the Thumb. The proposed industrial, mixed employment, and larger scale commercial uses were designated because: (a) the area meets the employment land site suitability criteria of good transportation access, flat land, and larger parcels; and (b) industrial is an appropriate land use adjacent to the railroad tracks. The Council finds that the proposed land uses do not preclude a school from being sited there in the future.

13.2.7 Duane Oakes, Jan Lewis

Testimony: Mr. Oakes and Mr. Lewis raised concerns over including the Baney property into the UGB. Mr. Oakes asserted that the Baney property should not be added to the UGB because it is not being managed well (e.g. fire, vandalism). He stated the City should provide infrastructure to his neighborhood to the north before allowing this expansion.

Finding: The Council notes that management of the property is not a criterion for potential expansion of the UGB under state law. The selection of the Baney property for inclusion in the UGB is based the City's evaluation that this would be reasonably efficient use of urban land (a mix of uses and housing types is proposed), infrastructure can be provided and will be required with development, and that the economic, social, environmental and energy consequences would be positive due to the proposed affordable housing.

The Council finds the proposed UGB expansion and combination of efficiency measures to be the best balance of performance across the many evaluation criteria. The preferred UGB expansion scenario was one of the top performing from the standpoint of including lands which are the most efficient to develop, offer a balance of large and small parcels without existing development, provide a mix of uses with convenient access to schools, parks, and commercial services, rely on existing infrastructure improvements and represent a least cost expansion as a result, avoid prime habitats and riparian corridors and highest risk/resistant wildfire areas, create suitable locations for commercial and industrial uses, and avoid areas with active farm and forest uses. The performance of all the proposed scenarios and the proposed UGB expansion are detailed in a number of technical reports which demonstrate these findings, and the factual basis for this conclusion. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.8 Greg Heacock; Doug and Carol Suchy

Testimony: This testimony raised concerns about the need for height standards, citing compatibility concerns adjacent to Mixed Use designated lands, and blocking of views on other lands.

Finding: The BDC contains existing standards for building height within each zoning district which includes building height bonus for affordable housing. The proposal does not change any of the existing building height standards. The proposal does add new code provisions for the Mixed Use Urban and Mixed Use Neighborhood zones and the Bend Central District. The building heights in those new area will vary from 45 feet to 65 feet in height with height bonuses for affordable housing and the provision of structured parking.

The Council finds that the City does not have code provisions or Comprehensive Plan policies to protect views. However, the City does have Development code provisions that address solar access and solar protection.

13.2.9 Gavin Hepp, Katherine Austin, Maria Rodgers, Susan Sullivan, David Morman, Meredith Nicholls, Doug Clevenger, Maria Rodgers, Charles Wessinger

Testimony: This testimony raised concerns and opposition to the inclusion of the Hopp property in the UGB. In summary, the concerns included:

- Hopp Property was not considered in any UGB scenario or supplemental scenario.
- Hopp Property is small and isolated from other expansion areas
- The area has an incomplete transportation system and no pedestrian or bicycle amenities.
- Development will adversely impact a man-made pond and irrigation canal and eliminate wildlife habitat and open space
- Impacts to Highway 20

Finding: The Council finds that the Porter/Kelly/Burns Land Holdings, LLC & Pac West Development Property represented by Carl Hopp (i.e., Hopp property) was recommended for inclusion into the UGB by the USC on April 21, 2016, largely on the basis of the property

owners' commitment to provide affordable housing, the relative lack of environmental constraints, and the efficiency to serve with existing and planned sewer infrastructure.

The Council finds that the expansion areas on the east are intended to help create new neighborhood centers and "nodes" for existing and future neighborhoods. While the Hopp area is small, it is close to commercial services and scores well from an infrastructure standpoint. Existing road accesses stubbed to the property contain sidewalks and connections to existing separated paths and sidewalks connected to the large retail shopping center and many other businesses in the area. Access issues identified in the testimony are also not appropriate to address at this stage because the exact locations and number of access points to the site will be identified through site planning and approved in subsequent planning approvals. The BDC requires developments to mitigate on and off-site transportation impacts with improvements, provide frontage improvements such as sidewalks, bike lanes, and road widening as necessary, and access points with meet local and state requirements for separation. Together, the Counci finds that these BDC requirements will ensure adequate access to the site without undue and inappropriate impacts to surrounding properties, and build frontage improvements to provide safe access. Future planning decisions also require public notice so neighboring properties are involved in future decision.

Looking very long-term, the City generally sees the eastern edge of Bend as an area for potential future expansion. Future UGB expansions or Urban Area Reserve planning will most certainly consider the traditional east side of Bend since it is one of the areas which seem to be suitable for urbanization, but not as ideal as areas included in this UGB expansion.

The property was not identified earlier in the study area evaluation and formation of scenarios due to a mapping error (the majority of the parcel is EFU, and was thus overlooked). However, it is noteworthy that all surrounding non-resource lands were in the top quartile of lands surrounding the City. While it is impossible to retroactively map the 2.5 acre site, it would have scored just as well as the surrounding exception lands. Correcting a mapping error that occurred at the outset of the project demonstrates the City and planning process was responding to public testimony and creating a factual basis for its decision rather than a mistake as the testimony suggests.

The Council finds the proposed UGB expansion and combination of efficiency measures to be the best balance of performance across the many evaluation criteria. The preferred UGB expansion scenario was one of the top performing from the standpoint of including lands which are the most efficient to develop, offer a balance of large and small parcels without existing development, provide a mix of uses with convenient access to schools, parks, and commercial services, rely on existing infrastructure improvements and represent a least cost expansion as a result, avoid prime habitats and riparian corridors and highest risk/resistant wildfire areas, create suitable locations for commercial and industrial uses, and avoid areas with active farm and forest uses. The performance of all the proposed scenarios and the proposed UGB expansion

are detailed in a number of technical reports which demonstrate these findings, and the factual basis for this conclusion. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.10 Leila Gregory

Testimony: Ms. Gregory raised a concern that the proposed changes within the Bend Central District will change her neighborhood and disrupt its livability.

Finding: Ms. Gregory's property at 716 NE 4th Street is zoned RS and plan designated RH. The property is adjacent to a proposed "Special Planned District" called the Bend Central District (BCD). Her property is across 4th Street from the Safeway store and outside of the Bend Central District; therefore, no changes are proposed to her property. The Council finds that a goal of the BCD is to create a more vibrant walkable neighborhood that includes convenient access to goods and services and encourage upper floor residential housing and that the transformation of the area will be gradual as public infrastructure is constructed in the district.

13.2.11 Henry Burwell

Testimony: Mr. Burwell asked why the City did not consider changing the zoning on golf courses to create more capacity in the UGB.

Finding: The Council finds that the City considered the capacity provided by golf courses in the Buildable Lands Inventory (Rem Rec 10413). The topic was discussed and reviewed by the Residential TAC at their November 2014 meeting (Rem Rec 2760). The TAC consensus was to accept the project's team recommendation on how to treat golf courses in the BLI. The team recommendation was based on an analysis of the five (5) golf clubs within the City limits of Bend, and the evaluation of their land areas and values (Rem Rec 2723-2726). The team also considered whether any of these golf courses redeveloped during the look back period of 1998 to 2008, per ORS 197.296(4). The only golf course that the team found that included vacant land that was undeveloped and available for residential use was the undeveloped portion of the Back Nine golf course, and recommended to the TAC that that this land be treated as available. The team further recommended that the remaining golf courses be classified as Developed and unavailable for residential uses.

OAR 660-008-005(7) defines "Redevelopable Land" as land zoned for residential use on which development has already occurred but on which, due to present or expected market forces, there exists the strong likelihood that existing development will be converted to more intensive residential uses during the planning period. The Council finds, based on the past history of development and the values of the golf courses, that a strong likelihood did not existing that these existing golf courses would be converted into more intensive residential uses during the planning period.

13.2.12 Dave Clark

Testimony: Mr. Clark raised concerns about the adequacy and timing of transportation infrastructure improvements in the southeast area.

Finding: The Council finds that the UGB Remand process, consistent with state rules, assumes a set of transportation projects that are in the Bend TSP as planned to be constructed within the UGB timeframe, including the Murphy Road Overcrossing. Area planning or master planning for the southeast expansion areas will address transportation infrastructure and funding in greater detail. Some infrastructure projects on the City's CIP may be constructed prior to development of any sites in the area. In addition to those projects, development permitting processes identify needed improvements such as rebuilding roadways to meet City standards (sidewalks, bike lanes, widening, etc.), and capacity projects like new intersection improvements. Needed improvements typically are constructed as a result of planning approvals, so would coincide with development in the area. Improvements are built as their need is identified or triggered by development, and occur as needed, or less frequently as part of a large consortium style agreement. Future GO bonds may also provide needed improvements. The Council finds that the existing and proposed transportation system is be able to serve the proposed land uses and meet the City's performance standards as evidenced by the findings in Section 8 of the Findings.

13.2.13 John Stackpole

Testimony: Mr. Stackpole raised concerns about RH (Urban High Density Residential) and CG (Commercial General) near his home on Ferguson Court north of the Elbow. He questioned why these designations were placed next to the RL designation in his neighborhood.

Finding: The Council finds that the City is obligated to meet anticipated needs of a full range of urban uses, including higher density housing, commercial, and industrial uses. Residential and commercial land uses were located in this area to increase the mix of housing and provided local commercial services to new development and existing neighborhoods. For specific properties, there is an opportunity through area planning to refine the site-specific designations and consider standards that will promote compatibility.

"The Thumb," "Elbow," and "DSL" expansion areas represent a mix of land uses and expansion areas which score highly on a variety of evaluation criteria. Specifically, housing units within walking distance of schools and parks were criteria under Factor 1 of Goal 14. Housing units within walking distance of commercial services is an important Factor 1 criterion as well, which enhances livability, health outcomes, reducing reliance on the automobile, and other social benefits. Jobs/Housing Units balance was also measured and each area scored. Areas in the southeast of Bend were found to have a good balance of jobs to housing units and were found to be "balanced," which is the top score for this criterion. See Rem Rec 10230-10232. The "Thumb" and "DSL" were found to score highly under the criterion for "Opportunities for Master Planning" due to their large size. This score reflects that these sites will be more capable of creating cohesive and multi-use complete communities due to additional planning requirements providing needed public amenities such as open space, parks, and schools, in addition to the broad mix of land uses. These sites also score well for having few urbanized acres in them, which leads to more efficient and timely growth. The three expansion areas score well under Factor 3 because they avoid expansions in ODFW identified high-value elk and deer range, are located in areas expected to have relatively lower land values for housing, represent mixes of

housing which are needed housing under Goal 10. For site suitability for industrial and mixed employment, the same areas, while not scoring in the top tier of scoring, have immediate access to Minor Arterials (27th/Knott) which have direct connections with Highway 20 east and Highway 97 via an interchange. The scoring on this criterion resulted in these three areas not scoring in the top tier because of adjacent residential. However, the configuration of the specific land uses can be addressed during subsequent master planning which allows the re-arrangement of land uses to address compatibility issues that may arise. In addition, there are development code requirements for industrial uses bordering non-industrial uses such as residential to minimize any compatibility issues. The City Council finds the additional planning processes sufficient to address any perceived issues related to compatibility between these differing uses. All three of these expansion areas were also found to score well for "Site suitability for commercial uses." Rem Rec 10255-10257. These three areas also scored well with respect to Factor 4 of Goal 14, with minimal impacts to irrigation districts. In summary, the Council finds it weighed and balanced individual evaluation criteria related to all four factors of Goal 14, and the preferred UGB expansion represents the best UGB expansion based on this information. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.14 Katelyn Pay, Geoff Harris, Dan Goodrich (Central Oregon Builders Assoc.), Dylan Wetherill in opposition; Kirk Schueler in support

Testimony: The COBA testimony requested the elimination of the proposed Floor Area Ratio (FAR) in the proposed amendments to the Development Code because it may make some lots unbuildable. Mr. Schueler's testimony is in support of FAR as a good tool to regulate building mass.

Finding: The Residential TAC recommended and supported the use of FAR to regulate building scale in the residential zones especially since the recommended changes to the BDC will reduce some lot sizes as small as 1600 square feet. The proposal to use FAR in place of lot coverage for regulating building mass and scale is not an efficiency measure, but more of a compatibility standard. The UGB proposal is not dependent on the FAR provision for capacity. It would possibly alleviate some of the neighborhood concerns regarding new construction building scale, so it is important to "get it right."

The Council finds that proposed modifications to the BDC to use FAR have been removed as requested in COBA testimony. The City Community Development Department is willing to take up this topic and develop the best outcome for this complex issue with the involvement of a stakeholder committee and a robust public process.

13.2.15 Deborah Turner

Testimony: Ms. Turner raised concerns about high school capacity.

Finding: The Council finds that the City considered the need for additional lands for schools and coordinated closely with the Bend La Pine School District during the process. The City presented findings on school lands in Section 6 of the Findings Report (Rem Rec 11755-11759). The City drew on the work the District recently finished with their 2016 Sites and

Facilities Plan, for which the City took Official Notice (Rem Rec 11756). In addition, Project Manager Brian Rankin also summarized the City's coordination with the School District during the August 25, 2016 joint hearing between the City Council and the Board of Commissioners. In short, the School District and City of Bend rely on the same population estimates predicting growth in housing, which leads to the School District creating refined enrollment estimates. The City's proposed UGB provides the same number of school sites by type as the School Districts 2016 Sites and Facilities Plan, and therefore is planning to provide sufficient land for new schools. Once new schools are built and enrollment areas adjusted, new school capacity is available.

13.2.16 Art Hogan, Ethan Kollar, Therese Madrigal, Sarah Barnett, Tom Marple, Shehnai Sher, Russell Horton

Testimony: This testimony address proposed efficiency measures that are amendments to the BDC. The specific issues raised included:

- concerns about removal of Conditional Use Permit (CUP) requirement for duplex/triplex and attached single family dwellings
- Loss of neighborhood character
- Increased density
- Increased parking issues

Finding: The Council finds that the proposal to eliminate the CUP for duplex, triplex and single family attached housing came from the Residential TAC in an effort to remove barriers to constructing a variety of housing types, and, promote housing affordability. This is an efficiency measure relied upon for the housing needs analysis and allows the City to achieve the needed housing required under Goal 10. Removing the conditional use permit from duplexes, triplexes, and townhomes simplifies the process, and reduces costs, but does not increase allowed density. Removing this procedural hurdle also allows needed housing types to be constructed through a clear and objective manner which is required by the needed housing statutes. In other words, retaining the current development standard of making duplexes, triplexes, and townhomes conditional uses arguably violates the clear and objective requirements. Thus, the CUP requirement is being removed by the Council so needed housing is permitted to meet state law. Generally, lots will need to be at least 10,000 square feet in order to have two units of any kind or to partition. Apartments and condos will not be allowed in the RS or RL zones except as part of a Master Plan. Other residential zones are intended for a mix of housing. A variety of housing types is needed in order to allow people with a range of incomes and household sizes to live in Bend. Many of the ills associated with lower property values and crime are not supported by studies and in this case are not backed by any factual basis. Apartments (4 or more units) are not allowed in the RS zone unless part of a Master Plan which no properties in the vicinity qualify for based on the size of the properties. Transportation analysis demonstrate there is sufficient capacity in the roadways and intersections with planned intersection improvements. Therefore, the Council finds that the proposed efficieny measures are reasonable and appropriate to meet the City's identified housing needs.

13.2.17 John Lynch

Testimony: Mr. Lynch raised concerns about the compatibility of the UGB abutting farm land, and suggested that lower densities should be placed near farms in order to create a buffer.

Finding: The Council finds that the farm analysis performed as part of the scenario evaluation (see Scenario Evaluation Report. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948) identified a feed lot operation south of Knott Road as an adjacent farming operation to consider during the UGB expansion process. The team recommended, and the TAC and USC supported, the placement of commercial and industrial uses along Knott Road as the most appropriate land use to minimize conflicts with the feed lot operation. The farm analysis found no other farms or farming areas near the proposed UGB expansion that require buffering.

13.2.18 Beale Jones

Testimony: Ms. Jones asked whether there are commitments to ensure the proposed affordable housing will be implemented.

Finding: The Council finds that the proposed Growth Management Chapter includes Specific Expansion Area Policies that require affordable housing for the North Triangle, East Hwy 20, Southwest, and West expansion areas. The policies reference guarantees (e.g. Covenants, Codes and Restrictions) that must be provided.

13.2.19 Bill Galaway

Testimony: Mr. Galaway stated that infrastructure should be in place prior to or concurrent with development in the three SE Expansion Areas.

Finding: The Council finds that UGB Remand process, consistent with state rules, assumes a set of transportation projects that are in the Bend Transportation System Plan as planned to be constructed within the UGB timeframe, including the Murphy Road Overcrossing. Area planning or master planning for the southeast expansion areas will address transportation infrastructure and funding in greater detail. Some infrastructure projects on the City's CIP may be constructed prior to development of any sites in the area. In addition to those projects, development permitting processes identify needed improvements such as rebuilding roadways to meet City standards (sidewalks, bike lanes, widening, etc.), and capacity projects like new intersection improvements. Needed improvements typically are constructed as a result of planning approvals, so would coincide with development in the area. Improvements are built as their need is identified or triggered by development, and occur as needed, or less frequently as part of a large consortium style agreement. Future General Obligation bonds may also provide needed improvements.

13.2.20 Ken Atwell

Testimony: Mr. Atwell raised several issues including:

- Timing of infrastructure, particularly for the SE Expansion areas
- SE is wrong place for higher density housing and employment because existing road infrastructure is inadequate
- affordable housing should be distributed throughout the city and not concentrated in the SE

Finding: The Council finds that the UGB Remand process, consistent with state rules, assumes a set of transportation projects that are in the Bend Transportation System Plan as planned to be constructed within the UGB timeframe, including the Murphy Road Overcrossing. Area planning or master planning for the southeast expansion areas will address transportation infrastructure and funding in greater detail. Some infrastructure projects on the City's CIP may be constructed prior to development of any sites in the area. In addition to those projects, development permitting processes identify needed improvements such as rebuilding roadways to meet City standards (sidewalks, bike lanes, widening, etc.), and capacity projects like new intersection improvements. Needed improvements typically are constructed as a result of planning approvals, so would coincide with development in the area. Improvements are built as their need is identified or triggered by development, and occur as needed, or less frequently as part of a large consortium style agreement. Future GO bonds may also provide needed improvements.

Affordable housing has been distributed throughout the Expansion areas. Seven of the nine expansion areas includes land designated RM or RH. Four of the nine expansion areas include specific requirements for affordable housing. This is in addition to the many RM, RH and Mixed Use designations that allow for affordable housing throughout the City.

The analytical process related to Goal 14 involved evaluating three scenarios, three Supplemental Analysis Areas, and refinements to the preferred scenario of 2.1 from its origins to seven refinements resulting in the adopted UGB expansion. This evaluation included specific evaluation criteria and a factual basis related to the four factors of Goal 14, and was based on community and decision maker input. Each evaluation criterion was calculated, presented, weighed and balanced by the advisory committees, UGB steering committee, and ultimately the Bend City Council in its decision regarding the boundary. The City Council finds this process to meet the legal requirements because it is based on factual information in the record which demonstrate the Goal 14 factors were weighed and balanced as explained in its findings. The City Council finds the proposed UGB expansion and combination of efficiency measures to be the best balance of performance across the many evaluation criteria. The preferred UGB expansion scenario was one of the top performing from the standpoint of including lands which are the most efficient to develop, offer a balance of large and small parcels without existing development, provide a mix of uses with convenient access to schools, parks, and commercial services, rely on existing infrastructure improvements and represent a least cost expansion as a result, avoid prime habitats and riparian corridors and highest risk/resistant wildfire areas, create

suitable locations for commercial and industrial uses, and avoid areas with active farm and forest uses. The performance of all the proposed scenarios and the proposed UGB expansion are detailed in a number of technical reports which demonstrate these findings, and the factual basis for this conclusion. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

"The Thumb," "Elbow," and "DSL" expansion areas represent a mix of land uses and expansion areas which score highly on a variety of evaluation criteria. Specifically, housing units within walking distance of schools and parks were criteria under Factor 1 of Goal 14. Housing units within walking distance of commercial services is an important Factor 1 criterion as well, which enhances livability, health outcomes, reducing reliance on the automobile, and other social benefits. Jobs/Housing Units balance was also measured and each area scored. Areas in the southeast of Bend were found to have a good balance of jobs to housing units and were found to be "balanced," which is the top score for this criterion. See Rem Rec 10230-10232. The "Thumb" and "DSL" were found to score highly under the criterion for "Opportunities for Master Planning" due to their large size. This score reflects that these sites will be more capable of creating cohesive and multi-use complete communities due to additional planning requirements providing needed public amenities such as open space, parks, and schools, in addition to the broad mix of land uses. These sites also score well for having few urbanized acres in them, which leads to more efficient and timely growth. The three expansion areas score well under Factor 3 because they avoid expansions in ODFW identified high-value elk and deer range, are located in areas expected to have relatively lower land values for housing, represent mixes of housing which are needed housing under Goal 10. For site suitability for industrial and mixed employment, the same areas, while not scoring in the top tier of scoring, have immediate access to Minor Arterials (27th/Knott) which have direct connections with Highway 20 east and Highway 97 via an interchange. The scoring on this criterion resulted in these three areas not scoring in the top tier because of adjacent residential. However, the configuration of the specific land uses can be addressed during subsequent master planning which allows the re-arrangement of land uses to address compatibility issues that may arise. In addition, there are development code requirements for industrial uses bordering non-industrial uses such as residential to minimize any compatibility issues. The Council finds the additional planning processes sufficient to address any perceived issues related to compatibility between these differing uses. All three of these expansion areas were also found to score well for "Site suitability for commercial uses." Rem Rec 10255-10257. These three areas also scored well with respect to Factor 4 of Goal 14, with minimal impacts to irrigation districts.

In summary, the Council finds it weighed and balanced individual evaluation criteria related to all four factors of Goal 14, and the preferred UGB expansion represents the best UGB expansion based on this information. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.21 Brian Ricker

Testimony: Mr. Ricker testified on the record at the August 25, 2016 joint hearing and provided an April 23, 2016 email, letter, photograph, and map into the record. He requested that his property be included in the UGB and argued that it must have been overlooked or an error that it was not included.

Finding: The Council finds that OAR 660-024 outlines the administrative rules the City must follow in developing and evaluating alternative boundary expansion scenarios. There are no requirements in OAR 660-024-0000 through OAR 660-024-0080 that requires the City to explain through findings why property that was evaluated for consideration was not included in a UGB expansion proposal. There are also no requirements in State statute to do so under ORS 197.298. State law requires the City to explain how the proposed expansion satisfies the law, including the satisfaction of land needs for needed housing and economic opportunities. In addition, State law does require that if a need for land is identified, that any expansion of the UGB be configured to satisfy that specific need; the Council does not have the ability to bring in land in excess of the identified needs for housing and employment.

With respect to the scenarios in which Mr. Ricker's property was included, his property was included in SAAM 2. In the Scenarios Evaluation, SAAM-2 performs poorly on the Balanced Transportation System community outcome, due to the lack of connectivity to the existing UGB from the Gopher Gulch area and the distance to reach key destinations inside the current UGB. It also performs relatively poorly on Compatibility with Farms and Forests community outcome due to heavy impacts to the Swalley Irrigation District and proximity to the greatest number of working farms. The purpose for making this finding is to reiterate that Scenario 2.1 was the best performing scenario, and that the Evaluation Report and its appendices (Rem Rec 4547, 6209, 6637, 6737, 6851) presented the analysis of the scenarios and explains why this scenario performed best.

The Council considered several versions of Scenario 2.1G, and made the final changes to this scenario during the USC's April 21, 2016 meeting (See minutes at Rem Rec 10144). The Council added several properties to the expansion whose owners and/or their representatives made written and oral proposals to include an affordable housing component in their development if their property was included. The Council found that this commitment provided social benefits under Goal 14 Factor 3, and that including these properties provided more benefits to the City.

The Council recommendations making no changes to the UGB expansion proposal in response to this testimony. No flaws were identified that need to be rectified. The City went through a process established by the Court of Appeals' decision in McMinnville, and followed ORS 197.298 and OAR 660-024. This testimony did not identify any statute, rule, or case law that requires the city to adopt findings showing why an individual property or an area was not included.

The analytical process related to Goal 14 involved evaluating three scenarios, three Supplemental Analysis Areas, and refinements to the preferred scenario of 2.1 from its origins to seven refinements resulting in the adopted UGB expansion. This evaluation included specific evaluation criteria and a factual basis related to the four factors of Goal 14, and was based on community and decision maker input. Each evaluation criterion was calculated, presented, weighed and balanced by the advisory committees, UGB steering committee, and ultimately the Bend City Council in its decision regarding the boundary. The City Council finds this process to meet the legal requirements because it is based on factual information in the record which

demonstrate the Goal 14 factors were weighed and balanced as explained in its findings. The City Council finds the proposed UGB expansion and combination of efficiency measures to be the best balance of performance across the many evaluation criteria. The preferred UGB expansion scenario was one of the top performing from the standpoint of including lands which are the most efficient to develop, offer a balance of large and small parcels without existing development, provide a mix of uses with convenient access to schools, parks, and commercial services, rely on existing infrastructure improvements and represent a least cost expansion as a result, avoid prime habitats and riparian corridors and highest risk/resistant wildfire areas, create suitable locations for commercial and industrial uses, and avoid areas with active farm and forest uses. The Council finds that the performance of all the proposed scenarios and the proposed UGB expansion are detailed in a number of technical reports which demonstrate these findings, and the factual basis for this conclusion. See Rem Rec 10814, 10223, 11223, 10183, 11201, 06619-06948.

13.2.22 Allegra Briggs, Bill Bernardy, Donna Davis

Testimony: This testimony raised: (a) a concern about transitions between residential and non-residential land uses, particularly standard residential and mixed use; and, (b) a request for the City to utilize "use compatibility" in addition to physical compatibility.

Finding: The Council finds that the new mixed use code includes compatibility standards for properties abutting residential (side or rear lot lines). The new mixed use zones are planned for areas that are currently zoned as commercial, industrial or other employment, not residential. The uses proposed for the mixed use zone are similar to those allowed in the existing zones, except that they require the inclusion of residential and allow taller buildings. Therefore, the main potential compatibility issues relate to building height and setbacks, which are addressed in the mixed use code. The City has current programs in place to address noise and other nuisance issues.

The Central Westside Plan (CWP) does not specifically call for "Neighborhood Compatibility Zones" but rather points out that the Advisory Committee had concerns about compatibility in a select portion of the planning area (specifically where mixed use abuts Commerce, Simpson, and Mt. Washington Avenues). The CWP does not propose mixed use directly adjacent to residential neighborhoods but locates it on the opposite of major existing or planned public streets. The CWP recommends that further discussion of this issue occur in Phase 2 of the CWP.

"Compatibility" is a general term, and the testimony has not suggested a specific remedy or code provision to satisfy the request. At its extreme, use restrictions threaten the ability for the city to provide needed housing and employment as required by law. If uses are limited inside the UGB, the additional UGB expansion is required to provide needed housing and employment opportunities to meet anticipated needs. Therefore, significantly limiting uses is not consistent with Goal 14 to make efficient use of urban lands prior to expanding the UGB. The LCDC Remand Order required the city to adopt efficiency measures to not only make efficient use of urban lands in the current UGB, but also provide for needed housing. Needed housing provided

in the Central Westside Opportunity Site would be less likely to be provided as a result of significant detuning of the proposed Development Code, implementing significant use restrictions, or removal of that Opportunity Site area altogether. The city has numerous programs which are related to “livability” and issues of noise and special events which specifically address some of the issues raised in testimony. The Council finds the re-designation of the Central Westside Opportunity Site and new Development Codes to therefore be necessary to comply with the Remand Order, make efficient use of urban land as required by Goal 14, and provide for needed housing and employment while recognizing existing programs regarding “livability” and “compatibility” are available and necessary to address the concerns raised in testimony.

13.2.23 Mike and Kathleen Kutansky

Testimony: The Kutanskys request inclusion of their 5-acre parcel zoned RR10 into the UGB. Their [property is located at 19756 Buck Canyon Rd.

Finding: The Council finds that the subject property is contiguous to Baney but not the City limits. During the "Stage 2" Goal 14 evaluation, it did not rate in the top quartile of exception land in the Study Area and was not advanced to scenarios. The Council finds that additional land cannot be added to the UGB expansion unless it is included to meet a need for either housing or employment, and land currently in Scenario 2.1G is removed.

13.2.24 Dave Feagans, Jack Zika, Central Oregon Assoc. Realtors (COAR)

Testimony: COAR testifies that the size of UGB expansion is inadequate to meet Bend’s current housing need; infill development is difficult due to Bend Development Code compatibility requirements;. In addition COAR requests that the City move quickly on next expansion.

Finding: The Council finds that the City is planning for sufficient land to meet growth needs through 2028 based on the BLI, HNA, and the EOA. In addition to housing for residents, the UGB planning accounts for the significant second-home market that exists in Bend. A mix of housing types is planned for all expansion areas. The City took into account existing CC&Rs and other development restrictions when calculating the amount of infill development could potentially occur inside the UGB. In addition, the City selected the Opportunity Areas based on the amount of developable and redevelopable land available.

The Council finds that the land needs for needed housing and jobs were based on housing and employment forecasts that are both supported by an adequate factual base. No data, testimony, or evidence was submitted to the record to show these forecasts were either less than or higher than could be supported by the record. The Council finds that the buildable lands inventory, housing needs analysis, and the economic opportunity analyses form the factual base upon which the Urbanization Report was developed, and that none of the testimony submitted pointed out flaws or errors that would lead to a different result and a different estimate of land need.

The City recently adopted modifications to the Residential Compatibility Standards (2.1.300(G)) to alleviate the large lot efficiency issue.

The Council finds that the City has committed, through policy 5-2 in the Housing chapter of the Comprehensive Plan, to initiate a supplemental legislative review of the UGB and/or urban reserve area planning within 5 years of acknowledgement of the current UGB update.

13.2.25 Lisa Ellefson

Testimony: Ms. Ellefson expressed a concern regarding future urban uses and incompatibility with existing farm uses; and would like her property to be considered for inclusion into the UGB.

Finding: The Ellefson property (171208D TL 900) is zoned UAR 10, Urban Area Reserve and is intended *"to serve as a holding category…until needed for orderly growth".* The selection process for inclusion into the UGB included a consideration of whether land is served by the Swalley Irrigation District, as is the Ellefson property. The selection process also placed parcelized land into lower consideration than larger acreage because of the lower redevelopment potential. Finally, the transportation analysis showed that including the land in the notch along Highway 20 would trigger the need for a costly new road connection. The Council finds that these issues resulted in the lands between Scenic Drive and Highway 20 being eliminated from further consideration for inclusion into the UGB at this time.

13.2.26 Sid Snyder

Testimony: Mr. Snyder generally supports the UGB products, but believes it is necessary to adda policy to Chapter 11 that: (1) requires phasing for including affordable housing and (2) changes the "should" to "shall" in policy 11-73 and 11-74 to strengthen protection of bat habitat and trails on the DSL property.

Finding: The Council finds that the policies proposed in Chapter 11 reference and require consistency with Policy 5-21 in the Housing Chapter. Policy 5-21 allows the City to require phasing requirements for the construction of affordable housing units. The policy intentionally leaves the details to future negotiations while giving the City the final say to determine what is acceptable. To clarify, the Council recommends the addition of the following language to policies 11-64, 11-96, 11-105, and 11-126 in Chapter 11 where the policies guide development of an expansion area in which affordable housing units will be developed:

- Planning and phasing requirements for affordable housing units shall be established, in a form acceptable to the City.

The Council finds that this addition to policies 11-64, 11-96, 11-105, and 11-126 in Chapter 11 focused on the development of affordable housing will ensure they are also consistent with Policy 5-21.

On consideration, the Council finds that Policy 11-73 to protect bat habitat should be strengthened to include an analysis of the significance of the bat habitat identified on the DSL property. The Council finds that Policy 11-73 should be amended as follows: . "Bat habitat

~~should~~ shall be mapped and potentially added to the City of Bend's Goal 5 Inventory. An Environmental, Social, Economic and Energy (ESEE) analysis shall be conducted to determine the significance of the resource and a management plan shall be provided as appropriate to protect the resource. ~~protected from development, including a suitable buffer around any identified habitat areas in order to ensure their continued habitat value~~."

Policy 11-74 to provide trails along canal easements cannot be a mandatory directive because the City and/or the developer does not have authority to allow uses within an irrigation easement. Council finds that the suggested changes to Policy 11-74 are not appropriate.

13.2.27 Seth Anderson, Stacy Stemach

Testimony: Both Mr. Anderson and Stemach are local architects who suggest changes to specific sections of the BDC that address design standards and other measures.

Findings: The Council does not object to the proposed changes, but finds that they are more appropriate to address through a separate code amendment process since they are not directly related to the proposed efficiency measures.

13.2.28 David Leshner

Testimony: Mr. Leshner is concerned about transportation access to Day/Rio Lobo 40-acre parcel, particularly over existing private roads through the Three-Pine subdivision.

Finding: The Council finds that a master plan will be required prior to development of the Day/RioLobo property. That process will address access and circulation issues. BDC 3.1.200(D)(1) requires connectivity to and through subdivisions. Required improvements to off-site roads and intersections (e.g. McClain Drive) will be based on the development's proportionate share of the impact to the road or intersection.

13.2.29 Levi McClain/Latham Excavation

Testimony: Mr. McClain raises two concerns: (1) 2.5 acres of Anderson Ranch property is committed as Open Space through prior County decision, and (2) Density and access be for the Anderson Ranch property.

Finding: The Council finds that: (1) the PUD Plat for Anderson Ranch shows all undeveloped land as future development parcel, not open space; and (2) Plan policy requires 65 housing units, including at least 12 single family attached units. Developers of the property will be required to construct their portion of Skyline Ranch Road and connect to existing street system. Sewer capacity is adequate with improvements outlined in MSA memo. Site access will be determined through master planning, including any improvements to McClain Drive.

13.2.30 Ken Brinich

Testimony: Mr. Brinish contends that the UGB expansion project does not reduce reliance on automobile. Improved bicycle and pedestrian circulation is needed; specifically, a new

pedestrian, bicycle, and transit connection over the river and Parkway is needed. In addition, Mr. Brinich commentst that the Plan does not encourage transit.

Finding: The Council finds that, as part of the UGB Expansion work, the City prepared an Integrated Land Use and Transportation Plan (ILUTP). The purpose of the ILUTP is to reduce vehicle miles traveled per capita, largely by increasing the ease of travel by foot, bike, or transit. The strategies in the ILUTP include implementing mixed use zoning, requiring TDM practices, supporting transit, improving roadway safety issues, and constructing complete streets – particularly for transit corridors. The Central District, which is an Opportunity Area, includes a new extension of Hawthorne to provide a crossing of the Parkway and railroad for bicycles, and pedestrians. In addition, the Coucil finds that the ILUTP commits the City to complete an additional six bridge projects for bicyclists and pedestrians, which are a combination of new bridges and improvements to existing bridges (see Attachment 10 of the ILUTP).

13.2.31 Susan Reyes

Testimony: Ms. Reyes expressed concern of how will unimproved streets within the City will be improved.

Finding: The Council finds that the development permitting processes identify needed improvements such as rebuilding roadways to meet City standards (sidewalks, bike lanes, widening, etc.), and capacity projects like new intersection improvements. Needed improvements typically are constructed as a result of planning approvals, so would coincide with development in the area. Improvements are built as their need is identified or triggered by development, and occur as needed, or less frequently as part of a large consortium style agreement. Future GO bonds may also provide needed improvements.

13.2.32 Kathy Roche

Testimony: Generally supports UGB proposal, but would like to see east side wildlife protection and consideration for protecting the natural environment as Bend develops

Finding: The Council finds that it is anticipated that the area planning process for Expansion Areas on the east and southeast parts of Bend will take wildlife habitat into consideration. The BGWR ESEE analysis included as an appendix to Section X of the Findings discusses this issue.

13.2.33 Reed Fitkin, Norman Andross, Joan Spongberg, Robin Pfeiffer, Phil Henderson, John Russell, Sherie Browning

Testimony: General opposition based on livability issue. The plan allows too much growth.

Finding: The Council finds that State law requires the City to provide a 20-year supply of buildable land for needed housing and economic opportunities. A HNA identified the type of housing that Bend must build. The focus of the City's work has been to retain existing neighborhoods and place development in areas with sufficient infrastructure capacity. A transportation systems analysis has identified the location and funding for needed projects. In

addition, the Council points out that two different population forecast show Bend's population contusing to grow through the 2028 planning period. The City is required by state law to develop a plan to not only accommodate this growth in the UGB, but ensure that it meets community expectations and goals outlined in the Bend Comprehensive Plan.

13.2.34 Brent Landels

Testimony: General concern about process made by west-siders. Majority of employment and density was loaded onto the east side.

Finding: The Council finds that every effort was made to represent a range of interests on the TACs. The expansion areas were selected through a multi-stage effort of elimination based on infrastructure capacity, topography, conflicts with resource lands, and other factors such as wildlife habitat and wildfire hazard.

13.2.35 David Jacobsen

Testimony: Concern about wildfire risk with development to the West, Northwest and Southwest. Westside transportation adequacy for emergency exiting.

Finding: The Council finds that Policy 11-5 acknowledges the wildfire risk for all of the Bend area and will adopt strategies for reducing risk. One strategy applied to the west side development is the Transect. To reduce density at the outer edge of the UGB. Westside roads have capacity to carry emergency traffic. In addition, during an emergency, there would be traffic control moving all traffic away from the emergency area

13.2.36 Bill Burwell

Testimony: There is an obvious shortage of single family home lots, forcing residents to live in apartments or commute from nearby towns.

Finding: The Council finds that the UGB expansion is based on land need for both residential housing and employment. The expansion also is intended to correct the balance of housing types by creating more opportunities for multi-family housing.

13.2.37 Jim Powell

Testimony: As the urban area of non-residential uses moves to the edge, please apply "Dark Sky" ordinances to new development.

Finding: The Council finds that the City and County both have adopted lighting ordinances that would be in affect and applied to development in the expansion area.

13.2.38 Steve Beer

Testimony: Wants southern portion of COID property to remain PF and/or be removed from the Opportunity site.

Finding: There Council finds that there is a view easement restriction currently on the property which restricts development within the planning period. In addition, much of the canyon is within the WOZ and cannot be developed regardless of the zoning.

13.2.39 Curt Baney, Deborah McMahan

Testimony: In support of including Baney property into the UGB: (1)Transportation connectivity, Access across Hwy 97 is via Baker Road and Murphy Road, (2) homeless camping – Baney Corp has a security service that periodically patrols the property.

Finding: The Council finds that issues raised at the public hearing will be addressed through annexation agreements, master planning and development review.

13.2.40 George and Victoria Minor

Testimony: Would like to see Coats property removed from Boundary because the property provides wildlife habitat for elk and has extreme fire risk.

Finding: The Council finds that, as part of the Goal 14 evaluation, both big game winter range habitat and wildfire hazard were considered as factors. For wildlife, an ESEE evaluation was completed (Rem Rec 11586) which determined that, with the transect land use pattern proposed, elk habitat would not be significantly affected. The wildfire hazard was examined. The Coats property is similar to most properties on the west and southeast parts of Bend, subject to wildlfire and requiring management. The propose transect land use pattern, along with wildlfire mitigation such as buffering and sprinklering, will mitigate the wildfire hazard.

13.2.41 John Warta, Jeremy McPherson, Sid Sydyer, Jennifer Bragar, Amy Wheat, Doug Rathkamp, Connie Peterson, Michele McKay, Judi Leeg, Jack Schniepp, Allen Johnson, Susan Brody, Moey Newbold, Mike Riley, John Swanson, Kirk Schueler, Russ Donnelly, Scott Edelman, Corrine Oedekerk, Sharon Jacobson, Jennifer Grudzien, Beale Jones, Anne Brayfield, Joe Emerson, Dale Van Valkenberg, Paul Dewey, Kaylin Landry, Seven Hultberg, Jodi Littlehales, Gena Goodman-Campbell, Mary Ann Kruse, Tom Atkins, Michael De Blasi, Charley Miller, Gisela Ryter, Karen Jones, Mike Lovely, Richard and Andre Casey, Carol MacBeth, Nunzie Gould, Brent Yost

Testimony: Support UGB Expansion proposal.

Finding: No finding needed. The Council appreciates the expression of support.

APPENDIX A

ESEEE ANALYSIS FOR BIG GAME WINTER RANGE

The purpose of this Environmental, Social, Economic and Energy (ESEE) analysis is to establish the basis for designation of Goal 5 wildlife habit resources within the areas analyzed and ultimately to apply a regulatory program to minimize adverse impacts to those resources if needed. The analysis also may be used to support application of Comprehensive Plan designations in the areas evaluated.

In 2009, a map of big game (deer and elk) winter range (BGWR) was made public by the Oregon Department of Fish and Wildlife (ODFW) (Figure 1). This map, which encompasses large portions of the west and south sides of the City, was not available to the City during its 2008 (remanded) UGB expansion efforts. Because of this new information, the City has elected to err on the side of caution and broaden the consideration of wildlife issues beyond that associated with the Deschutes River and Tumalo Creek to include a consideration of BGWR, for the reasons discussed below.

Goal 5 Inventory

The Safe Harbor provisions of Goal 5 (OAR 660-023-0030) allow the City to limit its Goal 5 inventory to consideration of available information where one or more of the following conditions exist:

(a) The habitat has been documented to perform a life support function for a wildlife species listed by the federal government as a threatened or endangered species or by the state of Oregon as a threatened, endangered, or sensitive species;

(b) The habitat has documented occurrences of more than incidental use by a species described in subsection (a) of this section;

(c) The habitat has been documented as a sensitive bird nesting, roosting, or watering resource site for osprey or great blue herons pursuant to ORS 527.710 (Oregon Forest Practices Act) and OAR 629-024-0700 (Forest Practices Rules);

(d) The habitat has been documented to be essential to achieving policies or population objectives specified in a wildlife species management plan adopted by the Oregon Fish and Wildlife Commission pursuant to ORS Chapter 496; or

(e) *The area is identified and mapped by ODFW as habitat for a wildlife species of concern and/or as a habitat of concern (e.g., big game winter range* and migration corridors, golden eagle and prairie falcon nest sites, or pigeon springs).

Because ODFW has a Management Plan for big game habitat in Deschutes County[1], sections (d) and (e) potentially apply. Although the 2009 BGWR map is not directly referenced in the Management Plan (nor has it been adopted by ODFW), the City assumes that the BGWR map illustrates the area covered by the Management Plan, since that is how it is being used by ODFW.

As part of the current UGB expansion process, all lands protected by the Deschutes County Wildlife Combining Zone for big game habitat were excluded from consideration for UGB expansion through the City's Goal 14 process. This process included a screening process for

[1] Lower Deschutes Wildlife Area Management Plan, Oregon Department of Fish and Wildlife, 2009.

potential expansion areas. Land within the Wildlife Combining Zone was screened out of consideration for expansion based on a number of factors, depending on its location. For example, land in the Combining Zone west of the current UGB was screened out due significant potential infrastructure costs, potential inefficiency of land use and development given current development patterns, and presence of wildlife habitat. However, the areas identified on the 2009 BGWR map extend beyond those areas currently protected by the Deschutes County Wildlife Combining Zone.

As allowed by the Safe Harbor rule, the City is relying on the 2009 map plus verbal information provided by ODFW to help update its Goal 5 inventory for the affected area. According to ODFW, the 2009 BGWR map is based on inventories and field knowledge of the areas utilized by deer and elk for summer, transition, and winter range. The agency reportedly has collected data over a period of decades, in the form of fall and spring animal counts, to support this mapping. However, the bulk of this detailed data was unavailable to the City because only a fraction of the data (from only the last couple of years and only for certain herd ranges) has been digitized and subsequently mapped. ODFW also indicates that collaring studies have been done since 2005, and notes that those results support the 2009 BGWR map. However, this data also was not available to the City due to the same mapping issues. Although not formally inventoried and mapped as a Goal 5 resource by Deschutes County, ODFW considers the mapped areas to be significant wildlife resource areas that meet requirements for Goal 5 resources, and ODFW labels the habitat as Category 2 under the ODFW Fish and Wildlife Habitat Mitigation Policy[2]. According to the ODFW wildlife biologist, ODFW considers Category 2 habitat to be "significant," although that is not stated explicitly within the Policy.

Interviews with the ODFW Deschutes District Wildlife Biologist stated that the agency places the highest value on the deer and elk winter range habitat that is currently protected by the Deschutes County Wildlife Combining Zone. However the District Wildlife Biologist identified several general areas that the agency believes may be more important for wintering elk or deer than surrounding areas within this larger mapped area. These areas are identified on the map entitled Exception Land & Big Game Winter Ranges as rough ovals (Figure 9-1), and were used as a decision-making factor under Goal 14 and in conducting this ESEE analysis.

[2] Category 2 habitat is considered "essential or important, but not irreplaceable habitat."

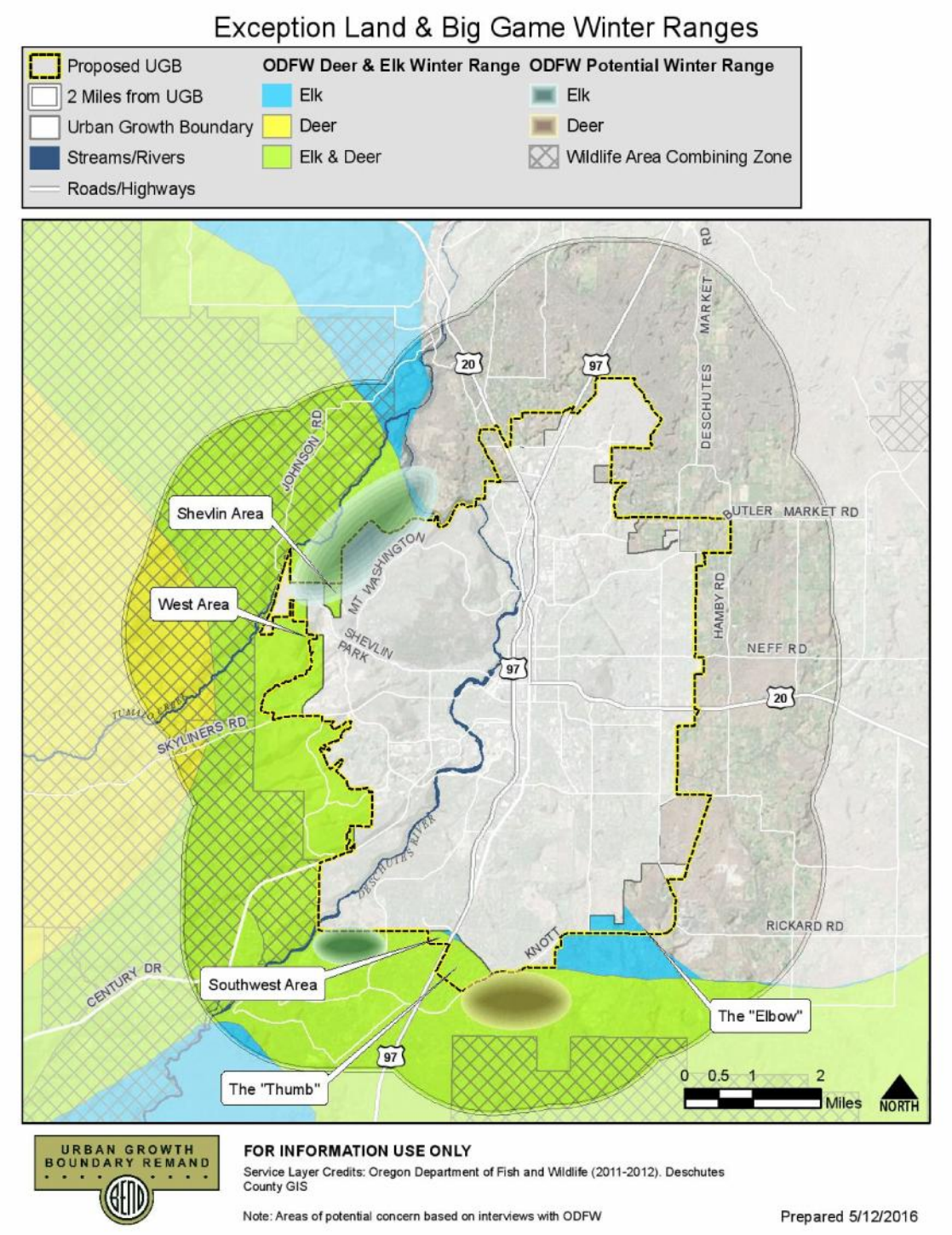

Exception Land & Big Game Winter Ranges
Proposed UGB
2 Miles from UGB
Urban Growth Boundary
Streams/Rivers
Roads/Highways
ODFW Deer & Elk Winter Range
Elk
Deer
Elk & Deer
ODFW Potential Winter Range
Elk
Deer
Wildlife Area Combining Zone
Shevlin Area
West Area
Southwest Area
The "Thumb"
The "Elbow"
JOHNSON RD
MT WASHINGTON
SHEVLIN PARK
SKYLINERS RD
CENTURY DR
DESCHUTES RIVER
KNOTT
RICKARD RD
BUTLER MARKET RD
DESCHUTES MARKET RD
HAMBY RD
NEFF RD
20
97
0 0.5 1 2
Miles
NORTH
URBAN GROWTH BOUNDARY REMAND
FOR INFORMATION USE ONLY
Service Layer Credits: Oregon Department of Fish and Wildlife (2011-2012). Deschutes County GIS
Note: Areas of potential concern based on interviews with ODFW
Prepared 5/12/2016

Figure 1

Of the three areas identified by ODFW staff as particularly important wintering range for deer and elk, only the Shevlin area is potentially affected by the proposed UGB expansion. However, because ODFW has identified *all* of the mapped BGWR as significant, the ESEE analysis is also applied to the proposed expansion areas known as the West Area, Thumb, Alpine Park, and a portion of the Elbow.

There are no Safe Harbor provisions to guide the creation of a wildlife protection program; therefore the City must use the standard ESEE procedures and requirements of OAR 660-023-0040 and 660-023-0050 (see below) to guide development of a protection program. The ESEE analysis includes the following:

- Summary of the location, quantity, and quality of significant Goal 5 resources within the planning area, as identified by ODFW;
- Identification of conflicting uses based on the proposed land uses;
- Analysis of economic, social, environmental, and energy (ESEE) consequences of protecting resources where conflicts exist; and
- A plan to protect significant resources.

Big Game Winter Range Habitat Impact Areas

The 2009 ODFW BGWR map with Deschutes County Exception land is shown on Figure 1. Areas identified by ODFW staff as particularly important to deer or elk for winter range are shown on the map as ovals. The ovals are approximate and are based on rough hand drawn maps provided by ODFW to the City. Because the ODFW Big Game Winter Range map includes the entire west and southern sides of the City, and the UGB proposal assumes development of the entirety of each area, the impact area was assumed to be the entirety of each expansion area.

Assessments of the value of each area as big game winter range was either provided verbally by ODFW or based on the values identified in the Oregon Elk Management Plan[3], which indicates that thermal cover in the form of topography and vegetation, along with minimal human disturbance, are the most critical factors for big game during the winter months. This more nuanced information can be considered both in documenting environmental and other consequences of different land use scenarios and in establishing a Goal 5 protection program.

Shevlin Area**:** The Shevlin area is a 68-acre parcel in single ownership that has been significantly altered by activities associated with the ongoing surface mining operation. Although not directly mined itself, the site has been used as the Shevlin Sand and Gravel operations area for many decades (Figure 2).

The surrounding area is a mix of juniper, bitterbrush, and ponderosa pine habitat that has been managed for wildfire hazard reduction. The land to the east is Shevlin Park, a large open space park managed by Bend Parks and Recreation District. Land to the west is the Awbrey Golf course and residential development. Land to the north is being mined for sand and gravel or is

[3] Oregon's Elk Management Plan, February 2003.

in mixed age ponderosa pine forest and bitterbrush. The Shevlin area is located within the southern edge of a general area identified by ODFW as important winter range for elk.

Discussions with ODFW staff indicated that elk are present in the general area, mainly using open fields and a golf course north and east of the Shevlin area for forage. The City was unable to obtain any actual elk counts or similar data from ODFW, given the nature of how the data has been compiled and mapped. It is unlikely that elk are using the Shevlin area as winter range because of the amount of human disturbance (heavy machinery) and lack of cover.

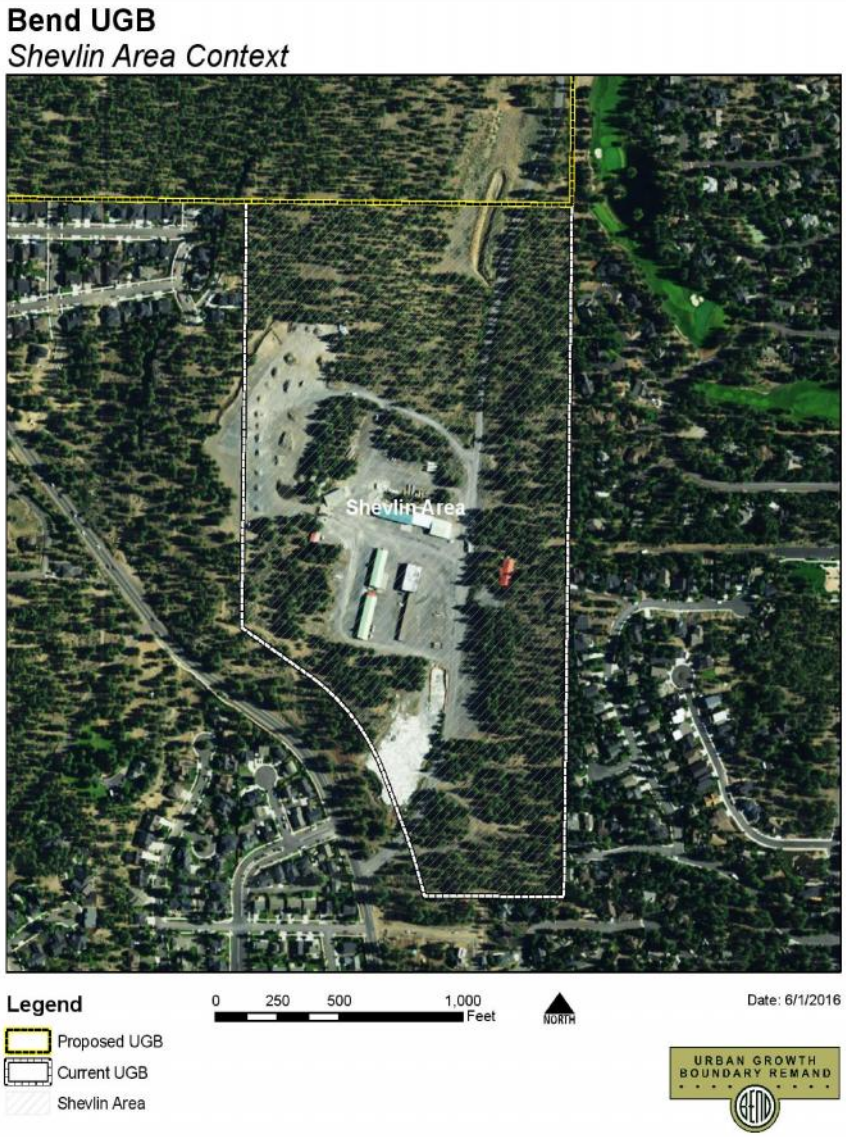


Figure 2

West Area**:** The West area is a total of 344 acres in several private ownerships. The land is mainly ponderosa pine habitat in various stages of management, ranging from well-cleared mature ponderosa forest to bitterbrush and mixed age ponderosa pine stands (Figure 3). Lands to north and west are similar habitat, while land to the south is developed in 10-acre parcels. Lands to the east are in residential development inside the City.

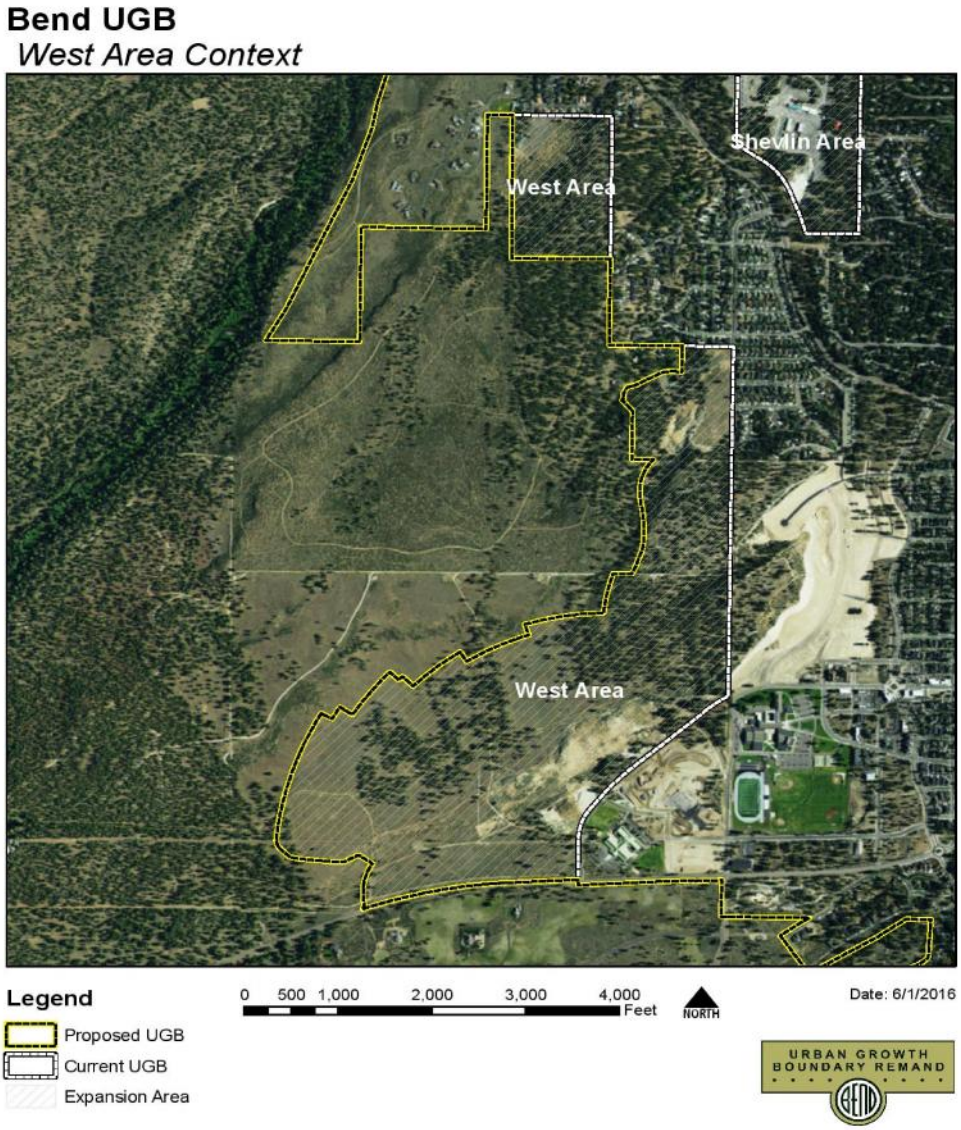


Figure 3

Alpine Park: Alpine Park is an undeveloped 14-acre site owned by Bend Park and Recreation District located west of Bend's city limit (Figure 4). The site provides a primary trail connection to the east, through the Broken Top neighborhood to Cascade Middle School and Skyline Sports Complex. Trails also connect to the Haul Road Trail along the south side of Century Drive and to the Forest Service trails to the west. The park was burned in the 1991 Awbrey Hall fire, losing much of its tree cover and diminishing its value as big game winter range. However, the park has been replanted with trees and can be expected to regain habitat value over time in terms of vegetative and thermal cover and potential for foraging.

Figure 4

Southwest Area*:* The Southwest area is a total of 57 acres in a single private ownership. The property is currently vacant with scattered juniper and pines (Figure 5). This area was not identified by ODFW as particularly important elk or deer winter range; however, the adjacency to publicly owned and managed forest lands provides the potential for higher wildlife habitat value, compared to similar land not adjacent to publicly managed forest lands.

Thumb Area: The Thumb is a 222-acre single-ownership parcel that has been highly managed for wildfire, with brush removed, and so provides very little thermal cover. It is bordered on three sides by major roadways and developed land (Figure 9-5). This area is located directly north of an area that ODFW identified as being important deer winter range.

Bend UGB
Thumb Area Context
Southwest Area
Thumb Area
Legend
Proposed UGB
Current UGB
Expansion Area
0 500 1,000 2,000
Feet
NORTH
Date: 6/1/2016
URBAN GROWTH
BOUNDARY REMAND

Figure 5

Elbow**:** Approximately 132 acres of the Elbow are included in the mapped ODFW elk winter range (does not include deer winter range). This area is divided into a number of rural parcels (Figure 6). This area is located directly north of an area that ODFW identified as being important *deer* winter range; however the area itself is fragmented with moderate levels of human disturbance, and does not provide the values of cover and low disturbance identified by ODFW as important for elk or deer habitat nor was it identified by the ODFW Wildlife Biologist as relatively more important winter range habitat.

Figure 6

Identification of Conflicting Uses

This discussion Identifies land uses and activities that conflict (i.e., could adversely impact) BGWR habitat areas. According to the Goal 5 administrative rule, a conflicting use is one that, if allowed, could negatively impact a significant resource. To identify such conflicts, the Rule directs local governments to examine the uses allowed within broad zoning categories (e.g., residential, commercial). This analysis uses the existing County zoning and new City proposed Plan Designations to identify potential conflicting uses.

Table 3 depicts the existing County zoning and the proposed City land use designations that apply to each of the five identified resource sites

Table 3: Land Use by Resource Site

Area	Existing County Zoning	Proposed City Designation	Allowed Land Uses
Shevlin	Surface Mine	Residential Urban Low Density (RL), Convenience Commercial (CC)	RL: single family home, accessory dwelling unit, residential care facility, adult day care, home occupation, bed & breakfast (C), destination resort (C), agriculture, nursery (C), small hydroelectric, large animal veterinary clinic (C), institutional uses (C), parks (C), schools (C), hospitals (C), child care (C),boarding kennel (C) CC: Existing residential, residential as part of mixed use, retail sales small, retail sales auto-dep (C), food and beverage, drive-through food (C), offices & clinics, lodging, public parking, indoor entertainment/ recreation, indoor commercial storage, daycare, vet clinic (small animal), medical & recreational marijuana retail small (large – C), government – NH service, parks, schools, churches (C), small manufacturing, small hydroelectric, small marijuana processing
West	Urban Area Reserve, 10-acre min	Residential Urban Low Density, Commercial Limited (CL), Mixed Employment (ME).	RL: See above CL: Same as CC, except ; also allowed: temporary housing (C), production office (C), convention center, hospitals, outdoor commercial storage, outdoor entertainment (C), redemption center, campground (C), marijuana wholesale, government service – City, colleges, large manufacturing (C), warehouse, industrial service, freight distribution (C), manuf. home sales (C), building supplies (C), hydroelectric (C), mini-storage (C), large marijuana processing (C); permitted outright: retail sales large, retail sales auto-depend., clubs/churches, large medical & recreational marijuana sales, mortuary

			ME: Residential uses same as RM except: single family and multi-family dwellings as primary uses (C); commercial & industrial uses same as CG except: conference center (C), freight distribution (C)
Southwest	Rural Residential, 10-acre min	Residential Urban Standard Density (RS), Residential Urban Medium Density (RM), Residential Urban High Density (RH), Mixed Use Neighborhood (MUN), Commercial Limited	RS: Same as RL except no boarding kennel, farm use or destination resorts; also allowed: courtyard housing (C), manufactured home park (C), duplex, triplex (C), attached single family (C), temporary housing (C), laundromat (C), retail (C), personal services (C), repair services (C), mixed use (C) RM: Same as RS; also allowed: multi-family residential and small-scale food and beverage (C); single family courtyard, attached SF, manufactured home park, laundromats, retail and mixed use are outright permitted RH: Same as RM except most plant nurseries and manufactured homes on individual lots are not permitted; also allowed: SF detached, courtyard housing are conditional uses; and small-scale food and beverage allowed MUN: Not yet adopted; uses will be similar to mix of RM and CC CL: See above
Thumb	Rural Residential, 10-acre min	Residential Urban Standard Density, Commercial General (CG), Mixed Employment (ME)	RS: See above CG: Same as CL except not allowed: outdoor entertainment, large manufacturing, large marijuana processing; permitted outright: production office, mini-storage, outdoor entertainment, freight distribution, manuf. home sales, building supplies ME: See above
Elbow	Urban Area Reserve, 10-acre min	Residential Urban Standard Density, Residential Urban Medium Density, Commercial General, Mixed Employment; Industrial	RS: See above RM: See above CG: See above ME: See above Industrial: Light and heavy manufacturing, wrecking yards, research & development (C), wholesale, warehousing, fuel distribution (C), production office (C), wholesale processing, food & beverage processing, marijuana growing, processing, testing & wholesale sales, vehicle equipment storage & repair, industrial service, medical & dental labs (C), outdoor commercial (C), small-scale personal, professional uses (C), kennel, equipment rental & repair, corp. HQ (C), contractor storage, heavy equipment sales, ambulance service/repair, commercial parking (C),

			recreational facility (C), redemption center (C), government facilities, vocational schools (C), parks (C), small hydroelectric facilities
Alpine Park	Urban Area Reserve, 10-acre min	Public Facilities	Public buildings, parks, playgrounds, recreational facilities, community meeting halls & similar uses, water facilities, elementary & middle schools, high schools (C), colleges, parking lots, utility maintenance facilities (C), sports complexes with night lighting & amplified sound (C), solid waste facilities (C), outdoor amphitheaters (C), small hydroelectric facilities

This section provides a general review of the potential conflicts between permitted and proposed conflicting uses and big game winter range. The uses are discussed in general categories below. Where the same impacts are identified for different conflicting uses, the first impact analysis in the text is referenced and not repeated.

Residential Uses

The City's proposed land use designations include four levels of urban residential density -- Low, Standard, Medium, and High – as well as a Mixed Use designation that includes a residential component.

The Residential Urban Low Density land use designation provides the opportunity to transition from higher to lower density at the urban edge, increasing the opportunity to buffer wildlife from the impacts associated with urban levels of development. This designation is proposed to be applied to the Shevlin and West areas.

The higher levels of density found in the Standard, Medium, and High density residential potentially have more significant impacts on wildlife habitat. These designations are currently proposed for the Southwest, Thumb, and Elbow, where the big game habitat is of lower or no value as winter range habitat.

All forms and densities of residential uses are known to have adverse impacts on wildlife habitat. In addition to the construction of homes, rural dwellings typically include the construction of garages and other accessory buildings, access drives, parking areas, landscaped areas, utility connections, and roads. There is some evidence that dispersed residential intrusion into wildlife habitat can have a greater adverse impact than clustering residences and preserving greater areas of less disturbed habitat[4].

Preparing land for housing commonly includes removal of vegetation that provides forage and cover for big game species. Habitat fragmentation caused by the clearing of vegetation for residential uses, including large yards or pastures and fencing, and can increase the isolation of one habitat area from another, forming barriers to wildlife migration and limiting the genetic exchange among populations. Roads and fences can also form barriers to wildlife movement.

[4] Conservation Value of Clustered Housing Developments, Conservation Biology, Volume 20, Issue 5, October 2006.

Household lights, loud noises, outdoor human activities, and dogs disturb big game, leading to avoidance of area. These impacts are described in more detail in the following section.

In general, deer adapt better than elk to dispersed, low density rural development, particularly with clustering that allows habitat corridors to remain. Elk will generally avoid areas with even moderate levels of human occupation[5]

Commercial Uses

Proposed City land use designations include Convenience, Limited, and General commercial. In addition, the proposed Mixed Employment and Mixed Use Neighborhood land use designations also allow commercial uses.

Commercial and mixed uses have all of the adverse impacts described for higher density residential uses above. These larger scale uses typically require more extensive site clearing and grading, and the detrimental effects of vegetation removal, building construction, and human use are generally greater than those described for residential uses.

In the Shevlin and West areas, the potential commercial areas are very limited in size.

In the Southwest, Thumb, and Elbow proposed planning designations allow for more intensive development of commercial uses.

Industrial Uses

There is an area of proposed industrial located in the portion of the Elbow. Industrial uses have similar impacts to commercial. They tend to have fewer employees and can generate less traffic, reducing impacts related to human intrusion and conflicts between vehicles and wildlife. However, they can have more significant impacts related to light, noise and odor.

[5] "Big Game Winter Range Recommendations for Subdivision Development: Justification and Rationale," January 2012, Montana Fish, Wildlife, & Parks.

Public Facilities (transportation facilities, utilities and other public facilities)

Alpine Park is currently zoned Urban Area Reserve. The City's proposed land use designation is Public Facilities, which includes parks as an allowed use, as well as a variety of other public facility uses, including other recreational uses, water facilities, solid waste facilities and community meeting facilities, schools (including colleges), among others.

Parks uses focus on natural areas, play areas, and other public amenities such as picnic shelters and community gardens. Removal of vegetation and construction of buildings are activities commonly associated with development of parks and open areas.

Larger recreational facilities and other types of public facilities (e.g., water and solid waste facilities) can have more intensive activities, including larger parking areas, lighting and amplified sound for sporting events, and the operation of vehicles and machinery.

Transportation facilities (roads and pathways) and utilities are allowed in most zones, in addition to being allowed in the City's Public Facilities zone.

The effects on wildlife habitat resulting from creating and maintaining parks are similar to those described for residential uses, except that normally a smaller percentage of land area is covered by buildings or impervious surfaces, and the opportunity exists to design and manage the park to provide wildlife habitat.

Impacts on wildlife from sports complexes, other larger recreational facilities and schools are similar to those from commercial uses, including impacts related to traffic, noise, lighting and vegetation removal. Impacts from other types of public facilities such as water and solid waste facilities are similar to those from industrial uses.

Economic, Social, Environmental & Energy (ESEE) Analysis for Big Game Winter Range

Scenarios

Each of the six areas has both existing and proposed conflicting uses, as outlined above. The next step in the Goal 5 process is to evaluate the economic, social, environmental, and energy (ESEE) consequences of protecting big game winter range. The following section presents the analysis of the six areas. The analysis is based on the Goal 5 inventory and on the identified conflicting uses.

The analysis considers the consequences of three alternatives for protecting BGWR habitat:

- Allow conflicting uses without restriction ("Allow" scenario). For the purposes of this discussion, the Allow scenario assumes that the City's proposed land use designations are applied.
- Limit Conflicting uses ("Limit" scenario) – For the purposes of this discussion, this scenario assumes that the City's proposed land use designations would be applied but that they would include limitations on development aimed at reducing impacts on wildlife habitat (e.g., reduced densities or clustering requirements, limitations on erecting fences or other barriers, and/or minimizing the scope or scale of activities that have the most significant potential impacts on wildlife).

- Prohibit conflicting land uses ("Prohibit" scenario). For the purposes of this discussion, this scenario assumes that proposed used currently allowed under City land use designations would be prohibited in the BGWR habitat areas.

Because of similarities in the quality and function of the BGWR habitat, the Shevlin, West and Alpine Park areas are discussed together as **Area 1**, and the Thumb, Southwest and Elbow areas are discussed together as **Area 2**.

Types of Impacts

The uses described in the previous section can have a variety of different positive or negative consequences on economic, social, environmental, and energy resources and conditions. Following is a summary of the different types of impacts considered and which are referenced in the text and tables in the following section of the Report.

Economy

Economic value derived from development. The ability to develop a property to the maximum level or density of development allowable under City zoning will increase the economic or market value of a property or set of improvements which can be realized if the property is sold. This type of impact is most important for residential, commercial, and industrial uses. It is relatively less applicable to transportation, utility, or community facilities, or to parks, open spaces, or trails. Allowing conflicting uses provides the highest economic benefit in this regard, while prohibiting those uses provides the lowest benefits.

Tax revenues. A large percentage of tax revenues in Oregon come from a combination of property, income, and payroll taxes. Maximizing the development of a property will generally increase the property tax revenues associated with it. Income and payroll taxes also will increase for employment-related uses (primarily commercial, civic, industrial and certain types of public facility uses, with a smaller impact from transportation, utilities and parks, recreation, and open space). In general, the highest positive economic consequences in this regard will be for allowing commercial and industrial employment-related uses, followed by residential uses, with parks, open space, and trails uses receiving the lowest net benefit in this regard. Prohibiting uses will generally have a negative economic impact in relation to tax revenues.

Employment. For commercial, industrial or other uses that provide job opportunities, employment generates personal and business income, which has a positive economic consequence if development is allowed and a negative impact if it is prohibited.

Self-sufficiency and economic equity. The majority of households earn enough money to cover their basic household needs – i.e., are economically self-sufficient. However, a certain percentage of households do not. In particular, workers in the food and drink service and retail sectors are less likely to earn wages that result in self-sufficiency while workers in construction, manufacturing, and distribution jobs are more likely to do so. Land uses that promote economic self-sufficiency have a higher economic net benefit associated.

Open space value. People value open space and wildlife habitat for its potential recreational amenities, as well as its scenic value. It is possible to quantify the value people place on open

space simply because it exists. Developing wildlife habitat for non-park or open space purposes has a negative economic consequence in this regard, with larger scale development having a greater impact. Prohibiting such development can have a positive economic consequence.

Ecosystem services. Wildlife habitat areas provide ecosystem goods and services, which in turn provide economic and social value. Ecosystem services associated with BGWR habitat generally include air cooling and purification, carbon sequestration, soil fertilization and pollination. Ecosystem goods in this area include commodities like timber and minerals. Ecosystem goods also include supporting recreation and tourism. Allowing conflicting uses will result in negative economic consequences in this regard while prohibiting them will have positive consequences. The degree of impact will depend on the amount of area affected, the type of resources and the proximity to it. The economic benefits of ecosystem services come in large part from the savings associated with amenity values associated with wildlife habitat areas which increase property values, While the economic value of eco-system services associated with certain types of resources can be relatively high, they are typically lower than economic values associated with employment and tax revenues.

Social

Human health and welfare. Physical and mental health and welfare are related to a variety of factors that can be impacted positively or negatively impacted by conflicting uses. They include:

- *Employment opportunities*. Household income is one of the most important factors in determining human health and welfare and is directly dependent on employment. Income can provide access to better quality food and housing, as well as health care services. Similar to economic self-sufficiency, jobs with higher wages will have a more positive impact on social welfare. Allowing conflicting uses that will provide employment opportunities will have a positive impact on social resources in this regard while prohibiting them will have a negative impact.

- *Access to nature and recreation*. Access to natural areas and recreation opportunities, including access to viewing wildlife, has positive impacts on physical and mental health. Recreation has multiple health benefits, including improving overall physical health, strengthening immune systems, and preventing a variety of diseases and medical conditions. In addition, studies show that viewing vegetation and wildlife can reduce stress and aggression, improve cognitive development, and enhance medical recovery. Allowing conflicting uses will generally have a negative impact on social resources in this regard while limiting or prohibiting them will have a positive impact.

- *Air and water quality*. Air and water pollution adversely impact human health. Conflicting uses can impact air quality in two ways, either by introducing pollutants into the air or by eliminating vegetation that can help filter pollutants and improve air quality. Relatively few of the specific conflicting uses allowed in these zones produce point sources of air or water pollution, with the exception of some industrial and public facility uses. However, increased use of automobiles or equipment that produce carbon or other emissions associated with virtually all of the uses allowed can have some impact

on air quality, as well as water quality via stormwater runoff from roads or other impervious surfaces or via erosion. In all cases, consequences would be negative for allowing or limiting uses and positive for prohibiting uses, except possibly for parks and open space uses where natural areas would be retained.

- *Light, noise, and traffic*. Both noise and light can have negative consequences, including reducing enjoyment of leisure activities; contributing to health effects such as hypertension, heart disease, and sleep interruption; reduction of property values; and/or elimination of the ability to see the night sky (for light). Noise and light can come from human activity, equipment, and/or traffic associated with the majority of the conflicting uses described previously. Similar to air and water quality, consequences would be negative for allowing or limiting uses and positive for prohibiting uses, except possibly for parks and open space uses where natural areas would be retained. Industrial and large-scale commercial uses likely would have the highest negative impacts due the size of areas impacted, the type of equipment used, and truck traffic generated, while park and open space and residential uses typically would result in the lowest level of impacts.

- *Opportunities for social interaction*. Opportunities for social interaction have positive benefits on psychological health, formation of social networks, and the ability for community members to collectively discuss and achieve community goals. Allowing uses that promote or provide opportunities for social interaction will have positive effects in this regard. Prohibiting or limiting such uses will have negative impacts, with the highest negative impacts from prohibiting them.

Cultural values associated with Native American values and habitation. Most forms of development have an impact cultural or archeological resources if they are present through grading and other soil disturbing activities. Degradation of wildlife habitat also has potential negative impacts on the cultural value associated with those resources. Limiting development can significantly lessen these impacts by either shifting the location of development to minimize impacts or requiring investigation, documentation, and preservation of archeological resources if they are discovered during the course of development.

Other cultural values. Bend area and Oregon residents place a high value on the environment and quality of life. Development of a set of values to guide the City's recent UGB expansion effort and public engagement around that effort confirmed these values. Allowing development which can adversely impact natural resources can have an effect on these values.

Environment

Environmental functions and potential impacts associated with BGWR habitat areas in the study area include the following.

Direct loss of habitat**.** Clearing of trees or vegetation associated with building structures, roads or other forms of development will directly reduce the amount of wildlife habitat in the area.

Edge effects. Loss of habitat can impact the viability and quality of remaining adjacent wildlife habitat. Impacts can include increased vulnerability of remaining trees to wind throw, increased

predation of wildlife due to proximity and visibility to predators, and increased travel of wildlife outside the habitat area where they also are more prone to predation or other adverse impacts.

Roads and fences**.** Roads introduce increased impervious areas and present hazards and barriers to wildlife movement, including hazards from vehicles. Large mammals such as elk and deer tend to either avoid roads, restricting their movement, or follow road corridors to forage which can increase their risk of death or injury from vehicles. Fences also create barriers to wildlife movement although wildlife-friendly design of fences can lessen these impacts.

Fragmentation. Large tracts of forested land are necessary to sustain forest-based wildlife species. If wildlife habitat areas are broken up into small fragments, the resulting area can become too small to support wildlife or will not support the same diversity of wildlife.

Native Vegetation Removal. Native vegetation typically provides important habitat for wildlife. Removal of native vegetation through rural residential, commercial, industrial or other development increases the potential for erosion and flooding; reduces the availability of food and cover for wildlife; results in replacement by other plant species, leading to less biodiversity; and can result in an increase in nutrient loading and chemicals if native vegetation is replaced with lawns or gardens.

Application of pesticides, insecticides, and fertilizers. Use of these chemicals can reduce or destroy habitat diversity and plants that provide food and cover for wildlife. It also introduces toxins into the soil and water that are harmful to wildlife health, either by killing insects that serve as food to other species or by directly harming them. As noted above, fertilizers also can increase nutrient loading to streams and waterways, decreasing water quality, and allowing non-native vegetation to thrive.

Excavation and topsoil removal**.** Soil excavation and removal typically removes vegetation, increases erosion and adds sedimentation to streams and wetlands. It also can make it more difficult for vegetation to become re-established. All of these effects are detrimental to wildlife habitat.

Human intrusion. Impacts of human intrusion associated with development or other activities range from frightening animals by human presence and vegetation damage by off-road driving to shooting animals.

Pet impacts. If allowed to roam free, dogs and other domestic animals will harass wildlife, including deer and elk. If dogs form packs, they can chase and run off deer, elk, and other large animals.

Increased impervious surface areas. Virtually all types of development, including road and utility construction, residential and commercial development, and mining can increase impervious surfaces. This generally results in loss of vegetation and increased surface water runoff, impacting erosion and water quality, as well as related impacts described previously.

Water quality impacts. Many of the effects described above adversely impact water quality. Reduced water quality affects the viability of aquatic wildlife and other wildlife that depend on aquatic species for food.

Development within BGWR habitat areas can introduce these impacts. In general, allowing development would have the greatest potential impacts while limiting it to avoid or reduce impacts to the resource areas would have a lower impact. Prohibiting development would have the least impact.

Energy

The following types of energy related impacts are considered in this analysis.

Transportation and Land Use. Different types of development will have varying impacts on energy associated with transportation. Creating complete, mixed use communities with a combination of residential, commercial and other employment uses that support local residents can decrease energy associated with transportation. Allowing for schools, parks, and trails can have similar impacts. Allowing industrial uses can increase energy costs associated with transportation of manufactured goods or other services in general, but it can reduce those energy costs if the good and services are relatively closer to markets in nearby urban areas than similar resources in other parts of the region or state. Allowing streets to traverse BGWR habitat areas can reduce out of direction travel. Similarly, utilities may need to cross corridors to ensure an efficient network. Developing land at urban densities in proximity to needed commercial and other services also will reduce energy use associated with transportation and construction.

Energy production**.** Allowing energy extraction and transmission uses will generally have positive energy impacts by allowing energy to be distributed to homes and businesses that need it and by reducing energy related transportation impacts to the extent that energy production in the study area is relatively closer to nearby market areas in comparison to other energy production sources.

Consequences

Economic Consequences

Scenario A - Allowing conflicting uses within the resource and impact areas

Under this scenario there would be no land use regulations restricting conflicting uses within the Goal 5 wildlife habitat or impact areas. Tables A-1-1 through A-1-4 and A-2-1 through A-2-4 identify the likely positive and negative consequences to both the habitat and the conflicting use of *allowing* the conflicting use (for example both the economic goods and services provided by the conflicting uses and the related economic value provided by the significant BGWR habitat area). The expected net effect of allowing the conflicting use, either positive (+1), neutral (0), or negative (-1), is identified in column 4. Separate tables are provided for Areas 1 and 2.

Consequences for Area #1

Table A-1-1 Economic Consequences of Allowing Conflicting Uses, Area 1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Property owners realize full development potential of parcels; structures not required to avoid BGWR habitat areas. • Residential improvements increase property tax base. • No mitigation is required, which reduces the cost to develop.	• Loss of ecosystem services results in reduction in ecosystem service and associated amenity values. • Amenity/development premium for parcels adjacent to resource areas is eliminated. • Environmental impact costs passed on to County could lead to increased taxes.	-1
Commercial development and civic uses	• Development potential of parcels fully realized enhancing potential for local economic development. • Commercial improvements increase property tax base. • Depending on development type, potential increase in property values for adjacent landowners. • Helps to satisfy governmental long-term capital facility needs. • Potential benefits associated with economic self-sufficiency.	• Same as residential, but with potential greater loss of amenity value due to larger development area size associated with civic and commercial development.	+1
Industrial development	• Development potential of parcels fully realized enhancing potential for local economic development. • Industrial improvements increase property tax base. • Helps to satisfy governmental long-term capital facility needs. • Potential benefits associated with economic self-sufficiency.	• Same as residential, but with lesser loss of amenity value and greater potential for increased costs resulting from lost ecosystem services due to larger development area size associated with industrial development.	+1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Parks, open space and trails	• May create a development premium and amenity for adjacent undeveloped parcels or developed parcels, respectively. • Recreation facilities that are a community attraction may enhance potential for local economic development. • Some ecosystem services could still be provided.	• May decrease property values for adjacent landowners if higher pedestrian traffic or active recreation create a nuisance. • Higher municipal service costs relating to maintenance, law enforcement, etc. • Some loss of ecosystem services possible with certain types of parks facilities (e.g., active recreation facilities).	0
Transportation facilities and utilities	• Potential for improved connectivity and movement of people and goods. • No mitigation is required, which reduces the cost to develop streets and roads. • Potential positive benefits associated with economic self-sufficiency.	• Loss of ecosystem services. • Environmental impact costs could be passed on to County, thus increasing taxes.	+1
Other public facilities	• Provides essential services for other land uses. • Economic benefits associated with employment • Helps to satisfy governmental long-term capital facility needs.	• Loss of ecosystem services. • Environmental impact costs could be passed on to County, thus increasing taxes.	+1

Table A-1-2 Social Consequences of Allowing Conflicting Uses, Area 1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Provides residents with access to nature and recreation. • Positive impacts of allowing for rural residential lifestyle.	• Potential impact to historic, aesthetic and cultural values or resources. • Potential impacts to air and water quality result in potential negative health impacts.	0
Commercial development and civic uses	• Civic and commercial development provide community gathering places with positive social benefits. • Employment opportunities represent positive social benefits.	• Same as residential, but with greater potential for impacts due to development size and lesser health-related impacts. • Potential light, noise and traffic impacts on residents associated with additional commercial traffic.	-1
Industrial development	• Positive impacts associated with employment, income and living standards.	• Consequences similar to residential, but with greater potential for impacts due to potential size and intensity of uses. • Noise and related impacts have negative impact on rural character and quality of life.	-1
Parks, open space and trails	• Parks and open space provide community gathering places. • Opportunities for active recreation provide community health benefits.	• Consequences similar to, but less than, residential, depending on amount of active recreation area and non-native landscaping provided.	+1
Transportation facilities and utilities	• Good connectivity encourages the use of active transportation modes, which can improve public health. • Provides enhanced ability to access social activities, benefits. • Utilities and telecommunication facilities provide ability for residents to communicate, gather and socialize.	• Similar to residential, but with a lower degree of impact, depending on nature of improvements. • Potential light, noise and traffic impacts on residents.	+1
Other public facilities	• Similar to industrial development. • Meets community needs for necessary services.	• Similar to industrial development.	0

Table A-1-3 Environmental Consequences of Allowing Conflicting Uses, Area 1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Residential development	• Opportunities for voluntary good stewardship practices by property owners.	• Direct loss of habitat. • Barriers to wildlife movement due to roads and fences. • Increased fragmentation reduces habitat quality and diversity. • Application of chemicals impacts wildlife health. • Human intrusion and pet impacts impact large mammals. • Reduced water quality impacts health of large mammals.	-1
Commercial development and civic uses	• Same as residential development.	• Similar to residential, but with potentially greater impacts from the size of the development and related impacts on vegetation removal, fragmentation, traffic impacts and water quality. • Lesser impacts related to fencing and pet intrusion.	-1
Industrial development	• Same as residential development.	• Similar to commercial uses, but with potential greater impacts due to size of development.	-1
Parks, open space and trails	• Public ownership may help ensure that resource units are maintained in the future.	• Developed parks and open space may displace BGWR habitat. • Maintenance practices may introduce pesticides and fertilizers. • Human intrusion and pet impacts similar to residential development.	-1
Transportation facilities and utilities	• Good connectivity encourages the use of active transportation modes and lessen travel times and vehicle miles traveled which can reduce greenhouse gas emissions. • Telecommunication facilities allow residents to telecommute or purchase goods and services online, reducing vehicle miles traveled and greenhouse gas emissions.	• Similar to residential, with potentially greater impact due to light and noise from automobile traffic, impervious area impacts, barriers to wildlife movement, and injury or death associated with automobile conflicts.	-1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Other public facilities	• Similar to industrial development, except higher potential to mitigate or avoid negative impacts.	• Similar to industrial development.	-1

Table A-1-4 Energy Consequences of Allowing Conflicting Uses, Area 1

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Residential development	• Opportunities to reduce out-of-direction travel are increased. • Avoids locating residential uses in other areas that are more expensive or difficult to serve with infrastructure.	• Possible increased energy consumption due to loss of vegetation and microclimate effects.	+1
Commercial development and civic uses	• Providing needed services reduces energy needed for transportation by nearby residents. • Potentially more resource-effective than other expansion areas.	• Similar to residential development.	+1
Industrial development	• Local production and use of goods can reduce energy needed to import goods from other locations.	• Similar to residential development but with potential greater impacts due to increased areas of activity.	0
Parks, open space and trails	• Similar to civic and commercial. In addition, allowing trails encourages non-motorized modes of transportation.	• Similar to residential, although impacts could be less depending on the amount of impervious area.	+1
Transportation facilities and utilities	• Good connectivity encourages use of active transportation modes and lessen travel times and vehicle miles traveled. • Telecommunication facilities allow residents to telecommute or purchase goods and services online, reducing energy usage. • Improves efficiency of energy grid and potentially reduces transmission-related energy losses.	• Similar to residential development but to a lesser degree.	+1

Other public facilities	• Potentially more resource-effective than developing facilities in other expansion areas.	• Similar to industrial development.	0

Table A-1-5 summarizes the net effect of allowing the conflicting uses in Area #1. The cumulative net effect column shows the "strength" of the positive or negative consequences of allowing the conflicting use. The maximum positive score is +4 and the maximum negative score is -4. A strong positive score suggests that on the whole, allowing the conflicting use would provide a net benefit to the city, whereas a negative score would suggest that the use should not be allowed without limitations. Results of this table are carried forward to the program recommendation section of this analysis.

Table A-1-5 Summary of Consequences of Allowing Conflicting Uses, Area 1

Use Category	Economic	Social	Environ-mental	Energy	Cumulative Effect
Residential development	-1	0	-1	+1	-1
Commercial development and civic uses	+1	-1	-1	+1	0
Industrial development	+1	-1	-1	0	-1
Parks, open space and trails	0	+1	-1	+1	+1
Transportation facilities and utilities	+1	+1	-1	+1	+2
Other public facilities	+1	0	-1	0	0

As shown in Table A-1-5, the net effect of allowing conflicting uses is positive for parks, open spaces and trails, as well as transportation and utility facilities and negative or zero for all other uses. The economic and energy consequences are positive or neutral for most uses, while social and environmental consequences are neutral or negative for most uses.

Consequences for Area #2

Table A-2-1 Economic Consequences of Allowing Conflicting Uses, Area 2

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Same as for Area 1 but with greater benefits associated with increased density of development.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	0
Commercial development and civic uses	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	+1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Industrial development	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	+1
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	0
Transportation facilities and utilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat and less erosion potential.	+1
Other public facilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat and less erosion potential.	+1

Table A-2-2 Social Consequences of Allowing Conflicting Uses, Area 2

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Provides residents with access to nature and recreation to the south.	• Same as for Area 1 except with more limited negative impacts.	+1
Commercial development and civic uses	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Similar to Area 1.	-1
Industrial development	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Same as for Area 1.	0
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	+1
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	+1
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	0

Table A-2-3 Environmental Consequences of Allowing Conflicting Uses, Area 2

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Residential development	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Commercial development and civic uses	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Industrial development	Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Parks, open space and trails	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	0
Transportation facilities and utilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Other public facilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1

Table A-2-4 Energy Consequences of Allowing Conflicting Uses, Area 2

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Residential development	Same as for Area 1.	• Same as for Area 1.	+1
Commercial development and civic uses	• Same as for Area 1.	• Same as for Area 1.	+1
Industrial development	Same as for Area 1.	• Same as for Area 1.	0
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	+1
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	+1
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	0

Table A-2-5 summarizes the net effect of allowing the conflicting uses in Area #2. Results of this table are carried forward to the program recommendation section of this analysis.

Table A-2-5 Summary of Consequences of Allowing Conflicting Uses, Area 2

Use Category	Economic	Social	Environ-mental	Energy	Cumulative Effect
Residential development	0	+1	-1	+1	+1
Commercial development and civic uses	+1	-1	-1	+1	0
Industrial development	+1	0	-1	0	0
Parks, open space and trails	0	+1	-1	+1	+1
Transportation facilities and utilities	+1	+1	-1	+1	+2
Other public facilities	+1	0	-1	0	0

As shown in Table A-2-5, the net effect of allowing conflicting uses is positive or neutral for all uses in this area. The economic and energy consequences are positive or neutral for most uses; the environmental consequences are negative for all uses; and social consequences vary.

Scenario B - Limiting conflicting uses within the resource and impact areas

Under this scenario, conflicting uses would be limited (by regulations) within the Goal 5 resource or its impact area. Uses would be permitted in resource or impact areas if it could be demonstrated that they would not have a negative effect on Goal 5 resources and uses and activities would generally be located on portions of a land parcel or within an area where adverse impacts would be reduced or minimized. Tables B-1-1 through B-1-4 and B-2-1 through B-2-4 identify the likely positive and negative consequences of limiting the conflicting use.

Consequences for Area #1

Table B-1-1 Economic Consequences of Limiting Conflicting Uses, Area 1

Use Category	Positive Economic Consequences	Negative Economic Consequences	Net Effect
Residential development	• Property owners realize most of the development potential of parcels through clustering of residential development. • Economic development still facilitated by allowing development of residential land for relocating/new employees. • Most ecosystem services are retained reducing costs to replace services or repair impacts. • Most of the amenity/development premium for adjacent parcels is preserved and may be enhanced by mitigation.	• Loss of some ecosystem services still possible but to more limited degree. • Steps to protect or enhance BGWR habitat are required, which increases the cost to develop.	+1

Use Category	Positive Economic Consequences	Negative Economic Consequences	Net Effect
Commercial development and civic uses	• Some of the development potential of parcels fully realized. • Enhances potential for local economic development by providing some opportunities for commercial development and employment. • Depending on development type, potential increase in property values for adjacent landowners. • Helps to satisfy governmental district long-term capital facility needs.	• Similar to residential, but with greater potential for increased costs resulting from lost ecosystem services.	+1
Industrial development	• Similar to commercial uses.	• Similar to commercial uses except that negative impacts are potentially greater as a result of larger scale facilities.	+1
Parks, open space and trails	• Limited amount of parks, open space and trail development allowed within the resource or impact area may create a development premium and amenity for adjacent parcels and a community attraction, enhancing potential for local economic development. • Most ecosystem services are provided.	• Similar to residential, but to these extent these facilities are allowed, they may decrease property values for adjacent landowners if higher level of use creates a nuisance. • Higher municipal service costs relating to maintenance, law enforcement, etc.	0
Transportation facilities and utilities	• To the extent that some facilities are allowed within resources and impact areas, connectivity can be achieved. • Potential for local economic development is enhanced by providing access for goods and people.	• Loss of some ecosystem services and economic value of open space still possible but reduced through mitigation. • Mitigation is required, which increases the cost to build facilities.	+1
Other public facilities	• Supports economic benefits of other land uses. • Provides employment and other direct economic benefits. • Potentially more cost-effective than building similar facilities in other expansion areas.	• Similar to transportation but with higher potential negative impacts due to size of area affected.	+1

Table B-1-2 Social Consequences of Limiting Conflicting Uses, Area 1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Community scenic, historic and cultural values are preserved for the most part and may be enhanced by mitigation. • Mitigation sites can become an amenity. • Supports cultural values associated with desire for rural lifestyle. • Access to nature and recreation provides social benefits for residents.	• Some potential loss of scenic, historic and cultural values could still occur which cannot be offset by mitigation. • Light, noise and traffic impacts associated with new development may negatively impact existing residents. • Air and water quality impacts may negatively impact existing residents.	+1
Commercial development and civic uses	• To the extent that these uses are permitted within resources and impact areas, they provide community gathering places. • Potential jobs and other economic impacts have beneficial social consequences.	• Similar to residential, but impacts may be more significant due to the larger size of the developments.	0
Industrial development	• Positive impacts associated with employment, income and living standards.	• Consequences similar to residential, but with greater potential for impacts due to potential size of use; consequences reduced by limitations or mitigation requirements. • Noise and related impacts have negative impact on rural character and quality of life; can be mitigated by limitations, requirements.	0
Parks, open space and trails	• Same as civic and commercial. • Opportunities for active recreation provide community health benefits. • Enhanced access to clean air and water provide positive health benefits.	• Similar to residential, but with potentially fewer or minimal impacts depending on amount of active recreation area and non-native landscaping provided.	+1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Transportation facilities and utilities	• If achieved, connectivity can help encourage use of active transportation modes, which can improve public health. • Telecommunications facilities can allow for telecommuting, reducing pollution and improving public health.	• Similar to residential, but with greater potential for impacts due to potential for noise, light and glare.	0
Other public facilities	• Help provide needed services for new and existing residents.	• Similar to transportation and utilities.	0

Table B-1-3 Environmental Consequences of Limiting Conflicting Uses, Area 1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Residential development	• Opportunities for voluntary good stewardship practices by property owners.	• Direct loss of habitat. • Barriers to wildlife movement due to roads and fences. • Increased fragmentation reduces habitat quality and diversity. • Application of chemicals impacts wildlife health. • Human intrusion and pet impacts impact large mammals. • Reduced water quality impacts health of large mammals. • All impacts less than for "allow" scenario and are moderated by limited quality of some habitat and nearby approved residential development (Miller Tree Farm)	-1
Commercial development and civic uses	• Same as residential development.	• Similar to residential, but with potentially greater impacts from the size of the development and related impacts on vegetation removal, fragmentation, traffic impacts and water quality. • Lesser impacts related to fencing and pet intrusion.	-1
Industrial development	• Same as commercial and residential development.	• Similar to residential development but with potential greater impacts due to increased areas of activity.	-1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Parks, open space and trails	• Public ownership may help ensure that resource units are maintained in the future.	• Developed parks and open space may displace native BGWR habitat. • Maintenance practices may introduce pesticides and fertilizers. • Human intrusion and pet impacts similar to residential development.	0
Transportation facilities and utilities	• Good connectivity encourages the use of active transportation modes and lessen travel times and vehicle miles traveled which can reduce greenhouse gas emissions. • Telecommunication facilities allow residents to telecommute or purchase goods and services online, reducing impacts on air pollution and carbon emissions	• Similar to residential, with potentially greater impact due to light and noise from automobile traffic, impervious area impacts, barriers to wildlife movement, and injury or death associated with automobile conflicts.	-1
Other public facilities	• Similar to industrial use but with potentially greater opportunity to provide mitigation.	• Similar to industrial use but with potentially greater opportunity to reduce impacts.	-1

Table B-1-4 Energy Consequences of Limiting Uses, Area 1

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Residential development	• Opportunities to reduce out-of-direction travel are increased with development of "complete community" in this area.	• Possible increased energy consumption due to loss of vegetation and microclimate effects.	0
Commercial development and civic uses	• Providing needed services reduces energy needed for transportation by nearby residents.	• Similar to residential development.	0
Industrial development	• Local production and use of goods can reduce energy needed to import goods from other locations.	• Similar to residential development but with potential greater impacts due to increased areas of activity.	0
Parks, open space and trails	• Similar to civic and commercial. In addition, allowing trails encourages non-motorized modes of transportation.	• Similar to residential, although impacts could be less depending on the amount of impervious area.	0

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Transportation facilities and utilities	• Good connectivity encourages use of active transportation modes and lessen travel times and vehicle miles traveled. • Telecommunication facilities allow residents to telecommute or purchase goods and services online, reducing energy usage. • Improves efficiency of energy grid and potentially reduces transmission-related energy losses.	• Possible increased energy consumption due to loss of vegetation and microclimate effects.	+1
Other public facilities	• Potentially more resource-effective than developing facilities in alternative expansion areas.	• Similar to industrial development.	+1

Table B-1-5 summarizes the net effect of limiting the conflicting uses in Area 1. Results of this table are carried forward to the program recommendation section of this analysis.

Table B-1-5 Summary of Consequences of Limiting Conflicting Uses, Area 1

Use Category	Economic	Social	Environ-mental	Energy	Cumulative Effect
Residential development	+1	+1	-1	0	+1
Commercial development and civic uses	+1	0	-1	0	0
Industrial development	+1	0	-1	0	0
Parks, open space and trails	0	+1	0	0	+1
Transportation facilities and utilities	+1	0	-1	+1	+1
Other public facilities	+1	0	-1	+1	+1

As shown in Table B-1-5, the net effect of limiting conflicting uses is positive or neutral for all categories. This is primarily due to the positive economic and energy consequences. The environmental consequences are generally negative for most uses in recognition that while limiting uses will reduce negative impacts, there are relatively few positive environmental consequences of most development types. Social consequences are typically positive or neutral except for industrial development.

Consequences for Area #2

Table B-2-1 Economic Consequences of Limiting Conflicting Uses, Area 2

Use Category	Positive Economic Consequences	Negative Economic Consequences	Net Effect
Residential development	• Same as for Area 1 but with greater benefits associated with increased density of development.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	+1
Commercial development and civic uses	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	+1
Industrial development	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	+1
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	0
Transportation facilities and utilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat and less erosion potential.	+1
Other public facilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat and less erosion potential.	+1

Table B-1-2 Social Consequences of Limiting Conflicting Uses, Area 2

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Provides residents with access to nature and recreation to the south.	• Same as for Area 1 except with more limited negative impacts.	+1
Commercial development and civic uses	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Similar to Area 1.	0
Industrial development	• Same as for Area 1 but with greater benefits associated with increased intensity of development.	• Same as for Area 1.	0
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	0

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	0
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	0

Table B-2-3 Environmental Consequences of Limiting Conflicting Uses, Area 2

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Residential development	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Commercial development and civic uses	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Industrial development	Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Parks, open space and trails	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	0
Transportation facilities and utilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1
Other public facilities	• Same as for Area 1.	• Similar to Area 1 but with fewer negative consequences due to lower quality of habitat.	-1

Table B-2-4 Energy Consequences of Limiting Conflicting Uses, Area 2

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Residential development	• Same as for Area 1.	• Same as for Area 1.	0
Commercial development and civic uses	• Same as for Area 1.	• Same as for Area 1.	0
Industrial development	• Same as for Area 1.	• Same as for Area 1.	0
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	0
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	+1

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	+1

Table B-1-5 summarizes the net effect of limiting the conflicting uses in Area #1. Results of this table are carried forward to the program recommendation section of this analysis.

Table B-2-5 Summary of Consequences of Limiting Conflicting Uses, Area 2

Use Category	Economic	Social	Environ-mental	Energy	Cumulative Effect
Residential development	+1	+1	-1	0	+1
Commercial development and civic uses	+1	0	-1	0	0
Industrial development	+1	0	-1	0	0
Parks, open space and trails	0	0	0	0	0
Transportation facilities and utilities	+1	0	-1	+1	+1
Other public facilities	+1	0	-1	+1	+1

As shown in Table B-2-5, the net effect of limiting conflicting uses is positive for residential uses, as well as for transportation, utilities and other public facilities and zero for all other uses. The economic and energy consequences are positive or neutral for all uses; the environmental consequences are neutral or negative for all uses; and social consequences neutral or positive for all uses.

Scenario C - Prohibiting conflicting uses within the resource and impact areas

Under this scenario conflicting uses would be completely prohibited within the BGWR habitat or impact areas. Tables C-1-1 through C-1-4 and C-2-1 through C-2-4 identify the likely positive and negative consequences of prohibiting the conflicting use. The expected net effect of prohibiting the conflicting use, either positive (+1), neutral (0), or negative (-1), is identified in column 4.

Consequences for Area #1

Table C-1-1 Economic Consequences of Prohibiting Conflicting Uses, Area 1

Use Category	Positive Economic Consequences	Negative Economic Consequences	Net Effect
Residential development	• Existing ecosystem services are preserved. • Amenity/development premium for adjacent parcels is preserved. • Environmental impact costs are avoided. • Given, relatively low value of habitat and character of surrounding existing uses, benefits are only modest	• Property owners don't realize full development potential of parcels. • Decrease in potential tax revenues to County.	-1
Commercial development and civic uses	• Same as residential development.	• Development potential of parcels not realized. • Reduces potential for local economic development. • Decrease in potential tax revenues to County. • Does not help to satisfy governmental long-term capital facility needs. • Loss of potential economic self-sufficiency benefits.	-1
Industrial development	• Same as residential uses.	• Same as commercial development.	-1
Parks, open space and trails	• Similar to residential. • Lower municipal service costs relating to maintenance, law enforcement, etc.	• Recreation facilities, which are a community attraction that may enhance potential for local economic development, are not provided.	0
Transportation facilities and utilities	• Existing ecosystem services are preserved. • Environmental impact costs are avoided.	• Connectivity and movement of people and goods is restricted, impacting potential for local economic development and economic self-sufficiency. • Cost of building transportation facility is increased. • Ability to obtain essential services needed for economic activity is not available. • Loss of potential economic self-sufficiency benefits	-1

Use Category	Positive Economic Consequences	Negative Economic Consequences	Net Effect
Other public facilities	• Similar to residential uses.	• Ability to obtain essential services needed for economic activity is not available. • Loss of potential economic self-sufficiency benefits	-1

Table C-1-2 Social Consequences of Prohibiting Conflicting Uses, Area 1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Scenic, historic and cultural values of existing resources are preserved. • Passive recreational and educational opportunities of existing resources are preserved.	• Negatively impacts cultural values associated with desire for rural lifestyle. • Diminishes direct access to nature and recreation and associated social benefits for additional residents.	-1
Commercial development and civic uses	• Same as residential development.	• Reduces social benefits associated with income and employment. • Reduces benefits associated with community gathering places.	-1
Industrial development	• Same as residential development • Potential noise, pollution impacts of energy-related activities are eliminated.	• Reduces social benefits associated with income and employment.	0
Parks, open space and trails	• Same as residential development.	• Parks and open space, which provide community gathering places, are impacted. • Opportunities for active recreation and outdoor education, which provide community benefits, could be precluded or reduced.	-1
Transportation facilities and utilities	• Same as residential development.	• Good connectivity, which encourages the use of active transportation modes and can improve public health, may not be possible. • Reduces social benefits associated with income and employment. • Access to essential services for communication, social well-being and health are more limited or costly.	-1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Other public facilities	• Same as residential development.	• Reduces social benefits associated with income and employment. • Limits ability to serve other uses, with resulting indirect negative consequences.	-1

Table C-1-3 Environmental Consequences of Prohibiting Conflicting Uses, Area 1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Residential development	• Microclimate and shade benefits are maintained. • Ecosystem services values are maintained. • BGWR habitat is maintained. • Water quality is maintained. • Wildlife connectivity is maintained. • Barriers to wildlife migration and movement are avoided. • Impacts of human intrusion and pets are avoided.	• None.	+1
Commercial development and civic uses	• Similar to residential uses but to a potentially greater degree.	• None.	+1
Industrial development	• Similar to residential development but to a potentially greater degree. • Impacts from activities such as removing native vegetation and disturbing stable slopes and soil, are avoided.	• None.	+1
Parks, open space and trails	• Developed parks and open space don't displace BGWR habitat. • Maintenance practices don't occur which could introduce pesticides and fertilizers.	• None.	+1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Transportation facilities and utilities	• Similar to residential uses but to a lesser degree. • Impact due to light and noise from automobile traffic, introduction of polluted runoff from the transportation facility, and vulnerability that accidents that may introduce high levels of pollutants are avoided. • Potential collisions between wildlife and vehicles are avoided.	• Good connectivity, which encourages the use of active transportation modes and lessen travel times and vehicle miles traveled, thus reducing greenhouse gas emissions, may be precluded. • Lack of ability to telecommute or purchase goods and services online requires increased use of automobiles, increasing air & water pollution and runoff	+1
Other public facilities	• Similar to transportation uses but to a lesser degree.	• None.	+1

Table C-1-4 Energy Consequences of Prohibiting Conflicting Uses, Area 1

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Residential development	• No increased energy consumption due to loss of vegetation and microclimate effects.	• Limited opportunities for reducing energy use from driving between residential and other uses without proposed complete community in this area.	0
Commercial development and civic uses	• Same as residential development.	• Efficient siting may reduce energy cost due to access of uses to nearby residential areas.	0
Industrial development	• Same as residential development.	• Similar to commercial use.	0
Parks, open space and trails	• Similar to residential, although benefits could be less depending on the amount of impervious area.	• Similar to civic and commercial. • Allowing trails encourages non-motorized modes of transportation.	-1
Transportation facilities and utilities	• Additional energy is not required to build and maintain facilities.	• Good connectivity encourages the use of active transportation modes and lessens travel times and vehicle miles traveled. • Lack of ability to telecommute or purchase goods and services online requires increased use of automobiles, increasing energy use.	-1

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Other public facilities	• Similar to residential development. • Reduction in energy required to build facilities.	• More energy required to provide services to existing residents from more distant facilities.	-1

Table C-1-5 summarizes the net effect of prohibiting the conflicting uses. Results of this table are carried forward to the program recommendation section of this analysis.

Table C-1-5 Summary of Consequences of Prohibiting Conflicting Uses, Area 1

Use Category	Economic	Social	Environ-mental	Energy	Cumulative Effect
Residential development	-1	-1	+1	0	-1
Commercial development and civic uses	-1	-1	+1	0	-1
Industrial development	-1	0	+1	0	0
Parks, open space and trails	0	-1	+1	-1	-1
Transportation facilities and utilities	-1	-1	+1	-1	-2
Other public facilities	-1	-1	+1	-1	-2

As shown in Table C-1-5, the net effect of prohibiting conflicting uses in Area 1 is negative or neutral for all categories, with the exception of industrial development. This is primarily due to negative or neutral economic, social and energy consequences. The environmental consequences are uniformly positive because natural resource values and ecosystem services would be maintained.

Consequences for Area #2

Table C-2-1 Economic Consequences of Prohibiting Conflicting Uses, Area 2

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Same as for Area 1 but with lesser benefits associated with less valuable habitat.	• Similar to Area 1 but with greater negative consequences due to more intensive planned development.	-1
Commercial development and civic uses	• Same as for Area 1 but with lesser benefits associated with less valuable habitat.	• Similar to Area 1 but with greater negative consequences due to more intensive planned development.	-1
Industrial development	• Same as for Area 1 but with lesser benefits associated with less valuable habitat.	Similar to Area 1 but with greater negative consequences due to more intensive planned development.	-1

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	0
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	-1
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	-1

Table C-2-2 Social Consequences of Prohibiting Conflicting Uses, Area 2

Use Category	Positive Social Consequences	Negative Social Consequences	Net Effect
Residential development	• Similar to Area 1 but with fewer positive impacts.	• Diminishes direct access to nature and recreation and associated social benefits for additional residents.	-1
Commercial development and civic uses	• Same as for Area 1 but with fewer positive impacts.	• Similar to Area 1.	-1
Industrial development	• Same as for Area 1.	• Same as for Area 1.	0
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	-1
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	-1
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	-1

Table C-2-3 Environmental Consequences of Prohibiting Conflicting Uses, Area 2

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Residential development	• Same as for Area 1 but with fewer positive impacts due to lower quality habitat.	• Same as Area 1.	+1
Commercial development and civic uses	• Same as for Area 1 but with fewer positive impacts due to lower quality habitat.	• Same as Area 1.	+1
Industrial development	• Same as for Area 1 but with fewer positive impacts due to lower quality habitat.	• Same as Area 1.	+1
Parks, open space and trails	• Same as for Area 1 but with fewer positive impacts due to lower quality habitat.	• Same as Area 1.	+1

Use Category	Positive Environmental Consequences	Negative Environmental Consequences	Net Effect
Transportation facilities and utilities	• Same as for Area 1 but with fewer positive impacts due to lower quality habitat.	• Same as Area 1.	+1
Other public facilities	• Same as for Area 1 but with fewer positive impacts due to lower quality habitat.	• Same as Area 1.	+1

Table C-2-4 Energy Consequences of Prohibiting Conflicting Uses, Area 2

Use Category	Positive Energy Consequences	Negative Energy Consequences	Net Effect
Residential development	• Same as for Area 1.	• Similar to Area 1 but greater negative consequences due to more intensive planned development.	-1
Commercial development and civic uses	• Same as for Area 1.	• Similar to Area 1 but greater negative consequences due to more intensive planned development.	-1
Industrial development	• Same as for Area 1.	• Similar to Area 1 but greater negative consequences due to more intensive planned development.	-1
Parks, open space and trails	• Same as for Area 1.	• Same as for Area 1.	-1
Transportation facilities and utilities	• Same as for Area 1.	• Same as for Area 1.	-1
Other public facilities	• Same as for Area 1.	• Same as for Area 1.	-1

Table C-2-5 summarizes the net effect of prohibiting the conflicting uses in Area #2. Results of this table are carried forward to the program recommendation section of this analysis.

Table C-2-5 Summary of Consequences of Prohibiting Conflicting Uses, Area 2

Use Category	Economic	Social	Environ-mental	Energy	Cumulative Effect
Residential development	-1	-1	+1	-1	-2
Commercial development and civic uses	-1	-1	+1	-1	-2
Industrial development	-1	0	+1	-1	-1
Parks, open space and trails	0	-1	+1	-1	-1
Transportation facilities and utilities	-1	-1	+1	-1	-2

Other public facilities	-1	-1	+-1	-1	-2

As shown in Table C-2-5, the net effect of prohibiting conflicting uses in Area 2 is negative for all uses. The environmental consequences are positive for all uses. However, the economic, social and energy consequences are negative or neutral for all uses.

Summary of General Conclusions and Recommendation

Table 2, below, identifies the "net effect" from Tables A-1-5, B-1-5, and C-1-5 and provides a general recommendation for each use category for Area 1. Table 3 provides a similar summary for Area 2 based on the "net effect" from Tables A-2-5, B-2-5, and C-2-5. As noted previously, the possible numeric values range from -4 to +4. A value of -4 suggests that the scenario (allow, limit, prohibit) would likely result in negative economic, social, environmental, and energy consequences. Whereas, a value of +4 suggests that the scenario would likely result in positive consequences. The goals of the recommended scenario is to encourage the strongest positive outcome, along with balancing relevant regulatory and other factors.

Table 2: Summary of Net Effect of Allowing, Limiting or Prohibiting Conflicting Uses within BGWR Habitat Areas, Area 1

Use Category	Allow (from Table A-10)	Limit (from Table B-10)	Prohibit (from Table C-10)
Residential development	-1	0	-1
Commercial development and civic uses	0	0	-1
Industrial development	-1	0	0
Parks, open space and trails	+1	+1	-1
Transportation facilities and utilities	+2	+1	-2
Other public facilities	0	+1	-2

Table 3: Summary of Net Effect of Allowing, Limiting or Prohibiting Conflicting Uses within BGWR Habitat Areas, Area 2

Use Category	Allow (from Table A-10)	Limit (from Table B-10)	Prohibit (from Table C-10)
Residential development	+1	+1	-2
Commercial development and civic uses	0	0	-2
Industrial development	0	0	-1
Parks, open space and trails	+1	0	-1
Transportation facilities and utilities	+2	+1	-2
Other public facilities	0	+1	-2

The analysis and weighing of the ESEE factors from the three scenarios indicates the following for **Area 1**:

- The allow scenario offers the greatest or equal net benefit for parks, trails and open space, transportation, utilities and other public facilities.
- Limiting residential uses in this area provides the greatest net benefit.
- Limiting or allowing commercial uses provides the greatest net benefit
- Limiting or prohibiting industrial uses provides the greatest net benefit.

For **Area 2**, the analysis indicates the following:

- The allow scenario offers the greatest or equal net benefit for parks, trails and open space, transportation, utilities and other public facilities.
- Limiting or allowing residential, commercial or industrial uses provides the greatest net benefit

RECOMMENDED PROTECTION PROGRAM

On balance, the ESEE analysis generally supports implementation of a combination of the Limit and Allow scenarios. In addition, the analysis points to implementing limitations on land use and development differently in Areas 1 and 2. Although ODFW classifies the area encompassed by the 2009 BGWR map as significant, an examination of the actual habitat in the areas proposed for the Urban Growth Boundary expansion provides a more nuanced view of the relative value of each area for deer or elk, given the physical characteristics and existing and prior land use patterns in each area.

Area 1

Several strategies are recommended in this area to implement a combination of the Limit and Allow scenarios and to protect relatively more significant BGWR habitat areas here (compared to those in Area 2):

- Allow certain uses, including parks, trails and open spaces, transportation facilities needed to access other allowed uses and other needed public facilities.
- Apply a low density residential planning designation to residential areas within the Shevlin and West sub-areas to reduce impacts to BGWR habitat.
- Use a “Transect” approach to future land uses in this area. This approach was discussed by the City, landowners and other stakeholders, including Central Oregon Landwatch as part of the UGB planning effort. The Transect is proposed to be applied to the Shevlin and West areas in conjunction with the proposed Low Density Residential land use designation. This concept establishes a land use pattern that is less dense at the urban edge, providing:
  - Preservation of the open space character of the permanent natural areas of US Forest Service and Bend Park and Recreation lands
  - Separation of structures at the western edge of the development to reduce risk of catastrophic damage from wildfires area
  - Increase open space and reduce conflicts for wildlife

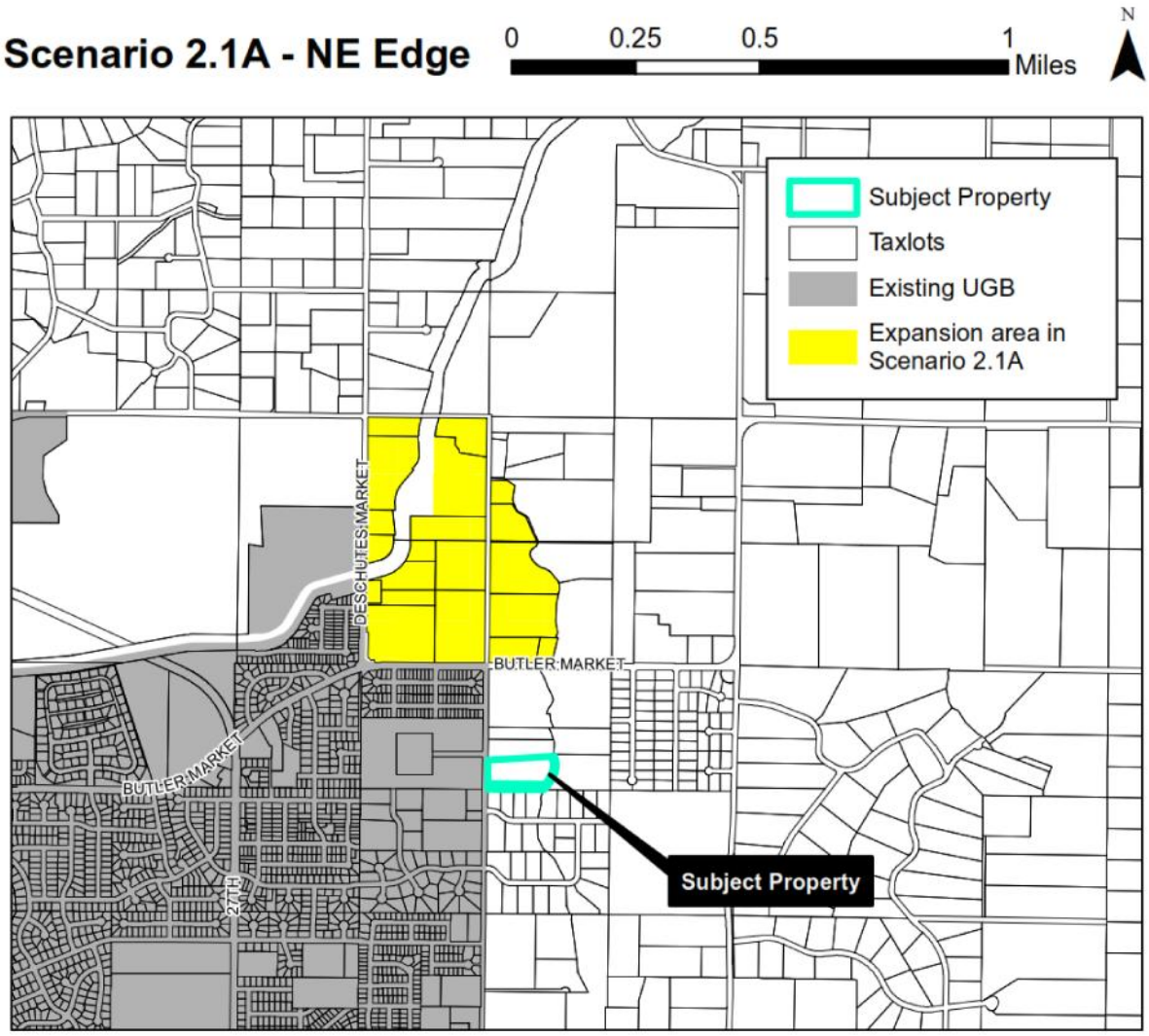
    - Location of non-residential (small-scale commercial and other employment uses) closer to the adjacent urban area and further from the adjacent US Forest Service and park lands.
- Apply the Transect concept in combination with required Master Planning processes for Area 1 which would be used to cluster housing around commercial services along roads and in centers.
- Implement requirements for the design of roads, trails and fencing that will reduce their potential impacts on wildlife movement and safety.
- Allow for a limited scale of commercial and other employment uses in the area, consistent with the Convenience Commercial, Commercial Limited and Mixed Employment zones proposed for the area.
- Use the City's conditional uses standards and approval processes to further limit the scale or intensity of uses in this area, if needed to reduce impacts on BGWR habitat.

Area 2

As noted earlier in this report, BGWR habitat resources are determined to be less significant in this area, in comparison to Area 1 for the following reasons:

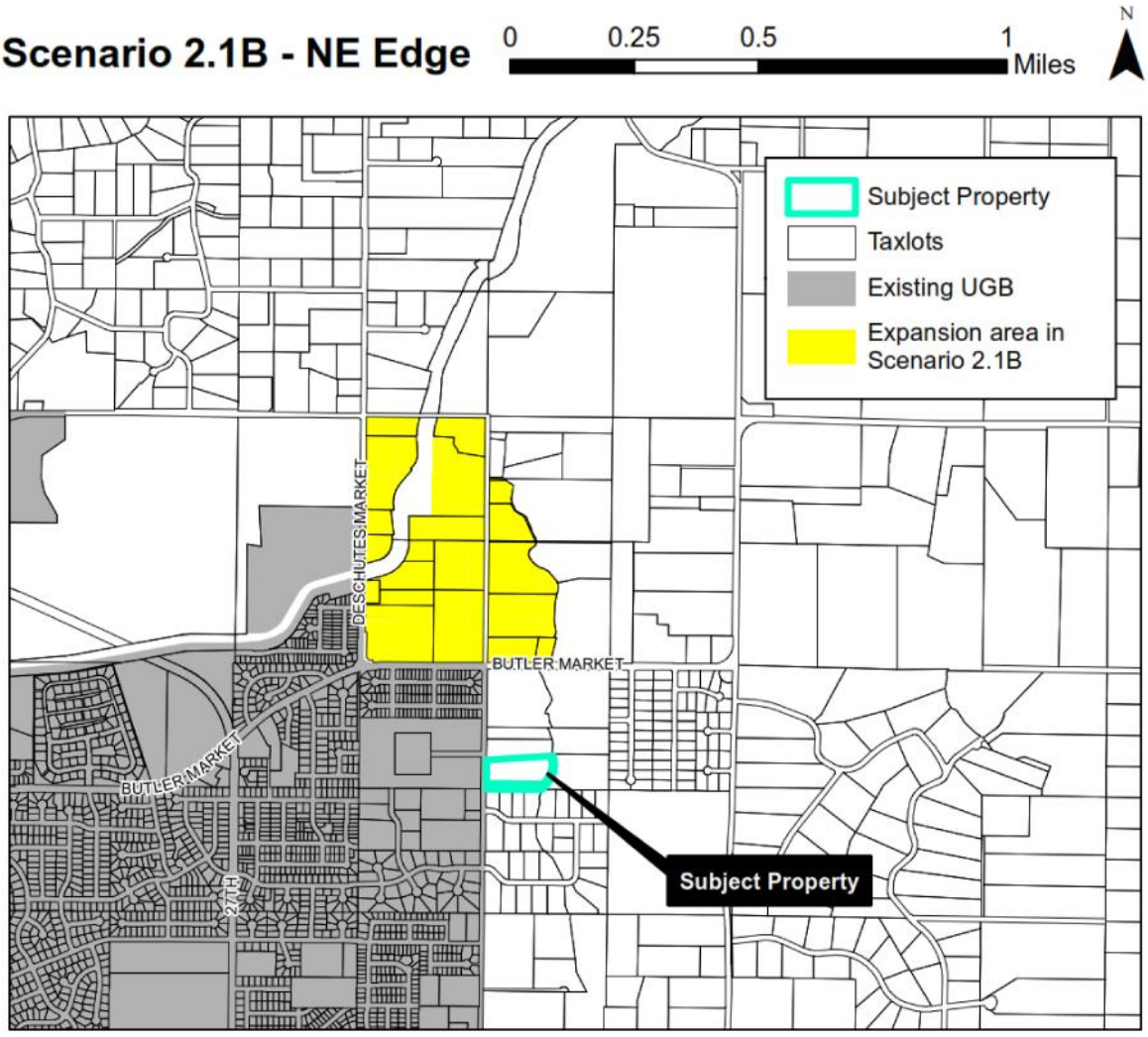
- The specific UGB expansion areas (Southwest area, Thumb and Elbow) were not identified as particularly significant by ODFW staff.
- Surrounding land use patterns and physical characteristics further reduce habitat potential within the expansion areas.
- Potential adverse impacts to adjacent areas (ovals) identified by ODFW can be reduced by buffering or other measures to minimize edge impacts.
- Given that the ESEE findings indicate that the Allow or Limit scenarios provide an equal net benefit for a variety of land uses, these habitat conditions warrant a regulatory program in this area that will substantially allow uses currently permitted in proposed Comprehensive Plan and corresponding zoning designations. This should be done in combination with taking steps to minimize impacts on the edges of the areas to reduce edge effects, human disturbance and impacts on water quality or other things that could adversely impact wildlife nearby. More specifically, the recommended program for this area includes the following: Apply Comprehensive Plan and zoning designations proposed for the area.
- Allow most uses currently permitted in the proposed zoning designations.
- Use Master Planning process and the following implementation strategies to minimize potential impacts on nearbLiy BGWR habitat areas, including by clustering housing around roads and commercial centers.
- For areas located on the edge of these areas and most directly adjacent to BGWR habitat areas identified by ODFW staff, implement requirements for the design of roads, trails and fencing that will reduce their potential impacts on wildlife movement and safety.
- Use the City's conditional uses standards and approval processes to reduce impacts of more intensive uses on BGWR habitat, particularly at the outer edge of these planning areas.

APPENDIX B - MAPPING OF SCENARIOS IN NORTHEAST



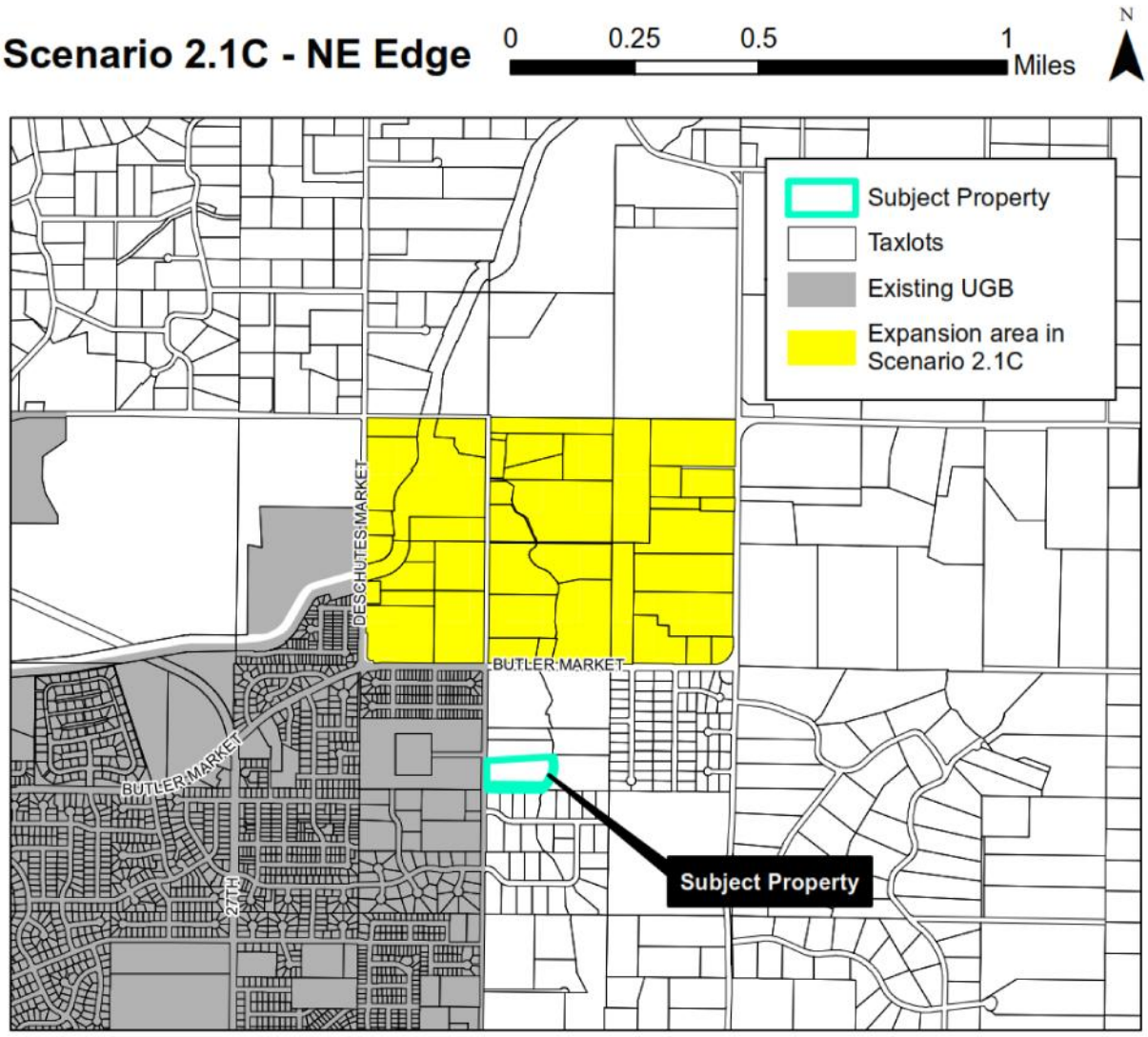
Prepared 8/27/2016

Scenario 2.1B - NE Edge



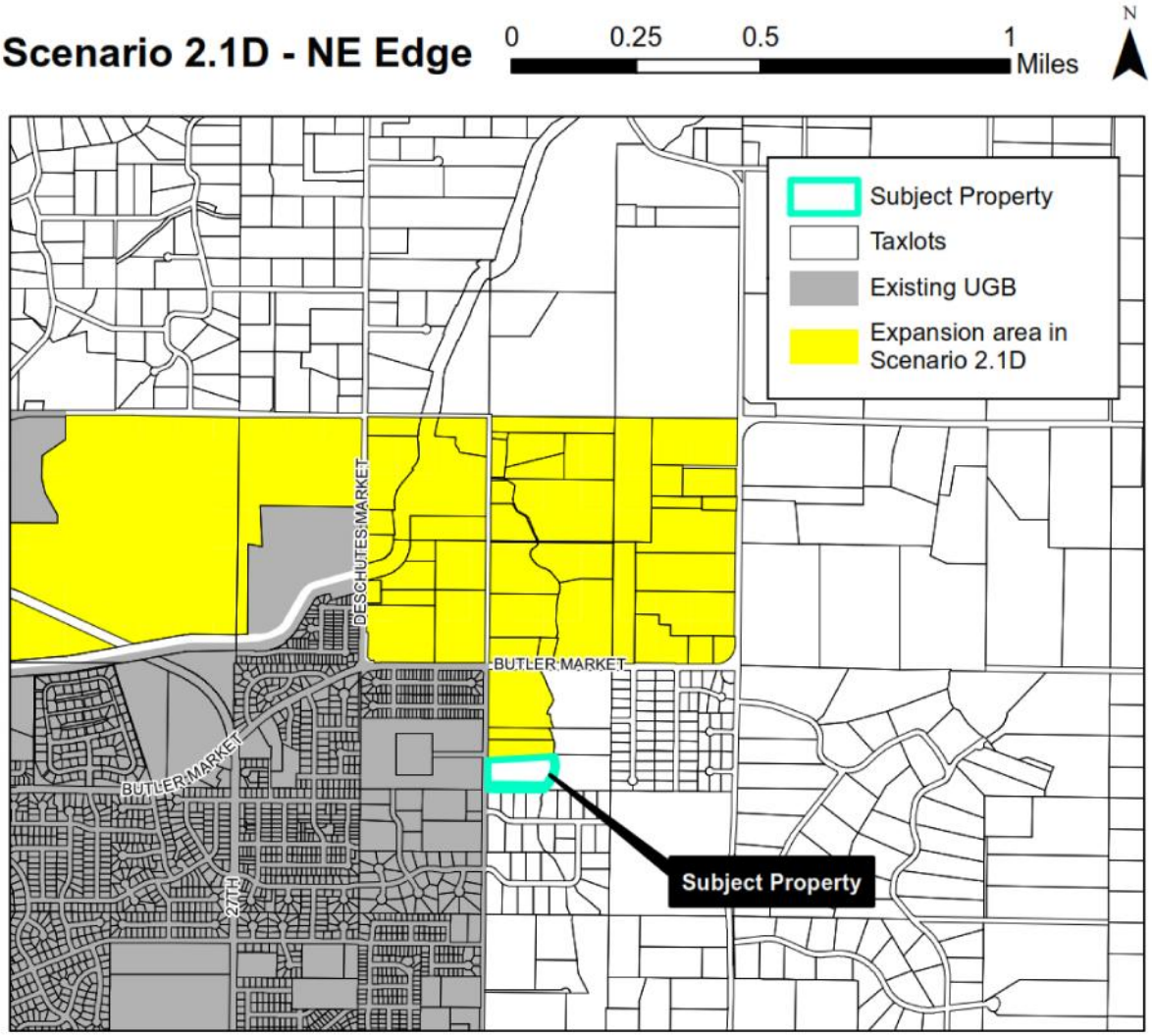
Prepared 8/27/2016

Scenario 2.1C - NE Edge



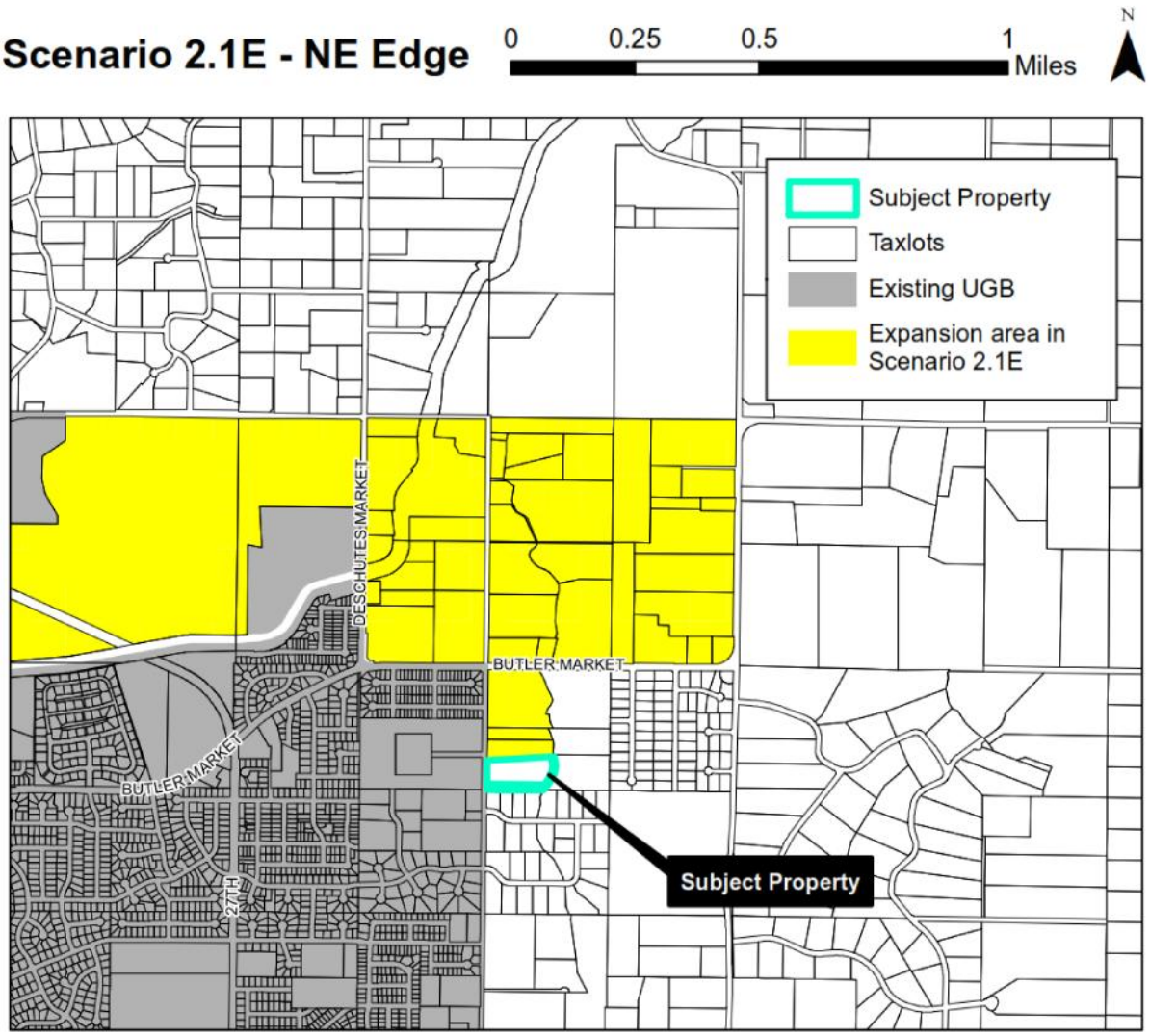
Prepared 8/27/2016

Scenario 2.1D - NE Edge



Prepared 8/27/2016

Scenario 2.1E - NE Edge



Prepared 8/27/2016

Section 2 of Ordinance 2271

Exhibit B

New Chapter 5 of the Bend Comprehensive Plan, Housing

Chapter 5: Housing

Adopted Amendments

EFFECTIVE DATE	ORD #	CHANGES
7-17-96	Ordinance 2175	Amendment for provision of destination resorts
11-18-98	Resolution 2247	Major update and revisions to General Plan text and maps.
9-6-00	Ordinance NS 1753	General Plan text amendment to figure and policy in Chapter 5, added new appendices regarding Lava Ridge Plan.
9-3-03	Ordinance NS 1886	General Plan text amendment in Chapter 5, Figure 5-8 (or Figure #22) showing Destination Resort Siting.
5-16-07	Ordinance NS 2048	Chapter 5 of the General Plan amended to add new text regarding affordable housing and manufactured home parks, add two new policies regarding redevelopment standards for manufactured home parks and density bonuses.
2016	NS-2271	Significant update in response to 2010 Urban Growth Boundary Remand Order: format update, new background text, new and revised policies, deleted outdated policies

BACKGROUND

Context

Oregon Statewide Planning Goal 10 (Housing) requires cities to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density." Goal 10 and the related Needed Housing Statute require Oregon cities to maintain adequate supplies of properly planned and zoned lands to meet their identified housing needs. The law recognizes that this may require expanding an urban growth boundary. That process is governed by other statutes and goals, and by the Growth Management chapter of this plan. Goal 10 and related statutes require the City to adopt and incorporate two important documents into the Comprehensive Plan.

The first document is a buildable lands inventory (BLI) that catalogues the development status (developed, vacant, etc.) and capacity (housing units) that can be accommodated on lands within the UGB. Bend's BLI for both housing and employment lands is adopted and incorporated as Appendix I of the Comprehensive Plan.

The second document is a housing needs analysis (HNA) that includes an analysis of national, state, and local demographic and economic trends, and recommendations for a mix and density of needed housing types. Bend's HNA for growth to 2028 is adopted and incorporated as Appendix J of the Comprehensive Plan. The HNA documents historical housing and demographic trends, the projection of population and housing growth, and an analysis of housing affordability.[1] Based on this analysis, the HNA presents an estimate of needed housing density and mix for growth to 2028.

The BLI and the HNA provide the factual base to support the housing goals and policies in this chapter of the Comprehensive Plan. A major objective of the Comprehensive Plan is to establish residential areas that are safe, convenient, healthful, and attractive places to live, and which will provide a maximum range of housing choices for the people in Bend. The City of Bend will face a variety of issues over the coming years in meeting these needs, including:

- Maintaining an adequate supply of land available and zoned appropriately to provide opportunities for a range of housing types needed in Bend in the face of rapid population growth.

[1] A primary indicator of affordability is whether a household is paying more than 30% of its income, including utilities, rent, mortgage payments, interest and insurance, and is therefore experiencing housing "cost burden" under federal housing guidelines. Using cost burden as an indicator is consistent with the Goal 10 requirement of providing housing that is "commensurate with the financial capabilities" of all Oregon households.

- Responding to a land and housing market that has appreciated significantly in recent years, driving the cost of housing up significantly and leaving relatively few market opportunities for low-cost owner-occupied housing.
- Affordable housing for service workers, both for individuals and families, is in short supply in Bend. Rapid increases in home and rental prices have combined with growth in the (low wage) service sector to make it difficult for much of Bend's workforce to live in the City.
- The increasing gap of housing affordable to low and moderate income households is resulting in many area workers living in other Central Oregon cities and commuting to Bend for work. This is exacerbating traffic congestion and it also affects the ability of area employers to attract workers for jobs at many income levels, including service and professional workers.
- The City is currently limited to some degree in what it can do by state and other regulations that restrict the ability to enact funding mechanisms or regulatory approaches to meeting housing needs.

As summarized in the HNA, Bend's population grew rapidly between 1990 and 2014, increasing from about 20,000 to 80,000 people during that period (in part due to significant annexations in 1998). At the same time, Bend's housing stock nearly tripled. Most new housing development during this time was single-family detached housing.

This rapid population growth increased the demand for all types of housing. During the same period, average wages were flat and the combined result was a decline in housing affordability. Housing sales prices more than doubled between 2000 and 2014, while household income levels increased by only about 18 percent. In addition to wage stagnation, several other factors contributed to a decline in affordability between 1990 and 2014, including:

- High demand for second homes in Bend
- Significant growth in the tourism/recreation economy and the associated jobs that tend to pay lower wages
- Demographic changes, as described in the Demographic Trends section below

As growth continues, Bend must carefully plan for new housing that meets the needs of its changing population. The Comprehensive Plan's goals and policies support a range of housing choices matched to Bend's needs. One of the challenges facing the community is how to plan for a variety of housing options in existing neighborhoods and new residential areas that support the changing demographics and lifestyles of Bend's current and future residents.

The need for housing correlates strongly to the need for land within Bend's urban growth boundary. The Urbanization Report provides a discussion about how land needs for housing and other uses are determined and how Bend will meet residential land needs over time.

Demographic Trends

There are a number of factors that will increasingly affect the choices people make when it comes to housing type; three primary factors are a person's age, the number of people in the household and household income. In Bend, and across the country, the first two decades of the 21st century saw some key demographic changes that will impact the way communities plan for the housing needs of their existing and future populations.

- **Growth in Baby Boomers.** The number of people over age 65 is projected to increase significantly. Households over 65 tend to have less income than younger households and are more likely to choose lower-cost multifamily housing. Some baby boomers may also choose to downsize their housing, resulting in greater demand for small dwellings.
- **Growth in Millennials**. Millennials are people who will be between 31 and 44 years old in the year 2028. This segment of the population is also expected to increase in Bend. Younger millennials typically have lower incomes and may have higher debt. Growth in millennials will increase need for affordable housing rental and ownership options.
- **Growth in Hispanic and Latino population.** The Hispanic and Latino population in Bend more than doubled between 2000 and 2014, and growth is expected to continue. Many Hispanic and Latino residents in Bend are also within the Millennial age range. To the extent that Hispanic and Latino households currently have lower household incomes than the population as a whole, demand for more affordable housing, both rental and ownership options, will increase.

In 2016, Bend will also see the opening of its first dedicated four-year university campus, which will ultimately bring up to 5,000 students into the mix. While some of these students will live on campus, there will also be a need for affordable student housing off campus.

Based on these trends, the future housing mix in Bend will look different than it has in the past. There is a growing need to provide a wider range of housing sizes and prices to accommodate the shifting demographics. Evidence suggests that a substantial portion of Bend's residents will live in attached housing, such as townhouses, cottage housing, duplexes, garden apartments, or urban apartments. At the same time, Bend also has a continuing demand for single family detached housing, primarily on small or moderately sized lots (5,000 to 7,000 square feet). A growing share of households will be renters, either by choice (e.g., Baby Boomers who prefer to rent smaller units) or by economic necessity. Demand for these types of homes will be particularly high in areas close to Bend's commercial and recreational amenities. In planning for future housing, Bend must pay close attention to the following housing issues:

- **Widening demand for a range of housing types by retirees**. Older households tend to move less frequently than younger households, and a large majority would like to age in place. Being near family, friends, and social organizations in walkable neighborhoods also becomes increasingly important with age.

- **Increasing demand for family housing.** Millennials and Hispanic households are poised to account for the largest percentages of growth in Bend over the next 20 years. Millennial will be entering the phase of life when they form families and have children. In addition, Hispanic households have larger than average household size because they often live in multi-generational households and have a larger average number of children. Growth in households with families will drive need for housing that is both affordable and has sufficient space.
- **Increasing demand for affordable housing**. A substantial proportion of Bend's households cannot afford housing in Bend. Many workers in Bend live in nearby communities because affordable housing is in short supply in Bend, and the demand for small-lot housing with nearby amenities is increasing. For two of the fastest growing demographics in Bend, the Millennials and Hispanic and Latino population, affordability is more likely to be a barrier to homeownership or higher-cost rental housing.
- **Location and design of housing.** The location of housing is becoming increasingly important, with increased demand for housing in walkable neighborhoods near retail and other amenities. Integrated multi-family and compact single-family homes located in neighborhoods can provide opportunities for a wider range of housing and transportation options.

Vision for Neighborhood Livability in Bend

While the range of housing types and prices in Bend will expand, Bend will continue to emphasize livability in all neighborhoods, old and new. What does a livable neighborhood look like?

- Safe and convenient for travel by foot, car and bike
- Natural features, parks, open space
- Small-scale shops and places to eat and drink in the neighborhood or nearby
- Quality housing that provides diverse housing types and flexibility that meets market demand
- Comfortable integration and transitions between housing types and commercial uses

RESIDENTIAL PLAN DISTRICTS

The Comprehensive Plan has five residential districts that are shown on the Comprehensive Plan Map and described in Table 5-1 below. These districts provide for variety and choice in housing types, lot sizes, and locations needed to serve the existing and future housing markets. In addition to these residential districts, some future housing will occur in the Plan's mixed use districts and as secondary uses in some commercial areas.

Table 5-1. Residential Plan Districts

Plan Designation	Characteristics	Implementing Zone(s)*	Density Range (dwellings per gross acre)**
Urban Low Density	The Urban Low Density designation is intended for low density urban residential development. It may be used in areas that are already developed with low density housing where minimal infill is appropriate or on vacant land as part of a "transect" from urban to rural densities where consistent with the Growth Management policies of this Plan. It is intended to provide for residential uses, with an emphasis on single family detached homes, although a broader mix of housing types is encouraged for new neighborhoods.	Residential Low Density (RL)	Min: 1.1 Max: 4.0
Urban Standard Density	The Urban Standard Density designation is intended to provide opportunities for a variety of residential housing types at the most common residential densities in places where sewer and water services are available. It is intended to provide for residential uses, with a mix of single family detached homes and other housing types at a scale compatible with single family homes. It also provides opportunities for supporting public and institutional uses on a case-by-case basis.	Residential Standard Density (RS)	Min: 4.0 Max: 7.3
Urban Medium Density	The Urban Medium Density designation is intended to provide for a mix of housing types, with an emphasis on multifamily residential and medium-scale attached housing types, and opportunities for limited neighborhood commercial uses. It also provides opportunities for supporting public and institutional uses on a case-by-case basis. It is suitable in areas where sewer and water service are available. It is most appropriate for areas in proximity to commercial areas and along or near major transportation and transit corridors.	Residential Medium Density (RM)	Min: 7.3 Max: 21.7
		Medium–10 Density Residential (RM-10)	Min: 6.0 Max: 10.0

Plan Designation	Characteristics	Implementing Zone(s)*	Density Range (dwellings per gross acre)**
Urban High Density	The Urban High Density designation is intended to provide land for primarily high density multifamily residential, with opportunities for neighborhood commercial uses. It also provides opportunities for supporting public and institutional uses on a case-by-case basis. It is generally suitable for locations in proximity to downtown, commercial areas and/or transit corridors.	Residential High Density (RH)	Min: 21.7 Max: 43.0

* Inside the Bend UGB, the Urban Area Reserve (UAR-10) and Suburban Residential (SR-2½) zoning districts are holding zones to preserve land for future urban development consistent with underlying urban plan designations. They are intended to provide limited opportunities for housing and limited other rural uses that will not interfere with future development of urban uses. Inside the Bend UGB, the SR-2½ district is intended for use only for areas with existing rural development patterns, and is generally not appropriate for large tracts of vacant land.

** See Bend Development Code for methodology to calculate minimum and maximum densities.

GOALS

The intent of the Comprehensive Plan is to provide and maintain sufficient residential land to accommodate needed housing units under Statewide Planning Goal 10 (Housing). The following goals set the context for the policies in this chapter. The citizens and elected officials of Bend wish to:

- Keep our neighborhoods livable by offering a variety of living styles and choices, creating attractive neighborhoods located close to schools, parks, shopping and employment.
- Accommodate the varied housing needs of citizens with particular concern for safety, affordability, open space, and a sense of community.
- Recognize the importance of transportation linkages (streets, bikeways, side-walks and paths) in connecting neighborhoods and building and maintaining a sense of community.
- Promote more flexibility in development standards to balance the need for more efficient use of residential land and preservation of natural features.
- Zone adequate land in specific designations to allow for production of needed housing units.

POLICIES

Population Forecasts

5-1 The City will coordinate with and provide data to Portland State University for their preparation and regular update of a coordinated 50-year population forecast for the Urban Growth Boundary.

5-2 Using the new coordinated 50-year forecast, the City will, within 5 years after acknowledgment of the current update becomes final and no longer subject to appeal, initiate a supplemental legislative review of the UGB and/or urban reserve area planning to demonstrate continuing compliance with state needed housing laws for a new full 20-year planning period.

5-3 The City will use regular updates of population forecasts and Housing Needs Analyses to monitor housing trends relative to the planned housing mix, densities, location, and affordability assumed within the Urban Growth Boundary.

Housing Mix, Density, and Affordability

5-4 The City will apply plan designations, zoning districts and development code regulations to implement the mix of housing indicated in the adopted Housing Needs Analysis.

5-5 The main purpose of maximum densities shown on the Plan Map is to maintain proper relationships between proposed public facilities and services and population distribution. One purpose of minimum densities is to assure efficiency of land use, particularly for larger sites. Another is to encourage development of housing in locations and at densities that support healthy, accessible, and affordable housing choices.

5-6 Upon application, the City shall zone residential lands within City's corporate limits in accordance with their plan designations, and without a separate showing of public need, subject only to conditions, if applicable, requiring availability of public sewer or public water before occupancy.

5-7 The City will continue to create incentives for and remove barriers to development of a variety of housing types in all residential zones, consistent with the density ranges and housing types allowed in the zones. This policy is intended to implement the City's obligation under the State Housing Goal to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density".

5-8 The City will apply innovative and flexible zoning tools to support a mix of housing types and densities.

5-9 The City and County will support public and private non-profit and for-profit entities that provide affordable housing in Central Oregon.

5-10 The City and County will coordinate with each other and other affected governments as required by the State Housing Goal to ensure that "the needs of the region are considered in arriving at a fair allocation of housing types and densities" and that "needed housing is provided on a regional basis through coordinated comprehensive plans".

5-11 The City will continuously monitor the yield of efficiency measures as required by the state needed housing statute and publish the results on its Growth Management Documents website not less than once a year.

5-12 To promote complete neighborhoods and the integration of other supporting uses, the City will employ a master planning process for large development sites which are 20 acres or greater. The master plan process will offer two options for approval: 1) applying clear and objective standards or 2) applying discretionary standards for more flexibility.

5-13 Existing residentially-designated areas that are adjacent to commercial or mixed use designations may be re-designated for Residential Medium and High density development.

5-14 The City will support re-designation of suitable areas that are within a 1/4-mile walk to transit corridors from a lower density designation to a higher density designation, where plan amendment criteria are otherwise met.

5-15 The City shall employ special redevelopment standards and other strategies for manufactured home parks as an incentive to retain and redevelop existing affordable housing stocks at affordable prices and rent levels.

5-16 The City may consider density bonuses as an incentive to providing affordable housing.

5-17 The City will monitor parking needs for residential uses and set parking requirements to the lowest standards that will meet the community's needs in order to reduce land utilized for parking, reduce the cost of housing development, and encourage a more walkable development pattern.

5-18 The City will assist in identifying, obtaining and leveraging funding sources for the development of new housing for very low, low, and moderate - income residents, as determined by appropriate

percentages of Area Median Family income in the Housing Needs Assessment.

5-19 The City will monitor the results of actions and programs funded through the use of the City's Affordable Housing Fee Trust Fund.

5-20 When affordable housing development is required by City policy or code or to meet eligibility criteria for a City incentive program or a policy requirement, affordable housing means housing with a sales price or rental amount that is within the means of a household that may occupy moderate- and low-income housing. Unless otherwise specified, affordable housing must meet one of the thresholds defined below. Nothing in this policy prevents the city from providing support for housing at other levels of affordability.

- In the case of dwelling units for sale, affordable means housing in which the mortgage, amortized interest, taxes, insurance, and condominium or association fees, if any, constitute no more than 30 percent of such gross annual household income for a for a family at 80% of the area median income, based upon most recent HUD Income Limits for the Bend Metropolitan Statistical Area (Bend MSA).
- In the case of dwelling units for rent, affordable means housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend MSA.

5-21 In order to ensure the continued affordability of affordable housing that has been committed by a property owner or required by the City, the City may:

- Specify a minimum number of years that affordability must be maintained;
- Require an applicant to demonstrate how affordability will be ensured throughout the specified period, including addressing how units will be made available to households meeting the targeted income level, resale/recapture for ownership units, and/or rent increases for rental units, as applicable;
- Establish phasing requirements for construction of affordable housing units;
- Condition land use approvals to implement affordable housing requirements;
- Require restrictive covenants, deed restrictions, and/or related instruments as deemed necessary by the City; and/or
- Require other measures deemed necessary by the City.

Residential Compatibility

5-22 Private and public nonresidential uses are necessary and will be encouraged within residential areas for the convenience and safety of the residents. Such facilities shall be compatible with surrounding developments, and their appearance should enhance the area.

5-23 Of necessity, nonresidential uses may abut residentially planned and zoned areas in different parts of the community. In these instances, nonresidential uses will be subjected to special development standards such as setbacks, landscaping, sign regulations, and building design that harmonize and provide transitions consistent with the primary purposes of the adjacent zones.

5-24 Homes built to HUD Class A manufactured home standards will be permitted in manufactured home parks, or on individual lots. Non-Class A manufactured homes may be allowed in manufactured home parks or as replacement for non-conforming manufactured homes subject to conditional use approval standards that are clear and objective and that encourage retention and replacement of existing affordable housing stock.

5-25 Homes built to HUD manufactured home standards located on individual lots in areas already developed with conventional housing shall be subject to special siting standards as provided by state needed housing law.

5-26 Manufactured and modular homes meeting IRC Modular and CABO building code standards shall be permitted on the same basis as site-built homes.

5-27 Private covenants and deed restrictions recorded hereafter that support compact urban form, higher densities and better access to affordable housing are encouraged as supportive of City policy.

5-28 Neighborhood commercial shopping areas may be located within residential districts and have development standards that appropriately limit their scale and recognize their residential setting.

5-29 In many cases, small home-based businesses are a legitimate use within residential areas, and may be permitted subject to design and nuisance standards in the Development Code.

5-30 Certain private recreational uses, such as golf courses or tennis courts, may be successfully integrated into residential areas provided the location, design, and operation are compatible with surrounding residential developments and do not prevent development of lands inventoried for needed housing to minimum density standards.

5-31 Residential areas will offer a wide variety of housing types in locations best suited to a range of housing types, needs and preferences.

Neighborhood Appearance

(See related policies in Chapter 9, Community Appearance.)

5-32 Above-ground installations, such as water and sewer pumping stations, power transformer substations or natural gas pumping stations, shall be screened and designed to blend with the character of the area in which they are located.

5-33 All new developments shall include trees in the road right of way, as practical, in the planter strip between the curb and sidewalk.

5-34 Walls and fences along arterial or collector streets shall be subject to special design standards. The area between the fence or wall and the curb or pavement shall be landscaped.

5-35 All residential development will respect the natural ground cover of the area and existing and mature trees within the community should be preserved where practicable.

5-36 The City encourages flexibility in design to promote safety, livability and preservation of natural features. To that end, the City will provide development code standards to allow flexibility on dimensional standards, such as lot size and setbacks, to achieve these objectives.

5-37 Hillside areas shall be given special consideration in site design by both the developer and local regulations. Building sites, streets, and other improvements shall be designed and permitted in a manner that will minimize excessive cuts and fills and other erosion-producing changes. (Note: see related policies in Chapter 10, Natural Forces.)

Transportation connectivity

(See related policies in Chapter 7, Transportation Systems, and Chapter 3, Community Connections.)

5-38 Medium-and high-density residential developments should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to the highest concentrations of population.

5-39 Street widths on residential local streets shall be as narrow as reasonably possible to preserve safety, and limit the effects of surface runoff and excessive vehicle speed.

5-40 The City may require adjustments to the street design in order to discourage high speed traffic on local residential streets.

5-41 In all residential areas the City shall encourage the use of open space amenities such as landscaped traffic islands or extra-width planting strips.

5-42 Schools and parks may be distributed throughout the residential sections of the community, and all types of dwelling units should have safe and convenient access to schools and parks.

5-43 The City will coordinate with the school and parks districts to ensure that the respective plans of each local government are coordinated and consistent with state law.

5-44 Sidewalks will be required in all new developments. Separated sidewalks will be required on all new streets. However, an alternative system of walkways that provide adequate pedestrian circulation may be approved.

5-45 Per the City's Transportation Systems Plan, the City will complete or connect priority walkways on routes to schools, parks, or commercial areas.

5-46 Bikeways shall be considered as a transportation element, and adequate facilities shall be provided as a part of new development.

5-47 Efforts will be made to extend trails, pedestrian ways, and bikeways through existing residential areas. Existing trails, pedestrian ways, and bikeways will be extended through new developments to allow further extension and promote alternative modes of travel.

5-48 The City will encourage pedestrian scale block length to encourage connectivity and pedestrian access. When existing conditions or topography prevent a cross street, a pedestrian accessway to connect the streets may be required.

5-49 Residential local streets shall be developed whenever practicable to increase connectivity within and between neighborhoods.

5-50 Cul-de-sac and "hammer-head" residential streets may be allowed only where existing development, steep slopes, open space, or natural features prevent connections, or when the objectives of connectivity are met within the neighborhood.

5-51 The City will consider the need for emergency equipment access for any new development.

Public utilities and services

(See related policies in Chapter 1, Plan Management and Citizen Involvement and Chapter 8, Public Facilities and Services.)

5-52 All residential areas will be provided with community water and sewer services and other facilities necessary for safe, healthful, convenient urban living consistent with the density of development.

5-53 Residential development shall be coordinated with other land use elements and community facilities which are consistent with projected housing densities.

5-54 Electric power, telephone, and cable TV distribution and service lines shall be located underground in new developments.

5-55 New street names shall be unique within the County.

Destination Resorts

5-56 A destination resort within the Urban Area Reserve may be served by municipal water and sewer service or an approved community water and sewer service for domestic use compliant with state law.

5-57 Properties that are eligible for destination resort development will lose that eligibility upon inclusion into the UGB.

Refinement Plan Areas

(See related policies in Chapter 11, Growth Management and Chapter 1, Plan Management and Citizen Involvement.)

5-58 A refinement plan that includes residential areas may prescribe residential density limits on specific properties which differ from the density range provided for in the Comprehensive Plan. However, the average density of residential development allowed within a refinement plan area shall not be less than 80 percent or more than 100 percent of the maximum density, including applicable density bonuses or transfers, prescribed for the area by its pre-existing comprehensive plan map designations.

Section 3 of Ordinance 2271

Exhibit C

New Chapter 6 of the Bend Comprehensive Plan, Economy

Chapter 6: Economy

Adopted Amendments

EFFECTIVE DATE	ORD #	CHANGES
6-7-95	Ordinance 2147	Addition of policies for Mixed-use Riverfront Zone or MR zone
11-18-98	Resolution 2247	Major update and revisions to General Plan text and maps
5-02-01	Ordinance NS-1781	General Plan text amendment to Chapter 6 text and policies pertaining to Northwest Crossing. Note: Chapter 6 text was subsequently replaced by NS-1936.
7-21-04	Ordinance NS-1936	General Plan text amendment with entirely new Chapter 6, Economy & Lands for Economic Growth, a few new Chapter 6 policies, UGB amendment for Juniper Ridge, findings.
11-17-04	Ordinance NS-1946	General Plan text amendment to Chapter 6 regarding building heights in the CB Zone and changes to Development Code.
2-15-06	Ordinance NS-1998	General Plan text amendment to Chapter 6, Economy & Lands for Economic Growth; policy requiring building height exceptions by conditional use and variance, also amends Bend Development Code.
7-05-06	Ordinance NS-2017	General Plan map amendments CH to CG, and IP to ME and text amendments to Preface and Chapter 6 of the General Plan.
2016	Ordinance NS-2271	Significant update in response to 2010 Urban Growth Boundary Remand Order: format update, new background text, new and revised policies, deleted outdated policies

BACKGROUND

Context

Bend's economy is shaped by its historic role as a trade, service, education and tourist center for Central Oregon. Bend is attractive to expanding companies primarily because of its quality of life, growing population dominated by in-migration, and access to a labor force that is young and well-educated. As Bend's economy grows, its role as a regional center will guide and stimulate economic growth throughout Central Oregon and beyond.

This regional economic role will influence the number and types of jobs that existing and future businesses create. Downtown Bend is the cultural, culinary, and specialty retail hub of the region. Bend hosts the region's largest medical facility, the largest news media organization, and numerous governmental agencies, from federal (U.S. Forest Service), to regional (Deschutes County seat), to local (City of Bend). Bend is also home to a majority of the region's largest and most influential employers.

Bend's role as a regional social and cultural center is also an important consideration as a driver of economic growth. Bend's high quality cultural and natural amenities are repeatedly cited by business owners and employees as reasons to relocate to, or remain in, Bend. They are also the driver of much of the tourism industry, which is a significant portion of the economy. Such amenities play an important role in continuing to attract tourist dollars, new households and future firms.

Bend's economic growth relies on the City's ability to create an environment for businesses of the future to thrive. The industries of the past are not the industries of the future. Governments, economic development groups, and developers must play complementary roles in retaining, expanding, and recruiting businesses that will serve Bend's 21st century economy.

Economic Trends

Economic development in Bend will continue to occur in the context of long-term national, state and regional trends. A number of those trends, and their implications for Bend's economy, are highlighted below.

- **Moderate growth rates and recovery from the national recession.** The "Great Recession" is widely considered to have ended in 2009; however, economies take time to recover and Bend's economy is no exception. After 2009, Bend experienced a period of minimal growth, followed by a period of dramatic growth. Bend can expect continued economic growth (measured by employment growth, unemployment rates and wage growth) over the coming years.

- **Growth of service-oriented industries.** As the goods-producing industries decline, service-oriented industries are on the rise. This trend will continue to impact the composition of Bend's economy, leading to an even higher percentage of jobs in health care, government, retail trade, personal services and food services. Historically, Bend's economy was heavily dependent on manufacturing and resource extraction industries such as sawmills and pumice mines. Similar to state and national trends, Bend's economy has undergone fundamental changes over several decades as employment in traditional manufacturing sectors declined and growth in service-oriented sectors increased.
- **Availability of trained and skilled labor.** In Bend, population and in-migration growth rates are generally high and residents are more likely to have a Bachelor's degree (relative to state and national rates). This results in a pool of available labor in Bend, a trend that is forecast to continue over the coming years.

Vision for Economic Development in Bend

What does a healthy Bend economy look like?

- Bend attracts and retains targeted industries. The City targets employment sectors that are projected to grow, that are a good fit for the City, and that help Bend achieve its economic goals – including an emphasis on jobs that pay higher than median wages. Targeted sectors include higher education, health care, recreation equipment, and specialty manufacturing.
- Bend's downtown is strong. The downtown continues to be an active focal point for residents and visitors with strong businesses, urban housing, civic services, arts and cultural opportunities, and gathering places. Parking downtown is adequate and strategically located.
- Bend maintains an adequate supply of serviceable industrial and commercial lands. There is enough suitable land within Bend's UGB to accommodate future jobs and businesses. The City monitors and maintains the land supply.
- Bend builds a diversified economy. Bend continues to move toward a more diversified economy that provides professional service, high-skill manufacturing, high-tech, and other higher than median wage jobs.
- Bend provides opportunities for university education and research. A high-quality university in Bend provides education and training for the next generation of Central Oregonian workers whose ideas, talents and energy will create the foundation of Bend's future economy.

- **Aging population.** While Bend's population is younger than the state's as a whole, it is still aging and the percentage of people over age 60 is expected to increase. Businesses in Bend will need to replace workers as they retire, at a rate that will likely outpace job growth.
- **Importance of natural resource amenities.** Bend is widely acclaimed as one of the top "smaller" cities in the country. The City has a distinctive and appealing vibe, a growing national profile, a fun and relaxed way of life, and a beautiful natural setting for outdoor living and recreation. As a fast-growing City, Bend's attractiveness brings a central challenge: how to accommodate more people and jobs while preserving what the community values so Bend gets better, not just bigger.

Additional information about how Bend forecasts employment growth, identifies target industries, and evaluates its ability to accommodate future employment can be found in the 2016 Economic Opportunities Analysis (EOA). The EOA is adopted and incorporated as Appendix K of the comprehensive plan and it provides the factual base to support the goals and policies for the economy in this chapter. It includes estimates of the amount of employment that can be accommodated on existing land in the UGB and the amount of residual employment that will require new land.

The need for employment growth correlates strongly to the need for land within Bend's urban growth boundary. The Urbanization Report provides a discussion about how employment land needs are determined and how Bend will meet those needs over time.

EMPLOYMENT AND MIXED USE PLAN DISTRICTS

The role of the Comprehensive Plan is to provide and maintain an adequate supply of industrial, commercial, and mixed-use land to accommodate and promote quality economic growth and assure a diverse economy. The Plan also provides the policy framework to guide on-going land use decisions and public infrastructure investments relating to employment lands.

The Comprehensive Plan designates lands for a range of commercial, industrial and mixed-use districts that are shown on the Comprehensive Plan Map and described in Table 6-1 below. These employment districts provide for a variety of locations with different characteristics to support the continued growth and diversity of Bend's economy. With the exception of the Industrial districts, there is a significant amount of "mixing" of uses in different employment districts as allowed by the Bend Development Code. This trend is expected to continue, with plan policies and code provisions that allow and support a mix of employment and residential uses in commercial and mixed use districts, particularly in centers and along transit corridors.

Table 6-1. Employment and Mixed-Use Plan Districts

Employment Plan Designation	Implementing Zone(s)	Characteristics
Commercial		
Central Business District	Central Business (CB)	The Central Business District designation is intended to apply to the historic downtown and central business district. This designation is intended to provide for commercial and/or mixed-use development with a storefront character. Areas with this designation have higher employment densities and building mass, and require high-quality pedestrian, bicycle, and multi-modal transportation systems.
Convenience Commercial	Convenience Commercial (CC)	The Convenience Commercial designation is intended for relatively small commercial areas adjacent and connected to the residential districts they serve. It is intended to provide for primarily commercial uses to meet the frequent shopping and service needs of nearby residents. Areas with this designation have lower employment densities and building scales than the Central Business District, but require high-quality pedestrian, bicycle, and multi-modal transportation systems.
Limited Commercial	Limited Commercial (CL)	The Limited Commercial designation provides locations for a wide range of retail, service, and tourist commercial uses in the community along highways or in new centers. This designation is intended for small and large commercial uses which may be more auto-oriented, yet also provide multi-modal access.
General Commercial	General Commercial (CG)	The General Commercial designation provides a broad mixing of commercial uses that have large site requirements, are oriented to the higher classification roadways and provide services to the entire City and surrounding area.
Industrial		
Industrial General	General Industrial (IG)	The Industrial General designation provides for light and heavier industrial uses in an industrial environment with a minimum conflict between industrial uses and nonindustrial uses.
Industrial Light	Light Industrial (IL)	The Light Industrial designation provides for light industrial uses and limited heavy commercial and corporate office uses in areas with easy access to collector and arterial streets.

Employment Plan Designation	Implementing Zone(s)	Characteristics
Surface Mining	Surface Mining (SM)	The Surface Mining designation provides for the extraction of pumice, ash, and rock to serve the construction needs of the urban area.
Mixed Use		
Mixed Employment	Mixed Employment (ME)	The Mixed Employment designation provides for a broad mix of employment uses and mixed use development. It is intended for areas that already exhibit a pattern of mixed development, or in new areas that provide a transition between different employment and residential uses.
Mixed Use Riverfront	Mixed Use Riverfront (MR)	The Mixed Use Riverfront designation provides a mix of commercial, industrial, and residential uses to implement policies for redevelopment of mill site properties adjacent to the Deschutes River.
Mixed Use Urban	Mixed-Use Urban (MU)	The Mixed-Use Urban designation provides opportunities for vibrant mixed use centers and districts with a mix of commercial, residential, and/or public and institutional uses. Suitable for areas generally within or adjacent to the central core of the city with high-quality connectivity to and within the area.
Mixed Use Neighborhood	Mixed-Use Neighborhood (MN)	The Mixed-Use Neighborhood designation provides neighborhood-scaled, pedestrian-oriented mixed use centers and corridors with a range of residential, retail, service, and office uses that are compatible with adjacent development. Suitable for areas with high-quality pedestrian, bicycle, and multi-modal transportation systems.
Professional Office	Professional Office (PO)	The Professional Office designation provides for professional offices, housing as part of mixed use development, and limited service commercial in locations near arterial or collector streets or to provide a transition between residential areas and other more intensive zones.

GOALS

The intent of the Comprehensive Plan is to provide sufficient land to meet the City's goals of promoting quality economic growth and assuring a diverse economy. The following goal statements describe the economic hopes of the community and serve as the foundation for policy statements in this chapter. The citizens and elected officials of Bend wish to:

- Promote a vital, diverse and sustainable economy, while enhancing the community's overall livability.
- Ensure an adequate supply of appropriately zoned land for industrial, commercial, and mixed-use development opportunities.
- Strengthen Bend's position as a regional economic center.
- Create more opportunities in Bend for jobs that pay a higher than median wage.
- Create commercial areas that support multimodal access.
- Encourage more small neighborhood commercial developments and convenience commercial centers to reduce the number and length of single occupancy vehicle (SOV) trips.

POLICIES

General Policies

6-1 Bend's economic lands (commercial, industrial and mixed use) serve Bend residents and the needs of a larger region.

6-2 Bend is a regional center for health care, art and culture, higher education, retail, tourism, and employment. The economic land policies recognize Bend's role in the region, and the need to support uses that bolster the local and regional economy:

- The Medical District Overlay Zone provides economic lands for a variety of health care and related services to a population much larger than the City of Bend.
- Commercial and Mixed Use-designated lands support retail, tourism, and arts and culture uses to serve a local and regional role.
- Public Facility and Special Plan Districts support higher education to serve Bend residents and the needs of the region.
- Industrial and Mixed Employment-designated land located at Juniper Ridge has a local and regional role.

6-3 Investment in transportation, water, sewer, fiber, and other utility infrastructure should be prioritized to serve economic lands.

6-4 Infrastructure will be planned, designed, and constructed to support continued economic growth and orderly development.

6-5 The Bend Municipal Airport is one of the City's highest-value economic development assets. Bend will coordinate with Deschutes County to create policies and development regulations that ensure long-term employment growth at the airport.

6-6 Employment lands for Bend's target sectors will be provided and protected to promote expansion of existing businesses and attract new businesses.

6-7 Bend will diversify its economic base to withstand expansions and contractions in the business cycle.

6-8 The City will recognize the statements of the City's overall economic development objectives and desirable types of employment contained in the 2016 Economic Opportunities Analysis (EOA).

6-9 The City will prioritize providing an adequate number of suitable industrial sites while also providing a variety of commercial sites.

6-10 The City will seek opportunities to designate or allow additional sites for employment use and increase the use of existing employment land within the existing urban growth boundary prior to expanding the UGB.

6-11 The City will periodically review existing development and use patterns on industrial and commercial lands. The City may consider modifying Comprehensive Plan designations and zoning to better respond to opportunities for redevelopment and revitalization of employment lands in underutilized areas.

Short Term Supply Policies

6-12 The City establishes a goal to have at least 25% of the predicted economic land need identified in the adopted EOA qualify as competitive short-term land supply.

6-13 Beginning in 2019, and every two years thereafter, the City will:

- Update the economic lands Buildable Lands Inventory to identify developed and vacant economic lands by Comprehensive Plan designation;
- Estimate the acreage of vacant economic lands that qualify as competitive short-term supply;
- If the acreage of vacant lands that qualify as competitive short-term supply is less than the 25% goal, then staff will deliver a report to the City Council that details:

- Economic lands that have a relatively good opportunity to qualify as competitive short-term land supply to meet the 25% goal,
- Obstacles preventing those lands from qualifying as competitive short-term supply, and
- Efforts, plans, and potential funding mechanisms to prepare the lands to qualify as competitive short-term supply.

Industrial Development

6-14 Large-lot industrial sites, those sites 50 or more acres in size, are important to the overall inventory of available economic land. Any sites included in the UGB to meet this special site need will be protected with specific plan and/or code provisions.

6-15 The City supports the redevelopment of brownfield sites to make efficient use of existing economic lands and improve the quality of the City's land and water resources.

6-16 The Juniper Ridge District inside the Bend UGB will be used to help meet the long-term need for future industrial and employment development.

6-17 At least 30% of the total net buildable area of the portion of Juniper Ridge District inside the UGB should be reserved for sites of ten acres and larger in size.

6-18 The City will work to preserve prime industrial lands for industrial purposes and protect them from incompatible commercial and residential uses.

6-19 The community will attempt to diversify its industrial base.

6-20 Existing industrial operations are encouraged to reduce waste discharge levels and improve air quality conditions.

6-21 Industrial developments along highways will be subject to special development standards relating to setbacks, landscaping, signs, and outside storage.

6-22 Wherever industrial uses abut residential uses or residential zoning, special development standards relating to setbacks, screening, signs, and building height will be established for the industrial uses.

Mixed Use Development

6-23 Mixed-use development may be regulated through one or more plan designations and zoning districts to encourage the development of a mix of employment, or a mix of employment and residential uses.

6-24 Mixed-use development will achieve the following purposes:

- provide a variety of employment opportunities and housing types;
- foster pedestrian and other non-motor vehicle access within and to the site;
- ensure compatibility of mixed-use development with the surrounding area and minimize off-site impacts associated with the development;
- ensure the site planning, access, parking areas and building designs are functionally coordinated and aesthetically pleasing; and
- where applicable, improve the natural conditions along the Deschutes River, and encourage access to and enjoyment of the Deschutes River.

6-25 The City will encourage vertical mixed use development in commercial and mixed use zones, especially where those occur within the Central Core, Opportunity Areas and along transit corridors.

Commercial Development

6-26 The existing pattern of commercial plan designations shown on the Comprehensive Plan Map along arterial and collector streets including Newport Avenue and Galveston Avenue will not be extended into residentially designated areas unless approved through an Area Plan.

6-27 New employment districts with a mix of employment designations such as commercial, industrial, and mixed use may be created along Highway 97, Highway 20, and O.B. Riley Road.

6-28 The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all transportation modes.

6-29 New commercially designated areas are encouraged to develop with mixed-use centers to include housing, open space, commercial development, and other employment uses.

6-30 The City shall strive to retain and enhance desirable existing commercial areas and encourage property owners' efforts to rehabilitate or redevelop older commercial areas.

6-31 Proposed Comprehensive Plan Map amendments for new commercial centers shall meet the location and size standards in the Comprehensive Plan text in addition to Plan amendment and/or zone change criteria.

6-32 All commercial developments shall be subject to development standards relating to setbacks, landscaping, physical buffers, screening, access, signs, building heights, parking areas, and design review.

6-33 The City will encourage the development of Neighborhood Commercial centers. Such centers should be scaled to serve the frequent needs of the residents of the neighborhood.

6-34 Unless otherwise approved through an Area Plan, new Convenience Commercial Comprehensive Plan designations should be limited to five acres and should be at least one mile from another commercial Comprehensive Plan designation.

6-35 Commercial developments that abut residential zones or residential uses shall be subject to special setback and screening provisions.

6-36 The City shall continue the revitalization process in the Central Business District through rehabilitation or redevelopment of existing areas.

6-37 The City will provide a process through the development code to review and approve exceptions to height limits where it supports City goals and policies.

6-38 Commercial development adjacent to arterial streets and highways shall be subject to City of Bend and/or Oregon Department of Transportation access management standards (as applicable) and shall provide for multimodal access.

6-39 The City will limit the amount of ground-floor residential development in the commercial zones and mixed employment zones to preserve economic lands for economic uses.

6-40 The City will monitor parking needs for commercial uses and set requirements at the lowest level to meet the community needs.

6-41 The City will write parking requirements to encourage walkable commercial development while providing for adequate parking.

Section 4 of Ordinance 2271

Exhibit D

Amended Chapter 7 of the Bend Comprehensive Plan, Transportation Systems

Chapter 7: Transportation Systems

Adopted Amendments

EFFECTIVE DATE	ORD #	CHANGES[1]
October 11, 2000	NS-1756	New TSP
December 18, 2002	NS-1852	Industrial Way, Bond and Wall Streets
March 3, 2004	NS-1912	Arterial Right turn Lanes
March 3, 2004	NS-1915	Cooley Road/Hwy 97 Grade Separation
December 15, 2004	NS-1953	Street Policy 21
June 21, 2006	NS-2013	Street Policy 21
October 18, 2006	NS-2026	Bicycle and Pedestrian Plan
November 15, 2006	NS-2032	Murphy Crossing Plan
January 17, 2007	NS-2038	Misc. Street System; Chpt. 5 & 6
March 21, 2007	NS-2043	Transit: Chpt. 3, 5, 6; Misc. Street system Chpt. 6
May 16, 2007	NS-2047	Chapter 6 Policy
May 1, 2013	NS-2200	New Chapter 7 & Appendices
March 5, 2014	NS-2215	ODOT Hwy 97 North Corridor Project
March 5, 2014	NS-2216	Chapt. 6, maps and housekeeping amendments
2016	NS-2271	Format update, minor text changes to remove outdated text, added Integrated Land Use and Transportation Plan and Bend Central District Policies, map updates

[1] Note: Chapter and policy numbers reference the Transportation System Plan chapter and policy numbering.

BACKGROUND

Context

On October 11, 2000, the Bend City Council adopted the Bend Urban Area Transportation System Plan (TSP) by Ordinance No. NS-1756. City Council's action included a simultaneous update of the General Plan, Chapter 7, Transportation Systems. The following chapter includes the Goals, Objectives, and Policies from the TSP that were adopted by the City in 2001 and acknowledged by the State in 2013, except where those Objectives or Policies have become obsolete because they included action items that are now complete or were incorrect. In addition, new Objectives or Policies are needed to implement amendments to the TSP resulting from the 2016 expansion of the Urban Growth Boundary (UGB).

Where Objectives or Policies differ from the adopted TSP, the Objectives and Policies in this Chapter prevail. The City plans to begin updating the TSP by the close of 2017. Once the TSP is complete, this entire chapter will be updated.

Maps have also been updated to reflect the 2016 UGB expansion and other changes, such as the adoption of the Metropolitan Planning Organization Transit Plan (2013).

Transportation Goals

Goal Statement

"The transportation system that serves the Bend urban area must meet a complex set of community needs. The interrelated success of the economy and livability of our community depends upon the ability of the transportation system to effectively move people and goods, and to provide access to services and places of employment, while not disrupting the continuity and aesthetics of the community. Completion of a multi-modal road network, trail, and transit system will help to achieve a balanced transportation system and reduce automobile reliance. This, combined with the development of compact community design and the integration of land uses, will provide a strategic approach to fulfilling the transportation needs of the future.

Implementation of the transportation plan must be coordinated so that resources are allocated in an equitable and cost-effective manner. The transportation system will be developed with enough design flexibility to meet the needs of the urban area, as well as to be sensitive to important community values such as aesthetics, preservation of neighborhoods, natural features and other quality of life criteria. It is therefore essential that the goals, objectives and policies of the Transportation Plan provide community assurance that safety, accessibility and mobility will be provided for all users."

Plan Goals

Mobility and Balance:

- Develop a transportation system that serves all modes of travel and reduces the reliance on the automobile.
- Provide a variety of practical and convenient means to move people and goods within the urban area.

Efficiency:

- Address traffic congestion and problem areas by evaluating the broadest range of transportation solutions.
- Coordinate and design transportation improvements to assure the expenditure of resources in the most cost-effective manner.
- Encourage the development of land use patterns that provide efficient, compact use of land, and facilitate a reduced number and length of trips.

Accessibility and Equity:

- Provide people of all income levels with the widest range of travel and access options within the Bend urban area.
- Provide all transportation modes access to all parts of the community.

Environmental:

- Recognize and respect the natural features over which transportation improvements pass to minimize adverse impacts.
- Design transportation improvements to preserve air and water quality, minimize noise impacts, and encourage energy conservation.

Economic:

- Implement transportation improvements to foster economic development and business vitality.

Livability:

- Design and locate transportation facilities to be sensitive to protecting the livability of the community.

Safety:

- Design and construct the transportation system to enhance travel safety for all modes.

Transportation System Plan
Objectives and Policies

Transportation and Land Use

Objectives:

- To promote land use patterns that support fewer vehicle trips and shorter trip lengths
- To ensure that future development, including re-development, will not interfere with the completion of Bend's transportation system

Policies:

7-1 Medium and high-density residential development should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to highest concentrations of population.

7-2 The City shall continue to use and develop performance standards and guidelines that can reduce vehicle trip lengths and/or promote non-vehicle transportation modes.

7-3 The City shall consider potential land needs for long-range transportation system corridor improvements and related facilities including transit during the review of subdivisions, partitions, and individual site applications.

7-4 Developments at the edge of the urban area shall be designed to provide connectivity to existing and future development adjacent to the urban area.

7-5 The City shall continue to explore mixed use zoning as one of the land use patterns that will promote fewer vehicle trips and shorter trip lengths.

7-6 The City should be receptive to innovative development proposals, including zone changes, plan amendments, and text changes that promote alternatives to vehicular traffic thus reducing vehicle trips and reduced trip lengths.

7-7 The City shall explore incentives for re-development of existing commercial strips in order to help reduce the need to expand the Urban Growth Boundary.

7-8 As areas that are currently beyond Bend's existing Urban Growth Boundary (UGB) are urbanized, the city, property owners, developers and all applicable service districts shall work cooperatively to develop appropriate plans for extensions and connections of the transportation system, including but not limited to: roads, sidewalks, trails and/or public transportation. The objective of this planning effort will be to ensure that the new areas promote and facilitate the development of urban land use densities and systems that will fulfill the goals and objectives of the Transportation System Plan.

7-9 The city of Bend shall continue public and interagency involvement with Deschutes County in the transportation planning process for projects within the URAs.

7-10 The lead agency for transportation project review in the URAs shall be Deschutes County.

7-11 The city of Bend shall coordinate the City Transportation System Plan with the Deschutes County Transportation System Plan. The City shall emphasize continuity in the classification of roads and appropriate design standards for roads that link urban areas with rural areas outside the urban growth boundary. The City and County shall agree on the functional classification and design standards of County roads within the URAs.

7-12 Road, pedestrian and bicycle projects occurring in the URAs shall be governed by the County's road and street standards. Those requirements shall be coordinated between the city of Bend, Deschutes County and the applicant during the land use process according to procedures identified in the Deschutes County Road Standards and Specifications document.

7-13 The city of Bend shall continue to work with ODOT and Deschutes County to coordinate solutions to highway and non-highway road issues that cross over jurisdictional boundaries.

7-14 The city of Bend shall work with Deschutes County and the Bend Metro Parks and Recreation District (where applicable) to acquire, develop and maintain those sections of trails that are located outside of the Bend UGB, but are inside a URA, and are part of a trail plan or map that has been adopted by the city of Bend.

7-15 The city of Bend shall seek approval from Deschutes County for the improvement of transportation facilities to urban standards that are located in URAs.

7-16 Transportation facilities currently located on rural lands shall not be constructed to an urban standard until the area is brought into the UGB.

Transportation System Management

Objective:

- Provide cost effective transportation improvements and implement strategies that will improve the efficiency and function of existing roadways

Policies:

7-17 The City shall adopt land use regulations to limit the location and number of driveways and access points, and other access management strategies on all major collector and arterial streets.

7-18 The City shall ensure that land use actions support the access management policies of the Oregon Department of Transportation along the state highways located in the urban area.

7-19 The City shall implement transportation system management measures to increase safety, reduce traffic congestion to improve the function of arterial and collector streets, and protect the function of all travel modes.

Transportation Demand Management

Objectives:

- To reduce peak hour traffic loading on the roadway system
- To reduce single occupant vehicle travel
- Implementation of a Transportation Demand Management (TDM) Plan for the city of Bend.

Policies:

7-20 The City shall continue to implement a transportation demand management plan for its employees. This plan should be designed to serve as a model for the community.

7-21 The City shall work with businesses, especially those with more than 25 employees, to develop and implement a transportation demand management plan. These plans shall be designed to reduce peak hour traffic volumes by establishing trip reduction targets over five years.

7-22 The City and County shall work with business groups, schools, the Park District and other governmental agencies to develop and implement transportation demand management programs.

7-23 The City shall manage and regulate parking by:

a) Establishing programs to lower parking demand in commercial and business districts citywide by providing preferential parking for carpoolers, encouraging mass transit use, encouraging shuttle systems from external parking lots, and maintaining an adequate supply of strategically placed bike parking facilities.

b) Requiring business groups and employers to develop parking management strategies that support reduced roadway system demand during the peak motor vehicle travel times.

7-24 The City, County and State shall participate in a Central Oregon Commute Options TDM Program by assisting in:

a) Development of park and ride facilities; and

b) Establishment of educational programs particularly those that will inform the public regarding the full costs of single occupant vehicle travel.

7-25 The City shall develop and utilize teleworking strategies as part of their business plan that will facilitate the movement of information and data rather than people.

7-26 The City shall adopt TDM supportive ordinances as appropriate.

Pedestrian and Bicycle Systems

Objectives:

- To support and encourage increased levels of bicycling and walking as an alternative to the automobile
- To provide safe, accessible and convenient bicycling and walking facilities

Policies:

7-27 The City shall work with the County, State, Forest Service, Park District and public agencies to acquire, develop and maintain a series of trails along the Deschutes River, Tumalo Creek, and the canal system so that these features can be retained as a community asset. Connections between the Bend Urban Area Bicycle and Trails System should be made to the USFS trail system.

7-28 The City shall work together with the Park District to acquire, develop and maintain the *primary* trails designated on the *Bend Urban Area - Bicycle and Pedestrian System Plan; Figure 7-2 –.* New development shall be required to construct and dedicate Primary Trails for public use according to this plan. The alignments

depicted are general in nature and shall be located according to criteria defined in TSP Section 6.3.1.3. These trails, and future trail additions, shall support the need for non-motorized travel in the community.

7-29 The City shall adopt standards for trail system right-of-ways and trail improvement that are based on the type of planned trail use.

7-30 The City shall develop safe and convenient bicycle and pedestrian circulation to major activity centers, including the downtown, schools, shopping areas and parks. East-west access to the downtown area needs particular emphasis across major obstacles, such as 3rd Street, the Bend Parkway and the railroad.

7-31 The City shall facilitate easy and safe bicycle and pedestrian crossings of major collector and arterial streets. Intersections shall be designed to include pedestrian refuges or islands, curb extensions and other elements where needed for pedestrian safety. Also, bike lanes shall be extended to meet intersection crosswalks.

7-32 Bike lanes shall be included on all new and reconstructed arterials and major collectors, except where bikeways are authorized by the TSP. Bike lanes shall also be provided when practical on local streets within commercial and industrial areas. Bike lanes shall be added to existing arterial and major collector streets on a prioritized schedule. Specific effort shall be made to fill the gaps in the on-street bikeway system. An appropriate means of pedestrian and bicyclist signal actuation should be provided at all new or upgraded traffic signal installations.

7-33 Property-tight sidewalks shall be included on both sides of all new streets except where extreme slopes, severe topographical constraints, or special circumstances exist. Landscape strips shall separate curbs and sidewalks on new and reconstructed roads. Sidewalks shall be added to all existing arterial and collector streets to fill the gaps in the pedestrian system.

7-34 The City shall develop a program to ensure timely maintenance and repair of all sidewalks, including but not limited to assigning responsibility for maintenance and repair. The City shall also include removing sidewalk obstructions or barriers that might otherwise not comply with Americans with Disabilities Act (ADA).

7-35 The City's top priorities for pedestrian improvements are: identified in the 2015-2025 Strategic Implementation Plan for Walking and Biking Infrastructure. These projects will be identified and prioritized in the CIP.

7-36 Bicycle and pedestrian facilities shall be designed and constructed to minimize conflicts between transportation modes.

7-37 Bicycle and pedestrian facilities shall be maintained in a manner that promotes use and safety. The City shall analyze the impacts of the use of cinders and consider alternatives to mitigate the

impacts. Street repair and maintenance shall be performed in a manner that does not negatively impact bicycle and pedestrian facilities and their use.

7-38 The City shall repair and maintain, including but not limited to striping, snow plowing, sweeping, stenciling and signing, all bike lanes in a timely manner.

7-39 Bicycle parking facilities shall be provided at all new multifamily residential, commercial, industrial, recreational, and institutional facilities, major transit stops, ~~all~~ transit stations and park and ride lots. The City shall support a "Bikes on Transit" program and work to increase the number of bicyclists using transit.

7-40 Establishing or maintaining accessways, paths, or trails must be considered prior to vacating any public easement or right-of-way.

7-41 The City shall work with the school and park districts to inventory, designate and protect access corridors and connector trails. The City shall refer to the Park District, for its review and recommendation, all development proposals that include or are adjacent to existing or proposed parks or trails

7-42 The City should support bicycle and pedestrian education and safety programs. The City shall establish and promote a comprehensive program for the reporting of and responding to bicycle and pedestrian hazards.

7-43 As land areas that are currently beyond Bend's existing Urban Growth Boundary (UGB) are urbanized and as it relates specifically to the Bend Primary Trail System, external destinations (beyond the UGB) and specific connection points (within the existing UGB) have been delineated on the Bend Urban Area Bicycle and Pedestrian System Plan, Figure 7-2.

Public Transportation System

Objectives:

- Continue to develop public transportation services for the transportation disadvantaged
- Reduce reliance on automobiles and develop public transportation facilities
- Increase mobility and accessibility throughout the urban area
- Continue to provide infrastructure and land use planning to support transit

Policies:

7-44 With the MPO, the City shall support the Cascades East Transit Service's public transportation system to accommodate the needs of Bend residents and visitors in order to reduce reliance on the automobile.

7-45 The City shall coordinate with the MPO and Central Oregon Intergovernmental Council to evaluate funding alternatives and seek appropriate resources to support a public transportation system. Effort should be made to evaluate creative funding techniques that may include the combination of public and private transportation resources in coordination with other agencies and transportation providers.

The City shall work together with Central Oregon Intergovernmental Council to develop inter-urban public transportation services. Priority shall be given to high load ridership corridors.

7-46 To accommodate a fixed-route transit system, land use ordinances and other regulations shall be implemented that establish pedestrian and transit-friendly design along potential or existing transit routes.

7-47 The City shall work with the MPO to implement and update its 20-year transit master plan.

Street System

Objectives:

- To provide a practical and convenient means of moving people and goods within the urban area that accommodates various transportation modes
- To provide a safe and efficient means to access all parts of the community
- To provide an attractive, tree-lined, pedestrian friendly streetscape sensitive to protecting the livability of the community

General Policies:

7-48 Streets shall be located, designed and constructed to meet their planned function and provide space for adequate planting strips, sidewalks, motor vehicle travel and bike lanes (where appropriate). Specific effort should be made to improve and enhance east-west circulation patterns for all modes of travel throughout the community.

7-49 Where a subdivision or partition is adjacent to land likely to be divided in the future, streets, bicycle paths, and accessways shall continue through to the boundary line of the subdivision or partition in order to achieve connectivity within the grid system.

7-50 Streets shall be classified and generally located according to the Bend Urban Area - Roadway System Plan (Figure 7-1), and the Street Functional Classification (Table 7-1). Transportation project development review and approval shall be subject to the provisions of the Bend Development Code.

7-51 In order to reduce vehicle speed, avoid construction of excessive pavement, and create livable neighborhoods, the City shall adopt

standards that allow for narrower streets and lane standards, on-street parking, and other pedestrian friendly design elements. The City shall manage the development process to obtain adequate street right-of-way and improvements commensurate with the level and impact of development. New development shall be supported by traffic impact analysis(es) to assess these impacts and to help determine transportation system needs.

7-52 Access control shall be part of the design standards for major collectors, arterials, principal arterials and expressways to ensure that adequate public safety and future traffic carrying capacity are maintained while at the same time preserving appropriate access to existing development and providing for appropriate access for future development. The city of Bend- shall adopt new street policies if necessary, to:

a) Conform street designations and other terminology to that which is used in this TSP;

b) Adopt written policies and procedures for access control on new and reconstructed major collectors, minor arterials and major arterials;

c) Provide that raised medians that eliminate left turn movements to existing streets or improved properties will only be installed after notice to affected property owners and an opportunity to be heard;

d) Require that in the case of new access control measures that will restrict existing turn movements into or out of existing homes, businesses or streets, the least restrictive measure (such as shared driveways, elimination of curb-cuts or “no left turn” signs) that is effective to achieve the purposes of the policy will be evaluated prior to installation of raised medians;

e) Require that the cost of installation and maintenance of raised medians, and in particular those with landscaping, be evaluated and alternatives be considered before raised medians are approved or required;

f) Replace any mandatory requirements for raised medians on streets other than new principal arterials and expressways with an analysis of the factors set forth above, and any other factors that are identified in the policy;

g) Provide that where commercial or industrial land uses abut residential areas, access shall not be directed to local residential streets.

7-53 City transportation system improvements shall comply with the Americans with Disabilities Act requirements.

7-54 Traffic signals or roundabouts shall be constructed in accordance with the design, spacing and standards adopted by the City.

7-55 The City Council shall involve the public, where appropriate, in the development and redevelopment of street designs prior to their construction.

7-56 The City shall consider the impact of improvements to or completion of existing facilities when considering the need for constructing new facilities.

7-57 The City shall place a high priority on providing adequate funding for street maintenance.

7-58 Traffic calming devices may be considered anywhere traffic impacts are adverse to residential livability.

Residential Streets:

7-59 New residential block lengths shall not exceed 600 feet without a connecting cross street. When existing conditions or topography prevent a cross street, a pedestrian accessway to connect the streets shall be required.

7-60 A grid-like pattern of residential local streets shall be developed whenever practical in order to increase street connectivity within a neighborhood

7-61 The City may require adjustment to the street pattern or installation of traffic calming devices in order to discourage high speed and volume vehicular traffic on local residential streets.

7-62 Street widths on public residential local streets may vary depending on topography, anticipated traffic volume, natural features that warrant protection, and existing street patterns in the neighborhood. Right of way shall be a minimum of sixty (60) feet except in special circumstances. Narrower streets may have limited on-street parking to ensure emergency vehicle access.

7-63 New alleys should be developed to City standards and shall be maintained by the property owners.

7-64 Cul-de-sac or “hammer-head” residential streets may be allowed only where existing development, steep slopes, open space, or natural features prevent through street connections, or when the objectives of connectivity are met within the neighborhood.

Arterial Streets:

7-65 Appropriate facilities for bike, pedestrian and transit use shall be included in any road-widening project.

7-66 The City shall evaluate the effect of transportation demand management (TDM) and transportation system management (TSM) measures that would successfully eliminate or delay the need for

minor arterial street widening beyond the existing travel lanes within the twenty-year design life of a proposed roadway project. Transportation system computer modeling is one acceptable evaluation method that can be used to assist in the assessment of forecast travel demand and the associated vehicle travel lane needs.

TDM/TSM measures as an alternative to roadway widening: The TDM and TSM measures incorporated into this analysis, as an alternative to roadway widening, shall be capable of funding and fulfillment within a reasonable time period such that the subject arterial level-of-service shall not diminish below an acceptable adopted City standard.

TDM/TSM measures and roadway widening: If the implementation of TDM and TSM measures from the previous analysis are determined to be insufficient in meeting the transportation system needs along the subject roadway corridor, the City shall undertake an evaluation of the consequences that additional roadway widening may have on adjoining neighborhoods as well as the benefits gained by additional street construction.

This evaluation shall include an assessment of the design features and construction options for the road widening project. The design analysis of roadway widening shall consider the impacts on all modes of travel, adjacent affected travel corridors and the impact on properties immediately adjacent to the contemplated road widening. The most effective and appropriate TDM and TSM measures recommended by the evaluation as selected by the City Council, shall be implemented either in conjunction with, or before, the road widening project. The City Council after providing notice and opportunity to be heard at a public hearing shall decide whether to authorize the street widening based upon this policy and the evaluation report. Written notice shall be provided to property owners within 250 feet of the proposed widening and to affected neighborhood associations. In addition, notice of the hearing shall be posted in conspicuous locations along the proposed widening and published at least ten days prior to the hearing.

The City Council shall receive this evaluation report that makes the aforementioned analysis of TDM and TSM measures, and the evaluation of roadway widening design options, prior to considering authorization of proceeding with the road widening project.

Minor arterial street corridors shall be designated by City Council as falling into one of three classifications:

a. “Not authorized for lane expansion”. These minor arterial corridors are described in the TSP, in Section 6.5.1.4 requiring a TSP amendment before being categorized as “b” or “c” as described below.

b. “Possible lane expansion”. These minor arterial corridors are listed in the City’s annual Capital Improvement Plan

as corridors where additional travel lanes may be necessary within the 20-year planning period. Street corridors in this category may not be programmed for lane expansion in the CIP without City Council authorization.

c. "Probable lane expansion". These minor arterial corridors are listed in the City's annual Capital Improvement Plan as corridors where additional travel lanes are probably going to be necessary within the 20-year planning horizon. Street corridors in this category may not be programmed for lane expansion in the CIP without City Council authorization.

Intersection widening and improvements that are necessary for vehicle turning lanes or pedestrian safety, are exempt from this policy.

Notwithstanding a street's categorization as "possible lane expansion" or "probable lane expansion", the City Council must comply with paragraphs 3 and 4 of Transportation System Plan Arterial Street Policy 21 prior to authorizing a road widening project.

7-70 The City shall develop and implement a plan to improve the appearance, safety and function of East 3rd Street, portions of Highway 20 and old Highway 97 when the Parkway is completed.

7-71 The City shall work with the State to line the entrance to the city of Bend along Highways 97, Highway 20, Century Drive and the Parkway, with large stature trees.

7-72 Landscaped medians should be included on all arterial streets, except where right-of-way acquisition is not possible, that incorporate left-turn refuge lanes at controlled intervals to improve community appearance, maintain system mobility and to reduce the adverse effects of wide street widths to all types of travel. On streets with multiple vehicle lanes and wide curb radii, pedestrian refuge islands shall be constructed to minimize street crossing distances.

7-73 Frontage roads shall be provided parallel to arterial streets, as illustrated on the Bend Urban Area Roadway System Plan Map, or as determined necessary by the City or State, to maintain an acceptable level of safety and carrying capacity on the arterial street system.

7-74 The city of Bend shall work with ODOT to plan for specific improvements needed to grade separate Cooley Road from US 97 and the railroad.

7-75 When a final land use or limited land use decision determines that a right-turn lane will improve, maintain or prevent further degradation of an applicable performance standard for the intersection of an arterial with another arterial of the intersection of an arterial with an expressway, the right-turn lane shall be

considered allowed by the TSP at the appropriate location, provided that if the need for the right-turn lane is caused by a specific application, the applicant shall be responsible for full payment of the costs associated with construction of the right-turn lane.

Parkway:

7-76 The City accepts the findings of US 97 Bend North Corridor Project Preferred EIS Alternative. Prior to design and construction, the City and ODOT will coordinate to conduct two independent project development plans/designs within the study area of the preferred alternative to verify the construction meets the then current needs of both the City and ODOT. One plan development and design will be for the study and analysis, including the impact on any business, of a possible Robal Road connection to the ODOT Preferred Alternative to be completed prior to entering into an intergovernmental agreement (IGA) for implementation of the US 97 phase of the Preferred Alternative. The other development and design will be for the Empire interchange area to be completed prior to entering into the intergovernmental agreement (IGA) for implementing the phase of work that would impact any business, public street, or private driveway access onto Empire Avenue. The final redevelopment of the transportation system at Robal and Empire and the ODOT Preferred Alternative may include some or all of the changes determined in the final design to improve the transportation system and meet the City's transportation needs. The IGAs will conform with the studies and analyses.

7-77 The City of Bend will coordinate with ODOT to determine when to implement closures to approaches on Empire Avenue and improvements to Mervin Sampels and connecting roads shown in the US97 Bend North Corridor preferred alternative.

Safety:

7-78 The City shall improve transportation safety for all modes through approved design practice, sound engineering principles and regulation of vehicle speeds.

7-79 The City shall explore with the State and implement appropriate "Intelligent Transportation System Devices".

7-80 The City shall take measures to ensure that traffic speeds are appropriately designated throughout the City.

7-81 As a part of the development process, right-of-way shall be acquired as necessary for the correction of street intersections, excessively sharp curves, or as otherwise necessary to improve the safety of a road alignment.

7-82 The City shall support efforts to educate the public regarding safe travel on the transportation system.

7-83 The City shall monitor transportation crash and safety issue locations, and develop and implement corrective improvement projects.

Rail System:

7-84 When railroad rights-of-way are considered for abandonment or vacation, the City shall seek the preservation of these corridors for other transportation services.

7-85 The City shall work with Burlington Northern Santa Fe Railway to develop and implement a plan for train scheduling to ensure that the current needs of the transportation system in the City are minimally affected.

Bend Central District Plan (BCD):

7-86 The city will partner with property owners and developers to make improvements to transportation facilities within the District Overlay to improve connections for all modes of travel, including implementing a well-connected system for pedestrians, bicyclists, and transit users.

7-87 The city will implement street designs identified in the District Plan over the long term. Improvements may be phased in over time and will be refined, as needed and appropriate, through more detailed facility design processes.

7-88 The city will encourage and work with local businesses and residents to implement transportation demand management programs and strategies.

7-89 The city will work with local businesses and property owners to develop and implement a parking strategy for the District that meets local parking needs while also encouraging us of alternative modes (e.g., bicycling, walking, and transit) to travel to, from, and within the District.

Integrated Land Use and Transportation Plan:

7-90 The City will implement the land use, transportation demand management, parking management, transit, and complete streets strategies, projects and programs that are identified as Proposed Strategies in Chapter 4 of the ILUTP.

7-91 The City will conduct a planning study to evaluate the potential for Transportation Management Areas for the opportunity areas, transit centers, and public and private institutions and companies.

7-92 The City will include streetscape projects in opportunity and core areas and transit corridors when developing the transportation CIP priorities and projects.

7-93 The City will develop transit priority corridors in the opportunity and core areas that include a combination of land use policies and codes and transportation enhancements that encourage transportation options.

7-94 The City will update the assessments of the ILUTP standards at each update of the Bend MPO regional transportation system plan and the City TSP.

TSP Map Updates:

7-95 Any Bend TSP map that illustrates a dashed line for a proposed transportation facility may be updated administratively by staff upon the construction/completion of that facility. Updating of any affected maps shall convert any "dotted" lines into "solid" lines that follow as-built alignments, as much as practical, and shall not constitute a land use decision.

Transportation Funding and Prioritization

Policies:

7-96 The Bend City Council should regularly evaluate existing funding sources and explore the use of new funding opportunities to increase resources for maintenance operations and capital improvements.

7-97 The City shall work with the County and State to develop new sources of transportation funding for all transportation modes.

7-98 The City shall annually prepare a five-year capital improvement program for a balanced transportation system. The selection of transportation improvements, within the City's yearly Capital Improvement Program plan, shall continue to be subject to public review and comment through a City Council public hearing process.

7-99 The City shall explore ways in which to better inform and involve citizens in the development of transportation system budgets.

7-100 The City shall work with ODOT to develop funding sources for projects on the state highway system that include City and State as major funding partners.

7-101 The City shall use the City Council adopted Transportation Implementation Program (TIP) as a guide to the development of all transportation projects in the Capital Improvement Program (CIP).

7-102 The Financing Program projections show that sufficient funding will be available to build the twenty-year needs of the transportation system that are included in the TSP and further defined as the near- and mid-term priorities. However, if existing and future funding levels do not fully cover increased demand on the system, the City Council may accept additional congestion on the roadway system to allow transportation projects to be postponed beyond the planning period.

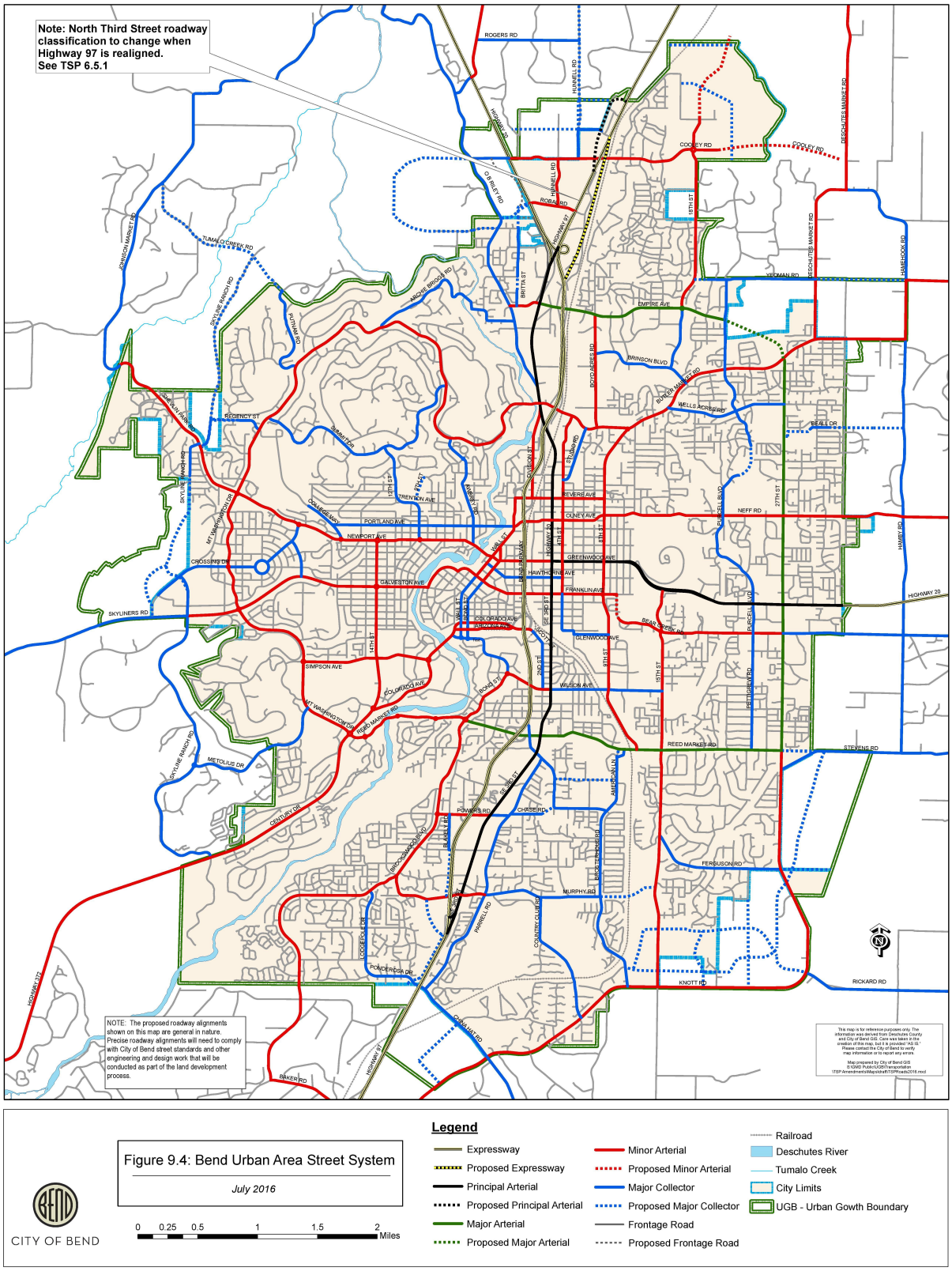

Note: North Third Street roadway classification to change when Highway 97 is realigned. See TSP 6.5.1
NOTE: The proposed roadway alignments shown on this map are general in nature. Precise roadway alignments will need to comply with City of Bend street standards and other engineering and design work that will be conducted as part of the land development process.
Figure 9.4: Bend Urban Area Street System
July 2016
CITY OF BEND
0 0.25 0.5 1 1.5 2 Miles
Legend
Expressway
Proposed Expressway
Principal Arterial
Proposed Principal Arterial
Major Arterial
Proposed Major Arterial
Minor Arterial
Proposed Minor Arterial
Major Collector
Proposed Major Collector
Frontage Road
Proposed Frontage Road
Railroad
Deschutes River
Tumalo Creek
City Limits
UGB - Urban Gowth Boundary

Table 7-1 (TSP Table 12)
Street Functional Classification System Typical Characteristics

Functional Classification	Projected Daily Traffic (Typical)	Functional Classification Spacing (Typical)	Trip Length (Typical)	Vehicle Lanes (Typical)	Bike Lanes	Sidewalks	Parking Permitted (Typical)
Expressway	20,000 – 45,000+	5+ miles	Over 5 miles	5	Yes	Yes both sides	No
Principal Arterial	15,000 – 40,000	2+ miles	Over 2 miles	5	Yes	Yes both sides	No
Major Arterial	10,000 – 30,000	1-2 miles	Over 1 mile	3-5	Yes	Yes both sides	No
Minor Arterial	5,000 – 18,000	½ - 1 miles	Over 1 mile	2–5	Yes	Yes both sides	No*
Major Collector	1,5000 – 9,000	½ mile	Under 1 mile	2-3	Yes	Yes both sides	No*
Industrial Street	500 – 3,000	Not applicable	Varies	2	Not required	Yes both sides	Yes
Local Street	<1,500	300 – 600 feet	Under ½ mile	2	Not required	Yes both sides	Yes
Frontage Road	Varies	Not applicable	Varies	2	Not required	Yes both sides	Yes** if adequate width provided
Alley	<400	Not Applicable	Not Applicable	1 ½	Not applicable	Not applicable	Yes** if adequate width provided

* Parking permitted if approved by local jurisdiction
** Parking permitted adjacent to the facility but NOT obstructing the travelway

Figure 7-2
Bend Urban Area Bicycle and Pedestrian System Plan